

FOREIGN FIRMS IN
SOUTH AFRICA - DUTCH

18/5/75 - 30/12/81

Hollander raps sy kerke

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Rapport
18/5/75

Van Ons Korrespondent

AMSTERDAM

'N DERDE Nederlandse sakereus het hom gister sterk uitgelaat teen die Wêreldraad van Kerke se boikothouding teen Suid-Afrika. Terselfdertyd het hy die Nederlandse kerke geraps oor die rigting wat hulle teen Suid-Afrika inslaan.

Hy is doktorandus A. J. van der Meer, voorsitter van die Nederlandse Christelike Werksgewersverbond (NCW). Sy organisasie verteenwoordig van die belangrikste Nederlandse sakeondernemings in Suid-Afrika.

Die ander twee sakereuse wat standpunt teen die Wêreldraad van Kerke ingeneem het, is dr. J. R. M. van den Brink, van Amrobank en dr. Fritz Philips van Philips.

„In die Nederlandse sakewêreld word die standpunt van die Wêreldraad van Kerke oral van die hand gewys,” het drs. Van der Meer gister aan RAPPORT gesê.

„Die laaste jaar het Nederlandse aandeelhouders oral die verhouding met Suid-Afrika bespreek. Die onlangse uitsprake van die hoofdirekteure van Philips en Amrobank is 'n aanduiding van die uitslag van die meeste van hierdie besprekinge.”

Skerp onrus

Oor die houding van die Nederlandse kerke teenoor Suid-Afrika het drs. Van der Meer hom soos volg teenoor RAPPORT uitgelaat:

„Daar is skerp onrus en ontevredenheid by 'n groot groep kerkmense — ook sake-lui wat in Suid-Afrika belê — oor die rigting wat die kerke inslaan.

„In Junie vergader die Hervormde Sinode weer om 'n verslag oor Suid-Afrika te bespreek waarin 'n ekonomiese boikot aanbeveel word.

„Hierdie verslag is opgestel deur Robert van Waesberges, bekende uiters linkse joernalis wat na my wete nog nooit eens in Suid-Afrika was nie.

Die NCW distansieer hom van die ongenuanseerde kritiese houding van die Nederlandse kerke teen Suid-Afrika. Aan die ander kant stel die NCW wel vyf eise aan sy lede wat in Suid-Afrika belê.

„Dit is:

* Die beleggers moet hul

invloed gebruik teen werkbakeningswetgewing;

* Vrye vakbewegings moet ondersteun word;

* 'n Redelike minimumloon moet betaal word;

* Opleidings - geleenthede vir alle rasse moet gelyk wees; en

* Gelyke loon moet vir gelyke werk betaal word.”

Ontspanning

Op 'n vraag hoe die huidige evolusionêre veranderinge in Suid-Afrika die beleggingsmoontlikhede beïnvloed, het drs. Van der Meer gesê:

„Dit het 'n baie gunstige invloed op die beleggingsklimaat. Net die ekonomiese resessie in Wes-Europa en ook in Nederland demp die beleggingsinisiatief.

„Maar daar kan gesê word dat veral die ontspanning met Afrikalande beleggings in Suid-Afrika stimuleer.”

Drs. Van der Meer sê daar is twee strominge in die Nederlandse sakelewe. Die een stroom vertrou dat die toestand in Suid-Afrika onder die huidige leiding sal stabiliseer tot harmonie en versoening tussen die rasse.

Hierteenoor is die ander stroom versigtig. Hulle neem 'n afwagtende houding in.

Hulle wonder of die nuwe maatreëls in Suid-Afrika nie te laat gekom het nie.

Dit is moeilik om te bepaal hoeveel sukses of mislukking die anti-groepe, soos die Nederlandse anti-apartheidsbeweging, gehad het, sê drs. Van der Meer.

„Maar die uitsprake van mense soos dr. Philips en dr. Van der Brink toon dat hulle op die vlak van bestuursliggame van sakeondernemings min sukses behaal het.”

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STAR

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11/6/75

Own Correspondent

THE HAGUE — The synod of the Hervormde Kerk of the Netherlands meets today to hammer out a collective view on whether to recommend the withdrawal of foreign investments from South Africa, or to give it conditional support.

The meeting may determine the church's official standpoint for the World Council of Churches congress in Nairobi later this year.

Few churchmen were willing to predict which way the vote will go. Some are convinced that the findings of the Le Grange commission will influence the mood of the debate from South Africa's viewpoint.

Mr Vorster's detente exercise has served to soften opinion on South Africa, even in this hard-bitten left-wing country, but his unrelenting pressure against church opposition to apartheid is serving now to nullify the advantages gained.

AGAINST

Earlier this year, the Dutch Council of Churches, which is made up of 11 churches including the big three — the Hervormde Kerk, the Geref Kerk and the Roman Catholic Church — decided against recommending the withdrawal of investments.

Instead, it decided to use its influence within the church groups in South Africa to bring about change.

It is thought now that the Dutch council's influence has been cut by the barring of foreign finance to the Christian Institute.

In addition to the Hervormde Kerk debate on investment, the Geref Kerk is preparing for a synod debate on the WCC's programme to combat racism. No date has yet been set for the debate.

When they meet, church leaders will bear in mind the ultimatum from the general synod of the Ned Geref Kerk in South Africa that unless the Dutch church reversed its support for the WCC programme, the synod would regard ties with Netherlands churches as having lapsed.

The WCC contributed R400 000 to the Programme to Combat Racism recently, which includes support for several terrorist organisations.

The Dutch churches

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STAR 12/6/75

UTRECHT — The General Synod of the Dutch Hervormde Kerk has not recommended a total withdrawal of foreign investment in South Africa but has toughened its attitude considerably.

After a five-hour debate yesterday the synod voted 39—9 in favour of a motion sharply jabbing Dutch investors in South Africa into more action to create change in the apartheid system.

The motion calls on the investors to produce evidence quickly that their continued presence in South Africa is, in fact, creating change.

The investors must produce this evidence within a reasonable time, the synod agreed, or the general moderation of the church would be authorised to recommend the withdrawal of all investments on the grounds that they were not having the desired effect.

This must be seen in the light of the synod's

Tim Patten

1973 decision to support investment in South Africa because it believed investment created the opportunity for foreign firms to exert their influence on the South African Government to introduce reformed labour relations which would have to be followed by South African concerns.

SAIDHANA BAY

Until evidence of this was produced, the synod decided, it would recommend that no new investment be made in South Africa. This is a direct reference to the proposed Dutch steel venture at Saidhana Bay.

The vote determined the church's official viewpoint for the World Council of Churches congress in Nairobi later this year.

Of more significance than the decisions taken by the synod was the apparent change in mood of the church members, adequately displayed by the overwhelming vote for tougher action.

HOSTILE

The mood, said the general secretary of the Hervormde Kerk, Dr A H van den Heuvel, was "considerably more hostile" and was directly attributable to the drastic restrictive measures taken against the Christian Institute by the South African Government.

Dr van den Heuvel said: "Mr Vorster's move against the Christian Institute had probably cost 15 votes in the synod which would normally be in favour of maintaining the

Tim Patten

UTRECHT — A diminutive Coloured South African priest from Paarl, the Rev Allen Boesak, stole the limelight and the honours when he addressed the general synod of the Nederduitse Hervormde Kerk here yesterday.

His powerful and significant speech during the debate on foreign investment in South Africa had veteran South African-bashing Dutch churchmen on the edges of their chairs.

Mr Boesak, an eloquent and emotional theology student, described in vivid terms the growing gulf between Black and White in South Africa and expressed the need for international church movements to step up their dialogue with Black churches in South Africa as a matter of urgency.

UNACCEPTABLE

Apartheid, he said, was totally unacceptable to Black churchmen of all denominations, but this was not the case with some White churches, which believed that apartheid was a policy sanctioned by God.

On this basis it was impossible for Black and White churchmen within the Dutch Reformed churches to concur on any subject, and it was likely to

cause the final rift which had been brewing between the two. Churches in Holland, he said, would do well to listen carefully to the authentic voice of Black opinion emerging from the Black Dutch Reformed churches.

SPECIAL PLACE

In a voice full of emotion, Mr Boesak condemned the Le Grange Commission's findings and subsequent Government action against the Christian Institute. The CI represented a hope of eventual justice in South Africa and was the only workable link between the Black and White churches.

"The CI takes a special place in the hearts of the Black community, especially of the Black Dutch Reformed Church people."

Mr Boesak, who was born in Namaqualand and raised in Somerset West, studied at the Bellville theological seminary, where he graduated in 1967.

He worked for three years as a minister in the Paarl Missionary Church before leaving South Africa in 1970 to study further at the Kampen Theological Institute in Holland. He is to return to South Africa next year.

Dutch churchmen said that the decision to cut off foreign finances to the Christian Institute was seen as "Mr Vorster's biggest blunder."

status quo. Their frustration urged them to demand tougher action.

Members of the synod had been "extremely aggravated" by the move to cut off foreign finances for the Christian Institute and they regarded it as "Mr Vorster's biggest blunder."

The synod also called on the Dutch Government to use its powers of influence to see that the apartheid system was eliminated quickly or to review drastically its political, economic and other relations with South Africa.

Dr van den Heuvel was strongly in favour of Mr

Vorster's attempts to achieve a quick Rhodesian settlement.

Then he added: "While he (Mr Vorster) dishes out medicine for Mr Smith to take, he should at least be prepared to taste his own remedies. He would find that they would do him and the country a lot of good."

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C.T. 18/6/75

Shell considering R500m investment in Southern Africa

SHELL is considering capital projects in Southern Africa which could involve expenditure of up to R500m in the next decade.

This was announced by the chairman and chief representative, Mr K L G Geeling, at a banquet to mark Shell's 75 years in Southern Africa, held in Cape Town last night.

Mr Geeling also announced that Shell's local oil interests would become completely independent on June 26, thus joining

the existing 100 percent owned chemicals, coal and metals companies in the Royal Dutch/Shell Group in Southern Africa.

Projects

"On June 26 the historic value of our asset investment in the Republic, South West Africa, Botswana, Swaziland and Lesotho will stand at some R250m.

"We aspire to play a continuing and developing

role in the economies of these countries and we are at present evaluating new major projects which may well involve capital expenditure of up to R500m over the next ten years.

"By the end of that period, therefore, the cost of our asset investment in Southern Africa could be some three-quarter billion

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from available crude oil, the catalytic cracking plant would be improved and a new complex was being designed to make gas-oil available in place of the fuel oil. This would enable the country's needs to be met with less imported crude oil and improve flexibility. In addition, a new feedstock preparation unit was on the drawing board.

These facilities would cost the group R25m. The group was also involved in the development of an ethylene cracker for the production of feedstock for South Africa's plastics industry. Preliminary estimates indicated a total capital investment of R100m of which the groups share again would be R25m. The Africa independent of plastics feedstock importations for some years.

Refining

Normal capital expenditure of several million rands a year on tankage, modernization, the protection of the environment and to improve services to customers in all categories, would be augmented by a two-stage expansion of the group's refining facilities, the biggest in Africa in both capacity and capital investment, at Durban. To enable more petrol and gas-oil to be produced

Aviation

Investments to produce aviation gasoline and special products for industrial purposes in the Republic were also being studied. In the more distant future heavy investment was envisaged to improve both the quality and yield of marketable

products from crude oil. Considerable additional investment would also be made in chemicals, coal and metals.

Shell Chemical, which began operating in South Africa 26 years ago, now had four main divisions - agricultural chemicals, industrial chemicals, polymers and consumer products - and its investments represented a significant proportion of the group's net capital employed in the Republic.

Its epikote resin plant, the first on the African continent, which represented a capital investment of more than R2m, produced 4000 tons a year - more than sufficient to meet South Africa's present needs.

Agriculture

The company operated formulation plants for agricultural chemicals, paint and lacquer solvents, polyurethane chemicals, and consumer products, at Durban, Wadeville, Cape Town and Port Elizabeth and manufactured polyurethane products mainly for building and refrigeration.

In the thermoplastic field Shell know-how was used to manufacture more than 10 000 tons a year of a range of polystyrenes and plans for a new plant to increase production to meet South African current and future needs were being considered. "A R50m polypropylene



Mr K L G Geeling

plant is being planned and we expect it to be in production in the second half of 1978," said Mr Geeling.

"The new plant to be built at Durban will have a design capacity of 50 000 tons a year, which will make South Africa self-sufficient at that time and open up significant possibilities for polypropylene."

Coal

Turning to coal, Mr Geeling said that experience gained over several decades in the search for oil - including expenditure of R2m in the Republic - had enabled Shell to develop significant resources in manufacturing power and exploratory techniques which were being used to search for coal in Southern Africa.

"Collectively our skills in exploration, transportation, and as a world-wide energy marketer, together with our ability to design, co-ordinate and fund the money for major projects on an international scale, place us in a unique position to locate, develop and market coal," he said.

Shell Coal had been active for several years in "grass roots" coal exploration in various parts of the Republic and had located significant areas

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Shell

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tion, involve investments of hundreds of millions of rands," Mr Geeling said.

Atomic

Referring to Shell's 50 percent ownership of General Atomic, developer and manufacturer of the high temperature gas-cooled reactor (HTGR), Mr Geeling said that that association made know-how on the most advanced international nuclear technology available to the group.

"The HTGR is considered to be particularly suitable for South African conditions and preliminary studies now in progress would lead to the introduction of this more advanced reactor in the late 1980's," he said.

"We have also entered the minerals field and through our wholly-owned subsidiary, Billiton Exploration South Africa, are actively prospecting for base metals such as zinc, copper, nickel and lead, in various parts of the Republic. In time we hope to extend our activities into other sectors of the metals industry.

"In our 75th year in Southern Africa the independent Shell group stands on the threshold of transforming from a petroleum supplier into a great energy producer with expanding interests in chemicals and metals."

Detailed feasibility studies are being made for mining, transporting and marketing coal from a new mine in the Witbank-Bethal area in equal partnership with Transvaal Consolidated Lands, a company in the Barlow Rand Group.

Exports

"We are negotiating with the Government in connection with the long-term export of coal from the Republic and expect to be able to satisfy any conditions placed on future exporters," said Mr Geeling.

The group held special prospecting licences to look for coal, oil, shales and radio-active minerals in Botswana and Swaziland and began exploratory work in both countries in 1974.

Wherever feasible, coal deposits would be developed by the most modern strip mining methods which would include the preservation of the environment by reclamation and replanting. An order worth more than R30m for draglines had already been placed.

"We are acknowledged experts in the technology of transporting solids through slurry pipelines. Detailed design studies are being finalized to transport coal by pipeline to Richards Bay, where the Railway Administration is building facilities to enable the export of coal in large vessels.

"We are also deeply involved in major research on the efficient and economic conversion of coal into hydrocarbon gases and liquids. Laboratory and pilot studies are expected to lead to processes showing improvement over current technology.

"The viability studies we are undertaking on coal mining, solids pipelining and coal conversion will, if they come to fruit-

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SHELL TO COMPRISE 12 FIRMS IN S.A.

Natal 18/6/75
Mercury Correspondent

CAPE TOWN — When Shell in Southern Africa becomes an independent oil, chemical, coal, metals and nuclear group within the world-wide Royal/Shell Group on June 26, 1975, it will consist of 12 companies in South Africa, South West Africa, Botswana, Swaziland and Lesotho.

Shell (Petroleum Supply) Ltd., will be the major company. A new company, Shell Southern Africa (Pty.) Ltd., will provide financial, computing, corporate planning, personnel, and trade relations services to the whole group.

The present oil company in South Africa, Shell South Africa (Pty.) Ltd., will change its name to Shell Oil South Africa (Pty.) Ltd.

Other companies will be: In South Africa: Shell Chemical South Africa (Pty.) Ltd.; Shell Coal South Africa (Pty.) Ltd.; Bilton Exploration South Africa (Pty.) Ltd. (metals).

In Botswana: Shell Oil Botswana (Pty.) Ltd.; Shell Coal Botswana (Pty.) Ltd.

In Swaziland: Shell Oil Swaziland (Pty.) Ltd.; Shell Coal Swaziland (Pty.) Ltd.

In Lesotho: Shell Oil Lesotho (Pty.) Ltd.

In South West Africa: Shell Oil South West Africa Ltd.

Shell Coal South Africa (Pty.) Ltd., will be responsible for the group's nuclear activities.

In addition, the Shell group will retain a 50 percent interest in Sapref, the Durban refinery which is operated under a service agreement with Shell Internationale Petroleum Maatschappij, The Hague; a 50 percent interest in African Bitumen Emulsions (Pty.) Ltd.; a 25 percent interest in South African Lubricants Manufacturing Company (Pty.) Ltd., (manufacturers of base oils for lubricants); a 17.5 percent interest in Trek Bellegings Ltd.; and a 36 percent interest in Prices (South Africa) Ltd.

18/6/75

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Natal Mercury Reporter

THE Shell Oil Company plans to spend about R500-million in Southern Africa over the next 10 years, and of this amount R75-million will be spent in Durban.

It was disclosed at a Durban banquet last night marking the company's 75th year of operation in Southern Africa that a two-stage expansion of the group's refining facility and the building of a polypropylene plant would be undertaken in the city.

Mr. K. L. G. Geeling, the company chairman, said in a speech read on his behalf that the two-stage expansion programme would cost R25-million, and the new plant R50-million.

To enable more petrol and gas-oil to be produced from available crude oil, the catalytic cracking plant is to be improved, and a new complex is being designed to make gas-oil available in place of fuel oil.

"This would enable the country's needs to be met with less imported crude oil and improve flexibility. In addition, a new feedstock preparation unit is on the drawing board," he said.

Mr. Geeling said the polypropylene plant would probably be in production by mid-1978. It would have a design capacity of 50 000 tons a year, which would make South Africa self-sufficient at that time and open up significant possibilities for polypropylene.

Other projects for Shell over the next 10 years included the development of an ethylene cracker for the production of feedstock for the plastics industry.

Mr. Geeling also announced that the company's local oil interests would become independent from June 26, thus joining the existing 100 percent-owned chemicals, coal and metals companies in the group in Southern Africa.

"We aspire to play a continuing and developing role in the economies of Southern African countries and are at present evaluating new major projects which may well involve capital expenditure of up to R500-million over the next 10 years.

"By the end of the period, therefore, the cost of our asset investment in Southern Africa could be some R750-million.

R400m coal pipeline studied by Shell

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8/7/75

Cape Times Correspondent

JOHANNESBURG.—The coal mine Shell South Africa and TC Lands is opening in the Witbank district has been earmarked to service the export market almost entirely. Shell is currently studying the feasibility of piping the coal in a slurry form to Richards Bay.

At a press conference in Johannesburg yesterday, the chief executive of Shell in South Africa, Mr Ken Geeling, revealed that the possible cost of the pipeline could well be about R300m. to R400m. at today's prices if it became a multi-user facility — a condition being stipulated by the authorities.

On this basis the likely capacity of the pipeline would be of the order of 20m. tons of coal a year. Shell's portion would be about 7 500 000 tons, if negotiations with the Government are satisfactorily concluded for the export over 20 years of 150m. tons of coal.

I was told this quota would almost certainly absorb the bulk of the ton-

nage produced by the T C Lands/Shell mine.

Feasibility studies for the coal slurry pipeline are still very much in a state of flux, even though Shell has been investigating such a transportation system for the past 13 years.

The main reason is the stipulation by Government that the pipeline must be available for use by all the large coal exporters who are desirous of following this route.

Of the five groups which have been granted provisional export quotas, only the South Cape corporation, which has been granted a provisional quota of 150m. tons, and Shell are interested in following the pipeline route.

The others, including the Transvaal Coal Owners Association, Anglo American, General Mining

and British Petroleum and the Total Oil Company, have indicated that they are not interested.

INDEPENDENT

Mr Geeling made it very clear yesterday that Shell's feasibility plans in connection with this project are being carried out independently of whatever studies South Cape may be involved with.

There is no tie-up between the two companies on this project. Apart from an informal discussion held some months ago there has been no direct contact, according to Mr Geeling.

This did not mean that there was no likelihood of South Cape participating in Shell's pipeline plans, "if they have the necessary finance and coal", Mr Geeling added.

They're Shelling out R500 million with emphasis on coal

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Sun Trib (Kin) 22/16/75

Financial Editor

QUITE obviously, from the announcement made by Shell this week that it is to invest R500 million in South Africa over the next ten years, the emphasis is going to be on coal.

For, although oil will continue to dominate the energy arena for some years it is certain that Shell views coal potential with the greatest optimism. Figures from the World Energy Conference last year show that economically recoverable coal reserves total an equivalent of 3 000 billion barrels of oil whereas economically recoverable oil totals only 550 billion barrels. So the emphasis is on coal and, of course, nuclear energy. And in both these fields Shell is making a powerful push.

The group makes the point that in searching for oil over a long period of time it has built up a "vast bank of information" on the world's geological structures and, as such, places it in a strong position for the exploitation of oil-alternate energy reserves.

Already Shell has located "significant" reserves of coal in South Africa and is currently involved in a feasibility study for mining, transporting and marketing coal from a new mine in the Witbank/Bethal area in equal partnership with Transvaal Consolidated Lands.

The group has an export permit for 150 million tons of coal over 20 years and is also involved in negotiations on a coal slurry pipeline between Witbank and Richards Bay. The cost of this pipeline could be around R300 million —

an amount which, depending on the negotiations, could be spread out among several users.

Shell is developing the technology of slurry transportation. The slurry is a mixture of coal particles and water with the coal having been ground to particles all smaller than 1 millimetre in diameter. The mixture is about 50 percent coal and 50 percent water — by mass.

Solved

Preliminary designs for the Richards Bay pipeline cater for around 20 million tons of coal to be moved a year.

Shell claims that one of the main problems of slurry transportation — dewatering — has now been solved.

The group is also involved in the nuclear energy field and feels that,



K. L. Geeling

in this area, there is considerable potential for South Africa.

Shell has a 50 percent interest in General Atomic whose main business is the design, development, marketing of high temperature gas reactors and their associated nuclear fuel.

It is claimed that the HTGR is the most advanced nuclear power system commercially available today and is considered to have definite advantages on safety environmental and operating grounds.

According to Mr K. L. G. Geeling, Shell's South African chairman the HTGR is considered to be particularly suitable to South African conditions and preliminary studies now in progress could lead to the introduction of this reactor in the late 1980s.

Banks urged to quit SA

STAR 2/9/75
Tim Patten

THE HAGUE — Dutch banks with investments in South Africa are facing renewed boycott pressure from anti-apartheid movements here.

The banks are accused of promoting the apartheid system by refusing to break off their ties with South Africa.

The anti-apartheid movement in Holland, which has strong ties with the World Council of Churches in the financing of terrorism in Southern Africa, has condemned five Dutch Banks for their "blatant support of racism in South Africa."

The five banks concerned are Amro (Amsterdam-Rotterdam) Bank, the Netherlands Bank, Van Lanschot Bank, the Central City Bank (Middenstadbank) and Mees and Hope.

The anti-apartheid movement says the banks are playing right into the hands of the Vorster Government by granting it easy loan facilities.

"Now that the Black population of South Africa is on the move, it is of the utmost importance to the South African Government that more and more of the South African economic sector fall into the hands of the Afrikaner," says a report just published by the movement.

The report condemns the investment by Amro Bank in South Africa as being "similar to investment in Nazi Germany." The bank, it says, was "financing crimes against humanity."

Dutch firm to expand in SA

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① 70
② 107
③ 183

5-MAR 23/9/75

Tim Patten

THE HAGUE—A large Dutch company, Akzo, has announced that it is to build a R1,7m factory in kwaZulu — causing a wave of left-wing indignation here.

The announcement by the chemicals subsidiary of the giant organisation came at the start of a campaign for withdrawal of investment from South Africa.

To add to the Left-wing anger, Akzo simultaneously announced that it would expand its salt division substantially by rebuilding and broadening its investment in the chemical industry in South Africa.

EQUAL PAY

News of the decision was splashed on the front page of one of the most influential Dutch newspapers, Volkskrant, which also carried a full report on the aims of the anti-investment campaign.

It was announced that Akzo would build a factory together with its Bri-

tish partner, Chemical Holdings. Each will contribute R600 000 and the rest will come from within South Africa.

Although large, the factory will employ only about 40 African workers, who will get equal pay for equal work and will earn considerably more than other workers in the homeland. They will have equal opportunities with White colleagues in all respects, says Akzo.

The investment decision was made after considerable research and moral argument within the company.

Akzo Chemicals and Chemical Holdings have both captured about 15 percent of the South African market in washing powders, and obviously view favourably the prospect of improving this stake.

After a year of studying the prospects, Akzo decided on the site — 100 km north of Durban. While researching the project Akzo weighed up what world — and specifically Dutch — opinion would be, and eventually

decided it would be able to weather the storm.

But Akzo has laid down strict social conditions — which is in line with Dutch Government policy on South African investment — barring discrimination on racial grounds.

A decision to invest in kwaZulu comes just before Chief Buthelezi is to arrive in Holland tomorrow for a three-day lecture tour at the invitation of a group of pacifist churches and political parties.

WELCOME

He will be talking during Peace Week on the non-violent struggle against apartheid in South Africa.

It is not known whether the chief will have talks with the directors of Akzo, but the company has made it known it would welcome such a meeting. It would be up to the Chief to request a meeting.

Verolme gets OK for drydock at Saldanha

Sun Times (Bus Times) 28/9/78

By DAVID PINCUS

THE DUTCH multimillionaire shipbuilder, 75-year-old Cornelis Verolme, has received a cable from the South African Government informing him that it has approved in principle his proposal to build a giant drydock at Saldanha Bay.

Planning for a dock capable of taking tankers up to 350 000t is well advanced.

News of the South African acceptance has been widely publicised in newspapers in Holland.

Conditions

The cable was signed by Chris Heunis, Minister of Economic Affairs. Mr Heunis made it clear to Mr Verolme that the South African Government would not assist him financially or guarantee any loans he may raise to build his drydock.

The Government has, however, guaranteed him the right to repatriate loan money, interest and dividends.

Another condition is that he proves to the Industrial Development Corporation that the project will be realistic in terms of the capital employed (estimated at about R20-million), and that he has access to sufficient funds to complete the project.

Bearing his advanced age in mind, the Government has laid down a condition that he either involve other shipbuilding interests in the project, or supply sufficient qualified personnel to run the project when he retires.

No difficulty

The Government has also laid down that he may not transfer his rights and that he may use only White and Coloured labour — and that conditions thrashed out earlier between him and the Government (of a more confidential nature) still apply.

Mr Verolme, who received Mr Heunis' cable on his 75th birthday, said in Holland that he felt sure he could meet all the requirements. He gave the impression that, as far as he is concerned, the drydock at Saldanha is already established fact.

The size of his own fortune — estimated at more than R100-million — virtually makes it certain that he will have no difficulty in getting the necessary funds to build the dock.

Tankers

He is a 40 per cent shareholder in Rijn-Schelde-Verolme, the biggest shipbuilders in Europe and is trying to interest that giant in his South African venture.

He is almost certain to be successful.

Mr Verolme had the idea



Cornelis Verolme . . . Eight-year dream a step closer.

of building a drydock at Saldanha when he first saw the bay, eight years ago, and immediately bought 130 ha of ground adjoining

the bay, on which, he says, he "can build the best drydock in the world." His plans are to expand his yard eventually to a size where, apart from the drydock, he will be able to build two 350 000t ships at once.

This will probably tie in with his recently announced plans to build a number of 350 000 ton super-tankers for liquefied gas before 1980. The keel of the first liquefied gas super-tanker is to be laid in Rotterdam soon by Rijn Schelde-Verolme.

Partners

He believes his tankers will be the first of that size for liquefied gas and that by 1980 there could be as many as 100 of them carrying liquefied gas to energy-starved countries. Many of them will be his, some of them possibly bearing the made-in-Saldanha mark.

Mr Verolme did his best to hide the fact that he wanted to undertake his Saldanha project on his own. Whenever he was questioned about it, he said he represented a consortium of European shipbuilders. It was only when he received the cable from Mr Heunis that he revealed he had no partners and that he now has to start looking for partners to satisfy the South African Government's demands.

INVESTMENT 'A BURNING ISSUE'

African Affairs Reporter

CHIEF GATSHA BUTHELEZI yesterday said the question of investment in South Africa was a burning issue in Holland.

Speaking at a Press conference at Durban's Louis Botha Airport, he said he did not want to see a rift between the groups vying over the question of investing money in South Africa.

"Some people feel very strongly about the Shell Company having a R4 million project in this country."

He said people in Holland felt that investments would strengthen the apartheid system.

The Chief had just returned from Holland, where he had been invited to address a Peace Week gathering at the Free University of Amsterdam.

During the debate at the Free University, some political exiles supported him on his investment non-involvement stand. One of his supporters was Mr. S. Shange, who flew from Denmark to meet him. He also met Mr. Abednigo Ngcobo, a member of the banned Pan-Africanist Congress.

① 107
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Watal
Mesa
29/9/75

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Holland cuts off aid to

Tim Patten

THE HAGUE — Dutch plans to channel considerable financial support to costly development projects in the South African homelands have run aground.

The Dutch-run International Development Financing Organisation (NOVIB) has reversed its policy of providing finance to the homelands and will no longer consider requests

for aid from homeland leaders.

The official reason has been given as the "unpalatable" approval needed for each project by the South African Government — a step which NOVIB construed as being indicative of the lack of independence from the White Pretoria Government for the homelands.

The aid withdrawal decision is understood to have been taken under pressure of the Socialist

Den Uyl Government which refused to contribute to projects in the homelands submitted by NOVIB.

The decision is a costly one for the homeland leaders who have requested aid for agricultural schemes, educational facilities, welfare projects, the construction of hospitals and clinics and the establishment of a variety of other infra-structure improvements.

One multi-million rand project, which had received the approval of NOVIB but was awaiting the green light from the Dutch Government, and two other unspecified schemes which were in the pipeline, will now be cancelled by the NOVIB decision.

In terms of Dutch development aid policy the Government would have been committed to a 75 percent contribution to-

wards the final cost of the projects — but rejected the aid on the grounds of its opposition to the policy of separate development.

The NOVIB board decision to halt all dealings with the homeland leaders is expected to be confirmed at the organisation's annual meeting in Utrecht this weekend.

All forms of aid to Chile will also be halted, the NOVIB chairman, Dr

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SA homelands

H de Lange, says.

The issue of development aid to racist countries will be raised during the weekend meeting and it is anticipated that a clear policy will be formulated blocking any further requests for aid.

In a policy statement earlier this year, when the issue of aid to the homelands was raised, a NOVIB spokesman said: "NOVIB will favour financing any projects in any developing

country — therefore also in the homelands — that are directed towards the improvement and well being of the socially and economically most deprived groups."

When it appeared that Holland was seriously considering contributing to the projects, it was interpreted as being a significant first step towards a possible and eventual recognition by the Dutch Government of the homelands as developing coun-

tries in their own right once they had achieved independence.

NOVIB has made it clear that its decision to keep out of the homelands was based on a "political principle" and not on the quality of the possible projects.

The Dutch Government's official policy is that the homelands are part of South Africa, and as South Africa is not a developing country it was not eligible for aid.

Dutch row on atom tender

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AKW 17/10/75

~~(L) ENERGY~~

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Tim Patten

THE HAGUE — A rumpus has erupted inside the Dutch Cabinet over a Dutch firm tendering for the contract to build a South African nuclear power station.

One of the more radical political parties in the socialist coalition — the Revolutionary progressive party — threatened yesterday to withdraw from the Government if the tender is made.

The Dutch firm Rijn-Schelde-Verolme plans to tender for the contract with a consortium including General Electric and the Swiss Braun-Boveri.

However, not only radicals but factions within the Labour Party have been applying pressure on

the Prime Minister, Mr Joop den Uyl, to block the Dutch tender.

The decision, according to Government sources will be left to Mr Den Uyl, the Foreign Minister Mr Max van der Stoep. The Finance Minister Mr W F Duisenberg, the Economics Minister Mr R Lubbers, and the Social Affairs Minister Mr Jan Boersma.

Two of these five key ministers — Mr Lubbers of the Catholic People's Party and Mr Boersma of the conservative Anti-Revolutionary Party — represent parties which have come out strongly in favour of supporting the tender, and on this basis a vote could be a see-saw affair.

While the moralising continues, it has been pointed out that the contract would be worth R300-million to the Dutch economy.

Unemployment is one of the major political issues in Holland at present with nearly 200 000 Dutchmen out of work, and it is thought that this factor will be very carefully weighed by the shakily placed Den Uyl Government.

How the massive pyramid is built up

Cape Times
31/10/75

① 70
② ~~Special~~

WITH the giant Shell group poised to enter its 76th year in Southern Africa, and also poised to embark on a capital expansion programme which will more than double its asset base here, it is worth detailing the separate components which make up the whole in this part of the world.

At the top end of the pyramid is Shell Southern Africa (Pty), which is quartered in Cape Town. Its duties are to supply finance and management services; personnel and office services; corporate planning and trade relations services to all Shell companies in Southern Africa.

Chairman and chief executive of Shell Southern Africa is Mr K. L. G. Geeling, 46, who assumed this appointment in June 1973. Previous to this posting he was managing director of the lesser Shell South Africa (Pty), from January 1970.

Born in Durban, Mr Geeling was educated at Michaelhouse School and the University of Natal. He studied accountancy in Durban and is a chartered accountant holding both the South African and British qualifications.

He first joined Shell in 1955.

Oil: Operating company in this sector is Shell Oil South Africa (Pty), which was formerly Shell South Africa (Pty). Included with it are oil companies in South West Africa, Botswana, Swaziland and Lesotho.

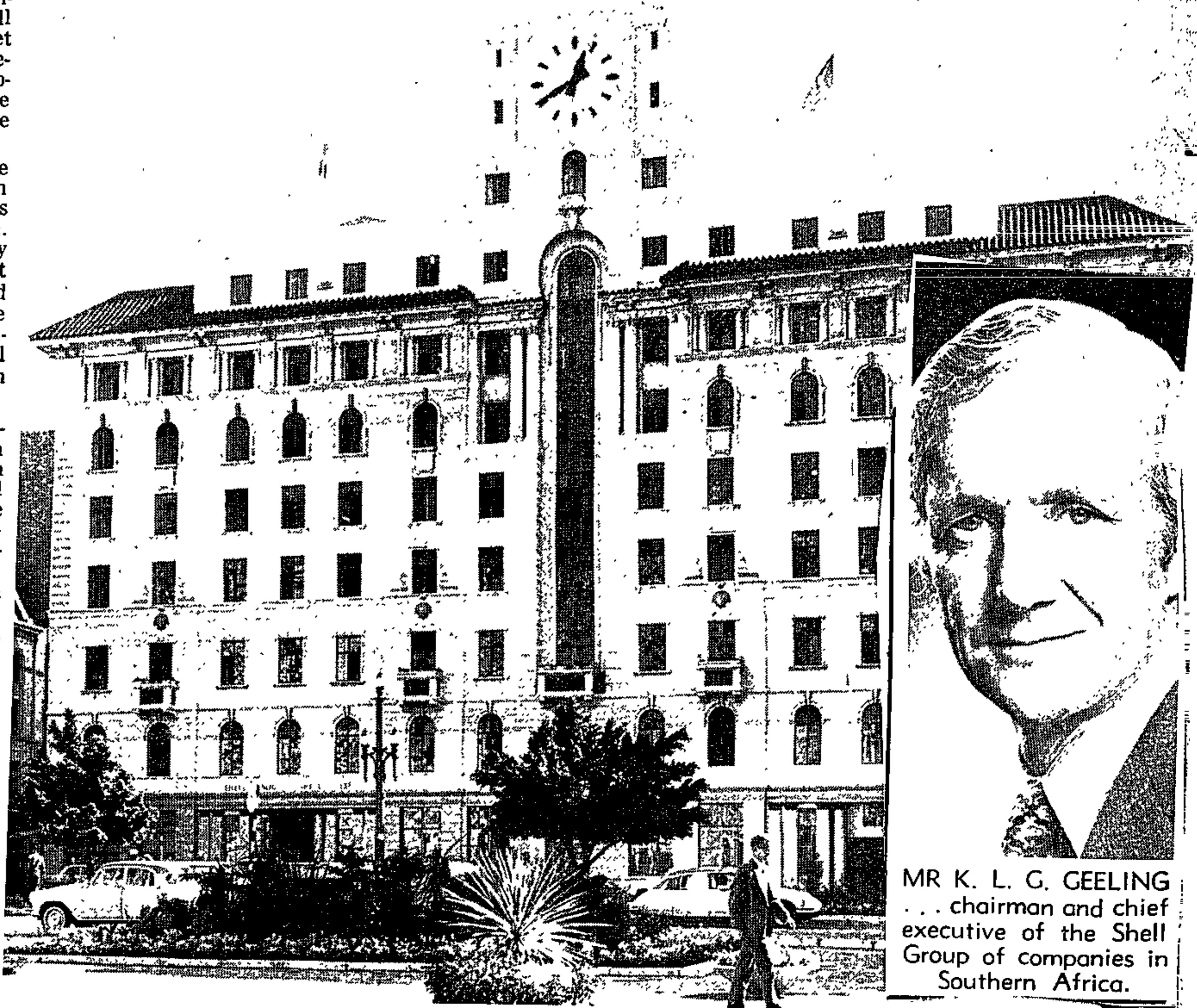
Mr H. G. "Hans" Pohl, 44, is the managing director of these oil companies. Born in Mannheim, West Germany, Mr Pohl gained a degree in mechanical engineering, specialising in thermodynamics, at the Technical University of Aachen, before joining the Royal Dutch/Shell group in Hamburg in 1957.

He came to South Africa as manufacturing and supply director in 1971.

Chemicals: Operating company in this sector is Shell Chemical South Africa (Pty), which is also active in South West Africa, Botswana, Swaziland and Lesotho.

Heading this section is Mr Stuart Squires, 49 who assumed this appointment in March 1973.

Born in Britain, Mr Squires was educated at



MR K. L. G. GEELING
... chairman and chief executive of the Shell Group of companies in Southern Africa.

Shell House in Greenmarket Square, Cape Town, is the present head office of the Shell Group in Southern Africa. The new Shell House is expected to be completed by the end of next year.

Queen's College, Cambridge where he graduated with a MA degree in natural sciences.

He joined the Shell group in 1955 as a marketing assistant in the plastics division and later, after training at the Plastics and Rubber Institute in Delft, Holland, established the thermoplastics technical services team at the group's Carrington Plastics Laboratory.

In 1970 he was appointed deputy manager of the base chemical division and also manager of the lower olefin division, being concerned with basic chemical feedstock planning.

Coal: Shell Coal South Africa (Pty) is responsible for this sector, which also has activities in South

West Africa, Botswana, Swaziland and Lesotho. Shell Coal is also responsible for the group's interest in nuclear power in Southern Africa.

Managing director of this subsidiary is Dr A. C. Toohey, 41, who took up this post in May 1974.

Dr Toohey was born at Parow in the Cape and educated in Durban. He graduated with a MSc in chemical engineering at the University of Natal and continued his studies at London University where he received a PhD. He joined the Shell group in 1960.

Metals: Billiton Exploration South Africa (Pty), which has substantial interests in aluminium, zinc, tin and other non-ferrous metals throughout the world. In

South Africa this subsidiary is actively prospecting for base metals, including zinc, copper, nickel and lead.

Managing director of Billiton is Dr R. W. Williams, 45, who was appointed to this position in May this year.

After obtaining a BSc honours degree and PhD at London University, Dr Williams joined the Shell group in 1957.

He was involved with oil exploration and production for eight years in Holland and Nigeria before returning to the group's London office to join the then newly formed metals section.

In addition to the above companies the Shell group has other interests in Southern Africa in which

it is involved on a partnership basis. These include:

A 50 per cent stake in Sapref, the Durban refinery which is operated under a service agreement with Shell Internationale Petroleum Maatschappij, of The Hague; It has a 50 per cent interest in African Bitumen Emulsions (Pty); a 25 per cent interest in South African Lubricants Manufacturing Company (Pty), which manufactures base oil for lubricants; a 17.5 per cent interest in Trek Beleggings; and a 36 per cent interest in Prices (South Africa).

Setting sights on the chemical industry

Natal Mercury
3/11/75
70
E. Squires

THE chemical industry is one of the fastest-growing sectors of the economy and Shell Chemical South Africa (Pty), which started operations in this country about 26 years ago, plans to be in the forefront of this development—rated as number three behind AE & CI and Sentrachem in the big league stakes.

Shell Chemical currently operates in four main business areas in South Africa—agricultural, industrial, plastics and resins, and consumer products.

It has plants operating in Wadeville near Johannesburg, Durban, Cape Town and Port Elizabeth.

The company operates branches in Mozambique and Malawi and has blending and storage facilities in these countries to support its sales effort.

Its first and most recent independent venture into chemicals manufacture in South Africa was taken last year when a R2-million-plus epikote resin plant, with an initial capacity of 4000 tons a year, was officially set on stream.

Shell Chemicals is currently spending more than R500 000 on a de-bottling operation at the resin plant and is also getting set to manufacture powder-coating resins. When this happens South Africa will be self-sufficient in all types of epoxy resins for some time to come.

The company is moving ahead with a 10-year expansion programme which should absorb anything up to R100-million in investment capital.

Mr Stuart Squires, managing director of Shell Chemicals, says that one of the first projects to be activated is a 50 000 ton a year polypropylene plant, which is currently planned to be built at Durban.

When this project was first announced the capital requirement was estimated at about R50-million. Cost escalations plus the addition of extra facilities have since pushed this up to

about R64-million and it is highly probable that this figure will be pushed up even further before the project is completed and in operation especially in view of the recent announcements.

Mr Squires says his company is considering the desirability of a South African partner to participate in the venture—probably at the behest of the Government, which would obviously like to see more local participation in such strategically important developments.

Shell has already been considering possible partners for the joint venture, according to Mr Squires. Such a partnership will be

of considerable benefit to Shell in manifesting its local image and it will also strengthen its abilities to borrow money on the local capital market to partly finance the plant.

Shell started work on the polypropylene plant 2½ years ago and has now reached the design and engineering stage.

According to Mr Squires, it is expected that the first sod will be turned towards the middle of 1976. Construction will take two to three years and, from 1979, it would probably take about four years before the plant was in full production for the domestic market.

Feedstock is planned to

come from the two Durban refineries and the supply is reckoned to be more than sufficient to satisfy the plant's requirements.

The scenario painted by Mr Squires for polypropylene in this country is that we are going to experience a shortfall in this thermoplastic by 1977 and this is when Shell's plant comes on stream.

Increased market demand during this period will more than absorb the 40 000 ton a year output by Safripol, the country's other manufacturer of polypropylene, and South Africa will, for a couple of years, have to be a net importer of this material.

Mr Squires estimates that the domestic market

will probably reach 70 000 tons a year by 1980, which will then easily be met by manufacturing output here. This means there will be excess capacity for export.

This will last until about 1982 when it is expected that production capacity will be totally absorbed by the South African market.

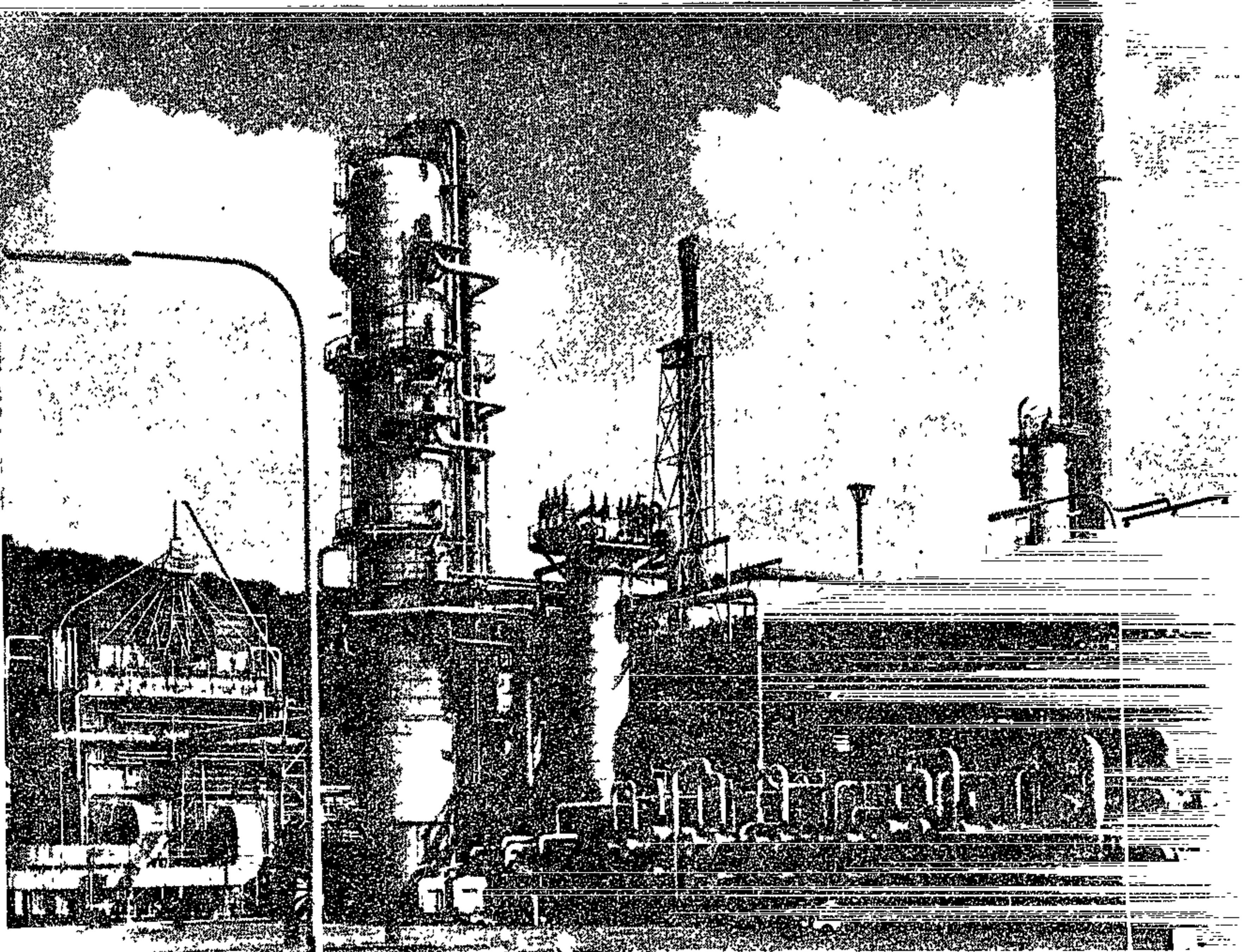
South Africa's economic development programme has indicated that up to 1979 the chemical industry's growth should be around 7.9 per cent a year with the gross domestic product maintaining an annual growth of around 6.4 per cent a year.

However, the chemical industry, has grown at 8.8 per cent a year during the past 10 years when the average growth in GDP has been 4.7 per cent.

It is well known that in the past two years at least the GDP has not come anywhere near the required growth targets. The same story applies to the next couple of years.

It still has some way to go before its contribution to the GDP achieves the 10 per cent level that is the case with most developed industrialised economies.

Factors which in the past have tended to inhibit



The SAPREF refinery at Durban, the largest in Africa, is 50 per cent Shell-owned.

SHELL'S 75 YEARS IN SOUTHERN AFRICA

31 Nov 1979

Natal Mercury

SUPPLEMENT

(1) 70

3 months ahead
Company

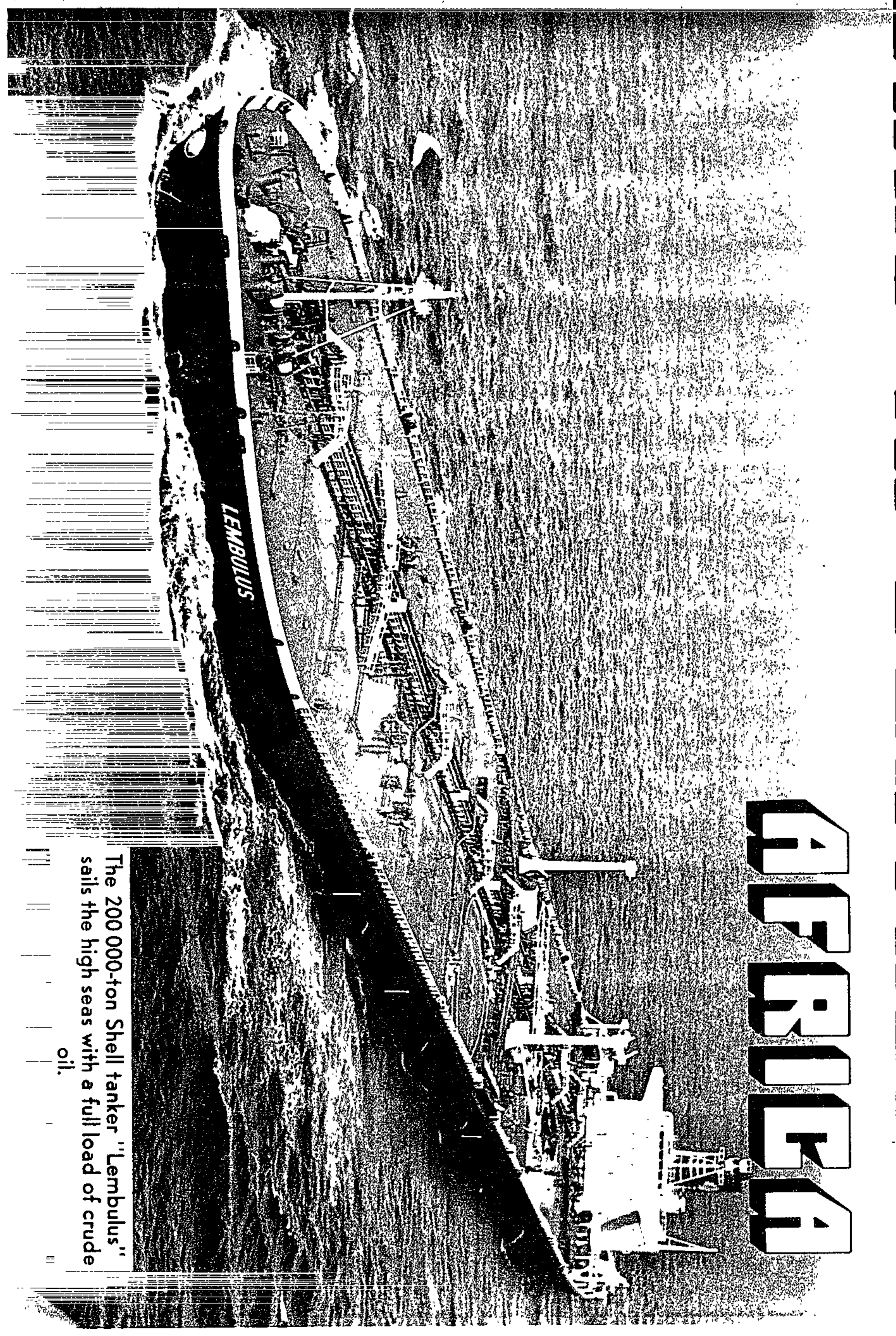
Huge energy company on the cards

CELEBRATING 75 years of involvement in Southern Africa, the giant Royal Dutch-Shell group used this occasion to announce, through its wholly-owned subsidiary, Shell Southern Africa (Pty), a capital expansion programme involving expenditure of up to R500-million in the next 10 years.

This investment will considerably strengthen the group's commitment towards exerting a more positive and meaningful presence in the southern areas of the African continent. By 1985 it is expected that Shell's asset base here will amount to R750-million, against current investments of R250-million.

Shell's aspiration in Southern Africa over the next decade is to become "transformed from being just a petroleum supplier into a great energy company with expanding interest in chemicals and metals."

Where its chemical activities are concerned, it intends to grow into a fully-integrated marketing and manufacturing



The 200 000-ton Shell tanker "Lembulus" sails the high seas with a full load of crude oil.

Giant in the world of big business

HOW DOES the Royal Dutch/Shell group rate in the world of big business? Fortune Magazine puts it at the top of the first 500 companies.

As a purely oil producer, however, it does not rate quite as high up the scale.

A look at its last annual report for the year to December 31 last, gives a pretty good idea of its muscle.

Last year the group recorded a sales turnover of R24 938-million, almost double the value of sales in the preceding year.

Against this its net income for the 12 months was R2 101 million (R1 321-million in 1973).

per unit of sales amounted to R2 497 000.

As of the end of last year the group owned assets worth R9 658-million.

On the production side, the Royal Dutch/Shell group's oil operations produced 5 941 000 barrels of crude oil a day, of which it processed 4 873 000 barrels a day in its refineries.

Volume of sales of crude oil and oil products amounted to 5 967 000 barrels equivalent a day.

The Shell group has the largest tanker fleet in the world, which it either owns, manages or has on charter. In 1974 the number of crude oil tankers totalled 384, or 33 300 000 deadweight tons. Gas carriers totalled seven with a

capacity of 475 000 cubic metres.

Excluding its activities as a supplier of oil the Shell group stands up as one of the biggest chemical manufacturers in the world. Proceeds from its chemical sales alone amounted to R2 699-million last year, which represented a 79 per cent value increase on earnings in 1973.

Considering its size the group naturally has a large number of employees. Last year, which it either owned, managed or has on charter. In 1974 the number of crude oil tankers totalled 384, or 33 300 000 deadweight tons. Gas carriers totalled seven with a

of the top three companies within the framework of the South African chemical industry, says Mr K. L. G. Ken Geeling, Shell South Africa's chairman and chief executive.

With this target in view, it must inevitably lead Shell into becoming more South African by opening its doors to local participa-

It is a point which was conceded by Mr Geeling during an interview in Shell House — which borders Greenmarket Square, Cape Town, and has been the group's headquarters since 1929 — when he outlined the philosophy behind his company's ambitions and diverse expansion plans.

He noted that with oil and oil products continuing to play the dominant role in meeting world energy demand and likely to hold this position for some years to come, activity in this area will continue to be the mainstay of Shell South Africa's business.

But the steep rise in oil prices since October 1973 has caused the company to switch direction slightly to

the extent that the years immediately ahead will see greater emphasis on equipping and improving manufacturing facilities to meet the changed pattern of product demand.

To this end, Shell's refinery operations in Durban — which it shares with British Petroleum — are to go through an extensive modernisation programme designed to enable more petrol and gas oil to be produced from available crude.

"This will enable the country's needs to be met with less imported crude oil and improve flexibility," says Mr Geeling. Heavy investments are also envisaged to improve both the quality and yield of marketable products from crude oil, while plans are being studied to produce aviation gasoline and special products for industrial purposes.

The group is also widening its base in chemical manufacture in Southern Africa, says Mr Geeling. The first independent venture in this area is an Epikote resin plant which was opened in May last year by Shell subsidiary

Shell Chemical South Africa (Pty).

This R2-million-plus investment has an initial capacity of 4 000 tons a year. Of course, Shell Chemicals — established in 1949 — has been involved in chemical manufacture in South Africa for some time, but essentially in joint ventures. It represents more than 10 per cent of the Shell company's net capital employed in the country.

The company operates formulation plants for agricultural chemicals, paint and lacquer solvents, polyurethane chemicals and consumer products.

According to Mr Geeling, Shell Chemicals is considering plans for an additional polystyrene plant and a R50-million polypropylene plant is on the drawing boards and expected to go into production in the second half of 1975. This is to be built in Durban and have a capacity of 50 000 tons a year.

Of particular relevance to South Africa is Shell's intentions in other energy fields. The group has decided to halt its search for oil and, instead, is expanding

its activities in the area of coal exploration.

Spearlheading the group's efforts in this regard is Shell Coal South Africa. The decision to form this company, says Mr Geeling, was based on "our ability to provide both capital and know-how in the development of South Africa's large coal reserves".

Mr Geeling, and Shell, firmly believe these coal resources are a bull point for South Africa and a means of improving the country's relationships with the rest of the Western world.

At the same time, they are convinced that these energy resources are currently not being properly utilised.

As Mr Geeling observed in a recent review of Shell's developments in coal, the current world energy situation provides a unique opportunity for South Africa to revitalise its coal industry which has been somewhat dormant and low key for many years with little productive investment and many wasteful practices.

"There is a need to move with appreciable speed if South Africa is to

consolidate its international market position in advance of other countries who are now intensifying their efforts to export huge coal reserves previously lying dormant," he says.

This the country should be well able to do, in Mr Geeling's view. He bases this on the likelihood of South Africa being able to reduce its future dependence on imported oil to 20 per cent of its total energy needs through the application of conservation measures.

This would leave a balance of 80 per cent to be satisfied from indigenous sources. Mr Geeling estimates that this balance would represent 1.1 per cent of the world's energy consumption, leaving 0.9 per cent of available resources here in surplus.

In a world facing energy shortages, Mr Geeling says: "I believe South Africa therefore has an unrivalled opportunity to help herself by helping others."

He suggests two ways in which this energy surplus can be exported. "We should use the surplus to stimulate new spheres of energy-intensive

activity to turn our other natural resources into exportable products."

Second, the opportunity exists to show South Africa's good faith with the world by exporting some of our available coal and uranium.

Mr Geeling said: "I fully appreciate that this is a vexed question and open to argument, but should we deny this basic need, we could be considered guilty of the same conduct that is attracting criticism of the oil producing countries."

Significant advantages would accrue to South Africa through her coal exports, Mr Geeling maintains. One is the enhancement of the economic well-being of the country.

Another "is that it would be a valuable aid in the endeavour to improve our international relationships."

Shell is actively applying these views in practice. The company has embarked on a joint venture with Transvaal Consolidated Lands for the long-term exploitation of coal reserves in the Witbank and Bethal areas of the Transvaal highveld.

Detailed studies are still being undertaken, but according to Mr Geeling almost the entire production will go to export. The company has been given provisional approval from the Government to export 150-million tons of coal over a period of 20 years.

An order worth more than R30-million has already been placed for draglines to mine the coal.

Shell is also investigating the transport of this coal by slurry pipeline to the Richards Bay export harbour.

According to Mr Geeling, possible expenditure on this particular venture could be as much as R300-million.

Shell is strongly in favour of adopting this form of coal transportation, mainly because it would not be as subject to cost escalation as a rail link. Once in operation it would have inflation benefits in that it would not be subject to labour cost increases.

The system would also be very exclusive to the product for which it has been designed.

Dutch firm plans KwaZulu plant

Mercury 11/11/75

African Affairs Correspondent

A DUTCH chemical company, one of the largest in the world, in partnership with a South African firm, will open a plant at Isithebe, on the Tugela River, to produce 5 000 tons of detergent raw material a year.

Mr. W. J. Hefer, chairman of Chemical Holdings, announced yesterday that his firm would go into KwaZulu in partnership with Akzo Chemie GmbH, part of a Dutch group with worldwide outlets, to set up a plant with an initial capital of R400 000.

The company will have a further R2 million at its disposal, consisting of R1 million from the joint shareholders, overseas credit facilities amounting to R400 000 and a loan of R600 000 from the Bantu Investment Corporation.

There is strong opposition in Holland at present towards investment in South Africa by Dutch companies. Chief Gatsha Buthelezi, in Holland recently, ignored these protests and called on Dutch investors to help Zulus by investing in KwaZulu.

The plant, which will be capital intensive, will employ about 45 Africans and begin operations in December next year.

The agreement between Chemical Holdings and Akzo Chemie "lays down clear principles for equal pay and training and promotion prospects for employees of whatever sex, race, colour, creed or nationality," said Mr. Hefer.

1-107
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Makro's careful optimist

F.M. 6/2/76

Tall, unwrinkled, blond and very Dutch, Utrecht-based Tjalling Ament (36) is the international marketing manager of Dutch-controlled cash-and-carry wholesaler Makro. He is on a three-week visit to SA, his third in four months, to assist in standardising Makro SA marketing approach within the framework of the group's international marketing philosophy.

It boils down to including areas of business which Makro SA had neglected in the past. Prime target is increasing the spread of passport holders eligible to shop in Makro.

Makro wholesale merchandise is marketed to retailers, and others, under a "passport system". Passports are extended only to *bona fide* professional firms and business houses. Top priority, claims Makro, will in 1976 be given to increasing the 60 000 passport-holders by 15 000 in Makro's three branches in Johannesburg, Cape Town and Durban. Passport facilities, says Makro, will not be extended to the public.

To achieve Makro's target, aggressive marketing and advertising campaigns are under way. The 35 000-item food and non-food range will be expanded to include office furniture, calculators and stationery, to name a few. And Ament declares himself "carefully optimistic as long as disposable incomes don't decrease."

Makro SA (two-thirds owned by the Dutch Steenkolen Handels Vereeniging and one-third by Rennies Consolidated) was R3m off its turnover target of R56m for 1975. But the R53m still represents a 13% hike over 1974. Profits are not disclosed, but the 1975 profit was "higher than was anticipated during the year. And we're fairly bullish about 1976". The reason given for the turnover shortfall is "reduced business activity in the second half of the year".

Ament is a man of many parts. A law and business school graduate, he speaks seven languages. His interests range from gipsy music (he played in a gipsy band for six years while a student) to classics, sailing, skiing and tennis. And he loves travelling.

Just as well. He jets world-wide on business for five months of the year and 30% of his time's taken up with basic research into potential new Makro territories, ways and means of improving promotions and streamlining operations. He's very conscious of profit erosion caused by bad presentation and inefficient handling: "It can cost you up to 20% of your profits."

Rampant inflation is a problem, but more for the retailer than the wholesaler. "In these times, wholesalers tend to prosper. The small retailer needs a wholesaler from whom he can buy regularly in small amounts. He doesn't want to carry huge stocks. And for us the name of the game is rapid stock turnover rather than big profit margins."

This philosophy has paid off. Makro, with its 27 branches in Holland, the UK, Belgium, Spain, Brazil and SA, had a 1975 turnover which topped R1 250m; 1976 target is R1 500m. Despite the economic downturn, the UK operation, for example, showed 40% growth in 1975.

(1) 28
(2) 70

World wide furore looms French win atom deal

STAR

29/5/76

- (1) Energy
- (2) 41
- (3) 70

The R800-million contract for the construction of South Africa's first nuclear power station was awarded by Escom tonight to a French consortium - setting the scene for a further international furore over the project.

The Swiss-Netherland-United States consortium was the favourite to handle the massive project.

And the industrialists who have fought desperately in the past few weeks to push through their bid in the face of political opposition in the United States and the Netherlands are now certain to round on the pressure groups who blocked their efforts.

Associates of the consortium have been pleading with officials of South Africa's Electricity Supply Commission in the past few days to hold off their decision until they could get the guarantees of political non-intervention in the project on which Escom was insisting.

But Escom officials reveal that on Monday this week it had suspended negotiations with the consortium of US, Swiss and Dutch companies for the supply of the two-unit nuclear power station.

This had been done because of the failure of the Dutch Government to provide the necessary guarantees and assurances of supply by the specified date of May 21.

Tonight's announcement said the contract for the construction of the power station at Koeberg, 28 km north of Cape Town, had been awarded to the French consortium consisting of Framatome, Alstom and Spie Batignolles.

Framatome would handle the nuclear reactors, Alstom the turbo-generators and Spie Batignolles—who took part in the Sishen-Saldanha and Orange Fish tunnel projects—would be responsible for the civil engineering works.

German bid

The third consortium bidding for the contract was Kraftwerk Union of West Germany in collaboration with Murray & Roberts

Orange fish tunnel projects—would be responsible for the civil engineering works.

German bid

The third consortium bidding for the contract was Kraftwerk Union of West Germany in collaboration with Murray & Roberts.

The US, Swiss-Netherlands consortium involved General Electric of the United States, Brown Boveri of Switzerland and Rijn-Schelde-Verolme of Holland.

It was the front runner until the political row upset the applecart.

Neither the French nor the West Germans apparently had any difficulties in obtaining the necessary guarantees from their Governments on linking up with South Africa on a nuclear power basis.

An indication of the likely reaction in the Netherlands, for instance, is the fact that if the Rotterdam-based Rijn-Schelde-Verolme group had taken part, it would have provided jobs for 1 000 people for five years.

Dutch trade unions have remained largely silent on the issue.

Opponents of the project have said the Koeberg reactors could produce about 450 kg of plutonium a year—enough for about 100 Nagasaki-sized atomic bombs.

South Africa has not signed the nuclear non-proliferation treaty, they say.

They have argued that an official of the South African Atomic Energy Board said publicly in 1974 that South Africa possessed the technical capability to make atomic bombs, and that its nuclear programme was more advanced than that of India, which exploded its first nuclear device earlier that year.

The two-unit power station will consist of two pressurised water reactors, each with an electrical output of 922 Mw—each almost enough to feed Johannesburg.

The first unit is scheduled for commissioning in November 1982 with the second unit to follow one year later.

The contract also provides for the supply of fuel elements for the initial charge of five reloads for each unit, to be manufactured by the Franco-Belgian Fuel Company from enriched uranium hexafluoride provided by Escom.

Last year Escom signed a contract with the US Enrichment Authority for the enrichment of uranium hexafluoride it is to supply. — Sapa

Bid to topple Govt

Nuclear deal rocks Dutch

CAPX TIMES 31/5/76

LONDON.—Holland's opposition Liberal Party will today seek to bring down the radical Socialist-Christian Democratic coalition Government for losing the vast atom plant contract which South Africa has now signed with France.

Mr Hans Wiegel, leader of the Liberal Party — in fact Holland's political conservatives — yesterday accused the coalition of "gross ineptitude" which had seriously damaged his country's respected reputation as a major trading nation.

He said he would move a motion in The Hague Parliament demanding the Government's immediate resignation.

"For the good of our nation, I will do everything in my power to force their resignation or have them sacked immediately," said Mr Wiegel.

The coalition Cabinet had stalled for most of last week on whether or not to allow the Dutch consortium of Ryn Schelde Verolme export permission to join a Swiss group and the United States GEC in signing a triangular contract for the R800m nuclear power station near Cape Town.

The Cabinet, which was split down the centre and already in danger of collapsing because of its indecision brought on by the tactical action of anti-apartheid left-wing members, has earned the fury of Dutch industry as well as the Liberals.

Mr Wiegel said: "How can any Dutch industrialist sign a deal anywhere and be confident that the Socialists will not obstruct him. The loss of this contract has also meant that many hundreds of Dutchmen have lost the chance of secure employment over a period of eight years or more. Our country has been shamed."

The emotional controversy has caused speculation that the uneasy Socialist-Christian Democrat coalition, which has held office for three years, may at least be forced to agree to an early general election.

Dutch Liberals like Mr Wiegel say that the loss of the contract has cost Holland "5 000 man-years of work". Other estimates are more conservative.

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'Calamity'

Mr Jan Stikker, head of the Ryn Schelde consortium, and son of a former Dutch Foreign Secretary, yesterday described the loss of the contract to France as "a calamity".

"I accuse the Government of misjudgment, spite and misbehaviour. That some of them are even happy that the contract has been lost is the proof of their ineptitude," he said.

There are no newspapers in Holland on Sunday but press and television news reports have been dominated by the controversy, with some Socialist MPs and left-wing spokesman delighted that Holland had not signed up with South Africa.

One Socialist MP said yesterday, "The only thing that makes me unhappy is that South Africa's decision to sign with France ended the deal, not the action of our Cabinet."

Dutch-SA

Trade trebled

Own Correspondent

THE HAGUE — Dutch trade with South Africa has been expanding rapidly, according to a report published here by the Anti-Apartheid Movement.

The movement's findings are supported by official Dutch Government figures.

Among the main conclusions of the three-year study which led to the publication of the report called "Dutch interests in South Africa," are:

Trade between the two countries has trebled in the past seven years.

Results obtained by the estimated 55 Dutch firms with South African subsidiaries are generally "extremely satisfactory."

The report estimates that in 1973 the total invested by Dutch firms in South Africa was R170-million.

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SFA
16/11/73

Philips' boss quits

FM MAIL
19/11/76

① 65
② 269

SA Philips chairman and MD, John Poot, has resigned and is returning to Holland following the recent case in which SA Philips, Poot and six senior officials were convicted of breaking the resale price maintenance provisions of the Regulation of Monopolistic Conditions Act.

Two other executives, Helmut Ebner,

Justice van Zijl, found that during 1975 Philips sought to withhold supplies of TV sets from suppliers who were not prepared to maintain Philips' retail selling prices. The company was fined R20 000; Poot R7 000 and 18 months' jail, suspended for three years; Ebner R2 500 and six months, suspended for three years; Ten Wolde R2 000 and six

general manager of the consumer goods division, and Henk ten Wolde, product manager for video, will also return to Holland. Hendrik Neumann, a German, has already left the company. The three remaining convicted Philips men — Roger Bennett, John Huckle and Roy Small — are still with the company.

The Judge President of the Cape, Mr

months, suspended for three years; Bennett R2 000; Neumann R1 000; Huckle R500, and Small R500.

Poot leaves SA at the beginning of next year. Ebner and Ten Wolde will leave this year. Although he told reporters after the court sentence that he had no intention of leaving SA, Poot now says: "I find it better for Philips SA and



Philip's John Poot . . . just getting his breath back

myself personally to go. I expressed the wish to the Philips Board of Management that I would like to return to Europe."

Asked by the *FM* whether he would remain in Holland or take another overseas job Poot replied: "I have not made any firm plans — but I would like my breath back."

Poot meanwhile stresses that his departure is not a decision taken by the main Philips board. "It's my own decision. I'm sorry to leave South Africa, but there it is."

After the court's decision there was some doubt as to whether Poot could continue as a director of SA Philips. Under S218 of the Companies Act a person is disqualified as a director if he has at any time, in SA or elsewhere, been convicted of theft, fraud, forgery or uttering a forged document, perjury, an offence under the Prevention of Corruption Act, or "any offence involving dishonesty or in connection with the promotion, formation or management of a company, and has been sentenced therefore to imprisonment without the option of a fine or to a fine exceeding R100."

The Judge questioned the truthfulness of some of the evidence given by Poot and his colleagues. He stated that affidavits sworn by Poot, Ten Wolde and Ebner were false and that they had attempted to subvert the course of justice.

A Philips' spokesman tells the *FM* that, in considering whether S218 of the Companies Act applied to Poot as a director, the company took advice from three counsel. "One said it did; another said it didn't; and the third wasn't sure."

Aid for ANC signals hardening of attitude against apartheid

(S) RDM 13/10/77

A TOP-LEVEL delegation of the exiled African National Congress of South Africa has been received by the Dutch Prime Minister, Mr Joop den Uyl, the Foreign Minister, Mr Max van der Stoep, and the Minister for Development Cooperation, Mr Jan Pronk, and promised R180 000 for black South African refugees in Tanzania and Angola.

The ANC delegation consisted of Mr Oliver Tambo, President-General, Mr Alfred Nzo, Secretary-General, and Mr Thomas Nkobi, Treasurer-General.

Although the donation was for "humanitarian" purposes, namely a school and clinic in Tanzania and elementary assistance for refugees in Angola, Mr Pronk declared that the gift had a "political meaning".

The decision by the Dutch Government to receive the ANC delegation and make a substantial gift to its funds is widely interpreted as signifying a hardening of attitude by the Dutch Government against apartheid.

This is the first time the Dutch Government has made a donation to the ANC. Holland has become the first Common Market country to make such a donation to the

ANC, the second Nato country after Norway to give financial aid, and the third western European country after Sweden and Norway to give financial aid.

The last time the Dutch Government took similar action was in 1965 when it donated R36 000 to the Defence and Aid fund in South Africa.

Angry Pretoria residents staged a march on the Dutch Embassy at the time. Last week the Hague Parliament adopted Government proposals for a new Bill on economic sanctions which would give the Dutch Government more leverage on Dutch businessmen to force them to suspend or restrict their dealings with countries against which sanctions, international or unilateral, have been imposed.

The Dutch Ministers of Foreign Affairs and Economic Affairs will soon be sending letters to Dutch businessmen and industrialists with an "urgent request" to them to "implement fully" the code of conduct adopted a month ago by the Council of Ministers of

Common Market countries in respect of international firms with subsidiaries in South Africa.

of international firms with subsidiaries in South Africa. The present Dutch Government is a caretaker government, but the government-in-making is expected to embrace the present coalition of Social Democrats and Liberals.

These parties have agreed already on a general policy towards South Africa. They say they will not only support international sanctions against South Africa, but positively campaign for them. The suspension of credit guarantees and the refusal of export licences for South Africa are seen as ways in which this policy can be implemented unilaterally.

Supporting the new sanctions Bill, the Foreign Minister, Mr Van Der Stoep, said in Parliament: "Until now all appeals to the South African Government to change its policy towards the black population have failed. Economic sanctions are now the only way to force the South African

Government to change its attitude. We must not miss this chance to prevent a disaster in South Africa."

Developments in Southern Africa were one of the topics discussed by foreign ministers of the Common Market at their closed meeting in Belgium this weekend.

On his return to Holland from the meeting, Mr Van Der Stoel said he and the Minister of Economic Affairs would try to enforce the Code of Conduct by sending letters to all businessmen and industrialists in Holland whose firms have subsidiaries in South Africa.

The Code calls on subsidiaries to give their black employees in South Africa the same rights, wages, opportunities and trade unions as their white employees.

Mr Tambo's ANC delegation also met representatives of the Christian Democratic Party, hitherto the Dutch coalition partner most reluctant to take a hard line against South Africa.

After the meeting, one of the Christian Democratic participants said the party would not retreat from the

position taken up towards the ANC by the Social Democrat minister, Mr Jan Pronk. A Christian Democrat minister is expected to take over the portfolio of development cooperation from Mr Pronk. The Christian Democrats also voted for the new Sanctions Bill which was opposed only by the Conservatives and two small orthodox Protestant parties.

The Christian Democrats have also supported the government's decision to "freeze" Holland's cultural agreement with South Africa, following the Pretoria Government's refusal to grant entry visas to a deputation from the Dutch Reformed Church in Holland.

The executive council of the ICFTU (International Confederation of Free Trade Unions) in Brussels will decide next month on a new international boycott campaign against South Africa.

The ICFTU was one of many trade unions that attended a conference in Leiden this week to honour the ANC. The conference discussed what international action could be taken against South Africa.

(1) **RECOGNITION** **Unilever in a lather** (65)

FM 20/10/78
It is only a matter of days before an unprecedented week of international trade union action against multinational Unilever gets under way. But the dispute which sparked off the action — between Unilever and the unregistered Sweet, Food and Allied Workers Union — is

(2) still unresolved.
The week of action organized by the International Union of Food and Allied Workers (IUF) is due to begin on Monday and IUF claims that Unilever workers in Sweden, Finland and Italy have agreed to strike in support of their SA colleagues' demand for union recognition. Protest action will take place in at least 10 other countries, it says.

According to IUF, Unilever is a "highly centralised multinational" with "British and Dutch headquarters exercising tight control over its worldwide operations." It thus holds Unilever "globally responsible" for the labour situation in its plants.

The dispute itself centres around the union's demand for recognition at Unilever's Durban and Boksburg plants. The union originally asked for access to union premises, but has since submitted a document asking for union recognition which has been rejected by Unilever management.

On the question of access to premises, Unilever has insisted that the union deal with its liaison committee at the two plants. The Boksburg committee turned down the request whereas the Durban committee allowed the union into the plant for four hours a day, two days a week, for three weeks earlier this month.

The union is still sticking by its demand for full access at pre-arranged times. Union secretary Skakes Sikhakhane argues that the Durban trial period was unsatisfactory because his officials were not allowed free access to workers. He also says workers fear victimisation by the company. Unilever chairman Alex Bury says the union agreed to the Durban arrangements.

(3) He argues that the question of union access should be handled by management, not the committee. Bury replies that the committee has been elected by the workforce and that the decision should rest with it. The union is about to ask again for access to the Boksburg plant, but that request will once again be channelled through the committee.

The recognition document is another bone of contention. Sikhakhane says it asked only for in principle agreement from management and provided for recognition in stages — depending on the union's strength in the plants — leading up to full recognition when the union represented the majority.

This is a procedure favoured in many companies — Anglo American is the prime SA example — but Bury denies that the union ever put its request in this form. "They simply asked for full recognition — we can't give them that if they don't represent the majority."

Sikhakhane argues that management is making it impossible for the union to represent the majority by denying it full access at times agreed on between it and management. He adds that Unilever workers fear victimisation because a Unilever worker who was active in the union was dismissed some time ago. The IUF claims that workers have been told they will lose benefits if they join the union.

Adds Sikhakhane: "Management still believes the workers don't need a union. As long as they believe that, we're going to remain deadlocked."

Bury retorts that Unilever is "neutral." And he dismisses the victimisation allegations as "nonsense." The allegedly victimised worker was dismissed for persistent lateness, he says and management has repeatedly told workers that they are free to join a union. "The fact of the matter is that the union has little or no support among the workforce. They had full opportunity to canvass Durban workers and had little response." Conditions at the company are such that workers see little advantage in the union, he claims. He adds that UK workers will not join the protest because they accept Unilever's *bona fides*.

Unilever could have some tough times ahead if the dispute is not settled.

SEPTEMBER, 1978.

Dear Forest Glader,

Half a year has passed since our last A.G.M., and you may like to know what has been, and is, happening in the Association.

1. COMPOSITION OF THE BOARD

We have sadly had to accept the resignations of R.A. Proven, H.S. Rumbelow and G.C. Bunn from the Board.
Mrs. Mary Greenhalgh, who was co-opted to the Board immediately after the A.G.M., was elected as Chairman, J.O. Read as Vice-Chairman, and Mr. E.S. Monk was co-opted as a Director. The Board of Directors now comprises the following:-

- Mrs. Mary Greenhalgh (Chairman) - Hse No. 81 (Hamlet 2) Tel. 723719
- J.O. Read (Vice-Chairman) - Hse No. 58 (Hamlet 3) Tel. 724726
- A. Fook - Hse. No. 44 (Hamlet 4) Tel. 721718
- D.S. Roberts - Hse. No. 1 (non resident) Tel. (Office) 432086
- G.L.R. Burne - Hse. No. 30 (Hamlet 4) Tel. 729994
- E.S. Monk - Hse. No. 39 (Hamlet 4) Tel. 723946

They will be glad to help you if they can, so please feel free to contact them if you have problems about your house or the estate or matters you would like discussed at a Board Meeting.

2. FINANCES

Since the increases in the monthly levy, we have managed to meet our commitments and to use the funds coming from the extra levy of R5.00 per month per house raised for that purpose, for the gradual painting of the exterior walls of the houses. Thus so far this year the finances of the Association have been satisfactory, though constant control of expenditure has still to be exercised to maintain this. If anyone wishes to have further details about this, the costs, budgets etc., are available at the Secretary's house - No. 44.

3. PROBLEMS WITH ENCLOSURES

The Directors have had their attention drawn to the fact that some members have been enclosing their own property and in a few cases, enclosing parts of the common area with private eris, so appearing to stake a claim of ownership to it. If allowed to continue this enclosing will gradually undermine the whole open-plan concept of Forest Glade, and it also can cause illfeeling between neighbours.

These enclosures have been made in various ways - by walls, fences or hedges, or by less obvious, but just as effective barriers made from careful landscaping or creeping of plants. The Directors have been put into a very difficult and worrying position over this, and have felt obliged to conclude that it is in the interests of all members to retain the open-plan scheme for Forest Glade. It is not possible to consider the individual merits of the various cases without appearing invidious, and therefore, it seems in the best interests of the members generally, to insist that the regulations should be complied with.

Members are reminded that no walls, fences or other external erections are allowed on their property without the prior consent of the Board of Directors and the Divisional Council. The common area must be kept open for the use and enjoyment of all members. No full enclosures of any sort can be permitted, and all which have been made must be completely opened up. Barriers or obstructions

put on the common area and interfering with the enjoyment and use of the common area by all must be removed.

We quite realise that some people have gone to a lot of trouble and expense to plant on their own or the common area. Thus where enclosures have been made by planting, we hope that they can be opened up by the least possible disturbance and the judicious moving of certain, rather than all, plants. Mr. Roberts, the Architect for the estate, and member of the Board, will be glad to discuss and advise on the possible methods of doing this, and we would suggest that people who have enclosures made by plants should contact him before moving or removing plants themselves.

The Directors have most reluctantly decided that if these enclosures, barriers or obstructions have not been removed by the end of 1978, that the necessary steps, possibly through legal action, to have removed. While some people have already received requests to remove barriers, we wish to make it clear that they apply equally to all.

As a general rule, the Directors have decided that they will not be permitted on the northern boundary for fences, hedges etc. along the eastern and western boundaries.

4. PLANTING AND GARDENING ON COMMON AREA

We are all very grateful to members who have helped to plant extra plants, which the Association could not have planted themselves, and the gardeners on the estate are very grateful to you for the time to clip, prune or move the plants for themselves, or to ensure that the common area is kept neat and use of all members.

5. PETS

People are constantly complaining about animals straying round the estate and dirtying area close to houses. Sometimes this is so bad that it is a health hazard. It is extremely difficult to see a solution to this problem, and in the past the Board has felt unable to do anything about it, save ask for consideration from dog-owners in cleaning up and generally keeping control of their dogs. The trouble is now becoming so acute that we must remind all members of regulation 4.1.3 which requires permission from the Board for the keeping of animals. This in future no one may keep a pet without first obtaining the permission of the Board, which can of course be refused. To try to decide on a future policy to contain this problem and be fair to pet-lovers, we wish to have a complete picture of the situation. For this we need details of the pets kept in each household, and we should be grateful if you will complete the attached form and return it to Mrs. Fook, House No. 44 (Hamlet 4), as soon as possible.

6. The Directors have received complaints that quite a few people have washing lines up on their balconies in the full view of passersby. All the houses have yards especially to avoid this unattractive feature. Moreover, it is quite possible to put up lines at a very low level on 1st floor balconies so that washing hanging on them cannot be seen from the ground or from other houses. Please would people refrain from putting washing in a place or at a level where it can be seen by others.

7. EXTERIOR LIGHTS

For a glorious few weeks after the repair work on the lights had been completed

STRIKES
Going International

For the first time, workers abroad have struck in support of demands for recognition by an unregistered SA black trade union. It could mean an entirely new ball game for multinationals operating in SA.

The strikes were called by the International Union of Food and Allied Workers (IUF) after multinational Unilever had resisted demands for recognition by the unregistered Sweet, Food and Allied Workers Union. They were part of a week of protest against Unilever organised by the IUF.

According to IUF general secretary Dan Gallin, "solidarity strikes" took place at Unilever plants in seven countries. He is pleased with the success of the protest week: "IUF can already consider the action as extremely successful in terms of participation by affiliated unions. Never before has the international trade union movement responded with such energy to a call for support on behalf of black workers in SA."

A spokesman for Unilever's London office tells the *FM* the strike action took place in three countries - Sweden, Denmark and Finland. He says factories in these countries were brought to a standstill by the strikes, but has no figures on the number of man hours lost.

The Unilever man describes the effect on the company as "trifling." Nevertheless, it is the first time that multinationals operating in SA have faced strike action over their attitude to black unions here.

More could be in the offing. Says Gallin: "It is an unprecedented event in labour history and leaves no doubt about the determination of the union movement not to tolerate practises by multinationals denying their employees basic rights."

Certainly few in SA believed that overseas unions would go as far as strike action in support of SA black unions. The strikes are hardly likely to cripple Unilever - but the fact that they got off the ground is still a disquieting thought for multinationals in SA who are opposed to dealing with unregistered

unions

Meanwhile, Unilever's London office tells the *FM* the strike action was based on a "considerable lack of information" about the firm's SA labour practises. He says Unilever is prepared to recognise the union if it has "substantial" worker support and that this "does not necessarily mean 50%".

Up to now local management has indicated that it is loath to recognise the union unless it represents more than 50% of the workforce.

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Oil-embargo move hits at Shell

RDM 22/3/79 Own Correspondent

AMSTERDAM. — The Shell Oil Company is considering going to court for an urgent injunction restraining the Southern Africa Committee (SAC), and the Kairos Work Group from using Shell colours and design features in a campaign for an oil embargo against South Africa.

The two anti-apartheid organisations yesterday began nationwide distribution of about a million brochures calling for public support for their campaign.

The cover, entitled "Shell Helps", is modelled on Shell's series of motoring

advice brochures given out at garages.

Inside, Shell colours and a layout resembling Shell promotional material are also used. While the company's own brochures introduce the subject of each with the cover text "What you should know about...", the anti-South African version reads: "What you should know: Shell helps apartheid terror in South Africa."

The company has written to the two groups asking them not to distribute the brochures but the SAC replied that Shell was attempting to "muzzle" the protestors and refused the company's demand.

NED-EQUITY *Fm 20/1/78* **65**
A quiet life

Activities: Long-term insurer in the Sage group. Nationale Nederlander — Sage, which is equally owned by Sage Holdings and Nationale-Nederlander of Holland, owns 70% of the shares.

Joint chairmen: H L Shill; O Hattink.

Capital structure: 18m ordinaries of 10c. Market capitalisation: R19,8m.

Financial: Year to December 31 1978. Net cash: R546 000. Current ratio: 1,8.

Share market: Price: 110c (1978-79: high, 110c; low, 65c; trading volume last quarter, 34 000 shares). Yields: 5,5% on dividend.

	'75	'76	'77	'78
Net premium income (Rm)	6,1	7,9	10,6	14,4
Investment income (Rm)	2,3	2,8	3,4	4,5
Long-term fund (Rm)	22,3	26,7	33,4	45,0
Total assets (Rm)	32,3	37,4	42,6	54,2
Dividends (c)	3,25	3,5	4,5	6,0
Net asset value (c) ..	30	31	33	33

In its first full year as a life-only assurer, Ned-Equity has changed its accounting basis, making traditional earnings comparisons impossible. The change means only those amounts needed to meet dividends, tax and reserve transfers are moved from the life fund to the income statement. Thus the only retained earnings transferred to disclosed reserves are from a subsidiary, Netherlands Properties.

By de-consolidating Ned Prop and limiting transfers to the income statement, the company avoids "stating the often misleading comparisons of year-to-year earnings." This "widely used international practice" focuses more attention on premium income and investment performance.

In 1977, Ned-Equity disposed of its small, loss-making short-term operations to AA Mutual. In return it acquired a small holding in AA Mutual's participating prefs.

The life business had a good year, with total annualised premiums 22,5% higher

at R15m (R12,3m), of which single premium income more than tripled to R2,2m (R532 000).

Investment income rose 40,2% to R4,5m (R3,2m) which gives a 9% (8,1%) yield on the stated investment portfolio value of R49,8m (R39,2m). Investment emphasis during the year shifted towards equity and property trust investments. At end-December, R13,9m (R8,9m) was held in this category of investments equivalent to 27,8% (22,8%) of the portfolio. Holdings in debentures, mortgages and loans increased to R12,2m (R10,8m), though this could change if forecasts of hardening interest rates later this year prove correct.

Premium income has been increased in part by the introduction of new products. The company relies on brokers for much of its business but last year the agency force was expanded, which was part of the reason why management expenses increased 32,1% to R2,6m (R2m).

With the changed accounting basis, net worth per share could increase only slowly. However, as the life business grows, more funds will be transferred to the investment and development reserves.

At 110c to yield 5,5%, the shares discount a further dividend increase this year. The directors say last year's increase should not be taken as an indication of what 1979 will produce. Medium-term, the share appears to be a sound investment.

Des Kilaiea

traded at a high yield and earnings multiple, and is out of step with the printing and publishing sector. The company deserves at least to match sector averages on performance and management considerations.

Investors are obviously still wary of the uncertainty as to what might happen concerning the joint 49,5% interest of David Abramson and Stuart Pegg. The Info pair are reputed to also own Empisal, which recently sold off its trading assets to Tedalex and left shareholders with a cash shell. Now, with Hortors' assets blocked pending the Pretorius Committee's inquiry into secret Info projects, Abramson and Pegg could be looking for a buyer.

	*'77	'78
Return on cap %.....	—	23,4
Turnover (Rm).....	4,1	5,8
Pre-tax profit (Rm).....	(0,1)	0,5
Gross margin %.....	—	8,4
Earnings (c).....	—	20,8
Dividends (c).....	—	10
Net asset value (c).....	49	83

* Pre-merger figures.

Rumour has it that Abramson instructed Volkskas Merchant Bank to evaluate the group with a view to selling it. However, shareholders could be taking too much notice of the duo's interests. Hortors is not in fact controlled by Abramson and Pegg and any attempt to sell off the assets would almost certainly be blocked.

Parrington expressed his regrets regarding the adverse impact of the Info scandal on the share price. However, he says, "I cannot visualise any circumstances which will adversely affect trading results and dividend policy of your company arising from its associations with Hortors."

A direct comparison of the company's results is not meaningful and the table shows adjusted 1977 figures based on a rough *pro forma* income statement representing the combined figures of Kiley Baker and Sparham & Ford. On this basis earnings rose 142%, largely due to the reversal of HGX losses incurred before the restructuring in 1977.

Attributable profit rose to R426 000 (R200 000 adjusted) and the balance sheet shows a R200 000 reduction in interest bearing debt. With shareholders' funds slightly higher at R1,9m (R1,7m), the debt:equity ratio has dropped considerably.

In addition, cash resources rose from R99 000 to R662 000, and debtors increased to R1,1m (R856 000). Consequently the current ratio improved to 2,2 (1,7).

The complicated restructuring of the group, which had the effect of increasing HGX shareholders' stake in Hortors Walton, paid off handsomely. Those shareholders who kept their HWLs have benefitted, as they paid 180c for a share which is currently trading at 265c.

HORTORS-GRAPHICS

Pegged down

From 20/4/78
65

Activities: Provides advertising material to newspapers, magazines and other publications and services to the printing industry. The parent company, Marwoud Holding BV of Netherlands holds a 49,5% (51,3%) interest. HGX owns all the equity of Sparham & Ford and Kiley Baker.

Chairman: J H Parrington; deputy chairman: J D Hirst.

Capital structure: 2,3m ordinaries of 50c each. Market capitalisation: R2m.

Financial: Year to December 31 1978.

Borrowings: long and medium term, R59,5m; net cash R677 000. Debt:equity ratio: 3,1%. Current ratio: 2,2. Net cash flow: R361 000. Capital commitments: R30 000.

Share market: Price: 85c (1978-79: high, 127c; low, 65c; trading volume last quarter, 176 000 shares). Yields: 24,5% on earnings; 11,8% on dividend. Cover: 2,1. PE ratio: 4,1.

The share is bogged down, thanks to the "Info-link". And, despite assurances from chairman Maurice Parrington on HGX's prospects, it continues to be

Shareholders

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DURA SETTLEMENT

Pay 'back down'

Clearly, this is an entirely
 with selected major categories of disease.

Forty-two Transkei contract workers have won a comprehensive victory at the expense of a prominent Cape construction company, Dura Construction, a subsidiary of Dutch multinational Dura International. Dura has agreed to pay the workers around R12 500 in back pay, together with R2 600 interest and legal costs. The settlement is the result of a court action brought by the workers which was due to be heard later this month.

The workers alleged that Dura had recruited them in Transkei at a pay rate of 77c per hour, but had sent them to a construction site at Atlantis where they were only paid 57,5c. According to the Western Province General Workers Union, which assisted the workers in bringing the action, "repeated attempts" to seek a resolution of the grievance with management were unsuccessful.

The union says Dura's decision to settle represents a "complete back down," adding that it follows "smaller offers of settlement" which were rejected by the workers. It is nevertheless critical of Dura's decision to settle only a short time before the case was due to come to court, arguing that Dura "obviously thought the workers did not have the commitment" to see the case through.

According to the union, Dura wanted to make the settlement conditional on the issue not being aired in the press. This it rejected, arguing that "it is in the public interest for other employers to take heed of the outcome of the case."

The case follows two years of conflict between Dura and the union and its members at the company, where the union claims majority membership.

According to the union, Dura has consistently refused to deal with it. But it adds that "worker commitment to the union has increased despite this intransigence — an attitude which is all the more inexplicable as Dura's Dutch parent company subscribes to the EEC code of conduct."

The union hopes that the outcome of the action will prompt Dura to "adopt a more conciliatory attitude. We also hope that the lesson of this case is not lost on other employers" — a clear warning that Cape employers who refuse to deal with the union could face a protracted battle on the factory floor.

A Dura spokesman replies that the company decided to settle because a number of the 42 workers are still in its employ, and "we didn't think it right to be involved in a fight in the courts with our

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own employees." He confirms that Dura wanted the issue kept out of the press because "we believe the terms of a settlement should be private."

He concedes that "relations with the union are obviously not good," but that "we canvassed our workers on this issue and found a very negative response to the union. We are only prepared to deal with a representative trade union."

However, "we are happy to deal with a responsible union. If the union matured and became a registered union, the situation would change." The action by the workers is unlikely to have much effect on the company's attitude, the spokesman says.

ACKNOWLEDGEMENT

The writers wish to thank the Board of Assurance Society for their generous fi.

* * * * *

Storm as Unilever sacks union officer

By STEVEN FRIEDMAN
Labour Reporter

A PROMINENT multinational company has been accused of sacking a black worker at its Boksburg plant because of his involvement in a black trade union.

The company — Unilever, a Dutch and British subsidiary — has also been accused of "flouting the European Economic Community's labour code of conduct, which it claims to observe".

The firm yesterday denied the allegations.

Unilever was the target of an international strike campaign last year over its refusal to recognise a black trade union.

The charges have been levelled by Mr Paul Ntuli, a shop steward of the black Food, Beverage and Allied Workers Union — which Unilever will not recognise — who was sacked on December 20.

The union's general secre-

tary, Mr Shakes Sikhakhane, has endorsed the victimisation charge and plans to take the matter up with Unilever's Durban head office

Mr Ntuli also claims he was employed by Unilever as a "trainee supervisor", but was made to perform labourers' work, such as painting. The dismissal note says he was employed as a "trainee plant operator".

He says there is no formal training programme for trainee supervisors and claims other trainees have been doing labourers' work for up to two years without being promoted.

"The foremen make life difficult for us, because they fear they will lose their jobs if qualified blacks are promoted. They make sure we do not advance and the management does nothing about it", Mr Ntuli said.

He also alleged that, while Unilever's canteen is racially

integrated, lower grades of black workers are not allowed to use it.

Mr Ntuli was dismissed shortly after the company received a letter informing it that he had been elected a shop steward and asking it to allow him to carry out his union duties.

Unilever replied that it could not allow activities by a union shop steward because "there is wide and positive support" among workers for the company's liaison committee. Both Mr Ntuli and the union reject this, claiming "workers are unhappy with the committee".

Mr Ntuli claims he was summoned to the factory manager's office shortly after the letter reached Unilever, and accused of breaches of discipline. He says he was told he would have to be "isolated" from his fellow workers. Soon afterwards, he was dismissed.

He denies he breached company rules, and claims that he

is being victimised because he was elected to office in the union.

A Unilever spokesman said yesterday that Mr Ntuli's dismissal "had nothing whatsoever to do with his membership of the union. While his progress was initially good, it became increasingly clear that he was not deriving satisfaction from his work and was not performing his duties adequately".

He said Mr Ntuli had been warned twice about this, in October and November, before the company was informed that he was a shop steward.

Of Mr Ntuli's other allegations, the spokesman said: "It is our policy to advance the careers of all capable employees. There is absolutely no prejudice regarding race."

He said the Boksburg site has two canteens, one for weekly-paid and one for managerial and salaried staff, and that both were non-racial.

We won't grab industry pledges Sebe

KING WILLIAM'S TOWN — An independent Ciskei would not nationalise industry, Chief Minister L. L. Sebe assured industrialists yesterday when he opened a plastics factory at Dimbaza.

He said he had often been asked by prospective investors about his attitude toward free enterprise if Ciskei became independent.

"The industrialist's real fear is that his industry will be nationalised, but my answer is that if Ciskei wanted to deal its economy a real death blow, the surest way will be to nationalise even one industry," said Chief Sebe.

That would spell the end of investment from South Africa and the

Western world.

"But rest assured the Ciskei would not only be opposed to socialistic type nationalisation for those selfish reasons, but also because the Ciskei is ideologically committed to accomplishing a free enterprise system.

"We in the Ciskei do not sit in our cocoons insulated from the events which have dictated the paths of progress or regress of the independent nations on the rest of the continent.

"We are not unmandful

of the stagnant waters in the loading bays of the once prosperous parts of Africa. We are not unaware of the fact that when the white man leaves an African state, he takes his money with him.

He said his people did not live in a fool's paradise filled with Marxist ideology.

"We have been quick to notice that Marxism seeks to fill man's mind and not his stomach," Chief Sebe said.

But his people were equally conscious of the enormous economic gap between blacks and whites in South Africa.

"To close the gap we need men of courage, both black and white, men ready to invest not only their bragging breath, but also their hard cash in the creation of a future in which we can join hands as brothers.

"Don't let us fool ourselves during this creative process. It is only when my people have as much to lose as the white man that they will be committed totally as a brother with the white man in defending this country," Chief Sebe said.

But, as long as his people were poor and hungry "they will be led by the first man who offers them the chance of a meal and to hell with the ideology.

"Hungry people have no time for politics and encouraging words. They want food," he said.

He asked when the white man in South Africa would realise the removal of a whites-only sign from a toilet or a park bench was not change.

When will they realise the war in South Africa will not be won by bigger and better guns on the border but by bigger and better development in the black states?

"The Mozambique conflict has just ended, the Rhodesian dust has not yet settled, Angola still licks its wounds from a bloody conflict which tore the economic guts out of that country and what have the whites learned from all that?"

Whites had obviously not learnt the answer to lasting peace was to satisfy man's aspirations "or, if they have, they show few signs of doing anything about it" --
DDR



Mr G. Veller, a Dutch director of the plastics factory which opened at Dimbaza yesterday, hands a gift to Chief Minister L. L. Sebe.

DAILY STAR 27/3/80

(61)
(18)
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A love made visible

KING WILLIAM'S TOWN — Van Leer, a plastics factory which was opened at Dimbaza yesterday, was love made visible, said Chief Minister L. L. Sebe who performed the official opening.

The factory was an investment not only for profit "but also for peace. The dividends to be reaped from it will multiply the riches in man's heart as well as his pockets," Chief Sebe said.

The factory, which specialises in plastic mesh, is a R2 million investment, and the first Van Leer project of its

kind in the South African black states.

Yesterday's opening was also attended by Mr G. Veller, a director of the company, and his wife, Ursula, both visitors from Holland.

Also present was Dr D. de Graaff, an international engineer for the company, which now operates in 35 countries.

Mr De Graaff comes from England, although he is a native of Holland. He was working in Australia before he came to South Africa. — DDR

more in line with SA business practice Philips, being a Dutch company has tended to stick to the European system of centralisation. Naturally I met with some opposition.

"I like the concept," Timmer says. "It implies the necessary commitment to make a division work while giving the guy at the top enough independence to do it his way."

Independence is important to Timmer

"It is easy to lose it in large corporations. We employ 380 000 people. However, Philips men are free-rangers who operate intuitively, without a set of rules. We operate from here," states Timmer, tapping his head.

He goes back to the DBU's. "Top management has tended to remain a close network. We know who to contact; and we're part of the company culture. But we don't go elsewhere easily."

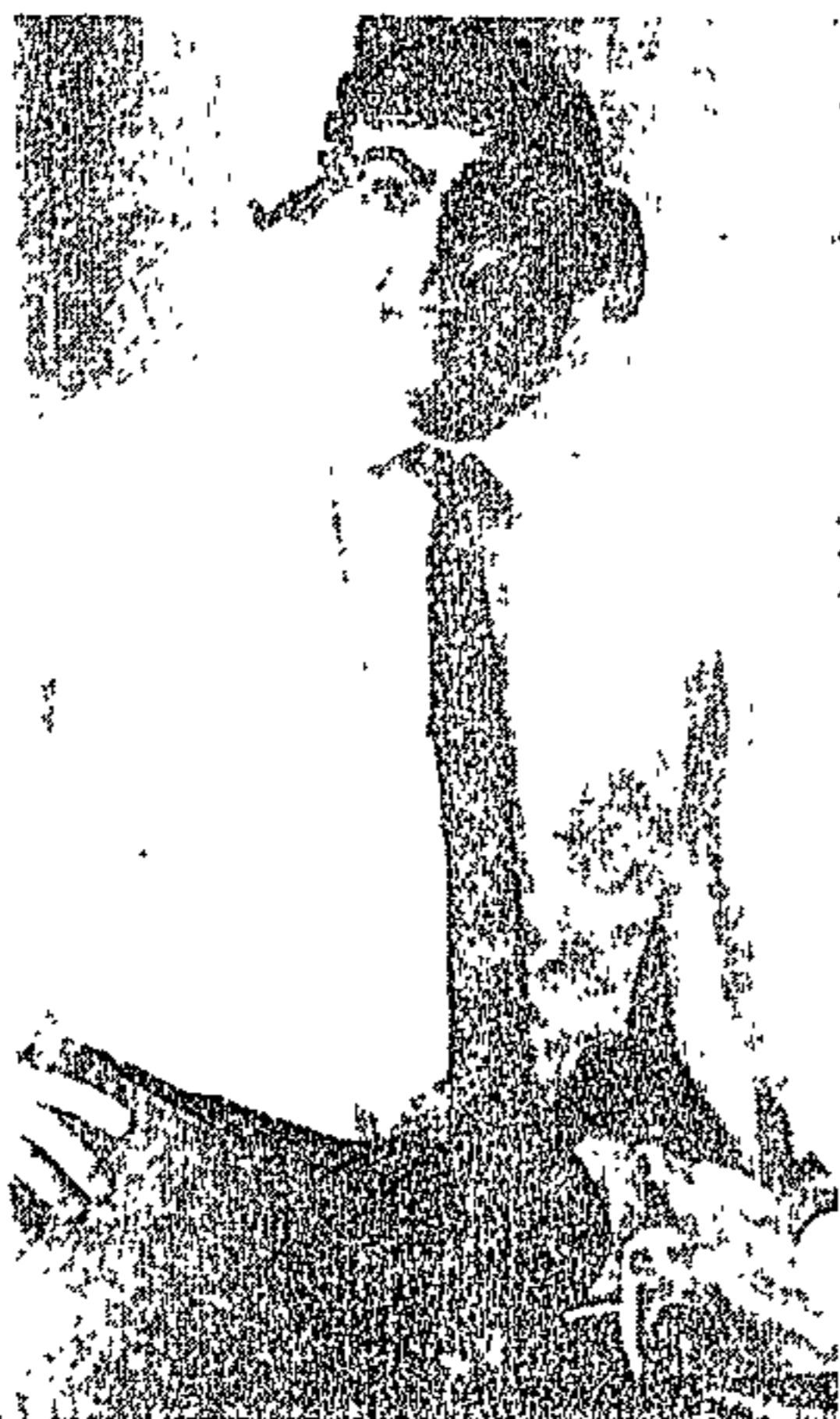
Timmer is loyal, mobile, and individualistic. "Our company relies on personalities," he says.

He joined Philips in 1952 at 19 -- starting in accounts. He was shifted out to Ethiopia where he spent eight years as financial director. He reckons his experience there has stood him in good stead for his job in SA.

"SA is, on many levels, still a developing country."

After Ethiopia, he went back to head office where he became regional manager for tropical Africa.

"At the same time I was put in charge of management planning and training. It is difficult doing two jobs, and I have been confused ever since," he says. Timmer was given the job because "I had received criticism of management training." Timmer obviously prefers working



Timmer . . . a hunger for power?

JAN TIMMER

Mr Independent

FM 11/4/80

65

Jan Timmer is in control. As you face him across his work table you feel he's the one directing the interview.

Timmer, who heads Philips' SA operation, obviously runs his company the same way. He has appointed six local directors (not a common Philips practice) to run his company's key divisions -- what he calls Dedicated Business Units (DBU's).

"I felt we needed to bring our operation

away from head office. "You don't have to consult anyone. It is also great to be held responsible for what you have done."

"Maybe my motives can be explained as hunger for power," he jests, half-seriously.

But being away from head office is not all roses. "You get the stimulation of working with top people and new ideas. I miss it. But I'm not that sad. I make do with the sun."

Timmer came to SA in 1977. "In my previous position I was well-placed to see vacancies coming up. Do you know, I have been accused of reserving one of the prized jobs for myself."

Timmer has decided to settle for the moment. "I like SA and don't want to move. I am convinced of SA's great future. I'd hate to work in a forgotten country."

What about complacency? He shrugs, saying: "I don't know, but I don't think it will happen to me. SA is one of the most inspiring industrial countries. We move fast and decisions are taken in a hurry."

Asked how he made it to the top in a big company with lots of bright people, he says frankly: "I suppose my ambition. I want to make things happen, not have them happen to me. I don't like to lose."

"I was also the right man for the job. I have always had the urge to go places."

Timmer describes himself as a loyal company man. "I couldn't see myself working for anyone else. But that doesn't mean I'll accept the *status quo*."

489 (H) 65

Man aan die roer

RAPPORT
27/4/80

Sake-spel vir hom 'n groot genot

Deur FRANZ ALBRECHT
HY en sy bestuurspan is deelnemers aan 'n sake-spel. So vinnig as wat die spel van rigting verander, moet hulle besluite neem. Daarom is die groep waartoe hulle behoort, 'n kampvegter vir die onafhanklike besluitnemer.

Aan die woord is mnr. Jan Timmer, 47, voorsitter en besturende direkteur van die Philips-groep van maatskappye in Suid-Afrika. Hy het hom as 19-jarige by die rekeningkundige afdeling van Philips in Holland aangesluit en het gou in bestuur uitgeblyk.

Op 30 jaar was hy besturende direkteur van Philips se belange in Ethiopië — twee jaar nadat hy na hierdie land as finansiële direkteur verplaas was. Op 43 jaar — 'n bietjie meer as drie jaar gelede — is hy in die hoogste bestuurspos in Suid-Afrika aangesel.

In die nege jaar dat hy terug by Philips se hoofkantoor in Eindhoven was, nadat hy van Ethiopië teruggekeer het tot dat hy na Suid-Afrika verplaas is, was hy eers vir drie jaar streekbestuurder van Tropiese Afrika. Daarna het hy hom by die afdeling vir bestuursontwikkeling aangesluit.

Hier was hy in die laaste drie jaar voor sy vertrek na Suid-Afrika adjunk-direkteur van bestuursontwikkeling van die reuse-groep, en effektief in beheer van alle bestuurspleiding en -ontwikkeling.

Ná sy jare ondervinding huldig mnr. Timmer 'n praktiese siening van bestuur. „Boekekenis moet aangevul word deur 'n vermoë om onafhanklik besluite te kan neem. In die geval van 'n krisis is daar nie 'n handboek wat geraadpleeg kan word nie,” sê hy.

Mnr. Timmer se vergelyking van die sakeman as 'n sportspeler het nuwe betekenis vir hom gekry sedert hy in Suid-Afrika is. Die sportgogga het hom gebyt nadat hy hier aangeland het. Maar op 47 jaar is hy besadig genoeg om te erken dat sy tennis- en gholfspelery maar net

vir die plesier is en om in die buitelig te kan kom.

„Ek was basies lui om buitelig-aktiwiteite aan te pak voordat ek die sonnige klimaat van Suid-Afrika beleef het,” sê hy. „Maar ek het nog nooit moeilikheid ondervind om van my werk af te sluit nie. Probleme by die werk kry my ook nie maklik onder nie.”

Mnr. Timmer se bedaarde en kalme houding teenoor sy werk, spruit basies uit selfversekerheid. „Elke mens kan selfversekerd in sy werk wees indien hy die sake-sektor ken waarin hy homself bevind. Dan moet hy ook 'n idee hê waarheen hy wil gaan en waarheen hy sy maatskappy wil bring,” sê hy.

„Danksy die gehalte en die geesdrif van Philips se Suid-Afrikaanse top-bestuur, bereik die maatskappy sy doelwitte en weet ons dus dat ons besig is om te slaag as sake-onderneming. 'n Mens moet ook nie uit die oog verloor dat ons gerugsteun word deur die enorme Philips-groep en sy 90-jarige ondervinding in elektronika nie,” sê mnr. Timmer.

Die internasionale Philips-groep — wat vandag nog as Philips Gloeilampenfabrieken geregistreer is — is in 65 lande oor die wêreld bedrywig en behels 13 groot afdelings van elektroniese toerusting. „Hoe hoër 'n bestuurder in die groep vorder, hoe meer onkundig word hy oor al die groep se elektroniese bydryvighede,” meen mnr. Timmer.

Hoewel sommige van die internasionale bestuurders van Philips Hollandse paspoorte dra, is daar van hulle wat al soveel gereis het en elders diens gedoen het dat hulle dertig jaar laas in Holland gewoon het. „Ons is almal getroue manskappe van die groep wat gaan waarheen ookal ons gestuur word,” sê mnr. Timmer.

„'n Philips-bestuurder ly nie aan 'n minderwaardigheidskompleks nie,” sê hy grappenderwys. „Holland is immers die land waar menige groot multi-nasionale onderneming sy hoof-



MNR. JAN TIMMER

kantoor het, en Philips is 'n wêreldmededinger van formaat op die gebied van elektronika.”

Die Suid-Afrikaanse kleinhandelsmark is hoogs progressief en ver gevorderd, meen mnr. Timmer. Op baie gebiede is dit een van die mededingendste markte ter wêreld. Die uitdaging om in hierdie mark te kompeteer, verskaf hom groot genoegdoening.

En daar gebeur nog veel meer dinge in Suid-Afrika wat dit 'n opwindende land maak om sake in te doen. „Die ekonomie staan op die rand van 'n oplewing, en buite die ekonomie gebeur daar dinge,” sê mnr. Timmer. Hy vind dit alles persoonlik baie boeiend.

Hoewel hy steeds gemotiveer word deur 'n drang om iets te bereik, voel hy dat sy jeugdige ambisie nou ietwat deur ondervinding getemper is. Hy put genot daaruit dat hy aan die hoof staan van 'n goeie onderneming met goeie mense, en dat hy gelukkig in Johannesburg is.

„Suid-Afrikaners besef nie aldag hoe gelukkig hulle is nie,” sê

hy. „Johannesburg is 'n wêreldstad, maar met 'n unieke verskil: net 'n paar kilometer uit die middestad kry 'n mens oop ruimtes en welige plantegroei. Geen ander stad ter wêreld hou so sulke voordele in nie.”

Deesdae kry hy meer tyd as vroeër om met sy twee seuns en 'n dogter deur te bring. „Maar,” sug hy. „Hulle is nou op die ouderdom waar hulle eerder meer tyd weg van die huis wil bestee. Ek kry darem nou en dan 'n les van my een seun wat op Kaapstad se sake-skool is oor hoe om my maatskappy te bestuur,” sê hy glimlaggend.

Die elektroniese bedryf het een van die hoogste vernuwings tempo's van enige bedryf ter wêreld, en mnr. Timmer is lankal bewus dat niemand 'n deskundige op al die bedryf se terreine kan wees nie.

„Dit is belangrik om 'n algemene gesprek oor die bedryf te kan voer, maar as bestuurder maak ek volkome staat op die deskundige medewerkers in die maatskappy om my op die hoogte te hou,” sê hy.

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saagpandig. Die tot 820 hoogtena sal 'n ontvang

beteken gende: ng het gekom ie saak aange-lasseike diwe het gevalle punte

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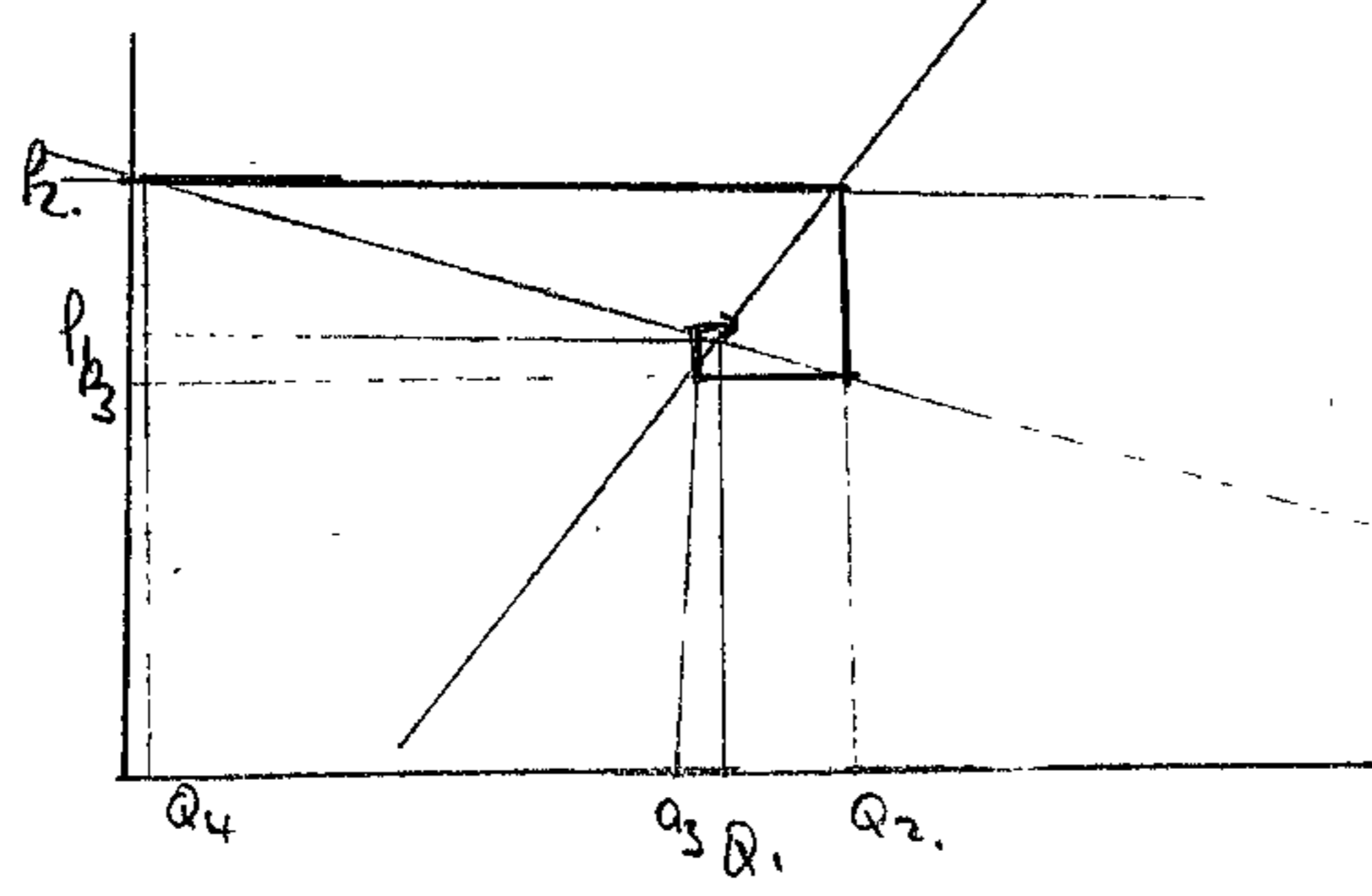
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(ii) Under what conditions
 is the long run?

Stable equilibrium
 where demand is
 supply:



Stable

D.E
 1978

There is a time lag for supply to come onto the market
 & where output is planned according to prices
 prevailing in the previous year & where the demand
 is relatively elastic & the supply is relatively
 inelastic then if prices & quantities are raised above
 & to the right of equilibrium then they will

Apartheid
 protest
 to Shell
 7/5/80

London Bureau
 LONDON. -- Anti-apartheid
 forces in Britain and Holland
 are gathering again for a joint
 protest against Royal Dutch-
 Shell.
 Simultaneous protests over
 Shell's links with South Africa
 will be delivered in London and
 The Hague as the British and
 Dutch arms of the multi-national
 combine hold shareholders'
 meeting on May 29.
 Anti apartheid groups in
 Britain have already written to
 more than 200 institutional
 shareholders urging continued
 support for their stand against
 Shell's trading associations
 with South Africa, and demand-
 ing its withdrawal because of
 its "deep involvement" in the
 apartheid system.
 Bishop Colin Winter, the ex-
 illed former Bishop of South
 West Africa, says in a letter to
 them: "We believe it is abso-
 lutely vital that concerned
 shareholders express their feel-
 ings on the one occasion in the
 year they are able to do so."
 In Holland, the protesters
 have launched a huge campaign
 by distributing leaflets to
 1 500 000 homes and every Shell
 petrol station in the country.

prices of quantities
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the long run
 elastic than

1977

Shell wages low but many compensations

STAR 6/6/30 (65) 2

The Star Bureau
LONDON — The Shell oil company has disclosed under Common Market regulations that 360 of its black workers were paid wages below the minimum living level (MLL) in the 12 months to June 30 1979.

But in its EEC report the company stresses that substantial benefits given to workers should be off-

set against the low wages, which were paid at the Rietspruit Coal Mine in the Eastern Transvaal in which Shell has a 50 percent stake.

The MLL for the neighbouring town of Pietersburg was set by the University of South Africa at R146,50 a month, but the lowest rate of pay at Rietspruit was only R100 a month plus a R4,33 bonus.

Shell answers its labour critics

STAR 14/6/80

77
64
65

While Shell South Africa does not deny recent Press comment that the cash content of 360 workers at the Riet-spruit open cast coal mine (jointly owned by Shell and Rand Mines), was below the minimum living level (MLL) in the year to June 1979, it feels strongly that the allegations are unfair.

These newspaper reports, which appeared both here and overseas do not take account of the substantial fringe benefits which include housing, food, education, transport, heating, medical and dental services. In some cases, the benefits received are higher than the cash content, putting them not just above the MLL but the supplemented living level (SLL).

STUDIES

Professor P A Nel of the Bureau of Market Research at the University of South Africa, has carried out two independent studies on the financial requirements of blacks at Riet-spruit, the most recent conducted in March and April this year.

Certainly, out of the 1000 employees, some workers doing less skilled jobs receive a cash



Jean Moon talks to Shell about overseas accusations

payment below the MLL, but when fringe benefits are quoted in cash terms for that area (Pietersburg was taken as the benchmark), they receive well above the SLL.

(See table below).

So far the mine has completed 150 of the 500 houses planned for workers and their families, so those wishing to have their families join them will be able to do so in the near future.

FOOD

Each worker and his family receive food rations at least equal to the American standards recommended by the National Medical Research Council. A supermarket is being built at the mine, where workers and their families will be able to buy food at cost.

Information from Shell's report on Riet-spruit's conditions of employment as

they relate to the EEC Code of Conduct have been quoted out of context.

Overseas critics have compared cash income only with Unisa's MLL and SLL levels and have not taken account of fringe benefits which are all included in the build-up of Unisa's MLL. These are used as minimum financial requirements and wage levels.

IDENTICAL

This misinterpretation may be due in part to the

anomalous requirements for reporting on conditions of employment as they relate to the EEC Code of Conduct. The format requires that "the value of any monetary fringe benefits or accommodation or food provided," should be excluded from the value of the pay package.

Pay packages at Riet-spruit for both black and white workers is identical.

In his report, Professor Nel said: "During my visit to the mine, I was impressed by the exceptionally favourable living conditions of its employees who take pride in their beautiful homes and hostels.

"The recreation facilities and buildings being erected at present may be described as luxurious and of a standard that is probably unique in South Africa."

Value of the package for the lowest level employees compared with the SLL — benchmark Pietersburg, applicable February 80.

	Single	Bachelor basis	Married in permanent residence (ave family size 5.44)
Basic pay grade I	R105.00	R105.00	R105.00
Leave pay and holiday bonus	R8.75	R8.75	R8.75
Permissible value of items provided in kind	R34.49	R33.42	R131.20
Total	R148.24	R147.17	R244.95
SLL	R78.89	R142.63	R206.82

CONTAINS A CONCISE DESCRIPTION OF

421:A	KÄHLER-NEYER, EMMI	422:0	1967-8
423:1	THE JONES IN DR-BANDU	424:P	AU 51 : 81-90
425:C	MENTIONS XHOSA, N.SOTHO, VENDA ETC.	426:L	1000
427:5	TONOLOGY	428:A	LANHAM, L.M.
429:1	THE JONES OF XHOSA	430:P	AS 17 : 85-81
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BORLAND*LIST1

ARCHITECTURE

Africa-Europe Line

takes on modern freighters

65 337

Alguo 20/1/81

Shipping by Bill

THE Dutch-owned Africa-Europe Shipping Line is engaged in a fleet modernisation programme which will see two of its conventional break-bulk freighters replaced by three bigger and more sophisticated tween-deckers.

AESL, which operates a regular service between North Europe and South Africa, but is not a member of the conference, has taken the three new 16,000-ton vessels on long-term charter.

One has already been delivered from the builder's yard in East Germany and the other two will come into service later this year. The ships — Papagena, Pamira and Palmona — will replace the 13,105-ton Eibe and 11,228-ton

Harmony which have been engaged on the Europe-South Africa run for some time now.

Local agents say the Japanese-owned Harmony is to be switched to Elephant Line's North Europe-Mozambique service, but no details are available as to the future of the 18-month-old Eibe.

The three new vessels are designed to carry 850 containers each and will join the 15,992-ton sister ships Pagnal and Rannu on the service.

Cape Provincial Institute of Architects' Prize

1 Prize
as leted
for courses.
Prize
student

For the best student of Architecture (or Quantity Surveying) in the subject of Professional Practice.

D H Pryce Lewis

General J R M Hertzog Prize
For the best final year student.

S A Read

Osborn Prize
For the best work in fourth year.

D H Pryce Lewis

John Perry Prize
For the best work in third year.

A van Rossumveld.

S. Tribune 26/4/81

Messina buys

out Dutch company

Finance Reporter

THE Messina (Transvaal) Development Company has acquired a 73 percent interest in Guniting and Mining Enterprises, which owns the Goodhope diamond mine in the Barkly West area of the Cape.

Messina acquired its shareholding at a cost of R1 million from Handelmaatschappij Duynvlied BV of Holland. The balance of shares is held by Dr J. J. Scholtz, the mine's general manager.

The Goodhope diamond mine has been in operation for three years, producing good quality gem stones with a size range from one quarter to three carats.

LIGHTING INDUSTRY IN BID TO SAVE ENERGY

S. Inbume 17/5/81



Finance Reporter

AS South Africa's power costs stand poised to soar along with the country's rising inflation rate, the lighting industry is investing millions in research and development of new energy saving technology.

Lighting director of SA Philips, Mike Edgar, says the biggest growth area of the lighting market currently is industrial lighting, followed by security lighting and domestic lighting. All market segments are

already energy oriented and the company that supplies an energy solution is going to land the contracts.

Critical of the lighting industry as a whole Edgar's description of the R120 million a year industry is "fat and lazy" and ready to be taken on.

He says power costs in Europe are currently double the costs in South Africa, but he warns that local costs are likely to catch up.

R22 million
expansion
programme
for Sapref
refinery

57/15/65
Finance Reporter

R22-MILLION expansion programme at the Shell BP consortium owned Sapref refinery at Reunion by next year will be able to produce the country's full requirements for special solvents for the mining and paint industries.

South Africa currently imports some 95 percent of its requirements for these specialised solvents and the new plant, on which construction will begin next February, will cut about R2,5 million from the annual import bill.

The phased development of the plant, which will come on stream in May, will allow for an initial production of around 24 000 tons of aliphatic and aromatic hydrocarbons, building up to a rate of 43 000 tons and more as requirements dictates.

More than half of the R22-million construction costs will be spent in South Africa and only highly sophisticated machinery which will not be economical to manufacture locally will be imported.

Design of the plant, now at an advanced stage, is being carried out here and in Holland.

Raw materials for the new plant will be drawn from the various production units of the refinery and imports of the solvents will cease when the plant comes on stream.

Hydrocarbon solvents are used in the mining industry in the flotation process to separate minerals from complex ores — such as copper from magnetite — while in the paint and lacquer

manufacturing industries they are used as thinners.

During construction the new plant will provide a large number of jobs for building and engineering workers but will require only 14 men to operate and maintain it.

Detergent plant for Durban

By John Spira

SHELL SA has started planning and design work on a R15-million new plant at Reunion, Durban, to produce high-quality biodegradable detergent intermediates -- the main ingredient used in the manufacture of liquid and powder washing detergents.

According to David Barrett, managing director of Shell's chemical division, the plant will have an initial capacity of 25 000 tons a year when it comes on stream in 1983.

He says: "The plant will use the latest Shell technology to convert higher olefins feedstock into a range of high linearity alkyl benzene intermediates for the manufacture of biodegradable detergents.

"The plant is being designed to meet the local environmental requirements and washing conditions as well as the requirements of Shell's international customers."

Shell companies are the world's largest producers and marketers of detergent intermediates with manufacturing plants in Europe, Australia, the US and, with associates, Japan.

Despite code, 'noting' has changed?

Some from 30/12/51

"and those who invest in this country ought to know that it is a moral question. They invest in this the most vicious system since National Socialism."

A white priest, according to the report, says "The West made apartheid possible from the beginning. It is not as responsible for apartheid as South Africa itself."

"The question is whether people in the West are liberated enough to take responsibility for the fact that what they have supported in South Africa is a brutal, unjust system."

"So, liberation in South Africa can only come when liberation comes in Germany, Great Britain and in the USA. They, the people there, must stop accepting dehumanisation, because it supports their interests that is as it is."

By Josephine Barakono

Article in all weeklies with black readers.

The 112-page report is available to all weeklies with black readers. The report is available to all weeklies with black readers. The report is available to all weeklies with black readers.

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FOREIGN FIRMS IN SA — DUTCH

1982 — 1986

SA man disrupts Shell meeting

65 CAPE TOWN 21/5/82

Own Correspondent

AMSTERDAM. — There were angry scenes at the Shell annual shareholders' meeting in The Hague on Wednesday when a South African accused the company's board of murdering his black countrymen.

Anti-apartheid demonstrators from four Dutch pressure groups, seeking the overthrow of the white South African Government, attended the meeting to urge the withdrawal of Shell investments in the country.

After hearing criticism from three anti-apartheid speakers, who had all bought single shares as tickets to the meeting, the president of the supervisory board, Mr Gerrit Wagner, said Shell's withdrawal from South Africa would not help anyone.

Suddenly a black South African leapt up and

began to scream abuse at the board members seated at the front.

"You are the f... murderers of South Africa. I wish you death, you filthy dog."

Amidst an uproar of protest and approval, he left the hall shouting curses and threats before anyone could find out who he was.

Mr Wagner, who had already had difficulty controlling the tension between ordinary shareholders and the so-called convenience shareholders, commented: "Yes, it is an emotional issue."

The Dutch Foreign Minister, Mr Max van der Stoep, contradicted Shell's president, Mr Dirk de Bruyne, who had told anti-apartheid questioners that there had been no government request for a voluntary oil boycott of South Africa.

(65)
~~11/30~~

Mdantsane school boycott continues

EAST LONDON — The Ciskei acting Director-General of Education, Mr M. S. Manjezi, yesterday said through a secretary that he was not in a position to comment on developments in the Mdantsane schools' boycott.

Mr Manjezi was asked to comment on the boycott that has kept hundreds of pupils out of classes since September 6.

The secretary added Mr Manjezi might be in a position to comment next week.

Meanwhile attendance figures fluctuated from school to school yesterday and while there was a definite increase in most schools on Monday, six schools had lower figures yesterday than Monday while the other six had increased attendances.

One school reported a total attendance of above 90 per cent while two had less than 50 per cent attendances.

Matriculation examinations start on October 27 in all high schools. — DDR

2011 23/7/82
**Better deal
for blacks** (69)

Mail Correspondent

THE HAGUE. — Dutch companies in South Africa are steadily improving working conditions and salaries of black staff, according to a Cabinet report to the Dutch parliament yesterday.

In a review of the application of the European community's code of conduct, Cabinet Ministers said continued improvement could contribute to peaceful change in SA.

The report was submitted by the Prime Minister and Foreign Minister, Mr Andreas van Agt, and by the Minister of Economic Affairs, Mr Jan Terlouw.

Most of the 20 large Dutch companies operating in SA had filed comprehensive reports on their labour practices, they said.

Eight of these reported total desegregation on the shop floor and nearly all listed improvements in pay and job opportunities for blacks.

"Equally encouraging is the steady fall in the number of black workers paid a wage beneath the minimum set down in the EEC code of conduct," they said.

Top SA firm goes Dutch

By Vera Beljakova *S. Times*

6/6/82

65

YET again a fledgling South African company has acquired the assets of a foreign firm.

This time it is Johnson Crane Hire — owner of South Africa's largest fleet of cranes — which has bought the assets of the crane division of the Netherlands-based Sindorf

Trading for R4,6-million. Sindorf, it appears, had been contemplating setting up shop in South Africa, but after negotiations with Johnson in the Netherlands it decided to sell the crane operation instead.

In terms of the deal, Johnson acquires 26 cranes varying in size from 20 tons to 45 tons, thus bringing its fleet to more than 200 cranes — by far the biggest in the country.

Huge new SA vehicle maker

By Colin Haynes
and Stephen Orpen

IN A complex corporate reshuffle, what by certain yardsticks could be South Africa's largest big-truck manufacturer has been formed, with a production capacity of more than 5 000 units annually

In the vanguard of the new giant's drive into the heavyweight end of the market is a range of Samag trucks derived from military vehicles produced for Armscor

The battle for business in South Africa's ailing truck market mushroomed this weekend as the huge Messina group launched a new range of commercial vehicles which until now have been hiding under military colours

Under the Magnis Truck Corporation standard, Messina has brought together the production and marketing of South African model derivatives from leading European and Japanese manufacturers

The European models come from the "Club of Four" association of Magirus-Deutz, DAF, Volvo and Saab

It is from the designs of these manufacturers that Messina subsidiary Truckmakers has developed Samil and Sakom military vehicles under an exclusive Armscor contract since 1976

It is the commercial versions of these trucks — called Samags — which now come on the market, alongside the Nissan Diesel truck and bus range, which is also in the Messina stable

So Magnis Truck Corporation and Truckmakers are now blended into a new and powerful force in South African trucking, with integrated production and sales making them the biggest single factor in the business

There are 17 Samag models from Magnis spanning the 12-26-ton range; the small-

● To Page 3

Huge new truck manufacturer

● From Page 1

er ones showing their European ancestry more clearly than the heavyweights

With Magnis aiming to capture 10% of the 10 000kg-and-above market with the Samags, and Nissan Diesel already holding 16%, the Magnis conglomerate will become a major factor in its sector of the market

An expected outcome of the Messina move is that it will enable the Datsun operation to concentrate on trying to regain the share of the passenger-car market it has lost recently to arch-rival Toyota in particular

Sigma has also carried out a corporate restructuring to separate truck and car operations, and it is widely

known in the industry that Toyota has important truck developments on the way after its move into leadership of the car market

So the current top three companies in the South African vehicle-manufacturing business will be the centre of a fascinating battle for supremacy in the coming months

Toyota's position as No 1 with nearly 25% of the total vehicle market looks safe, but the Messina and Sigma groups could both be close contenders for second spot

All three are local companies predominantly relying on Japanese products and which have opened up a clear lead from the European and American multinational motor manufacturers operating in South Africa

Magnis Truck Corporation

man's y hopes eprieve

y of Vosloorus near Boksburg, has lost
nelle, will escape the hangman's noose

By MZIKAYISE EDMOND

A shocked and worried Mr Tofie Mogoe, Thelle's younger brother, told The SOWETAN yesterday the family was feeling bad about Mr Viljoen's refusal to grant his brother a reprieve.

As is with the other goerane and her two family will demand that they be given the body of Thelle for burial.

Mrs Christinah Mogoe and his two sons, Thekiso and Thabang and other family relatives, left early yesterday morning for Pretoria to pay Thelle the last visit in the Death Row, before he is hanged.

APPEALS

The family still had hopes for a last minute reprieve following appeals from abroad.



FIRE: Mr Mcebisi Mqhayi worked for company for 20 years.

Worker takes manager to court

A WHITE canteen manager who fired an elderly supervisor working under him for allegedly defying authority, was yesterday accused — at an Industrial Court hearing in Johannesburg — of exercising "unfair labour practices".

According to records read in court, which was presided over by Mr D R van Schalkwyk, Mr David Balfour, the canteen manager at Van Leer SA (Springs), fired Mr Mcebisi Mqhayi (53) for being absent without his permission.

Mr Mqhayi allegedly closed the shop and went to the administrative offices at the local township in spite of Mr Balfour having turned down his requests to go there. Three days later Mr Mqhayi was fired after being questioned by the factory's tribunal.

Denying the allegation Mr Mqhayi, through his lawyer, said he had gone to the office with the belief that his employer had given him permission, although grudgingly. If Mr Balfour had refused him permission he either did not hear because of the noise in the factory or had not understood Mr Balfour's heavy Scottish accent.

Mr Mqhayi's lawyer said in firing the supervisor who had "been with the company for about 20 years" Mr Balfour had made life "difficult and intolerable" for his client.

In reply to the accusation the company's defence said Mr Mqhayi had been aware that permission had not been granted but had closed the shop and had gone away.

The hearing has been postponed to Friday.

rs in court for murder

717 Frieda Street, Hercules, Pretoria home August 23 last year.

The investigating officer Lt Paul Looock testified that after receiving information on August 25 he went to a house in Soshanguve where he arrested Mr Johannes Msiza who was hiding behind a TV set. He confessed to having been at the scene of murder with his brother. He denied having killed Mrs van Buuren.

The accused had then taken him to another house in Soshanguve

where he arrested Mr Jonny Msiza who was also hiding. He, too, confessed to having been at the scene of the crime. Lt Looock said the accused had also told him he had covered Mrs van Buuren with a bedspread because they did not want her to see what they were doing. Both accused, Lt Looock said, had not been assaulted or threatened and had also shown him certain articles allegedly stolen from the house.

Mr B J van Buuren, the husband of the de-

ceased, told the court that Mr Johannes Msiza had worked for him. He was not working for him at the time of the crime. The accused had left of his own accord after stealing two gallons of petrol from his premises, he said.

His son, Mr J H van Buuren, who is also a policeman, testified that after receiving information he had rushed to his parent's home at about 4 pm on August 23. All the doors of the house were locked. Together with his father they entered the bedroom

where they found his mother in a sitting position near the bed with both hands and ankles bound with a pair of socks.

Her head was also covered with a bedspread and a belt was tightly fastened around her face making it impossible for her to breathe. She was already dead.

Doctor J D Loubser, chief state pathologist, testified that he conducted a post-mortem on Mrs van Buuren and said she died from suffocation. The hearing continues.

Carl Tines 10/6/83

~~62~~ 65

SA: Dutch debate on

Own Correspondent

THE HAGUE — After a six-month hiatus in which Prime Minister Ruud Lubbers's new centre-right government has concentrated on domestic economic policy, Parliament is back on the sanctions warpath in an effort to dent South Africa's commitment to apartheid.

Last month's much-delayed cabinet White Paper, advising against unilateral Dutch measures to penalise South Africa for its race policies, reopened the debate that has raged more or less constantly for 13 years.

Monday's eight-hour-long hearings by the permanent parliamentary commission on foreign affairs has launched the discussion on to the front pages of Holland's unanimously anti-apartheid press.

Originally promised for late January, Foreign Minister Hans van den Broek's White Paper reiterated the



conclusion of earlier conservative governments that the Treaty of Rome, the Benelux Treaty and the General Agreement on Tariffs and Trade all prohibit a Dutch solo assault on the economic stability of white South Africa.

In a statement of principle cynically received by the socialist FNV trade union federation and the leftist opposition parties, Mr Van den Broek did, however, strongly condemn South Africa's race policies.

Backed by Mr Lubbers — who told a South African reporter recently that he felt personally responsible for apartheid because of his country's ethnic link with Afrikanerdom — Mr Van den Broek said the proper course was

to promote mandatory international sanctions

In the commission chamber on Monday, Mr Wim Kok, chairman of the 1.1-million-member FNV, rejected this view.

He also rejected the Foreign Minister's conclusion that sanctions would do the Netherlands more economic harm than South Africa.

Mr Van den Broek's Christian Democratic Party was represented by veteran sanctions advocate Mr Jan Nico Scholten

Invitations went to noted opponents of apartheid, including the Southern Africa Committee, the church-linked Kairos Group, the Oil Intelligence Shipping Research Bureau, trade unions, human-rights specialists

and the Dutch Council of Churches.

The pro-apartheid Nederlands Zuidafrikaanse Werkgemeenschap, South Africa's Reformed Independent Churches Association and the former Dutch Ambassador to Pretoria, Mr R Froger were refused time to speak against sanctions.

Mr Scholten said the hearings were intended to provide clarity in preparation for a parliamentary debate on South Africa the week after next.

Mr Chris van Veen, representing the two main employers' groups, was the only ardent opponent of trade or economic measures, saying foreign companies operating in South Africa were a powerful force for change.

He has since been supported by Mrs Nellie Smit-Kroes, Minister of Transport and Water Affairs, a number of conservative pressure groups and, sources said, by Mr Van den Broek.

Shell puts more blacks in top jobs

SHELL South Africa is promoting an increasing number of black employees to senior positions, the company's social report says.

There are now 128 black people at and above job level JG 7, the one at which new graduates usually enter

Shell has encouraged the development of black employees for many years.

Now it is taking steps to speed this up "particularly in the light of the country-wide shortage of managerial and skilled manpower," by identifying black employees of the right potential and ensuring that they are trained and developed so that they can compete on equal terms for promotion within the company.

Higher groups

The report says it is indicative of the pace of this development that black people in the higher job groups are considerably younger than their white counterparts.

In 1977 only 32 black employees were at job level JG 7.

Since then targets of 76 by 1980 and 82 by 1981 have been comfortably exceeded.

Target revised

The target for this year was revised from 90 to 127 and has been exceeded by one.

"These expanded targets are not solely motivated by the desire for black development.

"They also reflect the fact that the shortage of skills in South Africa requires the company to look to all race groups to fill vacancies in the senior job groups that will be created by promotion, retirements, staff turnover and changes in organisational structure."

The company carries out comprehensive research on salaries every year, both through participation in independent salary surveys and by exchange of information with other employers.

Much lower

"From this research, total average movement of salaries is expected to be much lower than the movement in 1982 because of the less favourable economic conditions."

Shell employees had an average increase of 17 percent last year. The average this year, in line with increases given by other major employers, was 10 percent.

But the yardstick by which minimum salaries were set has been changed, raising those in the lower job categories by about 17 percent.

Minimum

The minimum salary including annual bonus is now R374 a month but the average in the lowest job group is now R439 a month including bonus.

The new minimum rates are based on data provided by the Bureau of Market Research of the University of South Africa.

They are linked to the bureau's minimum living level plus 50 percent.

~~THE~~ ~~NEWS~~ ~~PAPER~~ 65 12.11.11
Three recognition agreements signed

Labour Correspondent

THE Natal branch of the Metal and Allied Workers' Union (Mawu) has signed three full recognition agreements with companies in the Maritzburg/Durban area, a union statement announced yesterday.

According to Mawu, this means its Natal branch has now signed 25 recognition

agreements with employers. The union named two of the three companies which had recognised it as Van Leer — a Dutch-owned metal container firm — and Pillar Naco, a subsidiary of the Plate Glass group. It did not name the third company.

The statement said all three agreements gave the union "full plant-based bar-

gaining rights" and also provided for grievance and discipline procedures and the right of shop stewards to operate in the plants.

Mawu described the three agreements as "useful and constructive".

The union's Natal branch has grown rapidly this year and claims its membership has doubled in a matter of months.

Dutch toymaker sets up new HQ in SA

By BERENICE MARGOLIS



Dr PAUL MENGEDE... We'll be spending more than R500 000 on pre-Christmas advertising

A DUTCH toy company, part of a multi-million dollar international group, is setting up headquarters in South Africa.

The company, Clickets, has been producing 12-million Clickets a month — small, plastic-covered magnetic balls — at a temporary factory in Benoni since the beginning of this year.

About 20-million Clickets have been sold in South Africa with a retail value of R6m.

"They are, however, difficult to produce. The process cannot be fully automated and is, therefore, labour-intensive. The Dutch social system and prohibitive costs there made it impossible to manufacture them on a significant scale," says Dr Paul Mengede, the managing director.

The company is therefore building a factory in Berlin, near East London, to assemble Clickets and another for packaging in Fort Jackson — at a total cost of R6,5m. They are due to start operating in January and should create jobs for 1 400 to 2 000.

The company is registered in Ciskei.

Dr Mengede claims he was instrumental, during negotiations, in getting the Ciskei Government to institute a 15% withholding tax instead of applying the usual 50% company tax: "I'm totally against other forms of incentive. If you look at the Dutch example, the economy is going down the drain because of unhealthy incentives.

Clickets, which come in every colour, can be used as toys, in games, as worry beads and as building blocks. The magnetic field makes it possible for them to be stacked. They can also be used as educational aids or for therapeutic purposes.

The balls caught on in Europe 18 months ago when the inventor, a Dutch school janitor, Mr Sebastiaan Vos, showed them at the Heidelberg Fair in West Germany. Within two days, orders for 40-million were taken.

Dr Mengede bought the rights and took over Mr Vos' company, which was failing through mismanagement.

In South Africa, Clickets are distributed through cafes, pharmacies, supermarket chains and toy shops.

Traditional European customers are now taking up 400-million Clickets a year, worth \$40m, says Dr Mengede. These are made in Holland, Spain and Taiwan.

The border factories will produce Clickets exclusively for export, mainly to the US, which Dr Mengede believes offers an almost unlimited market.

"South Africa is a test market for the US since buying habits are similar.

"We'll be spending more than R500 000 on pre-Christmas advertising and promotion in SA and many millions of dollars on the US launch", says Dr Mengede.

"With talks in the pipeline over a 15% personal tax in Ciskei, it's possible that our 22 companies, worldwide, which range from construction to water- and air-purification plants, will move in completely."

~~65~~ 65

~~Dutch push~~

PW to free

26/9/84
union men

The Dutch Commercial Union, FNV, began a campaign today for the release of all trade unionists detained in South Africa by asking supporters to sign postcards addressed to the State President, Mr P W Botha.

According to FNV, 15 000 postcards will be sent to South Africa during the next few weeks bearing the picture of Mr M Duma Nkosi, a Makro shop steward of the Commercial, Catering and Allied Workers Union of South Africa (CCAWUSA), detained on June 4 this year.

The postcards, addressed to Mr Botha, carry the following message:

"I learnt of the arrest of M Duma Nkosi — shop steward from CCAWUSA in Makro Johannesburg — on June 4th this year with the strongest indignation. I am firmly opposed to this attempt to frustrate the internationally accepted right of workers to organise.

"I detest the use of repression to suppress the workers' movement.

"All detained unionists, and other political prisoners, should be released immediately and unconditionally. Show at least your human face."

FNV says nothing is known about the complaint against Mr Nkosi nor in which prison he is detained.

Mrs Emma Mashinini, general secretary of CCAWUSA said today she guessed that FNV had taken up Mr Nkosi's case because Makro headquarters are in Holland.

DEP contact

Spar-kling retail

By Duncan Collings
Deputy Financial Editor

Spar, the supermarket chain in which Tiger Oats has a 46 percent interest, now has just under 11 percent of the local market with turnover in the year to end-November 1984 topping the R750 million mark.

This represents a growth of 20 percent over the previous year, while the number of franchised stores in the group totalled 455 against 447 a year earlier.

But, points out executive director Mr Sid Matus, the group is not really comparable to the other large chains because of its franchise operation and its positioning in the market.

However, with 11 percent of the market, the group is obviously fulfilling a growing need in the marketing mix.

The Spar organisation has its roots in Holland, where it developed the tactics that had already gained acceptance in the US. The idea of small retailers and wholesalers getting together to increase their muscle was a survival tactic in the face of the growing acceptance of the supermarkets.

TRADE MARK

The idea came to South Africa just over 20 years ago when local retailers and wholesalers realised that they too would be forced out of business by the rising popularity of supermarkets.

Following a trip to Holland — in which Mr Matus was involved — the right to the use of the trade mark was brought to South Africa.

However, it was not really a success initially in this country as, says Mr Matus, there was a lack of commitment to the idea, with the notable exception of the trade-mark holder in Natal who was really making the Spar exercise work.

As a result a few years ago, WG Brown, the original Spar operator in Natal, took over the nationwide Spar operation.

At that point there were over 700 independent Spar operations in the country, but the image

was frankly "tatty", says Mr Matus. This prompted operation upgrade with many operations disenfranchised, while many new Spar operations opened.

Today, the Spar organisation — which Mr Matus describes as a voluntary association between wholesaler and retailer — is a professionally run operation which enjoys the support of the public.

Quality control is maintained by a system of judges who ensure that individual retailers are maintaining the standards set at the time of becoming franchise members and if after one warning standards are not brought up to scratch a retailer will lose his franchise.

This is rigidly adhered to, says Mr Matus.

He believes that had it not

been for the Spar organisation, independent food retailing in this country would have long since died and the field would be 100 percent dominated by the big chains.

The organisation, which awards franchises and does not sell them, provides technical and managerial backup, a national and local advertising service and specialised services and advice to its independent franchise members.

To belong to the fraternity costs retailers under one percent of turnover.

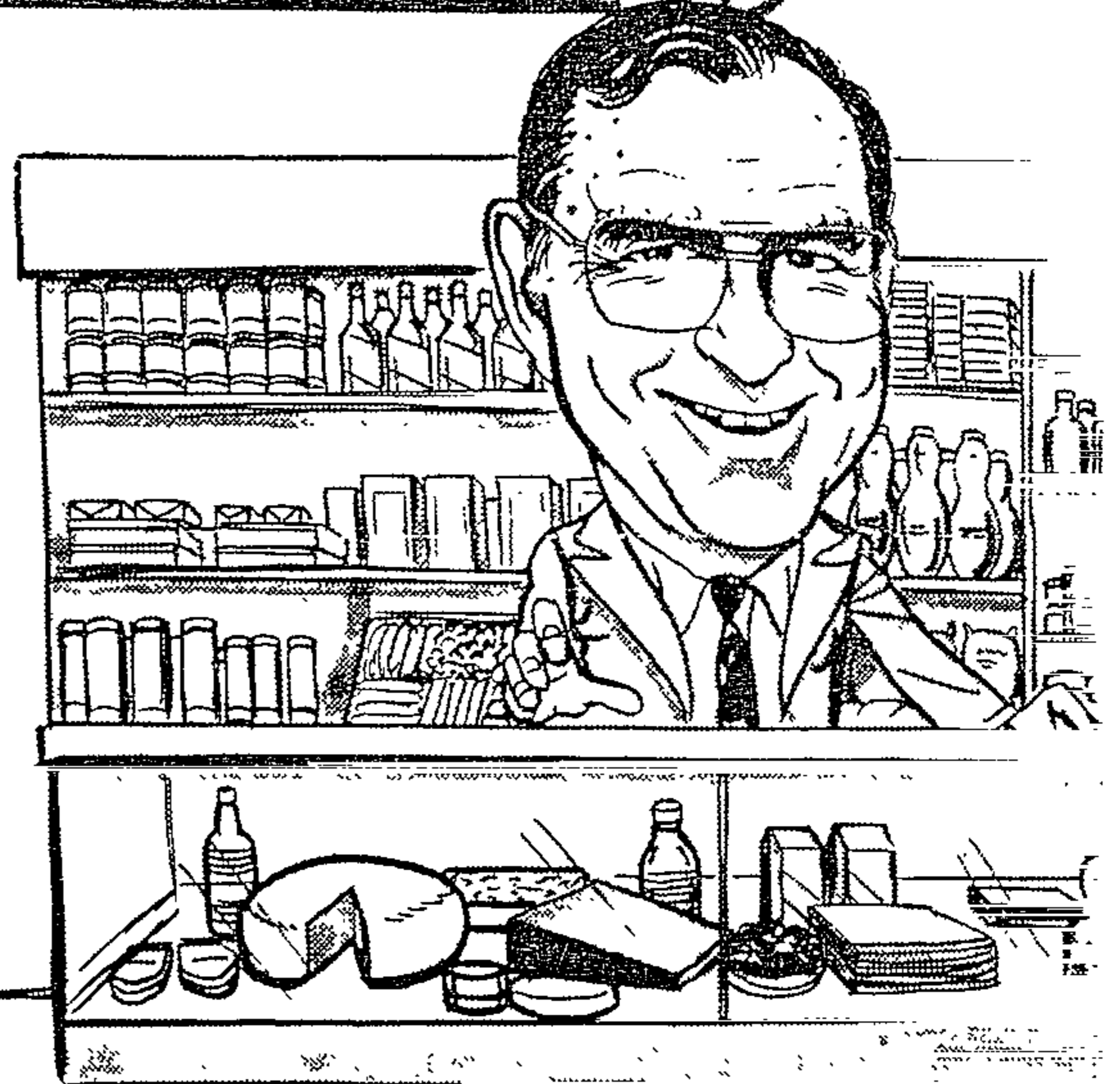
Although the organisation has gone a long way on the road to survival, Mr Matus is not satisfied. "We have many more ideas up our sleeve to further bolster the image and acceptance of Spar," he said.

He pointed out that in over 60 percent of the UK carried out by independent retailers, as opposed to 60 percent in South Africa.

This, he says, illustrates success of the voluntary movement in the US, which is much older than here, in facing the threat imposed by large chains on small independent retailers.

He adds that even in this country it is now Spar's presence that when a major operation opens a big store near an operation, the Spar shop's turnover initially dips between 10 and 20 percent, but within a few months this has been recouped plus the fact that "Spar provides convenient shopping at different hours to the chains," he said.

SPAR



Spar's Mr Sid Matus — serving the nation.

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Spar's Mr Sid Matus — serving the nation.

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To belong to the fraternity costs retailers under one percent of turnover.

Although the organisation has gone a long way on the road to survival, Mr Matus is not satisfied. "We have many more ideas up our sleeve to further bolster the image and acceptance of Spar," he said.

He pointed out that in the US over 60 percent of the trade is carried out by independent retailers, as opposed to over 10 percent in South Africa

This, he says, illustrates the success of the voluntary group movement in the US, where it is much older than here, in meeting the threat imposed by the large chains on small independent retailers.

He adds that even in this country it is now Spar's experience that when a major chain opens a big store near a Spar operation, the Spar shop's turnover initially dips between 15 and 20 percent, but within six months this has been recovered plus the fact that "Spar provides convenient shopping at slightly different hours to the large chains," he said.

Spar presently operates in 18 countries around the world.

Nothing is paid to the parent in Holland for the right to operate a Spar operation in other countries, but the parent has the right to cancel the right to the trade mark if it feels that things are not being run correctly — a position the local operation found itself very close to being in a few years back before WG Brown took over the entire countrywide operation.

With Barlows' Tiger Oats now holding 46 percent of the operation — it took an initial 30 percent interest at the time of the WG Brown clean-up and assisted in the financing of the take-over — it is considered likely that Spar, in the guise of WG Brown, will shortly be looking for a JSE listing.

RDM

February 28, 1985

Miners' plea to Dutch company

By PHILLIP VAN NIEKERK

THE general secretary of the National Union of Mineworkers (NUM), Mr Cyril Ramaphosa, will fly to Holland on Friday to meet senior Shell management over the dismissal of more than 70 black miners from the Rietspruit colliery.

Shell and Rand Mines jointly own the mine.

The workers were dismissed last week for ignoring an ultimatum to return to work and end a five-day strike over the dismissal of two NUM shop stewards.

An NUM spokesman said Mr Ramaphosa — who is already in Europe — would also speak to Dutch trade unions in an effort to put international pressure on the mine to reinstate the workers.

● The Supreme Court has ruled that 91 of 100 mineworkers be evicted from their hostel at the Gold Fields of South Africa-run East Driefontein goldmine near Carletonville.

They were arrested last week during a strike by more than 11 000 workers.

The court was asked to discharge the order in respect of another 172 workers, who have either been re-employed or who left the mine on their own.

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43
103
103

000

Num official seeks redress

D. Diefenbaker 1/3/85 (65)

JOHANNESBURG — Mr Cyril Ramaphosa, general secretary of the National Union of Mineworkers (Num), who is currently on a visit to Europe, is to fly to Holland today to meet senior Shell management over the dismissal of more than 70 black miners from the Rietspruit colliery.

Shell half owns the open-cast mine. The other half is owned by Rand Mines.

The workers were dismissed for ignoring an ultimatum to return to work and end their five-day strike over the dismissal of two Num shop stewards.

Mr Ramaphosa apparently also intends

to speak to Dutch trade unions in an effort to put international pressure on the mine to reinstate the workers.

In another mining dispute, the Supreme Court has ruled that 91 out of 100 mineworkers be evicted from their hostel at the East Driefontein goldmine near Carletonville.

The workers were arrested during a strike by more than 11 000 workers at the mine last week.

The court was asked to discharge the order in respect of another 172 workers who have either been re-employed or have left the mine. — DDC.

Footnotes

1. Annual leave

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4.

ARG 26/4/85

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MANPOWER

'Labour stability essential'

Parliamentary Staff
STABILITY in the labour field was an essential prerequisite for economic growth and development in South Africa, the Minister of Manpower, Mr P T C du Plessis, said in the House of Delegates.

During the debate on the Manpower vote yesterday, Mr du Plessis said in the past year increased use had been made of the conciliation machinery provided for in the Labour Relations Act.

Although the number of strikes and work stoppages increased to 469, involving 181 942 workers in 1984, compared to 336 strikes involving 64 469 workers in 1983, they had been of relatively short duration — an average of 2,1 days.

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ARGUS 30/4/85

(133/17/1305/548) (65)

Labour unrest spurred by political impotence

SHERYL RAINE of The Argus bureau in Johannesburg spoke to Anglo American's Bobby Godsell, head of the group's industrial relations department

BOBBY GODSELL is one of those bright young consultant/executives whose job category in the corporate scheme of things didn't feature prominently 10 years ago.

He and other consultants like him have come into their own in the hurly burly of labour relations in South Africa in the 1980s.

His job is to advise and assist the executives of Anglo American on the vital issues of industrial relations.

This year he is talking about the economics of survival as the recession lingers on, the importance of ending job reservation on the mines, the Industrial Court, the role of management in the broader social scene in South Africa and the nature of trade unions.

Times are tough and he insists that the words "economics of survival" are not over-dramatic. Things will get worse before they get better. He would like to see the issue of wage demands versus unemployment higher up on the agenda of labour issues. But he believes there is another side to the recession which could have a positive spin off.

"In 1985, there is so little money in the kitty (for wage increases) that the battle of white skilled workers and black industrial workers is going to be to try to preserve their purchasing power or have it eroded as little as possible," he says.

There are already examples of this greater coincidence of interests — for instance, in the current metal industry wage negotiations where previously incongruous union group-

Although there are obvious areas of conflict between skilled whites and blue collar blacks, he believes

the recession will tend to remind both of their common interests. Unions are striving together to get their members the best deal possible.

There are still hurdles to leap in the black-white labour forum, the most important of which is statutory job reservation on the mines. He is confident that job reservation will go and that a new industrial relations structure for the industry as a whole will be forged — but says the exact time frame of both developments is hard to predict.

His concern about the Industrial Court is shared by others in the field. As an essential and widely-used institution he believes it has had an encouraging start to its life. But the role of the court in relation to the rest of the judiciary and its role in collective bargaining urgently need to be clarified.

"There are three judgments from the Supreme Court which have cast doubt on the Industrial Court. Is it a court or an administrative agency? It should be integrated into the judicial process.

"Clearly you can't expect a new institution to be perfect. On the other hand both unions and management need help from the state now to rectify these two problems."

The broader social conflicts of South African society, trade unions and management's role in the prese-

ent era are things about which he has thought long and hard.

In his opinion trade unions are not revolutionary in nature but reformist. Modern history has failed to reveal a successful revolution where trade unions have played a central role.

In South Africa the unions have been a major vehicle for leadership emergence in black communities.

So far management has been pulled into a transitional role of mediation not only with workers but with the broader black community involving a range of social issues.

In modern industrial countries private enterprise inevitably becomes involved in public policy debates and contributes expertise to government. This, he believes, is growing in South Africa.

But he says: "There is no way that employers (in South Africa) can act as a substitute for political participation for black people. There is no doubt that the unrest we see in the townships now and other conflicts in society both have their origins in and can only be resolved within the political structures."

He believes that the country's labour dispensation is in advance of the constitutional dispensation for blacks and what industry now desperately needs is successful socio-political reform outside of the factory gate.

BUSINESS TODAY

Shell SA to invest R60 million in new mining venture

ARGUS
25/7/85
65
56

Liberty, UBS form new life company

A NEW life insurance company with the medium and lower end of the market as its target has been formed by Liberty Life and the United Building Society.

The company, Charter Life Insurance, initially will have assets of about R70 million and premium income of R19 million.

Liberty will have a 67 percent stake and UBS Insurance will hold 33 percent.

● Metal Closures Group is paying an unchanged interim dividend of 31c although net profit dipped to R2,2 million from R2,4 million.

● Free State Development and Investment Corporation is raising its final dividend to 55c (37,5c) after a rise in earnings to R3 million from R2,2 million.

● Sage Group's three property trusts, Fedfund, Pioneer and CBD Fund, all raised their earnings and dividends for the half-year to June.

Fedfund's interim is up by 9,7 percent to 11,39c, Pioneer's is 11,83c, up by 17 percent while CBD Fund is paying 11,95c.

● Everite's total dividend is a same-again 60c after an unchanged final of 40c although

By DEREK TOMMEY
Financial Editor

SHELL South Africa, one of the country's major oil distributors, is on the way to becoming an important mining company as well.

Already a major coal exporter, Shell is spending R60 million developing an open cast lead and zinc mine at Pering, near Vryburg, the chairman, Mr John R Wilson, reports in a review of the company's activities.

Shell is also planning to develop a tin-tungsten mine near Upington, once market conditions for these metals improve.

Expenditure on the new mine will push Shell's investment in South Africa to above the R1 billion-mark, making it one of the biggest foreign investors in the country.

COAL EXPORTS

The Pering mine will be open cast and worked with conventional truck and shovel equipment. It will produce 60 000 tons of zinc concentrates and 9 000 tons of lead concentrates a year.

Shell exported 5,8 million tons of coal last year, which was a million tons more than in 1983.

Mr Wilson says that the capacity of the Richards Bay Coal Terminal, in which Shell has a 12,5 percent stake, has been raised to

44 million tons, and could be raised to 80 million tons by 1997.

However, he warns that future South African coal sales overseas could be constrained by political considerations.

He says discussions are taking place between the oil industry, the Government and motor vehicle manufacturers on the desirability of lowering the lead content of petrol.

A programme has been designed which, if implemented, will lead to a reduction in the lead content of locally manufactured petrol by 1986.

Should this happen it would substantially increase production costs of petrol.

SELF-SERVICE STATIONS

New filling stations were being designed to facilitate fast flow and to be converted at short notice to accommodate self-service.

Under the oil industry rationalisation plan Shell has been able to open only five new filling stations in the four years ended December 1985, and a further one, up to a maximum of five, for every four filling stations closed.

Since 1981 Shell has spent R3 million on an educational programme for blacks, aimed at upgrading their language, mathematical and scientific knowledge and skills to acceptable levels for university education.

Singapore for R4 million

Cape Times 5/8/65

Change spurred by businessmen'

Chief Reporter

MR John Wilson, executive chairman of Shell South Africa, says in the latest review of the company's activities that he is convinced the pace of change in the Republic has been accelerated by the pressures of the private sector.

"The business community in South Africa accepts its role in the process of change," he says. "The coming year is likely to see growing consultation between government and the private sector, with very real benefits to the entire South African society."

Wiehahn

Mr Wilson says one of the most compelling arguments in favour of continued investment in South Africa is contained in the establishment several years ago of the Wiehahn Commission, to investigate the Republic's labour legislation.

"Not even the severest critics can deny the positive results of this commission. Reform in the industrial arena has been widespread and far-reaching. Statutory discrimination in the workplace has been eradicated, and the rise of black trade unionism has been dramatic.

"It can be argued that the Wiehahn Commission would in any event have been established, that all of these changes would in time have come to pass.

"But I remain convinced that at the very least, the pace of change was accelerated by the pressures of the private sector, of which the South African-based operations of multinationals form an important part."

● The Shell review outlines the company's involvement in a wide range of community projects "aimed at promoting the social, economic, cultural and sporting development of the people of South Africa".

Scholarships

In education, it says, R3-million has been spent in the first nine years of a post-matriculation and university scholarship programme sponsored by Shell. The second nine-year cycle, starting this year and made up of five school years and four university years, is expected to cost R6-million.

Since the programme started, 85 students have attended school and then registered at the University of Cape Town for courses in engineering, science, commerce and social science.

KLM will not quit SA

BUS DAY



Industry Reporter

DUTCH airline KLM will not quit South Africa. Confirming this, the airline's Southern African GM Maarten Viruly said KLM would continue to operate in South Africa as long as it was safe. "And it certainly is at present."

KLM was a non-political, commercial organisation, not a government enterprise, Viruly told a group of Johannesburg travel agents.

KLM president Bas van de Breevaart was on record as saying KLM would be a small airline if it were prohibited from operating in any country criticised by either the Dutch government or minority groups in The Netherlands.

"We certainly would not be the sixth largest International Air Transport Association carrier, operating to 126 cities. Instead we would be operating only from Amsterdam to Luxembourg."

KLM is upgrading its check-in department at Jan Smuts Airport to offer passengers a sophisticated service.

"KLM would not install all this expensive equipment if it doubted the continuity of its flights to South Africa," said Viruly.

Pressure forces KLM to stop SA promotions

AMSTERDAM — KLM had stopped promoting its flights to SA after heavy pressure from anti-apartheid groups, the airline confirmed yesterday.

But KLM did not plan to cancel its twice-weekly flights to Johannesburg, said Marjo L'Homme.

"The decision to stop printing promotional material on travel to SA was taken in the face of several circumstances, among them pressure from anti-apartheid groups," L'Homme said in an interview.

"Another reason to stop our promotional activities has been the violence directed at companies dealing with SA," she added, noting that "although an airline should not be involved in politics, there are compelling reasons to hold off as far as SA is concerned".

She said that the bulk of the promotional material in question was leaflets and brochures with facts, figures and travel suggestions, but added that KLM had never been involved in organising package tours to SA.

There is a highly vocal anti-apartheid movement in Holland, which has long-standing economic and cultural ties with SA.

There have been several cases in recent months of vandal attacks on Dutch companies dealing with SA.

No such incidents against KLM have been reported.

The number of passengers travelling from SA to The Netherlands with KLM was slightly down over the past few months, she added, attributing the decline to the falling value of the rand against the guilder. — Sapa-AP.

Shell told to quit

SA '... or else'

The Star Bureau

STAN

21/3/86

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69
DPP

LONDON — Anti-apartheid bodies in Britain and Holland have called on the Royal Dutch/Shell group to withdraw from South Africa and Namibia by mid-May or “face the consequences”.

The warning is given in a letter from Bishop Trevor Huddleston, president of the Anti-Apartheid Movement, which was being delivered to the group's London headquarters today.

The letter says “campaigning activities” against the group will be intensified unless it withdraws.

The new action is aimed at intensifying a campaign to stop oil supplies reaching South Africa.

The action is being undertaken by the AAM, a new organisation called Embargo!, the Holland Committee on Southern Africa and the working group Kairos.

The group has been singled out for action because of what the AAM calls “its very significant involvement in and support of the apartheid regime” and because of its multinational nature.

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Seaside Fund,

ent."

Shell SA ^{SPAR} opposes ^{211 217} apartheid — and ^{LS} sanctions

Shell South Africa does not support apartheid but does not believe in disinvestment, says chairman Mr John Wilson.

Commenting on the call last Friday by British and Dutch anti-apartheid groups for the parent company, the Royal Dutch and Shell Group, to withdraw from South Africa or face anti-apartheid campaigns, Mr Wilson said Shell believed apartheid was indefensible.

The group was singled out because of what the Anti-Apartheid Movement termed "a very significant involvement in and support of the apartheid regime". Mr Wilson said Shell denied this.

The company did not believe disinvestment was the best way to achieve peaceful political reform because the wholesale withdrawal of investments would stop the pressure for change exerted by multinationals, he said.

Enlightened employment and social policies of the multinationals had helped make significant improvements to the working and living conditions of the black community.

Shell had called for meaningful political participation for blacks, universal citizenship, an end to the forced removal of people and the further development of free and independent trade unions, Mr Wilson said.

He added that Shell South Africa had long been committed to providing all its employees with good, safe working conditions:

"There is no discrimination on grounds of race, colour, sex or creed in any of Shell's practices in South Africa.

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CPA-TIA/S
25/4/86

Philips 65 considers pull-out from SA

By BARRY STREEK

PHILIPS, the giant Dutch-controlled electronics company, may be reconsidering its investment in South Africa following anti-apartheid protests at a shareholders' meeting in Holland this week.

The president of Philips and chairman of its board of directors, Dr W Dekker, told the meeting that profits earned in South Africa were low and could easily be spared by the company.

Dr Dekker also condemned South African racial policies and said: "The verbal rejection of apartheid is a station bypass."

He said this in response to a campaign, entitled "Does your money support apartheid?" organized by 12 churches in Holland.

The campaign organizers have asked Philips to withdraw from South Africa.

Mr Herman Bode, a former vice-president of Holland's largest federation of trade unions, FNV, one of the country's leading economists, Professor B Goudzwaard, and a former missionary in Zambia, Sister Albertina Te Wierik, spoke at the shareholders' meeting.

They accused Philips of manufacturing for the SA Defence Force.

Sister Te Wierik said her congregation, and many others, had sold shares in companies with branches in South Africa.

Philips owns six factories in South Africa. In 1982 it was reported that Philips subsidiaries employed 3 321 people in South Africa, including 1 451 whites.

Dr Dekker told the meeting that these people would lose their jobs if the company disinvested.

APR 12/1966
**9 Shell garages
sabotaged
over SA links**

ROTTERDAM. — Saboteurs attacked nine Shell petrol stations in the Netherlands during the night in an apparent protest against the firm's commercial interests in South Africa, a Royal Dutch/Shell spokesman said today.

At one station a shop and office were gutted by fire. At others hoses were cut and sand or sugar poured into petrol tanks.

Literature believed to have been left by the attackers indicated they were anti-apartheid activists, the spokesman said.

The Anglo-Dutch company has been criticised by anti-apartheid groups in the United States and Western Europe over its South African operations, although the firm has denied the charge that it props up the apartheid system. — Sapa-
Reuter.

Fuel pumps sabotaged

THE HAGUE — A militant new anti-apartheid group has sabotaged a Shell petrol station in Holland and damaged another 12. *STAR* *65*

Pump hoses were cut and sand and sugar thrown into storage tanks in a series of countrywide attacks.

Police arrested a young woman near Amsterdam who was carrying a pamphlet which claimed the sabotage was to protest at the activities of Shell in South Africa.

A petrol pump at Wezep in eastern Holland was burned by arsonists. Police found a letter near the pump in which the group, calling itself Nightshade, denounced "Shell oil deliveries" to South Africa.

A spokesman for Shell said the activists had harmed the owners of the petrol stations, not the company. — The Star's Foreign News Service.

Shell comes under pressure for SA ties

JOHN BATTERSBY

LONDON — Demonstrators forced the suspension of yesterday's Royal Dutch-Shell (RD) shareholders' meeting in The Hague and leading British churches said they would sell their shares in Shell Transport and Trading as the campaign against Shell's involvement with SA gathered momentum.



About 100 anti-apartheid activists in

The Hague persisted with questions about Shell SA and refused to allow the RD annual meeting to proceed to other business. RD chairman Gerrit Wagner ordered a temporary suspension of the meeting and it only resumed when the activists left.

The RD group said profits were down 34% in the first quarter of 1986 and that net income for the first quarter was £718m, down from £1,084m in the first quarter of 1985.

In London, Shell International chairman Peter Holmes told the annual shareholders' meeting the prime reason for violence in South Africa was the frustration felt by blacks at the "total absence of meaningful political rights".

Holmes also faced hostile questioning from about 20 anti-apartheid campaigners who demanded that Shell withdraw from South Africa.

Shell has been singled out as a target for a major boycott campaign by international anti-apartheid movements because of its South African involvement.

CNT Times 16/5/81
60 65

Shell defends presence in SA

From JOHN BATTERSBY

LONDON. — The main reason for violence in South Africa was the frustration felt by blacks at the "total absence of meaningful political rights", the chairman of Shell International, Mr Peter Holmes, said yesterday.

Mr Holmes was addressing Shell's annual shareholders' meeting at which he faced hostile questioning from about 20 anti-apartheid campaigners who demanded that Shell withdraw from South Africa.

Shell has been singled out as a target for a major boycott campaign by anti-apartheid movements because of its South African involvement.

The campaign, already under way in Holland and the United States, is expected to reach a peak in Britain in July.

Hours before the meeting several leading British churches announced they had decided to sell their shares in Shell Transport and Trading because of its involvement in South Africa.

The church bodies included the British Council of Churches (BCC), the Methodist Church and the United Reformed Church.

'No unanimity'

In The Hague the annual shareholders meeting of Shell was suspended yesterday after more than 100 anti-apartheid demonstrators refused to allow the meeting to proceed to other business.

Mr Holmes said that while he did not disagree with those who wanted to keep up pressure on South Africa he believed trade sanctions and disinvestment would prove "counter-productive".

"It is crucial that the pressure is constructive and not counter-productive," he said.

"There is no unanimity of opinion whether such measures are desirable."

"Shell's South African assets cannot be removed and the company is managed and staffed by South African citizens.

"With disinvestment all that would be removed would be the Shell emblem and the support given to the company by its shareholders for continuing its enlightened employment and social policies," he said.

CONFIDENTIAL 19/5/86

Shell's 'positive' role

Staff Reporter

THE Royal Dutch/Shell group of companies has stated that it is opposed to apartheid, but believes the company's presence in South Africa is a positive influence for a peaceful transition to a society acceptable to all its citizens.

The company has come under fire in the Netherlands because of its extensive business ties in South Africa. Pressure has included sabotage attacks on some of its filling stations in the Netherlands.

According to a press release, the president of

the Royal Dutch Petroleum Company, Mr Lo van Wachem, and the chairman of the Shell Transport and Trading Company, Mr Peter Holmes, made a joint statement to the 1986 annual meetings of the parent companies in The Hague and London on Thursday.

They both said: "I believe that Shell South Africa's presence is a positive influence, no matter how modest, provided the aim is to cooperate towards peaceful transition in South Africa to a society acceptable to all the citizens of the country."

0010/7/86
(65)

Activists attack SA-linked Dutch firm

AMSTELVEEN (Netherlands) — Dutch anti-apartheid activists yesterday claimed responsibility for an arson attack against the headquarters of a Dutch manufacturer of packing materials, to protest at the firm's presence in South Africa, police said.

The attack took place yesterday, causing about one million guilders worth of damage to the offices of the Van Leer packing company, in the Amsterdam suburb of Amstelveen, according to a police spokesman, Mr Johannes Kapel.

Mr Kapel said that responsibility was claimed by a group calling itself the Revolutionary Anti-Racist Action.

According to the group, the attack was to protest Van Leer's presence in South Africa, Mr Kapel said.

No arrests had been made.

A Van Leer spokesman, Mr J. E. Andriessen, confirmed the firm employs about 1 000 people in several South African operations.

It was not immediately clear why Van Leer was singled out.

In earlier protests against Dutch business interests in South Africa, about 16 Shell service stations were damaged in arson and vandalism attacks.

Shell, which is 60 per cent Dutch-owned, employs about 2 500 people in South Africa. — Sapa-AP

DD 24/10/86
Philips to stay in SA (65)

EINDHOVEN (Netherlands) — The Dutch-based multinational electronics giant, Philips, said yesterday it had no plans to withdraw from South Africa.

A spokesman said the company continued to believe in opposition to apartheid from within South Africa. Philips had been operating in South Africa for 57 years and employed 3 800 people of which 2 200 are classified "non-whites", he said.

Philips' announcement followed a similar statement earlier this week by the Anglo-Dutch oil group Royal Dutch/Shell, which also said it was committed to staying in South Africa. — Sapa-RNS

N/M 24/10/86

(85)

Dutch-based electronics giant to stay in S A

EINDHOVEN—The Dutch-based multinational electronics giant Philips said yesterday that it had no plans to withdraw from South Africa.

A spokesman said the company continued to believe in opposition to apartheid from within South Africa itself.

Philips has been operating in South Africa for 57 years and employs 3 800 people, of whom 2 200 are classified as 'non-whites'.

The Philips announcement followed a similar statement earlier this week by the Anglo-Dutch oil group Royal Dutch /Shell, which also said it was committed to staying in South Africa.

Meanwhile leaders among disinvestment activists in the United States have said they are not impressed by the withdrawal of major U S companies from direct participation in South African subsidiaries.

'It is clear,' said one statement, 'that the companies are merely formalising the de facto control of the South African companies in South African hands.'

'They are willing to extend loans to South African interests to "buy out" the South African companies, and they are also prepared to continue to supply the South African companies with technology, products, know-how and services.'

'We will now have to stand against these things. The loans circumvent the spirit of the disinvestment and are unacceptable.'

'It is also unacceptable that the South African companies should benefit from licensing and distribution agreements, so these, too, must be stopped.'

The activist groups have yet to finalise strategies for their new objectives and clearly it will take time for these strategies to acquire teeth and infiltrate formal political systems in order to further influence Western foreign policies on disinvestment.

However, in the words of a disinvestment specialist with one of the two largest South African banks in Johannesburg: 'It was always on the cards among those who have thought through the disinvestment issue that the activists would get round to new targets.'

'Just as they will not be satisfied until there is a black government in South Africa, equally their ultimate aim now is to see the South African subsidiaries of U S and other overseas companies not just sold to South African interests, but closed down fully and finally.'

Malaise

'Unless they can achieve this, their hopes of bringing white South Africa to its knees will be thwarted.'

Several more U S companies are ready to follow the withdrawal trail and in virtually all cases the reasons given concern 'the deteriorating political situation in South Africa'.

However, it is the politically-driven economic malaise which is swallowing whatever profits the U S subsidiaries may have been making.

Companies which say they are staying in South Africa include Burroughs, which rebukes those leaving for 'putting a moral cloak around a financial dilemma'. — (Sapa)

805 DA/12/86 (20) (65)

Dutch firms told to cut SA ties

AMSTERDAM — Amsterdam's city fathers have threatened to boycott a number of Dutch companies if they continue doing business with the SA government.

In a note outlining the city's policy towards apartheid, Amsterdam mayor Ed van Thijn said he would urge several large Dutch firms to sever their trade ties with SA.

"If these companies continue to do business with the apartheid regime, Amsterdam will consider stopping doing

business with them," spokesman Aad van Cortenbeghe said yesterday.

He said no specific companies had been targeted for action and the mayor's note was subject to city council approval.

He quoted the mayor as saying: "the apartheid system is a form of government characterised by minority dictatorship, where the white minority is employing a racist theory to maintain its privileged position". — Sapa-AP.

Dutch stores set alight due to SA links

AMSTERDAM — A Dutch anti-apartheid group has claimed it set fire to two stores belonging to the retail group Makro.

A spokesman for the group's owners said one store in the East Netherlands town of Duiven was gutted.

The fire at the other store in the Amsterdam suburb of Duivendrecht was detected early and the store resumed normal business yesterday.

A message from the Dutch anti-apartheid group, Rara, claimed responsibility.

The group, which said it was responsible for a fire at a Makro location in 1985, opposes what it calls the involvement in South Africa of the stores' owners.

The Duiven and Dui-

vendrecht Makro branches are part of a chain of six huge shopping centers which are owned by the Dutch Coal Trading Association (SHV).

A Dutch national police spokesman, Mr Marcel Lieskamp, estimated the damage to the Duiven complex, which burned to the ground, at "tens of millions" of dollars.

The Rara statement said SHV was "one of the Dutch companies that continue unabatedly to conduct business in and with South Africa".

One of the main targets of the protests, in which no casualties have so far been reported, has been the Dutch-British Shell Oil giant, several of whose Dutch gasoline stations have been damaged in arson attacks.— Sapa-AP

FOREIGN FIRMS IN S. A. - DUTCH

1987

JAN — SEPT → DEC

1987 12/11/87

Makro may quit SA over arson threats

UTRECHT. The owner of the arson-plagued Dutch Makro supermarket chain has threatened to halt its South African operations unless Dutch police can give it more protection from anti-apartheid activists.

The parent company might even pull out of the Netherlands, a spokesman for Makro's owner, the Dutch trading multinational SHV, said.

SHV was planning talks with the Dutch authorities this week to increase security at the four remaining Makro wholesale stores in the Netherlands, spokesman Mr Cypriaan Hooft Graafland said.

"The outcome of those talks will decide SHV's policy on South Africa," he said.

A Makro store in the southern Dutch town of Nuth burnt down in an apparent arson attack early on Saturday, marking the third such incident in recent months.

SHV director Mr Paul van Vlissingen said on Dutch television that the total damage of the spate of Makro fires was estimated at R150-million.

Although no claims of responsibility had been yet made for the fire, "the acts of terror against Makro have increased to such an extent that SHV is powerless," Mr Graafland said.

Last month, Dutch anti-apartheid activists claimed responsibility for fires which destroyed a Makro store near the eastern Dutch town of Duiven and damaged another near the Dutch capital, Amsterdam.

The activists, who protested against the owner's South African business holdings, also claimed responsibility for burning down the Amsterdam Makro in 1985.

SHV has a minority stake in five South African Makro stores.

In earlier incidents, anti-apartheid protesters have claimed responsibility for damaging petrol stations belonging to the Dutch-British oil giant Shell.

There is strong public feeling in the Netherlands against apartheid.

● Makro has five stores in South Africa, one of them in Montague Gardens, Milnerton. Sapa-AP.

Makro owners may shut down SA operations

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12/11/87
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UTRECHT — The owner of the arson-plagued Makro supermarket chain has threatened to halt its South African operations unless Dutch police can give it more protection from anti-apartheid activists blamed for fire attacks in Holland.

Company spokesman Mr Cypriaan Hooft Graafland said that "in a democratic nation, the responsibility for maintaining order is with the government".

THREE FIRES

He said Makro's owner, the Dutch trading multinational SHV, plans talks with the Dutch authorities this week to beef up security at the four remaining Makro stores in the Netherlands.

The outcome of the talks will be "decisive for SHV's policy with regard to South Africa".

Mr Hooft Graafland made his remarks after a Makro store in the southern Dutch town of Nuth burnt down in an apparent arson attack on

Saturday — the third such incident in recent months.

Although no claims of responsibility had been made yet, "the acts of terror against Makro have taken on an extent against which SHV is powerless", said Mr Hooft Graafland.

Last month Dutch anti-apartheid activists claimed responsibility for setting fires which destroyed a Makro store near the eastern town of Duiven and damaged another near Amsterdam.

The activists, protesting against the company's South African business holdings, also claimed responsibility for burning down the Amsterdam Makro in 1985.

SHV has a minority stake in five South African Makro stores.

The SHV spokesman added that "in the extreme" case, the parent company might even pull out of the Netherlands, although it was not considering ending its Dutch Makro activities. — Sapa-AP.

MAKRO THREAT

Sawaja
13/1/87
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THE owners of the Dutch Makro wholesale chain have threatened to halt their South African operations unless Dutch police provide more protection from anti-apartheid activists blamed for arson attacks on stores in Holland.

In South Africa, Makro executives are waiting to hear the outcome of deliberations between Dutch authorities and SHV, the company which, with European partners, has a

two-thirds controlling interest in the South African operation.

A spokesman for SHV said it was to hold talks with Dutch authorities to step up security at four remaining Makro stores in the Netherlands, where three have been burnt down in arson attacks allegedly by anti-apartheid activists.

Policy

The outcome of the talks would be "decisive for SHV's policy with regard to South Africa," SHV spokesman Mr Cy-

priaan Hooft Graafland said.

The cash-and-carry giant's four South African stores notch up annual sales of R500-million and employ 1 400 people, 1 000 of them black.

Dutch Makro had a 40 percent stake in the South African operation, but the controlling company SHV, with its partners, had a two-thirds interest.

Makro stores in South Africa contributed less than one percent in terms of SHV's overall profitability.

13/1/87 SPAR

Dutch Makro may move its headquarters to a safer country

By Frank de Jong,
The Star's Foreign
News Service

THE HAGUE — Makro, the Dutch wholesaler chain which has suffered millions of rands damage at the hands of anti-apartheid arsonists recently, is considering moving its headquarters

out of Holland to a safer country.

The group, which is also to decide before the end of this week whether to withdraw from South Africa, is concerned at its vulnerability in Holland.

Three of its giant stores have been razed by arsonists. The latest blaze at the weekend des-

troyed a store in Holland's Limburg province.

One of Makro's most pressing concerns is that insurance companies are becoming increasingly wary of providing cover.

The Makro chain owner, Steenkolen-Handels-Vereeniging (SHV), is expected to have talks with government officials this week on improving security at its stores.

BETTER PROTECTION

Parliamentarians of the ruling Christian Democratic Party have also urged the coalition Cabinet to provide better protection for Dutch companies.

SHV has said that if the Dutch Government is unable to provide improved security, it will consider moving its headquarters to a safer country.

It is believed in Holland that SHV will decide to leave South Africa. If it does, it may still be keen to move its headquarters.

SA Embassy vehicle burnt in Holland

THE HAGUE — A vehicle belonging to the South African Embassy in The Hague was set on fire yesterday in an apparent anti-apartheid protest, police said.

Initial investigations showed that the vehicle, a Peugeot 504 van parked outside the embassy building in a quiet residential area of The Hague, had been sprayed with a "combustible liquid" and set alight, said police spokesman Mr Wim de Jong.

A message reading "Quint, show your true colour" had been chalked on the pavement near the vehicle — an apparent reference to South Africa's first coloured ambassador, Mr Frank

Quint, who took up his duties in the Netherlands earlier yesterday, Mr de Jong said.

Mr Quint, who succeeds former ambassador Mr David Vrede Louw, is South Africa's second diplomatic envoy who is not white. Last September the South African Government appointed Dr Bhandra Ranchod, who is of Indian descent, as its ambassador to the European Community (EC) in Brussels.

The police spokesman said no claim of responsibility had been received for the arson attack, which partly destroyed the vehicle.

The attack occurred about 10.25 pm (SA time). — Sapa-Associated Press.



Mr Frank Quint... first day as ambassador.

Makro tell Dutch: insure us or we quit

The Star's Foreign News Service

The Hague

The owners of the Makro wholesale group — which has been a frequent target of anti-apartheid arsonists because of its links with South Africa — have delivered a challenging ultimatum to the Dutch Government.

Makro's owners, SHV, say they will pull out of South Africa if the Dutch Government fails to insure them against further arson attacks.

It is a quandary for Holland, which officially backs a policy of tough economic sanctions against Pretoria.

What concerns the Dutch Foreign Ministry is that if SHV does pull out of South Africa, it will be tantamount to buckling in to terrorist pressure.

Dutch Foreign Minister Mr Hans van den Broek has said he would deplore an SHV decision to pull out for that reason.

The Dutch anti-apartheid group, Revolutionary Anti-Racism Action (Rara), has razed three of Makro's multimillion-rand stores in Holland in the recent past. The total loss amounts to about R1 200 million — and insurance companies are refusing further cover.

Five stores

As a result, SHV decided this week to demand insurance from the government. And they say that if the government refuses to agree by Saturday they will pull out of South Africa.

Makro has built a chain of five cash-and-carry wholesale stores in South Africa in the past 15 years.

Their combined turnover is about R450 million a year and more expansions have been planned. The total labour force is 1 300 — most of it black.

SHV, in conjunction with Metro of West Germany, owns about two-thirds of the South African chain. The balance is owned by the local Safren company.

Makro to decide on SA this week

CAPE TOWN 16/1/87

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Own Correspondent

JOHANNESBURG. — Shareholder Safren is set to assume control of the local operations of the Dutch-based wholesale group, Makro, if it is forced to leave South Africa this weekend.

Makro's owner, SHV, has given the Dutch government until tomorrow to insure and protect its arson-hit stores from terrorist attacks or it will liquidate its South African interests. This could mean the loss of 1 400 jobs.

A spokesman for the Dutch Foreign Ministry in The Hague yesterday ruled out the possibility of state insurance for SHV.

"In the first instance, it is up to the owners of Makro stores to protect themselves. What we are trying to do — and what any government should do — is to find out who was responsible for the arson attacks and bring the terrorists to trial," the spokesman said.

Safren Trading's chairman, Mr Tony Bush, said the group would "obviously welcome the opportunity to increase our Makro shareholding". But he made it clear that no takeover talks were under way. "That would be premature," he said yesterday.

The Dutch anti-apartheid group responsible for the attacks may insist that it will continue with its actions unless SHV cuts all ties with SA.

Five Makro stores operate in SA with turnover of R444-million.

A Dutch activist group, Revolutionary Anti-Racist Action, has torched three Makro stores in Holland causing damage estimated at R154-million.

SHV wants the government to underwrite the insurance on Makro property after the Commercial Union refused to provide further cover.

The financial director of Makro (SA), Mr Roger McKee, said yesterday that if SHV was forced to leave SA it would be the first company to divest through "plain criminal circumstances" and not on political or economic grounds.

"It would be a victory to terrorism," he said.

□ Meanwhile John Battersby reports from London that Shell (UK), which is facing a major anti-apartheid boycott, said yesterday it would not hesitate to summon the police if demonstrators interrupted business at its petrol stations.

The British Anti-Apartheid Movement has declared 1987 the "year of Shell" and

is planning to start picketing Shell petrol stations from March 1 in a bid to force Shell to quit South Africa.

A spokesman for Shell said yesterday that the company was adopting a "wait-and-see" attitude as many threatened boycotts in the past had not materialized.

"If demonstrators stand in an orderly manner handing out literature that is all right. In this country they would have the legal right to do that.

"But it will be very different if they verbally or physically affect the running of a filling station and frighten people or stand in front of cars.

"If they do anything to interrupt business we will have to ask them to move and if they do not we will call the police.

"We would not want them standing on our property but there is nothing to stop them standing on the pavement.

"We will have to live with them holding banners," the spokesman said.

The AAM campaign will focus on the 50-odd petrol stations managed by Shell.

Half the remaining 3 000 Shell stations are privately owned and operate by franchise.

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Dutch insurance row over anti-SA sabotage

UTRECHT — A Dutch trading multinational beset by apparent anti-apartheid arson attacks has threatened to halt its South African business operations unless the Dutch Government underwrites its fire insurance.

The multinational SHV's threat followed cancellation of its commercial fire insurance in the aftermath of arson attacks on four Makro stores in the Netherlands in the past 18 months.

"SHV would be the first company to withdraw from South Africa not because of its conscience, but because of terrorism," said a company spokesman, Mr Cypriaan Hooft-Graafland.

Responsibility for those attacks, which SHV says have caused at least 150 million guilders (\$70 million) damage, has been claimed by the Revolutionary Anti-Racist Action (Rara).

Its communiques said Rara was protesting SHV's minority stake in five Makro stores in South Africa. SHV has six Makro branches in the Netherlands, two of which were recently burned down.

Mr Hooft-Graafland said SHV wants the government to make a decision on the issue before noon tomorrow.

"If we had to yield to this because the government can't give us sufficient (security) guarantees, that wouldn't be a defeat for SHV alone but for (Dutch) society as a whole," Mr Hooft-Graafland said in a telephone interview on Wednesday.

Mr Hooft-Graafland said last week that "in the extreme case," the SHV parent company might even consider relocating outside the Netherlands. — Sapa-AP

See also page 15.

Pullout may spark Makro takeover

By Michael Chester

As the giant R450 million-a-year Makro cash-and-carry chain awaited a possible pullout by its biggest shareholder in the Netherlands, there was talk in Johannesburg business circles today of a South African takeover.

The most likely candidate in any takeover bid is Safren, the conglomerate formed by the merger between Safmarine and Rennie's Holdings and whose interests range from shipping and air transport to hotel resorts.

The keen interest of the company, which already owns about one-third of the Makro operations inside South Africa, was confirmed by Mr. Tony Bush, chairman of Safren Trading.

Mr Bush stressed that it was still premature to anticipate the ultimate decision of the Dutch parent company, but said Safren would "welcome any opportunity to increase our shareholding".

CONFIDENCE

Confidence in the prospects of the South African operations of Makro staying intact, "one way or another", has also been voiced by Mr Roger McKee, financial director of Makro SA.

"Whatever happens, because of the success of the South African operation, it is virtually certain there would be a queue of companies anxious to open negotiations if the Dutch parent company left a vacuum," he said.

"Our primary concern is to safeguard the welfare of our large labour force and I think they can be assured that one way or another the doors of Makro stores will be staying open."

The controlling shareholder, SHV of the Netherlands, delivered a midweek ultimatum to the Dutch government to provide protection from repeated attacks on its Dutch stores by anti-apartheid arsonists or it would pull out of South Africa.

In the first real movement to resolve the month-long OK Bazaars dispute, mediators for the company and the Commercial, Catering and Allied Workers' Union will meet shortly to try to iron out differences between the two parties.

The final hurdle was cleared yesterday when the union agreed to mediation, following a management telex on Wednesday.

Union spokesman Mr Jay Naidoo said the union had agreed to mediation after much deliberation among its members.

"Further details regarding date, venue and agenda will be worked out by mediators on both sides in consultation with all parties," he said.

RESERVATIONS

The union said while it did not put preconditions before taking part in mediation, it had "grave reservations about the possibilities of success of mediation unless the problems of harassment and arrest of union members can be resolved".

"At present, 103 union members are being held under the state of emergency as a result of the OK strike. More than 600 workers have thus far been arrested."

Welcoming the union's decision, OK spokesman Mr Keith Hartshorne said:

"While we note the union's reservations, we believe that both parties have a tremendous responsibility to explore every avenue to resolve the dispute."

The mediators are Mr Charles Nupen, for the union, and Mr Gavin Brown for OK Bazaars.

The union's demands include a R160-a-month increase and a monthly minimum wage of R450. They have rejected an OK offer of R85 a month.

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Safren set to assume control of Makro

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WEDNESDAY 16/11/87
HAMISH McINDOE

MAKRO shareholder Safren is set to assume control of the local operations of the Dutch-based wholesale group if it is forced to leave SA at the weekend.

Makro's owner, trading multinational SHV, has given the Dutch government until tomorrow to insure and protect its arson-hit Makro stores from terrorist attacks or it will liquidate its SA interests. This could mean the loss of 1 400 jobs.

A Dutch Foreign Ministry spokesman yesterday ruled out the possibility of state insurance for SHV.

The issue of state protection was still under discussion, but this was also unlikely, John Battersby reports from London.

"In the first instance, it is up to the owners of Makro stores to protect themselves. What we are trying to do is to find out who was responsible for the arson attacks," the spokesman said.

Safren Trading chairman Tony Bush said yesterday the group would "obviously welcome the opportunity to increase our Makro shareholding." But he made clear that no takeover talks were underway. "That would be premature."

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NEWS

World bid to get Shell to pull out

Weekend Argus Foreign Service

LONDON. — Shell is in for a rough 1987 as anti-apartheid campaigners in a host of countries join forces against the global oil giant in the hope of forcing its departure from South Africa.

Campaigners promise that Shell is in for a dose of the treatment they claim squeezed Barclays Bank enough to think seriously about pulling out.

They are planning a "multinational campaign" to strike at Shell on a global scale and they warn that the time will come "when the price of staying in South Africa will be too high".

It is the first time the products of a British company are to be subjected to boycott action. Shell's products have a high strategic value in South Africa and this makes it a prime target.

Given the company's position in the economy, campaigners want to imprint on the public mind overseas the notion that Shell is part of apartheid.

There are thousands of activists in Britain, Europe and other parts of the world looking for an obvious target after Barclays ... and it is Shell.

The oil company itself, however, is showing scant concern claiming it has yet to feel the pinch of a co-ordinated campaign which has already been underway for some time. It says a more intense campaign will not force it down the same road as Barclays and any attempt to steer it that way will be lamentable because Shell is as strongly opposed to apartheid as the Anti-Apartheid Movement, differing only over what to do about it.

CAT 7100 19/11/87 (0265)

Makro decision known today

Staff Reporter

THE owners of Makro, the Dutch-based wholesale group, will say today whether or not they will disinvest from South Africa.

The group's owners, SHV, announced at the weekend that its executive board of directors had made a decision following a spate of anti-apartheid arson attacks on the group's stores.

"The decision will be verified this weekend with the supervisory board of directors. SHV's executive board of directors will announce and explain its decision (today) during a press conference in Nieuwspoor, The Hague," said a statement.

The options open to SHV include maintaining its South African interests in the face of threats of further attacks, selling out probably to local shareholder Safren, or liquidating its SA assets.

The five Makro stores in SA have an annual turnover of R444 million and employ 1 400 people.

The group responsible for the torchings, Revolutionary Anti-Racist Action, has so far caused an estimated R154-million damage in three firebomb attacks on Makro stores in Holland.

□ Our correspondent in Johannesburg reports that US-based toolmaker Black & Decker, under pressure from its US shareholders to end its presence in SA, is considering pulling out and a local buyer is to be sought. Shareholders are to vote this month on a motion to force it to pull out.

A US spokesman said the SA operation, which employs only 44 people, had been only marginally profitable in the past few years.

□ South African management of Skok Systems — founded in SA but which sold control to US interests — has bought back control of the company.

Decision on Makro pullout is expected

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THE HAGUE — The Dutch trading multinational SHV, plagued by a series of anti-apartheid arson attacks, planned to announce today whether it would continue its business operations in South Africa.

If SHV decides to pull out, it would be the first Dutch company to do so.

Following Friday's government refusal to underwrite the company's fire insurance, the SHV management held weekend meetings with its fire insurers at its headquarters in Utrecht, but details of the talks were not disclosed.

Last week SHV's management threatened to withdraw from South Africa unless the Dutch Government agreed to underwrite the company's commercial fire insurance, which had been cancelled after four SHV-owned Makro stores in the Netherlands were destroyed by fire over an 18-month period.

Responsibility for those attacks has been claimed by the Revolutionary Anti-Racist Action (RARA), which said the attacks were a protest against SHV's involvement in South Africa, where the company has a minority share in five Makro department stores.

SHV has claimed that the attacks, in which there have been no casualties, have caused at least 150 million guilders (R143 million) damage.

On Friday, Dutch Premier Mr Ruud Lubbers announced that his government refused to underwrite SHV's fire insurance, noting that the responsibility to carry business risks lies first and foremost with the business world.

But Mr Lubbers, who said he would deplore a SHV withdrawal from South Africa in the face of what he termed "political terrorism," added that his government was willing to beef up police protection around Makro stores. — Sapa-Associated Press.

D-Day for Makro SA

DIANNA GAMES

THE decision on Makro's future in SA is to be announced today by its Dutch parent company, SHV, in Holland.

In a statement yesterday from its offices in Utrecht, SHV said its executive board of directors had taken a decision on Saturday which it would announce and explain at a Press conference at The Hague at lunchtime today.

It said the decision was taken as a result of the recent arson in the Makro store at Nuth in Holland — the latest in a series of arson attacks on Makro outlets in that country.

□ US-based toolmaker Black & Decker, under pressure from its US shareholders to end its presence in SA, is considering pulling out of the country and a local buyer is to be sought. Shareholders are to vote this month on a motion to force it to pull out.

□ South African management of Skok Systems — founded in SA but which sold control to US interests — has bought back control of the company.

REPORTS that the National Soccer League (NSL) is to buy Ellis Park stadium for R30m were rejected yesterday by the PRO for the NSL, Abdul Bhamjee.

Bhamjee said the reports were responding to with sponsors last year which have led to the establishment of a soccer academy. Part of the R700m-academy project, begun last year, was to acquire a home for SA soccer.

Hennie Diedericks, general manager of Volkscas — present owner of the stadium — could not comment on the possibility of an NSL takeover.

The stadium is currently the Transvaal Rugby Football Club's home and they have first refusal on any sale.

Sponsorship of the NSL by Panasonic ended on Friday. The company was told it could not continue as a sponsor.

The reasons given for the withdrawal were that National Panasonic sponsored the rebel Australian team and that the amount given for tours was far in excess of the cost.

Farmers expect a fruitful year

THE country's drought-plagued farming industry is optimistic that the year ahead will be the best for a decade.

This is despite gigantic debt, inflated input costs and other problems.

In a wide-ranging review of conditions released at the weekend, the SA Agricultural Union (SAAU) says spring rains brought relief to large parts of the country, although parts of the summer-rainfall regions were still in the grip of severe drought.

GERALD REILLY

Indications are that the year ahead will come to about 2,1-million tons compared with 1,6-million tons in the previous season.

Summer crops yields — in sorghum, oil seeds and cotton — are expected to be the best in years if the good rains continue.

An estimated 4,2-million hectares have been planted to maize, compared with 11-million ton yields in the previous season.

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PRICE MOVES AT A GLANCE

Firms to sell SA interests

CAPE TOWN — Two foreign companies confirmed yesterday they were about to leave South Africa and a third said it would spin off two of its subsidiaries.

Both the Dutch trading multi-national, SHV, which, together with a West German partner, holds 67 per cent of the Makro cash-and-carry chain, and US-based Black & Decker, blamed political pressure as the reason for leaving.

A London holding company, Gallaher, said commercial reasons were responsible for recent decisions to sell the kitchenware firm Prestige SA and the engineering group G. North.

All three firms said activities would continue as before, but under new management.

SHV, which has been plagued by a series of anti-apartheid arson attacks in The Netherlands, officially announced yesterday it would halt business operations in South Africa.

A buyer for SHV's stake in Makro — widely thought to be Safren — will be announced in a few weeks. Safren holds 33 per cent of the chain.

Gallaher, a wholly owned subsidiary of US-based American Brands, had no plans to sell its two other SA holdings, Mono Pumps and FIP Africa, a spokesman said in London yesterday.

Black and Decker's US chairman and president, Mr Nolan Archibald, said in a confidential in-house memo last week the SA firm would "prosper better under local management" and "given the size of the operation, it is not in our best interests to continue to own and manage it".

Makro, Black and Decker to stay in SA

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20/11/87 SMPK

By Chris Moerdyk

Wholesale chain Makro and power tool suppliers Black and Decker will continue operations in South Africa in spite of announcements that their foreign shareholders are to withdraw.

Mr Doug Catto, managing director of Makro SA, told The Star: "the only thing that will change is our shareholding".

The Dutch-based multinational, SHV, and its German partners hold 66,6 percent of Makro SA. The balance is held by the Safmarine and Rennies Trading (Safren). The latter is expected to take over the SHV interests.

Local general manager of Black and Decker in South Africa, Mr Roger Lee, said once the US corporation had ratified its

decision, he expected to enter into negotiations for a local management takeover.

In The Hague, SHV, which owns a 40 percent interest in the five Makro department stores in South Africa, announced that "distressed and forced by terrorist action, (SHV) will take steps toward a complete withdrawal of its investments in South Africa".

Mr Catto said: "We have a 100 percent commitment from the Safren organisation."

He added that the SHV chairman, Mr Paul van Vlissingen, had told him that SHV was not going to enter into any form of auction sale with regard to its shares in Makro SA.

● See Page 13.

ARGUS 20/1/87

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NATIONAL/INT

Shareholders pull out but firms go on

The Argus Correspondent

JOHANNESBURG. — Makro, the cash-and-carry chain, and Black and Decker, the power-tool suppliers, will continue operations in South Africa in spite of announcements that their foreign shareholders are to withdraw from the country.

The managing director of Makro SA, Mr Doug Catto, said today: "The only thing that will change is our shareholding."

The Dutch-based multinational, SHV, and its German partners hold 66,6 percent of Makro SA. The balance of the shareholding is held by Safmarine and Rennies Trading (Safren), who are expected to take over the SHV interests.

In Johannesburg yesterday the general manager of Black and Decker in South Africa, Mr Roger Lee, said that once the US corporation had made its decision at a board meeting this month he expected to negotiate for a local management takeover of the South African operation.

"DISTRESSED"

The US chairman and president, Mr Nolan Archibald, said in the statement he would recommend to the board of directors at its January meeting that the corporation seek a buyer for its subsidiary in South Africa. "This will include negotiations with the management of the local company," he said.

In The Hague yesterday SHV, which owns a 40 percent interest in the five Makro department stores in South Africa, announced that "distressed and forced by terrorist action, (SHV) will take steps toward a complete withdrawal of its investments in South Africa".

Mr Catto said: "While we are sad and very upset that our Dutch partners have been forced into this situation, we have a 100 percent commitment from the Safren organisation, who have declared they are interested in increasing their stake in our company."

He added that the SHV chairman, Mr Paul van Vlissingen, had told him that SHV "was not going to enter into any form of auction sale" with its shares in Makro SA. "He told me they (SHV) felt it would be wrong to profit out of this sad occasion."

Business as usual, says Makro director

By CHRIS ERASMUS and Sapa-AP

THE Dutch-based multinational SHV, which has a 40% holding in five Makro wholesale stores in South Africa, is to pull out immediately because of "criminal, terrorist" pressure.

SHV, which also owns a coal-trading office in Johannesburg, is the first major Dutch company to pull out of South Africa.

But Makro (SA) managing director Mr Doug Catto said the decision — announced at a press conference in The Hague yesterday — would not affect the wholesale group's operations or staff complement.

"As far as we are concerned, it's business as usual. We have recently acquired more property in Cape Town and will be opening a new outlet there in September."

Mr Catto said it was not certain who would buy up SHV's shares but that an existing shareholder, Safren, had "expressed very keen interest in acquiring a bigger stake in Makro (SA)".

He believed it would take about six weeks for SHV to sell its SA holdings — there would be no "bargain basement sales" and the welfare of Makro (SA) employees was of the highest concern to SHV.

The Dutch company's chairman, Mr Paul Fentener van Vlissingen, said that "distressed and forced by terrorist action, (SHV) will take steps toward a complete withdrawal of its investments in South Africa".

The announcement followed Friday's refusal by the Dutch government to underwrite the company's fire insurance, after a series of anti-apartheid arson attacks.

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DUTCH FIRM QUILTS SA AFTER ARSON

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matsombe



JANE Matsombe from Emdeni likes swimming and dancing. But most of all she likes Giant Blackpool, just promoted to the first division of the National Soccer League. Looks like Blackpool just can't lose.

THE HAGUE — The Dutch-based multinational SHV, which has been plagued by a series of anti-Apartheid arson attacks in the Netherlands, announced yesterday that it would halt its business operations in South Africa.

SHV, which owns a 40 percent interest in five Makro department stores in South Africa and has a coal trading office in Johannesburg, is the first major Dutch company to pull out of South Africa.

SHV chairman Paul Fentener van Vhssingen said: "Distressed and forced by terrorist action, (SHV) will take steps toward a complete withdrawal of its investments in South Africa."

The pullout measure is "effective immediately", Fentener said.

The SHV announcement followed Friday's refusal by the Dutch Government to underwrite the company's fire insurance, after a spate of anti-apartheid arson attacks had destroyed three of the company's six Makro stores in the Netherlands over an eighteen-month period.

Keen on books?

THE Funda Centre library will accept applications for membership of the library until January 30 this year — and all interested are asked to apply before this date.

Previously applications for membership of the library were until April 30 for 12 calendar months. From this year membership is from January 1 to December 30.

Appeal

Funda Centre liaison officer, Mr Tony Ngwenya, said an appeal was being made to all would-be-users of the library to apply for membership before January 30 "After that date we will unfortunately not be able to accept new members

More details are available from 938-1485.

Responsibility for those attacks has been claimed by the Revolutionary Anti-Racist Action (Rara), which said in its communiques that the arson attacks were a protest against SHV's involvement in South Africa.

SHV claimed that the attacks, in which there have been no casualties, have caused at least 150 million guilders (R140 million) damage.

In his announcement, Fentener said that "the executive board of directors . . . very much regrets that it is necessary to concede to terror."

Profit from SHV operations in South Africa totalled approximately two million guilders (R1.6 million) last year.

Fentener gave no immediate details on how the South African pull-out would affect the jobs of approximately 2 000 people employed by the South African Makro stores and the Johannesburg coal trading office.

Makro SA will stay open despite pullout

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SMR
20/11/87

By Chris Moerdyk

The Netherlands-based multinational, SHV, which owns a 40 percent interest in five Makro department stores in South Africa has become the first major Dutch company to pull out of the country.

SHV chairman Mr Paul Fentener van Vlissingen told a news conference in The Hague yesterday that "distressed and forced by terrorist action, (SHV) will take steps toward a complete withdrawal of its investments in South Africa".

The pullout measure was effective immediately.

The SHV announcement followed Friday's refusal by the Dutch Government to underwrite the company's fire insurance, after a spate of anti-apartheid arson attacks had destroyed three of the company's six Makro stores in the Netherlands over an 18-month period.

Responsibility for those attacks has been claimed by the Revolutionary Anti-Racist Action (RARA) which said in its communique that the arson attacks were a protest against SHV's involvement in South Africa.

'WILL STAY INTACT'

In Johannesburg, Makro SA executives were not available for comment but financial director, Mr Roger McKee, told The Star last week that "one way or another" Makro operations in South Africa would stay intact.

"Whatever happens, because of the success of the SA operation, it is virtually certain there would be a queue of companies anxious to open negotiations. Our primary concern is to safeguard the welfare of our large labour force and I think they can be assured that, one way or another, Makro stores will be staying open."

SHV claimed that the attacks, in which there have been no casualties, had caused damage estimated at R140 million.

In his announcement Mr van Vlissingen said that "the executive board of directors very much regrets that it is necessary to concede to terror".

Profit from SHV operations in South Africa totalled approximately R2 million last year.

Mr van Vlissingen gave no immediate details of how the South African pullout would affect the jobs of approximately 2 000 people employed by the South African Makro stores and the Johannesburg coal trading office.

South African Embassy spokesman Mr Johan van Rensburg called the SHV move "an unfortunate development ... any development like this may create a precedent".

Mr van Rensburg said that the SHV decision was "a Dutch domestic situation, development, in which we cannot have too much of an opinion".

Makro and Black & Decker confirm pull-out

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TWO foreign companies yesterday confirmed they were about to leave SA and a third said it would spin off two of its subsidiaries.

SHV, the Dutch trading multinational which, together with its West German partner, holds 67% of the Makro cash-and-carry chain, and US-based Black & Decker (B&D) blamed political pressure. Gallaher, a London holding company, said commercial reasons were responsible for recent decisions to sell kitchen-ware firm Prestige Group SA and engineering group G North.

Business Day Reporters

All three firms said activities would continue as before, but under new management.

SHV has been plagued by a series of anti-apartheid arson attacks in the Netherlands.

A buyer for SHV's stake in Makro — widely thought to be Safren — is to be announced in a few weeks. Safren holds 33% of the chain. Its chairman and CE Alistair MacMillan confirmed the group would hold talks with SHV.

Local management could also be included in the deal, although Makro MD Doug Catto said no approach had yet been made.

Gallaher, a wholly owned subsidiary of US-based American Brands, had no plans to sell its two other SA holdings, Mono Pumps and FIP Africa, a spokesman said in London yesterday.

Maritzburg-based Prestige said yesterday negotiations had been under way since early last year to sell the firm.

Prestige Group in London, which is controlled by Gallaher and owns 100% of

Makro, Black & Decker announce pull-out

house memo on Friday announcing he would recommend to the board of directors that buyers be sought for the SA marketing and distribution operation of the tool-making firm.

The memo said the SA firm would "prosper better under local management" and "given the size of the operation, it is not in our best interests to continue to own and manage it".

He recommended negotiations be conducted with local management. B & D has 44 employees in SA.

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2011/87
From Page 1

Makro MD Catto said business would continue as usual at Makro's five stores. Plans to open a sixth in Cape Town in September would not be affected. He did not expect lay-offs among the chain's 1 400 employees.

B & D MD Roger Lee said US supplies had been assured, but refused to comment on the SA operator's performance, representing only 0,31% of worldwide sales.

Prestige in SA, has been negotiating with possible purchasers in SA and Europe, although no plans have been finalised. Prestige SA MD J A Snowden said yesterday a management buy-out was a possibility.

G North has been losing money for some time. Prestige and G North each employ about 250 people in SA.

B & D's US chairman and president Nolan Archibald issued a confidential in-

● To Page 2



Pull-out ^(S) after threat of terror _{AD 3/1/87}

DUTCH vinyl floor producer Frobo-Krommenie (FK) plans to cut ties with SA after receiving warnings from police of possible terrorist attacks, a company spokesman in Assendelft, Netherlands, said yesterday.

The announcement comes three days after leading Dutch trading company SHV said it was "conceding to terror" and would sell its Makro stores in SA.

The move will not greatly affect FK's Durban-based agents Krommenie Ltd, since the Hepburn-family-owned Industrial Investment Company bought FK's SA operation five years ago.

Krommenie MD Gavin Jeffrey said last night: "The FK product lines that we handle account for a very small amount of our business. The bulk of our flooring products are made locally."

Krommenie employs 500 people and has an annual turnover of R50m.

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Threats force Dutch firm to cut S A ties

ASSENDELFT—A Dutch vinyl floor producer plans to cut ties with South Africa after receiving warnings from police of possible terrorist attacks.

The announcement comes three days after leading Dutch trading company SHV Holdings said it was 'conceding to terror' and would sell its Makro stores in South Africa after a series of arson attacks in the Netherlands.

The vinyl company, Forbo-Krommenie, is part of the Swiss Forbo group and has historical ties with the Durban-based company Krommenie Ltd.

After the town of Spijkenisse in the southwest of the Netherlands told the company it would not buy any Forbo products

as long as the company had ties with South Africa, it scaled down its service in Durban last November.

Police warned the company by telephone on January 14 of possible terrorist moves after arson attacks at SHV's Makro stores, and this was the final straw, a company spokesman said.

The managing director of Krommenie (Pty) Ltd in Durban, Mr Gavin Jeffrey, said the company had been totally South African for the past five years.

'It is a subsidiary of the Industrial Investment Company which is listed on the Stock Exchange.

'We do represent Forbo Krommenie but we have full manufacturing facilities in Durban,' he said. — (Sapa-Reuter)

26-million shares change hands

Tradegro in R16m selloff of J Doore

BOU-DAY

23/1/87



IN one of the largest deals put through the market in many a year, 37% of Joshua Doore's equity, worth R16,2m, was sold by Tradegro yesterday.

Tradegro, through stockbrokers Frankel Kruger, sold 25,7-million Joshua shares at 64c to several institutions in a special deal.

The deal was struck at an enormous discount to the then-ruling market price of 98c and the share finished the day unchanged at 98c.

In order to shift through the market such a high percentage of a company's equity — thought to be the highest in more than a decade — the seller often has to accept a much lower price.

In another transaction outside the market, Tradegro sold 4,3-million shares to the triumvirate of management, New Bernica and Lifegro, which already had a 25% stake and the option to acquire from Tradegro a further 25,1% at net asset value a share before March 1989.

Tradegro CE Meryn King said management control of the furniture retailer was in the hands of David Suss-

BRIAN ZLOTNICK
Investment Editor

man and Arnold Witkin, even though Tradegro, via Rusfurn, had 68,9% of the equity.

King said besides the management control situation, the other major reasons for the disposal were to reduce Rusfurn's gearing ahead of its listing later this year and because Joshua was the only stock in the furniture sector trading at a premium to net asset value a share.

The current net asset value is about 45c a share.

New Bernica CE Arnold Witkin said: "We are delighted with the new shareholders and opportunity to increase our stake. Joshua Doore is now a totally independent company with strong shareholders and a dynamic management."

Joshua was brought to the market six months ago through a reverse listing into cash shell Consure.

Management expects turnover to pass the R100m-mark and earnings to exceed the pre-listing forecast of 5,7c for the current financial year.

Pull-out after threat of terror

5

BOU-DAY
23/1/87

DUTCH vinyl floor producer Frobo-Krommenie (FK) plans to cut ties with SA after receiving warnings from police of possible terrorist attacks, a company spokesman in Assendelft, Netherlands, said yesterday.

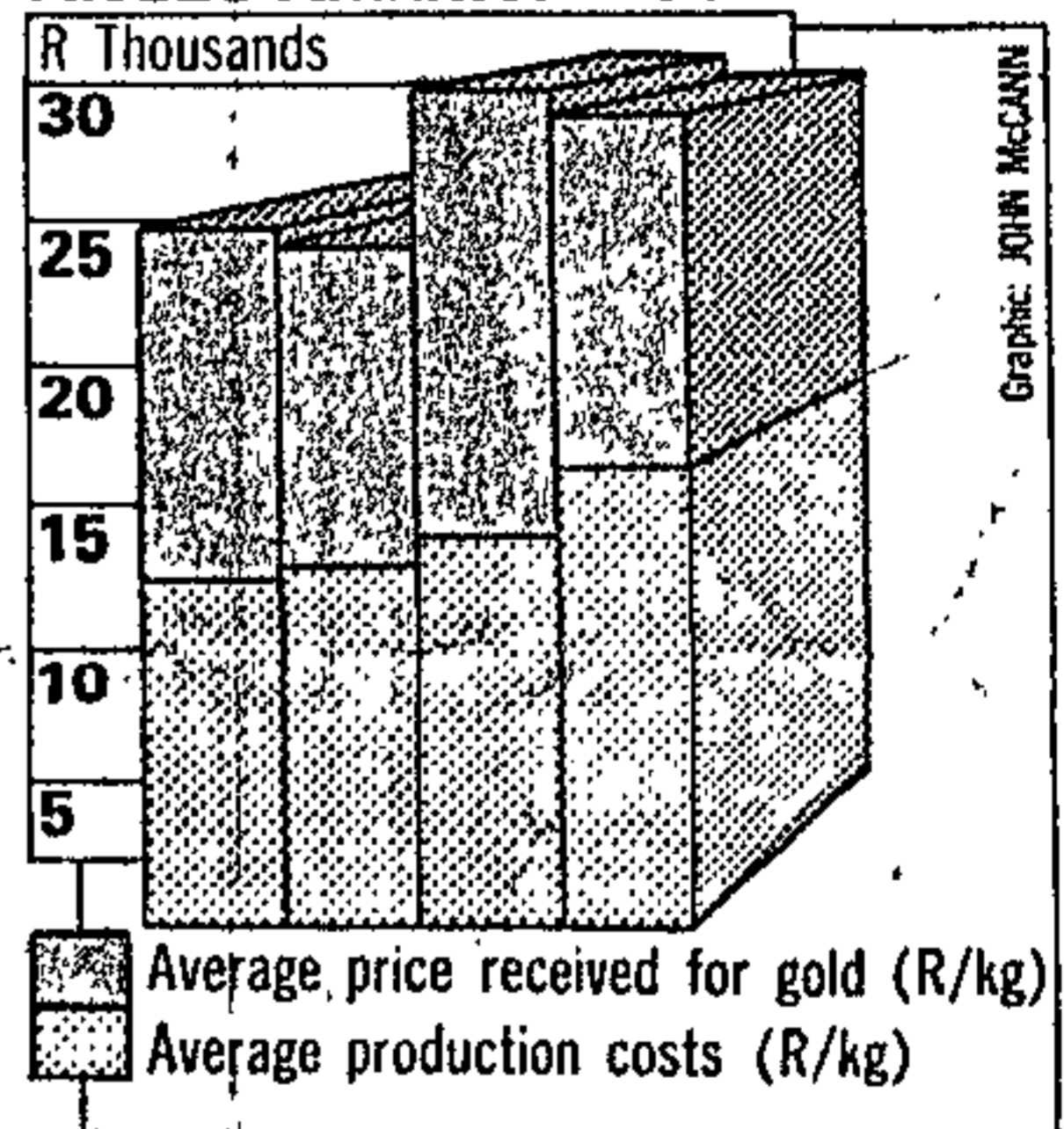
The announcement comes three days after leading Dutch trading company SHV said it was "conceding to terror" and would sell its Makro stores in SA.

The move will not greatly affect FK's Durban-based agents Krommenie Ltd, since the Hepburn-family-owned Industrial Investment Company bought FK's SA operation five years ago.

Krommenie MD Gavin Jeffrey said last night: "The FK product lines that we handle account for a very small amount of our business. The bulk of our flooring products are made locally."

Krommenie employs 500 people and has an annual turnover of R50m.

ANGLO AMERICAN GOLD MINES



DURBAN — Dutch vinyl floor producer, Frobo-Krommenie (FK) plans to cut ties with SA after receiving warnings from police of possible terrorist attacks, a company spokesman in Assendelft, Netherlands, said.

The announcement comes three days after leading Dutch trading company SHV said it was "conceding to terror" and would sell its Makro stores in South Africa after a series of arson attacks in the Netherlands.

The move, however, will not greatly affect FK's Durban-based agents, Krommenie Ltd, since the Hepburn family-owned Industrial In-

Dutch firm to cut SA ties

vestment Company bought FK's SA operation five years ago.

The MD for Krommenie, Mr Gavin Jeffrey, said: "The FK product lines that we handle, account for a very small amount of our business. The bulk of our flooring products are made locally."

Krommenie employs 500 people and has an annual turnover of R50

million.

FK is part of the Swiss Forbo group and has historical ties with the Durban-based company Krommenie Ltd, which was founded in 1959 by the Dutch trading family, Zijpestein.

After the town of Spijkenisse, in the southwest of the Netherlands, told the company it would not buy any Forbo products as long as the company had ties with SA it scaled down its service in Durban last November.

Police warned the company by telephone on January 14 of possible terrorist moves after arson attacks at SHV's Makro stores, and this was the final straw, the spokesman said.

Shell prime target

THE HAGUE — International anti-apartheid groups have agreed to step up their campaign against the oil giant Royal Dutch Shell.

The groups want Shell to cut its links with South Africa, where it has some 10 000 local employees.

Sietsa Bosgra of the Southern Africa Committee (KZA) said groups from Scandinavia, North America, Belgium, Britain and The Netherlands met in Amsterdam during the weekend and drew up a plan of action, making Shell the prime target for their disinvestment campaign. — Sapa-Reuter.

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~~65~~

Southern 27/1/87

Diplomatic hot spot

ARGUS 3/2/77

~~2/2/77~~
65



Mr Frank Quint

ONE of South Africa's first ambassadors of colour, Mr Frank Quint, 65, has had an abrupt introduction to the sometimes violent frontline of foreign opposition to South Africa's racial segregation policies.

Newly arrived in the Netherlands, Mr Quint said during an interview in the heavily-fortified South African Embassy in The Hague, that he was chosen for what Pretoria sees as a diplomatic hot spot because he is "balanced" and experienced in education and public service.

For a man with no record in the diplomatic service until his appointment last October, Mr Quint has had his eyes opened to the heat of apartheid opposition. Barely 36 hours after his flight touched down at Amsterdam airport activists set fire to an Embassy car and daubed the words "Quint, show your true colour" on the pavement.

A week later, leading Dutch trading company SHV Holdings said it had "conceded to terror" and was cutting its ties with South Africa after a series of fire attacks on its wholesale stores here. A group called "Revolutionary Anti-Racist Action" (RARA) claimed responsibility.

■ ■ ■
"I find it in some cases arrogant of some of these organisations that they are trying to coerce governments and companies by illegal actions, terror and intimidation to do something which the law of the land allows," Quint said.

He believes RARA will be emboldened by its apparent success in forcing firms to leave South Africa — a second, vinyl floor company

The new ambassador to the Netherlands says he has no "slogans to trade" with anti-apartheid movements. MARTIN NESIRKY spoke to him in the heavily-fortified South African Embassy in The Hague.

Forbo Krommenie, has now said it will withdraw because of threats and step up the campaign. Dutch officials also think RARA could attack other firms, including big companies like Shell.

"It would follow the pattern that they would include as many and as varied a group of activities and people as they possibly can," Quint said.

Mainstream anti-apartheid organisations disown RARA. Security sources say it changes size and membership often, but draws at least some members from Amsterdam squatters.

Turning to his own appointment as ambassador to a country which has strong historical ties to South Africa and yet is one of its harshest critics, Quint laughed and said: "They probably saw in me the sort of person they wanted."

■ ■ ■
"Everybody knows precisely where I stand. I think I am representative of a large group of the population... colour has never been important to me," he said.

He described himself as balanced and said he prided himself on communicating with people. Quint has a distinguished background in education and served on the President's Council advisory body. He said his lawyer believes

he got the job more for what he had done than what he could do.

Kees de Pater of the Southern Africa Committee, a Dutch anti-apartheid group, said assigning a coloured ambassador to impress the Netherlands was a simple trick that fell flat.

Dutch officials say privately Quint was sent to the Netherlands "purely as a symbol of change" once described by Pretoria as of "South Africa". The Netherlands has close historical ties to Afrikaners but it has been described as Pretoria's "most poisonous enemy."

■ ■ ■
Quint, who is married with five grown-up children, agrees there is symbolism in his appointment but brushes aside the criticism.

Asked if he backed President P W Botha's policies fully, he said: "If you look at the details you can get bogged down. The guiding thing here is the principle, the philosophy. It is to do away with domination and I agree with that."

He is prepared to meet anti-apartheid groups but says he has not got "slogans to trade". The groups say they would be wasting their time seeing him. — Sapa-Reuter.

(65) N/m 4/2/87.

Dutch prepare plan to curb attacks by radicals

Mercury Correspondent

THE HAGUE—The Dutch Government and multinationals with business interests in Holland have had top level meetings to draw up safety precautions against attacks by radicals.

In the forefront are those firms whose links with South Africa have made them targets for radical anti-apartheid activists.

Yesterday a spokesman from the Ministry of Justice said the meeting had been arranged because the attacks had reached a worrying stage.

As well as attacks by anti-apartheid radicals, there had also been attacks — on other firms — by anti-nuclear and anti-militarist organisations.

These had reached a stage where loss of life could be feared, although so far most attacks had

occurred at night with no fatalities recorded.

The main purpose of the meeting, attended by the Minister of Justice, Mr Korthals Altes, had been to formulate plans for increased security.

The decision had been reached to organise a joint project group, between the Government and business, to formulate conditions of security.

A preliminary plan in two parts has been produced.

The first part calls for co-operation in shielding target businesses by boosting security and emphasises close contact between these businesses, the police and the firefighting services.

The second part calls for a change in insurance rules.

Last month's decision by the multinational retail concern SHV, that it would 'concede to terror' and cut its business links with South Africa — relinquishing ownership of the Makro chain of stores — followed the third arson attack by an anti-apartheid group on one of its Holland stores in 16 months.

After this attack SHV's British insurers cancelled all policies related to political risk.

This, together with other acts of terrorism, put an already-security minded business community on the alert.

As well as firms with South African links, the Ministry of Justice acknowledges that as many as 185 firms working at the Woensdrecht missile base are potential targets.

Attacks: Dutch govt, firms meet

Own Correspondent

LONDON. — The Dutch government and multinationals with business interests in South Africa have had top-level meetings to draw up safety precautions against attacks by extremists.

At the forefront of these meetings are firms whose links with South Africa have made them targets for attacks by anti-apartheid activists.

A spokesman from the Ministry of Justice in The Hague said the meetings last week between the department and employers' organizations had been arranged because attacks were increasing.

As well as anti-apartheid attacks, there had also been attacks on firms by anti-nuclear and anti-militarist organizations, he said.

These had reached a stage where loss of life could be feared, although most attacks had taken place at night and no deaths had occurred.

The main purpose of the meeting, attended by the Minister of Justice, Mr

Korthals Altes, was to formulate plans for security and protection.

The meeting decided to organize a joint project group, made up of the government and employers' organizations, to formulate certain conditions of security.

'Concede to terror'

An outline plan has been produced for co-operation in shielding target businesses by boosting security and changing insurance rules.

Concern has been running high for some time and increased with the announcement last month by the multinational retail concern SHV that it would "concede to terror" and cut its business links with South Africa.

SHV's decision followed three arson attacks on its stores in 16 months.

Shell International has been at the forefront of attacks from anti-apartheid groups with nine attacks on Shell service stations alone in one night in May last year.

OWE 7/10/65 2/3/67

AAM launches anti-Shell campaign

Own Correspondent

LONDON. — In launching the Anti-Apartheid Movement international boycott against Shell, Major-General J Garba, chairman of the UN Special Committee against Apartheid, said that the action should be seen in a global perspective.

The former Nigerian foreign minister, who flew to London for the launch yesterday, said the movement had chosen Shell as its target because it was such a very large multinational company.

Barclays was a huge banking giant, and yet it had been forced to pull out of South Africa, he said.

Mr Bob Reid, chairman of Shell UK Ltd, said they were totally opposed to apartheid and believed in universal suffrage. They had said this both internationally and in South Africa.

Shell felt strongly that they should stay and try to change the situation from within the country.

'People's campaign' is launched to 1

Shell is now AAM's prime target for '87

Michael Morris, The Star Bureau

London

Oil giant Shell has become the 1987 priority target for British anti-apartheid activists.

After claiming responsibility for the decision by Barclays Bank to withdraw from South Africa, the Anti-Apartheid Movement (AAM) in Britain yesterday launched a vigorous campaign to force Shell to disinvest its interests in South Africa.

The AAM accused Shell of helping to prop up apartheid and preserving Pretoria's secret supply of crude oil.

It also claimed that the oil company, the second largest foreign exchange earner among multinationals operating in South Africa, was a major supplier of fuel to the army and police — and “therefore plays a key rôle in the repression in the townships and the war in Namibia”.

People in Britain are being urged to boycott Shell products, particularly by using other petrol stations, to encourage bulk consumers such as local authorities to switch contracts.

The AAM hopes the “people's campaign” will also increase pressure on the British Government to consider stronger measures against Pretoria.

An AAM official said yesterday: “In 1986 it was the year of Barclays. This year will be the year of Shell. Within a year they will have to reconsider their decision to keep dealing with apartheid.”

Bank picket

Royal Dutch-Shell denies complicity in supplying fuel oil to South Africa through its South African company.

Last year Mr. L.C. Wachem, senior group managing director of Royal Dutch-Shell, released a letter to the company's chief executive in which he condemned apartheid, but defended Shell's record.

We won't be driven from SA, says fuel boss

The Star Bureau

LONDON — The chairman of Shell UK, Mr Bob Reed, clashed at the weekend with leading anti-apartheid campaigner Alan Brooks over the AAM's plan to launch a “boycott Shell” campaign.

Mr Reed admitted that the Shell company was worried about the planned boycott, but he said it would not quit South Africa.

“We are fighting apartheid from within,” he said. “We have a staff of 25 000 there, half black, half white. We are a fully integrated company. Our workers are all agents for change.”

He accused the AAM of wanting to walk away from Shell staff who wanted the company to remain, and wanted to keep their jobs. He said the AAM wanted Shell to desert its workers.

Shell would not bow to that pressure, Mr Reed said.

Mr Alan Brooks, clashing with Shell on the BBC's “World at One” programme, said Shell's record in South Africa gave the lie to the company's claims to oppose apartheid.

An example was a Shell-owned mine where Shell sacked 100 of its workers. Miners were teargassed and trade union officials arrested.

Mr Reed said Shell had a record of going to court when its trade union officials were arrested, and trying to obtain their release.

“No Shell group company outside South Africa is supplying crude oil to anyone in South Africa,” he wrote, responding to allegations that Shell companies had helped circumvent the oil embargo against the country.

Yesterday also marked the start of a month of action during which the offices of Standard Chartered Bank and Rio Tinto Zinc will be picketed.

Selected branches of major chainstores, including Tesco, Sainsburys and Asda, which stock South African products, will be boycotted.

65 9pm 2/3/87

BBC programme on disinvestment angers AAM

By Michael Morris,
The Star Bureau

LONDON — Angry anti-apartheid activists have attacked a BBC television report which cast doubt on the support for disinvestment among blacks in South Africa — but a major multinational, target of a tough disinvestment campaign, has welcomed it.

Shell, singled out for a vigorous disinvestment campaign launched last Sunday, hailed the programme as "well balanced and fair" and said it showed "that not all people think companies should pull out".

But the Anti-Apartheid Move-

ment (AAM) said the programme suggested that Shell had an "unhealthy influence" over the BBC. The BBC has vigorously rejected the criticism.

In an interview during the popular "Newsnight" programme on Tuesday, Mr Chris Dhlamini, vice-president of Cosatu, said his organisation had never called for foreign companies to pull out of South Africa but did support sanctions as a means of forcing change.

Dr Allan Boesak also said that withdrawal of foreign interests was low on his list of objectives but that effective sanctions by foreign governments would be preferred.

erable.

But the Anti-Apartheid Movement in Britain — which has made March a "Month of Action for People's Sanctions" and strongly supports disinvestment by foreign companies — decried the programme.

Spokesman Mr Alan Brooks said: "From our point of view, we felt that the programme was a very dishonest piece of journalism.

"What Allan Boesak was saying is what we have been saying for a long time. It is what Archie Gunmede was saying here recently... we are all thinking along the same lines."

Mr Brooks said there was: "no

question of a conflict of views" but that statements had been "juggled" in the programme to make it appear that the Anti-Apartheid Movement was "acting out of line".

"Coming just after the launch of the Shell campaign, the broadcast of this programme suggests that Shell has an extent of influence over the BBC which is unhealthy to say the least."

Reacting to the AAM's complaints, a BBC spokesman said: "We reject those criticisms totally. The report reflected a cross-section of views on the impact of disinvestment in South Africa and is only one of a series of pro-

grammes examining the problems there as far as government restrictions will allow.

"We would like to point out that it included interviews with notable leaders such as Allan Boesak, Chris Dhlamini, a Wits student as well as John Wilson, chairman of Shell.

"We think it is a valid piece of journalism and the people of Shell have no influence over us."

A Shell spokesman said: "The programme showed the other case, a case we have been putting for a long time... that, by being present in the country, we can help and that disinvestment is not necessarily the answer."

SMAE 5/3/83

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(45c + 5c tax)
For other prices, see Back Page

Natal, Western Province, Eastern Province 80c (71c + 9c tax)

Wooltru gets control of Makro for R43,3m

FOOD and textile chain Wooltru has acquired two thirds of the equity of Makro SA for R43,3m from its former Dutch parent S H V Holdings.

Makro's parent decided to withdraw from SA in January when the Dutch government refused to underwrite its fire insurance after a spate of anti-apartheid arson attacks at several of its Netherlands outlets.

There had been speculation earlier that Safmarine and Rennies Holdings (Safren) — which will maintain its one third of Makro's equity — would acquire control.

Wooltru CE Tony Williamson takes the

LESLEY LAMBERT

view that his group's shift from its core retail business into the wholesale market will be beneficial in the long term.

"We believe that there is a lot of future growth in wholesaling in this country and our investment in Makro will give us an entrée into the low-income market."

"Makro has been severely limited as a foreign-controlled company. Now that it is totally South African, both shareholders wish to expand Makro at a far greater rate than it has in the recent past," Williamson said.

"Makro will in future be better placed

to take advantage of expansion opportunities."

Wooltru, whose merger/takeover talks with the Pep Group recently collapsed, will finance the R43,3m from borrowings.

Williamson said his group had ample scope to fund the acquisition through borrowings without becoming concerned about gearing.

The acquisition is not initially expected to have a significant effect on Wooltru's earnings a share. However, the directors expect it to have a positive impact in the longer term.

In a joint statement issued late yesterday, Wooltru, Safren and the management of Makro SA announced that the wholesaler would continue to operate as an autonomous entity and there would be no changes to the management or staff of the company.

Both shareholders have committed themselves to supporting Makro's employment practices and social responsibility programme.

However, Williamson said that while they would keep the company in its historical market, they would try to expand the market and change the format of the stores.

GOVERNMENT HAS

Shell boycott 'sheer humbug', says London newsman

The Star Bureau

LONDON — The boycott campaign against Shell launched by anti-apartheid activists here has been denounced as "silly" and "sheer humbug" by a Fleet Street City Editor.

Andrew Alexander, of the *Daily Mail*, London, writing today under the headline, "How Shell might scorn a boycott"; lists four reasons why he opposes it and suggests a remedy. His reasons are:

- "It's sheer humbug, since there are scores of regimes far worse than South Africa.
- "It's callousness, since the idea of these boycotters seems to be blacks should be starved until the whites surrender.
- "It's counter-productive, since the aim is to get good employers who do not support apartheid to sell out to South African firms which probably do.
- "It's patronising impudence,

since, if the black South Africans wanted to get rid of multinationals, they could use the boycott themselves — with much greater effect."

Mr Alexander says there is a simple remedy if businessmen are serious about discouraging left-wing boycotts of firms which may start with South African connections but could spread to other connections.

He writes: "If other people start taking away business

from Shell, steer your business to Shell. If some crazed Labour authority says it is ending its contract with Shell, let a private firm switch its bulk contract (subject to the usual price negotiations of course) to Shell.

"It would need only a relative handful of decisions by businessmen on that basis to make these left-wing boycotts counter-productive, actually bringing extra business to besieged firms.

World in Brief

COPY THIS 12/3/87

Shell boycott grows

LONDON. — A fourth British local authority, the London borough of Lewisham, has joined Gloucestershire, Mid-Lothian and Edinburgh in the boycott of Shell products. This follows last week's launch of a campaign to boycott Shell products until the company pulls out of SA.

Dutch get tough on investments in SA

The Star's Foreign News Service

THE HAGUE — Holland is planning tougher measures to discourage Dutch companies from investing in South Africa.

This has emerged after a weekend meeting between Foreign Minister Mr Hans van den Broek and a Dutch parliamentary foreign affairs committee.

Mr van den Broek is understood to have announced confidentially that he was considering bypassing the "legal puzzle" that would confront Parliament if it attempted to legislate against investment in South Africa.

The Foreign Minister plans to issue a decree to discourage Dutch companies from investing in SA and he also intends to table proposals to impose Ministerial sanctions on Dutch firms which fail to meet the EC Code of Conduct.

Under this code, European companies are obliged to account for the treatment of the employees of their South African subsidiaries. The code is meant to improve the working and living conditions of black workers.

Mr van den Broek has also criticised left-wing municipalities for pursuing a foreign policy of their own by staging boycotts against South African-linked companies.

The Foreign Minister is believed to have told MPs that the embassy fugitive Mr Klaas de Jonge had hampered negotiations over his future by writing to Dutch newspapers complaining about the way he was being treated by Dutch diplomats in Pretoria.

Mr van den Broek said he had issued stricter instructions to limit Mr de Jonge's overseas telephone calls. Two of his friends, both women — one in Zimbabwe and the other in Brazil — were being denied telephone access to him.

Affiliations: TUCSA; S.A. Council of Transport Workers

- (1) Hultrens (Pty) Limited, Durban;
- (2) Pickfords Removals, Durban;
- (3) D T B Cartage Co., Durban;
- (4) Mini Movers, Durban

Recognition agreements:

- (1) Motor Transport Undertaking (Goods);
- (2) Road Passenger Transport Industry, Kimberley. This will not apply to foremen, labourers, conductors on an African service, and driver-conductors on an African service.

Closed-shop agreements:

- (1) Motor Transport Undertaking (Goods), Witwaterstrand
- (2) Road Passenger Transport Industry, Kimberley

Industrial Councils:

- (g) clerks, diesel mechanics, general workers, handymen, motor mechanics, repair shop assistants, storemen and vehicle drivers in Wynberg;
- (h) vehicle drivers in Pinetown.

2012/8
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Now Dutch bank cuts S A ties

AMSTERDAM—The prominent Dutch investment bank of Pierson, Heldring and Pierson has halted its dealings with South African concerns because it fears terrorist action against its own offices, says a company spokesman.

The spokesman emphasised yesterday that Pierson was not withdrawing from South Africa because it felt its dealings in the white-ruled nation were wrong, but only because of fear of violence against Pierson offices in the Netherlands.

The Amsterdam-Rotterdam Bank, one of the nation's largest and Pierson's parent company, halted its South African operations last year, citing opposition to the South African Government's apartheid policy.

It was not announced when Pierson had officially halted its dealings with South African clients, and the spokesman asked not to be named.

Pierson is the third major Dutch firm to pull out of South Africa in two months.

On January 19, the SHV

trading multinational announced it would halt its South African operations because of a series of firebomb attacks against its Makro supermarkets in the Netherlands.

Three days later a major Dutch floor covering company, Forbo Krommenie, announced that it was cutting all business ties with a former subsidiary in South Africa, Krommenie Limited, in order to guarantee the safety of the Dutch firm's 700 employees. — (Sapa-AP)

RP 21-1975



Johannesburg's Rand Afrikaans University hopes the champagne will be flowing tomorrow after their match against Potchefstroom. Champagne Girl, Elma Hattingh (17), will be among the supporters.

Randburg to pay more for water

Randburg householders will pay between 12c and 15c a kilolitre more for water from May.

The Rand Water Board's 30 percent bulk water supply tariff increase, effective from April 1, has forced the town council to increase individual domestic water tariffs.

On the principle of the less water consumed the lower the tariff, consumers who use 40 kl or less a month will still get water at cost.

Charges to "cover capital costs and contributions to reserves for capital works" go up from R4,50 to R5,68 a month.

Dutch bank stops SA deals

AMSTERDAM — The prominent Dutch investment bank of Pierson, Heldring and Pierson has halted its dealings with South African concerns because it fears terrorist action against its offices in the Netherlands, according to a company spokesman.

Amsterdam-Rotterdam Bank, Pierson's parent company, stopped its South African operations last year, citing opposition to apartheid.

Pierson is the third major Dutch firm to pull out of South Africa in two months. The SHV trading multinational announced its withdrawal on January 19 because of a series of firebomb attacks against its Makro supermarkets in the Netherlands. On January 22 Forbo Krommenie announced it was cutting ties with a former subsidiary, Krommenie Limited.

In the Netherlands firebomb attacks have also been made against Shell petrol stations to protest against the Anglo-Dutch oil giant's operations in South Africa.

The Dutch Government refuses to reinsure companies that suffer terrorist attacks in the Netherlands because of their South African affiliations. — Sapa-AP.

Peres denies nuclear co-operation with Pretoria

TEL AVIV — Foreign Minister Mr Shimon Peres, announcing a reduction in ties with South Africa, has denied allegations of Israeli nuclear co-operation with Pretoria.

The Labour Party leader told parliament Israel had decided not to sign any new defence contracts with South Africa in line with US policy against military relations with the minority government.

In a message to Mr Peres, Pretoria had condemned the Israeli move, calling it pointless and liable to lead to "negative developments", Israeli state radio said last night.

Mr Peres declined to say how long the existing contracts, which Press reports estimate are worth up to \$500 million (about R1 100 million) a year, will run.

He said officials would make further recommendations within two months on policy towards Pretoria.

Mr Meir Wilner of the Communist Party accused the government of co-operating with South Africa in the production of nuclear weapons.

"You are fabricating baseless slanders," Mr Peres shouted. "You are prepared to believe any lie about Israel."

Reports published abroad have said that Israel and South Africa may have tested a nuclear bomb in the Indian Ocean in 1979.

A US law empowers Congress to cut off aid to nations violating a long-standing international arms embargo on South Africa.

Foreign Ministry director-general Mr Yossi Beilin said Israel's ties with South Africa would be significantly reduced, especially in cultural and scientific fields — Sapa-Reuter.

Dutch call for tougher sanctions

AMSTERDAM — Former Dutch Prime Minister Mr Joop den Uyl urged the Dutch government yesterday to cut trade and investment links with South Africa, in line with Sweden.

Mr den Uyl, co-chairing a conference of West European socialist parties and the African National Congress (ANC), said the Netherlands was restricted by its membership of the European Community (EC).

GOLD COINS

The Netherlands has advocated sanctions broader than current EC measures, which include a ban on South African steel and gold coin imports.

Mr van den Uyl said this week's debt rescheduling agreement between South Africa and major Western banks was an infringement of EC and American bans. — Sapa-Reuter.

Campaign aimed at fuel firm pull-out

NEW YORK — A group of American shareholders of the Royal Dutch Petroleum company began a campaign today aimed at pulling the oil company out of South Africa.

The company is one of two parent companies that make up the Netherlands-based Royal Dutch/Shell Group, the world's second-largest oil company.

Sponsors of the campaign say they have the backing of church groups and other institutions which collectively own 8 million of the approximately 268 million shares in Royal Dutch Petroleum.

The group includes four retirement funds covering various groups of New York City workers, the California State Teachers Retirement System and seven church-related groups.

KICKED OFF

Some 70 US companies including General Motors, Coca-Cola and IBM have already withdrawn their business interests from the country in protest against South Africa's apartheid policies.

The campaign to pull out Royal Dutch Petroleum was kicked off at a news conference by Harrison Goldin, New York City comptroller, and Gordon Smith, treasurer of the ministers and missionaries benefit board of the American Baptist Churches.

"We're seeking to have the company disinvest in South Africa — that means get out," Mr. Goldin said.

Royal Dutch Petroleum said in a statement from Rotterdam that a special meeting sought by the shareholders to consider a pullout could be held under Dutch law only if 10 percent of shareholders agreed.

The shareholders who are seeking a pullout own less than 2 percent of the stock. — Sapa-Reuter.

Service.

Philips to stay in SA

ARGUS 9/4/87 (65)

EINDHOVEN (Netherlands). — Opponents of apartheid disrupted the annual shareholders meeting of Dutch electronics firm Philips in protest against the company's presence in South Africa. Chairman Cor van der Klugt said the company opposed discrimination and recognised the considerable problems in South Africa but would continue its operations. — Sapa-Reuter.

**Shell says
it won't
quit SA**

WP
SAP
65
10/9/87
ROTTERDAM — The Royal Dutch/Shell group has told anti-apartheid campaigners that it had no intention of halting investments in South Africa.

Company executives met members of the Congress of South Africans in The Netherlands, which is pressing Shell to pull out of SA.

Reports said the company made it clear they had no intention of disinvesting from South Africa, where they employ 10 000 people. They said they felt they could do more good by staying there than withdrawing.

A Shell spokesman, Mr Eric Steneker, said: "We stressed the importance of companies like ours as agents for change." — Sapa-AP

...vourable tax treatment on lump sums
vis-a-vis pensions should be addressed
and rectified.

And, in recognising the need for pre-
scribed asset requirements by pension
funds, a wider range of investments in
that area should be allowed.

'Stop investment in SA'

THE HAGUE — *Way 12/15/81* The Dutch government
has urged companies in The Netherlands
to stop new investment in SA, according
to a letter, released yesterday, sent to
the Dutch employers' organisation.

In the letter, Foreign Minister Hans
van den Broek and Economic Affairs
Minister Rudolf de Korte called on firms
to adhere immediately to the EC's deci-
sion to halt fresh direct investment in
SA.

The measure was *one* of a series
agreed on last October and designed to
persuade Pretoria to end its apartheid
racial segregation policy.

A Dutch law is not expected to formal-
ise the sanctions until later this year.
Some 30 Dutch firms currently invest in
SA. — Sapa-Reuter.

Mugabe slates slayings

— Sapa-Reuter.

AKG as 12/15/87 (65)

Holland urges firms to quit SA

THE HAGUE. — The Dutch Government has urged companies in the Netherlands to stop new investment in South Africa. About 30 Dutch firms have investments there. — Sapa-Reuter.

Report says Shell backing apartheid

By Alan Dunn, The Star Bureau

WASHINGTON — Organisers of an international campaign against Royal Dutch/Shell have published a 20-page "alternative corporate report" pushing for the company's withdrawal from South Africa.

The document, published today for global distribution, says the group is a major sustainer of apartheid. "This is not only bad business in an immoral environment. It is bad management jeopardising image and profits in every nation for the sake of a shopworn and shameful commitment to one nation in which Shell has less than one percent of its assets," the report said.

The report will be circulated on Thursday at the group's annual meeting in The Hague.

Royal Dutch/Shell and its companies suffered pressure and harassment by anti-apartheid campaigners in Washington in January last year. Since then the movement has spread to 11 more countries, including Britain, and now involves unions, churches and other organisations.

The authors said: "Distribution of the report is part of a growing effort to force Shell to convene a special meeting of shareholders to vote on the corporation's withdrawal from South Africa and apartheid."

They said previous attempts at this were blocked by company officers.

Disinvestment campaigners said they needed 10 percent of shareholders to support a special meeting on apartheid. Half that number had rallied.

Meanwhile, Sapa-Reuter reports from The Hague that the Dutch government has urged companies in the Netherlands to stop new investment in South Africa. A letter to Dutch employers from Foreign Minister Hans van den Broek and Economic Affairs Minister Rudolf de Korte asked them to adhere immediately to the European Community's decision to halt further investment.

Anti-SA drive by US unions

Euro-ads keep up pressure for Shell pullout

The Star Bureau

WASHINGTON — American labour unions today intensified efforts to drive the multi-national oil company Royal Dutch Shell out of South Africa by buying full-page advertisements in European newspapers.

The *Independent* in London and the European edition of the *Wall Street Journal* were due to carry advertisements today placed by 25 US labour organisations telling shareholders "investing in apartheid is just not good business".

Campaigners

The advertisements followed an "alternate corporate report" published this week by American anti-apartheid campaigners who started their efforts in January last year.

They have targeted Shell to make an example of the company.

The advertisements, are headlined "What does Kodak know that Royal Dutch Shell doesn't?"

They compare Shell's policy of staying in South Africa against that of Eastman Kodak, which severed links with the Republic.

The advertisement added: "Kodak, along with more than 90 other corporations in the last two years, made a smart business decision — they pulled out of South Africa and thereby ended their corporate support of that country's brutalisation of its black majority population."

Repeating a line it took in the alternate Shell report two days ago, it said Shell subsidiaries worldwide were being boycotted because Shell supplied fuel to the South African military and police and the "apartheid economy".

Said Mr Richard Trumka, president of the United Mine Workers of America, who has been at the head of Shell boycott efforts in the US: "It's time for the company to wake up to the fact that its small investment in South Africa is not worth

incurring a worldwide boycott."

The advertisements quote Eastman Kodak's chief executive, Mr Colby Chandler, as saying Kodak had hoped the pace of change in South Africa would enable it to forecast when it would be able to operate there free of an apartheid system.

"We reluctantly concluded our hopes were not justified and that we must make the business decision to withdraw," Mr Chandler reportedly said.

Sir Laurens

The Star Bureau

LONDON — South African-born van der Post's daughter, Lucia, fence over what some believe influence over Britain's future Charles.

The Prince's recent desert sojourn writer raised eyebrows in son daughter says there is nothing odd

Quoted in a report by *Daily Dempster* today, Lucia, mother and daughter, says: "Sir Laurens some people as a kind of Rasputin entirely wrong. Nor is my father"

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SANDTON

portion of profits.
Cape Town 15/5/87
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Shell rejects SA repression

From MIKE ROBERTSON
300A

LONDON. — Shell totally rejected the SA government's strategy of using repression to maintain order without dealing with the root causes of the conflict, Chairman Peter Holmes said here yesterday at the Shell Transport AGM.

A press release of a statement by Shell SA chairman John Wilson on the recent attack on Cosatu, was handed out to shareholders.

The document contained a circular sent by Wilson to all Shell employees in SA expressing his horror at "the harassment and intimidation of Cosatu".

"We are aware that many of our employees are members of Cosatu affiliates such as CWIU, MAWU and NUM. We express our solidarity and sympathy with these and other unions who have been subjected to such harsh, repressive action."

Bargain prices

He said supporters of apartheid in SA were beginning to welcome withdrawal.

"It expands local white ownership of attractive businesses at bargain prices and silences local critics of apartheid."

Holmes said the number of strong opponents of apartheid opposing disinvestment was growing.

Activists within SA had changed their minds about disinvestment and this message would begin to get out of the country within the next six to nine months, he predicted.

APR 11/15 13/6/87

Move to force Shell out of SA

WASHINGTON. — Opponents of apartheid have gathered nearly half the necessary proxy votes to force Royal Dutch Petroleum to call an extraordinary shareholders' meeting to hear a demand that it pull out of South Africa.

If they are successful, the opponents hope to present a resolution to the Netherlands company — known popularly as Shell — calling on the board of directors to “take immediate steps to terminate all operations in South Africa and announce publicly to the South African government that it plans to leave as soon as possible”.

The campaign for the meeting is led by the pension board of the American Baptist Church, the New York City Retirement System and the United Mine Workers of America union.

According to the international representative of the United Mine Workers, Mr Kenneth Zinn, the various Shell companies have been the target

of a UMW-led boycott in the United States since January 1986 and organizers say the protest has spread to several industrialized nations in Europe.

According to organizers of the shareholder initiative, they have received pledges amounting to about R3bn worth of stock.

Other large institutional investors besides the banks, the American Baptist Church and the New York pension fund, include:

The California Public Employees' Retirement System, the California State Teachers' Retirement System, the Houston Fireman's Relief and Retirement Fund, New York City's police, firemen and teachers' pension funds, the University of Pennsylvania and a number of church groups, including Methodist and Presbyterian agencies and Roman Catholic religious orders. — UPI

CAP6 Times 3/7/87

(65)
~~30/11~~

Most whites out of touch — Shell

Own Correspondent

JOHANNESBURG. — Shell, one of the last giant multinationals in South Africa, yesterday said blacks would continue their struggle till they achieved full political rights in a democratic, unitary South Africa.

In a hard-hitting annual review, executive chairman Mr John Wilson said resistance to apartheid would not abate, but would grow in intensity.

"Violence will not be extinguished by states of emergency or the use of force."

Mr Wilson said government was clearly not yet ready to negotiate fundamental change or sanction genuine democratic structures.

"It is a sad fact that government and most white South Africans are out of touch with the mood of black people. This is because of a

total lack of communication and a vilification campaign against any organization which opposes the government."

The hopes of those who clung to the belief that peaceful reform through negotiation was possible in South Africa were being sorely tested.

"The business community is striving to effect meaningful steps towards meaningful change.

"However, it is not easy and private enterprise — particularly big business — has become synonymous with government and the apartheid system in the minds of most black South Africans."

This was understandable, if unwarranted, because investors had for many years taken advantage of the apartheid economy and exploited cheap labour.

Mr Wilson said that for the past decade, business had justified its

presence in South Africa by claiming it could act as a positive agent for change by bringing pressure to bear on government.

"Sadly, that time seems to be past. Government reaction to dissident voices confirms that."

While the company agreed with the basic aims of the anti-apartheid organizations — the eradication of apartheid, and political rights for all in a free and just society — it realized that disinvestment would not cause the government to topple.

Referring to overseas pressure on Shell to disinvest, he said the company has been the target of a sustained campaign — including boycott campaigns and sabotage — in 11 countries, including the Netherlands, Britain and the United States.

He denied rumours that the company was about to disinvest and said it would resist pressure to pull out to the utmost.

Shell makes a stand: it's here to stay

(S) DD
11/7/87

Standing four-square in the international spotlight, oil giant Shell has stuck to its guns and tenaciously refused to be budged from its position as the largest multinational to stay on in South Africa.

To the consternation of the immoderate anti-apartheid movements — whose frustrations have given rise to picketings, bombings and economic boycotts — the company maintains that its most advantageous position from which to influence events on the African sub-continent is right here in South Africa.

The chairman in South Africa of the beleaguered offshoot of the Royal Dutch/Shell Group is Mr John Wilson, a particularly outspoken critic of government.

"Why Shell, I am often asked. I can only pre-

sume that the attacks appear to our opponents to be more meaningful when aimed at what is the largest multinational with operations in South Africa, with parent companies in the UK and The Netherlands and operating companies in 145 countries.

"The rumour that

"Firstly, we are at one with each of these organisations' primary aim — the eradication of apartheid and political rights for all in a free and just society.

"Our only point of difference is the means to achieve this — we realise that disinvestment will not cause government to topple. We be-

can pressurise the legislature to break down the barriers of apartheid has been lost, says Mr Wilson.

"But we cling to the belief that this will happen. In the meantime, we will concentrate our efforts on educating and developing leadership and negotiating skills, adding to the skilled

would certainly not disappear. Evidence of recent so-called disinvestments has given proof enough of that. It would merely be taken over, voluntarily or involuntarily, by those who would see no necessity for maintaining Shell's employee conditions and social programmes."

It is this vision of the future, and of Shell's role in it, which is the mainspring for the company's determination to resist to the utmost the pressures placed on it to pull out of South Africa, he says.

Shell's views on disinvestment may best be summed up by the words of Mr Lo van Wachem, chairman of the committee of MDs which directs the Shell Group internationally: "Disinvestment is not a moral rectitude. It is a moral weakness."

From MICK COLLINS :: Johannesburg

Shell is about to disinvest is rampant — understandably so, when no fewer than 50 companies have done so in recent months. But it is without foundation."

Mr Wilson, speaking in his business report to the company, sees a certain amount of irony in the calls by anti-apartheid movements for Shell's withdrawal.

lieve, as do some of the major anti-apartheid movements, that a dramatic reconstruction is necessary if the cake is to be more evenly divided. But we do not believe in jumping on that cake, in crushing and totally destroying even the remnants of a viable economy."

The naive belief that Shell as a multinational

pool of human resources who will be ready to step into leadership roles in tomorrow's South Africa."

To withdraw from South Africa, he maintains, would be shirking responsibility to the company's 4 000 employees.

"It would smack of Pontius Pilate washing his hands. The company

Dutch company sells SA chain of cinemas

SMR 16/7/87

A Dutch-based film company joined the exodus of foreign companies from South Africa yesterday, selling the country's second biggest cinema chain to local interests.

Cinema International BV sold its 31 Metro cinemas to the New Century Entertainment Group, formed earlier this year to take over the South African interests of the US Cannon Group.

New Century announced the deal last night but did not disclose the price. It said it planned to open new cinemas, possibly several in black areas.

Cinema International was in a controversy earlier this year over opening cinemas to all races.

It closed four cinemas in Pretoria until the council agreed to desegregation. — Sapa-Reuter.

CME Trans. 16/7/87 (65) ~~122~~

Movie chain sells Metro to SA firm

JOHANNESBURG. — A Dutch-based film company joined the exodus of foreign companies from South Africa yesterday, selling the country's second-biggest cinema chain to local interests.

Cinema International BV sold its 31 Metro cinemas to the New Century Entertainment Group, formed earlier this year to take over the South African interests of the United States Cannon Group.

New Century announced the deal in a statement last night, but did not disclose the price or any other financial details.

New Century said it planned to open new cinemas and was seriously investigating opening cinemas in black areas which had been neglected in the past.

Cinema International was at the heart of a controversy earlier this year over opening cinemas to all races.

Under pressure from American distributors which refused to allow their films to be shown to all-white audiences, Cinema International closed four cinemas in Pretoria till the town council agreed to desegregate them.

Ster-Kinekor, South Africa's largest cinema chain with 183 theatres, also succeeded in getting cinemas in conservative areas opened to all races. — Sapa-Reuter

Dutch move out, Israeli comes in

ANOTHER disinvestment move this week saw an Israeli film producer living in South Africa buying out the cinema interests of Dutch company Cinema International BV.

Cinema International sold its 31 Metro cinemas to the New Century Entertainment Group, formed earlier this year to take over the video distribution interests of the United States Cannon Group. The Metro chain employs about 650 people. Financial details of the deal were not disclosed.

New Century is a private company belonging to Avi Lerner, who came to South Africa three years ago to produce films.

The New Century Production company has produced 12 films in Southern Africa, including *King Solomon's Mines* and *Alan Quartermain*.

Metro Cinemas' new owner has expansion plans. "It will take time but we believe there is a good market here and we've got the products from overseas," Lerner says. New Century is looking to split existing cinemas to increase the number of screens and to build new cinemas, especially in black areas.

W/M/AD
65
17-23/7/87

Did row prompt sale?

HAMISH McINDOE

DUTCH-BASED film company Cinema International BV's sale of its Metro cinemas to the New Century Group may have been prompted by the row earlier this year over the opening of cinemas to all races, says a New Century source. (65) ~~7/11/87~~

"Cinema International has been paranoid about the SA situation since the controversy over its cinemas," the source says. B/S 11/7/87

Thirty Metro cinemas were sold for an undisclosed amount to New Century earlier this week. Cinema International gave no reason for the pullout.

The move follows New Century's acquisition of the US Canon Group's SA interests earlier this year. It is believed Canon's high profile in SA was an embarrassment to its head office in Los Angeles.

Shell brunt of action against apartheid in UK

W/6 ARGUS 5/9/82
Weekend Argus
Foreign Service

LONDON. — Anti-apartheid activists will be staging an "international week of action" against the Shell company when it takes a London council to court in November for wanting to boycott its products.

Supporters in Britain and at least eight other countries — Denmark, Sweden, Norway, Holland, Belgium, the US, Australia and New Zealand — will take part in the action, which will consist mainly of picketing garages which sell Shell products.

Review

A similar week of action was held in May and others are planned.

But a spokesman for "Embargo," an anti-apartheid organisation

which is organising the week in collaboration with other groups, said the clash of dates was "a complete coincidence".

He said the action week had been arranged months before the court date was made known.

Shell UK will be applying in the High Court for a judicial review of a decision by Lewisham Borough Council, in south-east London, to boycott Shell products.

More than its business with the council — worth between R166 000 and R199 000 a year — is at stake, however.

Shell has become the main target of anti-apartheid groups, following the withdrawal of Barclays Bank and the Standard Chartered Bank from South Africa, and fears that unless it stops Lewisham's boy-

cott other Labour-controlled councils in Britain will follow suit.

Shell will argue that Lewisham is acting outside its powers.

Release

A Shell spokesman would not comment on the case this week because it was regarded as sub judice. All he would say was: "We regret taking legal action but we must preserve our commercial position."

He pointed out that

the company was opposed to apartheid and that its South African chairman, Mr John Wilson, had publicly called for the release of political prisoners.

A spokesman for Lewisham Council said: "We will vigorously contest this legal challenge."

He denied a newspaper report that the council intended to "turn the hearing into a political event" by calling a representative of the African National Congress.

CAPE TOWN 21/9/77

Shell-SA link: Scargill urges garage pickets

Own Correspondent

LONDON. The British miners' leader, Mr Arthur Scargill, has called for picket lines to be set up at all Shell garages.

At an anti-apartheid rally in Sheffield, he attacked Shell for its "close links with the South African regime".

"We have to do something in the absence of Mrs Thatcher taking any action to end apartheid."

A Shell spokesman yesterday hit back at Mr Scargill, saying the firm believed its presence in South Africa was the best way to work towards peaceful change and a multiracial South Africa.

Mr Scargill also announced a mass trade union gathering in Australia at which an international boycott campaign against South Africa would be high on the agenda.

Already 56 nations had indicated that their trade union movements would attend.

● Meanwhile, a high-powered delegation from organized commerce in South Africa arrived here to counter pro-sanctions pressures — and in time to deal with Mr Scargill's call for sanctions.

Assocom's chief executive, Mr Raymond Parsons, last night attacked Mr Scargill for his call and said he would take it up with Mrs Lynda Chalker today when the delegation meets her at the Foreign Office.

"There appears to be little chance of Mr Scargill's call for sanctions being heeded in Britain as it can only damage employment in both countries," he said.

Sanctions and boycotts remained counter-productive whatever Mr Scargill felt, Mr Parsons said.

The Assocom delegation will visit Britain, France and Spain in a 10-day "goodwill anti-sanctions mission".

CNE Times 21/9/77 (65)

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Shell SA chief hits at Scargill

SM 26/9/87 MARK GLEESON

Shell South Africa's chief executive officer Mr John Wilson has hit back sharply at threats by controversial British trade unionist Mr Arthur Scargill to organise pickets of Shell service stations in Britain because of the company's involvement in South Africa.

Mr Wilson said it was false to allege that Shell was supporting the political and ideological tenets of the Government because it was operating in South Africa.

"I stated that this business condemned apartheid and would do all within its power to eradicate it.

"Shell South Africa has resolved to promote and actively contribute to the elimination of racial intolerance, unjust laws and unacceptable human rights practices."

Mr Wilson said the company was striving towards the same end result as Mr Scargill's National Union of Mineworkers — that of the elimination of apartheid — but differed with them on the route towards that end.

Why Shell is staying put in this country

(65)

Smetham

1/12/87

SHELL Oil Company, which has been the target of anti-apartheid action in 11 countries, will not disinvest in South Africa, the company's executive chairman, Mr John Wilson, has announced.

Mr Wilson, who as chairman of the Federated Chamber of Industries, helped in the formation of its Business Charter of Rights in 1986, said if Shell were to leave the country the company would simply be taken by other investors.

He said if Shell pulled out the new corporation that will take over will not have the same attitudes towards their social responsibility in the country.

He was speaking at the opening of the R9 million Ultra City complex in Estcourt. The complex consists of petrol filling stations, training centres for black job-seekers, restaurants, motels, health centres and shops.

Sowetan Correspondent

The complex will provide employment for 150 people.

Mr Wilson said rumours of Shell's supposed disinvestment in South Africa had been rife — "not surprising when Shell has been the target of anti-apartheid and sabotage action in 11 countries."

The Netherlands

These countries are Canada, the United States, New Zealand, Australia, Norway, Finland, Sweden, Denmark, Great Britain, the Netherlands and Belgium.

He said: "We have a vision of the future of South African and our role in it. We will be here to carry this vision through. We are taking a high-profile stance on all matters that impact on the economy and business in South Africa," he said.

Plans to force Shell out of SA

HARARE — Sweden's biggest anti-apartheid organisation has started an international campaign to press the Dutch oil multinational, Shell, to pull out of South Africa, reports Ziana, the national news agency.

The Isolate South Africa Committee (Isac) is preparing for the proposed international week of action against Shell in May, when its shareholders meet.

An Isac spokesman said yesterday that the campaign would be co-ordinated by the Holland Committee on Southern Africa, the British Anti-Apartheid Movement and the United Mine Workers of America.

A previous campaign has already had an impact on Shell, causing losses of market shares in various countries, she said. — Sapa. (65) 10/12/87

Shell's SA links 'scotch award'

AMSTERDAM — A Dutch university has withdrawn a proposal to award an honorary doctorate to Royal Dutch Shell chairman Lo van Wachem, apparently because it fears unrest over the firm's investment in SA.

The proposal by Delft University was scrapped after an elected body of students and staff voted against it, university spokesman Sybren Kalkman said yesterday.

Van Wachem, 56, a Delft graduate, has publicly defended Shell's continued investment in SA despite calls from anti-apartheid supporters for it to pull out.

"The vote was behind closed doors but it was leaked to the university paper . . . Normally, these things don't come out into the open," Kalkman said.

65
11/12/87
Monday

Pressure mounts for more Dutch sanctions at culture festival

17/12/85
59
205
8/1/86

AMSTERDAM — An anti-apartheid arts festival in Amsterdam this week has underscored controversy between the Dutch public and its government over sanctions against South Africa.

The December 9-21 festival "Culture in Another South Africa" has provided a unique opportunity for over 100 anti-apartheid exile artists and an equal number still living in South Africa to meet, show their work and discuss the future of their country.

The largely Dutch and South African audience sway to the music of "We love you Winnie Mandela," rise to their feet and dance in the aisles of a baroque Amsterdam theatre as South African jazz pianist Abdullah Ibrahim pounds away on a piano.

SHELL UNDER FIRE

But beyond the cries of "amandla", the 12-day festival, which includes workshops, speeches and performances, is also an indictment against what many Dutch feel are inadequate measures by their government to combat apartheid.

Some 60 cities and towns are lobbying to change government policy, the oil group Royal-Dutch Shell has come under frequent attack for continuing its presence in South Africa and activists have demanded the national airliner KLM stop flying there.

Many Dutch seem to feel their government's policy — to go along with European Community measures against Pretoria — is insufficient.

COLONIALISM

"As you walk by the canals of Amsterdam and remark on the beauty of some of the 17th century houses of Holland's Golden Age, it should not be forgotten that their being built had to do with colonial exploitation," said Mr Conny Braam, a Dutch organiser of the festival.

"We feel our government is not doing enough," said Amsterdam's mayor, Mr Ed Van Thijn, who spoke at the festival.

"That is why we, along with other municipalities across the political spectrum have banded together to declare ourselves anti-apartheid cities.

The Dutch Foreign Ministry has accused the municipalities of meddling in its affairs.

'BAN ALL GOODS'

The Netherlands, in compliance with EC measures, imposes cultural and some economic sanctions against South Africa, including a ban on new investments and arms exports. It prohibits imports of gold coins, iron and steel from South Africa and discourages oil exports to Pretoria.

The municipal lobby says the government should impose tougher economic measures and have urged the citizens of their towns and cities to boycott all South African goods.

Shell's directors were recently invited to the town of Leyden to defend their presence in South Africa in a debate sponsored by the lobby.

Delft University last week withdrew a proposal to award Royal Dutch Shell chairman Mr Lo van Wachem an honorary doctorate due to opposition by student and staff. — Sapa-Reuters.

Judge rules in favour of Shell Oil UK

(65) Blowing 22/12/82
KIM IRVING

LONDON — Shell Oil UK yesterday won a significant victory in Britain's High Court when a judge outlawed boycotts of Shell products because of its business activities in SA and Namibia.

The test case involved the radical London borough of Lewisham which spearheaded a sanctions campaign by local authorities against Shell UK.

At least 18 other radical councils in England and Wales were poised to activate similar plans if the courts ruled in favour of Lewisham.

Lord Justice Neil yesterday ruled it was illegal for Lewisham to boycott Shell UK products or to encourage other boroughs to take part in similar activities.

He said the council should not feel it had to go to its constituency to enact such a decision. He also said that to not deal with SA in order to improve race relations in the borough of Lewisham "can't be attacked as being unreasonable".

The Lewisham council said in a statement issued after the court decision that it was considering appealing against the decision.

"The council was convinced that buying products from a company with strong links with the apartheid regime in SA would damage good race relations in the multi-racial borough.

"This is a severe blow for democracy in this country," the statement said.

Counsel for Lewisham Stephen Sedley QC told the court in previous hearings that Shell was the target of the campaign, which began March 11, because it occupied an "economically and politically key position" in SA and it was a

● To Page 2

Judge: boycott of Shell Oil illegal

(65)
Lewisham council decision to "as far as possible disinvest in companies with links with SA".

The boycott was part of a worldwide anti-apartheid sanctions campaign the court was told.

Anthony Lester QC, counsel for Shell, said in previous hearings that Shell UK had been "found guilty by association". "Lewisham is publicly stigmatising Shell."

"The whole point of the campaign is to stigmatise Shell and attempt to damage its reputation and financial position sufficiently inducing Shell to sever all links with SA," the court was told.

A company spokesman said yesterday: "We regret we had to resort to legal action to defend our commercial position but are pleased with the decision.

"We now look forward to resuming a normal commercial relationship with the London borough of Lewisham and

with any other local authorities which may have been contemplating similar boycotts."

The British Anti-Apartheid Movement said it was "disappointed" with the decision.

It said the decision would strengthen the international boycott campaign against SA.

"Shell cannot hope to silence the growing criticism of its role in fuelling the apartheid system."

A local government Bill, which will make it illegal for councils to boycott SA goods and firms who have links with SA, has been passed by the House of Commons and is due to pass through the House of Lords early next year.

Anti-apartheid groups are hoping to have the Bill amended to exclude these two clauses.

From Page 1

Shell boycott outlawed

Daily Dispatch
Correspondent

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(15)

DD 22/12/87

Major blow against apartheid sanctions

Judge rules council boycott of Shell illegal

(65) SM
22/12/87

By Michael Morris, The Star Bureau

LONDON — Anti-apartheid activists have suffered a major setback in Britain following a High Court ruling against a local authority boycott of Shell because of its South African links.

Shell has been singled out by the Anti-Apartheid Movement as a priority boycott target. Boycotts have been adopted by a number of Labour-controlled local councils as part of their anti-apartheid campaigns, and Shell figures high on their lists.

Now one of these councils, the south London borough of Lewisham, has been taken to court by Shell — and Shell has won its case.

The High Court also ruled that it would be unlawful for Lewisham Council to encourage other local councils to adopt boycotts.

Lord Justice Neill said that the council, whose lawyers told the court the boycott would promote "harmonious relations" in the multiracial borough, acted beyond its powers.

He said: "By seeking to bring pressure on Shell UK to change the Shell policy towards South Africa the council was acting unfairly and in a man-

ner which requires the court to intervene," the judge said.

On March 11 this year the council voted to boycott all Shell products. Since then it has encouraged other local councils to join the boycott.

Shell UK asked the court to quash the council's decision, and sought a ruling that the campaign to encourage other councils to become involved was also unlawful. The court granted both pleas.

Shell's counsel said: "Lewisham has acted in a desire to change the political situation in South Africa, rather than to promote good relations in Lewisham.

"The boycott of Shell singles out one company among many having trading links with South Africa. Such arbitrary discrimination is ultra vires."

Not unlawful

The council was trying to put pressure on Shell UK and Shell Transport to get them to withdraw from South Africa, he said.

The judge said: "Neither Shell UK nor any of the other UK Shell companies was acting unlawfully."

They were working within the Commission for Racial Equality Guidelines, he said.

"The council, and indeed a great many other people, may strongly disagree with the policy adopted by the Shell group, but I find it impossible to escape the conclusion that the council was acting unfairly."

"Joint campaigns between boroughs and councils are to be expected and can be justified in many fields. But the statutory powers of a local authority cannot be employed in order to persuade other authorities to bring pressure to bear on trading companies."

Shell UK Ltd is registered in the UK. It does not itself trade in South Africa, but it is part of a group of several hundred companies known as the Royal Dutch Shell group, owned by two parent companies, the Shell Transport and Trading Company Plc, and the Royal Dutch Petroleum Company.

Dutch clamp down on SA

(65) *SM*

The Star's Foreign News Service

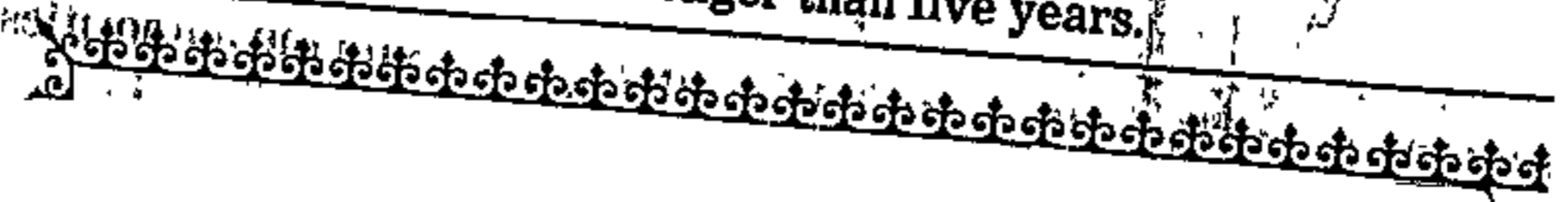
23/12/87

THE HAGUE — Holland is introducing new legislation to curb investments in South Africa and to monitor Dutch-owned firms in the country.

Dutch Foreign Minister Mr Hans van den Broek has tabled a draft Bill in the Lower House of Parliament.

It is designed to curb investments in South African companies, and will prohibit Dutch companies or individuals from expanding their interests in South Africa.

It will also prohibit loans longer than five years.



Dutch investors face ominous anti-SA bill

Daily Dispatch Bureau

LONDON — Twenty-eight Dutch companies operating in South Africa are to be prevented from further investments if a bill before the current Dutch parliament is passed.

The bill will also outlaw new investment and loans to South African companies.

If it becomes law, companies doing business in South Africa, including Royal Dutch Shell and Phillips, will have to produce annual reports proving compliance with the European Community, (EC), code of conduct on employment of black workers.

The EC guidelines call for the recognition of black trade unions, compliance with minimum wage regulations, improvement of working conditions and abandonment of all racial segregation at work.

Failure of companies to report these statistics will be a criminal offence and punishable as such.

An explanatory note accompanying the bill, prepared by the foreign and economic affairs ministries and still to be passed by both houses, said

there was a trend towards Dutch disinvestment in South Africa, and the current situation is already largely in line with that envisaged by the bill.

Statistics show that 50 companies were involved in South Africa in 1975 and 22 withdrew due to the disinvestment drive.

The Dutch Anti-apartheid Movement (AABN) welcomed the bill as a "step in the right direction," but said it did not address the issue of existing investments or South African companies operating in the Netherlands.

AABN Secretary General, Mr Fons Geerlings, said yesterday: "Although we are glad it is there, it is limited.

"We would like to see a total ban on investment in South Africa."

This would be in line with the AABN's policy of total isolation.

He said the AABN was particularly concerned with the roles of Shell and Phillips electronics who supply equipment to security forces.

The AABN would also like to see the reverse flow of money from South Africa to the Netherlands stopped, he added.

FOREIGN FIRMS IN S.A. DUTCH

1987 - 1990

(15) 3/11/68 B. Mason

Shell's 'Neptune Strategy' muddies sanctions waters

SIMON BARBER in Washington

THE "Neptune Strategy" is a 250-page manual commissioned by Shell US on how to defeat the nationwide boycott of that company's products because of its parent's alleged bolstering of apartheid.

Tim Smith, executive director of the Interfaith Centre on Corporate Responsibility, was given a copy by a clergyman to whom the authors, a public relations outfit called Pagan International, should evidently not have been sent one. Smith thinks the thing is a big deal. Since he is named as one the church-related types Shell might consider trying to nobble (in a purely co-optive sense, of course), well might he so conclude.

A talented provocateur, he has already managed to put the thing to good use. If the effective destruction of last month's White Plains conference on SA in transition may be termed good use. The document offers a *prima facie* case that the conference was more than a high-minded attempt to promote dialogue. The Neptune Strategy, completed in June last year, suggests that just such a gathering of "thought leaders" be arranged.

Worse, the conference's organizer, City University of New York Professor Prakash Sethi, turns out to have participated in the plan's development as its agent in academe.

A senior Royal Dutch/Shell executive flew out from London for the event. Rafael Pagan, Pagan International's founder, was also on hand. It therefore took an unusually small leap of faith for Smith to conclude that White Plains was a put-up job, designed less to promote peace and democracy than to ease corporate pain. Of this he had no trouble persuading the eight black delegates whose subsequent departure turned the affair into little more than a pep rally for the moderate white establishment. Not that Pretoria, with its Soviet-style passport policy, didn't help. Pagan and Shell deny that the conference was their doing and,

grudgingly, I am inclined to believe them. I say grudgingly because I have just finished reading the Pagan proposal. It epitomises several of the South African debater's more sickening aspects.

The first is that the misery of SA's disenfranchised and impoverished millions has become, for people like Pagan and scores of others, the proverbial pot of gold at the end of the rainbow.

Smith, Randall Robinson and their ilk are not the only manipulators who draw the wages of apartheid. Washington is stuffed with lobbyists, consultants and other flim-flam artists who owe their very comfortable livings to the other side of the case.

Both groups, of course, would like us to believe they are serving some higher purpose, some may even believe it themselves, a few undoubtedly are. But for the most part, they are omnivorous parasites, feeding on suffering, each other and — all too often — corporate stupidity.

Which brings me to the second dreary aspect. However destructive the sanctions and disinvestment lobby, the dirty little secret is that it has taken men like Smith to alert the corporations to the fact that their behaviour in SA may not have been so wonderful. May, truth

be told, have been a trifle acquiescent.

Now that they have been alerted, many are finally beginning to admit that it will take more than the ju-ju of the white-run marketplace to undo what apartheid has wrought.

Millions are being spent on various forms of black "advancement" — not empowerment, mind, not on making black South Africans masters of their own destinies, simply "advancement".

I am not for a moment saying these efforts are unworthy (though the *de haut en bas* nature of many does imply, shall we say, a certain condescension).

I he trouble is, they are too late. The Smiths have secured their foothold and have no intention of relinquishing it. So the corporations feel they must spend equal millions defeating them at home.

Shell US says it is getting a burn rap, that it has no direct dealings with SA, that it has been unfairly singled out and that it is only trying to protect its name and interests in its principal market. Fair enough. But it is not the only company spending fortunes on public relations to counter the

disinvestors. Vast resources are being squandered unproductively on campaigns to dissuade the undissuadable, resources that would be better spent on concrete action rather than funding the words of an increasingly sterile debate.

Pagan, who proved himself fighting the Nestle's boycott (stemming from the provision of unwholesome dried milk to Third World babies), is believed to have received six figures for the Neptune Strategy. The document offers nothing new or remarkable.

It will create not one new job in SA. It will build not a single new home. Aside from providing a few new scholarships, it will do precious little of anything for black South Africans beyond making them the subject of even more study and handwringing. It will not give them an ounce of greater control over their own lives.

I think one can safely say that when, in a democracy that eschews gulags, one finds oneself under political attack the obvious policy is persuasion, compromise and the occasional sweetener. Which is precisely what Pagan safely says.

Of course, he says it in a slightly conspiratorial way (the first 60 pages are devoted to an "intelligence assessment" neatly summarising the public record) and he brings in a lot of co-optable names,

many of which the owners would have probably preferred omitted. I imagine that the Episcopal Bishop of Washington, John Walker, would not be altogether thrilled to find himself mentioned as a prominent pawn in the Pagan game plan, critic of disinvestment though he is.

Academics will probably not be pleased with the suggestion that they can be had for the price of a research grant or an endowment. Nor will the Press likely be amused at the prospect of being subjected to computer analysis designed to "red flag" chronically hostile reporters and newspapers.

Thankfully, the plan does not specify what should be done to those who are "red flagged". The operation that Pagan proposes is gigantic. There are strategies for dealing with unions, the churches, universities, civil rights groups, government and the media. There are plans to enlist Shell employees and dealers, to promote conferences, committees and blue-ribbon commissions.

There are "time-lines" prescribing in minute detail when each phase of the battle is to be fought. There is even an elaborate scoring system to measure the campaign's impact.

Had Shell accepted the strategy in its entirety, Pagan International would have become the General Motors of the anti-sanctions lobbying business from just one client. But Shell was more eclectic, focusing chiefly on the church angle. Let us be grateful for small mercies.

Public relations are not going to solve SA's problems any more than the sanctions and disinvestment which the said public relations are supposed to combat. The battle between the Smiths and the Shells is an irrelevance, a shadow play that distracts attention, and resources, from the real issue.

What are needed are the tools and the finance to let black South Africans acquire the kind of choices and control over their own lives that we in the West take for granted. The Neptune Strategy provides neither.

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SHELL will take a Labour-controlled London council to court next week over a boycott of its products in a case which could have far-reaching implications for the British movement for sanctions against South Africa.

In a High Court hearing scheduled for November 11, Shell is challenging the decision of the Lewisham council — or any council — to refuse to buy its goods.

It is expected to argue that local governing bodies responsible for administering community funding may not refuse to buy products or services that may be the cheapest or most effective — because by doing so, they would not be acting in the best interests of their constituency.

This would be in keeping with the Local Government Bill, expected to come before parliament next year, which would prohibit local authorities from using any criteria other than

Shell takes the won't-buy British councils to court

By MOIRA LEVY in London

purely economic grounds in deciding which contracts to enter into for goods or services.

It is believed the Lewisham council will argue its case on the basis of the Race Relations Act. Because of Shell's public ties with South Africa, the council will say entering into agreements with the company will be damaging to race relations in the multi-racial borough.

Shell was targeted by the Anti-Apartheid Movement at its annual general meeting earlier this year. Local branches have repeatedly demonstrated outside Shell service stations

and offices throughout England.

According to Alan Brookes, AAM deputy executive secretary, Shell's action can be seen as an attempt to frighten off other councils who may be considering similar boycott action.

What is believed to be at stake is the Shell contract with the Inner London Education Authority, believed to run to £11-million (about R36,3-million).

At least one other local governing body, the Sheffield council, has also decided to boycott Shell.

The Methodist Church, at its annual conference in July, endorsed the Boycott Shell campaign, and in September, first the Trades Union Coun-

cil and then the Labour Party announced support for the campaign.

According to Brookes, if the local authorities' sanctions are removed by legislation or litigation the campaign will lose its cutting edge. But consumer boycott action by churches and trade unions would still hurt.

"We are protecting our commercial interests," said Shell press officer John Pike. "If we win it isn't going to stop people holding banners outside filling stations. That is part of free speech in this country. But it will affect other councils who are contemplating similar courses of action."

He declined to discuss Shell's stand on sanctions, but said: "We don't think disinvestment will help the cause at all. We believe if Shell leaves South Africa a very important anti-apartheid voice in that country will be silenced."

THE fall in New York Stock Exchange share prices on "Black Monday", now almost three weeks ago, was larger than on the worst day of 1929. And inevitably, as the crisis has continued, with the world's stock markets plummeting in response to New York's lead, events have been compared to the Wall Street crash which precipitated the Great Depression of the 1930s.

But while there are similarities between 1929 and 1987, the differences are just as important.

The 1929 collapse occurred after a long period of bull market conditions in which, as in the last decade, share prices rose steadily and then very rapidly. Then, as now, there had been plenty of warnings that the stock market could not go on rising forever, but nothing practical had been done about it.

Yet by today's standards, the way shares were being bought in the Twenties seems like stock market insanity.

The problem was that rising prosperity during the First World War and the decade which followed had brought a new type of investor into Wall Street. These new investors often lacked the knowledge and resources of their predecessors. And, more importantly, they were not really interested in investment but simply in speculation.

They were not concerned with the dividends shares paid but with their paper value. If paper values rose, such investors could use them as collateral to borrow more money to buy more shares.

Since they only had to pay 10 percent down, by buying on margin, this process rapidly created a whole paper fantasy of values.

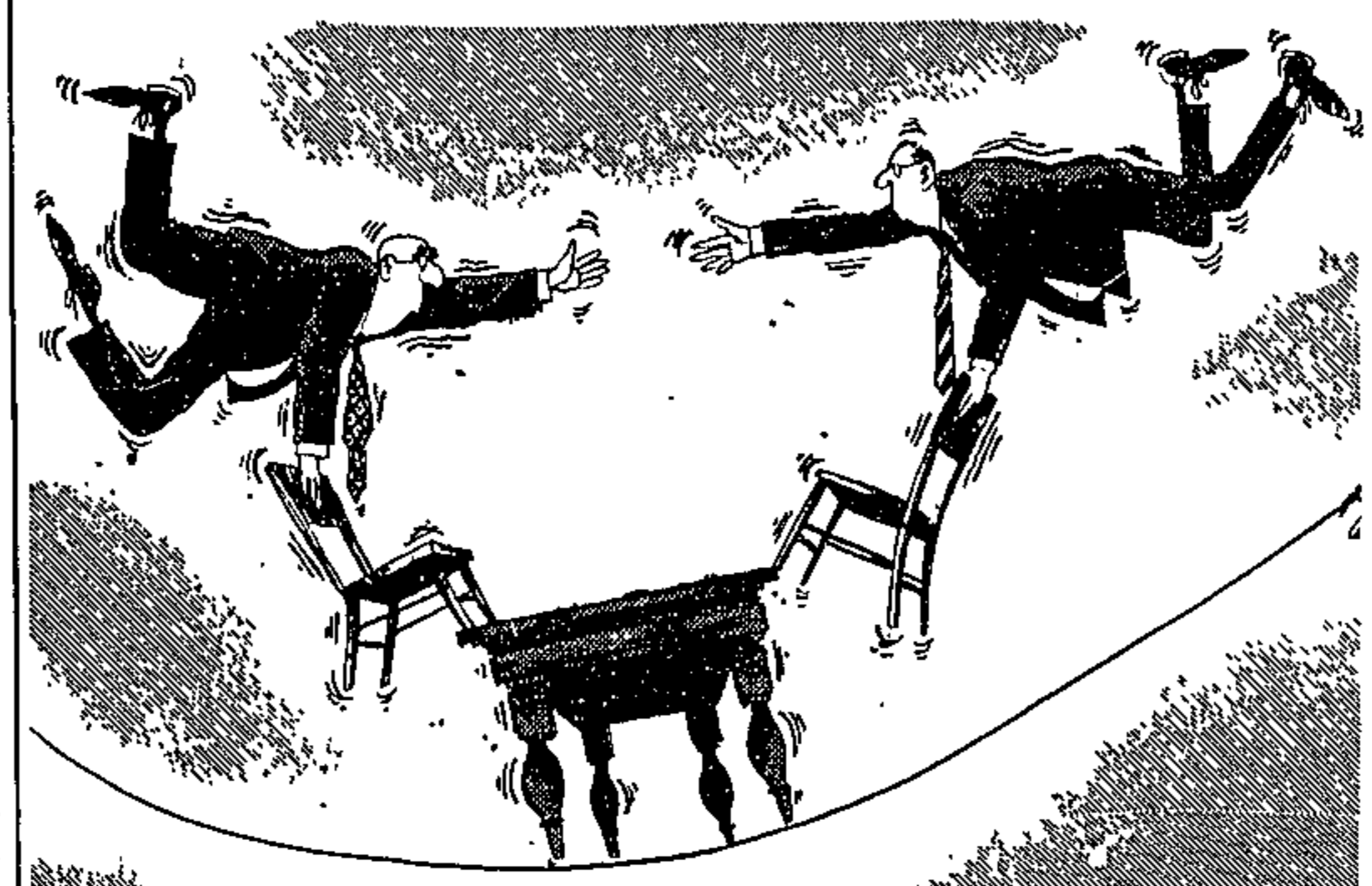
Everything was all right as long as shares went up. But if they went down sharply, shareholders who had bought on margin would be caught short — then their brokers — and finally the banks.

Such a collapse was made certain by the fact that the economy had several serious underlying weaknesses. And by the summer of 1929 clear danger signs were being posted.

Building contracts, always an indicator of economic health, declined drastically. Net investment for home construction, one of the great growth areas for more than a decade, dropped by over \$1-billion in 1929. At the same time, business inventories trebled in size as the rate of consumer spending slackened noticeably. Production and prices fell and unemployment rose.

The break came on Wednesday October 23 with securities suddenly unloading, prices falling and acute pressure on credit traders. The next day — Black Thursday — selling orders streamed out in such volume that for

Stay calm, they said. It's all under control. That was in 1929 ...



It's not at all like 1929, soothe the economists. And they're right. Except that they're mouthing the same soothing sounds as the economists of 1929. PATRICK RENSHAW, a British economist who is completing a book on the economics of the Depression, compares two eras

a time there were no buyers

Bankers, economists, the Treasury Department and above all the White House issued a stream of statements in October 1929, often in the exact words used this week, emphasising that despite the panic the nation's economy was fundamentally sound.

But the vortex went on week after week and by mid-November stocks had fallen more than 40 percent in value, a loss on paper of \$26-billion.

The downward spiral in Britain was far longer, more frightening and catastrophic. Unemployment rose inexorably and in seeming geometrical progression from two million in 1930 to four million in 1931 to eight million in 1932 to 15-million — more than one in four — in 1933. Prices of all kinds had collapsed, production had fallen by half in four years, agriculture was in ruins, business, banking and finance at the point of collapse.

When US President Franklin Roosevelt took office in March 1933 he faced the most serious crisis since the American Civil War.

The effects of the Wall Street crash had not just devastated the American economy, but the economies of Western Europe too. In desperation, nations turned to strong men for solutions. Barely a month before, Hitler had taken power in Germany. In that way the crash was one of the pivotal events of the 20th century.

Yet the underlying problem with the economy was that America's capacity to produce goods was tending to outstrip its capacity to consume them. More than a third of the population was still dependent on agriculture in 1930 but this sector had not shared in the 1920s boom. In industry, real wages had risen by about 10 percent in the decade before the crash, but productivity had risen by 50 percent, creating an unbridgeable gap between making and selling.

The distribution of income was so skewed that the wealth of the nation's richest 631 000 families was greater than that of 16-million at the bottom of the economic pyramid. The economy was thus dangerously dependent on the spending decisions of a few

rich people.

Roosevelt and the New Deal did something to tackle these problems. Wall Street was reformed and regulated. Banking was reformed and small depositors given Federal insurance.

High public spending helped reflate the economy. Stronger trade unions, protected by law, helped bid up wages and raise aggregate demand. But the real problem was that even when the economy recovered, there was still high unemployment — a riddle Britain faced throughout the inter-war years, and faces again today. When Roosevelt cut public spending in 1937, the result was an economic downturn as steep as in 1929.

Public spending, as the British economist JM Keynes was arguing, was the answer to the riddle of unemployment. "It seems impossible," he wrote in 1940, "for capitalistic democracy to organise expenditure on the scale necessary to make the grand experiment which would prove my case — except in war conditions."

The war made that grand experiment possible, and the postwar world was shaped by the application of Keynesian ideas, in America and elsewhere, about the role of government in managing modern capitalism. But all that changed in the 1970s. The huge rise in oil prices, slow growth and inflation led to disillusion with Keynesian economics.

The 1980s have seen Reaganomics and Thatcherism in full cry in reaction against the trends of the past 50 years. Certainly they have changed the agenda. But have they not also served to restore the competitive free enterprise which came unstuck after 1929?

In Britain, privatisation created a new class of investor which, like those in America in the Twenties, were interested in profit rather than income and believed shares only went up. The huge federal budget deficit in America, which was non-existent in 1929, means moreover that speculators speculate while the Japanese largely fund American debt.

The problems may be different today than they were in 1929. But chronically high unemployment in Western Europe, credit and mortgage indebtedness, and the size of America's foreign trade and budget deficits reveal that now, just as then, there are serious underlying problems which another stock market scare might exacerbate. — The Guardian London

(65) 5/11/87

Boycott of Shell challenged

The Star Bureau

LONDON — Lewisham Council's decision to boycott Shell products because of the company's South African links was discriminatory and unlawful, the High Court in London was told yesterday.

Mr Anthony Lester, QC, for the company, said Lewisham's campaign to encourage other councils in England and Wales to join the boycott was also unlawful.

Shell UK did not trade in South Africa, he said. It was one of hundreds of companies around the world which was a member of the Royal Dutch Shell group of companies dealing primarily in oil and gas.

The council said it made the boycott decision in line with its commitment to promote harmonious relations within the borough.

The hearing continues.

B/day 18/11/87

WORLD NEWS

Boycotts depend on Shell case decision

LONDON — The future of trade boycotts in Britain hangs in the balance as a British High Court hears an application by Shell Oil UK to have an anti-apartheid boycott outlawed.

The case, heard this week in a London Court, involves the radical left-wing council of Lewisham which is spearheading a sanctions campaign, by local authorities, against Shell because of its South African and Namibian trade links.

If Shell lose the case at least 18 other radical councils in England and Wales may refuse to use Shell oil and chemical products.

If Shell wins the test case it will set a precedent for other companies affected by anti-apartheid boycotts to fight back in court.

Counsel for Lewisham, Stephen Sedley QC, told the court on Friday that Shell was a target of the campaign, which began March 11, be-

KIM IRVING

cause it occupies an "economically and politically key position" in SA.

The court was told that although Shell said it treated its black and white South African employees equally, the company is still "colluding with inequality" because it "does trade in that environment."

Sedley said earlier in the week that the council judged the boycott to be in the interests of good race relations in its borough which has an 18% Afro-Caribbean and Asian population mixture. Shell's argument that it had no control over its sister company's activities in SA, or its will to withdraw from the country, was absurd, Sedley said.

He said the Shell companies' income was derived through subsidiaries both in the UK and in SA. "It seems a reasonable corollary that pressure on the UK company is pressure on the parent company."

Lord Justice Neil said: "Shell has many heads like the Hydra" and questioned whether "the fact that one particular head is damaged has anything to do with us."

Shell counsel Anthony Lester QC, replied that Shell UK had been "found guilty by association." He said: "We have a wholly innocent English company which is being convicted by association."

Lester said on Thursday that the damage being done to Shell UK "was disproportionate to the cause of good race relations in Lewisham. It is also disproportionate to any wrong-doing by the group."

The court heard earlier in the week that the campaign was triggered by a British Anti-Apartheid Movement decision to boycott companies doing business in SA, in line with a similar one world-wide.

Judgement is not expected for several weeks.

Shell shares SA's ^{stay} future, says chairman ^{27/11/87} (S)

By Neville Adlam

Shell South Africa has a share in South Africa's future and the company is prepared to see this through, Mr John Wilson, executive chairman of Shell SA, said.

Mr Wilson said rumours of Shell's supposed disinvestment in South Africa had been rife and that this was not surprising as Shell has been the target of anti-apartheid and sabotage actions.

Mr Wilson was opening Shell Ultra City, South Africa's first direct access dual service station complex (a complex including restaurant and service station accessible from both lanes of the highway) near Estcourt.

He said the investment of around R9 million was indicative of Shell's attitude — that we believe we can achieve more in terms of progress by staying in South Africa.

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SMC 28/11/87

NEWS

They can't crack Shell

NEVILLE ADLAM

If Shell were to leave South Africa the company would simply be taken over by other investors — corporations which might not have the same attitudes towards their social responsibilities, said Mr John R. Wilson, executive chairman of Shell SA, this week.

Mr Wilson said rumours of Shell's supposed disinvestment in South Africa had been rife, "not surprising when Shell has been the target of anti-apartheid and sabotage actions in 11 countries".

These countries were: Canada, the United States, New Zealand, Australia, Norway, Sweden, Denmark, Finland, the United Kingdom, the Netherlands and Belgium.

Mr Wilson was opening Shell Ultra City, South Africa's first direct access dual service station complex near Estcourt.

Mr Wilson is well-known for his view that businesses should be socially responsible. As chairman of the Federated

Benefits on-going

The impact of the establishment of the Shell Ultra City complex on Estcourt and its environs is significant, Mr Derek Singleton, managing director of the operation, told The Saturday Star.

At least 500 people in the Estcourt and the Ladysmith areas will benefit from the new employment created. More than 150 full-time staff now have jobs.

"Most have been recruited from Estcourt where they were without jobs," said Mr Singleton.

"The new jobs will impact in a very positive way on their families and we estimate the spin-off will be felt by 500 to 600 people."

N3 'launch pad'

The first direct access dual travel centre in southern Africa is open on the N3.

The centre, which caters for both "up" and "down" traffic, has been established 13 km from Estcourt as a safety and convenience stop for the 10 million motorists who use the road each year.

Mr Brian King, retail general manager for Shell SA, believes the centre will be a launching pad for motorists who go to Natal each year. It is estimated that 75 percent of visitors to Natal come from the PWV.

Shell will open a second centre between Witbank and Middelburg within two weeks.

Chambers of Industries he helped in the formation of the FCI's Business Charter of Rights in 1986.

"There is more to Shell Ultra City than meets the eye. Our investment in a project of this scale should make it clear where our future lies. The development of the complex provided much-needed employment and some 150 permanent full-time people will be working here."

He said the investment of about R9 million was indicative of Shell's attitude "that we believe we can achieve more in terms of progress and change by staying in South Africa and by contributing to its development. If we were to leave South Africa the company would simply be taken over by other investors."

"We have a vision of the future of South Africa and our role in it, and Shell SA will be here to carry it through. We are taking a high-profile stand on

all matters that impact on the economy and business in South Africa."

Mr Wilson said: "We want to see Shell continue as a leader, not only in the business context but also as a leader in the effort to bring about a united and prosperous South Africa."

Mr Wilson told The Saturday Star that anti-apartheid movements believed disinvestments would force rapid change in South Africa. Many international companies had different

ideas — but many had disinvested.

He said some of these companies had been facing profitability problems. And "they were not prepared to put-up with the hassle factor". To these companies, the "hassle factor" was significant. But Shell SA had always been a profitable company and would remain profitable.

Shell's group managing directors believed that Shell could make a real contribution to a better South Africa by staying in South Africa in the long term.

Mr Wilson said the man-in-the-street had realised that boycotts did not help improve conditions in South Africa — and they were continuing to buy the Shell products.

He said Shell had been in South Africa for 75 years and saw themselves in business in perpetuity. Shell made no bones about the fact that it was a profitable company but believed it should make profits in a socially responsible fashion.

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SHELL SA's establishment of a R90m direct-access, dual travel centre on the the N3 highway, near Estcourt, made it clear the oil company believed it could contribute more to progress and change by staying in SA.

Shell centre is sign 'we mean to stay'

This was said last week by Shell executive chairman John Wilson, when he officially opened Shell Ultra City, expected to serve the estimated 10-million road-users travelling the highway from the Transvaal each year.

"Rumours of our supposed disinvestment in this country have been rife: Not surprising when Shell has been the target of anti-apartheid and sabotage action in 11 countries," Wilson said.

He said Shell's investment in the project — the first of its kind and size in southern Africa — provided much-needed employment opportunities in the Estcourt and Ladysmith areas, and Shell was attracting more dealers who were responsive to Shell's social responsibility policy.

"If we were to leave, the com-

pany would simply be taken over by other investors. The spectin would disappear and the new owners may not be prepared to continue our social-responsibility and equal-opportunity programmes.

"We have a vision of the future of SA and our role in it; and Shell SA will be here to carry it through. We want to see Shell continue not only as a leader in the business context, but also in the effort to bring about a united and prosperous SA."

The 168 000m², twin service station complex with direct access from the highway, has a filling station which can fill 30 cars at three minutes each; a tourist information centre, a 170-seat restaurant with a 24-hour take-away service, workshops, truckers' rest-rooms and auto-teller machines.

Shell withdraws sponsorship (S) 11/10/87

The Star's Foreign
News Service

GLASGOW — Shell Oil has withdrawn its sponsorship of a student debating tournament in Scotland after protests about its involvement in South Africa.

The contest is to be televised next month by BBC Scotland.

Mr Peter Hain, the anti-apartheid campaigner, was to take part in the debate at Glasgow University, but withdrew when he learnt that Shell

was involved. Other speakers also threatened to withdraw.

The principal and vice-chancellor of Strathclyde University, Mr Graham Hills, wrote to the BBC saying that his university and the students' council objected to Shell's sponsorship.

Miss Linda Sharp of Scotland's National Union of Students, said: "Students will not be drawn into complicity with the actions of Shell."

(15) 2/1 day

Shell to retain SA stake with belief in a just future society

LONDON — Shell International says it believes in the future of an open and just society for all South Africans — the cornerstone of which has to be free political participation for all.

Shell has produced a special four-page supplement entitled "Shell and South Africa" which has been circulated with the October issue of its Chairman's Bulletin For Shareholders.

Shell chairman Peter Holmes writes: "My colleagues and I on the board of your company are aware that the situation in SA is of concern to many of you and that there is a wide range of opinion on the matter.

"Consequently, we feel it important to set out for the benefit of all shareholders the arguments for continuing to support Shell SA's operations."

Attacks cause damage

He says these are set out "together with our responses to some of the misconceptions that have been expressed publicly about the operations of Shell companies in SA and Namibia".

The main article in the Shell supplement says that for longer than a year-and-a-half the company has been singled out for attack by anti-apartheid groups in several countries — including the UK, the Netherlands, the US, Norway, Sweden, Denmark and Australia — because of its presence in SA.

"The campaign has mainly taken the form of attempts to organise a boycott of Shell products but there have also been physical attacks on a number of Shell service stations, resulting in a few cases in serious damage.

"The aim of the campaign is to force Shell and eventually all foreign-owned companies, to withdraw in the belief that this will somehow help to end apartheid — a system which, Shell's critics claim, the very presence of Shell in SA is helping to support."

The article says this attack is misguided for two reasons.

"Firstly, far from supporting apartheid, Shell is totally opposed to it. Secondly, Shell's withdrawal from SA would not hasten the end of apartheid. The reverse could be true."

"Shell is at one with its critics in rejecting apartheid as an inhuman system. Shell wants apartheid ended — and ended as quickly and peacefully as possible. Where it disagrees with its critics is in the means to achieve this end."

The article poses the question of what would be achieved by Shell's withdrawal or disinvestment from SA.

"Its physical assets, such as the refinery or coal mine, cannot be removed from the country. It is not dependent on the group for finance. No Shell company outside SA is supplying anybody in SA with oil and no oil is sold to intermediaries who, it is believed, may resell the oil to SA.

"In practice, therefore, disinvestment would mean no more than selling the title to the assets. The company's operations would continue, but under different ownership — possibly even that of the SA government. Oil products would still be available.

"What would be lost is the influence of a company that is determined in its opposition to apartheid and is working for change; that is committed to improving wages and working conditions, encouraging the growth of trade unionism, helping the black community and, above all, committed to a free and equal society.

"Until 18 months ago few companies of any size had pulled out. Since then, several major international companies have sold their South African operations. Panic has not swept either the SA government or the white community. In fact, supporters of apartheid in SA are beginning to welcome withdrawal.

Oppose disinvestment

"It expands local white ownership of attractive businesses at bargain prices and reduces local critics of apartheid.

"For this reason many strong opponents of apartheid, both inside and outside SA, both black and white, oppose disinvestment, or at least are doubtful of its wisdom — and their number is growing.

"The Shell position is clear. It has a long-term stake in SA. It hopes and expects to be there for the foreseeable future. It totally rejects repression, or the idea that order can be maintained more than temporarily by repression, without dealing with the root of the conflict.

"Moreover, it believes in the future of an open and just society for all South Africans, the cornerstone of which has to be the free political participation of all South Africans." — Sapa.

MOSCOW TEL: DRAWING

29/10/84 (5)

Shell to contest UK council's ban

LONDON — The Shell UK oil company has confirmed that it will be going to the High Court next month to challenge a Labour-controlled local authority which has banned its products under an anti-apartheid policy.

The hearing on November 11 follows a boycott started last March by Lewisham Council in south London.

A Shell UK spokesman said: "We appear to have been singled out by the Anti-Apartheid Movement — our petrol stations are also being boycotted — and we felt we had to take a stand.

"We are strongly opposed to apartheid. Our South African chairman, Mr John Wilson, has spoken out against it, the state of emergency and the detention of trade union leaders.

"We employ about 2 500 people in South Africa — and there is no discrimination and wages to all are well above levels laid down."

Shell UK will be claiming in the High Court that Lewisham Council has acted beyond its powers.

The company said it wanted to establish a legal principle even though the boycott had no significant effect on its business.

The London Evening Standard said the November 11 hearing was being seen as a test case over local authority action on the South African issue.

Lewisham Council said it aimed to show that Shell's activities in South Africa were "detrimental to good race relations" and "prejudice the interests of our multiracial community". — Sapa

Church boycotts Shell over SA

Added
3-11-82

CHICAGO — The United Church of Christ's executive council has voted to boycott Royal Dutch Shell Petroleum and its subsidiary, Shell Oil USA, until the firm stops doing business in SA.

The boycott is intended as a protest against apartheid.

Spokesmen for the company in New York could not be reached for comment.

Beverly J. Chain, director of the office of communications of the United Church of Christ, said in a statement that the 1.7-million-member church was the first major Protestant denomination to join the international boycott.

Chain said the executive council, which was meeting in Chicago, is the church's highest deliberative body when the organization's General Senate is not in session.

Church members were urged to abstain from purchasing products produced or marketed by the Shell group of companies until the parent company ceases to sell petroleum products in SA or investing in companies in SA, the statement said.

"Royal Dutch Shell literally fuels the death pump of apartheid," the Reverend Benjamin Chavis, co-chairman of the church's SA Divestment Committee, said in the statement read by Chain.

"Petroleum deliveries to the South African police translate into raids in black townships and military repression in Namibia," Chavis said. — Sapa

4.50am.

Cap & Tails 8/1/88 (65)

Shell takes town to court

THE HAGUE. — The Shell oil group said yesterday it had filed a civil action suit against a Dutch town that is boycotting its products because of its presence in South Africa. The town of Hilversum, near Amsterdam, has refused to consider Shell for a five-year contract to supply fuel for municipal vehicles.

Shell to sue Dutch town

THE HAGUE — The Royal Dutch/Shell oil group said yesterday it had filed a civil action suit against a Dutch town that is boycotting its products because of its presence in South Africa.

The town of Hilversum, near Amsterdam, has refused to consider Shell for a five-year contract to supply fuel and lubricants for municipal vehicles on the grounds that the company does business in South Africa.

A Shell spokesman said the company took legal action to force Interior Minister Mr Cees van Dijk to cancel the town's decision.

Shell has long claimed its employment policies in South Africa help work against apartheid. — Sapa-Reuter. 8/11/88

NOVEMBER

1987

GENERAL

HOLLAND -

'Majority against bombings'

Shell claims boycotts are not hurting

(65)
B/day
11/1/88

DESPITE widespread attempts to boycott Shell, there was little evidence of any real loss in business worldwide, Shell SA chairman John Wilson said.

In fact, business had improved in some boycott-threatened areas.

Responding to Royal Dutch Shell's filing of a civil action last week against a Dutch town that is boycotting Shell products because of the company's presence in SA, Wilson said a silent majority was starting to react against what often amounted to acts of terrorism.

"I think they realise you cannot just destroy people's property because you don't like what they are doing," he said.

Bombing petrol stations showed a lack of understanding of how the franchise system worked and such attacks only directly affected individual franchise holders.

Wilson condemned boycotters for concentrating efforts on Shell when it was not the only company operating in SA.

Royal Dutch Shell has filed the action against the town of Hilversum, near Amsterdam, which has refused to consider Shell for a five-year contract to supply fuel and lubricants for municipal vehicles because of its presence in SA.

Royal Dutch Shell last month won an application in Britain to prevent the left-wing Lewisham Council from boycotting Shell products.

Meanwhile, it has become apparent that the new US double taxation laws on companies with SA subsidiaries will hit the two US oil corporations, Mobil and Caltex Petroleum, hardest.

They are acknowledged as the largest wholly US-owned companies in SA, although the turnover figures of their local operations are not disclosed.

In New York last week, Mobil took exception to the Bill that effectively taxes profits that were previously credited to US companies with SA subsidiaries. The company placed a quarter-page advertisement to this effect in the New York Times.

Caltex SA spokesman Roy Wright said the corporation had "no comment" at this stage but added the double tax was at the "top of the agenda".

Other local companies with US parents or US stakes approached for comment were adamant the new move would not precipitate disinvestment.

Most argued that the "double tax" was marginal, amounting to about 14% on dividends paid in the US.

DIANNA GAMES and
HELOISE HENNING

Unisys CE Jack Horton reaffirmed his corporation's commitment to stay in SA, adding that Unisys was the largest multi-national computer company present in SA.

He said alternative moves to compensate for the larger tax-burden were either to increase company profitability or to decrease capital expenditure. Either way would lead to greater productivity and a higher company morale.

Alan Wilson, MD of SA-listed Masonite, in which the Chicago parent has a 67% loaded stake, said he was playing a wait-and-see role until the parent showed how it would carry out its commitment to stay put.

what it meant by "the process of with men were concentrated in vehicles.

Dutch subsidiaries sold to local companies

HERTOGENBOSCH (Holland) — A Dutch manufacturer of industrial cooling equipment, Grasso, has sold its two South African subsidiaries to the local management, a company spokesman said yesterday.

Grasso's Dutch parent company

owns production and sales companies in Western Europe, the United States, and the Far East.

Grasso spokesman Mr Jaap den Daas said Grasso had "accepted a bid" by the management of Grasso (Pty) and Greco (Pty), both of Cape Town.

a

Cape Times 17/2/88 (65)

Dutch sells two city firms

HERTOGENBOSCH, Netherlands. —

A Dutch manufacturer of industrial cooling equipment has sold its two SA subsidiaries to the local management, a company spokesman said yesterday.

Grasso, whose Dutch parent company owns production and sales companies in Western Europe, the US, and the Far East, has "accepted a bid" by the management of Grasso (Pty) and Grenco (Pty), both of Cape Town, according to Grasso spokesman Jaap den Daas.

He refused to say why the bid was accepted, and declined to divulge its size.

Both Grasso (Pty) and Grenco (Pty), which assemble and instal industrial cooling equipment, had been profitable last year, den Daas said.

The companies, employing 150 people, would continue to use components produced by the Dutch parent

company.

Grasso's move comes a year after SHV, a trading and energy multinational, was the first major Dutch company to announce its withdrawal from SA after a spate of arson attacks on supermarkets owned by it in the Netherlands.

Although some small Dutch companies have followed suit over the past year, most big concerns, such as oil giant Shell and Philips, the electronics multinational, have maintained their SA presence.

Late last year, the Dutch government introduced legislation banning new Dutch investments in SA, but there has been no official pressure on business and industry here to give up existing holdings there.

The Cape Town MD of Grenco could not be reached last night. — Sapa

DID 8/3/88

Petrol pumps wrecked in SA-linked campaign

(65) (A)

THE HAGUE — Anti-apartheid activists damaged petrol station pumps in at least 20 Dutch towns before dawn yesterday in a protest against Royal Dutch/Shell's refusal to pull out of South Africa.

A central police spokesman said some 20 towns had reported damage to at least 26 petrol stations.

In the most massive anti-Shell campaign here to date, the activists damaged filling hoses, wrecked pumps and painted slogans on the walls of service stations a Shell spokesman, Mr Eric Steneke, said.

Mr Steneke said that several hundred thousand guilders' damage had been caused.

An anonymous letter sent to Reuters in Amsterdam said the action was aimed at putting pressure on the Anglo-Dutch oil company to withdraw its investments from South Africa.

It said the overnight action was dedicated to 30 striking miners allegedly beaten and shot last August by officials at South Africa's Rietspruit coalmine, which it said was half-owned by Shell.

Police in the town of Weesp, west of Amsterdam, reported the arrests of four people early yesterday, who had allegedly been cutting filling hoses and painting slogans at two nearby Shell stations.

The four suspects were still being interrogated, according to a police spokesman.

In recent years, the Royal Dutch/Shell group has repeatedly been targeted for minor anti-apartheid protests in which several of its service stations were vandalised.

Mr Steneke refused to say whether the company would increase security measures at the hundreds of Shell stations scattered throughout the Netherlands.

"This won't change Shell's (South African) policy," he predicted.

"We still think we can do a better job by staying there than by pulling out."

Shell officials have said their employee policies in South Africa improve job opportunities for blacks, and argue that the company's departure would put thousands of blacks out of work.— Sapa

Dutch Shell garages vandalized

Cape Times 8/3/85
ROTTERDAM. — Apparent anti-apartheid activists have vandalized at least 37 Shell service stations in protest at the Dutch-British oil giant's presence in South Africa, a company spokesman said yesterday.

In the most massive anti-Shell campaign here to date, the activists damaged filling hoses, wrecked pumps and painted slogans on the walls of Shell service stations in 20 cities and towns throughout Holland, Shell spokesman Mr Eric Steneke said.

The protest actions occurred between Sunday night and yesterday morning, Mr Steneke said, adding that they caused several hundred thousand guilders' (rands) damage.

Slogans daubed on the stations included "Shell, Get Out of South Africa" and "Shell, Stop Apartheid", Mr Steneke said.

Police arrested four vandals early yesterday, but so far responsibility for the protest actions has not been claimed by any anti-apartheid group. — Sapa-AP.

Shell stations damaged by protestors

65 B/day 8/3/88

ROTTERDAM — Anti-apartheid activists have vandalised at least 37 Shell service stations to protest the Dutch-British oil giant's presence in SA, Shell spokesman Eric Steneke said yesterday.

In the biggest anti-Shell campaign in Holland to date, the activists damaged filling hoses, wrecked pumps and painted slogans on the walls of Shell service stations in 20 Dutch cities and towns, Steneke said.

The protest action occurred between Sunday night and Monday morning, causing damage worth several hundred thousand guilders.

Slogans daubed on the stations included "Shell, get out of SA" and "Shell, stop apartheid", Steneke said.

Police in Weesp, near Amsterdam, reported the arrests on Monday of four people who had allegedly been cutting filling hoses and painting slogans at two Shell stations.

So far, responsibility for the protest action has not been claimed. But an anonymous statement on the protests said: "We direct our actions against the Shell group as this company is more or less the major foreign pillar of the apartheid economy."

A specific reason for the protest was last August's incidents at the Rietspruit mine in SA, where 30 miners were allegedly beaten up during a strike, the statement said. Shell owns 50% of the mine.

Steneke refused to say whether the company would beef up security measures at Shell stations in the Netherlands.

He said the protests would not change Shell's policy on SA.

"We still think we can do a better job by staying there than by pulling out," he said. — Sapa-AP.

Anti-SA activists jailed by hit squad

17/4/85 Times (bs)

A SPATE of arrests within Dutch anti-apartheid circles this week has struck at the core of a violent faction attacking companies with South African interests.

Eight men and women alleged to be members of Revolutionary Anti-Racist Action — known as "RaRa" — were detained in an early morning raid at several addresses in Amsterdam.

One of them was on Christiaan de Wetstraat, named after the Boer War hero.

Five were allowed out of prison when examining magistrates decided there was not enough evidence to warrant their further detention.

The continued detention of the other three sparked off a mass demonstration outside the Bijlmerbajes prison.

About 200 demonstrators blockaded the entry to the prison for several hours as

SUNDAY TIMES FOREIGN DESK

riot police stood by. Warders were unable to enter or leave.

RaRa last year forced the owners of Makro, SHV Holdings, to sell the South African subsidiary after activists burnt down four warehouses and caused R150-million worth of damage.

Charges

The group also launched a co-ordinated early morning attack on 30 Shell petrol stations throughout the Netherlands last month, presenting the company with its most serious challenge to its presence in South Africa so far.

The arrests were carried out by the "National Co-ordination Team" specially es-

tablished by Netherlands police after routine investigation failed to find any trace of the activists.

The team said it had been monitoring the movement of some of the suspects for up to 14 months.

The five men and three women were aged between 27 and 34. None was from "traditional" activist circles. The three will probably stand trial on charges of arson, theft, malicious damage to property, and laws relating to the possession of firearms, said Wilting.

A large amount of evidence in the form of documents and other material was also confiscated.

Four lawyers representing the suspects have denounced the police charges, saying they were insubstantial and concocted to justify the money spent on the National Co-ordination team.

One of their lawyers is Pieter Bakker-Schut, who defended members of the Baader-Meinhoff terrorist group in West Germany in the '70s.

RaRa describes itself as an "anti-imperialist" group fighting against systems creating "hunger, poverty, death and war, not just in South Africa but in the whole world".

Dutch Prime Minister Ruud Lubbers told a meeting of his Christian-Democratic Party this week that he was "relieved" by the arrests.

News in Brief

APR 11 1965
Shell stations attacked **65**

AMSTERDAM. — Anti-apartheid activists severed petrol pump hoses at four Royal Dutch/Shell service stations before dawn in Tilburg yesterday. A man claiming responsibility for the attacks said told the Dutch news agency ANP by telephone that the actions sought to draw attention to the "arrogance" of Shell with regard to South Africa's apartheid policy.

'Development aid' to SA's economy

Disinvestment has opposite results — Shell

B/day
27/4/88

65

DISINVESTMENT had produced reactions totally contrary to the hopes of its proponents and was a form of "development aid" to South African capitalism, according to Shell chairman John Wilson.

"The South African economy has not crumbled, but rather disinvestment has been welcomed by many businessmen and government as it has increased domestic control over business and, more importantly, silenced foreign critics," Wilson said in his chairman's report.

There are those on the sidelines "waiting for the pickings from distressed sales of fleeing multinationals", he said.

On the question of productivity, Wilson said recent wage settlements above the inflation rate had reached a stage where jobs could be put at

BRONWYN ADAMS

risk, and Shell believed it was essential for substantial wage demands to be linked to improved productivity.

He said Shell viewed the proposed Labour Relations Amendment Bill with grave concern. "It is incomprehensible that government should seek to destabilise industrial relations just when a positive consensual approach was crystallising by imposing legislation which is not acceptable to any of the parties involved," he said.

He conceded there was by no means agreement in the private sector concerning the Bill, which pandered to the growing right-wing electorate. But it was up to companies such as Shell, which have a vision of a different future, to make their voices heard and to make known their criticism and grave disquiet.

~~12/30~~ (65)

Shell loses market share: Boycott is reason — claim

Own Correspondent

LONDON. — Speakers at an anti-apartheid movement press conference claimed here yesterday that Shell UK's share of the oil market in Britain fell by 6,6% in 1987 as a direct result of local boycotts because of its business involvement in South Africa.

The claim was made on the eve of Shell International's annual shareholders meeting.

A special commission formed a year ago to win support for an extraordinary shareholders meeting to discuss Shell disinvesting from South Africa has received support from 5% of the shareholders, half-way towards the 10% required under Royal Dutch Shell by-laws, according to Mr Joe Jurczak, an official of the United Mineworkers of America, who is a member of the commission.

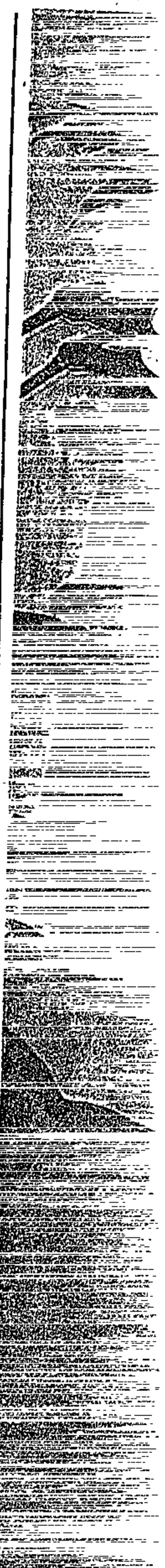
Mr Roger Lyons, an official of the British Manufacturing, Science, and Finance Union (MSF), which repre-

sents 3 000 Shell UK employees, said the company's petrol sales in Britain fell by 3,3% in 1987. Its total market share fell from 19,7% to 18,4%, representing a drop of 6,6%. He said this was calculated in terms of an overall increase in the size of the market.

A spokesman for Shell denied that boycotts had led to Shell becoming number two in the market and said the market share continually fluctuates between Shell and Esso.

He said the company had embarked on a huge upgrading of large service stations which had to be closed down for lengthy periods, leading to losses.

● Sapa-Reuter reports from the Hague that vandals cut pump lines and contaminated oil tanks with paint at four Shell petrol stations in the Netherlands to protest the Anglo-Dutch Shell group's investments in South Africa, Dutch police said, yesterday.



On a specially-built gantry above the stage. There will be six performances till June 11 and three special condensed performances for children.
Picture: ANNE LAING

Shell shareholders vote to stay

SAE Times 12/5/68

THE HAGUE. — A Shell Oil shareholders' meeting here yesterday voted overwhelmingly in favour of continuing the company's operations in South Africa, in spite of criticism that the company is not doing enough to end apartheid.

About 95.5% of the votes cast at the annual shareholders' meeting of the Royal Dutch Petroleum company's Dutch wing, supported the Shell management's view that the Dutch-British multinational should not withdraw its South African interests.

Strong criticism of the company's South African presence was voiced before the vote by American and South African labour union officials.

Of the 437 441 share votes cast at the Dutch meeting, 418 132 backed the Shell management, which has consistently argued that

withdrawal from South Africa would only hurt that nation's black majority. There were 19 309 votes against.

The company has always refused to take a formal shareholders' vote on the South African issue, arguing that only a small minority of shareholders ever attend the meetings. Royal Dutch has issued more than 286 million shares.

Yesterday's vote followed several speeches by trade union officials and anti-apartheid activists who had bought Royal Dutch shares to attend the meeting.

The president of South Africa's National Union of Mineworkers, Mr James Mollatsi, urged Shell to pull out of South Africa where it was "providing fuel for the racist government".

He said he would ask Cosatu to pass a resolution boycotting Shell products. He add-

ed that he did not think it would be successful.

In London, meanwhile, anti-apartheid demonstrators virtually hijacked yesterday's annual meeting of Shell International.

The chairman of Shell, Mr Peter Holmes, was interrupted several times by Anti-Apartheid Movement members scattered among the 800 shareholders present.

At question time the AAM members dominated, asking 11 questions compared with only three by other shareholders.

Jeering grew from both camps in the audience as protesters interjected while Mr Holmes fielded hostile questions on a range of issues from Shell SA sales of fuel to the police and the military, to its employee relations.

Mr Holmes devoted almost one-third of his annual statement to shareholders to the issue

of its South African operations.

He said that more than two years of attempted boycotts of Shell products had had little effect on business.

"We are not complacent, however. The issue is a serious one and I regret that anti-apartheid groups still make unwarranted and unfounded allegations against us." He said that Shell employees "find these unjustified attacks deeply offensive".

He told shareholders Shell welcomed the growth of the black trade union movement and was concerned at the government's proposed amendments to the current labour relations legislation.

"They run contrary to the beliefs of Shell South Africa and to the spirit in which it wishes to conduct its employee relations," he said. — Sapa-Reuters, Own Correspondent

Withdrawal from SA unproductive, says Shell

CAPE TIMES
11/6/88
65

By AUDREY D'ANGELO
Financial Editor

THE threat of withdrawal by foreign companies is now counter-productive, says John Wilson, executive chairman of Shell (SA).

Shell has come in for strong criticism overseas for its recent announcement that it would stay in SA, and there were claims by the anti-apartheid movement that the multi-national's market share in Britain had dropped by 6,6%.

But Wilson stresses in the Shell (SA) Business Report that the company is actively contributing to the elimination of unjust laws and unacceptable human rights practices in SA and is fighting for "change which will lead to a just society for all".

He says the disinvestment campaign which was undoubtedly a factor in the withdrawal of at least 50 multi-nationals in 1987 "has produced reactions totally contrary to the hopes of its proponents.

"The SA economy has not crumbled, but rather disinvestment has been welcomed by many businessmen and government as it has increased domestic control over business and, more importantly, silenced foreign critics.

"It can truly be said that disinvestment has been development aid to SA capitalism.

"There are those in government and business who still believe the country can survive adequately without the support of the rest of the world and that sanctions and disinvestment will be a tremendous boost for the domestic economy.

"These are the voices most clearly heard at the moment. They are also on the sidelines, waiting for the pickings from distressed sales by fleeing multi-nationals."

Wilson continues: "The threat of withdrawal by foreign companies is now counter-productive. Furthermore it would seem of little concern to the government as the transition from international to domestic control of dozens of disinvesting companies has been achieved without any noticeable effect on the economy.



John Wilson ... Shell (SA) actively contributing to the elimination of unjust laws.

"In the meantime," he emphasizes, "it remains Shell's firm belief that multinationals must 'sit it out', must be active participants in creating a new and free, just and democratic society for all."

He says that Shell believes every business is a nucleus for change by precept and example.

A recent survey of the corporate responsibility profiles of 50 major companies showed that "Shell was ranked third by black Africans, second by so-called coloureds, first by Asians and eleventh by whites."

Discussing the state of the SA economy, Wilson says the upturn "remains fragile with business confidence balanced on the knife-edge of political problems and the apartheid system."

He points out that apartheid is "not only an unacceptable tax burden on the SA taxpayer, costing him between R10bn and R15bn yearly, but is also the major cause of uncertainty in relationships with large world trading partners."

BUSINESS

INDUSTRY

mc643 16/6/88 ~~16/6/88~~ 65
Oil's well as Shell SA hits a R3-billion gusher

By TOM HOOD
Business Editor

SHELL South Africa has lifted the lid off a secrecy-ridden industry and disclosed record turnover for last year, rising about R200-million to exceed R3 200-million.

This puts Shell among the largest companies in South Africa — on a par with Sasol and Anglo American Industrial Corporation and bigger than giants such as Premier Group, Sappi, AECI and Tongaat.

Turnover has soared from about R1 800-million in 1983, according to the company's report for 1987 which, however, conceals what the company paid for materials such as oil.

Turnover hit R3 000-million in 1985, then dipped about R200-million in 1986, mainly through a fall in oil division sales.

Biggest business last year

was oil, with sales of about R2 300-million, followed by coal, chemicals, business ventures and metals.

Mr John Wilson says in his chairman's review that Shell's growth in petrol sales at 14,6 percent was significantly above the industry average.

The oil division registered a 5,3 percent growth for the year compared with an industry average of 5,7 percent and maintained its position as market leader. Major product contributors to industry growth were paraffin (12,7 percent), liquid petroleum gas (10) and petrol (9).

"The increase in consumption of these products can be ascribed to rapid urbanisation, growth in the informal sector and an apparent decline in social unrest," he said.

The report for 1987 discloses operating costs rose about R50-million to top R400-million.

However, finance director Mr Kees Lenders says group financial and operating results increased significantly over 1986.

The oil division increased its sales volumes, although gross profits came under pressure because of the decline in world oil prices, inflation and improved exchange rate levels, he said.

"The relative stabilisation of oil prices ensured that the 1986 stock losses were not repeated," says Mr Lenders.

Coal and metals divisions' performances were ahead of target as a result of tighter control over costs and volume-margin movements.

The chemicals division also performed well against target. Business ventures performed better than in 1986 but profits were down for a number of companies in the portfolio.

Shell admits mistake over anti-SA group

OWN CORRESPONDENT
LONDON. — Shell has admitted it made a mistake in preventing a group of anti-apartheid campaigners from attending its annual meeting.

Shell officials stopped a number of campaigners from attending the meeting in May, saying that proxies allowing them to attend were received too late by the company registrars.

The proxy documents, however, were sent by registered mail and the post office has confirmed they were delivered to the registrars two days before the deadline expired.

A Shell spokesman said yesterday it had originally received a certificate from its registrars saying the proxy documents had arrived too late. It was only after the AGM that the registrars discovered they had arrived in time.

"Shell regrets this mistake occurred and arrangements have been made to prevent it happening again."

The spokesman stressed that the presence of the campaigners would have made no difference to the outcome of the meeting.

Two of the people barred from entering the meeting are considering taking the matter to court.

Dutch arsonist ⁶⁵ jailed for 5 years

The Argus Foreign Service

Argus 25/8/88

UTRECHT. — A Dutch anti-apartheid activist, Rene Roemersma, has been jailed for five years on four counts of arson involving two Macro supermarkets and two Shell petrol stations in 1986 and 1987.

He was found not guilty, on technical grounds, on two further counts of arson at a passport factory and a petrol station and the attempted arson of a monument in Amsterdam.

The judge said Roemersma's claim that he had acted because of abhorrence of South Africa's apartheid system and that he had attacked the Dutch companies because they had branches in South Africa, was not acceptable under Dutch law.

"Roemersma did not act to protect his own life or property nor the life or property of others, which would be the only legal grounds for such actions under Dutch law," the judge said.

"These acts of arson caused tens of millions of guilders in material damage to companies and could have led to serious personal injuries of people on the premises."

The sentence was reduced by the five months Roemersma has spent in jail pending his trial.

A police spokesman expressed satisfaction with the court's findings.

Oil firms reject union claims

JOHANNESBURG. — Two major oil companies, BP SA and Shell SA, yesterday rejected claims by the Chemical Workers' Industrial Union (CWIU) that they were not prepared to negotiate issues such as social responsibility projects.

Both said they were prepared to negotiate these issues directly with the union.

They were responding to the CWIU's declaration of a dispute with nine oil companies for refusing to agree to bargain over certain issues at a national level.

While BP would not comment on the issue of national negotiations, Shell questioned whether the CWIU was representative of employees in the oil industry and rejected the union's claim to bargain with nine different employers with "different businesses, employment policies and trade union arrangements".

The CWIU said the companies refused to negotiate for public holidays, maternity leave, education assistance, job security and social responsibility programmes.

BP said there was no issue upon which it refused to negotiate with the CWIU in bargaining units where they represented employees. The statement said BP was committed to negotiate with the CWIU at all worksites where it had such recognition.

Shell expressed surprise at the CWIU's claim they were not prepared to discuss fringe benefits and social responsibility; meetings had already been held in this regard, the company said.

The CWIU was unavailable for comment.

CAN 7/11/65

26/9/65

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Anti-violence stand taken by De Jonge

ROTTERDAM. — Dutch communist and anti-apartheid activist Klaas de Jonge, in an interview with the Dutch Communist Party mouthpiece De Waarheid, last week declared himself against the use of anti-apartheid violence in Holland.

Since his return from Pretoria, De Jonge has toured the Dutch lecture circuit — and run into massive local opposition among the radicals he spoke to on the use of any local violence against Dutch companies (such as Shell) which trade with South Africa, he told journalist Lex Loos.

Shell spokesmen said that activists had caused "several million Dutch guilders" worth of damage in 180 economic sabotage acts against its 950 sales outlets thus far. De Jonge said he wanted increased pressure — but no more local violence — on the Dutch government for a total ban on investments in South Africa. — Sapa

Activists vandalise 100th Shell station

NA 6/9/88
(65)

The Argus Foreign Service
UTRECHT. — Anti-apartheid activists claim to have vandalised their 100th Shell petrol station in the Netherlands.

The claim was made in pamphlets left at a petrol station near Amsterdam which was vandalised during early yesterday. Hoses were cut and pumps decorated with red streamers to "celebrate the 100th action of this kind".

Police said the authors of the

pamphlet also demanded the release of the Dutch-Belgian activist Helen Passtoors — imprisoned in South Africa — and of Renée Roemersma, jailed for arson at petrol stations and supermarkets in the Netherlands.

Roemersma's legal counsel last week filed suit against the Dutch government, demanding that he be given the right to hold regular Press conferences in his prison cell.

Controversy. —

APR 14 6/1/88 65

Activists strike at Shell again

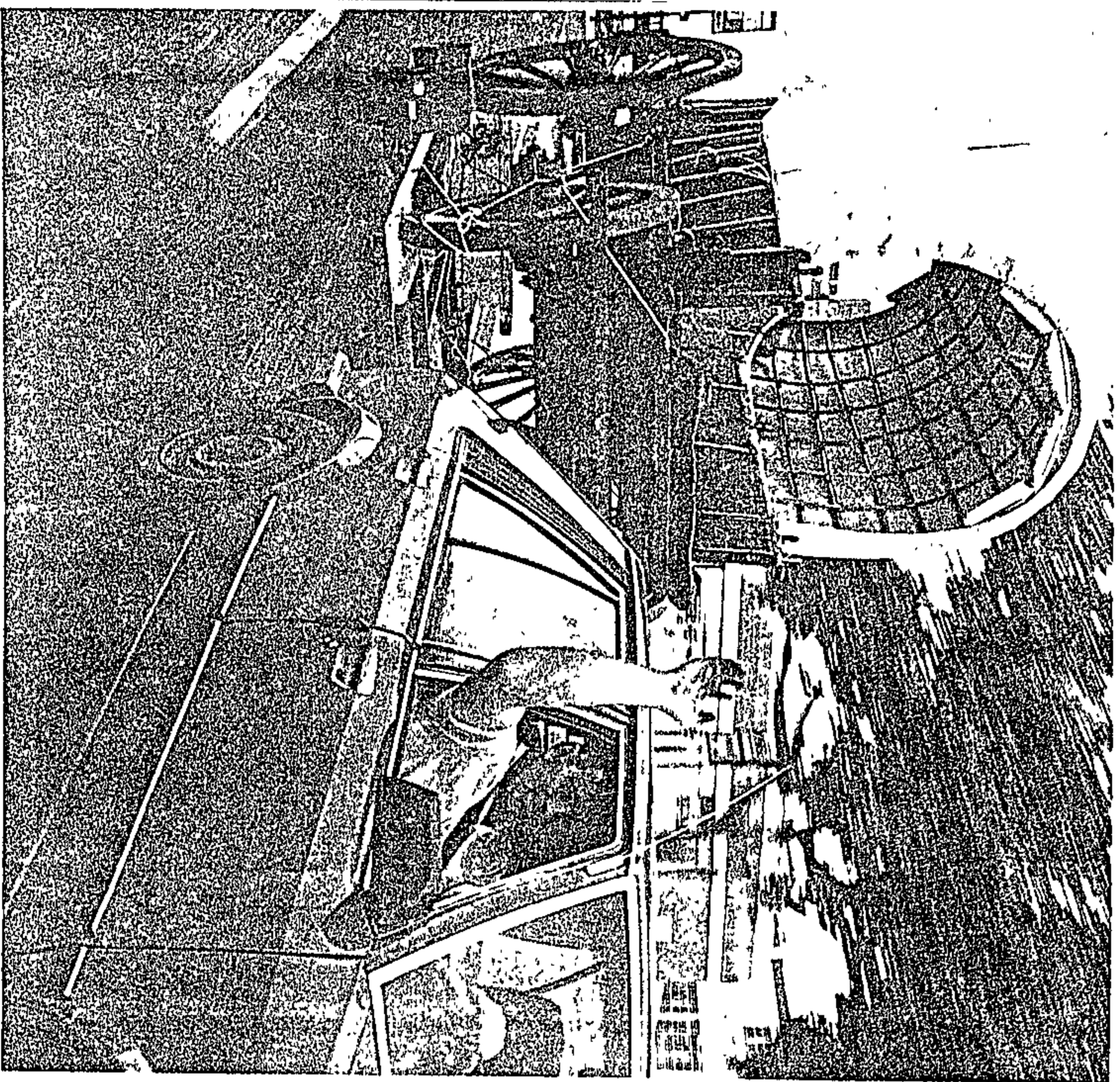
AMSTERDAM. — Anti-apartheid activists slashed hoses at a petrol station overnight in the latest of a series of protests against Royal Dutch-Shell investments in South Africa, police said yesterday.

The vandals left graffiti, saying it was the 100th act of vandalism in an anti-apartheid campaign to pressure the Anglo-Dutch oil company to withdraw from South Africa.

Shell has refused, insisting it can do more to help change apartheid by offering job opportunities to blacks.

Last month an Amsterdam court sentenced a 30-year-old Dutchman to five years in prison for taking part in arson attacks. — Sapa-Reuter

Shell 'stays in



FIGURES: HANNES THIRI. The Argus GT (GREAT TREK) POWER: The 60 horses under Mr Chris Adenani's bonnet tow the restored kakebeen oxwagon away from a Press launch.

LEFT: A young 'trekker' Piet le Roux pours his

SA'

Mr Reagan rules against tough new sanctions

The Argus Foreign Service

WASHINGTON.—President Ronald Reagan is to tell the United States Congress tomorrow that economic sanctions have not persuaded the South African government to abandon apartheid and that it is a bad idea to impose new, tougher measures.

"In good conscience I can recommend no additional punitive sanctions," the President will say.

"The sanctions enacted in 1986 have not had their intended effect of weakening the resolve of South Africa's white minority to retain its monopoly of political power," Mr Reagan says in the draft version of a report to be sent to leaders of the House of Representatives and the Senate.

"Indeed, (the sanctions) appear in some respects to have had the opposite effect.

"There is no indication that the South African government is preparing initiatives that would address adequately the aspirations of the country's black majority.

"The South African government's determination to demonstrate that it will not be swayed by pressure from abroad has further decreased the capacity of the United States to influence positively events."

Because the 1986 US sanctions have not advanced the goals shared by Congress and the administration, the report says, Mr Reagan will not recommend further sanctions.

Rock fans from city wait night at Wits for visas

Staff Reporter

MANY University of the Western Cape students hoping to see the Amnesty International concert spent the night on the Wits campus, but may continue to Zimbabwe today if their visas arrive.

Wits Students' Representative Council spokesman Mr Anton Roskam said today the Zimbabwean government had promised to deliver about 900 visas by this afternoon.

"We cannot guarantee they will arrive. Everything is changing by the hour, but South Africans on their way to the concert will leave Johannesburg today if we get their visas."

HELD UP

About 73 people from Cape Town, many of them UWC students, were held up in Johannesburg yesterday when the visas did not arrive.

"They slept on campus. We are sorry about all this, but the problem was caused by the non-arrival of the visas," Mr Roskam said.

Only 84 of the 500 tickets ordered by UWC had been sold, he said.

Radio UWC director Mr Gerit Davids is among those stranded in Johannesburg.

An estimated 12 000 South Africans are travelling to Harare for the concert, which features Bruce Springsteen, Tracy Chapman, Sting and Peter Gabriel.

What authority?

"By what authority do those who urge disinvestment also claim to speak for these members of the South African community?" he asked.

"Particularly if they do so without having to suffer themselves the consequences of loss of jobs, earnings, security, education and the prospects of advancement for themselves and their families."

Mr Watkins said Shell shared most of the objectives of the anti-apartheid campaign and "apartheid is incongruous with the aims and practices of business."

"We have hopes that market forces will bring about fundamental change."

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The Argus Foreign Service

LONDON.—A director of Shell International has reaffirmed the giant oil company's commitment to stay in South Africa, while describing the State as "protectionist, bureaucratic, inefficient and wasteful".

Mr Desmond Watkins was speaking here at Business International's South Africa 1989 conference.

"The call from Shell's black employees, dealers and customers is for Shell to stay in South Africa. There is no black boycott of Shell in South Africa. Rather, the black community increasingly looks to Shell for support," said Mr Watkins, also the company's western hemisphere and Africa regional co-ordinator.

"There is no indication that the South African government is preparing initiatives that would address adequately the aspirations of the country's black majority.

"The South African government's determination to demonstrate that it will not be swayed by pressure from abroad has further decreased the capacity of the United States to influence positively events."

Because the 1986 US sanctions have not advanced the goals shared by Congress and the administration, the report says, Mr Reagan will not recommend further sanctions.



Mr Reagan

The Argus Foreign Service
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Mr Watkins said Shell shared most of the objectives of the anti-apartheid campaign and "apartheid is incongruous with the aims and practices of business".

"We have hopes that market forces will bring about fundamental changes.

"Left to itself, the market system will seek to develop the black community and market, train black businessmen, develop black entrepreneurs and sweep away the artificial prejudices and distinctions which inhibit economic success.

"Most of the changes which have happened in South Africa, and there are many if not enough, have been brought about by business forces."

Recognition

"If such businesses withdraw the process will be longer, more difficult and much harder for the black community."

Mr Watkins said foreign firms which withdrew were often bought by white South African interests "who usually do not follow equivalent policies as regards pay, union recognition, black advancement or social conditions".

Those who were withdrawing were "very pragmatic businessmen" whose decisions were based on "economic and commercial reason".

Mr Watkins said anti-apartheid activity had not seriously damaged Shell financially.

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Reagan rules against tough new sanctions

The Argus Foreign Service

WASHINGTON. — President Ronald Reagan is to tell the United States Congress tomorrow that economic sanctions have not persuaded the South African government to abandon apartheid and that it is a bad idea to impose new, tougher measures.

"In good conscience I can recommend no additional punitive sanctions," the President will say.

"The sanctions enacted in 1986 have not had their intended effect of weakening the resolve of South Africa's white minority to retain its monopoly of political power," Mr Reagan says in the draft version of a report to be sent to leaders of the House of Representatives and the Senate.

"Indeed, (the sanctions) appear in some respects to have had the opposite effect.

"There is no indication that the South African government is preparing initiatives that would address adequately the aspirations of the country's black majority.

"The South African government's determination to demonstrate that it will not be swayed by pressure from abroad has further decreased the capacity of the United States to influence positively events."

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Mr Reagan

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Mrs Norma Morgan of Sea Point
 "If they can do this for me, they can do this for anybody!!"
 Mrs Norma Morgan of Sea Point, who only pays R13,60

per month for her car insurance, is over the moon with the service provided by her insurer after her first motor accident in 3 years. "I've never had a motor accident in my life. I was so upset I did not know what to do. My first reaction was to phone Auto & General which I did. T

Car Repaired With

Saw-milling also on the agenda

Shell SA to go on a big forest buying spree

SHELL SA, which began its diversification into timber in 1985, has plans to buy up as much forest land in northern Natal as possible, says forestry division GM Terry McCulloch.

And, if long-term timber prices fail to rise, the oil giant will consider opening a mill of its own.

"In the long term, we will not be satisfied just growing timber. The returns are simply too unattractive."

McCulloch says returns on timber are at best 1% to 3%: "The mere hewing of wood is not a very profitable business."

Profit is to be found in saw-milling or in the production of pulp and paper, he says. Given sufficient volume, the export market could also be attractive.

Shell will initially sell the trees it fells to Sappi and Mondi, SA's two pulp and paper manufacturers. But the prices paid by such strong buyers are too low, McCulloch says.

Sappi MD Eugene van As denies that timber prices are too low for forests to be profitable.

He estimates that hardwood prices have risen 24% annually during the last three years. The fact that timber prices on the spot market exceed those of long-term contracts indicates further upward price pressure.

Although Shell still remains a small player in the timber business, this year it has added 1 000ha to its land holdings

CHRISTOPHER TUCHER

in the Kwambonambi area of Natal, bringing the total to 9 000ha

A third of the land is sugar cane, but Shell has already begun to replant it with eucalyptus trees, McCulloch says. Any speculation that Shell is contemplating an ethynol plant are mistaken, he says.

Throughout northern Natal, sugar cane is giving way to hardwood because foreign markets are saturated with sugar while timber is in short supply at home.

McCulloch says Shell's foray into the SA timber business in 1985 was part of a world-wide diversification strategy. The oil giant has forests in Brazil, Chile, and New Zealand.

Small player

Sappi and Mondi express little concern over Shell erecting processing facilities. "I can't see where they are going to get the wood," says Van As.

He says Shell's land holdings are small even compared to independent growers.

But Shell has shown in other countries that it is prepared to process its own wood.

In Chile, for example, it has taken a 60% stake in a major new saw-mill. In New Zealand it will begin milling as well, McCulloch says.

Case
Hilversum

Boycotts of Shell outlawed

HILVERSUM, The Netherlands. — A recent landmark decision by the Dutch government has laid down the rule that no local authorities are allowed to undertake any local boycotts against Shell products.

The decision overruled an earlier city council decision of the "anti-apartheid municipality" of Hilversum, which had refused Shell any access to its municipal tender process.

Shell — threatened by a widening boycott among more than 80 other Dutch "anti-apartheid" municipalities and facing a loss of an annual two-million Dutch-guilder contract in Hilversum — had asked for the government's intervention.

"By law any lower authorities must adhere to the higher central authority of the Dutch Crown," the town's newly-appointed mayor, Mrs Kraayeveld Wouters, said. — Sapa

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APR 18/1989
Shell's Angels
attack Dutch
petrol stations

TILBURG, Netherlands. — Anti-apartheid activists yesterday vandalised four Shell-owned petrol stations here in a protest against the company's presence in South Africa, police said.

The incident, the first in almost a year, follows the recent early release of a Dutch anti-apartheid activist previously convicted to a five-year jail term for his role in arson attacks against companies accused of supporting South African apartheid.

The activists who, in a pamphlet distributed here, called themselves "Shell's Angels," cut fuel hoses, damaged pumps, and claimed to have put chemicals in the stations' underground tanks, according to a spokesman, Mr. Jan Clareijs. — Sapa-AP

McCartney

CAPE TOWN 22/11/87
65
Police charge
Shell protesters

AMSTERDAM. — At least one demonstrator was badly injured when police attacked hundreds of people blockading a Royal Dutch/Shell research complex yesterday in a protest at the oil company's investments in South Africa.

Police used batons to disperse about 1 500 demonstrators, who were preventing seven busloads of Shell workers from entering the complex in northern Amsterdam on the third day of a nationwide campaign. One policeman and 15 protesters were hurt on Thursday. — Sapa-Reuter

Naude to
call on Shell
to leave SA

29/4/89 Cape Times

THE HAGUE. — Anti-apartheid leader Dr Christiaan Beyers Naude will address Shell's annual shareholders' meeting here on May 11 to press the oil company to pull out of South Africa, anti-apartheid groups said yesterday.

The South African churchman will lead a group of Dutch activists who accuse Royal Dutch Shell, the world's largest oil group, of being the biggest foreign investor in South Africa.

At past shareholders meetings, Shell officials have allowed anti-apartheid activists to speak briefly but the company insists it can do more to help fight apartheid by offering job opportunities to blacks in South Africa than by disinvesting. — Sapa-Reuter

COMPANIES

Shell ahead of targets

By DICK USHER, Business Staff

SHELL South Africa's financial and operating results were well ahead of targets for 1988, according to the group's annual report.

Main contributors were the oil and chemical divisions where better than anticipated margins were achieved.

Turnover was about 16 percent up over 1987 at about R3,6-billion.

In the oil division, growth during 1988 was spread "across the barrel", reflecting the high level of domestic expenditure, the rising road transport needs of a rapidly urbanising population and improved conditions in sections of the wholesale market.

Shell featured well in this growth and improved on its market share and held position as overall market leader.

But financial performance continued to be dominated by the effects of inflation on the cost of goods and services.

"At the current level the erosion of income, even within the provisions of administered prices, seriously impairs the industry's ability to achieve a real term after-tax return that encourages investment for the future," said the report.

Chairman John Kilroe reiterated the company's belief that withdrawal from South Africa could serve no meaningful purpose.

"We have never pretended that our

stance was based on pure altruism or emotion.

"On the contrary, it is a sound business decision. We are here to do business in the long-term, we want to remain a part of this country and its future," he said.

CAPE TOWN 9/5/88

Shell 'regrets' Mobil's choice to disinvest

SHELL regretted the decision of Mobil to sell their shareholding in their South African subsidiary, the chief executive and chairman of Shell South Africa, Mr John Kilroe, said yesterday.

Mr Kilroe said the majority of black South Africans did not want disinvestment. It was not a local issue, but one that was being pursued by anti-apartheid activists.

Surveys had shown that black South Africans wanted foreign companies to remain.

Meanwhile in Geneva, UPI reports that the World Council of Churches (WCC) urged its members yesterday to organise boycotts of the Royal Dutch Shell Oil Company because of its business deals with South Africa. — Sapa and UPI

Argus 10/5/89 65

Pressure on Shell mounts

THE World Council of Churches has set out guidelines in a 42-page report to its members for a "respectful" boycott of the Royal Dutch Shell Oil Company.

It notes that Exxon withdrew from South Africa in 1986 and that Mobil is pulling out, but says Shell remains "a major supplier of crude oil to the South African Government" and is also violating a coal embar-

PROTEST

Argus Foreign Service reports from Geneva

go against South Africa."

In the report, "Shell Shock," the WCC recommends that its members should organise "Shell boycott groups," refuse to buy Shell oil for cars or for heating oil for church or community buildings, and boycott any other Shell products sold locally.

Other suggestions are that members should demand that

local authorities stop using Shell products, organise Shell "phone-ins," and ask musicians to volunteer for special concerts.

But the WCC concludes by saying that Royal Dutch Shell and its employees "are not the enemy: apartheid is the enemy."

It adds: "The boycott is not aimed at destroying Shell but at destroying apartheid. We do not condone any action which will result in damage to Shell property."

Shell chief under protest barrage

CAL Times 12/5/89 (65)
Own Correspondent

LONDON. — Shell chairman Sir Peter Holmes yesterday defied scores of anti-apartheid protesters to reaffirm his company's commitment to stay in SA.

Speaking at the Anglo-Dutch oil multinational's AGM, Sir Peter emphasised the role of the company's social responsibility programmes, its increasing market share in SA and its growing black customer base.

"Those who stridently call for disinvestment should realise they are no longer in step — if they ever were — with the majority view of the black community," he said.

During a question-and-answer session after his statement, Sir Peter admitted that Shell SA topped up conscripts' salaries but denied that this supported troops in the townships.

The meeting ended in disarray as the protesters sang and waved placards saying "Shell fuels apartheid" and "Mobil down — Shell to go".

● Sapa-Reuter reports from The Hague that Dr Beyers Naude told a shareholders' meeting that Shell should withdraw in consultation with trade unions.

"Take the courageous step. Leave apartheid South Africa so that after apartheid you will be welcome back in a free land," he said.

● In Johannesburg, the chairman of Caltex Oil South Africa, Mr Jock McKenzie, said yesterday that Caltex had no intention of disinvesting from SA.

ARGUS 15/5/89

Activists step up efforts against Shell

The Argus Foreign Service

AMSTERDAM. — Dutch anti-apartheid activists are stepping up their campaign to force Shell out of South Africa by adulterating its petrol with water, slashing filling-station hoses and causing havoc on the company's switchboards and at public meetings.

"We have given up asking the company nicely to get out of the apartheid State," said one of the 200 demonstrators who

bought R32 worth of Shell shares in order to attend the Anglo-Dutch company's annual meeting in The Hague last week.

As part of the "No Fuel for Apartheid" campaign, started last week, underground petrol tanks were adulterated with water at five Shell filling stations around the Netherlands and fuel tanks of 10 cars parked in Shell garages were emptied and filled with water.

"This is just the beginning," an anti-apartheid organiser said. "Blowing up pumps could be next."

Government forensic laboratories are analysing samples from the tanks for clues to the saboteurs. They could belong to any of a dozen anti-apartheid groups, whose supporters now number more than 3 000.

Police have assigned a special task force to monitor and infiltrate activist groups. Shell has recommended that its franchised dealers employ private security guards.

Activists are advising motorists that the only way they can avoid trouble is to steer clear of Shell.

Shell's switchboards in the Netherlands last week were inundated with calls from anti-apartheid supporters demanding to speak to the company's director.

Staff Reporter
SHELL SA chairman Mr John Kilroe believes demands for disinvestment from leaders within the country have "all but ceased".

He said the Dutch oil giant had no mandate from its shareholders to discuss disinvestment and will maintain its strong stand against such moves in discussions with unions.

Mr Kilroe is also chief executive of Shell in SA. The latest edition of the Institute of Personnel Management (IPM) journal quotes him as saying

Disinvestment demands 'all but ceased' — Shell

CHL Times 23/6/89

the company cannot enter into a discussion on a subject which is against its principles.

This was his first interview after he took up his post after four years with the company in the Netherlands. He told the journal he believed South Africa was moving

away from confrontation, "even war and riots, to trying to talk things through, sitting at the table".

However, Shell had not changed its position on disinvestment in particular, though there had recently been violent demonstrations against

the company in Amsterdam, he said.

In May, Mr Kilroe lashed out at disinvesting companies, saying their decision had cost 8 000 to 10 000 jobs.

Mr Kilroe said local unions had been told of the company's strong stand on disinvestment. "What we would like the unions to do is to say they don't really want us to disinvest, that would be very helpful to us. But we can hardly enter into discussions on a subject which we've said is totally against our principles."

Players in the game



John Kilroe is the chairman of Shell SA.

FM: How do you view the political situation?

Kilroe: The municipal election results a year ago gave the impression of no change and, if there was change, going to the Right. Since then there has definitely been movement in a direction which makes me cautiously optimistic. My hope was that there would be a movement to the Left in white SA politics and I think we have seen that happen. What is so encouraging is that the NP stood on the platform of a negotiated future for SA — which came through as the main issue in the election — and there was definitely support for that type of thinking.

Also encouraging is that the rightwing seems to have peaked. However, what we are going to have to face up to in SA is that there are going to be some backlashes, frustrations from the Right.

What are your views of the new State President and his role in all of this?

He has started off very well. I believe that he has told the securocrats within government that there has been a change, that there is a new man at the helm and he wants to sort out problems around the table, not with teargas, whips and that sort of thing. This is very important for SA internally; we have to sort out our problems internally.

Also, facing the enormous repayments of debt, and inhibitions to growing our economy, which we desperately need to do, the international opinion of SA can be greatly enhanced by the type of action he has been taking.

Why has the company chosen — since August 1986 — to take such a high political profile?

We had a long period in this country when nothing seemed to be happening, where apartheid seemed to be getting further entrenched. The feeling of the management of Shell in SA was that the leadership for change wasn't coming from government and that business would really need to try to help in taking over this responsibility. In line with our code of ethics, we did start to take a higher profile.

Really, it is the management's sincere willingness to help the change process that is behind what is happening. What disappoints me most is when others say: "Oh Shell, you're only doing these things and the stand you've taken is only because you have to get the right signal to people overseas." Obviously it's true, we are a multinational — so the

international dimension is very important. Our shareholders are overseas so we do have a responsibility to them. It is also true that we are a business institution in the first instance; but in doing business we feel we have an important social responsibility to the people in the country where we are doing business.

I believe most sincerely that SA's problems can't be solved by burning down service stations in Holland, or blockading our laboratory, as happened in Amsterdam earlier this year. The problems have to be solved within SA by South Africans.

Is Shell still under a lot of pressure to withdraw from SA?

Yes, the international pressure is unrelenting and growing. We have recently had a lot of problems in Italy where we re-entered the market after a number of years; they have been attacking our service stations and doing a lot of damage. Shell is in a difficult position, with its SA operation, but the management of the group, and chairman Lo van Wachem in particular, is determined to try and stay here because they believe we can help the process of change.

He has had to put up with an awful lot of flak, and the management of the company have a lot of their time wasted because of the SA issue — but they're determined to see it out. It has been suggested that the anti-apartheid activists overseas probably chose the wrong target when they singled out Shell among all the multinationals.

In the final instance our staying here is a decision of the shareholders. They give us their full support, and I'm sure will continue to do so as long as we can remain a viable company in this country, which we certainly are. They are also fully supportive of our assisting change from within. Of course the anti-apartheid movement has become an industry overseas and a lot of people have got vested interests in the SA situation not being solved. That is something we are going to have to live with.

Is it understood internationally that multinationals can be a positive force for change?

There are none dearer than those that don't want to hear — and a number of people made up their minds long ago about SA. But we do get encouraging signs. I believe that those black leaders who were calling most loudly for disinvestment are reassessing the situation and moving from the position where total disinvestment of all multinationals was seen to be a quick fix for SA. An example was a recent programme for Dutch TV in which I was asked to give Shell's position and the Rev Allan Boesak spoke. He said that Shell could stay in SA if it fulfilled certain conditions.

While Shell finds it almost impossible to fulfil those conditions, the positive side was that he was saying that Shell could stay "on

condition . . ." whereas in the past he had been saying that Shell should go. Even more encouraging was, before we decided to march in Cape Town last week, we consulted with the organisers and they were very pleased and very positive about it, whereas surely if they really wanted us to disinvest, they wouldn't have wanted us participating in the march.

It comes back to Anthony Sampson's book *Black and Gold* in which he says that multinationals who believe they have a role to play should stay in SA, but if they do they have to be players in the game and not spectators. That sums up what we are trying to do: we're trying to be players in the game. We're invested here for the long term, not just for the short term.

How do you react to the view that there is an unholy marriage between business and government?

That is not true of Shell and we have been very public in our views. However, I do believe there are a lot of other companies who could stand up and support similar programmes. I think there is truth in the feeling that some business leaders have enjoyed the fruits of apartheid.

Do you think business could do more to present government with a united set of demands?

I wouldn't rule that out, I think it could be worthwhile examining doing just that. I wouldn't like to give the impression that there aren't like-minded business leaders. There are some, but not a great number, I'm afraid. Most businessmen think that the bottom line is all that matters, but I see that as head-in-the-sand thinking.

Also, business is not the sort of homogeneous mass that some believe. The social involvement thinking which exists in the culture of Shell doesn't exist in a lot of companies. Business leaders in SA represent a very wide spectrum of political and social thinking. I would think the vast majority still think the business of business is business and leave the politics to the politicians.

How do you view the state of the economy?

The economy is in a very poor state and the message coming from the Minister of Finance and his colleagues that this has to be got in order is long overdue. Ironically, I think its weakness has been one of the driving forces for looking at political change; you can't separate the two. Another issue that has to be addressed is the enormous wastefulness of apartheid. The most recent examples have been new synfuels projects. That money would have been far better spent on different types of projects which are not capital-intensive but create jobs.

If we could get our politics right quickly we could become part of the world community again and not have to worry about getting oil supplies.

Pumps destroyed in new attack on Shell

Cape Times 17/10/89 (65)
THE HAGUE. — Anti-apartheid activists slashed hoses and destroyed pumps at 17 Royal Dutch/Shell petrol stations in the Netherlands in protest against the oil company's investments in South Africa.

Shell, considered one of the largest foreign investors in South Africa, has had more than 100 of its petrol stations damaged in the Netherlands.

Police said yesterday that vandals wrecked 17 pumps in six Dutch cities overnight.

A letter delivered to Reuters and apparently written by activists claimed they had destroyed 41 pumps in the Netherlands and other petrol stations in Denmark, Norway, West Germany and Spain in protest against the firm's presence in SA.

Shell says it opposes apartheid, but can best fight Pretoria's policy of racial segregation by offering jobs to blacks. — Sapa-Reuter

PUBLIC AUCTION

Do not stag Iscor shares — brokers

(b5) (S) B. Day 7/11/89

WEDNESDAY is market day for Iscor and brokers' forecasts for tomorrow's opening day trading range are spread from a low of 215c a share to a high of 232c.

But don't stag the shares while they trade at these prices, say most brokers who were canvassed for their opinions.

Paul Ferguson, who sees the trading range at 227-232c, says don't sell below 250c. When all the little sellers are out of the way the share price should harden.

This opinion is confirmed by Jan Mouton — forecast 228-232c — who says that supporting the share price will be very difficult bearing in mind the avalanche of selling which is expected.

A broker who did not want to be quoted believes the initial range will be 225-230c but later, maybe not on the first day, the institutions will tire of taking stock, as they are committed to do, and the price will struggle to hold 210c which, he adds, is a pity because it is a good investment share which should be acquired once it shows weakness.

This broker is highly critical of the way in which the issue was handled. The sponsors concentrated on the institutions, leaving only 150-million for public subscription, and ignoring the mechanism of the Stock Exchange to bring in genuine investors and not merely the stags.

He says stockbrokers should have been

HAROLD FRIDJHON

given an allocation for them to place firm among their clients, rather than exposing big private investors to the weighted-to-the-small-man lottery.

George Joubert is somewhat conservative in his estimate of the trading range tomorrow, 220-225c. He bases his expectations on the belief that at least 50 000 first-time shareholders will want to take their money and run. But, he adds, real buying support will emerge later when institutional and private investors will probably take the price to around 240c.

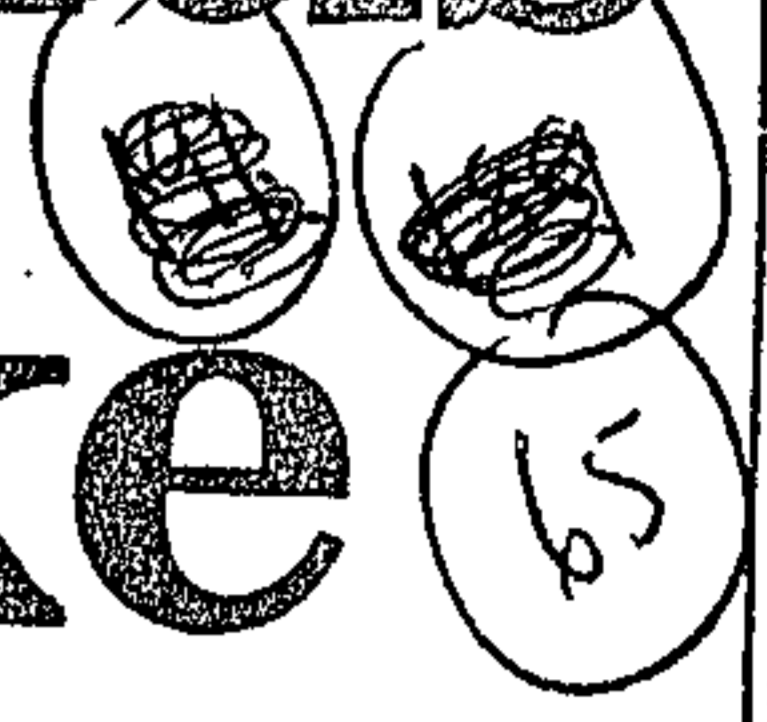
The personal view of Ed Hern is that the opening range will be 220-230c but in six months, when the "loose" selling has subsided, the price range could rise to 260-270c — provided that market conditions remain favourable and do not deteriorate.

Another modest broker who refused to be named forecasts a settled-down trading range of 220-225c, after a brief initial higher opening. But, somewhat bearishly, he adds: "Later this week or next the share might struggle to hold 210c as a sagging or inactive price will stimulate those who received free shares and first-time prospectus buyers take fright and run."

Interestingly, this broker said he had handed out application forms to numbers of interested black would-be shareholders.

Philips builds up SA stake

S/Times 4/2/90



By Ian Smith

DUTCH electrical and electronics giant NV Philips is gearing up for a new era of expansion in South Africa.

The multinational, which has world sales of more than \$28-billion a year, has restructured the management of its subsidiary to make room for more South Africans on the board.

The company, a leader in all the fields in which it operates in SA, has traditionally been run by a three-man team consisting of an expatriate chairman and financial director and an appointee representing the Sanlam-led insurance interests which control 25% of the subsidiary.

Holiday

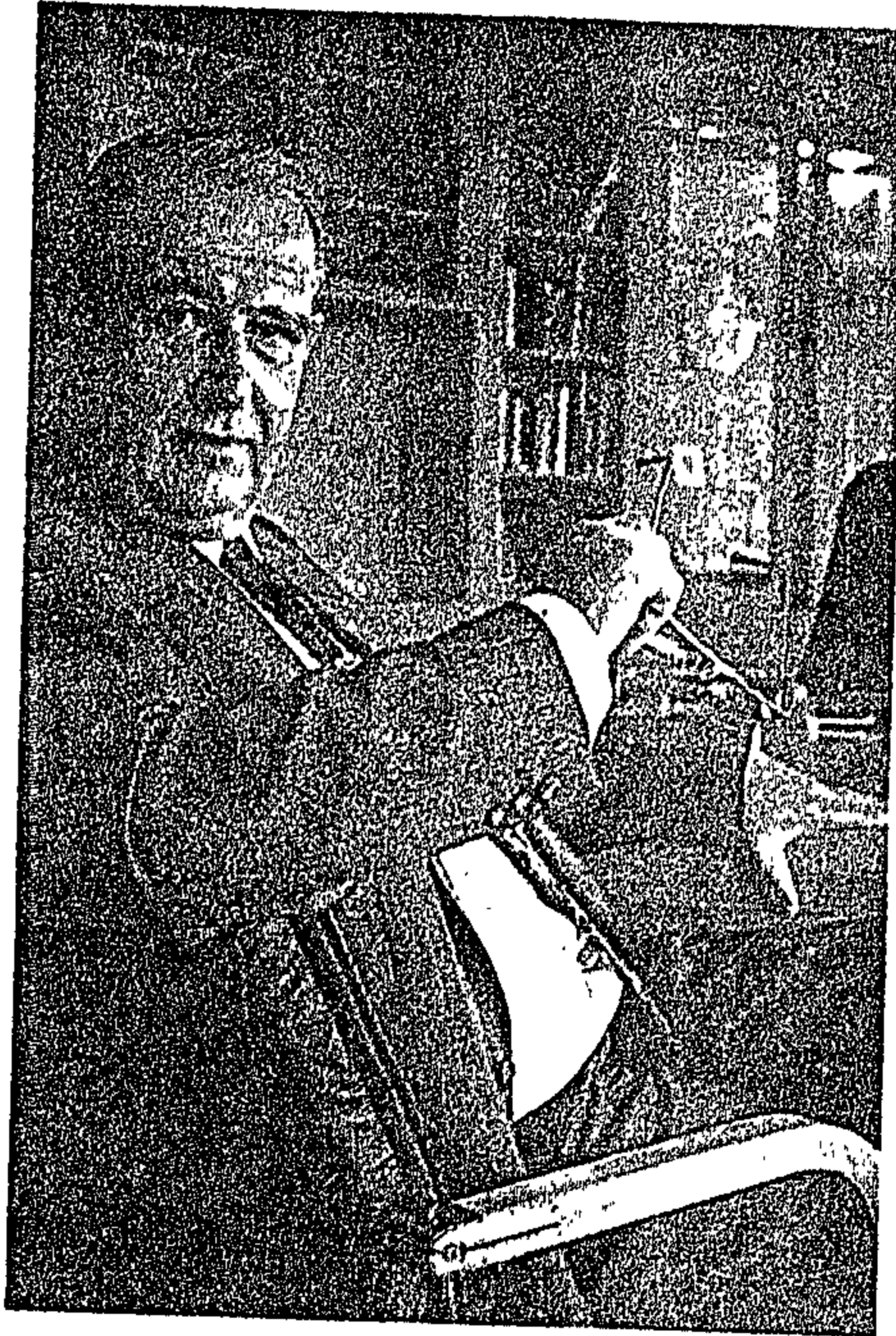
Now the only expatriate on the board is chairman Frank Manders, who came to SA from the Eindhoven headquarters in May 1987.

Mr Manders says: "I am here to stay with my family. We came to this country on holiday from New Zealand and I decided then that it was the country to live in."

The changes, which took effect on February 1, must effectively kill rumours which surface periodically that the group is about to disinvest from SA.

Mr Manders has been joined on the board by the top management of the SA group — Frank Touwen, who came to SA from the Netherlands as a boy and now heads the telecommunications and data systems division; Pino Garbini, chief of consumer electronics; Jeremy Pollock, human resources director; and Ian Barnes, who has been appointed financial director.

Willem Pretorius, managing director of Metropolitan Life, remains the insurance interest representative of the



FRANK MANDERS ... holiday visit led to family putting down roots Picture: Pierre Oosthuysen

board, and he has been joined by two more outside directors: Alec Rogoff, past president of Assocom and former chief executive of Beares, and Mohale Mahanye, a corporate consultant and member of the President's Economic Advisory Council.

Commitment

Mr Manders says: "We have been operating successfully in SA for 60 years. We have taken steps to ensure our success for the next 60 years.

"The growth of the busi-

ness meant it was essential to spread corporate responsibilities and strengthen our SA commitment.

"It is right that the people who make decisions vital to the company's future are here to implement them and ultimately to take responsibility."

He expects the reform movement in SA to broaden the consumer and electronics markets for a wide range of Philips product lines.

SA is also well placed to supply other sub-Saharan countries with products designed for African conditions.

Mr Manders says the com-

mitment of the NV Philips group has not been reduced.

"Our relationship with the worldwide group is as close as it has ever been. The umbilical cord is important to us.

"We have direct access to the technical, marketing and management know-how and the products and components developed wherever Philips operates."

Internationally, the group spends \$5-million a day on research and development.

Financial details of the SA operation are confidential, but Mr Manders says the group is profitable. "Last year was not so good, but then it was a difficult year for everyone in our sectors."

Permanent

The group, which has nearly 2 000 employees, manufactures and supplies small and large domestic appliances, audio and video equipment, hearing instruments, lighting, telecommunications, data systems and medical, industrial, scientific, video broadcasting and electronic office equipment and electronic components and assemblies.

The financial contribution breaks down to about 35% from consumer products, 25% from telecommunications equipment, and 10% each from lighting, medical systems, industrial products and components.

Mr Pretorius, who has served on the Philips board for 13 years, says: "I am as convinced as ever of the commitment of Philips to maintain a profitable existence in SA in the interests of customers, staff and shareholders."

Mr Mahanye says the structural change is significant and timely.

"It will reassure South Africans that Philips is a permanent player in the country."

Dutch delay bill banning investment

Capit 7/15 8/2/90
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THE HAGUE. — The Dutch parliament, signalling approval of political change in South Africa, agreed yesterday to postpone passing a law which would have banned Dutch companies from new investment in South Africa.

Foreign Minister Mr Hans van den Broek said the Netherlands wanted to show support for President F W de Klerk's decision to free political prisoners and unban the ANC.

In a parliamentary debate, most parties supported Mr Van den Broek's proposal to delay voting on the investment bill to see whether Mr De Klerk implemented his proposals, including lifting a 30-year-ban on the ANC and putting a moratorium on hangings.

"We have put pressure on South Africa (with sanctions) step by step, we should also remove them step by step, depending on developments there," Mr Van den Broek said.

The bill on new investment, which was to have come to a vote this month, was meant to comply with a European Community decision in 1985 to increase sanctions on South Africa for its apartheid policies.

Mr Van den Broek said the Dutch would also ease visa restrictions on South Africa if Mr De Klerk made good his promises. — Sapa-Reuter

Interboard's MD makes an unpublicised departure

By Magnus Heystek,
Finance Editor

Try as it might to stay out of the spotlight troubled Interboard just does not seem to succeed in avoiding controversy.

This time the company has neglected to inform shareholders that its high-profile managing director Mr Barry Jones left at the end of last month.

Former MD of Interboard Mr Ed Dutton is currently on bail of R500 000 awaiting trial on charges of foreign exchange contraventions totalling R130 million.

Interboard is now effectively being

run by chairman Mr Dave Olsen but he was not available for comment last night.

According to Mr Mike Clemitson, a director of Interboard, a conscious decision was taken not to make any public announcement regarding Mr Jones' departure.

Speaking from home last night Mr Jones said that he never intended staying with the company and had completed the job for which he was originally approached, and that was to salvage Interboard.

"I'm proud to say that Interboard is by and large still in one piece with ex-

perienced managers installed at all major subsidiaries. Bank credit lines are still in place and I think Interboard has an excellent chance of surviving," Mr Jones said.

In yet another significant development which has thus far eluded both shareholders and the press is that Interboard has succeeded, by means of a court order in the Netherlands, in removing Dr Joost Vershuis as sole director of Interboard BV of Rotterdam, which owns 72 percent of Interboard's equity.

Interboard BV is apparently 100 percent owned by Interboard NA NV, a Dutch Antilles company owned in its part by the Gibbs Trust of Jersey, the trustee of which is a company Stoneage of Guernsey.

Late last year Vershuis tried to wrest control of Interboard from the Gibbs

Trust by issuing new shares which would have resulted in the Gibbs Trust losing control of Interboard.

Accounting firm Ernst and Young is still conducting an investigation into foreign exchange transactions of Interboard from 1981 to 1989 on behalf of the SA Reserve Bank and the SA Police.

According to Mr Clemitson legal proceedings have been commenced against parties, at this stage unnamed, both locally and overseas for the recovery of assets allegedly defrauded from the local company.

Plans are under way to restructure Interboard which could involve the sale of its chipboard operation to Sappi. It is also understood that some of Interboard's subsidiaries could be sold off to reduce the company's gearing.

Dutch firms face new pressures

Labour Reporter ^{25/5/90}

Dutch multinationals in South Africa are facing new pressure on disinvestment and labour practices after the signing of a key deal between the Chemical Workers Industrial Union (CWIU) and a major Dutch trade union.

The CWIU and Holland's 250 000-strong Industriebond have finalised a set of demands which will soon be presented to Shell, Unilever and Philips.

These include demands for a fair procedure in case of full or partial disinvestment and the resolution of labour conflicts.

At a press conference in The Hague, Industriebond president Be van der Weg warned of possible joint action over the demands. His union had held talks with Royal Dutch Shell.

CWIU general secretary Rod Crompton said the aim was to give local workers the same rights as their Dutch counterparts. The standards were in some cases more advanced than those agreed between Cosatu's metal affiliate and German multinationals.

They included internationally accepted health and safety standards, a duty to negotiate parental and retirement benefits, and a ban on dismissals in official strikes.

Mr Crompton said the demands looked forward to a post-apartheid South Africa. The union was developing a comprehensive policy on multinationals "if they are allowed a presence in the post-apartheid economy", he said.

Buthelezi calls on Shell to go public

ULUNDI. — Inkatha Freedom Party president Chief Mangosuthu Buthelezi has challenged the Shell petroleum company to state publicly its commitment to a multi-party democracy in South Africa following a furore over a youth programme sponsored by the multinational.

The programme came under severe attack in Natal for its alleged pro-ANC bias.

In a bid to rebut the flood of criticism, Shell SA chairman Mr John Kilroe earlier this month circulated a memorandum to employees and pensioners, dissociating the company from the programme's content.

"Any suggestions that Shell is either directly or indirectly involved in funding a political party or advancing its political programme are absolutely untrue," wrote Mr Kilroe.

He added that any future Shell Science and Mathematics Resource Centre Trust projects which promoted a political point of view, would not be tolerated.

In his challenge — made at Ulundi during a meeting with Mr Kilroe and Shell International director Mr M van den Bergh — Chief Buthelezi said a public statement on the kind of society the company envisaged was needed.

Too early to assess job cuts Philips SA

15/10/90 30/10/90

PHILIPS SA was involved in a radical cost-cutting programme but it was too early to assess the implications of its Dutch parent's announcement of worldwide job cuts last week, SA company chairman Frank Manders said yesterday.

Manders said Philips SA was "trying to reduce costs drastically by working more efficiently".

Philips International president Johan Timmer said last week 35 000 to 45 000 jobs worldwide would go by the end of 1991. The company recorded a R2,6bn loss after the first three quarters of this year.

Manders denied there was any truth in the suggestion made last week by Confederation of Metal and Building Unions chairman Ben Nicholson that Philips intended cutting back its television manufacturing operation in SA.

MATTHEW CURTIN

He said the company had scrapped an in-house apprenticeship training scheme recently because better facilities were available from outside sources.

Numsa local organiser Tony Kgobe said yesterday the union, which organises workers at Philips, did not know what the implications of the international retrenchments would be for its members there.

But nine Numsa members had already been retrenched at the company's Wadeville plant last week and the union expected more would follow.

Numsa was aware there was a general slump in the electronics industry in SA.

Numsa went on strike in June over the company's decision to reduce working hours to 40 a week.

W/Max 9/11 - 15/11/90

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German carmakers salvage more from the scrap heaps

GERMAN carmakers have gained undisputed acclaim worldwide for the way they construct cars.

Now, under research and development projects recently announced by the top-name companies, German car firms want to learn something new — how to take cars apart.

Volkswagen and BMW have launched car disassembly plants in recent months, projects which both say are also aimed at teaching them how to build future cars which will be easier to take apart than current ones are.

"Our aim is to one day build a car which, at the push of a button, can be neatly broken down into all the pieces which can be recycled," VW engineer Erich Ewen told the Munich daily *Sueddeutsche Zeitung*.

Daimler-Benz is taking a different approach, setting up a joint project with Austria's steelmaker Voest-Alpine to study the question of high-temperature incineration of unrecyclable materials.

The reason behind these projects is both economical and environmental.

Rubbish dump space is getting scarcer and environmental restrictions imposed by federal, state and local governments regarding industrial wastes are getting stricter. Carmakers have been told to find ways to recycle a greater portion of their materials.

The economic reasons are derived from the value of some of the materials which now go into cars — the rare metals platinum and rhodium in catalytic converters, for example, but also other metal alloys and high-grade plastics.

Recycling of materials used in cars is not a new area. At present, some 75 percent of a car can be recycled, mainly steel, aluminium and other metals.

But now the focus is on how to recycle, or best dispose of, the plastics, synthetic materials, glass, and textiles. BMW and VW have two main aims.

The first is to find the most effective way of dismantling present-day cars. The second is to learn how to build future cars which can be more easily dis-

Carmakers are being forced by scarce resources and tighter restrictions to find new ways to recycle vehicles, reports

DOUGLAS SUTTON

mantled for recycling purposes.

The complications involved in taking cars apart are attributed to the more sophisticated procedures and materials which now go into carmaking.

Under pressure to improve fuel consumption, carmakers reduced cars' weight by using more synthetic materials. Now, some 20 different kinds of plastics and synthetic materials go into a modern car.

In 1965, only 2 percent of a car's weight was made of synthetic materials. Today, they make up 15 percent, or 165kg, of a car weighing 1 100kgs.

With the increased use of synthetics has been the parallel rise in the amount of plastic wastes going to trash dumps.

In 1979, some 60 000 tons of automotive synthetic wastes had to be disposed of. Now, with some two million cars each year heading for the scrap heaps in Germany, the annual volume has reached 200 000 tons.

Tighter restrictions on the disposal of battery acids, lubricating oils, brake fluids, and other toxic or contaminating automotive wastes are also behind the carmakers' efforts.

In an interview in the magazine *Auto-Motor-Sport*, Mercedes environmental impact director Claus Razim said the aim is to develop a "total recycling" technology for synthetic materials.

He said some of the non-recyclable plastics could be used to help stoke the fires in steel smelters, which would be used for recycling the steel, aluminium, and other metal contents in cars.

"The circle can be closed finally by harnessing the carbon dioxide which is released to produce methanol or carbamide," Razim said. "These are the basic substances which can then be used to make new synthetics." — dpa

Assembly line halted after 600 walk out

From PAT CANDIDO, Argus Bureau

PORT ELIZABETH. — Production at the Volkswagen plant in Uitenhage has been suspended indefinitely following a walkout by engine plant employees yesterday.

The general manager of public affairs, Mr Ronnie Kruger, said in a statement last night: "It is impractical and uneconomical to generate a sophisticated production concern under these circumstances."

"Discussions have started and will continue until the issues are resolved."

A group of 600 engine plant employees walked out yesterday to attend a court hearing in which Numsa was suing a VW employee in a civil matter.

accept or reject pupils of all race groups.

VW closed ^{CAPE TOWN 20/11/60} **talks go on**

PORT ELIZABETH — The Volkswagen motor plant in Uitenhage was still closed yesterday but negotiations were to continue between company officials and Numsa officials representing the workers. Last week the company said workers would have to agree to certain conditions before the plant would be reopened.

Stoppages cost

VW 'millions'

Own Correspondent and Sapa

JOHANNESBURG. — Volkswagen SA claims that repeated work stoppages, which had disrupted production at Volkswagen's Uitenhage plant over the past three years, had cost the company "millions". This year alone 20 days' production had been lost, a company spokesman claimed yesterday.

The spokesman said high levels of absenteeism had compounded the problem, so undermining the company-union relationship that "it has become impractical and uneconomic to continue to operate production". The factory was closed last Friday.

Talks between Volkswagen SA and the National Union of Mineworkers (Numsa) remain deadlocked over management's demand that Numsa shop stewards sign a so-called recognition agreement before production at the Uitenhage plant is resumed.

VW would not comment on the progress of talks or when the plant was likely to reopen.

Numsa officials could not be reached for comment.

VW sets tough conditions for plant reopening

By DREW FORREST and Port Elizabeth Correspondent

VOLKSWAGEN has lost millions of rands and 20 production days this year as a result of "community violence, stayaways and unprocedural strikes", VW said this week.

In a partial replay of the Mercedes Benz saga, VW has demanded union compliance with a set of tough conditions before it reopens the works in Uitenhage, closed last Thursday.

The closure was sparked when 600 workers in the engine plant walked off the job to attend a court case. VW said this was in defiance of agreed procedures and that workers ignored pleas for a return to work. It said employees recently downed tools over demands for the removal of a foreman.

W/Mant 23/11 - 29/11/90
The court case which triggered the current dispute revolves around a racial altercation, allegedly involving an AWB member, and Numsa has demanded a clear policy on racial conflict at the works.

It also accused the firm of using minor incidents to implement retrenchments threatened four months ago.

Stressing that it had become "impractical and uneconomic" to continue production, the company has demanded Numsa pledge itself to "uninterrupted production" at the plant.

As conditions for a resumption of work, it has demanded a commitment to VW's viability; industrial peace and stability; agreement to abide by all conditions of employment and to eliminate unprocedural action; and the effective

operation of the shop steward system.

At the heart of the dispute is VW's demand that Numsa sign a new recognition agreement, based on the labour code drawn up in collaboration between South African and German metal unions and similar to those already in force at other German firms in South Africa, such as Mercedes and BMW.

This "very progressive" agreement had not been signed, VW said, although shop stewards had discussed it and members had pledged adherence. It said Numsa was holding back pending "further education and clear interpretation" of the proposed deal.

Negotiations over several days this week failed to bring the parties closer, and management is reported to have walked out of the latest round of talks.

Numsa to adhere to VW agreement

Cape Times
24/11/90

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Own Correspondent

PORT ELIZABETH. — The National Union of Metalworkers of South Africa (Numsa) has agreed to adhere to the recognition agreement demanded by Volkswagen as a precondition to restart production.

However, the union would not sign the agreement until all employees were educated on its contents, reported Numsa's chief shop steward, Mr John Gomomo.

Assembly lines at the Uitenhage plant remained idle for the seventh production day yesterday after managers halted operations on November 15.

The company has demanded that Numsa officials sign a recognition agreement worked out earlier this year. It covers the relationship between company and union and sets out the rights and obligations of both parties.

● An apparent about-turn by Old Mutual may help bring an end to the two-week-old strike of more than 300 employees in the Eastern Cape, Ciskei and Transkei.

The company has proposed a meeting with the committee representing the employees, only two days after it stated it did not recognise the committee as a bargaining unit.

Buoyant economy boosts Siemens AG

INTERNATIONAL telecommunications giant Siemens AG benefited from a buoyant world economy, particularly in the first half of the financial year to end-September, said a statement released yesterday. *B 10M 27/11/90.*

German-based Siemens reported a net income of about R634m (R564,5m) and a 6% increase in taxed consolidated net income to R971m (R917m).

The buoyant economy stimulated a marked growth in most of its operating groups, enabling it to improve its earnings

BEVERLY HUCKLESBY

position after a comprehensive company reorganisation. *(AFB) (63)*

New orders during the 12-months climbed 8% to R39,5bn (R36,3bn), with strong worldwide order growth achieved by transportation systems, power generation (KWU), public communication networks and automation.

Siemens recorded a 4% increase of R36,8bn (R35,5bn) in worldwide sales.

Hoechst SA plans major expansion

HOECHST SA, a subsidiary of chemical giant Hoechst AG in Germany, is investing more than R100m in expansions as part of a major strategy to secure its position in SA.

The first stage of its strategy is a R60m expansion programme at its BOPP Film Plant in Chamdor, Krugersdorp. The finance for this is locally sourced.

Hoechst SA MD Reinhard Traub says the move, which represents the single largest investment ever undertaken by Hoechst SA, will ensure its position as a leading supplier of packaging film to the SA industry.

Capacity

He says the decision to expand the BOPP plant was prompted by growing demand from local customers for the latest generation films used for packaging in the food and cigarette manufacturing industries.

Through the commissioning of a second line, capacity at this plant will double to more than 10 000 tons a year, enabling the group to meet market requirements throughout the decade.

The local production of industrial ad-

ZILLA EFRAT

hesive tape is also expected to grow, and the new plant will cater for specific requirements of this industry.

In addition, a more than R100m investment programme has begun at Satripol — SA's only manufacturer of high density polyethylene and polypropylene — a joint venture between Hoechst SA and Sentrachem.

This investment is expected to safeguard supplies to a growing local and export market, says Traub.

With a view to redirecting its activities towards its core businesses, Hoechst SA will sell its 50% stake in Mega Plastics, one of SA's largest plastic converters, to Sentrachem for R22,5m. Traub says this business is no longer of strategic importance to Hoechst, and the funds generated by the sale will be optimised in Hoechst's expansion programme.

Hoechst is to move its head office from Industria to Midrand during March next year.

Traub says: "A number of other manufacturing projects and new ventures are also under consideration, all of which will form part of the company's long-term development plans, based on our confidence in SA."

'Peace and justice' as VW slips into gear again

ARBUS
29/11/70

By SHARON SOROUR
Labour Reporter

VOLKSWAGEN reopens its Uitenhage motor plant today after signing a detailed recognition agreement with the National Union of Metalworkers.

A company spokesman said: "Both parties have committed themselves to industrial peace and justice in the workplace and to maintaining acceptable work and behaviour standards, the growth and viability of the company, health and safety in the workplace and the principle of equal opportunity."

Production at the plant stopped on November 16 when about 600 engine plant workers walked out to attend a court case involving a shop steward and a foreman.

Volkswagen refused to reopen the plant, where about 6 000 people are employed, until the union signed an agreement which ensured continuous production.

While the union has demanded that Volkswagen pay all employees affected by the closure, the company spokesman said Volkswagen had "no legal or moral obligation" to do this.

The recognition agreement is

based on 14 points contained in the German IG Metall metalworkers' union employment contract. Volkswagen is the third South African car manufacturer to sign it with Numsa, after Mercedes-Benz and BMW.

The document contains minimum standards for labour relations and includes procedures for grievances, disputes, arbitration and retrenchment.

Previously the Volkswagen employment contract provided for jointly agreed procedures and policies, with wages and similar substantive issues determined by an industrial council agreement.



PHOTO-STAR

THE HORIZONTAL
REVOLUTION HAS STARTED

SANYO VIDEO
CAMERA

contest organisers are meeting in closed session today to review the rules.

Picture REUTERS

1989/end-March 1990 financial year.

Dutch row over apartheid action

THE HAGUE — Dutch business interests and local governments clashed yesterday on whether town councils had the right to pursue their own anti-apartheid policies through boycotts of companies doing business in SA.

At issue are plans of at least 68 of the Netherlands' 800-odd municipalities to break off all links with firms they claim are involved in supporting apartheid.

Some cities and towns have already taken steps in that direction. Most of them are aimed at Royal Dutch-Shell.

Shell has repeatedly stated that its presence in SA enabled it to aim at reforming the apartheid system from within.

The business community, backed by premier Ruud Lubbers's centre-left government, claims that such moves are in violation of Dutch government policy towards

SA, which is critical of apartheid-but rules out direct pressure on companies.

"Foreign policy is the domain of the national government, not of a handful of town councils," said Chris van Leede, the chairman of the Federation of Netherlands Industry, the nation's most powerful pro-business lobby.

Van Leede said that if the municipalities got their way, the Netherlands' "business-friendly" reputation would suffer.

But Klaas de Vries, a spokesman for the organisation linking the 68 activist municipalities, said they had to have the freedom to develop such initiatives.

However, Foreign Minister Hans van den Broek and Interior Minister Jen Dales said yesterday they would overrule any local anti-apartheid boycott measures that violated national policy. — Sapa-AP,

06/11/21/90

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FOREIGN FIRMS IN S.A

- DUTCH -

FEBRUAR '91 - JANUARY '98

Retrenchments at Philips

■ Seventy workers are to be axed at two plants of SA Philips in what unionists say is part of a global rationalisation exercise by the Dutch-based firm.

National Union of Metalworkers shop steward Omar Parker says Philips plans to cut 45 000 jobs worldwide. He said 56 jobs would go at SA Philips' Wadeville plant and 14 at Martindale, where the canteen operation may be farmed out to a contractor.

Although the Dutch labour movement was split on "Operation Centurion", Parker said shop stewards hoped to establish contact with it. They were also seeking Numsa head office support for a national campaign, which they hoped would go international.

65
16/2/1991

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A rights issue will alter Afex's portfolio balance

LIZ ROUSE

THE dominance of SA and Zimbabwean holdings in Luxembourg-based Afex Corporation's investment portfolio will be redressed by making a rights issue.

Afex, also listed on the JSE, is an investment holding company with diverse interests including property, chemicals, farms and gold.

Afex chairman David Marshall says in his annual review that the restriction of remittances from countries with foreign exchange control has resulted in a greater proportion of group assets being within so-called soft currency economies than deemed wise.

Afex's problem is that only 10% of the profits of its Zimbabwean subsidiaries can be externalised and the profits from SA holdings are transferred through financial

Zimbabwean interests are therefore valued at 10% of nominal value and the SA interests at the firrand rate.

A rights issue will therefore increase the weighting of Afex's assets outside southern Africa.

SA accounted for 65,6% of total assets of \$21,4m at the end of September 1990, Zimbabwe for 6,9% and the balance of 27,5% was spread in the US, UK and Australia.

The 1990 annual report shows that the general portfolio of SA-listed investments, excluding the investment in an associated company, had a market value of R27,7m at the end of September, compared with a cost of R16,2m.

Gross income from the general portfolio amounted to R1,35m (R1,03m).

The group's property interests produced gross rents of R974 600 (R958 900) while property valued at R2,4m was acquired on the purchase of a 56% interest in a Delmas poultry farm.

In addition, Afex has a 50,1% interest in both L & G Tool & Machinery Distributors and Tool & Electrical Distributors, which achieved pre-tax profits of R954 600 (R1,6m).

In Zimbabwe Afex operates farms, owns property and holds interests in gold mining (Falcon and Olympos).

Botswana interests consist of the manufacture ceramic goods and chemicals.

These interests broke even in the past year.

In the US Afex has a diversified portfolio of stocks and shares, worth \$2,25m at the end of September 1990, and owns properties in San Diego.

Australian interests consist of tool and machinery distributors.

Although Afex's turnover increased to \$31,1m in the year to September 1990, (1989: \$20,7m), earnings declined to \$2,9c (49,6c) a share.

The dividend was raised to 10c (9c) because of the strong balance sheet.

Shareholders have the option to take up shares instead of the dividend.

Marshall makes no profit forecast but assures shareholders that the rights issue should position the group to benefit from opportunities expected in the difficult period ahead.

Dutch plan to lift curbs on S Africa

Sowetan
19/3/91
99
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65

THE HAGUE (Netherlands) - The Dutch parliament yesterday adopted a resolution in support of the government's plans to urge the European Community to lift economic sanctions against South Africa.

Parliament decided to back the government's policy that most sanctions should be repealed as a show of support for apartheid reforms initiated by South African president FW de Klerk.

Foreign Minister Hans van den Broek has said he plans to urge the EC to lift all South African sanctions except those that ban weapons exports. Van den Broek is scheduled to take over the EC presidency on July 1.

"Apartheid is a thing of the past ... The time has come to proceed with the repeal of most, if not all, restraining economic measures," said Harry Aarts, chairman of the Parliamentary Foreign Affairs Committee and a member of the ruling Christian Democratic Party.

The Netherlands, which colonized the

Cape of Good Hope in the 17th century, has been one of the most vocal critics of South Africa's racial segregation policies. The Dutch began enforcing sanctions in 1985.

However, Dutch leaders have strongly supported De Klerk, who has promised to push his parliament to dismantle three major apartheid laws concerning land ownership, residential rights and race classification. -Sapa-AP.

Another blow for consumers

HARD-PRESSED consumers face another blow when two major banks increase the annual fees on credit card services by at least 12,5 percent in April.

The revised charges at Standard Bank and First National Bank come into effect on April 1.

Nedbank - which has one of the lowest fees - Trust Bank and Volkskas are considering increasing their charges. -*Sowetan Correspondent.*

Holland may lift sanctions

THE HAGUE - The Dutch Government is expected to lift sanctions on South Africa five years after they were imposed.

The Dutch Labour Party, one of the country's largest political

groupings, has agreed to withdraw the draft Bill aimed at banning new investment in South Africa.

The Dutch Socialists, who form a coalition government with the Christian Democrats, have agreed - but want the ban on the import of iron ore and Krugerrands to remain.

However, that, too, is

expected to be reversed in the near future because both the Christian Democrats and the opposition Liberal Party want the boycott lifted.

There is also a majority in parliament which wants to see Dutch-South African cultural and sports contacts expanded and improved. - *Sowetan Foreign News Service.*

SEXY THINGS
FOR SHY PEOPLE
ADULT SEX BOOKS
WHITE WOMAN

Sowetan 20/3/91. 65

2000
485

Dutch investors are jostling to come back to SA

S/Times 7/4/91
DUTCH companies are jockeying for position as the Netherlands parliament prepares to lift sanctions against South Africa, Europe's most stringent for nearly 20 years.

Reports in the financial media said this week Dutch investors were ready and waiting, if slightly apprehensive, to enter the South African market.

At the same time, the Economic Affairs ministry has announced it will soon send a "fact-finding mission" to look into future investment opportunities and areas of "mutual co-operation".

The delegation will include businessmen interested in starting projects in South Africa.

The Dutch decision reflects the most positive effect yet of President FW de Klerk's visit to the Netherlands six months ago. Mr De Klerk's arrival in The Hague, as well as his wife's close blood ties with Dutch families, was widely publicised.

By ISABEL CONWAY

re-consider its South African involvement is the SHV Group, which sold out its Makro chain after branches in Holland were repeatedly fire-bombed by activists.

A spokesman said the group would once again look at the South African political situation to see "how the land lies".

The five Dutch companies which have maintained their links are Internatio Muller, KLM, Van Leer, Nedlloyd and Phillips.

Normal

Since 1985, when the anti-apartheid movement in Holland really gained strength, the number of Dutch companies operating in South Africa has dropped from 30 to only five. That does not include Shell and Unilever, which are effectively based in Britain.

The Economic Affairs ministry said it was time for a trade mission to be sent to SA to normalise relations and make a start in investment. However, no prominent political figures have yet indicated they might be going.

One firm which might

Dutch firm to buy Checkers?

CT 30/5/91 Own Correspondent (65)

JOHANNESBURG. — A Dutch company with an interest in Spar International is believed to be one of the major players in the race to acquire Checkers.

Various sources said yesterday they believed a Dutch company had been interested in Checkers, which is up for sale as part of the unbundling of retail giant Tradegro, announced in March.

SA Spar Guild chairman Robin Burnill said last night he could neither confirm nor deny the speculation. He would say only he believed there were a number of parties speaking to Tradegro parent San-korp.

A source said if the Dutch company was involved it would be good news for Checkers, as he had heard it ran other stores in Europe very efficiently.



Dutch firm to take over Checkers?

ARGUS 1/6/91

(65)

Weekend Argus Foreign Staff

THE HAGUE. — The Utrecht-based wholesale foodstuff company Levens-middelengroothandel Unigro is reported here as planning a takeover of the South African supermarket chain, Checkers.

The company's president, Mr EC Albada Jelgersma has already met directors of the R150-million South African chain for talks.

If it goes ahead, it will be the first major transaction by a Dutch company in South Africa since the start of the country's long-running boycott on the apartheid regime.

It could also be just one of the forays planned by Unigro into the Republic. It is said to be interested in a number of other, as yet unnamed, South African companies.

Secretary of the directorate of Unigro, Mr H J Dekker, has confirmed that the company is looking at South Africa, but said no strategic plan had yet been formed.

However, he added: "We have come to realise that the political situation is changing. We hold the view that there are now opportunities to do business."

Unigro controls Holland's second largest supermarket chain, as well as a number of smaller chains, including Super, Cirkel and Spar.

Dutch firm Unigro looks at Checkers

DUTCH company Unigro, based in Houten, has shown interest in acquiring Tradegro subsidiary Checkers.

Unigro director Hank Dekker confirmed last week that the group had "visited Checkers". However, he said Unigro was discussing the possibilities "in-house". No offer had been made and negotiations were not in progress.

He said Unigro had 3 000 stores and was established in the Netherlands, Belgium and Spain. Its turnover was 5-billion guilders (R7,3bn) a year.

A source said Unigro was the third- or fourth-largest retail company in the Netherlands, and was known to be aggressive in terms of its acquisitions.

Another source said it was a well managed company, and seemed to be the most

B/day 3/6/91
MARCIA KLEIN

promising of the companies interested in Checkers at this stage. (24) (65)

However, this would obviously depend on what offer Unigro made if it did decide to make an offer, he said.

A third source said Unigro owner and director Eric Albada Jelgersma had visited SA and had spoken to some companies, including Checkers.

He believed Albada Jelgersma had come to SA as part of the Spar International Congress delegation, but this could not be confirmed. The Unigro group had an interest in Spar International.

Checkers' parent company Sankorp has been looking for a buyer for Checkers since March.

Confusion over Dutch interest in Checkers

DUTCH wholesale company Unigro's position on a possible takeover of Checkers appeared an unknown quantity yesterday.

A report yesterday in Sake-Beeld quoted Sankorp chairman Marinus Daling saying at this stage it seemed unlikely a transaction would materialise and so negotiations with Unigro had been ended.

He said discussions were continuing with local parties.

However, a Sankorp spokesman said

MARCIA KLEIN

yesterday all parties interested in Checkers still stood a chance, including Unigro. Daling was not available for comment.

Unigro director Hank Dekker said yesterday Unigro was still interested in Checkers.

He was surprised to read that negotiations had been called off, as they had not yet taken place, because Unigro was still investigating a possible deal in-house.

S/Deur 4/6/91

~~32-22~~ (65)

Dutch group headed for SA ^(b5)

A HIGH-PROFILE economic delegation from the Netherlands will arrive in South Africa on June 23 for a week-long visit, the Netherlands embassy said yesterday.

The 25-member delegation will visit Johannesburg, Pretoria, Cape Town and Durban. Headed by a senior Ministry of Economic Affairs executive, other members of the group will include top businessmen representing major Netherlands companies.

— Sapa CT 13/6/91

31 day 26/6/71

Dutch delegation in SA to renew ties

(280) LESLEY LAMBERT (PA)

CAPE TOWN — SA's return to the international fold is a step closer with the official renewal of trade and economic links with the Netherlands. (65)

A high-powered delegation of Dutch government officials and businessmen is in SA this week — on the first official visit from their country in several decades — to formally renew ties between SA and the Netherlands.

The 25-member delegation, headed by Netherlands Economic Affairs Ministry senior official F A Engerling, arrived in Johannesburg on Sunday.

Sapa reports that the delegation yesterday met President F W de Klerk and senior Cabinet Ministers, including Finance Minister Barend du Plessis and Foreign Minister Pik Botha.

Engerling said re-establishing political and economic ties between SA and his country was discussed. "We want to see business and political relations normalised as soon as possible."

Remaining Dutch sanctions would be lifted "as soon as there has been enough political development", he said.

The delegation also met the ANC while in Johannesburg. Engerling said he had expressed the view that change in SA was irreversible and that there was "no longer a need to isolate the country". The ANC said it understood.

Engerling said the Netherlands government would make R20m available for education in SA.

Political Staff
SOUTH AFRICA'S re-
turn to the international
fold has moved a step
closer with the official
renewal of trade and eco-
nomic links with the
Netherlands.

A high-powered dele-
gation of Dutch govern-
ment officials and busi-
nessmen is in South
Africa this week to for-
mally renew ties be-
tween the two countries.

Relations between the
two began thawing short-
ly before the Economic
Community's decision to
start lifting sanctions
against South Africa.

The 25-member dele-
gation arrived in Johan-
nesburg on Sunday and
will visit Cape Town and
Durban this week to as-
sess the economic envi-
ronment and explore op-

SA renews ties with Dutch

opportunities for co-
operation in trade and
development.

The delegation is
headed by the Nether-
lands Economic Affairs
Ministry's Foreign Eco-
nomic Relations Direc-
tor General, Mr. F. A. En-
gering.

Meanwhile, Sapa-Reu-
ter reports that Japan

has unofficially lifted its
call for "voluntary re-
straint" on expanding
trade with South Africa,
but has cautioned com-
panies not to go too fast.

The Ministry of Inter-
national Trade and In-
dustry has told trading
companies they can ex-
pand trade with the
country at a maximum of

20% a year.

Meanwhile ANC
leader Mr. Popo Molefe
yesterday told millions
of British radio listeners
he believed sanctions
would still be in place a
year from now, although
not in their entirety.

Speaking during an
hour-long BBC Radio 4
phone-in programme,
Call Nick Ross, Mr. Mo-
lefe suggested, however,
that the ANC would soon
publicly give its blessing
to South Africa's return
to international sport.

Mr. Molefe, who was
speaking from Johannes-
burg, said that in terms
of the UN declaration on
apartheid, until change
was profound and irre-
versible, sanctions had
to be maintained "to as-
sist the government to
move forward".

(b5)

CT 26/6/91



Netherlands (b5)
'keen to restore
links with SA'

By TOS WENTZEL
Political Staff

ARG 27/6/91

THE Netherlands government and private sector are eager to resume relations with South Africa, the leader of a top economic and trade mission said today.

The delegation is headed by Mr F.A. Engering, Director General for Foreign Relations of the Netherlands Ministry of Economic Affairs.

At a press conference Mr Engering said the reform moves and President De Klerk's visit to Holland in October last year had "started the clock" of relations between the two countries again.

Mr H.H.M. Klooster, of the Federation of Netherlands Industry, said there was a difference between trade and investment. There would be an increase in trade but in the case of investments more certainty was needed about the political system and whether it would be a free market one.

remaining cash flush and had about R5m in share

Philips to sell computer interests to US firm

ROBERT LAING
24/7/91

DUTCH electronics giant Philips agreed to sell most of its worldwide computer interests to America's second largest computer company Digital Equipment Corporation (DEC) yesterday.

The sale includes SA Philips's computer division, which is 75% held by Philips (Holland).

SA Philips Telecommunication and Data MD Frank Townen said yesterday he viewed his department's sale to DEC with optimism.

DEC has no official representative in SA, but several local companies are "grey market" DEC vendors.

Olivetti Systems is estimated to sell most DEC computers in SA, followed by Cortech.

"Since DEC is not represented directly in SA, the announcement could be an opportunity for SA Philips," Townen said.

SA Philips sells automatic tellers supplied by US company DiBold as well as Philips products.

It is the local market leader in images and document management systems — one of the product lines which Philips has sold to DEC.

Philip president Jan Timmer said in a statement: "This move must be seen in the context of the ongoing rationalisation of the information systems industry. It will allow us to focus our efforts on the PC sector on the market."

According to American market research firm Dataquest, Philips held less than 1% of the European computer market last year.

This was even less than its rivals Siemens and Olivetti.

It said the company also placed a great deal of effort into attempting to marry computers with videos via compact discs — technology which it now selling to DEC.

Gommagomma grows into second place

WILLIAM GILFILLAN
8/Dec 24/7/91

GOMMAGOMMA Holdings has become SA's second largest furniture manufacturer following its acquisition of Bakker & Steyger, maker of wooden furniture.

The R4m purchase will be settled through the issue of one million ordinary shares in listed Decovo Investments, the holding company of Gommagomma, at 400c a share.

This is at a 43% premium over Decovo's closing price yesterday of 280c a share.

One analyst said the deal made sense to both the parties concerned because of synergy benefits in distribution and warehousing, as Bakker &

Steyger was based in Cape Town and Gommagomma in Garankuwa.

Decovo's interest in Gommagomma will increase from 51% to 56.8% following the acquisition of Bakker & Steyger as Gommagomma is to issue new shares to Decovo.

Dilute

This will be in settlement of the resultant loan account created following the acquisition as Decovo paid for Gommagomma's acquisition.

This in turn will dilute Wesco In-

vestment's holding in Gommagomma to 43.2% from 49%.

Had the transaction been effective for the full year ended 31 December 1990 Decovo's loss a share would have reduced to 24c a share from 36c a share.

Decovo's net asset value would have increased to 287,3c a share from 207,6c a share.

But taking into account the Wesco joint venture, the R11,6m rights offer and the acquisition of a 27% interest in the Cement Industries group, all of which were finalised this year, Decovo's net asset value at 31 December 1990 would have been down to 214c a share from 287,3c a share.

Ovcon hopes for R40m in contracts

LINDA ENSOR

CAPE TOWN — Ovcon, the building and civil engineering group listed on the JSE in March, was negotiating or tendering for contracts worth about R40m, chairman Andrew Owenstone said at its AGM this week.

He was confident the work would come through soon.

Ovcon, in which Ovbel Holdings has a 20% stake, is owned by management and staff. In the six months to end-March 1991, the group earned R1,32m or 14,7c a share on a turnover of R72,7m, outstripping its forecast by 20%.

Owenstone said conditions in the industry remained very competitive and the tender market was extremely tight. He stressed the importance of not getting locked into long-term contracts at the low

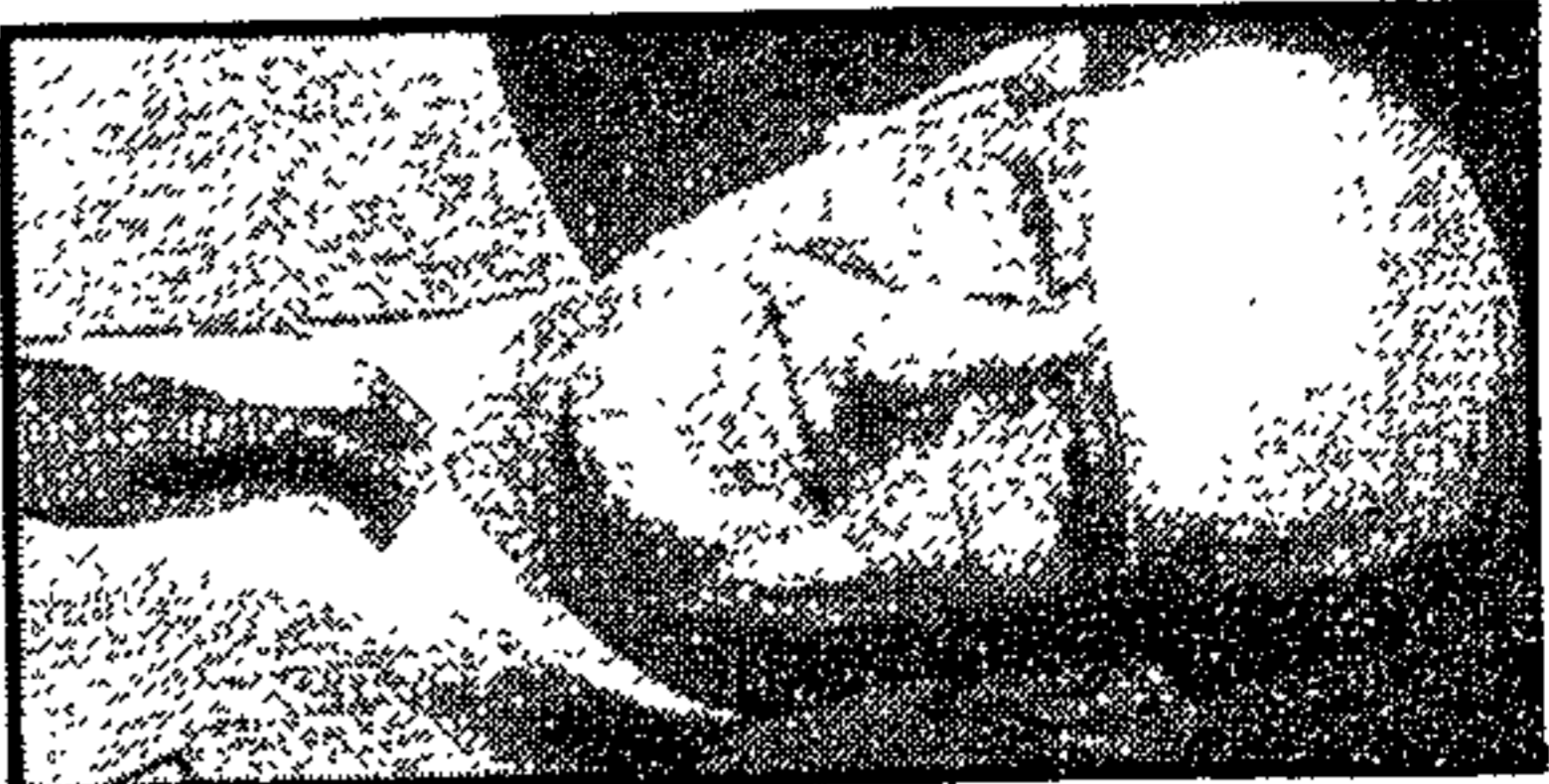
margins prevailing in the industry.

"We want to ensure that we have the capacity to take advantage of an upturn and be able to take up work at higher margins," he told shareholders.

In the first few months of the current financial year, Ovcon achieved 80% of its budgeted overhead recovery.

The annualised profit for the first few months indicated that the overall profit for the year would at least be equal to last year's profit. Owenstone was confident the group would be in a position to pass a dividend in excess of the 5c a share forecast at the time of listing.

A dividend cover of four times would be applied to ensure Ovcon built up reserves.



FRANK MANDERS: Hotspots take it out of you

SA Phillips boss gives up the gipsy life for peace and quiet

By DON ROBERTSON

Sunday Times (BUS) 22/12/91

SOUTH African business has tremendous opportunities to become involved in the development of the sub-continent, says Frank Manders, retiring chairman of SA Phillips. But it will have to reassess its total industrial potential, he says.

Mr Manders has decided to take early retirement from the R1-billion-a-year group, and his "gipsy lifestyle" and settle in SA. He will be succeeded by

Bruce Mackenzie, senior vice-president of Polygram International of the UK. Mr Manders says: "Wealthy countries, which in the past have supported African nations with aid, are suffering from donor fatigue. These donor countries, however, have a conscience about Africa and would like to continue to offer assistance — if it can be properly

managed. "One of the ways would be to draw on South African support and expertise. SA Phillips is one company that has the know-how to assist," says Mr Manders. SA will, however, have to reassess its industrial strategy and place more emphasis on the beneficiation of its resources. It should not try to compete in areas where manufacturers from other countries produce the same article at more competitive prices.

SA does not have the economies of scale to compete on all world markets. "SA nevertheless has a role to play in the world economy, but it must focus on its strong points. The future lies in developing niche markets in areas where we already have the expertise, such as mining-related industries." His biggest disappointment in his five years as chief executive of SA Phillips has been the failure of employers to bring blacks into management positions.

Mr Manders fears that unless they move in this direction, it could be forced on them at great expense and cause frustration. SA Phillips, with subsidiaries such as Pye SA, Fluorescent Lighting Corporation, Natal, Somco and Aberdare Cables, has grown rapidly in the past four years. Turnover increased by 30% in 1988, 14% in 1989, 30% last year and an estimated 15% this year. SA companies, such as Sanlam, Old Mutual, Methuene and Southern Life, have a 25% stake in the group. It has not all been plain sailing though, and it has been necessary to "slim down" the staff at branches. Similar problems were experienced by the international group, which, Mr Manders says, resulted from its becoming too bureaucratic and failing to respond to market requirements.

Potential

Mr Manders, 57, who was born in the Netherlands, has a home in Johannesburg and a holiday cottage in Natal. "Since 1973, I have filled nine overseas posts representing Phillips. This gipsy life takes a lot out of one. Each move carries with it the stress of taking over a new company and adapting to a new country. "Each time you also have to create a new private life for yourself and your family. Some of these postings, such as Lebanon and Ethiopia, as well as political hotspots and this also affects one's life. "I have chosen to stay in SA because I believe this country has great potential." As chairman of SA Phillips, Mr Manders was responsible for introducing four SA members to the company's board. The current chairman of Phillips International was chairman of SA Phillips from 1977 to 1982. Mr Manders has not decided how he will spend his retirement. "I will take a few months to relax and then see what happens."

Dutch trade minister to open Holland Fair

DARIUS SANAI

MORE than 50 firms from the Netherlands will exhibit at a major trade fair in Johannesburg timed to be opened by Dutch Foreign Trade Minister Yvonne van Rooy next month. *19/2/92*

Dubbed the Holland Trade Fair, and taking place between March 4 and 7 at Nasrec, the event marks the normalisation of trade relations between SA and the Netherlands following the lifting of EC trade sanctions last year.

The Netherlands has been one of the staunchest critics of apartheid, a fact which a highly placed Dutch government source once attributed to "a combination of moral revulsion and historical guilt".

Dutch PM Ruud Lubbers and Foreign Minister Hans van den Broek last month postponed a visit to SA, scheduled for this month, after the ANC opposed the trip on the grounds that it was premature.

However, sources in the Dutch embassy yesterday said Van Rooy's trip — which was planned separately from Lubbers's — would definitely go ahead.

A Dutch trade delegation visited SA last June. Saffo director Wim Holtes said at the weekend that the delay between last year's visit and this year's trade fair was due to political pressures resulting in a reluctance by the Dutch government to provide its firms with export credit guarantees.

That problem had now been overcome, Holtes said. Among the companies planning to exhibit at the trade fair are electronics giant Philips, the Royal Begemann group, agricultural technology firms including Fancorn, Abbi-Sun and APV, beverage groups Heineken and De Kuyper en Zoon, and the Netherlands Potato Consultative Institute.

Other companies exhibiting will be from the electronics, textile and engineering industries. The Dutch agriculture and fisheries ministry and the Dutch meat board will also have stands at the fair.

GERALD REILLY

THE crime wave sweeping the country was also affecting farmers, with particularly heavy losses in ranching areas, an SA Agricultural Union spokesman said at the weekend.

It appeared that stock theft syndicates were operating, but thieving by individuals was increasing, the spokesman said.

Thefts took place at gathering

Cattle farmers hit by crime wave

points, during transportation to slaughtering and marketing points, as well as at abattoirs.

A committee consisting of members of the Meat Board, abattoir authority Abacor and the Red Meat Producers' Organisation has been formed to monitor the threat, the spokesman said. Professional assist-

ance had also been sought to develop counter-measures.

Police figures show that stock theft in 1990 increased by 9% from 1989 to more than 21 000 incidents. The 1991 figure will be disclosed in the police commissioner's report to be tabled in Parliament later this month. It is expected to be significantly higher than the 1990 figure.

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COMPANIES

Management gains control of Autoquip

A MANAGEMENT buyout consortium has gained control of car accessory supplier Autoquip Group from its Australia-based majority shareholder, G J Santana.

An announcement published today said Santana's 31.6% stake, comprising about 5-million ordinary shares, would be converted into an equal number of convertible preference shares, bearing a cumulative fixed dividend of 12% a year.

The pref shares, valued at 46c a share, would be redeemable at a pre-determined price in whole or part at the option of the company on the first of July from 1994 to 1996.

Business Day Reporter

BT/PAW 19/2/92

As a result, the pref shares not redeemed by July 1996 would automatically be converted to ordinary shares one-for-one and sold to management and other shareholders on a pro-rata basis. (68)

The pref shares would have no voting rights. (15/2)

The directors stated that the majority shareholder had not been involved with the executive running of the group since the end of 1987. As a result, they said, Santana had agreed to sever his ties with Autoquip.

Dutch motor group invests in SA project

13/11/92
10/7/92 EDWARD WEST (65)

NETHERLANDS-based DAF International yesterday signed an agreement with SA's Associated Automotive Distributors (AAD) for the assembly of a complete range of DAF vehicles at AAD's plant in Blackheath, Cape Town.

The agreement followed DAF International's appointment in March of AAD as the sole importer and distributor for SA, Swaziland, Lesotho and Namibia.

Neither company wished to disclose the value of the agreement, but AAD chairman Roman Szymonowicz said it represented a vast investment from both companies.

AAD's Blackheath plant, currently the biggest assembler of Land Rovers in the world outside the UK, would need upgrading plus restructuring and its distributor network needed to be enlarged, he said.

The first SA-assembled DAF vehicles, including 3,5-ton trucks, a new series of medium-weight haulage vehicles, 296kW maximum-weight trucks and luxury coaches, would be launched in July 1993.

Final details such as the degree of local content and model selection had not yet been decided. While the local-content programme would be supported, DAF — recognised as an environment-friendly vehicle design leader — would retain its technological advantages, he said.

DAF's top model ranges would probably be available with their own power units and not ADE engines, he said. 10/7/92

DAF export sales MD Arthur Zammit forecast SA's commercial vehicle market, which topped 6 000 units in 1991, would double by 1995. AAD planned to sell about 2 400 DAF vehicles within three years. Certain models would be exported.

Szymonowicz said the deal was made possible by a reversal of fortunes at AAD following the 1988 management buyout of SA's loss-making Leyland operation. Synergistic benefits included DAF's merger with Leyland Trucks in 1987, he said.

DAF would also contribute to a pilot scheme planned by the Dutch government to train SA commercial vehicle drivers and owners in better vehicle handling.

Philips makes move to stamp out grey imports

IN A bid to halt widespread grey marketing of its products, Philips SA has acquired key copyright ownership on products from its Dutch parent company.

Werksmans Attorneys partner Vaughn Harrison and Adams & Adams partner Alan Smith say that many attempts have been made to stop grey market imports in SA, and three cases have gone to the Appellate Division of the Supreme Court.

To prevent grey imports entirely, it seems necessary to ensure that copyright is transferred to a local company so the copyright can be relied on to restrain parallel imports. *B/Say 24/3/94*

SA Philips has now opted to acquire all copyright of engineering and other drawings relating to VCR, TV, video, camcorder and audio equipment, as well as all copyright in the packaging of these products, instruction and other materials that go with them, from Philips Electronics NV and NV Philips Gloelampenfabrieken in Holland.

This means SA Philips now has exclusive rights to authorise imports, sale and distribution of the products.

SA is being flooded by grey market imports, often from the Far East. *(65)*

There is growing concern in the electronics and related industries, because the grey market goods are often sold at prices lower than those at which local distributors can import them.

Philips MD Bruce Mackenzie reckons that if the problem is not tackled head-on, SA could become like South America, where official distributors were forced out of business.

It has been speculated locally that the grey market is flourishing because of under-invoicing — so that much lower duties are payable — as well as customs fraud.

Philips has already advertised to advise grey marketers of its rights, and it also sent letters to retailers of genuine and grey market products.

Dutch bank sets up office in SA

Star 9/3/95

(65)

■ BY CHARLOTTE MATHEWS
INVESTMENT EDITOR

ABN-Amro Bank, the largest bank in the Netherlands with \$300 billion of assets, has opened a representative office in South Africa and is taking steps to open a full branch office, South African representative Joost Beurmer told a breakfast meeting in Sandton yesterday.

The bank has applied for a branch licence from the South African Reserve Bank.

"ABN-Amro believes there is only one thing worse than having a representative office — not being in the country at all," Beurmer said.

"Wherever possible, we convert representative offices into full banking operations as soon as we can."

Biggest

Contrary to popular belief, ING, which has just bought Baring Brothers, is not the largest bank in the Netherlands. ING has an insurance arm, but the bank itself is about half the size of ABN-Amro.

ABN-Amro was formed in early 1991 from the merger of Algemene Bank Nederland and the Amsterdam-Rotterdam Bank. Headquartered in Amsterdam, ABN-Amro has 1 650 offices in 64 countries and employs over 60 000 people.

Its assets make it more than three times as large as South Africa's 10 largest banks put together and it is ranked seventh largest in Europe and 17th largest in the world.

Its long-term ratings are AA by Standard Poor, AA1 by

Moody's and AA by IBCA.

The bank has \$45 billion of assets in the United States, where it is one of the biggest foreign banks.

Beurmer said ABN-Amro is client driven which means that once it enters a country it does so with the intention of staying.

However, if it is "made to feel unwelcome" because of nationalisation, it will pull out as it did in China and Iran.

Niche markets

The bank plans include operating in niche markets in South Africa, rather than competing with local financial institutions for the retail banking market.

Beurmer said ABN-Amro planned to target multinationals and large international corporations, medium-sized local companies with international activities, institutional investors and financial institutions, as well as clients of its international network that would require South African banking services.

Once exchange controls are lifted, ABN-Amro would also focus on the high net worth individuals, offering asset management and trust activities, the banker said.

Beurmer said it was not the bank's policy to form partnerships with local banks because "wherever we are in the world, we like to be in the driving seat".

However, alliances with stockbrokers were a possibility, he added.

The bank conducts stockbroking activities internationally through its securities arm, ABN-Amro/Hoare Govett.

Mondi agrees to trade-off with Dutch paper company

BY STAFF WRITER

Pulp, paper and board manufacturer Mondi, which is owned by Anglo American Industrial Corporation, has reached an agreement in principle with Amsterdam-based KNP BT to

restructure both companies' interests.

Mondi will acquire KNP BT's 40 percent shareholding in Paperlink, giving Mondi 100 percent ownership of the company. In return, KNP BT will bring its holding in Finwood Papers up to 49 percent

through acquiring Paperlink's 30 percent stake.

The value of the deal was not disclosed.

According to Tony Trahar, the Mondi executive chairman, the deal will create independence for both Paperlink and Finwood and increase the com-

petitiveness of the local paper merchandising market.

The move follows Holdains' sale last week of Graphitec Holdings to Arjo Wiggins, which the Graphitec Holdings chief executive, Derek Smith, said would open the door to more international competition

in paper merchandising.

Klaas de Kluis, the chairman of KNP BT's international distribution division, said the group was prepared to make further investments in Finwood beyond the R10 million equity already injected into the company.

65) Star 17/10/95

WBH-OVCON's financial year end has been changed from 31 March to 31 December. In addition,

Dutch group targets 20 hotels for SA

Theo Rawana

DUTCH hotel giant Golden Tulip International has entered the SA hospitality industry with a mission to boost local tourism and setting itself a target of developing and operating 20 hotels in two years, commercial director Anton Bakker says.

Golden Tulip, the world's 10th largest hotel consortium, franchising and licensing independent hotels in the four-to-five star category, has been awarded the licence to market the four-star Sanbonani Resort Hotel globally.

The hotel is located in the Hazyview district at the confluence of the Sabie and Sand rivers, close to the Kruger National Park.

Bakker says Tulip Inn accreditation is available to suitable three-star establishments and his company is planning new developments of its own in prime tourism areas.

The company, with 35 years' experience of providing for the needs of business and leisure travellers, has 225 hotels in 50 countries.

"After searching the market for some years, we believe the time is ripe for an injection of expertise into the SA hospitality sector," Bakker said.

Golden Tulip looks at management and devel-

opment opportunities and is active in the field of franchising. All franchised hotels will be operated on a licence basis. "Affiliation with Golden Tulip gives participating SA hotels access to international expertise and the global marketing and reservation system of Utell, with whom Golden Tulip Hotels is the largest independent contractor."

The result is a wider audience and a "punchier marketing presence worldwide" than they could afford on their own. At a later stage the service may extend to neighbouring countries such as Zimbabwe, Botswana and Mauritius, using SA as a regional springboard.

A primary objective is to recruit locally and create jobs. Local recruiting has already begun.

To maintain standards worldwide, Golden Tulip has its own training school.

Bakker says a balance between local and international business is central to the company's marketing philosophy.

"We believe in pitching tariffs at a rate within reach of local holiday-makers to promote domestic holidays. Not only is this fair to South Africans, but it makes good business sense. If foreign tourism falls off, hotels will still survive on the basis of local business," he says.

White maize market soon

Louise Cook

BD 20/11/95

A FUTURES market for white maize was set for January, spurred by keen demand from producers and international traders, with markets for wool, poultry and dairy products likely to follow, Safex agricultural markets general manager John Wixley said.

He said talks with the Milk Board were in an advanced stage, but the priority was setting up the maize futures market, modelled on the Chicago Board of Trade's corn futures contract.

The maize futures contract would operate through a system of silo receipts from selected silos. Instead of actual delivery, the receipt would represent ownership, enabling grain to change hands without physically leaving the silos.

Wixley said the futures contract would create an effective spot market for white maize.

Up to now Safex had set up only forward contracts for trading maize and other grains.

Safex said in a news letter the contract was based on white maize because the price was more volatile than that of the yellow variety.

Dairy foundation GM Eddo Roux said SA dairy farmers would benefit from a futures market that showed future price levels, although in the case of fresh milk, delivery would be an obstacle to setting up the market.

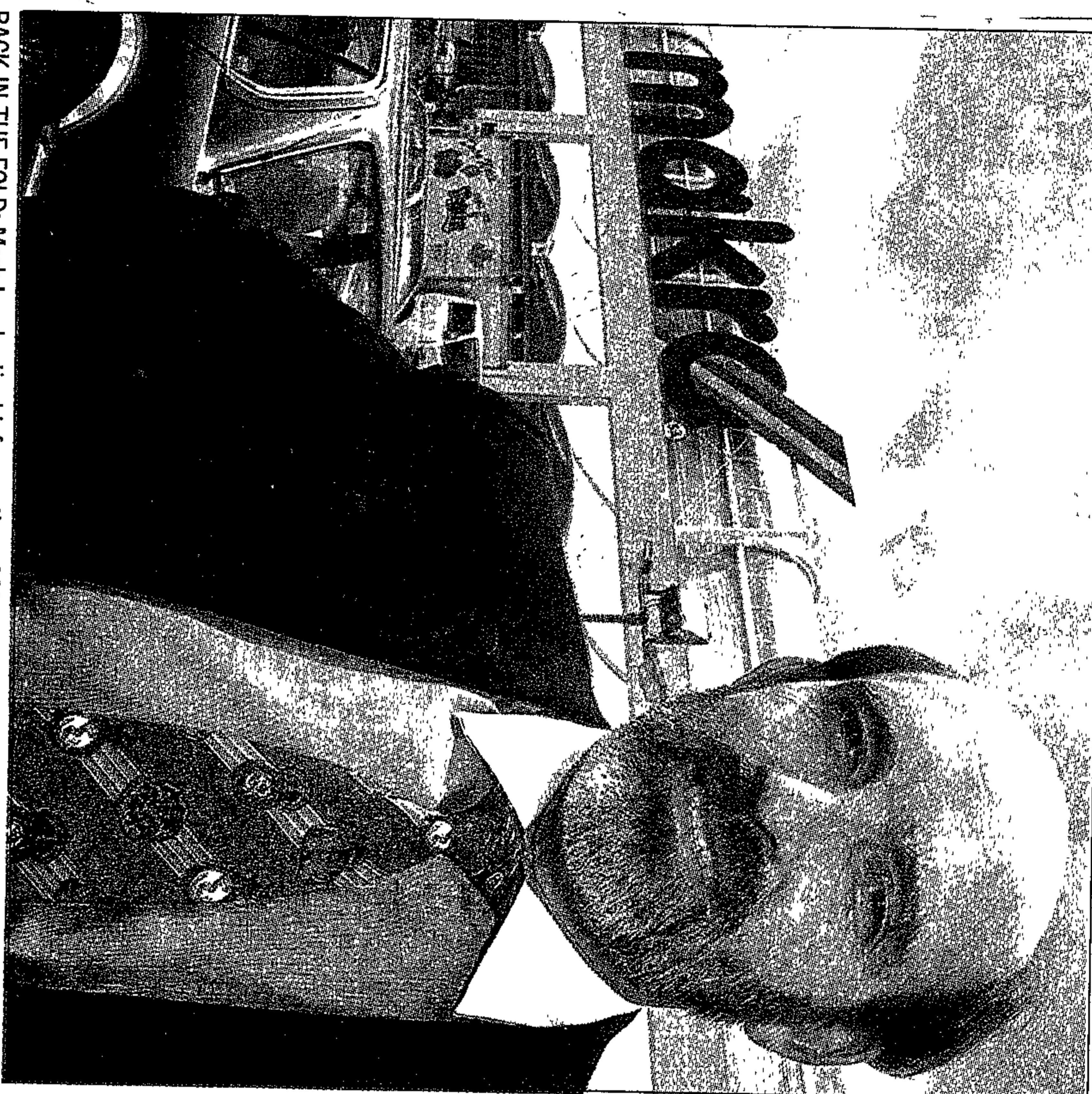
(65) BD 20/11/95

~~SAFEX~~

Louise Cook

BD 20/11/95

On the building side, the division has...



BACK IN THE FOLD: Mark Lamberti, chief executive of Massmart, the company which grew out of SHV Makro's departure from South Africa in 1987
Picture: JULANI VAN DER WESTHUIZEN

Makro SA ~~63~~ ⁶⁵ regains its

Dutch ties

ST (PT) 24/2/1986

By MARCIA KLEIN

SHV Makro, the Dutch trading group, is returning to South Africa nine years after being forced to pull out by an anti-apartheid arson campaign.

SHV said on Friday it would be coming back through a R157-million investment in Massmart, Makro South Africa's Holding company.

In 1987 SHV Makro sold its 67% stake in Makro to Wooltru for R44-million after three of its stores, two in the Netherlands and one in Belgium, were destroyed by Revolutionary Anti-Racist Action, an anti-apartheid group which also attacked Shell service stations.

SHV said on Friday it would pay R67,5-million to Wooltru and invest a further R90-million in Massmart, owners of Makro, Dion, Makroffice and Shield. The investment will give it a 25% stake in Massmart.

When SHV left South Africa, Makro had six outlets and a turnover of R450-million. Now, with turnover of R3,5-billion in the year to June 1985, Massmart accounts for half of Wooltru's sales. The move will enable

Makro South Africa to re-join a \$10,7-billion chain operating in 20 countries. Mark Lamberti, Massmart's chief executive, said SHV Makro wanted to return to South Africa as this was the only country where Makro traded outside of its influence.

He said Massmart would have access to SHV Makro's "international buying power, its global distribution know-how and its advanced information technology".

In the year to June, Massmart reported a 62% drop in pre-tax profit to R19,2-million on the back of a poor performance by Dion and pedestrian results from Makro and Makroffice. It is budgeting for a rise in profit in the current financial year.

Paul van Vliissingen, chairman of SHV Holdings, said he was pleased to re-establish ties. "We left with deep regret. Makro has been well run by Wooltru while we were out of the picture. We have every confidence in Massmart, the company which has grown out of Makro."

Unilever injects R1bn into SA over six years

Tim Cohen

LONDON — Consumer goods firm Unilever disclosed yesterday it had invested R1bn in SA over the past six to seven years.

The president of the Anglo-Dutch company's Africa business group, Henri Bonpun, said the investment drive began just before the general election and was part of a continuing programme.

An investment of R1bn in SA ranks among the highest recorded over this period and supports analysts' suspicions that much of the substantial investment into SA has come through existing companies rather than through the establishment of new entities.

The investment drive has escaped publicity because the company is unlisted in SA and conceals country-by-country breakdowns of its global operations.

Unilever ranks among the world's 50 biggest companies.

Bonpun said the primary aim of the investment was to increase the competitiveness of Unilever's SA operations. The company's products include home and personal care products including Skip, Orno, Magnum, Flora and Sunlight, as well as food brands.

A major part of the drive was the construction of a R50m personal products factory in Durban, which was formally opened earlier this year.

On plans for the future, Bonpun said SA was an important component of Unilever's Africa operations and was involved in the production and distribution of all core categories of the company's products.

In most markets in SA the company was meeting strong opposition, but was in a good position to grow, he said. As a result of the investment drive the

SA operation was "getting efficiency and quality figures that are as good as anywhere in the world". It had laid a basis for growth, but much of this growth would be organic.

"There are very few possibilities for acquisitions, and when there are the price is horrendous."

Unilever's response was to build "innovation centres" to develop new products and improve the old.

These centres had already developed new forms of packaging for some products; improved formulas for hand lotions and washing powders, some of which were at the highest international standards.

Bonpun said profit produced by the SA operation were in line with those of the group as a whole. Turnover in SA was about \$1bn, just less than half of the group's total African turnover. African operations constituted about 6% of total group turnover.