

MANUFACTURING — IRON, STEEL, ENGINEERING
& Metallurgical Industries.

1984

JANUARY — JUNE

199 (1/2)
400 miss
R.M.
company
11/1/4
deadline

Mall Reporter

MORE than 400 day-shift workers at the African Cables plant in Vereeniging did not return to work yesterday after striking on Monday — missing an ultimatum that means they have “dismissed themselves”

It was not clear late yesterday if a further 500 night-shift workers, due to come on at 7pm, would do the same. The company's managing director, Mr P Muller, said a large proportion of the workforce were absent on Friday. They reported on Monday, but refused to work.

Mr Muller had addressed them in the presence of police — after the workers had refused to elect spokesmen, had demanded to speak to the managing director, and had refused to disperse. After the police were brought in, the workers dispersed.

Mr Muller said he had told the workers they should sign an agreement. Failing this, they would lose their jobs. About 80% of the day shift refused to sign yesterday. Mr Muller said he had no idea of what their grievances were.

Union organiser arrested in Brits

star
~~11/11/84~~
~~11/11/84~~
Labour Reporter

A union organiser and a member of the Metal and Allied Workers Union were arrested by Security Police and charged with trespassing at a Brits factory yesterday morning after trying to persuade striking workers to return to their jobs, says a union spokesman

Mawu has accused the South African Police of blatant interference in labour affairs

A union organiser, Mr David Modimoeng, claimed he had been given access to RAH Products to address workers who had gone on strike on Monday over the dismissal of Mr Edward Mokgatloane

Security policemen watched while the company representative signed off Mr Mokgatloane, and asked whether Mr Modimoeng had permission to be on the premises. The management representative allegedly said he had not.

Police have been asked for comment

The strike, accompanied by a strong police presence, is the second in the Brits area in a week

About 450 workers at the Rako metal plant went on strike last week over the dismissal of a colleague, but returned on Monday when he was temporarily reinstated pending an inquiry

189 (343) (266) (152) (1/1/84)

700 are sacked

Soweto
ABOUT 700 striking members of the Engineering and Allied Workers' Union employed by African Cables Company in Vereeniging were yesterday dismissed by the company.

This was confirmed by the company's managing director, Mr P Muller, who said that the company would start recruiting new workers from today.

Meanwhile, the Police Directorate in Pretoria yesterday confirmed that eight people were arrested — two for illegal trading and six for pass offences — near the company premises, while union officials claim that 50 members are believed to have been detained. This claim has not been confirmed.

Mr Muller has also denied reports that workers chanted freedom songs and shouted black power slogans on the premises while the union has condemned the police involvement in the labour dispute.

In another labour dis-

12/1/84
By JOSHUA RABOROKO

pute, about 500 Soweto Council employees have complained of assault, being pointed at with a firearm and being called kaffirs by their white supervisors while on duty.

During an emotion-charged meeting at Zondi, the workers, mostly street cleaners and refuse removers, demanded that the supervisors be replaced with blacks. The council is to investigate the allegations.

Between 1 600 and 2 000 members of the Commercial Catering and Allied Workers' Union (Ccawusa) em-

ployed at Pick 'n Pay were still on strike by late yesterday after rejecting management's new offer.

Meanwhile, more than 100 workers at the Durban Central Post Office went on strike yesterday in protest against their working conditions. After their stoppage, workers quietly waited at one of the post office entrances in Pine Street.

In Newcastle about 300 workers, members of the Textile and Allied Workers' Union went on strike in protest against the dismissal of a shop steward. Management said the workers had been dismissed.

Dismissal of 7 workers brings 1 500 out on strike

By Carolyn Dempster,
Labour Reporter

The dismissal of seven workers at Impala Platinum Refinery in Springs today brought 1 500 black employees out on strike

Mr Cyril Ramaphosa, general secretary of the National Union of Mineworkers, said the seven had been dismissed after requesting the transfer of a white supervisor

The workers claimed

12/1/84
that the supervisor had referred to them in a derogatory fashion. When they asked that the man be transferred they were fired instead

Most of the refinery's workforce came out on strike today in support of their dismissed colleagues and, according to the union, are demanding the reinstatement of the seven and the immediate transfer of the supervisor

Mr Ramaphosa said the mine refinery management had refused to speak to the union about the matter

The acting manager of the refinery, Mr H J O'Keesse, referred The Star to Impala's general manager, Mr R C Bovell, who was not available for comment

It is not known if production will be affected by the strike

1400
14/11/84
Impala
189
strikers
still out

By PHILLIP VAN NIEKERK

THE strike by about 1400 workers at the Impala Platinum Refineries in Springs has developed into a crucial trial of strength following the collapse of talks between worker representatives and management late yesterday.

Management has warned workers they would be fired if they did not return by their next shift.

But spokesmen for the National Union of Mineworkers (NUM) have said the workers would not return until their demands were met. They believed it would take two days for shortages to develop at the refinery.

The workers have insisted the seven be reinstated before they return, while the company has demanded the workers return before it reconsiders the dismissals.

The seven were fired for refusing to work after they were allegedly assaulted and verbally abused by white supervisors.

Mr R C Bovell, managing director of Impala, said an inquiry into the workers' complaints had not "conclusively" proved the allegations. One supervisor, however, had been severely reprimanded.

The seven were dismissed after refusing to accept this outcome.

This was the first major strike by NUM members since they were recognised by the Chamber of Mines in June last year.

The NUM is in the process of negotiating a recognition agreement with the company.

~~189~~
Refinery ^{NUM}
~~189~~ fires 1000
~~189~~ strikers ^{16/1/84}

By PHILLIP VAN NIEKERK

MORE than 1000 striking Impala Platinum Refineries workers were fired this weekend, the company's managing director, Mr R C Bovell, said yesterday

He said the workers had been sacked because they had failed to heed a company instruction on Friday that they report for their next shift or face dismissal

The workers, all members of the National Union of Mineworkers (NUM), have been on strike since Thursday demanding the reinstatement of seven colleagues. The seven were fired for refusing to work after they had allegedly been assaulted and verbally abused by supervisors

Talks between the company and worker representatives broke down on Friday

Spokesmen for the NUM were yesterday unavailable for comment

NUM ²⁰¹¹ strength put to test in refinery strike

~~IF LAST WEEK WAS ANY INDICATION THIS IS GOING TO BE A TORRID YEAR FOR LABOUR RELATIONS~~

In three Transvaal strikes alone about 4 500 workers came out with almost half of them being fired — evidence that employer militancy is matching worker militancy

With approximately 2 000 workers back at their Pick 'n Pay jobs, and about 700 from African Cables in Vereeniging now out of work, Impala Platinum Refinery's strike has the most significance

This is the first major test of shopfloor strength of the black National Union of Mineworkers (NUM) and the first big strike in the mining industry since the unrest of July 1982

The NUM claims a membership of 55 000 but this has been viewed with some scepticism as a paper figure. Also, the NUM has a reputation for fighting legal struggles but has not contested a shopfloor battle

The strike, apparently sparked by the dismissal of seven workers for allegedly refusing to work after being verbally abused and as-

LABOUR WEEK BY PHILIP VAN NIEKERK

saulted, came in the midst of recognition talks between the NUM and the company

It would have been the first recognition agreement between a company owned by Gencor, seen as one of the more conservative mining houses, and a black trade union

For both parties the strike is a crucial trial of strength. Over the weekend the company sacked more than 1 000 workers who refused to work after talks between management and the union broke down on Friday

It is worth noting that support for the strike was virtually 100%

The question now is whether Impala Platinum Refinery, having dismissed its entire black workforce, can meet supplies to customers

Management has conceded that production could be badly affected. If its stockpile is not adequate it could be in trouble.

The Impala refinery shares the platinum

market with Rustenburg Platinum and there is, on the surface anyway, strong competition between the two

ABOUT 1 500 miners at Impala Platinum Refinery near Springs yesterday entered their fourth day on strike over the sacking of seven colleagues, being called "kaffirs" and over working conditions.

The strike has developed into a crucial trial of strength following a deadlock between the National Union of Mineworkers (Mun) and the company representatives at the weekend

Meanwhile about 800 miners at Riet-spruit near Witbank staged a two-hour stoppage in sympathy with two colleagues who died at the coal mine last Monday. An official inquiry is to be held into the accident, according to a company's spokesman yesterday

This is the second stoppage of its kind by

Miners still out on strike

189
16/1/84
SOwetan
Num members Thousands of miners downed tools for half-an-hour last September following the death of 67 colleagues in the Hlobane disaster

Num's general secretary, Mr Cyril Ramaphosa, told The SO-WETAN that during the two-hour stoppage the workers had gone to the deceased's homes where they held an emotion-charged prayer service and paid tribute to them

The incident ended peacefully and the workers went back to work after the service, according to Mr Ramaphosa

addressed striking workers at the RAH plant
Mawu spokesmen said the organiser had
been granted access to the factory to persuade
the workers to go back. He was charged with
trespassing

~~SECRET~~ □ □ □ (B1) ~~SECRET~~
SINCE the Metal and Allied Workers Union
(Mawu) gained a significant victory with the
reinstatement of workers at the B&S factory,
at Brits, union membership in the area has
grown tremendously
However, being a deconcentration point, a
lower wage bill is one of the incentives offered
to industrialists in Brits. Unions are not likely
to be welcomed with open arms
Now Mawu is alleging close Security Police
interest in its activities in the area and fears
another East London syndrome. There, it
transpired in Parliament in 1981, Security
Police had advised employers on union-bash-
ing methods. *WDM 16/1/84*
Union fears were compounded last week
with the arrest of a union organiser who had

□ □ □
SPEAKING of East London, it is worth noting
that the Swart Commission, which made radi-
cal recommendations to develop the Ciskei
economy through a policy of free enterprise,
made no mention of the banning of the South
African Allied Workers' Union (Saawu) in the
territory

Saawu operates mainly in East London in-
dustry but most of its members live in Mdan-
tsane, in Ciskei. Saawu was banned by the
Ciskei Government last year.

While the report hinted that some form of
labour legislation appropriate to the terri-
tory's needs was necessary it failed to com-
ment on the prevailing situation

Presumably its authors believe that you can
have free enterprise without freedom of
association

189 RUM
Jewellery
17/11/84
trade tries
to sort out
bright men

By PRISCILLA WHYTE

JEWELLERY and coloured gemstone appraisers might soon have to appear before an examination board.

Mr Arthur Thomas, president of the newly-formed Gemmological Association of SA, says the move is supported by the jewellery industry and insurance sector.

The association is affiliated to the Gemological Institute of America and the Gemmological Association of Great Britain.

Mr Thomas says not all the people in the trade who are members of the Gemmological Association of Great Britain have technical qualifications. Only fellows of the organisation are recognised gemmologists.

It has been proposed that all members of the new Gemmological Association of SA must have a qualification and conform to a code of conduct.

There is, however, a stumbling block. One group believes the examination for coloured gemstone appraisers should be confined to the evaluation of jewellery and gems. A second believes appraisers must also be expected to place values on the pieces they examine.

There are three main certification systems in the world. About 80% of the international gem trade uses the American system, most Europeans have adopted the French Cibjo system but the most important is the European Grading System.

There are many others but the most important is that of the European Grading Laboratory.

The SA Diamond Exchange, members of the Antwerp-based Hogeraad, uses the Cibjo system and it is also employed at the Jewellery Council laboratory.

Gemstone certificates are also issued in SA by the Independent Colour Stones Laboratory, The European Grading Laboratory, Stellenbosch University and the Jewellery Council of SA.

Sacked miners return to homelands

By PHILLIP VAN NIEKERK
A LARGE number of workers at Impala Platinum Refineries near Springs must return to the homelands following the sacking of about 1 400 strikers — virtually the entire workforce of the company.
The dismissal has gone ahead in spite of a last-minute compromise plea by the National Union of Mineworkers (NUM).
The 1 400 workers went on strike last week in protest

against the dismissal of seven workers who downed tools after they were allegedly assaulted and verbally insulted by white supervisors.
Talks between worker representatives, including NUM officials, and the company broke down last week, with the workers demanding that the seven be reinstated before they return and the company demanding that they return before they be reinstated.
Following the dismissal of

the workers as they failed to come on shift from Friday afternoon till yesterday morning, the union agreed to the company's terms of a return to work before the seven could be reinstated.
Mr Cyril Ramaphosa, general secretary of the NUM, said yesterday afternoon he was still awaiting a reply from the company.
However, a few minutes later a statement issued by Mr R Bo-

vell, the company's managing director, said all the strikers had been discharged and that they would have to "collect their documents and return home."
It is understood that the vast majority of the 1 400 are contract workers who will now have to return to the homelands.
Mr. Bovell said production was not affected at this stage.

Business Day

Otis and Airco seem ripe for a merger

By JOHN MULCAHY

DEVELOPMENTS at Metair Investments, one of which is the sale to Wesco of a 25,1% interest in Airco Engineering, has prompted suggestions of a rationalisation within United Technologies' SA interests.

United Technologies, one of the biggest US multinationals, is the ultimate holding company of Airco and Otis Elevators so a logical rationalisation would seem to be a merger of the two companies.

A closer link does not seem to be under immediate consideration, however, and Otis managing director, Mr Elton Moller, points out that there is already a high degree of co-operation between the two associates.

Mr Moller is also a director of Airco and the two companies share intelligence on such area as marketing.

Mr Fred Nash, managing director of Airco, said there was an important obstacle in the way of a closer alliance between Otis and Airco — the SA minority shareholding in each would complicate a merger.

There were advantages in having local shareholders and United Technologies would be unlikely to change this.

Up to March last year Airco was a 74,9% subsidiary of Metair but Carrier Corporation then increased its holding in Airco to 74,9%, at a cost of R1,25m, leaving Metair with the remaining 25,1%.

As Metair is now well on its way to becoming a motor components manufacturer, it was decided to switch the Airco stake into Wesco.

Wesco has given no hint of a willingness to dispose of the Airco stake but, with its interest in the future likely to be concentrated mainly on the motor sector, Airco will increasingly become an enigma in the Wesco profile.

Wesco will be needing all of its resources to apply to the expansion of Metair and a sale of the Airco stake — at last March's value the 25,1% would be worth about R600 000 — would simply add to Wesco's available cash resources.

By acquiring the remaining 25,1% in Airco, Carrier Corporation would then create the environment for a merger between Airco and Otis in SA.

Otis is a 70% subsidiary of Otis US, while Otis US and Carrier Corporation are subsidiaries of United Technologies.

Mr Moller agreed there were areas where Otis and Airco could rationalise their operations in SA.

In the US, and to a lesser extent in SA, the trend in new-building technology was towards a complete package, incorporating elevators, air conditioning and security, all linked to a central control system.

Co-operation between Airco and Otis in SA is at board level, as Mr Moller is a director of Airco.

189 ROM 18/11/84

Union wants refund

~~7/16~~ (189)
PRETORIA BUREAU
Sowetan ~~1/13~~

19/1/82

The National General Workers' union has appealed to the Industrial Council to intervene in their claim for hundreds of rands from Poole Industries in Rosslyn which deducted the money without the permission of their member workers

About 300 black and coloured workers at the company — who are all members of the union — went on strike on October 11 last year, demanding a wage increment of R4 each an hour and that management stop deducting certain amounts from their salaries which were paid for the washing of their overalls and the R3 which was deducted towards their pension fund

Mr Donsie Khumalo, the general secretary of the union, yesterday said they had asked the Industrial Council to intervene in their efforts to claim the total amounts deducted by the company for the washing of their members' overalls

Mr Khumalo said the amounts ran into hundreds of rands

Fm 20/1/84

~~1100~~
189

PAY NEGOTIATIONS Heavy metal

Pay negotiations in the metal industries were tough in 1983. But chances are that employers and unions may have even more difficulty reaching agreement in 1984. This is the view of some industrial relations practitioners, who predict that 1984 is going to be an extremely difficult year. Says one bluntly: "I foresee labour unrest."

Last year, employers — represented by the Steel and Engineering Industries Federation (Seifsa) — first tried to postpone annual wage talks, which are usually held towards mid-year. After protracted negotiations, agreement was finally reached on a 5%-7% rise from July 1 for the about 500 000 employed in the industries. The Metal and Allied Workers' Union (Mawu), which had demanded a 30% increase, refused to sign the agreement.

The industries continue to suffer badly from the recession, and Seifsa director Sam van Coller recently predicted that it was unlikely that there would be a recovery this year and said prospects for 1984 were "uncertain."

Unions can, however, be expected to press hard for improved wages this year. SA Electrical Workers' Association general secretary Ben Nicholson, who plays an influential role in the negotiations, is already arguing that there are signs of an upturn. "We are beginning to see a turn-around and, in a few months, things may look brighter," he says.

Some industrial relations managers believe that a major problem at this year's

negotiations may arise from the fact that while many companies are still going through a difficult period, others are not doing too badly. If an employer wage offer is based on the ability of the least profitable companies to pay more, then there may be an increased effort by unions to persuade the more profitable companies to become involved in further negotiations at plant or company level.

BMW plant closes down

Cape Times 26/1/87 189 752

Own Correspondent

JOHANNESBURG — The BMW plant at Rosslyn near Pretoria — where about 1 500 workers are out on strike over wage demands — remains shut until further notice

BMW closed the plant on Tuesday after the workers had downed tools for the second time within a week, rejecting management's offer of a 10c across the board increase

A spokesman for the National Automobile and Allied Workers' Union (Naawu) said they had met with their shop stewards and general membership yesterday and that they would be attempting to reopen talks with the company

A BMW spokesman said there had been no further talks with the union and the plant would not reopen "until we are satisfied our

people will be safe when they report for work"

Meanwhile, members of the Metal and Allied Workers' Union (Mawu) downed tools at three Rand plants yesterday

A spokesman for Mawu said workers at Promac Plastics in Wynberg stopped work yesterday morning over the retrenchment of eight workers, but returned to their jobs yesterday afternoon

He said that at Reliable Products at Herrietdale about 100 workers downed tools over the dismissal of three workers. A spokesman for the company said it was a "minor problem" and the dispute had been settled within half an hour

The Mawu spokesman said about 400 workers were on strike at Powerlines in Springs over the dismissal of a union shop steward ..

269
189
2004 26/11/84

Steel-makers jib at control reduction

By PRISCILLA WHYTE

THE Government's proposed reduction of import controls is causing grave concern in the steel community

Mr Les Boyd, the chairman of Highveld Steel and Vanadium, says "The timing is absolute madness and does not take into account the realities of the world situation

"I am not concerned here with the issue of quantitative import control versus tariff protection

"But this is the wrong time to make any changes since the rest of the world is going the other way"

He says the whole idea of running down import controls for the South African steel industry should be shelved, at least until the world economy is in better shape

The Japanese industry, though, has been able to fight off foreign competition

Duties applied for on different steel products by South African producers are about 20%

A "trigger price" structure has also been suggested

Mr Boyd sees 1984 as another tough year for the South African steel industry

Difficulties will be aggravated by the 1% rise in GST and by any additional rise in company and personal tax

He expects interest rates to remain high

"These factors will have a dampening effect on steel demand and therefore I am not sanguine about 1984"

From October 1982 to March 1983 there was a price war among South African steel producers when prices fell by 12.5%

There is greater price stability in the market at the moment.

A modest steel price increase may be requested in the middle of the year, but whether it is granted remains to be seen

Steel industry production is now running at about 75% of capacity.

Mr Boyd is not sure whether domestic steel consumption will improve this year

He projects the sales of primary

producers only marginally better at 5% to 10%

Highveld has four furnaces operating and an additional kiln is being used

"The indications are that another furnace and kiln will be commissioned for service before the middle of the year."

In 1983, Highveld capacity utilisation was 67% for iron and steel and 75% for mills

This year began with slightly higher operating levels, "but we are not yet back at capacity"

Mr Boyd says 1983 started off with very poor consumption and inventory corrections for destocking

In the second half of the year the situation improved somewhat because inventory correction had run its course

The first quarter of 1984 should be similar to conditions in the second part of 1983. Thereafter a modest improvement is projected

The steel industry historically has improved ahead of the rest of the economy

The last peak in the local steel market was in 1980/1981, a record period

Exports comprise 30% of Highveld production

"We are restricted in terms of

quota agreements Internationally, although prices are improving, there is not a strong recovery situation yet"

Highveld has been committed to the steel export market for the last 12 years and this policy will continue

Mr Boyd is bullish about longer term prospects for South Africa as a steel producer

Those developing countries that produce steel — Taiwan, South Korea, Brazil, Venezuela, Mexico, Argentina, India and South Africa — will increase their steel capacities continuously and penetrate deeper into the export market to challenge the older steel-making countries

"The taxpayer in Europe is keeping the various steel-makers alive when, to all intents and purposes, they are bankrupt"

The British realise they have been throwing good money after bad. But France and the Benelux countries have difficulty in accepting the new world order of steel producers

Mr Boyd says developing countries such as South Africa have an intrinsic advantage because of lower production costs due to cheaper raw materials



MR LES BOYD

~~FM 27/1/84~~
Crocker seems to feel he now has a formula to allay everyone's fears and to get a settlement underway. He could be right — but there is a long way to go before anyone can be sure.

~~FM 27/1/84~~
METAL INDUSTRY
IMF council revived

~~FM 27/1/84~~

In a move with major implications for the metal industry, new life is being breathed into the SA Co-ordinating Council of the International Metalworkers Federation. It is to hold a special conference in Johannesburg in March.

Lending weight to the conference, which will take place from March 12-14, will be the general secretary of the International Metalworkers Federation (IMF), Herman Rebhan. As the representative of some 14-15m metalworkers, the IMF is one of the largest employee federations in the world. In the last few years the IMF played a key role in some SA disputes by bringing pressure to bear on overseas suppliers and head-offices — most importantly during disputes at Volkswagen and Alfa Romeo.

The SA IMF Co-ordinating Council has been in existence since the early Seventies. It represents workers ranging from highly skilled to unskilled and cuts across the conventional union boundary lines. However, it has had a traumatic history — mainly because of the vastly disparate nature of its member trade unions. These included unions from the Confederation of Metal and Building Unions (CMBU), the Federation of SA Trade Unions (Fosatu), and unions which are now members of the Council of Unions of SA (Cusa). In 1981 the council became moribund when differences of opinion among the unions became insurmountable.

This was followed by the expulsion of the Amalgamated Engineering Union (AEU) and the SA Electrical Workers' Association (SAEWA) from the IMF in May 1982. The all-white AEU was expelled because it refused to open its ranks to workers of other races. The SAEWA received the chop because it was unwilling to accept the IMF's view that the practice of organising parallel unions for other races was unacceptable.

The SA IMF council has been operating again in an informal manner since the beginning of last year. According to informed sources, the time has been spent in rethinking organisational structures and strategies. The March conference is intended to signal the start of a new era which should have a significant impact on the metal industry.

The member unions of the reconstituted council are SA Boilermakers' Society, Engineering Industrial Workers' Union of SA, Radio, Television, Electronic and Allied Workers' Union, National Automobile and Allied Workers' Union, Federated Mining Union, SA Tin Workers' Union, Metal

and Allied Workers' Union, and the Steel, Engineering and Allied Workers' Union. Some of these unions are not affiliated to any union grouping. Others belong to the Trade Union Council of SA (Tucsa), Fosatu, and Cusa. At a conservative estimate the SA IMF council now represents some 200 000 workers.

- Several issues will come up for discussion at the conference. Among them:
- The structure and number of representatives each union will have on the council,
 - Finding a conflict-resolving structure which will deal with matters such as demarcation disputes between council members,
 - The appointment of a permanent secretariat to serve the council, and
 - A commitment from all the unions involved to act together to assist each other with training and in making full use of the IMF's facilities.

Negotiations

One of the functions of the council will be to co-ordinate the various unions' claims for this year's metal industry wage negotiations. In the past the member unions have often worked at cross purposes. Unions representing skilled workers have tended to concentrate on the upper end of the wage scale, while others have given their attention to lower-paid workers. Last year, for example, the unions' demands ranged from 4% for the upper reaches to 30% for lower ranks. The council intends to narrow this gap in the interests of workers' unity.

"The SA council has never functioned in this way. It involves a new degree of co-ordinating which never existed before. There are also more potential members now than existed before," a union source told the FM.

~~189~~ 189 ~~189~~ ROK

GEC head stresses need for electric-motor tariff

Industrial Editor

THE HEAD of the largest electrical manufacturer appealed to the Government yesterday to encourage growth in this sector.

Speaking at GEC's annual apprentice prize-giving at the group's Benoni works, the managing director, Mr Paul Hatty, supported a recent industry appeal to the Board of Trade for tariff protection on high-voltage motors

He said efforts to improve productivity by apprentice training, and to eliminate waste with better buying techniques and design engineering, were inadequate

Prospects for the industry this year were particularly worrying because of the likely under-utilisation of capacity in an already-depressed economy.

There was no import protection on high-voltage motors and local

manufacturers feared for the viability of their industry

The Australian high-voltage electrical industry had been decimated by imports

Mr Hatty said statistics over the past three years indicated an increase in electric motor imports at a rate well above market growth

Recent tender submissions suggested that imported units were being offered at prices substantially lower than the manufacturing costs of established local suppliers

He estimated local manufacturers could replace 95% of imports without increasing capacity but added that efforts to replace imports, and develop export markets, were severely handicapped by inflation and high costs of raw materials.

Supporting a recent joint application by four manufacturers for tariff protection on electric motors above 260KW, Mr Hatty said these companies had been supplying high-

voltage motors for more than 30 years

"In order to maintain strategic competence, local industry will soon face decisions on significant plant expenditure.

"Local capability to produce large machines, and the new generation of machines required for Escom's extensive programme, are of absolutely critical — if not strategic — importance"

The joint applicants to the Board of Trade had an aggregate investment of R40m and employed 1 000 people

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1 March —

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6084CT/E

Electrical industry asks for protection

(189) Post 28/1/84

JOHANNESBURG — An appeal to the Government to encourage the growth of local manufacture in the electrical industry was made by the managing director of the GEC Group Mr Paul Hatty

Speaking at GEC's annual apprentice prize-giving ceremony at the company's works in Benoni, Mr Hatty supported a recent industry appeal to the Board of Trade for tariff protection

He said that continuing efforts to improve productivity by apprentice training and other means, and efforts to eliminate wastefulness by improved purchasing techniques and optimised design engineering were proving inadequate in fighting the total bill of costs which local industries now had to face

In consequence, the industry had been forced to ask the Board of Trade for tariff protection on high-voltage motors

"Local manufacturers fear for the viability of the industry having observed the decimation of the Australian high-voltage electrical industry as a result of inadequate protection

"The picture for 1984 is particularly worrying because of likely under-utilisation of capacity in an already recessed economy," said Mr Hatty

Statistics over the past three years indicated an increase in imports of electric motors well in excess of the market growth, and recent feedback on tenders submitted suggested that imported motors were being offered locally at prices substantially lower than the manufacturing costs of established local manufacturers

He estimated that local manufacturers could replace 95% of imports without having to increase present capacity, but added that all serious efforts to re-

place imports and develop export markets were severely handicapped by very high costs of local raw materials and inflation

The most notable example of a high-cost input was that of the lamination steel used in certain motors where the local price available was more or less double that paid for similar material by overseas competition

In certain cases there were virtually no alternative materials available to local manufacturers

Mr Hatty added that differential inflation rates — as much as 10% — between South Africa and certain other countries had served to exaggerate local manufacturers' lack of competitiveness since 1981

In support of the recent joint application by four major local manufacturers for tariff protection on electric motors above

260kW, Mr Hatty said that these manufacturers had been supplying high-voltage motors to the local market for more than 30 years

"Principal users such as Escom, Sasol, Iscor and the mines rely heavily on the local expertise of manufacturers including design, engineering manufacturing servicing and repair work

"In order to maintain strategic competence, local industry will soon face decisions on significant plant expenditure

"Local capability to produce large machines and the new generation of electrical machines required for Escom's extensive programme are of absolutely critical, if not strategic, importance," he emphasised — Sapa



**'RICE TAG
IN TOWN!**

these VW Jettas away —
can compete with this amazingly low
No strings attached — For the 1.3l Jetta LS 4 door
about trade-ins and finance. We think you'll be surprised
only while stocks last!

Global
GLOBAL VALUE — GREAT



ASK FOR GI

It's a Good time to

Sowetan 7/2/84

Row over sacked workers

189

A WYNBERG, Johannesburg company has confirmed that it refused to discuss the retrenchment of eight workers with their union, but has denied that its workers went on strike late last month.

The SOWETAN last week quoted officials of the Metal and Allied Workers' Union (Mawu), that the management of Promex Plastics had refused to discuss the retrenchment of eight of their members by the company and that workers were threatening to re-

By JOE THLOLOE

sume the strike they had for a few hours on January 23

A union official said that the 130 workers had agreed to go back to work after the company had agreed to discuss the retrenchments with the union

When the meeting between the union and the company did take place,

last Wednesday, the company refused to talk about the eight

The managing director of the company, Mr B Sidders, says the company and the union have a date, February 20, when they will discuss the recognition of the union

"For now, there is no procedural agreement between us and the union. We have not even seen their constitution."

Mr Sidders says that although there is no formal procedure the company did talk to the union and explained why the eight workers were retrenched

"Although one of our plants was shut down on December 1, we kept the workers on the payroll for an extra six weeks hoping that sales would improve in January," Mr Sidders says

DISPUTE GOES TO COURT

Sutton
01/2/84
(189)

THE dispute between African Cables and the Engineering and Allied Workers' Union (EAWU) over the sacking of 700 workers will be brought

before the Industrial Court next month. Lawyers acting for EAWU and the sacked workers, Mr William Lane, told The SOWE-

TAN, that management, in an attempt to reach an outside settlement with EAWU — who have threatened to take them to court — had opted to re-employ a hundred of the 700 sacked workers

The workers were sacked two months ago when they confronted management, demanding an explanation about the alteration in their four-day working shift to five days

~~188~~ 189 ~~186~~

Foundry men back at work

D. Dispatch 9/2/84
KING WILLIAM'S TOWN — Workers at the Dimbaza Foundries near here went on a go-slow on Monday and Tuesday the deputy managing director of the firm, Mr N J Rosser said yesterday

He said between 300 and 400 workers were involved but yesterday 95 per cent of the work force were in full production

Asked what was the

cause of the go-slow strike he said "We are not quite sure ourselves"

However he confirmed that wages were involved in the dispute

He said negotiations with a new liaison committee were in progress and he hoped the matter would be settled in two to three weeks' time

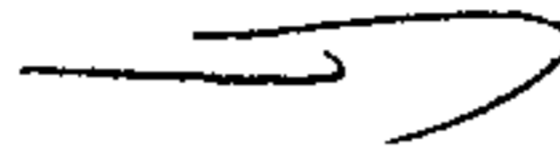
The workers could not be contacted for their comment — DDR

~~234~~ (189) Hansard
Armcor tanker
Q. Col 150 13/2/84
249 Mr D J N MALCOMESS asked the
Minister of Defence

- (1) Whether Armcor has placed a contract with a Durban shipbuilding yard for the construction of a tanker, if so,
- (2) whether tenders were called for, if not, why not, if so, (a)(i) by whom were tenders submitted and (ii) what was the tender price in each case and (b)(i) who was awarded the contract and (ii) for what amount was it awarded?

The MINISTER OF DEFENCE

- (1) No
- (2) Falls away



CAPE TIMES
14/2/84

189
ZBB

The Cape T

Highveld lifts profits 73%

Own Correspondent

JOHANNESBURG — Highveld Steel and Vanadium's attributable profits picked up 73 percent in the second half of 1983 to R14,178m compared with R8,177m in the first half

The Witbank steel, vanadium and ferro-alloy producer beat its own and market expectations on the second-half earnings but earnings for the year as a whole are still heavily down

Final dividend

A final dividend of 10c has been declared compared with a previous final of 22c

For the year to end-December, Highveld's earnings are still 51 percent down at R22,355m compared with an annualized figure of R46,046m for the previous accounting period which was the 18 months to end-December 1982

Earnings a share for the year are 32.8c (an-

nualized 1982 67.7c) and the total dividend for 1983 of 15c is sharply down compared with an annualized figure of 32.7c for the 12 months period to end-December 1982

Actual dividends paid for the 12-month period to end-December 1982 were 38c a share and actual dividends for the 18-month period to end-December 1982 were 49c a share

At the half-way stage, Highveld chairman, Mr Leslie Boyd, was looking for a "modest" improvement in the second half results

Turnover however increased 60.5 percent to R173,6m from the first six months' R108,1m

Improvement

Highveld said there was a significant improvement in both the domestic and export markets in the second half of the year and by the year-end most of its operations were running at higher levels of production

The year's turnover of R281,7m is 21 percent down on the annualized turnover for 1982 of R357,5m

Profit before tax for the year of R23,3m is 63 percent down on the annualized R63,4m for 1982 Profit before tax in Highveld's second half jumped 70 percent to R14,7m from R8,6m in the first six months

~~189~~ 189 ~~175A~~
92 workers down
tools at EL plant
15/2/84

EAST LONDON — A strike by workers at the Trace Industries plant here has brought operations to a complete standstill, the manager of the company, Mr N Martin, said yesterday

Mr Martin said that the strike started on Monday morning and that his whole black workforce, some 92 employees, had downed tools

"I have no idea what the nature of the strike is although I believe it is an attempt to get recognition for the South African Allied Workers Union (Saawu)," Mr Martin said

He said he had not been approached by any member of the workers committee, with whom he had previously had good relations, but that he was willing to talk to them

"By striking, the workers have automatically dismissed themselves and I shall be recruiting a whole new workforce as from today," Mr Martin said

He said that employees now on strike could reapply for their jobs if they so wished and added that some of his employees had telephoned him to say they wanted no part of the industrial action and asked that their jobs be kept open for them

"I am sure that the

majority of my workers have been intimidated in this matter

"As regards the recognition of Saawu we are already members of the Iron and Steel Industrial Council and it would be impractical to have two unions operating on the premises," Mr Martin said

Comment from the East London office of Saawu - could not be obtained yesterday —
DDR

EAST LONDON — Two men were reported to have been taken to Frere Hospital with head injuries yesterday after being attacked outside Trace Industries, where there has been an industrial dispute this week

According to Mr N Martin, the manager of the plant, the two men were outside the company premises early yesterday morning waiting to apply for jobs when they were attacked by a man carrying a stick

Mr Martin said that some members of the factory staff took the injured men to hospital

Senior police officials said that they had not received any reports of the incident

The work stoppage at Trace Industries, which manufactures domestic light fittings, began on Monday morning when the whole labour force walked out

Manager: job seekers beaten

189
246
Mr Martin said he believed the dispute was over the fact that he had declined to allow the SA Allied Workers' Union to be the major union operating at the factory

Mr Martin said that by striking, the workforce had automatically dismissed themselves and he had stated his intention to hire new workers to replace them. He said that he had hired about 50 workers yesterday and the plant was back in operation

Mr Martin said he had had telephone calls from several of his former employees asking for pri-

vate meetings to enable them to be reinstated. He said it was his belief that a "tremendous amount of intimidation was involved in this stoppage

A statement released yesterday by the Saawu office in East London said that repeated attempts by the workers at Trace Industries to have management recognise their wish to belong to Saawu had failed

The statement alleged that management had approached individual workers in an attempt to dissuade them from Saawu membership. At the same time it said that no worker was subscribing to a union inside the plant despite Mr Martin's contention that

workers were members of the Iron and Steel Industrial Council

The statement said that the workers did not want their jobs back unless the management was prepared to talk to the union of their choice. It also denied that Saawu members had been involved in intimidation

Mr Martin said that when Saawu had first started operating he had gone along with the idea of Saawu membership for a trial period

"But for a multitude of reasons it didn't work. Also, by the nature of our operations here we have no choice but to belong to the Iron and Steel Industrial Council and it is impractical to have two unions operating on the premises

"If workers want to belong to Saawu on an individual basis they may do so, but it is not the union which operates on my factory floor," Mr Martin said — DDR

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Migrants await

1912 184 City Press
MIGRANT workers are keenly awaiting a judgment which will determine under what conditions employers can re-trench them at the end of their contracts

The Metal and Allied Workers' Union (MAWU) and 12 union members have asked the Industrial Court to rule that employers have to follow "reasonable and fair" procedures if bosses decide not to renew migrant workers' contracts because they want to cut down on staff

Until now employers have merely been able to

(189) 2011
'fair deal'



refuse to renew a migrant workers' contract

But MAWU argues that the Industrial Court should rule that migrant workers should have the same treatment as other workers facing retrenchment

Migrant workers should have proper warning that their contract is not going to be renewed, there should

(167) (157) (190A)
be consultation with their trade union, employers should help them to find another job, and those who have been employed longest by the company should be the last people to be re-trenched, says MAWU

Judgment in the case brought against Screenex Wire Weaving Manufacturers has been reserved

Migrant workers in the metal industry have been amongst the worst affected by retrenchments

UPI Time
2=12/8k

Body to keep an eye on Iscor

Staff Reporter

THE Minister of Industries, Commerce and Tourism Dr Dawie de Villiers has appointed a committee to investigate the impact of changes in the international steel market on Iscor

Dr De Villiers made the announcement in a press statement released in Cape Town yesterday

"The government is concerned as to the impact the changing international market for steel, and consequently iron ore, will have on Iscor and in conjunction with Iscor's board of directors has decided to appoint a committee to investigate the matter," the statement said

"The committee, of Messrs J B Maree, R A Plumbridge and J L van den Berg, has been requested to investigate and submit proposals as to how the detrimental consequences on the utilization of the existing organization infrastructure and facilities could best be headed off

"The investigation under the leadership of Mr Maree will be done with the full support of the Central Economic Advisory Service, and after consultation with the Iscor board of directors and management the South African Transport Services and other parties concerned"

A spokesman for Mr De Villiers' department said the committee was needed because of the depressed state of the international steel market

He agreed that the committee could be a precursor to privatization of Iscor, a move strongly supported by economists



From left, Lynton, Riedewaan, Nicolette, Quantah and Leticia, from school, Grassy Park, had a chance to play with the new Disa '84 exhibition at the Good Hope Centre yesterday. The exhibition runs until Saturday

Kids show big businessmen what they do

Grassroots allows the use of mothers' skills by providing day care for children and in the long term, sound early education is an investment in higher education

Daunting

Yesterday, 10 children from the Harmony Nursery School, Grassy Park, and their teacher, Mrs Annie Chadwick, were looking after the stall. They were using various types of pre-school

equipment made and sold at the Grassroots shop

"Very often our schools are held in multi-purpose halls or churches, and every day equipment has to be packed away. This can be a daunting task, so over the years our furniture has evolved to be easily assembled and put away," said Ms Pooler

Two examples are the shelves which slide on wheels and can be fold-

ed in two to be locked at night, and a wonderful arrangement in the fantasy corner which could be a house, puppet show letter box or shop. This equipment is available to any school from the organization's shop

The first community nursery school was opened with Grassroots help at Schotsche Kloof in 1969 and today they are associated with 35 schools. This year the target is another eight schools to be established up the west coast

Most of the schools are open from 7am to 6pm requiring a lot of staff, but often there is only one qualified teacher. Grassroots also aims at training teachers and helping equip the generation of tomorrow

The exhibition is open from 10am to 7pm daily until Saturday

JOBS
Community noticeboard
2233 9am to 12 30pm
to Fridays!

Three hours of talks end strike at Kohler Plastics

Labour Reporter

Kohler Plastics yesterday decided to re-open its Robertville plant and re-instate the entire workforce of 220 at the end of this week.

The decision was made after three hours of negotiations with representatives of the Metal and Allied Workers Union.

The plant was closed on Monday and the 220 workers were dismissed after a strike over retrenchments which resulted from the extension working shifts.

In a statement, released yesterday the company said it advised the works council of the change in shifts in mid-December. The plan to change from a 45-hour, two-shift five-day week to a 40-hour four-shift, seven-day week, was designed to enable the plant to work continuously.

When workers arrived on Monday to start the new shift, 46 were told they were being retrenched because of the rationalisation programme. When the night

shift started, another 22 were told they were being retrenched. At this stage the entire night shift left the plant in support of their colleagues.

The strike continued yesterday morning when all of the workers were dismissed and the plant was closed.

Union representatives met management under the auspices of the National Industrial Council for the Metal Industry and the dispute was resolved. The workers are to return on the four-shift system on Friday.

RAM 23/2/84 184
Mawu wants more pay, less hours

By STEVEN FRIEDMAN
 Labour Correspondent

THE Metal and Allied Workers will demand a R2.50 an hour minimum wage for the country's 400 000-plus metal workers at this year's wage negotiations in the industries — a 63% increase on the current minimum.

The union will also demand key changes to work hours and overtime pay in the industries and a 50 cents an hour across the board pay increase for all workers. The minimum wage in the industry at present is R1.55 an hour.

The demand is certain to be resisted by employers represented by the Steel and Engineering Industries Federation (Seifsa) and means this year's wage talks — at the metal industries industrial council — are certain to be heated. Yesterday, however, Seifsa's director,

Mr Sam van Coller, said no wage demands had been received from MAWU or other unions on the metal council. This meant, he added, that no date has yet been set for pay negotiations.

The industrial council's executive is due to meet next month and it is likely that unions will formally submit their demands at that meeting. A date for negotiations would then probably be set.

Last year was the first in which MAWU took part in wage talks at the metal council which sets minimum pay and conditions for workers in the industries.

In the latest edition of Fosatu Worker News journal of the Federation of SA Trade Unions to which MAWU belongs, MAWU's president, Mr Jeffrey Vilane, says the union's demands do not differ much from those made last year.

This, he said, was because "in 1983 Seifsa did not give serious attention to what our members wanted — so we decided to tell them again this year."

He said the demand had been increased because general sales tax had increased, rent had risen and workers' transport expenses were "huge".

MAWU Mr Vilane said would also demand a 40-hour work week instead of the present 45 hours, a maximum of five hours overtime to be paid at double rates during the week and triple rates at weekends, and one month's notice before firing for all workers.

The union would also seek a procedure stipulating that workers be temporarily laid-off instead of retrenched.

MAWU would also ask that wage talks begin in March this year — earlier than usual — to give union leaders more chance to consult members.

RDM 23/2/84 (189)

Workers return after 'yes' to new shifts

Labour Correspondent

KOHLER Plastics, which is owned by the Gencor group, has agreed after talks with the Metal and Allied Workers Union to reinstate 220 fired strikers at its Robertville plant on the West Rand

But this agreement only came after the company took the unusual step of declaring a formal dispute over workers' refusal to accept a new shift system

According to a company statement, the workers downed tools on Monday in

protest at the new system and retrenchments

The dispute was settled after talks between Kohler and MAWU under the auspices of the Metal Industries' Industrial Council. The company says workers have agreed to return to work tomorrow and to accept the new system

Kohler said it announced to workers some time ago its intention to rationalise production by switching from a 45-hour, two-shift, five day week to a 40-hour four-shift seven day week

The change, Kohler says, was due to come into effect in mid-January but was postponed in order to persuade workers to accept it

It said it had offered workers a subsidised bus service through Soweto six times a day, an attendance bonus, a shift allowance, and overtime for week-end work once the new system was introduced

At the end of last week, Kohler said, it declared a dispute and warned there would be firings if the new system

was not accepted this week

It said 46 workers were retrenched on Monday, prompting a strike by their colleagues on the first shift.

These workers returned, but later another 22 on the night shift were told they were to be retrenched and the rest of this shift struck. Tuesday's morning shift also refused to work, and the company fired the entire workforce. Now, however, the dispute had been settled

Union comment could not be obtained yesterday

Profit seen for Iscor in 1984

Argus Correspondent
PRETORIA. — Iscor, South Africa's steel producing giant, has turned a record R244-million loss around and will register a profit this year.

This was announced last night by Mr Floors Kotzee, managing director and chairman-designate of Iscor.

Speaking at the annual awards made to Iscor's officials for increasing productivity, Mr Kotzee said Iscor would show a profit in spite of the poor economic conditions and the low demand for steel.

He said one of the major factors for the dramatic change in Iscor's fortunes was productivity improvement, and programmes where employees using their own initiative and time sought solutions to production problems.

At the ceremony certificates and trophies were presented to Iscor em-

ployees who had saved the corporation about R53-million during the last year, most of which will be ongoing saving.

In an interview Mr Kotzee said Iscor's profit would be slight, but a profit nonetheless.

He said a profit would be made in spite of losses incurred on iron ore exports, and Iscor's situation would have been even rosier if it were not for these losses.

TURKEY

Mr Kotzee said one of the problems was that the demand for iron ore had fallen off over the last few years.

As a result Iscor would only be exporting 4,2-million tons of ore to Japan, and at a price in line with that paid for Brazilian ore — about 11 per cent lower than previously.

Iscor's contracts with European mills for ore ended last year and the

corporation will have to try and negotiate individual sales. It will also sell small amounts of ore to Turkey.

BLEAK PROSPECTS

Mr Kotzee said while there were signs that the domestic steel market would continue to improve there was little hope for a revival in ore exports and Iscor was looking at a gradual recovery to about 10-million tons.

But this was less than the 1982/83 figure of nearly 12-million tons of ore exported, and far below original projections of up to 40-million tons being ferried for export on the Sishen-Saldanha railway line yearly.

The continued slump in ore exports, and the bleak prospects for a recovery appear to be among the reasons for the recent appointment of a commission of inquiry into the future of the railway line.

RM 27/2/84 (189)

It also wants shorter hours, limits on overtime and an agreement providing for temporary lay-offs instead of retrenchment

Once again, employers are likely to want to keep increases extremely low.

But unionists say there may be a crucial difference this year — Whereas in 1983, other metal unions accepted a low employer offer — and were denounced by MAWU for doing so — there are signs that this year most want to push for large rises

Growing pressure on worker living standards — increased by GST and bread price rises — is the prime reason, despite the continuing recession

So there is a real prospect of a more united union push for large increases this year

But one factor could hamper this. Key local unions in the International Metalworkers' Federation say IMF unions — of which MAWU is one — agreed to submit joint wage demands this year

But they argue that by announcing its demands MAWU has made this more difficult and has left the others with a choice between simply endorsing its demands or repeating last year's divisions

Despite this, unionists insist there is enough common ground among them to formulate common demands

The recession means the balance of power will be with employers, who have been taking a tough line on wages this year

But there is a greater danger now that the squeeze on workers could prompt them to take action to defend their real wage levels — whatever the employer response

Atlantis Diesel

could break even this year

APG 3/3/84
189

By BILL LEVITT

ATLANTIS Diesel Engines, hit by huge losses in its first two years of operation, could break even this year "with a little luck."

That is the forecast of Mr Hartmut Beckurts, Atlantis's managing director, who says ADE has hired another 200 employees — bringing its workforce to slightly more than 2 000 — and plans a second eight-hour shift on its truck line by May

Another 100 workers may be required as soon as the tractor market picks up

Revised forecasts for 1984 show the truck and tractor engine plants will operate at close to 55 percent capacity — up from 31 percent last year, have a turnover of R200-million and produce a total of 27 000 engines — up from an earlier projection of 22 000

The figure will be 35 000 for 1985 — which could be the first year the company shows a profit

Forced up prices

In an interview this week Mr Beckurts rejected allegations that the company's government-protected monopoly — and its high-priced engines — had forced up truck prices by 30 percent

Admitting that his engine prices had increased to cover inflation and foreign-exchange losses, Mr Beckurts accused



Mr Hartmut Beckurts, managing director ... "with a little luck."

truck manufacturers of making Atlantis a scapegoat to hide hefty increases for improved braking systems, control panels and cab layouts

He said price rises had been below increases in both the consumer and wholesale price indices

He hinted at the possibility that Atlantis would ask the Government to reduce gradually its protective tariffs on imports as the company's market penetration increased

He said the company estimated it had captured about 80 percent of the truck market and about 70 percent of the depressed tractor market

In spite of international objections to import sanctions by signatories to the General Agreement on Tariffs and Trade — which includes South Africa's major trading partners — the

Government had a responsibility to use barriers to stimulate local development and create skilled jobs

"To compete against imports we must become more productive. We can no longer rely on gold to cover our debts. We must develop an industrial base"

Peace efforts in Angola and Mozambique could lead to economic co-operation with other African countries and open up export markets for ADE's truck and tractor engines. Exports could some day find their way to Europe and the United States

The idea of a local diesel engine manufacturer with a government-sanctioned monopoly was conceived in the late 70s as a solution to the threat of international boycotts

Mr Jimmy Carter, US

President at the time, had cut the flow of some American truck exports to South Africa on grounds that they were intended for military use. That triggered the decision to create ADE

Mr Beckurts rejected the contention that the move had backfired because the firm still imported two key components — the turbocharger and the diesel fuel pump

"If the push came, we could manufacture them," he said

Local content

ADE's local content by value is about 75 percent

The factory at Atlantis, consists of two ultra-modern engine plants, a training centre and technical school, two foundries, two warehouses, three spacious cafeterias, an administration building and an energy building

The Government put up R400-million to set up ADE in 1978 and gradually raised tariffs on imported truck and tractor engines to 50 percent in some cases

ADE began production in 1982 only to be hit by three major setbacks — a recession, the drought and a glut of cheaper imports rushed in by truck manufacturers to beat the tariff increases

Loss figures

Those factors, combined with a growing stockpile of diesel engines as truckmakers cancelled orders with ADE as their sales plum-

To Page 14

Atlantis

From Page 13

metted, shoved the firm deeply into the red. Official loss figures are confidential

But things appear to be turning around. Cheap imports no longer abound and embarrassing stockpiles of ADE engines have been cleared away

Although total truck and tractor sales are likely to remain at last year's levels, ADE stands to gain because "it's now the only show in town"

The company, which manufactures Daimler-Benz and Perkins engines under license, sold a total of 15 500 truck and tractor engines in 1983 — down from 19 000 originally forecast

The company has added a new computer system which will enable it to reduce lead times significantly.

RAM 8/3/84
Split in
big metal
unions
demands

Labour Correspondent

UNIONS representing artisans in the giant metal industries have drawn up demands for this year's pay negotiations — but do not believe unions should push for large wage increases this year, artisan union sources said yesterday

This means the unions, who are represented by the Confederation of Metal and Building Unions, are likely to take a different approach to other metal unions, who have already announced plans to push for large wage increases

The Metal and Allied Workers Union has announced it will push for a 66% rise and Mr Ike van der Watt, general secretary of the SA Boilermakers Society, has said unions have no option but to push for "substantial increases"

Mr Van der Watt is also chairman of the South African committee of the International Metalworkers Federation, whose unions meet tomorrow to attempt to draw up joint wage demands

He has been pressing for all metal unions to draw up similar demands, but the likelihood of this was reduced by MAWU's decision to release its demand

The CMBU's position could make such a joint stance even less likely

Indications are that employers, represented by the Steel and Engineering Industries Federation (Seifsa), intend to resist large increases strongly

CMBU sources confirmed yesterday the Seifsa would consider the confederation's demands at its council meeting on Monday

Mawu workers strike ^{Scote} 8/3/84

ABOUT 300 workers at a Boksburg firm downed tools yesterday demanding higher wages, after negotiations between their union and management deadlocked.

The entire work force at Dever Metals, near Dunswart railway station, are demanding an increase of 50 cents per hour

Workers said they had been negotiating through their union, the Metal and Allied Workers' Union (Mawu)

growing row on SADF-organ-
visits to the border
AGE 4

iraq denies claims
SENIOR Iraqi official yesterday
said Iraq possessed or used
chemical weapons in the Gulf war,
after a US State Department
spokesman said the US had known
last year that Iraq was using
chemical weapons in its war with
— PAGE 4

BBC angers SA Govt
AN OUTSPOKEN anti-apartheid
programme screened by the BBC
has erupted into an angry row be-
tween the BBC and the South Afri-
can Government.
— PAGE 5

Rumours 'unfounded'
RUMOURS of the scaling down of
military service obligations and de-
fence spending because of recent
peace moves were unfounded, the
Minister of Defence has said
— PAGE 5

Inside Mail

Scramble goes on
AFTER four months of negotiating
and killing, Lebanon's warring fac-
tions have removed the first obsta-
cle to reconciling their differences
Now they must heal the divisions
and hatreds that have mired Leba-
non in nine years of civil war.
— PAGE 9

Sports Mail

Tuani moves
MARIO TUANI, the NPSL's most
colourful coach, yesterday linked
up with Amazulu — the most explo-
sive soccer club in the country — to
form a partnership with startlingly
provocative possibilities
— BACK PAGE

| | |
|--------------|--------|
| Appointments | 17 |
| Auctions | 17 |
| Bridge | 18 |
| Car Specials | 16,17 |
| Comics | 18 |
| Crosswords | 18 |
| Legals | 17, 19 |
| Metro Mail | 9 |
| World News | 8 |
| Radio | 18 |
| Weather Mail | 3 |
| Your Stars | 18 |

purpose
It will also provide for a joint commis-
sion to supervise the pact
The pact is expected to severely restrict
— if not curtail completely — the activi-
ties of the African National Congress in
Maputo and the Mozambique National Re-
sistance movement operating against the
government in the north of the country It
has been alleged that South Africa sup-
ports the MNR
After last week's talks Gen Veloso said
the Mozambique Government was con-
vinced the agreement was a "very posi-
tive" contribution to peace and stability
throughout Southern Africa
"The essential point of the agreement is
that the territory of Mozambique shall not
serve as a base for attacks against the
territory of South Africa and vice versa,"
he said
Angolan President Jose Eduardo dos
Santos has said Angola did not feel the
need for a non-aggression treaty with Pre-
toria even though it was happy to go ahead
with the establishment of a modus vivendi
between the nations of the region and
South Africa, the Rand Daily Mail's corre-
spondent in Lisbon reports
Mr Dos Santos said this on Wednesday to
the British Ambassador, Mr Mark Gould-
ing, according to the Angolan news agency
monitored in Lisbon
He told the ambassador Angola's main
objective in negotiating with South Africa
was to ensure the removal of South African
troops
He confirmed that this was in the pro-
cess of taking place even though there
were still South Africans in the country
In a toughly worded speech the Angolan
president also said Angola did not have a
common border with South Africa and that
their contact was the result of South Afri-
ca's illegal occupation of South West
Africa
Observers in Lisbon feel that this hard
line towards South Africa which contra-
dicts the new found peace with Pretoria is
more than an exercise in propaganda rhe-
toric
Reports reaching Lisbon suggest that
Soviet military aid to Angola is on the up
and that this has led to a new-found confi-
dence in the Angolan leadership
Specifically it has been suggested that
Angola is now in a position to challenge
South Africa's air superiority

purpose
It will also provide for a joint commis-
sion to supervise the pact
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and that this has led to a new-found confi-
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serve as a base for attacks against the
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Angolan President Jose Eduardo dos
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between the nations of the region and
South Africa, the Rand Daily Mail's corre-
spondent in Lisbon reports
Mr Dos Santos said this on Wednesday to
the British Ambassador, Mr Mark Gould-
ing, according to the Angolan news agency
monitored in Lisbon
He told the ambassador Angola's main
objective in negotiating with South Africa
was to ensure the removal of South African
troops
He confirmed that this was in the pro-
cess of taking place even though there
were still South Africans in the country
In a toughly worded speech the Angolan
president also said Angola did not have a
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**Fun supplement
for a fun weekend**

**DON'T miss WEEKEND FUNFINDER
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It's your complete guide to weekend
entertainment, with full television pro-
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shows, video movie reviews, details of
music and art, the latest on dining out,
and more — everything you need to plan
the perfect weekend
WEEKEND FUNFINDER is a tabloid
supplement to the Rand Daily Mail, to-
day and every Friday Pull it out and
keep it to make your weekend more fun

**'One-day'
clause
may hit
migrants**

By STEVEN FRIEDMAN
Labour Correspondent
CIVIL engineering employ-
ers want the Government to
allow them to hire migrant
workers on contracts en-
abling employers to fire
them on a day's notice
This would make civil
engineering the second indus-
try in which migrant workers
are employed on contracts
with only one day's notice
Recently, metal employers
introduced these contracts
after receiving Government
approval
Moves by the two indus-
tries to change the contracts
follows legal opinion that mi-
grants retrenched in mid-
contract could sue employers
for damages
This is because no notice
period is set out in migrant
contracts and unions have
won substantial compensa-
tion for migrants fired in
mid-contract.
Recently, the SA Feder-
ation of Civil Engineering
Contractors (SAFCEC) sent a
memorandum to members
suggesting that SAFCEC ask
the Government to approve a
change in civil engineering
migrants' contracts
The memo noted that the
wage order governing condi-
tions in the industry says
workers are entitled to 2
hours' notice
SAFCEC's director, Mr
Kees Lagaay, confirmed yes-
terday that SAFCEC planned
to write to the Government
asking for a "blanket
arrangement" allowing mi-
grants to be dismissed at 24
hours' notice

Schoeman:

By CHRIS FREIMONT
Political Correspondent
THE ASSEMBLY — The Mi-
nister of Transport Affairs, Mr Hendri-
k Schoeman, yesterday undertook to in-
vestigate the possibility of employing
hostesses on South African Air
Lines.
Speaking in Parliament
during the debate on the Tran-
sport budget, Mr Schoeman
said he had already appointed colour
coordinators and if a black lady can
be found to work in a posh five-star hotel with
coffee while lying in bed, I can

**Year —
SAIRR**
By ANTON HARBERT
Political Reporter
THERE was a dramatic in-

LIBSON — In an exper-
ience
reply to the recent accord be-
tween Mozambique and
South Africa, the opposition
Mozambique National Resis-
tance (MNR) has asserted
that it is still in action
throughout Mozambique and
closer to the capital Maputo
A communiqué released in
Lisbon yesterday outlines the
rebels' recent actions in the
area
The MNR communiqué
was issued with a three-page
commentary on the situation
in Mozambique which notic-
ably made no mention of the
recent agreement between
Pretoria and Maputo
Instead it stressed the pop-
ular support that the MNR
enjoys among the population
Observers in Lisbon point
out there can be no doubt the

By MIKE PITSO
Africa Bureau
ERU — The European
Community (EC)
approved a grant of R14-
27 km far road in the
north part of Lesotho
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Lisbon yesterday outlines the
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KDM 13/3/84

Steel import control giving way to tariffs

189

By PRISCILLA WHYTE

A TARIFF system to protect steel-producers against unfair foreign competition as import control is removed has been gazetted

Import control, in the Government view, should not be used to control the balance of payments and should therefore be phased out

The South African Rolled Steel Producers' Co-ordinating Council has applied on behalf of its members for tariff protection on the Board of Trade's insistence that all steel producers make such application

The council says its purpose is to obtain adequate tariff protection to safeguard the domestic market which would be vulnerable to dumped imports of primary steel products if no protection existed

The council believes that the capital-intensive steel industry is particularly sensitive to sales volumes

To ensure a reasonable return on investment, it cannot afford to lose even a single ton of domestic sales to imports

The council believes it will be necessary to maintain full production in order to avoid the serious socio-economic prob-

lems arising from the shut-down of large production units

Prices in world markets are unattractive and allow only a small portion of fixed costs to be recovered

This is also the reason why imported steel could reach South Africa at low prices

"The absence of adequate tariff protection or import control could result in the loss of the total coastal markets and part of the inland markets to cheap imports from overseas countries and elsewhere

"This could mean a decrease in local sales of as much as 500 000 tons a year," says the council

Problems of logistics and economics would make it impossible to export this additional tonnage

Shut-down, possibly of a complete steel works, would be the inevitable result

Steel exports from overseas countries are subsidised by governments, "which places these countries in a position to export at totally unrealistic and uneconomic prices"

An Iscor spokesman says "We contend that this proposed tariff system would be less advantageous to local producers than the system now in force"

Mr Les Boyd, the chairman of

Highveld Steel & Vanadium, says "The timing is absolute madness and does not take into account the realities of the world situation"

He says the idea of phasing out import control for the South African steel industry should be shelved until the world economy is in better shape

The Federated Chamber of Industries has notified its members to submit any objections or comments on the tariff application to the Board of Trade and Industries within six weeks

The problems arising from the dumping of manufactured steel products from abroad are to be discussed in Johannesburg on March 12 by the Iron and Steel Producers' Association, a member of Seifsa

It represents manufacturers in both primary and secondary steel industries

Dr Dawie de Villiers, the Minister of Industries, said in a statement last December that 93 items would be moved to the free-of-permit list

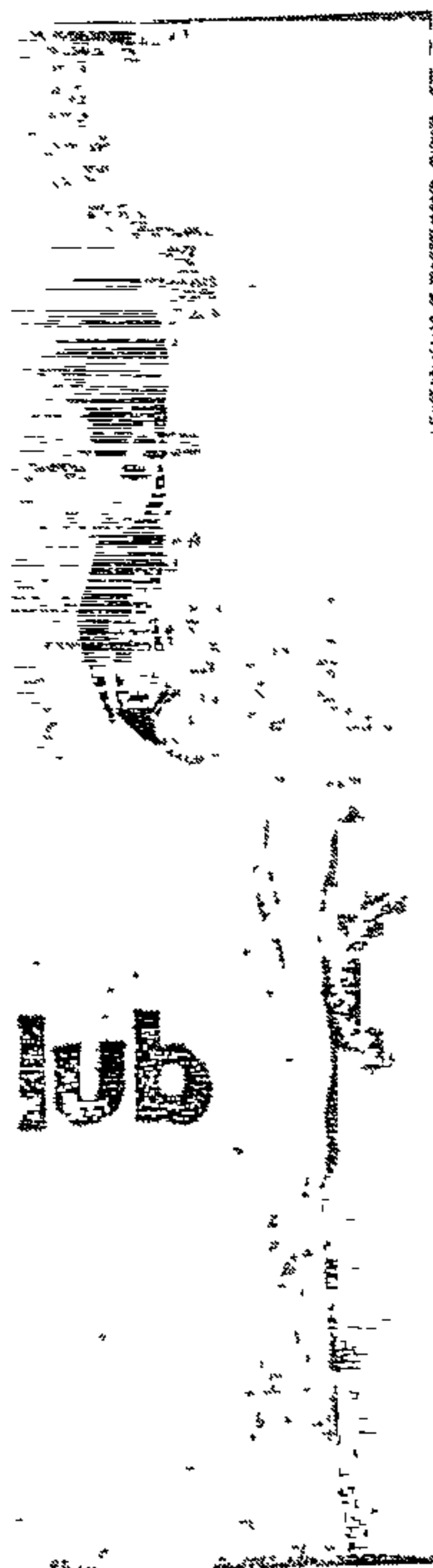
He said "In accordance with the Government's policy of phasing out import control as adequate tariff protection is provided, a great many products have during the past number of years been released from import control"

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13 March 1984



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Business Day SHARE INVESTMENT CONTEST

We invite readers of Business Day to try their skill at Stock Exchange investments by naming 6 shares in our J S E prices daily lists which they believe will out-perform all others during the period 2/4/1984 - 31/7/1984

A single prize of a Kruger Rand donated by the S A Gold Coin Exchange will be given to the winner. In the event of a tie, a separate draw will be held by Business Day's Financial Editor

We would like to hear from people for whom investment is an occasional hobby as well as from those whose work involves financial matters

RULES:

- 1 Competitors must select 6 SHARES ONLY from the securities listed on the J S E prices page of Business Day. SECURITIES STANDING AT LESS THAN 100c ARE EXCLUDED
- 2 Entries should only be made on the official entry form printed in Business Day or on a hand drawn facsimile of the official entry form
- 3 Starting prices will be taken at the close of business on the 30/3/1984 as shown in Business Day on the 2/4/1984

21/7/1984 as shown in Business Day

SA needs pact internally as well, unions told

Staw
13/3/84
189

By Joe Openshaw

A pact with Mozambique and possibly Swāpo would be irrelevant unless there was an internal settlement in South Africa with political rights for all, the general secretary of the International Metalworkers' Federation said in Kempton Park today

Mr Herman Rebhan told 90 delegates from nine South African trade unions representing 160 000 metal workers "To read some newspapers you would think the signing of a peace treaty with Mozambique or a willingness to talk to Swāpo signified that all this country's problems had been solved

"Let me say clearly South Africa's problems are on the inside.

"The poverty I have seen in the townships, the continuing cruelty of the pass laws, the reinforced division of people according to colour — those are South Africa's problems, not a handful of guerillas operating from neighbouring states.

"Peace on the outside, when there is turmoil inside, means a

handful of symptoms has been treated while the disease — the apartheid system and white minority rule — remains to be cured," Mr Rebhan said

"An external settlement without an internal settlement will soon be seen to be irrelevant here and overseas"

He said the behaviour of the "so-called governments of the bantustans" in passing anti-labour laws and brutally harassing unions would become the object of world concern

"I sometimes think the South African authorities must be deluding themselves if they think they can deny the right to participate to 80 percent of the population of the country and think people overseas believe that is an advance towards democracy.

"You cannot have a little bit of democracy any more than you can be a little bit pregnant.

"Mr Botha may believe you can be 20 percent a virgin but democracy, like chastity, is all or nothing"

He said an example of political injustice was the plan to increase blacks' tax levels

"Even the most right-wing extremist in the government will remember that what sparked off the American revolution was the cry 'no taxation without representation'.

"How can it be right for a white minority government to tax people it does so little for?

"How can it be right to increase taxes for blacks when Government support for education, health, social security and pensions is so weighted in favour of the whites?"

Mr Rebhan has been on a seven-day tour of IMF affiliates here.

ALICE DUN

JOHANNESBURG — The South African Boilermakers' Society found the Orderly Movement and Settlement of Black Persons Bill to be "unsatisfactory and unacceptable", its president, Mr Ike van der Watt, said yesterday

The union chief, addressing the congress of the South African Co-ordinating Council of the International Metalworkers' Federation, urged other unions to make submissions to the select committee that will hear evidence on the Bill after its second reading

"It would be sad if the society were the only union to give evidence on this highly important matter," Mr Van der Watt told the congress

Bill is unacceptable, says union president

"I know that many workers and their unions are reluctant to become involved in matters affecting the Government. I believe, however, that it is wrong not to make the voice of labour heard when legislation is involved or where the interests of workers are affected"

Although some unions had said that in the past their representations to Government were ignored,

Mr Van der Watt did not think this was a reason "not to make their voices heard".

The Orderly Movement and Settlement of Black Persons Bill that was being reintroduced to Parliament was in a form "which my own union finds unsatisfactory and unacceptable and which, I am sure, few unions here will like"

"If legislation is passed which merely perpetuates

the old 'dompas' system, those unions which remain aloof from direct action will not even be able to say they tried their best to prevent that, or to steer the legislation in a more humane and rational direction," he said

The Bill as it stood made "some concessions to workers" but left out the "main issue" — that the legislation was being put through

Parliament "without reference to the people whom it affects most closely".

Mr Van der Watt said it could be true that by making their voices heard now, black workers would be condoning a system which allowed them to be consulted only through their unions and not as citizens of the country

"But I believe we should ask ourselves whether it is sensible to allow injustice to continue if we have the chance to ease the lot of the workers"

The union had already submitted written evidence and had been informed that they would have the opportunity to give evidence directly to the select committee, he said — Sapa

ROM 14/384

Unity call as unions start talks

By STEVEN FRIEDMAN
Labour Correspondent

TEN metal unions with sharply differing policies and belonging to three union federations began a two-day conference yesterday aimed at building permanent co-operation which could beef up union muscle in the giant metal industries

About 90 delegates from the unions — which belong to the 14 000 000-member International Metalworkers Federation (IMF) — heard the IMF's Geneva-based general secretary, Mr Herman Rebhan, urge them to build unity so they could work for political change as well as building union strength in the factories

He delivered a sharp attack on government policies and said the IMF expected its South African affiliates to support calls for one-man-one-vote

But he also backed greater involvement by overseas unions in support of their local counterparts and said this would be easier if local unions united in an IMF council

The chairman of the IMF's local council, Mr Ike van der Watt, urged unions to co-operate in demands to employers and in fighting Bills like the Orderly Movement and Settlement of Black Persons Bill, which tightens influx control

The conference, which is being held outside Johannesburg, brings together unions which belong to the IMF's South African co-ordinating council

The council was revived last year after sharp divisions between the unions caused it to collapse

The conference is to discuss plans to set up a permanent administrative structure for the local IMF council, including a full-time secretary, which the IMF hopes will enable the unions to build co-operation

These efforts seemed to have suffered a set-back yesterday when the Metal and Allied Workers Union did not arrive for the meeting's opening day

Metal unionists suggested this was the result of tensions between Mawu and other IMF unions, but Mawu's general secretary, Mr David Sibabi, denied this

He said Mawu had been involved in meetings at the metal industrial council and would attend the conference's second day

Opening the conference, Mr Rebhan said the IMF "wanted apartheid abolished now" He rejected the government's new constitution and said the referendum was "on a par with so-called elections in the Soviet Union"

He also attacked action against unionists by "independent" homelands and said the IMF intended making this "a matter of world concern"

Mr Rebhan urged local IMF unions to take up political issues, saying "there is no easy divorce between politics and trade union work"

189

Metal workers agree to key unity moves

By STEVEN FRIEDMAN
Labour Correspondent

NINE metalworker unions with 200 000 members yesterday agreed to moves aimed at creating greater unity among them and welding them into a significant force in the labour and political fields

The unions which are active in the metal and motor industries and belong to union groups with widely differing policies, are also likely to receive stepped-up overseas union aid

They all belong to the 14-million member International Metalworkers' Federation, which represents metal unions throughout the West

Last year they agreed to re-establish the IMF's South African Co-ordinating Council which had collapsed as a result of inter-union tensions

Yesterday, after a two-day conference, they announced plans to set up a permanent IMF office in Johannesburg and appointed a full-time secretary

And, in a key move, the unions decided to set up a committee which will arbitrate among them when disputes arise and also pledged not to "actively seek membership" from each other

They pledged greater unity in presenting demands to employers and also issued a declaration pledging to work for wide-ranging political change

At a Press conference the IMF's Geneva-based general secretary, Mr Herman Rebhan, said a key effect of the move would be stepped-up support for local metal unions from the IMF and important metal unions in the West

This would include, he said, pressure on multinational companies involved in disputes with IMF members, training help for local unions, and providing them with information on multinationals to help them in negotiations

The IMF would also help fund its South African council, but this was an interim move as local unions wanted the council to finance itself

The chairman of the local IMF com-

mittee, Mr Ike van der Watt said the conference had helped remove many of the tensions between the unions

In their declaration, the unions said unity would require "effort, concessions and compromises" but said they had opted for it because "we are committed to a democratic South Africa and because we believe that unions make a unique contribution towards achieving that end"

The declaration, passed unanimously, noted that most workers "live in poverty, abysmal working conditions and a harsh social environment"

It blamed "poverty wages", influx control and race discrimination and added that "the voice of working people has been suppressed, their organisations crushed and their political rights are still being denied"

The unions pledged to work for "the total liberation of workers", a living wage "to be determined by the workers themselves", shorter working hours and an end to discrimination

SA can't go it alone — Pavitt

By DEBBIE REYNOLDS

DR F J DU PLESSIS was elected deputy president at the annual meeting of the South Africa Foundation yesterday

Opened by the Mayor of Johannesburg, Mr Eddy Magid, the occasion also marked the silver jubilee of the foundation, which strives to promote international understanding of South Africa

The foundation's four overseas directors, Mr Desmond Colborne from Paris, Mr Rudolf Gruber from Bonn, Mr John Chettle from Washington, and Dr Roy MacNab from London, and some 500 members attended the meeting at a Sandton hotel

In his address, the foundation's president, Mr Ted Pavitt, stressed the need for South Africa to come out of isolation

He said it was not feasible for South Africa to "go it alone" because it depended so much on international trade and goodwill

External political pressures were not going to change so it was necessary to accept and challenge the pressures

"The domestic and regional situations are the reasons why pressures on South Africa are not going to lift. And, far from refusing to recognise this unpleasant fact of life, we South Africans must meet the challenge of these pressures," Mr Pavitt said

The director general of the foundation Mr Peter Sorour, said 1983 was not a good year for South Africa overseas but some "positive and encouraging developments" had taken place

"Credit must go to the Department of Foreign Affairs and its Minister for some imaginative and successful diplomatic initiatives," he said

"Talks with Mozambique and signs of discussion about a ceasefire in SWA/Angola are heartily to be welcomed. We need more face-to-face communication with our neighbours rather than hurling abuse at one another from a distance"

He said the overseas offices of the foundation were instrumental in keeping the foreign Press informed

Pump implant for liver cancer patient

London Bureau

LONDON — A patient with liver cancer is being successfully treated by the implanting of a small pump to deliver a continuous supply of

anti-cancer drugs

The patient, a 54-year-old man, is said to be progressing well at St Mary's Hospital, in Paddington, London

A spokesman said it was the first time in Britain that a

pump had been implanted in a cancer patient, although similar pumps had been used for diabetics

In America, 85% of patients responded well to the

treatment, he said

The six-hour operation was carried out by Mr David Ross, consultant surgeon, who inserted the R3 400 American-made pump into the patient's abdomen

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200 000 SA metal workers link up

By Eugene Saldanha

In a move which holds serious implications for South Africa's giant metal industry, trade unions representing more than 200 000 workers yesterday committed themselves to setting up a co-ordinating council.

The decision came at the end of a two-day conference at which the 10 largest metalworkers' unions in South Africa also pledged to "establish a committee to develop guidelines to assure peaceful co-existence between SA affiliates to the International Metalworkers' Federation (IMF)".

The council will attempt to unite emerging unions as well as older and more conservative groupings such as Tucsa (Trade Union Council of South Africa)

Among those who have committed themselves to the co-ordinating council are the Boilermakers' Society of SA, Fosatu's Metal and Allied Workers' Union (Mawu), the National Automobile and Allied Workers' Union (Naawu), the Steel, Allied and Engineering Workers' Union, and the Engineering and Industrial Workers' Union

NONRACIAL POLICY

In a declaration issued after the conference, the unions said that, because of South Africa's history, their pursuit for unity would require "concession, compromise and a will to overcome prejudice"

The unions said they noted that the voice of most working people had been suppressed, their organisations crushed, and their political rights denied

"We commit ourselves to a nonracial policy aimed at eliminating discrimination in all aspects of labour, and in all social, economic and political matters that affect workers, and to develop greater unity in the presentation of collective bargaining"

The secretary of the IMF, Mr Herman Rebhan, who opened the conference, said the decision had been "historic"

"South African nonracial trade unions are poised for a major take-off which may even surpass what we saw in 1980/81 This co-ordinating council will, I am sure, open up a new chapter of high-level, high-pressure support from overseas for the growth of trade unions in all the metal industries in South Africa"

Mr Rebhan said the IMF would make its resources available to the council, would initially help with finance, and would arrange training programmes and "other projects which are necessary to ensure the efficient running of the council"

Port Elizabeth-based Mr Brian Fredericks will become the council's full-time secretary from May 1

RAM 15/3/84

Workers in fifth month of protest

Labour Correspondent

MEMBERS of the Metal and Allied Workers Union (Mawu) at Defy Corporation's plant at Vulcania, Brakpan, have been staging an overtime ban since October last year in support of wage demands, it was revealed yesterday

The ban is still in force and last week workers also staged a demonstration in the company grounds in support of their demands.

This is believed to be the longest overtime ban yet by black workers

Defy is one of the few companies in the metal industries which has agreed to negotiate directly with Mawu on wages and work conditions.

The dispute which prompted the overtime ban began almost a year ago and centres around worker demands for a 25c an hour increase. The company has offered a 7c rise

Mawu originally demanded a 50c rise, but has since scaled down its demands, while the company originally said it could offer no increase at all

According to informed sources, negotiations between Mawu and Defy began last March when the company told the union it could not pay any increase and suggested that wage talks be postponed until October

In October, the company repeated its March stance and workers then launched a ban on overtime

Talks between the two sides on the wage issue are still in progress

● Meanwhile, the Paper, Wood and Allied Workers Union announced yesterday it is to take legal action against Johannesburg plastic bag manufacturers Transpoly, which fired its entire workforce after a strike earlier this week.

A union official, Mr Jeremy Baskin, was arrested outside the plant

RDM 15/3/84
Metal

unions want pay rise

By STEVEN FRIEDMAN
Labour Correspondent

UNIONS in the giant metal industries have made demands for sharp rises in minimum pay which would see the wages of lowest-paid workers rising by at least a third.

Union demands to the Steel and Engineering Industries Federation (Seifsa), which represents metal employers, also include calls for a shorter working day, more paid leave and redundancy pay for retrenched workers.

The demands of key metal unions were released this week after Seifsa and a trial council had agreed to set April 10 as the date for this year's official wage negotiations in the industries.

Seifsa's director, Mr Sam van Coller, said this week that Seifsa members would now discuss the union demands and reply to them when talks opened.

The talks will cover about 380 000 workers in the Confederation of Metal and Building Unions (CMBU) — representing mainly skilled workers — and the Steel, Engineering and Allied Workers' Union (SEAWU), a member of the Council of Unions of SA.

This week released their demands. The Metal and Allied Workers' Union has already released demands for a R2,50 an hour minimum and a 50c "across the board" increase for all workers. The present minimum is R1,53.

Mr Ben Nicholson, said CMBU unions wanted a change in the metal wage structure which would raise minimum pay to R2 and the minimum for high-paid workers to R5,50. Their present minimum is R4,41.

They also wanted workers to be guaranteed a rise of at least 12% on the present minimum for their jobs — which would raise skilled pay by just over 50c an hour.

The general secretary of SEAWU, Mrs Jane Hong-wang, said her union was demanding a R2,53 minimum and a redundancy pay agreement which would give retrenched workers one week's pay for each year they had worked. These were the two "burning issues" for her union.

Macsteel acquires ~~Flekser~~ ⁽¹⁸⁹⁾ from Lucem ^{Faw} 16/3/89

An agreement has been reached between Lucem and Macsteel in terms of which Macsteel has acquired from Lucem the business of Flekser Steel

The price payable by Macsteel to Lucem is the net asset value of Flekser as at March 31, which net asset value will be established by an audited balance sheet of Flekser as at that date

It is expected that the price will be about R6 million

Macsteel will take possession

of Flekser at close of business on March 31, when it will pay to Lucem the sum of R2 million, the balance of the purchase price being payable on June 30

The transaction will have no effect on the net asset value for every ordinary share of Lucem but will reduce its debt to equity ratio by about 25 percent

Had the transaction been effective for the whole of Lucem's financial year, which ends on March 31, it would have had the

effect of increasing Lucem's earnings by about 2,5c a share

Commenting on the transaction, Mr Alistair Isabelle, chairman of Lucem Holdings, said "As referred to in our interim report, the group's high debt to equity ratio is of foremost concern

"The opportunity to conclude a mutually beneficial deal with the Macsteel organisation materialised as a result of discussions in the last 12 months

"This transaction will enable Lucem to reduce meaningfully its debt and it is considered that it will accelerate the group's recovery by easing the burden of servicing that debt"

The deputy chairman of Macsteel, Mr Arthur Browne, said "We have expressed interest in this acquisition for well over a year now, and the purchase of Flekser as a going concern is a natural extension for Macsteel"

— Sapa

189 16/3/84

US PRESIDENTIAL ELECTION

Super Tuesday's confusion

America's "Super Tuesday" presidential primary elections failed to give a clear indication of who will oppose Ronald Reagan in November

Our Washington correspondent writes that three weeks ago the political forecast was that by March 13 fully one-third of the 3 933 Democratic Party delegates to its nominating convention in July would be committed. Everyone was to have had a pretty good idea of the nominee

A week ago the bright burning comet that is Senator Gary Warren Hart (see *Newsmakers*) of Colorado swept victoriously through the sparsely-populated, but symbolically important, early party preference contests in New Hampshire, Vermont, Wyoming and Maine

Hart's call for "new leadership and a fresh start" generated excitement among Democrats. And it appeared that Super Tuesday would mark the point where he gained a decisive lead over Walter Mondale, the Jimmy Carter vice-president whose early front-runner status is now in doubt

It didn't happen. With official returns not likely to be certified for another week, this was the situation at the time of going to press

On Tuesday there were 511 delegates up for grabs in nine states. There were primaries (public ballotings) in the southern states of Florida (123 delegates), Georgia (70), Alabama (52), and the New England states of Massachusetts (100) and Rhode Island (22). And there were caucuses (party meetings to nominate delegates) in the states of Washington (61), Oklahoma (43), Hawaii (19) and Nevada (15)

In addition Democratic Party members in two other categories, American Samoa and the so-called Democrats Abroad clubs in 29 foreign countries, picked uncommitted delegations

Finances

In terms of winning votes Hart did better than anyone expected a fortnight ago — when he had planned not to contest the Super Tuesday races at all but to concentrate his thin financial resources (\$15 000 a day in campaign fund receipts) on the big northern state contests in April

Hart led Mondale in Florida, Massachusetts, Rhode Island and Nevada. The trouble is that these wins do not necessarily translate into delegates. In Florida, for example, Hart fielded delegate candidates in only one-third of the contests. So Mondale effectively captured most of that populous state's delegation

Mondale was victorious in Alabama and

Georgia — despite the defection of large numbers of black voters who voted for Jesse Jackson. As the campaign moves to the northern states (Illinois, Ohio, Pennsylvania and New York) next week Mondale may begin to regain ground thanks to heavy union and urban-liberal support

What does Super Tuesday tell us? A month ago there were eight Democratic contenders for the nomination. Now effectively there are two: Mondale and Hart. Two others who remained in the race, George McGovern and John Glenn, may withdraw after the vote in Illinois next Tuesday

Super Tuesday also demonstrates that a good big man can still defeat a good little man. The Mondale organisation is fuelled by a Democratic Party hierarchy (of which organised labour is an unofficial but active part) which wants him for several reasons

One is that Mondale has a claim on their loyalties by long service to the party in the US Senate and as vice-president. He is also an orthodox Liberal with strong anti-Pentagon, big welfare and strong regulation-of-business credentials. Finally, Mondale can be counted upon to help Democrat congressional and senatorial candidates as well as

the thousands running for local and state offices — even if he fails to unseat Reagan

Super Tuesday also showed how bored Americans — or at least Americans who are Democrats — are with the campaign in general and with Mondale in particular. It was George Wallace, the old segregationist turned integrationist Governor of Alabama who summed up the mood as only he could: "The whole damned thing was a mile wide and an inch deep. Some of the places they (the presidential candidates) went in Alabama I used to draw bigger crowds when I'd stop to fill up my car's gas tank."

It is also clear that many Democrats are now going to pay closer attention to Hart and ask whether they really want to go into battle behind him in November

That prospect understandably worries party professionals. Many think that voters will find Hart's "neo-liberal" mix of pro-Pentagon and free-enterprise policies so indistinguishable from those of Reagan that he will drag down other party candidates as well — just as his old mentor George McGovern did against Richard Nixon in 1972

But Hart has won delegates in a region he was going to bypass a month ago. His campaign fund flow has soared to \$80 000 a day. The media hang on his every word — sometimes to his detriment. His crack about shooting down a Czechoslovakian airplane if it violated US air space (only if the crew was wearing military uniforms) was added to the string of gaffes that are being tolerated as beginner's blunders — for now

Finally Super Tuesday's results mean that Hart and Mondale must press on. On through the heavy industrial state primaries of April and May. And they may still be slugging it out in California as late as June and — a horrifying thought for the party professionals — the contest could end up being decided on the convention floor

MS VICE-PRESIDENT?

Uncertainty about the meaning of Tuesday's Democratic Party presidential primary results set campaign aides for both frontrunners talking about one move that would pep up the lacklustre race — a woman vice-presidential nominee

According to our Washington correspondent, no major American party has ever had one, although several feminist parties have fielded candidates. And, in the Seventies, black congresswoman Shirley Chisholm was entered as a candidate for president, though more as a token of her race than her sex

American women will make up 52% of the vote next November and Ronald Reagan is the least popular candidate among women who consider themselves "non-political"

"I am sure a woman will be on the shortlist of vice-presidential possibilities," says Charles Manatt, the Democratic Party's chairman. Among those who might be considered are San Francisco Mayor Dianne Feinstein and congresswomen Patricia Schroeder of Colorado and Martha Griffiths of Michigan

METAL UNIONS Forging worker links

Worker clout in the grant-metal industry received a boost this week when 10 metal trade unions representing some 200 000 workers met to revive the SA Co-ordinating Council of the International Metalworkers Federation (IMF)

Present at the conference was Herman Rebhan, general secretary of the IMF, which represents 14.5m metalworkers worldwide

The SA council is composed of unions

with widely differing ideologies drawn from three different union federations as well as some unaffiliated unions. The federations are the Federation of SA Trade Unions (Fosatu), the Council of Unions of SA (Cusa) and the Trade Union Council of SA (Tucsa).

Member unions are the SA Boilermakers' Society, Radio, Television, Electronic and Allied Workers' Union, Engineering and Allied Workers' Union of SA, Engineering Industrial Workers' Union of SA, National Automobile and Allied Workers' Union, Federated Mining Union, SA Tin Workers' Union, Metal and Allied Workers' Union, and the Steel Engineering and Allied Workers' Union.

Also participating was the Tucsa-affiliated Motor Industry Combined Workers' Union (Micwu). Although it is not an IMF member, the Micwu has already applied to join the world body. Its application is expected to be accepted when the IMF meets in Dublin in June.

The council's revival comes after a year of careful planning following on its collapse in 1981 due to irreconcilable differences between member unions. The possibility of a revival occurred in 1982 when the IMF expelled the all-white Amalgamated Engineering Union and the SA Electrical Workers' Association because of their support for apartheid.

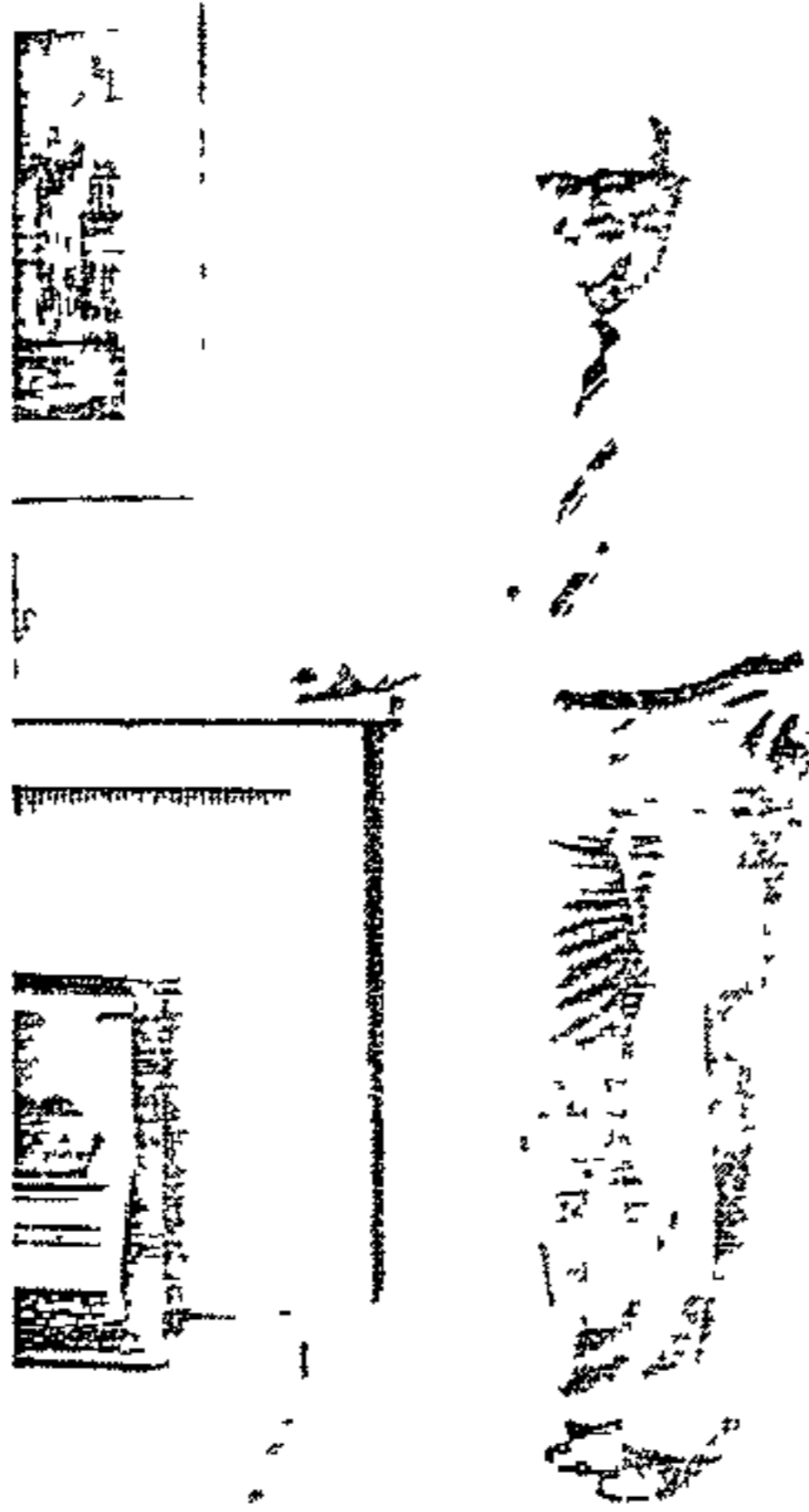
The IMF, which has its head office in Geneva, Switzerland, has similar councils in England, the US, Germany, Japan and the Far East, the Caribbean and several African countries.

Said council chairman Ike van der Watt: "We are very optimistic with the way things have been going. There is no doubt that there are a lot of major problems to be sorted out but I am convinced we have reached a position to place the IMF SA Co-ordinating Council on a much firmer footing than in the past. We will also be creating a full-time secretariat for the IMF in SA. It is essential to have this if we are to be in a position to deal with the problems facing us in a realistic and professional manner."

Negotiations

According to Van der Watt, one of the aims of the council will be to co-ordinate union demands in negotiations with the metal industry employer body — the Steel and Engineering Industries Federation of SA. The 1984 negotiations are scheduled to take place in the next few months. These talks which affect 400 000 workers set the tone for wage bargaining in many other industries.

However, the council's aim will not be achieved at this year's negotiations. Moves for co-ordination have already been frustrated by the decision of the Metal and Allied Workers' Union (Mawu) and the Steel, Engineering and Allied Workers' Union of SA to break ranks with other council unions and demand a R2,50/hour minimum wage.



Van der Watt ... 'no wage unity this year'

Next year could see united action.

"As far as the wage talks in the engineering industry are concerned, the possibility of unity is virtually impossible this year," Van der Watt says. "At this stage we are still in a position where we are trying to

RURAL FOUNDATIONS

The Urban Foundation (UF) is broadening the scope of its work. Natal director, Alan Mountain, is to head a study to establish whether the private sector can make a bigger contribution in helping rural communities.

By nature of its mandate, Mountain says the UF has been obliged to concern itself primarily with urban problems. "But the development spectrum starts in the rural areas and ends in the urban areas. For that reason it is important that we address ourselves to the question of rural development as well."

Mountain reckons his investigation will take about two years. He will be replaced as Natal director to allow him to concentrate on his new task. He plans to study all aspects of rural development with particular reference to the creation of economic opportunities with the aid of the private sector.

The study will be a national one, but Mountain says he will be based in Natal where "the problems of rural development manifest themselves most vividly."

create something. You cannot expect miracles overnight.

The IMF council's revival is also expected to lead to unity talks in other industries.

National Automobile and Allied Workers Union (Naawu) official Brian Fredericks tells the FM that council unions active in the motor industry will be meeting in May to discuss joint action. Unions involved will be Naawu, Micwu and Mawu. A fourth union, the Cusa-affiliated United African Motor and Allied Workers' Union, which is not a member of the council, will also participate in these talks. If co-operation comes about between these unions — and this seems inevitable — they will be in a position to dominate both the motor assembly and motor components industries.

Co-operation

Council members are also hopeful that better co-operation between electrical industry unions will take place in the future.

The SA council's aims and objectives are:

- To promote understanding and co-operation between all metalworkers and between the organisations to which they belong.

- To strive for fair and equal employment, training and promotion opportunities for all metalworkers.

- To study and inquire into international labour relations so as to improve the working conditions and welfare of SA metalworkers.

- To establish trade union educational programmes, and sponsor seminars on national and international labour relations, economic and other problems.

- To compile and issue publications on matters concerning social and economic events and their effects on workers.

- To endeavour to resolve jurisdictional and demarcation problems between member unions.

- To work for the extension of trade union rights in particular of collective bargaining rights to all SA workers.

- To render organisational, administrative and other facilities to member unions.

- To elect persons to represent the council on occasions that may be deemed necessary.

- To involve itself in any matters affecting metalworkers and their organisations.

- To work with any other trade union body whose aims and objectives are in conformity with IMF objectives and

- To inform the IMF on developments in SA to carry out IMF decisions and to co-operate with the IMF affiliates in other parts of Africa.

PETROLEUM BILL

Curtain of secrecy

Fm 16/3/84

As the mysterious court case involving Sasol and the Strategic Fuel Fund Association (SFFA) got under way this week, gov-

RDM 19/3/84 (189)

Seifsa sponsors talks on tackling the steel crisis

By PRISCILLA WHYTE

STEEL producers and consumers have met in Johannesburg to look at problems arising from the high domestic steel price

The meeting was arranged by the Steel and Engineering Industries Federation of South Africa (Seifsa)

A joint statement described the problem as a matter of national importance which required urgent attention

The fundamental problem is surplus capacity in world steel production resulting in subsidisation by many competing countries

Subsidies are direct and indirect with continued heavy financial losses being suffered by many major overseas steel producers.

A contributing factor in South Africa is the continuing high level of inflation compared with main trading partners

The representatives at the meeting were from primary and secondary steel industries who agreed to gather additional information to enable them to formulate appropriate joint action soon

● US steelmakers have recently won major political and legal backing to curtail, by quota agreement or sanction, the volume of steel being imported into America after claims that manufacturers in many countries, including South Africa, were jeopardising domestic output by cut-price products, dumping or generally abusing the market

New attempt to cement inter-union links

RM 19/3/84
The past few days has seen another key union unity move.

The local council of the International Metalworkers Federation has set up a permanent office with a full-time secretary — Fosatu unionist Mr Brian Fredericks

The aim is to cement co-operation between the unions who have widely differing policies and include Fosatu, Cusa and Tucsa members as well as unaffiliated unions

The local IMF council has a stormy history of inter-union tensions

The unions, which operate in metal and motor plants, hope a new committee, which will arbitrate in disputes between them, will curb these and have agreed not to "poach" each others' members

There are still deep differences between some unions and the IMF vision of unity across political and racial divides may still prove elusive

But the council could become a potent force

Co-operation on wage demands and other issues would obviously increase unions' muscle
And IMF general secretary Mr

Herman Rebhan says a functioning IMF council here will receive increased aid from major Western metal unions

This would mean pressure on multinational companies involved in disputes with local IMF unions. The IMF represents 14-million workers, and has much potential muscle

It will also help local union negotiators, offering them information on multinationals' labour practices which could enable them to push for gains won by unions elsewhere

They will also receive information on health and safety, job evaluation and other issues

If all this comes to pass, local IMF unions could begin taking up issues which have not featured in their demands up to now

RDM 11/3/84 □□□ (189) (25)

MOST metal unions have now released their pay demands. They confirm speculation that bargaining may be torrid.

The Metal and Allied Workers' Union has already said it wants a R2,50 an hour minimum. At present it is R1,53. Cusa's Steel, Engineering and Allied Workers' Union is demanding R2,53.

The Confederation of Metal and Building Unions (CMBU), which represents mainly skilled workers, wants a 12% across-the-board rise.

But it also wants sharp rises in minimum pay as

part of a revamp of wage grades. The CMBU demands would push the minimum to R2 an hour — with the minimum for a skilled worker rising from R4,41 to R5,50.

Unions have also made other key demands. MAWU wants the work week cut from 45 hours to 40 and agreement that workers be laid off, not retrenched.

SEAWU wants a redundancy pay agreement giving workers a week's pay for every year worked.

The CMBU also wants a shorter week — 42 hours — and three more days' leave.

Employers will not reply until April 10, when talks begin. But some sources say they may take a tougher stance than last year when only small rises were agreed.

400 strikers may be sacked

THE entire workforce at a Boksburg firm, who have been on strike since last Thursday, were yesterday given an ultimatum: return to work or lose your jobs.

Sowetan 2/3/84
About 400 workers at Wrightech in Main Reef Road, a subsidiary of the giant Barlow Rand Group, downed tools last Thursday morning demanding the reinstatement of three of their colleagues who were dismissed early last week

(189)
(189)
Last Monday the company's management sacked two workers for unknown reasons and on Wednesday, a shop steward, Mr Stephen Mbathe, who questioned the sacking, was also fired. The following day the entire workforce refused to work until the three were reinstated

FOSATU

Management at the firm has until now refused to discuss the workers' grievances with their union, the Metal and Allied Workers' Union (Mawu), which is affiliated to Fosatu. A spokesman for the union told The SOWETAN yesterday that the union has been refused entry to the company's premises.

If the workers lose their jobs about 160 of them may also lose their posh houses in Daveyton's Swazi Section, which the company built for them early last year.

~~187~~ 187
Ultimatum

Star
to strikers

2/3/84
Workers at a Boksburg North firm have been given an ultimatum to return to work or lose their jobs — and many may also lose their houses, which were built by the company

About 400 workers at Wrigtech have been on strike since last Thursday in protest at the dismissal of three colleagues. The workers have refused to return until their colleagues are reinstated

The three dismissed workers were all members of the Metal and Allied Workers' Union's shop stewards' council for the plant.

The company built 160 houses for its employees last year

LABOUR NEWS

300 Wrightech strikers fired

RAM 22/3/84

189
#10A

By STEVEN FRIEDMAN
Labour Correspondent

ABOUT 300 strikers at the Boksburg plant of a Barlow Rand company Wrightech — regarded by Barlows as a "model company" which offers extensive benefits to black workers — have been fired, a company statement said yesterday.

According to Wrightech, workers were sacked after striking for three days and failing to meet a return-to-work deadline on Tuesday.

But a spokesman for the Metal and Allied Workers Union (Mawu) charged yesterday that workers arrived at the company to meet the deadline, but that management had refused to let them resume work.

"The gates were locked and a company official told them they could not come in

Later, senior management told workers they would be paid off," he said. He said Mawu was considering legal action against Wrightech.

The strike was sparked by three dismissals, including that of Mawu's senior shop steward at the plant. The union charges that he was fired for taking up an appeal on behalf of a dismissed worker.

One of the key benefits Wrightech offers workers is home ownership.

But Mawu's spokesman said that the homes with which workers had been provided in terms of this scheme were now a key issue in the wake of the dismissals.

"The workers fear they may now be evicted. We are seeking an urgent meeting with Barlow Rand to clarify the position," he said.

The strike began last Thursday after two workers were fired for alleged breaches of discipline and the senior steward was sacked after, it is alleged, management objected to the way in which he performed his union duties.

Wrightech's statement said 296 workers had been fired after "they failed to return to work at the specified shift starting times on Tuesday."

It said an appeal hearing into the three dismissals which sparked the strike was being conducted in terms of a procedure agreed between it and Mawu.

Its personnel manager, Mr Andre Oosthuizen, said it was "unfortunate that workers chose strike action instead of making use of the agreed

procedure which was negotiated with the union."

He said the company was concerned "that workers chose to continue to strike after management conveyed to the union's shop stewards that we would allow an extension of time to lodge an appeal in terms of the procedure."

The company began recruitment yesterday and would consider applications from fired strikers, he said.

Mawu's spokesman charged that the company first refused to allow an appeal into the firings. But on Monday it said it was prepared to hear appeals.

The agreement said appeals must be heard within two days, he said. Mawu was, nevertheless, taking part in the appeals, due to be completed today.

~~RAM 22/3/84~~
**Unions seek
greater stop
order rights**

Labour Correspondent

CURBS on the rights of metal unions to receive "stop orders" — employers' deduction of union dues on their behalf — are set to become a negotiating issue at the metal industries' industrial council

Both the Metal and Allied Workers' Union and the Confederation of Metal and Building Unions, representing mainly skilled workers, have tabled demands seeking greater "stop order" rights for unions

But, while MAWU wants greater rights for non-members of the council or for unions who have not signed the agreement negotiated at it, the CMBU wants greater rights for signatories

The demands could, therefore, prompt tension between the union groups as well as between unions and employers.

Most unions regard "stop orders" as a key source of financial stability, arguing that it is costly and inefficient to collect union dues by hand

Metal employers may not grant "stop orders" to a union which is not on the council, or a party to its agreement, without the council's permission

MAWU, a council member, is affected by this curb because it refused to sign last year's wage agreement

AK
BROWN ELECTIONS (3/84)
pm 23
One man, one party

Mention the possibility of an election to a South African and he's likely to go out and start a political party. That, at any rate, seems to be the case among coloureds and Asians, judging from the number of parties gearing up to contest the August 22 elections for the new-style chambers of Parliament.

At last count no less than 11 parties were registered with the Department of Internal Affairs — as they are required to be if they wish to field candidates. There are six Indian and five coloured parties.

The six Indian parties are the National Peoples Party, the National Federal Party, the Reform Party, the National Democratic Party, the Democratic Party of SA, and Solidarity.

The five registered in the coloured arena are the New Convention Peoples Party, the Reformed Freedom Party, the Freedom Party of SA, the Congress Peoples Party, and the better-known Labour Party.

Proliferate

While registered parties organise and proliferate, other organisations are working to undermine them. The United Democratic Front (UDF), the Transvaal Indian Congress (TIC) and the Transvaal Anti-President's Council Committee are well into their campaign to persuade voters to boycott the elections.

Anti-election meetings were held in Johannesburg and Pretoria last weekend under the auspices of the UDF.

Government, ignoring the political dogfight, is pressing ahead with the registration of voters and the delimitation of constituencies. Judge J J F Hefer, chairman of the Delimitation Commission, hopes to complete his task by the end of April.

The commission is to sit in Johannesburg on April 9, Durban on April 10 and 11, and Cape Town on April 12 and 13. Then the proposed electoral districts will be revealed. Parties and interested individuals will be able to put their own proposals to the commission.

346
NATAL UNIONS (189)
Mawu cries 'unfair'

The Metal and Allied Workers Union's (Mawu) attempts to organise workers in the light industrial sector in Maritzburg appear to have run into a steel wall.

Mawu has signed a number of recognition agreements with major employers in the area and is now turning its attention to the smaller plants. But union organisers claim they are being blocked at every turn by the "obstructive" attitude of employers.

Relationships between the union and some employers have reached a critical

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(~~187A~~) (189) FM 23/3/74

stage In two cases the industrial council for the industry has been asked to hear charges of unfair labour practices and in one instance allegations of an unfair labour practice are being brought before the Industrial Court

In the case of the Filpro factory in Pietermaritzburg Mawu is threatening Industrial Court action unless the company grants organiser access to the factory, recognition of its shop stewards and stop-order facilities The union claims a 70% representation but says management refuses to recognise its status as a majority union

If the matter is not resolved at Industrial Council level it says it will 'take the issue further'

Selective

The union also believes it has a case against the Pressure Die Casting plant It alleges that virtually the entire workforce was fired after a strike late last year and that the company has since been selectively re-employing The union argues that as the representative labour movement, it should have been consulted over the re-hiring

The union's most serious dispute is with McKinnon Chain The company balked at

signing an agreement and has subsequently granted merit increases to favoured employees The union, which claims a majority representation, holds that this is an unfair labour practice After several attempts to resolve the dispute at a lower level, it is now filing papers with the Industrial Court

Says Mawu's Maritzburg organiser, Dumisani Mbanjwa "We have had a good relationship with some of the bigger employers but now unfortunately, a few individuals are trying to block us on the grounds that we are not a suitable union to have dealings with

HERMAN REBHAN

Helping SA's unions



Herman Rebhan is general secretary of the International Metalworkers' Federation (IMF) — representing 14,5m metal workers in 70 countries

He was in SA last week for the revival of the SA Coordinating Council of the IMF. The council, representing both skilled and unskilled workers across conventional union boundary lines, ground to a halt in 1981 due to differences between member unions

FM How does the IMF view the revival of the council?

Rebhan We are delighted that the council has been reconstituted and we think it will play a progressive role in the metal industry. The council is trying to establish some co-ordination among metal unions

At present it has reached a certain stage of development. In 1982 we eliminated some racially-based unions — the Amalgamated Engineering Union and the SA Electrical Workers' Association — which were causing problems. Of course, there is a lot of work to be done and there will be other problems. But you have to begin somewhere

Does the IMF give aid to SA unions in the council?

Yes, the overwhelming majority of unions in the council receive aid in one form or another — sometimes for educational causes, the training of people, or aid for trips to IMF conferences. We have a number of funds for different purposes. I don't have budget figures for our aid to SA unions

What kind of role did the IMF play in the revival of the SA council?

We have always paid attention to the

council because it is an unusual organisation in the SA context. After the expulsion of the white unions we just remained patient because we knew the council would be revived

What kind of aid will the IMF be extending to the council in the future?

We will continue similar aid — maybe on a different basis. We will try to co-ordinate educational and training programmes as well as research

In recent years the IMF has played a leading role in some SA disputes — like those at Alfa Romeo and Volkswagen. Will it continue to do so?

Part of our job is to render solidarity assistance to our colleagues — not only in SA but in other countries as well. We do this in many different ways. Where multinational companies are involved, and we have strong unions in a company's home country, a certain amount of pressure is exerted. We have been successful in some disputes and not so successful in others. We will continue with this kind of activity

What did you say when you addressed the meeting of the SA IMF council?

I called for unity, for co-ordination and reviewed the history of the IMF. I also criticised the things that go on in SA — suppression of trade unions and human rights, the fact that there is no one-man-one-vote and taxation without representation

Can we expect to see more IMF officials visiting SA?

There is a visa question of course. Your government has to issue them. There are sometimes difficulties with these things

But people will be coming down here if our affiliates request it. We won't barge in on their activities but if, for example, they request experts in the fields of health and safety or collective bargaining, we will provide them

What is the IMF's view of the decision by a number of unions to form a new union federation representing 300 000 workers? Even though the decision to unite has been taken in principle some labour observers are sceptical that it will ever get off the ground

Unity is a very difficult thing as organisations have to give up their independence

But the fact that there is a certain amount of maturity in SA unions. We welcome the unity talks because we think a united labour movement is always a stronger movement

What do you think of the community unions' decision not to participate in the unity talks? The SA Allied Workers' Union, the General and Allied Workers' Union, and the Municipal and General Workers' Union were involved

From what I understand these unions don't really have membership. They are organisations of some kind. But when push came to shove they couldn't produce membership, and so left

This is not your first visit to SA. What changes do you see?

I was here in 1978. A number of changes have taken place. The trade union movement has grown. There have been considerable changes in labour law. We welcome them. We were here when those changes began with the Wiehahn Commission. But these are just the first steps

Where would you like to see SA trade unions going in the future?

There is a huge field in which they can operate. There are a lot of workers to be organised and educated. SA is high on the agenda for us. It is a country that is developing and the trade union movement is developing. Wherever there are openings for democracy we are there to assist and to help. That is our responsibility

ARGUS 28/3/84

(16/3/84) (18/3/84)

NATI

Big Naawu pay rise

Argus Correspondent
JOHANNESBURG —
The National Automobile
and Allied Workers'
Union this week achieved
a 62-percent pay rise for
members at Miller Engi-
neering, a components
manufacturer in Pretor-
ia

The wage agreement,
which pushes salaries up
from 80c to R1 30 an
hour, has been hailed by

the union as a significant
increase considering the
recession. It will come
into effect this month
and is operative until
next March.

A spokesman for the
Fosatu-affiliated union
said the agreement was
the start of a drive by
Naawu to organise the
components manufactur-
ing industry.

(189) Jan 31/3/84
Steel prices to go up

South African consumers will be faced with a steel price rise later this year, but the indications are that it will be below the inflation rate

Mr Floors Kotzee, managing director and chairman designate of Iscor, ended weeks of speculation when he confirmed steel producers would be asking for a price increase this year

But, while not indicating the extent of the increase Iscor would ask for, Mr Kotzee made it clear the price hike requested would be below the inflation rate, currently around 10 percent.

He also hinted that Iscor would be content for the next few years if it was granted steel price increases below the inflation rate Iscor last year posted a R244 million loss

training on Iscor

are approved by the Inspector of Mines, and Iscor trains people for all the Iscor mines

The college is unique in that open cast as well as underground mining methods are taught

Candidates for learner miners are selected by means of psychometric test Training is theoretical as well as practical — with a view to initially obtaining a preliminary certificate in blasting and thereafter a permanent certificate

Trainees are also selected and trained to become learner mine officials They are prepared to take charge of technical and managerial tasks in mining

The primary field is mining engineering and also includes extractive metallurgy, mine surveying, geology and ventilation

The first two years of training are completed at Thabazimbi, after which the learner official is trained at the mine where he will eventually work

Theoretical training includes syllabi from the Department of National Education, offered at the Witwatersrand Technikon

Iscor offers bursaries to promising candidates for full-time degree studies in the following fields

□ Engineering — mining, mechanical, electrical, ma-

tallurgical, chemical and industrial,

□ Physical sciences — with major subjects chosen from metallurgy, chemistry, physics, mathematics, and applied mathematics,

□ Geology,

□ BSc (Computer Science), and

□ BCom (with accounting as a major)

The bursary loan provides for tuition and residence fees plus a cash amount

The bursary holder immediately becomes a member of the pension fund, medical benefit fund and the group life assurance scheme — and all contributions are paid by Iscor

The Trades Training Centre at Iscor's Dunsbart works.

CONGRATULATIONS



CONGRATULATIONS

ISCOR LIMITED

ON THIS
GOLDEN MILESTONE OF ACHIEVEMENT
AND

OUR COMPLIMENTS TO
THE EXECUTIVE, MANAGEMENT AND STAFF
BOTH PAST AND PRESENT
OF WHOM IT CAN BE SAID

SUCH PRESTIGE OF ACHIEVEMENT
IS GAINED ONLY THROUGH DEDICATED EXECUTION.

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We congratulate ISCOR on its 50 years of production.

Safurnco (Pty) Ltd, now a Blue Circle company which represents the following organisations, has been supplying equipment to Iscor for more than 15 years.

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Crane suspended lifting equipment

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MESTA ENGINEERING COMPANY

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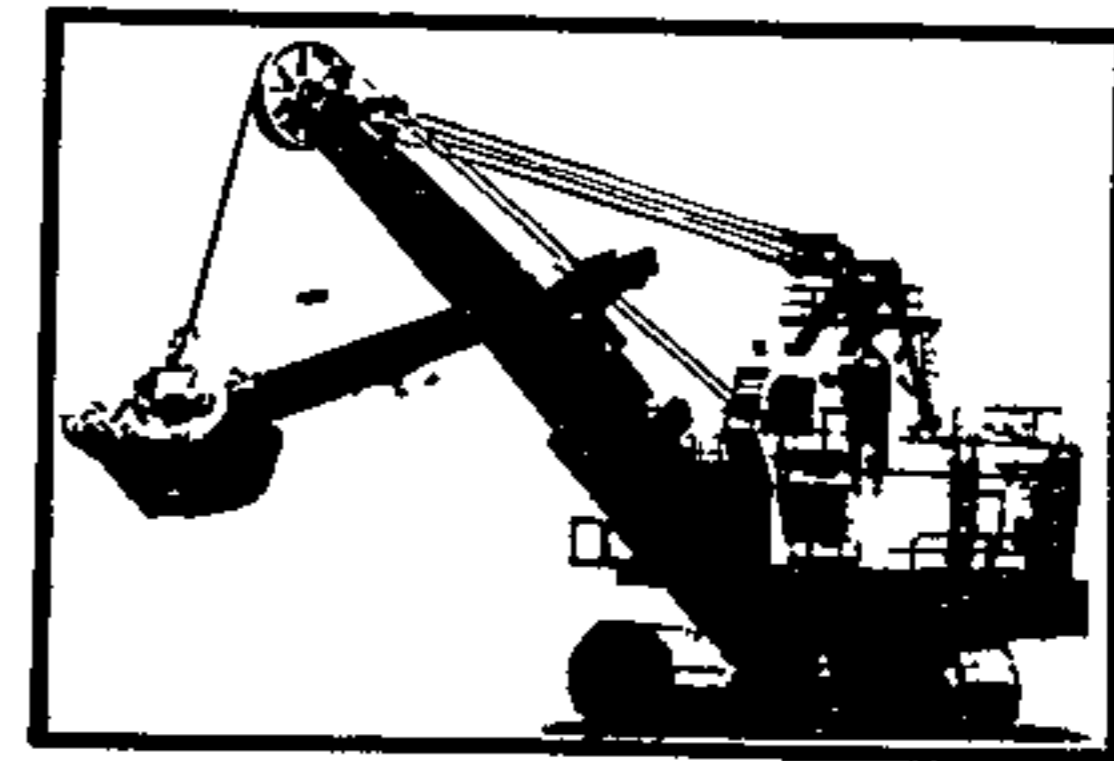
MECHATHERM INTERNATIONAL LTD

Furnaces — oil, gas-fired and electrically heated

MONARCH STAMCO

Process lines, cut-to-length, slitting and shearing, roll form lines, etc

The Harnischfeger Corporation congratulates Iscor on reaching their 50th year in production and take pleasure in being one of their long standing suppliers. Our association dates back to 1962.



Harnischfeger

(SOUTH AFRICA) (Pty) Ltd

P&H

THEY'VE
HAD OUR MILD SUPPORT
FOR MANY YEARS.

Macsteel has been a major distributor of Iscor's mild steel products for the last twenty years.

During this time, both organizations have shown truly remarkable growth in size and reputation

Our one wish at this, one of their roudest moments, is that Iscor and Macsteel continue to make history together

DYSON ROAD WADSWORTH

MACSTEEL

TELEPHONE NO. (011) 8-7-00

50 Years of Association with ISCOR

Edward L. Bateman Ltd. congratulates Iscor on 50 years of dynamic growth.

In the future the Bateman Group will continue to provide Iscor with well proven and new technology - our contribution to their efficiency and viability.



EDWARD L. BATEMAN LIMITED

Founders Building, Bartlett Road, Boksburg North
P.O. Box 565, Boksburg 1460.
Tel 899-9111; Telex 8-7880

When Iscor moves in, a town is born

It is often said that Iscor is just as much in the business of building towns as it is in the production of iron and steel.

And there's a lot of truth in that. Think about Vanderbijl Park, Thabazimbi, Sishen, and more recently Onverwacht and Tshikondem - all started as a result of man's ongoing quest for sources of raw materials.

After geological surveys are done, teams of prospectors are sent into the field. For Iscor, they are mainly looking for sources of coking coal.

Sometimes, an area looks promising. Then samples are taken and analysed, and if results still look good, a trial shaft is sunk, and large-scale testing is done.

At this point, the decision will be made to GO - and a new mine is born.

But of course it's not as simple as that. Mines need people to run them, and people need houses, and shops, and schools, and recreation facilities.

Iscor's new mine at Tshikondem is currently in such a growth phase. The houses are starting to be built, but as yet there are not too many amenities.

The nearest school is more than 100 kms away, so it's weekly boarding for

the youngsters with excursions home at weekends.

But this is the way towns are born.

The first Iscor town was Vanderbijl Park, which is still a showpiece. It was properly planned and laid out as a town with attractive curved streets.

Thabazimbi is another. This was followed by Sishen, which is already in a second phase of development. Many of the houses that were originally built for families there are going to be vacated as they are sited on a particularly rich streak of ore. People will be rehoused at nearby Kathu.

Another town, Onverwacht, is close to the Grootegeluk Mine, and newest project as at Tshikondem.

As the project grows, people from other parts of the country move there to run the mine, but local people are included in the plans and have ample opportunity for employment in the primary project or the secondary support projects that have to be set up.

What's good about these new towns, say the people who live there is that the community spirit is strong. People work together and socialise together. It makes for a good lifestyle.

80 years ago we took up the challenge of progress.



Life for M & R has been 80 years of unceasing challenge and growth, not just keeping abreast, but taking the lead in every technological field that touches the world we live in. Today the people of M & R serve the whole nation turning concepts into realities.

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CONGRATULATIONS TO ISCOR

on 50 years' production



Major supplier of coil coating and other protective coatings.



good all in family

IT'S a good life at Iscor

As an employer of many thousands of people, the corporation takes their responsibility for employees welfare and well-being very seriously

And because of this, Iscor offers a wide variety of fringe benefits and amenities to the more than 62 000 people in its employ

Iscor's fringe benefits and amenities are important factors in securing a stable work force for the corporation

Apart from the pension and medical benefit schemes operated holiday and sick-leave benefits are generous and annual leave/holiday bonuses are paid

Bonuses in respect of long services are paid to employees after each five years of service

At all the Iscor works centres, facilities exist for the technical training of apprentices and learner technicians

A total of 886 grants are made to Iscor employees at present studying at Technikon and universities



Accommodation is also enormously important. More than 12 000 houses and 3 600 flats are available at a nominal rental to employees at the corporation's various works and mine centres

Single people are usually accommodated in large hostels conveniently situated to their work or training centre

In addition to these, almost 6 800 employees are currently availing themselves of Iscor's home ownership scheme

The bonds for these are administered by Yskor Landgoed (Pty) Ltd, the corporation's own housing company

Iscor Utility Stores — Istores — operate at most centres. They administer eight shops, 18 restaurants and various kiosks for staff

Pioneer House, a hostel at Vanderbijlpark which provides 440 beds, is also an Istores project

At Thabazimbi and Sishen, Istores oversees two nature reserves. They also manage several farms at various mine centres totalling more than 40 000 ha



Membership of the Iscor Employees Mutual Society is for Iscor staff only — almost 38 000 Iscorians frequently take advantage of the buying amenities

During the last financial year, IEMMS showed a turnover of more than R58-million and paid out R2 066 700 in dividends to members

About 7 700 hire purchase agreements were concluded and 23 000 loans granted to members, while premiums totalling R6,5-million were collected on behalf of insurance companies

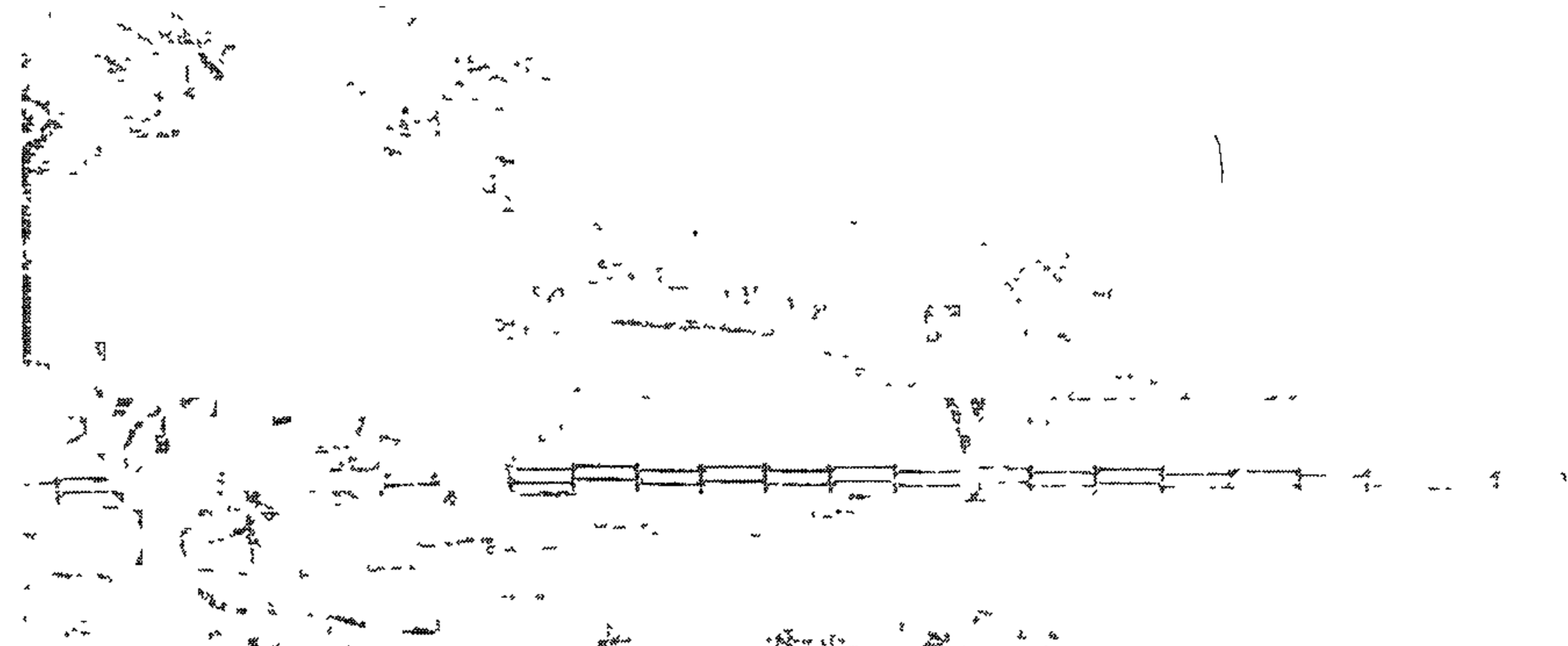
More than 3 000 businesses are contracted to the society

Social and recreational facilities are available through Iscor clubs at each centre

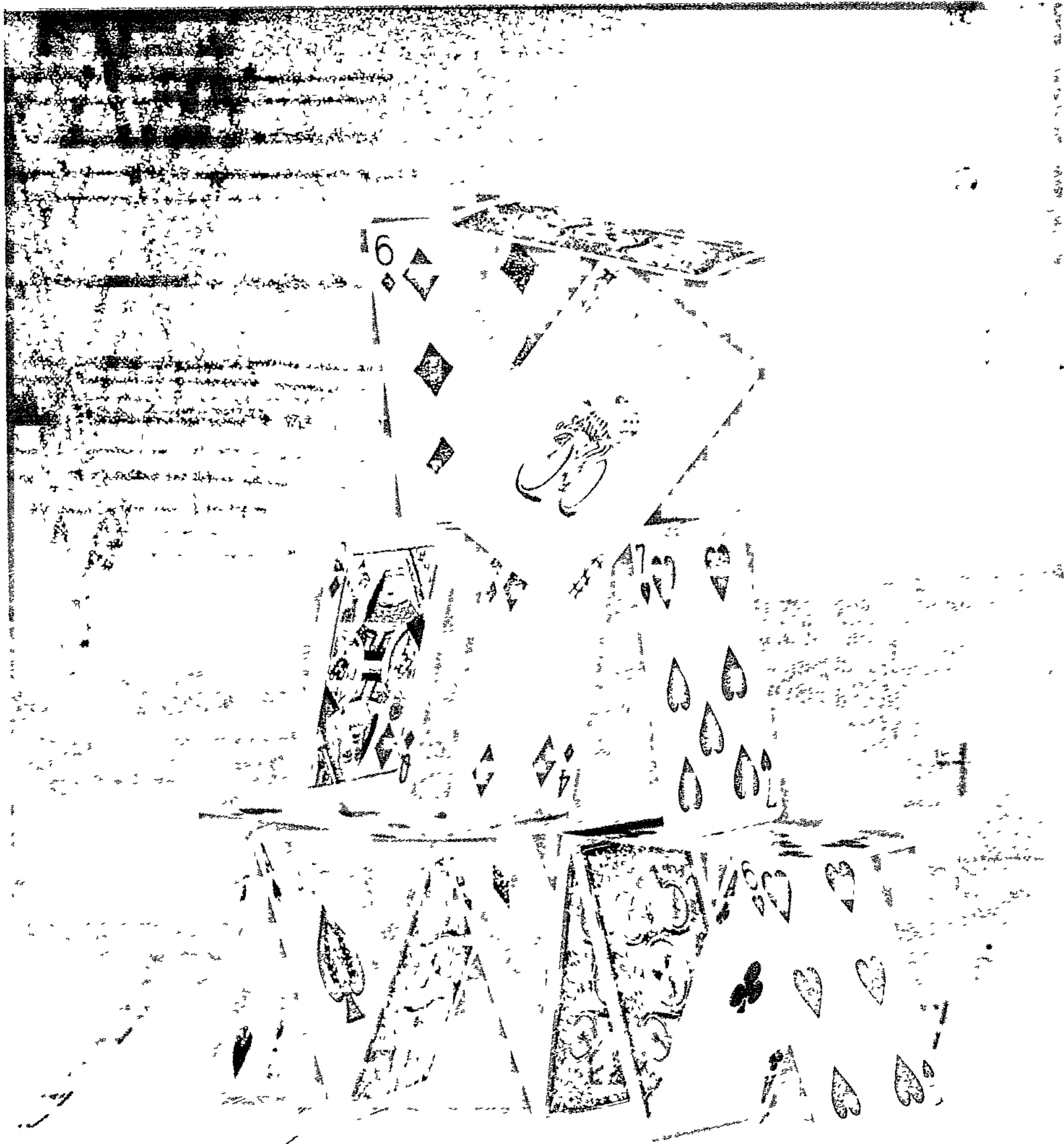
Sports sub-sections offer excellent amenities to sportsmen

Over the years, the Iscor Club in Pretoria produced 56 Springboks, while more than 234 of its sportsmen gained provincial colours

Currently, the club has more than 8 000 members and there are opportunities for participating in 30 different sub-sections



A view over the golf course from the Sishen Clubhouse



Don't gamble.

Is the structure safe or not?

Iscor has now taken this uncertainty out of your hands. Because Iscor's **NOSTRA**® is the first reinforcing steel with the SABS Mark of Quality



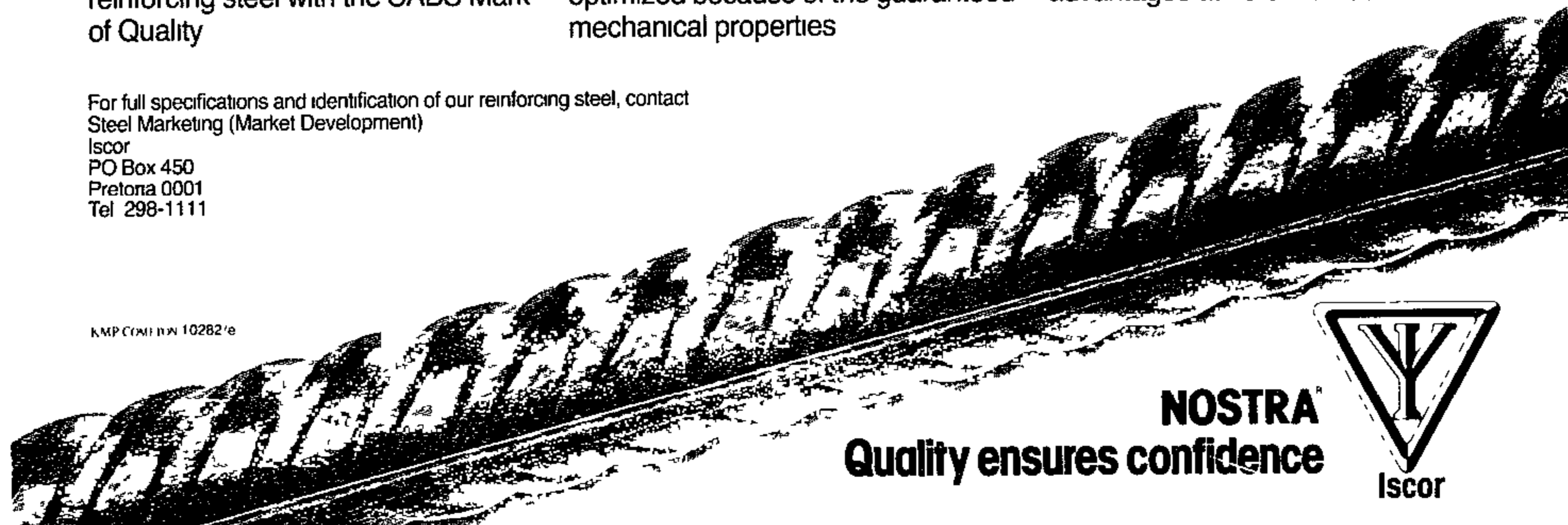
What does it mean?

- double quality assurance — Iscor's own and the control of the SABS throughout
- cost efficiency — steel usage can be optimized because of the guaranteed mechanical properties

- preference — products with the SABS Mark of Quality normally enjoy preference with the public sector's tender awards
- no extra cost — Iscor offers you these advantages at no extra cost

For full specifications and identification of our reinforcing steel, contact Steel Marketing (Market Development) Iscor PO Box 450 Pretoria 0001 Tel 296-1111

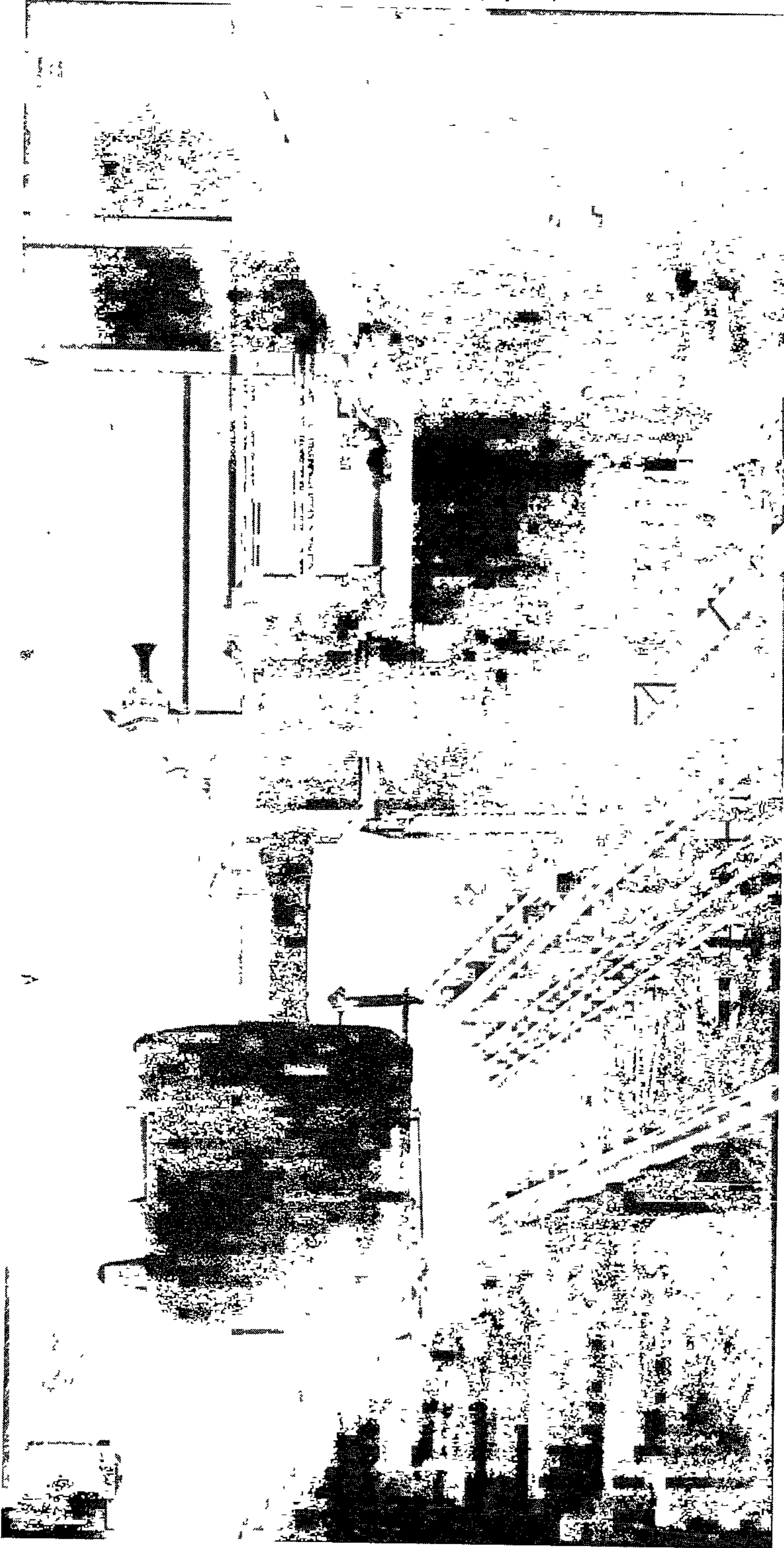
KMP/CM/BN 10282/8



NOSTRA
Quality ensures confidence



How steel is made: It's quite a feat!



The process of casting is spectacular

STEEL is an alloy of the metallic element iron (Fe) with other chemical elements.

Vast quantities of raw materials are required for the manufacture of iron and steel, the basic being iron ore, which must be crushed, screened, washed, sorted and blended.

Coal is the raw material for coke, which is used in the blast furnace as the source of heat for the smelting operation.

The coke also serves as a reducing agent to release the metal from the ore.

A flux is added to the blast furnace charge to remove impurities in the iron ore. Limestone and dolomite are both good fluxes.

Silica, which is the main impurity in South African iron ores, readily forms a compound with calcium and magnesium oxides at high temperatures. The resulting slag, which floats on the molten iron, collects the major impurities and can be tapped off from time to time.

Air is required in the blast furnace to provide the air "blast". This consists of a heated air current, blown into the furnace through a series of nozzles in the sides, called tuyeres, at a level above the slag hole or "notch".

The oxygen in the air reacts with the white-hot coke, causing its combustion and the generation of intense heat.

As the coke is consumed, the burden (charge) of ore, coke and flux slowly descends against the rapid counterflow of reducing gases which, combining with the iron oxide, reduces the ore to iron.

The molten iron, being the heaviest substance in the furnace, sinks to the bottom, or hearth, where the temperature is about 1 400 degrees C.

To produce one ton of iron requires approximately 1.5 tons of iron ore, 0.6 tons of coke, 0.25 tons of flux and 1.8 tons of air.

Pig iron

ALTHOUGH most of the iron produced by a blast furnace passes to the steel melting plant in liquid form for refining into steel, a portion of the output is cast into "pigs".

Pig iron is hard and brittle and therefore does not have the strength, malleability and shock resistance of steel.

It is used as a feedstock in the foundry industry for the casting of such products as engine blocks, machine parts, sanitaryware, coal stoves and baths, and it is a supplementary source of iron for steel-makers who do not have their own blast furnaces.

Steel production

THE molten iron (hot metal) is conveyed to the steel melting plant where one of three basic types of furnaces are used — the basic open-hearth furnace, the LD or basic oxygen furnace and the electric arc furnace.

The open-hearth process is very slow, but this long cycle time permits very close control of the process, temperatures and analysis, resulting in steel products of high quality.

More than 50% of the world's steel production today is made by the basic oxygen furnace process.

The charge consists of hot metal with about 15% scrap. Lime, iron oxide and fluorspar are also charged to form the slag. Oxygen is blown into the bath at supersonic speed and this oxygen oxidizes the carbon and impurities in the melt.

Because of the very high rate of oxygen injection, the heat generated by the oxidation reactions is more than sufficient to raise the temperature of the steel to that required at tap. The major role of the scrap in the charge is to act as a coolant.

The high rate of injection of oxygen also has the effect of breaking up the molten metal in the bath into small globules and

dispersing them throughout the slag, which, because of the carbon monoxide evolution, develops a foamy nature.

A very large contact area is formed between metal and slag, allowing a rapid rate of refining of the pig iron into molten steel.

Because of this large contact area, the basic oxygen process has a relatively high rate of sulphur and phosphorus removal, resulting in a high-quality product in a short time.

Electric arc furnaces employ an arc struck between carbon electrodes to supply the heat required for melting and refining the charge.

The charge for the arc furnace is 100% cold scrap, a mixture of steel and pig iron being used.

The selection of a high-quality scrap charge permits the rapid production of high-quality steel. For steels of even higher quality, the arc furnace is used as little more than a melting unit.

The final refining of the charge is done in the tapping ladle using a degassing unit.

The degasser removes oxygen and other gases from the steel, enabling alloy additions to be made with a higher and more consistent yield.

Two vacuum degassing units are used. The DH degassing unit consists of a refractory-lined vessel into which a portion of the steel in the ladle is drawn under vacuum.

Air locks ensure that alloy additions can be made under vacuum, and repeated cycling of the unit ensures treatment of all the metal in the ladle and thorough mixing, giving uniform analysis and properties throughout the heat.

Vacuum refining and degassing, once limited to special steels, has proved a very flexible steel making technique and has increased the capacity for the manufacture of high-quality steels.

Two processors are currently employed on a large scale for the conversion of molten steel into slabs.

The first process is the casting of ingots and their subsequent rolling through a slabbing mill, and the second is the continuous casting of slabs.

Conventional ingot casting takes place as follows. As the steel is tapped from the furnace, various alloys are added to the molten steel to achieve the desired analysis. It is then teemed into cast-iron ingot moulds.

After allowing time for the solidification of the ingots, the moulds are removed and the ingots charged into a gas-fired soaking pit, where the temperature is equalised throughout the ingot to ensure uniform deformation during slab rolling.

The continuous slab casting process is one of the most recent methods of high tonnage steel production.

When steel is tapped from the furnace, various alloys are added to the ladle of molten steel. This ladle, after stirring with an inert gas to correct and equalize the temperature, is teemed into a tundish above a continuous casting machine.

The molten steel, its flow controlled by the stopper of the tundish, is poured into the water-cooled mould of the same cross-section as the slab required.

Since the top and bottom of the mould are open, a dummy bar of the same section is inserted before pouring to act as a temporary seal at the bottom of the mould.

The slab is supported by a series of rollers as it passes through the water sprays of the cooling zone. Here the slab is fully solidified.

As it is continuously drawn from the casting machine, it is cut into the desired lengths by an oxy-acetylene cutter and sent for cooling, inspection and defect removal.

The next stages depend on what the steel is to be used for. It may be fed to various reheating furnaces into discrete pieces. An appreciable tonnage of steel is then coated, either with zinc or tin.

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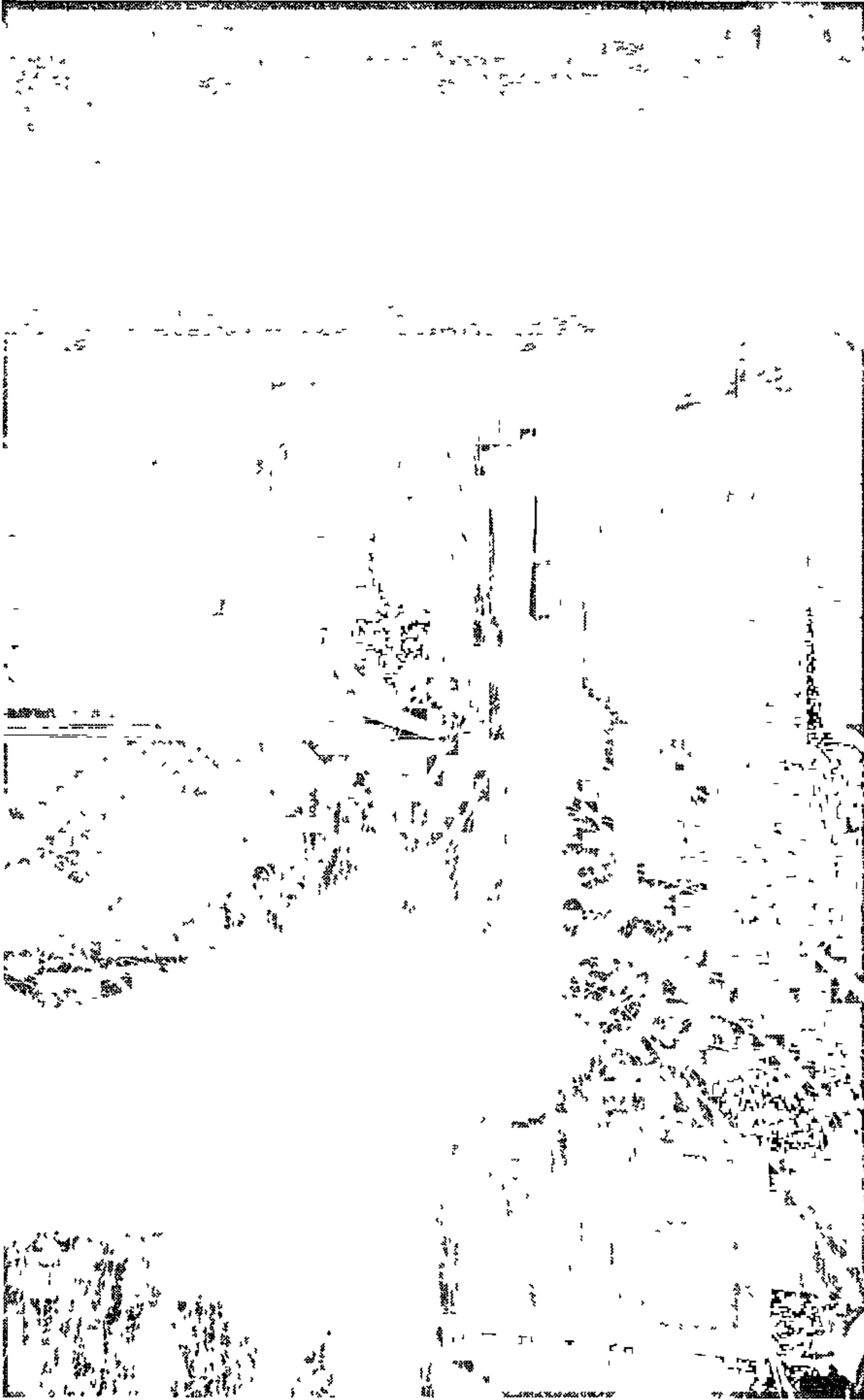
93 WHITWORTH RD, HERIOTDALE

**Take 200kg steel
scrap,
930kg molten iron
55 cubic metres
oxygen.**

Mix well.

**Add lime, burnt dolomite,
raw dolomite
and magnesium ore.**

**Result? One ton of
steel.**



Sparks fly as the hot metal is tapped



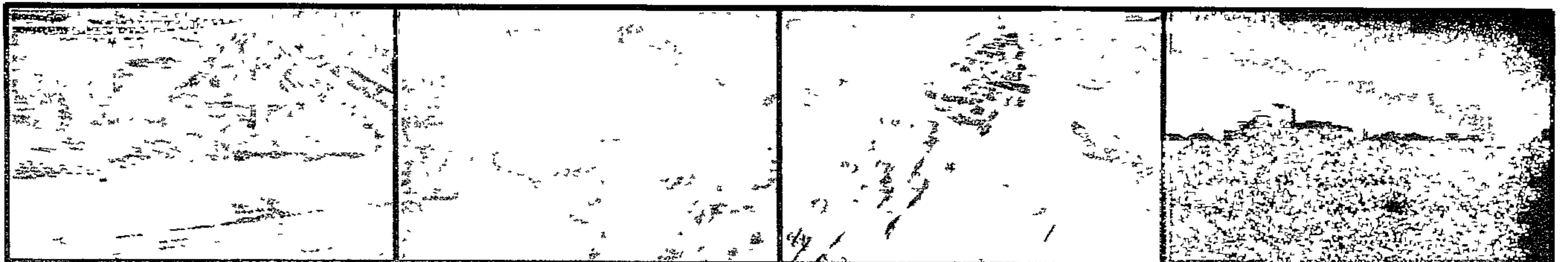
A view of the forge press

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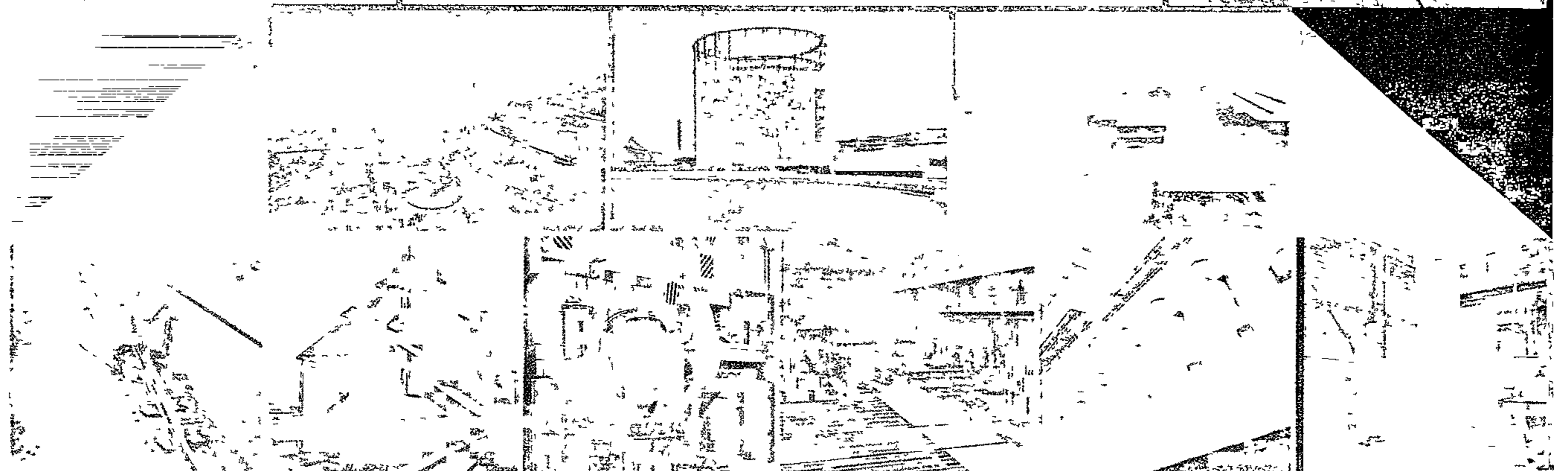
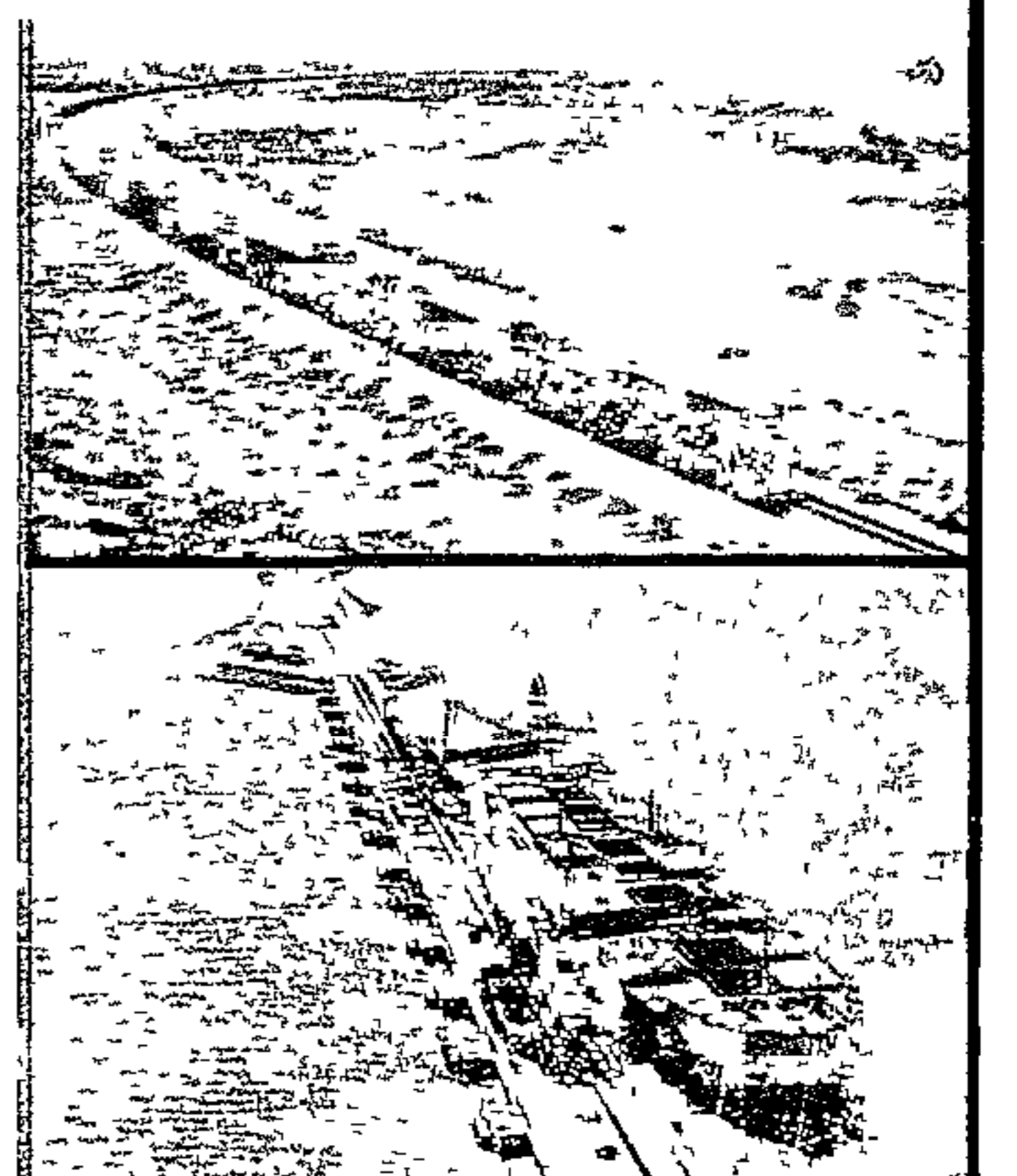
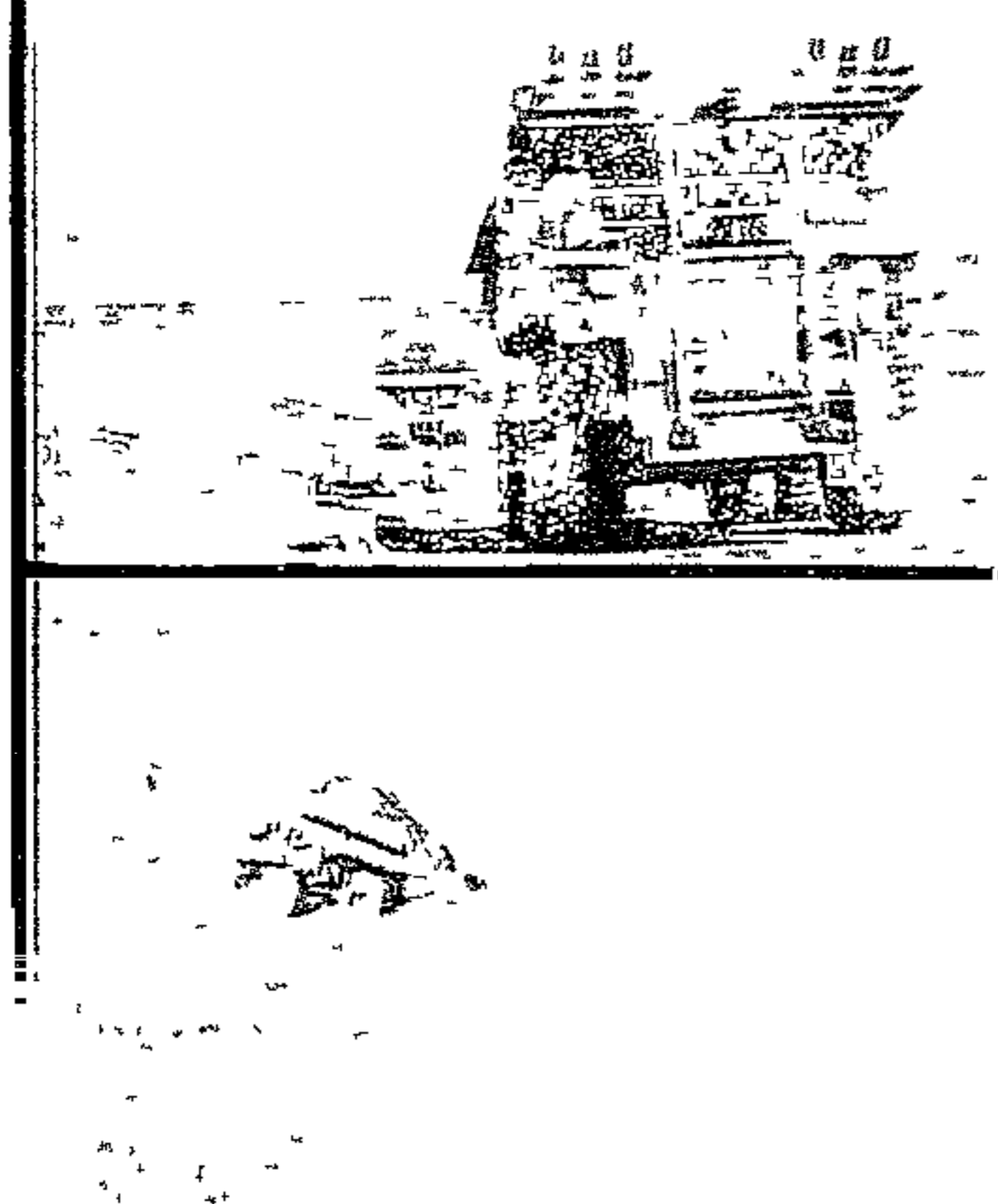
SASO WISHES TO CONGRATULATE ISCOR ON 50 YEARS OF PRODUCTION AND ACHIEVEMENT

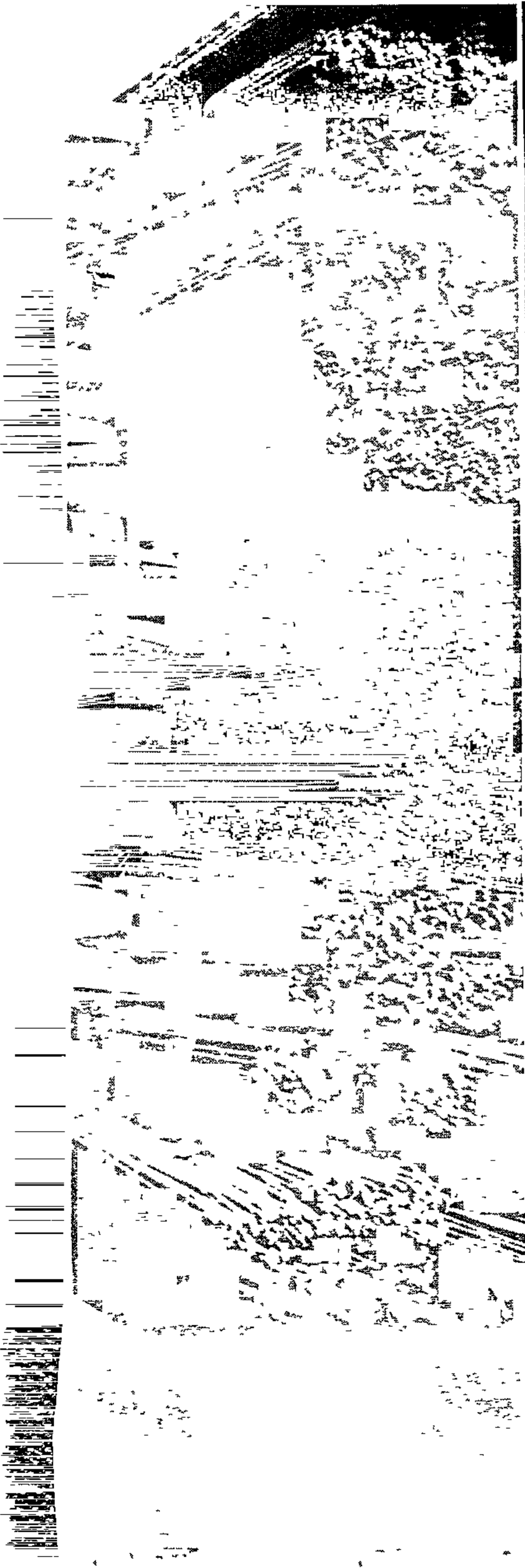
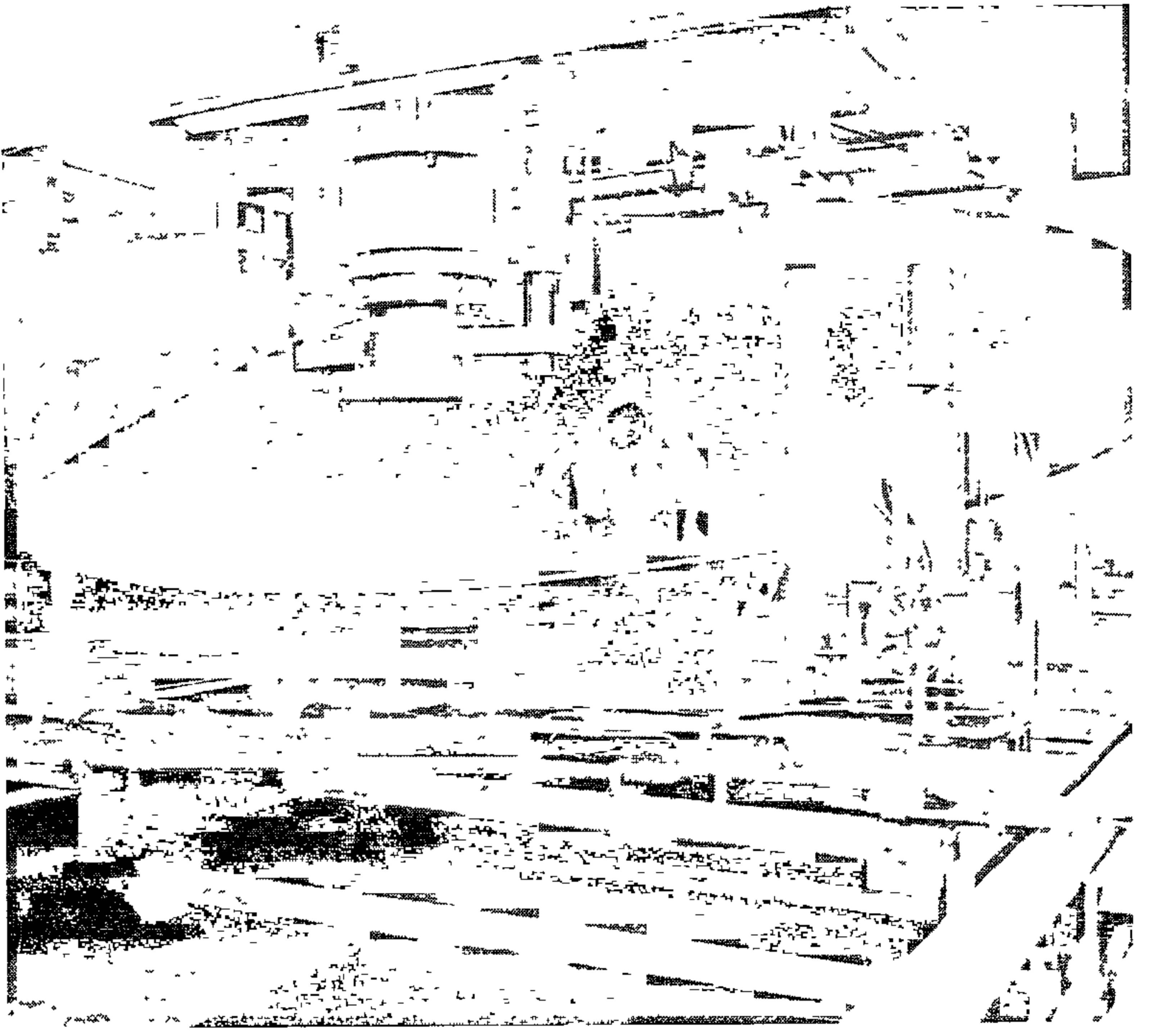


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(PTY) LTD**

**Are proud to offer 20 years of construction services to
ISCOR**





Familiar view of a construction site — a huge quantity of steel re-inforcing rods

The crucible process was invented by Benjamin Huntsman around 1740. This was the first time the steel industry used the crucible process.

ISCOR'S GROWTH AT A GLANCE

1928 The Iron and Steel Industry Act passed at a joint session of both Houses of Parliament on 30 March The South African Iron and Steel Corporation, Limited (Iscor) constituted on 5 June

1934 Production commenced at the Iscor Works, Pretoria, with an initial capital capacity of about 160 000 mgot tons of steel per annum. Iron ore supplied from the Thabazimbi mine.

1943 A plate mill erected at Vanderbijlpark as part of a war-time programme for ship repairs and production of armaments.

1946 Decision taken to go ahead with earlier plans for the establishment of an integrated steelworks at Vanderbijlpark

1950 Several production units started up at the Vanderbijlpark Works

1953 Iscor's annual steel production exceeded 1 million tons Operations started at the Sishen iron ore mine

1954 Durban Navigation collieries (Durnacol) taken over by Iscor

1956 R112-million expansion scheme designed to increase Iscor's annual capacity to well over 2-million tons of steel was announced

1957 Operations started at the Mooiplaas dolomite quarry

1958 Uis tin mine purchased by Iscor

1959 Operations started at the Glen Douglas dolomite quarry

1960 R560-million expansion scheme designed to increase the annual steel production capacity to more than 4-million tons, was announced

1968 Steel output exceeded an annual rate of 3-million tons Further expansion embarked upon, mainly at Vanderbijlpark, to double the production capacity

1970 Amcor's existing blast furnace complex at Newcastle taken over to form part of a third fully integrated Iscor works Lylyveld iron ore mine also taken over from Amcor and incorporated with the Sishen mine

1971 Large-scale extensions in progress at Vanderbijlpark, modernising at Pretoria and construction at Newcastle as major parts of Iscor's continued expansion programme

1973 Steel output exceeded a rate of 4-million tons per annum Construction started on the Sishen-

Saldanha Bay ore export project.

1974 Several production units started up at the Newcastle North Works

1976 Steel production rate exceeded 5-million tons Iron ore exports through Saldanha Bay commenced

1978 Development of a blend coking coal mine at Grootgeluk, near Ellisras, in progress

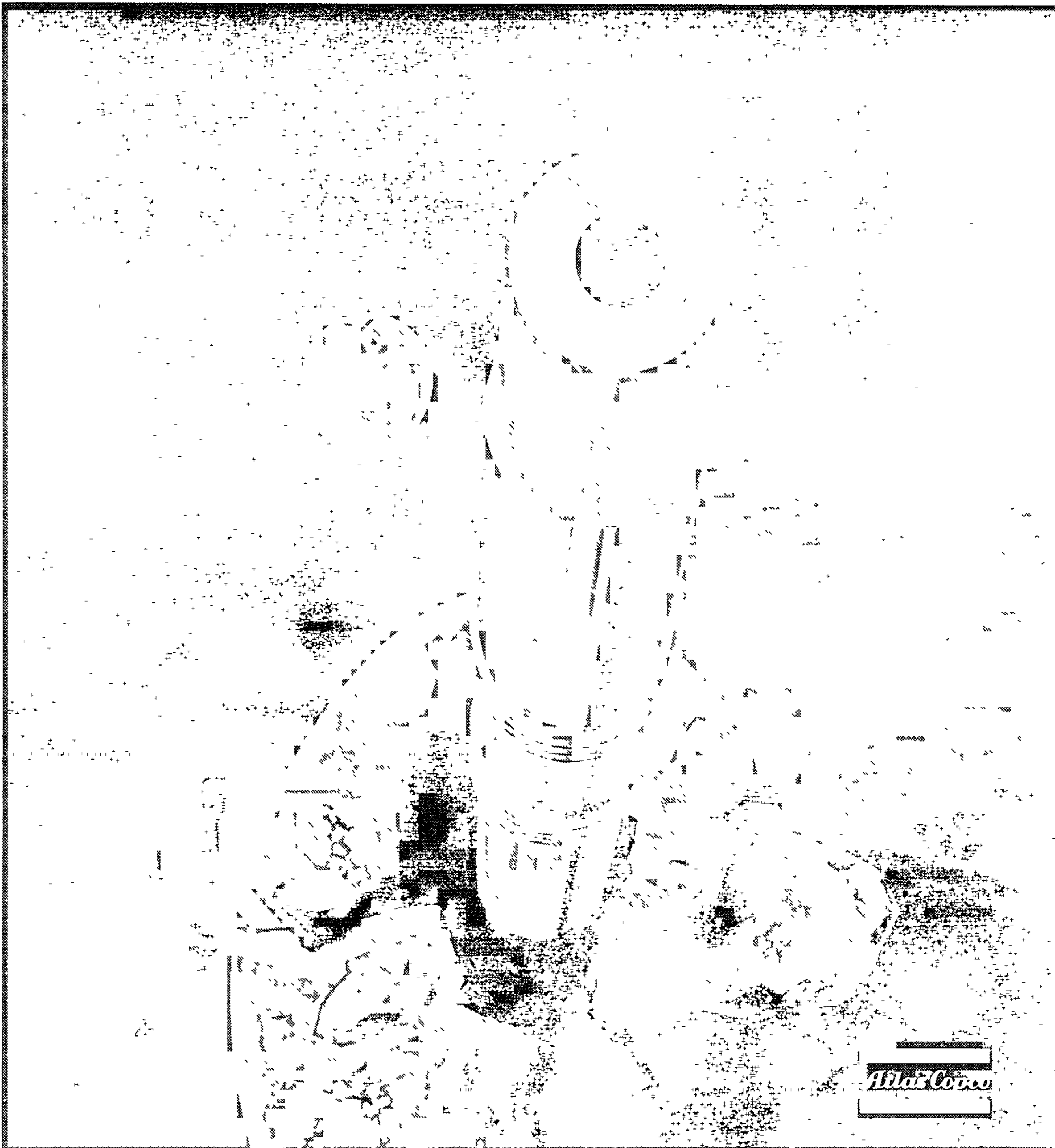
1981 Grootgeluk coal mine commissioned

1983 Construction of Tshkondeni coal mine begins, Dunswart Iron and Steel Works taken over by Iscor Iscor acquires Hlobane Coal Mine

1984 Coastal Coal Pty Ltd taken over by Iscor, and the corporation celebrates its 50th year of production

A far cry from what is built on the stretch of Pretoria Veld today — a picture in the museum.

*Delfos and Atlas Copco
salutes Iscor
on its 50th Anniversary.*





Demonstrating work on a roll turner at Iscor's Newcastle works

Value of is not los

TAKE A DEGREE, LEARN A TRADE OR A SKILL — AS PART OF THE JOB

THE iron and steel industry offers more than 1 000 different types of occupations, in fields ranging from age-old blacksmithing to modern computer electronics.

There are very few university courses not represented by graduates in Iscor's employ, whether they are prospecting for new sources of raw materials or doing social work amongst fellow employees

"Iscor is thoroughly aware of the value of training for our people," said a spokesman, "We know that the quality of our product and the effectiveness of our organisation depends on the knowledge of each employee

"Iscor therefore provides the necessary training and financial assistance to employers who are interested in furthering their studies"

A trainee scheme for selected matriculants to become engineers has proved particularly popular

After a year of study at a university the trainee receives on-the-job training at Iscor for one year. He then completes his degree full-time, with practical training at Iscor during university vacations. The training is therefore at least five years

During the first year the trainee qualifies for a bursary. During practical training he receives a salary and during the subsequent full-time study years he is granted a bursary corresponding to this salary

The engineering trainee agrees to remain in the service of Iscor, after successful completion of his studies, for at least one year for each year of his training

A similar scheme exists under which matriculants can obtain a BSc degree with chemistry and/or metallurgy and mathematics or physics as majors

The technician plays a vital role in the present developing industrial world with his highly trained skills. Iscor provides the necessary training at its Pretoria, Vanderbijlpark and Newcastle works, and at its Sishen iron ore mine

An apprenticeship is often the first step to a remunerative career in the mining industry, and Iscor ensures that apprentices receive a thorough training — theoretical as well as practical

Iscor has established training centres at its works at Pretoria, Vanderbijlpark and Newcastle, and at its mines at Thabazimbi, Sishen and Grootgeluk (Ellisras) to co-ordinate the training of apprentices in various trades and to place this training on a sound footing

It is obvious that Iscor is very proud of the mining college in Thabazimbi

The establishment of the college made history and it is also the only one of its kind within the organisation. There is even a classroom and training facilities right inside the mountain

The training programmes

The SABS recently awarded its Mark of Quality to Iscor's galvanised steel sheet

An endorsement which will continue to help Iscor's customers to do business with Iscor's products

Iscor's galvanised steel sheet is available in a wide range of thicknesses and zinc coatings

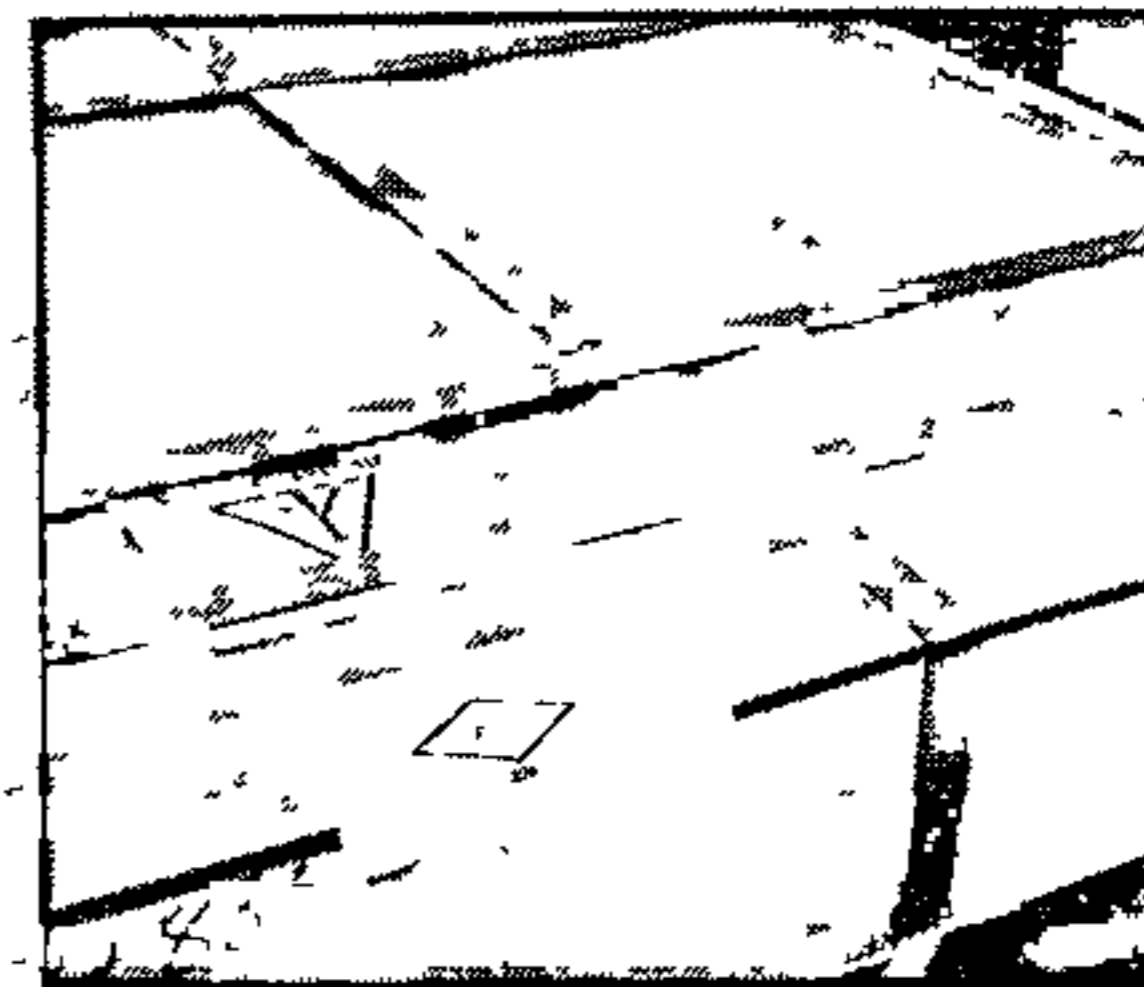
Iscor's galvanised steel sheet is available in a wide range of thicknesses and zinc coatings

According to SABS 934, the minimum thickness of the zinc coating is guaranteed. So you can specify

it even in corrosive conditions. And you needn't over specify in mild conditions

The coating designations have been adapted slightly to conform to international specifications. This includes reducing the number of different designations from six to four, making stockholding simpler

But that's only looking at the surface. Underneath is a steel that meets virtually any require-



ment. You can bend it, shape it, drill it or cut it. And it won't break.

No material quite matches galvanised steel for its combination of durability, versatility and cost-effectiveness.

While the Mark proves that no material quite matches its quality.

Iscor's galvanised sheet is sold in Africa, Europe, the East and the U.S.A.



According to SABS 934, the minimum thickness of the zinc coating is guaranteed. So you can specify

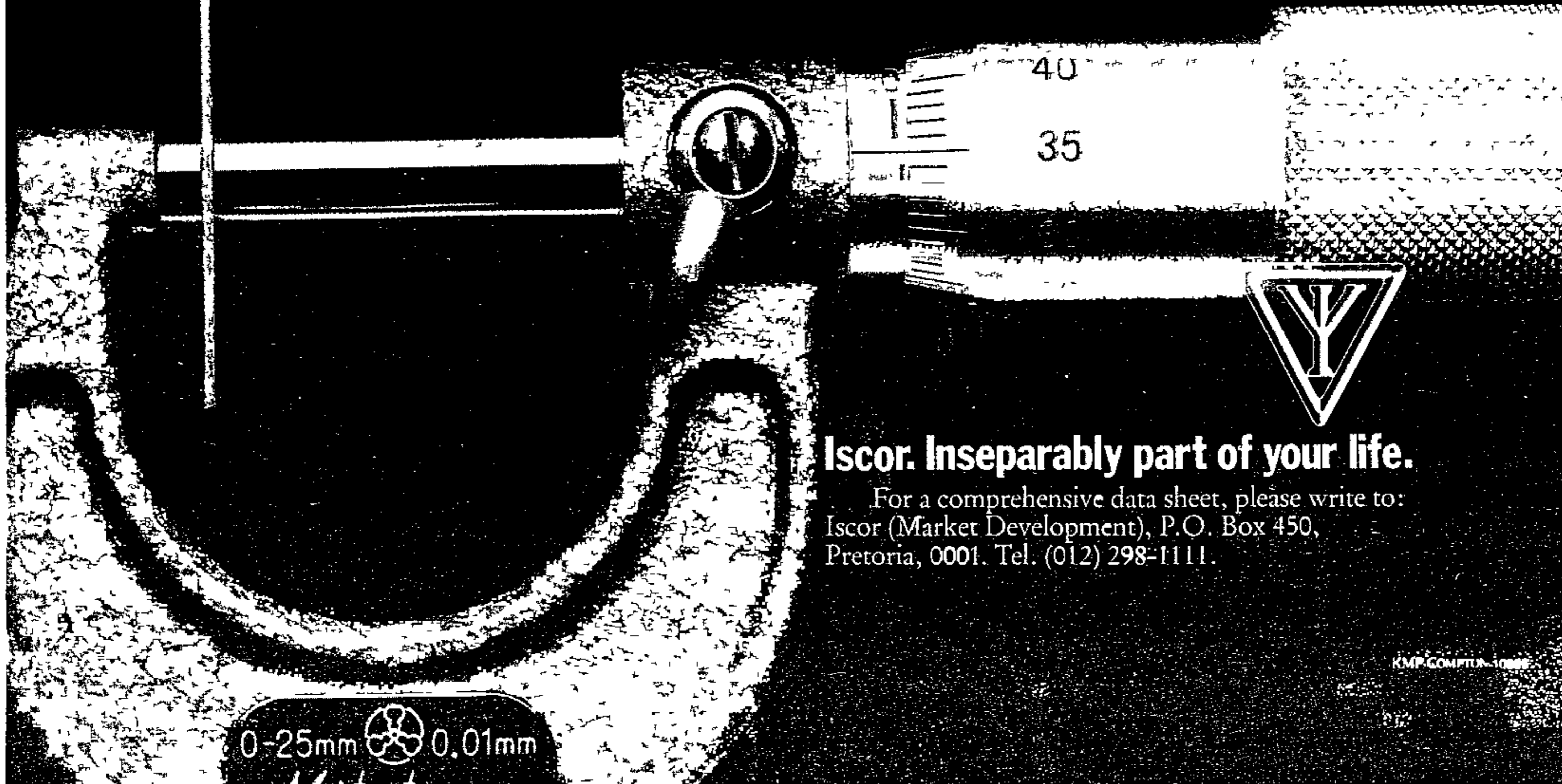
it even in corrosive conditions. And you needn't over specify in mild conditions

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But that's only looking at the surface. Underneath is a steel that meets virtually any require-

GALVANISED STEEL SHEET

It's proved itself for forty years. Now it's also S.A.B.S. approved.



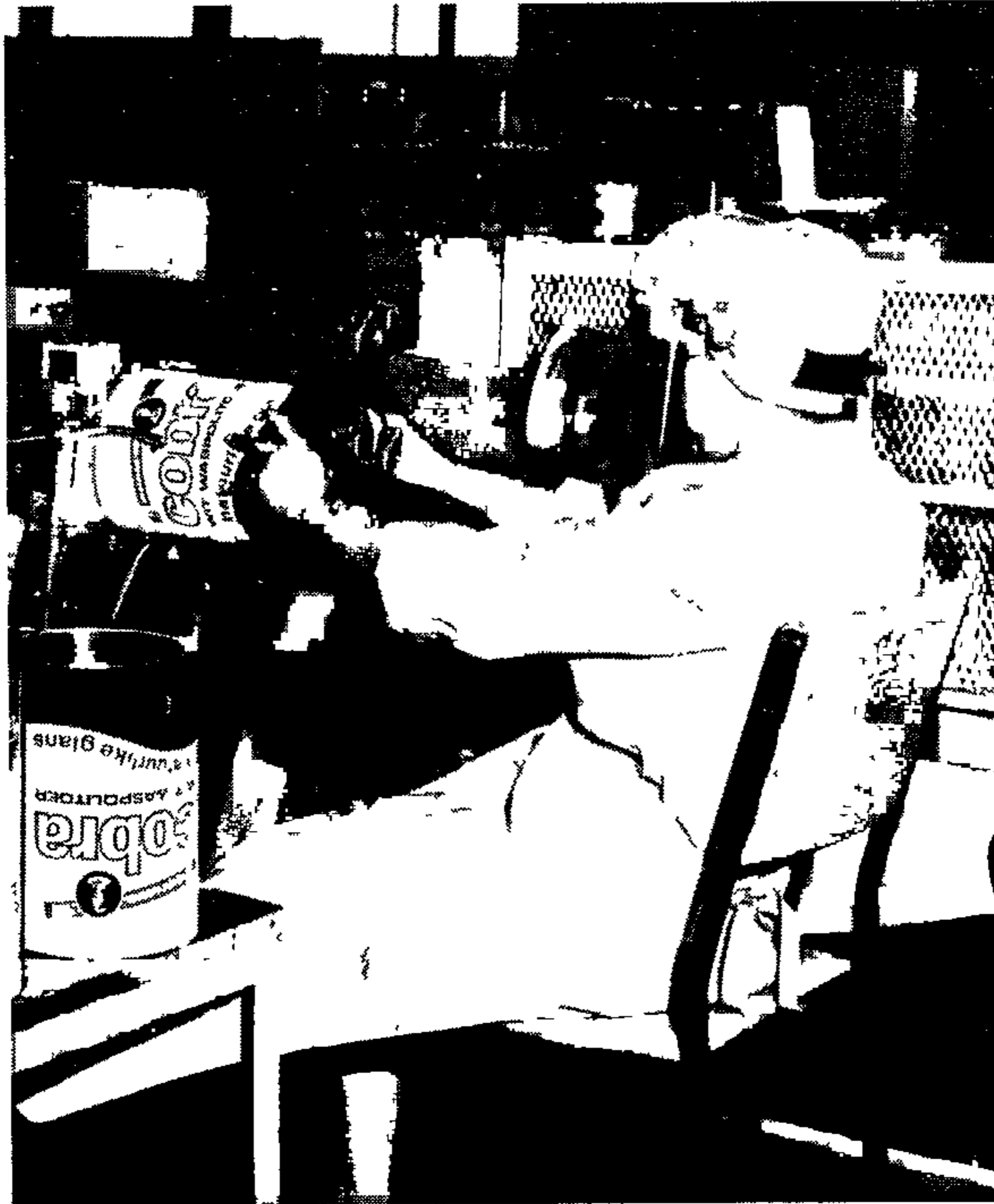
Iscor. Inseparably part of your life.

For a comprehensive data sheet, please write to: Iscor (Market Development), P.O. Box 450, Pretoria, 0001. Tel. (012) 298-1111.

0-25mm 0.01mm

The uses of steel, that multi-metal

RIGHT: All kinds of household products are made of Iscor tin plate
LEFT: Part of a giant pressure vessel is made of steel and
FAR LEFT: Helping people keep their cool — steel is used in the construction of air-conditioners



IT'S difficult to imagine a world without steel. This versatile metal has so many varied uses in today's sophisticated world.

On the domestic front, no kitchen is complete without its steel utensils and big electrical appliances. At the opposite extreme, steel is used in heavy industry, for ship-building and for armaments.

South Africans have Iscor to thank for a high percentage of locally made steel products, from kitchen sinks

to luxury liners to motorcar wheel rims

Steel is produced to different specifications for different items. Various elements are added to the molten steel at certain stages to give it different properties. Some steel is hard and brittle, some is malleable and shock-resistant.

Apart from iron ore, pig iron, steel semis and by-products from the coke ovens and blast furnaces, Iscor's main steel product groups are flat products and profiled products.

Flat products include plates, hot-rolled sheet, cold-rolled sheet, galvanized sheet, colour-coated sheet and tinplate.

Iscor plate is used for such structures as bridges, pressure vessels, reservoirs, pipes and mining equipment.

Typical uses of hot-rolled sheet include truck body panels, bulk shipping con-

tainers, shovels and road tankers.

Kitchen utensils are made of cold-rolled steel, as are office furniture, drums and containers.

Galvanized steel is known to most people as roofing or cladding sheets. It is also used for silos, air-conditioning ducts and floor panels.

Cans, toys, aerosol containers and crown corks are made from electrolytic tinplate and Iscor produces a variety of prepainted and plastic-laminated sheet in many coating finishes and colours, suitable for a wide range of applications.

Profiled products include sections and bars, reinforcing rod, rails, wire rod, wire products, fencing materials and forgings.

All these products serve the different sectors of the community — domestic, industrial, construction and mining.

MANNESMANN

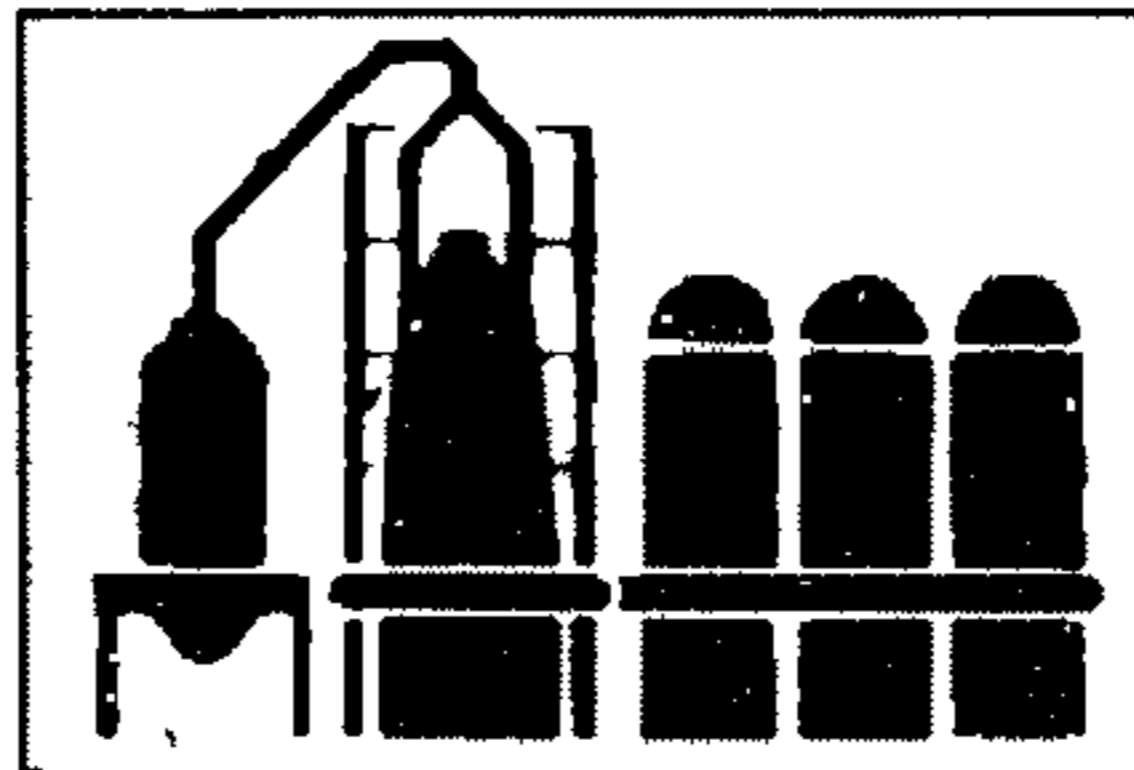
Demag

We've built a solid reputation by passing everything we do through the melting pot.

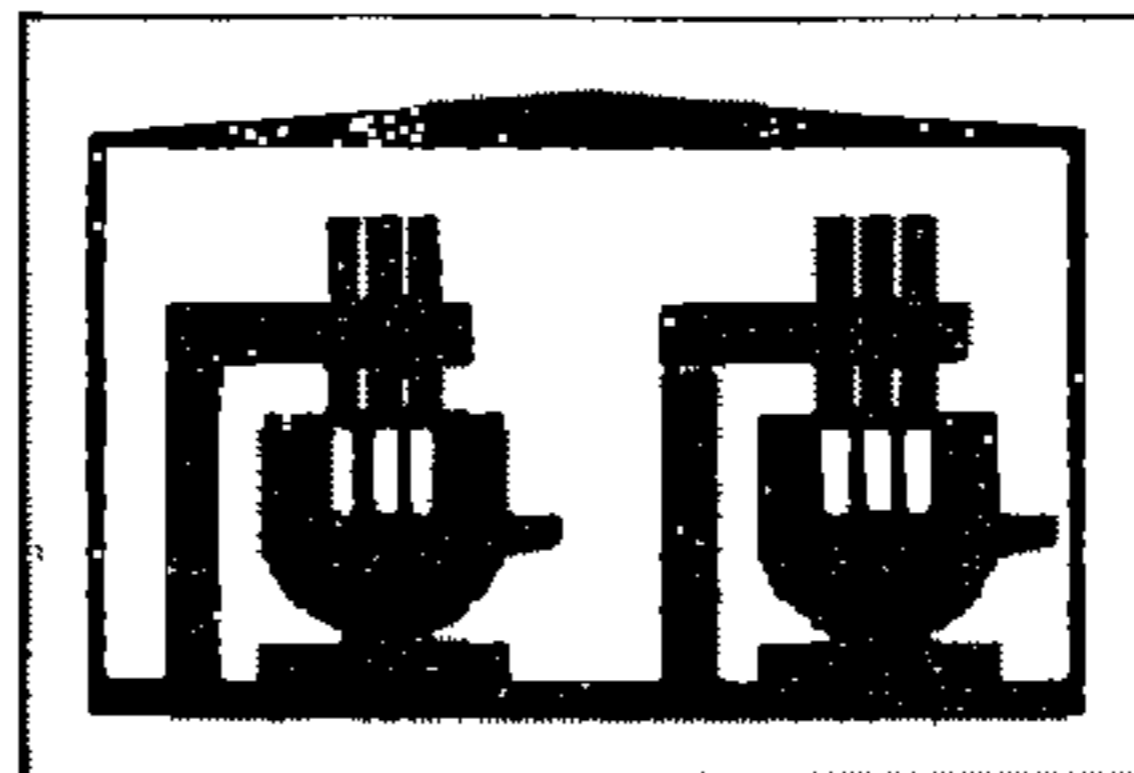
In the metal industry world, Demag's as strong as steel because strict quality standards govern all our activities. Our Metallurgical Plant Division will plan and erect complete plants for reduction and arc furnaces. Gas cleaning and basic oxygen furnaces. As well as for iron and steelmaking. And if it's rolling mills, forge presses, extrusion and cable sheathing presses or pipe welding equipment you're after, our Metal forming division has the answers.

Mannesmann Demag is a major contributor to the success of the Mannesmann Group. A multi-national, multi-billion Rand corporation employing over 105 000 specialists in many fields of industry and commerce.

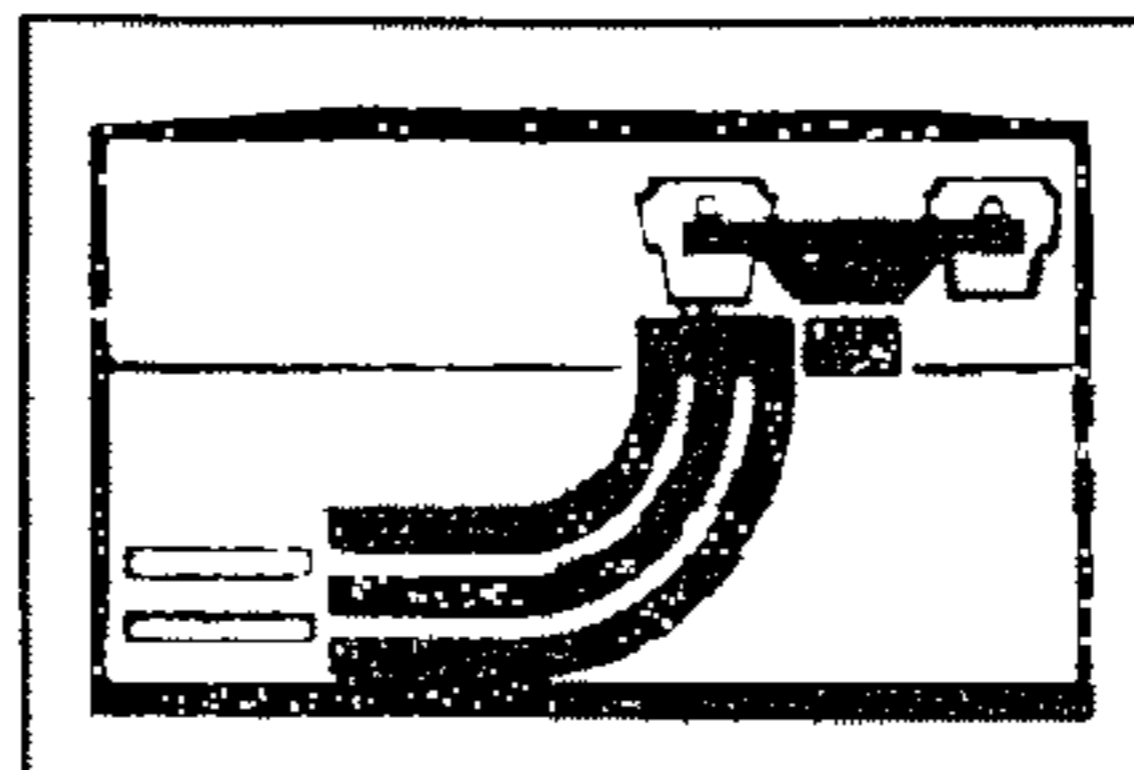
Comprehensive literature on Demag's product range is available, with the compliments of our Head Office, from P.O. Box 10394, Johannesburg 2000. Telephone Johannesburg 28-1550.



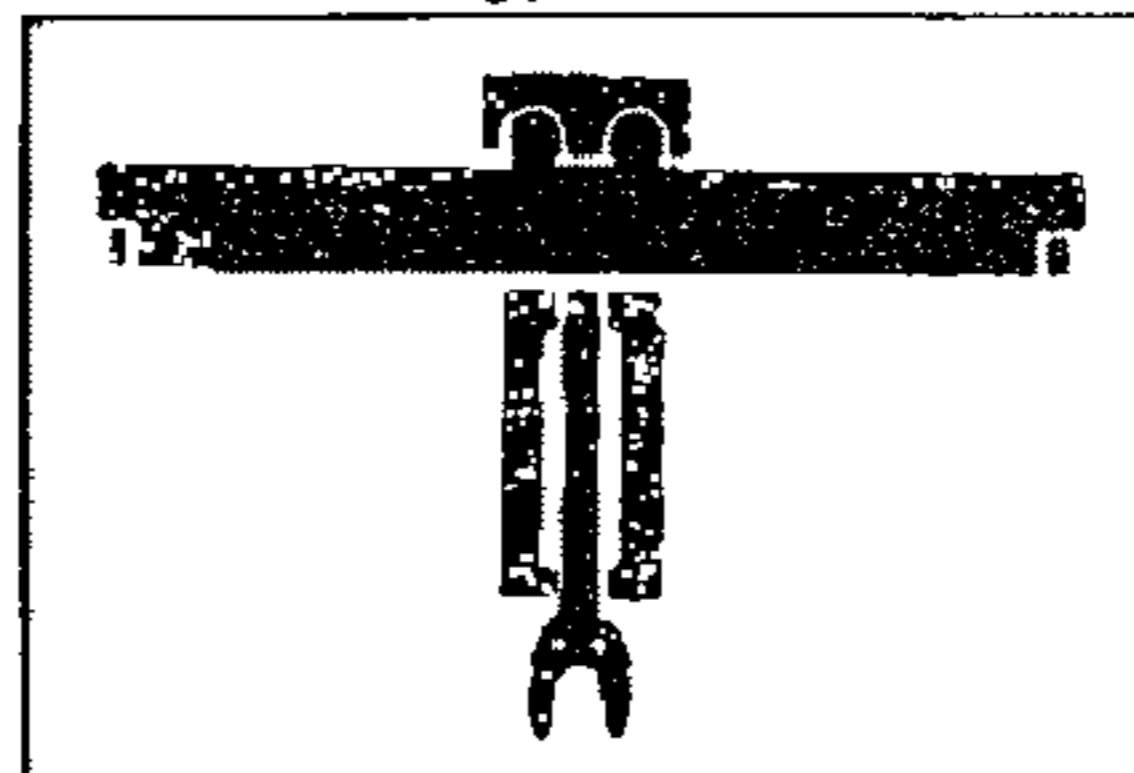
Blast furnace



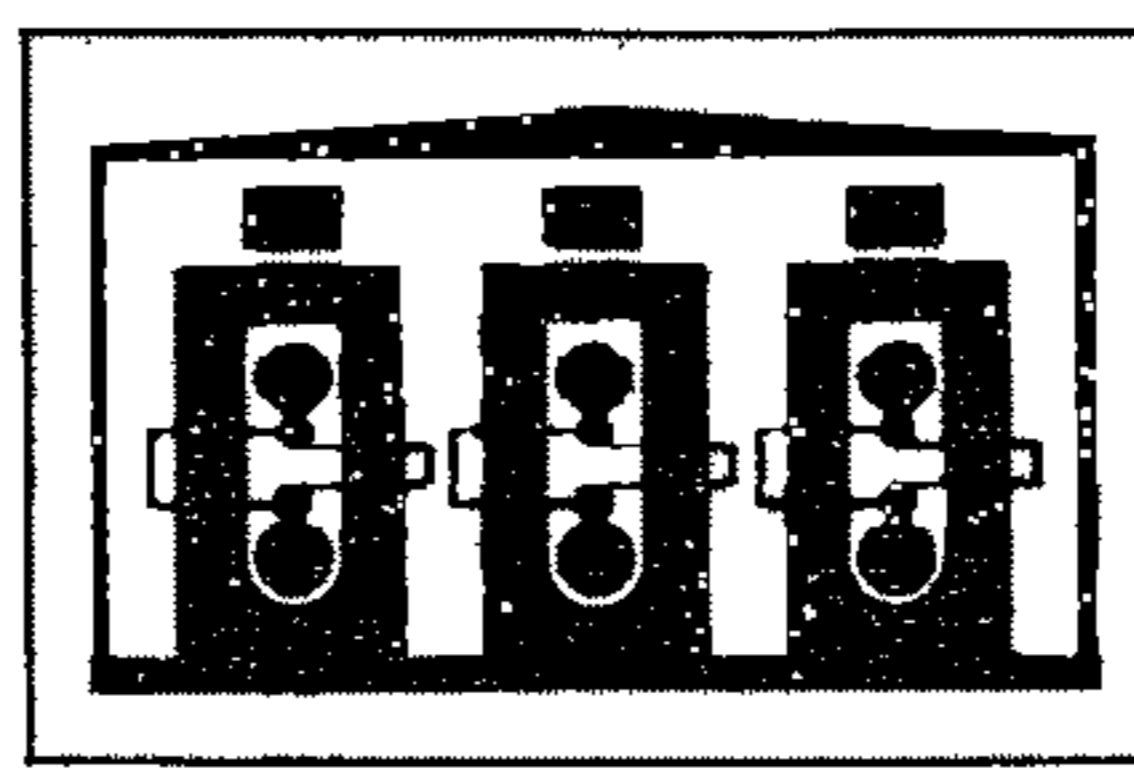
Electric arc furnaces



Continuous casting plants



Steel plant cranes



Rolling mills



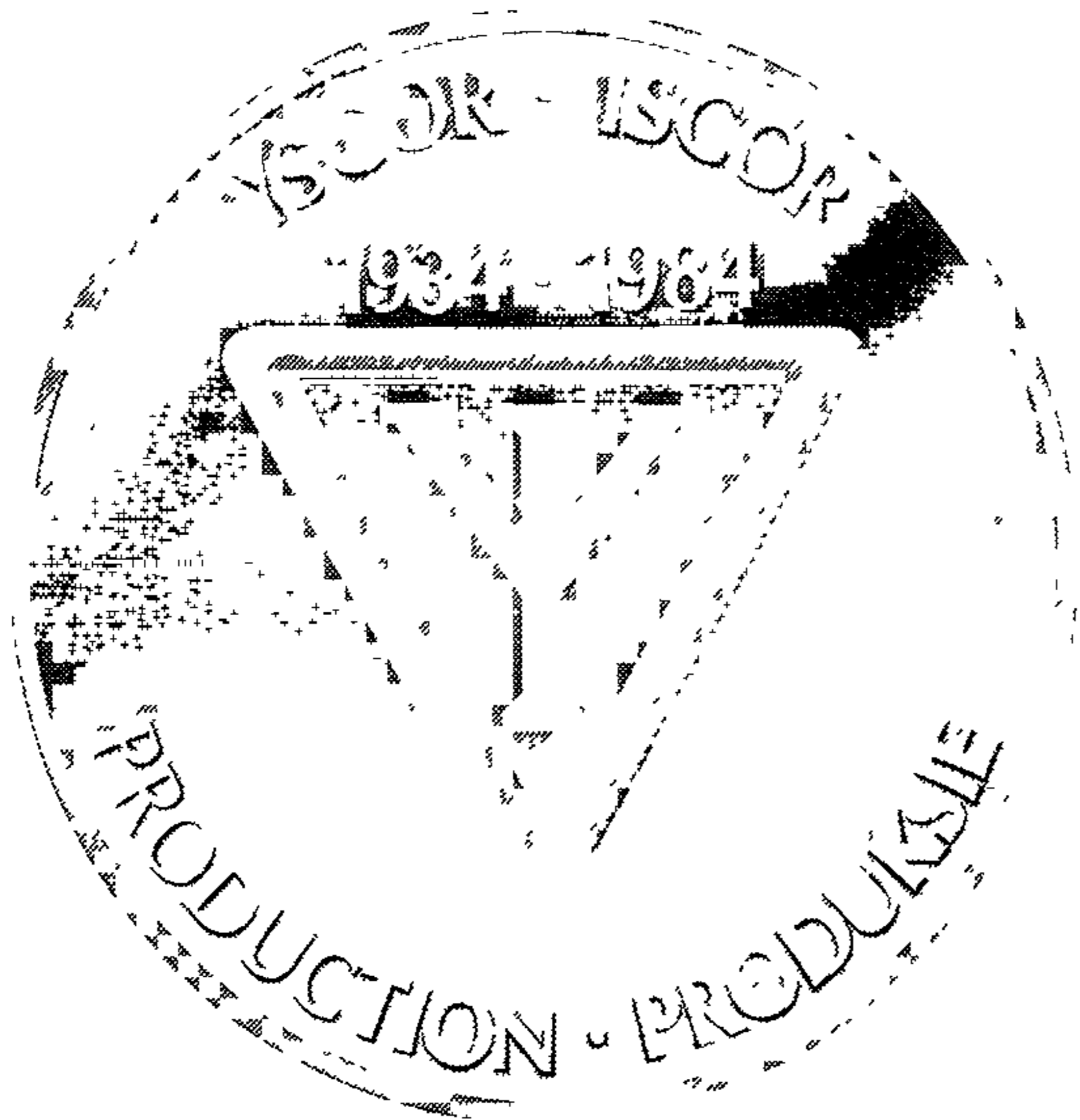
Structural steel frame of a multi-storey building, incorporating hollow section columns

Mannesmann Demag (Pty) Ltd.

Mannesmann Demag builds machinery, plants and systems — metal making plants, metal shaping plants, materials handling equipment, compressors and pneumatic equipment, construction equipment and plastics machinery



In the early days, industrial safety regulations were not what they are today. Workers wandered around quite cheerfully without hard hats — one even wore a felt hat — more for effect than protection?



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 Iscor means special things to special people. That's why we offer these official Iscor commemorative medallions in Gold, Silver and Bronze
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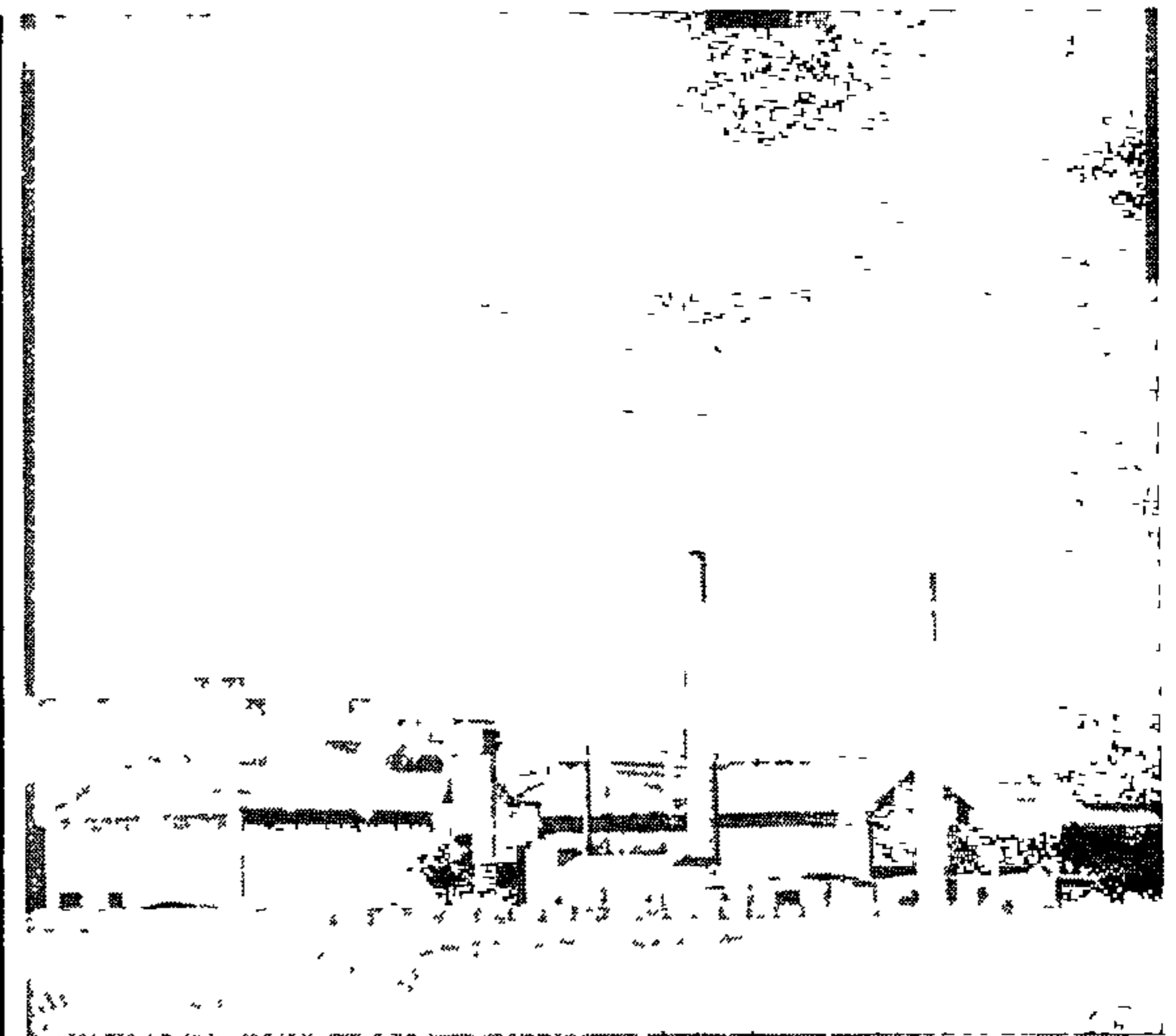
Yes, please order the following medallions for me

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| | 1oz Fine Gold @ R750.00 each + GST | |
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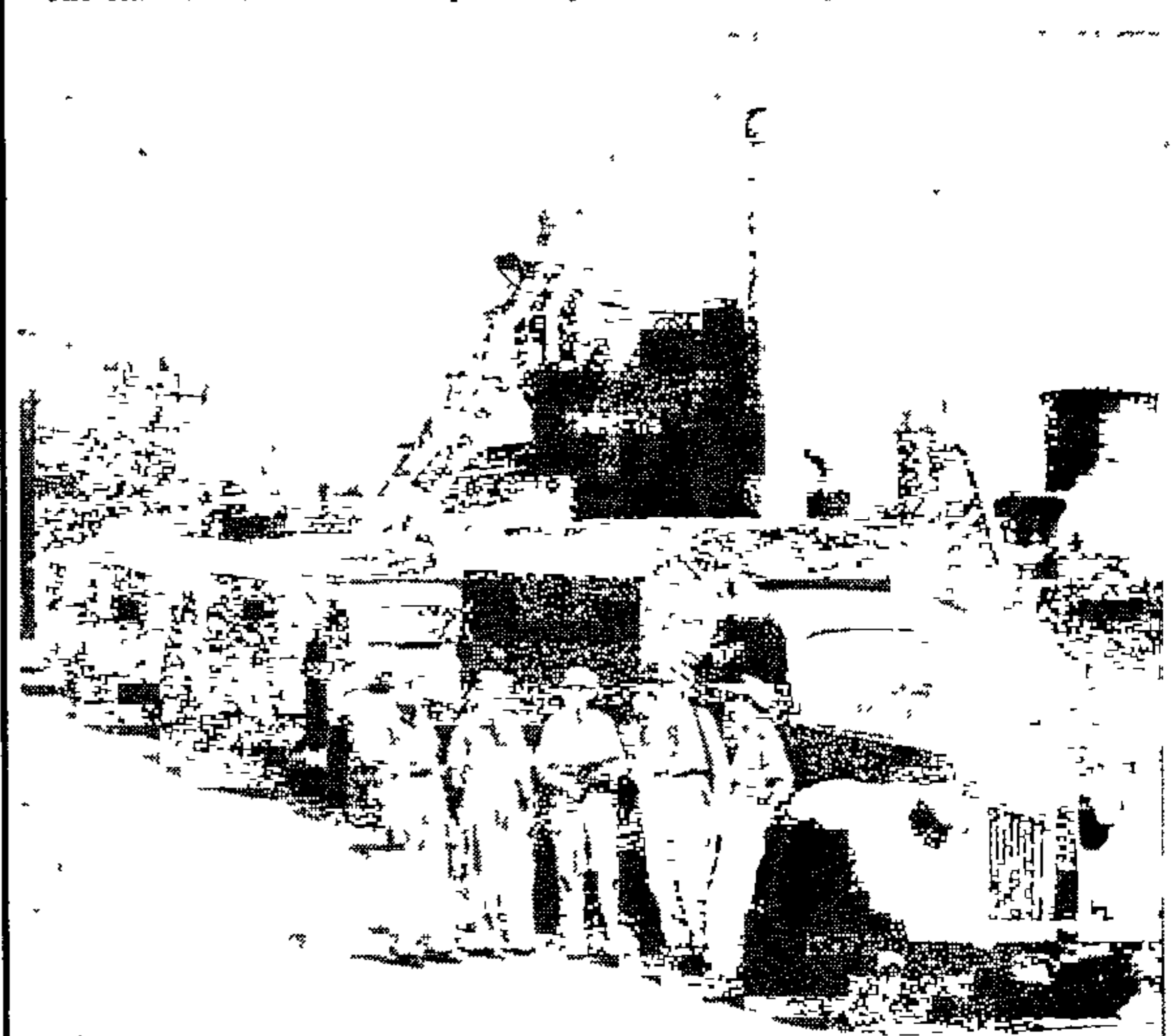
Enclosed is my cheque/postal orders for R

I understand that this is a very limited mintage and orders will be executed strictly in the sequence in which they are received. Should the offer be sold out, I will receive a full refund. The medallions will be posted to me in presentation boxes of either one medallion or a set of three, as ordered above, by registered insured mail

Name _____
 Address _____
 Telephone _____ Signature _____
 Allow 6-8 weeks for delivery Code _____



The old Iscor was considerably less impressive than today's plant at Vanderbijl



During the war, women lent a hand in transporting strategic war materials. Here, they wait with their trucks outside the Pretoria plant for the steel to be loaded

WE ARE PROUD TO BE ASSOCIATED WITH ISCOR AND WE CONGRATULATE THEM ON THEIR 50th ANNIVERSARY

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Starting small, ending huge

ISCOR is the leading steel producer in Africa today — and the second largest in the Southern hemisphere.

The growth of the corporation has been rapid. Iscor's total net sales of products amounted to R2 047-million for the 1982/3 financial year.

When the first Iscor steel was tapped in 1934, the country was still largely dependent on imports for its steel requirements. Local steel mills then could supply only 18% of the total domestic demand. The remainder had to be imported.

In 1952, the year after the Vanderbijlpark works came into production, the import figure was down to 33%.

To meet the ever-growing demand for steel products and to make the Republic as independent of foreign sources of supply as possible, the corporation launched several major expansion programmes.

In the post-war years in particular Iscor was hard pressed to meet the demand for steel, and extensions were the order of the day.

Three provinces and South West Africa have had either works or mining centres established by Iscor.

The first of these was at Vanderbijlpark, where the corporation's second fully integrated steelworks was erected on a bare plain.

Early in 1947 a start was made with the construction there. Gradually coke ovens, blast furnaces, steel furnaces, stripping bays and a slabbing mill to serve the original plate mill began to take shape.

Beyond the plate mill, hot and cold-strip mills, cleaning lines, shearing and slit-

ting lines and tin stacks were provided, as well as all the necessary service departments.

The works was officially opened in 1952.

Eleven years later, the Vanderbijlpark works showed a record annual steel production of nearly 1,4-million ingot tons. Continual extensions, and particularly the erection of a new north complex, have gradually increased the liquid steel output at this works to the present figure of about 3,4-million tons.

Newcastle, in northern Natal, was chosen as the location for the third Iscor works. The necessary infrastructure was already established at Newcastle, water and power were available, and, because Newcastle lay in a border area, labour was no problem.

In 1972 work started here on the erection and two years later the first steel was tapped. Two basic oxygen (LD) furnaces, two continuous bloom-casting machines, several rolling mills and a wire plant were the first to be commissioned.

Several other production units, including a new blast furnace, were constructed to complete the first phase of the works in 1976.

Sishen, the corporation's iron ore mine in the Northern Cape, was found to possess such rich reserves of ore that Iscor decided to launch an extensive programme to enlarge the mine to permit the exportation of up to 18-million tons of iron ore a year.

This gave rise to one of the most ambitious projects ever tackled in South Africa, entailing the construction of an 861km railway line between Sishen and Saldanha

Bay, where a modern terminal for the loading of huge ore carriers had to be built, as well as the expansion of the ore mine itself.

The line was completed in the record time of 17 months and the first ore conveyed over the new line arrived at Saldanha Bay in May 1976.

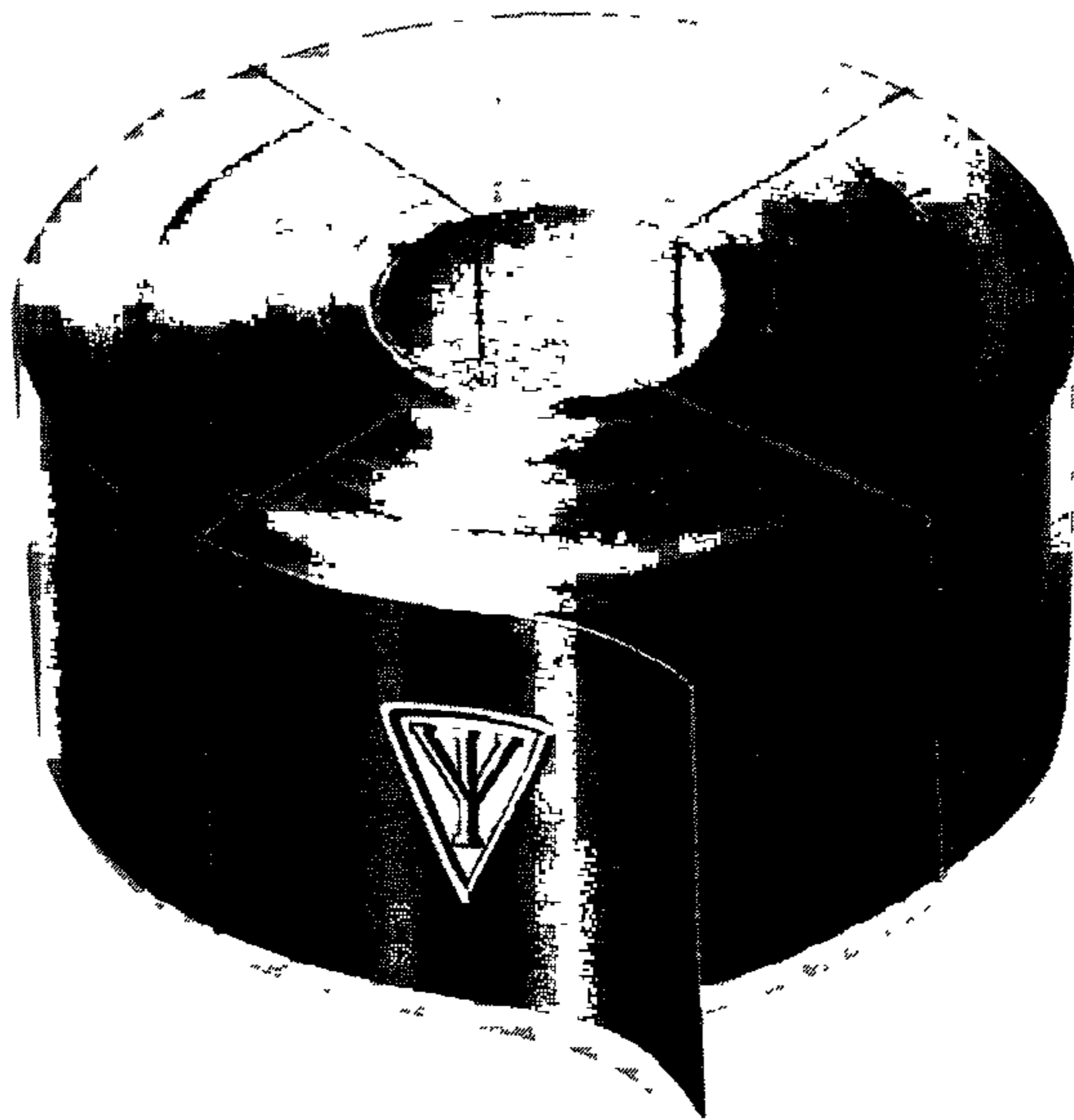
The Grootegeluk coal mine is being developed at the rich Waterberg coalfield near Ellisras.

In addition, exploration for coking coal north of the Soutpansberg has revealed very promising deposits of high-grade material.

Iscor, by expanding at a rapid rate and keeping abreast of new technology breakthroughs, is making South Africa self-sufficient with regard to steel and thus ensuring a high rate of industrial development for this country.



Back in 1932, the steel plant — forerunner of today's Pretoria works — was in production.



By the time we've finished it'll do 185km/h.



For the past 33 years Iscor has produced the steel we turn into Volkswagens.



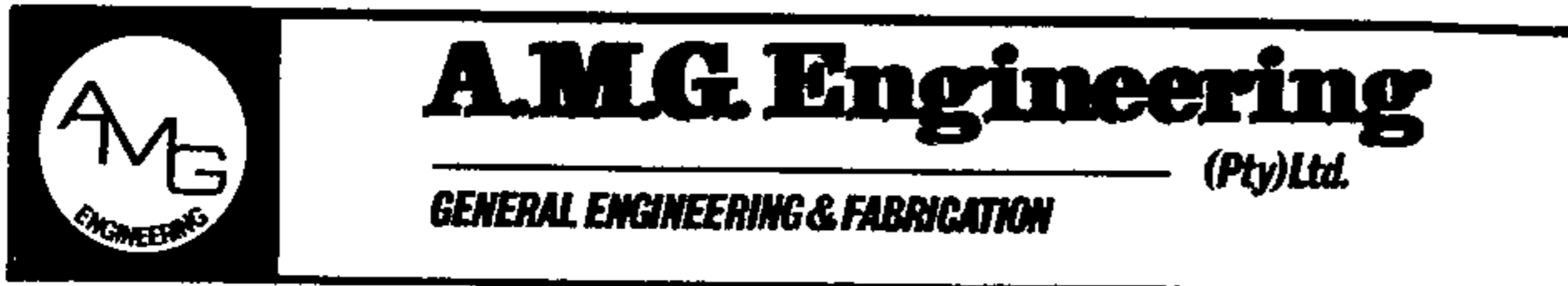
Beginnings were humble. Cornelis Delfos is pictured outside the original structure.

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Congratulations on Iscor's 50th Birthday!!

... WE HAVE BEEN GROWING WITH ISCOR!

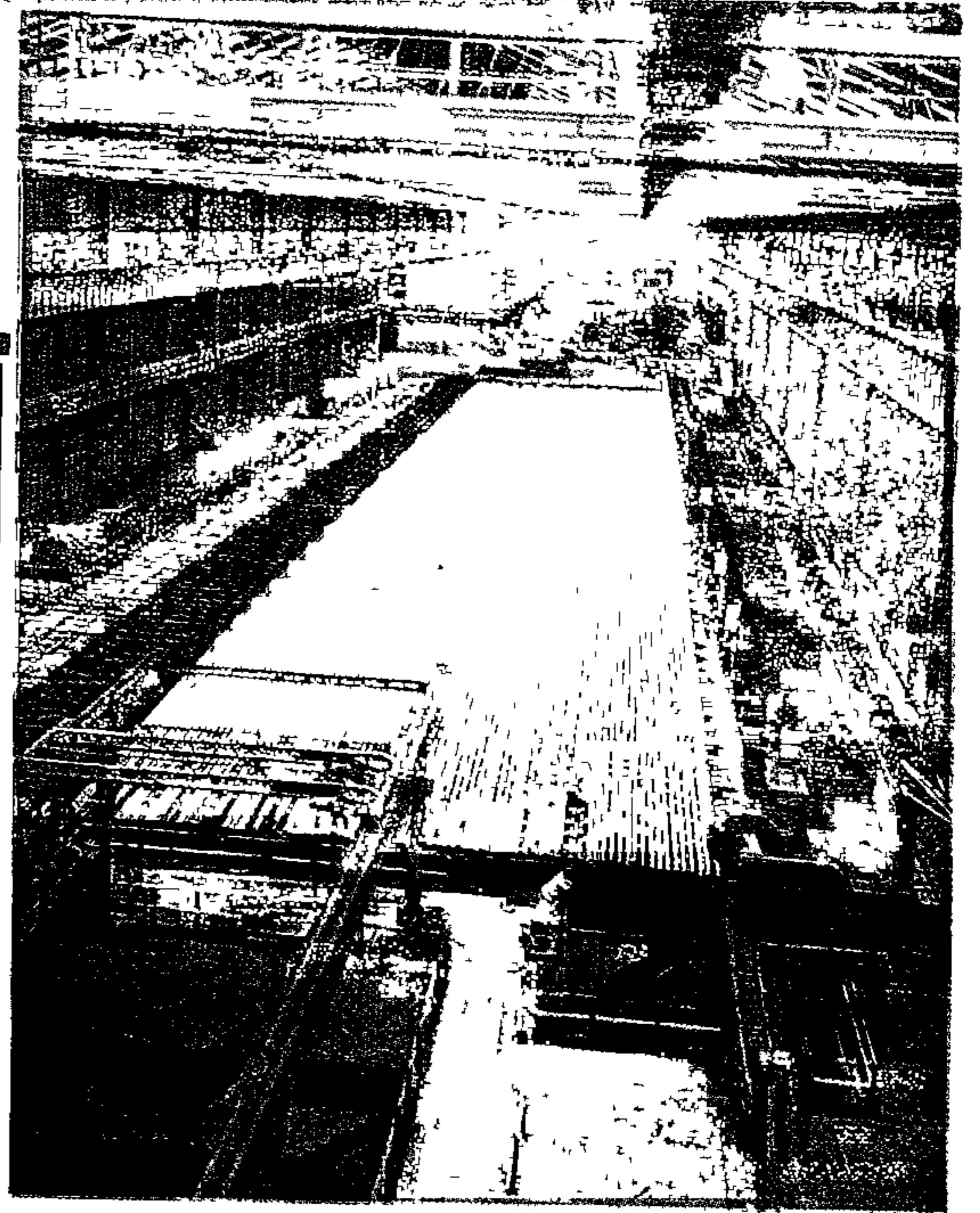
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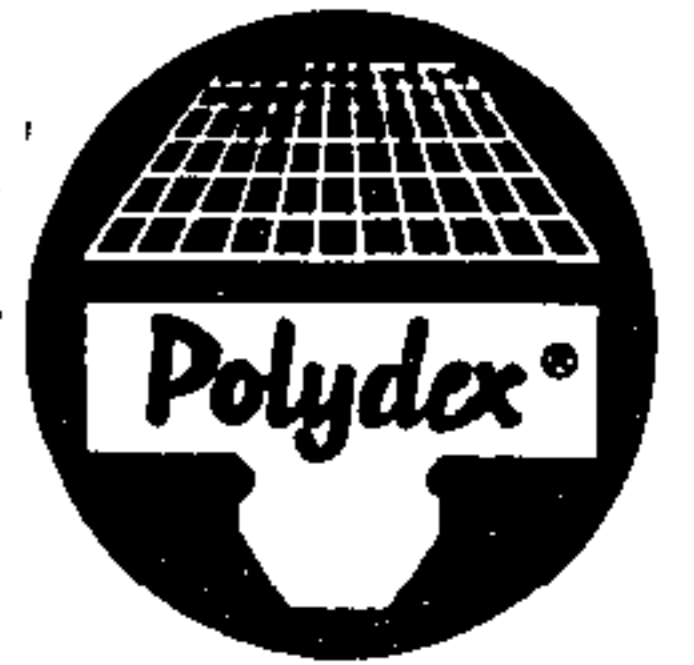


Size of the plants is enormous — pictured is the cooling bed in the medium mill

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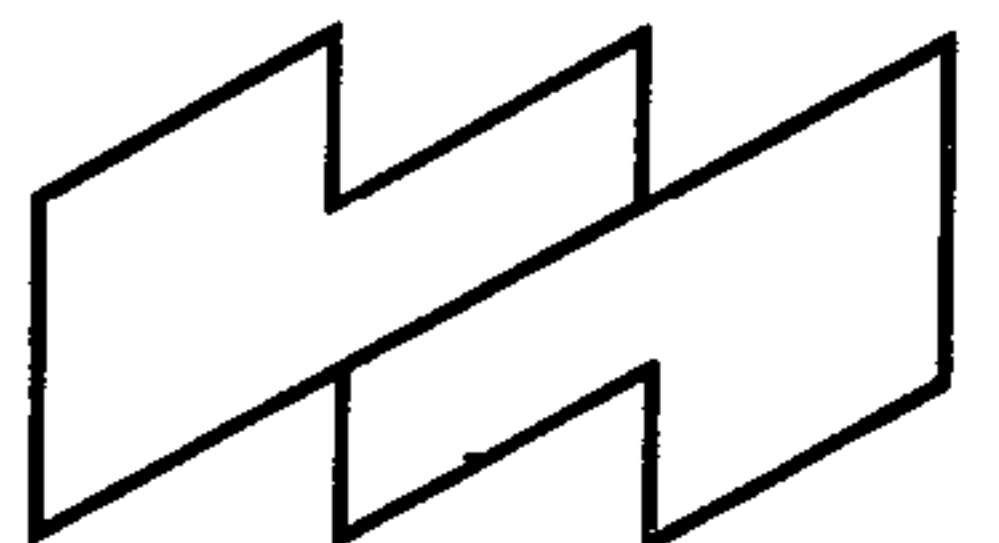
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MESSAGE FROM DR E L GROVE

Co-operation, communication

FOR the past half-century Iscor has provided an indispensable service to industry and during this time, the South African Transport Services has enjoyed the benefit of an excellent working relationship with the corporation.

This is evidenced by the fact that last year we purchased 98% of our steel products from the corporation.

In this year SA Transport Services purchased 661 000 tons of steel rails to the value of R51-million and a further R14-million worth of steel fishplates.

Apart from these purchases, SA Transport Services benefits considerably from the conveyance of raw materials to the various Iscor works, and of course the carrying of finished products locally and for export.

SA Transport Services' relationship with Iscor does not end here. As national carrier, SATS has assumed an ever-increasing importance in the development of an effective transport infrastructure aimed at promoting South Africa's, and as such Iscor's, international trade.

This applies in particular to the tonnages of metallic ores and coal being conveyed from inland sources to the major harbours for export.

For instance, on the Sishen-Saldanha line, iron ore



DR E L GROVE, general manager, SA Transport Services

can be conveyed in 220 truck trains which are 2,5km long and have a carrying capacity of 18 700 tons. This enables SATS to convey 18,5-million tons of ore over the line per annum.

These are examples of the co-operation that has existed between Iscor and SATS since the first contract was drawn up.

The world-wide recession has had an adverse effect on the demand for steel throughout the world, which has affected the profitability of all major steel manufac-

turing organisations

Iscor is no exception but with its dynamic management approach I am convinced that this giant organisation will soon be on the road to a more favourable economic situation.

I would therefore like to sincerely congratulate Iscor on their 50th year of production. May the corporation enjoy prosperity in the coming 50 years. I trust that the spirit of co-operation which has existed between our organisations will endure for many years to come.

You're in metals.
We're in money.
Both of us
are top of
the pecking order.

With best wishes for your 50th From The Bank.

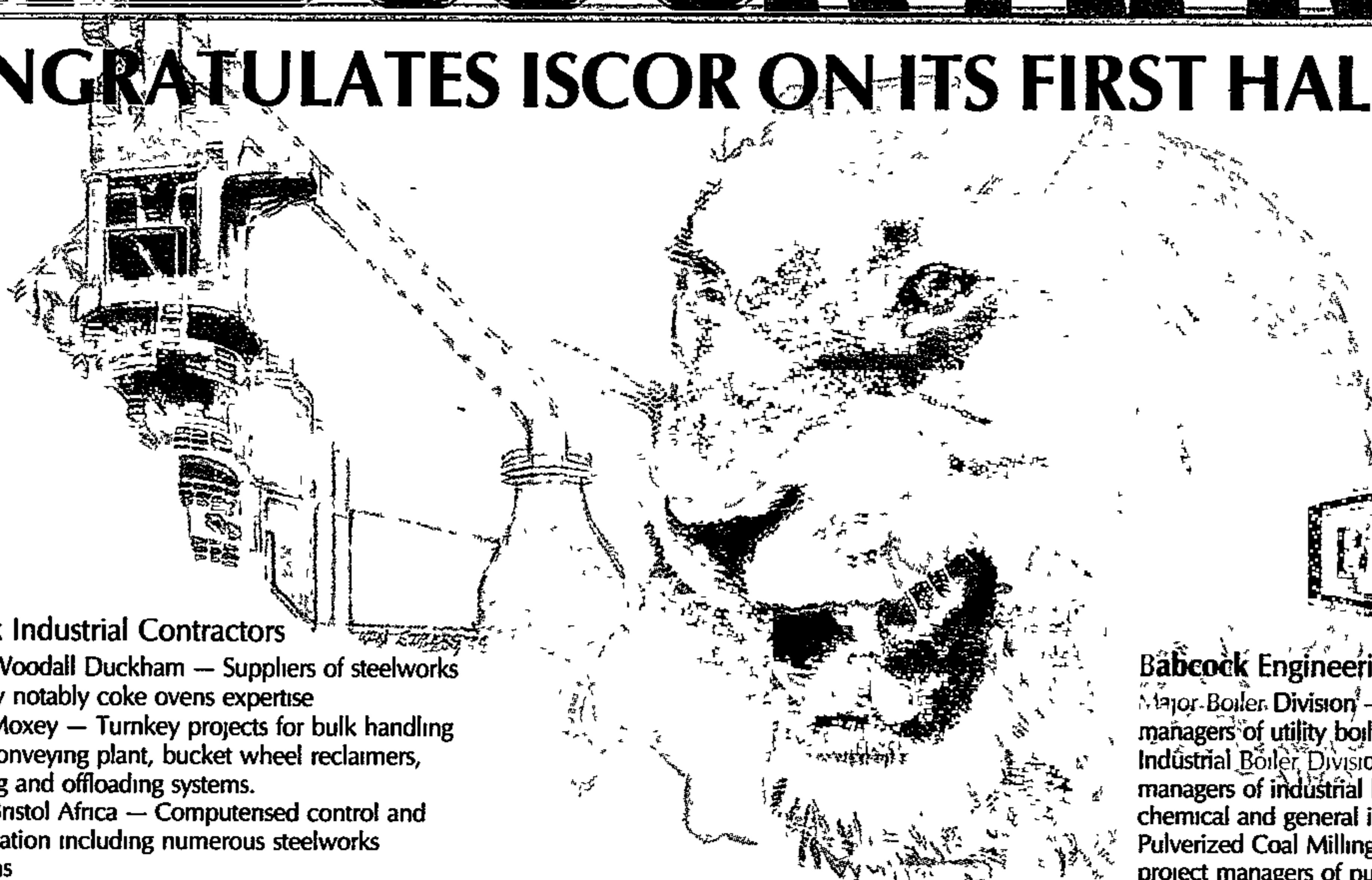
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Babcock Arnes Crosta — Design and engineering of water and sewage treatment plants

Babcock Metsep — Regenerates waste hydrochloric acid from steel pickling.

Babcock Triplejay

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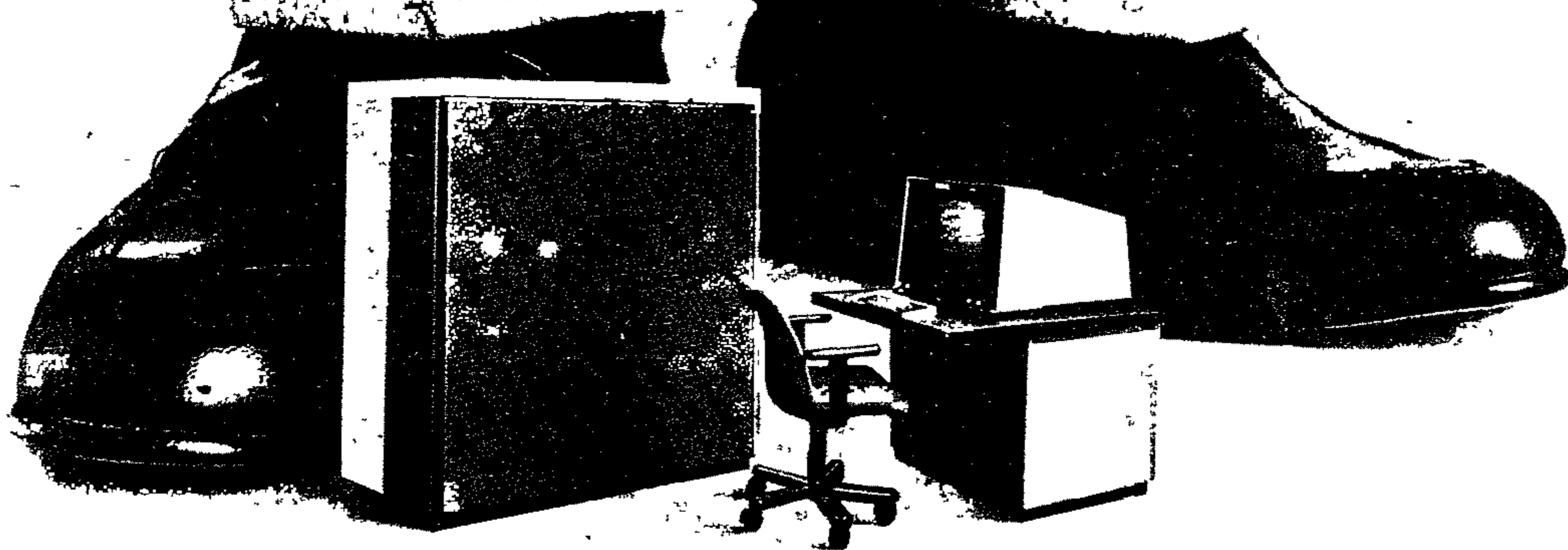
SPECIALISTS IN RAILWAY CONSTRUCTION AND MAINTENANCE.

WE ARE PROUD TO HAVE BEEN OF SERVICE TO ISCOR FOR THE PAST 20 YEARS.



It was a tremendous occasion — the opening of the Iscor works at Pretoria in 1934. Guests of honour included the Earl and Countess of Clarendon and Prime Minister Hertzog.

Control Data has made a small computer for people who think big.



It has probably come as some surprise to the computer industry that Control Data now offers a CYBER system at a mini-computer price.

Until now we've been known as the makers of the biggest computers in the world.

And while everyone else has been scrambling to stretch performance upwards, we thought it made a lot more sense to scale down. That way, you have room to grow with us.

Who wants to invest time, effort and money in a system that will become overloaded in a couple of years?

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The CYBERMINI 815 offers huge potential for growth and that means huge savings down the line on both hardware and software.

You get new levels of cost/performance with complete upgradability.

The CYBERMINI 815 is a new class of computer system at an affordable price. It fulfills computer - based education and training needs and may be used in many specialist applications such as computer-aided engineering, mining, manufacturing, finance and banking.

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A gala event to celebrate 50 years

WHEN an organisation the size of Iscor celebrates 50 years of production, it's occasion for celebration, and the gala evening, the major commemorative event, will be held on April 4

It's an enormously significant day, because it was on April 4, in 1934 that the first steel was tapped at the Pretoria Iscor works

What's planned is an evening function at which the Prime Minister, Mr P W Botha, has been invited as guest of honour



Prime Minister Mr P W BOTHA

Other VIPs who have been invited to attend are Cabinet Ministers and the Administrator of the Transvaal

Special guests will be the mayors of Pretoria, Vanderbijlpark and Newcastle — locations of the three major works of Iscor

The event will create some nostalgia, and be somewhat reminiscent of the event 50 years ago when the Pretoria plant was opened

Guests of honour on that occasion were the governor, the Earl of Clarendon, and Prime Minister Hertzog The plant they opened was positively puny when compared with the vast sprawling complex outside Pretoria today

At a later stage, all the Iscor personnel will have a celebration

The gala function will take the form of a dinner at which the Prime Minister has been invited to speak and unveil a commemorative plaque It will be held at the Iscor Commando Parade Grounds on a hill overlooking the Pretoria Works



Jan and Barbara Kwiatkowski and Jadwiga Stolarek

A place in the sun for people of all nations

IT'S something of a United Nations down at Iscor Vanderbijl.

Jan Kwiatkowski and his wife Barbara both came to South Africa just over two years ago Jan had already arranged a contract with Iscor from Austria as an engineer.

Barbara, a chemical engineer, was also employed by Iscor on arrival

So far so good, except that neither of them spoke a word of English or Afrikaans. They both took the two-month course arranged by the company which equipped them to some extent but really only gave them a grounding in the technical terms

Barbara started work in the cold mills and is now involved in the tinplate department where she has a lot of contact with the production workers

Her job is to find out what faults could occur in any of the products

Communicating this with her limited Afrikaans to the workers is not the easiest of tasks

Although she is the only woman engineer in her department and she has to prove herself on that account she feels that the language presents more of a problem

Jan says "The work is very much the same whatever country you are in although it is more difficult

since all the technical books are in English. We have had to teach ourselves English since there is no course here for it."

Jadwiga Stolarek used to teach at Vanderbijlpark and after her year's contract was over joined Iscor as a trainee draughtswoman

She is one of four women on her team "There are equal opportunities for both sexes in the corporation," she says.

As Polish immigrants they are all thankful for the opportunity to work within their field and particularly to be assured of a job. Compared with these advantages the problem of having to learn two new languages seems minimal to them.

"True as steel"

These words of Geoffrey Chaucer aptly sum up the way that Iscor has stood behind South Africa for the last 50 years, providing both in quality and quantity the indispensable basic material for the remarkable growth of our country.

We salute the early Iscor pioneers — and the thousands of South Africans who have over the years built Iscor into the great organisation it is today.

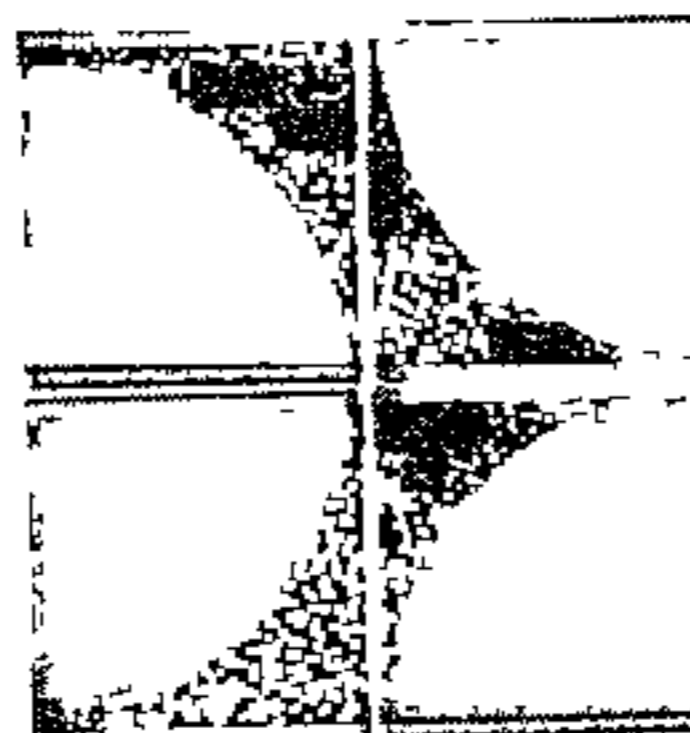
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During the 40 years of its existence, the Iscor plant at Pretoria has grown from a small building standing in isolation on the bare veld to an enormous industrial complex as shown here.



We congratulate Iscor on their 50th Anniversary

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Before Iscor began, teams of prospectors came to South Africa from overseas to check out the feasibility of establishing a plant here

Pictures that tell of a proud beginning

IN THE embryonic stages of any large organisation, growth and progress are the key factors and any suggestion in the first few decades that some sort of archives should be inaugurated are seldom taken seriously.

But at Iscor, from the very beginning the chroniclers were at work

Way back when Cornelis Delfos was still planning and dreaming, and taking the first steps towards today's giant organisation, records were kept, pictures were taken

And because today's Iscor executives are tremendously conscious and proud of the organisation's history and development, they have inaugurated the Cornelis Delfos Museum at Iscor in Pretoria

It first opened its doors to visitors in 1982, and ever since, it has proved to be a tremendously popular attraction

Curatrix Mrs M Scheepers says that many groups of children on school tours visit the museum and among its most frequent adult visitors are the staff of Iscor itself

The exhibits tell it all They go back to the pre-Iskor days when Cornelis Delfos and his brother lived in the Philipolis area They made their living by making and repairing farm and agricultural implements

In this regard, the Iscor museum was able to provide

help in the form of exhibits and information to the museum in this small Free State town to so they could feature the enterprising brother in a project of their own Exhibits in the Iscor museum date back to the days when primitive steel implements were made by farmers

On show are an animated scale model of the forge press and one of the first actual barbed wire machines

There are also larger exhibits, like the Bessemer converters, an old-fashioned crane, a fireless steam loco and others that will form part of the museum's open air section

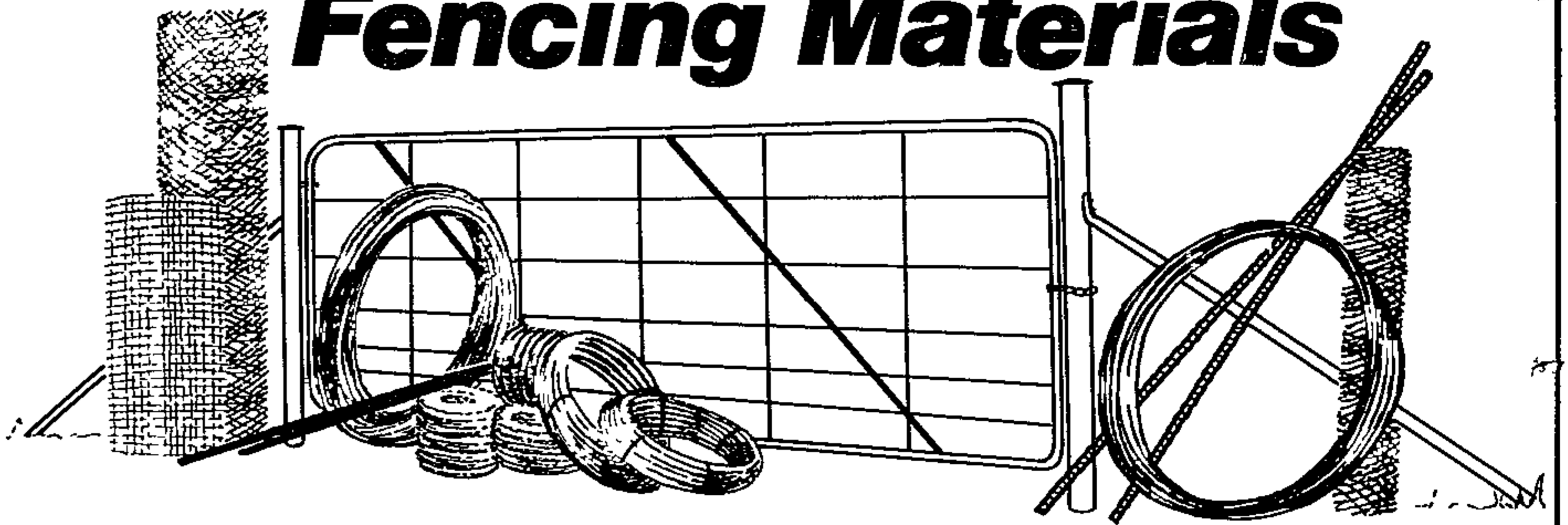
But when they go to the museum, most visitors spend a large part of their time studying the many fine historic photographs on display

They tell the story graphically from the beginning You can see pictures of Delfos' first building, and the old-fashioned, cumbersome machines used to manufacture steel in those days

The record goes right back to the opening ceremonies It takes you through the war years, and faithfully chronicles the development of Iscor ever since

The museum is always on the lookout for exhibits that would enhance their already fine display If anyone believes they have something of interest, the museum would love to hear from them

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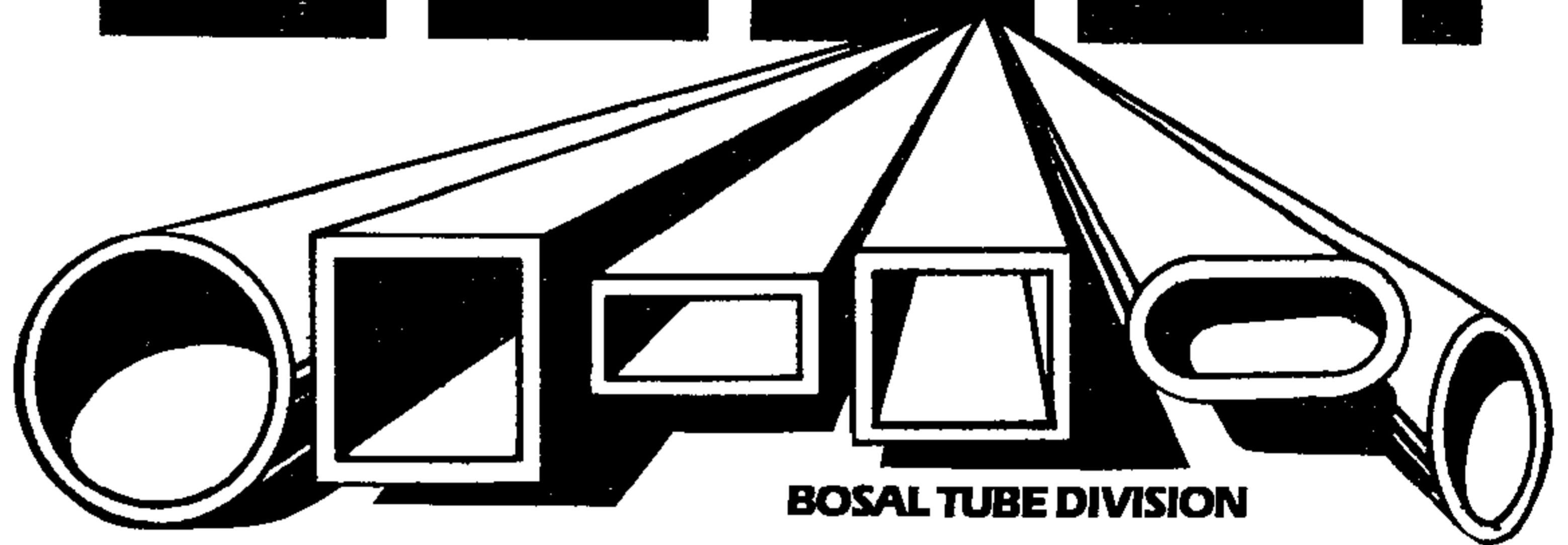
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Jan and Barbara Kwiatkowski and Jadwiga Stolarek

A place in the sun for people of all nations

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Barbara, a chemical engineer, was also employed by Iscor on arrival.

So far so good, except that neither of them spoke a word of English or Afrikaans. They both took the two-month course arranged by the company which equipped them to some extent but really only gave them a grounding in the technical terms

Barbara started work in the cold mills and is now involved in the tinplate department where she has a lot of contact with the production workers.

Her job is to find out what faults could occur in any of the products.

Communicating this with her limited Afrikaans to the workers is not the easiest of tasks.

Although she is the only woman engineer in her department and she has to prove herself on that account she feels that the language presents more of a problem.

Jan says "The work is very much the same whatever country you are in although it is more difficult

since all the technical books are in English. We have had to teach ourselves English since there is no course here for it."

Jadwiga Stolarek used to teach at Vanderbijlpark and after her year's contract was over joined Iscor as a trainee draughtswoman.

She is one of four women on her team. "There are equal opportunities for both sexes in the corporation," she says.

As Polish immigrants they are all thankful for the opportunity to work within their field and particularly to be assured of a job. Compared with these advantages the problem of having to learn two new languages seems minimal to them.

"True as steel"

These words of Geoffrey Chaucer aptly sum up the way that Iscor has stood behind South Africa for the last 50 years, providing both in quality and quantity the indispensable basic material for the remarkable growth of our country.

We salute the early Iscor pioneers — and the thousands of South Africans who have over the years built Iscor into the great organisation it is today.

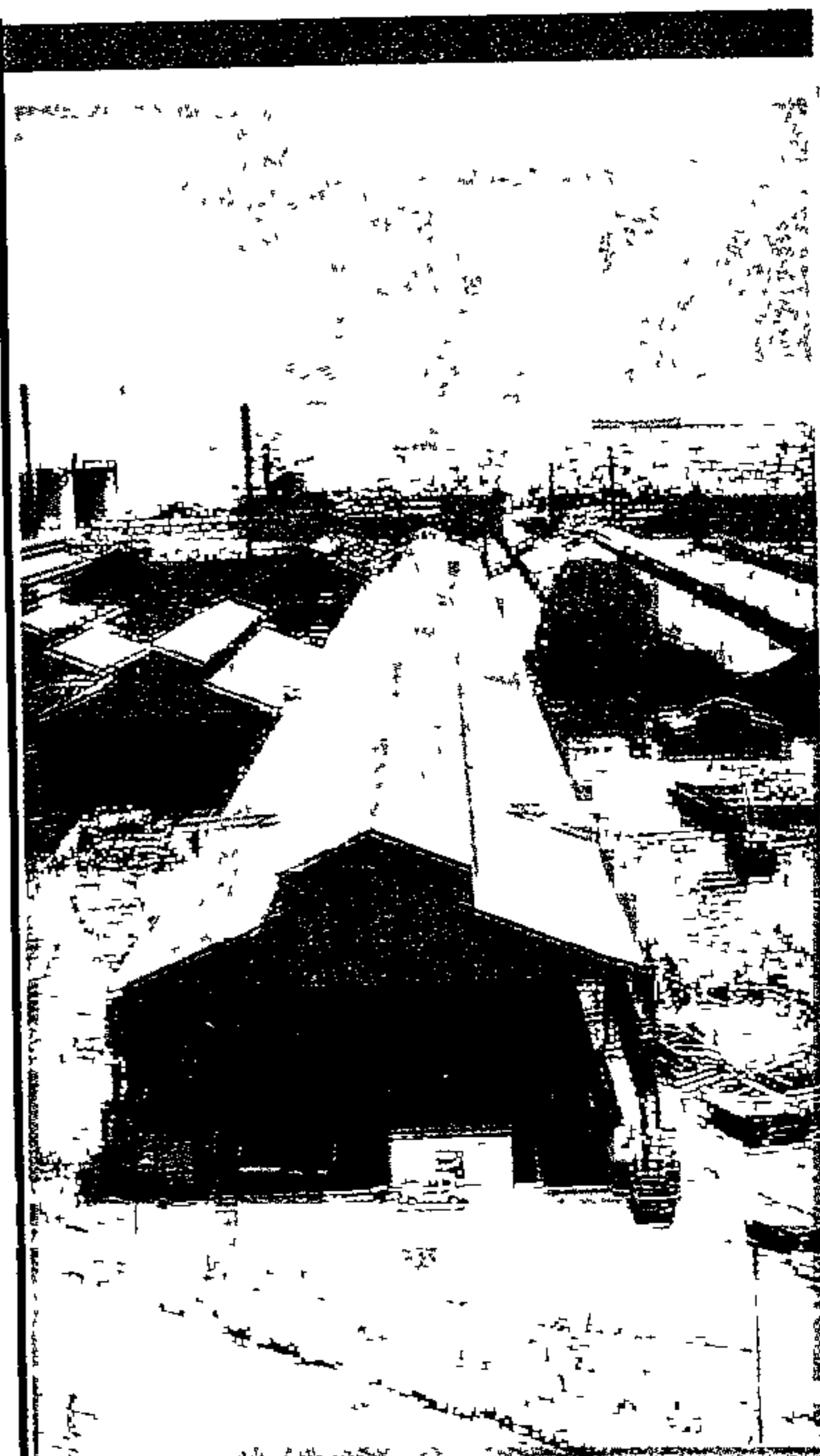
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During the 40 years of its existence, the Iscor plant at Pretoria has grown from a small building standing in isolation on the bare veld to an enormous industrial complex as shown here.



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ISCOR must manage successfully to achieve its main objective.

This requires, among other things, an integrated steel manufacturing process from the prospecting and procurement of raw material to the manufacture and marketing of steel and related by-products utilising the most efficient methods

This implies that results must continually be improved so that productivity and profitability can increase

Iscor's managing director, Mr F P Kotzee, believes the only way in which this can be achieved is by means of a Management by Objectives (MBO) system

He outlined the most important reasons for an MBO system being necessary for an organisation like Iscor

□ All managers work together towards achieving common objectives

□ A manager's own division objectives are subordinate to those of Iscor

□ Managers utilise the proven management techniques and common management style which are understood and used by all

□ Managers can be forced to work effectively in respect of those areas for which they are held accountable.

Management by objectives

Today Iscor has more than 300 people in senior management positions on different levels in the organisational hierarchy

These managers are in possession of a degree in one or more of the applicable specialisation directions, are well trained to execute professional management work and have between 10 and 40 years, post-graduate experience in both professional and management work

The MBO system ensures that these 300 managers, together with their subordinates, work together to assist the managing director to meet the requirements set by the board of directors

Each senior manager is in possession of a particular charter which clearly states his management responsibilities and is based on the position charter of his immediate superior

For every function for which a manager is held responsible there are numerous standards included in the position charter, which serves as a measurement tool to determine whether or not performance is satisfactory

The concept, Management by Objectives, implies that objectives are set with a view to improving results. The system ensures that these objectives are achieved in a planned and systematic manner

The motto is 'Today's results are better than those achieved yesterday but not as good as those which will be achieved tomorrow'

An important departure point of Management by Objectives is the setting of standards for each activity or opportunity which will influence the end result.

The meeting of, or exceed-

ing the standards confirms good and satisfactory performance. It is every manager's foremost task to take the necessary steps to ensure that those standards for which he is accountable are maintained

In order to maintain the set standards, performance must frequently be measured and compared with the standards. Should there be a deviation, the reasons must be determined so that the deviations can be corrected

It does not end here. It is further every manager's duty to take the necessary steps which will lead to improvement. Improvement to a new level must be accomplished. Aspects which are important in this regard are:

□ The opportunity for improvement must be identified

□ The objectives must be formulated

□ The programme of action must be drawn up

Already in 1968, when Newcastle works and the St-shen-Saldanha scheme were not yet in existence, and Vanderbijlpark works was operating at only half its present capacity, it was decided that Iscor was so big and comprised of so many diverse operations, that it was necessary to make use of a Management by Objectives' system, to ensure that the organisation was managed effectively

during which his performance is evaluated against the objectives and performance standards set in his position charter

The results of these interviews are then used to identify specific objectives and to identify specific areas for improvement. They are also used to determine management development needs and as a basis for management succession planning

Management abilities are always further developed as it enables Iscor to be self-sufficient in the supply of management material. These management techniques and systems are accepted by all Iscor's management as a way of life and are used daily

The stage has been reached where results have proved that Iscor's way of managing is successful. Better utilisation of raw materials, facilities, capital and manpower are reflected in the results.

Iscor believes that the results achieved today are better than yesterday's but not better than tomorrow's

Iscor is aware of the fact that it is not only the managers who contribute to the effective management of an organisation

All workers of an organisation can, will and must be fully co-opted if a massive breakthrough is to be achieved to improve productivity considerably

Each and every worker, white and black, execute work daily which influences the results of his employer.

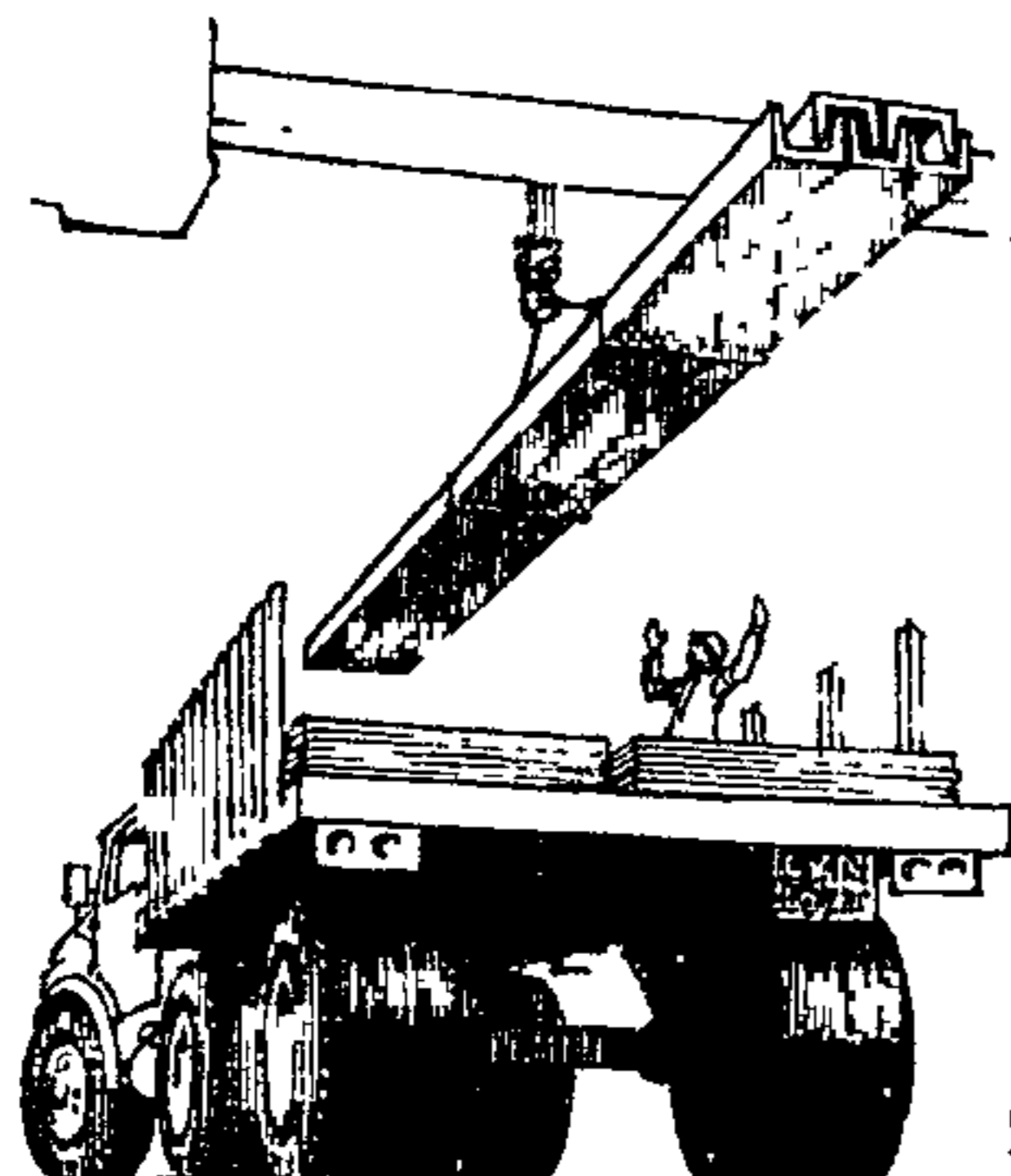
It is here where the successful application of techniques ensure that every worker works progressively more efficiently to ensure that the utilisation of the factors of production such as raw materials and machines over which he has control, is constantly improved. Only then can Iscor be successful.

In summary, it can be said that a professional management system is a science which encourages and allows employees to work together to achieve group objectives. The system teaches people, that by accomplishing group objectives, their own objectives can best be served

Appraisal and planning

AT LEAST once a year each manager has an interview with his immediate superior

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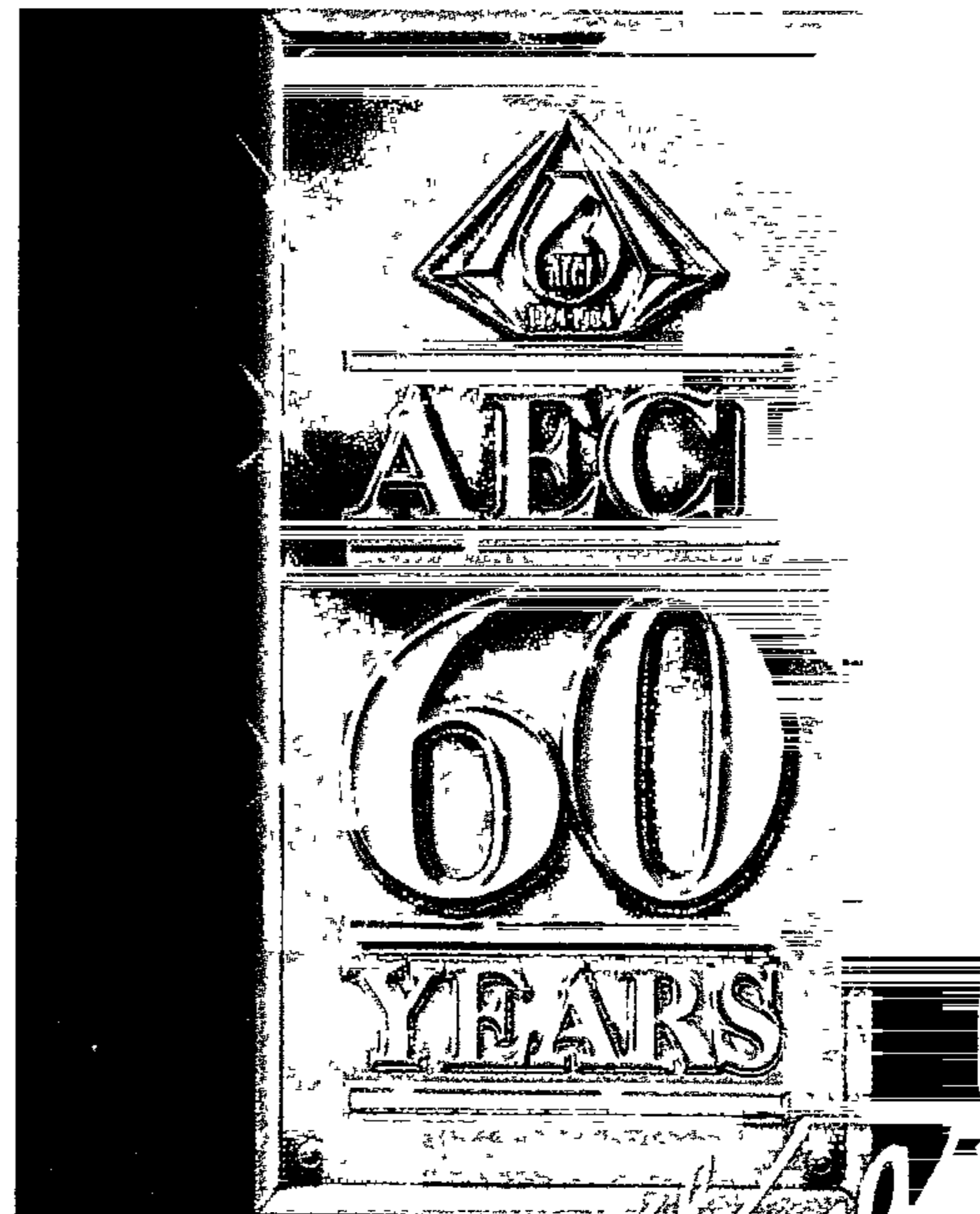


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Just beginning

The strategic value of a steel industry in countries like SA

THE strategic value of a corporation like Iscor to a country cannot be valued too highly.

"It is vital for any industrialised country to have a primary source of steel to supply its secondary industries with raw material," says Mr Keith Prince, Iscor's general manager for planning and new development.

"But it's important for many other reasons, too"

For example, a steel industry is a relatively big employer of manpower — Iscor has 62 500 employees — and also a large purchaser of materials and services — power from Escom, coal from the mines, services from the SA Transport Services, and machine parts from industry.

"Indeed, 48% of Iscor's expenditure is on the purchase of materials and services from other parties

"This creates a beneficial ripple effect for employment nationally," Mr Prince said

From time to time, particularly when the world price of steel drops, there is a call for South Africa to import steel. Temporarily, purchasers can buy steel overseas more cheaply than the going price in South Africa.

"We are currently in such

a phase," said Mr Prince. "Certain countries have produced surplus steel and are exporting it cheaply

The argument against this is one of long-term logic

"Certainly the price might be temporarily cheaper, but by having our own industry, users are assured of a consistent supply at a reasonable price

"If there was no local steel industry, users would have to order a long way in advance, to allow for shipping and rail time, plus they would have to carry bigger stocks. Ordering lead times would be spoken of in terms of months and not days or weeks in advance."

Mr Prince said "Another advantage for our secondary industries is that if they have a highly specialised requirement, we can develop a special steel in conjunction with them to satisfy their requirements. To do this long-distance may be impractical or impossible

"One also looks at foreign exchange. If we did not pro-

duce our own steel in South Africa, our balance of payments would be adversely affected to the tune of R1 700 million which includes what would have to be spent importing steel, and what would be lost from exports"

Iscor has also accepted a responsibility in the field of manpower training

"We train apprentices and technicians and all other levels of skilled workers, partly because we have to satisfy our own needs and partly because we recognise the need for manpower training. Iscor trains approximately 40% of apprentices in the engineering field in South Africa

"Our training standards are high. We are aware that some employers lure these trained people away from us, but we carry on as a service to the country," said Mr Prince

South Africa is rich in natural resources, particularly iron ore. It makes sense to utilise it to our own best advantage

MR KEITH PRINCE, Iscor's general manager, planning and new development

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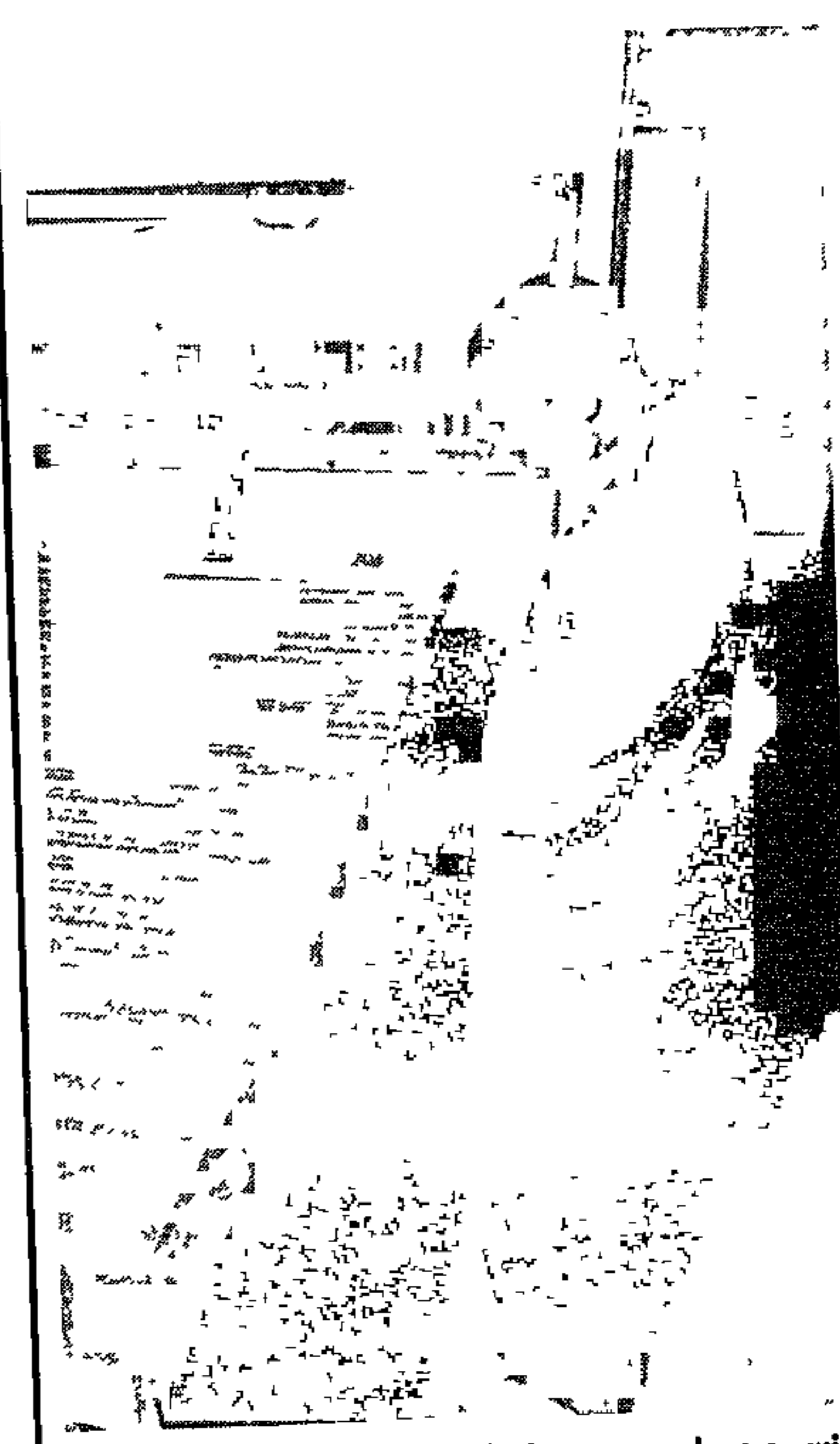
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Iscor is one of the country's larger employers, with 62 500 workers, and it trains 40% of the engineering apprentices in South Africa



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WELL IN THE FUTURE.

ONE of Iscor's less publicised achievements, perhaps, is its role in the foundation of Group Five Engineering, now one of the giants of the South African construction industry.

Group Five arose out of an amalgamation over a period of years of four main companies McLaren and Eger, C M G M, Peter Clogg Construction and Basil Read

Initially, according to one source, they had little in common except their audacity and a determination to get to the top in the construction industry

Each of these companies was well established in its

Iscor's part in the formation of Group Five Engineering

own field, but to get further they needed a breakthrough of some kind — something to take them from the realms of successful medium-sized

companies into the 'big league'

The breakthrough came in 1971 when a consortium consisting of C M G M Gillis-

Mason and Clogg successfully tendered for the civils contract at the new Iscor No 3 Steelworks at Newcastle in Natal

It was a major project — in fact the biggest civil engineering contract in South Africa up to that time — involving a vast deployment of

men and equipment, far beyond the resources of any of the companies individually, and it involved big money. With other big contracts in

the pipeline as South Africa developed, the way of the future was clear. However well the companies had done on their own, collectively they could do even better. And the greatest prize was that collectively they would be big enough to go public, opening the way to the sort of financial strength they needed for their future development

On December 13, 1973 the name Group Five Engineering was adopted, and the company went public on March 15, 1974

Today, almost exactly 10 years later, it has a projected annual turnover of more than R600-million

System to link information management in six localities

ISCOR has placed an order for the advanced Sophonet wide-area network communication system marketed by Philips Telecommunications (Pty) Ltd

The multi-million rand contract involves six Iscor localities around South Africa.

The first two communication "nodes" will go into operation at Iscor headquarters and Iscor works in Pretoria before the end of 1984. The other four nodes will be installed at Vanderbijl North Works, Vanderbijl South Works, Newcastle and Grootgeluk

Says Ted Day, director of Philips Telecom "The problem of large organisations today is information management, not lack of information

"Therefore, the inevitable result of using data handling equipment supplied by a number of manufacturers is that inter-centre communication is restricted"

The Philips wide-area packet-switching network system is the most advanced system of its type in the world

It can carry all types of communication and provide protocol conversion where necessary

Mr M S B Nel, manager of the data processing services at Iscor says, "The objective of the Iscor network is to tie Iscor's geographically dispersed computer facilities into one entity, thereby allowing users access to the total spectrum of computer services in the corporation, including word-processing, micro-based systems and automation"

A communication path between two users can utilise a number of transmission resources for example, leased lines, public data network, satellite and switched network. It handles all the addressing procedures involved, thus integrating existing physical networks into one logical network

The system is the only packet-switched network currently available that meets all the demands of corporate, location and departmental networking and is able to handle data, text and images transmission

It "translates" protocols, so all makes of equipment and other networks can be accessed by all users, irrespective of their differences

Philips Telecommunications is proud to have been associated with Iscor in their 50 years of service to South Africa. Philips continues this association in 1984 by supplying Iscor with Philips' latest networking innovation — Sopho-net

Infinite variations



Information technology in concert. Orchestrated by Philips Sopho-net.

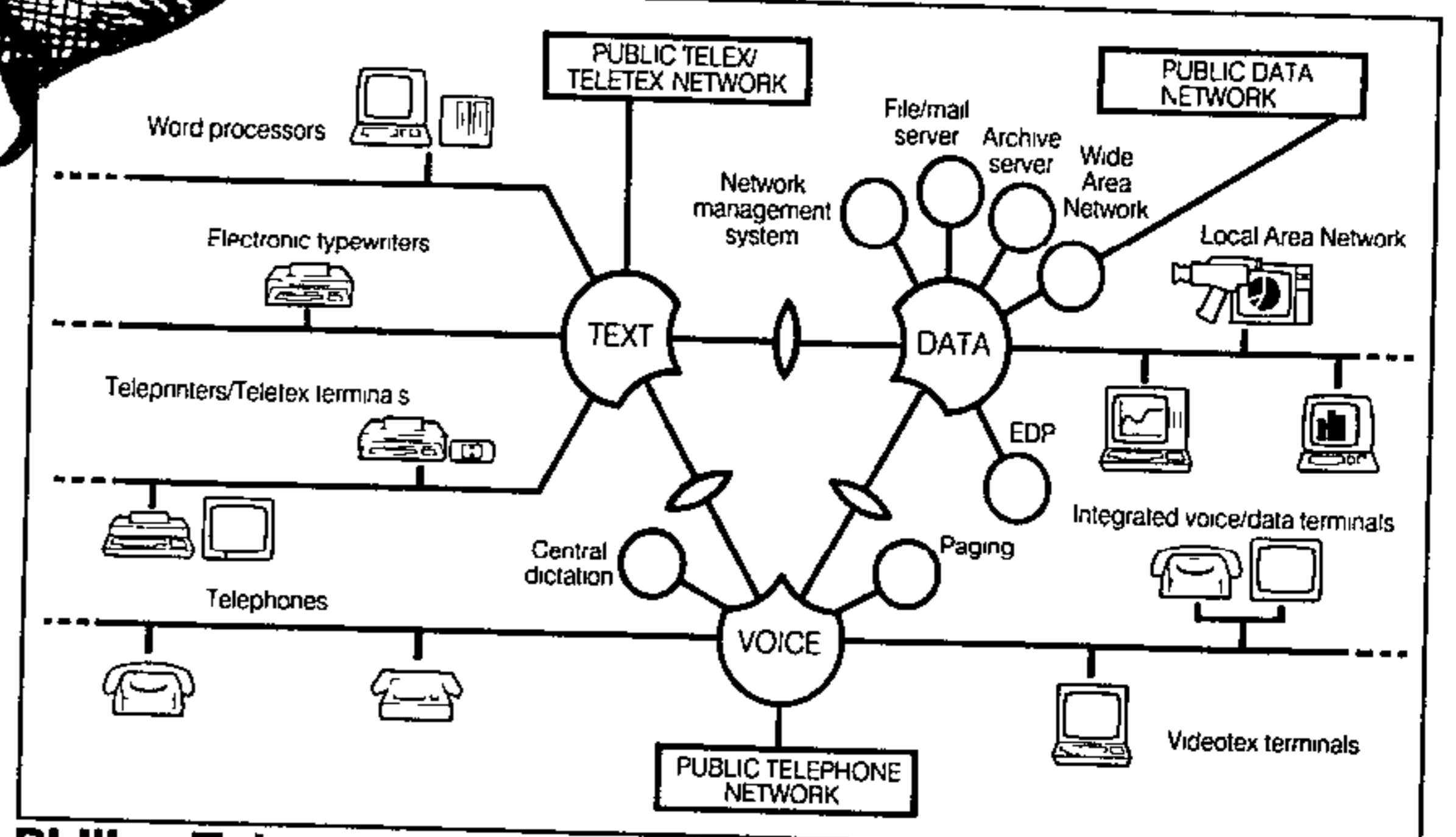
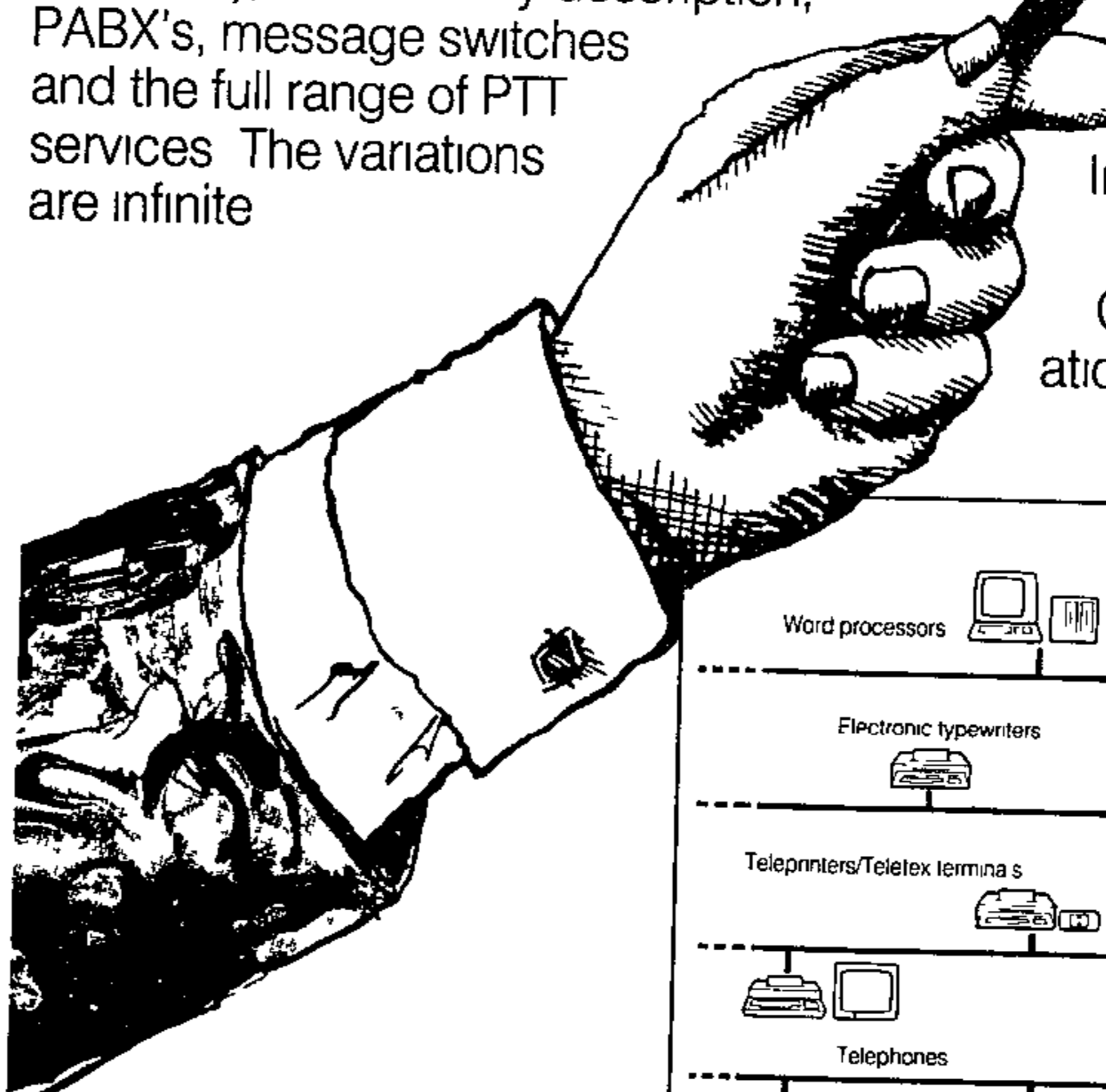
Philips has fulfilled the promise of the information revolution. Now, all your electronic data handling equipment will work in concert — through Sopho-net

Developed within Philips integrated business communications philosophy — Sophomation — Sopho-net is a wide area, packet-switched network which is entirely computer manufacturer independent

It will interconnect data processing equipment, regardless of protocol, as well as word processors and electronic archiving and filing systems. Equally, Sopho-net will interface with other WANs (SNA, X21, X25 data networks), LANs of any description, PABX's, message switches and the full range of PTT services. The variations are infinite

Sopho-net has powerful network supervision facilities. Its distributed intelligence, through a series of nodes, allows the most cost-effective transmission routing whilst maintaining fail-safe operation. Network management can be undertaken from any terminal in the system

The effect of Sopho-net is dramatic. Indeed, it can be said to be the first true business communications network. Contact Philips now for detailed information. And take the first step into the world of integrated information



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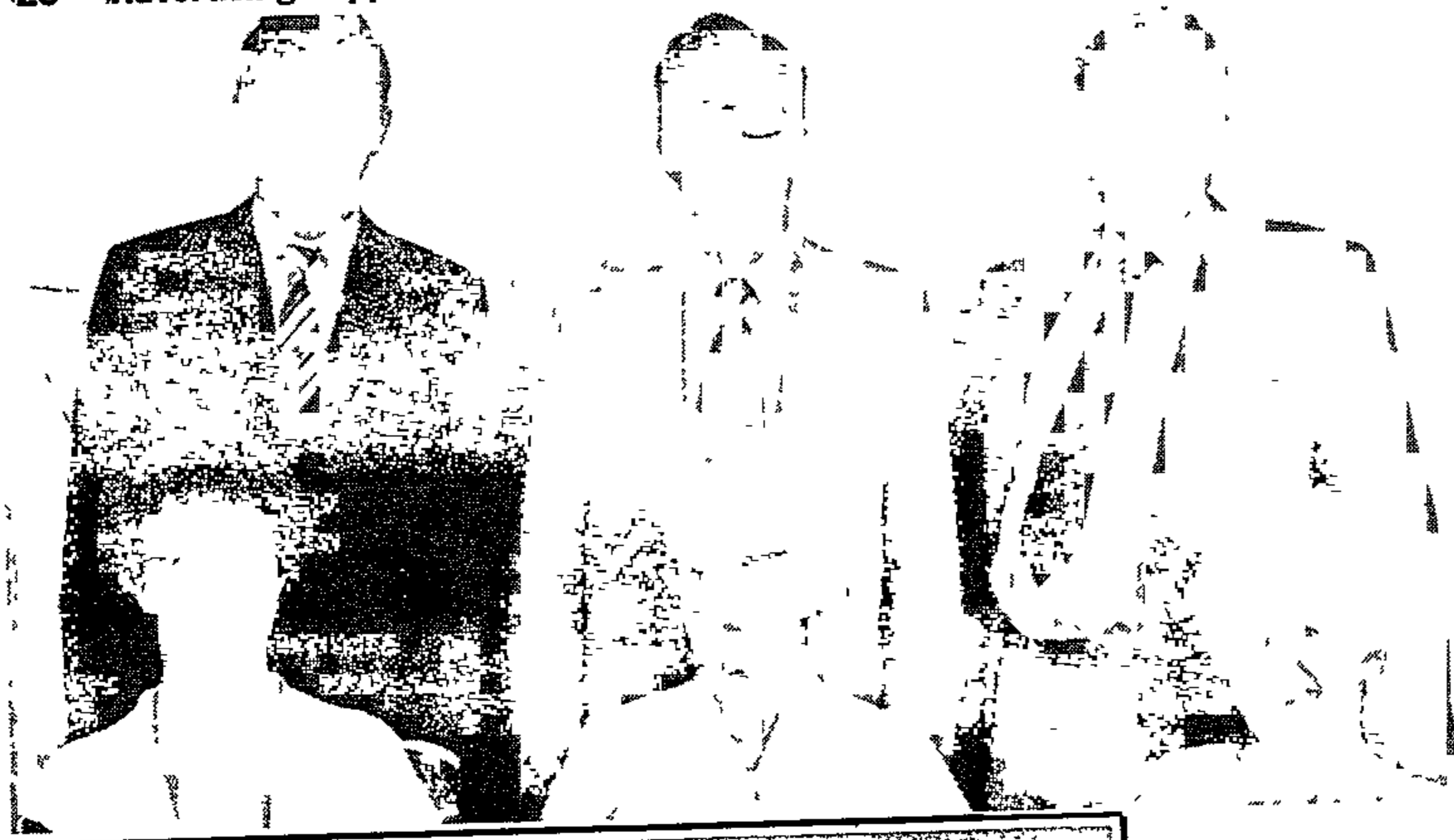
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and wish them well
on their 50th Anniversary

ABOVE: The three families who went to Wales to oversee the move — left to right — The Rudmans, the Warnbergers and the Bothas. RIGHT: Abnormal loads the steel plant components certainly were! BELOW: Some of the first containers to arrive are off-loaded in Pretoria

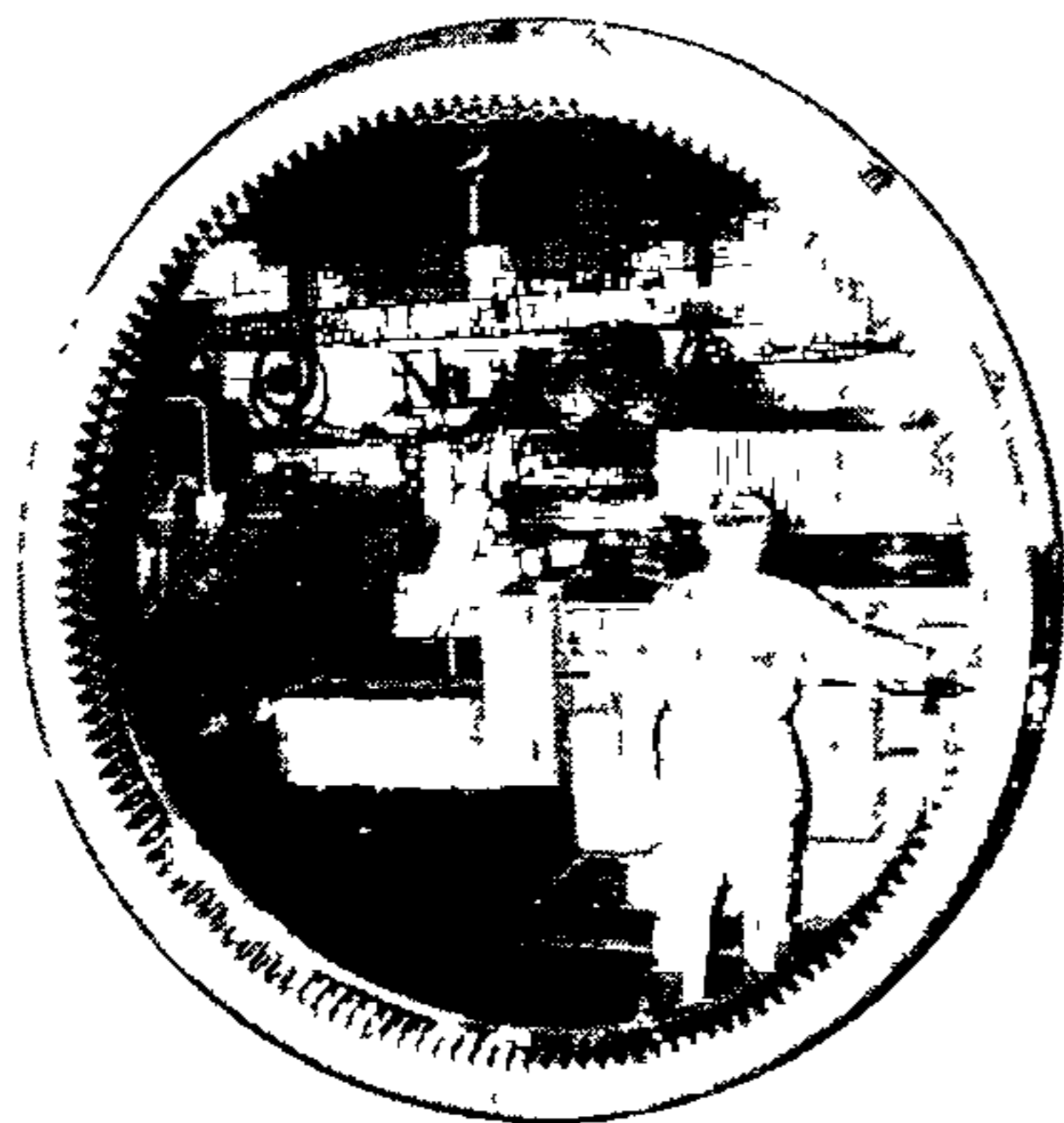


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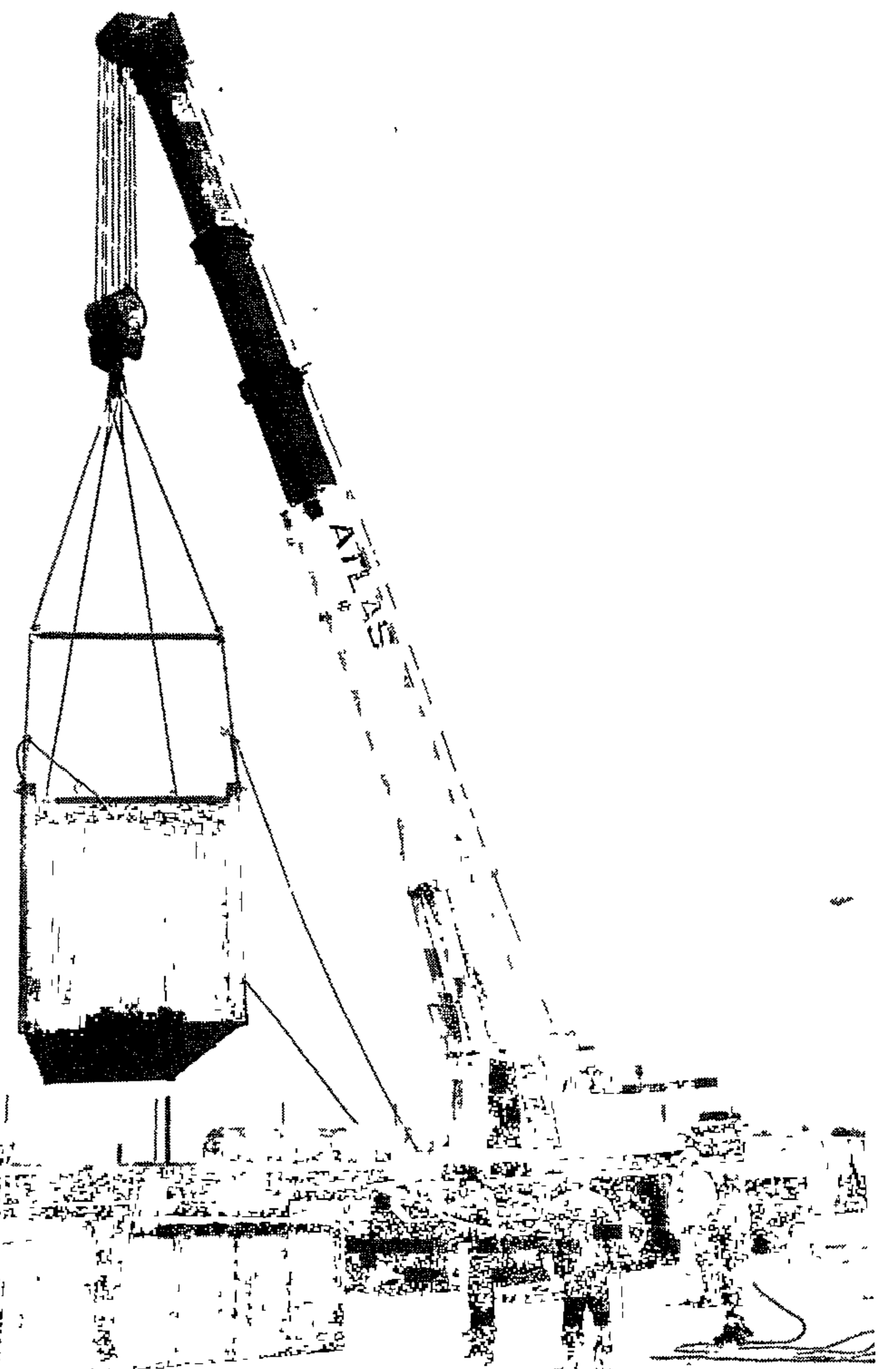
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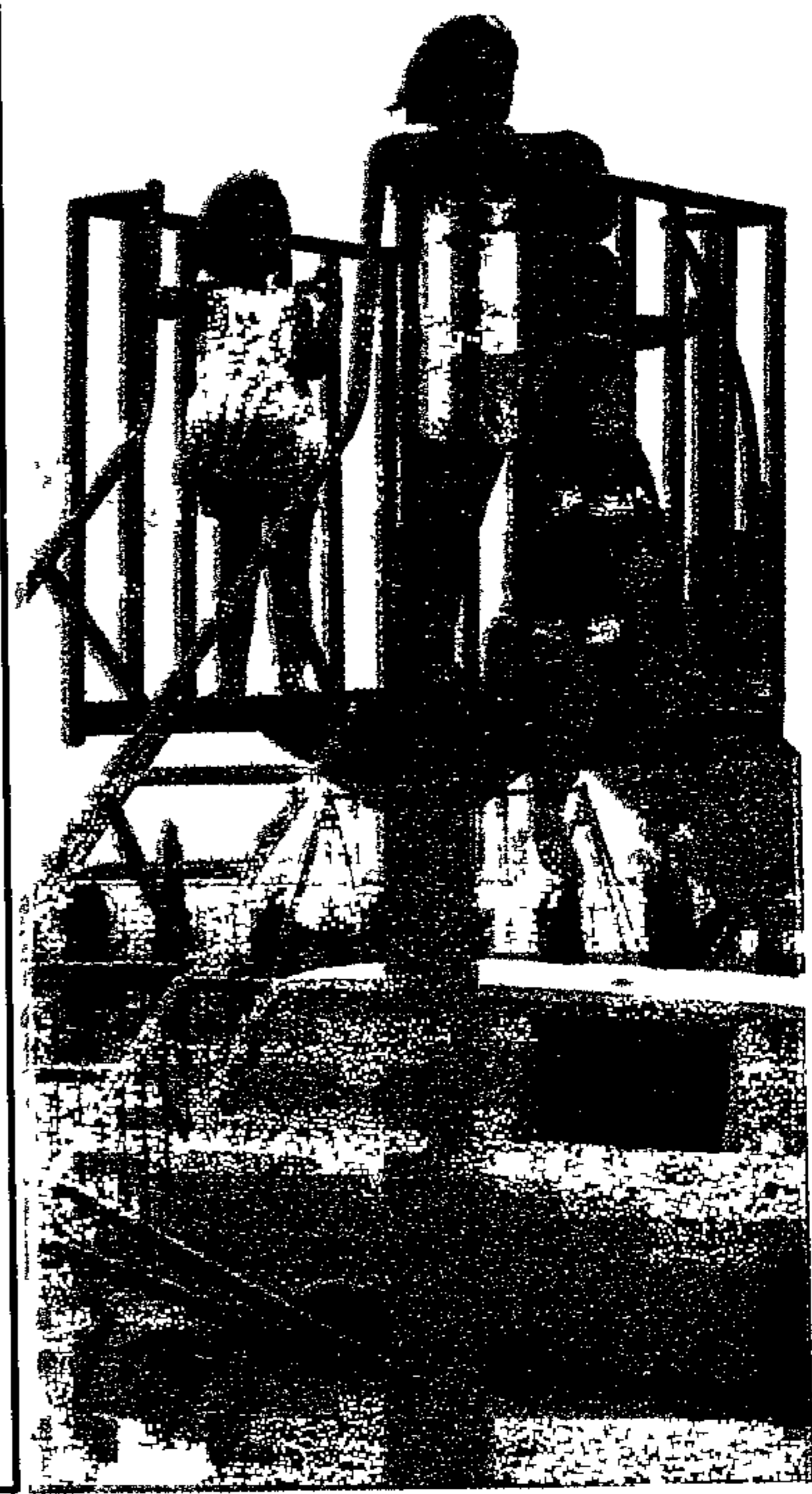
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A place Iscor in safe

WHEN an organisation is as big as Iscor, all the needs and requirements of employees have to be taken into account.

In 1977 the number of women working at Iscor Vanderbijlpark grew to such an extent that management decided to provide a care centre for children of working mothers.

The Etjie Coetzee centre is only for children up to 12 years, and for those whose mothers are on shift work. There are three shifts at Iscor from 6am to 2pm, from 2pm to 10pm and from 10pm to 6 the next morning.

The childcare centre really works round the clock and provides a second home for the children.

The total number of children cared for is 290, although in practice there are never that many there at one time because of the shifts.

The centre is divided into three sections, catering for the babies to three-year-olds, then from three to six and the last for school-age children up to 12 years.

The baby section accepts babies at eight weeks old. It is a great help to the mothers to be able to leave their babies in safe hands and know that they are under excellent supervision.

The baby section is under the care of a matron, six sisters and a further six assistants. Each child at this age has his or her own bed and is always looked after by people that he will recognise, so there is no upset involved in them being removed from home for a long time each day.

At the age of three the children need more to interest them and to keep them

occupied. Small groups of three to five, depending on how many children are present, are supervised by two of the six primary school teachers. There is no basic training programme at this stage. The children have a variety of educational games and other activities to keep them occupied.

There is even a wardrobe for them so they can dress up and stage their own plays.

One aspect that is really striking is how adapted the centre is to all possible needs of small children. The facilities must seem like paradise to them with everything possible to amuse and occupy them.

The playground outside provides all the normal swings and chutes and also a small traffic playground with scooters and bikes.

For the children who are over six and going to the local school the facilities are just as extensive. Iscor has two school buses which fetch and carry the children from and to school. Whatever shift the mother is working on she can be sure her child is in good hands.

For instance, if she is working on the 6am to 2pm shift she can bring in her child at 5.15 in the morning and he will be given breakfast and then sent off to school. The schoolbus will collect him at lunchtime and then bring him back to the centre.

If a mother is working nightshift then she can leave him overnight so the child gets an uninterrupted night's sleep.

There is no teaching at the centre for school age children but a lot of help is given with their homework. Dur-

DOES a steel move?

IN A massive, multi-million rand operation, Iscor recently transported an entire steel plant from Britain to South Africa.

More than 4 000 tons of steel machinery and equipment was dismantled, loaded aboard a ship and brought to this country

The cost of the operation was a staggering R116-million Mr B Siebert of Iscor explained why

"Two years ago we decided to modernise the Pretoria works," he said, "and the first step in this modernisation was to be the introduction of arc furnaces"

Iscor was worried about the amount of pollution being produced by their existing works.

Arc furnaces give off very little pollution, are economical and close control can be kept over the quality of the steel produced by such a process

"At the time," said Mr Siebert, "the steel industry worldwide was in a slump, and many steelworks had closed down This meant two things — we weren't in a position to buy a new plant and there were second-hand plants to be had"

Iscor began making inquiries around the world and eventually found a steel plant going begging in Wales It suited Iscor's needs exactly and was less than three years old.

Negotiations for the plant with the British Steel Corporation began right away.

So began an unforgettable eight months for Iscor and for three of its senior employees in particular

Messrs R Nurnberger, D Botha and L Rudman moved to South Wales to supervise the dismantling, packing and shipping of the plant.

"The time was not without its problems," said project manager, Mr Nurnberger, "and when the Project Orient eventually sailed for South Africa with the plant aboard her it was a very fine moment"

Iscor board approval for the project was obtained in January last year

Contracts were finalised in March, the dismantling began in April and the plant arrived in Durban at the end of November

"The load then had to be transported by road," said Mr Siebert "There were delays because of the school holiday embargo on heavy loads on the roads and because of the cyclone that hit Natal at that time.

"In all, 360 railway trucks and 190 abnormal load road haulers are being used for the transportation," he said

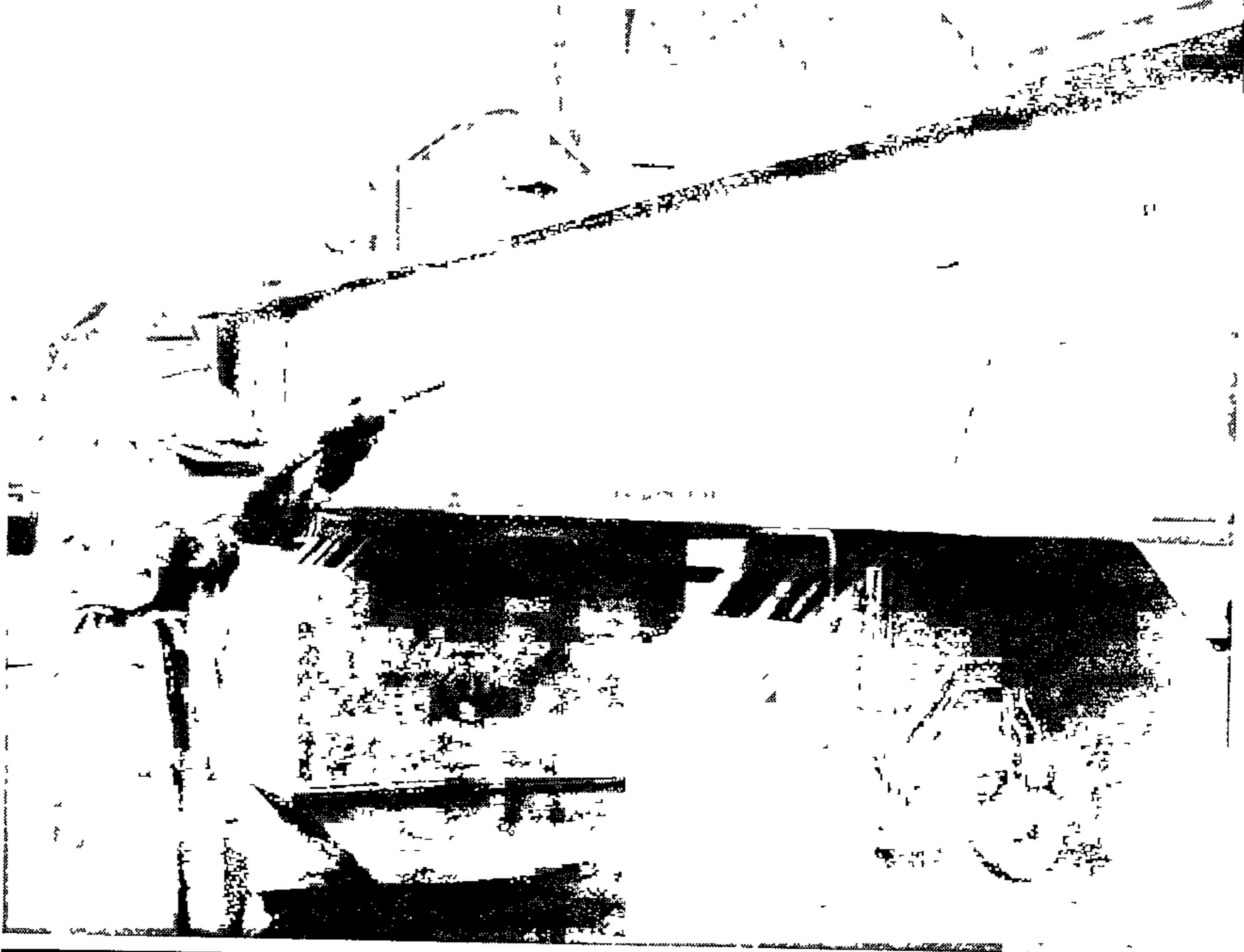
Meanwhile, back in South Africa, the site at the Pretoria works was being cleared — for a price in excess of R1-million — and plans were being made to extend the electricity supply to the area

Arrangements were also made for the stripping and overhauling of the components as they arrived They had been standing, neglected, on the Welsh coast for two years and were badly corroded

A computer tracking system has been derived to keep track of all the materials, some of which are being sent to various firms for sandblasting and cleaning and some of which are being revamped at Iscor workshops in Pretoria

"The plant includes gas-cleaning installations, two arc furnaces and eight overhead cranes," said Mr Siebert

"Erection of our new plant has now begun, and we intend to tap our first steel by the end of June this year"



All the components were checked before installation. Some were sand-blasted and repainted before erection, and a computer tracking system was used to keep tabs on where each component was at any time.

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Congratulations from the Minister



DR DAWIE DE VILLIERS, Minister of Industry, Commerce and Tourism

ISCOR was established as a result of the far-sightedness of certain members of the Government of that time, who piloted the Iron and Steel Industry Act, 1928 (Act 11 of 1928) through Parliament.

The South African Iron and Steel Industries Corporation Limited Act, 1979 (Act 119 of 1979) substituted the original Act and thereby, inter alia, the corporation's long, arduous name was abbreviated to Iscor Ltd

It is general knowledge that Iscor commenced operations in 1934, producing a mere 67 000 tons of steel

From then onwards it gradually developed into the giant of today, being

ment organisation but it has been and is being run on a purely commercial basis with virtually no state interference.

I take much pride in congratulating Iscor's board of directors, management and every single employee on behalf of myself, the Government

and the Department of Industries and Commerce on the 50th anniversary of the corporation's commencement of production and its achievements in general.

May Iscor continue on its road of success for the benefit of South Africa and all its inhabitants.

'The advent of Iscor has had far reaching effects for SA'

'It has helped develop the present economy'

the leader in the South African iron and steel industry with a production of 4 581 000 tons of steel.

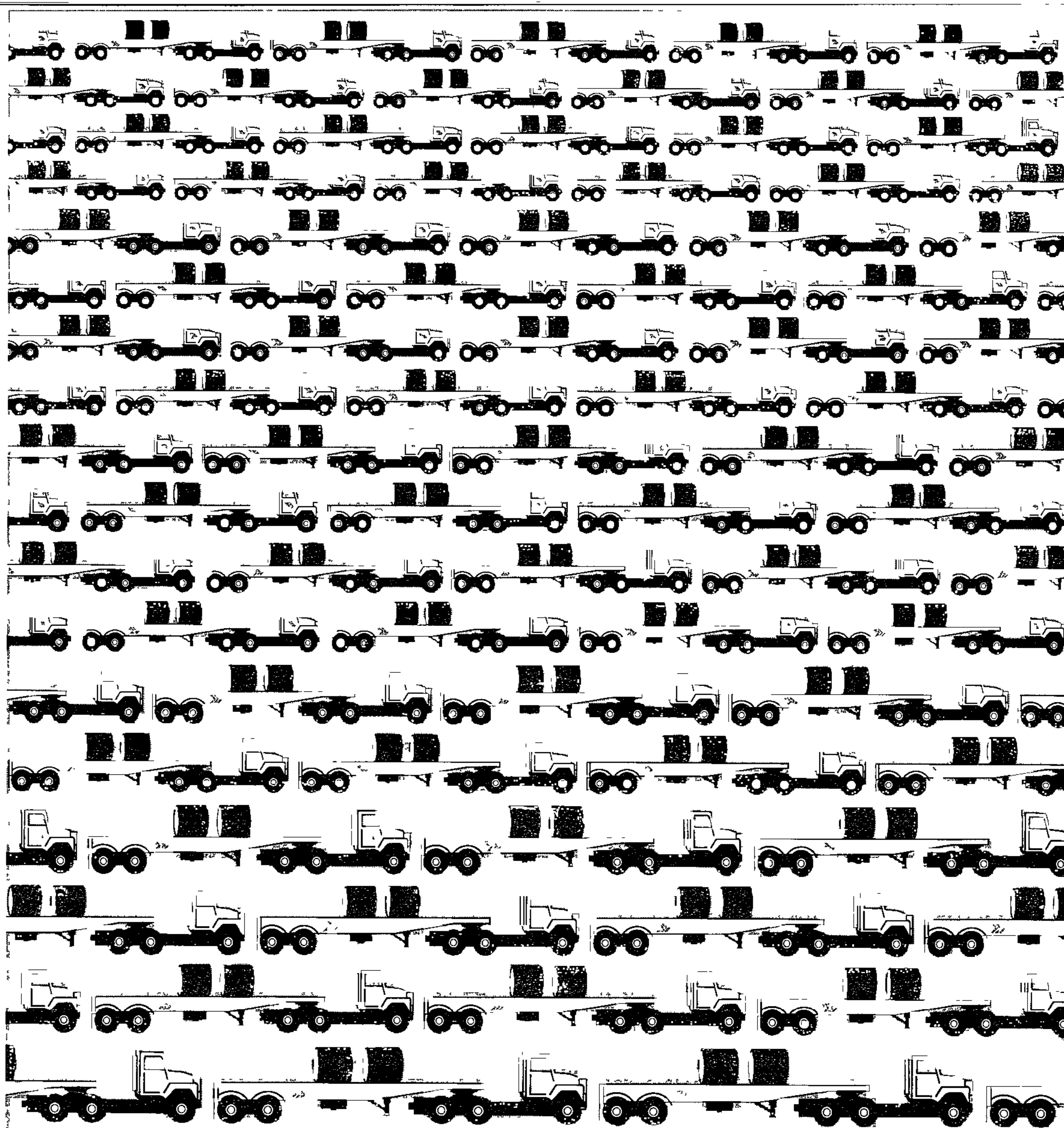
The advent of Iscor had a far-reaching effect on the South African economy as a whole by contributing largely to the

'It has become the SA leader'

country's development from a chiefly agricultural and mining economy to the present industrial orientated economy

In addition, numerous allied industries were founded as a result of this development

Iscor is a semi-govern-



1983. One hundred thousand loads. Two million and forty thousand steel tons. Sixteen million kilometres. Cargo Carriers and Iscor. A great partnership!

YOU would perhaps expect in a corporation the size of Iscor, to find women working in traditional women's jobs, like secretaries, middle management, and perhaps computers.

But the jobs they do are considerably more exciting.

Cathy Kellerman, 24, is one of the many women working at Iscor who have taken over some of the jobs one usually associates with men.

She is a crane driver. In fact 75% of the crane drivers at Iscor Vanderbijl are women.

Two years ago Cathy

Women like driver Cathy are hooked on the tough jobs

was looking for a shift work job so she could plan her time to see more of her husband. So she approached Iscor.

"I really needed a job then and the only vacancies were for crane drivers," she said.

She was not too keen on the idea at first and did

not think that she had a head for heights.

The interviewer persuaded her that she would get used to it and she took an IQ test and a visual judgement test. She then had to walk along the narrow gang plank leading to the crane without holding on to anything.

This proved to her that she did not suffer from vertigo and she accepted the job.

There is normally a six-week trial period after which the drivers are tested on their ability to handle the crane. Cathy passed the test after three weeks.

She now works as a relief driver which means she has 40 minutes on one crane while the other driver has a teabreak or lunch and then she takes over from another driver.

She sometimes works at a height of 20m as the cranes operate from

overhead rails.

She says, "The most difficult thing to learn is to stop the load from swinging. We are very safety conscious and it is up to the driver to make sure that there is no one walking underneath if you are shifting a load."

She does not think now

that her job is very unusual and her husband and family are quite used to it.

In fact their first objection when she started work was that she would be working shifts.

She says: "There are so many women working at Iscor as drivers, fitters electricians and turners that everyone is quite used to the sight of us now. We get on very well with the men and there is a happy atmosphere"

Certainly the equality of the sexes seems to be proving to be a fait accompli at Iscor — and it's working very well.

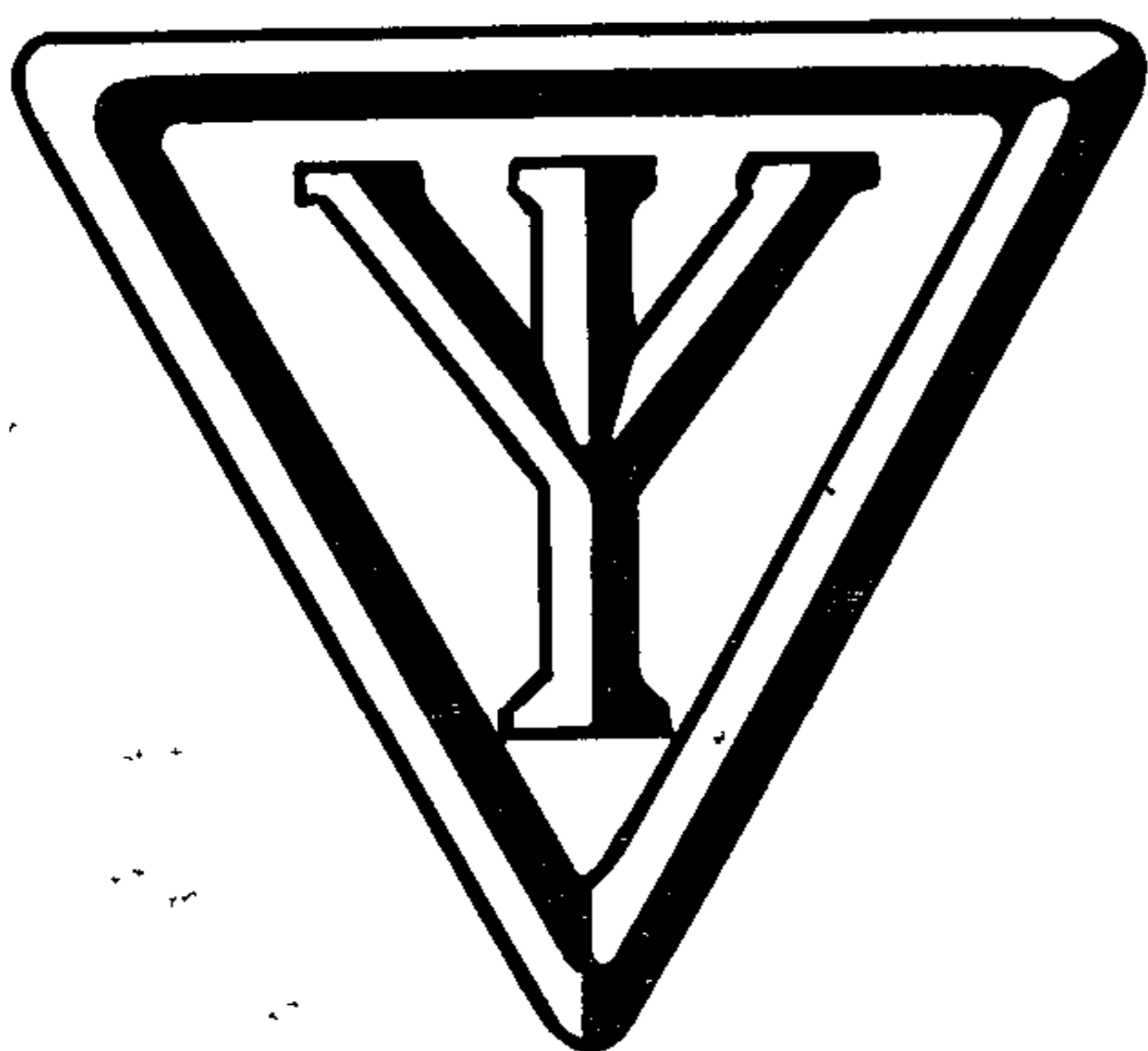
SIEMENS

Congratulations to the men of steel.

Siemens would like to extend their sincere congratulations to ISCOR on 50 years in the steel industry.

As giants in their respective fields, Siemens and ISCOR have cooperated on numerous projects ensuring South Africa's electrical and electronic development.

Siemens wishes ISCOR tons of success for a future based on an ongoing partnership.



Cathy Kellerman took a job as a crane driver because she wanted to have more time to spend with her husband. The family's first objection was that she would be working shifts, but they are now quite used to it. Iscor has many women employees in what used to be regarded as men's positions.

RHEEM SOUTH AFRICA (PTY) LTD

Rheem offer their heartfelt congratulations to Iscor on the achievement of 50 years' production and service to South African Industry.

An international company, Rheem is involved in the manufacture of plain, coated and lithographed steel containers ranging from 10 to 210 litres and crown closures for the beer and beverage industry.

Operating at both Prospecton in Natal and Alrode in the Transvaal, Rheem is well placed to meet the requirements of a wide range of customers including the oil refineries, chemical, paint, food and beverage industries.



189
a golden anniversary

ALL SPACE IN THIS SUPPLEMENT HAS BEEN PAID FOR BY THE ADVERTISER

The 50-year mark — and Iscor is still growing



Coke being pushed at the giant Newcastle plant

ISCOR is celebrating 50 years of production this month — a tremendous milestone in an organisation that has been so closely associated with the growth of South Africa.

The South African Iron and Steel Industrialisation Corporation, better known as Iscor, was founded in 1928 and has grown from very modest beginnings

Iscor's first works, in Pretoria, consisted of a coke oven battery, a blast furnace and steel melting and rolling mills

The technical staff were mainly English or German

The first steel was tapped here from an open-hearth furnace on 4 April, 1934

Iscor's initial capacity of 160 000 tons of steel has risen steadily and now stands at over 7-million tons a year

The corporation now trains its staff locally with

the aid of South African universities and institutions for technical education Three fully integrated steelworks are now in operation

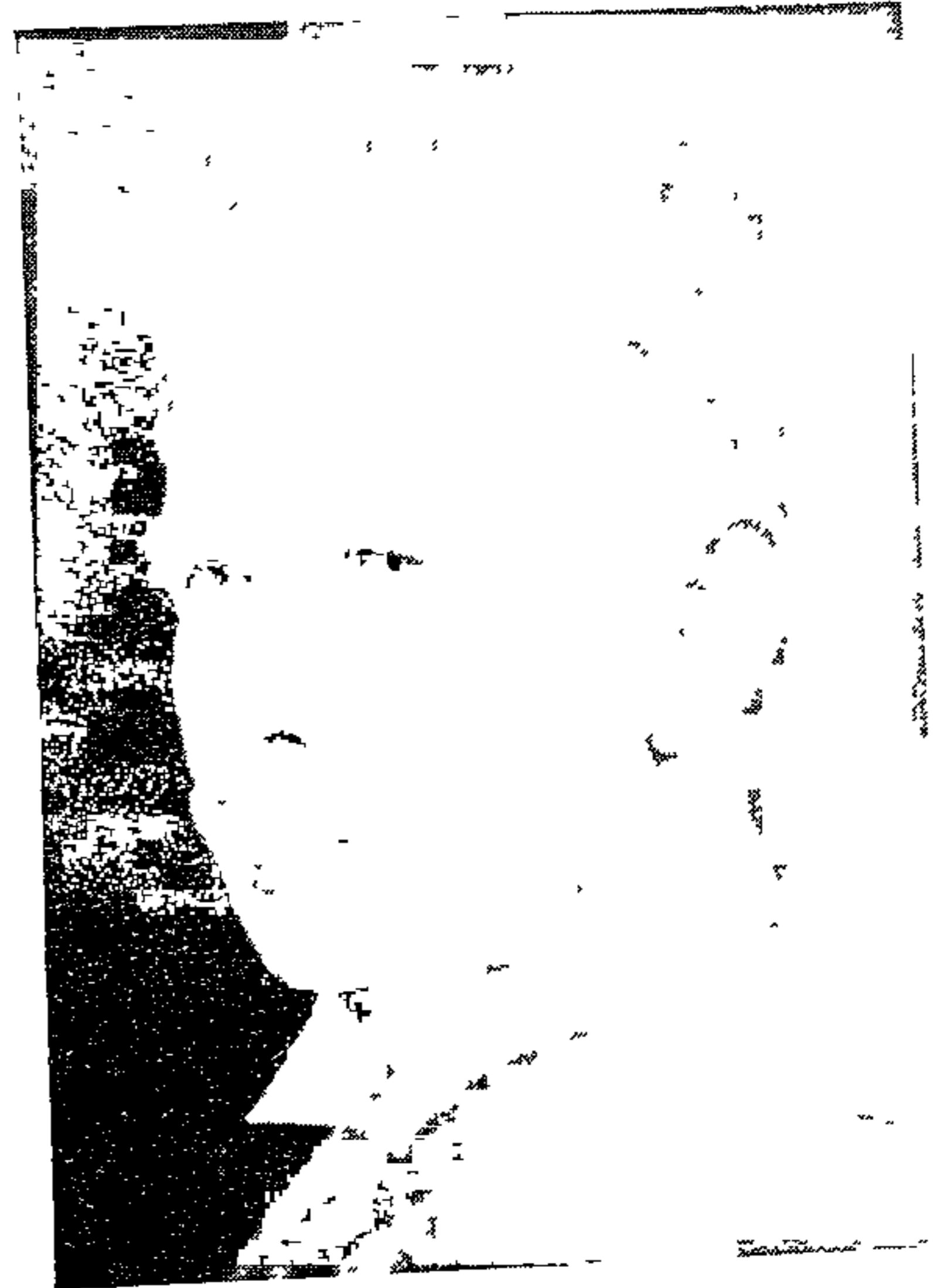
Delving into Iscor's history, we find a certain Cornelis Delfos — the man actually responsible for the establishment of the corporation

It was Delfos' ambition to establish an iron and steel industry based on the country's natural resources He was convinced that this industry must sooner or later take its rightful place in the economy of the country

In 1916 he obtained a concession to mine the iron ore in the Pretoria area and a blast furnace was constructed under his personal supervision

The furnace was blown in 1918 and after some initial problems a good foundry pig iron was produced The hearth was soon enlarged, and in 1919 and 1920 results were obtained

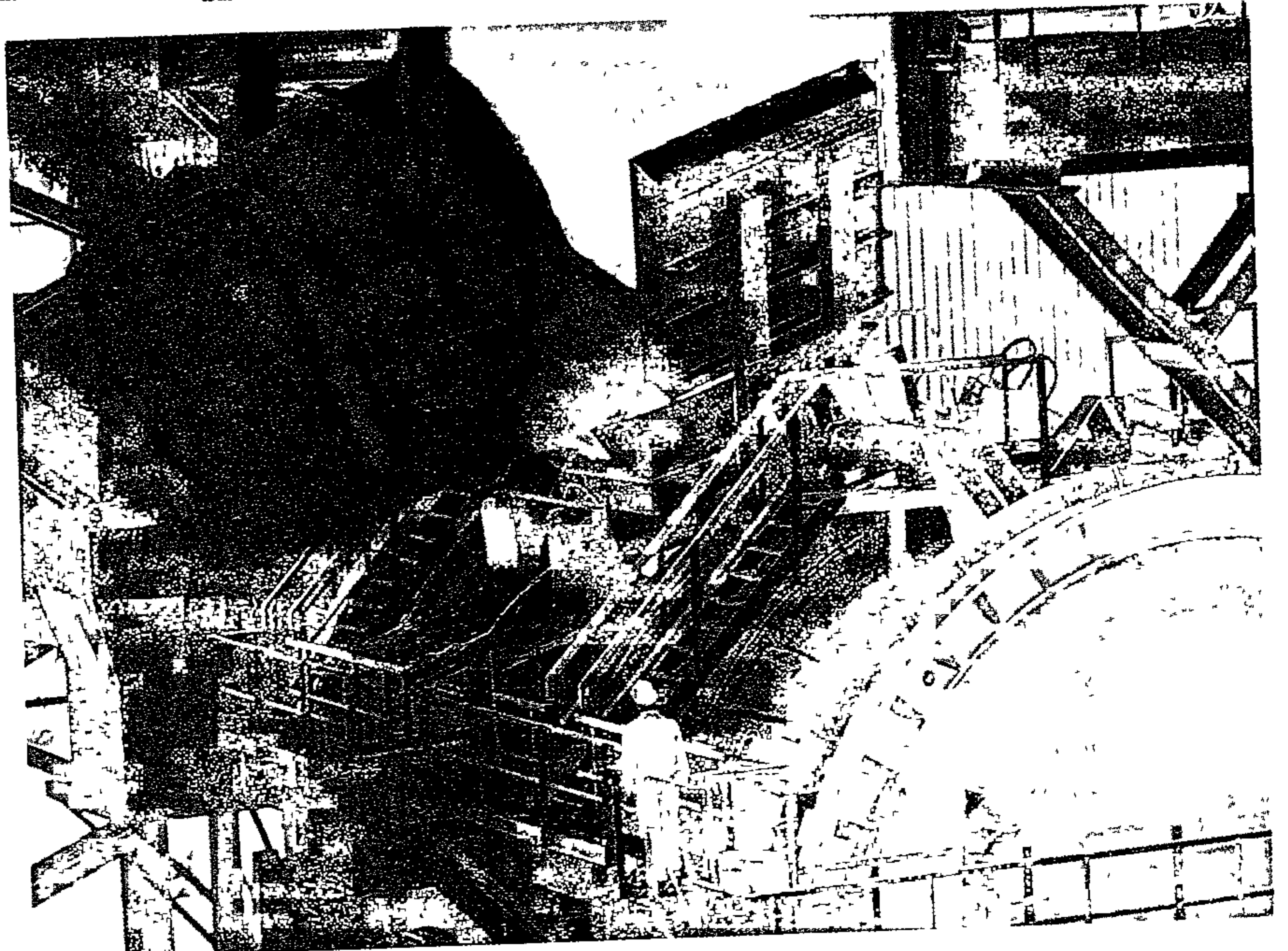
Delfos tirelessly and
To page 2



Cornelis Delfos, a most influential figure in the history of Iscor

THE ISCOR STORY

- Page 3 Minister de Villiers sends congratulations
- 4 Women play a vital role at Iscor
- 5 Management by Objectives — the secret of success
- 6 Iscor's strategic value to South Africa
- 11 The proud 50 year record
- 14 Creating new towns from the Wilderness
- 16 Protection of the environment — Iscor's role
- 23 Steel from Iscor is part of everyone's life
- 26 Iscor's 'united nations'



Men are dwarfed by the massive size of the machinery

A jubilee message from Iscor's M.D.

FIFTY years ago the Prime Minister, General J B M Hertzog, a man of great insight, said: "No country is able to rise to the peak of its prosperity if its iron and steel industry is not properly developed... I can foresee the next 25 years will be an era of expansion in the industrial life of this country."

Half a century has now elapsed since the first Iscor steel was tapped in 1934 and

the country was still largely undeveloped and dependent on imports for its steel requirements

On the 4th of April this year Iscor celebrates its golden jubilee as not only the largest steel producer in South Africa but the only integrated steelworks in the Republic

Iscor is the only local steel producer to manufacture a complete range of steel products on a fully integrated basis, producing about 75% of the country's steel requirements and exporting

steel to 60 countries, thus earning South Africa millions in foreign exchange

Iscor ranks as one of the major industrial employers in this country offering a wide range of career opportunities to approximately 60 000 employees

Over the years Iscor succeeded in steering a clear and unwavering course of progress towards its main objective which, in a nutshell, is to supply the domestic market with a complete range of steel products at the lowest possible prices

In pursuance of this objective, Iscor is run on sound business principles, is cost conscious and profit-motivated. It is a professionally managed enterprise, employing the most modern and sophisticated technology and systems

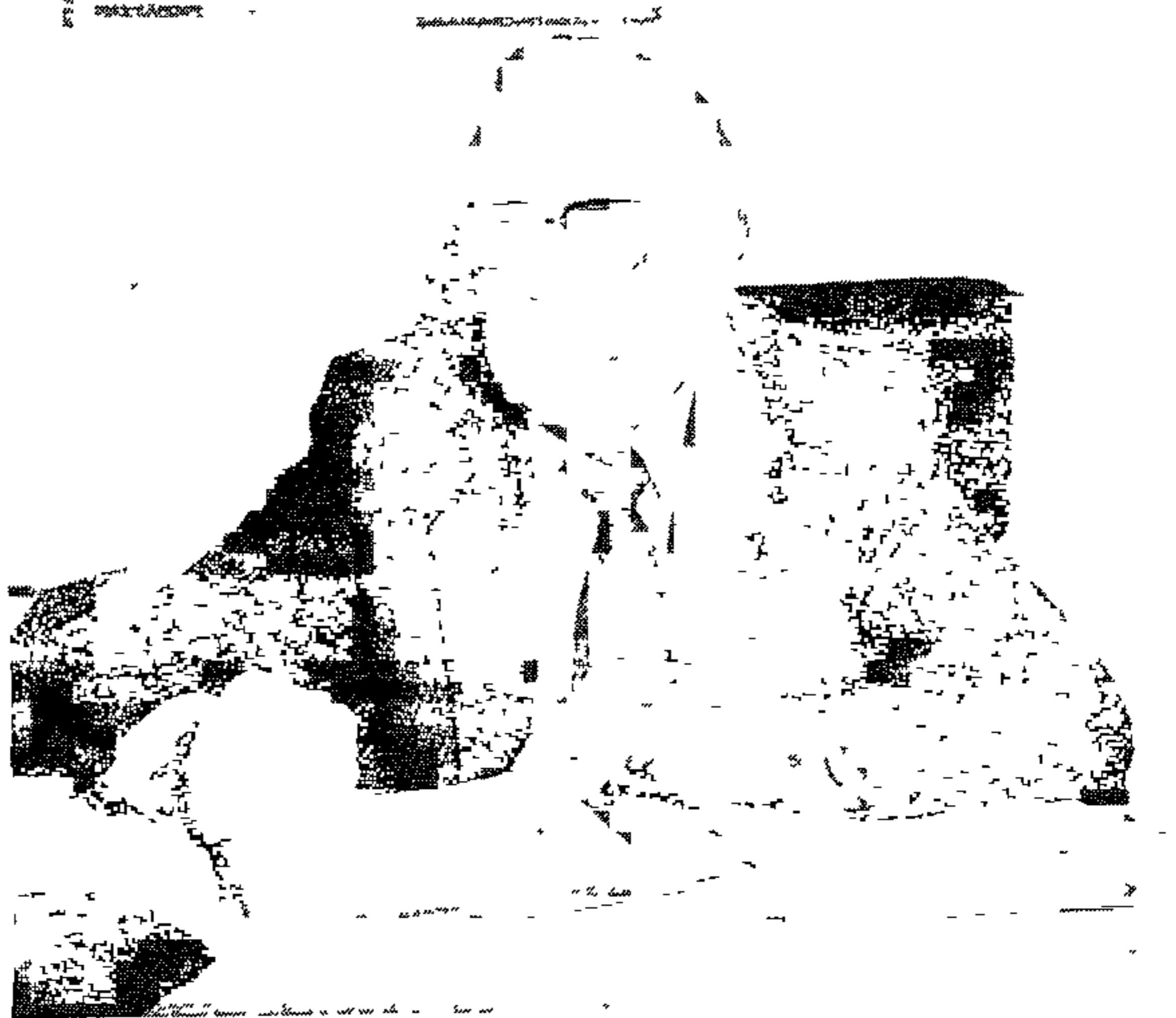
Over the past 10 years (1974-1983) the net sales value of Iscor's products has increased from R445-million to R2 000-million and capital employed from R1 350-million to R3 400-million

Over the past five years, Iscor has streamlined its operations to such an extent that productivity has improved by 4,5% a year

Today Iscor is ranked as the 15th largest steel producer in the free world

It is a matter of considerable pride to me and my management, employees and all who have played an important role in Iscor's development to have witnessed Iscor's contribution to the development of the SA economy from the rural, agriculture-based economy of the early 30s to the industry and mining-based economy of today

I am confident that Iscor's next half-century will be



MR F P KOTZEE, managing director of Iscor

marked by even greater progress than the first.

In 1884 Dr Samuel Smiles, the noted biographer of, among others, George Stephenson, inventor of the famous 'Rocket' locomotive,

referred to iron as "this extraordinary metal, the soul of every manufacture and the mainspring, perhaps, of civilised society"

Today this extraordinary metal, in its refined form — steel — is still the main-

spring of civilisation, the multitude of other modern inventions on the market

A universal substitute steel in its infinite variety of applications has yet to be invented

Congratulations
to
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Guests of honour at the official opening of Iscor in 1934 were, from left to right, The Earl and Countess of Clarendon, Dr and Mrs H J van der Bijl and General J B M Hertzog

Iscor's proud history

From page 1

ceaselessly continued this battle for the realisation of his idea

Time and again his plans were thwarted because he was unable to arouse the necessary interest or obtain the required financial backing. In the country, nobody could or — and other — also sceptical — invest money in such an undertaking

Eventually he was convinced that the Government should assume the financial responsibility. He then entered into long and protracted negotiations with the authorities, trying to persuade them that he was on the right track

At last Delfos succeeded in convincing the Government of the feasibility of his idea, and lengthy parliamentary debates, stretching over several sessions, followed. Finally the Bill providing for the establishment of Iscor was passed

This development met with a great deal of opposition from people who believed that such an undertaking would be a waste of time and money

Despite this criticism, Delfos and his supporters continued their efforts, and on 1 May 1930 a start was made with the preparation of the site on which Iscor's Pretoria works was to be erected

This first works had been designed for a modest annual capacity of only 160 000 tons, which was regarded as the minimum for a fully integrated works

In spite of the dark prophecy as to its future, the new venture rapidly began to prove itself. Hardly had the first steel been tapped than extensions were undertaken to increase production capacity

Now, 50 years later, Iscor is a huge corporation of great economic and strategic importance to this country.



At home and abroad



CULLINAN IS FIRST CHOICE

Behind the design and manufacture of all Cullinan products lie the specialist skills of ceramic technologists and a commitment to produce refractories to the highest international standards

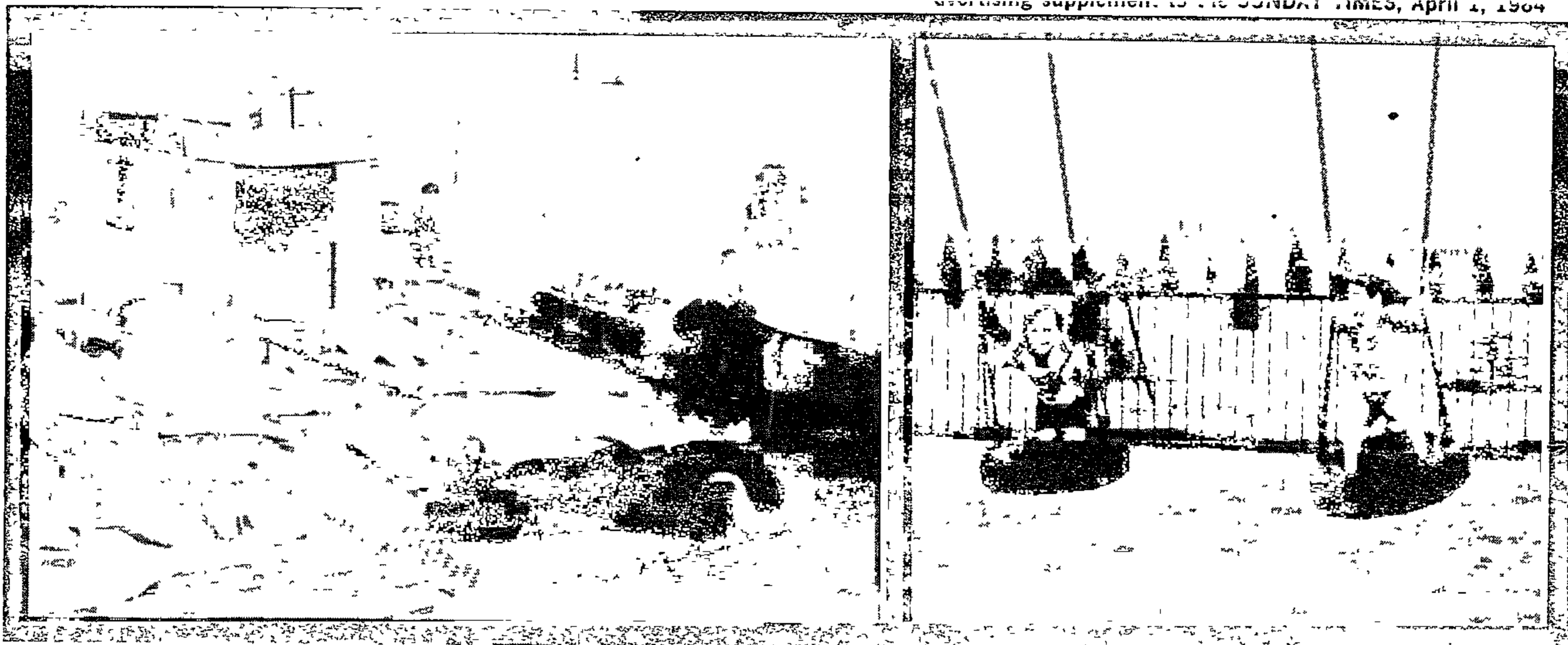
Small wonder that today Cullinan Refractories is South Africa's leading manufacturer and exporter of refractories, with a worldwide reputation for supplying an extensive range of the finest products available

In a world full of choices users in all six continents have chosen Cullinan first



CULLINAN REFRACTORIES

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Tel: (012) 61-2551. Telex 3-450 SA.



RIGHT: Babies from eight weeks are left in capable hands while their mothers are at work

ABOVE: The four year olds having their afternoon nap

ABOVE RIGHT: The centre is well equipped — children up to 12 years old are kept happily occupied all day

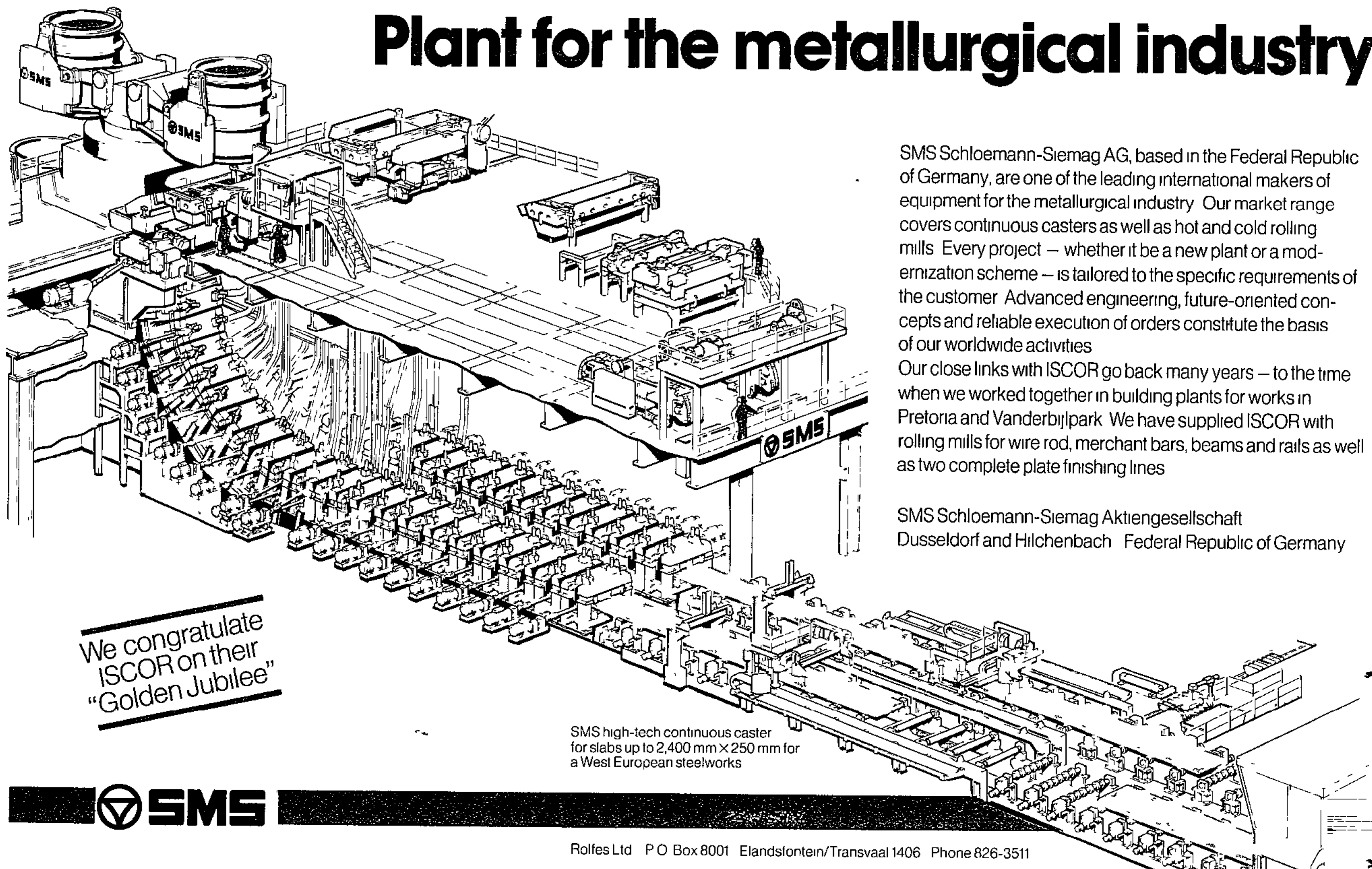
where kids are hands

During the school holidays the centre runs a very structured programme, which leaves no time for them to get bored — they go on outings to farms, picnics and braais

The reaction to the centre and the service it provides is favourable on all accounts. Mothers are delighted to leave their children there and the kids are happy to be there



Plant for the metallurgical industry



SMS Schloemann-Siemag AG, based in the Federal Republic of Germany, are one of the leading international makers of equipment for the metallurgical industry. Our market range covers continuous casters as well as hot and cold rolling mills. Every project — whether it be a new plant or a modernization scheme — is tailored to the specific requirements of the customer. Advanced engineering, future-oriented concepts and reliable execution of orders constitute the basis of our worldwide activities.

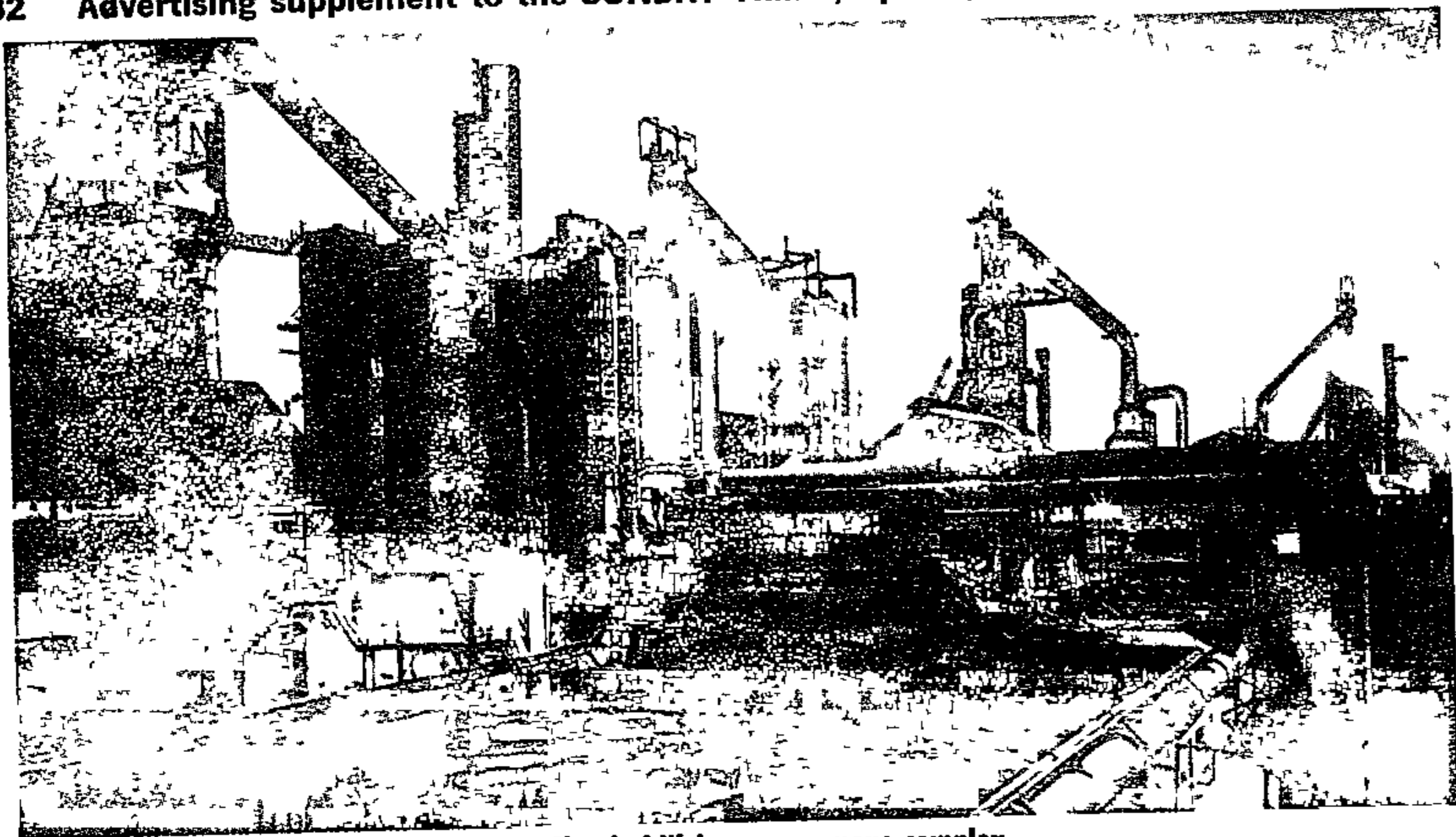
Our close links with ISCOR go back many years — to the time when we worked together in building plants for works in Pretoria and Vanderbijlpark. We have supplied ISCOR with rolling mills for wire rod, merchant bars, beams and rails as well as two complete plate finishing lines.

SMS Schloemann-Siemag Aktiengesellschaft
Düsseldorf and Hilchenbach Federal Republic of Germany

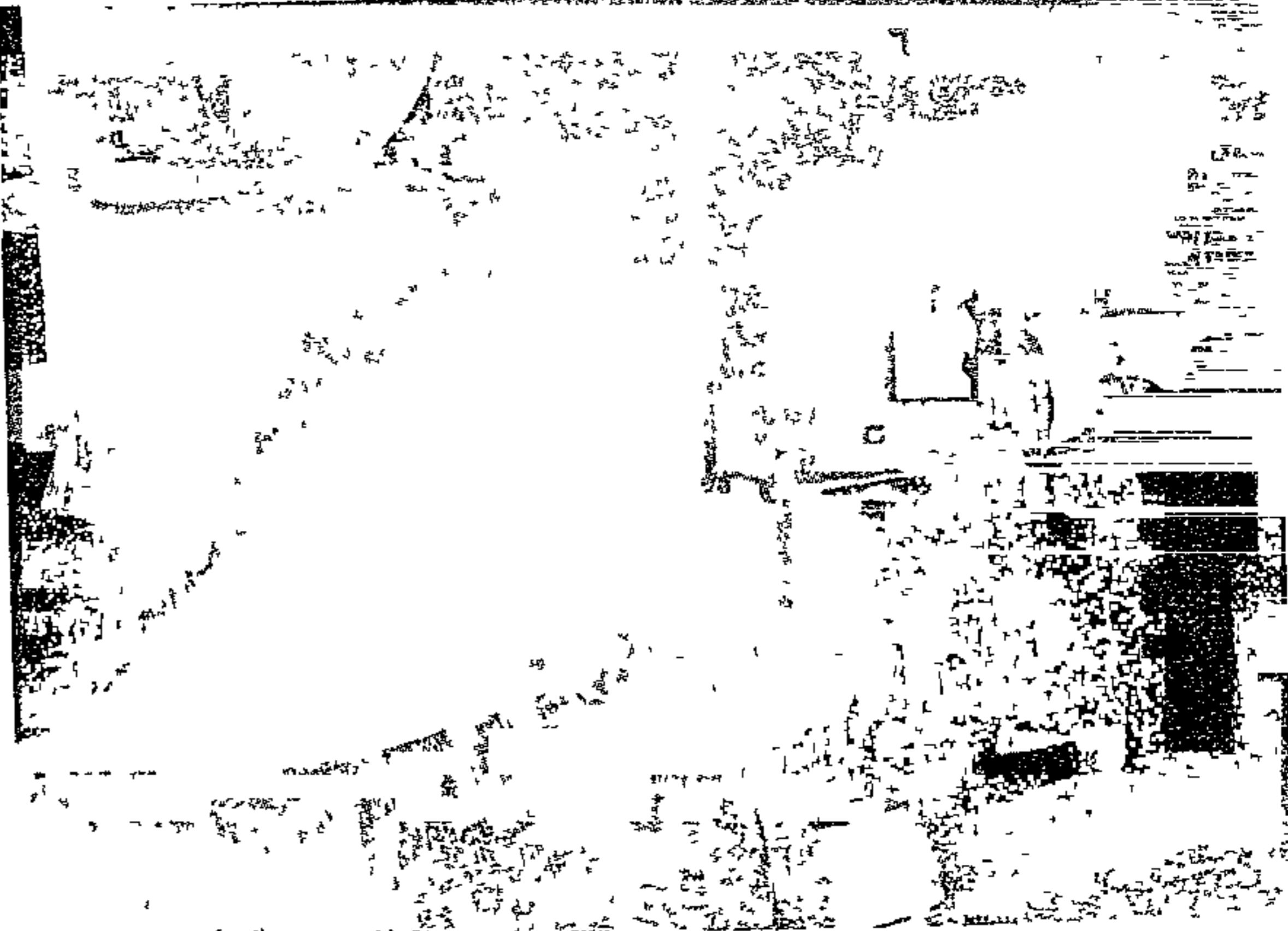
We congratulate ISCOR on their "Golden Jubilee"

SMS high-tech continuous caster for slabs up to 2,400 mm x 250 mm for a West European steelworks



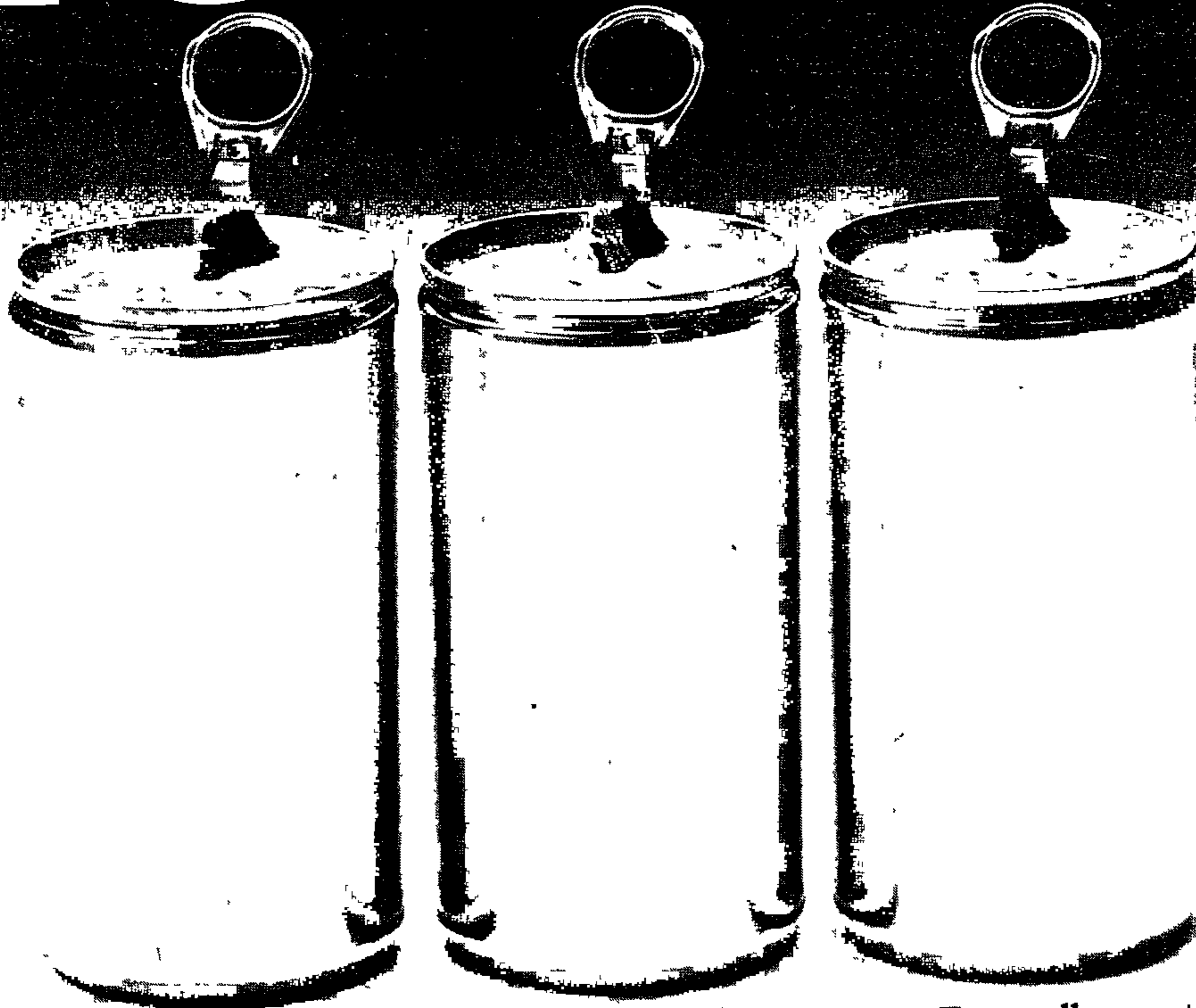


Iscor at Vanderbijl is an enormous complex

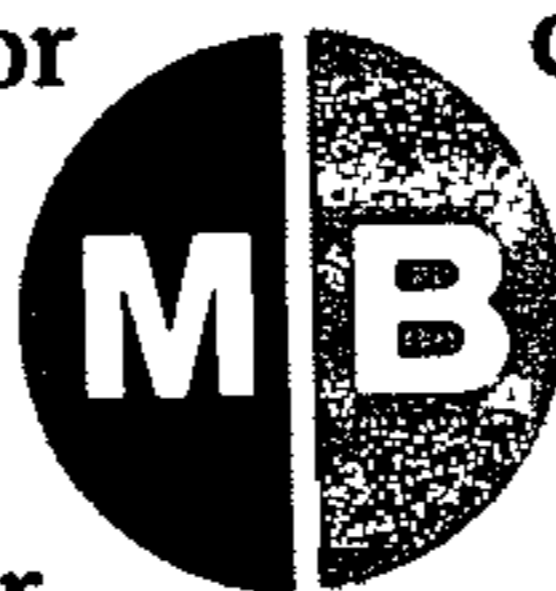


Giant machinery handles molten metal

HATS OFF TO ISCOR



And a big thank-you. For supplying the tinplate feed stock that made our innovative two-piece can possible. For bending over backwards to meet our



delivery dates. For really great service. Without your tremendous back-up we wouldn't be able to turn out the millions of cans South Africa needs every year.

Metal Box. Much more than metal boxes.

It's a model town now

The giant Iscor complex at Vanderbijlpark is the nucleus round which the whole town is built.

Iscor's association with the Vaal triangle dates back to 1942, when the first Iscor plate mill was built

In 1947, it was decided that a second fully integrated steelworks, to manufacture flat products, should be built there, and the plant came into operation in 1951

Since then, the works have steadily increased in size with expansion and modernisation programmes

Iscor at Vanderbijl has tremendously close links with the development of the whole area

While the erection of the plate mill was being carried out, Hendrik Johannes van der Bijl was planning the development of the new industrial town. First development plans were done by the newly established Iscor town planning department

Size of the three main Iscor complexes, Pretoria, Vanderbijl and Newcastle, cannot really be compared as they each specialise in different aspects of steel production, but the total steel producing capacity of Vanderbijl is the largest in Africa

It's an awesome experience to walk through the works

Production of steel happens on an enormous scale. The pictures on this page show something of the size and scope of steel production

Training for Italians

NINE employees of the largest steel producing company in Italy, Nuova Italsider SPA, visited Iscor's Vanderbijlpark works for a programme of training earlier this year

It was the second time in three years that Vanderbijlpark has served as a training centre for personnel of an overseas steel producer

In 1980-81, 92 employees of the China Steel Corporation from the Republic of China were trained over a period of 13 months



Game roams free in the protected environment of the Iscor-sponsored reserves

Iscor is a

There are people who say that Iscor goes to extreme lengths in the question of ecological responsibility

They tell you of a spot in the Kruger National Park, on one of the wilderness trails where, if you stand just off the path and have a particularly powerful pair of binoculars, you would be able to see a section of the Tshukondem Mine

The Iscor people heard about it and decreed that all protruding parts of the mine be painted matt field green — as camouflage

PAINTING OUT A MINE

Iscor's responsible attitude to nature conservation goes back a long way. In the old days, the area north-west of Rustenberg was a hunter's paradise

To escape the ravages of man, the game fled through the Vhegpoort at the en-

trance to the Great
er Valley and so
In the summer
prospector, J H
made his camp on
of the river and
haematite ore of
ity at Sovereign Hill
game was once
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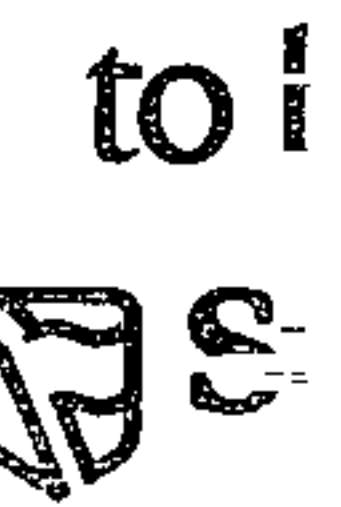
What followed —
1931, mining opera-
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Iscor's Pretoria
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And, appropri-
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the corporation



It takes to be paid

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Which is why they
proud to be part of



The Standard Par-

Is at home in the wild

trance to the Crocodile River Valley and sought refuge

In the summer of 1919, a prospector, J H Williams made his camp on the banks of the river and discovered haematite ore of good quality at Sovereign Hill, and the game was once again threatened

What followed was that in 1931, mining operations began in the area of Thabazimbi, providing iron ore for Iscor's Pretoria blast furnaces. Mining operations later extended to Donkerpoort. And, appropriately, it was at Donkerpoort in 1964 that the corporation established

a nature reserve. Istores which carries out farming operations on Iscor properties was appointed to develop the reserve

Today, most of the species that originally roamed the area are protected, and are increasing in numbers in the Ben Alberts Nature Reserve



The area was fenced and drinking pits were established. Game was also introduced from other areas

Conservation is a total operation in the reserve. The

flora is also protected, and today, 50 nameplates identify species within the area

The public was admitted for the first time in 1969. It has become popular with local people, and because it is only 200 km on a good road from Pretoria, there are visitors from further afield as well

The reserve was further extended in 1977

A similar smaller reserve has been established at Sishen, close to the new residential area of Kathu

Both are popular with visitors, but they are not

close to being economically viable. They are subsidised by Istores in the interest of nature conservation

Recently, Iscor came under fire for its interest in a potentially rich coking coal source in the northern part of the Kruger National Park, bordering on Venda

The impression was sometimes created that Iscor was a rapacious industrial juggernaut bent on the destruction of dwindling wildlife. But a truer picture emerges when the corporation's nature conservation record is revealed



On the record, it shows that

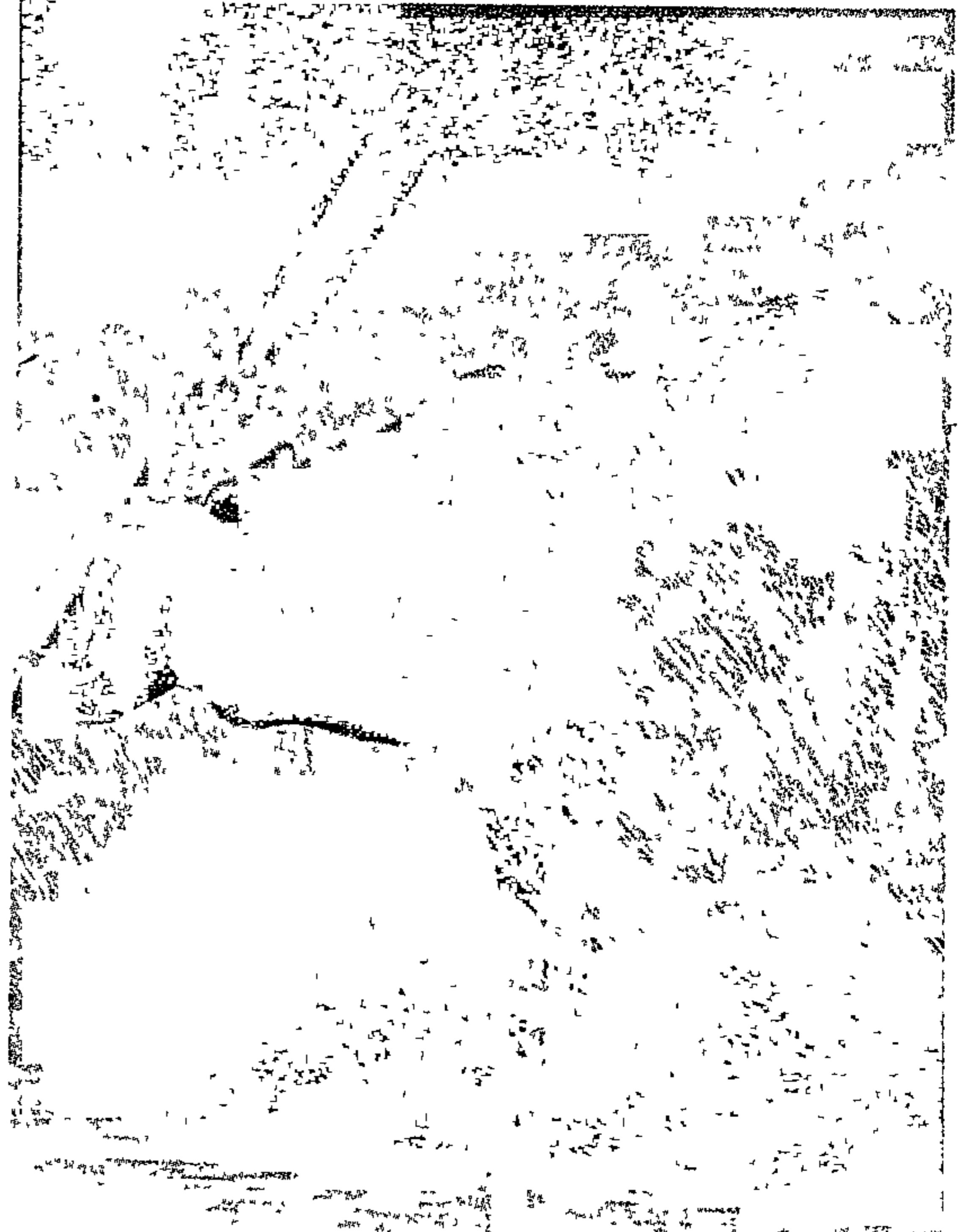
- When the Sishen Saldanha line was built, threatened game was captured and taken to protected areas

- When a dam had to be built at Saldanha, the species Aloe Distans was collected and replanted to preserve it

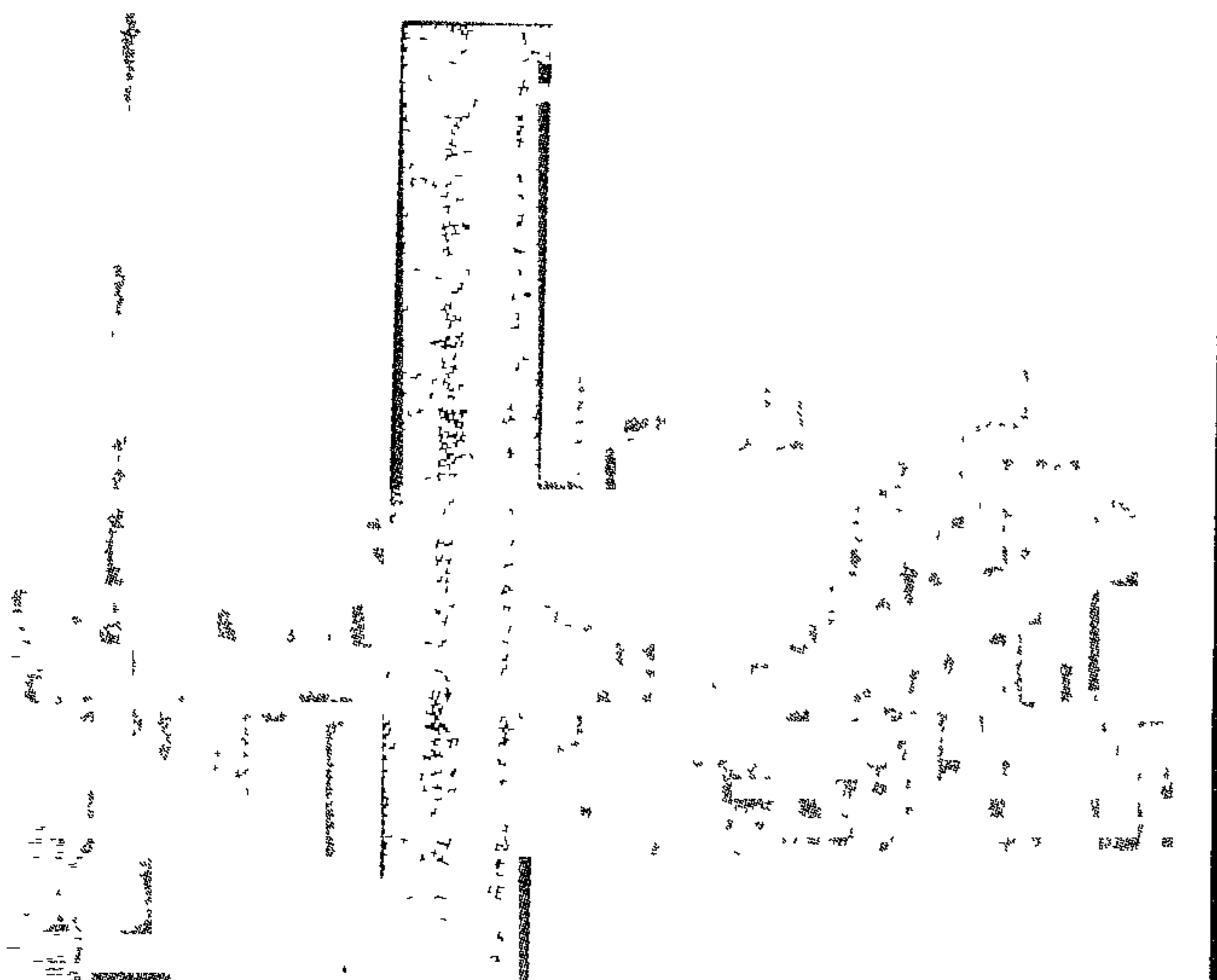
- In the development of the new residential areas at Kathu, at Sishen and Onverwacht at Grootegeluk, the vegetation was preserved by a directive expressly forbidding the destruction of trees above a certain size

- At Sishen, rock engravings which were threatened by mining activity were moved to safety

- Iscor is also encouraging the recent archaeological excavations by the McGregor Museum in Kimberley at a Stone Age site which has been exposed by a sinkhole on an Iscor farm property



Ecological responsibility has assumed enormous importance at Iscor. Flora and fauna are an important consideration at all developments



It takes mettle to be part of Iscor.

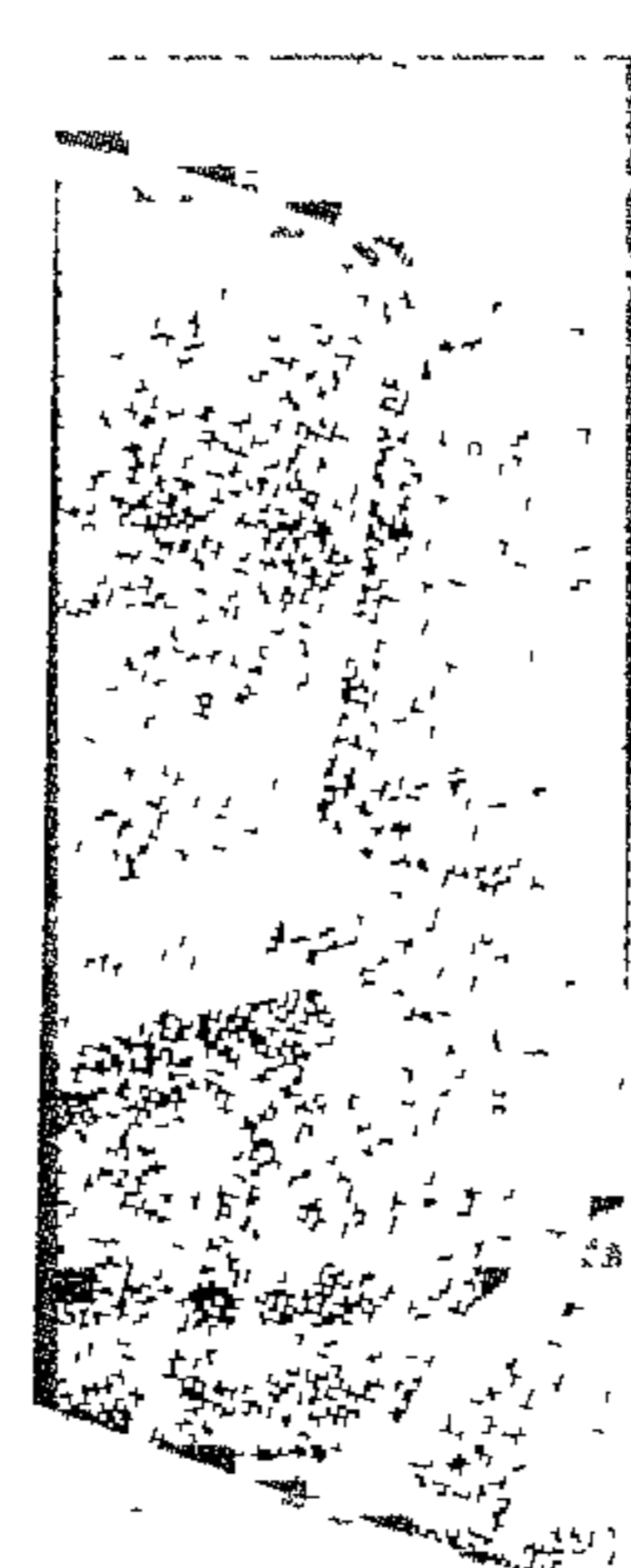
It takes more than money to finance vital projects of South Africa's steel producer. It requires special know-how in the areas of Leasing, Suspensive Sale, Finance, Acceptance Credits, Overdraft and various Financial Packages.

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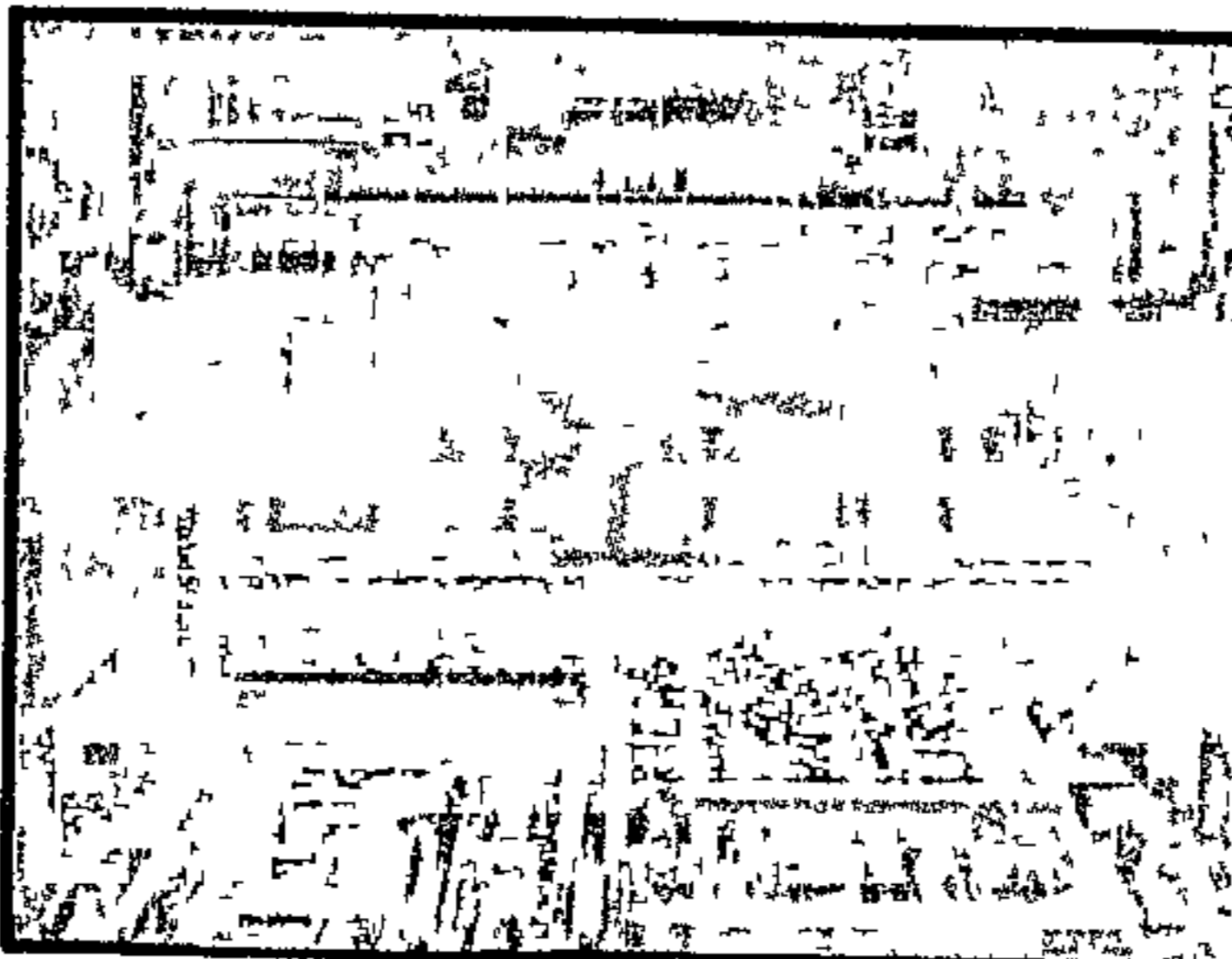
We'd like to be your bank.

Standard Bank

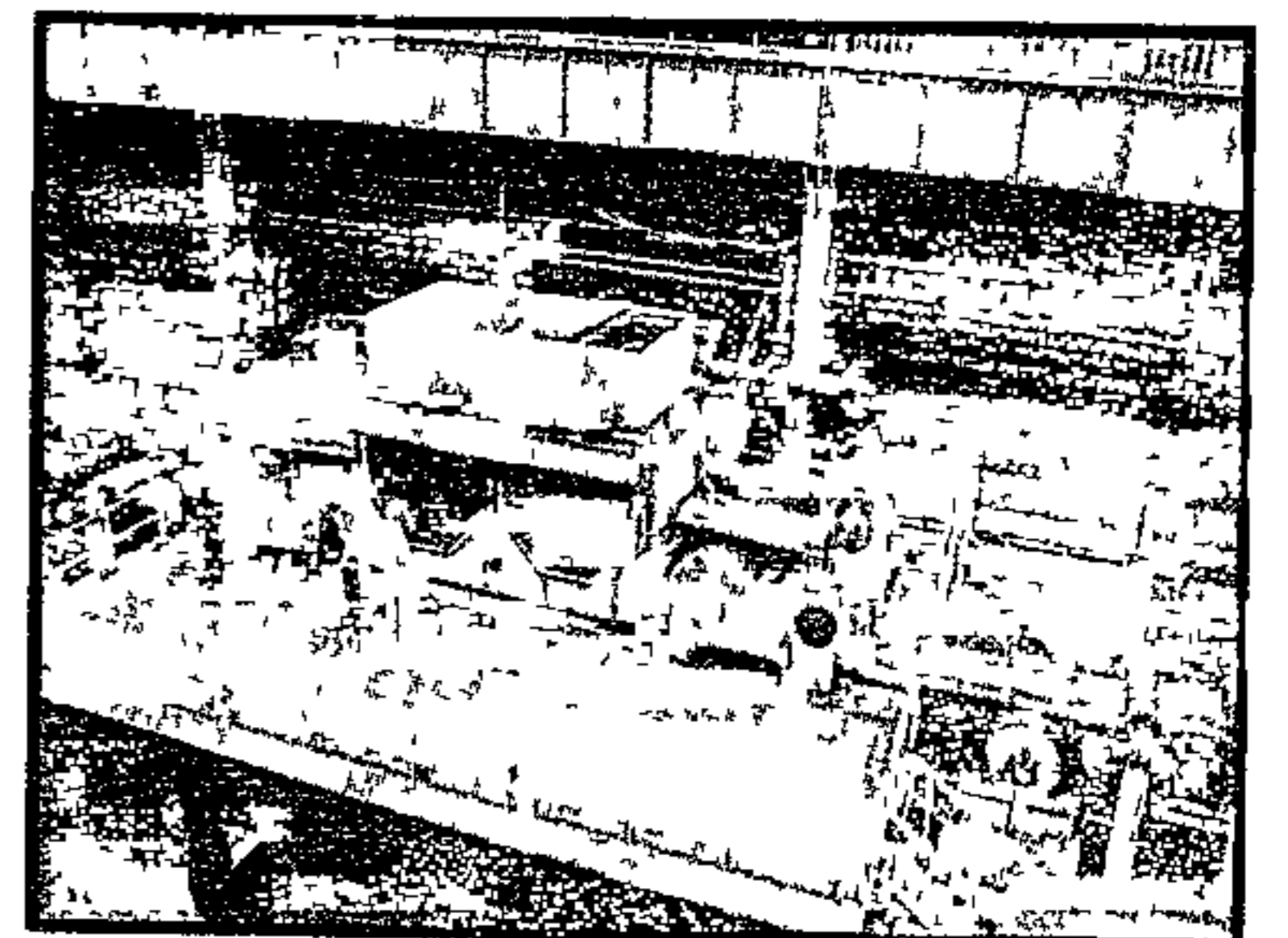
The Standard Bank of South Africa Limited (Registered Commercial Bank)



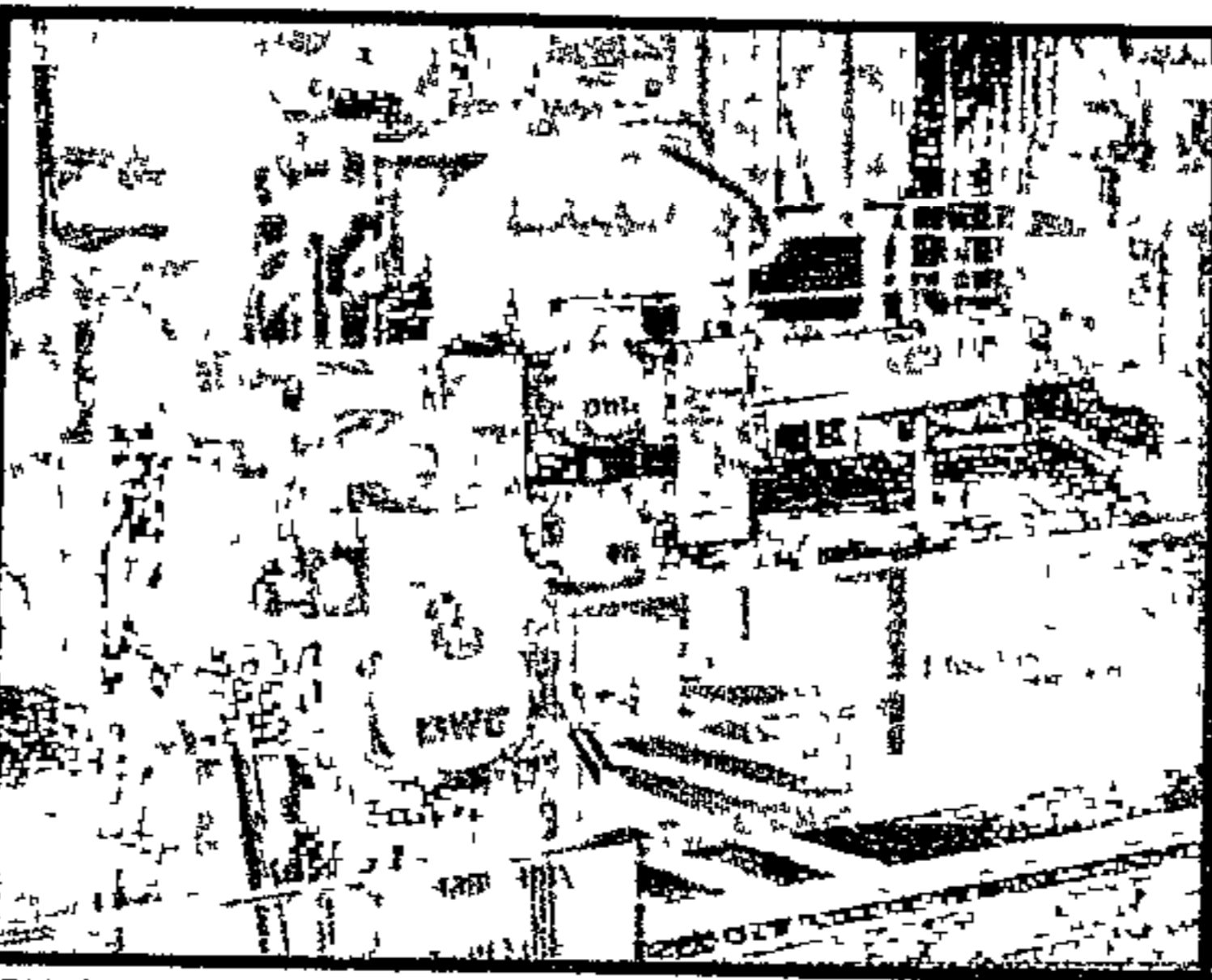
BWG PLANTS HELP ISCOR TO PRODUCE HIGH QUALITY STEEL STRIP



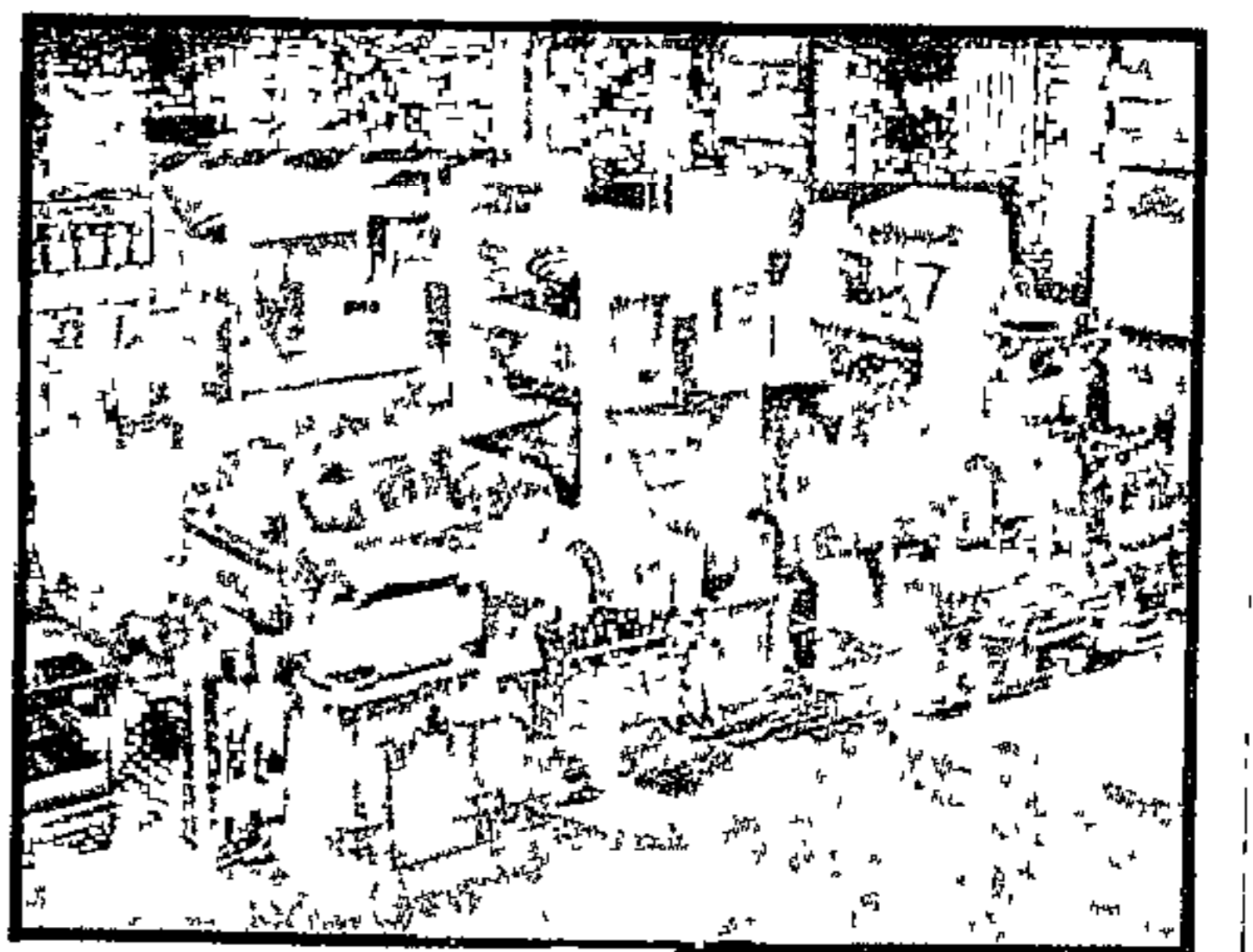
BWG intensive slab cooling installation behind a continuous slab casting plant for the fast cooling of slabs from casting temperature to storage temperature



BWG Levelflex plant employed as scale breaker and stretch-levelling unit in the entry section of a continuous pickling line for steel strip



BWG Temper-Levelflex unit in a continuous hot dip galvanizing line for the improvement of the strip surface and for stretch-levelling of the galvanized steel strip



2 BWG Levelflex units in continuous hot dip galvanizing lines for the stretch-levelling of the galvanized steel strip

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Row blazes on coal price cartel charges

S. Times 1/89
1/4/89

A SHAKE-OUT in the Reef's R105-million a year coal supply industry seems imminent.

Mudslinging among the Reef's 35 coal merchants resurfaced this week with an allegation that some of them had met to discuss price-fixing.

Merchants are unwilling to discuss what is described by one of them as a "very ugly business".

One coal firm says it was asked to attend a meeting on Tuesday which, according to its sponsor, was aimed at halting the current price war. The alleged proposal was to increase consumer prices.

The meeting was held, it is said, in anticipation of a 4% to 5% price increase to be announced by the Department of Mineral and Energy Affairs tomorrow.

Happy family

Price-cutting on the Reef has resulted in coal selling at well below R30 a ton. The official price is R45 a ton. Some buyers on the West Rand are paying only R23 a ton, which is below the price five years ago.

A merchant said "Coal must be the only product in SA which has decreased in price."

Merchants say the only way to avoid a shake-out is by rationalising their trade. Some say competitors will go to the wall unless a pricing system is agreed to.

The only alternative, says

By Barry Sergeant

a merchant, is to consolidate and live as "one big happy family".

Some merchants claim competition is healthy, and must continue. The statements come from those who benefited from a Government ruling which caused a storm on its publication last year. It required merchants to have certain stockpiling facilities before they could qualify for a licence.

Some of the entrants managed to obtain licences with minimal stockpiling facilities. Established merchants have higher overheads and find their customers being poached.

Renier Roets, deputy director of the Department of Mineral and Energy Affairs, says "Government Notice No 895 was designed to promote competition in the industry. One of the main requirements for a licence is the ability to make sufficient strategic stockpiles. This is to smooth demand which differs hugely between summer and winter."

One of the new companies acquired a depot and was given authority to sell coal in January. Asked to comment on the Tuesday meeting, it said it was invited, but refused to attend.

Andre Fowler, marketing director of McPhails, said he could not comment on whether the meeting took place.

Les Weiss, managing director of the Transvaal Coal

Owners Association, which represents the mining companies, said. "Competition among merchants must not intensify to such an extent that service standards begin deteriorating."

Mr Weiss said some non-TCOA members were making inroads into the market by negotiating contracts directly with end-users. They were able to undercut TCOA prices in some instances because of lower beneficiation treatment.

Merchants' profit margins are being squeezed by suppliers, consumers and each other.

Pressure

Some merchants are exploiting transport companies bringing coal from the mines to the Reef. The carriers are under pressure because of reduced demand caused by the recession. In their desperation to maintain income, they accept low-priced cartage contracts from merchants.

● The Competition Board's report on coal distribution and retailing was tabled in Parliament this week. Johan Lambrechts, chairman of the board, says "We do not know to what extent the recommendations have been accepted by the Government."

The report was commissioned by the Minister of Commerce, Industries and Tourism, Dawie de Villiers, in 1982. Other reports are taken at the initiative of the board.

Brits plant lays off 240 workers

By Carolyn Dempster,
Labour Reporter

B and S Engineering and Steelbrite of Brits — scene of a major labour dispute last year — has closed one of its two plants and retrenched 240 workers

The plant, Steelbrite 2, was closed down last Thursday

According to a Metal and Allied Workers' Union (MAWU) spokesman — it has majority membership at the two plants — negotiations for the re-employment of the retrenched workers were unsuccessful

The 240 retrenched workers received small severance pay.

The closure is particularly significant in the

light of the dispute at B and S during 1982/3

MAWU's struggle for recognition by the steel furniture manufacturing company was resisted strongly, and a shop stewards' committee was dismissed as soon as the 12 members were elected by workers in July 1982

This was followed by a work stoppage to pressure management to reinstate the workers. Twelve were later taken back

The uneasy peace between B and S and MAWU was broken when shop stewards renewed efforts to achieve union recognition. Management dismissed the entire workforce on September 7 and told workers that if

they wanted their jobs back they could reapply. Of 600 who did, 400 were taken on

A total of 249 workers declared a dispute and asked for an Industrial Court order declaring the dismissal unlawful and unfair and demanding reinstatement

The dispute was not resolved for 20 months, with the 249 workers verging on starvation

The Industrial Court ordered the reinstatement of the workers, and ruled that they receive backpay for the entire period

Mr R Bingham, the managing director of B and S, was contacted repeatedly for comment on the plant closure, but was never available

3/4/84 star

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KDM 3/4/89 189

Bargaining row flares

Labour Correspondent

IN WHAT could become a key case affecting bargaining in several industries, the Metal and Allied Workers Union (Mawu) says it will ask the Industrial Court to rule that it is unfair for an employer to refuse to bargain over wages with a majority union outside an official industrial council.

Mawu has declared a dispute with a metal company McKinnon Chain at its Maritzburg plant, because the company is not prepared to negotiate wages with it directly.

The company, a member of the Steel and Engineering Industries Federation (Seifsa), says wages should be negotiated between Mawu and Seifsa at the Metal Industrial Council.

Seifsa has advised all member companies to refuse to negotiate wages with unions outside the metal council. Most metal companies support this stance and would therefore be affected by the case should it come to court.

In several other industries, employers are also opposed to negotiating outside councils and the case would therefore affect them too.

According to a company spokesman, the McKinnon dispute is to be considered by the Metal Industrial Council, as the law requires. If the council fails to settle it, the union can take action against the company in the court.

The current dispute follows one last year in which Mawu threatened the company with Industrial Court action after claiming it had refused to recognise it. McKinnon denied this, saying it was willing to deal with the union.

The action was withdrawn after the two sides began negotiating on recognition, but when negotiations began, the company said it was unwilling to negotiate wages directly.

In the latest issue of Fosatu Workers News, journal of the Federation of SA Trade Unions to which Mawu belongs, the union charges that McKinnon Chain had given workers merit increases in addition to the wage rises negotiated at the industrial council, but had refused to negotiate these with the union.

It said "worker pressure" had forced some employers to negotiate wages directly with the union, but that there were still a few stubborn metal employers left.

METAL INDUSTRIES Tough talks ahead

The scene is set for tough talking next Tuesday when the Steel and Engineering Industries Federation of SA (Seifsa) sits down with metal industries trade unions to negotiate the 1984/85 agreement on wages and working conditions

Lay-offs and reverberations from last year's often acrimonious bargaining are bound to have a profound effect on the talks which set the tone for pay talks in many other industries. At least one industrial relations practitioner predicts that "labour unrest" may result (*Current Affairs*, January 20)

Last year Seifsa tried to postpone the annual talks. After protracted negotiations, agreement was reached on a 5%-7% pay increase. One of the participants, the Metal and Allied Workers' Union (Mawu), demanded a 30% increase and refused to sign the agreement.

Four independent unions as well as unions falling under the umbrella of the Confederation of Mining and Building Unions (CMBU) have this year submitted demands to the National Industrial Council for the Iron Steel Engineering and Metallurgical Industry.

The CMBU represents about 160 000 workers. The majority are employed in the engineering industry but it also has a presence in the mining and explosive sector as well as at Escom. It demands

- That the minimum rate at the top end of the scale of employment categories be increased from R4,41 to R5,50/hour;
- That the bottom three work categories to be combined receive a minimum wage of R2/hour;
- A 12% across the board increase for all categories of workers, and
- That holiday leave allowances be increased by between 6%-8,33%.

Although the Trade Union Council of SA (Tucsa) affiliated Engineering and Industrial Workers' Union (EIWU) is a CMBU member, it has submitted separate demands. "Due to a misunderstanding our union was not represented at the CMBU when the demands were formulated. Therefore, because we were not aware of the na-

Continued on page 51

Financial Mail April 6 1984



Nicholson ... 'employers must be honest'

ture of the proposals, we found ourselves unable to identify with them," the union's western Cape regional secretary Leslie Davadoff told the *FM*. Davadoff stressed, however, that his union would be caucusing with the CMBU next Monday. It seems likely that its demands will be merged with those of the CMBU.

The EIWU has demanded a minimum top rate of R5,30/hour; a minimum bottom rate of R2/hour; a 6% increase in the fourth leave cycle, and a gradual reduction of the working hours over the next five years to a 40-hour working week.

The all-white SA Iron, Steel and Allied Industries Union, which is affiliated to the SA Confederation of Labour, has submitted the same demands as the CMBU.

Two emerging unions which sit on the council have submitted demands which mainly affect unskilled and semi-skilled metal workers.

The Metal and Allied Workers' Union (Mawu), an affiliate of the Federation of SA Trade Unions, has called for a minimum wage of R2,50/hour; a R2,50 across the board increase for all workers, a 40-hour working week, one month's notice when services are terminated, a maximum of five hours overtime work a week, overtime to be paid at twice the normal rate from Monday to Saturday and at triple rates on Sundays, that stop order facilities and plant access be granted to any union which has 50% representation among the workforce or 500 members at a plant, and for a proper lay-off procedure to be negotiated.

Council of Unions of SA (Cusa) affiliate, the Steel, Engineering and Allied Workers'

Union of SA is demanding a R2,53 minimum hourly rate. It is also demanding increases of between 6% and 8,33% in holiday leave pay; an increase in annual leave from three to four weeks, that employees receive 14-days notice when redundancies are effected instead of the present one day's notice, severance payments of one week's pay for each year of service and that employees should be paid at least 25% of their normal rate of pay if they are laid-off temporarily.

Given the small increases won last year, the unions will have to fight hard to achieve anything significant this year. Seifsa director Sam van Coller is tight-lipped about how employers have responded to the demands. Seifsa's overall response will be formulated next Monday.

The number of workers who have been laid off during the recession will be a major inhibiting factor on the union side. The metal industries employed 450 000 workers during the 1982 employment peak. In November last year the total employment figure was below 380 000 — a drop of 70 000.

Nevertheless the unionists will not want to be left empty-handed. Says Ben Nicholson, a leading union figure: "If it were not for the drought I believe that SA economy would have been on the way to recovery. With the drought persisting things have not progressed the way we had hoped. However, the employers must be honest. Some have made healthy profits — especially the bigger firms which are export orientated — but are pleading poverty. That is not good."

WALTER HASSELKUS

Man from Munich

Succeeding Eberhard von Koerber as MD of BMW SA is a hard act to follow — for it was he who pushed sales from indifferent levels to above those of Mercedes. He also gave BMW the highest market share of all its international sales territories.

What is more, Von Koerber left (to join the central board as world-wide marketing director) after a year, when Mercedes once again toppled BMW from its short-lived leadership.

Yet the new man, Walter Hasselkus (42), appears to have thrived on challenge throughout his relatively short working life. "I cannot see how we can fail here," he says. "We are well prepared. The new 3-Series BMW is a major step forward which will increase sales from about 14 000 to 20 000 units a year."

His first full-time job in business came at the relatively advanced age of 28 after completing a doctorate in law *cum laude* at the University of Munich. He joined the German electrical goods manufacturer Osram, starting from scratch as a trainee.

But after two years he was made personal assistant to the chairman. "I used to take the minutes of board meetings and write the chairman's speeches," he says. "And everybody in the company was very friendly as I was so close to him."

"But when the chairman retired, many changed their attitudes. This taught me a key lesson in business — there was no longer a place for me, so I left."

His next job was in BMW's long-term planning department which again involved taking board meeting minutes. "The beauty of the job was that I became one of the best-informed people in the company," says Hasselkus.

London transfer

"Directors are only human and do not always say the most sensible things, so I had to ensure that the minutes reflected their views in a good light."

Contacts here led him into line-management when the sales director offered him the post of MD of the Berlin retail and wholesale operation.

"People thought the idea ludicrous," he says, "as I had never sold a car in my life. But it was not sensationally difficult and I learned that you have to be open-minded, listen to people and not tell the sales manager, who had been there ten years, how to do his job."

"I was quite successful."

After 18 months, he was transferred to London as MD of BMW's British sales and service operation. Four years later, sales had doubled and Hasselkus had come to



Hasselkus ... always room for improvement

"learn the British way of life and the British sense of humour." Then came his transfer to SA.

"This is a more complicated job," he concedes, "as it involves manufacture as well as sales — SA is the only country outside Germany where BMWs are made."

He disagrees with those who criticise BMW's quality. "This has improved over the years and will continue to do so," he says, "but naturally there is always room for improvement."

"My main challenge will be to maintain the company's high profile and reputation and get involved in local affairs as a committed member of the community," he says.

To this end he has already toured the country and neighbouring territories to meet leading political figures. All, he says, have praised the company's decisive handling of the strikes which happened shortly before his arrival.

"Our workers at Rosslyn are the best paid in the industry," he says, "yet there was a wildcat strike after a demand for a 40% increase. We will negotiate through proper channels with representative bodies. However, if necessary, we will be as firm again and will have Munich's full support."

Hasselkus, his wife (a political economist) and three children have rented a

house in Pretoria within easy reach of his office in Isando and the production facilities in Rosslyn. He reads politics and history and likes playing tennis and skiing.

Lack of good skiing slopes is, he says, one of SA's few shortcomings.

BRIAN FREDRICKS

Born to the trade

Natal trade unionist Brian Fredricks is the man at the cutting edge of the recently-revived SA Co-ordinating Council of the International Metal Federation (IMF).

As SA's black union movement comes of age, the complexity of labour relations increases, particularly in heavy industry where metal predominates. And to compound management's problems, there are some avowedly conservative white unions — with interests at variance with the newer black unions — in the industry as well.

The IMF council has member unions drawn from the Federation of SA Trade Unions, the Council of Unions of SA, the Trade Union Council of SA, and other unaffiliated unions. It's not unlikely that it will come to hold the ring in the industry's future bargaining.

Fredricks (39) says he's looking forward

FM 6/4/84
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to his new assignment, but is very aware that the task will be difficult. Previous attempts at establishing a local council of the IMF were short-lived. The first, established in 1975, split in 1981 as a result of irreconcilable differences in the ranks of its union affiliates.

Consequently, as Fredricks sees it, one of his main functions as fulltime secretary will be to ensure that the new body isn't wrecked on the same rocks. He hopes to forge closer links between member organisations and get their co-operation on matters of mutual interest.

Ultimately he'd like to expand services offered by the council to full moral and material support for affiliates, a collective stance on wage negotiations, the recruitment of new members, and help with union organising.

Unity

Fredricks is confident that the inter-union rivalries that split the council before can be overcome.

Tensions have eased markedly, he notes, since the expulsion from the IMF of the all-white Amalgated Engineering Union and the SA Electrical Workers' Association for what he calls "attitudinal problems".

Although differences persist (the movement's nine affiliates have widely-differing ideologies), he says there's a large measure of agreement at top leadership level as to what strategies and policies should be adopted.

The problem is to get co-operation and support from the rank and file. "We recognise that disputes between unions are going to occur. What we need is the machinery, at

all levels, to handle them when they do," Fredricks says.

One development which particularly threatens some employers is the stated intention of the IMF council to bring about a unified wage structure for the entire metal industry.

A wage policy would have advantages, says Fredricks, in that it would bring differing wage scales into line across the various sectors in the metal and engineering industries. Though a common approach to wages seems unlikely this year, it could well be on the cards for the next round of negotiations.

The representativeness of the unions who are party to the metal industrial council wage negotiations is also a source of concern for Fredricks. On a straight head count, he says, they are likely to represent only around 15% of employees in the industry — a situation which calls for "urgent redress".

It sounds like tough talk, but employers can probably count themselves lucky having a man like Fredricks sitting across the negotiating table. He's articulate and full of resolve, yet comes across as far more moderate and pragmatic than the common management stereotype of a hardline union activist.

Born in the back streets of Durban's Greyville, a hotch-potch residential enclave of coloureds, Indians, blacks and whites, Fredricks says he "couldn't help but be politicised at an early age".

He went to a Catholic primary school and to Bechet College in Sydenham, but left before matric to help support his family. Working as a dispatch clerk at Motor As-

semblies back in the Sixties for a meagre 22c/hour confirmed his union sympathies.

He left, joined Tucsa, and came back to organise a branch of the National Automobile and Allied Workers (Naawu) at the plant. Today he's the union's Natal branch secretary.

Fredricks has frequently represented Naawu at international congresses, and is in fact a Harvard alumnus — after a six-month union scholarship.

He reads a lot, especially on union matters, and regrets the lack of time to read more. Does he have regrets at becoming a union man? Fredricks notes that some former colleagues at Motor Assemblies reached the rank of general foremen. But he's "happiest representing workers," he insists.

HILMAR VENTER Hitting the fan

The fertiliser industry is in turmoil. Ingredients are drought, falling sales, abolition of price and import controls and, to crown it all, new producers are trying to enter an overcrowded market.

To step into the position of public representative for the industry at a lean, mean time like this needs a certain low-key diplomatic skill — plus, of course, considerable experience.

Hilmar Venter (46) took over as director and chief executive of the Fertilizer Society of SA (FSSA) on March 22, after about eight years with the society.

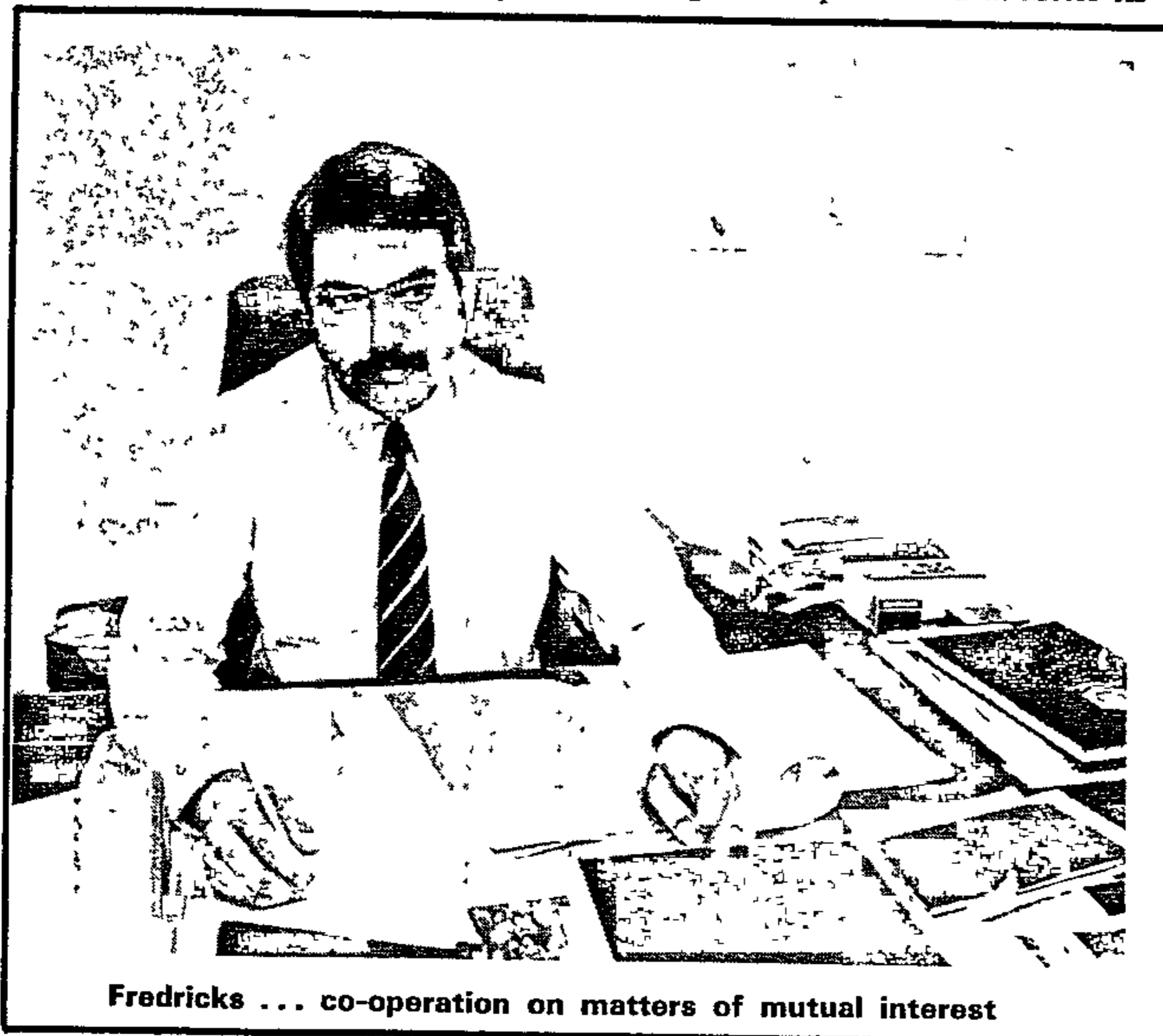
He represents an industry facing the unfamiliar, chill winds of cheaper imported feedstocks — and even the ultimate possibility of imported fertiliser, though tariff walls will give some protection for the next two years.

But scrapping of price controls, combined with drastic drops in demand resulting from the drought, has set the cat amongst the pigeons. Rebates to users of 20%-30% are commonplace. But with mushrooming agricultural debt and scarcity of funds, takers are few.

And now, with Hanhill's Bonus Fertilizer folding, a breakup between AECI and Triomf, a new Sasol/Triomf ammonia supply agreement and AECI's Kynoch Fertilizer entering an oversupplied market, the strains are intensifying.

According to market sources, present fertiliser production capacity is about 5Mt/year, but latest sales figures indicate a market of only about 2,5Mt. Is Venter daunted by this scenario? Not at all, judging from his relaxed and thoughtful replies to probing questions. He does admit, though, that "the industry's image could improve".

Venter, a BSc (Agric) major from Pretoria University (1962), says there is "a fixation" with maize in agricultural circles. Hopefully, greater diversification of markets is in the offing, although he is cautious.



Fredricks ... co-operation on matters of mutual interest

ted and a dispute may be declared. But widespread unrest is unlikely.

While unions representing skilled workers want a R2 minimum, the signs are that they are not in the mood for a fight. One exception may be the SA Boilermakers' Society, which believes recent price rises force it to push for a big increase.

But how will emerging unions like the Metal and Allied Workers' Union (MAWU) react?

They must be facing worker pressure for big increases. But the climate is not favourable for a test of strength with employers.

So MAWU may well do what it did last year — reject the council agreement and try to negotiate increases with individual employers.

But a low increase now could allow wage pressure to build up in metal plants and lead to major unrest when the economy picks up.

□□□

MAWU's efforts to negotiate directly with employers may also be the subject of a major industrial court case soon.

The case would have major ramifications for key industries where employers refuse to bargain wages with unions outside councils.

MAWU wants the court to declare it "unfair" for employers to refuse to bargain wages with a union representing a worker majority.

It has declared a dispute with McKinnon Chain's Maritzburg plant, which is willing to recognise the union but not bargain wages with it.

The dispute is due to be considered by the metal industrial council and, if it cannot settle it, MAWU says it will go to the industrial court.

The importance of the case is immense. If MAWU wins, the stance of employer associations which advise members not to bargain directly with unions will have been dealt a major blow.

And, while there will always be a need for industry-wide wage bargaining, such a ruling could prompt a sharp change in the way

many councils operate.

At present, councils set minimum rates which are sometimes far below those actually paid in many firms.

Faced with a rise in factory bargaining, which such a ruling would prompt, councils could have to ensure that their minimum rates rose to more accurately match wage levels negotiated in the factories.

RDM 9/14/84 □□□ (189) 3476
OFFICIAL wage negotiations in the metal industries begin tomorrow when employers will reveal their response to union demands. Unions want minimum pay increased from R1,53 to anything between R2 and R2,53 an hour. Employers are certain not to offer anything like that. What will happen then? Much rhetoric will be genera-

Metal unions put on 'iron gloves' for 1984 wage talks

By Carolyn Dempster
and Bill Levitt

The stage has been set for a head-on confrontation at this year's annual metal industry wage talks with the interests of 500 000 metal workers at stake

Union spokesmen have warned that this year they are not prepared to settle for paltry increases and will not easily back down on their demands at the April 10 meeting

On the other hand it is thought that the Steel Engineering Industries Federation of South Africa (Seifsa), representing employer bodies on the Industrial Council for the steel and metal industries, is likely to shelter behind the recession, a dropping gold price and the effects of the drought

It has been mooted that Seifsa will offer a minimum increase of

R1,53 across the board with hourly increases ranging from 15c to 20c

The Metal and Allied Workers' Union (Mawu) with a membership of 40 000 intends submitting exactly the same demands as last year.

"The reason why our demands have not changed much is that in 1983 Seifsa did not give serious attention to what our members wanted. So we decided to tell them again this year," said Mr J Vilane, Mawu president

Mawu's demands are for a minimum living wage of R112,50 a week and an across-the-board increase of R22,50 a week

Also anticipating tough pay negotiations is the Confederation of Metal and Building Unions (CMBU) which submitted a separate set of demands

CMBU director Mr Ben Nicholson says as far as the confederation is concerned "some of our demands have just got to go through"

Among the demands are a 12 percent overall increase, a reduction in working hours from 45 to 42 hours a week, and raising leave bonuses for skilled and semiskilled members of the CMBU to 13th-cheque status

The multiracial South African Boilermakers Society is pushing for increases of between 24 percent for skilled workers and 66 percent for labourers

At present skilled members earn between R6 and R8 an hour. Semiskilled workers earn between R4 and R6 an hour.

RDM 10/4/84 (189)

Metalmen's pay talks start today

By STEVEN FRIEDMAN
Labour Correspondent

OFFICIAL pay talks in the giant metal industries — which set minimum pay and work conditions for about 380 000 workers and influence pay negotiations in several other industries — begin in Johannesburg today

The negotiations will take place at a meeting of the industries' industrial council. Unions on the council have already released their pay demands, but employers will make known their reply at today's meeting

While employers, represented by the Steel and Engineering Industries Federation of SA (Seifsa), were only due to finalise their response at a meeting yesterday, it is certain their offer will fall far short of union demands

The unions have demanded sharp percentage increases for lowest-paid workers, arguing that recent price rises have placed intense pressure on workers' wage packets

The Metal and Allied Workers' Union wants the present minimum of R1,53 an hour increased to R2,50, and a minimum rise of 50c an hour for all workers

Another emerging union representing black workers, the Steel, Engineering and Allied Workers' Union, wants the minimum increased to R2,53 and is also demanding severance pay for retrenched workers

The Confederation of Metal and Building Workers, made up of unions representing mainly skilled workers, wants a minimum of at least R2 an hour

However, employers say the industries are still in the grip of their most serious slump in decades and that they cannot meet the unions' demands

RSM 10/4/84 (184) ~~184~~

Dispute likely as metal pay talks adjourn

By STEVEN FRIEDMAN
Labour Correspondent

OFFICIAL pay negotiations in the giant metal industries — which cover minimum pay for some 380 000 workers — adjourned yesterday until May 1 after employers offered to raise minimum pay by just under 8%

The offer, made by the Steel and Engineering Industries Federation (Seifsa), falls far short of union demands for minimum increases of between 33% and 66%

A settlement remains possible when the talks resume, but it is likely a dispute will be declared on the pay issue

It is understood that a key feature of the talks was pressure on employers from all unions on the industries' industrial council (where the pay talks take place) for sharp increases in the minimum rates for the lowest-paid workers

Last year, emerging unions representing black workers pressed strongly for large increases in these rates — but lacked support from the unions representing skilled workers

This year, however, unions representing artisans joined in, demanding sharp percentage increases in the minimum, according to sources at the meeting. They added that union pressure for sharp increases for the lowest-paid workers had been particularly intense at yesterday's meeting

According to these sources, Seifsa is now to

go back to its members to discuss union demands for large increments for the lower-paid

Neither unionists nor employers would comment on yesterday's talks last night. They said the meeting agreed that a statement would be issued by the industrial council today and that no further comment would be made

But sources at the meeting said Seifsa had offered to raise minimum pay by 12c/hour for the lowest-paid workers and 31c/hour for the highest-paid

The present minimum for the lowest-paid workers is R1,53 an hour

The highest grade of skilled worker must be paid at least R4,41 an hour, which means the offer would increase the minimum for these workers by about 7%

However, most skilled workers earn well in excess of the minimum and, for some, the 31c offer would amount to a rise of between 4% and 5%

Unions argue that basic price increases — including that in General Sales Tax — have eroded workers' wages and made it difficult for them to survive without large increments

Employers reply that the metal industries are in the grip of a serious slump and would be justified in making no wage offer at all this year

If a compromise is reached, it is likely to be the result of an employer decision to increase the offer to lowest-paid workers at the expense of the highest-paid

men. of the Prime Minister, Mr P.W. Botha as chancellor of the university. A week later she was reinstated on the condition that she retract all she said in the article.

In the editorial, Miss Oosthuizen said that the appointment of the leader of a political party to the highest office of the university gave the institution a party-political image.

She suggested in the editorial that "a more academic person" would have been more suitable to promote the image of academic freedom at Stellenbosch than someone with such strong political ties.

Miss Oosthuizen has repeatedly said no insult to the Prime Minister was intended.

I was phoning 101 at a distance...

Mr Andre Rossouw (19) said he was working nearby when he heard several shots and a scream. He went into the yard and saw a woman lying on the ground. Nearby was the body of a man. He had a gun in his hand.

Mr Rossouw said he went into the house, where he found Mrs Kleinhans. She screamed that the child was dead.

"Then I heard a scream at the front of the house and found a little boy on the ground. He was bleeding and had his hand on his stomach."

The magistrate, Mr J.A. Loubser, found that Mrs Serfontein and Natasha had been murdered by Mr Serfontein. At a separate inquest the court found that Mr Serfontein had committed suicide.

Wage talks in metal industry reach stalemate

17/4/84

By Carolyn Dempster, Labour Reporter

The first round of wage negotiations covering about 400 000 workers in the metal industry reached stalemate yesterday with unions rejecting employers' proposals out of hand.

The official negotiations had been adjourned until May 1, the Industrial Council for the Iron, Steel, Engineering and Metallurgical Industry announced today.

Although neither employers nor unions would comment on the proposals tabled by the Steel Engineering Industries Federation of South Africa (Seifsa), it is believed the employers' body offered a minimum increase of eight percent.

This is well below the inflation rate and well below union demands.

According to union sources, it is also the first time that the unions represented at the talks have joined forces to press for increases on the minimum rates for the lowest-paid workers.

In a joint statement released by the Steel, Engineering and Allied Workers' Union and the Metal and Allied Workers' Union (Mawu) today, both unions expressed "total dissatisfaction" with the "inadequate response".

"In 1983 the wage increases granted left workers well behind inflation. This new offer would cause workers' standards of living to drop even further.

Unions are demanding increases of up to 60 percent.

Should employers fail to respond to some of the more urgent pay demands at the second round of talks, there is an increasing likelihood of a dispute."

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Valente: no bus terminus

By Jackie Unwin

A residents' association newsletter claiming a massive bus terminus is to be built in Parkmore has been denied by the chairman of the Sandton management committee, Mr Ricky Valente.

The Ward 5 (Parkmore) Residents' Association claimed a bus terminus was planned for the corner of 11th Street and Marie Avenue, where there is a bus stop.

But Mr Valente said the statements in the circular were "without any factual basis".

"Parkmore needs a bus stop to handle the needs of Parkmore — no more and no less."

He said the bus situation in Sandton was being investigated and the number

of buses in Parkmore could be reduced by more efficient time-tables.

The need for toilet facilities at the Parkmore bus stop might arise, but the matter would be canvassed with Parkmore residents.

Parkmore councillor Mr Schalk Visser said he met with the residents' association committee in March and advised the committee of the situation regarding the bus stop.

Mr J de Villiers, chairman of the Ward 5 Residents' Association, claimed Mr Visser had said the bus terminus would be built as soon as finances were available.

A spokesman for the bus company said "As far as we know there are no plans to site a bus depot in Parkmore; but Sandton is doing a survey

had shot someone".

The Donnellys said that Mrs Arnold had been "very pretty" but that they had not been close friends.

"All we saw of her was when she drove in and out of the driveway," they said.

Durbanville police and members of the Cape Town Murder and Robbery Squad were soon at the scene and the man gave himself up. He is expected to appear in court tomorrow.

Woman shot dead in her lounge

Own Correspondent

CAPE TOWN — A 22-year-old woman was shot dead during an argument in her lounge yesterday. Shortly afterwards a man gave himself up to the police.

Mrs Tina Arnold was found lying in her Kenridge home with two bullet wounds in the head at about 2.30 pm. Police took possession of a pistol.

A car parked in the driveway

had been hastily packed with woman's clothing and a hand-drawn map of the area was lying on the floor.

Shocked elderly neighbours Mr and Mrs George Donnelly described the drama that took place in the quiet area.

"I saw a man drive up and enter the house," said a still visibly shaken Mr Donnelly, "minutes later we heard shooting and the man ran across to our place and asked us to get help because he

had shot someone".

The Donnellys said that Mrs Arnold had been "very pretty" but that they had not been close friends.

"All we saw of her was when she drove in and out of the driveway," they said.

Durbanville police and members of the Cape Town Murder and Robbery Squad were soon at the scene and the man gave himself up. He is expected to appear in court tomorrow.

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Dispute may be declared on wage issue

Metal workers offered a minimum pay rise of 8pc

Mercury 11/4/84

Mercury Correspondent

(189) (3/11)

JOHANNESBURG—Official pay negotiations in the giant metal industries — which cover minimum pay for some 380 000 workers — adjourned yesterday until May 1 after employers had offered to raise minimum pay by just under 8 percent.

This offer, made by the Steel and Engineering Industries Federation (Seifsa), falls far short of union demands for raises in the minimum of between 33 percent and 66 percent and a settlement seems unlikely when the talks resume

It remains possible that a dispute could be declared on the pay issue

It is understood that a key feature of the talks

was pressure on employers from all unions on the industries' industrial council — where the pay talks take place — for sharp rises in the minimum rates for the lowest-paid

Last year, emerging unions representing black workers pressed strongly for large rises in the minimum but were not supported by unions representing skilled workers

This year, however, unions representing artisans have joined in demanding sharp percentage increases in the minimum, according to sources at the meeting. They added that union pressure for sharp increases for the lowest-paid workers had been particularly intense at yesterday's meeting

Statement

According to these sources, Seifsa is now to go back to its members to discuss union demands for large rises for the lower-paid

Neither unionists nor employers would comment on yesterday's talks last night. They said the meeting agreed that a

statement would be issued by the industrial council today and that no further comment would be made

But sources at the meeting said Seifsa had offered to raise minimum pay by 12c an hour for the lowest-paid workers and 31c an hour for the highest paid.

The present minimum for the lowest-paid worker is R1,53 an hour

The highest grade of skilled worker must be paid at least R4,41 an hour, which means the offer would increase the minimum for these workers by about 7 percent

Erosion

However, most skilled workers earn well in excess of the minimum and, for some, the 31c offer could amount to a rise of between 4 percent and 5 percent

At this stage, there seems little prospect of the May 1 meeting arriving at a pay settlement

Unions argue that basic price rises — including that in general sales tax — have eroded workers' wages and made it difficult for them to survive

without large increases

Employers reply that the metal industries are in the grip of a serious slump and would be justified in making no wage offer at all this year

If a compromise is reached, it is likely to be the result of an employer decision to increase the offer to lowest-paid workers at the expense of rises for the highest-paid



Sowetan 11/4/84

Fired workers talk to union

By JOSHUA
RABOROKO

THE Fosatu-affiliated Metal and Allied Workers' Union (Mawu) is to hold consultations with hundreds of its members who have been retrenched by B and S Engineering and Steelbrite of Brits in Bophuthatswana.

Mawu's spokesman told The SOWETAN yesterday that the company has closed down one of its plants — Steelbrite — and laid off about 240 workers

These received small severance pay

The company became the scene of a major labour dispute last year when Mawu's struggle for recognition was strongly resisted, and a shop stewards' committee was dismissed

This was followed by a work stoppage to pressure management to reinstate the sacked workers. Management later dismissed the entire workforce and re-employed 400 of the 600 workers

JOHANNESBURG. — Allied Technologies (Altech) keeps on growing, and in the year to February 29 it shrugged off the recession and produced its 18th consecutive set of record results.

Altech's attributable profit rose by 33,3 percent to R33,408m for the year to February 29 from R25,071m last year, earnings were up at 348,6c a share from 261,6c and the annual dividend has been raised to 104c from 80c

Turnover rose by 38,6 percent to R410m from R296m, and the group's turnover is expected to approach R700m this year.

The full impact of these results is not really apparent from the cold figures, but when one considers that in virtually every industrial sector companies are more than satisfied with results at a similar level to last year

Anyone able to report a real growth in earnings has come to be regarded as exceptional

Commenting on the results, Altech's chief executive, Mr Bill Venter, noted that they were achieved in a recession in South Africa and "are indicative of our ability to implement and handle high-technology through strong and careful management, and tight controls"

Mr Venter said that Altech was now stronger than at any time in its history, "whether measured in terms of market share, technology, manufacturing capability, financial resources or professional staff

"These are strong positive factors that should enable us to take advantage of any significant improvements in the economic climate as the year unfolds

"The present momentum we are experiencing in our various businesses supports continued vigorous growth in opportunities both for this year and for the longer term"

The Altech phenomenon is one of South Africa's extraordinary success stories, and however the group's competitors may snipe from time to time at Altech's apparent favoured status in the public sector, its com-

petition is being hard-pressed to keep pace

Mr Venter rejects the view that Altech's favoured status is responsible for a large part of its success

The high-technology sector in South Africa has to a large degree been the preserve of multinationals, many of which operate through unlisted subsidiaries in this country, and whose results are seldom disclosed

The reasons behind Altech's success are often dismissed as "being in the high-technology sector, they have a licence to print money", and to an extent this must be so, but the high returns in this sector are also accompanied by extremely high risks

The dramatic collapse of the silicon-chip industry in the United States, and the shake-out in that country's micro-computer industry is evidence of the dangers inherent in an industry that is fluid, with decisions taken now in the hopes that technology will not have rendered developments obsolete by the time they reach the marketplace

Mr Venter has gone a long way towards persuading the South African authorities that the high-technology sector must not be controlled from abroad, because of its strategic vulnerability

Control

It is now accepted that South Africa has a high-technology sector that is comparable with the best in the world, and while nobody will dispute that the multinationals have contributed a great deal to the industry here, the argument for localizing control is a compelling one

While the nation is riding the crest of a euphoric wave after the Nkomati Accord and the diplomatic initiatives in Angola, the tide can just as easily turn, and a Labour government in the UK accompanied by a Democratic administration in Washington could present a serious threat to the flow of technology.

The local subsidiaries of foreign multi-nationals argue that it would be impossible to apply effective sanctions against South Africa, as the flow of technology could simply be rerouted through neutral countries

But the logic in developing a home-grown in-

dustry is sound, and is even more important that such industries be allowed to grow through exports, so that advantage can be taken of economies of scale

The South African market is simply too small to enable manufacturers to compete effectively against the world's leading suppliers, and the only way of achieving even a small part of this goal is to develop export markets

Benefits

It is here that Altech sees significant benefits flowing from its link with Anglo American

Mr Venter says Anglo is already in so many markets abroad that it will be able to open important doors in Altech's export drive

He rejects the view that Anglo's 20 percent stake is the thin end of the wedge and that Altech will have to keep watching over its shoulder to see what Anglo might be up to

Anglo has no pre-emptive rights or exclusive options, and although it may wish to increase its holding in Altech from time to time, there is no special agreement that favours Anglo over any other Altech shareholder

Altech's year was again one of organic growth, and highlights were

● The telecommunications division saw a hike in sales of traditional transmission equipment and considerable growth in digital-oriented equipment and systems

● In the year STC delivered 14 fibre optic systems to the Post Office and has since delivered another seven systems

● Plans were announced for the establishment of a R6m factory to produce optical fibre at STC in Boksburg

● An Information Technology Centre was established for STC's Business Communications Division in Boksburg to house the group's entire communications activities

APK Times 11/4/84 BY JOHN MULCAHY

Altech beats recession with 33,3% profit rise

18th consecutive set of record results

R187 12/4/84

Mawu first as it signs deal with Springs firm

By STEVEN FRIEDMAN - Labour Correspondent

BRITISH-OWNED firm Raleigh Cycles yesterday signed a recognition agreement with the Federation of SA Trade Unions' Metal and Allied Workers' Union at the company's Springs plant — thus giving Mawu its first recognition agreement in the town

The union claims the agreement gives it the right to negotiate wages with Raleigh outside the metal industries' official industrial council, but a company spokesman said yesterday this was not necessarily the case

The Raleigh agreement, which covers about 420 workers, is regarded by Mawu as a "breakthrough" in its attempt to recruit workers in Springs

The area has been the preserve of the Engineering and Allied Workers' Union, a former Fosatu affiliate which was expelled from the organisation

Raleigh workers were at one stage represented by the EAWU. It and the company were involved in a lengthy dispute which led to a key industrial court action

At that stage, Raleigh was accused of opposing black unionism

A Mawu spokesman said yesterday the Raleigh agreement gave the union the right to negotiate with the company on all "substantive issues" — a phrase which, he said, included wage bargaining

He said details of the agreement were still to be worked out.

Mawu was negotiating on union recognition with five companies in Springs, he said

The Raleigh agreement was an important advance for the union because most other companies in the area refused to negotiate with it unless it agreed to bargain together with unions representing skilled workers. Raleigh had not made this a condition of signing the agreement, he said

Raleigh's spokesman yesterday confirmed the agreement

But he added that the company had only agreed to negotiate with the union on "certain substantive issues" and that this may not include wages

"Our policy is to adhere to the industrial council machinery, which means wage bargaining should take place at the industrial council between Mawu and our employer federation, Seifsa," he said

Crucial ruling on dismissals due on Monday

12/4/84

stay

189

By Carolyn Dempster,
Labour Reporter

The Industrial Court is to hand down a decision on Monday regarding the 327 African Cable workers who were dismissed in January

This was the biggest single application by workers for reinstatement yet heard by the court and this week's hearing in Johannesburg took two days

The case is likely to point the way for the future course of applications to the court arising from mass dismissals.

Evidence at the hearing outlined a mass dismissal which, say labour observers, should never have happened

On January 10 this year 590 semiskilled and skilled workers out of a workforce of 1200 were dismissed from the Meyerton plant of African Cables

The action followed a change in the work schedule from a four-day week (short-time) to a full week. The workers claimed management had not consulted them about the change, as they had promised, and as a result almost the entire shift failed to clock in on Friday January 6

Under the short-time system they would not normally have reported for work on the Friday but, according to management, they should have been at work after the change

On the following Monday the workers returned but stopped work mid-morning and asked for the managing director, Mr P Muller, to explain to them why neither the works council nor the workers had been consulted about the change

Mr Muller refused to

address the workers en masse but said he would speak to small groups or to the works council. This was not acceptable to the workforce

Next day it was announced by management that before Mr Muller would speak to any representatives workers would have to sign a letter, and the outcome of the Industrial Court hearing depends largely on the nature of that letter whose contents are not altogether clear

According to management their purpose was to get workers to agree to return to work under conditions already stipulated by the company

But many workers, suspicious of the motive behind the letter, refused to sign. Those who did sign were immediately taken back. The 590 who refused were dismissed on the Wednesday

ected verty

By ZWELAKHE
SISULU

of Cape Town, Mr Alan Gelb
World Bank and a leading
economist, Mr Wilfred Beck-

ing those delivering papers will
Geoff Budlender of the Legal
ices Centre, Mr Nicholas
and Mr Clive Thompson, both
ed to the Law Clinic at the Uni-
of the Witwatersrand

festival featuring more than
s from India, China, the United
Europe, Latin America and
will form part of the confer-

films will show work done
at the world in mobilising
in the struggle against poverty

Hopes

Photographic exhibition has also
trailed and will show the work
e than 20 South African pho-
ers

director of the Carnegie In-
Professor Francis Wilson, said
ment of material that had been
ed for the conference ex-
the organisers' hopes



BIRTHDAY Robert Tshabalala (4) and Mthokozisi Tshabalala (2) believe in doing their things in pairs as seen when they celebrated their birthday on the same day at the weekend in Soweto

Unions reject offers

By JOSHUA
RABOROKO

TWO major black trade unions representing over 200 000 workers in the metal industry country-wide yesterday totally rejected wage offers made by the employers' organisation — the Steel Engineering Industries Federation of South Africa (Seifsa).

The unions, Fosatu-affiliate Metal and Allied Workers' Union (Mawu) and Cusa-affiliate Steel Engineering and Allied Workers' Union (Seawu), said that the employers' offer would cause the standard of living of workers to drop further because it came nowhere near a living wage

Union sources said that the employers had offered to increase minimum pay by 12c per hour for the lowest paid

workers and 31c per hour for the highest paid workers

The present minimum wage for the lowest-paid workers is R1,53 per hour

The highest grade of skilled worker must be paid at least R4,41 an hour This means that the offer would increase the minimum for those workers by about seven percent

But, according to the sources, most skilled workers are earning well in excess of the minimum, and, for some the 31c offer would amount to an increase of between four percent and five percent.

In a statement after the talks in Johannesburg, the unions said that they were "totally dissatisfied with the inadequate proposals given by Seifsa," at the

talks They said that even in 1983 the wage increases left most workers well behind the inflation The new offer would cause the standard of living of workers to drop even further

The Seifsa offer on the minimum was re-

jected by the unions because it came nowhere near a living wage. The unions have told Seifsa to go and think again

On the other hand employers contend that because of the economic recession it was not possible to increase wages much higher

AA on fines

PROVINCIAL and municipal traffic authorities should place more emphasis on traffic management rather than law enforcement, says a spokesman of the Automobile Association (AA).

Commenting on the drastic increase in traffic fines and jail sentences for traffic offences that came into effect on April 1, he said he believed the traffic authorities and the South African Police were combining forces to ensure that the tough new measures were enforced Some of these were more than double the present maximum penalties

Fines for reckless or negligent driving have been increased to a maximum of R2 000, while the maximum jail sentence was up to two years In the past fines ranged from R400 to R800, while the jail term was a maximum of 12 months

For not stopping at a red robot or stop street, ignoring traffic signs and overtaking on a solid line, the maximum penalty has been increased from R200 or six months to R500 or six months or both

"If these measures were to help reduce road accidents and casualties, motorists might welcome the increased fines However, the increase should not be viewed by the traffic authorities as an opportunity to fill their coffers," he said

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ROM. 13/4/84 ~~FOIA~~ (189)

Dismissal sparks metal strike

By STEVEN FRIEDMAN
Labour Correspondent

ABOUT 100 workers at Wadeville company, Wadekor, are on strike over the firing of a colleague, a spokesman for the Metal and Allied Workers Union said yesterday

But a company spokesman denied this

He confirmed there had been "some upset" over the firing

But he said Wadekor's 1500-2000 workers were all at work

He also confirmed a MAWU charge that the company called police in to intervene in the dispute

He said this was done because "some people were threatening workers", not because there had been a strike

The union says police refused to intervene

According to a union spokesman, the stoppage is the result of the dismissal of a woman worker who was sent to clean the flat of a manager

She had been fired for "not doing the job properly," he said

He said Wadekor rejected union requests for talks on the firing and on two occasions workers demonstrated at the plant, calling on the company to negotiate with

them, but met with no response

They then struck on Wednesday

Management, he said, had now agreed to meet the union this morning

The company's spokesman confirmed that a "tea girl" had been fired "for a variety of reasons", but did not elaborate

"There has been some upset, but it is nothing serious," he added

Police were called when people who were "threatening" workers had refused to leave the premises when asked to do so, he said

SEIFSA-UNION TALKS

FM 13/4/84 (90)
As expected, little progress was made at this week's wage talks between the Steel and Engineering Industries Federation of SA (Seifsa) and metal industry trade unions.

A short statement released by the metal industry Industrial Council said the various parties will meet again on May 1. No other details were released but the *FM* understands a major feature of the talks was the emphasis by unions representing both skilled and unskilled workers on the need for large increases in the lower pay scales. This is a change from last year's negotiations when unions representing skilled workers failed to support demands from those representing unskilled workers.

At present the minimum wage for the industry is R1,53/hour while that for the upper reaches is R4,41. Seifsa started off by offering a 10c/hour increase on the lower scales and 27c/hour on the upper scales. This was later raised to 12c and 31c/hour respectively. This represents an average increase of just under 8% — considerably lower than the union demands for minimum increases ranging from 33% to 66%.

Seifsa argued that the industry has been hard hit by the recession and that market conditions are weak. This factor makes the prospect of agreement on May 1 seem fairly dim. Says one delegate: "I'll be very surprised if there will be a major shift from the employers"

It is possible that a dispute will be declared. However, the unions may decide that they will not be able to squeeze much more out of Seifsa than has already been offered. In that case they may act as they did last year by signing an agreement and then negotiating separately with individual employers.

Decision on sacked 327

THE fate of the 327 African Cables workers dismissed in January this year is still to be decided by the Industrial Court, in the single biggest application by workers for reinstatement.

After the two-day hearing in Johannesburg this week, judgment is due to be handed down on Monday by the court.

Depending on the outcome, the case is likely to point the way for the future course of applications to the court arising from mass dismissals.

The evidence which emerged during the course of the two-day hearing outlines the anatomy of a mass dismissal, which, say labour observers, should never have happened.

Altogether 590 semi-skilled and skilled workers were fired from the Meyerton plant of African Cables on January 10 this year out of a workforce of 1 200.

The action followed a change in the work schedule from a four-day week (short-time) to a full week. The workers claimed management had

SOWETAN Reporter

not consulted them about the change as they had promised, and as a result virtually the entire shift failed to clock in on Friday, January 6.

Under the short-time system, they would not normally report for work on the Friday, but according to management they should have been at work following the change.

On Monday the workers returned, but ceased work mid-morning and asked for the managing director, Mr P Muller, to explain to them personally why neither the works council nor the workers had been consulted about the change.

Mr Muller refused to address the workers en masse but said he would speak to small groups or the works council. This was not acceptable to the workforce.

Nafcoc blessing service

THE National African Federated Chamber of Commerce (Nafcoc) is to hold a thanksgiving and blessing service on Sunday at the Soshanguve Community Hall to mark the start of a project to build a R12-million conference centre in the area.

Mr Gabriel Mokgoko, Nafcoc national organiser, said they were inviting churches, businessmen and other community organisations to the service. It will be conducted by ministers of various denominations.

There will be a fund-raising during the service, where the community and businessmen will be asked to buy tickets for R20 each for the erection of the centre.

Two cows will be slaughtered on the site and their blood will flow in the traditional fashion, as was done in 1975 when Afribank was established in Ga-Rankuwa.

NEW END

PARENTS of students boycotting schools in Pretoria and Bloemfontein have been invited to meetings on Sunday and Monday.

The chairman of the Flavius Mareka High School committee in Pretoria, Dr C P D Marivate,

Sisters — and



WHO said beautiful ladies don't i Mothimonye sisters. (From left), ; all the way from Soweto to Mamelodi Sundowns at

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WARNING ON :

EMBASSIES in Maputo have begun citizens not to use the road between the Mozambican capital, informed. The warnings follow an increase in an area south of Maputo, including power supplies to the capital. On truck was destroyed by mortar fire Komatipoort.

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RSM 17/4/84

Cases loom over firings

Labour Correspondent

THE Metal and Allied Workers Union (Mawu) has launched industrial court action against a Barlow Rand company, Wrightech, in an attempt to win reinstatement of workers fired during a dispute at the East Rand plant last month

It has also launched an action against a metal firm, Benbrew Steel, alleging it refused to recognise Mawu and it fired two workers for belonging to it

Mawu served papers on Wrightech last week, asking the industrial court to grant workers fired during the dispute temporary reinstatement. It alleges the company is guilty of an "unfair labour practice"

The dispute follows the firing of three workers who, Mawu alleges, were denied an appeal against their sacking by the company

According to the company, workers then struck and ignored an ultimatum to return to work or be fired. About 250 workers lost their jobs in the dispute

Mawu alleges workers did not strike but gathered to discuss the sackings. It also charges that they obeyed the return-to-work deadline, but that Wrightech locked the factory gates and refused to allow them to return

A Barlow Rand spokesman said yesterday the company knew of the action

So far 63 workers are parties to the action against the company

A Mawu spokesman said yesterday the union was also conducting a fund-raising drive for the fired workers. He said they risked losing their houses as they had no income with which to pay off housing loans

Benbrew Steel is also alleged to have committed an "unfair labour practice". An action for a temporary order is due on May 3.

The union alleges the company refused to recognise it and instead urged workers to support a worker committee appointed by management. It claims Benbrew asked workers to elect a committee, but that they had refused

Mawu alleges company officials warned workers against joining unions and that two workers, one a union shop steward, were fired shortly after the union's presence at the plant became known

Tuesday, April 17, 1984

Striking foundry workers

Mercury 17/4/84 ~~189~~ ~~189~~
negotiate pay increases

Mercury Reporter

THE entire black workforce — about 850 — at Apex Foundry, at Isithebe, that went on strike last week over a pay dispute, was yesterday given increases of up to 18 percent with a promise of more in September

Last Thursday workers downed tools and demanded a 35 percent

hike. After talks yesterday between company officials and the National Union of Sugar Manufacturing and Refining Employees, an immediate 18 percent rise and a further 15 percent in September was agreed upon.

An Apex spokesman said that all workers were back at work following yesterday's negotiations.

He said the new in-

creases would be paid on a sliding scale with those who were least paid receiving up to 18 percent.

'We have also promised further increases in September when all wages will be again reviewed,' he said.

The union's general secretary, Mr Selby Nsibande, said workers were happy with the outcome of the negotiations.

RAM 19/4/84

1891



Cablomakers accused of belly-aching

To the Editor, Business Day.

Sir, over the past year, I have read in various newspapers and publications, at first with amusement, but later with annoyance, the continuous bellyaches and cries of Mr Muller and the Electrical Cable Manufacturers' Association of South Africa about imported cable being responsible for the plight of the cable makers.

Perhaps, Mr Muller, we should explain a few facts to the public. Firstly, Mr Muller, let us inform the public that over the past few years, every cable factory expanded its production facility to an extent that we now obviously have overcapacity.

But please also bear in mind that there is recession in our country not confined only to the cable industry. Secondly, Mr Muller, let us examine your most recent application for a further increase in cable. You already have a 12,5% duty

Sharp criticism of South Africa's cable manufacturers has been made to Business Day through an anonymous letter. The critic would appear, however, to have some detailed knowledge of the industry. Mr Peter Muller, chairman of the Association of Electric Cable Manufacturers and managing director of African Cables, has been singled out for particular attack. The criticisms, and Mr Muller's reply to them, are published here.

But if that is not sufficient, there is a formula duty (the cheaper the cost, the higher the duty) on all power cable in the 660/1 000-volt grade.

This duty makes it totally impossible to import this type of cable, which is over 80% of the total PVC cable market in South Africa. In addition, the SABS specification is unique, making this cable a special in every other country in the world.

As far as paper cables are concerned, let me remind you that here you also have a 12,5% duty, in addition to freight cost, and the fact that we have a very strong SABS requirement.

In addition, all government and quasi-government bodies (by far the largest consumers) grant up to 9% preference to local manufacturers. Perhaps, Mr Muller, you forgot to explain that the comfortable arrangement that your company

and the two other manufacturers had (there are only three paper cable manufacturers in South Africa — all foreign owned), has collapsed and you are now experiencing real competition.

Thirdly, you continue to blame the high cost of PVC for your uncompetitiveness. Please, Mr Muller, your increased PVC cost as a percentage of the overall cost of cable is not sufficient to justify the already high

degree of protection you enjoy. No, the reason for your results are not imports, but are directly attributable to your change in marketing strategy in July 1982, when you terminated your distribution agreements and entered the market directly.

You had little idea of the levels or take-off in the market place, you overproduced and flooded an already full market with cable at very low levels. This caused the problem in the market, not your cost of PVC or the volume of imports.

Please, for the sake of the industry and for the sake of the country, I earnestly request that the authorities do not consider your application for increased tariffs, but rather request a commission, comprising AECI, Assocom and large consumers, possibly from the mining sector, plus Escorn and Iscor, to examine to just what extent cable is

CHAIRMAN REJECTS ACCUSATIONS AND MISREPRESENTATION

MR MULLER replies: I seriously doubt the wisdom of answering an anonymous letter of this nature but make a few comments to correct misinterpretations:

● Expansion of production capacity did occur over the past few years but certainly not in the case of paper cable.

Most expansion was the introduction of new technology. Due to this and the present recession, there is serious overcapacity;

● With respect to the statement that it is totally impossible to import low-voltage cable (660/1 000-volt grade), I quote a recent example of railway signalling cable required by South African Trans-

port Services (Sats) through a contractor.

Our company quoted at cost for this order and would enjoy a 12,5% local content preference and in this case a 4% decentralisation preference.

Sats does not grant any preference for the SABS mark where it is comparing it with imported cable.

After the application of the current formula duty, this business was lost to Taiwan at a net price 10% below that of African Cables. This information is not public and comes from a confidential source; ● I would confirm that there is not a 12,5% duty on paper cable,

in fact the duty is 0,5c/kg which, at present values, would be about 1%;

● Although certain government and semi-government bodies will give preference for the Sabs mark (2,5%), and in some cases demand that cable be to Sabs specification, this is not the case in non-government contracts.

Vast quantities of paper cable are used by the mining industry and do not require the Sabs specification. This is the area of major imported paper cable usage;

● In terms of preferences that may be granted by government and quasi-government bodies, it varies between 10% and 12,5% for

local content, 2,5% for the Sabs mark (not always applicable) and a variable percentage if the goods are produced in a decentralised area;

● As chairman of the association, I must strongly dissociate my comments from the implication of a comfortable arrangement. The comment that three manufacturers are all foreign-owned is not entirely true as, although two have foreign controlling shareholders and a third has not, all three companies have considerable local controlling content;

● I must agree that the high cost of PVC is not the major or only reason for the uncompetitiveness

of the industry against imports. We have repeatedly made the statement that we are also facing "dumped" competition and the so-called high degree of protectionism is not sufficient to stop the import of cables from Taiwan, Japan, Spain and the UK;

● The author's comments on African Cables changing market strategy sounds very much like a case of sour grapes.

● I cannot see the need for a commission to examine to what extent cable is imported as this is readily available from monthly published statistics. And as to what protection is justified, this is the subject of a detailed study by the Board of Trade.

RJM 2014/184 (184)

324 are reinstated in key decision

By STEVEN FRIEDMAN
Labour Correspondent

THE Industrial Court has ordered African Cables to temporarily reinstate 324 workers fired in a dispute in January — the biggest mass reinstatement ever ordered by the court.

Labour lawyers see the decision as a key advance for worker rights, adding that arguments advanced in it could have implications for other cases.

A total of 327 workers, all of whom belong to the Engineering and Allied Workers' Union, requested temporary reinstatement from the court, alleging that the company was guilty of an "unfair labour practice".

All but three have been granted reinstatement. The order instructing the company to re-hire them took effect on Wednesday and lasts for 90 days.

Attempts to settle the dispute through the machinery in labour law will now continue and it could come before the court again for a final decision.

Comment from African Cables could not be obtained yesterday but, in terms

of the order, it must now either pay the workers their wages for the next three months without re-hiring them, or allow them to return to their jobs.

In argument before the court, the company said that re-hiring the workers would force it to fire other workers taken on to replace them.

The dispute which led to the sackings occurred in early January when the company, which had been working a four-day week, told workers they would have to work on Fridays.

Workers charged that they had not been adequately consulted and many refused to work on the first Friday they were required to. They allege that the company responded by calling in police.

The court was told that workers were then asked to sign a document agreeing to certain work conditions and were dismissed if they did not.

In argument before the court, counsel for the workers alleged that African Cables acted "unfairly" by requiring workers to sign a form setting out new work conditions or face dismissal.

Because the forms set out new conditions workers, by refusing to sign, were not refusing to honour their existing contracts but to agree to new ones.

It was also alleged that management acted "unfairly" by not consulting workers about the change and not granting them an appeal against their sacking.

Work contracts were commercial agreements, it was argued, and employers therefore had to have a commercial reason for ending them. No such reasons existed in the dispute, it was alleged.

The company denied the forms set out new conditions and said they simply confirmed existing ones. It also denied that it had to negotiate the change with workers and said those fired could have requested the right to appeal.

According to a statement by the union yesterday, 599 of more than 900 workers were fired. Of these, 195 were later re-employed.

The union said it would press for the reinstatement of the three workers, who did not win reinstatement, when the dispute is finally settled.

Strike at factory ~~189~~ in Brits ~~189~~

~~Labour Reporter~~

Star 25/4/84

Between 300 and 400 workers at Auto Cable Manufacturing in Brits went on strike this morning

This is the second spontaneous stoppage at the factory this year. According to a source close to the factory, the strike was sparked by the dismissal of an employee.

The strikers believe their colleague was fired as a result of his union organising activities within the company. The Metal and Allied Workers' Union is organising in the firm, but so far the company has refused to hold talks with the union.

Mr R Shusse, managing director of Auto Cable, refused to speak to the Press about the strike.

Fired workers flock to factory after landmark court ruling

25/4/84 Stan
By Carolyn Dempster,
Labour Reporter

The 324 workers dismissed by African Cables in January flocked back to the company's Vereeniging plant yesterday after being granted a temporary reinstatement order by the Industrial Court last week

The ruling is believed to be a landmark in labour relations, as this is the single biggest group of dismissed employees to be granted a Section 43 order by the court

African Cables has been given the option of physically reinstating the 324 workers, or paying them for the 90-day period set out under the order without re-employing them

Mr J Muller, managing director of African Cables, said 58 of the workers had already returned and the company was going through the question of re-registration with the remainder of the claimants

"We will have decided on the question of physical reinstatement by the end of the week," he added

Three of the 327 original applicants were not granted reinstatement and the Engineering and Allied Workers' Union will attempt to obtain a settlement

Union sources said they hoped the resumption of the status quo would be final and the

whole matter would be settled amicably

The order was dated from April 18, meaning workers will not get benefits or backpay accruing since January

The mass dismissal stemmed from a change in working shifts

CONSULTATION

Workers refused to clock in for work on January 6, saying they had not been consulted as promised

More than 500 employees were fired, but 190 were later re-employed by the company

Iscor slips to 20th place as production in steel sags

By Malcolm Fothergill

Iscor has slipped from 15th place to 20th in the rankings of the International Iron and Steel Institute (IISI).

Figures released by the IISI show the corporation's production sagged from 6,9 million tonnes in 1981 to 6,4 million tonnes 1982 and 5,4 million tonnes 1983.

By contrast, the world's largest steel company, Nippon Steel, turned in figures of 29,6 million tonnes (1981), 28,3 million tonnes (1982) and 26,9 million tonnes (1983).

Showing the effects of the world recession, even more strongly was second-placed US Steel, whose figures slid from 21,2 million tonnes (1981) then up to 13,4 million tonnes (1983).

Although few of the 46 companies named in the report bettered their 1981 figures last year, most were comfortably above 1982 production levels.

The impression of renewed vigour is strengthened by the IISI's report on crude steel production in March 1984.

APPARENT

Production in the countries which report their output to the institute — everyone except the Soviets, Eastern bloc, China and North Korea — was 38,4 million tonnes, an improvement of 14,6 percent over March 1983.

March US production was 8,2 million tonnes, 26,7 percent up on March 1983, and similar improvements were apparent in Canada (up 24,7 percent) and Australia (up 24,4 percent).

SA's estimated production was 695 000 tonnes, up 26,8 percent over March 1983 figure.

Strong percentage gains were made by smaller producers in the European Economic Community, with Netherlands up 47,2 percent; Luxembourg 38,3 percent; Denmark 35,7 percent.

Italy achieved a 20,4 percent increase over March 1983's output, but the other large EEC producers showed only modest gains, West Germany rose 5,4 percent, France 5,6 percent and Britain 1,4 percent.

Total EEC production, at 10,7 million tonnes, was 10,2 percent higher than in March 1983.

Japan showed a similar increase of 10,9 percent to a March 1984 output of 8,6 million tonnes, Brazil (up 34,9 percent), Argentina (up 17,7 percent), Korea (up 14,6 percent).

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174 strikers charged

Pretoria Correspondent

28/4/84

~~189~~ 189 ~~140A~~ 8 pm
Charges of trespassing have been laid against 174 men and women following a strike at a Brits cable-manufacturing firm

The men and women appeared in a Brits Magistrate's Court late yesterday. The hearing was postponed to June 25 and bail was set at R100 each.

The strikers, all members of the Metal and Allied Workers' Union, were arrested at the plant of Auto Cable Manufacturing Company.

RAM 25/4/84 (184) (110A) 255A

176 metal workers held after Auto Cables strike

By STEVEN FRIEDMAN
Labour Correspondent

ALTOGETHER 176 workers were arrested yesterday during a work stoppage at Auto Cables in Brits

They appeared in court late in the day

The stoppage was sparked by a dismissal and the workers face the prospect of two months in jail because their union, the Metal and Allied Workers' Union, fears it will be unable to raise bail for them.

A metal union spokesman said yesterday most of the workers were women who now faced the prospect of being separated from their children for a long period

The workers were arrested yesterday morning after the company fired about 300 strikers and told them to leave the premises. They allegedly refused

During the incident, police allegedly searched the briefcases of two senior union officials, general secretary Mr

David Sibabi and organiser Dr Bernard Fanaroff, in the company's security office.

They also allegedly asked Mr Sibabi to produce his pass.

The arrested workers appeared in court yesterday afternoon and bail was set at R100 each. They were remanded to appear again on seven different days, beginning on June 25

A union spokesman said the union was attempting to raise the R17 600 needed to bail the workers out. "But a sum like that is way beyond our means and I fear workers may spend the two months in prison," he said

"Auto Cables are responsible for separating scores of workers from their children simply because they disagreed with it over a dismissal," he charged

He called on the company's chairman, Mr L C Spinazze, to make a statement on the arrests, but Auto Cables yesterday refused to comment.

According to the union, the strike was prompted by the dismissal last week of a worker who was a prominent union activist at the plant, Mr Piet Machete.

Workers struck for one hour last Thursday, but returned to work pending talks on the sacking. Yesterday they resumed their strike after no progress had been made towards settling the dispute, the union said.

It said workers had been fired after striking for three hours and police were then called to remove them from the premises.

A police representative said the factory's manager met workers and union officials yesterday morning and asked workers to return to work, but they had refused.

Later the workers were fired and asked to leave but they refused to do so. The riot squad was then called and when the workers continued to refuse to leave they were arrested, the police said

RDM 22/4/84 (189)

Row in Turkey over rail deal with Iscor

By STANLEY UYS
London Bureau

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LONDON — A major controversy is emerging between the Turkish Foreign Ministry and the Turkish State Railways Organisation (TCDO) over a R28-million contract awarded to South Africa's State-owned Iron and Steel Corporation (Iscor)

The contract — to supply 77 200 tons of rails for the modernisation of the Turkish railway network — was awarded to Iscor earlier this month against stiff competition from Voest Alpina of Austria, Empresa Nacional

Siderurgia of Spain, General Steel Export of Switzerland, Stahl Export of Poland, Progress of Yugoslavia, Marubeni of Japan, Matériaux de Voise of France, and Sunkyong of South Korea

The Turkish Foreign Ministry has strongly opposed the contract award, saying it may jeopardise Turkey's lucrative trade with the Middle East countries and harm Turkey's relations with African countries.

According to Turkish political sources, the Foreign Ministry is trying to have the contract declared void and put the tender to re-bid

The Ministry has also made strong representations

to the Supreme Co-ordination Board for Economic Affairs

The companies who lost the tender have also entered the controversy by filing a law suit against the TCDO in the state court for alleged "administrative and financial mistakes made during the tender process"

The Turkish Finance Ministry is also investigating allegations that one of the bidders received special treatment.

Iscor was apparently awarded the contract for its unit price of R199 but a detailed account of the bids issued by TCDO shows that the actual price was R231

The financing for the Iscor

contract has not been revealed.

Last month the Saudi Industrial Development Fund (SIDF) agreed on a 312-million Saudi rials loan for the modernisation and electrification of the 577km-long Iskenderun-Divrigli Railway, which includes the construction and laying of new rail tracks.

Whether the funding of the Iscor contract is to come out of the SIDF loan is not yet clear

Iscor's Istanbul representative, Mr Ibrahim Senyay, has denied this, saying each bidder brought his own credit offer

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INDUSTRIAL LAW

The biggest reinstatement

In what is believed to be the largest reinstatement order yet issued, the Industrial Court has instructed Vereeniging cable manufacturer, African Cables, to temporarily reinstate 324 workers who were fired after a dispute in January.

The order, which remains valid for up to 90 days, came into effect on April 18. It requires that the company either pay the workers for the period of the order, without necessarily re-hiring them, or permit them to return to work.

A company spokesman told the *FM* that the workers have been paid for April 18-24. He would not comment further on the company's intentions regarding reinstatement. But a lawyer acting for the workers says he expects them to be back on the job by Monday.

The application for temporary reinstatement was brought by workers who are members of the Engineering and Allied Workers' Union. The background to the dispute is that the company cut its working week to four days in October 1983, because of depressed economic conditions. This year it returned to a five-day working week, beginning Monday January 9. Because Monday January 2 was a public holiday, Friday January 6 was meant to be a normal working day, so that the first week of the year would be a four-day one.

On the 6th some workers reported for work, while others did not. On the following Monday, the vast majority of workers reported for duty. They did not commence work, however, but demanded to speak to African Cables MD Peter Muller. According to a source close to the union, Muller refused to address them *en masse*. Later in the day, according to the same source, the police were called in and ordered the workers to disperse. The company disputes the details of this action.

Document

The next day, Tuesday, management set up tables inside the factory area at which workers were told that they had to sign a document agreeing to certain work conditions before they would be allowed to work. These included undertakings not to participate in illegal work stoppages. While 195 agreed to sign, 404 refused and were later fired.

Of the 404, 327 made application to the Industrial Court for reinstatement. Last week the court ruled that all but three of them should be reinstated.

In court, counsel for the union members argued that they had not been adequately informed by management of the change back to the normal working week. Counsel

also alleged that the company had been "unfair" in requiring workers to sign a new contract of employment or face dismissal.

It was also argued that mass dismissals can only be justified in situations in which companies are experiencing economic problems and in which the dismissal of workers is part of a retrenchment exercise.

Counsel for the company countered that the undertaking the workers had been required to sign did not constitute a new contract of employment, but was rather a confirmation of existing work conditions. Company counsel also argued that if the workers were reinstated, African Cables would have to fire workers who had been hired to replace them and that this would cause unrest and dissatisfaction.

The court found that management had taken adequate steps to inform the workers of the change to the working week and that there could not have been confusion about January 6 being a normal working day. It also found there was an element of coercion involved in the workers' decision not

to sign.

However, mass dismissal was not regarded as the appropriate remedy in the circumstances.

The court also found that African Cables had acted "overhastily" in recruiting new workers as quickly as it had, especially when it knew that the fired workers had taken steps to obtain reinstatement.

Labour law

Labour law requires that the dispute should now be discussed at the metal industry industrial council. If no resolution is reached, it could be referred back to the Industrial Court for a final decision. The decision to grant reinstatement could be indicative of the court's attitude towards the dispute.

Labour commentators say that even in a climate in which the Industrial Court is regarded as moving in a more conservative direction, this judgment indicates that it does not regard mass dismissal as the appropriate remedy to industrial unrest.

TEACHERS' UNION

SA's first trade union for teachers could be registered next month. It could also be the first labour union whose constitution expressly rules out strike action.

This follows a gazetted application to register by the 100-member SA Teachers' Guild (SATG), which was formed a few months ago. The Federal Council of Teachers' Associations (FCTA) has "regretted" the formation of the new "splinter" group.

The Guild, which consists of essentially the same members as the recently dissolved Transvaal Educators' Society (TES), has "only one objective: To negotiate competitive salaries and conditions for all teachers and thus enhance the status of the profession," says SATG chairman John Lambson, who also headed the short-lived TES.

Further, says Lambson, the union will be "completely apolitical." SATG membership is open to all white teachers at the moment, although applications from other race groups could possibly be considered "at a later stage," he says.

Lambson has his eye on the 21 000 white teachers (of a total 69 000) who, he says, do not belong to any association. Because of the "narrowness" of the objectives of the teachers' associations, Lambson hopes that those who are association members will remain so and join

his union as well.

The Guild has applied to the Trade Union Council of SA (Tucsa) for membership, and Tucsa general secretary Arthur Grobbelaar has indicated that he is well disposed.

Explaining his opposition to the formation of the Guild, Transvaal Teachers' Association (TTA) chairman Jack Ballard says he can see no need for it, in view of the national FCTA's "outstanding" work for teachers.

The associations, which are not unions, would much prefer a "professional body" to deal with their salaries and conditions, says Ballard. He feels that the guild is merely "another platform" for the TES, which he says was an unrecognised body with very few members.

The FCTA is already "pretty far down the road" in its negotiations with Minister of National Education Gerrit Viljoen to form a national body embracing teachers of all race groups.

However, the formation of the SATG is a "national issue" and will be more fully considered when the FCTA meets early in May. Since the teacher associations are not trade unions, says Ballard, he doubts that they are entitled to lodge objections to the SATG's registration.

2000 reasons for strikers to fear trespass law

WHEN a law was introduced last year, sharply raising the minimum fine for trespass to R2 000, there were suggestions this would be used against strikers. These seem to have been confirmed.

LABOUR WEEK

BY STEVE FRIEDMAN

Last week, 176 Metal and Allied Workers' Union members at Britis company Auto Cables were arrested after allegedly being fired and ordered to leave the premises.

The Intimidation Act has been used against strikers for some time. Now a blanket ban on outdoor gatherings is also being used.

They are likely to be charged with trespass — presumably on the basis that, once fired, they could not remain on company property without permission.

This takes on added significance in the light of rumours that the authorities may scrap the laws making striking a crime.

One immediate effect of the vastly increased fine is that the arrested workers may spend the next two months in prison.

This would bring our labour laws in line with those of Western industrial countries. But, if the last few months are anything to go by, it would make absolutely no difference to the extent of police action against strikers.

Their case has been remanded to late June and bail set at R100 each — which MAWU is unlikely to raise. Pleas to have the amount reduced were rejected because workers faced a possible R2 000 fine.

The arrests are the most dramatic illustration thus far of the way in which the trespass law can be used against strikers — although there have been other labour-related trespass arrests.

The incident also highlights the fact that police are increasingly using general security laws, rather than the anti-strike laws in labour law, to act against strikers.

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New pay offer by metal firms

By STEVEN FRIEDMAN
Labour Correspondent

TRADE unions in the giant metal industries yesterday agreed to take back to their members a new employer pay offer which would raise minimum wages for the industries' 380 000 workers by 11,1%

The two sides are to meet again on May 15, when unions will reply to the offer, but sources at yesterday's negotiations remained pessimistic about the prospects of their accepting the offer

They said last night that a compromise between employers and unions representing skilled workers remained possible, but that unions representing semi-skilled black workers and employers were still far apart.

These unions have demanded a minimum wage for the industry of R2,50 an hour — a 67% increase on the present rate of R1,53.

A dispute between the two sides remains a possibility. The employer offer would also raise the minimum rates for the industries' highest-paid job categories by 8,4%

Most skilled workers earn considerably more than the R4,41 an hour minimum laid down for them in the industry's industrial agreement and the offer would mean an increase for some of these workers of 5% or less

This means that employers, represented by the Steel and Engineering Industries Federation, have raised their initial offer of an 8% rise in the minimum for lowest-paid workers and a 6% rise in the minimum rate for the highest-paid workers

Sources at the meeting said that unions representing skilled workers — who had originally demanded increases in minimum pay of more than 30% — would almost certainly accept a 12% rise in the minimum, and a 10% rise in the minimum for the highest grades.

But they added that unions representing semi- and unskilled black workers seemed set to reject the employer offer out of hand and to continue pressing for sharp percentage increases, arguing that rises in the cost of living made it impossible for workers to balance their budgets without large increases

Company normal' after strike

REM Labour Correspondent 3/5/84

A BRITS company, Auto Cables, says the situation at its plant has returned to normal following a strike last week which led to the arrest of 176 workers — apparently for trespassing

It says it is hiring new workers to replace those who were arrested after being fired by the company

The workers appeared in court last week after striking in protest against a dismissal. The company fired them and they were arrested after allegedly refusing to leave the premises.

They were granted R100 bail each, but their union, the Metal and Allied Workers Union, said it feared it would be unable to raise the amount then, and that the workers would have to remain in prison until at least June 25

It said many of them were mothers, and sharply criticised the company's role in the dispute.

In a statement yesterday, Auto Cables's managing director, Mr R Schusser, defended the company, charging that the worker whose dismissal led to the strike had been fired "for lawful reasons"

He denied that the firing was related to the sacked worker's active support for Mawu

Mr Schusser said workers had struck in protest against the firing "notwithstanding offers by management to hold a further inquiry into it"

Mawu alleges that workers were fired after striking for only three hours, but Mr Schusser charged they had continued their stoppage despite "repeated" warnings to return to work, and were sacked as a result

They had then refused to leave "despite requests by management and police"

Mr Schusser said the company's "production requirements" had necessitated an early return to full production and it had therefore hired replacements

Dispute looms

over pay

Labour Report

4/5/84
A dispute is looming at Hart Ltd in Umbilo, Natal, where 700 workers staged a work stoppage this week to find out why management was refusing to give wage increases

A meeting of representatives of the Metal and Allied Workers' Union and management after the stoppage on Wednesday failed to resolve the matter.

The union says that the company refuses to discuss wages and conditions of service outside the industrial council

Union attempts over the past few months to get the company to discuss wages, a serving allowance and a funeral benefit scheme with the shop steward committee have failed

KAM 7/5/87 (189)

THIS year's metal pay talks have again illustrated divisions between unions representing skilled, workers and emerging unions

Last week, employers raised their pay offer for the lowest-paid worker from 8% to 11,1%. Artisan unions say they would accept 12% for the lowest-paid worker, and that a settlement is in reach

But emerging unions (who actually represent these workers) are likely to demand a much larger rise to offset recent rises in the prices of necessities

So a pay dispute remains possible

7-hour ^{Sowetan 8/5/84} stoppage at firm ⁽¹⁸⁹⁾

ABOUT 400 workers at Industrial Lead Works in Johannesburg yesterday had a seven-hour work stoppage demanding increased wages and the recognition of their trade union.

The workers, members of the General and Allied Workers' Union, said they were demanding a R2.50 per house increase in their weekly pay, the recognition of their union and that management should attend to a list of other

grievances. In a joint statement the parties said that the workers agreed to go back to work pending further discussions between them. The company had also agreed to recognise the union on condition they were

satisfied that it (union) represented the majority of the workers. The company has further undertaken not to deduct workers' wages as a result of the lost time, provided they returned by 2pm yesterday.

regarding and craft incident. The State allocated killed Mr Solomon (60) and Mr Rakgoale (76) on February 5.

Motor ^{Sowetan 8/5/84} firm ⁽¹⁸⁹⁾ signs ⁽¹⁸⁹⁾ accord

SIGMA Motor Corporation has signed a new conditions agreement with the National Automobile and Allied Workers' Union (Naawu).

In a statement to The SOWETAN yesterday, the corporation's spokesman said the new agreement which covered "some significant matters" will become effective as from May 12.

The main elements of the agreement which covers all hourly rated employees except artisans are a general increase ranging from 10 cents to 13 cents per hour based on the grading of the employee and a productivity incentive guaranteeing a minimum payment of 10 cents per hour in recognition of the improved productivity already achieved by the labour force over the past quarter.

Details of the agreement will be explained at a Press conference in Johannesburg today.

New bus service

THE Vaal Bus Company is to introduce its luxury bus service in Evaton in the near future following a public request for faster transport in the area.

LOOK WHAT'S IN YOUR MIRROR BAG ON MAY 20

Mirror Sport

Woman's Mirror

SHOW Mirror

Africa Mirror

YOUR MIRROR

SOWETAN SUNDAY MIRROR 20c

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COI

YOU WILL FIND THE ANSWERS TO ALL YOUR QUESTIONS IN THE MIRROR

1984

Amicable agreement ends short-lived strike

Labour Report
A strike by about 400 workers at Industrial Lead Works in Judiths Paarl, Johannesburg, ended amicably yesterday when workers agreed to return by 2 pm after being given certain assurances by management.

The workers downed

tools early yesterday morning after management's refusal to recognise shop stewards belonging to the General and Allied Workers' Union (Gawu) or their demand for R2,50 per hour minimum wages.

In a joint statement yesterday, by the Industrial Lead Works man-

agement and Gawu, the company undertook to negotiate with the union as soon it submitted satisfactory proof that it represented the majority of the workers at the plant. Negotiations would cover a recognition agreement and procedural agreement dealing with grievances and disputes.

Management also agreed not to make any deductions from workers wages as a result of the time loss, provided the strike ended by 2 pm. The agreement was reached after a meeting between worker representatives, union representatives, management and their legal advisers.

Metal industry unions reject final pay offer

Star
9/5/84
189
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Labour Reporter

Two major unions — party to the official metal industry pay talks — have rejected the final pay offer made by employers at the last round of negotiations

The Metal and Allied Workers' Union (Mawu) and Steel, Engineering and Allied Workers' Union (Seawu) issued a joint statement today rejecting the final wage offer — of 17c an hour for the lowest paid worker and up to 37c an hour for artisans — made by the Steel Engineering Industries Federation of South Africa (Seifsa) on May 1.

The unions announced their intention of pressing for a minimum living wage when the talks resume on May 16

“Both unions feel that this final offer does nothing to satisfy the demand of workers for a living wage

The offer doesn't even keep up with inflation. It makes nonsense of Seifsa's statement that they are committed to improving the standard of living of their employees,” the statement said

“Most factories are busy and a large number of workers retrenched have been re-employed. More overtime is being worked ”

Members of Mawu and Seawu are not satisfied that other demands made by the unions — a shorter working week and higher overtime pay — have been rejected out of hand by the employer associations

Unions to meet Seifsa

By JOSHUA RABOROKO

TRADE unions in the metal industries have demanded "a living wage" from the industries' 380 000 workers.

The two sides — Steel Engineering Industries' Federation of SA (Seifsa) and the unions — are to meet again in Johannesburg on May 15 when unions will reply to the offer which would raise the minimum wage by 11,1 per cent

In a joint statement yesterday, the unions — Metal and Allied Workers' Union (Mawu) and the Steel Engineering and Allied Workers' Union — said that Seifsa's offer did nothing to satisfy the demands of the workers for a living wage

"The offer makes nonsense of Seifsa's statement that they are committed to improving the standard of living of their employees. We feel that there has been a significant upturn in the industries' economy," the unions said

1 000 metalworkers go on strike in Natal

Star 10/5/84 Own Correspondent (187) 15/11/84

DURBAN — About 1 000 workers, mostly members of the Metal and Allied Workers' Union, are on strike at eight plants in Natal today.

Seven hundred workers from seven factories in Isithebe at Mandini went on strike yesterday

Three hundred drivers at the Motorvia plant in Pinetown entered the fourth day of their strike today.

A spokesman for the kwaZulu Development Corporation said that the seven plants affected were Kempar Appliances, Henred-Fruehauf, Mintex, Castle Lead Works Natal, F A Poole, kwaZulu Non-Ferrous Castings and TBA Industrial Products.

A spokesman for the Metal and Allied Workers' Union said that the workers went out on strike at Kempar over a number of issues, including unfair practices, and people from the other companies came out in sympathy.

In Pinetown, the Transport and General Workers' Union representative, Mr Mike Gwamandla, said the management of Motorvia had not yet come up with a basic wage offer to replace the present policy of each driver being paid for every trip.

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FM 11/5/84

DISPUTES
Deutz settles

A settlement has been reached between the Metal and Allied Workers Union (Mawu) and Deutz Diesel in a dispute about the re-trenchment of five Mawu members who were laid off without the union being consulted

In terms of the settlement Mawu is to be paid an undisclosed amount by the company and its members will be guaranteed re-employment, along with any other re-trenched workers, if suitable vacancies arise

The union has been granted check off and access facilities to the plant and the shop stewards' committee will be recognised by the company

Company representatives denied any knowledge about who issued a statement to a Natal newspaper saying that failure to settle the dispute could lead to the company closing its Pietermaritzburg operation

Both parties say they intend negotiating a full procedural agreement to regulate industrial relations at the plant. In terms of the settlement negotiations should be completed within 3 months

Offer ^{Sowetan} rejected

15/5/84



MORE than 3 000 members of the Metal and Allied Workers' Union have rejected an offer of a 17c an hour across the board pay rise for lowest graded employees in the steel industry.

The Union's national executive has been mandated to make representations for higher pay at wage negotiations at National Industrial Council level this week

The offer was rejected at a meeting at Currie's Fountain in Durban on Saturday

The meeting was held after a Durban judge set aside a ban on the open air meeting imposed by the acting-chief magistrate of Durban, Mr P G Castell

Metal men set for split on pay

RAM

Mail Reporter 16/5/84 (189)

TRADE unions belonging to the giant Metal Industries Industrial Council are headed towards a divided response to the employer's latest wage package offer

At the industrial council meeting yesterday the employers upped their offer to 20c across-the-board or a 12,65% increase minimum for workers in the bottom grades, and an effective 9,07% for workers in the top grades

The employer group, the Steel and Engineering Industries Federation of South Africa (Seifsa), has also offered a substantial rise in the holiday bonus, which is to be progressively increased over the next three years

Unions have been given until May 24 to respond to the offer, which could be the employers' final one in this year's round of pay talks at the council, the largest bargaining forum in the country

Sources at the meeting said it appeared likely that unions representing skilled workers, who originally demanded a 30% minimum increase, would agree to the offer

However, unions representing less skilled workers appear unlikely to accept the offer, which is not much higher than the 12% minimum offered at the last industrial council meeting two weeks ago

At a general meeting at the weekend thousands of members of the Metal and Allied Workers' Union (Mawu), which is party to the council, rejected the offer

Mawu and the Steel, Engineering and Allied Workers' Union (Seawu) began the talks by asking for a 66% increase, taking the minimum wage in the industry to R2,50 or slightly above

The initial employer offer was an 8% minimum in the lower grades and a 6% minimum in the higher grades

Metal unions to discuss pay offer

Mail Reporter

THE Metal and Allied Workers' Union (Mawu) was the only union at Wednesday's meeting of the Industrial Council for the metal industry to refuse to recommend the employers' final offer of 12,5% to their members

However, sources at the meeting said yesterday there was still a possibility of a dispute being declared by a representative group of metal unions which is party to the country's largest bargaining forum

The unions have until May

24 to report back to their members and decide whether or not to settle on the wage, fringe benefits and working conditions package, which will apply to more than 350 000 workers

The final offer by the Steel and Engineering Industries Federation of South Africa (Seifsa) was a minimum 12,5% or 20c across-the-board on the bottom grades and a minimum 9,07% or 40c across-the-board for the artisan grades

The council added in a statement yesterday that

there were to be increased holiday bonuses, a reduction in the qualifying period of service for additional leave — from six years to five years — and increases in subsistence allowances

It is unlikely that unions representing skilled workers will reject this package, but unions representing semi-skilled and unskilled workers, who initially made demands in excess of 66%, will find it hard to settle

Both Mawu and the Steel, Engineering and Allied Workers' Union (Seawu)

spokesmen said yesterday they would only make their final decision once they had reported back to their members

A spokesman for the SA Boilermakers Society said he was "not happy" with the offer and that the union's response would depend on "what the other unions are prepared to do"

● Seifsa has proposed that wages in three sectors falling under the giant metal industrial council be negotiated separately, sources at the meeting said

METAL NEGOTIATIONS

Nearing conclusion?

FM 18/5/84
Negotiations at the National Industrial Council for the Iron, Steel, Engineering and Metallurgical Industry — to set working conditions and minimum wages for the

FM 18/5/84
next year — have reached a critical stage. Several meetings have been held since negotiations started on April 10. According to a statement released by the council, the Steel and Engineering Industries Federation of SA (Seifsa) has made a final offer which the metal trade unions, who represent some 380 000 workers, will respond to on May 24. It seems likely that most of the trade unions involved will accept. But the Metal and Allied Workers' Union is expected to reject it — creating the possibility of unrest in the industry.

The final employer offer was

- An increase of 40c/hour for artisans from the present R4,41/hour level,
- An increase of 20c/hour for unskilled workers from the present R1,53/hour,
- A reduction in the qualifying period of service, which makes workers eligible for an extra week's leave, from six to five years, and
- An increase in subsistence allowances paid to workers sent out on site work (details were not made available)

Seifsa's wage offer represents an 11% increase for skilled workers, and 7,6% for the lower levels — far lower than the unions' original demands for minimum increases ranging from 33% to 66%.

However, informed sources tell the *FM* that unions falling under the umbrella of the Confederation of Mining and Building Unions, which represents some 160 000 skilled workers, is likely to accept the offer. So too is the all-white SA Iron, Steel and Allied Industries Union (Yyster en Staal).

There are also strong indications that Council of Unions of SA-affiliate, the Steel, Engineering and Allied Workers' Union (Seawu), will accept. This is seen as being significant since this union, along with the Metal and Allied Workers' Union (Mawu), represents unskilled workers. It is understood that these unions have been co-operating closely in the negotiations. If Seawu goes along with the Seifsa offer it will be abandoning its Federation of SA Trade Unions ally.

Not that this is likely to trouble Mawu, which has demanded a minimum wage of R2,50 an hour. President Jeffery Vilane told the *FM* "We will report Seifsa's offer back to our members. But at the same time the employers must be aware that we are not satisfied with their offer."

1875 1884 (189)

Seifsa makes offer

METAL unions representing 380 000 workers in the steel and engineering industries have been given until May 24 to accept a final wage offer made by the Steel, Engineering Industries Federation of South Africa (Seifsa) — or else declare a dispute.

Formal negotiations under the auspices of the Industrial Council ended on Tuesday when

Seifsa presented its final wage and service package to the unions.

This included an offer of a 20 cents per hour increase for workers in the lowest grades and 40 cents per hour increase for the top grades of metalworkers. Current minimums are R1,53 and R4,41

The employers' associations have also agreed to more benefi-

cial adjustments on holiday leave.

The offer is a slight improvement on the proposals which Seifsa put forward on May 1, at the second round of pay talks, but falls far short of the R2,50 per hour minimum wage which the Metal and Allied Workers' Union and Steel Engineering and Allied Workers' Union are demanding

Pay talks hang in balance

RDM 21/5/84 ~~21/5/84~~ ~~21/5/84~~ ~~21/5/84~~
IN THE next fortnight key pay talks — in the metal and mining sectors — will move closer to their climax

LABOUR WEEK
By PHILLIP VAN NIEKERK

Metal unions have been given till Wednesday to respond to the final offer from the Steel & Engineering Industries Federation (Seifsa). Talks between the National Union of Mineworkers (NUM) and the Chamber of Mines could be decided one way or the other before the end of the month.

In both cases a trial of strength is on the cards. This year's pay talks have not seemed likely to end in an amicable settlement.

The conflicting pressures of ongoing recession, on the one hand, and worsening poverty within the black community, on the other, have been an immense challenge to unions and employers.

Last year the mainly black emerging unions accepted below-inflation pay rises for their members who in the past 12 months have been further hit by cost of living increases and rising unemployment.

This time round the unions, under pressure from their members, have gone into wage talks with demands for increases in minimum rates of 60% and more, while employer groups, under pressure from economic conditions, have not deviated far from the 10% mark.

Small wonder that they're finding it hard to settle.

□ □ □

ONE of the features of this year's talks has been the isolated stand of the unions representing black unskilled and semi-skilled workers — particularly the NUM and the Metal & Allied Workers' Union (Mawu).

Unions representing mainly white, skilled workers have put up a token fight, but have been prepared to settle.

The Council of Mining Unions declared a dispute over a half-a-percent difference before settling for little more than 10%. Artisan unions in the metal industry are likely to agree to an effective 9,07% this week.

In the metal industry, the wild card is the S A Boilermakers Society whose general secretary, Mr Ike van der Watt, says he is not happy with Seifsa's offer and is waiting to see what other unions do.

While Mr Van der Watt says a dispute cannot be ruled out, he is more likely to opt for last year's solution. Settling at the industrial council and pressing for increases over and above this with individual companies.

This was the route that unions dissatisfied with the industrial council settlement last year decided to take — and it was not a particularly successful one.

This year Mawu, the metal union which has shown the most ability to marshal support on the shop-floor, is the one most opposed to settling with Seifsa.

□ □ □

Reef company hit by strike

A SHOT was allegedly fired, a black worker assaulted and threatened with a knife when workers went on strike at GEC Traction Signal Company near Germiston yesterday.

Three workers were physically forced out of the company premises after a deadlock in talks between shop stewards and management over the recognition of the Fosatu-affiliate Metal and Allied Workers' Union and other working conditions

Workers are appealing to their counterparts employed by GEC in Britain to help them, and have called on Barlow Rand to intervene in the matter. The company is a subsidiary of

SOWETAN
Reporter

Barlow Rand

A Mawu spokesman said trouble started when two shop stewards were dismissed by management following what management termed "an infringement of procedure" by the stewards

They were physically rushed out of the company premises. When they tried to tell the workers what had happened, a shot was allegedly fired by a security officer

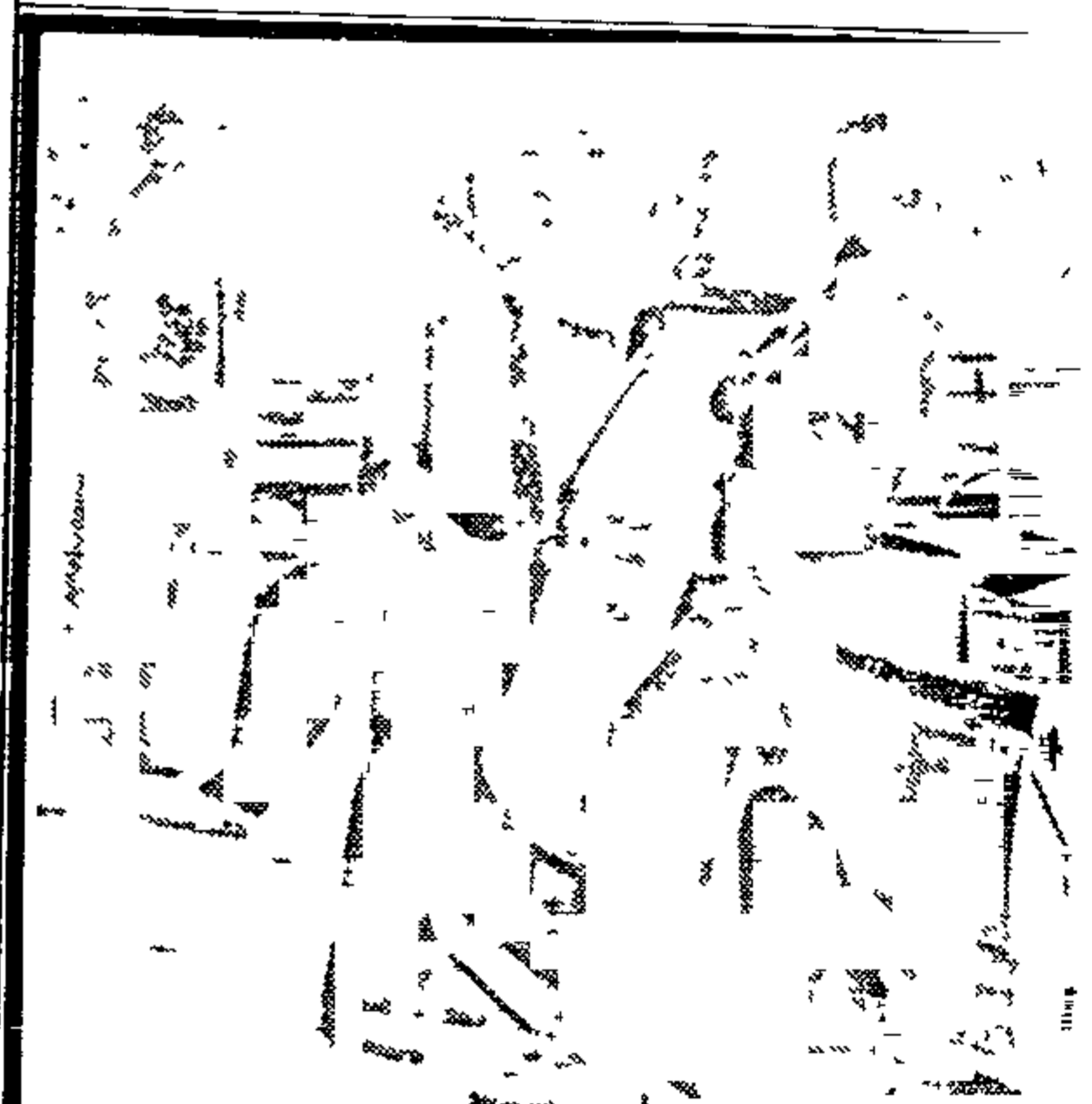
Mahlobo jailed for 20 years

SITHABISO Mahlobo (25) of Escourt, convicted of high treason for bombing two Supreme Courts in Maritzburg last year, was yesterday sentenced to 20 year' imprisonment.

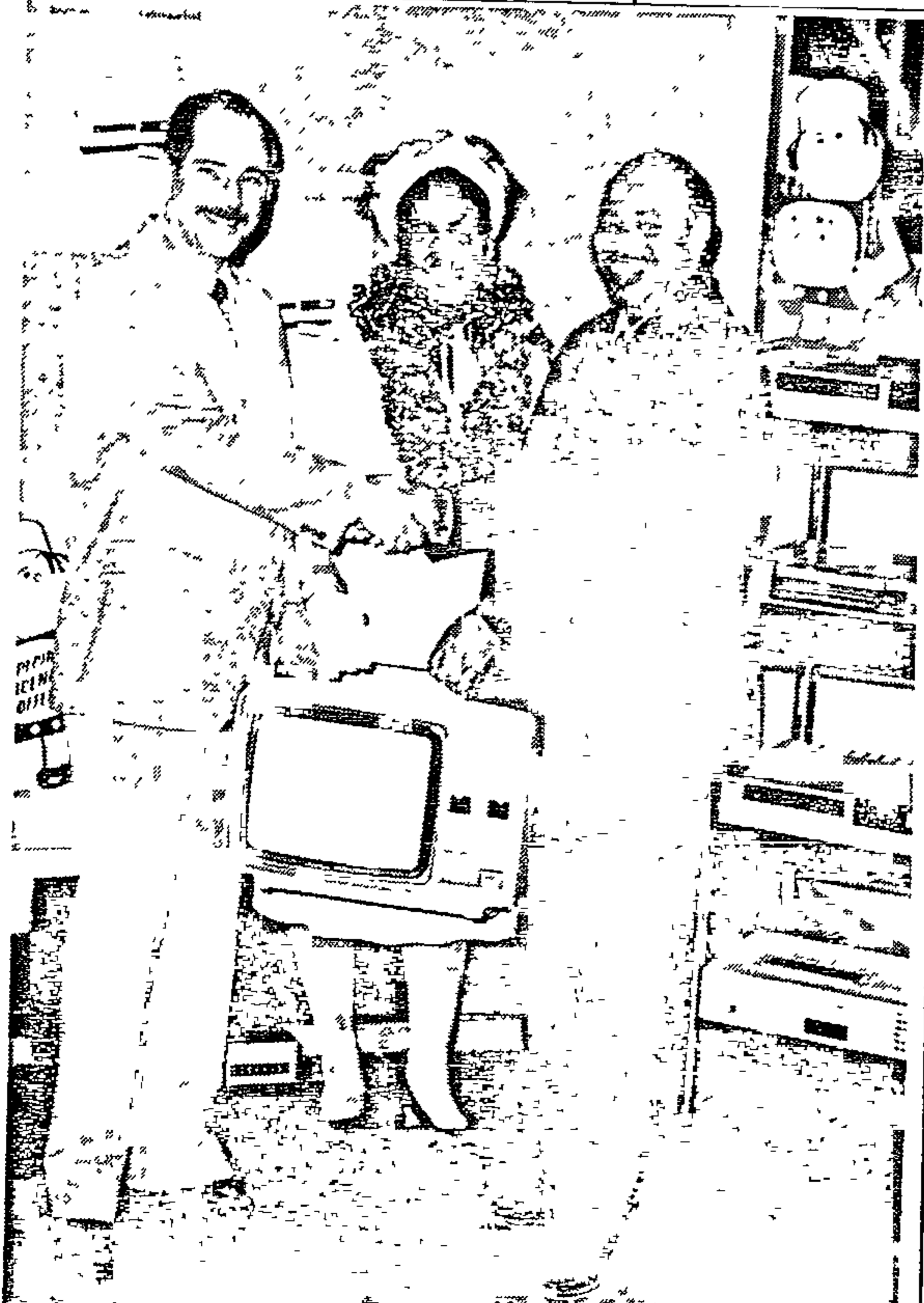
Mr Justice D D V Kannemeyer sentenced Benedict Martins (27) of Imbali to 10 years' imprisonment after he was found guilty of terrorism

Duma Gqubule (19) of Edenvale, was sentenced to 30 months, suspended for five years, on condition that he does not contravene the provisions of the Internal Security Act during the period of suspension

Nkosi hit by bombs



LITERATURE Members of the Security Branch stand which Azapo's literature was loaded yesterday



PRESENTATION All smiles after...

Black students at Cape

HUNDREDS of protesting black students broke a door and forced their way into the University of Cape Town's Bremner administration office block yesterday and mobbed a senior staff member who tried to talk to them

Later reports said the students "seemed to have staged a sit-in inside the building"

The group — about 400-strong — broke some glass panels after besieging the building for about an hour, preventing staff from entering or leaving the building

Professor John Reid, deputy vice-chancellor, was mobbed when the protesters stormed the building and some UCT

The students demanded to speak to the principal and vice-chancellor, Dr Stuart Saunders, to protest against the alleged victimisation of 11 students who have been summoned to appear before a disciplinary committee

Dr Saunders is in Pretoria

The 11 students have been charged with disobeying an instruction from Dr Saunders to leave the site where they had erected tents opposite Jameson Hall to

**Labour
front**

250 still out after sackings

Sweeter 20/5/84 ~~189~~ ~~189~~

THE estimated 250-strong black workforce at South African Traction Manufacturers near Germiston yesterday continued their strike in protest against the dismissal of three shop stewards.

The workers, members of the Metal and Allied Workers Union (Mawu), went on strike last Friday after management had accused the shop stewards of violating disciplinary procedure.

Management met union officials and explained that the three had been dismissed and that they had the right to appeal in terms of the disciplinary procedure.

Dismissal

Meanwhile more than 300 members of Mawu employed at Formscuff in Wynberg, yesterday returned to work after going on strike over the dismissal of a shop steward.

Management agreed to reinstate the workers following discussions with the union's representatives. Management has also undertaken not to victimise the workers.

At another company, Metmak, Johannesburg, management has started re-employing selectively sacked workers who are members of the Steel Engineering and Allied Workers' Union, following a strike action at the plant.

The union's general secretary, Mrs Jane Hlongwane, said the

workers had followed a colleague who was dismissed by management. This resulted in a strike which led to their dismissal. The union has sought legal advice.

At Edison Plating Works, Benrose, the 300 striking workers

have returned to work, but management has indicated to Mrs Hlongwane that it was going to retrench about 50 of the workers.

This action, she said, was seen by the union as "victimisation of members" and "we intend

taking it to the industrial court."

McPhail Coal Company has confirmed that over 250 workers who went on strike over wage demands have all returned to work. The workers downed tools on Friday.

NUM 28/5/84 (189) (184)

Strike over dismissals at SATM persists

Mall Reporter
WORKERS at SA Traction Manufacturers near Germiston yesterday continued their strike in protest against the dismissal of three Metal and Allied Workers' Union

(Mawu) shop stewards
 The 250 workers downed tools on Friday
 A spokesman for Mawu said the company was negotiating an agreement with the union and had for some time

refused to afford interim recognition to the elected shop stewards
 The strikers refused to work until the company discussed the matter with union representatives

NUM 28/5/84 (189) (184)

Union refuses to back pay-rise offer

By PHILLIP VAN NIEKERK
THE National Union of Mineworkers (NUM) will not recommend the pay offer of Chamber of Mines gold mines to members when they meet at a special mini-conference on June 9 to debate the offer

Mr Cyril Ramaphosa, general secretary of the NUM, said yesterday that the purpose of the conference was to decide on a course of action, not to seek a new mandate for negotiations with the chamber

The wide gap between the chamber's offer and the NUM's demands means that a dispute, which could lead to the first legal strike by black mine-workers in South Africa, is now probable

The chamber has offered the NUM minimums ranging from 9,5% to 10,9%, which would be the smallest pay increases for black mine-workers since the beginning of the 70s

The NUM, which is negotiating along with the much smaller Federated Mining Union, is demanding a 25% increase for all members on the eight mines where it is recognised

While the union is only recognised in certain categories on eight chamber gold mines, the deal it reaches with the chamber is likely to affect almost all black workers on chamber gold mines

The union began the talks on Thursday with demands of 60%, 40% and 30% for the various grades and Mr Ramaphosa said yesterday they had no mandate to go lower than the final 25% demand made on Monday

"As they're not prepared to go much higher — though they have maintained they have one more offer to go — and we have no mandate to go lower, we have had to call the special congress to confirm our rejection of the offer

"We won't even ask congress to accept the offer. We are going to ask the workers to decide what they should do"

Meanwhile, talks with the chamber on pay for NUM members in the coalmining industry are due to start on May 4.

Mr Ramaphosa said he would be pushing the chamber to place their final offer on the table at this meeting. This would allow the union, if necessary, to discuss the issue of coalmine wages at the special congress as well.

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 K LAURENCE

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EAST LONDON — A R12,5 million steel processing plant is to be built at the industrial township of Queendustria, near Queenstown

The steel servicing centre, which will be built by Wolhuter Steel, will initially create an estimated 400 jobs, and is scheduled to be fully operational by mid-1985. The plant will process and convert steel coil from Iscor into standard and specialised blanks for the manufacturers of goods such as motor vehicles, fridges and stoves.

He said the concessions being offered by the Decentralisation Board were a further incentive to locate in the area.

Mr Jeffrey added that Queenstown had a developing infrastructure and "was one of the fastest growing" centres in the Border area.

The chairman of HLH, Mr Chris Perry, said pro-

By ROY DOWLING

Mr Rob Jeffrey, the chief executive of the steel division of Hunt Leuchars and Hepburn (HLH), the group which owns Wolhuter Steel, said in a statement released at the weekend "The plant will be ideally situated to supply customers in the area as well as in East London and Port Elizabeth."

It is understood that Stateline Pressed Metals, which is also situated at Queendustria, and which manufactures motor vehicle components, will be supplied with processed steel from the new plant.

He said the motor industry in the Eastern Cape represented 43 per cent of the national total, and HLH believe there was a "great opportunity" for sales of precision cut steel blanks in the region, "not only for the motor manufacturers, but also for the white goods industry."

He also said "In line with our strategy of creating a national cut-to-length operation we have identified the Eastern Cape as a prime target."

cessing of the Iscor coil added value to the product, "and we are able to offer our customers precision quality products and a specialised service."

"We see a great future in this area of our business and the Queenstown project is a logical step in our expansion."

The plant will have an annual capacity in excess of 40 000 tons, working on a single shift per day.

The Town Clerk of Queenstown, Mr Peter Gerber, said yesterday he was "terribly excited" about the planned development.

"This is good news for Queenstown, and it again emphasises the confidence in Queenstown as a growth point."

"I believe it is the forerunner of many more new projects for Queenstown", he said.

The mayor of Queenstown, Mr A. M. Shadiack, was out of town yesterday and could not be reached for comment.

● Editorial opinion, P10.

FOR QUEENSTOWN POINT R12m steel plant

28/5/84

D. B. B. B.



MONDAY, 28 MAY 1984

Indicates translated version

For written reply

Hansen and 28/5/84
Hospitals/hospital beds
Dr Col. 1357

895. Dr M S BARNARD asked the Minister of Health and Welfare:

- (1) How many (a) hospitals and (b) hospital beds were available for (i) White, (ii) Coloured, (iii) Asian and (iv) African patients in the Republic as at the latest specified date for which figures are available,
- (2) how many clinics were operating for each race group in the White areas of the Republic as at that date?

THE MINISTER OF HEALTH AND WELFARE

(1) (a) 629

(b) (i) 43 803,

(ii), (iii) and (iv) 77 542.

(2) unknown (total for all race groups are 1 050)

189 Hansen and Q. 61
Shipping Industry 1 357
28/5/84

914 Mr D J N MALCOMMESS asked the Minister of Industries, Commerce and Tourism:

- (1) Whether his Department has at any stage provided (a) a 25 per cent subsidy to shipyards and (b) an 80 per cent loan to purchasers of South African-built ships, if so,
- (2) whether his Department still provides these benefits, if not, (a) why not and (b) when did it stop providing them,
- (3) whether his Department paid out any

amounts in benefits of this nature to shipyards and purchasers of South African-built ships during the past three financial years, if so, (a) what amount was paid out to such (i) shipyards and (ii) purchasers in the 1981-82, 1982-83 and 1983-84 financial years, respectively, and (b) what were the relevant percentages in respect of such (i) subsidies and (ii) loans in each of these years?

THE MINISTER OF INDUSTRIES, COMMERCE AND TOURISM:

(1) (a) and (b) Yes

(2) Yes In the financial year 1984-85 assistance will be granted only in respect of contracts for which applications for subsidies and/or loans have already been approved

(a) and (b) Because of the heavy demands on the exchequer it has been decided not to grant subsidies and/or loans in respect of new contracts during the current financial year

(3) Yes

| (a) | (i) | (ii) |
|---------|------------|-----------|
| | R | R |
| 1981-82 | 8 760 597 | 6 108 298 |
| 1982-83 | 12 744 973 | 7 627 547 |
| 1983-84 | 5 076 986 | 2 674 096 |

(b) (i) 10 per cent and 25 per cent, of the contract price in respect, of vessels of 200 to 499 and 500 to 6 000 gross register ton, respectively

(ii) 80 per cent maximum of the contract price only if the vessel is built for a South African owner.

Note Subsidy and loan payments are usually made over a period of more than one year in respect of a particular contract. The percentages show in (3)(b)(i) and (ii) are those provided for under the financial aid scheme to the shipbuilding industry

CAPE TIMES 30/1/84

Ovenstone-Diroyal in R150m merger

By PAUL DOLD, Financial Editor

OVENSTONE INVESTMENTS is merging with Diroyal to create a group with assets of R150m and interests ranging from electronics to fishing.

The merger suggests that Ovenstone is likely to be a more aggressive predator in the medium term, while it will also have the advantage of a far larger capital and asset base which should allow rapid profit growth

The Premier group has joint control of Oil with the Ovenstone family through Ovenstone Consolidated Investments an unlisted company

Subsidiaries

In essence Oil will become the top holding company with a new company Ovenstone Holdings housing the operating subsidiaries of Oil and Diroyal

Mr Andrew Ovenstone current chairman of Oil is to be group executive chairman of Ovenstone Holdings with Diroyal's Mr Harold Sender becoming chief executive of the division which will control and develop the existing Diroyal operation in Ovenstone Holdings

Mutual benefits

The deal brings Diroyal's electronics arm Lovell Proctor, the Premier Wire division and a Ford motor franchise into the group

Last night the chairman, Mr Andrew Ovenstone, said the deal would have mutual benefits for both Diroyal and Oil shareholders

Total shareholders' funds will exceed R58m and earnings this year for both groups are expected to increase



Group executive chairman of Ovenstone Holdings Ltd, Mr Andrew Ovenstone

"It is a logical step We have had a stake in Diroyal for more than 10 years and the merger will provide the core of a third leg to our business in addition to fishing and property — construction"

He added that there would be ample scope for expansion which could be in either in the fishing or non-fishing sectors

Oil assets

The deal which will provide Oil with increased diversification from its traditional fishing operations is taking place through the injection of Oil assets into Diroyal

Diroyal in turn will issue shares to Oil with Diroyal being renamed

Ovenstone Holdings Oil which already owns 25 percent of Diroyal will end up with an estimated 87 percent of the new Ovenstone Holdings and become the group holding company.

The mechanics of the deal are that Diroyal will issue 58m new 50c shares plus 5m prefs Half of the prefs which have a coupon of 10 percent will be cumulative redeemable prefs of 1c which are being issued at a premium of 99c

Of these 1 250 000 are to be redeemed at the issue price in five equal instalments from 1987 to 1991 and the balance in 2 000 or earlier at Diroyal's option The other 2 500 000 prefs will be cumulative irredeemable, issued at the same price

Earnings

The Barclays Merchant Bank says that based on Oil and Diroyal's recent 12 month results Oil earnings per share before the deal would have been 12,3c and 11,2c afterwards, while Diroyal earnings would have been 2,5c before and subsequently 9,8c

In assessing these figures it should be borne in mind that Diroyal had an unusually bad year last year

On net assets value Oil's n a would have been 68,8c before and 72,8c afterwards with Diroyal at .87,6c and 65,8c

● Kaap Kunene has 25 percent of Diroyal and will end up with a stake in Ovenstone Holdings



Rabie... challenging government to act

self-proclaimed law-breakers Internal Affairs Minister F W de Klerk tells the *FM* he does not wish to react to the LP decision before he has talked to the party

The Act itself reads "No person who belongs to one population group may (a) be a member of any political party of which any person who belongs to any other population group, is a member, (b) render assistance as agent, or be a member of an election committee, of a political party of which any person who belongs to any other population group, is a member, or of any person who belongs to any other population group and who has been nominated or may be nominated as a candidate for an election"

The Act makes provision for penalties of not less than R300 or six months' imprisonment for a first conviction, and not less than R1 000 or one year for subsequent convictions. It stipulates, however, that no prosecution shall be instituted "except on the express direction of the Attorney-General concerned"

Transvaal Attorney-General, Don Brunette, tells the *FM* that if a charge is made and the police hand him a dossier with their investigation, "I will have to seriously consider the matter. One will have to look at the whole thing with the background of the politics of the time when the Act was made and at the present political climate"

This could be interpreted as implying that Acts passed by Parliament will not be enforced if political circumstances have changed since the legislation was drafted

PFP spokesman Tiaan van der Merwe says the LP has created a "severe dilem-

ma" for government in which Pretoria will certainly lose face. The LP action does not seem to be a contravention of the Constitution or the Electoral Act. In addition, the Political Interference Act does not make provision for declaring an election void. "The only way to avert unpleasantness and conflict at the start of the new dispensation will be to scrap the Act at the earliest possible moment," Van der Merwe says.

He adds "This is the first indication that some coloured and Indian politicians are not going to accept their minority status lying down and are giving notice at an early stage that (government's) right to dictate unilaterally will not go unchallenged"

The LP seems confident that the Act will be scrapped. "How will it look if this government takes members of the future government to court," Transvaal LP leader Jac Rabie asked at the party's congress last weekend.

Ironically, the showdown between the LP and government can only help the LP to do well in the coming election — and that is certainly in government's interest.

If the Act is scrapped, however, there will also be nothing to stop the PFP putting up candidates in the brown elections. This is not likely to appeal to government.

METAL NEGOTIATIONS

Three dissidents

The mixed reaction from trade unions to the employers' offer in the metal industry wage negotiations (involving 380 000 work-

ers) for the forthcoming year was not unexpected. But it is bound to cause serious problems for the Steel and Engineering Industries Federation (Seifsa).

When the parties last met at the National Industrial Council for the Iron, Steel, Engineering and Metallurgical Industry on May 15, Seifsa made its final offer to the unions. They were given until last Thursday to respond. The Seifsa offer, which represented a 9% increase in minimum wages for skilled workers and a 13% increase for the lower levels, consisted of

- Minimum wages for artisans to be raised by 40c/hour to R4,81c,
- Minimum wages for unskilled workers to be raised by 20c/hour to R1,73,
- A reduction in the period of service enabling workers to qualify for an extra week's leave from six to five years;
- An increase in site workers' subsistence allowance, and
- Significant increases in holiday leave bonuses, particularly in respect of general labourers.

Most of the unions in the Confederation of Mining and Building Unions (CMBU) as well as the Yster and Staal Unie have accepted Seifsa's offer — despite the fact that it is considerably lower than the original wage demands for a 33% and 66% increase for the upper and lower levels respectively.

The SA Boilermakers' Society broke ranks with the other CMBU members to reject it, along with the Metal and Allied Workers' Union (Mawu) and the Steel Engineering and Allied Workers' Union (Seawu).

Both Boilermakers general secretary Ike van der Watt and Seawu general secretary Jane Hlongwane have called on Seifsa to make another offer. Mawu has indicated that it rejects the offer and will be reporting back to its members.

IMF council members

It is significant that these three unions are not only large, representing a substantial number of the workers total, but that all are members of the recently revived SA Co-ordinating Council of the International Metalworkers' Federation (IMF).

The revival of the SA council came too late for co-ordinated action in this year's negotiations and the council decided to allow its member unions to act on an individual basis. However, it is believed that union alignments will be radically restructured in future negotiations.

Seifsa director Sam van Coller declined to comment to the *FM* on the possible outcome of this year's talks. But it is likely that the Boilermakers, Mawu and Seawu will act together in confronting Seifsa.

Seifsa's strategy will be important in determining what form their action will take. It is clear that Van Coller faces a number of problems. If Seifsa goes ahead and publishes the agreement for the metal industry based on the consensus reached with the CMBU majority and Yster and Staal, the three dissident unions could challenge their

(140A) (138) (135) (136)
(150) for 1.6/84 (189)

right to sign a national agreement

Alternatively, the trio could decide not to challenge the agreement, which would not bind them, and instead join forces to demand higher pay from individual metal industry companies. If their demands are not met, they could declare disputes with the individual companies.

This would be in line with the tactics adopted by many emerging unions. Indeed, one of Mawu's preconditions for joining the metal industrial council last year was that it wanted to negotiate on both industry and company levels.

Seifsa could defuse the situation by deciding to table a new offer. This would, however, involve loss of face and could be taken as a sign of weakness.

THE WORLD AT A GLANCE

Apple wins suit

CUPERTINO (USA) — A copyright lawsuit by Apple Computer against two Texan companies, Allen Computer Corporation and Datamax, has been resolved in Apple's favour. A consent decree and final judgement against the companies were entered by the US District Court for the southern district of Texas. The companies have been prohibited from manufacturing and distributing unauthorised copies of Apple's copyrighted programs, including programs copied on to ROM (read only memory) chips and diskettes. They are also prohibited from selling computers which infringe on Apple's patents.

Sales boom forecast

NEW YORK — If forecasts by Integrated Circuit Engineering (ICE) prove correct, this year's world-wide semiconductor sales will increase an unprecedented 52% to US\$20,51-billion, compared to US\$13,52-billion in 1983. Though sales by US chip makers will increase 50% to US\$11,71-billion, the strongest growth

will be experienced by the Japanese with 57% to US\$6,95-billion. European manufacturers will sell 41% more chips, grossing them US\$1,48-billion. To meet the continuing huge demand, chip makers are expected to spend a record US\$5,33-billion this year on capital expenditures, compared to US\$3,32-billion in 1983. US manufacturers are outspending their Japanese competitors US\$2,7-billion to US\$2,63-billion. But the US investments represent a 66% increase over 1983, while the Japanese are spending 56% more.

Sony's high hopes

LOS ANGELES — Sony chairman Akio Morita has told a group of financial analysts here that he expects his firm to sell as much as half its annual semiconductor output on the open market to other firms. Currently only 5% of Sony's chips are sold to the outside world. But three years of declining profits on the one hand, and a booming semiconductor market on

the other has led to the dramatic shift in corporate tactics. Morita said that by selling its chips to the open market, Sony hopes to defray a major portion of the R&D costs that went into the design and manufacturing of its chips. He also said he expects Sony to earn US\$266-million this year, more than twice the amount it earned last year. The sharp increase is mostly due to the major improvements in consumer spending patterns in the USA, Japan and Europe.

Trilogy backpedals

SUNNYVALE (USA) — Due to yet another major setback in the development of its IBM compatible mainframe computer, Trilogy has been forced to push the shipping date of its computer back to at least early 1987. The announcement is casting serious doubts over Trilogy's ability to complete the development project. The company's original business plan called for the first shipments of the envisioned

computer to take place by 1985. But in January, technical problems with the 2½-inch super chips forced the firm to push that shipping date back to late 1985. Then, in March, Trilogy said the problems had been solved, but the shipping date was moved even further back to mid-1986. Now, Trilogy has announced it is reviewing its original product and business strategies. Among other things, it may start to market its chips to generate some revenues, even before it will ship the first mainframes.

Fujitsu contract

TOKYO — Fujitsu will OEM the PC/NOS network operating system under an agreement it has reached with its developer, Applied Intelligence. Under the terms of the agreement, Fujitsu will distribute PC/NOS for use with its Micro 16s personal business computer. The contract will generate an estimated US\$2-million in royalty revenues for Applied Intelligence. Fujitsu said it will begin shipping the Micro 16s with PC/NOS to the USA during the fourth quarter.

KG/BH

PCjr fails to live up to expectations

NEW YORK — While IBM is maintaining its Kremlin-style silence, it is becoming increasingly clear that the PCjr is in serious trouble, and drastic action may be needed to get sales of the system going.

According to market research firms, only 20,000 to 25,000 PCjrs have been sold in the first three months of shipment, a fraction of earlier first year sales forecasts such as by Future Computing in Texas of around 500,000 units.

At the current pace, IBM will be lucky to sell 100,000 units this year. Also, prices of the PCjr have fallen to \$550 at some stores, which is getting close to the price of a comparable Commodore 64 system.

Shipments of the machine were near target during the first three months, mostly due to early purchase commitments. But the order rate has slowed down to a trickle, as most dealers have a four-month supply.

"Of all the dealers I have talked to, most everyone has cancelled all future PCjr orders," said Rod Crisp, vice-president of marketing for Rapport,

which makes a US\$700 add-on board that turns a PCjr into a PC.

Dataquest analyst Peter Teige added that the dark cloud hanging over the PCjr could doom it for life, regardless of what IBM does to enhance the system.

Rumours have it that IBM may soon introduce a more professional keyboard to replace the current one, which has keys too small for accurate touch typing.

In the business market, particularly, the PCjr has failed completely. Analysts and trade press are beginning to compare it to the Apple III, which had to be taken off the market because of technical problems. When re-introduced, however, the negative first impression continued to haunt the system of which no more than about 120,000 units have been sold.

Of course all the bad news about the PCjr is tarnishing IBM's reputation of a marketing outfit which has no peers.

"It used to be said that IBM could sell anything. Now we're learning that they too can make a mistake," said Crisp.

ANA/KG/BH

ICL in network plan

LONDON — ICL and American Telephone and Telegraph (AT&T) have announced their intention to co-operate in the deployment of ICL's value-added network in the UK, based on international open systems standards.

The project calls for AT&T International, the overseas marketing unit of AT&T, to supply ICL with packet switches, protocol processors and an international gateway to Net

1000 in the USA.

ICL plans to use the network to support a range of customers, including members of the Article Number Association (ANA), who have chosen ICL to provide network services.

ICL's network will operate to standards based on the internationally agreed open systems interconnection model, which gives customers freedom to select equipment produced by any computer manufac-

turer who supports its standards. Net 1000 is AT&T's US implementation of OSI model.

"We look forward to working with ICL," said James Olson, vice-chairman of AT&T, at a meeting in London with Sir Michael Edwardes, ICL chairman.

"ICL and AT&T believe the introduction of this network will provide additional impetus to OSI acceptance," said Sir Michael.

KG/BH

'Chips' are up



James Weindl, (above) director of Stanford University, which is about to open a new research centre for the "giga-integration" of semiconductors and other systems. Weindl hopes that within the next 10 to 15 years the centre will have developed techniques that will make it possible to commercially fabricate memory chips with a capability of storing one billion bytes of information — 1,000 times as much data as experimental one Mbyte chips developed by IBM and several Japanese semiconductor houses are capable of storing.

KG/BH

IBM moves in on PC software marketplace

IBM has lit another small blaze of competition in its efforts to single-handedly surround the whole of the computer industry.

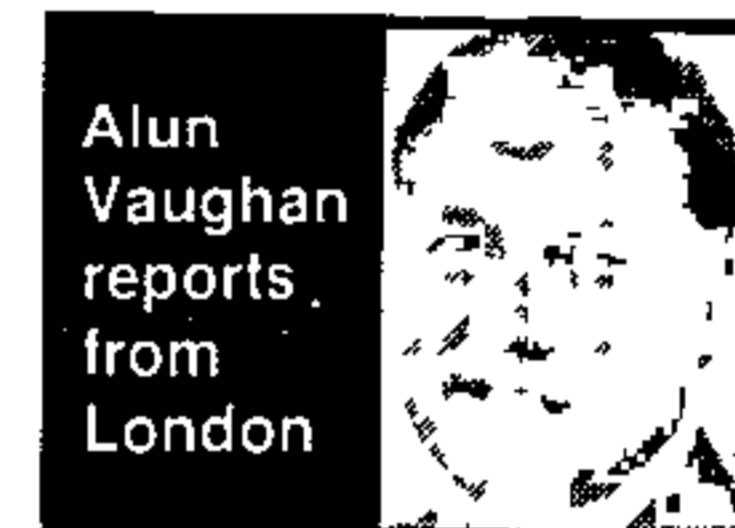
This time the flame is under software for the personal range in the form of a portfolio of the most commonly used applications, and all priced at US\$150 or less.

The packages will run on all personal models from the PCjr to the XT, provided they have at least 128 Kbytes of memory and a double-sided floppy disk.

The portfolio includes the Writing Assistant word-processing package with built-in spelling checker (US\$150), Filing Assistant (US\$150), Reporting Assistant (US\$130), Graphing Assistant (US\$150) — which can draw down data from the filing and reporting packages — and a Planning Assistant spreadsheet (US\$150) which will be available in January 1985 and will be free to buyers who take any two assistant packages and a PC version of either VisiCalc or Multipless.

That barefaced dismissal of the competition's spreadsheets is going to hurt every spreadsheet vendor in the micro market. It's rather like threatening to open a hamburger hut next to a Wimpey and promising to provide the real thing to anyone who has had to put up with less than the real thing. In addition the Planning Assistant will handle data from the other Assistant Programs.

The announcement from IBM also includes three proforma programs designed to facilitate the building of files with ready-made templates for



use with Filing Assistant.

Assistant Home Solutions (US\$60) provides for addresses, home finance stocks, birthdays and so on. Executive Solutions (US\$60) provides diskette library creation, cheque accounting and stock portfolio management, and Accounting Solutions (US\$80) is for small companies to create their own payroll, invoicing, general ledger and personal files.

That, without benefit of spreadsheet, adds up to US\$930 for which many users will get practically all they will need for their personal and small company needs. And, all they need to require more storage, more speed, more processing power, more IBM.

IBM, already 10 times the size of its nearest rivals in hardware and non-micro software, could be in a similar commanding position over micro software in about five years.

But it would be wrong to suggest that IBM isn't responsive to the marketplace. In a move not entirely unassociated with poor sales it has cut the US dealer price of the PCjr by what is believed to be US\$300. The move is interpreted as enabling the dealers to clear their stocks on the grounds that a better version is needed.

Meanwhile the integrated program creating the most excitement among people who have had an opportunity to use it is the new framework integrated office package from Ashton Tate.

Applications are a word database management system, spreadsheets, graphics, program editor windows, a program allowing user-written PC-1 programs, and a system management program called Outline which keeps track of the files, much like a continuously updated contents page.

All 140 commands are entered either via function keys or cursor alignment with items in the menus, and all the commands can be accessed from any of the operating modes.

Word processor commands such as italics, underline, delete and so forth can thus be used in the database, spreadsheet or graphics modes, and the function keys retain the same function no matter what the mode in use.

Different modes — such as database and graphics — can be included in the same file, and may be linked to corresponding change in a bar chart.

The IBM PC version will be available on 2 July. Versions for MS-DOS and CP/M-86 are due for release before the end of September, and versions for DEC professional Apple Macintosh, and Unix machines are being considered — but as framework is partly written in C, with the rest of the code in Assembler, Unix versions seem likely.

Support for mouse cursors and the addition of communications facilities are also under consideration — in the initial release, the PC-DOS window may be used to create communications routines.

AV/BH

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(189) Computer Week 4/6/84

An examination in BASIC programming is to be run for the first time by the CUC (Computer Users Council) in August together with its established Cope and Cobol exams.

Registrations for the exams, which will be held on 20 to 22 August, have opened. The closing date is 20 July.

A registration form for these exams and the subject modules which are also being offered can be found in this issue of ComputerWeek.

The format of the BASIC exam is similar to the Cobol exam and is aimed at the professional BASIC programmer. The theory exam will last two hours and the practical

Exam in BASIC is set for August

exam seven hours

"The module is intended to provide the student with entry level knowledge of the BASIC programming language," said Norman Adams, executive director of the CUC.

Upon completion of the module, the student should be able to interpret program specifications, develop a structured solution for a specifica-

tion provide a programmed solution for a specification in BASIC and test a program.

The syllabus is based on the Microsoft implementation of BASIC which is widely available on microcomputers and includes MBASIC, BASIC-80 and BASICA and which is an extension of the ANS (American National Standard) minimal BASIC specification.

The CUC exams will be held in Johannesburg, Cape Town, Port Elizabeth, Pretoria, Durban and Welkom.

For further details contact the CUC, PO Box 26145, Arcadia 0007, or telephone (012) 44-2381 -

AD/BH

BEA takes tough stance on unions

Union representation in the business equipment industry does not exist, and the BEA (Business Equipment Association) is doing nothing to formulate a positive policy as regards unions.

Although it has an official line of "neither encouraging nor discouraging" the formation of trade unions, the BEA is also determined that no union outside the industry will be recognised.

"We will resist the attempts of outside unions to encroach on this industry," said Les Wood, executive director of the BEA.

"If unionism is to take place, it must be an indigenous

union. Our stance is to reject any union from outside the industry."

However, no unions are present in the business equipment industry.

"There is a lot of outside union activity going on and some of them get a little over-eager. We don't want any foreign employment practises in what has been a very peaceful industry up to now," Wood told ComputerWeek.

He said that there is not much likelihood of an indigenous union being formed, but "it is more likely that a strong outside union will try to get in."

The BEA recently received a report from one of its members of an approach by a black trade union in Pretoria claiming representation of more than 50% of the member's black employees.

The union requested discussion with the employer on matters such as recognition of the union election of shop stewards and stop-order facilities for trade union dues.

"But we have managed to deter the union concerned," said Wood.

KG/BH

KG/BH

Upgrade of Lisa systems

Computer will present Lisa owners upgrade of their the advanced featured in the

is part of the micro family includes are three Lisa 2, the Lisa 2/10 upgrade,

which can be performed by authorised Lisa dealers in less than 30 minutes, gives the user the benefit of the higher speed 3 1/4 inch disk drive in place of the 5 1/4 inch. This technology enables Macintosh software to be run by all the 32 Supermicro family.

"When people buy Apple computers, they must be assured that the value of their investment will be

protected," said Angus Anderson, managing director of Base 2, the sole distributors of Apple in South Africa.

"With the upgrade, current Lisa owners will be given the same advanced disk storage technology found in Apple's newest family of products," he added.

"As a result they'll be able to take advantage of

the numerous new software storage packages being written for the Macintosh as well as the Lisa."

Apple 32 Supermicros are based on the Lisa technology — a 32-bit microprocessor with high resolution graphics and a "mouse" pointing device.

The basic Lisa 2, which will emulate a 512k Macintosh, is expandable to a Lisa 2/5 or 2/10. All three models run Macintosh software in addition to the powerful software written especially for Lisa.

An upgrade which offers the additional hard disk storage capacity of the Lisa 2/10 will also be available next month. This conversion provides customers with a built-in 10 Mbyte hard disk.

The Apple 32 Supermicros embrace the new 3 1/4 inch microdisk technology which features high-speed high-capacity disks that are said to be both compact and reliable. Each disk provides 400 kbytes of storage.



Professor Wynand Mouton (left), rector of the University of the Orange Free State, Roux Marnitz, managing director of Persetel, and Johan van Loggerberg (right), director of the university's computer centre, pictured at a presentation where Persetel donated 36 terminals and other computer equipment worth about R120 000 to the university.

In-house training services

An in-house training service has been introduced by a Durban microcomputer dealer in response to a shortage of machines, assistance and time to train executives in large corporations.

As part of their R100 000 expansion programme, Computer Concepts has employed top training personnel so that new software packages can be demonstrated and executives can reduce their learning time.

Included in the expansion plans are new workshop facilities, as well as an extended consulting service.

"We will offer a comprehensive consultation service, with general business consultancy, database, and customised programming services using the latest fourth generation languages," said Computer Concepts director Des Ramsay.

"Micros are still generally scarce resources in large corporations, and they are not vacant long enough for senior executives to teach themselves what there is to know.

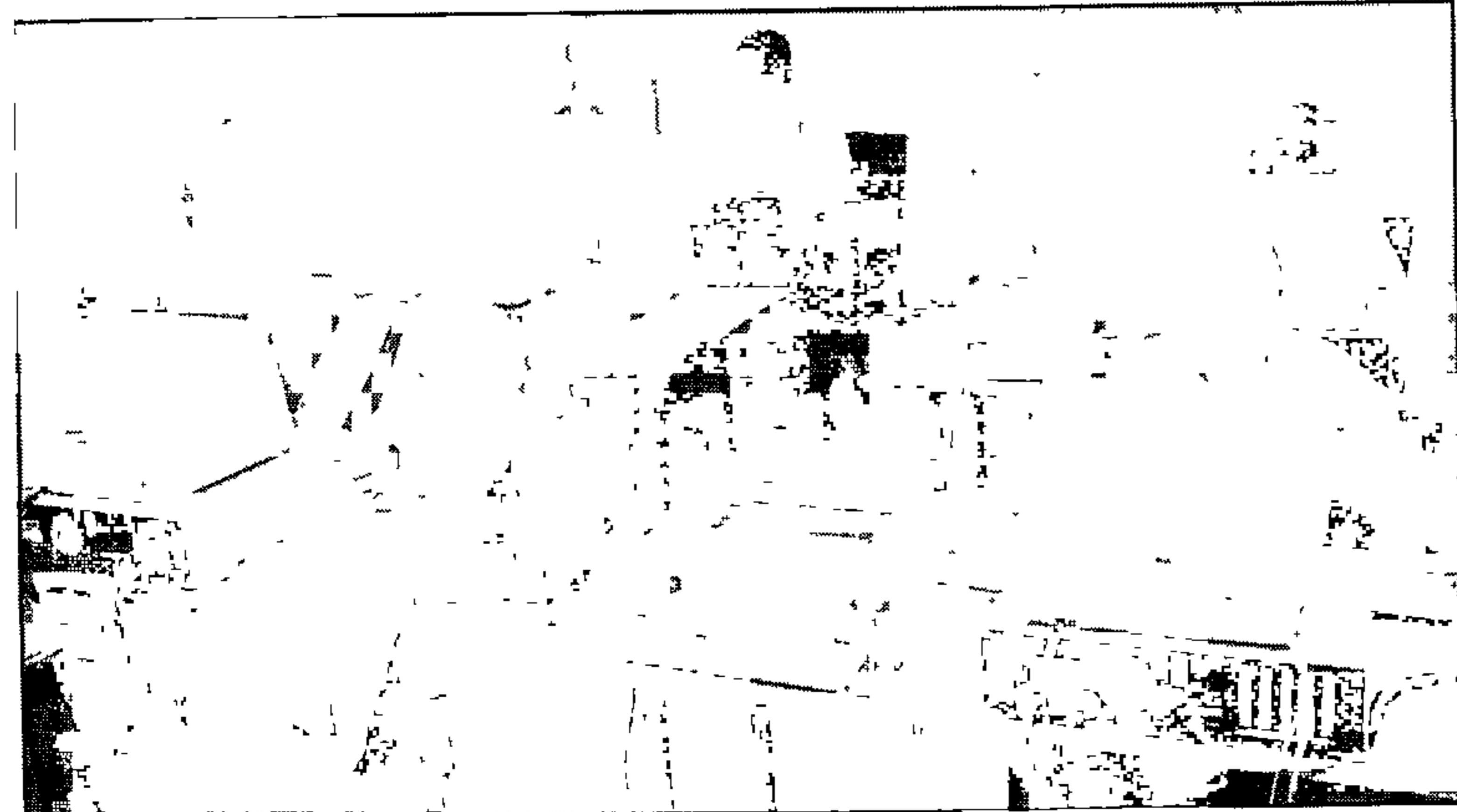
"Besides, these people often cannot set aside eight solid hours in which to

learn, and if not encouraged, their their interest may flag," he said.

"Their computer-orientated colleagues don't have the time to teach them, so they are learning too slowly and on an interrupted basis.

"If, however, they come to us and learn in our new training centre where there is one machine per delegate and where they are away from constant office interruptions, it brings down their learning time and makes them productive that much faster."

AD/BH



Violet Venter, head of Computer Concepts' training division, clarifies a problem for one of the executives at a recent training course.

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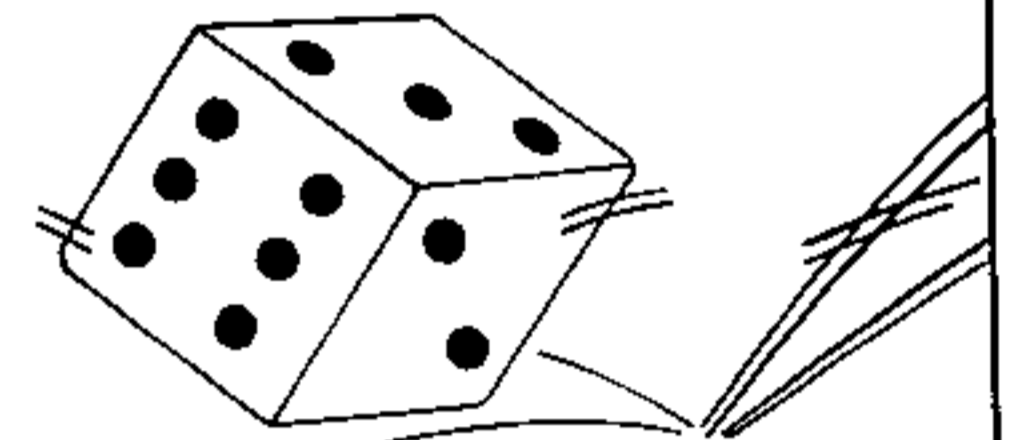
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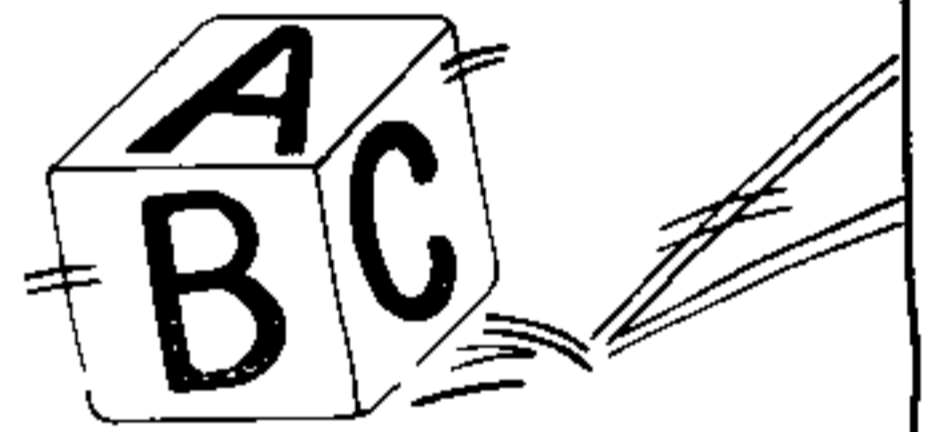
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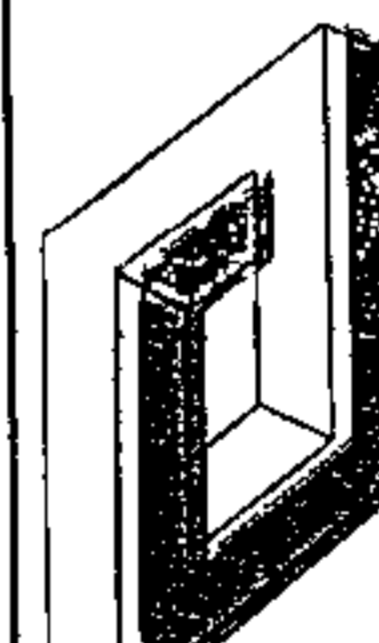


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TRAINING PLANNER - 1984

| COURSE TITLE | DATES | COURSE TITLE | DATES |
|-----------------------------------|-------------------------|-----------------------------------|-------------------------|
| Systems Analysis Workshop | Feb 12-17 Rustenburg | Manufacturing Systems Workshop | Feb 5-10 Rustenburg |
| | May 6-11 Rustenburg | | Sept 2-7 Rustenburg |
| | Aug 12-17 Rustenburg | | Nov 25-30 Rustenburg |
| | Nov 11-16 Rustenburg | | |
| | | A Manager's Guide To Computers | March 26-30 Mipark Jhb |
| | | | Aug 27-31 Mipark Jhb |
| | | | Nov 19-23 Mipark Jhb |
| Systems Design Workshop | Feb 19-24 Rustenburg | | |
| | May 13-18 Rustenburg | | |
| | Aug 19-24 Rustenburg | | |
| | Nov 18-23 Rustenburg | | |
| | | Protecting Against Computer Abuse | Feb 29-Mar 2 Mipark Jhb |
| | | | Aug 8-10 Mipark Jhb |
| | | | Oct 1-3 Mipark Jhb |
| Managing D P Projects Effectively | March 4-9 Rustenburg | | |
| | Aug 19-24 Rustenburg | | |
| | Oct 28-Nov 2 Rustenburg | | |
| | | Financial Systems Workshop | Sept 9-14 Rustenburg |
| | | | Oct 21-26 Rustenburg |

These courses have been scheduled to allow delegates to attend both the Systems Analysis and Systems Design courses in two consecutive weeks.

PDM 5/16/84

Seifsa rejects pay talks plea

By PHILLIP VAN NIEKERK

THE Steel and Engineering Industries Federation of South Africa (Seifsa) has turned down a plea by leading metal unions to reopen wage negotiations for this year's industrial council agreement.

The Seifsa decision — which would mean that unskilled and semi-skilled workers would be bound by an agreement between Seifsa and unions representing skilled workers — has been greeted with disappointment and some anger by the three unions who have rejected Seifsa's pay offer.

The unions — the Metal and Allied Workers' Union (Mawu), the Steel, Engineering and Allied Workers' Union (Seawu) and the SA Boilermakers Society (Sabs) — represent the bulk of semi-skilled and unskilled unionised workers in the industry, though Sabs also represents some skilled workers.

All three unions are party

to the local co-ordinating committee of the International Metal Workers' Federation (IMF) and it is understood they will be meeting soon to formulate a common response to the employers' position.

However, the meeting is unlikely to take place this week as several leading union figures are in Dublin attending the IMF's annual congress, where the South African issue is sure to appear on the agenda.

Seifsa appears set to sign the agreement — which amounts to a 40c an hour across the board increase for artisans and 20c an hour across the board for unskilled workers — with the artisan unions, who have agreed to settle.

Mawu rejected Seifsa's final offer outright, while Seawu and Sabs refused to accept the offer and called on Seifsa to return to the bargaining table to reopen negotiations.

Sowetan (1984)

200 Naawu workers strike

June 1984

ABOUT 200 workers at Precision Castings in Pretoria yesterday downed tools, demanding that management recognise the National Automobile and Allied Workers' Union (Naawu).

The union's organiser, Mr R Msiza, said management had refused to talk to the

**SOWETAN
Reporter**

union after they had presented them with a draft of the union's constitution.

"We feel very bad about the attitude of management because we were aiming at wage negotiations with them

soon," he said.

The workers have demanded that management should talk to their leaders. All attempts were fruitless and they decided to take strike action.

The company's managing director, Mr C A Struwe, said he had no comment

Unionists press demands at AGM

By PHILLIP VAN NIEKERK

SHAREHOLDERS of the local subsidiary of a large British multinational were astonished yesterday when two representatives of the Metal and Allied Workers' Union (Mawu) attended their annual general meeting after having bought 100 shares in the company.

The Mawu representatives attended the annual meeting of BTR South Africa to protest against wages paid at a Howick plant, BTR Sarmcol, and to inform shareholders of a wage dispute at the plant.

The representatives — a union organiser and the union's lawyer — handed out pamphlets to shareholders and submitted a lengthy question to the board of directors which set out the reasons behind their wage demands.

This form of action is unique in South Africa but labour observers agree it could develop increasingly into a union tactic to put pressure on employers.

Mawu declared itself in dispute with the company two weeks ago when wage talks broke down with the company offering a

10,8% increase from R1,43 an hour to R1,60 an hour.

In their pamphlet to the BTR shareholders, Mawu asked the shareholders whether they were able to justify the level of wages at the company and called on the meeting to use its influence to break the deadlock by calling on the company to resume negotiations.

They said BTR pay rates were far below the accepted minimum standard of living levels though it was a British company covered by the EEC code which required firms to pay 50% above the minimum levels.

Mr Peter Fatharly, the chairman and managing director of BTR South Africa and chairman of British Tyre and Rubber (Eastern Region), said that Mawu's share purchase certificate and their proxy had not been registered.

"We explained they could not participate in the meeting," said Mr Fatharly, "but we invited them to stay as guests. At the end of the meeting they asked their question and put forward some well-presented points of view."

"They struck me as nice chaps and they were polite and behaved very well."

f m 8/11/84
METAL INDUSTRY TALKS

Conflict ahead

The Steel and Engineering Industries Federation of SA (Seifsa) may have paved the way for unrest in the metal industry. It has announced that it is no longer prepared to negotiate with three trade unions which rejected its pay offer in this year's negotiations.

Seifsa's final offer in the drawn-out talks at the metal industry industrial council was a minimum 40c/hour increase for skilled workers and 20c/hour for unskilled workers, as well as improvements in site workers' allowances and holiday leave bonuses. Two weeks ago most of the 14 unions involved in the negotiations — including all but one of the unions falling under the umbrella of the Confederation of Mining and Building Unions (CMBU) and the Yster and Staal Unie — accepted Seifsa's offer.

But three member unions of the SA Coordinating Council of the International Metalworkers' Federation — the SA Boilermakers' Society (also a CMBU member), the Metal and Allied Workers' Union (Mawu) and the Steel, Engineering and Allied Workers' Union (Seawu) — rejected it. The Boilermakers and Seawu called on Seifsa to make another offer. Mawu stated that it rejected the offer and would refer the issue back to its members.

Now that Seifsa has rejected this call the indications are that when the industrial council meets next week it may decide to go ahead and ask the Minister of Manpower to publish the 1984 agreement and apply to have it extended to non-parties.

The Metalworkers' Federation unions' reaction to Seifsa's action has been delayed as several key officials are attending a federation conference in Dublin.

It seems that confrontation will be inevitable when the federation unions finally formulate their response. It is also likely that the International Metalworkers' Federation itself, which has in the past intervened in SA labour disputes, will be drawn into the fracas.

Unions want to negotiate pay rises outside Seifsa

By PHILLIP VAN NIEKERK
THE South African Boilermakers Society, Sabs, yesterday appealed to the Steel and Engineering Industries Federation of South Africa, Seifsa, to allow individual employers to negotiate wages above the Metal Industrial Council's minimum rates

Sabs is one of the three unions party to the council, which did not initially accept Seifsa's pay offer

They have made this proposal on the last lap of this year's pay talks which could see up to three leading unions not signing the agreement

Seifsa — which has long

opposed wage bargaining outside the Metal Industrial Council — will respond when the council's executive committee meets on Tuesday

The unions which rejected Seifsa's offer of a 20c across-the-board increase for unskilled workers were Sabs, the Metal and Allied Workers' Union, Mawu, and the Steel, Engineering and Allied Workers' Union, Seawu

Their demand that Seifsa reopen talks was turned down last week

Seifsa's determination to sign the agreement — which will cover some 380 000 skilled, semi-skilled and unskilled workers — with

unions who only represent skilled workers has caused anger among the unions representing unskilled workers

However, informed sources said yesterday that one of these unions — Seawu, an affiliate of the Council of Unions of South Africa, Cusa — was prepared to settle with Seifsa and sign the agreement

Miss Jane Hlongwane, the general secretary of Seawu, refused to confirm or deny these reports yesterday. She said the union had a mandate which would only be revealed after the executive committee meeting on Tuesday

1471
8/16/84

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8/6/84

189

Promoting electronics — no easy task

THE fast-growing electronics sector is an obvious candidate in the Government's efforts to stimulate an ailing economy.

The sector is, however, unusual in many ways and won't not be an easy one to tame.

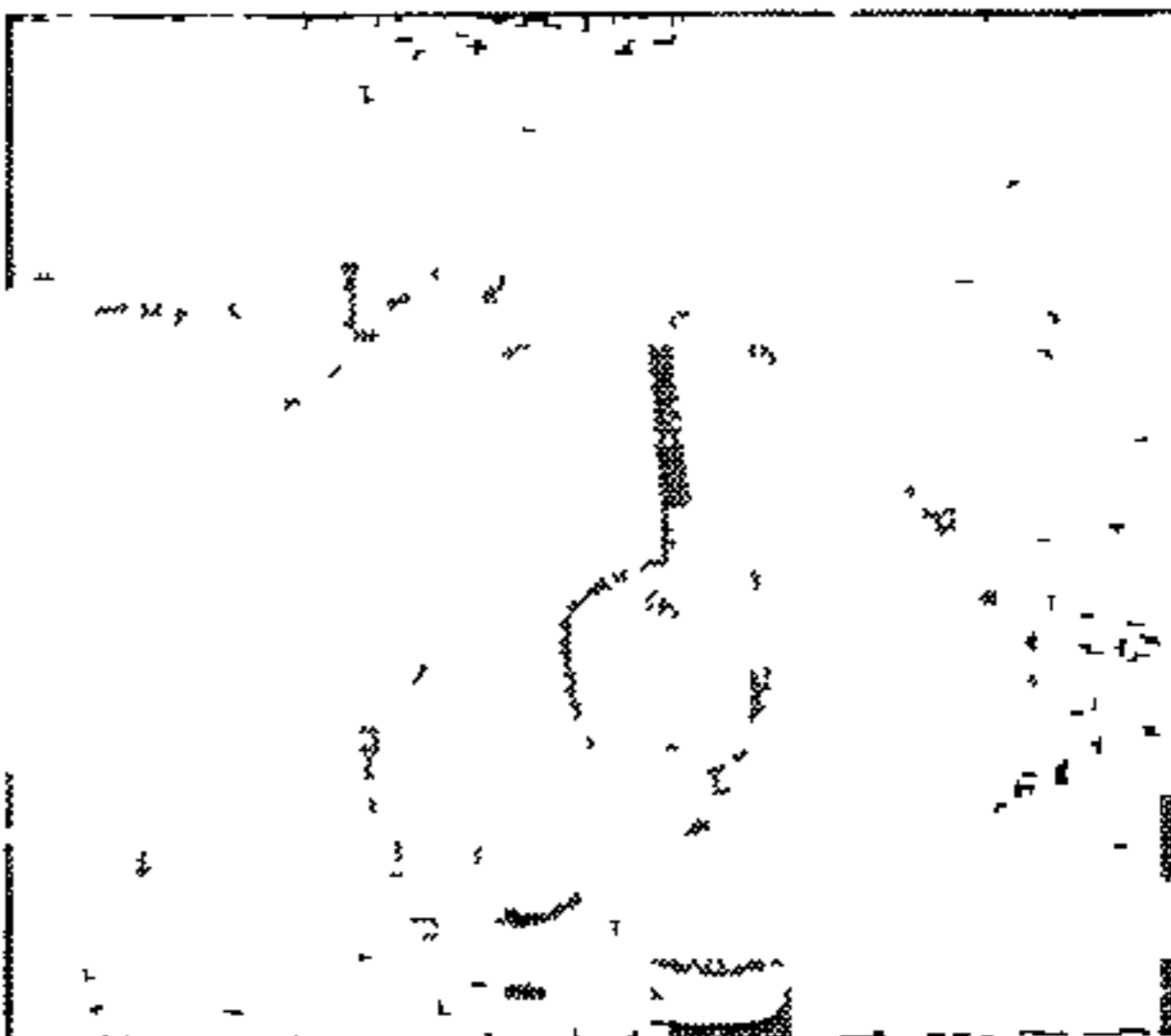
The Government's new-found support for the industry will have to take into account the small size of the South African market. Many of the areas of the electronics industry responsible for its 30%-plus growth rate developed out of huge and highly competitive markets uncharacteristic of South Africa.

State assistance will need to be highly selective so that only the industries which can be viable on world markets are nurtured.

The Minister of Industries, Dr Dawie de Villiers, says the Government's electronics strategy is two-pronged. The mobilisation of State buying power to increase the local content of electronic products (of which the Government is the single largest consumer) and to provide State aid for the design of electronic systems.

Dr De Villiers, said recently the Cabinet had appointed a special committee to carry out Government strategy. Under the chairmanship of Mr Carel van der Merwe of the Industrial Development Corporation (IDC), senior representatives of the CSIR, Sats, the SABIC, the Department of Posts and Telecommunications, Armscor, Escorn and Nucor have been appointed to the committee.

While disappointment has been expressed that somebody from the private sector has not been appointed to the committee, Mr Ken Maud, the deputy chief executive of Altech, says this does not mean that such appointments will not be considered in the future. "When deemed appropriate by the Minister or assignments such as ours will



MR DOUG EYRE Government showing foresight

become more directly involved at committee level."

Mr Tieme Steyn, the chief executive of Grinaker Electronics Holdings, says "In principle, we are pleased with the Government's announcement, but as yet it is rather vague.

"However it is most encouraging that the Minister has recognised the importance of the electronics industry, which is one of the fastest-growing of all industrial sectors. It is worth about R250bn worldwide, a figure that is expected to increase to R1 000bn by the end of the decade.

"Even if South Africa captures a very small part of this market, the income will be substantial."

Mr Doug Eyre, chief executive of the Reunert Information Systems computer group — Barlow Data — is particularly enthusiastic about the new strategy. "We have been saying for years we need more tangible help and it is encouraging that the Government has had the foresight to recognise the narrowness on which the economy is based. The electronics industry would be a very viable alternative.

"There were good intentions be-

The Government intends promoting the electronics industry and a committee is considering proposals

Reaction has been favourable although Pretoria has not made clear how it plans to stimulate the sector. Opinions on what should be done vary. MIKE JENSEN reports on industry attitudes

hind local-content programmes and many products have reached 80%, but manufacturers have suffered the disadvantage of more expensive basic components and poorer economies of scale.

"So with Government coffers being very tight, the departments have been able to justify going outside the country for considerably cheaper products and this has hindered the development of the local industry. Hopefully there will now be a stronger commitment to local buying."

Mr Ceas Roon, president of the Computer Users' Council, says there should be better co-ordination of policy between Government departments.

Although the Government has yet to clarify its thinking, it apparently hopes to reduce dependence on imports of electronic equipment with strategic value and stimulate the manufacture of products with export potential.

Speaking at the Workstyle 84 exhibition in Cape Town in February, Dr De Villiers said "It is natural to reduce dependence on foreign research and products, especially in the field of electronics. Local man-



DR DAWIE DE VILLIERS natural to reduce dependence

facture must be developed on a selective basis."

Consumer electronics is unlikely to be an area of Government emphasis, says the managing director of Barlows Manufacturing, Mr Owen Dinsdale.

"Judging by the composition of the committee it appears that the strategy will be more related to defence and industrial electronics."

Total electronics spending in South Africa is between R2,5bn and R3bn, with professional electronics — as opposed to consumer electronics — estimated at about R400m. Mr Dinsdale believes a local manufacturing base in the consumer area is viable, but not the development of new products for export.

"We could not compete with Korea or Taiwan with their totally free labour situation and very low safety requirements."

Concern has been expressed by some members of the industry that although the use of import protection would promote the development of a local electronics capability, it would cause the sector to develop in isolation from technological advances internationally. Mr Roon is especially worried

that this might happen in the computer industry.

"While we would like to see the local manufacture of computers, there are factors which rule against such a possibility. The idea of going so far as to set up a facility for the manufacture of integrated circuits is absurd."

One of the major barriers to the establishment of a viable industry is the shortage of skilled labour.

Professor Louis van Biljon, the head of Pretoria University's electronics department, believes there are fewer than 1 000 electronics engineers in South Africa. At least twice as many are needed at the moment.

Members of the industry are unhappy over the Government's recent reduction in training allowances and its restriction to those earning less than R15 000 a year.

Mr Roon says the manpower requirements in terms of highly specialised electronic engineers, systems software engineers is such that all our universities combined would not be able to produce the numbers of skilled people required.

He says experts are leaving the country because they cannot work on projects of international merit.

"How can we motivate such highly skilled people to stay in South Africa if we cannot offer them the same challenges as their counterparts in Japan, the US, Europe without asking taxpayers to fork out another R100m at least for research work?"

"Computer technology is moving so fast that it is necessary to have a continuous research effort, either paid for by high-volume sales or massive subsidies.

"High volume sales of locally made computer products are not possible because our usage is too small. If we tried to export, we would have to compete with the massive production capabilities of Japan."

ROM 11/6/84 □ □ □ ~~200~~ (189)
PAY talks in both the metal and mining industries ground on last week, and at this stage there is still no sign of whether the respective union and employer groups are going to settle or go into dispute

There is also some confusion After a dispute between the National Union of Mineworkers and the Chamber of Mines over the goldmining talks appeared imminent, it now seems everything is back on an even keel and there could well be a settlement when they next meet on June 18

And even if a dispute is declared the gap is likely to be much smaller than expected While Mr Cyril Ramaphosa, general secretary of the NUM, said the special conference convened in Klerksdorp last week was not to obtain a new mandate for the talks, the NUM negotiating team in fact came back with a new mandate

Observers were further confused on Monday night when the Chamber announced that the NUM had declared a dispute with them over the coalmining pay talks Only later did the NUM clarify the situation by saying they had not declared a dispute over pay but over the Chamber's alleged failure to bargain in good faith

On the metal front, a bid co-ordinated by the local committee of the International Metalworkers' Federation (IMF) to get unions on the metal industrial council to formulate a common response to Seifsa's final pay offer appears to have failed

The Steel, Engineering and Allied Workers' Union (Seawu) did not show up for the IMF meeting and talk last week was that they were preparing to settle with Seifsa and sign the agreement

KDM 11/6/84 □ □ □ (189) ~~11/6/84~~
WHAT could be a new precedent was set last week when Metal and Allied Workers Union (Mawu) representatives attended the annual meeting of the local holding company of the multinational British Tyre and Rubber company

The Mawu representatives, who had bought 100 shares in the company, informed shareholders of their wage dispute with a Howick subsidiary, BTR Sarmcol, and put forward reasons why their members deserved a larger increase than was being offered

The action was followed up the next day by a march by Mawu members at the plant to the company's office where they handed over a petition setting out their wage demands

Attending shareholders meetings to put pressure on employers is an almost unprecedented tactic for unionists in SA though in other Western countries it is quite common. The Southern African Society of Journalists also attends employers' annual meetings to ask pertinent questions

Sarmcol has been in the news before for a "first" It was the first company to charge a union with an "unfair labour practice" case for refusing to bargain in good faith, though this was later withdrawn

From 189 ~~1100~~ June 1984

Wage dispute leads to demands

Mail Reporter

HUNDREDS of Metal and Allied Workers Union members at BTR Sarmcol in Howick marched on the company's offices yesterday where shop stewards presented management with petitions calling on them to reopen wage negotiations, a Mawu statement said last night

The action was a follow-up to the attendance of two Mawu representatives at the AGM of BTR South Africa on Wednesday, to inform shareholders of the wage dispute at Sarmcol

The Mawu representatives told the meeting that the company's proposed wage increase was 27% below the household effective level, that company profits were substantial and that wages for other workers doing the same job were at least 25% higher

In addition, about 1000 workers had been retrenched without compensation

Yesterday's statement said the company had agreed to reopen wage negotiations

- (1) Whether he recently made an offer to certain Western powers in regard to the take-over of the administration of South West Africa, if so, (a) when, (b) where, (c) to which powers and (d) what is the purport of the offer,
- (2) whether he consulted any persons and/or bodies before making the offer; if so, (a) whom and/or which bodies and (b) what was the response of these persons and/or bodies,
- (3) whether he will make a statement on the matter?

†The ACTING PRIME MINISTER

(1) The hon member is referred to the statement by The Honourable the Prime Minister on 31 January 1984 in this House in connection with South West Africa. The Government's standpoint is reflected in this statement. This standpoint has been conveyed to all governments concerned

(2) and (3) Fall away

†Mr F J LE ROUX Mr Speaker, arising out of the hon the Acting Prime Minister's reply, I do not think the hon the Prime Minister said at the beginning of the year that South West Africa would be offered to one of the five Western powers. That is what the question is about

†The ACTING PRIME MINISTER. Mr Speaker, I again want to refer the hon member to the statement made by the hon the Prime Minister in this House on 31 January 1984. He must just read it carefully

†Mr T LANGLEY Mr Speaker, further arising out of the hon the Acting Prime Minister's reply, I just want to draw his attention to paragraph 2 of the question, in which it is asked whether the hon the Prime Minister consulted any persons and/or bodies before making the offer, and also who and which bodies were consulted and what the response of those persons and/or bodies was. The hon the Acting Prime Minister did not reply to that question. This is a very serious question, but the hon the Acting Prime Minister

is just sitting there with a big smile on his face [Interjections]

†The ACTING PRIME MINISTER Mr Speaker, I admit that it is a very important question and the reply of the Acting Prime Minister is just as important [Interjections] I also refer that hon member to the statement made by the hon the Prime Minister in this House on 31 January 1984 [Interjections]

Ministers
Stockenström
13/6/84
* Mr E. K. MOORCROFT asked the Minister of Internal Affairs

(1) Whether a request has been made to his Department by the Coloured community of Stockenström for alternative land in lieu of land being expropriated from them, if so, what was the response of his Department,

(2) Whether his Department accepts the responsibility for moving this community, if not, (a) why not and (b) whose responsibility is it?

The DEPUTY MINISTER OF INTERNAL AFFAIRS

(1) Representations in connection with alternative land were submitted to the Department of Internal Affairs by the Rev J M Maart of the Dutch Reform Mission Church of Stockenström. The representations dealt with the resettlement of the congregation and it was indicated that the congregation is interested in land near Port Elizabeth or Humansdorp. I myself have received representations from

- the national Secretary of the Freedom Party of South Africa, in which it was requested that the Kat River area be declared a Coloured settlement,
- the leader of the Labour Party of South Africa, for the retention of

the Kat River area for the Coloureds, and

— Mr D F N Bailey, who requested on behalf of the Kat River Coloured community that the valuation of properties by the Department of Co-operation and Development be discontinued until I have met a delegation of the community, unless I could give the assurance that I could offer to the respective church congregations alternative land surrounding their churches elsewhere

On 24 October 1983 I wrote to all the abovementioned persons and bodies and suggested that they liaise among themselves in order to form a delegation to meet with me. I offered to travel to Port Elizabeth, East London or even Queenstown for such a meeting and requested that a few dates be submitted to me. Up to now I have received no reaction to my suggestions

(2) (a) No, the Department of Internal Affairs is not involved with the resettlement of communities, but can, where it appears necessary, offer assistance to resettled persons under its welfare and farmers' assistance schemes

(b) I wish to refer the honourable member to the reply of the hon the Minister of Community Development to Question No 21 on 25 May 1984 in which the hon Minister indicated that the matter was being investigated

Technikons; salaries
13/6/84
Q. 601. 1585
Mr P G SOAL asked the Minister of National Education

(1) Whether, with reference to his reply to Question No 1 on 1 June 1983, salary parity has as yet been achieved at technikons in respect of male and female staff members on post levels one and two, if not, why not.

(2) whether any steps have been taken to rectify the matter, if not, why not, if so, what steps?

†The MINISTER OF EDUCATION AND TRAINING (for the Minister of National Education)

(1) and (2) The position as set out in my reply to Question No 1 of 1 June 1983 remains unchanged. Further phasing in of salary parity for fully qualified educators including parity between the salary scales for males and females at post level two which is the lowest level of teaching staff posts at technikons, is now under consideration, and an announcement will be made in the near future

Mr A SAVAGE asked the Minister of Industries, Commerce and Tourism
13/6/84
Q. 601. 1586
Tariff protection

(1) Whether the Government is moving away from import control in favour of tariff protection, if so,

(2) whether any provision or exception has been made in regard to goods manufactured in Zimbabwe, if so, (a) what provision or exception and (b) why?

The DEPUTY MINISTER OF INDUSTRIES, COMMERCE AND TOURISM

(1) Yes

(2) The provisions of the Trade Agreement of 1964 between South Africa and the then Southern Rhodesia (now Zimbabwe) apply. Article 12 of that agreement provides, amongst others, that with limited exceptions quantitative import restrictions shall not be imposed upon the movement between South Africa and Zimbabwe of goods produced in the two countries

(a) and (b) In terms of the agreement import restrictions may under certain circumstances be imposed on goods produced in

South Africa as well as in Zimbabwe and if the hon member is interested in particular products he is at liberty to submit a written question indicating those products, when it will be possible to furnish him with a more specific reply

Rolled steel products

*4 Mr A SAVAGE asked the Minister of Industries, Commerce and Tourism

- (1) Whether Iscor has submitted an application to the Board of Trade and Industries on rolled steel products, if so,
- (2) whether Zimbabwean goods or products are referred to or included in the application, if so, (a) why and (b) in what manner,
- (3) whether, in respect of trade between the Republic and Zimbabwe, (a) the balance of trade in general and (b) the balance of trade on (i) rolled steel products and (ii) products manufactured from steel is in the Republic's favour, if not, why not,
- (4) whether the South African steel industry requires the same degree of protection from the Zimbabwean industry as it does from such industries in other foreign countries, if not, what is the nature of the difference,
- (5) whether there are any quota agreements between the Republic and Zimbabwe in regard to rolled steel sections and wire, if so, what is the nature of these agreements;
- (6) whether he is in a position to state whether Iscor has discussed this application to the Board of Trade and Industries with counterparts at industry level; if not, why not, if so,
- (7) whether discussions of this nature took place; if not, why not,
- (8) whether any members of the Cabinet

have been informed of this application by Iscor, if so, which members of the Cabinet,

(9) whether these members of the Cabinet supported the submission of this application, if not, why not?

THE DEPUTY MINISTER OF INDUSTRIES, COMMERCE AND TOURISM

(1) No An application for an increase in the duties on various iron and steel products has, however, been submitted to the Board of Trade and Industries by the South African Rolled Steel Producers Co-ordinating Council The application was published as Notice 150 of 1984 in the *Gazette* dated 2 March 1984

- (2) Zimbabwean goods or products were not specifically mentioned in the application The application is for protection of the South African industry against imports from all countries supplying iron and steel products to the South African market
- (3) (a) Yes
(b) (i) and (ii) Yes
- (4) The reply to the question should be evident from the investigation by the Board of Trade and Industries, which has not yet been completed
- (5) No, but negotiations are taking place with a view to the conclusion of such an agreement At present a marketing arrangement on an industry-to-industry basis exists between South African and Zimbabwean wire manufacturers
- (6) and (7) As indicated in (1) the application was submitted by the South African Rolled Steel Producers' Co-ordinating Council and all members of the Council should have knowledge of the application
- (8) and (9) As will appear from the reply

to question (1) the application was not submitted by Iscor

Mr A SAVAGE Mr Speaker, arising out of the hon the Deputy Minister's reply, is he aware that there are many industries, industries located on the coast, that, because they have to buy their steel from Iscor, are becoming quite unviable and uneconomic whereas they could be highly economic if they could use imported steel?

THE DEPUTY MINISTER Mr Speaker, I take note of the hon member's supplementary question The hon member is welcome to submit further representations in this regard for consideration

Mr R M BURROWS asked the Minister of Internal Affairs

Whether his Department plans to erect any new colleges of education for Coloured persons, if so, (a) where will they be sited, (b) when is construction due to commence in each case and (c) what is the total estimated cost involved?

THE DEPUTY MINISTER OF INTERNAL AFFAIRS

| | | |
|-------------|---------------|-----------------------|
| Yes | | |
| (a) | (b) | (c) |
| Kuils River | Provisionally | November 1986 R36,2 m |
| Worcester | Provisionally | January 1987 R37,3 m |

New colleges of education or the re-placement of existing colleges at Oudtshoorn, Mitchell's Plain, Paarl, Johannesburg, Durban and Atlantis are being planned but information on possible construction dates or estimated cost is as yet not available

Mr K M ANDREW Mr Speaker, arising out of the hon the Deputy Minister's reply, may I ask him whether his department this year or recently has had any discussions with the Cape Provincial Admin-

istration about using teacher training college facilities that are only partly used or are completely unused in various parts of the Cape Province?

THE DEPUTY MINISTER Mr Speaker, I am not aware of such discussions

Mr E K MOORCROFT asked the Minister of Co-operation and Development

(1) Whether, with reference to his reply to Question No 27 on 2 May 1984, the magistrate in Stutterheim received any representations from any residents of the Mgwali area on or about 30 May 1984, if so, what was (a) the nature of the representations and (b) his response thereto,

(2) whether the said magistrate had any discussions with (a) any member of the Eastern Cape Development Board and (b) any other Government official in connection with Mgwali, if not, why not, if so, (i) with whom, (ii) when and (iii) what was discussed,

(3) whether any steps are being taken by any member of his Department or any other Government official in connection with Mgwali as a result of these discussions, if not, why not, if so, (a) what steps and (b) by whom?

THE DEPUTY MINISTER OF DEVELOPMENT AND OF LAND AFFAIRS

- (1) Yes, on 23 May 1983
- (a) A request that assistance be given because sites were allegedly being allocated illegally to strangers by headmen
- (b) That discussions with the Department of Co-operation and Development be arranged and that if necessary steps will be taken to arrange discussions with Ciskei

300 Nigel workers on strike

By JOSHUA RABOROKO

ABOUT 300 workers at Nigel Carriage yesterday entered their third day on strike, demanding the reinstatement of a sacked colleague.

The workers, members of the Metal and Allied Workers' Union (Mawu), downed tools on Tuesday after a colleague was dismissed for allegedly going on tea time before the scheduled time.

A Mawu spokesman said that the workers have vowed that they would not return until their colleague was reinstated. They felt that the dismissal was "unfair" and have charged that they tried to open discussions with management on the subject, but their attempts have fallen on deaf ears.

The union was locked in talks with management in an attempt to resolve the matter.

A management spokesman said that they will only talk to the Press on the matter today.

189

189

189

189

14/6/84

Source for

14/6/84

Seawu to sign new deal

By PHILLIP VAN NIEKERK

THE Steel, Engineering and Allied Workers' Union (Seawu) has given notice of its intention to sign this year's metal industrial council agreement, but two other unions will definitely be party to the agreement.

Sources close to the industrial council said yesterday that Seawu, an affiliate of the Council of Unions of South Africa (Cusa), had "reluctantly" agreed to Seifsa's final wage offer while the Metal and Allied Workers' Union (Mawu) and the S A Boilermakers Society (Sabs) had turned it down.

The giant metal industrial council is the largest bargaining forum in the country, regulating the wages and working conditions of about 380 000 workers.

The 10 artisan unions on the council agreed several weeks ago to the final offer by the combined employer association party, the Steel and Engineering Industries Federation of SA (Seifsa), of a 40c across the board minimum for artisans and a 20c (12,65 %) across the board minimum for unskilled workers.

However, the other three unions — representing unskilled and semi-skilled workers — called for Seifsa to return to the bargaining table to negotiate a better deal. This was turned down.

At this stage it is still not clear whether Mawu or Sabs will declare a dispute with Seifsa, though Seawu's acceptance of the offer has undercut their rejection.

Union signs wage pact

THE Fosatu-affiliate Chemical Workers' Industrial Union (CWIU) and the international Colgate Palmolive have signed a wage agreement covering about 300 workers in Boksburg

In a statement to The SOWETAN yesterday, the union's branch secretary, Ms Chris Bonner, said the minimum wages are to be increased by between R2 and R2,60 per hour as from June

30
Increases granted range from 32 cents to 40 cents per hour, according to the statement, as compared with 10 cents per hour rates offered when negotiations began earlier

Colgate, an American owned company, was hit by a strike during May this year when the initial offer was rejected

The statement further says that im-

provements to various other conditions of employment were also negotiated. Leave benefits, shift allowance and public holidays have been increased

A company spokesman confirmed that wage negotiations have been concluded

Meanwhile the Steel Engineering and Allied Workers' Union (Seawu), under Mrs Jane Hlogwane, had indicated that it will accept the Steel Engineering Industries Federation of South Africa (Seifsa) wage offer under protest

"We are disap-

pointed at the aggressive attitude adopted by Seifsa as this has aggravated the situation during the wage talks," he said

Seawu has found management to be "intolerable" by refusing to bargain in "good faith" for the industries' 380 000 workers. It also found that even if "we refused the offer the Minister will still carry it out"

However the union has decided to accept the offer under protest and will negotiate with different managements at plant level

Two other unions in

the metal industry — the Metal and Allied Workers' Union (Mawu) and the South African Boilermakers' Society — have rejected the Seifsa's offer

The unions could not say whether they will declare a dispute, but sources close to Mawu said that the union is to hold a special national meeting at the weekend to discuss the matter. Ten other unions have accepted the 40 cents across the board increase for unskilled and 20 cents for skilled workers

Argus 15/6/84 (189) (260) (55)

Iscor claims concern about nature

By The Argus correspondent in Pretoria

A VOW of conservation has been taken by Iscor in a marriage between industry and the environment

A steel industry is the backbone of an industrialised country, the environment is its major asset. Iscor believes it has found the right balance between the two

Mr Keith Prince, Iscor's general manager of planning and new development, believes industry and the environment can be married in a give and take relationship

As an example he pointed towards Iscor's Chikondee Coal Mine in Venda on the border of the Kruger National Park

Landscape and environment consultants were brought in by Iscor to plan the lay-out of the mine

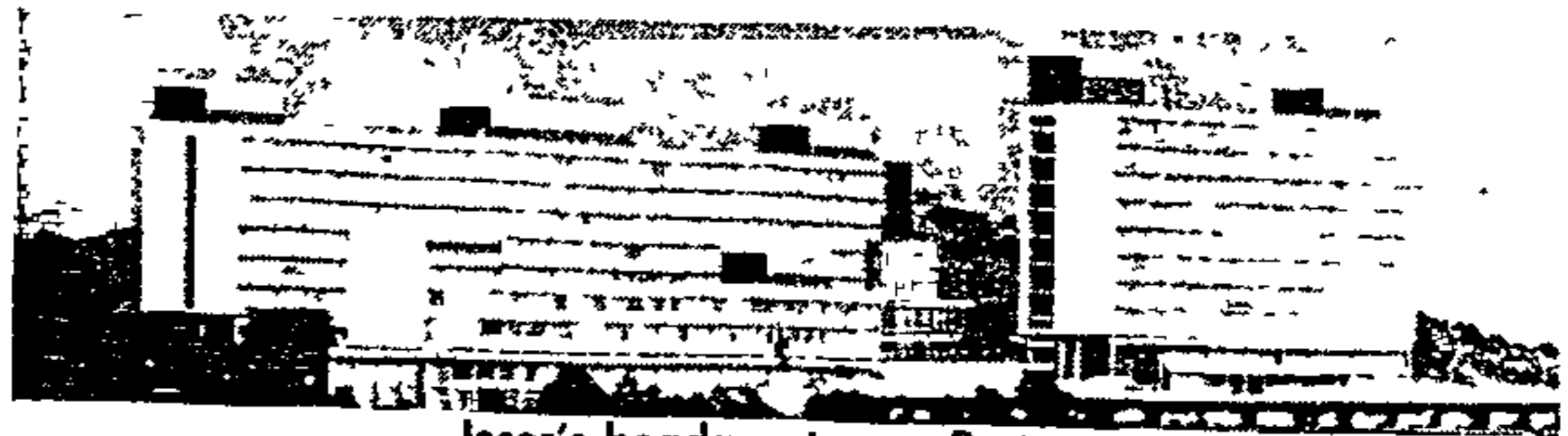
"Although I have not personally visited the mine yet, I believe it is hardly visible to the eye," said Mr Prince

The mine was designed with the future restoration of the area constantly in mind. What Iscor takes from the earth it planned to restore, said Mr Prince. He believes legislation adequately protects the South African environment.

He welcomed the new Water Act which will tighten control on the discharge of effluents into the country's rivers

"Those industries which have lagged behind, will be forced into action now," he said.

Mining legislation also forced any mining operation to restore the area



Iscor's headquarters in Pretoria

and to preserve as much natural flora as possible

Mr Prince welcomed the President's Council proposals on conservation.

The President Council report found that the environment was inviolate unless the country's future was at stake. Only then would vital industries be allowed to violate the land.

He dismissed fears that this would be open to abuse.

He believes that if present legislation is a criteria, there will be a strict system of checks and balances which will protect the environment

"People working for Iscor are South African citizens and have to live in this country, and we are therefore concerned about it.

Industry is labelled as the "bad boys", but Iscor regards itself as a good citizen by putting a lot of effort and money into minimising the pollutant effects of the steel industry on the country," he said.

Much of Iscor-owned grounds has been used for protecting the natural heritage. Iscor boasts three game re-

serves, near Sishen, Thabazimbi and New Castle

And it has relieved the Kruger National Park from future mining operations. New technology is being developed and Mr Prince believes the coking-coal steel era is almost at an end

Although the technology has not yet been proven, research overseas and at Iscor is continuing to find ways of producing steel by using coal other than coking coals

But a new system cannot be introduced overnight. It will take time and money

Iscor's attempts at preserving the environment and the natural heritage has culminated in a cheque of R30 000 — donated to the South African Wild Life Society

Mr Prince said it was one way of recognising the achievements of the Society in making the public aware of their environment.

Unlike many organisations it sees the balance between both the good and the bad and recognises the positive attitude of Iscor, he said.

19/6/80 (189)

Shipbuilders upset by subsidy removal

Argus Correspondent

DURBAN — The sudden removal of shipbuilders' subsidies has drawn sharp criticism from Durban Chamber of Commerce which says a gradual phasing-out would have been more acceptable

In its Information Digest the chamber says "The shipbuilding industry faces an uncertain future after a decision by the Minister of Commerce and Industry to withdraw, for this year at any rate, the subsidies which have enabled it to survive this far"

The chamber says the Minister was wrong to remove the subsidy without reasonable notice. Gradual withdrawal would have given the industry time to allow it to compete internationally, if possible

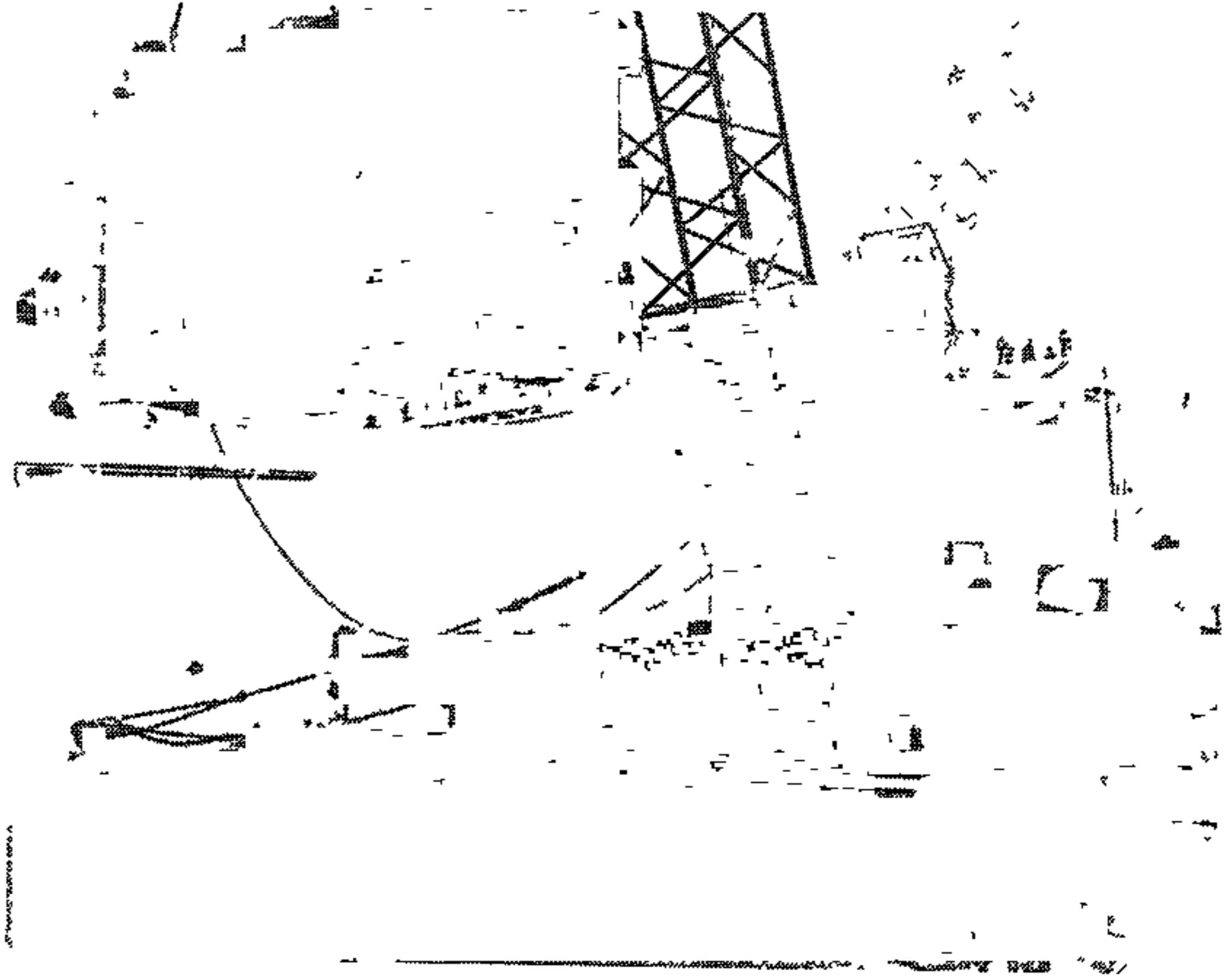
"If this aim were not achieved at the end of a reasonable period then the industry should abandon shipbuilding and concentrate on ship repair"

Makes sense

The chamber says that to some the Minister's move makes sense if, after almost 20 years, the industry still cannot survive. Others, who see the industry as strategically important, decry the decision and also point to lost jobs and the dissipation of skills

Claiming a more dispassionate view, the chamber says it is difficult to criticise the Minister's decision at a time when the State should be seeking economies wherever possible

It disagrees that the building of commercial vessels and harbour craft is strategically important and says the subsidy cut should not affect naval shipbuilding.



A 132 ton 315MVA transformer for use at Escom's Ararat substation being offloaded by a heavy duty dockside crane at Richards Bay from the SA Constantia, a cargo vessel operating in the Safari Service between South African ports and the Far East, including Taiwan.

MAWU HITS OUT

AT SEIFSA

By JOSHUA RABOROKO

THE Metal and Allied Workers' Union has accused the Steel Engineering Industries Federation of South Africa (Seifsa) of showing a "cynical contempt" for the process of collective bargaining for the industries' over 380 000 workers.

The union was reacting to a series of annual wage negotiations which have been rejected by them and the South African Boilermakers' Society at the Industrial Council

A total of 11 out of the 13 unions have signed the Industrial Council wage agreement — but the majority of these who have been signed are craft unions

In a statement to The SOWETAN yesterday, Mawu slammed the actions of Seifsa during the wage talks. Mawu accused them of using artisan unions as a means of "avoiding bona fide col-

lective bargaining"

Contemptuous

"By forwarding to the Minister for gazetting, an agreement which has been rejected by the two largest unions representing unskilled and semi-skilled workers, Seifsa has once again shown that it is completely contemptuous of these workers," the union said

The union also expressed feelings that the action by Seifsa and its associates at the IC confirmed that the majority of employers had never intended to accept collective bargaining

Both Mawu and SABS, who are mem-

bers of the International Metalworkers' Federation, have rejected Seifsa's wage offer of a 20 cents an hour increase for unskilled workers and 40 cents an hour rise for artisans and asked for further talks with the employers

However, the request for further meetings has been rejected by the employers. The wage agreement is to be presented to the Minister for gazetting soon

MISERABLE: Mr [unclear] points to the refuse kitchen drain [unclear] [unclear]

Turfloop graduation

THE 23rd graduation ceremony of the University of the North (Turfloop) will be held on Friday and Saturday when a total of 673 degrees and diplomas in seven faculties will be awarded, Mr Frank Swart, the publicity relations officer, announced yesterday.

Faculties concerned on Friday are Arts, Mathematics and Natural Sciences and Theology. On Saturday degrees will be conferred by the faculties of Economics and Administration, Education, Law and Agriculture

The university will also award two honorary doctorates to Mr T K Mopeli, Chief Minister of QwaQwa (Doctor of Administration HC) and Professor A J D Meiring, retired professor Zoology (Doctor of Education HC)

Congress literature

A SOWETO man pleaded not guilty in the Johannesburg Regional Court yesterday when he appeared on a charge of possession of a prohibited publication.

Mr Gilbert Mogari Kgomo (27) of Orlando West appeared before Mr H J Brandt who postponed his case to July 18 for trial

The State alleges that on June 14 he was found in possession of a publication titled Strategy and Tactics of the African National Congress (ANC) without the consent of the Minister. The publication, it is alleged is published or distributed by or under the direction or guidance of

Lost something?

A SCOOTER driver on his way to town dropped something on Monday morning. That something has been picked up by a motorist, who wants the owner to claim.

Mr Jeffrey Lekalakala would like this particular scooter driver to call and claim by telephoning him at 337-6639 during working hours and 939-1682 after hours. The scooter driver will have to describe what he lost to Mr

R13-m already

PART of the R18,5 million required for the building of the giant commercial training centre in Katlehong, which is due to be erected early next year, has been raised.

This was told to The SOWETAN over the weekend by Mr Oscar Mamba, the chairman of the Katlehong Junior Chamber of Commerce and Industries (KJCOCI), whose organisation is behind the erection

According to Mamba, some companies based in the USA and West Germany have donated R13 million and negotiations are at an advanced stage with some local companies and private busi-



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AK645 20/6/84
Steel bosses show contempt — union

JOHANNESBURG. — The Metal and Allied Workers' Union has accused employers in the steel and engineering industries of displaying a cynical contempt for the process of collective bargaining.

The charge arises from the recent series of annual wage negotiations covering some 880 000 workers in the metal industries.

In a strong attack on the actions taken by the Steel and Engineering Industries Federation (Seifsa) during the talks, MAWU's national executive said the employers had used the artisan unions party to the Industrial Council as a means

of avoiding bona fide collective bargaining.

Altogether 11 of the 13 unions party to the council have signed the agreement, but the majority of these are craft unions.

MAWU, together with the South African Boilermakers' Society, rejected the Seifsa offer of a 20-cent-an-hour increase for unskilled workers and 40-cent-an-hour raise for artisans, and asked for further talks with the employers. The request was turned down.

Seifsa has also advised its employer members not to negotiate outside of the agreement. In recent years bargaining at plant-level has been the major avenue used by MAWU.

Seweter
Mawu
21/6/84
calls
for
talks *(189)*

THE Metal and Allied Workers Union (Mawu) has asked for legal advice in an attempt to pressurise Crown Chrome Plating Company to open discussions with them, concerning more than 100 sacked workers.

The union's legal representatives have already written a letter, requesting the company to hold talks with them on the matter soon.

About 120 workers were dismissed by the company, following a strike over two colleagues who were sacked and transferred to another plant last week.

The workers are also demanding that the company should recognise their union, but management has refused to do so.

multimillion rand contract

JUNE 23, 1984

PE dockyard developers and Ciskei trust sign

By KEITH ROSS

EAST LONDON — A contract, potentially worth many million rands, has been signed between the Algoa Bay Dockyard Development Company and a trust fund formed by the Ciskeian Government

The Ciskeian investment in the controversial dockyard scheme will be in the form of cash, land and training facilities for workers

In return the Algoa Bay Dockyard Development Company will give preference to Ciskeians when employing labour

This, and other terms of the contract, were disclosed this

week by Ciskei's Director of Publicity, Mr Bill Livesey. Mr Livesey said the involvement of the trust fund was aimed at providing work for some of the thousands of unemployed Ciskeians, especially those already living in the Republic of South Africa.

He said the development company would employ about 4 000 workers and these would — with few exceptions — be Ciskeians.

The company would reserve the right to employ others in positions Ciskeians could not fill satisfactorily.

On signing the contract, the company received R750 000 from the Ciskeian President and People's Education Trust

This amount was in payment for 349 shares in the company at R2 149 each.

The shareholding gave the right to the trust company to appoint directors to the board.

The shareholding gave the trust fund the right to appoint directors on the company's board.

The number of directors representing the fund would be decided by its percentage shareholding, but would not be below three.

The contract also gave the fund the option to buy shares worth R10 million in the Algoa Bay Dockyard Company, which will be brought into existence to operate the

dockyard

The fund, however, is not obliged to exercise this option.

The contract stipulates that the fund must make available "at periodic intervals at places to be stipulated in Ciskei" land on which to build workers' houses at a price no greater than the cost of the services provided.

The contract further stipulates that the trust fund must provide a centre in Ciskei where it can train — at its own cost — workers to be employed by the dockyard company.

The training standards will be agreed on from time to time by the parties involved in the contract.

The Ciskeian centre will not, however, be responsible for

the final on-the-job training.

The preamble to the contract says the securing of a stable and secure force of workers for the dockyard to be built in Algoa Bay is of prime importance to the company.

On the other hand, the development and training of citizens of Ciskei is of importance to the Ciskeian President and People's Education Trust.

Therefore, the mutual co-operation between the parties will be of advantage to both to achieve their aims.

The managing director of the Algoa Bay Dockyard Development Company, Mr Henry Combe, was not available for comment today.

1984

E: Post

23/6/84

17 strikers are
held in Nigel

By PHILLIP VAN NIEKERK

AT least 17 striking Union Carriage workers have been arrested in Nigel for alleged intimidation, a spokesman for the Metal and Allied Workers' Union (Mawu), said yesterday

Two of the workers — Mr Samuel Seepe and Mr Joseph Vumendlini — appeared in court on Thursday, charged under the Internal Security Act and were released on R200 bail

More than 400 Mawu members have been on strike since last Tuesday, in protest against the dismissal of a colleague. They have been given an ultimatum to return to work by 7am on Monday, or face dismissal

The union spokesman — who gave the Rand Daily Mail a list of the detained workers — accused the police of trying to "break the strike" by detaining workers, but that "no amount of determination could shake the worker's militance"

By last night, the Police Directorate of Public Relations had not replied to a telex from the Mail requesting details of the alleged detentions

Meanwhile, more than 400 workers at the Bosal Africa exhaust firm in Pretoria went on strike yesterday morning, demanding a 20% increase, which management was not prepared to grant, reports the Pretoria Bureau

Mrs Dora Nowatha, the general secretary of the United African Motor and Allied Workers' Union said she received a phone call from Bosal saying the workers were on strike

She said she went to the firm and found that workers had downed tools. She persuaded them to return to work

"The management agreed to talk to us on Thursday to discuss the issue, which I think will not be difficult," Mrs Nowatha said

A spokesman for the company, Mr J Labbe, declined to comment

At Glaxo in Wadeville yesterday, about 120 members of the South African Chemical Workers' Union, who have been on strike since Wednesday over wages and union recognition, returned to their jobs, pending negotiations with the company

~~189~~ (189)
Jan 23/8/84
MAWU strike continues

DURBAN — One hundred workers at a factory in New Germany entered their fifth day on strike yesterday after talks between the Metal and Allied Workers Union and Pineware Management broke down

A spokesman for the union said the strike was caused over the company's refusal to comply with an agreement with the union to re-employ members who were retrenched about a month ago

LABOUR WEEK by PHILIP VANNIEKERK Metal unions' split lets employers off hook

TWO weeks ago, three of the unions party to the Metal Industrial Council seemed on the verge of formulating a common response to the final pay offer by the Steel and Engineering Industries Federation of SA (Seifsa)

It was to be an important test of the effectiveness of the local co-ordinating committee of the International Metalworkers' Federation (IMF), a remarkable show of solidarity between skilled and unskilled workers and a fundamental challenge to the bargaining structure of the

LABOUR WEEK by PHILIP VANNIEKERK

council

In the past weeks all three unions, while being unhappy with the offer, have responded differently and metal employers are breathing a lot easier because of that

First the Steel, Engineering and Allied Workers' Union (Seawusa) surprised everyone, including Seifsa, by deciding — albeit reluctantly — to be party to the agreement

Then the SA Boilermakers' Society (Sabs), which has acquired a reputation not only for being maverick but for being prag-

matist, opted not to be party to the agreement, but supported its extension to all parties.

Finally, the Metal and Allied Workers' Union (Mawu), also rejected the offer but criticised Seifsa for extending the agreement to non-parties

HAD all three metal unions taken the same stance they could have exposed a serious flaw in the industrial council

Because of the sheer size of the council

which regulates wages and working conditions for some 380 000 workers — there are in effect two sets of negotiations one for skilled workers and one for unskilled and semi-skilled workers

Seifsa refused a request to renegotiate the final offer with the three unions, who represent virtually all unionised unskilled and semi-skilled workers in the industry, though Sabs represents artisans as well

Seifsa was in a position where it could then sign an agreement with the 10 artisan unions on the council and extend this agreement to cover all parties even though the unions representing unskilled workers were not party to the agreement

It was precisely this situation that prompted one unionist to refer to the whole process as a "travesty of collective bargaining"

It was on this crucial aspect that the three unions split Sewusa became party to the agreement and Sabs (because it did not want to affect the council's benefit structure) wrote to the Minister of Manpower supporting the extension of the agreement to non-parties

This left Mawu very much on its own

It criticised Seifsa for showing itself "completely contemptuous of the unskilled and semi-skilled workers" in the industry and for using the artisan unions to present a "facade of collective bargaining" but their choice of action was limited by the decisions of the other unions

SABS' stand has been one of the most interesting features of this year's protracted Industrial Council negotiations

Sabs told members in the union newsletter that it had taken the decision not to be a party to the agreement on "practical", not "ideological", grounds

That Sabs did not sign will have no effect on members who will receive their increases, anyway

But the union has not tied its hands as far as further negotiations for improvements over and above the council minima Nor has it agreed to something which was "not the result of fair bargaining"

25/6/84
D. Dispatch

Dockyard: 3-year delay expected

189

EAST LONDON — It could be three years before work starts on an Algoa Bay dockyard project in spite of a R750 000 cash injection the company promoting the scheme has received from Ciskei

This is how long it may take for an environmental impact study to be done.

Ciskei's director of publicity, Mr Bill Livesey, confirmed yesterday that the Ciskeian President's and People's Education Trust had signed a contract with the Algoa Bay Dockyard Development Company a few days ago

In terms of the agreement, Ciskei bought 349 shares in the company for R750 000 with the option to increase its shareholding Ciskei also undertook to provide housing and a training centre for Ciskeian workers who would be employed in the dockyard, once it had been established

The dockyard com-

pany, which is headed by a Port Elizabeth man, Mr Henry Combe, in turn agreed to give preference to Ciskeian labour

Mr Livesey said the dockyard, once it was operational, would employ about 4 000 people, mostly Ciskeians He said it would be able to handle large ships and was expected to be working to capacity two or three years after completion "There is nothing like it in Africa," Mr Livesey said

"There are seven or eight major shareholders, including large South African companies and banks," he said

Ciskei Government money was not involved in the project The trust had been established to invest in projects into which the government could not put money, Mr Livesey said

Mr Livesey said the trust, which was headed by President Lennox Sebe, obtained funds from large firms and invested these where they would get the best return There were substantial funds in the trust

Among those who signed the agreement at Bisho were President Sebe and two directors of the trust, Mr D Steyn and Mr Frank Corbett, whom Mr Livesey described as top government officials

He said the South African Government had "passively seen" the plans for the dockyard and no objections had been received.

The Daily Dispatch's Port Elizabeth correspondent reports that before the dockyard scheme can become a reality, an environmental impact study of the proposed site near Port Elizabeth — which could take up to three years — will have to be undertaken, according to Dr

Harry Swart of the Council for Scientific and Industrial Research

The developers were informed about the need for such a study in April 1982, he said

In an interview last week he confirmed that the company's managing director, Mr Henry Combe, had approached him two years ago and had asked what such a study entailed and would cost

Dr Swart said such a large project required structural, physical and biological research Collecting field data along this stretch of "high energy coastline" would take about a year and included observing and recording the power and direction of the waves throughout the year, sand movement in the surrounding dunes, the physical structure of the land and seabed, and the effect on flora, fauna and marine life

A working scale model the size of a rugby field would have to be built and this could take a further six months "You can't design such a project on paper only," he said

A rough estimate of the study's cost at the time was given at R200 000 to R300 000 but it would depend on what was required

"You can't build sea walls unless you know what strain they will come up against You are looking at a minimum of two years if the local data was already available and three if not," he said "But I believe it's not"

Dr Swart said his department was the only one in South Africa capable of undertaking such an investigation and Mr Combe had not commissioned him to date

Attempts to interview Mr Combe over the past two weeks have been unsuccessful — DDR-DDC

(189) Room 26/6/84

Strikers at work

DURBAN — The 100 Pineware workers at New Germany who were out on strike for five days last week were back at work yesterday, but the dispute is not yet over

The workers said they went on strike last Monday because the company did not re-employ three retrenched members in accordance with an agreement between the company and their union, but employed three others

A Pineware spokesman, Mr D J Cornelius, said all the workers were back at work

yesterday, but he was not sure if the dispute was over

"I cannot comment at this stage because we have not yet spoken to the representatives of the Metal and Allied Workers Union (Mawu) so we are not sure what is happening at the moment," he said

The general secretary of Mawu, Mr Geoff Schreiner, said the dispute was definitely not over and the workers had decided to go back to work so the union could formally declare a dispute with the company — Sapa

500 strikers go back to work

A STRIKE by more than 500 employees at Bosal Garage equipments in Pretoria ended yesterday with management agreeing to enter into wage negotiations.

Speaking on behalf of the United African Allied Workers' Union, Mrs D Nowatha, said all workers reported for work after they had downed tools on Friday. She said the company had agreed to hold talks with the union some time this week and that workers would continue working while their problems were being attended to.

Strike

Workers at the car parts manufacturing factory went on strike after their demand for a 20 percent across the board increase was not met by management. The company, they said, was willing to offer only six percent which the workers would not accept. They said wages ranging from R100 per week were too little to cope with the high cost of living.

By ALINAH DUBE

A personnel officer, Mr C van Rooyen, was said to have gone out when The SOWETAN called him yesterday.

Meanwhile Mrs Nowatha's union has declared a wage dispute with Datsun-Nissan in Rosslyn. Workers there are expected to attend a

report back meeting at the Soshanguve Community Hall tomorrow.

Buses will leave the company's plant at 5 pm for the venue, and the meeting is scheduled to start at 6 pm.

"We had initially demanded that the company do away with the grading system when

working out payments for its workers. An increase of 45 cents an hour was also asked for when we held talks with management," Mrs Nowatha said.

Members of the union are expected to take a decision on what steps should be taken at the meeting.

189
Sowetan 26/6/84

people meet- gnate ppen- man and the organi-
 on these projects, and raised a further R94-million in loans for other activities. In this way, for the first time the annual business of the Foundation reached the R100-million figure

and the money was delivered to the spot as instructed. When police arrived at the scene a few minutes later, the money was already missing, Brigadier du Plessis said

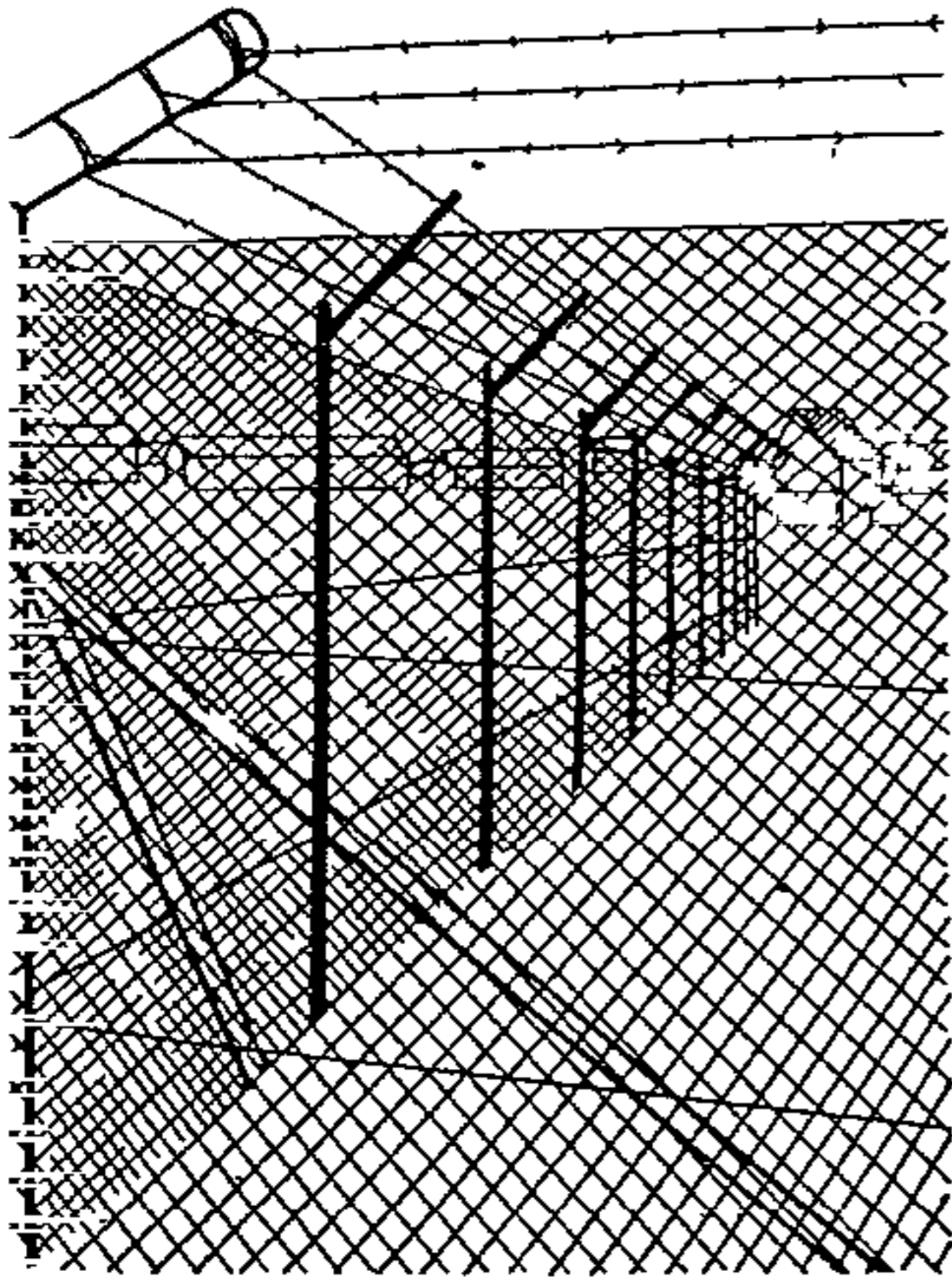
100 workers down tools

ABOUT 100 workers at Bonanza Boilermakers in Boksburg went on strike yesterday for two hours protesting against the dismissal of a colleague and also demanding higher wages. Management yesterday refused to comment on the strike.

The workers refused to work when they arrived at the firm yesterday morning and instead confronted management through a delegation demanding that the colleague, Mr Lackon Malisa, who was dismissed on Monday, be reinstated with immediate effect.

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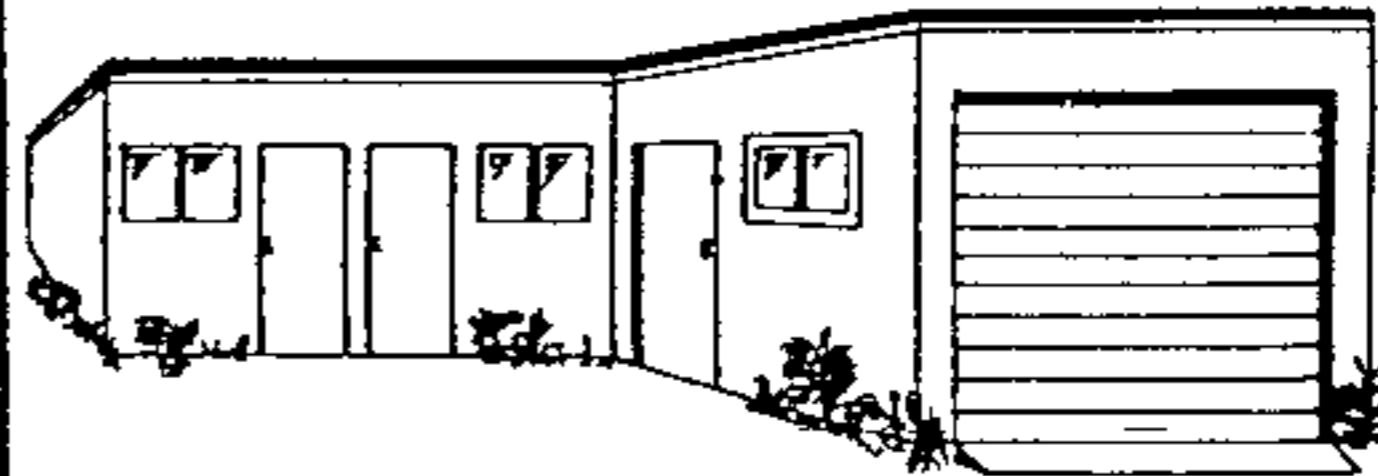
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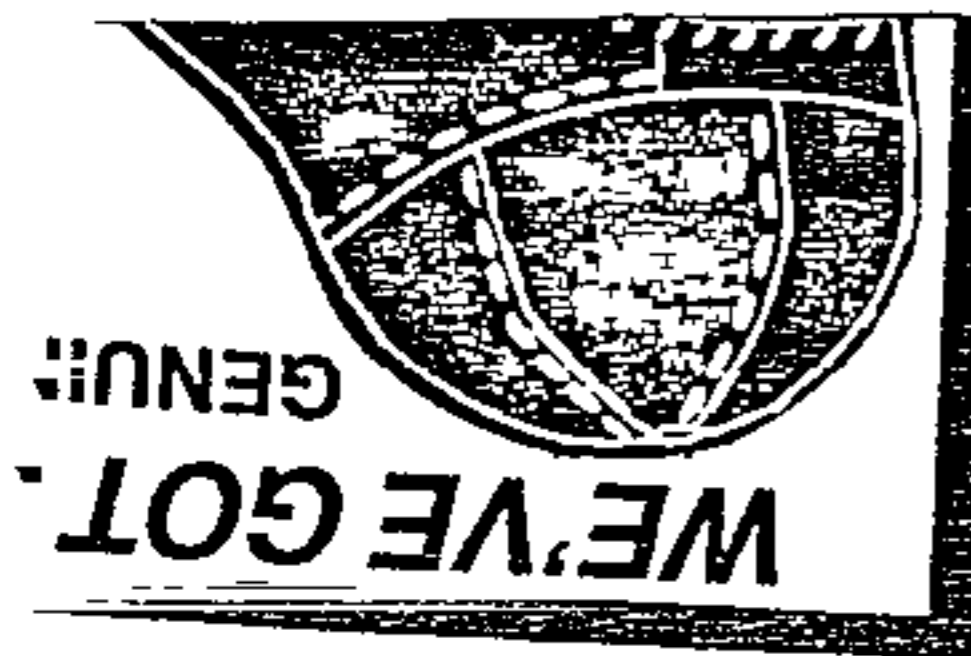


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Union to
Mercury 27/6/84
fight
sackings
verdict

Labour Reporter

THE Black Allied Workers' Union is to appeal against an Industrial Court ruling clearing the giant steel corporation Iscor of unfair practice in dismissing 84 workers from its Newcastle plant.

Mr B E Khumalo, the union's general secretary, said yesterday that papers had been lodged with the Supreme Court registrar in Pietermaritzburg, and the union was waiting for a hearing date to be set.

He said the dispute with Iscor came after the company unilaterally imposed a strenuous new roster. Eighty-four workers were dismissed when they raised objections to the new work schedule.

Mr Khumalo claimed the new rules were imposed without the full approval of the industrial council for the metal industry.

Mr Piet du Plessis, an Iscor spokesman at the company's headquarters in Pretoria, said yesterday he was aware of the appeal. 'The union is free to take whatever legal action it wishes,' he said.

1 000 workers down tools over one dismissal

~~1770~~
19
29/6/84

Labour Reporter

The dismissal of an employee has resulted in labour unrest involving about 1 000 workers at four branches of Illman Plastics in Johannesburg

Day-shift workers at the plastics company's head office in Belgravia, demanded the reinstatement of the worker fired at the beginning of the week

They downed tools on Wednesday after management refused to re-employ the man

They were joined by an additional 200 night-shift workers

According to one of the strikers, the workers were delivered an ultimatum yesterday afternoon to return to work or face dismissal. As a result all the workers left the plant

The stoppage spread to the company's other plants today

At the George Goch and Wadeville branches, workers claimed they were locked out by management when they turned up for work this morning

The financial director for Illman Plastics, Mr M Berzack said he had no comment to make about the strike

1859

FRIDAY, 29 JUNE 1984

1860

Note:

The nature and the procedure in connection with the application of each of the industrial incentives is explained in the Manual on the implementation of the new regional development incentives introduced on 1 April 1982. The Manual is freely available on request.

(a), (b) and (c)(ii) There are no standard industrial incentives applicable to Komga Applications for incentives which are received from industrialists at this point, are considered on an *ad hoc* basis according to their own merits, ie the specific project and not the area is the deciding factor for the granting of incentives granted to other industries on an *ad hoc* basis at the point in the past are taken into consideration.

187 *1860*
Iscor: undertakings in decentralized areas
1047 Mr P G SOAL asked the Minister of Industries, Commerce and Tourism

Whether (a) Iscor and (b) any of its subsidiaries have established undertakings in decentralized areas in or near the national and/or independent Black states, if not, why not; if so, (i) which subsidiaries, (ii) where are they located in each case, (iii) what total amount has been invested by Iscor in these areas and (iv) how many jobs have been created as a result?

The MINISTER OF INDUSTRIES,
COMMERCE AND TOURISM

| | (i) | (ii) | (iii) | (iv) |
|--|-----|---------------|-------|-------|
| The Durban Navigation Colleries | | Dannhauser | 96,0 | 5 580 |
| Vryheid (Natal) Railway, Coal and Iron Co Ltd (Hloobane) | | Vryheid | 105,6 | 4 930 |
| Iscor Berlin (Pty) Ltd | | Berlin | 1,6 | 31 |
| Iscor Works | | Newcastle | 886,7 | 8 750 |
| Tsikondeni Mining Co (Pty) Ltd | | Sibasa, Venda | 7,0 | 230 |

Notes

(iii) (1) Investment in terms of original cost of fixed assets, as reflected in the latest available financial statements.

(2) Investment in terms of capital expenditure

The Durban Navigation Colleries and the Hloobane are both long established undertakings. The Iscor warehouse at Berlin, the Iscor Works at Newcastle and the Tsikondeni mine were established at their particular locations primarily with a view to decentralization

1861

FRIDAY, 29 JUNE 1984

1862

187
Sasol: undertakings in decentralized areas
29/6/82
1048 Mr P G SOAL asked the Minister of Industries, Commerce and Tourism

Whether (a) Sasol and (b) any of its subsidiaries have established undertakings in decentralized areas in or near the national and/or independent Black states, if not, why not, if so, (i) which subsidiaries, (ii) where are they located in each case, (iii) what total amount has been invested by Sasol in these areas and (iv) how many jobs were created as a result?

The MINISTER OF INDUSTRIES,
COMMERCE AND TOURISM

(a) and (b) No. The manufacturing facilities of Sasol at Sasolburg and Secunda are closely bound up with the Northern Free State and Eastern Transvaal coal fields for coal supplies. In addition, the production of co-products forms an integrated part of the primary synthetic fuel manufacturing process. The establishment of Sasol undertakings away from Sasolburg or Secunda has, therefore, never been seriously considered.

(i) to (iv) Fall away

Tourism Board

1058 Mr D J N MALCOMESS asked the Minister of Industries, Commerce and Tourism

(a) Who are the members of the South African Tourism Board, (b) when was each appointed and (c) how many meetings (i) had been held by the Board since the appointment of each such member up to, and (ii) did each specified member attend as at, 31 May 1984?

The MINISTER OF INDUSTRIES,
COMMERCE AND TOURISM.

(a) The members of the South African Tourism Board are appointed in terms of section 3 of the South African Tourism Board Act, No 100 of 1983. The present members are Mr D J Hough (Chairman), Mr P Braun, Mr N de Villiers, Mr A B Eksteen, Dr R Knobel, Mr M Pieterse, Mr C Pillay, Dr W J Pretorius, Dr P S Rautenbach, Mr C F Scheepers, Mr P I Swartz, Mr G van der Veer, Mr P van Horen

(b) 1 October 1983

(c) (i) 5

| | |
|-------------------|---|
| (ii) Mr D J Hough | 5 |
| Mr P Braun | 4 |
| Mr N de Villiers | 4 |
| Mr A B Eksteen | 3 |
| Dr R Knobel | 5 |
| Mr M Pieterse | 4 |
| Mr C Pillay | 3 |
| Dr W J Pretorius | 5 |
| Dr P S Rautenbach | 4 |
| Mr C F Scheepers | 5 |
| Mr P E I Swartz | 5 |
| Mr G van der Veer | 2 |
| Mr P van Horen | 5 |

Group Areas Act

1095 Mr S S VAN DER MERWE asked the Minister of Community Development

(1) (a)(i) What was the total cost to the State of implementing the Group Areas Act as at the latest specified date for which figures are available and (ii) on what specified items was this money spent and (b) what amount had been paid in compensation to (i) white, (ii) Asian and (iii) Coloured persons as a result of the implementation of this Act as at that date,

(2) whether any group areas remain to

INDUSTRIAL COURT
Union loses a case

Employers will be heartened, and trade unionists dismayed, by a new Industrial Court finding in a case involving the selective rehiring of workers fired during a strike. The case is fairly clearcut and its outcome could give important guidelines for future employer conduct in strike situations.

It evolved from the dismissal in January

Financial Mail June 29 1984

~~Handwritten scribbles~~ FM 29/6/84 (189)

of 272 workers employed by Vetsak, an agricultural implements manufacturer. They were fired during a dispute over wages and union stop-order facilities and the company later rehired 71% of them.

Peter Ngobeni and 60 others, all members of the Metal and Allied Workers' Union (Mawu), were refused re-employment. They applied to the court for temporary reinstatement, arguing that their dismissal had been unfair.

The court refused the application. It ruled that the dismissal was justified and that the re-employment of some of the workers was a separate issue. Two workers, who were not involved in the strike, were found to have been dismissed unfairly and reinstated. The company had reinstated two others before the court hearing.

The case arose out of demands, for a pay increase and union stop-order facilities, made by Mawu shop stewards during a meeting with Vetsak's personnel manager. At a subsequent meeting management refused the demands and the personnel manager undertook to convey this news to Vetsak workers the next day. However, he could not attend the meeting and sent an assistant in his place.

The workers were dissatisfied with this and insisted that the personnel manager should address them.

The personnel manager and another management representative then arrived and asked the workers to appoint shop stewards to represent them. The workers did so and then returned to work. The shop stewards were told of management's decision. This message was conveyed to the workers who decided that they would clock in the next morning but would not work until management explained its decision to them.

According to the workers' statement, they gathered in the factory yard the next morning. Vetsak's chief manager Piet de Jager arrived and asked why they were not working. After wrangling about which management representative should address the workers, De Jager told them a wage increase was out of the question.

Recognition

A discussion about recognition of the union followed. De Jager then said that if the workers did not return to work their action would be regarded as an illegal strike. Management finally said that if work did not resume by 3pm the workers should collect their wages. At 4.30pm the workers clocked out and left.

On January 30 the workers arrived and found the factory gates locked. They were told that management was seeking advice from the industrial council. Later they were told to return the next day to be re-employed. On the Tuesday the workers applied for re-employment and were told to return the next day to find out whether they had jobs.

In court, counsel for the workers argued that there was no reason why the 29% of the workers who were not re-employed should have been treated more severely than the 71% who were. All the workers had participated in the work stoppage.

Vetsak's legal representative argued that the workers had participated in an illegal strike and had therefore been fired.

In weighing up the fairness of the dismissal, the court found that all the workers had been treated in the same way. There was no room, therefore, for a submission that some workers had been treated more fairly than others. The court also found that the workers' refusal to return to work constituted a breach of their contract of employment and that in view of management's attempts to explain why their requests had been turned down, their action was unreasonable.

Dismissal

The court said the workers' counsel had not attacked the reason for the dismissal, but the result of the re-employment. From this he had tried to infer that the dismissal was unfair. "The fallacy of the argument seems to lie in the fact that the unfairness of the dismissal is not sought in the reasons for the dismissal, but in the result of the conclusion of the contract of employment. These two concepts differ completely," the court ruled. As a result there was no onus on Vetsak to explain why it had re-em-

ployed some workers and not others.

The court's decision has led to union fears that employers may be deemed to be justified in dismissing any workers participating in a work stoppage no matter what circumstances led up to it.

If this is the case, some labour lawyers argue, the court will invalidate certain important sections of the unfair labour practice definition.

However, as the court's order is only temporary the matter is not yet settled. Some of the workers fall under the jurisdiction of industrial councils, although the majority do not. The majority have applied to the Minister of Manpower to appoint a conciliation board to hear the dispute. If the board fails to resolve it, the workers can apply for the court to hear the matter again.

But if the Minister refuses their request, or if he excludes the allegation of unfair dismissal from the conciliation board's terms of reference, they will have no further legal recourse.

The metal industry industrial council has failed to resolve the dispute and has been refused an extension to consider it. The 12 workers who fall under its jurisdiction may now apply to the Industrial Court for a final determination. The motor industry industrial council, which covers four of the workers, has been granted an extension to hear the matter. If it fails to settle the matter, those workers can also return to court.

FOUNDATION'S CREED

The Urban Foundation — now seven years old — was established not only to eliminate injustice but to fight against institutionalised discrimination. Addressing the organisation's annual meeting its chief executive, Jan Steyn, said: "The foundation is — and has to be — as businesslike and efficient as possible in its activities, but the commitment with which it identifies and addresses its tasks comes from a desire to see a more just society in which the worth and dignity of every individual in SA is recognised and preserved."

The foundation, he added, should never forget that it is dealing with people, real individuals and families, with aspirations and emotions, with a desire to secure a better living for themselves and their families. It should continue to contribute to the reform of society and thus provide the avenues through which people can improve the quality of their own lives.

"Only thus can the reform process in SA achieve its objectives of a more just society without forfeiting stability and plunging into the abyss of violence, where the future of all our people, whatever their race, colour or creed, will be jeopardised for generations to come," he said.



Steyn ... staving off 'the abyss of violence'

FM 29/6/84 *Saldm*

COMPENSATION BIAS

The workmen's compensation system discriminates against the bulk of workers who are most likely to be injured at work, according to a study by University of Cape Town (UCT) researcher, Ighsan Schroeder.

Compensation is calculated on the basis of a percentage of an individual's wages "Thus no fixed amount is paid to workers losing an arm, for example. Instead, compensation is determined by how much a particular worker earns. Thus all unskilled workers are, to some extent, discriminated against."

Schroeder adds that the granting of rebates to factories with low accident rates discouraged employers from reporting accidents.

to punish him selectively for participating in a collective decision

Summing up the implications of the case, Siemens group industrial relations manager Bill Doyle told the FM "This case shows that both parties are bound by the principle of fairness with regard to discipline and grievance procedures. If you have procedures, you must apply them. By applying them, you make sure that you eventually reach the best and fairest decision"

FM 29/6/84

INDUSTRIAL COUNCILS

Whose jurisdiction?

A demarcation dispute that has bedevilled industrial relations in the building and furniture industries for almost 30 years is close to being resolved

At issue is whether workers making built-in kitchen and laboratory cupboards, as well as other fine woodwork such as church fittings, should fall under the jurisdiction of the industrial councils for the building industry or those of the furniture industries

All involved are believed to have agreed, in principle, on a solution. Clarification is still awaited on a few minor areas of disagreement. No-one is prepared to reveal details of the settlement. It is claimed that the matter is extremely sensitive and any premature discussion "could be prejudicial to the final negotiations"

However, the FM has learnt that, in essence, the agreement provides for dividing the contested functions between the jurisdictions of the different industrial councils. The seemingly logical solution, however, is more complex than appears at first sight. The dispute has a legacy that stretches back to the post-war days and it has taken a year of "extremely sensitive negotiations" to get the parties to the point where they are now

One of the problems is that employer groups insisted that no employees should be prejudiced in any way by the final settlement. There are thousands of employees involved together with a number of trade unions and employers. With some employees destined for a change in status in terms of the new demarcation agreement, which could mean they will be entitled to changed benefits under their new industrial council, negotiations became extremely tricky

In addition legal sources say that there were principles of labour law at stake. The splintering of big industries through the emergence of new technology is leading to the demise of some large industries and the fragmentation of trade union groups. This has major implications for SA labour law

However there seems to be a degree of elation that a settlement is finally in the offing. Industry spokesmen say an anarchic situation existed with employers playing one industrial council off against the other - often to the detriment of employees

DISMISSALS

Following procedure

Anyone who fails to comply with negotiated grievance and disciplinary procedures in labour matters does so at his peril. This is clear from an Industrial Court judgment which strongly endorses the concept that the law will support those who comply with negotiated procedures against those who deviate from them.

The court refused to reinstate a Siemens worker who claimed he had been unfairly dismissed because he had been selectively punished for a group decision taken by a number of workers. The company argued that disciplinary and grievance procedures negotiated with the Metal and Allied Workers' Union (Mawu) had been ignored

The worker was employed in the winding section of Siemens's Isando plant, which operates a system of production target times. He had been warned for failing to reach his targets. A Mawu shop steward said workers found it difficult to comply with the target times and this had been drawn to management's attention.

The worker claimed that, in accordance with a group decision by workers in his section by which he felt bound, he refused to go to the supervisor's office to be warned for working slowly. He was fired for refusing to obey orders. This led to a strike involving 350 workers which was eventually settled after management threatened to fire workers who failed to report for work.

The company argued that the worker had not been dismissed selectively, since he had been fired before the strike for refusing to obey an order and that the workers had failed to follow the prescribed grievance procedure

The court found that because the worker had not obeyed an order, his dismissal was lawful in terms of common law. It also found that there was no factual evidence that Mabizela had been dismissed in order

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HLM 8403/24

Steel prices to increase ¹⁹⁹ ~~7,5~~ ^{7,5} % ^{cut lines}

JOHANNESBURG. — All steel products, excluding tins, will increase in price by 7,5 percent from July 2, the chairman of the SA Rolled Steel Producers' Co-ordinating Council, Mr F P Kotzee, announced yesterday.

The council represents the eight primary steel producers in the Republic

In a statement, Mr Kotzee said the previous general steel price adjustment was on July 1 last year, and amounted to 9,9 percent

"A sustained productivity improvement in the past year enabled the local steel producers once again to limit the new adjustment to well below the rate of inflation, at present 11 percent," the statement said

"The industry's benefits of improved productivity and accompanying cost effectiveness have therefore been passed on to the steel consumer"

Canning industry

Tinplate prices are normally reviewed annually in April, the statement said, but this year Iscor — the only local manufacturer of tinplate — decided not to apply any increase

This decision was taken to assist the local canning industry "under the prevailing difficult conditions and in the wider economic field, to make a contribution to-

wards combating inflation

"The local steel industry has endeavoured for some years to improve productivity, which has led to steel price increases being kept low in relation to the general inflation rate

"This is borne out by the fact that while the production price index rose to 185 from an index basis of 100 in 1979, the steel price index increased to only 166 over the same period — including the latest adjustment," the statement said

Concerning recent criticism that local steel producers have been exporting steel products at prices lower than the fixed domestic prices, the statement said

"This is done to ensure the highest levels of capacity utilization and employment, which also applies to suppliers of goods and services to the steel industry, as well as to earn foreign currency for the Republic (R650m in the past year)

"The lower return from such exports by South African producers is borne by the respective companies themselves and is not

subsidized out of domestic selling prices

"As in the case with steel producers in the Western world, the South African steel industry has to cope with poor market conditions and resultant unfavourable international prices"

The statement highlighted the impact of domestic inflation on South African prices

World prices

"The local steel industry is subject to inflation-bond cost increases in respect of their inputs, in the same way as other industries. The high domestic rate of inflation is largely responsible for the existing disparity between South African and world market prices for primary steel products, as well as between domestic prices in South Africa and those in other steel-producing countries

"South African steel is exported at world prices in order to compete with other exporters, some of whom are subsidized on a large scale by their governments, which is not the case in South Africa"

Met Union 30/6/84 (189) (182)

Workers stage pay protest

Labour Reporter

ABOUT 200 workers at a metal factory staged a placard protest about pay at lunchtime yesterday

The workers at Wispeco, in Mombeni, Durban, said an increase in their wages was 'meagre'

A spokesman for them said they had asked for an increase of 50 c an hour to offset the increase in general sales tax. The company offered a rise of 20 c an hour, in line with the Industrial Council agreement for metal workers

The workers rejected the offer, and decided to stage lunchtime placard demonstrations in front of the administration

building during each working day

They aimed to carry on the dispute until the company agreed to reconsider its offer or to hold talks with the Metal and Allied Workers' Union

Some of the placards read '20 c can't buy a loaf of bread' and '20 c is not even enough to feed dogs'

The protesters were well-behaved, and returned to their jobs immediately after the 10-minute demonstration

The workers said they had decided against strike action, and hoped that their peaceful demonstration would get the management to take no-

tice of their grievance

J Milburn, the firm's regional manager, said a statement would be issued by the company's head office in Johannesburg later

'It is company protocol that all Press statements be made from one central source,' he said

MANUFACTURING — Iron, Steel, Engineering & Metallurgical Industries

1984

JULY —

DEC.

POMBS

~

By JEREMY BROOKS

AN IMMEDIATE ban on imported steel products is needed to ensure the continued survival of the South African steel and engineering industry.

Dr Andreas Wassenaar, former chairman of Sanlam and a director of Gencor, the giant mining corporation, said in an interview with the Sunday Times that the industry was now in a crisis situation.

"Continued high rates of inflation over the past six years have hammered an industry which has to compete with our counterparts in countries like Germany, with an inflation rate nine percent below ours," he said.

"Until we admit that unre-

strained and unproductive public spending has been the main cause of the present inflation rate we shall have as little success in dealing with it as we have had in the past."

A further increase of 7.5 percent in the controlled price of steel, announced this week, made the situation worse: The gap between the market price of steel overseas, and the domestic price

in this country, had widened even further.

□ □ □

The Government was in effect compelling the industry, by making it pay the new price of about R590 a ton, to subsidise the losses experienced by Iscor while dumping steel at about \$320 (about R492) a ton on overseas markets.

"Our costs of production

have soared, while efficiency and productivity levels remain low," Dr Wassenaar said.

A staunch opponent of Government interference in commerce and trade, Dr Wassenaar is author of the controversial book "Assault on Free Enterprise".

Proposals that the rand be devalued to deal with the situation would ultimately be ineffective: "Our foreign

competitors will then pay less for our steel, enabling them to undercut us even further."

South Africa's inability to counter a soaring inflation rate was driving many of her industries, and not only engineering, right out of the world market.

□ □ □

Her trading partners, who had succeeded in achieving

this step, were now taking advantage of the situation.

"Other countries have seized the opportunity to, in effect, export their labour to South Africa because they cannot afford the high rate of unemployment caused by the recession," he said.

"The question is whether South Africa can afford to tolerate the social consequence of a high unemployment rate inside her own bor-

Ban imports and save SA's ailing steel industry, says Wassenaar

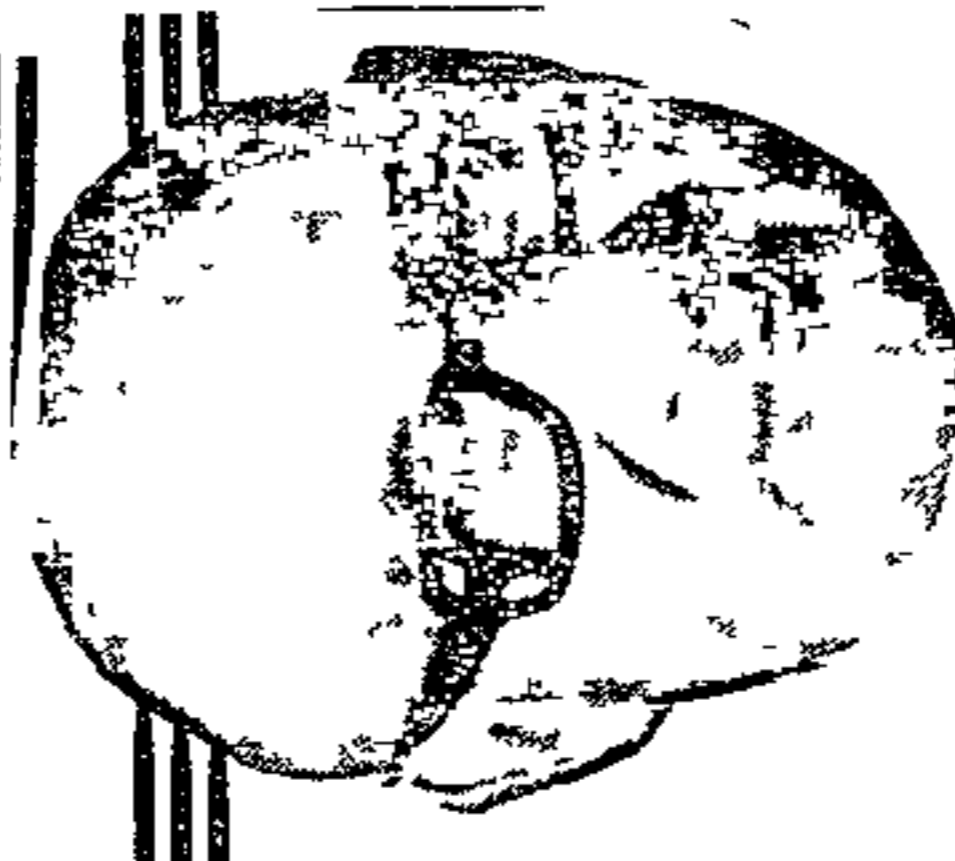
189 S. Times 17/84

ders. "What is needed is an immediate ban on the steel product imports, in the same way that the importation of raw steel has been embargoed."

□ □ □

"If the Government is prepared to step in and protect Iscor, there is no reason why it should not do the same for the steel industry itself."

An embargo, as a solution to the present-day problem, should not be regarded as permanent, Dr Wassenaar said. That would only come about once the 11 percent inflation rate had been lowered — a process expected to take a few years at least — and the embargo in itself would



DR WASSENAAR
inflation too high

be inflationary, possibly extending the process even further.

"When we control the price of steel in this country, and when we place an embargo on the importation of raw steel from other countries, then we must also place an embargo on the import of steel products"

17/84 (189) 2/10 S-Times

Steel adds to woes

By Don Robertson

ADDING to the GST nightmare which hits the consumer from today is the announcement of a 7,5% increase in the price of steel — a move which will have a ripple effect of the cost of virtually all household and other goods.

The South African Rolled Steel Processing Co-ordinating Committee, of which Iscor is the largest member and which includes seven oth-

er producers, says the average cost of all steels, excluding tin plate, will be raised from tomorrow.

Productivity

It says the price of raw materials used in making steel has risen considerably faster than the price of steel in the past few years and producers have again had to absorb some of this increase.

The steel committee says prices have been raised to

maintain reasonable productivity and plant use and that exports — generally sold at below the South African price — are not being subsidised by high domestic prices.

It stresses that exports last year which raised R650-million were vital to the economy.

The increase in price is also necessary to maintain a steel industry and support an active secondary industry

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Sympathetic reaction from Govt

Asea tackles cheap imports

By Don Robertson

CLIVE Jandrell, managing director of Asea, has tackled the problem of low-priced electronic-related imports

He has initiated discussions with the Government, Escom and the Industrial Development Corporation over the difficulties facing South African industry, and has had a "warm reception" in all cases

Mr Jandrell, previously an executive director of Altech, assumed his new position in March after Altech's acquisition of Asea from Amic. He set about rejuvenating the three divisions in the Asea group, using an aggressive approach.

Intolerable

He says: "As a result of an intolerably high inflation rate, we are no longer competitive in export markets. To make matters worse, we are unable to redress this problem by sourcing raw materials from the most competitive markets.

"For instance, German steel is 25% cheaper than SA material, but import permits are restricted because of Government protection"

The cost price adjustment factor comes into play. A Japanese company, for instance, can quote on a South African project and guarantee a 5% escalation on the

job. But a South African company needs to look at an inflation factor of about 13%.

For a long-term contract, this can mean a substantial price benefit to the foreign company.

Equitable

"The whole scenario would be a lot more equitable if secondary industries were subject to the same protection enjoyed by primary industry. But we are forced to buy expensive South African raw materials, and are then expected to compete on the international market when supplying Escom."

Another point which concerns Mr Jandrell is the ability of a foreign company to offer financial assistance for development of a project. This generally comes from the host government.

Most SA companies do not have the funds to make such an offer, and again the competitive edge is lost.

Accepted

Representations to the Government and the IDC on these problems have generally been well received and have passed through the various channels and have

been "accepted in principle", he says.

The problem of cheap imports and the need for large companies and local authorities to "buy South African" have also met with a good response.

Mr Jandrell is confident that negotiations with Government and Escom will result in a more just pricing of raw materials and reasonable SA preferences for secondary industry.

Rejuvenated

The transformer and cable divisions at Asea will be strengthened by a rejuvenated industrial division which will be less dependent on Escom, says Mr Jandrell. The cable division is expected to grow by between 5% and 7%, and the industrial division could grow by up to 40%.

In the industrial division, process control has been a priority area for some time and the company's Swedish principals believe that electrical engineering is becoming more closely related to electronics.

Mr Jandrell says: "We will import this technology, which we are well placed to market because of our Altech experience."

Modest house for R100 000

By Kerry Clarke

SMALLER housing units, higher densities, less-expensive services and a speeding-up of township proclamation are possible solutions to difficulties in the South African residential market.

Many developers cannot afford to build on current foreseeable returns, and the private individual cannot afford to pay higher bonds and rents, says Tiny Barnetson, managing director of Ovland, the Ovenstone group property company.

"The situation is very serious. The average young or middle-aged couple wanting a modest three-bedroomed house have to pay around R100 000. This means they have to have a monthly income of R4 600 as well as a

R25 000 deposit and the extra ready cash for the bond registration and transfer fees."

Mr Barnetson says flats, which would appear to be the answer to the housing shortage, are becoming increasingly less attractive to the developer.

A normal two-bedroomed, 80m² flat in a suburban high-rise block now costs the developer R56 000. The going rate for rent is R450.

"With the interest rates and service costs at their present levels, this means that the developer would have to budget for a monthly R230 shortfall on such flats for at least three years."

"Such a proposal is not an attractive investment, especially with the prospect of restrictive legislation on the horizon."

Southern Sun's Burgers

★★★★★ T-YYY ☐

RAM 2/7/84 (180)

STEEL BOSS EXPLAINS 7,5% PRICE RISE

By DAVID FURLONGER
Industrial Editor

THE price of all steel products, except tinplate, goes up by 7,5% from today.

The increase was announced at the weekend by the chairman of the SA Rolled Steel Producers' Co-ordinating Council, Mr F P Kotzee

The council represents the country's eight primary steel producers. Mr Kotzee said the increase, approved by the Cabinet, was the first since a general steel price adjustment of 9,9% on July 1 last year.

A sustained productivity improvement during the past year had enabled steel producers to limit the new adjustment to well below the rate of inflation.

"The industry's benefits of improved productivity and accompanying cost-effectiveness have therefore been passed on to the steel consumer."

Mr Kotzee said the tinplate price was unchanged because Iscor, the only local producer, wanted to help

the local canning industry "under the prevailing difficult conditions".

He defended steel producers against complaints that they exported steel products below fixed domestic prices.

"This is done to ensure the highest levels of capacity utilisation and employment, which also applies to suppliers of goods and services to the steel industry, as well as to earn foreign currency for the Republic, worth R650m in the past 12 months," he said.

The lower returns from these exports were borne by the companies, not subsidised out of domestic selling prices.

The steel industry had to cope with poor market conditions and resultant unfavourable international prices.

Mr Kotzee blamed the inflation rate for disparities between SA and world market prices as well as between domestic prices in South Africa and those in other steel-producing countries.

"Steel is exported at world prices to compete with other exporters, some of whom are subsidised on a large scale by their governments, which is not the case in South Africa."

International over-capacity had also contributed to "these abnormal conditions" of export prices being lower than domestic ones.

"In regard to primary steel products used by the local secondary industry for the manufacture of goods for the export market, steel producers apply a flexible market-orientated price policy," Mr Kotzee said.

A steel price was determined in collaboration with the local consumers which would help their products compete in export markets

He added: "If local secondary manufacturers were allowed to import steel at the current abnormal dump prices, the local steel industry would be seriously harmed and possibly suffer permanent damage."

ROM 2/7/84

189

New limits for steel shipments to the US

By PRISCILLA WHYTE

PRECISE tonnages of steel products that may be exported to the US have been published in the Government Gazette.

The voluntary US-SA restraint agreement cuts steel exports to 0,42% of US steel consumption.

Until March the quantities are:
plate — 55 000 tons; hot rolled coils — 80 000 tons, cold rolled coils/sheets — 55 000 tons; galvanised sheets/coils — 55 000 tons, reinforcing bars 9 000 tons; structural sections — 70 000 tons; and pipes/tubes — 48 000 tons

No semi-finished products or rails and track accessories may be exported to the US but 10 000 tons of wire rod, 8 000 tons of drawn wire, 16 500 tons of other wire products and 2 500 tons of bright bars may be shipped.

SA's total exports to the US may not exceed 409 000 tons for the 12 months to March.

In 1982 SA steel sent to the US was 507 000 tons, in 1983 it was 484 000.

Battery company will be able to provide more jobs

S. Post 189
2/7/64

Post Reporter

MORE job opportunities would be provided by the Port Elizabeth-based company, Willard Batteries (Pty) Ltd, as a result of a successful application by a private transport company to the Local Road Transportation Board (LRTB) last week, the company's managing director, Mr Syd Munton, said today.

Mr Munton was commenting on the granting to Stellar Transport Hire of three extra permits to convey batteries to various parts of South Africa on behalf of the battery company.

Last week's hearing by the LRTB, under the chairmanship of Mr S C Dorfling, followed an appeal by South African Transport Services

The appeal before the National Transport Commission was instituted by SATS after Stellar Transport Hire was granted six permits by the board last year.

The commission reduced the number of permits to three. The number of permits has now been increased to six, enabling the battery company to expand its operations in Port Elizabeth, thereby providing more jobs where necessary, Mr Munton said.

The company has 21 branches throughout the country and a total staff of 350 locally. A suitable site is being sought in Port Elizabeth for future expansion.

"There was a possibility that the company's local plant would have been forced to shut down had the permits been withheld," Mr Munton said.

Workers to protest over new wage offer

mercury
3/7/84
189

Labour Reporter

NEARLY 4 500 member companies within the Steel and Engineering Industries' Federation of South Africa will from this month have to pay higher wages to employees who are members of the Metal Industries Industrial Council

The increase is part of a negotiated amendment to the main agreement of the Industrial Council, proclaimed in the Government Gazette of June 29, 1984

Mr James Milburn, regional manager of Wispeco — one of the Durban companies within the federation, said in a statement yesterday that his company welcomed the introduction of the new minimum pay scales and would from this week be increasing the wages of staff involved accordingly

But the workers at Wispeco have rejected the pay rise, pointing out that the increase of 20 c an hour was 'meagre'. They want an increase of 50 c an hour which, they said, would cover the recent increase in cost of living and the rise in the general sales tax.

A spokesman for the workers said they had decided to hold lunch-time placard demonstrations on the company premises

'We want management to take note of our dissatisfaction over wages. We will continue our protest until such time as they are prepared to negotiate wages with the Metal and Allied Workers' Union,' he added

A union spokesman yesterday confirmed that the workers were 'not happy' with the latest increase and were staging peaceful placard demonstrations during their lunch-hour

600 ^{Sowetan} strike ^{17/84}

ABOUT 600 workers at MRT Bartons in Boksburg yesterday went on strike over the Metal Industry Industrial Council's 20 percent wage offer.

The workers, members of the Steel Engineering and Allied Workers' Union (Seawu), said that they were demanding "a living wage" and rejected the offer made by the Steel Engineering Industries Federation of South Africa for the metal industry's estimated 380 000 workers.

The Seawu announced that it was signing the IC's wage agreement under protest and indicated they will bargain for more pay packets for their members at shop-floor.

This is probably the first labour unrest in the metal industry since the IC's minimum pay rises of 40c/hour and 20c/hour for skilled and unskilled workers respectively was signed and gazetted, according to sources.

Workers told The SOWETAN that they were unhappy with the announced increases and said they approached management to negotiate a "better deal."

RDM 5/7/84 189

Govt policies under fire

THE head of a leading engineering group has attacked the Government for its "selective protectionist policies".

In a strongly worded statement issued in Johannesburg yesterday, Mr H R Meyerson, chairman of Quin Corporation (Quincor), the industrial engineering group which manufactures and supplies metal ware products, says "Where the authorities deem it necessary to give protection to primary industry, they must follow through their policy and give the same protection to secondary industry, dependent as it is on such primary producers for its raw materials

"The selective protectionist policies of our authorities towards industry are having some extremely damaging spin-offs"

The problem was acute in the secondary steel industry, where local manufacturers were forced to pay up to one-third more for steel than competitors.

Price levels of steel from Iscor

were effectively insulated by protective tariffs. Labour costs were spiralling yet productivity was not keeping pace. This left the secondary steel manufacturing industry increasingly vulnerable to imports

"Productivity, and the contribution it makes to the national fight against inflation, is a challenge and discipline manufacturers must accept, but they cannot bring inflation under control on their own"

He adds "The position of manufacturers is further exacerbated by dumping which is taking place from both the East and the West. Product is openly being imported at prices below those at which they are sold in their countries of origin."

Together with the advantages of substantially lower raw material cost and, in many cases, at substantially lower labour costs, exporters were using marginal costing policies to sell their product "with the net result that we are contributing to keeping employment levels up in their countries whilst threatening dangerously our own"

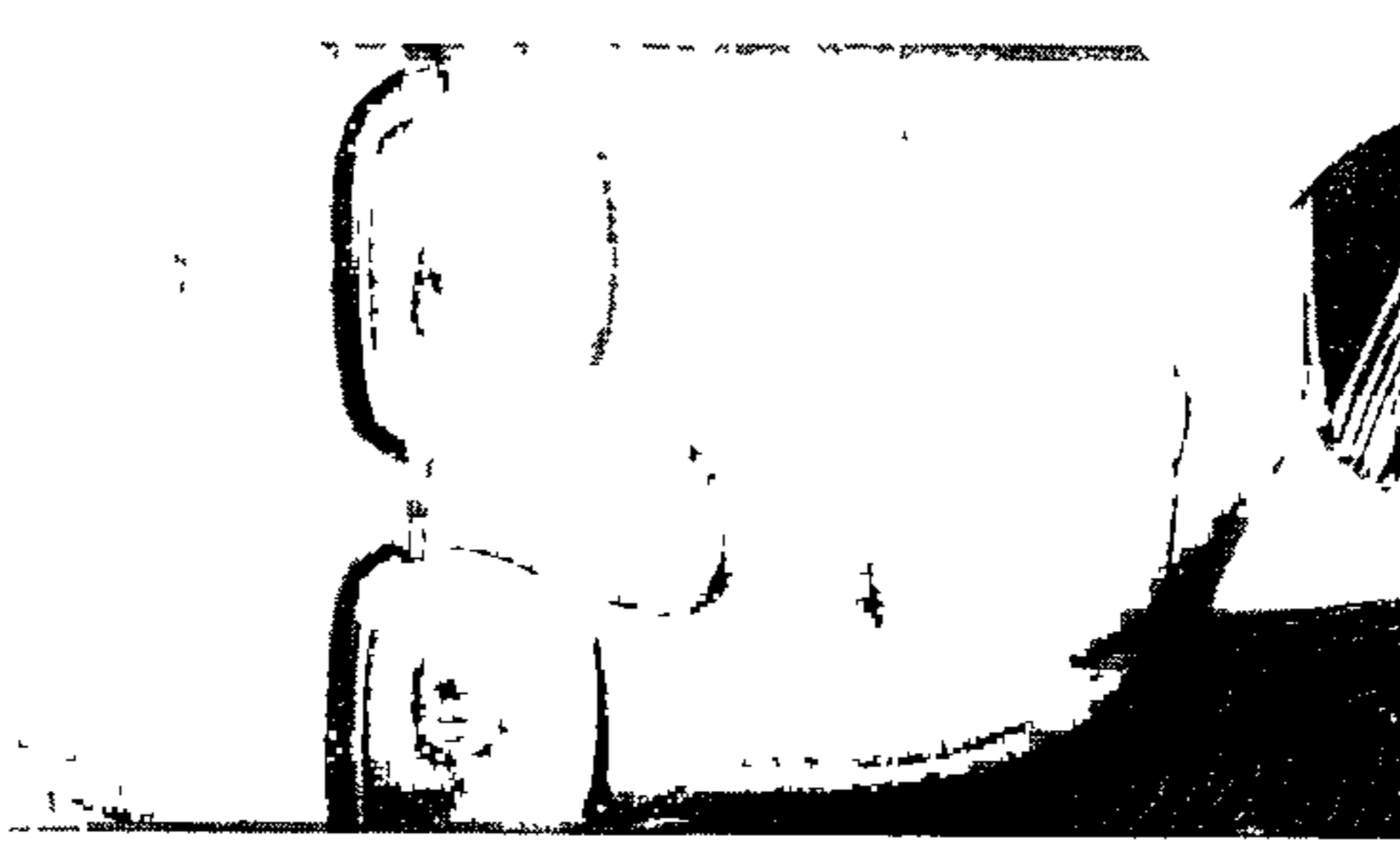
Mr Meyerson says the Board of Trade was sympathetic

"But before anti-dumping protection can be recommended by them, not only does it have to be proven that the offending product is being sold in South Africa at prices lower than in the country of origin, but also it has to be shown that our industry is being damaged as a result.

"Paradoxically, this often requires that periods of loss have to be suffered before action can be taken"

No sooner had the door closed on one product than another sprang up in its place. Industry could not indefinitely sustain such qualifying losses before protection was granted

"With the continued pressure on the rand... our Government should act now with some form of temporary embargo. Our balance of payments can only be aggravated by allowing imports into the country at the present rate," Mr Meyerson concluded — Sapa



Mr F P Kotzee has been appointed director of the Trust Bank.

Sexual abuse outcry

THE Foastu-affiliated Metal and Allied Workers' Union is considering legal action against an Isithebe metal factory, Kempar in KwaZulu, following a strike over sexual harassment and wages.

A union spokesman told The SOWETAN yesterday that workers had approached management following reports from women that an induna was forcing them to have sex with them.

However Kempar's manager told Mawu shop stewards that he was not prepared to fire the induna. Management also told workers that if they were not happy they were free to leave.

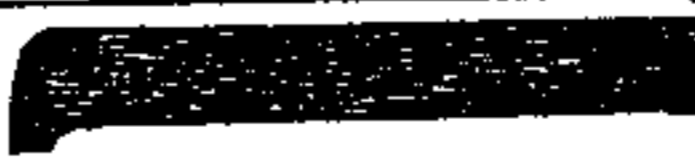
A shop steward was subsequently dismissed following numerous issues at the company which sparked off a strike.

After attempts by Mawu to resolve the issue, workers at seven Isithebe factories downed tools in sympathy. However the strike failed to break ground and workers were eventually forced to return to work, while Kempar workers were dismissed.

The spokesperson said that sexual harassment and other malpractices were rife in decentralised areas, like Isithebe. Mawu was having problems in fighting the practices because workers in "homelands" were not covered by South Africa's labour laws.

(Handwritten scribbles)

Sowetan 6/7/84



†The MINISTER OF TRANSPORT AFFAIRS

(1) and (2) During the period 1 June 1983 to 31 May 1984 former employees were only repaid their pension contributions in the following cases:

| | | |
|--|---|-------|
| Voluntary resignations | — | 3 766 |
| Abscondments/dismissals | — | 3 444 |
| Termination of services in terms of service contract (e.g. poor execution of duties) | — | 220 |

Interest on pension contributions is paid to former employees in the following circumstances

Voluntary resignation/dismissal

For each completed year above 13 years for which he contributed to the fund

Termination of services in terms of service contract (e.g. poor execution of duties)

For each completed year above one year for which he contributed to the fund

During the period in question interest was paid in 366 cases to former employees who left the Service in the aforementioned circumstances

†Mr S P BARNARD Mr Speaker, arising out of the hon the Minister's reply and in view of the good pensions which are going to be paid to members of the President's Council, can the hon the Minister not reconsider this matter? While members of the President's Council are going to receive a pension of almost R21 000 per year after only two and a half years' service, why must the families of persons such as these with 30 or 40 years' service, suffer hardships?

†The MINISTER Mr Speaker, the pension fund of the SA Transport Services is managed by a committee consisting of Railway workers. There is an Act which prescribes the procedure to be followed. If one wants to do what the hon member is suggesting, the Act will have to be amended. If the hon member comes to see me about it, we can see whether we can amend the Act.

†Mr S P BARNARD Thank you very much

Questions standing over from Wednesday, 4 July 1984

Dispute between employees/company Hausland & Co. 1960 6/7/84

*21 Dr A L BORAINÉ asked the Minister of Law and Order

(1) Whether he has received any representations from a certain person employed by a certain company, whose names have been furnished to the South African Police for the purpose of the Minister's reply, concerning the dispute between employees and this company in February 1984, if so, (a) when, (b) what was (i) the nature of representations and (ii) his response thereto and (c) what is the name of the (i) person and (ii) company concerned,

(2) whether the South African Police took any action against any employees of this company on or about 23 February 1984, if so, (a) what action, (b) why, (c) what were the circumstances surrounding the incident, (d) who called the police to the premises of this company on this occasion and (e) at what time were the police ordered to go to these premises.

(3) whether any persons were arrested as a result, if so, (a) where, (b) in terms

(4) of what statutory provision, and (c) why, was each person arrested,

(4) whether these persons have been charged, if so, in terms of what statutory provision,

(5) whether he (a) approached and (b) held any discussions with the Attorney-General of the Transvaal in connection with these persons, if so, (i) when, (ii) why and (iii) what was the purport of these discussions,

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

The MINISTER OF LAW AND ORDER

(1) Yes

(a), (b) and (c) I was telephonically contacted on a date which I can no longer remember precisely by Mr John Fourie, the managing director of Chubby Chicks (Pty) Ltd of Potchefstroom. As his Member of Parliament he asked my advice in connection with the application of the Labour Regulations Act, and I referred him to the Department of Manpower as the matter fell under the Minister of Manpower. Since Mr Fourie approached me as his Member of Parliament, I am not prepared to disclose more of the nature of our conversation.

(2) Yes

(a), (b) and (c) The police arrested a number of persons because they attended an illegal gathering after they had been dismissed by their employer.

(d) and (e) The police were not

called to the premises of the company, but acting on information received regarding the gathering they proceeded to the premises at 12h30

(3) Yes

(a) On municipal property adjacent to the company's premises

(b) and (c) In terms of section 40(1)(a) of the Criminal Procedure Act, 1977, because of contravention of section 57 of Act 74 of 1982

(4) Yes For contravening section 57(1)(a) and 57(1)(c) of Act 74 of 1982

(5) No

(6) No.

Dr A L BORAINÉ Mr Speaker, arising out of the hon the Minister's reply, is he aware that at the time of the arrest those workers were meeting together with the trade union leader to attempt to resolve what was a legal dispute? Does the hon the Minister feel that the fact of the police arresting and charging and arresting legally striking workers together with their trade union leader actually encourages labour peace or achieves the opposite result?

The MINISTER I am not aware of the facts the hon member is referring to, but I am satisfied, on the basis of the facts at my disposal, that as far as the police action is concerned, the police acted correctly in terms of the law and in terms of the circumstances prevailing at that stage.

Dr A L BORAINÉ Mr Speaker, further arising out of the hon the Minister's reply,

does he consider that there may well be a conflict between the Labour Relations Act on the one hand, which makes provision for trade union leaders to meet with their members, and on the other hand the Act the hon the Minister referred to in his reply and other Acts? I may point out that, if the trade union leaders and their members are denied permission to meet on the premises concerned, they have nowhere else to meet but on the adjoining ground. I am referring to the case where they meet for the sole purpose of trying to resolve a dispute. Does the hon the Minister not believe that in those circumstances there may well be a conflict between the relevant Acts?

The MINISTER I suggest that the hon member discuss his problems with the Minister of Manpowers

Dr A L BORAINÉ Mr Speaker, may I ask the hon the Minister whether he does not consider it possible that the hon the Minister of Manpower has a great deal of difficulty with the present hon Minister of Law and Order? [Interjections]

The MINISTER Would you repeat your question, please?

Dr A L BORAINÉ Mr Speaker, further replying to the hon the Minister's reply [Interjections] Arising out of the hon the Minister's reply, may I ask him whether he does not consider it possible that part of the problem, if not the whole problem, is that the hon the Minister of Manpower with the legislation under his control has a great deal of difficulty with the present hon Minister of Law and Order with the legislation he controls?

†The MINISTER I can assure the hon

member that there is no problem whatsoever between the Ministry of Manpower and the Ministry of Law and Order as regards the application of any legislation relating to a labour situation. There are the closest co-operation and liaison between the two Departments. Action is also taken with the necessary discretion and all circumstances that might apply when a situation of labour unrest arises on an industrial level are taken into account. I am quite satisfied that that co-operation is of the best and that senior officials act with the necessary discretion in the various cases. These cases are not dealt with by inexperienced people, but, if possible, senior and experienced officials are at all times made available to deal with such a situation of labour unrest

†Mr J H VAN DER MERWE. Mr Speaker, arising out of the hon the Minister's reply, I want to ask him whether, in the light of the fact that the Minister regards the letter of the MP to him as confidential, he also regards the letter of a foreign head of state who writes to him about his son's admission to multiracial quarters, as confidential [Interjections]

Unlawful meetings

*23 Dr A L BORAINÉ asked the Minister of Law and Order

Whether he and/or any member of the South African Police has issued any directives to the South African Police regarding meetings which could be considered to be unlawful in terms of Proclamation No 662 published in the *Government Gazette* of 26 March 1983, if not, why not; if so, what directives?

†The MINISTER OF LAW AND ORDER

Yes The Commissioner has issued cer-

tain guidelines in this regard to members of the South African Police. Like other departmental directives these guidelines are of a domestic nature and are not published for general information

For written reply.

Sports facilities

832 Mr P G SOAL asked the Minister of Co-operation and Development

(1) How many (a) rugby, (b) soccer, (c) cricket, (d) netball, (e) tennis, (f) swimming and (g) other specified sports facilities (i) had been provided as at the latest specified date for which figures are available, (ii) were provided in 1983 and (iii) are to be provided in 1984 in each specified township in each specified Administration Board or Development Board area,

(2) what total amount has been allocated for the provision of these facilities in 1984?

The MINISTER OF CO-OPERATION AND DEVELOPMENT

Reply bound in Annexures of House—see (M/172-1984).

Foreign students

961 Mr K M ANDREW asked the Minister of Education and Training

(a) How many foreign Black students were enrolled at universities for Blacks in the Republic in 1982 and 1983, respectively, (b) what was the country of origin of each such student and (c) at which university was each enrolled?

The MINISTER OF EDUCATION AND TRAINING

(a), (b) and (c)

| | Fort Hare | The North | Zululand | Medunsa | Vista |
|------------------|-----------|-----------|----------|---------|-------|
| | 1982 | 1983 | 1982 | 1983 | 1982 |
| Owamboland | 20 | 26 | 13 | 10 | 2 |
| Kavango | 3 | 4 | 2 | 4 | 5 |
| Caprivi | 6 | 3 | — | 4 | 12 |
| Remainder of SWA | 10 | 14 | 28 | 42 | 13 |
| Transkei | 383 | 287 | 56 | 54 | 31 |
| Ciskei | — | — | 25 | 25 | 34 |
| Bophuthatswana | 143 | 117 | 404 | 413 | 62 |
| Venda | 69 | 62 | 160 | 198 | 43 |
| Swaziland | — | — | 3 | 8 | 6 |
| Malawi | — | 1 | 2 | 2 | — |
| Zaire | — | — | — | — | — |
| Zimbabwe | 1 | 2 | 9 | 7 | — |
| Kenya | — | — | — | — | — |
| Botswana | — | — | — | — | — |
| Lesotho | — | — | — | — | 3 |
| Total | 635 | 516 | 702 | 767 | 213 |

283 229 283 — 252

Saawu: firm

D. Profith
refuses to

10/7/84 (189)
recognise us

EAST LONDON — The East London branch of the South African Allied Workers' Union says a local engineering supplies company, D J Field, is refusing to recognise it as the union chosen by its black work-force of 18 employees

A statement issued by the union said the work-force voluntarily joined the union late last year and requested it to approach D J. Field management to recognise the application

The union said a series of letters to the management drew no response and attempts to meet personally with management met with "hostile arrogance" A petition sent to the management by the workers was snubbed, some workers were dismissed and other harassed, the union said

"We firmly believe in propagating sound labour relations between employer and employees and the creation of a cordial spirit of harmony between managements and the union," the union said It said the management should reconsider its stance on trade unions.

The managing director of the company, Mr D J Field, said yesterday that their 18 employees were "well looked after" He said the longest-serving employee had been with the company for 25 years and the average length of service was seven years He did not wish to make any further comments —
DDR

Ray 10/7/84 (189)

Big split threatens key metal union

By PHILLIP VAN NIEKERK
Mail Reporter

THE suspension of four leading union officials by the Metal and Allied Workers' Union (Mawu) — probably the most active emerging union in the metal and engineering industry — has sparked a bitter row and a potential split within the union.

Mawu's national executive has recommended that Mr Andrew Zulu, a vice-president of the Federation of South African Trade Unions (Fosatu), be expelled from the union following a Press statement last week in which he slammed Mawu for being controlled by a "tiny bureaucratic white elite".

Mr Zulu's statement was the first public utterance on the upheaval that has affected the union in recent months.

Among changes in the union are the replacement of the union's general secretary, Mr David Sebabi by Mrs T C Nabe, and the closing of the East Rand and West Rand branches to form one Reef branch of the union.

At a Mawu National Executive Committee (NEC) meeting at the weekend Mr Sebabi and three other suspended officials — Mr E Gondwana, Mr S Ntuli and Mrs N Sebabi — were dismissed from the NEC for "financial mismanagement and gross misconduct".

The statement by Mr Zulu — who claims to be chairman of the Eastern Transvaal branch — contained a number of allegations against the NEC and two white union officials, and alleged that Fosatu of which Mawu is a member had backed the other side.

He alleged that all office equipment had been removed from the East Rand branch after a break-in by rival officials, that the branch's bank account had been frozen and transferred preventing them from bailing out jailed workers at Union Carriages and that almost 25 000 workers were left without an organiser after the officials had been suspended.

The NEC said in a statement that they were not prepared to debate these issues in the Press and claimed Mr Zulu represented a small group of individuals with little support in the union.

⁴ Business Day

profit 10/7/84 (189)

Govt inquiry into scrap metal exports

Financial Reporter

A COMMITTEE is to be set up to consider the export of non-ferrous scrap metal, according to Dr Dawie de Villiers, Minister of Industries, Commerce and Tourism.

The export of non-ferrous scrap has been the cause of considerable friction between the exporting firms and local industries which need it.

The Board of Trade and Industries was instructed in September 1979 to inquire into the collection, marketing, supply and control of exports of non-ferrous scrap metals and its report was tabled in Parliament yesterday.

The board concluded that, for technical reasons, the export of non-ferrous scrap metal and non-ferrous secondary metal could not be excluded from the provisions of the export control regulations.

It also concluded permits should continue to be issued on application to

businesses complying with the other provisions of the relevant export control regulations.

The board pointed out, however, that non-ferrous scrap metal is of major importance to the electronics, chemical, construction, motor vehicle, ammunition, armaments and consumer goods industries.

"I am convinced it is desirable that, before export permits are granted, the local industries must be afforded the opportunity to procure at competitive prices materials which are about to be exported," Dr De Villiers said.

"Consequently, I intend appointing a small committee of knowledgeable persons consisting of two representatives from the industry and the consumers, and one representative each from the Minerals Bureau and the Department of Industries and Commerce to make recommendations regarding applications for exports of non-ferrous scrap metal."

Metal workers split and rival union launched

By PHILLIP VAN NIEKERK

A MAJOR new union was formed on the East Rand this weekend when rebel shop steward committees from at least 38 factories broke away from the Metal and Allied Workers' Union (Mawu)

Mawu, a leading affiliate of the Federation of South African Trade Unions (Fosatu), is the largest black worker union in the steel and engineering industry

The formation of the United Mining, Metal and Allied Workers of South Africa (Ummawosa) follows the sacking of four union officials, including the former general secretary Mr David Sebabi, by Mawu's national executive last weekend

In a statement last week Mawu said the organisers — Mr Sebabi, Mr Sam Ntuli, Mr Enoch Godongwana and Mr A Sipeta — were fired for financial mismanagement and gross misconduct

Hundreds of former members of Mawu's East Rand Shop Stewards Council gathered at a hall in Actonville, near Benoni, on Saturday to launch Ummawosa

They declared themselves for worker control of the union, and a more politically active union, as well being opposed to bureaucracy and "white domination"

The meeting was organised by the four sacked organisers and the vice-president of the Federation of South African Trade Unions, Mr Andrew Zulu, who has been facing expulsion from Mawu

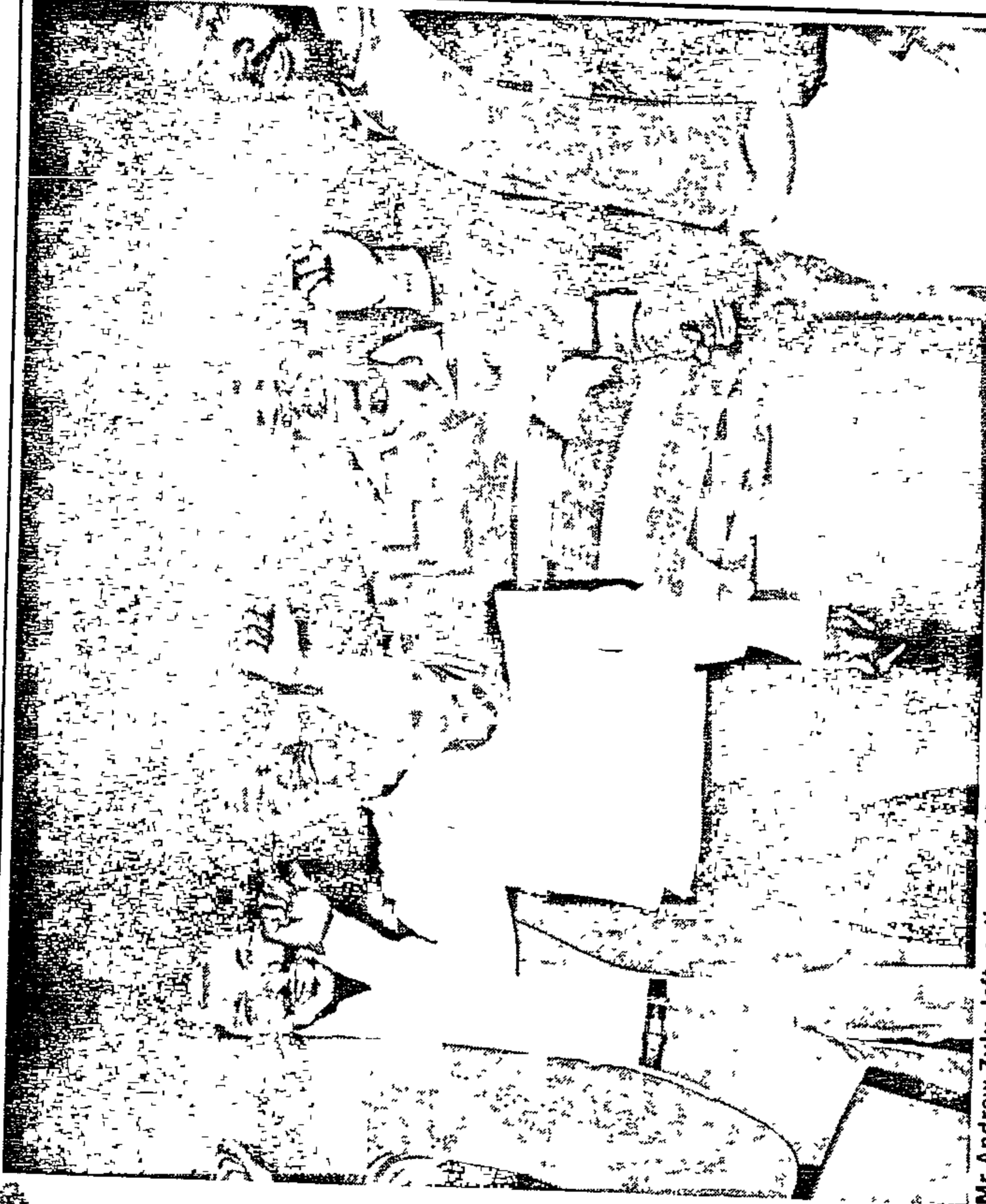
The split means Mawu has lost a huge chunk of its support on the East Rand, a crucial area for worker organisation. A bitter inter-union war, with consequences for industrial peace, could be on the cards

Already there is controversy over the refusal of the sacked officials to hand over the Benoni and Springs offices, as well as the union's East Rand records, to Mawu. And the workers voted to extend their organisation into the mines, which could bring them into conflict with other mine unions such as the National Union of Mineworkers (NUM)

Ummawosa claims to have membership at six mines already

A proposal to insert the word "black" in the unions name was rejected after other workers had argued that their problems were not with white workers but with "whites who joined us, not as workers, but as intellectuals"

Mr Zulu has been elected acting president of Ummawosa.



Mr Andrew Zulu, left, acting president of the United Metal, Mining and Allied Workers of South Africa (Ummawosa), with three sacked former officials of Mawu, at the launch of Ummawosa in Benoni on Saturday. The organisers are, from left, Mr Sam Ntuli, Mr Enoch Godongwana and Mr David Sibabi.

ROM 17/184

100 workers wait for 'test' case verdict

Labour Correspondent
MORE than 100 workers who were fired after a dispute in late 1982 at an East Rand metal company Screenex, and who brought a "test" case against their employer in the industrial court, are still awaiting the court's decision.

Yesterday their union, the Metal and Allied Workers' Union, criticised the delay and said the workers, who had suffered "considerable damage" because of being

sacked, were losing money as a result.

Mawu said that, should the court order the reinstatement of the workers, it only had the power to backdate this for six months.

This meant that the delay was increasing the period for which workers would not be compensated even if they won the case.

The court's president, Mr B J Parsons, yesterday defended the delay.

He said the presiding offi-

cer in the case had almost completed his judgment and that it should be made known "in the near future".

He said the case had been a "long and complicated" one and that the presiding officer had had to give it considerable thought.

The Screenex dispute centres around the company's decision, in December 1982, not to renew the contracts of several migrant workers.

Workers charged that this was a violation of an agree-

ment not to retrench without consulting worker representatives, and stopped work in protest.

They were then dismissed.

They later applied to the court for an order permanently reinstating them and the case was seen as a key test of the rights of migrant workers whose contracts are not renewed by their employers.

In a rare move, the court heard oral evidence from witnesses.

Iron-ore project losing millions

By ROGER WILLIAMS
Chief Reporter

MASSIVE losses on the Sishen-Saldanha iron-ore export project, which began eight years ago amid forecasts of a boom on the West Coast, have given rise to speculation that the scheme may have to be scrapped or drastically curtailed.

Figures published by Iscor, which has to carry most of the losses incurred, show an estimated loss on the scheme of R73-million in the financial year just ended.

A projected deficit of R150-million for the year ending in June 1985 will bring the accumulated loss since the first consignments of Sishen ore were shipped from Saldanha Bay in 1976 to R240-million.

Shipments of ore from Saldanha have declined sharply from a peak of

14,5-million tons in 1978/79 and 1979/80 to 8,1-million tons in 1982/83. The official figures for the past year, in which the price of iron ore dropped by 12 percent, have not yet been published.

Figures in the latest Auditor-General's report on SA Transport Services (SATS) show that the ore-export harbour at Saldanha Bay was run at a loss of R6,28-million in 1982/83 — R5-million more than in the previous year.

South Africa's other major mineral-exporting harbour, Richards Bay, suffered an even greater loss in 1982/83 — R18,7-million.

The huge losses on the Sishen-Saldanha scheme are attributed to the international slump in the iron-ore market, more specifically in South Africa's main outlets in Japan and Europe. Iscor is expecting the "imbalance" in this market to continue into the 1990s.

When the Sishen-Saldanha scheme was first mooted, the Iscor management forecast that it could earn R500-million a year in foreign exchange for South Africa.

Now, the economic plight of the project has become so alarming that the Minister of Industries, Commerce and Tourism, Dr Dawie de Villiers, has appointed a special committee, under the chairmanship of Mr John Maree of the Barlow group, to investigate it and to suggest possible solutions.

Because of the rapid deterioration in the economics of the scheme, it is felt in shipping circles that the government might be forced to close it down.

A spokesman at the Iscor head office in Pretoria said yesterday that the corporation would not be in a position to comment on the future of the Sishen-Saldanha scheme until the Maree committee had completed its task.

After a fierce controversy about the relative merits of developing an iron-ore export facility at Saldanha Bay or in Algoa Bay, a strong pro-Saldanha lobby persuaded the government to decide in principle, in 1970, to back the Saldanha scheme.

At that time it was estimated that the scheme, involving provision of an 860-km rail link and the dredging of Saldanha Bay to take deep-draught bulk carriers, would cost about R328-million. By the time the scheme had been completed, the overall cost had soared to around R1-billion.

189
~~279~~
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19/7/84
C. Times

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board, the union held a strike ballot in which the overwhelming majority of members supported industrial action. Management and the Department of Manpower were given an ultimatum, either re-open wage talks and appoint a board — or face strike action by the end of last week. ...

The official reason advanced for not appointing the board within the specified time was that the Department of Manpower is "over-burdened with applications" stemming from wage negotiations with unions outside the industrial councils.

Schreiner says there is hope that the fresh round of mediation will solve the impasse. Management too has shown its good faith by agreeing on a mediator and a date for the first session. But Schreiner says a lot will depend on how far management is prepared to yield, and the union reserves strike action as a weapon of last resort.

The prospect of the two parties reaching an interim agreement on wages in the light of the new developments must be regarded as reasonably good. But whether they can forge a sound long-term relationship is another matter.

Union-management relations at Sarmcol have an unhappy history. After 10 years there is still no proper recognition agreement between the two parties, though Sarmcol chief executive, Stewart Blackstock, notes that "much progress has been made" towards that goal.

The company once took the union to court on an unfair labour practice issue charging that it was negotiating in poor faith over severance pay. Union members once gatecrashed a shareholders' meeting with the intention of bringing the company's poor industrial relations record to the attention of senior management and stockholders.

Summing up the union's attitude Schreiner says: "Management is deluding itself if it believes it can get the union to accept second-class working conditions and a poor wage settlement. After 10 years of being out in the cold there is a high level of expectation."

SWAZILAND

The Ligoqo answers

The two most powerful political figures in Swaziland, Prince Mfanasibili Dlamini and Dr George Msibi, appear to have consolidated their grip on power following the unrest that has simmered since the death of King Sobhuza two years ago.

The position of both as leading members of the ruling Supreme Council of State, or Ligoqo, seemed threatened by their alleged involvement in the R13m customs fraud and the recent collapse of Swaziland Chemical Industries (SCI), a Hanhill subsidiary.

Swazi ombudsman and Ligoqo secretary Robert Mabila, who is investigating the



Swaziland's Msibi ... denies he raised loans for SCI

customs fraud, says that preliminary findings show (contrary to claims by ex-Finance Minister Sishayi Nxumalo) that nobody in "high places" was involved.

According to Msibi, "the directors of SCI have already written to the ombudsman saying that all SCI's loan facilities were arranged a long time ago" — meaning without the benefit of his influence.

The FM is told that 16 SA and four Swazi companies were involved in the customs fraud and are expected to face charges. The companies appear to have used a fictitious bonded warehouse in Mbabane to clear goods, mainly clothing, that was landed at Durban. The fraud began in 1981 with the collusion of certain Swazi officials, who could also be charged.

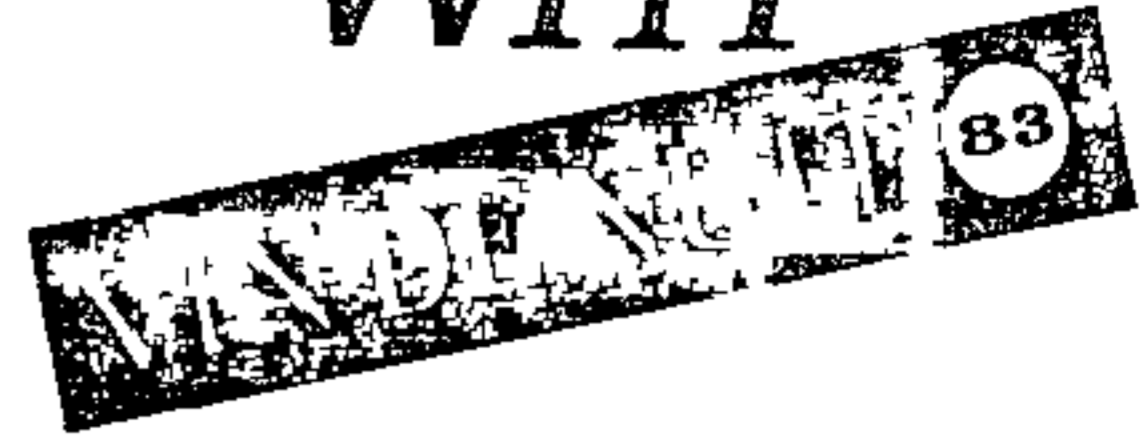
Mabila says "Nxumalo should not have had the temerity to point the finger at others when his own department (finance) was being run inefficiently."

Msibi tells the FM that Nxumalo's allegations were based on the fact that Prince Mfanasibili had one share in a company whose main shareholders were involved in the fraud. His holding, however, was not in a company which is being investigated. "It (the fraud) has nothing to do with the company in which the prince is a shareholder," Msibi says.

He adds that it was "absolute rubbish" to suggest that people in high places had pressured the banks to grant loans of some R30m to SCI, which was the biggest industry in Swaziland.

"The only person who could have done that is me," says Msibi, who was appointed an SCI executive director in 1982. "But, by the time I joined, SCI already had these loans. The only time I became involved was

WHY



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The proof of the making is in the tasting!

LOR 101 E

DISPUTES (189) (401) (182)
Legal strike threat

What would have been one of SA's few legal strikes has been headed off with the appointment of a conciliation board to mediate in a wage dispute between the Metal and Allied Workers Union (Mawu) and the BTR Sarmcol rubber plant at Howick.

Tensions have been mounting between Mawu and Sarmcol where management and the union have had an uneasy and incident-prone relationship for many years. Observers see the appointment of the board as averting what might have been a final test of strength.

Mawu's local branch secretary, Geoff Schreiner, says the union was poised for strike action and would have gone out into the streets last week had the CB not been appointed.

According to Schreiner, the union and management are deadlocked over a wage offer of 10,8%. At the end of negotiations a dispute was declared and the union pressed for the appointment of a conciliation board.

When the statutory 30-day period had lapsed with no moves towards appointing a

189

from 23/7/84

Metal unions split loyalties

A SPLIT in the biggest black metal union, Fosatu's Metal and Allied Workers' Union, has led to the formation of a rival, the United Mining, Metal and Allied Workers' Union of SA (Ummawosa), and divided Mawu's East Rand branch, once its most prized asset.

Is the split a significant move, demonstrating black worker resistance to white intellectuals in the unions, or simply a power grab by a few union officials?

Estimates of Ummawosa's strength differ. It says it represents 15 000 workers in 38 factories and mines; Mawu says only about 4 000 workers in 30 of its 75 Eastern Transvaal factories have

joined the rebels.

What is known is that 38 worker committees attended a meeting to launch Ummawosa and there was a high degree of worker participation.

The rebels — including worker speakers at the meeting — say the split is a reaction to white MAWU officials who took decisions without consulting workers.

They imply that they prevented Mawu taking a more active political role, which Ummawosa says it plans to do. Their sympathisers insist there are similar tensions in other unions which could prompt similar splits.

Mawu leaders say the rebels were expelled by its executive, a body composed of elected workers. They charge that 45 East Rand factories

asked to leave the branch because they were unhappy with the expelled officials.

They thus suggest that the split is the work of officials who had been rejected by most of their members.

At this point, there is little hard evidence to suggest the split will be followed by similar moves elsewhere but it may provide a significant test. Until now unions operating without the aid of university-trained officials have fared badly but Ummawosa's leaders could prove an exception.

Most have a thorough training in unionism and have gained valuable experience from fighting factory battles. Though its size is in dispute, they have a worker following used to participating fully in union affairs.

All this should provide the ingredients of a well-run union. If Ummawosa does grow it will show that grassroots leaders within the better-run unions are able to flourish without aid.

If not, the split will be seen as merely a clash between individuals with little wider significance.



BY STEVEN FRIEDMAN

Cloud looms on dock jobs deal

189
E. Post
28/7/84

EVIDENCE available to BUSINESS POST suggests that a maximum of some 1 300 blue-collar jobs would be created if the Algoa Bay Dockyard Development Company's (ABDDC's) proposed ship repair yard materialises

Since more than half of these posts will be for skilled and experienced workers it would appear that only some 600 jobs may be created for unskilled Ciskeian workers

By contrast the Ciskeian Government has said that a "proposed" R750 000 investment in the ship repair yard would secure jobs for some 4 000 Ciskeians.

Efforts this week to clarify these and other points failed

Neither Mr Henry Combe, managing director of ABDDC, nor Dr Konstant Brunette, the chairman, were available to telephone inquiries (both men have consistently failed to take or return calls from BUSINESS POST over the past months)

Several questions were, however, telexed to the company's Port Elizabeth head office (this address was advised by Dr Brunette's personal secretary), and are published below

The latest element of confusion to surround the proposed ship repair yard follows public comments allegedly made this week by Dr Brunette, that a decision on the Ciskei's R750 000 investment had yet to be made

This sentiment was echoed by Mr Combe, who said in a statement negotiations were underway with the Ciskeian People's Education Trust "who wish to become shareholders of the company"

A Ciskeian Government spokesman said, however, that an agreement detailing the investment and share acquisition had already been signed by both parties

Information gained from files on the subject and a personal interview with Mr Combe (conducted months



By Louis Beckerling
Business Editor

ago when he was willing to talk to BUSINESS POST), provides interesting background information

It was on August 4, 1974, in England, according to Mr Combe, that his plan for building a ship repair yard "was first mooted"

He said that "it is amazing how close to the original plan it has run" However an examination of the facts demonstrates

- The fundamental nature of the scheme has been completely altered — from its original intention of catering for oil supertankers in the 550 000-ton-plus class, to a more modest twin 350 000-ton and 150 000-ton dock for bulk carriers, predominantly of grain, ore and coal

- The estimated cost of the scheme has progressively declined from initial assessments that it would cost R370 million to R210 million, and even at one point to an amount of only some R120 million

- And on no fewer than seven occasions in the past seven years has Mr Combe — and lately new chairman Dr Brunette — suggested that the project was due to commence, as the following quotes indicate

November 1977: *The yard can be operating by 1982 The only remaining hurdle would be to prepare a financial package acceptable to the Government*

August 1979: *A technical study is expected to be*

ready before the end of the year, if positive, work will commence early next year

February 1980: *I am completely confident that we are going ahead Work will start within a few months*

April 1980 *We have the financial backing, now we have the expertise Target date for construction is January, 1981*

Wednesday, July 27, 1983 *If construction begins next year the facility could be ready to start limited operations two years thereafter and be completed in 1987*

Friday, July 6, 1984 *Among certain important decisions to be taken at a board meeting for July 23, according to Dr Brunette, is a decision on when construction will begin (the meeting came and went this week without a decision)*

Investors have contributed substantial equity funds to the Algoa Bay Dockyard Development Company

Records at the company's office in Pretoria reveal that the value of issued share capital (excluding the proposed Ciskeian investment) stands at a little under R1 million

In addition, PE ratepayers have contributed R40 000

Mr Combe has not disclosed much regarding the company's finances in his public statements and it is difficult to get a clear picture of what the Algoa Bay Dockyard Development Company's balance sheet looks like today

However, whereas funds invested by shareholders evidently amount to R1 million or more, assets appear to be largely intangible

In the absence of any information regarding purchases of land, plant or machinery, assets are presumably largely restricted to options and a number of reports and surveys conducted on the company's behalf

Furthermore it is clear that the project has not run

remotely close to the original plan

This raises further questions

As one of only three comparable yards (at the time of its original conception as a mammoth 550 000-ton dock), the proposed Algoa Bay repair yard would have enjoyed limited competition

Furthermore, at the time Mr Combe first conceived the idea the number of oil tankers on order were at an all-time high (a total of a some 200 million tons of shipping in all)

Under such circumstances the original financial feasibility studies suggested the scheme was viable — though even at this point a number of shipping industry men, notably, if not predictably, the operators of existing repair facilities in the country — expressed grave doubts

Even P-E Consulting Group (SA) (Pty) Ltd pointed out in the feasibility study commissioned by Mr Combe that one of the three yards operating at the time was capable of handling all the repair requirements of the world's tanker fleet, and endorsed the Algoa Bay plan primarily on certain locational advantages (see below), and the assumption that management would be more competent

In the interim the face of international shipping has changed totally and Mr Combe was among those caught by surprise (as late as July 1979 — five years after the oil price crisis — he was quoted as saying, that oil supplies would continue to be transported in large quantities and will reach a peak "only in 1998".

The fact is that in the face of an oil glut, an economic recession, and a radical rethink on the costs of operating super-tankers, the number of such ships on order slumped disastrously — with a paltry 20 million tons on order in 1982, according to a BP statistical review of world energy

The implications for investors in the proposed Algoa Bay ship repair yard

P.T.O.

Warranty scheme

THE General Motors dealers of South Africa have announced the introduction of their Continuous Owner Protection Plan (Copp) which will extend the warranty on new General Motors cars to 36 months or 100 000 kilometres — and on used cars to 24 months or 40 000 kilometres

The cost of Copp is R120 — and the extended warranty covers a period of 36 months or 100 000 kilometres on all new cars station wagons and light delivery vehicles with a gross mass not exceeding 35 tons

Microbuses with a maximum seating capacity of 16 persons are also covered by the new plan

In addition the plan is offered on used cars for a period of 24 months or 40 000 kilometres. In the case of both new and used General Motors products all major mechanical and electrical components will be covered against any unforeseen damage

A list of the components covered in the warranty can be obtained from any General Motors dealer

(105) (189) E Post
28/7/84

Cloud looms over PE dockyard jobs deal

● From Page 1

had construction commenced when Mr Combe first visualised the plan would have been calamitous

Today (unless the nature of the plan has fundamentally been changed), the drastically revised repair yard is promoted on the basis of the passing traffic in bulk cargoes and is aimed at accommodating bulk carriers of up to 350 000 tons

The problem is that the country already has two dry docks capable of handling ships of 80 000 tons (Cape Town), and 50 000 tons (Durban). That excludes the facilities at Simonstown naval base and the wharveside repair facilities available in Durban and Cape Town

A rough tally of yards around the world that can accommodate ships of between 70 000 and 150 000 tons suggests that a 150 000-

tonner in South Africa will have to compete with some 120 ship repair yards throughout the world — many of which are currently either bankrupt, heavily subsidised, or verging on bankruptcy because of the economics of world shipping

The original financial feasibility study conducted in 1977-'78 with an eye to providing supertanker accommodation was conducted by the P-E Consulting Group

A major factor in endorsing the feasibility of the study at the time, recalled Mr Geoff Austin (the man responsible for the study) in an interview with BUSINESS POST some time ago, was the locational advantage offered exclusively to oil tankers

The fact that the tankers could "de-gas" their holds while steaming back to the Persian Gulf was a plus factor, P-E calculated

However, with the pro-

ject now directed at bulk carriers this factor no longer applies

What of the elementary arithmetic suggested by the capital costs of the latest revised plans for the dockyard?

Assuming that an estimate of some R200 million remains reasonably close to being accurate, what would be the vital statistics of such an investment?

● A return on capital of 30% (bearing in mind investors can avoid such a high-risk area and get up to 20%) means the yard should produce a net operating surplus after tax and interest of at least R60 million

● Tax at 50% and interest at a nominal 10% increases the above-the-line trading surplus to some R140 million

● Assuming a trading profit of 25% on turnover, this translates into a turnover requirement of R560 million — and should be contrasted with an estimated total bill for ship repairs in South Africa last year of some R30 million

In other words for Mr Combe's project to be successful, it would seem that he must increase all exist-


ing business in the country some 19 times — and then capture all the business himself

The viability of the scheme looks even bleaker when one measures the requirement against the estimate of the number of bulk carriers currently passing the South African coast


Figures vary, but an estimate of around 30 a month in the 70 000-ton-to-350 000-ton bracket would appear reasonable (based on figures supplied to BUSINESS POST by Maritime Command in Simonstown, and verified by shipping industry spokesmen)

To produce a turnover of R560 million a year from this passing trade, the proposed Algoa Bay Dockyard would have to stop every second ship every second month and perform repairs worth some R62 million — in the process outbidding the world's largely bankrupt repair industry for all the contracts


Contrast this with the fact that scheduled refits account for more than 70% of all repair business, and large ships now require scheduled refits once every four years or so



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RDM 31/7/84 (189) (189)

Metal wages settled outside the system

Labour Correspondent

SEVERAL Natal metal companies have ignored a call by the Steel and Engineering Industries Federation (Seifsa) and have negotiated wage increases with the Metal and Allied Workers Union (Mawu) outside the official industrial council system, a union statement said yesterday.

Mawu added that, in all cases, the wages negotiated were higher than those agreed between Seifsa and metal unions at recent council wage negotiations.

At the council, a 13% rise in the minimum wage to R1,73 an hour — R77,85 a week — was negotiated.

Although it is a member of the council, Mawu refused to sign this agreement and said it would seek to negotiate bigger increases at companies where it represented a worker majority.

Seifsa, opposed to negotiations outside the council system, urged companies not to negotiate individual wage agreements with unions.

In its statement yesterday, Mawu said it had recently completed wage negotiations with 10 Natal companies.

It said "most" of these were members of Seifsa and that the wage agreements between them and Mawu therefore "include and supplement the minimums offered by Seifsa at the national industrial council".

In all but one case, employers have agreed to a minimum wage of at least R90 a week, or R2 an hour, which Mawu regards as a "minimum living wage", according to figures contained in the union's statement.

According to the statement, the highest minimum negotiated is R121,50 a week at the Durban plant Forbo Krommenie. Two other firms, APV Kestner and Van Leer, have agreed to minimums of just over R100.

At Krommenie and Van Leer the new minimums come into force in January, while at Kestner it has been backdated to the beginning of July, the union says.

N. Mawu. 31/7/84 (189) (189)

Workers win pay rise

Labour Reporter

WORKERS in the metal industry have won pay increases of up to 13 percent after wage negotiations between the Metal and Allied Workers' Union and 10 Natal companies, it was announced yesterday

In a statement yesterday, Mawu said most of the 'substantive agreements' had been concluded with the Steel Engineering Industries Federation of South Africa (Seifsa) companies

'Mawu rejected the minimum wages offered

by Seifsa at the Industrial Council. However, all other unions with the exception of the Boilermakers' Society agreed to the employers' proposals of between 7 percent and 13 percent.

'Mawu therefore refused to be a party to the national agreement and undertook as it did last year to revert to plant-level negotiations to supplement Seifsa's national proposals

'Seifsa, on the other hand, has issued a circular to employers calling on them not to negotiate with unions at plant level as, it has claimed, this

will undermine a centralised bargaining system'

The union said many Natal companies at Seifsa establishments had ignored the call and 'seen wisdom in talking to Mawu at the shop-floor level'

Wage increases were concluded at APV Kestner (Pietermaritzburg), Pillar Naco (also Pietermaritzburg), City Metal Products (Isipingo), W B Camerons (Jacobs), Forbo Krommenie (Jacobs), Metal Press (Mobeni), Van Leer (Mobeni), C I Industries (Pinetown), Glacier Bearings (Pinetown) and K B W Valves (Isipingo)

Ciskei pays 72% more ⁽¹⁸⁹⁾ for company ^{E. Post} shares ^{31/7/84}

By LOUIS BECKERLING
Business Editor

THE Ciskeian government is paying 72% more for its shares in the Algoa Bay Dockyard Development Company than existing "B" shareholders

And though the Ciskei's cheque of R750 000 for 349 shares will raise the company's existing issued share capital by more than 80%, Ciskei will be given at best a 23% representation on the company's board.

In the event the ship repair yard's chairman, Dr Konstant Brunette, enjoys a casting vote on the existing 10-man board, the three additional board members to be appointed in terms of the agreement between the Algoa Bay Dockyard Development Company and the Ciskei President and People's Trust will represent only a 21% voting power on the board

The issue of shares at such a substantially higher price by a private company to new shareholders can generally only be justified if the company's profits have been substantially raised, or there has been a major change for

the better in its potential fortunes.

In either event, commented an auditor today, the party paying the higher price should have satisfied itself that the premium was worth paying

Whereas the Ciskeian Government will be responsible for a little under half the dockyard company's share capital once its cheque is issued (due, the Evening Post understands, on August 15), voting rights depend also on the company's internal rules (articles of association).

In the event that each of the 10 000 "A" shares issued at R1 each carry a vote, Ciskei's 349 shares will naturally carry a far lower voting power than their price suggests they should carry

No comment on the share price was available from Ciskei today and Dr Konstant Brunette, chairman of the Algoa Bay Dockyard Development Company, was also not available for comment, though questions on the matter have been telexed to his office in Pretoria by the Evening Post

Highveld Steel faces threat of strike

By Carolyn Dempster,
Labour Reporter

Black and white workers at one of South Africa's major steel producers — Anglo American's Highveld Steel and Vanadium Corporation — have agreed to hold a joint strike ballot within the next week

Not only is this the first step towards a legal strike at the Witbank steel complex but it will be the first time black and white members of separate unions in the same plant have joined forces

The two unions who will hold the ballot are the Metal and Allied Workers' Union (Mawu) and the South African Boilermakers' Society (SABS) who have a combined membership of more than 3 000 workers. Highveld's total work force is just under 6 000

The decision to hold the ballot follows the collapse of in-house negotiations earlier this month. Highveld management made the same offer as employers at the National Industrial Council negotiations — 20 c increase for unskilled

workers and 40 c for artisans

The offer was immediately rejected and a dispute declared by the Yster and Staal Unie, the Amalgamated Engineering Union (both with all-white membership) and the South African Boilermakers Society Mawu, which was not at the first meeting, subsequently declared a dispute

On July 12 a meeting of Yster and Staal and AEU members resolved to accept management's offer with the proviso that, should the economic situation improve, they would be able to re-negotiate

But shop stewards representing Mawu and the boilermakers met this week to discuss future steps after the expiry of the 30-day conciliatory period after the declaration of the dispute

PROFITS

The workers, who rely on overtime and 16-hour shifts to get by, feel that, in the light of the R84 million profit made by Highveld and its sister company, Scaw Metals, last year the corporation can afford increases larger than those offered by the Steel and Engineering Federation in the national agreement

Employers ignore Seifsa ruling

Union goes for in-house deals

1/8/84 (189) Star

By Carolyn Dempster
Labour Reporter

At least 10 Natal employers have flouted the directives of the Steel and Engineering Industries Federation of South Africa (Seifsa) not to negotiate in-house agreements.

The Metal and Allied Workers' Union (Mawu) announced on Monday that it had concluded successful plant agreements with 10 Natal companies and was involved in negotiations at three other plants.

The agreements will serve to supplement the

national minimums negotiated by Seifsa at the Industrial Council last month.

This is in spite of the pressure which Seifsa has applied to member employer bodies not to negotiate outside of the council.

Following the 1984/85 national agreement, a circular was issued to employers calling on them not to negotiate with unions at plant level as this would undermine a centralised bargaining system.

However, both Mawu and the South African

Boilermakers' Society refused to be party to the national agreement and announced their intention of negotiating for further increases at plant level.

The companies which have signed agreements with Mawu include A P V Kestner in Pietermaritzburg, Pillar Naco, City Metal Products in Isipingo and W B Camerons, Forbo Krommeme, Metal Press in Mobeni, Van Leer, C I Industries, Glacier Bearings and K B W Valves in Isipingo.

New minimum rates have been negotiated in five of the companies.

Rezoning of dockyard land not yet granted

189

S. Post 2/8/84

By LOUIS BECKERLING
Business Editor

THE Algoa Bay Dockyard Development Company has not yet been granted planning authority by the Cape Province to site its proposed ship repair yard near the Coega River

This information, confirmed today by Director of Local Government, Mr Jan Walters, and the Port Elizabeth City Council's Chief Estates Officer, Mr Bill Williams, contrasts with a written statement by the managing director of the dockyard company, Mr Henry Combe

In a submission in support of the dockyard company's efforts to raise an investment of R750 000 from Ciskei, Mr Combe wrote

● "The value of the land (the proposed site of the yard), rezoned for industrial use, will be substantial, and this, together with all the development work completed so far, is valued at R30 million. The rezoning authorisation was received

in April 1983"

Investigation has shown that a "need and desirability" certificate was granted in April, 1983, but this was subject to several qualifications, including a warning that the certificate did not bind the Province to granting an application for the rezoning of the ground

The letter, addressed to the dockyard company by Mr Walters, called for a formal application for rezoning and said this should be accompanied by

● "Sufficient guarantees to show that the financial resources will be available to complete the project, and

● "Proof beyond doubt that the ship repair yard is to be proceeded with"

The letter was addressed to the company in March last year. The dockyard company has only acknowledged its receipt in a brief note

No formal application for the rezoning of the ground

has been made

In his submission to the Ciskei Government, Mr Combe said

● "the planning authorities have issued the Need and Desirability certificate for the rezoning of the land from agricultural to industrial use" and, elsewhere,

● "The value of the land, rezoned for industrial use, will be substantial, and this, together with all the development work completed so far, is valued at R30 million. The rezoning authorisation was received in April 1983"

In his letter to the company Mr Walters said

"Further to the abovementioned matter (the proposed Algoa Bay ship repair yard), and your Need and Desirability application for township development dated 26 August 1980, I have to inform you that the Township's Board has indicated *prime facie* that there appears to be Need and Desirability for the creation of a limited number of industrial

sites, including housing for key personnel to cater for industry closely associated with the ship repair industry provided that the ship repair yard itself is proceeded with

"The Township's Board is not in favour of a residential component or the proposed general industrial township

"In view of the above kindly submit

● "The lay-out plan of the limited area indicating the sites for key personnel and public open spaces,

● "Details of steps to be taken to protect sensitive areas, and

● "Sufficient guarantees to show that the financial resources will be available to complete the project must also be submitted"

It had to be clearly understood that the letter was in no circumstances binding on the Administration. Approval would not be considered until it was proven beyond doubt that the project would be proceeded with

184 ~~184~~ 3/8/84

UNIONS

Behind Mawu's split

Tensions which led to the split in Fosatu's Metal and Allied Workers' Union (Mawu) are having a ripple effect reminiscent of previous troubles in the federation

A splinter union — the United Mining Metal and Allied Workers of SA (Ummawsa) — was formed some weeks ago following the dismissal of several key Mawu officials who, it is alleged, were guilty of financial mismanagement and gross misconduct. Among them is former Mawu general secretary David Sibabi. The new union has claimed significant support on the east Rand.

At a press conference last week, Ummawsa officials levelled accusations

against both Mawu and Fosatu — reflecting cynicism about Fosatu's claims to be democratic and frustration over the federation's political direction.

Ummawsa's move came after the Fosatu executive condemned the formation of the new union. Fosatu added that its vice-president, Andrew Zulu, who has aligned himself with Ummawsa, could no longer hold his position since he had ceased to be a member of a Fosatu affiliate.

The two unions have continued to hurl allegations at each other — and to make conflicting claims to support at factory level. Ummawsa claims and Mawu denies that workers at all major east Rand factories except two, have joined it.

In essence, Ummawsa officials say that although Fosatu professes to be democratic in reality a tiny bureaucratic white elite

tries to dominate it, instead of allowing members themselves to decide on the direction the federation should take. Denying that their stand has racist connotations, they stress that whites with skills are wanted in the unions, but that such people should not dominate and that black workers should make up the Fosatu leadership.

Ummawsa also charges that

□ White intellectuals feel that Fosatu must adopt one political direction and do not want to be opposed on this issue. Workers are discouraged from joining any of the major political movements and

□ The Fosatu executive committee does not have the power to strip Andrew Zulu of his position as Fosatu vice-president.

Fosatu general secretary Joe Forster denies these allegations. Regarding Zulu, he says Fosatu's constitution states that only

face to face

WILLIE VAN NIEKERK

The Cubans must go



Namibian Administrator General Willie van Niekerk met Swapo leader Sam Nujoma at Cape Verde last week. The FM spoke to him about the meeting and on

the state of the independence negotiations

FM: What was the value of the Cape Verde talks?

Van Niekerk: We talked to Swapo because peace and stability is the responsibility of this office, while political development is the responsibility of the political parties. Only in peace can political development really take place. We told Swapo that the unnecessary maiming and killing of innocent civilians is totally unacceptable. I told Nujoma that since 1979, 325 civilians have been killed and 550 injured in landmine explosions. In addition, 405 others have been murdered and 1378 abducted. He did not know this. I also told him that it is mostly Namibians who are protecting their fellow Namibians against his attacks and that his propaganda that he is fighting the racists of the colonial power is factually incorrect.

Did Swapo give any explanation for continuing the war?

Swapo's stand is very clear they are using the presence of the Cubans in Angola to carry on with terrorism. It is as simple as that. They know full well that the SA government has been saying since 1981 that Resolution 435 will be implemented only if the Cubans move

out. Nujoma knew from a telex we sent him that this was going to be the guideline for our talks.

Did you offer anything in exchange for a cessation of hostilities or make any further proposals?

It certainly is not necessary to tell somebody, "I will give you something in return for stopping your acts of terror." We said that if they stop their armed struggle, we will reciprocate in a similar fashion. We are here to protect the local population — we are not in a state of war with anybody.

Did Swapo react?

Yes, they refused absolutely. They see a cessation of hostilities as an integral part of Resolution 435 which is not the case. Resolution 435 says the UN forces shall monitor the ceasefire. The ceasefire can come a month or a year beforehand.

Is the SA government and your office not being inflexible?

No, only consistent. Our stand on the Cubans is not new.

So who is going to break the deadlock?

I think the Angolans must decide if they still want such a big surrogate power, one that is foreign to Africa. That is where the decision lies.

How did you phrase your precondition for a Cuban withdrawal?

We can implement Resolution 435 when there is a firm commitment on Cuban withdrawal.

Your remarks at the press conference after your return from Cape Verde were interpreted as a military threat to Swapo and as raising the threat of a new raid into Angola.

I was only being very honest and

straightforward. Swapo must decide if they want to walk a political or terrorist road. If they want to walk the terrorist road, they will have to suffer the consequences.

Do you expect an escalation of the war?

I don't think they have the ability to escalate the war. But if they want to, we are ready for them.

What is the state of the war?

More Swapo soldiers are deserting than ever before, their morale is very low and they are concentrating on soft targets. An example is the mortar attack on the hospital at Oshakati. Sick people cannot run away. That is the kind of war Swapo is fighting.

So it seems the outlook for a peaceful settlement is very bleak?

No, I think things are looking better than ever before. I think the mere fact that we talked at Cape Verde is a step in the right direction. This situation has been going on for many years, it cannot be solved overnight. Also, Swapo is finding that it cannot depend on the international view that it is the only representative of the people of Namibia. It is under strong pressure from its host countries. It does not seem as if Swapo has the ability to manoeuvre out of this problem otherwise they would have done so. But I must state again that we find it totally unacceptable that hospitals are attacked with mortars and that we will undoubtedly take the proper steps (to prevent such actions).

What influence does the US presidential election have on the Namibian negotiations?

I do not think Namibia is going to play any role whatsoever in that election.

RAM 6/8/84

152 189 140A 138

LEGAL strike ballots are becoming more common — but one due next week is particularly significant

It will be run jointly at Anglo American's Highveld Steel by the SA Boilermakers Society (SABS) and Fosatu's Metal and Allied Workers Union and will take place from Monday to Wednesday

Highveld, which negotiates its own wage agreement under the umbrella of the metal industrial council, offered unions the 7%-13% rise agreed at the council

Two unions accepted this, but Mawu and SABS, both of whom refused to sign the main council agreement, declared a dispute. The ballot is the result

Highveld is one of the most influential metal employers and a strike would be a key trial of strength between it and the two unions

The ballot is also the first to be run jointly by an emerging and an established union

SABS is not a typical established union — it has sought to co-operate with the new unions for some time — so the ballot may not mark a new era of joint action by unions from the two camps

But it may show that attempts to bring some metal unions together through the local council of the International Metalworkers Federation, to which both unions belong, are bearing fruit

There are still tactical differences between the two at Highveld. Mawu appears to favour a strike by all its Highveld members if they vote to down tools, while SABS wants more localised stoppages

RSM 6/8/84

189

A STATEMENT by Mawu last week illustrated the strength and weakness of its attempt to better the wages negotiated at the metal council by striking deals with individual employers

Its Southern Natal branch has reached wage agreements with several employers who ignored a call from their employer federation, Seifsa, not to bargain with unions outside the council

All raise minimum pay to well above the levels agreed at the council — and in all but one Mawu achieved its initial target of a "living wage" of R90 a week

But they cover only 10 plants, not all of which are covered by the metal council

Pay talks with six more firms are in progress, but most metal employers are still resisting demands for direct pay talks

Dock-zoning delay is 'news' to him, says Ciskei official

By LOUIS BECKERLING
Business Editor

MR FRANK CORBETT, the Ciskeian Government official who co-signed a R750 000 agreement with the Algoa Bay Dockyard Development Company, has expressed surprise that the land for the company's proposed yard has not yet been rezoned from agricultural to industrial use

"That is news to me. We never really considered that I didn't foresee that an authority obstacle might arise," Mr Corbett said in an interview

Mr Corbett added, however, that the news would not materially alter Ciskei intentions to invest R750 000 in the proposed ship repair yard, since the Algoa Bay Dockyard Company directors had offered against personal guarantees to return the money in the event that no "firm indications" were received by December this year that the dockyard would be built

Here are Mr Corbett's answers to questions posed by the Evening Post

Has Ciskei's cheque been paid to the Algoa Bay Dockyard Development Company?

"Not yet"

When is the cheque likely to be paid?

"That's difficult to say. It will depend on when we receive funds for this purpose. A couple of weeks, perhaps."

Can you reveal where the funds are coming from?

"No. That I wouldn't like

Flights

to do These are not Government funds. These are funds which are generated from elsewhere for the Trust (the Ciskei President and People's Trust, which entered into the agreement with the dockyard company). So they are divorced from the Government although they belong to the Government

"The funds are obtained from benevolent sources elsewhere and outside the country for certain projects"

For how long has the fund been in existence?

"Since the beginning of the year"

What type of projects have so far been financed?

"At this stage a mohair plant and also a brickette (fuel) processing plant"

Ciskei believes its investment will secure 4 000 jobs — yet evidence suggests the dockyard will generate only 1 300 jobs. Can you explain this?

"Initially, yes, there will be 1 300 jobs in the construction phase. But in the course of development various job opportunities will culminate"

"There's a possibility, for instance, of a ship's crew being staffed by Ciskeians"

An application by associated company Sonop for a general industrial area has been rejected by the Province. The "N & D" (need and desirability) certificate has been granted only for a limited industrial area to cater for the ship repair yard, which creates only 1 300 jobs. Don't you think the 4 000 jobs assumed the

success of an application for a general industrial area?

"There I can't really answer you. I can't say anything about that. I'm under the impression that the land in question is authorised for the purposes of development by the dockyard company"

Mr J Walters, director of local government for the Province, has said the dockyard company has not even made application yet

"For it to be classified as industrial?"

Correct. The company has received only a "N & D" certificate which is a formality granting the applicant the necessary permission to proceed with a formal application. In a letter from the Province to the company it is made clear that this in no way binds the Province to granting the rezoning application. Is this information news to you?

"That is news to me. We never really considered that I didn't foresee that an authority obstacle might arise"

If this does prove to be the case do you think that it might materially alter your decision to invest?

Well, obviously if there's going to be no action that would be tantamount to the project not coming off the ground

"A condition of the investment was that we should have firm indications of progress to start off the project by the end of the year. Our investment is subject to these firm indications"

It would be unusual to repay share capital?

"Yes, that is so. But until such time as there's active operation shares are not issued and the money is considered as a loan which will be converted into shares once the company establishes itself"

Is this part of the formal agreement between the trust and the dockyard company?

"Yes, insofar as the investment is guaranteed separately by the directors of the company"

Deadlock in radio company strike

8/8/84
Star
Northern Transvaal
Bureau

PIETERSBURG — The strike involving 1700 workers at the Pietersburg and Seshego plants of Tempest International, a radio manufacturing company, entered its third day today with little apparent prospect of a break in the deadlock

Although about 100 workers returned to their jobs at the Pietersburg factory yesterday, the majority is still demanding a 50 percent pay rise

The managing director, Mr P Sussman, claims the strike has been initiated by "outside influences"

The national organiser of the Black Electronic and Electrical Workers' Union (BEEWU), Mr Thabo Montjane, said earlier that the lowest paid workers were receiving only R18 a week. He said the strikers were insisting on unconditional recognition of Beewu, an immediate stop to un-called-for dismissals, and the granting of paid maternity leave

No in-depth negotiations have been held yet

Mr Sussman said only new workers at the Seshego plant in Lebowa were paid R18 a week, but they received increases after three months

RAM 10/8/84
Lead firm
fires 500

Labour Correspondent
ABOUT 500 workers at Industrial Lead Works in Judith's Paarl, Johannesburg, were fired yesterday after striking in support of wage demands, a spokesman for the General and Allied Workers' Union said yesterday

He said the company had refused to negotiate and also refused to discuss wages because it said it had paid the rates laid down in the industrial council agreement

Meanwhile, the African Food and Canning Workers' Union (AFCWU) is hoping to meet management at Tongaat Oil Products in Durban today to press for the reinstatement of 320 workers fired on Wednesday

The workers were striking in support of demands that they be allowed to withdraw money from the Tongaat-Hullett's pensions fund

The company says this demand is not negotiable

LABOUR NEWS

Delay in court ruling

Labour Correspondent

MORE than 100 workers fired by an East Rand metal company, who have been waiting since February for a key industrial court ruling on their attempt to win reinstatement, now face another delay before judgment is given.

The workers, who were fired by an Alrode company Screenex after stopping work when some migrant workers' contracts were not renewed, have been out of work since December 1982.

Their case is considered a key test of migrant worker rights.

The president of the court, Mr B J Parsons, said the court's ruling was nearing completion.

But it was learnt yesterday that the presiding officer in the Screenex case, Mr A J Erasmus, SC, has called for fresh evidence to be heard on August 18.

In criticising the delay, the worker's union, the Metal and Allied Worker's Union, noted that, if workers were to win their case, the court only had the power to backdate their reinstatement for six months, which meant that the workers would already only be compensated for six of the 18 months they have been unemployed.

The Screenex case, in which workers allege they are the victims of an "unfair labour practice", is unusual in that the court called for evidence to be heard. These cases are usually decided by legal argument only.

Evidence was first heard last September, but the case was postponed and evidence was completed in February.

In commenting on the delay, Mr Parsons said the case had been a complex one which had raised several issues requiring "careful consideration".

Town pays price as its steel boom dies

Mercury Reporter
UNDRS OF

homes in some white suburbs are standing empty while thousands of squatters nearby are struggling to find accommodation.

The suburbs of Newcastle have taken on a ghostly appearance. Gardens lie overgrown, and windows in several houses are broken, and

the walls are dirty and unkempt. Two years ago these suburbs were bubbling with activity.

Then the recession set in, and hundreds of workers from Iscor — the source of the town's overnight growth — became victims of retrenchment or were not replaced.

In the early 70s, Newcastle was a typical tiny, dusty Northern Natal village. The announcement that Iscor was to build a

vast steelworks there transformed it into a bustling centre.

Tradesmen from all over the world flocked here. German and Japanese sub-contractors employed thousands of labourers at abnormally high wages, and homes sprang up in the dusty

field.

Phased out

Gradually the construction work was phased out, and employees started to

look for work on other construction sites. But the black population which had streamed to Newcastle was stuck there. They were used to the high wages, and the families enjoyed a high standard of living.

When the recession set in, they were the hardest hit. Proof of this shows clearly today in the Madadeni, Osizweni and Blaauwbosch locations.

There is no work for the men, and they have nowhere to go to find employment. The women battle to feed their families, and there is a sense of desperation.

Peter Zulu, who was hit by the job cuts in 1982, said: 'When we built our homes and settled here 10 years ago, the future looked very bright. Now there is no work, and there seems no chance of further development. What can we do?'

Water scarce

Thousands more families have settled in Blaauwbosch over the past four years from all over the country. They went there because they were evicted from farms, or could not afford rents in other townships.

Rentals in Blaauwbosch are cheap. But that is all the location has going for it. Water is scarce. Only a few boreholes are scattered around, forcing people to walk up to two kilometres to the nearest borehole.

The land is dry and dusty, and crops are non-existent.

The Hlatshwayo family moved to the area five years ago, after being evicted from a Volksrust farm. Mrs Mabel Hlatshwayo's husband, Eric, died soon after they arrived.

She said: 'Fortunately our rent here is only R40

a year, but it is very difficult to feed everybody — there are seven mouths to feed.'

'My daughter works in town, but her wages are barely sufficient for herself, let alone for the rest of the family.'

Commenting on the vast number of vacant houses, Mr Kevin Robertson, Iscor's works manager, said the company reckoned the recession would last another 10 years. In the meantime it was willing to let the 600 vacant homes on short-term leases — 30 days either side.

Mr Robertson said: 'The tenants we are looking at will be people who provide services in Newcastle, such as hospital, education and charity staffs.'

New factories

He said Iscor was anxious to let the homes, because empty houses deteriorated faster than lived-in ones.

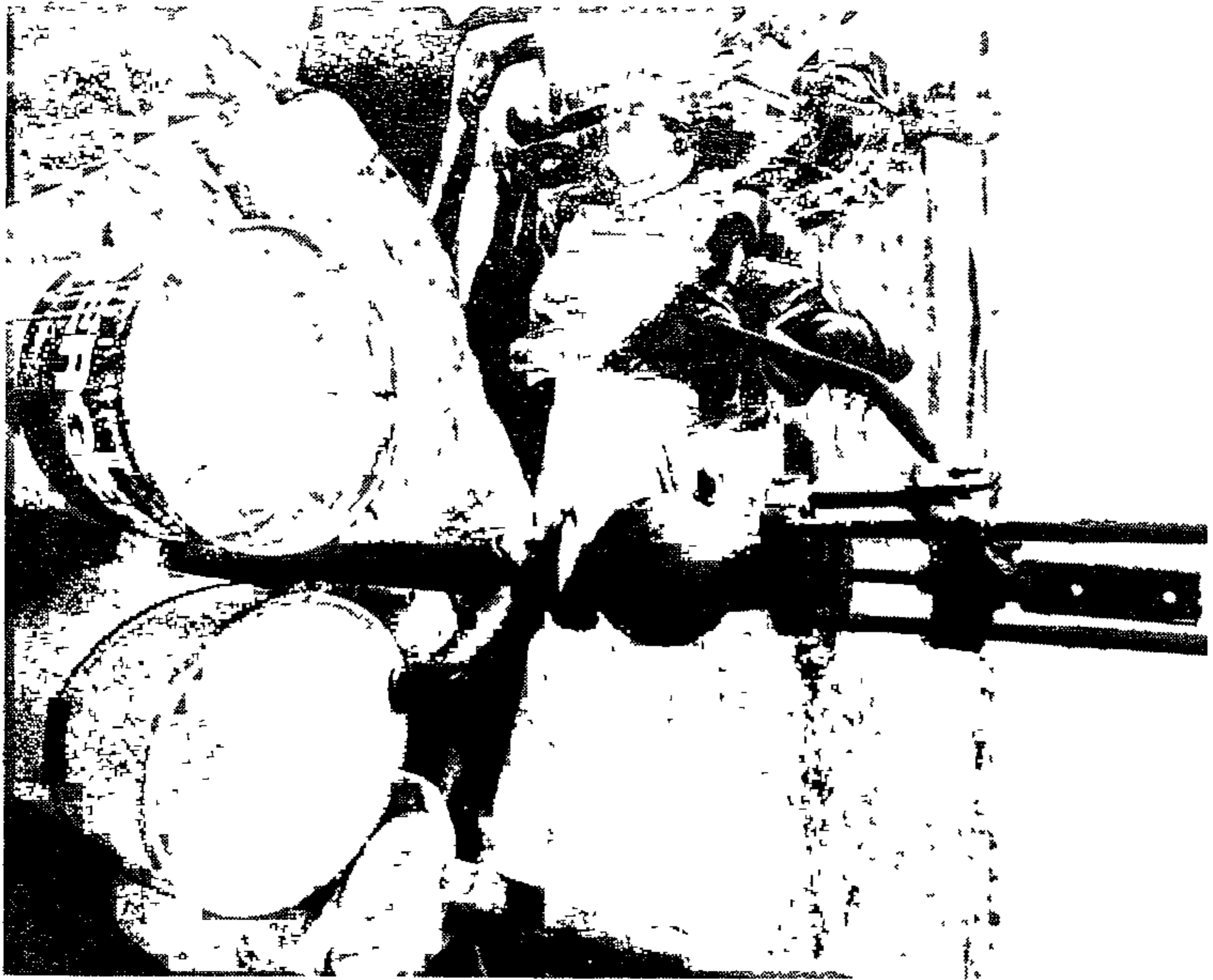
Town Clerk Mr L. de Wet said Newcastle was naturally not the boom town it was during the 70s, but he dismissed claims that it was turning into a ghost town.

'There are several factories going up which will supply employment,' he said.

'Projected population growth is also climbing steadily.'

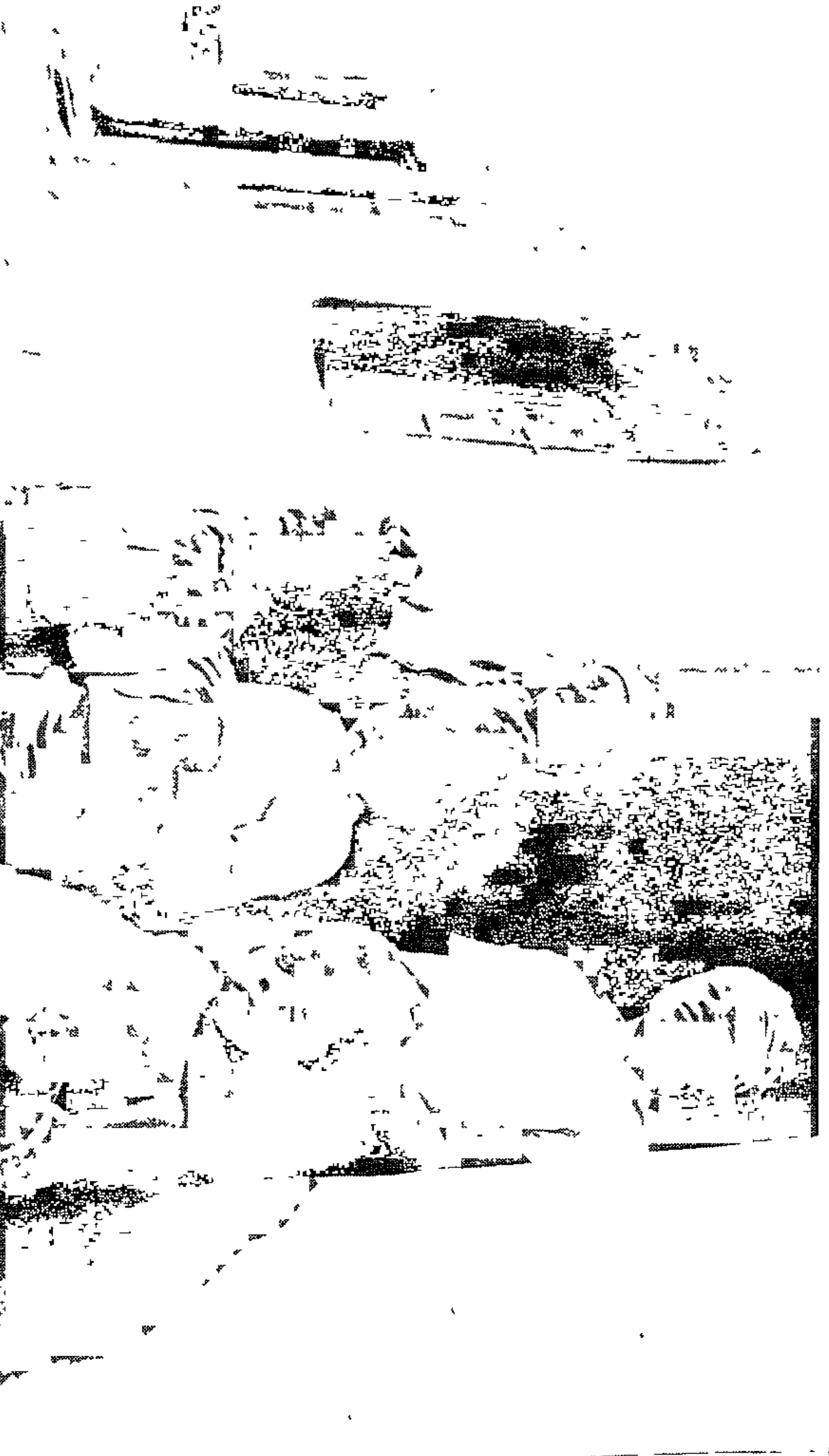
'Obviously the recession has taken its toll, but to say that Newcastle is a diminishing town is nonsense.'

An estate agent said the many 'For Sale' boards in the suburbs did not mean that people were leaving town, but that owners were being forced to sell because of the recent increases in interest rates. 'There are 19 estate agents in town, and all of them are making a living,' he said.



Some of the women from the Blaauwbosch location have to walk up to two kilometres to fetch water from the few boreholes.

White homes lie empty — black families live in poverty



TOP Two of the hundreds of the vacant homes in Newcastle left behind by the sad and decaying sign of a job boom that went sour.

Unionists ^{11/2/54}

Steel

barred from picketing



By Fiona Macleod
Members of the Steel Engineering and Allied Workers' Union were yesterday interdicted from picketing a Germiston steel factory in a successful application before the Rand Supreme Court

In the application, lodged by Trident Steel (Pty) Limited, it was claimed that union members were intimidating prospective employees

The picketing followed an industrial dispute which led to the dismissal of most of the the employees last month

Strike ballot will decide

ROM
14/8/84

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Labour Correspondent

A KEY ballot, which could lead to joint strike action by workers across race and skill barriers, begins today at the key Witbank plant of Anglo American's metal company Highveld Steel

The strike ballot has been organised jointly by two unions, the Metal and Allied Workers Union (Mawu), and the SA Boilermakers Society, whose members include skilled workers.

It is the first to be organised jointly by them and is also believed to be the first legal strike ballot to be run jointly by an emerging union and an established union since the Government's labour reforms were introduced

The ballot will last three days and the result is expected to be known late on Thursday or early on Friday. It follows a deadlock over wages

Highveld negotiates a separate "house agreement" with unions under the umbrella of the Metal Industrial Council and offered them the same 7%-13% increase offered unions on the council by the Steel and Engineering Industries Federation (Seifsa)

Two unions accepted this, but Mawu and the Boilermakers, both of whom refused to accept Seifsa's offer at the council, rejected it and opted for a strike ballot

Mawu members met last night in Lynville, the black township near Witbank, to discuss preparations for the ballot which is expected to favour a strike

The general secretary of the Boilermakers Society, Mr Ike van der Watt, has said that skilled members of the union will take part in the ballot, which follows discussions between shop stewards of the two unions

R.M. 14/8/94

20 workers down tools

TWENTY workers downed tools yesterday at Transvaal Steel and Reinforcing in Nivarna, Pietersburg, demanding a pay rise and recognition of the Black General Workers Union

Two union officials, Mr S Malulela and Mr M Lamohlola, said management had indicated it would talk to the union through legal advisers and directors

ROM 14/8/84 (189) (45)

4-month wage dispute settled

Labour Correspondent

A LENGTHY wage dispute between the Metal and Allied Workers Union (Mawu) and a Howick company, BTR Sarmcol — which led to a legal strike ballot and an overtime ban by the union — has been settled, a Mawu statement announced yesterday.

The statement said an unusual feature of the agreement ending the dispute was that workers would be allowed a half-day off every May 1, which is celebrated by workers as International Labour Day.

Mawu said this was "a worker holiday internationally and a day which Fosatu unions and other progressive groupings are seeking to have recognised in South Africa".

The statement also revealed that the agreement

followed mediation, which is increasingly being used to settle labour disputes.

Mawu said the settlement would raise wages at Sarmcol by up to 59% more than the company's original offer. The new minimum wage would be R329 a month, which was "still pitifully low but 19% higher than originally scheduled".

Comment from the company could not be obtained yesterday.

The dispute between Mawu and the company lasted nearly four months and had several unusual features, including the appearance of Mawu officials — who had bought shares in Sarmcol — at the company's annual general meeting, where they criticised its labour policies.

It followed a key union recognition dispute between the two sides in which Sarm-

col became the first employer to launch an industrial court action against a union, charging it was guilty of an "unfair labour practice". The case was settled out of court, but the two sides have not yet signed a recognition agreement.

It said the two sides had also agreed to try again to reach finality on a recognition agreement.

In its statement, the union also announced that a second wage dispute between it and a Natal company had been settled after mediation.

The company is MAN trucks of Pinetown and the agreement would increase minimum pay by 28% and other wages by up to 13%, the union said.

Minimum pay would rise to R94,50 a week and workers would also receive an increased leave bonus.

Mercury 16/8/84 ~~152~~ ~~140~~ ~~189~~ ~~187~~



A policeman keeps a watchful eye as striking Durban Corporation workers board a bus after their protest march along North Coast Road was stopped by police yesterday morning.

Strikes hit council, two Durban companies

Labour Reporter
TWO major Durban companies were hit by work stoppages yesterday which seriously affected production and resulted in the shutdown of one of the factories

About 150 striking Durban Corporation workers, some carrying sticks, were stopped by police while marching along North Coast Road yesterday morning

The workers, from the Electricity Department's northern depot, had been on their way to the department's head office in Alice Street to put forward demands for more pay, when they were stopped by police

Production ground to a halt at the Umbilo factory of Hart Limited when hundreds of workers downed tools in support of a demand for more pay and the Dunlop Tyre Company factory in Durban was forced to shut down when its workers went on strike

Dissatisfied
Hart Limited's managing director, Mr E W Parret, yesterday confirmed there was a strike, but declined to comment

A spokesman for Dunlop last night said 'Certain of the shop stewards are not working to the terms of the recognition agreement the company has with the Metal and

Allied Workers' Union As a result the workers are dissatisfied with the union and have asked to talk to the management directly

'The management had no option but to close the factory which will reopen today for normal shift operations Discussions with the union are presently taking place,' he added

Durban Corporation's electrical workers whose march was stopped were later transported in two Corporation buses to the department's offices where they put their grievances to the management.

Some of the workers

claimed they were paid R48 a week, which they described, as 'starvation wages' They were demanding a minimum wage of R95 a week

Workers from the department's three other depots in Durban also downed tools yesterday

Ultimatum
Although workers from two of the depots returned to work almost immediately, others from the northern and southwestern depots had not and they had been given an ultimatum to do so by this morning or face dismissal, he said

Services had not been seriously affected

RAM 16/8/84

Unions 'flock' to strike ballot

Labour Correspondent

WORKERS of all races — including members of the all-white Mine Workers Union — have "flocked" to the polls to take part in a unique strike ballot at Anglo American's Highveld Steel in Witbank, unionists said

They added that they were confident that almost all the more than 5 000 workers at the company would vote in favour of a strike

The ballot, which began on Tuesday and ends today, has been organised jointly by the Metal and Allied Workers Union and the SA Boilermakers Society

It is believed to be the first organised jointly by an emerging and an established union and covers all four plants owned by Highveld

Between them, the two unions claim a membership of about 3 500 among Highveld's 5 700 workers

The ballot was called after the two rejected a company wage offer which would have raised pay by between 7% and 13%

Only members of the two unions may take part in the official strike ballot, but the unions have also organised an unofficial poll for members of three white unions at the plant to gauge their views on strike action

The three unions all accepted the company's wage offer. Mawu officials have reported "heavy polling" in the ballot so far. They added that a high turnout by workers who were not members of the two unions was a "noteworthy feature" of the poll. "Even members of the Mine Workers Union are turning out to vote," a Mawu spokesman said. He added that a poll of well over 90% was expected.

While no ballots had yet been counted, he added, informal discussions with workers who had voted indicated that almost all had backed strike action.

The unions, he said, hoped a heavy turnout would persuade the company to improve the wage offer it had made.

REVISIT 17/18/84
Mawu S
members
on legal
strike 189

Labour Correspondent
ABOUT 500 members of the Metal and Allied Workers Union (Mawu) have begun a legal strike at a Durban company, Hart Limited, in support of wage and other demands

Mawu members also staged a one-day strike at Dunlop Tyre's Durban plant this week and Sapa reports that about 150 striking Durban Corporation electrical workers were stopped by police while marching down a road

The strike at Hart has halted all production at the plant and is believed to be the first legal stoppage by Mawu members

A Mawu statement yesterday said workers were demanding that Hart negotiate "substantive matters" with them but charged it had refused all negotiations "saying it is hamstrung by its parent company and by Seifsa policy" Seifsa — the Steel and Engineering Industries Federation — is opposed to wage bargaining outside the metal industries' official industrial council

At Dunlop, where conflict between the company and Mawu has persisted for over a year, workers downed tools on Wednesday but agreed to return yesterday morning pending discussions on their grievances

A company spokesman charged the dispute began because some Mawu shop stewards were "not working to the terms" of the recognition agreement between the union and company

A Mawu statement rejected this, saying the union had tried "by all means" to use the procedures agreed between the two sides "but to no avail"

It said the stoppage was prompted by Dunlop's refusal to agree to refer the firing of five union members to arbitration and that Dunlop had attempted to "block" the appointment of an official conciliation board to discuss the sackings.

Labour leaders flex muscles in conservative Pietersburg

By Malcolm Fothergill

A classic battle between private enterprise and collectivist bargaining is developing in the Northern Transvaal town of Pietersburg

On one side is the avowedly anti-capitalist Black Electronics and Electrical Workers' Union (Beewu), which was started in Pietersburg in October last year

On the other is the firm the union was formed to challenge — Tempest International, which produces a range of radios

Watching anxiously on the sidelines, and making hurried efforts to meet the threat to their own organisations, are other firms in the Conservative Party-controlled town

Until now these firms have been shielded by distance from the labour problems that have plagued their counterparts in the metropolitan areas

Tempest International's contretemps, in which 1 700 workers recently stayed away from work for four days, has been the most serious in the current mood of unrest

But other firms have also felt the icy wind of potential conflict in go-slows and other forms of labour muscle-flexing

What makes the tussle between Beewu and Tempest International so interesting is that each side has adopted an extreme position

Beewu, which makes no secret of its political leanings — Steve Biko posters and other evidence of a strongly political line are plas-

tered all over the walls of its offices in central Pietersburg — says Pietersburg employers exploit workers shamelessly

"Workers are completely insecure in their jobs," says the union's national organiser, Mr Thabo Montjane

"At any minute of the day they can be dismissed or insulted

"It's a master-slave relationship"

The union's president, Mr Mbulelo Rakwena, says the most imperative aim for the future is to create "worker consciousness"

This will be a slow process "We are dealing with a people that has been immersed in fear, so they cannot move as quickly as we would like"

Meanwhile, "we will use whatever is in our grasp to fight the aggression we meet in companies all over Pietersburg"

Beewu has been trying to create worker consciousness by running labour clinics on the premises of various firms, and addressing workers with loud-hailers

Tempest International's line is simple. It believes control of the firm should stay where it has always belonged — in the hands of management

The firm's owner, Mr Philip Sussman, says if any union ever gets in on an official footing at either of his plants at Pietersburg or the nearby black town of Seshego, he will close the plants immediately and let the buildings.

Mr Sussman says allowing a

union in at Tempest International would lead to frequent stoppages as workers pressed demands as unrealistic as their recent one for a 50 percent pay rise all round.

Beewu's Mr Rakwena, on the other hand, believes a plant with a union stands to have a more stable labour force than one without.

Whatever the truth of the situation, firms in Pietersburg are moving fast to introduce or improve ways of communicating with workers

Some, such as Perfection Food Products, have had workers' committees for a couple of years

Others, such as Sasko-Pietersburg Bakery, have been working with unions for a few months

Most, including Northern Transvaal Steel and Engineering, are only now thinking about setting up machinery to bridge the gap between workers and management

Pietersburg Town Clerk Mr Jack Botes is busy arranging a symposium on labour relations to be held in the town soon

"The local authority does not easily involve itself in private-sector problems," he says, "but I now feel that if there should be labour unrest in our town we must immediately try to resolve it for the sake of the entire community, black and white."

The Chamber of Commerce is also becoming involved in the field. Its new executive, elected three weeks ago, includes for the first time a committee to keep an eye on labour relations

Steel workers want industrial action

By Carolyn Dempster,
Labour Reporter

Highveld Steel workers who took part in last week's joint ballot have voted overwhelmingly in favour of industrial action at the steel plant

About 3 500 workers out of a total workforce of just over 4 000 voted for industrial action in support of wage demands at the Anglo American company

The votes were counted in front of management on Friday after the conclusion of the three-

day ballot, which was held jointly by the South African Boilermakers' Society and the Metal and Allied Workers' Union

Among the Boilermakers' 600 members at the plant there was a 70 per cent "yes" vote and 92 per cent of Mawu's 2846 members voted for industrial action

In the third ballot, held to ascertain the extent of support for industrial action among members of other unions, white artisans at Highveld demonstrated their support in a surprising move

Of the 896 members of the two other unions at the plant — the white Mineworkers' Union and the Amalgamated Engineering Union — 461 voted, against the advice of their union officials. Of these, 401 voted in favour of industrial action

Only 23 "no" votes were counted

General meetings of members are to be held this week to discuss further strategies and it is believed the ballot will be used to draw management back to the negotiating table

Highveld has refused

to offer increases higher than those negotiated at the National Industrial Council talks in June this year although the in-house agreement allows for separate negotiations

The final offer made by Highveld was for increases ranging from 9,07 per cent to 12,5 per cent

In its interim financial report, released last week, Highveld showed a record half-yearly turnover and an after-tax profit of R14 million for the six months to June this year. The interim dividend for shareholders was raised by 20 per cent

RDM 21/8/84

Mawu legal strike nearly over

Labour Correspondent
THE Metal and Allied Workers' Union's first legal strike — at a Durban company Hart Limited — may be settled today or tomorrow, according to the union

But Mawu also announced it was launching court action against the tyre company Dunlop, which fired 1200 union members for striking late last week.

Sapa reports that 1500 workers at Lever Brothers in Durban continued their strike in support of a 20% pay rise yesterday, bringing the total number of workers on strike in Durban to more than 3000

Mawu disclosed in a statement that Dunlop workers had voted shortly before their firing to turn their strike into a legal stoppage and charged that the company's decision to fire them indicated that using the legal strike machinery offered workers little protection

At Hart, about 500 workers struck in protest at the company's refusal to negotiate wages and work conditions outside an official industrial

council
But Hart representatives said they could not commit themselves to this before meeting their board of directors, as well as the Steel and Engineering Industries Federation, which is against

wage bargaining outside councils

At Dunlop, Mr Glenn Sutton, a company spokesman, told Sapa workers had continued a stoppage despite company warnings to both them and the union that this

would lead to their dismissal
They had ignored the warnings and were therefore fired, he added

But Mawu said workers had voted to challenge their firing in court

3 500 back strike in historic vote

By STEVEN FRIEDMAN
Labour Correspondent

ABOUT 70% of workers of all races at Anglo American's key Highveld Steel plant at Witbank have backed legal strike action in an historic ballot — and the unions which organised the ballot have asked the company to re-open wage talks with them

The ballot was organised by the Metal and Allied Workers Union (Mawu) and the SA Boilermakers Society (Sabs) after their wage talks with Highveld deadlocked

It is the first to be organised jointly by an emerging union and an established union representing skilled workers

About 3 500 workers out of the 5 000 employed at Highveld's four plants and the Mapoch mine, which is owned by the

company, voted to strike

If a legal strike follows the ballot it will be the first to be undertaken jointly by white and black workers since the Government's labour reforms were introduced

It was learned yesterday, however, that the two unions will not call a strike immediately but will now seek further negotiations with the company

Immediately after the ballot, they asked Highveld for further talks on their wage dispute

A Highveld spokesman yesterday refused to comment on the ballot, or on whether the company would be prepared to re-open talks with the unions

The results of the ballot indicate that more than 91% of Mawu's black members voted to strike in a poll in which 2 825 of its workers voted

Among the boilermakers, 598 mem-

bers — just under 70% — voted to strike

The two unions also organised an unofficial poll among white workers who do not belong to either union, in which 701 workers — 45% of the total employed by Highveld — voted to strike

Unionists regard this figure as high, and believe it could have a crucial bearing on the outcome of the dispute

A union source charged yesterday that the pro-strike vote by white workers would have been higher had they not been "intimidated" by rival unions

He claimed that these unions had told white workers that the rents for their company housing would rise dramatically if they voted in the ballot.

It is likely, however, that the boilermakers will seek the co-operation of the three unions which have already accepted Highveld's wage offer if talks are re-opened

Strikers nabbed

Sawetan 21/8/84

By JOSHUA RABOROKO

AT least 40 of more than 5 000 strikers have been arrested by police in countrywide industrial actions which have gripped most factories over wage demands.

The police used sjamboks and patrol dogs to disperse more than 400 workers at the Newcastle Carbochem Rubber Factory, according to the SAP's public relations division in Pretoria yesterday.

Forty workers were arrested, of whom 11 sustained dog bites and had to undergo medical treatment. Those arrested were expected to appear in the local magistrate's court yesterday on charges of holding a public meeting.

Col Heynes said the workers were warned after they had gathered outside the factory and started stopping motorists.

Meanwhile about 3 500 workers out of a total workforce of just over 4 000 voted yes to industrial action in support of wage demands at Highveld Steel in Witbank.

The votes were counted before management after the conclusion of the three-day ballot which was held jointly by the South African Boilermakers' Society and the Metal and Allied Workers' Union (Mawu).

In a separate incident, about 1 200 hourly-paid workers were dismissed for taking part in a legal strike at the Dunlop Tyre Company, a union official said yesterday.

More than 2 000 workers are still on strike at Lever Brothers and Hart Limited. A spokesman for the Chemical Workers' Industrial Union said the workers were demanding a 20 percent increase in wages.

About 2 000 workers at Siemens Cables Company in Pretoria have returned to work after going on strike over wage demands and other job-related issues.

A Mawu spokesman said that the workers returned after management had shown a willingness to discuss the issues involved.

In another labour unrest over 150 workers at Pin Printpak in Industria yesterday downed tools over wage demands. Late yesterday the workers' representative were making attempts to resolve the matter with management.

Call for more labour talks

Sowetan By JOSHUA RABOROKO ^{22/8/84} (189)

THE South African Council of the International Metalworkers Federation has called on the giant Anglo American Company to return to the negotiation table with two of its union affiliates in an attempt to resolve a wage dispute.

The two affiliates — the Metal and Allied Workers' Union and the South African Boilermakers' Society — have voted overwhelmingly in support of industrial action at the Highveld Steel, Anglo's company.

Approximately 3 500 workers out of the total workforce of over 4 000 voted yes to industrial action during a strike ballot which was held jointly by the two unions.

In a statement to The SOWETAN yesterday, SACIMF said that it has noted with concern the "present deadlock in negotiations" between the two trade unions and the Anglo company.

"It is indeed surprising that an Anglo American Company, which recently announced record turnover figures and a healthy profit, cannot accede to the workers' demand of R2 per hour minimum wage, together with reasonable increases for all grades of employees.

"We consider the demand by workers at Highveld to be more reasonable in the light of the profits shown by the company together with the recent increase in GST," the statement says.

Surprising

In the statement, the federation also says it is surprising that the company is paying wages that are less than R2 per hour which is considered by this council to be "poverty wages" and nowhere near a decent living wage.

"We call on the company to return to the negotiation table in an effort to resolve this dispute to the satisfaction of all," the statement says.

Support for strike ballot

Labour Reporter (189)

The South African Council of the International Metal Workers' Federation has come out in full support of Highveld Steel workers who voted last week for industrial action at the plant.

The council yesterday called upon Highveld's parent company, Anglo American, to get the company back to the negotiating table with the two unions in an effort to

resolve the dispute". Demands made by members of the two IMF affiliate unions — the Metal and Allied Workers Union and the South African Boilermakers' Society — were "more than reasonable" in the light of the profits shown by Highveld, together with the recent increase in general sales tax.

"It is indeed surprising that an Anglo American company which recently announced record turn-

over figures and a healthy profit cannot accede to the workers' demand of a R2 an hour minimum wage — considered by the council to be nowhere near a decent living wage — together with reasonable increases for all grades of employees," the council said.

The result of the strike ballot showed 75 percent support for industrial action among the 3 500 black and white workers

Ben the boxer is worth his weight in gold. He saved the life of his mistress, Miss Joanne Morris, and her boyfriend (20), and her boyfriend Mr Gordon Pirie (21), the couple who were forced to crawl out of the blazing Bryanston home. The dog alerted the couple who were forced to crawl out of the blazing Bryanston home. The dog alerted the couple who were forced to crawl out of the blazing Bryanston home.

By Caroline Hurry

Ben sa

The home of Tembisa Town Council's Management Committee Chairman, Mrs Rosie Thulare, was gutted and the home and shop of Tembisa's mayor, Mr Lucas Mthembu, were stoned and set alight.

The home of Mr S P Namanane, who has been instrumental in turning the

By Erik Larsen and Abel Mabelane, East Rand Bureau

Tembisa STUDENTS on the rampage

Mobs of boycotting Tembisa schoolchildren went on the rampage yesterday, setting alight schools and the homes of prominent community members, smashing school windows and stoning cars.

The police arrested 11 youths in connection with the violence and used teargas on several occasions to disperse trouble-makers.

The home of Tembisa Town Council's Management Committee Chairman, Mrs Rosie Thulare, was gutted and the home and shop of Tembisa's mayor, Mr Lucas Mthembu, were stoned and set alight.

Mr Schalk Albertyn, chief director of operations at the Department of Inland Revenue, said the number of businesses suspected of being GST offenders — by delayed payments or failure to pay — was between 14 000 and 16 000 a month.

"Many of them assume that the old tax lion has lost its teeth and its tail can easily be twisted," he told 24 Hours. "But we are going to show that the lion has a new bite as well as a new roar."

"Tax dodgers are a burden on the whole economy — and, in turn, on the public in general."

Both the Department of Justice and the police have been alerted to stand by to find room in the Magistrates' Courts to cope with an avalanche of tax summonses.

Store owners and their suppliers trying to swindle the taxman on GST will be the first target in the tax dragnet.

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"Tax dodgers are a burden on the whole economy — and, in turn, on the public in general."

The managing director of United Nursery Products, Mr Hendrik Lusitj, said there had been a misunderstanding when Mrs Davenport first telephoned.

"If we are at fault then we will obviously meet the parents' claim," he said.

"We have supplied more than 100 000 of this type of walker and this is the first time there has been a problem."

He said "My wife and I are not interested in being paid out but we feel that if these babies are unsafe the support bars buckled on the walker should be done."

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"We have supplied more than 100 000 of this type of walker and this is the first time there has been a problem."

A brand new tubular steel babywalker collapsed yesterday, crushing the hands of an eight-month-old baby.

Mr Peter Davenport of Jukskai Park said it came apart when one of the support bars buckled. His daughter Sarah-Jayne got her fingers trapped in the tangle when the walker collapsed.

"One of her fingers has deep lacerations round the nail and we will only find out tomorrow if the nail has to be removed," Mr Davenport said. "X-rays showed no damage to the bone. The fingers on her other hand are badly bruised."

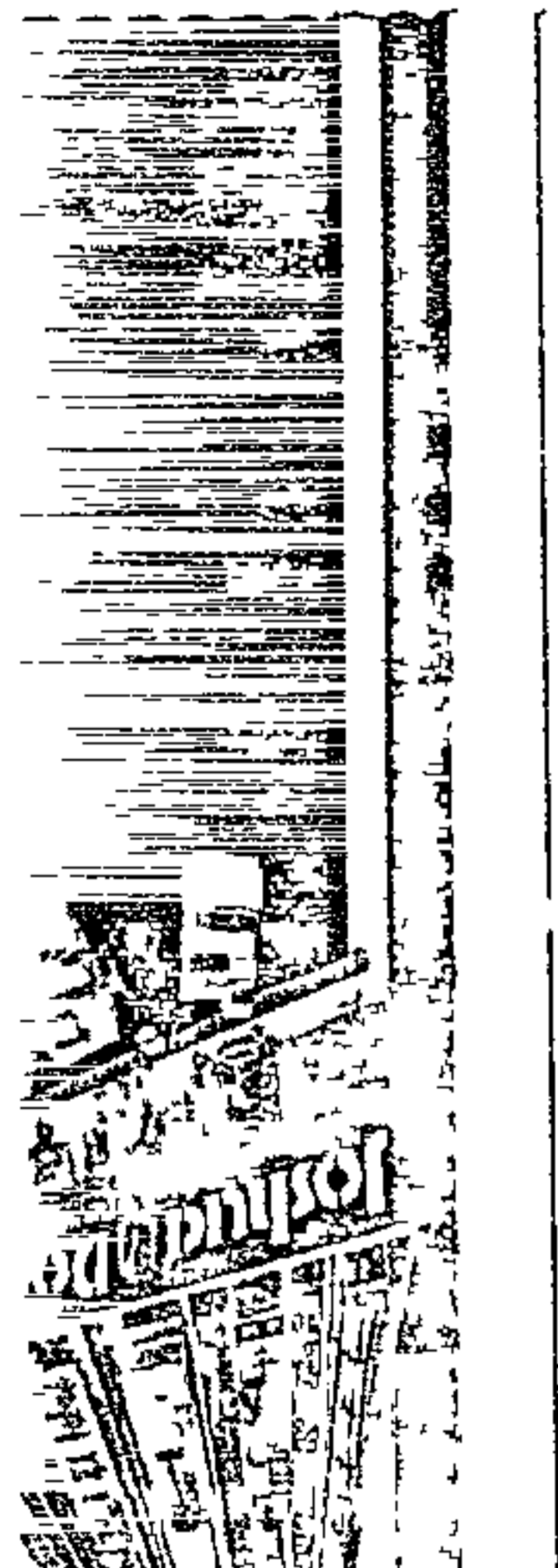
Mr Davenport and his wife Sue are furious at the Pretoria manufacturer.

Salaries includes doggers late with 1983/84 returns will be penalised with increases on final assessments of five percent (or up to R100) if first offenders and 10 percent if second offenders (R200) — double the penalties to date.

If they do not respond to final notices, summonses will be issued within the next two weeks.

Companies late with tax returns will be penalised at twice that level — with fines becoming heavier the longer payment is delayed.

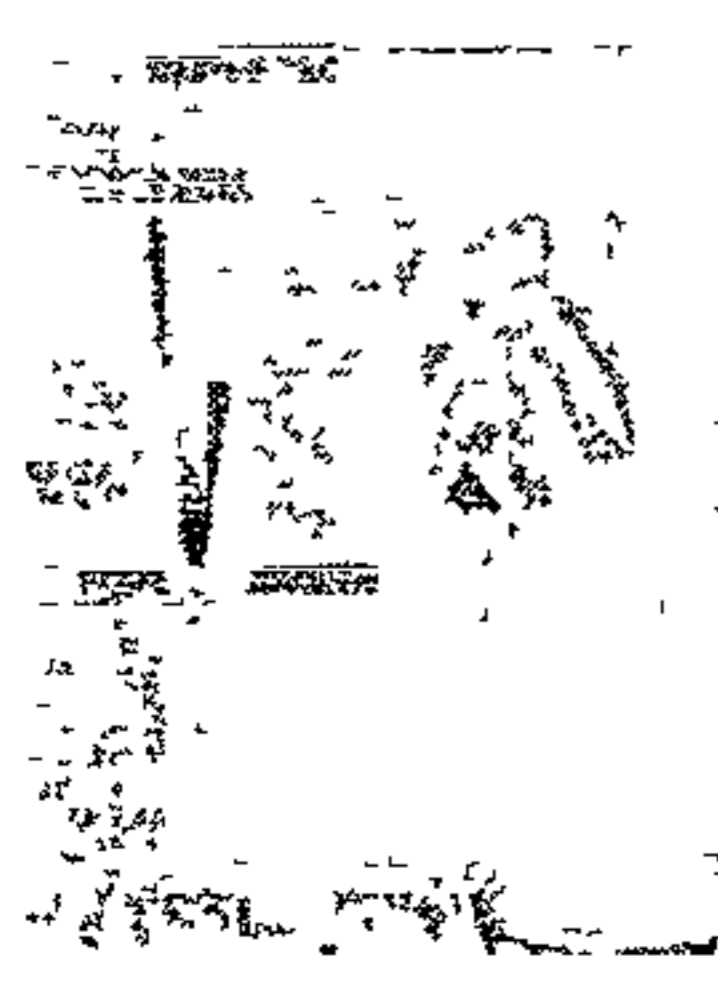
Retailers and suppliers failing to declare GST collections, or delaying tax-dodgers.



Four new By Gavin Engelbrecht

The SA Nature Foundation has created four nature reserves since launch of its national Year of the Plant campaign, one of the country's most ambitious conservation projects.

This was announced the foundation's president.



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Big boost for steel unions

Labour Correspondent

THE South African council of the powerful International Metalworkers' Federation (IMF) has thrown its weight behind two of its unions whose members have voted to strike legally at Anglo American's Highveld Steel

In a statement yesterday, the IMF council said it noted "with concern" the deadlock between the two unions, the Metal and Allied Workers' Union and SA Boilermakers' Society, and Highveld and called on Anglo American to "get the company back to the negotiating table"

The council represents 11 unions which include affiliates of the Federation of SA Trade Unions, the Council of Unions of SA and the Trade Union Council of SA.

In an historic strike ballot at Highveld last

week, 70% of workers of all races voted to strike. The ballot followed a deadlock in pay talks between the company and the unions.

In the wake of the ballot, the union has asked Highveld to re-open wage talks, but the company has not yet responded.

Yesterday's IMF statement issued by its permanent secretary, Mr Brian Fredericks, said the extent of the strike vote was "indicative of the dissatisfaction" of Highveld workers with the company's last wage offer.

It said it was "indeed surprising that an Anglo American company which recently announced record turnover figures and a healthy profit cannot accede to the workers demand of R2 per hour minimum wage, together with reasonable increases for all grades of employees"

Talks end metal union's first legal strike action

By STEVEN FRIEDMAN
Labour Correspondent

The first legal strike by the Metal and Allied Workers Union (Mawu) at Durban's Hart Limited ended yesterday after the company agreed to open negotiations with the union on certain work conditions.

Hart's 600 workers struck in support of demands that the company negotiate directly with Mawu shop stewards on wages and work conditions outside the official industrial council system.

The stoppage began a week ago after they voted to strike in a ballot.

The return to work followed agreement by the company to negotiate with Mawu stewards on long-service bonuses. But the union's de-

mand that it also negotiate on pay and a funeral benefit scheme has not yet been met.

Hart's agreement to negotiate on the bonuses follows a meeting between Durban management and both the company's board and the Steel and Engineering Industries Federation (Seifsa), which strongly opposes wage bargaining outside the industrial council system.

A Mawu statement yesterday said 400 union members had voted to return to work yesterday morning and hailed the settlement of the strike as a worker "victory".

It said management would begin "bona fide" negotiations with Mawu shop stewards on the bonuses within the next 10 days.

Worker demands for nego-

tiations on pay and the funeral benefit scheme remained unresolved, "but the parties have agreed to first settle the matter of long service benefits", the statement added.

Mawu said the agreement was "a step in the right direction" and added that it hoped Hart would "eventually follow the many Seifsa companies which now negotiate at plant level on all matters affecting workers".

Sapa reports that Hart's regional director in Natal, Mr E W Parrett, has confirmed the return to work.

"The work force agreed to return to work today while negotiations with union shop stewards continue. It is on the basis of us negotiating certain conditions of employment that they agreed to return," he said.

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ROM 27/8/84 □□□ 189

A STRIKE ballot at the Witbank plants of Anglo American's Highveld Steel could prompt a test of whether workers are able take strike action across race lines.

The ballot was organised jointly by Mawu and the SA Boilermakers Society after their pay talks with Highveld deadlocked. About 70% of Highveld's workers (and over 90% of Mawu's black members) voted to strike

That a union whose members include white, skilled workers, had undertaken a ballot with one representing black, unskilled workers was itself unique.

But the unions also ran an unofficial poll among white skilled workers who belong to other unions. About 400 — 45% — voted to strike

Bearing in mind the conservatism of white workers, this is a high percentage

It also adds a new dimension to the dispute: during a recession, it might be fairly easy for an employer to fire less skilled black workers. But the skilled manpower shortage makes firing skilled workers a risky option

If a sizeable number of white artisans joined a legal strike, worker muscle might be increased markedly.

It is by no means certain that artisans would strike — there is a difference between voting to strike and actually doing it. But this is the first major dispute in which the possibility has arisen

Meanwhile, it is not yet clear whether the ballot will lead to a strike.

The unions want Highveld to re-open talks and hope the ballot will prompt it to do so

Highveld, partially influenced by the fact that it has struck a wage deal with three artisan unions, has not reacted publicly to this call.

ROM 28/8/84
139
133

Firm agrees to talks

By STEVEN FRIEDMAN
Labour Correspondent

A KEY metal employer Highveld Steel has agreed to re-open talks with two unions whose members recently voted to strike in an historic ballot at its four Witbank plants.

However, it is not clear whether the company is prepared to discuss with the unions the wage deadlock which led to the strike ballot.

The ballot followed a deadlock in wage talks between Highveld and both the Metal and Allied Workers Union (MAWU) and SA Boilermakers Society (SABS)

The unions rejected a company wage offer which was accepted by three unions representing skilled white workers and declared a dispute with Highveld

In the first strike ballot to be organised jointly by an established and an emerging union, about 70% of Highveld's 5 000 workers voted to strike. This included about 400 white skilled workers who do not belong to either union but who took part in an unofficial poll.

In the wake of the ballot, the unions asked Highveld to re-open wage talks.

The general secretary of the SABS, Mr Ike van der Watt, said yesterday Highveld had agreed to meet his union and MAWU on Friday to discuss the dispute.

Dockyard questions

By LOUIS BECKERLING
Business Editor

A STATEMENT released yesterday by the Algoa Bay Dockyard Development Company following its annual meeting on Monday (full text on Page 17), leaves a number of questions unanswered

Viability

Reference to a "categorical" endorsement by P-E Consulting Group that the "establishment of a ship repair yard in Algoa Bay is viable" does not point out

- The study was prepared in September, 1978, to investigate creating a yard consisting of two docks, one able to accommodate plus 550 000-ton oil tankers and the other to accommodate a 300 000-ton oil tanker

The nature of world shipping has since undergone a complete transformation. So has the proposed ship repair yard, which now envisages one dock for ships of 350 000 tons and a second dock for 150 000-tonners

- A qualification contained in the 1978 P-E report was that the location provided by Algoa Bay was favourable because tankers could "de-gas" their holds en route to a yard remote from lading or discharge ports

This crucial qualification is no longer valid, since the yard is now intended to serve bulk loaders, not oil tankers

- The Hawkins, Hawkins & Osborne report followed, in October, 1978 — six years ago — and is overtaken by the events that have followed

- The proposed ship repair yard in Algoa Bay will be the world's 183rd such yard able to accommodate ships of plus-50 000 tons

- The company's own advisers (Drewry Shipping Consultants Ltd, of the UK) have warned, in an execu-

tive summary to a seven-volume study commissioned by the Algoa Bay Dockyard Development Company

"There is no likelihood of any immediate rapid general improvement in the (ship repair) industry. Improvement will be a slow and gradual process with total world ship repair demand expected to increase by 50% in the period 1982-1997, at an average rate of 3% per annum (and)

"The outlook is particularly depressing for VLCC-capacity (250 000-ton plus) docks. The number of docks able to accommodate VLCC tankers is already many times that which the size of the fleet — now or in the future — would justify"

- A realistic re-examination of the dockyard company's own cash-flow projections — done with the aid of a professional auditor — provides a compelling argument that the dockyard is not a viable proposition

Zoning

Guarantees regarding intent and financial backing are neither "normal" nor the only necessary provisos to ensure the success of an application for rezoning of ground

A letter directed to Sonop Development Company, which initiated this application and is closely associated with the Algoa Bay Dockyard Development Company (Pty), included this cautionary qualification, however

"Sending in" an application, as suggested by the dockyard company's statement, is no guarantee of success

Objections must be sought and the matter must be considered on its merits. A decision may take two years or longer and Mr J Walters, director of local government for the Provincial Administration, has told the Evening Post there

is no guarantee that the application will succeed

The statement makes no attempt to explain why or how the dockyard company claimed that rezoning authorisation had already been granted

Environment study

The comment — without further qualification — that "an environmental impact study was carried out by Farrell & Van Riet, Environmental Architects, from Pretoria" and "submitted to the Department of the Environment in order to get their agreement to the issuing of the Need & Desirability certificate", is misleading

As the statement itself points out elsewhere, a final design of the dockyard is not yet complete. Under the circumstances no model could be built, and thus no final conclusive environmental study could have been conducted

Since the submission of the environmental study referred to, the Deputy Minister of Environment Affairs, Mr John Wiley, told the Evening Post on August 7 that he would insist on an environmental impact study being done

Market study

The comment that the "Drewry Study showed conclusively that the shipyard would be viable if it could capture approximately 40% of the South African ship repairing market", is similarly misleading

The percentage refers to a projected estimate of the future market, and depends upon the accuracy of the study's assumptions. It must furthermore be qualified by the cautionary comments already quoted above

Site

The dockyard company states "The last preliminary studies and costings will bring the planning and design of the

project ready for tender and construction"

Normal investments of this nature call for hydrological model testing which may take up to 12 months following the conclusion of a design. No reference at all is made in the latest statement to such a procedure

The CSIR's Mr Ken Russell in Stellenbosch has illustrated the crucial nature of such a procedure by referring to the findings of a similar model test done before the Richards' Bay harbour was completed

The test indicated the drawing-board breakwater could be shortened by 100 metres. At R30 000 a metre this represented a real saving of R3 million on the design costing. It is normal procedure with projects of this nature to conduct such model testing

Furthermore, no adequate environmental impact study can be concluded without the aid of a model

Ciskei

The dockyard company statement admits that a maximum of 1 786 jobs will be created by the proposed ship repair yard in the first year of its operation

The Evening Post cautioned earlier this month against the Ciskei explanation that it intended investing R750 000 in the proposed ship repair yard in the belief that this would generate 4 000 job opportunities for Ciskeians

Yesterday's statement from the dockyard company includes a schedule of the envisaged 1 768 jobs created by the yard — six senior managers, 12 middle managers, 23 assistant managers, 50 "senior staff", 315 "junior staff", 130 foremen, 690 skilled workers, 390 semi-skilled workers, and 170 unskilled workers

Yesterday's statement from the dockyard company says "our plans are initially

to employ the maximum number of Ciskeians in the work force and junior staff and we see no reason why this should be less than 90%, or about 1 400 jobs"

The balance of the jobs referred to, according to yesterday's statement, will be obtained via "influence" exerted by the proposed ship repair yard company, on client companies who "will try and stay on the right side" of the dockyard company

Additional questions which remain unanswered are

- Has the Ciskei's proposed R750 000 investment been paid?

- What percentage of the issued share capital of the company does this represent?

- Why has Ciskei been charged 72% more for its proposed shareholding (R2 149 for each of its 349 shares), compared with the R1 250 each paid by existing "B" shareholders in the company?

- Why does this investment entitle Ciskei to only three directors on a proposed 13-man board, though its intended capital injection will represent almost half of the total issued share capital?

Though the proposed investment by Ciskei in the development company will amount to 44,8% of the consequently expanded equity, Ciskei is offered 10% of the equity in the trading company which will actually operate the yard

- Where are the proposed workers to be accommodated?

- Why, in the face of blunt claims that "rezoning authorisation was received in 1983", does the company now admit, without explanation, that this referred merely to the issue of a "Need & Desirability" certificate?

2004 11/9/84 (189) 152 11707

More strikes, says Mawu

By STEVEN FRIEDMAN
Labour Correspondent

WORKERS at plants owned by the Dunlop rubber company have decided to resume their sympathy strikes if the company does not reinstate fired workers at its Durban tyre plant, the Metal and Allied Workers Union warned yesterday.

Mawu also said in a statement that it was holding talks aimed at launching a consumer boycott of Dunlop sporting goods, as well as action against the company's tyres by workers in motor factories which it supplies.

It said it had held talks with the Natal Council of Sports, local motor and rubber unions, and with the British Trades Union Congress "with a view to developing solidarity action against Dunlop SA".

About 1200 workers at Dunlop's Durban tyre plant were fired recently after striking in protest at the dismissal of five workers. Later, about 120 strikers at its sports goods factory were also fired.

Workers at Dunlop plants in Durban, Ladysmith and Benoni subsequently went on strike, demanding reinstatement of the fired workers.

However, they returned to work after a company ultimatum to return or face dismissal.

Dunlop says that all the strikes were

illegal and has asked the Natal Supreme Court to grant an interdict preventing Mawu from organising illegal strikes in its plants.

Mawu has defended the action, arguing that both the tyre plant strikers and those at the other plants followed all the required legal steps before striking.


The action was heard on Thursday, but judgment was reserved. A ruling is expected next week.

Mawu has said it plans to launch an industrial court action against the company challenging the five dismissals which led to the tyre plant strike and the firing of the strikers themselves. In its statement yesterday, the union said worker representatives at the plants which had taken sympathy action this week had "resolved that further lawful industrial action will be taken if the company did not accede to the reinstatement of the five dismissed employees at the Durban tyre factory".

It said the tyre and sports plants were "at a standstill" and that workers who had "purportedly been dismissed" were meeting daily. They had decided not to return to work unless the company met their grievances.

Mawu said it was prepared to submit the dispute over the firing of the five workers to either the industrial court or an arbitrator, and sharply criticised the company for not agreeing to this.

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Shipyard will need vast Govt funding

189
 S. Post
 1/9/84

THE PROPOSED ship repair yard for Algoa Bay was back in the news this week following the 10th annual general meeting of the Algoa Bay Dockyard Development Company.

A joint statement released after the meeting by managing director Mr Henry Combe and chairman Dr Konstant Brunette failed, however, to answer a number of questions — the most important of which relate to the land on which the proposed yard is to be built,

and the projected viability of the scheme.

An examination of the company's own cash flow projections — handed to the Ciskei Government by the Algoa Bay Dockyard Development Company itself — provides compelling evidence that the ship repair yard will not be a viable proposition unless it is heavily subsidised.

An examination of the figures shows that should construction of the yard proceed — in defiance of

evidence that it is not able to survive on its own feet — the only group of people who might profit from the venture are the owners of the site on which the proposed yard and an associated industrial township will be built.

The repair yard will arguably proceed only on the strength of huge and contained subsidies at a time when stated Government policy is to encourage private enterprise to become more effective and com-

petitive, and cut back massively on non-essential Government expenditure.

The company which holds the vital and potentially highly profitable option to purchase and exploit this ground is Sonop Development Company — a distinct entity from the Algoa Bay Dockyard Development Company.

Registered owner of the ground is St Croix Development (Pty) Ltd, and the application, on behalf of Sonop Development Company, for permission to establish a township on the ground, was made by Mr J J Crouse, who indicated to the Province in his application that all further correspondence regarding the land should be addressed to Sonop Development Company. According to Mr Combe (in an interview earlier this year), the ground is the private property of Mr Bill Reynor, who is a director of Algoa Bay Dockyard Development Company.



By Louis Beckerling
 Business Editor

In documents handed to the Ciskei Government, the dockyard company indicates the site concerned consists of some 800 hectares of agricultural ground on the dunes surrounding the Coega River, "at a cost

of R2 million (A conservative market valuation is closer to R320 000).

The dockyard values this land after development costs (including the price of the land) at R25 million (only about 150ha, according to Mr Crouse's application to the Province, will be used for the dockyard. The rest is to be sold as industrial and residential land).

Thus to obtain this windfall, the land will have to be sold as a new industrial/residential area employing and accommodating many thousands of workers and their families in areas not directly related to the dockyard (despite the fact that the Provincial Administration has already rejected an approach for such a major general industrial and residential rezoning).

Should the owners sur-

and a separate trading company will be formed. On the contrary, all that shareholders in this company appear destined to face is servicing a mounting interest burden.

This conclusion follows an investigation conducted with the aid of auditors and engineers into a cash-flow projection submitted by the company to Ciskei.

Yet the Algoa Bay Dockyard Development Company's own advisers (Drewry Shipping Consultants Ltd, of the UK) have warned in an executive summary to a seven-volume study commissioned by the Algoa Bay Dockyard Development Company "There is no likelihood of any immediate rapid gen-

eral improvement in the (ship repair) industry. Improvement will be a slow and gradual process, with total world ship repair demand expected to increase by 50% in the period 1982-1997, at an average rate of 3% per annum (and) "The outlook is particularly depressing for VLCC-capacity (250 000-ton plus) docks. The number of docks able to accommodate VLCC tankers is already many times that which the size of the fleet — now or in the future — would justify."

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Vain hopes

One of the assumptions admitted in documents handed to Ciskei "by the dockyard company is the belief that the proposed ship repair yard will be operating at 100% capacity within three years. This despite the fact that it will be the 133rd dockyard worldwide able to accommodate ships of plus-50 000 tons.

The Provincial Administration has rejected the notion of such a large general industrial area, and unless a secret

based on the belief that since a major industrial area was to be established around the dockyard, adequate trading revenue would have been created to justify a developer, or the State, picking up a bill for laying on rail and road links, electricity, water, and sewerage connections.

Under the circumstances the Weekend Post proposed adjusting the company's projected cash-flow to allow for tax, but this proved academic, as it appears unlikely the company will ever produce a profit.

Unrealistic assumptions

Agreement exists between the central Government and the Algoa Bay Dockyard Development Company, which both the Province and the PE City Council say they are unaware of, this, too, appears to be wishful thinking.

Engineering contractors have estimated that the laying on of such facilities to the Coega River site would cost about R150 million.

This capital requirement has been split 50/50 between equity and loans on the dockyard company's cash-flow schedule, to avoid an overly-high gearing ratio.

Finally, the Algoa Bay Dockyard Development Company has assumed it will not pay tax. This must be contrasted with a comment made in this regard by the Minister of Commerce, Industries and Tourism, Dr Dewey de Villiers.

Dr De Villiers told the Weekend Post, "The proposed development of a repair dockyard at Algoa Bay is an initiative of the private sector."

"The company itself has carried out certain feasibility studies and has informed the Government of the results thereof."

"The company was informed that the Government welcomed economic development and that if the company should decide to proceed with the project, it was at liberty to do so on its own initiative and at its own cost, as well as at the normal commercial risks attached to the project."

"Any form of official support could only be considered within the normal framework of assistance which is available to industry in general."

Under the circumstances the Weekend Post proposed adjusting the company's projected cash-flow to allow for tax, but this proved academic, as it appears unlikely the company will ever produce a profit.

Table 2

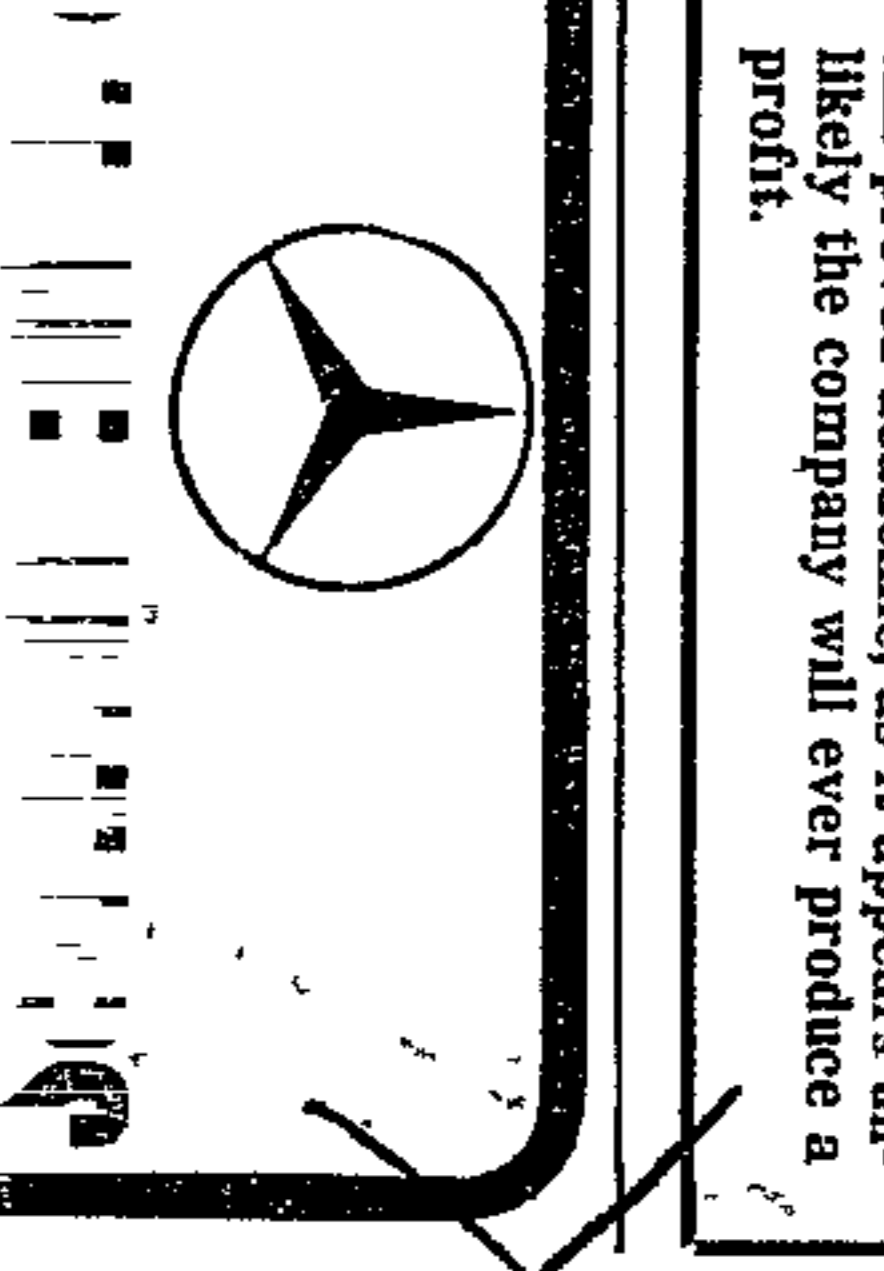
| | '85 | '86 | '87 | '88 | '89 | '90 | '91 | '98 |
|----------------------|-------|--------|--------|--------|--------|--------|--------|--------|
| Sales | - | - | - | 35.0 | 42.0 | 48.0 | 52.0 | 72.0 |
| Other Income | - | - | 1.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| GROSS TRADING INCOME | - | - | 1.0 | 37.0 | 44.0 | 50.0 | 54.0 | 74.0 |
| Services | - | - | - | 5.4 | 6.4 | 7.3 | 7.9 | 10.8 |
| Materials | - | - | - | 5.4 | 6.4 | 7.3 | 7.9 | 10.8 |
| Wages & salaries* | 0.3 | 6.1 | 13.9 | 14.4 | 15.3 | 15.3 | 15.3 | 15.3 |
| TRD PROFIT/(LOSS) | (0.3) | (6.1) | (12.8) | 11.8 | 15.9 | 20.1 | 22.9 | 37.1 |
| Interest | - | - | (5.2) | (41.7) | (43.8) | (13.5) | (13.5) | (13.5) |
| Depreciation | - | - | (5.2) | (13.5) | (13.5) | (13.5) | (13.5) | (13.5) |
| NET PROF BEFORE TAX | (0.3) | (11.3) | (31.4) | (43.4) | (41.4) | (41.4) | (41.4) | (41.4) |
| Share capital | 135.0 | 40.0 | - | - | - | - | - | - |
| Loan capital | 75.0 | 88.0 | 155.5 | 14.0 | 28.0 | - | - | - |
| Cumulative loans | 35.0 | 123.0 | 278.0 | 292.0 | - | - | - | - |
| RETURN ON EQUITY | - | - | - | - | - | - | - | - |

Income has been halved on basis justified in article "Unrealistic assumptions", service-costs have been retained but material costs and wage bills halved, an additional R150 million split 50/50 between interest and equity has been added to capital employed, to take into account need to finance infrastructural costs (see also "Unrealistic assumptions"). Calculations have only been pursued to the fifth year of operation, when it becomes clear that trading income will be inadequate to repay a mounting interest burden.

(Figures in R millions)

Table 1

| | '85 | '86 | '87 | '88 | '89 | '90 | '91 | '98 |
|----------------------|-----|-----|------|------|------|------|-------|-------|
| Sales | - | - | - | 70.1 | 83.3 | 95.7 | 104.2 | 142.5 |
| Other Income | - | - | 1.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| GROSS TRADING INCOME | - | - | 1.0 | 72.1 | 85.3 | 97.7 | 106.0 | 144.5 |
| Services | - | - | - | 5.4 | 6.4 | 7.3 | 7.9 | 10.8 |
| Materials | - | - | - | 5.4 | 6.4 | 7.3 | 7.9 | 10.8 |
| Wages & salaries* | 0.3 | 6.1 | 13.9 | 14.4 | 15.3 | 15.3 | 15.3 | 15.3 |



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INT 62282E

Farmers raise

water issues

By CATHY SCHELL
SIGNIFICANT decisions affecting the future of the agricultural industry in the Eastern Cape were taken at this week's East Cape Agricultural Union annual congress.

Many of the 153 delegates who attended the union's fifth annual congress felt resolutions taken would materially affect the future of the industry — though the next few months would tell whether they would be translated into action.

Keenly felt was the full-ity of repetitive passing of resolutions that needed Government action, and the farmers' lack of power against control board policies.

Among the important issues which the union will raise with the Government are:

- The amendment of the Estate Duty Act for farmers.
- This motion had been passed at every congress for at least the past 20 years — and Government still had not reacted. Mr Neil Hartley of the Snowhill Farmers Association pointed out Right now it

was impossible for a farmer to secure his heritage for his heirs unless he paid this duty.

This duty had largely contributed to the rural depopulation rate and would probably never be scrapped because of the number of vested interests in it — namely large insurance companies, who were the biggest offenders, Mr G Ronger of the Kei Road Farmers Association said.

• That income tax paid yearly by farmers over the past five years be given to the union for research into the establishment of a more effective tax system for agriculture.

• That it was time agreement was reached on an integrated, decentralised and workable White paper for the future.

Points of concern over the deteriorating socio-economic situation included:

- The need to simplify the drought relief scheme.
- Farmers believed this could be achieved and a simplified scheme could be administered by the farmers themselves.
- The continuing unhealthy financial state of agriculture.

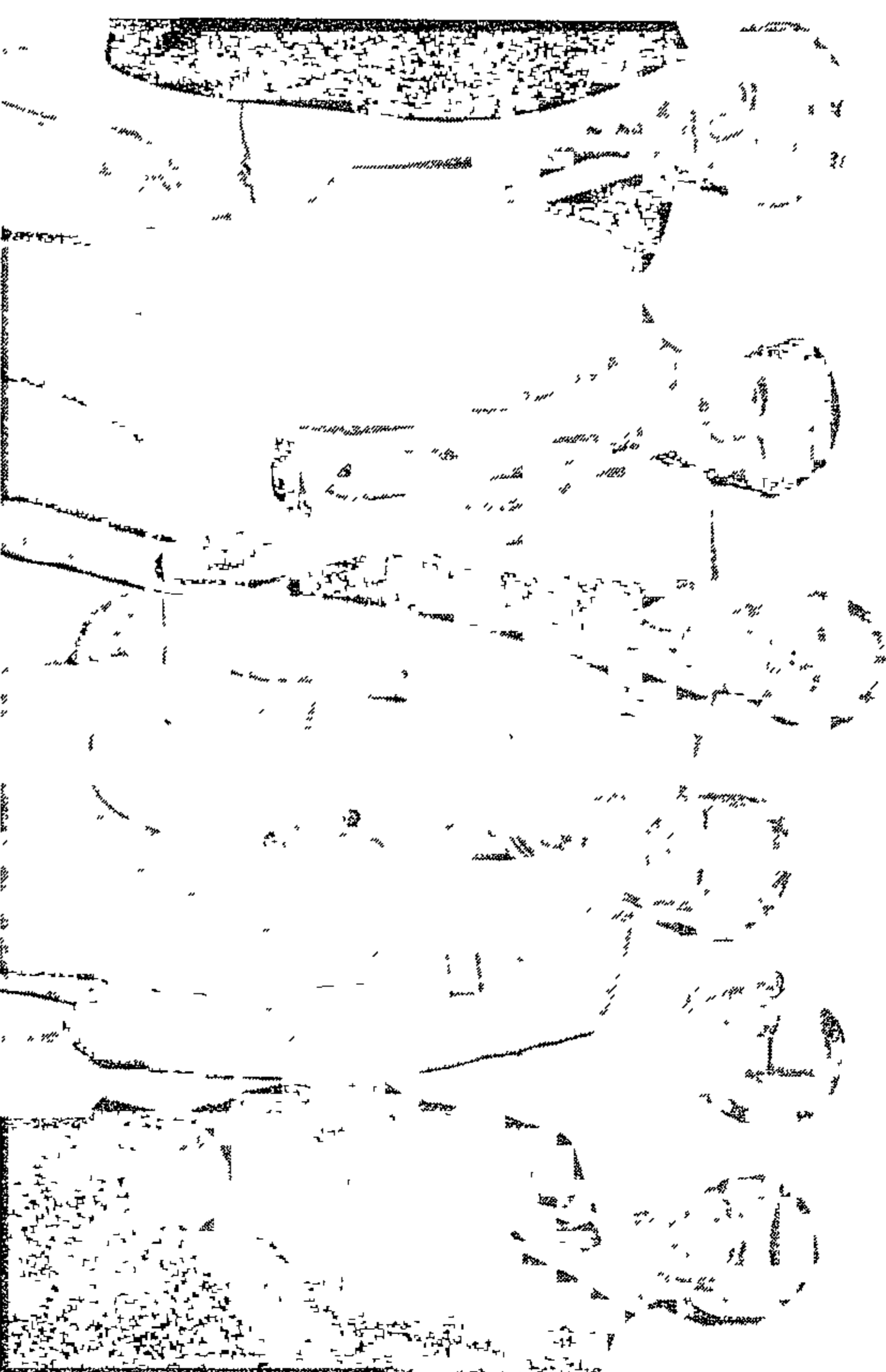
Unless urgent steps were taken immediately to rectify the wrongs in agriculture there would be no survival for the farmer, Mr Neil Hartley said.

Since 1975, farmers' costs had increased by 169% — and his produce by only 116%. Yet in the main budget this year the agricultural vote had been reduced to only 1,85% of the budget, he said.

• The necessity for the present number of control boards — each with high administration costs — over which the farmer had no control. Delegates felt actions of these control boards led to unnecessary market pressure in the Eastern Cape.

• Included in this resolution which was passed, was that the policies of control boards of increasing consumer prices in times of over production, causing consumer resistance whilst encouraging further production, be investigated.

Members of the executive of the East Cape Agricultural Union photographed at the union's fifth annual congress in Port Elizabeth this week were (from the left) Mr TED OUTRAM, Mr GAWIE SWART, Mr DAVID KINGWILL, Mr HARRY EKRON, Mr JOHAN ERASMUS and Mr TOBIE MEYER (president).

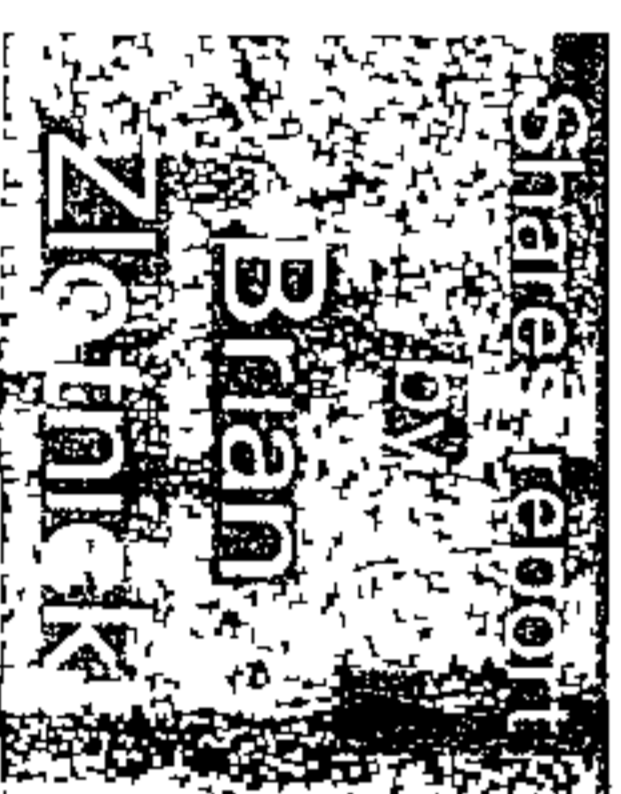


Price movements

remain marginal

PRICE movements in gold and the rand/dollar exchange rate were marginal over the week, and this was largely mirrored by share prices.

Solid buying demand from overseas continues to buoy the quality gold stocks while the gold price remains around the \$350 level. However, gold shares could come under some pressure as in early Friday morning trading the gold price eased back a few dollars to \$346.50.



its platinum mining rights Impala Platinum rose to an all-time high when it was last traded at 2,200c. It is not surprising considering the mines' better than

selling pressure is showing signs of easing.

Dealers maintain that selling orders of the better quality gold stocks are drying up. But the JSE acted on a few points rise to 989 this week.

The speculative and marginal golds are currently not attracting much buying interest and continue to underperform the overall gold share market. Renewed speculative in-

Shipyard needs Govt funding

From Page 1

of 97 ships in the third year of operation.

This optimism is doubly difficult to account for in the light of an observation in the Dewey report to the Algoa Bay Dockyard Development Company, that occupancy rates for docks of 50-100 000 tons will rise from 50% in 1982 to an estimated 83% in 1997, docks accommodating ships of between 150 000 tons and 250 000 tons will only be 58% occupied by 1997 (rising from a current level of 49%), and docks in which ships of plus 250 000 tons may be repaired will see occupancy rates actually declining from 18% in 1982, to an estimated 16% in 1997.

The outcome of the exercise is to show that the dockyard company's rosy picture of profits beginning to accumulate at a rate of 0,7% in the fifth year of operation, rising to 80% a year within 13 years is misleading.

At the very least earnings should be subject to tax (if Minister Dawie de Villiers has been correctly interpreted — see "Unrealistic assumptions").

Worse, the realistic adjustments to the cash flow schedule handed to the Ciskei Government show a company unable to meet interest charges from its income within the third year of operation.

The dockyard company's seemingly unrealistic projections show a R10,8 mil-

Evening Post

Small Business Seminar

September 25, 1984

The Evening Post, in conjunction with the Small Business Development Corporation, will stage a Small Business Seminar in the Marne Hotel, Port Elizabeth, on September 25. The theme of the seminar is *Management in troubled times*.

Businessmen wishing to attend the seminar should complete the following registration form and mail it — together with a cheque for R20 in favour of the SBDC — to Mr Jackie Westraadt, Small Business Development Corporation, PO Box 1745, Port Elizabeth, 6000 (Phone 041-545494/5).

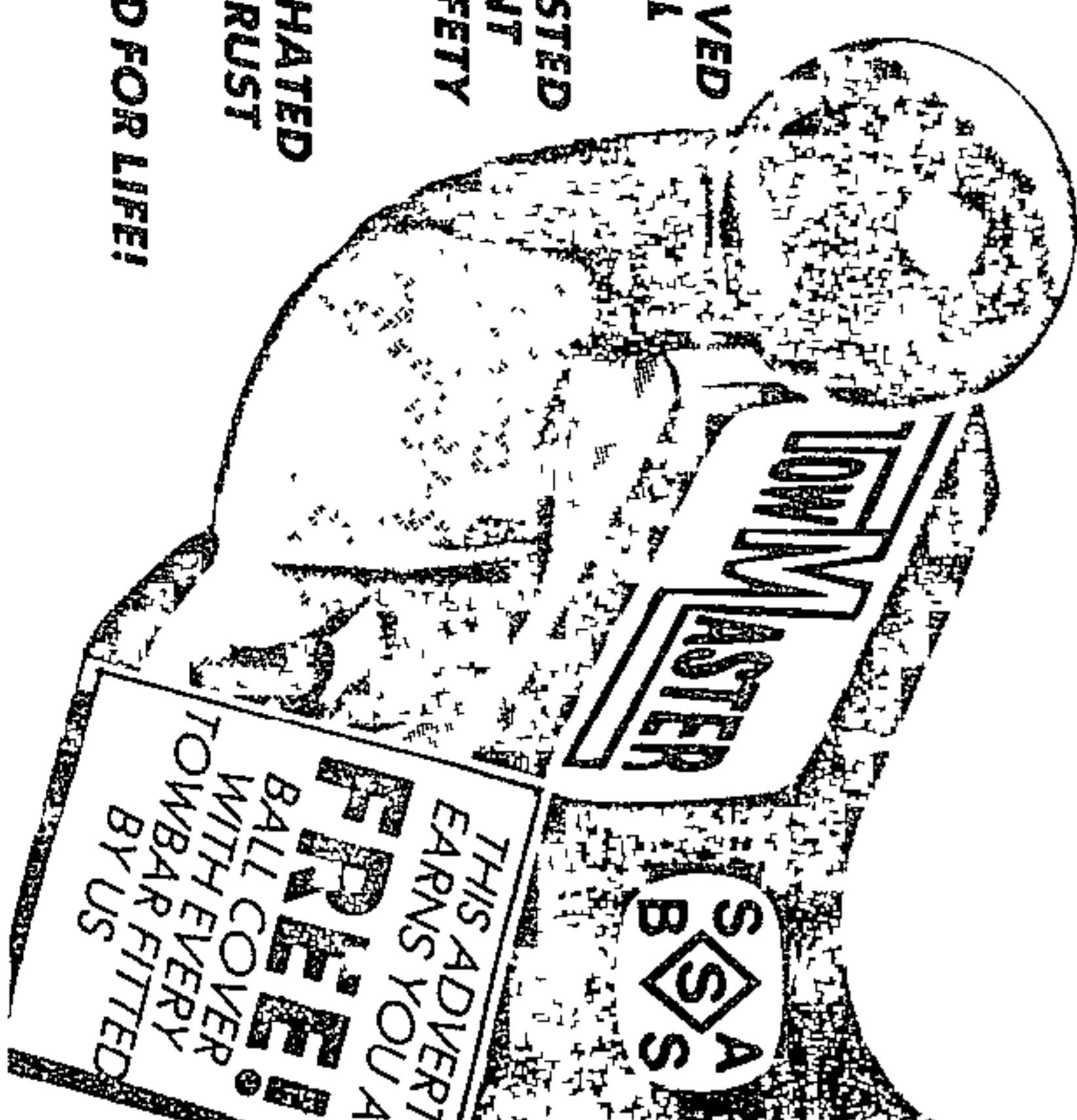
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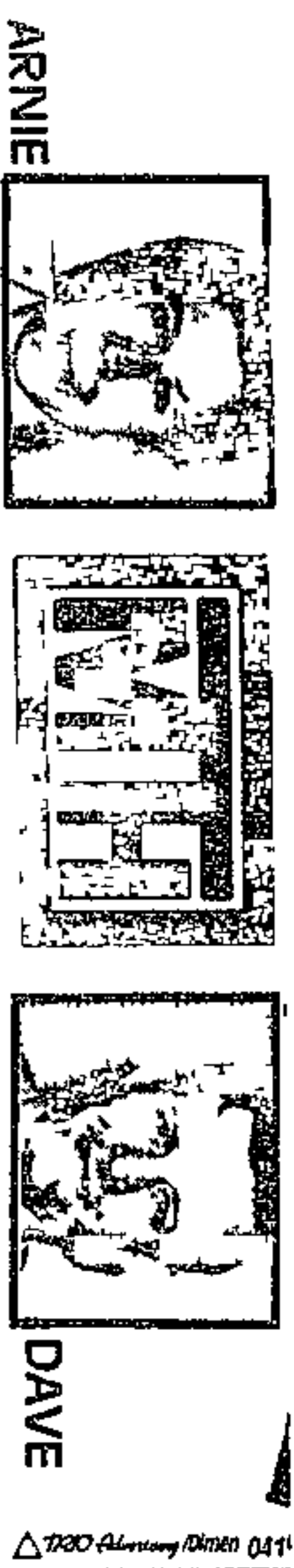
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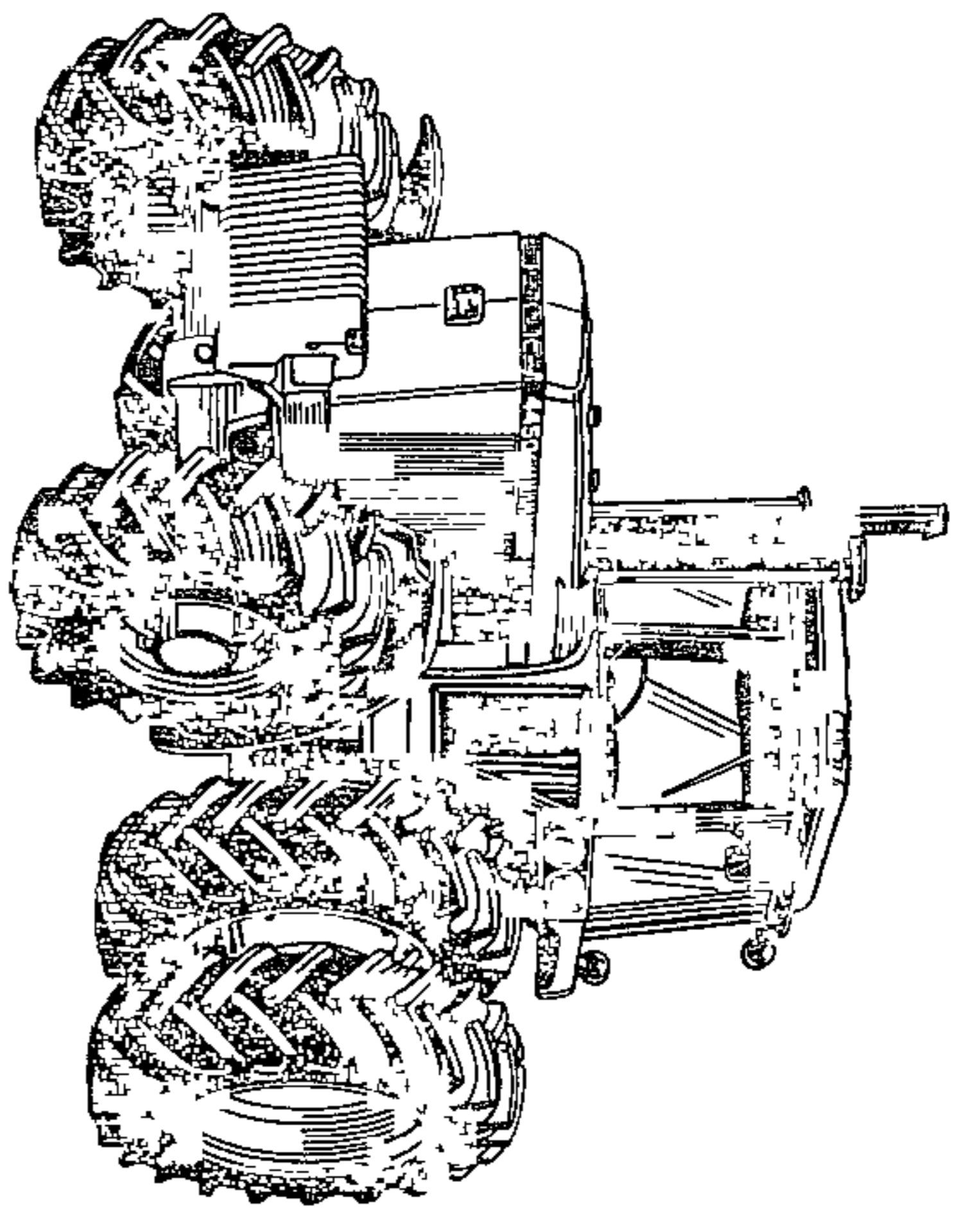


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De Beers lent a bit of glitter to a rather dull market over the past few days. The share advanced 50c to 910c partly in response to buying demand emanating from abroad. At one stage it dropped to 85c but rallied swiftly.

The market appears to have absorbed what was perceived by some investors as disappointing results. De Beers now has a strong support level at around the 880c mark.

East Rand Consolidated was another share which performed well when it rose to a new high of 101c in particularly heavy turnover, on renewed interest in expected results and improved prospects that the platinum sector continues to remain in good favour with investors.

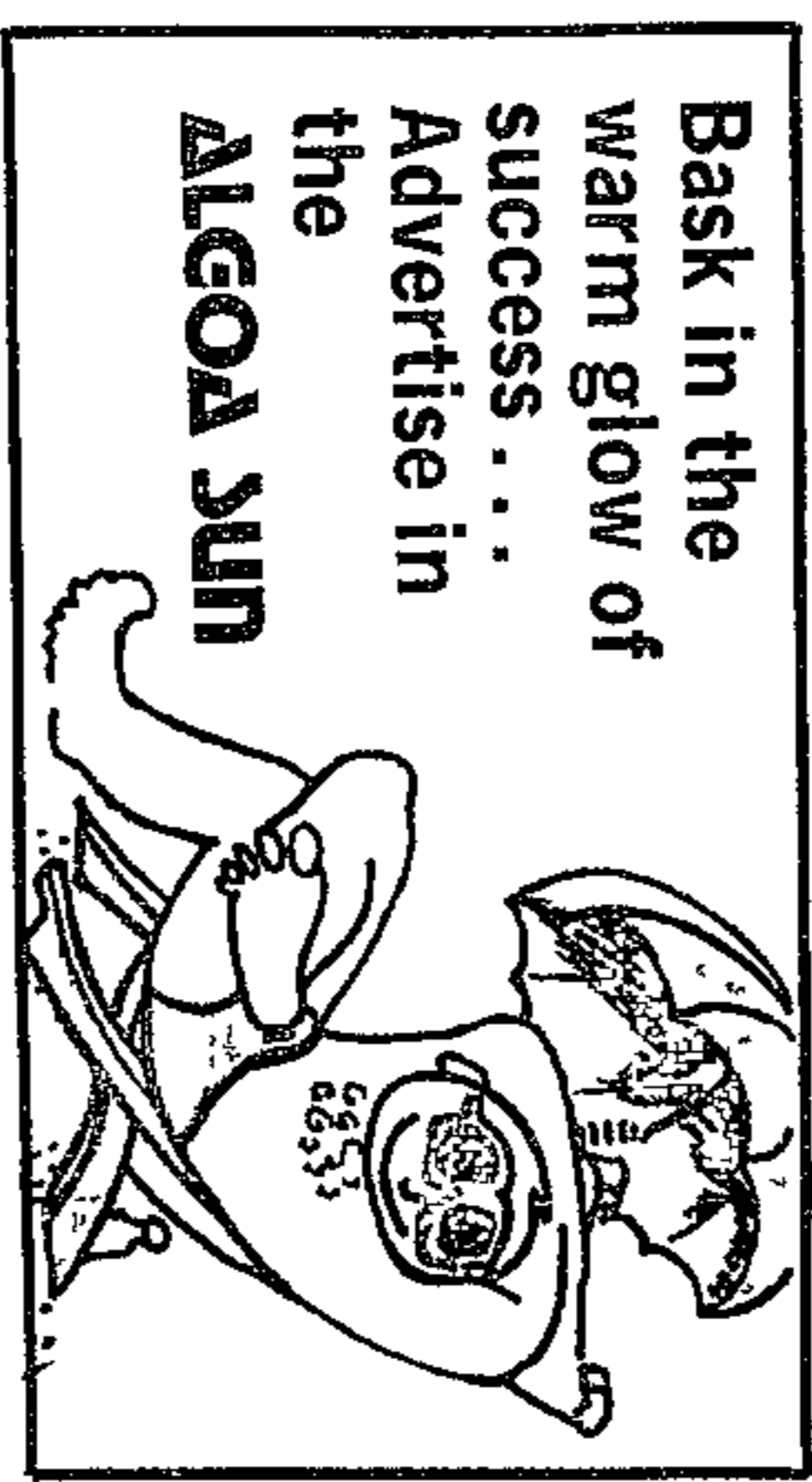
Some of the metal stocks such as Palamin, Roorberg and Consolidated Murchison recorded useful gains. The coal sector inched ahead with Amcoal 100c up at 3 000c. Apparently belated expectations that the mines will benefit materially from the weak rand helped push prices higher.

Roorberg is rallying after recently being heavily marked down. Overseas buying interest in gold shares is still supporting prices but local investors sent the mining share prices substantially higher.

Natal Canvas and Natal Consolidated's prices are respectively 30% and 22% higher at 3 000c and 5 500c. Rumour has it that control of the group is to be settled before the court case scheduled to be held in late September.

Industrials are stabilising in price with institutional investors buying lines of selected stocks. The JSE actuates industrial index firms slightly but some dealers continue to remain cautious on industrials short-term prospects.

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entirely justifiable to advertise for the sake of analysis of the dockyard company's projected sales incomes, which were contained in a cash-flow schedule accompanying the documents presented to Ciskei.

Under the circumstances it is reasonable to suppose the projected incomes contained in the cash flow schedule related to the claims made elsewhere in the same documents, and the Weekend Post has accordingly halved the sales incomes to allow a still generous 50% operating capacity for the proposed harbour.

The second unrealistic assumption is that the costs of getting all the necessary infrastructure to the site of the yard will not have to be borne by the company.

In the documents handed to Ciskei, the dockyard company states "In view of the social and economic development standards reached in the region, it is assumed that the required infrastructure outside the yard is not to be considered as an investment cost of the yard itself."

And the third assumption (which proves academic, since it is unlikely the company will ever sustain a taxable profit) is that "No provision is made for tax on the assumption that a tax holiday can be negotiated."

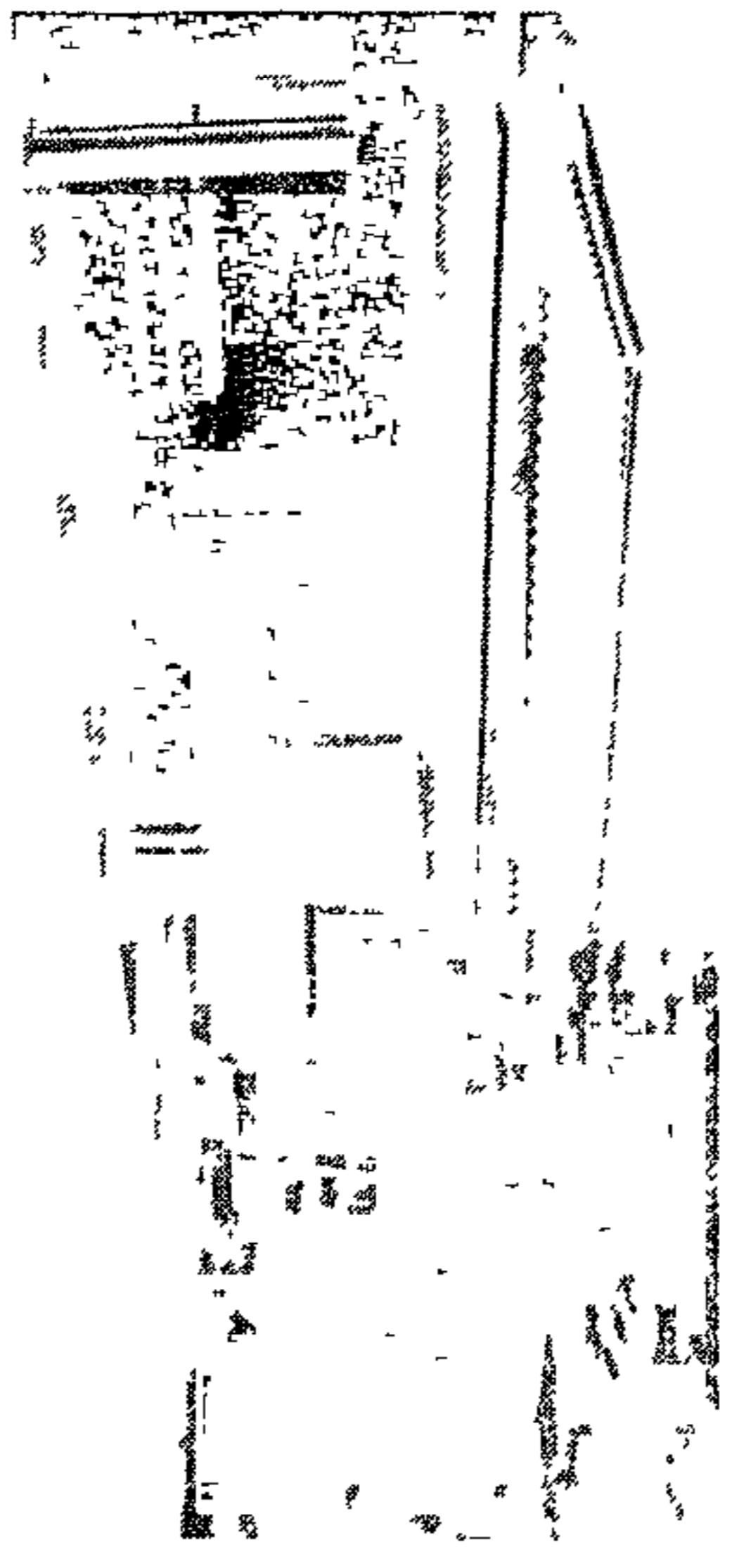
Dismissing all these optimistic presumptions on the qualified basis argued in the article headed "Unrealistic assumptions", and adjusting the cash flow schedule which accompanied the documents handed to Ciskei, produces a picture of a company with shaky financial prospects.

The Algoa Bay Dockyard Company's (unadjusted), and "best-prospect" projections are summarised in Table 1. This is contrasted with a revised schedule in Table 2.

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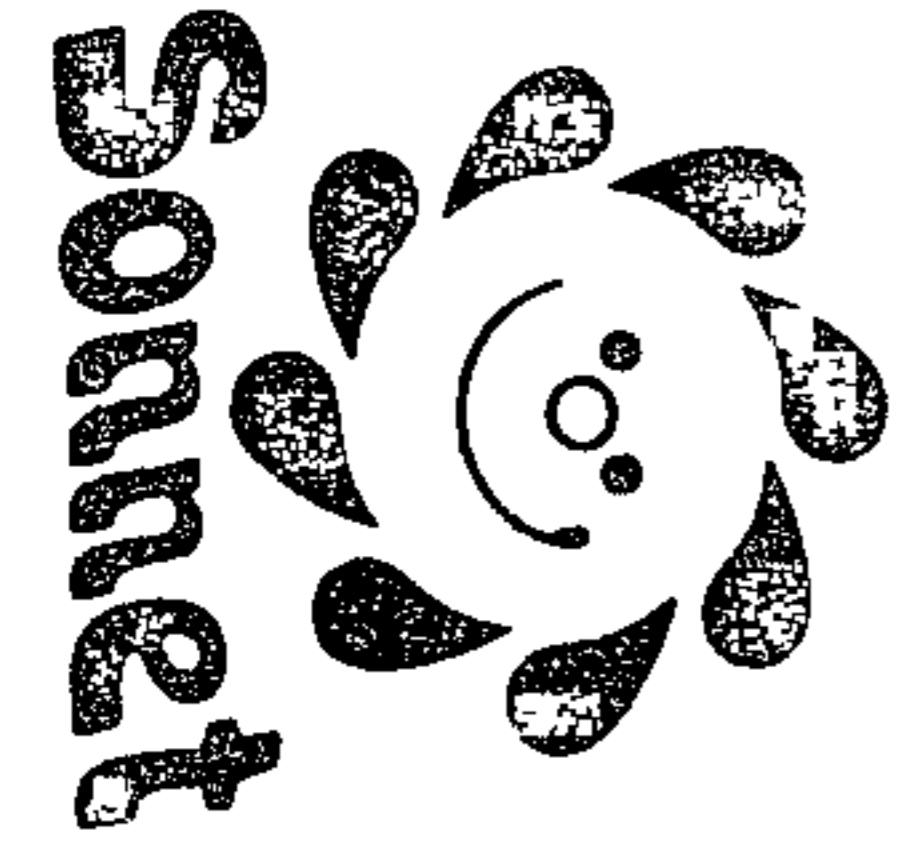
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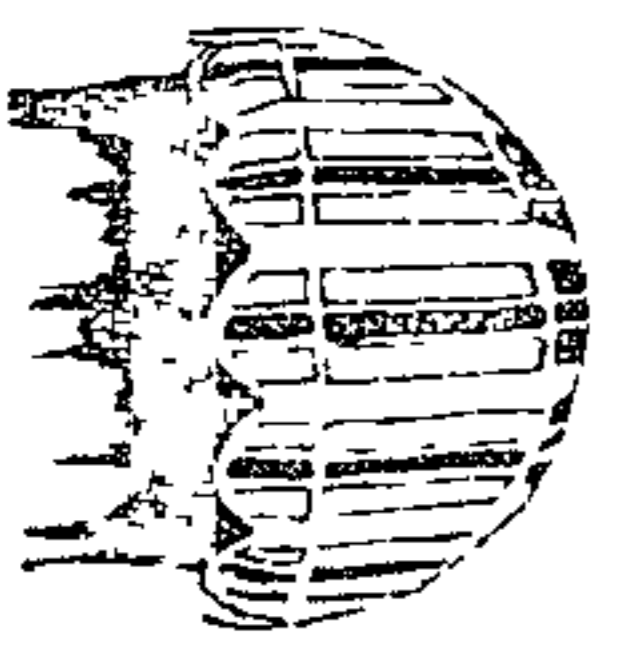
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...has been added to capital employed, to take into account the Coega River, at a cost of thousands of workers and their families in areas not directly related to the dockyard (despite the fact that the Provincial Administration has already rejected an approach for such a major general industrial and residential rezoning)

the Coega River, at a cost

thousands of workers and their families in areas not directly related to the dockyard (despite the fact that the Provincial Administration has already rejected an approach for such a major general industrial and residential rezoning)

Should the owners succeed in their objective during the first two or three years during which the ship repair yard is being established, the proceeds would represent a profit of some 150%

It seems highly unlikely that gains of this magnitude will ever be available to shareholders in the Algoa Bay Dockyard Company (the "Development") will be dropped once the repair yard is underway,

Table 1

| | |
|----------------------|-----|
| Sales | |
| Other income | |
| GROSS TRADING INCOME | |
| Services | |
| Materials | |
| Wages & salaries | |
| TRD: PROFIT/(LOSS) | |
| Interest | |
| Depreciation | |
| NETPROF BEFORE TAX | |
| Share capital | |
| Loan capital | |
| Cumulative loans | (+) |
| RETURN ON EQUITY | |

*Of interest is the Ciskei's continuing b
The wage and salary bill is calculated
employment in the ship repair yard of
created by the general industrial prop
which the Provincial Administration
already clearly and emphatically reje
Development Pty Ltd*

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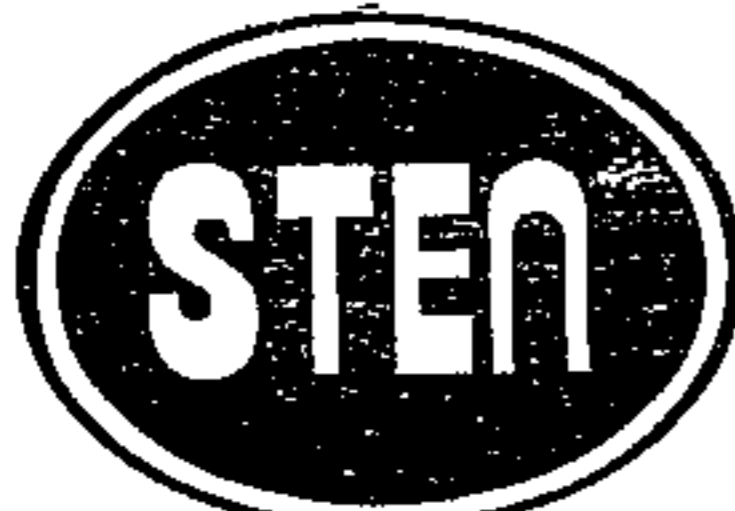
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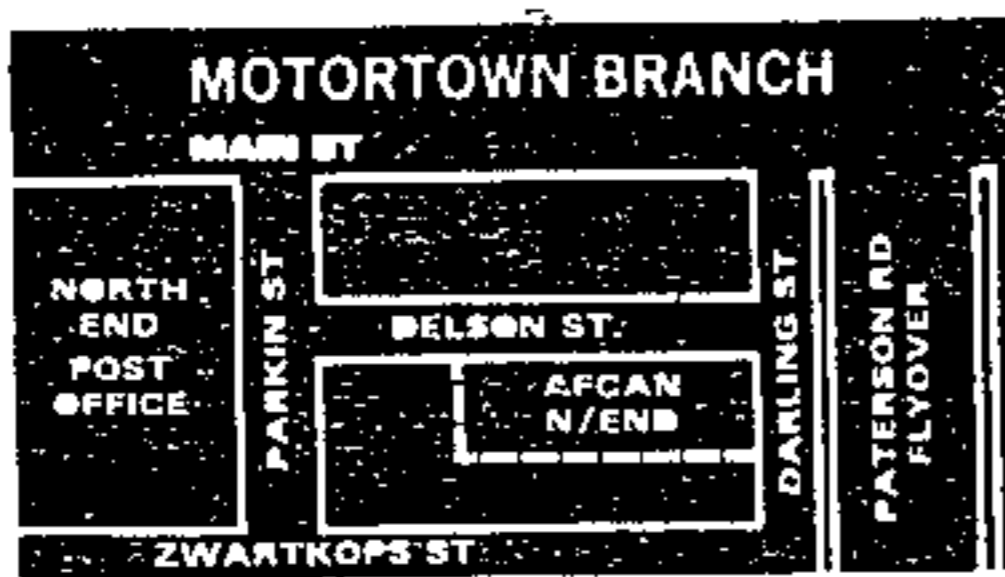
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Silence on Post queries

THE managing director of the Algoa Bay Dockyard Development Company, Mr Henry Combe, is known to have visited the Ciskei Government offices recently to explain why he had not yet publicly answered an extensive list of questions published in the Weekend Post and the Evening Post

Among the issues raised in previous articles were the confusion over the question of rezoning the site of the dockyard on the Coega River from agricultural to industrial use, and the fact that an environmental impact study — which could take up to three years to produce results — had yet to be performed.

Until this week Mr Combe has said rezoning permission had been received, whereas the appropriate authority (the Cape Provincial Administration) pointed out that he had not made formal application for such authority and possessed only the routine "Need and Desirability" certificate necessary for making such an application.

In the statement following this week's board meeting of the dockyard company, Mr Combe conceded without further explanation that all the company had was the Need and Desirability certificate

The only institution in the country able to construct the hydrological model required for conducting an environmental impact study, the CSIR, has received no instructions to do so.

In this week's statement the dockyard company said "preliminary design studies" currently being negotiated with an unnamed European organisation would "bring the planning and design of the project ready for tender and construction"

No reference is made to a



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2001 3/9/84

189

Seifsa pessimistic on prospects

A REVIEW of business conditions in the Seifsa group of industries covering the first half of 1984 reflects minimal change in the strong recessionary conditions which characterised the metal and engineering industries during the past two years.

Nevertheless, the temporary upsurge in domestic demand, arising from increased public and private consumption expenditure towards the end of 1983 and early 1984, resulted in some improved volumes of physical production in the important iron and steel basic industries and relatively satisfactory levels of activities in the electronics and telecommunications industries.

However, business conditions deteriorated towards the end of the second quarter with declines in orders and enquiries. Latest production reports indicate considerable spare capacity now exists in most Seifsa sectors and there is pessimism about prospects for the rest of the year.

Seifsa's machinery and electrical machinery sectors are continuing to have substantial inflows of keenly-priced imported goods.

These are being absorbed into the depressed market and seriously depressing the market

share of the machine tool industry, the cable manufacturing industry and the electric motor and domestic appliances sub-sectors.

Many industries in the fabricated metal sector also continue to face rising levels of imports at what are regarded as unrealistically low prices.

Primary steel producers reported a short-term temporary upsurge in domestic demand during the third quarter of 1983 which abated in February 1984.

Demand fell throughout the second quarter, apart from a revival during June due to the announcement of the increase to 10% in GST and anticipation of an increase in the price of steel products.

Producers now expect domestic demand to weaken further for the rest of the year. No real revival is seen in output until the second quarter of 1985 at the earliest.

Preliminary results of the 1983 Survey of South African Ferrrous Foundry Output again confirms the high degree of vulnerability of this sector to contractionary phases.

Total ferrrous casting production for 1983 is estimated at 433 300 tons, a drop of 15.3% on the low level of 1982 and a 39.3% decline on the peak production year of 1976.

Production of steel castings for 1983 was

about 113 500 units — a drop of 15.2% on the previous year — and tonnages for iron castings 319 800, a drop of 16.7%. Production returns for the first half of 1984 further underscore the progressively sharp downturn being experienced in this important basic industry.

Prospects on the short to medium term look gloomy.

The engineering and metal fabricating industries, generally, continue to experience depressed activity and, at best, anticipate marginal increases in demand from the middle of 1985.

Fabricating shops in the heavier sectors of engineering now have considerable spare capacity and are also facing strong competition from favourably priced imported goods.

The shipbuilding and shiprepair industries are also contending with serious difficulties and structural engineering anticipates a prolonging of current low activity levels until well into 1985.

Business conditions in the electrical machinery sector continue to be patchy. Order intake and production levels are regarded as relatively reasonable in switchgear equipment, panelboards and transformers.

However, the heavy electrical equipment sub-sector reports some softening in demand

during the second quarter with cutbacks in capital spending by municipalities and in the electricity generating and supply sector.

Despite strong growth in the US economy and some improvement in trading conditions in the European Community, most Seifsa export sectors are in difficulties.

World steel consumption is expected to continue to be weak and steel export tonnages, aggravated by South Africa's voluntary cut-back to the US, are now expected to drop below the low levels of 1983.

In contrast, significant increases in stainless steel production, particularly in the US, is exerting upward pressure on the price of ferrochrome, and exporters are optimistic about some real growth in demand in both the US and Europe.

The secondary steel producers also see brighter prospects for improved demand towards the end of 1984 and believe improved export performance during 1985 will help to take up their current spare capacity.

Although Seifsa sees the recent severe deterioration of the rand as offering some opportunity for import replacement and export improvement, the advantage is seen as short-term and will in due course be eroded by its undoubted inflationary effect — Sapa

By Carolyn Dempster,
Labour Reporter

Deadlock in pay talks at Highveld

Crucial talks between the board of directors of the Highveld Steel and Vanadium Corporation and two unions, the Metal and Allied Workers' Union (Mawu) and SA Boilermakers' Society (SABS), deadlocked at midday yesterday when the company refused to budge on its wage offer.

The entire afternoon shift of workers at Highveld Steel stopped work and marched down to the administration block to await the results of the meeting — leading to a stoppage at the plant

In a statement released today by Mawu, the union said that the chairman of Highveld Steel, Mr Les Boyd, had told them the company would not change its offer in any respect whatsoever

The offer (20c an hour for unskilled workers and

40c an hour for artisans) is the lowest made in house agreement negotiations and does not diverge from the minimums negotiated at the National Industrial Council for the Engineering Industry

Mr Boyd told the union that "even managers were dissatisfied with their salary increases" but they understood that the company could not afford to pay more

Mawu said that the chairman rejected any possibility of arbitration or mediation

With the deadlock, the

way is now open for a legal strike by 3 500 black and white workers at the sprawling steel complex outside Witbank

The two unions won a 75 percent vote for industrial action in a strike ballot held at the plant two weeks ago

"Both unions are of the opinion that the company is determined to provoke a conflict," Mawu and the SABS have stated

A spokesman for Anglo American last night denied there had been a stoppage at Highveld Steel after yesterday's talks

189
Star
5/9/84
189
189

Steelworkers stage protest stoppages

By Carolyn Dempster,
Labour Reporter

Industrial action was taken by more than a thousand day-shift workers at Anglo American's Highveld Steel and Vanadium Corporation yesterday, following a deadlock in wage discussions

Black workers on morning and afternoon shifts staged three-hour stoppages in the first industrial action at the steel complex

According to worker representatives, those

who participated in the stoppage were warned that if they pursued their actions the company would lock them out

A spokesman for Anglo American yesterday declined to comment on the stoppages or alleged threats of lock-outs

The action was taken after the collapse on Tuesday of talks between the Metal and Allied Workers' Union (Mawu), the SA Boilermakers' Society (Sabs) and Highveld Steel's board of directors

The meeting had been convened after the unions obtained a 75 percent ballot vote in favour of industrial action among their 3 500 members

Talks failed when chairman of the board, Mr Les Boyd, said the company would not change its offer a nine to 13 percent increase

According to Mawu, Mr Boyd told unions that Highveld should go back to the agreement negotiated at National Industrial Council level

3 500 down tools over pay at Anglo steel works

By PHILLIP VAN NIEKERK
Mail Reporter

MORE than 3 500 workers from two unions downed tools at Anglo American's Highveld Steel plant at Witbank yesterday as the company refused to improve its in-house wage offer

A spokesman for one of the unions, the Metal and Allied Workers' Union (Mawu), said black workers on all three shifts at the plant had stopped work at different times for three hours yesterday.

He said they had decided on industrial action at a joint meeting of members of Mawu and the South African Boilermakers Society (Sabs) on Tuesday night following the refusal of Highveld's directors to improve their offer.

Workers on the Tuesday afternoon shift marched to the company's administration buildings to hear the outcome of the talks, which were held in the wake of a strike ballot called by Sabs and Mawu.

In terms of the ballot, both black and white workers at the plant and at the Mapochs mine are now entitled to take legal strike action.

White members of the Sabs

were holding a meeting last night to decide whether to join their black colleagues.

The Mawu spokesman said workers had been warned if they did not report for work this morning they would be locked out and if they did not report again on Friday they would be fired.

The wage dispute followed attempts by Mawu and Sabs to get the company to offer more in terms of their house agreement with Highveld.

The unions say Highveld's offer is the least favourable of all the companies negotiating house agreements over and above the industrial council wage agreement.

The Mawu spokesman said the union believed the dispute was not really over the company's ability to pay, but over Anglo's policy of preventing plant-level negotiations and bringing them under the centralised wage negotiations of the industrial council.

He said the company appeared to favour a confrontation as they had turned down requests that the dispute be referred to arbitration or mediation.

Last night a spokesman for the company declined to comment or even confirm the stoppages.

Highveld threat to sack almost all

By Carolyn Dempster,
Labour Reporter

Highveld Steel and Vanadium Corporation has threatened to dismiss almost its entire workforce if workers strike today

The warning was issued yesterday by the management of the Anglo American company after 3 500 workers had downed tools three hours before the end of the day shift at 1 pm

It was the second day of industrial action at the steel complex since wage talks deadlocked on Tuesday

Following the breakdown in negotiations between the Metal and Allied Workers' Union, the SA Boilermakers Society and High-

189
7/9/84
158
veld's board of directors, both black and white workers at the steel complex staged three hour stoppages at the beginning of the morning, afternoon and evening shifts on Wednesday

They were told that they would have their pay docked for the entire shift if they did not complete the full shift yesterday

New notices were issued to the workforce yesterday warning, saying that any industrial action would lead to dismissal

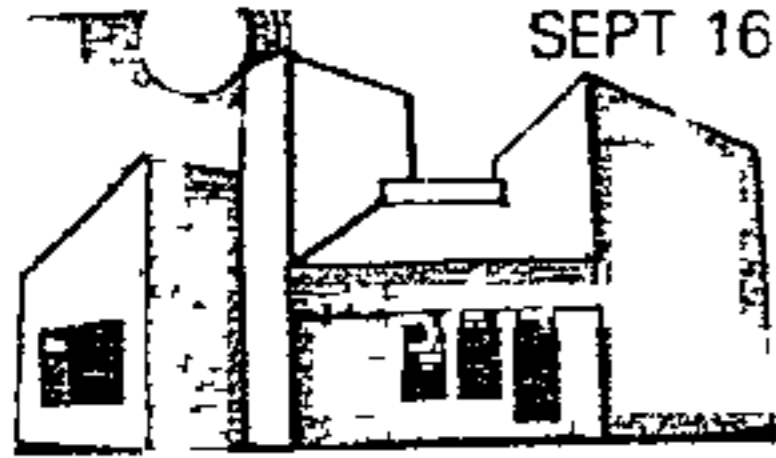
A spokesman for the Metal and Allied Workers' Union said last night that the stance taken by management reinforced the workers' belief that it was pointless to follow the lengthy procedures for a lawful strike.

Members of the two unions at Highveld Steel and Mapochs Mine had so far complied with all the requirements of the Labour Relations Act

But the chairman of Highveld Steel, Mr L Boyd, said a legal strike could be declared only after a trade union had conducted a secret ballot

"The vote that the unions conducted at Highveld was not secret, and it is therefore questionable whether the unions have complied with the requirements of labour law

"A legal strike does not, moreover, deprive employers of their right to terminate the contract of employment if workers have broken that contract," he said



SEPT 16

Ideal Homes EXHIBITION '84

SUNDOWNER EXT 2 & 4

and it is only the start of the show," he said

Securi-Rails are offering an effective deterrent to unwanted intruders in their unique system that fixes into almost any type of wall, fence or gate

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homes

Managing director of Dallas Construction, Mr Leon Katz said that people had been impressed by the "liveable" atmosphere of the houses, which have interiors created by top designers

The nine houses on show were built by Renou Made Homes, Gough Cooper, Frambou, Montagu Homes, Dacon Homes, Dallas Construction, M R Duff Construction, Concept and Heron Homes

Tickets are R3 for adults and children are free. Students and Pensioners will receive a R1,50 discount

Parents wanting to browse around the show can leave their children at a playpark supervised by the Alberton Lions

Full meals, cold drinks and snacks are available in the yellow-and-white marquee catered for by Pick 'n Pay

The present TRFU has week

Mawu hits out at Anglo over wages

Mail Reporter

THE Metal and Allied Workers' Union (Mawu) has attacked the labour practices of the Anglo American Corporation, owners of Highveld Steel, where the union is involved in a key wage dispute

Three weeks ago members of Mawu and the South African Boilermakers Society (Sabs) voted for strike action

A Mawu statement said the dispute remained unresolved when management refused to increase its offer. A meeting between the unions and the board of directors is to be held today

The unions are demanding wages higher than the national wage rates negotiat-

ed at the industrial council with the employer body, the Steel and Engineering Industries Federation (Siefisa)

Mawu accused Highveld of paying its workers badly and housing them in "disgusting" hostels

Mawu also slammed Anglo's "dominant" position in the metal industry which was due to both to its shareholding and its "complete dominance" of Siefisa

"Clearly, Anglo American puts this monopolistic position before the interests of its employees, despite its public relations which purports to show the corporation as enlightened and in favour of black advancement."

US scare over cloud of toxic gas

NEW YORK — Chemists and fire-fighters yesterday worked through the night to stop an acid leak at a computer factory in Omaha, Nebraska

The leak had caused a cloud of gas — irritating to eyes and skin — to pass over

the region. Hundreds of people were evacuated, but there were no reports of injuries

Police asked people to evacuate the area around the Control Data Corporation plant, where nitric acid was leaking from an outdoor stor-

age tank.

Residents to the east were advised to stay inside, to close their windows and to switch off their air conditioners so as to prevent the gas from entering their homes

The Red Cross set up centres for evacuees at three nearby high schools

"At least 10 000" people were in the path of the cloud of gas, according to a spokesman for the Millard Volunteer Fire Department.

Chemists said the concentration of the acid was only about 5%

The acid is potentially lethal, but only at much higher concentrations

The slow leak was discovered by an employee who had noticed an orange glow around the tank — caused by the nitric acid reacting with air to form nitrous oxide

Fire-fighters pumped a water fog into the cloud to bring it down to the ground, and dug trenches to channel some of the acid away.

Chemists poured soda ash on the acid because it

Nitric acid is a colourless, poisonous gas used in the manufacture of organic compounds such as fertilisers, explosives and dyes — Sapa-AP

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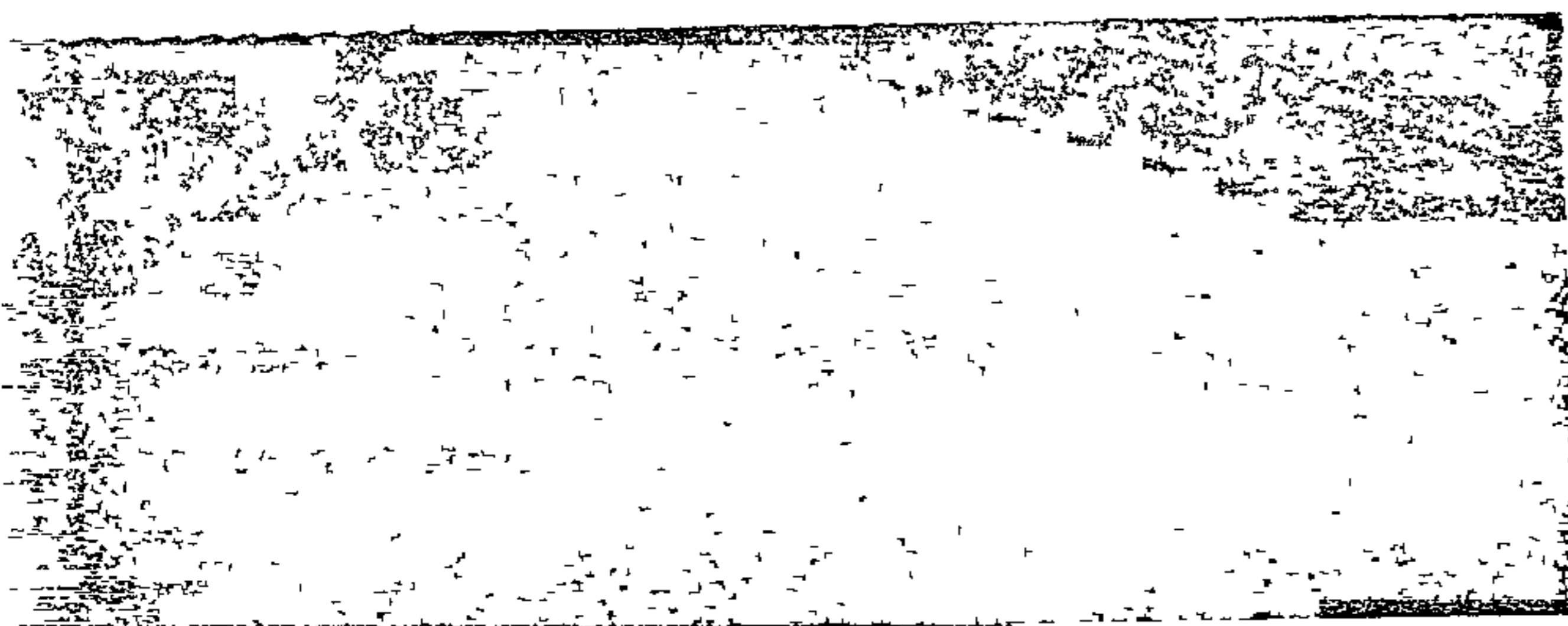
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1989

council earlier this year which both Mawu and the Boilermakers refused to sign

After Friday's meeting Mawu accused the company of failing to bargain in good faith and suggested that this could constitute an unfair labour practice

In a statement issued this week Mawu said the company "was determined to provoke conflict" It said that management's refusal was aimed at preventing plant level negotiations According to the union, Highveld chairman Les Boyd said the company would consider going back into the main industrial council agreement as there was no longer any reason for an "in-house" agreement

Boilermakers' general secretary Ike van der Watt told the FM he hoped the stoppage would bring management back to the negotiating table

Highveld director Reg Callanan described the stoppage as a "little disturbance," and subsequently declined to comment

The dispute has developed into a major test of strength between the two unions and the company and could have important implications for the future of "in-house" wage agreements in the metal industry

LABOUR DISPUTES

Highveld conflict

Handwritten: FM, 19/84, and several scribbles.

The wage dispute between two metal unions and the Highveld Steel and Vanadium Corporation led to a three-hour work stoppage on Wednesday after two meetings between the parties in the past week ended in deadlock

According to union sources, workers at Highveld's five plants in Witbank failed to clock in as usual in the morning and began working only at 10am This followed a mass meeting of workers on Tuesday night at which they "expressed great dissatisfaction with the company's attitude"

Highveld, a subsidiary of the Anglo American Corporation, is a member of the Steel and Engineering Industries Federation of SA (Seifsa) However, it has an "in-house" wage agreement which is negotiated outside the metal industry industrial council

Tensions have been building up in the company's plants ever since the Metal and Allied Workers' Union (Mawu) and the SA Boilermakers' Society declared a dispute over this year's wage negotiations A conciliation board subsequently failed to resolve the dispute This opened the way for the union to call a legal strike

In August, Mawu and the Boilermakers conducted an historic joint ballot to determine whether the workers wanted to strike It was the first time that an emerging, mainly black, union had undertaken such action with a long established union More than 91% of Mawu's members and almost 70% of the Boilermakers' membership voted to strike

The two unions also conducted an unofficial poll in which nearly half the workers, who belong to neither union, also expressed support for strike action A number of these workers belong to the conservative Amalgamated Engineering Union, Mineworkers' Union and the SA Iron, Steel and Allied Industries Union which restrict their membership to whites Overall, 70% of the 5 000-strong workforce at Highveld Steel's four plants and its Mapoch mine at Witbank registered "yes" votes

Despite the poll, however, negotiations between Mawu, the Boilermakers and the company were re-opened in a effort to avert the strike Two meetings have been held since the poll At both, the company refused to budge from its offer of 7%-13% increases These are equivalent to the increases contained in the agreement negotiated at the metal industry industrial

quotable

SABC director general P Eksteen in a speech to the Town Press Club:

There is perhaps a difference between the brutalism and newspaper must be underlined printed media, nature, flourish the art of porting — that it couple SABC car c'

New-look Iscor stems loss, makes more steel

Don Robertson talks to Iscor managing director Willem van Wyk

ISCOR is set to confound its critics with the publication in October of its 1983-84 report.

With the first fruits of the rationalisation programme flowing through and the benefits of a rejuvenated SA steel market, Iscor is expected to cut the R244-million loss suffered in the previous year.

Managing director Willem van Wyk says this has been achieved through an increase in SA sales of steel of 12,5% over the previous year. The rationalisation programme has reduced costs.

Cost burden

Results for the 1983 financial year were adversely affected by operating costs remaining relatively high and

some production facilities being shut down.

The balance sheet has also been strengthened by a reduction in the debt ratio to 36% from 43,3% in the previous year. This compares with the corporation's debt target of 40% and has placed it in a better position to face the current market

Trimmed

Foreign borrowings have been trimmed to R300-million from R360-million. As in 1982-83, much of Iscor's foreign loans were uncovered. However, Iscor is a large foreign-currency earner and the depressed rand results in an increase in the rand equivalent of its income

The result is that uncovered foreign loans will be no drain on resources.

Iscor is able to hedge on its foreign-currency commitments

The two-year rationalisation exercise reduced production capacity to about 78% of the initial figure. As a result the steel plants are running at about 90% of capacity and overall production is expected to rise in the next two years.

Initial plans are for an increase to 6,7-million tons in the current financial year and to 7,8-million tons in the following year, depending on market demands. Should the domestic market improve, exports will be trimmed, as happened in the past year.

The steel price increase was kept down to 7,5% in the past year, largely because of improved capacity.

Only seven blast furnaces are in operation compared with 12 until 1982 and only five will be used in future. Their combined output has increased by 39% since 1977.

Electrodes

Numerous steps have been taken at the arc furnaces to increase production, lower the consumption of refractories, improve electrode use and reduce consumption of electricity. The production capacity of these arc furnaces has improved from 40 tons of a steel an hour to 73 tons since 1977.

As to suggestions that Iscor will establish a semis plant, Mr van Wyk says "Should the market develop, it would be better to add plant — perhaps at Vanderbijlpark — to fully exploit the potential capacity"

Dumping

Exports take about 33% of production and income from this source should benefit from the lower rand

With regard to accusations that Iscor is dumping steel in America, Mr van Wyk admits that the corporation "got off scot-free" in terms of the allegations made against it during the last US hearing on the matter. He says sufficient evidence was submitted to refute the allegations.

However, there has been no decision on subsidy allegations against Iscor. Iscor has agreed to reduce exports to the US to below the amount sold in 1983.

Mr van Wyk refuses to discuss export prices, but says

no export order is accepted unless it generates profits.

The sale of Iscor's stake in Samancor to Gencorp earlier this year appears to have revolved largely around the acquisition of the Hlobane colliery. He says that "when a mine belongs to Iscor, the coal is supplied at cost only and the profit contribution expected by an outsider is avoided"

But the deal did reverse Iscor's efforts to reduce its labour complement. The acquisition of Vryheid (Natal) Railway Coal, which owns Hlobane, and control of Dunsward Iron & Steel has increased the labour force by 7 000 to 62 000.

Orderly

Iscor has been criticised for being associated with a group which was responsible for buying Zimbabwean-based Lancashire Steel's exports to South Africa. But Mr van Wyk is adamant that this steel was being dumped and was upsetting the market.

"It is necessary to have an orderly market and we welcome the situation that no business is placed at a disadvantage relative to its competitors"

Depreciation

The annual report will show that the group is sticking to its depreciation policy in spite of the fact that it has been criticised.

Mr van Wyk says, "It makes no difference to Iscor's tax liability and does not place anybody at a disadvantage. All it is is that sufficient provision is made for the replacement of assets."

Otherwise profits would have to be used for this purpose which, in my opinion, is not sound financial practice."

From shop floor to boss of a R3bn enterprise

WILLEM van Wyk's rise to the top management post at Iscor began on the shop floor.

Perhaps his humble beginning accounts for the main tenet of his business philosophy for success, the total involvement of all employees is necessary.

He started as an apprentice fitter and turner at the age of 19. After three years in the "shop" he qualified, but as he says "I always wanted to be an engineer and served an apprenticeship to obtain some practical experience in industry."

Graduate

Immediately after completing his apprenticeship, he won an Iscor bursary, studying at the University of Natal. After graduating, he became a pupil engineer on cold mills maintenance at Vanderbijlpark and then an engineering assistant, first on the hot mills and then at process control and instrumentation at the same works.

Mr van Wyk's rise through the ranks was fast by normal standards and each positional jump came at roughly two-year intervals. On April



Willem van Wyk . . . 31 years in steel

Fool's Day in 1980, he was appointed divisional general manager, steel operations.

Four years later, he started 1984 with the title of managing director designate, a position he assumed fully in June

With 31 years in the steel business, "I have enough experience of Iscor and feel comfortable in my position. Nevertheless, it is a challenging and demanding position, but one which is rewarding and thoroughly enjoyable"

Mr van Wyk knows where he is going and has definite ideas about how the corporation will be shaped in future. But then he has to be, to hold top position in a company with turnover well over R2-billion and net assets of more than R3-billion.

Mr van Wyk pooh-poohs the idea that he is a workaholic, saying "I have no need to be as I have 62 000 people helping me."

But he concedes that he takes work home.

Objective

Referring always to "we", he says the group has a commitment to employ its resources as efficiently as possible and a responsibility to show that effectiveness improves continuously.

But he is equally emphatic that "if you are not showing a profit, it does not mean that you are not efficient"

Profitability, he says, is dictated by the market, the cost of materials and services and one's own efficiency.

He has a high regard for sophisticated management techniques and for management by objective to ensure efficiency. He believes Iscor leads the field in using management techniques to improve effectiveness.

This is the crux of the battle for success, he says, as one cannot survive without being competitive.

Mounting losses threaten rail closure

Fears rise over Sishen ore line

16/9/84
189
S-Times

Business Times Reporter
OPPOSITION members of Parliament are gathering ammunition in case the Government decides to close the Sishen-Saldanha iron ore scheme

Rupert Lorimer, of the Progressive Federal Party, and Vause Raw, of the New Republic Party, have been gathering damning material from transport consultants in case the project closes

The project could cost Iscor as much as R150-million this year. According to one railways expert, only one ore train a week is using the 880km line

A commission of inquiry headed by Barlows director

John Maree recently handed its report on the loss-incurring mega-project to the Minister of Commerce and Industries, Dawie de Villiers

Mr Maree, Dr de Villiers and Iscor will not comment, but observers say there are only two choices — closure of the line or granting Iscor huge rail concessions to make its export ore competitive with those of Brazil and Australia. The second course would simply transfer losses from Iscor to Sats, so closure looks most likely

Were it not for the losses on the Sishen-Saldanha project, Iscor would make substantial profits. This would facilitate privatisation. Iscor could be more easily privatised than nearly any other State corporation

Iscor subsidiaries Metkor and Samancor have been sold to the private sector

Defeat

Closure of the scheme would be a major defeat for the Government because until the early 1970s this was one of its biggest investment projects.

Only the Orange River project, which has also been far from an overwhelming economic success, was bigger

The Opposition will hammer the Government on the subject when the matter comes up for debate. When the scheme was proposed, the United Party official opposition recommended that the

ore be exported through St Croix near Port Elizabeth

Sishen-Saldanha was supposed to "open up the west coast" and the arid, depressed north-west interior of the Cape. Because of world recession, high costs and the inability of the line to take other traffic, it never did.

Property

Foreign interests were expected to put up a giant, multi-million plant at Saldanha to semi-process the iron ore and thus add value to exports. This project never came off

On the strength of expected development, property prices at Saldanha rocketed. Many of those who bought have sustained big losses as Saldanha today is far from the bustling industrial metropolis it was expected to be.

Transport experts at Stellenbosch University advised the Government to take the line from Sishen to Boegoe Bay, south of the Orange River mouth. This would have been 400km shorter. Had this bay been developed, it would have given the Navy a strategic west coast port.

Iscor and the Government ignored this and the Opposition's advice and took the line to Saldanha. Initially, Iscor owned the railway line as well as the iron-ore mine. But Sats took the line over when Iscor came under financial strain several years ago

R³/₄m dockyard investment delayed

189 (187) E. Post 19/9/84
By LOUIS BECKERLING, Business Editor

A PLANNED R750 000 investment by Ciskei in the Algoa Bay Dockyard Development Company's (ABDDC) proposed ship repair yard has been postponed

The Trustee of the Ciskei President and People's Trust, Mr Frank Corbett, said today a decision by the trust to make the investment had "been postponed since we are still waiting for finality to be reached with the whole Algoa Bay concept"

"We want some assurances that the light is still green," said Mr Corbett

In an interview on August 7, Mr Corbett said the money would be handed to the company once it became available and this would be "a matter of weeks"

Yesterday, however, he said this decision was postponed

"Initially our understanding was that by December we'd have some reassurance that the thing would go ahead, but insofar as that's concerned we've not heard any further from the Algoa Bay Dockyard Development Company," said Mr Corbett

Asked to comment, chairman of the ABDDC Dr Konstant Brunette said today "We are dealing directly with the Ciskei Government on their proposed future shareholding in the ABDDC"

"Since no finality on this matter has been reached, we are not in a position to make a Press statement. As soon as finality is reached, we will endeavour to issue a joint statement with the Ciskei on all pertinent facts"

(189/219) Co. Trans
25/9/84

Iscor to continue exporting through Sishen/Saldanha

PRETORIA — The semi-State Iron and Steel Corporation (Iscor) would continue exporting iron ore through Sishen/Saldanha even though it would be at a loss, the Minister of Industries and Commerce, Dr Dawie de Villiers, said last night.

This was because "the estimated income is more than the incremental cost which will be incurred through continued exports," he said in a statement.

Valuable foreign exchange to the value of more than R200m per annum could be earned and the extensive infrastructure created for the project would be utilized.

Changes

Dr De Villiers said there had been considerable changes in the international iron ore market since it was decided to establish the Sishen-Saldanha project, in the Cape, for iron ore export.

The world recession had resulted in a huge surplus capacity in the steel industry throughout the world, the use of steel substitutes had had a depressive effect on the demand for steel, and South African exports of iron ore had received a further set-back as a result of the establishment of steel production facilities in developing countries which had access to their own ore or other sources.

"The result is that there is a total over supply of iron ore in the Republic's markets.

"The volume of Iscor's exports have declined drastically and exports by the private sector have moreover not materialized and in the meanwhile, prices have decreased considerably over the past two years," Dr De Villiers said.

Large volumes

In the initial years when Iscor exported large volumes, exports of iron ore were profitable but as a result of the various developments, these exports had become uneconomic.

It had become necessary to reconsider the desirability of continuing with exports of iron ore from the Saldanha harbour and the government had appointed a committee under Mr J B Maree to investigate the matter.

In the view of the advantages, it had recommended exports be continued.

"After careful consideration of all the implications, the government decided Iscor should continue with the exports of iron ore.

"It is however necessary that the Treasury should take over the total capital liability of the railway line and the harbour facilities that have not been redeemed on September 30 this year, although these assets will remain the property of the South African Transport Services," Dr De Villiers said.

Facilities

SATS would be exempt from the payment of interest on the capital investment in the rail and harbour facilities and an agreement would be concluded between Iscor, SATS and the Treasury regarding the payment of the outstanding capital relating to the facilities.

"The necessary legislation to implement some of the decisions will be introduced as soon as possible but the new arrangement will come into operation on October 1 this year, so that the marketing of iron ore is not disrupted."

A new agreement between SATS and Iscor would be concluded to accommodate the new arrangement.

Kleinwort offer for London Prudential. The Kleinwort, Benson, Lonsdale, offer for outstanding shares in London Prudential Investment Trust has been declared unconditional after being more than 90 percent accepted, Kleinwort said in a statement.

Prudential shareholders have been advised to accept the offer — Reuter.

Seweta 26/9/84 (18) 7/25

300 continue strike

THE strike by more than 300 workers at the Vulcania Refrigerators in Brakpan on the East Rand, entered its third day yesterday with the workers still refusing to resume work until their demands were met.

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Service Counts

Sishen line to be kept going

189
26/9/84 C. Truier

Chief Reporter

SOUTH AFRICA'S costliest white elephant, the R1 000-million Sishen-Saldanha iron-ore export scheme, is to be kept going by the government under a new financial formula, in spite of massive losses giving rise to speculation that it would have to be scrapped or drastically curtailed.

The scheme came into operation eight years ago amid forecasts of an economic boom on the Cape west coast, but soon fell victim to what a ministerial announcement yesterday referred to as "considerable changes in the international market for iron ore".

The loss on the scheme in the past financial year

was about R73 million, and with a projected deficit of R150 million for the year ending in June next year, the accumulated loss since the first shipments of Sishen iron ore from Saldanha in 1976 is expected to be around R240 million.

In yesterday's announcement, the Minister of Industries and Commerce, Dr Dawie de Villiers, said the government, "after careful consideration of all the implications", had decided that Iscor should continue to export iron ore.

This decision had been taken in the light of recommendations by a special investigative committee under the chairmanship of Mr John

Maree, a director of the Barlow group. The Maree committee had said valuable foreign exchange of more than R200-million a year could be earned by keeping the scheme going.

Dr De Villiers said it would be necessary for the Treasury to take over the total capital liability of the 860km railway line and the harbour facilities that had not been redeemed on September 30.

SATS would be exempted from the payment of interest on the capital investment in the rail and harbour facilities and an agreement would be concluded between Iscor, SATS and the Treasury on repayment of the outstanding capital relating to the rail and harbour facilities.

The minister added "The necessary legislation to implement some of the decisions will be introduced as soon as possible, but the new arrangement will come into operation on October 1".

"A new agreement between SATS and Iscor will be concluded to accommodate the new arrangement."

Dr De Villiers said an advisory board was being appointed to monitor the iron-ore export project on a continual basis and to report to the government.

The board would consist of representatives of the Department of Industries and Commerce, the Department of Finance, the Central Economic Advisory Service, SATS, Iscor and the private sector.

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26/9/84
Koornhof
elected
chairman
of PC

THE former Minister of Co-operation and Development, Dr Piet Koornhof, was yesterday elected chairman of the President's Council.

His deputy is the former Minister of Community Development, Mr Pen Kotze.

Dr Koornhof's nomination was seconded by Dr

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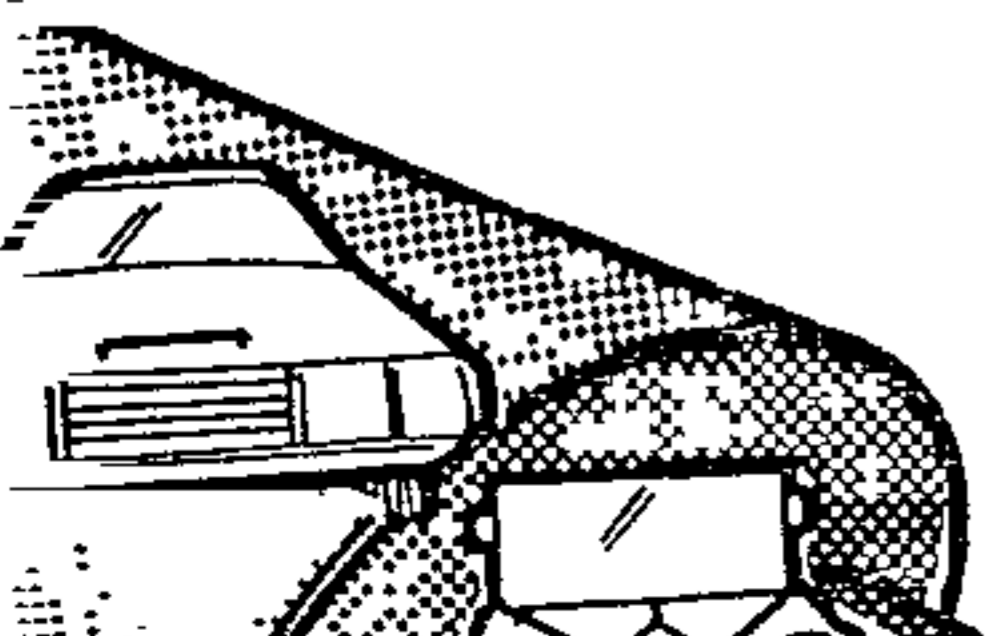
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27/9/84 189

Plastics muscling in on metals

By PAUL BELL

WEIGHT and cost reductions, and an ability to withstand wide temperature variations, would boost the use and development of plastics in the Space Age.

Dr Peter Cannon, vice-president, research, for Rockwell International, in the US, predicted this in his keynote address at the Plastics 2001 conference in Pretoria this week

Electrical conduction was moving towards replacing metal with plastic polymers coated with chemicals, saving weight and permitting greater design flexibility.

Polymers, which were non-corrosive, had increased application in the reticulation of natural gas. In the utilities industry, water meters were now almost entirely made of plastic.

Plastic was also serving as a longer-living substitute for glass and metal in food containers, saving 42% in costs

Weight-saving advanced composites

— plastics reinforced by graphite, boron or silicon carbide — were now increasingly substituting for metal in the automobile and aerospace industries

Composites were now being used for automobile drive shafts, body panels, hoods, doors, bumpers, and suspension springs, effecting weight savings of up to 35%. The average US car now used about 91kg of plastic, and could use 227kg by the year 2000

The weight of composites in aircraft now ranged between 3% and 28%, with one US manufacturer having achieved 48%.

Shuttle/satellite technology was leading the way in the development of new applications for plastics.

Composites would comprise 100% of the material of most unmanned satellites by 1990, and would probably be an important structural material for the planned US space station.

A \$30bn space industry was envisaged by the year 2000, in which plastics would perform critical functions under severe conditions.

Men sent to city firm after unrest

Labour Reporter

WORKERS from Pretoria have been sent to Durban to maintain production of radiators for new cars after labour unrest at one of Natal's largest radiator factories, Silverton Engineering, at Isipingo.

The plant has been shut down temporarily while negotiations take place between the management and representatives of the South African Allied Workers' Union, according to Mr Barry Land, the company's marketing director.

The 60 workers downed tools on September 18 protesting at the introduction of a four-day working week and were later dismissed after ignoring a return to work ultimatum.

Mr Land told the Mercury the company was forced to introduce short time because of the 'gen-

eral economic downturn' as well as the fact that a new-technology radiator was being produced at the company's Pretoria plant until it was possible to transfer the new production system to Durban.

The company's Pretoria factory was also helping in the production to ensure there were no disruptions in the supplies to the assembly plants of Toyota South Africa.

Recovering

A DURBAN man, Mr G Glazer, 23, who was knocked unconscious in a car smash on Wednesday night has regained consciousness in Addington Hospital. His car roof was crushed when it went under a truck trailer and came out the other side in Edwin Swales Drive. He suffered head and neck injuries.

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2 Rolls of 75 Sheets

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189 FM 28/9/84
DEFY SETTLES
~~139~~ ~~151~~

Members of the newly-formed union, the United Mining, Metal and Allied Workers of SA (Ummawsa), have ended their four-day strike at the Defy factory in Vulcania, Brakpan. The FM understands that on Wednesday the 300 workers agreed to a 5c/hour across-the-board increase effective from August 1. In addition, Defy has agreed to add R1 000/week to its wage bill from the beginning of 1985.

The workers struck last Friday after Defy refused to concede to a demand for a 30c/hour across-the-board increase. Such an increase would have brought the minimum wage at the company up to R2,50/hour.

During negotiations earlier this week management offered a new bonus scheme but this was rejected. Workers also turned down a suggestion that the dispute should be referred to mediation.

The FM was unable to reach Defy for comment and the union says a joint statement will be issued shortly.

Ummawsa was established after the expulsion of four officials from the Metal and Allied Workers' Union. This is the union's sixth strike since its formation eleven weeks ago. It claims a membership of 13 400 at "32 well-established factories," mainly on the East Rand.

Mercury 3/10/84

189

Strikers dispersed by tear-gas and sjamboks

Mercury Reporter

POLICE used tear-gas and sjamboks to disperse a crowd of about 60 strikers at one of Natal's largest radiator factories Silverton Engineering in Isipingo yesterday.

According to a police spokesman the management called police to the factory about noon. They complained that the strikers were intimidating and harassing workers.

Police warned the strikers to disperse within a certain time but they refused.

Sjamboks and tear-gas were then used to disperse them. Some people claimed that they were injured when they were dispersed by the police.

Assault

Mr Assaunis Memela said he suffered a deep cut on his forehead while Mr David Mngcoma, Mr Aubrey Temba and Mr Earnest Zulu claimed they had swellings and marks on their bodies.

The police spokesman said one person had laid a charge of assault against the police.

The engineering plant

has been hit by labour unrest since September 18 when the 60 workers downed tools protesting at the introduction of a four-day working week. They were later dismissed after ignoring a return to work ultimatum.

Workers from Pretoria were sent to the Isipingo plant to keep production going of radiators for new cars.

The plant has been temporarily shut down, Mr Barry Land, the company's marketing director said from Pretoria yesterday. 'We hope to have the matter resolved early next week,' he said.

KOM 3/10/84 (15) 189

Striking workers teargassed

DURBAN — Police used sjamboks and tear smoke to disperse about 60 workers striking at Silverton Engineering, Isipingo at lunchtime yesterday

Major Piet Meiring, the South African Police liaison officer in Durban, confirmed that the police were called to the factory yesterday morning and used tear-

gas and sjamboks to break up the gathering

Maj Meiring said the workers had been on strike for about nine days and police had been called in by the company yesterday morning

Police had warned workers gathered outside the factory to disperse by noon because the gathering was

illegal in terms of the Internal Security Act

The deadline elapsed "and they still refused to disperse so the order was given for the police to disperse the 50 to 60 workers," he said

Maj Meiring denied knowledge of anyone being hurt or being taken to hospital — Sapa

FM 5/10/84

FIRST FOR NEW UNION

The United Mining Metal and Allied Workers' Union (Ummawsa) and Chloride SA have entered into a recognition agreement for the company's benzoni factory

It is the first recognition agreement signed by the new union since its split from the Metal and Allied Workers' Union, an affiliate of the Federation of SA Trade Unions (Fosatu), earlier this year

According to a union spokesman, the agreement makes Ummawsa the sole collective bargaining representative of Chloride's workers. It was signed after the union proved it had majority representation at the plant. The agreement provides for wage negotiations, disciplinary and grievance procedures as well as retrenchment and dispute procedures

by Michael Chester of the 24 Hours team

Revamped Iscor to go public?

With Africa's vast Iron and Steel Corporation — the bastion of nationalisation — is likely to be handed over to the private sector as soon as the economy starts pulling out of the recession

The scenario has been set by the government's decision to allow Iscor cutting loose from the millstone of huge losses from the Sishen-Saldanha rail line and moving out of the red. Insiders forecast that shares will go on public offer by the end of next year if the predictions of a 1985 economic recovery prove accurate. It promises to be the boldest

State handover to private enterprise yet — even more significant than the Sasol shares issue that broke the State's monopoly hold on the oil-from-coal operation

Iscor estimated the net value of its fixed assets at more than R2 173 million at its last count in 1983 and its annual turnover was even higher

Informed sources said the decision to denationalise the steel giant has been agreed in principle and the Government will fix a date for the handover as soon

as there is an improvement in the economic climate

Eyes have been fixed on a bustle of activity inside Iscor to pull the corporation out of a bad run of losses

Iscor is known to be bursting with eagerness to release its 1983/84 results, expected to show a return to profits after tumbling into losses that amounted to R244 million in 1982/83 — the worst on record.

Moreover, the long-term profit outlook has been given a significant boost as a result of ac-

tion on the recommendations of a team of experts from the private sector

Tapping the brains of the private sector was in itself seen as a significant precursor to a denationalisation scheme

The team, picked by Minister of Industries and Commerce Dr Dawie de Villiers, was headed by Mr John Maree, executive director of Barlow Rand, and comprised Mr Robin Plumbridge, chairman of Gold Fields of South Africa, and Mr L. Van den Berg, managing director of

Finanzbank.

The Minister has approved a plan that promises to pull iron ore exports out of the red and into a vigorous operation which by itself should reap R200 million a year in foreign exchange.

One of the forceful arguments that was used — and in turn accepted and acted upon by the Minister — was that Iscor should be relieved of the financial burden of carrying multimillion-rand losses from the rail link used to ship ore exports from Sishen to Saldanha Bay en

route to world markets.

The cash responsibility for the rail link from October 1 has been shifted to the Treasury

The private sector has also been invited to have a say on a new advisory board that will now monitor the export operations

"Now that the rail problems have been solved and the profit outlook for iron ore exports has been improved, it seems the decks have been cleared for a full privatisation programme for Iscor," says Mr Maree

and Shipping

Seifsa head calls for clarity on labour law

JOHANNESBURG — Uncertainty arising out of the current legal definition of an unfair labour practice is inhibiting employers in the conduct of their industrial relations

This was stated today by the president of the Steel and Engineering Industries Federation of SA (Seifsa), Mr J W Nelson at the federation's annual meeting here

Delivering his presidential address, he said intention of the revised industrial council dispute procedure introduced last year was to encourage parties to resolve their differences through agreed procedures rather than through strike action

This appears to have happened. The industrial council has handled over 150 disputes in the past 12 months and it is encouraging to report that approximately a third of these have been resolved at industrial council level," he said

The increased use of official procedures by trade unions to take up matters on behalf of their members has also meant that the Industrial Court had to play a far more prominent role in the industrial relations arena. Over 300 cases have been referred to it since the start of 1983

This has led to a widespread debate on the role of the court and during the course of the year, the Department of Manpower invited comment on the National Manpower Commission report in this regard

"The uncertainty arising out of the current definition of an unfair labour practice is inhibiting employers in the conduct of their industrial relations and it is important that a formula be found whereby the court can assist in ensuring fair employment practices without becoming directly involved in both the structure and practice of collective bargaining"

The past year had also seen increasing fragmentation of the trade union movement in the industry

"Some of the traditional alliances in the trade union movement appear to be changing and inter-union rivalry has continued at a high level

"This makes it difficult for employers to maintain stable collective bargaining and joint consultation arrangements"

The federation had continued to encourage maximum participation in the National Industrial Council on a voluntary basis by both employers and trade unions

"The National Manpower Commission has continued its investigation into collective bargaining by inviting comment on a working document dealing with levels of collective bargaining and the extension of agreements to cover non-parties

Seifsa has responded to this invitation with a detailed submission and it is hoped that the National Manpower Commission will complete its investigation as speedily as possible so as to bring to an end the damaging speculation that continues to take place regarding some of the key provisions of the Labour Relations Act

"The continuing imbalance in the supply and demand for artisans constituted a serious limitation both in the development of the industry and in the wage structure

"In view of this a plan to increase the intake and improve the training of apprentices has been formulated

"The plan seeks to encourage 'off-the-job' training in the industry by allocating a fixed proportion of income from the training levy to the establishment of industry apprentice training centres and by adapting the grant system so as to provide higher payments to companies in respect of apprentices who qualify by trade test"

Mr Nelson said activity in the engineering industry continued at a depressed level though the steep decline in production levels during 1982 up to mid-year '83 appears to have been halted — Sapa

RAM 9/10/84

189 143 133 115 106

'Unclear' labour laws irk Seifsa

By **DAVID FURLONGER**
Industrial Editor

UNCERTAINTY over the legal definition of unfair labour practices is hampering the development of industrial relations, it was claimed yesterday.

Mr J W Nelson, president of the Steel and Engineering Industries Federation of SA (Seifsa), said that although the new industrial council procedure encouraged unions to resolve differences through agreed procedures rather than strike action, there were still serious problems.

The Industrial Court was causing widespread debate with its increasingly prominent role in the industrial relations field, while there remained widespread ignorance of what constituted an unfair labour practice.

"The uncertainty arising out of the current definition of an unfair labour practice is inhibiting employers in the conduct of their industrial relations.

"It is important that a formula be found whereby the court can assist in ensuring fair employment practices without becoming directly involved in both the structure and practice of collective bargaining."

Mr Nelson was addressing Seifsa's annual meeting in Johannesburg.

He said increasing fragmentation of the trade union movement through breakaway groups made it difficult for employers to maintain stable bargaining and consultation arrangements.

He rejected claims that this could be overcome by fragmenting existing collective bargaining arrangements within industrial councils.

"It is difficult to see how this could function on a practical basis. This would, in fact, lead to a highly unstable business environment which would make long-term investment in the metal industries unattractive."

Mr Nelson said metal industry employers had experienced a difficult year in the labour relations field.

He criticised the rejection by the Metal and Allied Workers' Union and SA Boilermakers' Society of wage rise offers ranging from 9,1% and 13,1%. He said they rejected the deal because of the minimum wage for lower-paid employees.

"The severe recessionary conditions

limited the ability of the employers to meet the aspirations of the trade unions. Employers face a serious dilemma in that major increases in wages in this area must lead to further reduction in employment levels at a time when unemployment is already high."

Mr Nelson expressed concern at the declining number of apprentices entering the metal industries. The 1983 apprentice intake was 35% down on 1982, confirming the inadequacy of a system in which on-the-job training played so important a role.

Even the establishment of a Metal Industry Training Centre had earned little support from employers.

"The continuing imbalance in the supply and demand for artisans constitutes a serious limitation, not only on the development of the industry, but also on the wage structure, because it inhibits the attainment of a more equitable distribution of income between skilled and unskilled employees."

Mr Nelson said engineering industry activity continued at depressed levels last year, although the steep decline from 1982 to mid-1983 appeared to have been halted.

After falling 13% in 1983, steel production in the first seven months of this year had risen 15,8%. Ferrous casting, after a 20% slump in 1983, was up 2,3% so far this year.

The exception to last year's decline was ferro-alloy. The industry increased production by 12% in 1983, and prospects this year remained strong in anticipation of continuing growth in demand and improved prices from Europe and the US.

Mr Nelson predicted a continued cutback in economic activity in the immediate future and said Government expenditure must be curtailed.

Recent "corrective action", such as increases in GST and company tax, curtailment of tax allowances and high interest rates, were all inevitable. But the extent of the economic problem had led to unwelcome side-effects.

"The economy is clearly in an extremely serious situation and the recent social unrest, while possibly sparked by other factors, is not unrelated to the very difficult economic conditions and unemployment levels pertaining."

A crucial element in tax-cutting strategy

Privatising Iscor could provide many benefits

9/10/84
Sten

By Professor Roger Gidlow
According to recent reports the huge iron and steel corporations, Iscor, is to be de-nationalised within the next year or two

If this happens it will mark an important departure in official economic policies which could potentially bring about appreciable benefits in coming years

One of the attractions of privatisation is the scope this presents for private ownership of capital resources to be spread more evenly

Advocates of wider share ownership appreciate that such a development fosters the important qualities of entrepre-

neurship among people, as well as a deeper understanding of the virtues of a private enterprise economy

Indeed these considerations suggest that if Iscor is to be privatised the authorities should encourage foreign participation in any share issue since this could lead to greater foreign investment in other areas of the economy

Iscor has all along appeared to be one of the most suitable candidates for denationalisation.

It is already an incorporated concern whose shares are almost entirely owned by the South African government. It can in no way be described as

monopolist, and consequently selling it off to the private sector would not entail the authorities in trying to monitor its activities for fear of the enterprise abusing the economic power

Iscor has not paid a dividend since 1972, but it pursues very conservative accounting policies, and is expected to return to a healthy profit position with the release of its results for the 1983/84 financial year. The purchase of its share stake originally cost the state R865 million, but the book value of the share capital plus distributable reserves alone were worth almost R2 000 million in 1983.

Even if one uses this very conservative valuation, and one assumes that the shares owned by the government were sold off over a three-year period, the annual receipts for the Treasury would amount to nearly R700 million. This compares with the latest revised estimate for the budget deficit in the current fiscal year of about R3 600 million

The British government plans to raise £10 billion from the sale of state enterprises over the next five years, and this constitutes a crucial ingredient in the strategy of the Conservatives to reduce income taxes in coming years

The sale of Iscor could be the prelude to a similar strategy in South Africa, since the scope for selling state assets in the Republic is considerable.

In the process a structural change in the capital market would materialise with less pressures exerted on fixed interest securities than would otherwise be the case.

At the same time, some alleviation of the shortage of equity shares would be forthcoming from a series of privatisation schemes. This would be particularly welcome for local financial institutions in view of their rapidly rising cash flows.

The sale of Iscor will not be free of difficulties. The timing of any share issue will be a delicate issue. In addition, Iscor will have to be relieved of the losses it has incurred in shipping iron ore exports along the Sishen-Saldanha rail line

These issues pale into insignificance when compared with the potential benefits to be derived from shifting Iscor into the orbit of the private sector

Mercury 9/10/84 (189) ~~188~~

Engineering industry 'depressed'

JOHANNESBURG—Activity in the engineering industry continued at a depressed level, though the steep decline in production levels during 1982 up to mid-year 1983 appears to have been halted.

Mr J W Nelson, president of the Steel and Engineering Industries Federation of SA (Seifsa), said this at the annual meeting here

'While the steel industry has shown a definite improvement during the first half of 1984 as compared with 1983, the overall outlook for the balance of the year is uncertain.

'The Seifsa group of industries constitutes a major sector of the South African economy with a value of sales gross output, which, despite the current downswing phase, continues to exceed R20 000m, representing a third of the total sales of the manufacturing sector in South Africa'

Employment

Employment levels in the industry did not repeat the dramatic decline of 1982 and early 1983 and stabilised at 380 000 scheduled employees at the end of 1983

'Latest figures available indicate an employment strength of 378 000 in May this year. It is very difficult to predict the trend in the coming year though there are already indications of a further period of decline in the employment strength of the industry,' he said

Mr Nelson said that uncertainty arising out of the current legal definition of an unfair labour practice was inhibiting employers in the conduct of their industrial relations

Disputes

He said the intention of the revised Industrial Council dispute procedure introduced last year was to encourage parties to resolve their differences through agreed procedures rather than through strike action

detailed submission and it is hoped that the National Manpower Commission will complete its investigation as speedily as possible so as to bring to an end the damaging speculation that continues to take place regarding some of the key provisions of the Labour Relations Act

'The continuing imbalance in the supply and demand for artisans constituted a serious limitation both in the development of the industry and in the wage structure

'In view of this a plan to increase the intake and improve the training of apprentices had been formulated

'The plan seeks to en-

courage "off-the-job" training in the industry by allocating a fixed proportion of income from the training levy to the establishment of industry apprentice training centres and by adapting the grant system so as to provide higher payments to companies in respect of apprentices who qualify by trade test' — (Sapa)

'This appears to have happened. The Industrial Council has handled over 150 disputes in the past 12 months and it is encouraging to report that approximately a third of these have been resolved at Industrial Council level,' he said

'The increased use of official procedures by trade unions to take up matters on behalf of their members has also meant that the Industrial Court had to play a far more prominent role in the industrial relations arena. Over 300 cases have been referred to it since the start of 1983

'This has led to a widespread debate on the role of the court and, during the course of the year, the Department of Manpower invited comment on the National Manpower Commission report in this regard

Uncertainty

'The uncertainty arising out of the current definition of an unfair labour practice is inhibiting employers in the conduct of their industrial relations and it is important that a formula be found whereby the court can assist in ensuring fair employment practices without becoming directly involved in both the structure and practice of collective bargaining'

The past year had also seen increasing fragmentation of the trade union movement in the industry

'Some of the traditional alliances in the trade union movement appear to be changing and inter-union rivalry has continued at a high level. This makes it difficult for employers to maintain stable collective bargaining and joint consultation arrangements'

'The federation had continued to encourage maximum participation in the National Industrial Council on a voluntary basis by both employers and trade unions

Bargaining

'The National Manpower Commission has continued its investigation into collective bargaining by inviting comment on a working document dealing with levels of collective bargaining and the extension of agreements to cover non-parties

'Seifsa has responded to this invitation with a

Metals union pleased as wages are doubled

(189) ~~(189)~~ ~~(189)~~ ~~(189)~~ Stan
11/10/84

Labour Reporter

A wage agreement signed on Tuesday between the Rand Scrap Iron and Metal Company and the Metal and Allied Workers' Union (Mawu) has been hailed as a victory for collective bargaining.

More than 400 workers at Rand Scrap, a subsidiary of the major steel manufacturer Scaw Metals, are to receive substantial increases as a result of the agreement.

The minimum wage has been doubled from 85c an hour to R1,73 an

hour and workers earning more than the current minimums in terms of the national Industrial Council agreement will all receive an increase of not less than 20c an hour.

In addition, the company has agreed to pay a service allowance of up to five cents an hour and a holiday bonus.

Agreement was reached after two and a half months of negotiations, and following the conclusion of talks, the union agreed to withdraw an application for a conciliation board.

RDM 12/10/84 (189) ~~189~~

Mawu deals out increases for workers

Mail Reporter

A PAY deal pushing up the minimum wage of workers by 103% has been signed between the Metal and Allied Workers' Union (Mawu) and Anglo American's Rand Scrap Iron.

The settlement — which covers 400 workers — follows the declaration of a dispute by Mawu against the company, part of Anglo's giant Scaw Metals group.

A Mawu statement following the settlement said the union had now agreed to withdraw its application for a conciliation board after two months of "tense negotiations"

The agreement means a rise from R0,85 to R1,73, which is an increase of

R39,60 a week or 103% for the minimum wage in the company.

There is also to be a minimum across the board increase of not less than 20c per hour, a service allowance of up to 5c per hour and a guaranteed leave bonus

A Mawu spokesman said this agreement was a great victory for the unity of the workers in the Rand Scrap company

"These workers had earlier won a decrease in the working hours for women employees without loss of pay," he said

The Rand Daily Mail was unable to get comment from the company yesterday.

Sowetan 15/10/84 (189) ~~189~~

Mawu signs wage agreement

By NKOPANE MAKOBANE

THE Metal and Allied Workers Union and the Rand Scrap Iron and Metal Company, an affiliate of the Scaw Metals/Anglo-American Group, have signed an agreement providing for large wage increases following two months of tense negotiations.

The wage agreement, which covers about 400 workers provides for increases in all the minimum wages for each grade (a rise from 85 cents to R1,73 an hour, an increase of R39,60 per week of 103 per cent)

- A minimum across the board increase of not less than 20 cents an hour.
- A service allowance of up to five cents an hour and.
- A guaranteed leave bonus

Mr Moses Mayekiso Mawu's branch secretary told The SOWETAN: "This agreement was a great victory for the unity of the workers at the Rand Scrap. These workers had earlier won a decrease in the working hours for women employees without loss of pay"

Increase

He further said Mawu has also won increases from other companies falling under the Steel and Engineering Industries Federation of South Africa (Seifsa). He said this shows that Seifsa's policy that companies must not negotiate out of the industrial council structures is not working and shall not

work

"We have been fighting this policy for ages and the companies seem to be seeing the point that good industrial relations are based on bargaining in good faith," he said

Meanwhile Mawu has had reports from workers in Wadeville, Alrode and Benoni areas that organisers from the splinter union, the United Mining Metal and Allied Workers of South Africa (Ummawosa) have recruited workers at some factories by telling them that they are part of Mawu and Fosatu (Federation of South African Trade Unions)

"We warn workers not to believe these peo-

ple. The people who started the splinter union were dismissed from Mawu by the workers national executive committee for misconduct

"Ummawosa has nothing to do with Fosatu. The Fosatu central committee resolved to oppose them and not let them into any of their offices

Fosatu has also pledged its support to Mawu," a spokesman said

Workers who want to join Mawu are advised to come to the union offices at World Centre, 48 Railway Street, Germiston or at Morena Stores, Katlehong, or in Benoni at CNA Buildings, Prince Avenue. These offices are still in the same places as before

Dispute referred to ILO

Labour Reporter
18/10/84

For the first time in South African labour history, a union has referred a dispute with a multinational to the International Labour Organisation and the European Economic Community

The dispute between the Metal and Allied Workers' Union (Mawu) and Transvaal Alloys, a subsidiary of Nord-Deutsche Affinerie of Hamburg, has been referred to the International Metalworkers' Federation (IMF) in Geneva

A spokesman for Mawu said the IMF would present the case — arising out of the dismissal of 200 workers — to the ILO and the EEC

Wednesday 22/10/84 (1984) (1984)

(189)

Shipyard strike set to continue after talks fail

Labour Reporter

THE strike by about 300 workers at a Durban shipbuilding yard is set to continue into its fourth day today, according to a spokesman for the General Workers' Union

A series of meetings were held between representatives of the management of Dorbyl Marine and the union last week, but the talks broke down late on Friday afternoon when the management refused to accept a counter-proposal by the union

The black workers downed tools at lunch time last Wednesday protesting at the dismissal of 16 of their colleagues, including a senior shop steward

They called on the management to have the people reinstated or alternatively introduce a system of short-time instead of retrenchments

GWU branch secretary Mike Morris said he had doubts whether the company had acted in accordance with the principle of 'last in first out,' which was widely accepted as

fair retrenchment procedure

"If that is the case then why were some workers with up to 17 years' service also dismissed?" he asked

He said the dismissed staff had not been given severance pay nor had they been given advance notice of their dismissal

In a statement to the Mercury yesterday, Mr R S Deane, the company's general manager, confirmed that talks had been held on Friday with representatives of the union, but added that agreement could not be reached as management had been unable to accede to a union request that the senior shop steward be excluded from those retrenched

The company confirmed that none of the dismissed staff had been given severance pay

Mr Deane said the staff cuts had been made 'in accordance with the union's previously agreed upon retrenchment procedure'

220 miners strike ~~189~~ at Rand Refinery ~~189~~

22/10/84
More than 220 employees at Rand Refinery near Germiston went on strike today for the second time in less than a week

A spokesman for the Chamber of Mines confirmed that the stoppage began this morning

The workers are all members of the National

Union of Mineworkers It is currently involved in a dispute with the chamber over wages and working conditions at the refinery. Wage negotiations ended in deadlock earlier this year, and a conciliation board was appointed by the Minister of Manpower in an attempt to resolve the dispute

Rand Refinery men back at work today

(189) 23/10/84 Labour Reporter

The 220 striking workers at the Rand Refinery, Germiston, returned to work today after another one-day stoppage yesterday

This is the second week in a row that 90 percent of the refinery workers, all members of the National Union of Mineworkers (NUM), have downed tools for a day

The stoppages arise out of the wage dispute between the Chamber of Mines and the NUM which became deadlocked last month, causing the Minister of Manpower to appoint a conciliation board to enquire into the matter

ULTIMATUM

NUM members at the refinery, which processes most of South Africa's gold, rejected a revised offer of a 12 percent rise by the chamber and stuck to their demand for an 18 percent increase. However, the NUM said it was still prepared to negotiate a settlement

The strikers were yesterday issued with an ultimatum to return to work by this morning or face dismissal. The warnings were circulated in the form of pamphlets

Mr Mokhesong Moloka, assistant general secretary of the NUM, said the workers were on a legal strike as the union had complied fully with all of the requirements of the Labour Relations Act

PE firm
S. Post
guilty
23/10/84
of not
189
paying
R19 758

Court Reporter
The COMPANY, M G van Niekerk and Sons (Pty) Limited, was found guilty yesterday on 26 counts of not paying a total of R19 758,72 in contributions in terms of the Labour Relations Act.

Two men, who are directors of the company, Mr Michael Henry van Niekerk, of Davy Street, Sidwell, and Mr Harold Raymond van Niekerk, of Jamano Court, Adcockvale, had the charges against them withdrawn.

The court found that the company had failed to pay contributions to the National Industrial Council for the Iron, Steel, Engineering and Metallurgical Industry between April and July last year.

The company had failed to pay contributions to the council in terms of the Administration Expenses agreement, the Technological Fund agreement, the Pension Fund agreement, the Group Life Provident Fund agreement, the Education and Training Fund agreement and the Education and Training Supplementary scheme.

Mr F Wilke, for the State, accepted the company's offer to pay R750 a month. He asked the court for an order of repayment.

Mr R J Cloete, for the defence, said that if the company was fined they would have to close down.

Two payments of R750 had made already.

Sentence was postponed until December 2, 1986.

Mr I S van der Merwe was on the Bench.

ROOM 241024 (189) (127)

Breakaway conference

Mall Reporter

THE United Metal, Mining and Allied Workers of South Africa (Ummawsa), which broke away from the Metal and Allied Workers' Union (Mawu) several months ago, is to hold their crucial first annual conference this weekend.

At stake are the union's political direction and its relationship to the federation of emerging trade unions which is in the process of being formed.

Ummawsa will be deciding whether to register — and possibly join the industrial council for the metal industry — and whether to affiliate to the United Democratic Front.

Ummawsa was formed after the suspension of several Mawu officials for alleged irregularities.

The conference is being held at Hekpoort, near Krugersdorp.



Dorbyl Marine employees emerging from the hall where they held a meeting yesterday afternoon.

Morris 24/10/84 *189*

200 workers fired after ignoring work ultimatum

Mercury Reporter

MORE than 200 striking Dorbyl Marine employees were fired yesterday after ignoring a management ultimatum to return to work by noon or be dismissed.

The General Workers' Union maintains that Dorbyl is guilty of an unfair labour practice and will seek action against the company in the Industrial Court.

The employees stopped work last Wednesday when they heard that 16 colleagues including the chairman of the shop steward committee, Mr WS Dlamini were to be retrenched.

A series of meetings between the union and the company to have Mr Dlamini reinstated ended in deadlock. The last meeting, held yesterday, included the union's legal representatives.

Yesterday a spokesman for the union, Mr Mike Morris, said the employees saw the inclusion of Mr Dlamini among those who were to be laid off as an attempt to break the union.

'The company has not applied the principle of "last in, first out",' Mr Morris said.

The company has refused to consider taking

Mr Dlamini back. It is this they are striking about.'

Mr Morris also protested at the way the company had conducted the retrenchment.

'It was only on Thursday afternoon that we even knew who all the people were who were to be retrenched — the next day. There was no way the union could make effective representation.

'The company also refused severance pay, which is a standard practice, although it is not legally binding.'

Mr Morris described the company's action in handing the employees

an ultimatum to return to work just before the meeting between the union and the company yesterday as 'highly provocative'.

The managing director of Dorbyl Marine, Durban, Mr Rob Deane, said discussions had been held with both the GWU and the S A Boilermakers' Society before the retrenchment.

The Boilermakers Society, which Mr Deane said was supported by the majority of employees, had accepted after the retrenchment after the company had explained that certain alternatives

proposed by the union were not feasible.

'Continued intimidation of members of the Boilermakers' Society and non-unionised employees prevented them from returning to work,' Mr Deane said.

'All the retrenchments were carried out in accordance with the procedures previously agreed with the GWU.

'Management also repeatedly pointed out to the union representatives that if they were not satisfied with the developments they were able to proceed to the Industrial Court to obtain relief.

Durban
company
fires 200

189 *173*
Star
24/10/84
DURBAN — More than 200 striking Dorbyl Marine employees were fired yesterday after ignoring a management ultimatum to return to work by noon or be dismissed

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Mystery

E. Post (189)
man tells

25/10/84
of R250m

PE mill

By LOUIS BECKERLING, Business Editor

A MYSTERY "entrepreneur", Mr Derek Harris, claims he is poised to negotiate a R250 million investment in a steel mill in Port Elizabeth

In an interview in the city last night shortly before he departed for Johannesburg, Mr Harris said he had already signed an unconditional deed of sale on 200 hectares of ground "north of the city". The deed calls for a company yet to be taken over by Mr Harris to buy the ground for cash by March 31 next year.

Mr Harris, who freely admits he is a controversial figure in the steel industry, declined to provide details of the company which will operate the steel mill.

He said he was negotiating with the PE Municipality for 40ha of ground in Port Elizabeth's Markman industrial township with the right of first refusal on a further 60ha.

The mill, with a projected capacity of 300 000 tons, will manufacture billets, rods, bars, and light sections, primarily for the export market, said Mr Harris, and would provide direct employment for 750 people.

A university study, said Mr Harris, had indicated a multiplier effect would provide a total of 17 000 to 18 000 jobs throughout the country and at peak employment levels during the projected three-year construction period of the mill, 7 000 jobs would be provided in Port Elizabeth.

Reacting to suggestions that the steel market was over-traded, Mr Harris said he had evidence to show this was not the case, and he believed the project would be viable.

Finance, he said, would be secured in the rand monetary area through a South African financing house, which he declined to identify.

South Africa's steel producer, Iscor, bought a vast tract of land on the West Bank in East London in the early 70s for the purpose of establishing a steel mill, but subsequent viability studies, said the corporation, had indicated this would not be a proposition.

It has recently indicated to the East London Municipality that it would be willing to forego its option if the ground is required for any other purpose.

Reacting to this, Mr Harris said today his proposed mill was not in the same market as that supplied by Iscor, which operated a "heavy, flat, integrated mill".

"We're in a different ball park at the bottom end of the market," he said, "and can reach break-even point at a production of 150 000 tons compared with their requirement for between two million and three million tons."

DOM 25/10/81 (18/10/81) (14/10/81)

Steel industry cuts over 70 000 jobs

By PHILLIP VAN NIEKERK
Mail Reporter

AN INCREASING number of retrenchments by steel and engineering firms are threatening to further shrink the metal industry, which has shed more than 70 000 jobs since the recession began

The industry is one of the most sensitive to general conditions of recession in the economy

It has been plunged deeper into recession by the slump in motor sales, which has hit component suppliers, and a general cutback in spending by government, large companies and consumers

Mr Sam van Coller, the executive director of the Steel and Engineering Industries Federation of South Africa (Seifsa), told

the Rand Daily Mail, retrenchments were increasing at the moment

This was borne out by the Metal and Allied Workers' Union (Mawu) who said there had been an "exceptionally high" number of retrenchments since May, the last time the metal industrial council released employment figures

According to Mr A. de Jager, secretary for the council, there were 377 815 workers employed in the industry in May — a drop of more than 70 000 since the industry recorded a high of 453 966 in May 1981.

The number of whites employed has shrunk by more than 20 000 in that time, while the number of blacks — who make up a much higher proportion of the workforce — has fallen by more than 45 000

5, 1984

Mercury 25/10/84 (189)

Steel industry in trouble as 70 000 jobs go

Mercury Correspondent

JOHANNESBURG—An increasing number of retrenchments by steel and engineering firms is threatening to shrink the metal industry even further

It has already shed more than 70 000 jobs since the recession began, and is one of the most sensitive to recession in the economy

It has been plunged deeper into recession by the slump in motor sales, which has hit component suppliers, and a general cutback in spending by the Government, big companies and consumers

Mr Sam van Coller, the executive director of the Steel and Engineering Industries Federation of South Africa (Seifsa) said there were an increasing number of retrenchment exercises on the go

This was borne out by

the Metal and Allied Workers' Union (Mawu) which said there had been an 'exceptionally high' number of retrenchments since May, the last time the metal industrial council released employment figures

Mr A de Jager, secretary for the council, said there had been 377 815 workers in the industry in May — a drop of more than 70 000 since the industry had recorded a high of 453 966 in May 1981.

Terrible

The number of whites employed has shrunk by more than 20 000 in that time. The number of blacks — who make a much higher proportion of the work force — has fallen by more than 45 000

Mr van Coller said most of the retrenchments had taken place about 18

months ago and for a while the industry had reached a plateau of about 380 000 jobs

— 'But at the moment the market is looking terrible. The general picture is that we are at the start of another period of widespread retrenchment.

'The auto assembly industry is in trouble, the Government is cutting back on capital expenditure, the South African Transport Services has cut back, companies are cutting back on large capital projects, and so on.'

A Mawu spokesman said employers were using the retrenchments to push productivity and were retrenching on the basis of performance rather than last in, first out.

'It looks as if a permanent restructuring of the industry is taking place,' he said

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200 fired
after 'go
to work'
orders

DURBAN — More than 200 striking Dorbyl Marine employees were fired on Tuesday after ignoring a management ultimatum to return to work by noon or be dismissed.

The General Workers' Union maintains that Dorbyl is guilty of an unfair labour practice and will seek action against the company in the Industrial Court.

The employees stopped work last Wednesday when they heard that 16 colleagues, including the chairman of the Shop Steward Committee, Mr W S Dlamini, were to be retrenched.

A series of meetings between the union and the company to have Mr Dlamini reinstated ended in deadlock. The last meeting, held on Tuesday, included the union's legal representatives.

A spokesman for the union, Mr Mike Morris, said the employees saw the inclusion of Mr Dlamini among those who were to be laid off as an attempt to break the union.

"The company has refused to consider taking Mr Dlamini back. It is this they are striking about."

The managing director of Dorbyl Marine, Durban, Mr Rob Deane, said discussions had been held with both the GWU and the SA Boilermakers' Society before the retrenchment.

The Boilermakers' Society, which Mr Deane said was supported by the majority of employees, had accepted the retrenchment after the company had explained that certain alternatives proposed by the union were not feasible — Sapa.

WOM 25/10/84 (189)

Imports hurting pump industry

Industrial Editor

HUNDREDS of jobs are being lost through the importation of industrial pumps

The Pump Manufacturers' Association says a recent market research survey shows an extraordinary number of pumps are imported each year, either as basic units or as part of other equipment.

A spokesman for the association, which represents 22 companies, said yesterday the imports equalled the production capacity of several pump manufacturers.

Local production could create up to 600 new jobs

Professor Nic Wiehahn, the director of Unisa's Business Leadership School, said unrestricted imports meant the loss of jobs, development opportunities and export potential.

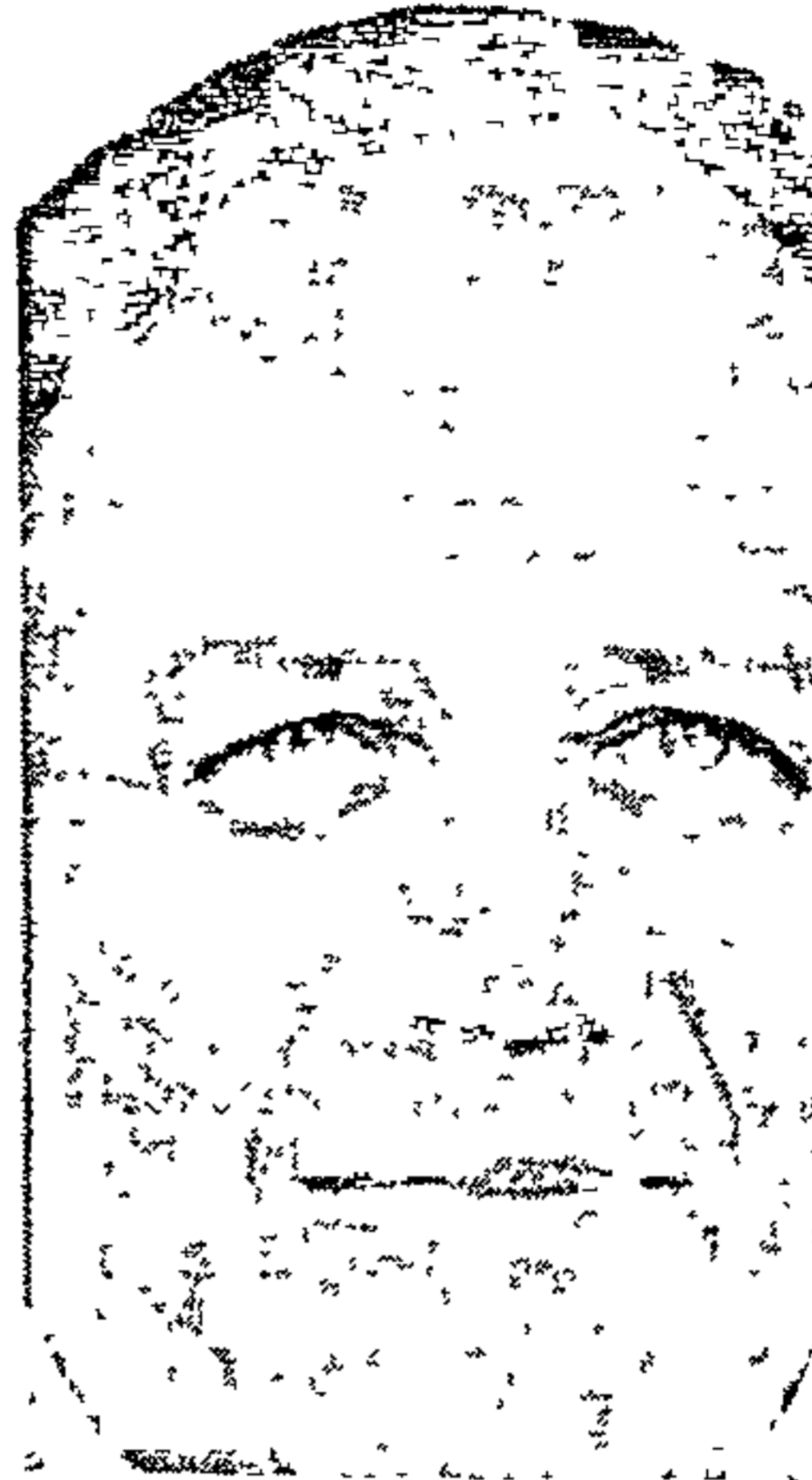
He said. "It is time that representation from the local industry was made to Government to consider a degree of protection."

Lack of protection amounted to encouraging disinvestment as most local pump manufacturers were subsidiaries of overseas companies.

When they saw their SA market share drop because of unfair competition from subsidised imports overseas companies would think twice about increasing investments in local operations.

Prof Wiehahn said a strong local industry would offer more opportunities for skilled workers.

Although the import market



NIC WIEHAHN... degree of protection needed

share could support an estimated 600 workers this figure could double or even treble

"A diminishing market for local manufacturers not only kills local incentive, but creates an unhealthy climate for training and job creation," he said.

"If we are to meet the aspirations of a rapidly changing labour market, maintain stability and provide the number of jobs and skilled opportunities, drastic measures are necessary to protect our local markets."

Morning 27/10/84 (199) 45/151

Dorbyl claims loyal workers intimidated

Labour Reporter
THE management of a Durban ship-building yard, hit by labour unrest, yesterday claimed that many of its employees had indicated that they wished to return to work but were afraid of intimidation

About 200 Dorbyl Marine workers who went on strike protesting at the retrenchment of their 16 colleagues, were fired this week after ignoring a

return-to-work ultimatum

Mr Rob Deane, managing director of the company, said yesterday there had been three violent incidents since the work stoppage last week and in one case, an employee with 30 years' service had been attacked and stabbed

'He is presently in a serious condition in the King Edward VIII Hospi-

tal He is able to identify his assailants and the matter has been reported to the police,' he said

'A driver in the employ of the company for 34 years and who is not a member of the General Workers Union and who did not participate in the strike, was severely beaten near his home

'His attackers did not permit his wife to take him to hospital for treatment and he was forced to attend a union meeting the following day to serve as an example to other loyal employees who wished to return to work.

'A further assault victim was an employee who had 10 years' service and who also was not a member of the GWU Threats of intimidation have continued,' he said

Retrenchments

Mr Deane denied allegations by GWU branch secretary Mike Morris that the company had not adopted the internationally accepted principle of 'last in first out' in retrenching the workers

'The union has also stated in discussions that they would accept the retrenchments of the other employees provided the senior shop steward, Mr W S Dlamini was excluded

'It was stated that if he were not excluded it would be alleged that all the retrenchments were unfair Management were unable to accede to this demand which in itself is inherently unfair,' he said, adding that they had been informed that Mr Dlamini had been temporarily employed as an official of the union

Mr Mike Morris, branch secretary of the union, could not be reached for comment yesterday

There's a rub to R70m Iscor glint

Sun. Express Bus. ~~Oct. 21~~ 189

28/10/84

ISCOR'S impressive turnaround announced this week should not obscure the fact that prospects for steel are not particularly good.

Nor should it blind one to the fact that the giant steel corporation's results were impressive only as a recovery from a loss of R244-million last year.

This year's R70-million 'real' operating profit (after finance charges and ignoring the windfall from the sale of Iscor's interest in Samancor) does not look that great against the total sales of R2,705-billion.

In fact, at 2,6% of turnover (or 1,9% of net operating assets), it's the kind of return on turnover which a supermarket chain, with its notoriously small margins, would be embarrassed by.

The reported profit, incidentally, was R317-million, most of which came from the R247-million realised on the sale of Samancor.

Domestic steel demand is expected to decline by an estimated 7% to 10% in the next 12 months (after rising 16% in the last year), which means that exports are likely to absorb a bigger share of South African output.

But despite a recovery in demand in the last year, intense competition from up-and-coming producers such as Korea and China is likely to hold export prices at below domestic prices, and long term prospects are bleak.

ISCOR'S PERFORMANCE (Year ended June 30)

| | 1980 | 1981 | 1982 | 1983 | 1984 |
|-----------------------------|------|------|-------|--------|-------|
| Sales (millions of tons) | 5,5 | 5,1 | 5,3 | 4,6 | 4,7 |
| Net sales value (R billion) | 1,9 | 2,0 | 2,3 | 2,0 | 2,4 |
| Profit/loss (R million) | 77,5 | 62,9 | -22,2 | -243,7 | 317,4 |

By TONY KOENDERMAN
Financial Editor

export steel in the past year was R333, while on the local market the average was R589. Though Iscor insists it does not export steel unless it "makes a contribution" to profits, and while the sinking rand is likely to increase the attraction of the export market in the year ahead, Iscor executives made it clear they would far rather sell their steel in South Africa than export it.

Increase

While world demand is forecast to rise at less than 1% a year for the next decade, Iscor is planning a long-term annual increase of 4% in the local market, according to managing director Mr Willem van Wyk.

So although exports will rise this year, in the long term they should account for a steadily declining share of total sales.

A report by stockbrokers E W Balderston on the iron and steel industry commented, "Taking into consideration the saturation levels of steel

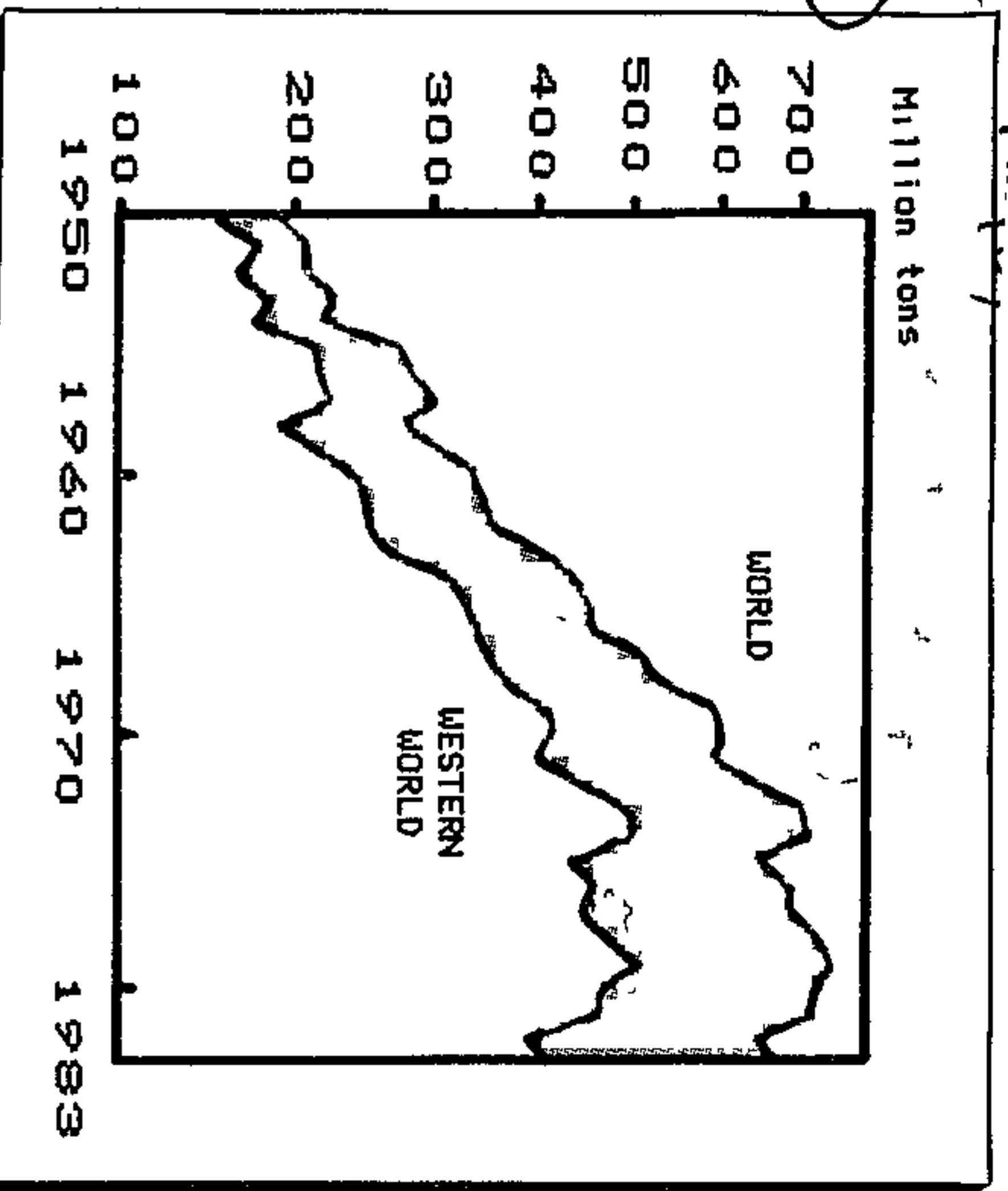
consumption reached in the Western developed countries and the debt problems of the developing countries, a major growth in steel production as experienced in the past three decades is highly unlikely.

"Indeed, some commentators are so bearish that they doubt whether the peak 1979 Western production levels will be achieved this decade.

"Companies which are dependent on the fortunes of the Western steel industry will have to contend with a static market in the foreseeable future — unless they are in a market niche that has above average growth prospects, such as stainless steel and ferrochrome."

The major feature of the world steel market is the way the developing countries are increasing their penetration at the expense, most notably of the ageing and increasingly obsolescent US steel industry.

Even so, with a 15% increase in total output in the last year, capacity utilisation has risen dramatically. It was 75% in the US in the second quarter, against 37% in the final quarter of 1982, 65% in the EEC (47%) and 67% in



World crude steel production has revived since 1982

Japan (59%).
"Developing countries continue to increase their share in the world steel supply and they can be expected to play an increasingly important role in export markets," said Iscor chairman Mr Floors Kotzee in his annual review.

Redeeming

"For some of these countries, maximising of exports constitutes the only way of redeeming their excessively high debts. There is a world-wide tendency to protect local industries by restricting imports as far as possible.
"Examples are bilateral 'voluntary' agreements the USA concluded with certain countries, the possibility of

universal quota allotments and the continuation of existing quota arrangements in the EEC.
But while things were improving, said Mr Kotzee, normal conditions and acceptable price levels were not likely to prevail until 1986.

Iscor has been at the receiving end of protectionism itself, and has had to accept a "voluntary" restraint on exports to the US. But the dumping case against South Africa early in the year has — at least temporarily — been dropped in the light of a blanket restraint on steel imports.

The US steel industry is hoping to restrict imports to 15% of American consumption (it's currently running at 28%) for five years in order to give the industry an opportunity to restructure.

The US is pretty important to South Africa, as it takes 22% of Iscor's total exports.

Encouraging

Iron ore exports were hardly more encouraging. Despite a special marketing effort, which pushed volumes up by 28% to 10,4-million tons, exports were again made at a loss. The oversupply of iron ore in world markets caused an 11% slump in prices last year after a 12% decline the year before.

Thus earnings were up only 1% to R238-million.

In the circumstances, it is hardly surprising that Mr Kotzee professed to know little about reported plans to privatise Iscor. "This is a matter for the shareholder — the government — to decide," he said. "The government view has not been given to us yet."

As he said, with total justification "Seventy-million rand on a net asset value of R3,7-billion is not the sort of profit that the private sector would find acceptable."

A reasonable profit, he guessed, would be about a 20% return on assets. Clearly, any attempt to sell Iscor would not attract a horde of desperate bidders.

Thousands more jobs are on the line

ARM 29/10/84

THE metal industry, having lost more than 70 000 jobs at the beginning of the recession, is now heading into another phase of retrenchment which could cost the jobs of tens of thousands of workers.

Thousands of workers have been retrenched or are working short-time as a result of the slump in the auto industry.

Instead of returning to the employment levels of 18 months ago, most sectors of the economy, with the one major exception of the mines, are cutting back still further on jobs

The country faces a possibly catastrophic unemployment problem, the dimensions of which are almost impossible to measure. Just how many are out of work?

LABOUR WEEK by PHILIP VANNIJEK

Before the recession began, unemployment was already high, a result of steadily increasing "structural" unemployment throughout the 70s

By the end of 1981 there were about two-million unemployed, according to Mr Charles Simkins, of Cape Town University. A year later he had edged this figure up a few hundred thousand, while Professor Jeremy Keenan, of Wits University, put the figure at three million

The official Central Statistical Service's figure has hung around the half-a-million mark for what seems a very long time

Today the actual unemployment figure is anyone's guess — and depends on whom you include as "unemployed", though aca-

demuc estimates of three million are probably not too far off the mark.

One can arrive at some form of estimate by taking the high structural unemployment figure, as found at the height of the boom, compound it with retrenchments and a shrinking total workforce brought about by the slump and add to that hundreds of thousands of school-leavers coming onto the job market.

One does not need precise figures to know there are a lot of people out of work

THE retrenchments in the metal industry have led the Metal and Allied Workers'

Union (Mawu) to question whether the industry will ever reach the same employment levels again. "It looks like a permanent restructuring of the industry is taking place," a Mawu spokesman said this week. "At the end of a recession, they tend to rehire fewer than were retrenched during a recession."

This is not just because machines are replacing people, but that employers are demanding more elbow grease from their employees

Primed by the latest word on productivity, management is requiring fewer workers to do the same amount of work, says Mawu.

What might also be a cost-cutting exercise is the proportionately high drop of white workers employed in the industry more than 20 000 in three years.

~~2011A~~
the three ruling parties in the tricameral parliament, and not necessarily between government and opposition

The only other opposition figure to be named is NRP leader Vause Raw as vice-chairman of the Defence committee. Raw is a professed hawk in profound agreement with NP defence policy. His appointment is hardly a concession to progressive reform.

Little is known about Louis Hollander, the House of Representatives MP who is chairman of the select committee on Health and Welfare, and Soobramoney Naicker of the House of Delegates, who is chairman of the committee on Environmental Affairs and Tourism. Their anonymity is a safeguard against controversy, although it might be tempting to persuade Naicker to ask questions about desegregating tourist facilities in the OFS and removing other hurtful barriers to Indians.

Chairmen of the remaining committees are all senior NP members. One appointment that has raised a few eyebrows is that of Tino Volker as chairman of the important Constitutional Development and Planning committee. While he was a member of Chris Heunis's House of Assembly committee on constitutional matters. Opposition MPs say he hardly distinguished himself. Moreover, there are said to be nagging doubts about his NP track record and his loyalty to the P W Botha faction of the party. A major surprise is the omission of glowing verligte Wynand Malan (NP Randburg). Insiders suspect he overplayed his hand at *loyale verset*, a display of maverick defiance in which he attacked sacred cows of Nationalist Afrikanerdom. But his time may come.

The appointment of the rather more cautious verligte Pretoria MP Albert Nothnagel as chairman of the Home Affairs and National Education committee has been welcomed by the liberal English press. This comes as no surprise because Nothnagel, who represents a verkrampste Pretoria constituency, has worked hard for many years to sculpt an image of sweet reasonableness. His was always the acceptable face of the NP. He may not be far from a deputy ministership.

Surprise was also expressed by MPs at the appointment of Hendrik Tempel as chairman of the important committee on Co-operation and Development and Education. Although a senior MP, he has shown no special talents in this area. There are lingering doubts among Cape NP faithful about his unswerving loyalty to the P W Botha faction. This could well be his reward for trying to dispel such doubt.

Reservations have been expressed at the appointment of Kleppies Heyns as chairman of the Industry and Commerce committee. On the other hand, the appointment of businessman Dr Jayaram Reddy of the House of Representatives as his vice-chairman has been welcomed on the assumption that this chairman can only benefit from exposure to his deputy.

URBAN BLACKS

Appeal for funds

Black local authorities are again urging government to boost their "dented image" by providing alternative sources of revenue and so make it possible for them "to stop burdening residents" with increased service and rent charges.

Says Tom Boya, chairman of Daveyton Council and of the East Rand Urban Councillors' Association (Eruca) "The situation in the townships is serious. We are unpopular and the recent rent increases have worsened the position. The government must help us. We must be seen by residents to be serving their interests. Otherwise, there's no hope whatsoever."

His association met Gerrit Viljoen, Minister of Co-operation and Development, in Pretoria last week to seek relief.

But, says Boya, outside of promising to delay the privatisation of liquor outlets and sorghum beerhalls in black townships, Viljoen merely advised the councillors how to negotiate for other sources of revenue.

The black councils want the development boards to transfer to them all assets falling under their jurisdiction. These include land, buildings, houses, hostels and trading sites.

"In addition, we would like revenues collected from licences and fines to be paid to the councils," says Boya. "We also want the R2 monthly labour levy paid by employers

EDUCATION SEMINAR

The crisis in black education and "the role the private sector can play in the black high school education process" is subject of a seminar organised by a new black organisation called Educational Catalysts in Southern Africa (ECSA) next month.

ECSA, which is headed by Springs businessman Bogie M H Mabogoane, intends focusing attention on the negative aspects of private donations to black schools, their adoption of individual schools and bursaries.

In addition, suggestions will be made on how such donations, school adoptions and bursaries "could be converted to positive catalysts for achievement and self-pride among pupils in particular and the black community in general."

The seminar, scheduled for Wednesday, November 21, takes place at the Milner Park Holiday Inn in Johannesburg. It will be opened by FM Editor Stephen Mulholland.

Invited to participate are Professor W L Rautenbach, head of the department of nuclear physics at Stellenbosch University, D M Mphahlele, chief education planner in Lebowa, and L P G Kabane, a Soweto businessman and former school teacher.

FM 2/11/59
for every worker. We believe all these, together with proceeds from the sale of liquor and beer from bottlestores and beerhalls in the townships, will go a long way towards solving our problems."

The lack of revenue, which has resulted in councils raising rents, and water and electricity charges, has long been a bone of contention since last year.

In Soweto, the local council threatened to go to court to stop government selling liquor outlets to private enterprise.

FOREIGN INVESTMENT

Border disputes

Disputes between the Metal and Allied Workers' Union (Mawu) and two multinationals could reverberate in the campaign to bar foreign investment in SA.

Mawu accuses American mobile home manufacturer Tidwell Housing and the British motor components company Mintex of refusing to recognise a representative union and of victimising employees by dismissing them because of their union membership. Tidwell is also charged with paying wages which are one-fifth of minimum rates recommended by the Sullivan code.

The union has demanded that both companies should reform their industrial relations practices or "get out of SA." It has also called on the governments of KwaZulu and the US, and the US union movement, to support its campaign against Tidwell. The company is not a Sullivan signatory.

The dispute is complicated by the fact that there is uncertainty about whether Tidwell, which is located in the Peters industrial area near Ladysmith, is in SA or KwaZulu. The difference is crucial as SA labour law differs considerably from that in KwaZulu which has no equivalent of SA's Labour Relations Act.

But KwaZulu's chief labour officer, Africa Khanyile, says Peters is a "released area," falling under the SA Development Trust, and therefore subject to SA legislation. Other contradictory opinions have been given by the Ladysmith municipality, the KwaZulu Development Corporation and the Department of Co-operation and Development.

Mawu's Natal branch secretary, Geoff Schreiner, says that Tidwell's minimum wage of R18/week and average wage of R25-R30 are the lowest in the area and less than a quarter of wages paid by other companies operating in the same market. Thus, he believes, has allowed Tidwell to undercut the other companies.

Tidwell's personnel manager, Judy Wade, tells the FM the company is not prepared to recognise the union. Says Wade "We are doing as much for our employees as anyone else could, and do not need outsiders to make decisions for them."

Continued on page 51

(154) 61 1101 1891 62
Fm 2/11/84

Wade confirms Mawu's figures on wages but argues that they "are substantially the same as those paid by other companies in the area" She says other conditions at the factory "are good because we comply with the Basic Conditions of Employment Act regarding annual leave, sick leave and overtime pay"

The Mintex dispute concerns 220 workers dismissed for striking over the dismissal of a fellow worker Mawu charges that when the company subsequently re-employed some of the workers it did so on a selective basis and excluded a number of shop stewards and other union activists

Mintex MD, Adrian Venter, denies Mawu's allegations He says the company, which is in KwaZulu, "is prepared to talk to any union with majority membership" and had in fact started recognition negotiations with Mawu before the strike

According to Venter, the company had already filled most positions when the strikers applied for re-employment and there were only 80 vacancies These were filled without regard to their union status He says the recognition talks broke down because of Mawu's "policy of confrontation"

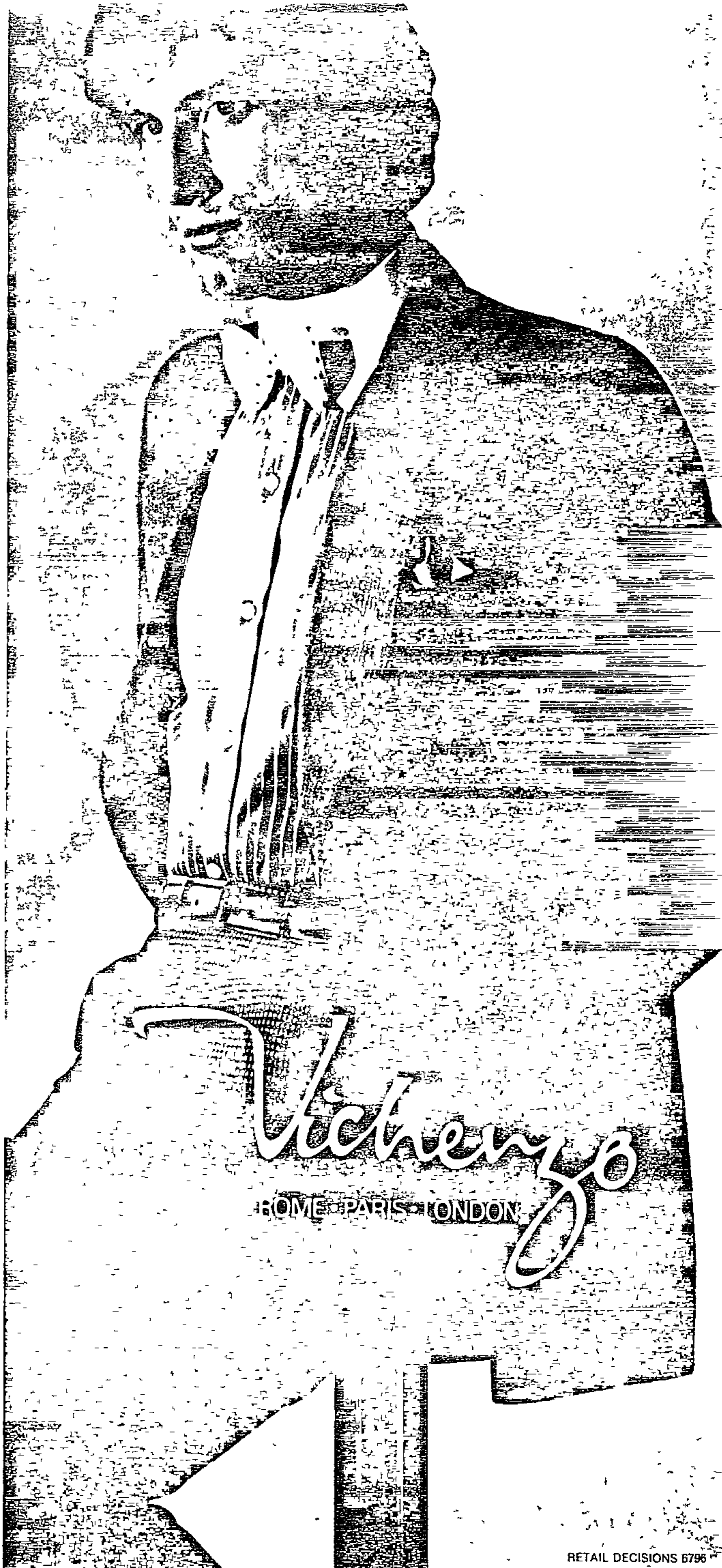
INDUSTRIAL RELATIONS Changes since 1979

Bustling activity in SA industrial relations in the five post-Wiehahn years emerges from a study conducted by the University of Stellenbosch's Graduate School of Business Led by the school's Professor "Blackie" Swart, it shows that the manufacturing sector has been the main target for unionisation since 1979 — followed closely by the trading sector and the mining industry

Swart released preliminary results at the recent Institute for Personnel Management conference They are based on the responses of some 1 500 organisations (mainly companies and local authorities) and 57 unions representing 450 000 workers Most organisations that responded are large employers Some 70% of the respondent unions were established groups, although there was some response from the emerging unions

The Stellenbosch researchers found that 27,3% of the organisations had been approached by unions for recognition of some type since 1979 Of these, 27% were in the mining sector, 37,8% in manufacturing, 14,9% in contracting, 30,5% in trading, 8,8% in finance and 17,6% local authorities

Says Swart "These figures give an indication of the extent of the decentralisation which has taken place in collective bargaining away from industrial councils towards individual companies and organisations We assume that the majority of approaches were from emerging unions, although a union like the Mineworkers' Union



Vichery
ROME PARIS LONDON

Export boom boosts plastics industry

S. Exports 4/11/84

Total plastic polymer market

| YEAR | TONS |
|------|---------------|
| 1981 | 440 000 |
| 1982 | 405 000 |
| 1983 | 430 000 |
| 1984 | 455 000 |
| 1985 | (est) 470 000 |
| | (projected) |

By TONY KOENDERMAN: Financial Editor

WITH exports booming and the local market firm despite the recession, the plastics industry is one of the few sectors of the economy which appears certain to improve in the next 12 months

This year will see exports of about 40 000 tons of PVC, bringing in foreign exchange earnings of R32-million, and exports of high density polyethylene (HDPE) are also on the cards next year.

Locally, the whole R2.5-billion-a-year plastics market had risen 6% in volume terms this year and was expected to rise another 3% next year thanks to market growth and import substitution, said Mr Bill Naude, executive director of the Plastics Federation

One reason is increasing use of plastics in certain markets. For example, the motor industry is using more and more plastic components, and this will help to counteract the decline in vehicle sales.

The packaging industry has benefited from an odd syndrome among supermarket shoppers.

During tough times, people tend to buy smaller amounts of groceries at a time. This necessitates more trips to the supermarket — and greater use of check-out bags.

There is also a continuing swing from paper packets to plastic bags.

Some markets have been depressed. One is the fertilizer industry, but good rains would rapidly turn that around. Another is sale of pipes to the building industry.

Rand

"The low value of the rand has also given local producers an opportunity to replace imported materials," said Mr Naude.

"There has been import substitution both in raw materials and finished products by local converters

One of the two big local polymer markets, that for PVC (used for pipes, electrical cables, plastic bottles and other products) was expected to run out at 105 000 tons this year, an increase of 8% on 1983, said Mr Malcolm Weir, AECI's director for PVC and chlor-alkali chemicals

"Recently, however, demand has softened and we will probably be satisfied with the same level of demand in 1985," he said

"A lot of our strength in the local market has been in the pipe sector. We benefited from the drought because many municipalities seem to

have been replacing corroded reticulation systems"

Local demand is a lot less than AECI's 132 000-ton capacity, but AECI has managed to export the balance — plus some of its stocks

Prices

Prices for export PVC have increased sharply from R480/ton FOB two years ago to R900 by mid-1984. Since then prices have eased, but there has been partial compensation provided by the weakening of the rand. The average export price this year has been about R800/ton, said Mr Weir.

Import control is still in force, despite the government's announced decision early in the year to do away with it and rely solely on tariffs to protect the local industry.

"We are keeping a close watch on the landed cost of imported polymer (duty paid) so as to be competitive as and when import control is removed," said Mr Weir.

"But a major problem we have is to be competitive against dumped prices in the local market. There can be more than a \$100/ton difference between overseas current domestic values (CDVs) for PVC and what it is being traded for on export markets.

"We are very happy to compete against overseas CDVs plus duty, but it would be impossible to be competitive against dumped product"

There is also substantial spare capacity in polyethylene, the other big plastics market

AECI has two plants, a low density polyethylene (LDPE) and a linear low density polyethylene (LLDPE) plant, each of 75 000 tons annual capacity. Local demand this year will also be about 100 000 tons, leaving spare capacity of 50 000 tons

LDPE and LLDPE (a more advanced polyethylene process) are used to make soft film for packaging, cables and pipes.

"Local sales are holding up extremely well," said AECI

● To PAGE 3

● From PAGE 1

polyolefins director Mr Don Grant "We have seen no downturn so far this year, and we have had price stability for an extended period."

AECI reduced prices by 12% last year to an average of R1 460/ton and have not put them up since. One thing that has helped has been an adjustment in the pricing formula for ethylene (the main raw material) which is supplied by Sasol

In the past, Sasol's ethylene price has been equivalent to the north-west European price plus a freight element — regardless of Sasol's production cost.

Now the formula is based half on the north-west European price and half on the local cost, which has brought the final price down.

Even so, the sinking rand has pushed ethylene prices up by 25% since the beginning of the year

Plans are now afoot to export polyethylene next year, and Sasol — which is also keen to use its own spare capacity — has co-operated by agreeing to a lower ethylene price for export product

"We would find it very difficult to export without this assistance," said Mr Grant

AECI will be in a much stronger position to export by the middle of next year when a R6-million pelletising plant is on stream at the LLDPE factory

The granular form in which LLDPE has been produced up to now is not acceptable in most world markets. The new plant will also open up some additional local markets

High density polyethylene (HDPE), which is produced by Safripol, has had its best year ever. Sales are expected to end up between 72 000 tons and 74 000 tons this year — close to the company's 80 000-ton capacity

"Indications for 1985 are still fairly optimistic," said Mr Heinz Lassen, managing director of Safripol associate company Plastomark. "There might be a drop in some fields, but it is amazing that the business was so good this year"

Polypropylene, which is also produced by Safripol, has benefited from substitution for jute and sisal in sack manufacture. The jute crop has failed two years running in India and Bangladesh, forcing world prices up

But polypropylene production (20 000-25 000 tons a year) has been well below Safripol's 40 000-ton capacity because of a shortage of feedstock

Strike costs ~~189~~ 6/11/84 C. Times knock Af Cable

JOHANNESBURG — A gloomy picture of a combination of adverse conditions is painted by the chairman of African Cables to explain the group's loss in the year to July

In his chairman's review in the annual report released yesterday, Mr A Bosworth Smith says costs of a strike in January and of re-employment of over 360 dismissed workers in terms of a ruling by an industrial court caused a substantial part of the year's losses

In the financial year the group's after-tax loss was R3,5m, compared with an after-tax profit of

R2,98m in the previous year

The before-tax loss was R3,5m — a deterioration against the previous year of about R19m

Other factors contributing to the loss were

- Fierce competition among local producers of electric power cable many of which had increased their production capacity substantially in spite of a shrinking market

- The continued holding down of price levels by the dumped price of imported cables, with no indication yet of further duty protection in spite of applications made to

the government for relief

- Application by the group of a conservative accounting policy which makes its results appear "relatively worse" than those of its competitors

Consequently Mr Bosworth Smith said the board was considering using a more conventional accounting policy

He adds that it is unlikely that the trading conditions in the industry will improve in the group's current financial year

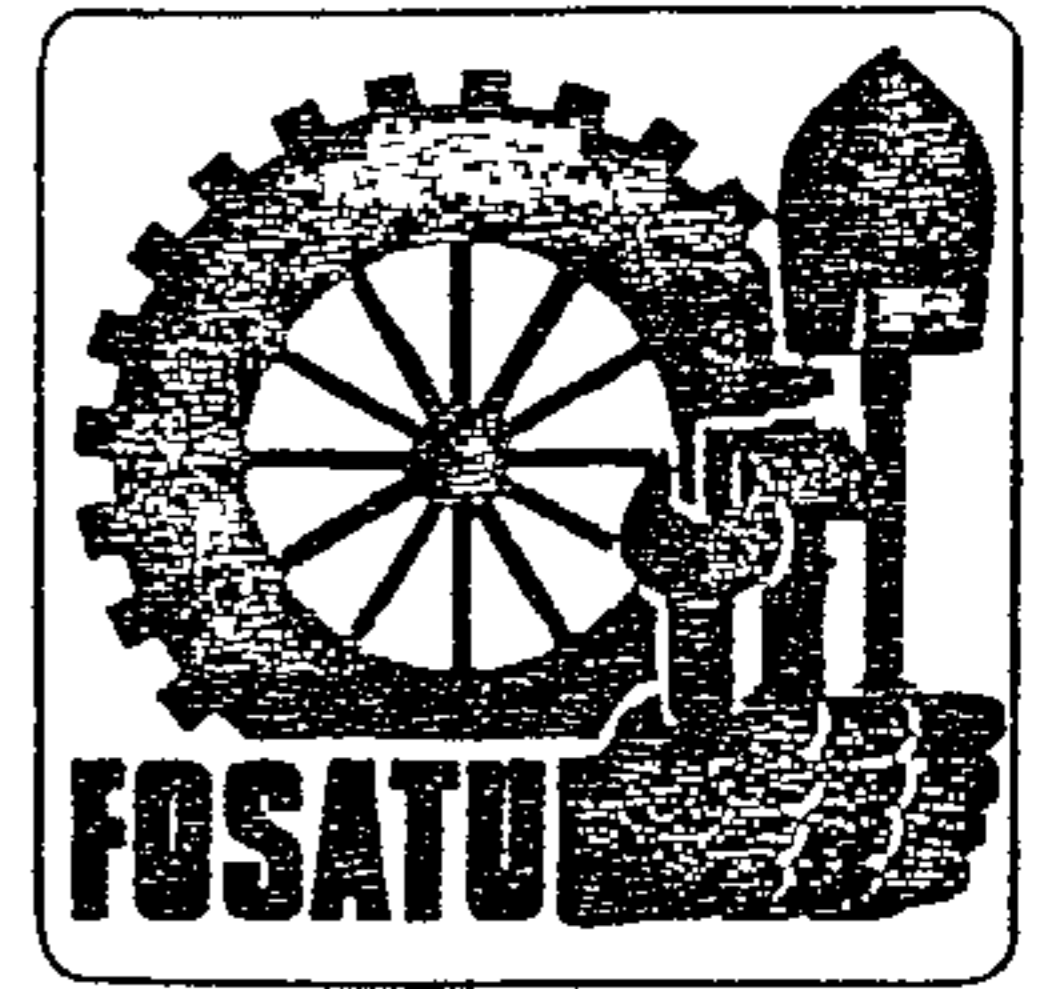
"This view is reinforced by the recently announced deferment of capital expenditure by Escom, SATS, and government departments generally"

On the brighter side he states "Notwithstanding the results for the past year, it should be borne in mind, that the group's balance sheet remains strong

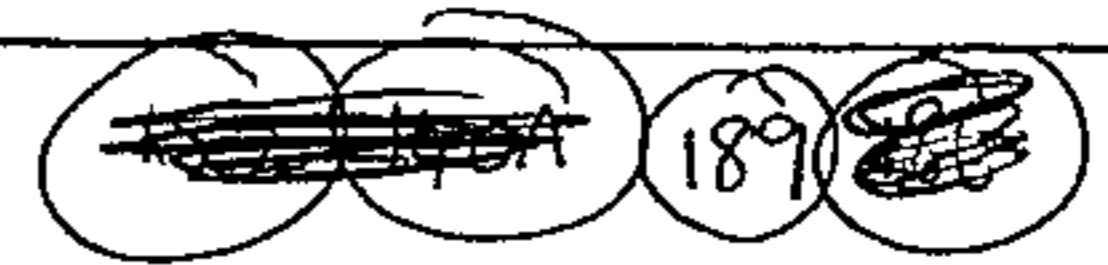
"In particular, gearing remains minimal and there are no foreign loans with attendant foreign exchange risks"

A number of new product developments had borne fruit and large orders for some of these had been received, but in the case of PVC cable which formed the largest part of the group's product range, a major portion of the business on offer was at extremely competitive price levels, he said — Sapa

PRESS STATEMENTS



SIMBA BOYCOTT CALLED OFF



UNION and Simba settled to day 1.11.84.

Simba agreed to.-

- * reinstate all the workers with the same conditions, job and wages
- * to reinstate the agreement, and to be negotiated for improvement
- * all workers to resume duties from 2 January 1985 since the company shut down on the 20 December 1984 and need to swiftly notify and pay off the present workforce
- * to offer through union's request an interim relief of R60 000, payable in 2 instalments, i.e. November and December 1984.

SFAWU therefore request all FOSATU affiliates and all other organisations which actively participated or supported the boycott to sincerely announce to their members the complete calling off of the boycott

Sweet Food and Allied Workers Union
1.11.84

WISPECO STRIKE

OVER 300 members of the Metal and Allied Workers Union today entered the third day of their legal strike against local window frame manufacturers, Wispeco, a company which is part of the Metcor group

The strike centres around the company's total refusal to negotiate any substantive matters whatsoever at plant level with MAWU and in particular severance pay for employees who are retrenched.

The company has just embarked on a massive retrenchment programme some 20 per cent of the workforce but refuses to negotiate any form of severance pay for the retrenched

The company claims that it has chosen their national industrial council for the Iron and Steel and Metallurgical Industry as the sole forum where it will negotiate with trade unions and claims all collective bargaining of any substantive nature must occur through this institution.

This strike by MAWU members who followed the procedures laid down in the Labour Relations Act to make the action lawful and which has been supported by employees of other trade unions and non-members is similar to the steps taken against Hart Ltd. which is also part of the Metcor group.

The strike at Hart Ltd. involving some 600 employees which took place some three months ago was eventually resolved where the company agreed to negotiate a long service allowance for employees with MAWU at plant level.

MAWU is of the opinion that the position adopted by Wispeco Ltd. is totally naive and wholly unworkable in that collective bargaining has to take place at a whole range of different levels depending on the issues to be negotiated. This is the pattern which has developed internationally and indeed even SEIFSA the giant Iron and Steel Employers Association has suggested that matters such as severance pay could be handled at plant level. The right to discuss ones wages and unemployment conditions directly with ones employers is fundamental – the refusal of such a right can only lead to substantial industrial unrest.

Metal and Allied Workers Union
6.11.84

ADM. 8/11/84 (189)

Plastics playing greater car role

Financial Reporter

FUEL economy requirements are largely responsible for a steady increase in automotive plastic consumption.

SVP South Africa, part of the international business information/research organisation, says US car-makers have been looking at material substitution and vehicle down-sizing as a means of meeting government regulations.

Because plastics offer weight, cost and performance advantages, makers engineer as much as 73kg into cars. It is estimated, says SVP, that plastics will account for as much as 79kg of the average US car by the mid-1990s.

The original equipment market for plastics should remain the

largest in the long run, accounting for nearly three-quarters of total US automotive consumption by 1995.

Although total OE automotive consumption is expected to increase by 1995, vehicles will utilise only 5kg more plastic than the average 1983 model. This relatively small increase in consumption results from down-sizing, the use of lighter plastic and the substitution of non-plastic materials for plastic.

SVP South Africa says the plastic content of cars coming off the assembly line will doubtless increase, with the after-market expected to expand accordingly.

After-market plastic consumption increased from a mere 22-million kg in 1967 to 113-million kg in 1983. It is expected to top 262-million kg by 1995.

November 9, 1984

Bid for metal unions merger

By JEANETTE MINNIE

THE Metal and Allied Workers' Union (Mawu) has approved a resolution calling for the merging of all metal unions into one powerful union.

At the recent annual general meeting of Mawu, which was held on the East Rand and which was attended by more than 4,000 workers, the workers urged that such unity talks commence as soon as possible.

The resolution said it was necessary to build one strong union which could effectively oppose the giant metal employers' association, the Steel and Engineering Industries Federation of South Africa (Seifsa).

The resolution calling for unity was closely linked with other resolutions condemning Seifsa for its "manipulative" role in wage negotiations and further stating that in 1985 Mawu would concentrate on fighting for a "living wage".

Resolutions on wider community issues were also approved, including one condemning the State for its action during township unrest.



184 GWU's Lewis fighting layoffs FM 16/11/84

company, Hart, in which the issue was also plant level versus industrial council bargaining. The Hart dispute was resolved when management agreed to negotiate a long-service allowance for workers at plant level.

A Wispeco spokesman countered that agreement had been reached with the boilermakers and the EWIU that retrenched workers would receive payment for 10 shifts in lieu of notice. "Management cannot agree to demands that would result in employees with a different union affiliation receiving different benefits," he said.

At Dorbyl Marine, between 250 and 300 members of the General Workers' Union (GWU) have been on strike for the past month over the retrenchment of 15 employees, among them the plant's senior shop steward, Winnett Dlamini. GWU's Dave Lewis has accused the company of victimising Dlamini. The union has lodged the dispute with the metal industrial council and has applied to the Industrial Court to have the workers reinstated.

The union claims it has warned the company's board of directors in the past that Dorbyl's retrenchment policies would lead to conflict. Lewis says the conflict is caused by three provisions of Dorbyl's retrenchment procedures:

- The company gives as little notice as possible of retrenchments. This prevents full discussion on alternatives to retrenchment. In this case, the possibilities of voluntary early retirement by some employees and the relocation of others were not considered.
- It does not follow the system of last-in, first-out (lifo) properly. Many of the 16 who were laid off, including Dlamini, were long-serving employees. They were retrenched because they had only recently been transferred to new departments and were regarded by management as first in, and
- Retrenched workers do not receive severance pay and are normally given only one shift's notice.

Dorbyl says the retrenchments were carried out in terms of a procedure agreed to between the company and the union. The required two weeks' notice was given to the union and alternatives were discussed "at length". Management has also denied that the lifo system was being instituted unfairly.

In a statement, Dorbyl said "Since the dismissals, many employees have indicated that they wish to return to work, but fear intimidation." The company states that a number of violent incidents have occurred.

legal strike since November 2. The plant has been brought to a standstill as workers who are members of two other unions — the SA Boilermakers' Society and the Electrical Industrial Workers' Union (EWIU) — are also out.

Tensions at the plant have been building up for some time. Mawu originally declared a dispute some months ago because of Wispeco's refusal to negotiate substantive issues with the union at plant level. The company states that it is not prepared to support plant-level bargaining on issues that are covered in the main agreement of the giant National Industrial Council for the Iron, Steel, Engineering and Metallurgical Industry.

Wispeco subsequently retrenched 95 workers from all three unions, including a senior Mawu shop steward, and refused to negotiate on severance pay with Mawu outside the industrial council. This brought matters to a head, and Mawu members, who had qualified to go on a legal strike because of the council's failure to settle the dispute, downed tools.

Says Mawu's Geoff Schreiner: "The position adopted by Wispeco is totally naive and unworkable. Collective bargaining has to take place at a whole range of different levels, depending on the issues to be negotiated. This is the pattern that has developed internationally, and even Seifsa has suggested that matters such as severance pay could be negotiated at plant level. The workers are caught in a situation in which Seifsa is saying one thing and the company another."

Schreiner drew a parallel between this dispute and a legal strike which occurred some months ago at another Durban metal

LABOUR DISPUTES

Retrenchment ripple

Layoffs in the metal industry have become a major point of contention between trade unions and employers, as two current strikes in Durban vividly illustrate.

At window-frame manufacturer Wispeco, which is a member of the Steel and Engineering Industries Federation of SA (Seifsa), 300 members of the Metal and Allied Workers' Union (Mawu) have been on a

'PAY US OUR SEVERANCE!'

A DURBAN Wispeco steel window-frame plant came under heavy fire this week from the Metal and Allied Workers' Union

By ZB MOLEFE

More than 300 workers have been on a legal strike since November 2 after recent retrenchments

In a statement yesterday Mawu said that the strike was called because the company refuses to negotiate any serious matters at plant level - particularly severance pay for retrenched workers.

The Wispeco plant is part of the giant Metcor steel and aluminium group

The union says the company's Jacobs plant has embarked on a massive retrenchment program involving 20 percent of the black workforce, "but refuses to negotiate any form of severance pay"

On November 2, 80 hourly-paid and 15 monthly-paid workers were retrenched

Mawu argued that Wispeco's action was unworkable, because collective

bargaining had to take place at different levels depending on the issues to be negotiated

"This is the pattern which has developed internationally," said the statement.

"The giant iron and steel employers' association, Seifsa, has suggested that matters such as severance pay could be handled at plant level

"The right to discuss wages and unemployment conditions directly with employers is fundamental. The refusal of such a right can only lead to substantial industrial unrest," Mawu's statement said

Similar union action was taken three months ago against Hart, also part of the Metcor group. Eventually the company agreed to negotiate with Mawu for long-service allowances for employees at plant level

Wispeco managing director S Savage told City Press that a retrenchment procedure had been agreed on by all the parties concerned

Handwritten notes: "Mawu" in a circle, "18/11/82", and "City Press" written vertically.



Compensation

Consternation

189
18/11/84 C. Press

FORTY-NINE workers took their boss to court this week for underpaying them — only to be told he had gone bust.

The San Sales workers in Verulam were told there was no point in proceeding with their case, as the company had been liquidated in the Durban Supreme Court and had no as-

By JABULANI SIKHAKHANE

sets.

Even if they won their case, San Sales would be unable to pay, Prosecutor Anton Scheepers said.

To make things worse, the workers were also told that the magistrate dealing with their case, a Mr Hitchcock, was dead

Worker Vasco Langa said they had been told by an Engineering Industrial Council official that San Sales had been liquidated after they started their proceedings, but that they still had no case.

This has been disputed by Durban lawyer Chris Albertyn, however, who said the workers can start proceedings against the company

owner's estate

Mr Albertyn also said the workers' claim should be given first preference, as it is a claim for wages

Most of the workers have been out of work since February 1982. They said they don't know what more they can do to get their money

One worker said they had been relying on their compensation for survival

S. Express 18/11/80

Sasol MD: Protect monomers

A call for equal treatment by government was made this week by Sasol managing director Joe Stegmann.

The problem, as Mr Stegmann saw it, was that in implementing its new policy of protecting South African industry solely through moderate tariffs (and not through import control), the government had left the plastic monomer industry unprotected

Monomers are the main feedstocks of the plastic polymer industry. Ethylene, a monomer, is used to make polyethylene, a polymer or kind of plastic which in turn is used for making plastic bags and a variety of other products

Similarly, styrene is the feedstock for polystyrene, and propylene for polypropylene

Protecting

The first step towards the new dispensation for the industry was taken last January when the government withdrew tariff protection from propylene and styrene (ethylene has always been free of duty), and amended the tariff structure for protecting locally manufactured polymers

One result of this has been the complete closing down of Sasol One's olefins complex.

By TONY KOENDERMAN
Financial Editor

Whereas at one time Sasol was supplying styrene and propylene to the plastics industry, in future ethylene will be the only monomer supplied by Sasol

"As long as the monomer industry is not granted any tariff protection, I must confess that it would be brave, if not irresponsible, of any company to contemplate investing solely in a monomer production facility," said Mr Stegmann, who was addressing the annual banquet of the Plastics Federation

"Granting tariff protection on polymers but not on monomers will either lead to the importation of monomers or the long-term integration of monomer and polymer production," he said

"The greatest challenge government faces in implementing its protection policy is to ensure that the various sectors of each industry are given equal treatment

"By this I do not mean that the same percentage of protection be given to monomer and polymer producers and converters. What I mean is that there should be no discrimination in favour of any particular sector"



● Sasol MD Joe Stegmann ... pushing for equal treatment

Mr Stegmann said he felt the measures announced last January did not observe these criteria in that the monomer sector of the plastics industry had been left without any protection

Simple

Although Sasol supports the government's stated policy that industry should be protected primarily by moderate tariffs, Mr Stegmann felt this was not a simple recipe that could be applied

without qualification

Thus while tariffs are aimed at protecting companies against 'normal' competition, formula duties (with reference prices) are used for protection against 'abnormal' competition. The problem, observed Mr Stegmann, was to define normal and abnormal competition

"The Board of Trade and Industries must develop the necessary expertise, in collaboration with the private sector, to be able to identify incidents of abnormal competition," he said

Union might strike

Mail Reporter

THE United Mining, Metal and Allied Workers' Union of South Africa (UMMAWOSA) is considering calling a legal strike against Raleigh Cycles in Springs

Raleigh Cycles is owned by a United Kingdom firm — Tube Investments

An UMMAWOSA spokesman said yesterday the dispute arose when the company refused to negotiate wages with the union at plant level and insisted that all negotiations take place at industrial council level.

A company spokesman

confirmed yesterday that deadlock had been reached and said the matter would now be referred to the Minister of Manpower

● In another development yesterday 121 members of UMMAWOSA were dismissed by the Maksal Tubes company in Springs after downing tools on Friday in support of a dismissed shop steward

The company said the shop steward was dismissed because he was found asleep on duty and had already received a final warning after other complaints

Ummawusa deadlock

THE United Mining, Metal and Allied Workers' Union of South Africa has deadlocked with Marksal Tubes in Springs following the dismissal of more than 100 workers during a two-day strike at the plant

The workers, all members of Ummawusa, stopped work last Friday after their shop steward was dismissed. They were dismissed on Monday when they refused to work.

Mr Enoch Gondongwana, the union's secretary, told The SOWETAN yesterday that they held talks with management on the issues, including the reinstatement of the sacked workers.

Workers' rights

"We reached a deadlock when management refused to accede to the workers' demands. We will continue to fight for the workers' rights in another round of talks to be held soon," he added.

A company spokesman said the workers were warned in August that if they resorted to industrial action they would be dismissed. On Friday 32 percent of the workforce remained in the canteen and did not return to work.

Meanwhile the union has declared a dispute with a British-owned company, Raleigh Cycles in Springs, following a deadlock in wage demands. The union is demanding a minimum of R2,50 per hour.

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21/11/84
Sowetan

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1809 Sower 22/11/84

750 workers to be laid off

SOME 750 employees of African Cables near Ver-eniging are to be re-trenched because of "dif-ficult economic circum-stances" currently pre-ailing in the country and at the plant.

This was confirmed to The SOWETAN yester-day by the company's managing director, Mr P J Muller, who said that this exercise would be taken as soon as dis-cussions have been com-

pleted with workers and their trade union

The company's envi-saged action comes at a time when most compa-nies have indicated a slump in their profits and have declared hun-dreds of their employees "redundant" due to drought, inflation and economic recession

A spokesman for the Engineering and Allied Workers' Union said the workers were not satis-fied with "losing their

jobs" and were trying to persuade management to devise other means other than retrench-ment

"We are at the mo-moment negotiating and will possibly know our fate today The re-trenchment will come at a time when most of our members owe house rents in the Vaal and during the high rate of unemployment which is gripping the area," the spokesman said

In a statement, Mr Muller said that the re-cent annual report of the company highlighted the difficult economic cir-cumstances currently prevailing in the coun-try.

"The company as a re-sult is reviewing its scope and range of activ-ities"

Mr Muller said that they have already ad-vised their employees and their representa-tives of possible devel-

opments and how they will affect employees

"Future meetings will occur in this regard, but the company would not like to anticipate the outcome of these things

We have also advised them of a reorganisation of our product range"

As a result of the reorganisation, Mr Mul-ler added, the services of some 750 employees would be declared re-dundant

PE port gains in Iscor ^{23/11/84} ⁽¹⁸⁹⁾ export boost ^{C. Tume}

PRETORIA — Iscor has stepped up its export efforts to use the current more favourable export climate and rate of exchange position by increasing steel exports by more than a million tons to about 2,4m tons annually

For the first time since 1982, Iscor is again using the Port Elizabeth harbour to export steel products

The Durban harbour, the only one through which Iscor has been exporting steel in recent years, can handle a maximum of about 1,8m tons, and the balance, some 600 000 tons will be channelled through Port Elizabeth, a spokesman said in Pretoria yesterday

In the past financial year, steel products exported were 1,3m tons

It is expected that exporting through Port Elizabeth will last for at least the next two to five years and that slabs and coils of hot-rolled sheet which are conveyed by block train from the Vanderbijlpark works, will pass through the port at a rate of about 50 000 tons per month

The destinations will be in Europe, the Far East and possibly also the United States, the

spokesman said

The first shipload, due to be shipped on December 15, comprises 15 000 tons of slabs, valued at more than R4-million

It is part of an order for 30 000 tons received from China Steel, in the Republic of China, with the possibility that the order may be increased by a further 20 000 tons

A second 15 000-ton shipment will also leave Port Elizabeth harbour during December

"So far, the planned steel slab exports through the harbour up to the end of February 1985 will amount to 80 000 tons," the spokesman said

A consignment of 30 000 tons to Spain was being planned and negotiations for further orders from other countries were currently being conducted

The exports through Port Elizabeth would provide an appreciable injection to the economy of the city and its environs

"It is expected that Iscor's exports will make a direct contribution of more than R6,5m per annum to the revenue of the region in the form of port, shipping, railway and other activities" — Sapa

Plan for more

Over 3 000 were laid off this month

MORE than 3 000 black workers have been retrenched from their jobs this month.

Trade unionists and employers have predicted that more workers will be laid-off when factories go on vacation for the Christmas holidays next month

About 540 workers, members of the United African Motor and Allied Workers' Union, in Rosslyn near Pretoria, employed by Nissan,

have been retrenched by the company

UAMAWUSA's assistant general secretary told The SOWETAN yesterday that they battled hard to reduce the number because management had originally intended to retrench 870 workers

They have also managed to negotiate a wage agreement with management for the rest of the workers at the plant. The wage package in-

cludes improved working conditions and an attendance bonus

He indicated that more than 360 employees at Motorware — Magnus Truck Corporation near Pretoria are to be retrenched, but "we are still locked in negotiations with management on the aspect"

A spokesman for the Fosatu-affiliate Metal and Allied Workers' Union (Mawu) said that more than 500 of its members at different companies have been laid-off this month following the country's economic recession

"We are battling to negotiate a better deal for them with management. However, employers have indicated that they have no choice

because of the country's economic recession," he said.

African Cables in Vereeniging is to retrench some 750 workers, in Port Elizabeth, Ford has retrenched 1 150 workers and Volkswagen in Uitenhage has retrenched 680 employees.

Nissan's industrial relations director, Mr C V Strydom, confirmed the retrenchments, but said he could only supply details at a later stage.

Meanwhile General Motors has retrenched 449 workers and will shut down for an extended 7½-week Christmas holiday. Altogether some 5 000 workers in the motor manufacturing industry have been retrenched since January this year.

28/11/84
Sowetan

Mercury 21/11/84

Firm accuses strikers of assaulting staff

Labour Reporter

THE management of a strike-hit Durban window frame factory yesterday accused strikers of assaulting staff members who were helping maintain production

The allegation was made by Mr James Milburn, Natal regional manager of Wispeco, as the work stoppage by about 400 employees at the Mobem factory entered its 19th day

The assaults have been reported to police for investigation, Mr Milburn said, adding that further reports of intimidation had also been received from employees who reported back to work

'It is believed the intimidation is being incited by certain retrenched employees who refuse to leave the company's premises,' he said

Almost the entire black workforce downed tools on November 2 after the retrenchment of 95 employees

Mr Bobby Marie, a spokesman for the Fosatu-affiliated Metal and Allied Workers' Union, said yesterday that the workers were

protesting at the company's refusal to negotiate severance pay

'The union has made repeated efforts to resolve the dispute with the company and has put forward a number of options, but all these have been rejected by the company'

Mr Milburn said the company had urged the union to take the matter to the Industrial Council to seek a peaceful and orderly solution, but it refused to follow this option

'Instead they have initiated strike action which will cause considerable hardship and suffering to employees of the company. The action is affecting not only Mawu members but also employees who are members of other unions which have not declared any dispute'

Management was led to believe by both the Engineering and Industrial Workers' Union and the SA Boilermakers' Society that their members were unwilling participants in the strike and that as a result of intimidation they were being prevented from resuming their duties, he said

By PHILLIP VAN NIEKERK
ABOUT 400 workers at a Durban company, Wispeco, have voted to continue their legal strike over retrenchments which is now entering its fourth week.

Their union, the Metal and Allied Workers' Union (Mawu), has also announced plans to launch a national campaign against the approach to retrenchments of the giant Dorbyl-Metcor group, of which Wispeco is part

KDM 24/11/84
**Durban strikers
vote to continue**

A statement by the Union yesterday said it had made "repeated" efforts to resolve the dispute with the company and had put forward a number of options, all of which had been rejected.

Wispeco workers also voted to refer various disputes, such as the alleged

steward, to the industrial council

The Rand Daily Mail was unable to get comment from Wispeco yesterday but in a previous statement Wispeco said that 95 workers had been retrenched under a procedure agreed on by all parties

189

RAW 29/11/84

189

Packaging kings fight for business

By PRISCILLA WYTE

THE big names in the R2,6bn a year packaging market are fighting for business.

The contenders are Nampak/Metal Box, Kohler/DRG/Xacius and Consol

Mr Peter Clayton, an executive director of Nampak, says only about 40% of the facility to manufacture corrugated containers is being used.

He says packaging is an economic barometer — if fewer products are manufactured, fewer are packed

Pre-Christmas trade usually begins to pick up in September. This year, trade began to pick up only the beginning of November, Mr Clayton says

There were two increases in prices of raw material for corrugated packaging this year, one of 6,5% and another of 9,5%.

"There are mummings of a price rise of between 15% and 20% in January," Mr Clayton says

The South African corrugated packaging

market is worth R350m a year. Consumption is 380 000 tons

In the past 18 months, there have been about 20 new entrants to the market, leading to a price war in Transvaal and Natal. As a result, profit margins are thin, Mr Clayton says

Mr Piet Neethling, managing director of Consol, adds "Life is getting tough in packaging as the bigger groups edge in on each others' terrain

Consol is the smallest protagonist in the big league

Mr Neethling estimates that of the total packaging market, Nampak/Metal Box has between 40% and 45%, Kohler 15% and Consol 10%.

The remaining 30% of the market is shared by several small companies who have links with overseas principals.

The three major forces in packaging have gained benefits from diversity, and Consol is still in a capital expansion phase

Mr Neethling says "In the financial year to June 1984, Consol spent between R30m and R35m. In the year to June 1985, more than

R35m will be spent"

He adds that the packaging industry has not suffered as greatly from the recession as the durables sector.

Glass has traditionally been Consol's main product. However, capacity is 25% underutilised owing to the recent entrance of Nampak into the glass market.

Consol's capacity utilisation in glass is between 75% and 80%.

Nampak has provided for the supply of between 10% and 12% of the glass market

Mr Neethling says this market is worth R200m in annual sales and will decline by about 1,5% in the second quarter of the year to June 1985

The R550m rigid and flexible plastics market was sluggish between July and October, but then began to pick up, Mr Neethling says

There is concern about business between January and June next year because of high interest rates

Margins are under pressure and have dropped between one and two percent, which is painful in a business as volume-related as

packaging

"The corrugated packaging market has been the terrain for territorial expansion and price wars"

Early in 1984, the Western Cape witnessed a price war, but prices have since become more stable with Consol taking over Wilder Packaging in October

Consol established a plant in the Western Cape in April 1983

In Natal, Consol is a new entrant and does not foresee a profit.

Mr Neethling estimates the annual size of the cartons market at R250m, and that for flexible paper at R120m

He is concerned that South Africa's economic recovery is affected by the high prices of imported raw materials

Also, prices of imported capital equipment are exaggerated

Mr Tony Crosby, chief executive of Marathon Packaging, estimates that the corrugated market in the Transvaal is worth R200m a year, with an annual consumption of 120 000 tons

Monday 30/11/84 (189)

Future of plastic container industry 'worrying'

Financial Reporter

THE FUTURE of the plastic container industry is faced with 'worrying' times, Mr Trevor Evans, chairman of the plastics division of Metal Box, said in Durban yesterday

Speaking at the official opening of the new Blow Molders factory at Prospecton, he said that sales of beverage containers were still reasonable, but non-beverage containers over the last two months was down by ten percent over the same period last year

'I think this is due to de-stocking by supermarket chains cutting down levels of stocks, but as we import about 40 percent of raw materials for our plastics, the fall in the dollar/rand exchange has also hit us,' he said

Mr Evans said that South Africa was introducing a tremendous amount of new technology into the field of plastic container packaging and in terms of sophistication was not far off the

pace set by the rest of the world and motor oils industries

The new 5 500 square metre plant, opened yesterday, is Metal Box's fifth in Natal and will manufacture a wide range of custom-blown moulded containers for household and cosmetic use and for the chemical

The plant features the latest in blow-moulding technology, including 26 blow-moulding machines and eight decorating machines

Blow Molders Natal regional office is also located at the new factory



Operators feeding the blow moulded containers through the heat treatment machine at the new plant

WAL

Factory workers continue strike

3/12/84
189
Labour Reporter

bl. ABOUT 400 striking employees of Wispeco, a window frame factory at Moberi, unanimously resolved to continue their legal strike which entered its fourth week yesterday

Mr Bobby Marie, a spokesman for the Fosatu-affiliated Metal and Allied Workers' Union, said the workers were protesting against the company's refusal to negotiate severance pay for employees who were retrenched recently

'The union has made repeated efforts to resolve the dispute and had put forward a number of options but these have all been rejected by the company,' he said

At a meeting this week, workers unanimously resolved to continue their strike action and instructed union officials to refer various other disputes to the regional Industrial Council for the Iron, Steel, Engineering and Metallurgical Industries, he said

Mr James Milburn, regional manager of the company in Natal, said in statement to the Mercury that the 'dispute settling procedure' of the Industrial Council failed to resolve the dispute, and the company urged the union to take the matter to the Industrial Court to seek a peaceful and orderly solution

K. 10/1/1 4/12/84 (189)

Workers continue 4-week-old strike

Mail Correspondent

DURBAN — About 400 striking employees of Wispeco, a window frame factory at Mobeni, unanimously resolved to continue their four-week-old legal strike

Mr Bobby Marie, a spokesman for the Fosatu-affiliated Metal and Allied Workers' Union, said the workers were protesting against the company's refusal to negotiate severance pay for employees who were retrenched recently

"The union has made repeated efforts to resolve the dispute and had put forward a number of options, but these have all been rejected by the company," he said

Mr James Milburn, regional manager of the company in Natal, said in statement that his company urged the union to take the matter to the Industrial Court to seek a peaceful and orderly solution

"To date Mawu has refused to follow this option," he said

ADM 4/12/84 (18)

Union considers merger moves

Labour Correspondent
THE country's second-oldest union the Engineering and Allied Workers Union (EAWU), may cease to exist early next year.

Union officials are exploring a merger with another union.

The suggestion is to be discussed at an EAWU congress likely to be held early next year.

Officials are considering a merger because the union faces mass retrenchment of members, particularly at the Meyerton firm African Cables.

It is not yet clear which union EAWU would merge with, but the likeliest candidate is UMMAWUSA, the United Mining, Metal and Allied Workers Union.

An EAWU spokesman said the union had held merger talks with both UMMAWUSA and the Electrical and Allied Workers Union.

It planned similar talks with other unions, he added. It is understood, however, that, if a merger takes place, it would probably be

with UMMAWUSA.

EAWU's history dates back to the 1960's, when it was one of two black unions which refused to leave the Trade Union Council of SA when Tuca closed its doors to African unions in 1969. It was then expelled from Tuca.

EAWU was a founder member of the Federation of South African Trade Unions (Fosatu), but was also expelled.

Recently EAWU dismissed its general secretary Mr Calvin Nkabinde, charging that he had neglected union affairs.

The union's spokesman said membership had dropped to about 2 000 by the time Mr Nkabinde was dismissed, and officials were trying to rebuild the union.

"But mass retrenchments, particularly at African Cables, mean it may no longer be sensible for us to continue as a separate union. We might be stronger if we merged with another union and pooled our resources," he said.

Key dispute is settled with help of mediation

By STEVEN FRIEDMAN
Labour Correspondent

A KEY industrial court case, which was to have tested whether companies must bargain on wages with majority unions outside an official industrial council, has been settled with the aid of mediation.

But, while the union which brought the case, the Metal and Allied Workers Union (Mawu), says the company agreed to discuss wages with it, the company, McKinnon Chain, denies this. It says it did negotiate with the union — but only on long-service bonuses and a change in job grades.

The dispute arose in Maritzburg where the company, with other metal employers, had been resisting Mawu demands that it bargain over pay directly.

In doing so, they are supporting their employer federation, the Steel and Engineering Industries Federation (Seifsa), which is against wage bargaining outside the councils.

McKinnon Chain grants workers pay increases over and above those granted at the council and Mawu argued that these should be negotiated with it, rather than decided by the company alone.

Mawu declared a dispute with the com-

pany, the first step towards testing the issue in the court. A ruling by the court would have had effects throughout industry, as many employers are against bargaining wages outside councils.

The latest issue of Fosatu Workers News, newspaper of the Federation of SA Trade Unions, to which Mawu belongs, says the company reacted to the dispute by suggesting further settlement talks.

The union agreed on condition that a mediator, an advocate Mr Paul Pretorius, was called in.

McKinnon Chain's managing director, Mr John Samuel, this week denied that the increase was discussed with the union. "We negotiated on a long-service bonus and on job grades only," he said.

Mr Samuel said the company raised wages by transferring workers to a higher job grade and it had agreed that the union could suggest changes to the grading system.

"They suggested some changes which obviously affected the pay of a few employees. But only a couple of our 130 workers at the plant had their gradings — and hence their wages — changed as a result," Mr Samuel said.

400 back after five-week strike

Labour Reporter

THE five-week legal strike by 400 employees of Wispeco ended yesterday. But, according to a spokesman for the workers, they would refuse to work overtime until their grievances had been resolved.

The work stoppage, which seriously disrupted the company's production of window frames, started on November 2 after the company embarked on a retrenchment programme and dismissed 95 workers.

According to Mr Bobby Marie, a spokesman for the Metal and Allied Workers' Union, the dispute was over the company's refusal to negotiate severance pay with the union.

After a lengthy meeting this week the workers decided to return to work with immediate effect and instructed the union to refer the dispute to the Industrial Court.

In the meantime, they would be registering their protest by banning

overtime work and imposing a work-to-rule attitude, he said.

Mr Marie said the meeting also discussed the use of 'scab' labour during the strike. 'It was noted that these employees were paid far in excess of what black workers earned for the same jobs and that their presence on the premises could have seriously inflamed racial tension.'

Mr James Milburn, regional manager of the company in Natal, yesterday confirmed that 238 strikers arrived at the company's premises and indicated that they were prepared to return unconditionally.

'At a meeting held with shop stewards this morning management were advised that the workers wished to return to work as normal and that the strike action had now been terminated.'

'Discussions will continue with representatives of the union in an attempt to resolve outstanding matters,' he added.

Wetmore 8/12/84

Workers flee storeroom vapour blast

189

Pietermaritzburg
Bureau

WORKERS at a small factory here fled for their lives yesterday when glue vapour caused an explosion in a storeroom and set the building alight.

The incident happened at Capital Sheet Metal Works in Greyling Street just before 11 a m and by the time the fire brigade arrived the factory was well alight, according to a fire department spokesman.

Firemen used breathing apparatus as they prevented the blaze from spreading to other factories nearby.

One of 12 employees in the small workshop said he had seen a flash in the storeroom and flames quickly spread throughout the building eventually bringing down the roof.

They had managed to flee through the main workshop entrance.

But one of the factory directors Mr Jay Pillay, and a worker, Mr Ismail Mohamed, who had been in an office at the back of the building, had had to climb on to the roof and jump across to the roof of a neighbouring factory to escape the inferno.

● See picture Page 2

W1871 8/12/87

Company doesn't want to talk — union

By STEVEN FRIEDMAN
Labour Correspondent

A BRITISH company Raleigh Cycles has been accused of refusing to talk to union shop stewards at its Springs plant — a claim which it has denied.

The claim is partly the result of a recent visit to South Africa by Mr R A L Roberts, chairman of Tube Investments the British company which owns Raleigh.

Shop stewards of the United Mining, Metal and Allied Workers' Union of SA (UMMAWUSA) asked to meet Mr Roberts to discuss grievances, but were turned down.

The chairman of UMMAWUSA's shop stewards committee at the plant, Mr Alfred Motseni, claimed this week that local management was also refusing to talk to the stewards.

He said the stewards wanted to dis-

cuss wage increases with Raleigh and to complain that although the plant was closing for four weeks at the end of the year, some workers were being paid for only three.

But Raleigh's personnel director, Mr P G Nel, said the issues raised by Mr Motseni had been discussed with shop stewards "at length".

The company was against negotiating wages with unions outside an official industrial council.

...students taken on a tour of the Operational Area in South

Union calls off Durban strike

By STEVEN FRIEDMAN
Labour Correspondent

ABOUT 400 Metal and Allied Workers' Union (Mawu) members have called off a four-week legal strike at a Durban company, Wispeco — but have decided to take other action against the company and the Dorbyl-Metcor group, which owns it.

The workers have decided not to work overtime at Wispeco and to begin a work-to-rule after they return, the union said in a statement issued last week.

Mawu also announced plans for a campaign against Dorbyl-Metcor next year that would include an attempt to block loans to it from the Metal Industries Group Pension Fund. The union sits on the board of the fund, which covers black workers in

the metal industries

The Wispeco strike was prompted by the company's refusal to negotiate severance pay for retrenched workers with the union

The company says this should be discussed at the metal industrial council, but Mawu rejects this

It says the Steel and Engineering Industries Federation (Seifsa), which represents metal employers, has said that severance pay should be negotiated between unions and individual companies

Mawu is taking industrial court action against Wispeco on this issue

A motion the group be refused loans from the pension fund was "strongly endorsed" by the meeting

14/12/84

Union says: No merger

By STEVEN FRIEDMAN
Labour Correspondent

THE country's second-oldest emerging trade union, the Engineering and Allied Workers Union (EAWU), has decided against merging with a rival union

This means it will continue to exist as a union with its own identity despite a decline in its fortunes which led officials to consider merging with a metal union

Officials said a merger might be necessary because mass retrenchments threatened the union's survival — particularly as it followed a period of decline with membership dropping to about 2 000

No decision had been taken on which union EAWU would have merged with, but the likeliest candidate was thought to have been the United Mining, Metal and Allied Workers Union of South Africa (UMMAWUSA), which was formed recently by officials expelled from the Metal and

Allied Workers Union

A union spokesman said yesterday that the suggestion for a merger was put to a recent congress at which all EAWU branches were represented. It was rejected. "Delegates insisted that we maintain our identity," he said.

The union's new president, Mr Ephraim Tsotetsi, said the decision against a merger was final.

Officials will now make an effort to rebuild EAWU into a shop floor force. EAWU's history dates back to the 60s when it was one of two black unions that refused to resign voluntarily from the Trade Union Council of South Africa when Tucs barred black unions in 1969.

● The congress also elected new office-bearers for EAWU. Besides choosing Mr Tsotetsi as president, Mr Zachariah Mochane was elected general secretary, Ms Polly Sibanyoni vice-president, and Mr Benjamin Makhubu treasurer.

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189

Standard Brass to acquire business of engineering firm

(189) ~~20/12/84~~ E. Post
20/12/84

JOHANNESBURG — Standard Brass Iron and Steel Foundries is to acquire from the Unique Engineering Company Pty all its assets and liabilities as a going concern, the company announce

"The business has operated from December 5, 1984, as a separate division of Standard Brass but, in view of the fact that Standard Brass has assisted in financing Unique, the effective date is March 1 1984," the statement says

The purchase consideration would be determined with reference to the audited net profits before tax of the business for the financial years ending February, 1985, and February, 1986, respectively but would not exceed R2 475 000

"The price will be payable in two tranches following the completion of audited financial statements of the business for the aforementioned two financial periods

"Profits for 1984 will benefit by the purchase of Unique and it is expected that Standard Brass' pre-tax profits as a whole will be of the same order as in 1983

"The business will trade under the name Unique Engineering and it should have a material impact on earnings in 1985, but overall earnings will obviously depend upon the business climate, which has yet to show an improvement, and the performance of all Standard Brass Foundry and engineering operations" — Sapa

NO 128/12/84
Firm
fires
400 for
strike

By PHILLIP VAN NIEKERK

MORE than 400 workers at Union Carbide's Tubatse Ferrochrome plant in the Eastern Transvaal have been fired after stopping work to demand the dismissal of a white supervisor who assaulted a black worker

The company insists that the supervisor has already been disciplined for the offence with a reprimand and final written warning

The workers — who were fired last Friday — said their union, the United Mining, Metal and Allied Workers of South Africa (UMMAWSA), was still prepared to negotiate with the company

Mr C S Robertson, group employee relations manager for Union Carbide South Africa, said that the supervisor had been found guilty of manhandling under the joint union-company grievance procedures

"The departmental manager disciplined him by giving him a final written reprimand. But the union said they were still not happy and wanted him dismissed"

A union spokesman said it was the third time the white supervisor had assaulted a black worker

"We fear that if supervisors are not fired according to the company's disciplinary code they will take advantage of their situation, knowing they are well-protected by management," he said