

FOREIGN FIRMS IN S.A

UNITED STATES
OF
AMERICA

JAN — DEC 1981

ASA net asset value rise underlines gold boom

By JOHN MULCAHY

ASA, the US-based gold investment trust, shows a clear indication of the gold boom over the past few years, with its net asset value having risen to R64,06 a share at November 30, 1980 from R35,22 the previous year and R18,46 in 1978.

The trust's annual report indicates that the market value of investments in gold mining companies rose to R502 850 042 in 1980 from R276 156 916 the year before, despite a fall in the cost of the portfolio from R55 020 525 to R54 443 416.

ASA's investment income more than doubled in the year ended November 30, 1980, to R47 625 058 from R20 070 561, and the net realised and unrealised gain on investments increased to R273 418 940 from R160 164 974.

In the annual report the directors note that all sectors of the South African share market showed further improvement during 1980 due mainly to the effect of higher gold prices and good demand for a number of other mineral exports, including coal.

At November last year 81,7%

of ASA's net assets were centred on gold share investments, with the balance split among coal, diamonds (De Beers), platinum and manganese.

In a review of the gold mining industry ASA's directors point to the rise in the average price received by the gold mines, from \$273 an ounce in the first nine months of 1979 to about \$610 in the same period of 1980.

The effect of the increase was to make many blocks of ore profitable to mine which were previously unprofitable due to their low gold content.

The average grade fell from 8,27 grams/ton of ore milled in the first nine months of 1979 to 7,37 grams/ton in the same period of 1980.

"It must be expected, in the absence of a marked setback in the gold price, that the decline in average recovery grade will continue in the foreseeable future."

A further point is the hike in production costs, which rose to R34,80 a ton milled, an increase of 17% over 1979, which was largely due to increases in

wages and salaries, coupled with an inflation rate of more than 13% and additional expenditure on re-opening or opening previously unpayable areas of reef.

In ASA's estimation there appears to be some optimism on the likely rate of increase in production costs in the year ahead, but it seems unlikely that the rise will be less than 15% to 20%.

"This, coupled with the tendency for recovery grades to decline at many mines, suggests that the emphasis in gold investments should be on the better-class mines with adequate lives.

On gold itself the ASA directors note that gold now vies with the dollar as the principal reserve asset in the international banking system and is valued at a market-related price by virtually all the leading industrial nations, with the exception of the US, in determining foreign exchange reserves.

Adjustments in ASA's share portfolio during the year to November last included the reduction in its Doornfontein holding

to 194 400 shares from 568 200, acquisition of 97 100 Western Deep Levels shares and a further 5 000 Hartebeestfontein shares and 85 000 Stilfontein.

The trust disposed of its holding in President Brand during the year, while raising its interest in Winkelhaak to 1 162 200 from 1 162 200, and reducing its Randfontein stake to 27 200 shares from 98 900.

Apart from gold, ASA's most important investments are in energy stocks and diamonds. The energy investments comprise shareholdings in Transvaal Consolidated Lands, Amcoal Trans-Natal Coal, Sasol and Tavistock.

The trust's investment in Sasol will be increased this month as additional shares are issued in terms of the original offer.

On the South African economic situation the ASA directors point to the last Budget, which had a favourable bearing on taxes paid by gold mining companies, while the loan levy was also cancelled. Resulting from the changes the distributable profits of "better-class" gold mines increased by an average of 12,5%.

RDM 9/1/81

Triomf-Occidental link 62 183

By DAVID CARTE

Deputy Financial Editor

OCCIDENTAL Petroleum of the US, the world's 16th biggest corporation, is to take a "substantial" shareholding in Triomf Fertilizer Investments.

Triomf says Occidental (Oxy) is negotiating to acquire the stake in Triomf through the Louis Luyt Group.

In return Mr Louis Luyt will obtain a "substantial" holding in Oxy.

The size of the respective shareholdings is not disclosed as they are still being negotiated.

According to the announcement, the deal will not lead to a change in control of Triomf. Because the deal is being negotiated through the holding company, ordinary shareholders are not directly affected, but Triomf says both companies will benefit.

Triomf says the link will re-

duce international marketing and distribution costs for both companies. While Oxy will be able to concentrate on northern hemisphere customers, Triomf will be able to concentrate on those in the southern hemisphere, so there will be immense logistical savings.

The deal will also enable Oxy to use its five 40 000-ton phosphoric acid carriers more economically.

The research and product de-

velopment expertise of Oxy, Triomf and AECI will be pooled as a result of the cross shareholding and the combined companies will have greater buying power in the procurement of raw materials.

As a petroleum company, Occidental is a major sulphur supplier. Sulphur is a major input and a major cost factor in phosphoric acid production — another good reason for the deal.

U.S. NY
giant 9/1/81
buys (62)
into (22)
Triomf (1/2)

Mercury Correspondent

CAPE TOWN—Occidental Petroleum of the U.S., the world's 16th biggest corporation, is to take a 'substantial' shareholding in Triomf Fertiliser Investments.

An official announcement by Triomf yesterday says Occidental is negotiating to acquire the stake in Triomf through the Louis Luyt group.

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The deal will enable Occidental to utilise its five 40 000-ton phosphoric acid carriers more economically.

Our Financial Editor writes that the deal will most likely enable Triomf to secure a larger share of the southern hemisphere section of the phosphoric acid market as between the two companies they market about 75 percent of the world acid market.

The Richard's Bay plant is presently not working to capacity and expansion is not likely in the near future.

Mrs. Thornton White Prize

For the best work in

first year.

Miss M F J Sandilands

S A Brick Association Prize

For the student who has made

best use of bricks in his

design work.

J G Kirkman

R Stubbs Award

For the best project in

structure and design.

M R I Ness

National Development Fund

for the Building Industry

Book Prizes

For the best student in each

year of study of the degree

course.

First Year

J A L Chapman

Second Year

C S Jones

Third Year

B de Jong

Fourth Year

R W Kohne

George Strachan Prize

For the best final year

student of the degree course.

R W Kohne

LTA Prize

For the best student obtaining

a first class pass for a

dissertation in Building

Management.

S F Richardson

ARCHITECTURE

Armco to
go ahead
with
R35-million
mine

Geoff Shuttleworth

Armco Bronne, the South African subsidiary of Armco US, is to go ahead with a 200 000-ton-a-year fluospar mine and plant near Zeerust at a cost of nearly R35-million.

Mr Eugene Pienaar, managing director of Armco Bronne, said that R4.5-million will be spent on the first phase of the project which will involve a detailed feasibility study and the sinking of a shallow pilot shaft into the centre of the orebody.

He said that current projections are to be in operation by 1983 at an initial production of 200 000 tons a year, all of which would be exported.

The new Armco mine will be second in size only to Gencor's fluospar mine.

Two major ore bodies of 20 million tons of recoverable ore have been delineated but Mr Pienaar noted that a much larger potential exists on other properties also under Armco control. The mineral rights in the delineated area were bought from Esso Minerals.

Immediate plans call for engineering design on the mine and processing plant, which employ the latest environmental techniques.

The underground section of the mine will be developed at a point where the fluospar beds are more than 10 metres thick. He said that although the ore was classified as medium-grade, it had the advantage of being geologically undisturbed and free of contaminating minerals.

NIM testing of samples indicates that high-grade acid-grade fluospar can be economically produced from the ore, he noted.

LC(1/51
1971
12
10

Americans to develop mine

S. Tribune 18/1/81

By GEOFF SHUTTLEWORTH

ARMCO BRONNE, the South African subsidiary of Armco Inc of the US, is to go ahead with the development of a 200 000 ton a year fluorspar mine near Zeerust at a cost approaching R35 million. At present Bronne's only other significant interest in South Africa is its 50 percent stake in Marico Chrome.

The proposed mine will be second in size only to Gencor's Buffalo fluorspar mine.

Armco will spend R4.3 million on the first phase of the project which provides for the acquisition of some mineral rights under

Armco control and the simultaneous start on preliminary development work and on further exploitation in the surrounding area.

Managing director, Eugene Pienaar says extensive drilling has confirmed the existence of at least 20 million tons of recoverable ore in two orebodies.

This considerably enlarges proven fluorspar ore reserves in South Africa which according to the Minerals Bureau are more than 30 million tons.

A much larger potential deposit than the one to be mined exists on another property also under Armco control.

dent.

General J B M Hertzog Prize

D H Pryce Lewis

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

David Haddon Prize

Miss C Tredgold

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

P A Rappoport

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

P F Dunkley

Sixth Year

For the best student in :-
of Architects' Prize
Cape Provincial Institute

FINE ART & ARCHITECTURE

ARCHITECTURE

Tanker spent ^{CT} R1 m ^{19/1/81} ₍₆₂₎ at Cape

By GEORGE YOUNG
Shipping Editor

AMERICAN-owned and Italian-manned 270 000-ton tanker Coalinga, which has dominated the dock scene for seven weeks, will leave behind an estimated R1 million when she finishes sanding and painting this week and sails for the Persian Gulf.

The tanker was towed in at the end of November after the electric motors of the forced-draught fans in the boiler room had burnt out, and in addition to these repairs the tanker received modifications for degassing empty tanks. The hull above surface was sand-blasted and is in the final stages of repainting. The owners elected to effect the work in Cape Town when the demand for ships loading in the Persian Gulf was reduced, and last year technicians from local yards sailed with the tanker preparing specifications for the piping associated with the inert gas plant to be installed.

22/10/51
S.M. (27.139)

Appliance firm and union holding talks

Labour Reporter

Hoover, the American-owned appliance giant, has held talks with the South African Allied Workers' Union (SAAWU) in East London.

The union, which represents most of the workers at the Hoover plant, has been involved in labour unrest in the Western Cape and has refused to register.

The managing director of Hoover in East London, Mr Edward Ashdown, said that because SAAWU represented most of the company's employees, management had met union

officials at the plant and in East London.

"A lot of us (managements) realise the black man is going to find an affinity to a trade union movement," Mr Ashdown said.

"We have not accorded them formal recognition but we have to talk to our employees, and so we do so through elected shop stewards of SAAWU."

He also said the company had talked to SAAWU about its reluctance to register and said he personally could not agree with this attitude because it was better to negotiate with a registered body.

1000 PE blacks

strike over ^{STAR} 26/11/81 new pension plan

Own Correspondent

PORT ELIZABETH — The entire black work force at the Firestone plant here has downed tools in protest against the Government's proposed legislation to stop employees withdrawing pension contributions when they change jobs.

Almost 500 night shift workers refused to man their posts last night, many deciding to stay away while others were turned away by management.

The workers were today joined by another 500 day shift workers who gathered in the factory grounds demanding that management pay out all accumulated benefits to date.

They were to be joined by another 500 workers on the afternoon shift, bringing the total number of striking workers to 1500.

Several workers called for the release of fellow workers who they alleged were detained by security police on Saturday afternoon.

This has been denied.

Firestone workers have rejected the in-company liaison committee and are demanding that ma-

nagement convene a meeting to address the entire work force at the plant.

Management today called on workers to elect three representatives from each shift to open communications with the firm.

The managing director, Mr G P Morum, said today the strike could be attributed to a "communication problem."

Under the proposed pension legislation employees will not be able to withdraw pension contributions until retirement.

Many workers feared they would lose their contributions to date, but this was not the case, said Mr Morum.

He was strongly opposed to workers pulling out of the pension scheme. "If they do withdraw, their losses will be incalculable. But if they are adamant about it, we will pay them out," he said.

However, workers would have to resign in order to claim their pension contributions and would lose the firm's contribution.

Workers would then have to seek re-employment and would have to work for another year before they could rejoin the pension scheme.

fourth

Prize
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Molly Gohl Memorial Prize
For the best woman student
in third year

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

P F Dunkley
Sixth Year

Cape Provincial Institute
of Architects' Prize
For the best student in :-

ARCHITECTURE

FINE ART & ARCHITECTURE

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Cape Provincial Institute
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For the best student in :-

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Miss C Tredgold

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

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

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

John Perry Prize
For the best work in
third year.
R A van Rosenfeld.

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Talks to
end strike
deadlock

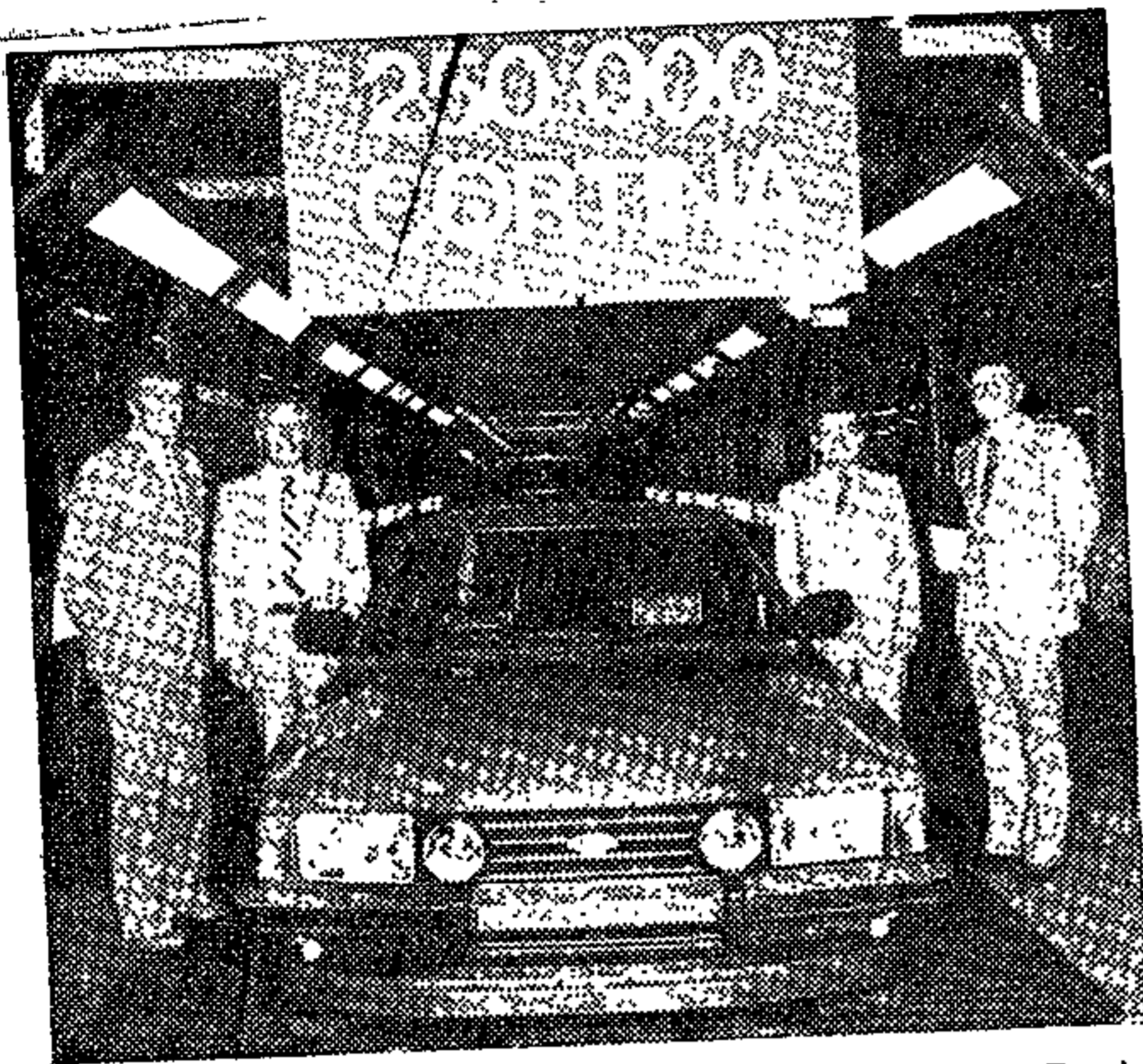
The Star Bureau
PORT ELIZABETH — Ne-
gotiations started today
between 20 labour repre-
sentatives and the ma-
nagement of the Firestone
plant here to bring an
end to a deadlock be-
tween these two parties
since 1500 black workers
there went on strike yester-
day.

The negotiations could
avert an impending clash
between management and
the black labour force
later today when hun-
dreds of workers could
lose their jobs if they do
not meet a deadline to be
back at work.

The workers on strike
initially refused to nego-
tiate with management
unless the managing
director, Mr Peter Morum,
addressed them en masse.

A gathering of about
300 workers outside the
plant gates this morning
chose 13 black and 10
coloured men to represent
them

ARCHITECTURE



A high-performance XR6 was the 250 000th Ford Cortina to be built in South Africa.

Ford notches up 250 000 Cortinas in SA

RDM

27/1/81

62

192

PRODUCTION of Ford Cortinas in South Africa recently reached a total of 250 000, 18 years after the model range was introduced here.

In that period R18-million in tooling and facilities, local components worth millions of rands, hundreds of millions of kilograms of materials and countless man-hours have gone into building Cortinas.

The car has undergone extensive restyling and uprating in the course of its evolution. The Mk 1 was introduced here in 1962, the Mk 2 in 1967, the Mk 3 in 1971 and the Mk 4 in 1976. The recently launched Mk 5 incorporated changes in styling which were probably the smallest involved in any of these changes, yet significantly altered both the appearance and habitability of the car, and considerable engineering changes. One of the most important of the latter was a five-link rear suspension system, developed in South Africa, which markedly improved roadholding and handling.

"As the Cortina consolidated its position in the market we invested increasingly in its local development, engineering and manufacture. When the Mk 1 was first produced in 1962 the local content level was only 12%. Today, in terms of the Government's local content programme, the average for the range of cars stands at an impressive 71%", said Mr Brian Pitt, managing director of Ford in South Africa.

The development of the car range to suit local conditions also led to the production of the company's One-Tonner light truck. It was developed, engineered and tested in South Africa and launched late in 1977. Nearly 10 000 were built in the first year, making it the country's top selling light commercial vehicle in 1978. It is still a market leader in its class.

The success of the Cortina led the company to invest R9,25-million in building what is claimed to be the most modern assembly plant in the southern hemisphere. The plant started operating at the end of 1973 and is the only one in South Africa devoted to manufacturing a single vehicle range. Present production is more than 100 Cortinas a day.

Walkout hits PE ^{S-TAR} firm's production ^{29/1/81}

Labour Reporter

Production at the Firestone Tyre plant in Port Elizabeth has been seriously affected following this week's walkout of about 1 200 workers.

Managing director Mr Peter Morum, said the workers had effectively "dismissed themselves" by not turning up for yesterday's two shifts and today's early morning shift.

He described the reason for the walkouts as "totally illogical."

Management had met with worker representatives over the last two days and told them their major grievance — pension pay-outs — had been resolved.

Workers had expressed fears over proposed legislation which would freeze pensions until the age of 65.

But Mr Morum said they had an exemption from the proposed ruling and Firestone employees had been informed of this, but they had still walked out.

S A Read

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

D H Pryce Lewis

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FINE ART & ARCHITECTURE

ARCHITECTURE

ARCHITECTURE
(Continued)

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first year.
Miss M F J Sandilands

S A Brick Association Prize
For the student who has made
best use of bricks in his
design work.
J G Kirkman

R Stubbs Award
For the best project in
structure and design.
M R I Ness

National Development Fund
for the Building Industry
Book Prizes
For the best student in each
year of study of the degree
course.

First Year
J A L Chapman

Second Year
C S Jones

Third Year
B de Jong

Fourth Year
R W Kohne

Large Strachan Prize
the best final year
student of the degree course.

Kohne

Prize

the best student obtaining
first class pass for a
dissertation in Building
Management.
Richardson

18/1/81

Cut in capital by Dunlop International

DURBAN — Dunlop International's interest in Dunlop South Africa will be reduced from 70 percent to 51 percent of ordinary issued share capital, if the South African company's ordinary shareholders approve resolutions for private placing by the Standard Merchant Bank of 2 850 000 ordinary shares with a number of institutional investors.

The bank announced the placement yesterday. It amounts to 19 percent of Dunlop South Africa's issued ordinary share capital, at a price of 600c a share (ex dividend). The amount to be realised by Dunlop International is R17.1 million.

The private placing will not result in any changes to the management of Dunlop South Africa or to the continuance of the managerial and technical support.

Full details of the placement and the mechanics by which it will be effected, together with a notice of a general meeting of the ordinary shareholders of Dunlop South Africa, will be posted to shareholders on February 2 1981. — Sapa.

BUILDING

FACULTY OF ENGINEERING

Corporation Medals
For the best student in each
of the 2nd, 3rd and final years.

Second Year (Bronze Medal)

Miss G C Littlewort

Third Year (Silver Medal)

Miss N C Davidson

Fourth Year (Gold Medal)

P M Salmon

T J Cumming

D P Weeks

J H Rens

B F McClelland

Professor George Menzies Prize
Awarded on results of final
examinations to the best male
student in Land Surveying or
Civil Engineering.

H Rens

Sammy Sacks Memorial Prize
Awarded to the student with the
best classwork in Engineering
Drawing.

L Menegaldo

A E & C I Prize

For the first year student
obtaining the highest average
mark.

G L Cragg

22/2/51
Firestone
queue to
sign on

Own Correspondent

PORT ELIZABETH —
The week-long strike at
the Firestone tyre plant
in Port Elizabeth has been
broken.

Managing director Mr
Peter Morum said more
than 300 workers reported
for work early today and
many more workers who
had "resigned" were
crowding outside the
plant gate, waiting to be
signed on.

"I expect the full com-
plement of workers, both
black and coloured, to
be signed on by the end
of today," Mr Morum said.

PENSION CHANGE

The 1500 strikers down-
ed tools last Monday
over proposals which
would make it impossible
for an employee to with-
draw his pension contribu-
tions until he is 65.

Despite a guarantee
from Mr Morum that
Firestone would be
exempted from the pro-
posed legislation, they
demanded that their contri-
butions be paid out before
they resumed work.

When they did not
meet a management dead-
line to return to work,
they lost their jobs.

CHEMICAL

R.D.M. 4/3/81

Fedvolks gets 75% of Firestone

1992
62
23

By DAVID CARTE
Deputy Financial Editor

FEDERALE Volksbeleggings has bought 75% of Firestone SA from Firestone of the US for an undisclosed sum.

Partly to finance this deal, FVB has also announced a R30-million rights issue of 9.5% R5 convertible preference shares.

This is the second large acquisition FVB has made from a major North American company in the past year. Last March it bought 75% of Massey Ferguson from that company's Canadian parent.

Firestone SA "has about 25%" of the South African tyre market, Federale chairman, Dr P Rousseau told a news conference yesterday. He believed this made it No 2 in its field.

It has two major factories, one in Port Elizabeth and one at Brits and employs 2 600 people.

Dr Rousseau stressed that the sale was not "disinvestment from SA" by Firestone US. He said Firestone US sold to FVB as part of a new policy of involving partners in its overseas operations.

He showed reporters a copy of a letter from Mr John J Nevin, president of Firestone US, stating: "It's my view that companies like the Firestone Tire and Rubber Company will be more successful overseas, long term, if they associate themselves with partners who are nationals of the countries in which we are doing business."

Firestone has such associates in Japan, Mexico and Spain.

Firestone US is under new management and is also trimming its sails in the recession, selling off other subsidiaries as well.

Dr Rousseau said the management of Firestone SA was nearly entirely South African and would not be changed.

Mr Peter Morum stays on as managing director, and Firestone US will have two representatives on the board — its president, Mr Nevin, and vice-president, Mr Jack M Cornely.

Dr Rousseau said Firestone SA would continue to benefit from US know-how and a technical agreement had been signed.

The reason price has not been disclosed, according to Dr Rousseau, is that "the details are subject to exchange control regulations — always a sensitive issue".

Dr Rousseau confirmed that Firestone SA would use synthetic rubber from Sentrachem's R150-million plant being

built at Newcastle. Sentrachem is also a subsidiary of FVB.

* The convertible prefs will be issued on a basis of 22 prefs for 100 ordinary shares. They will be convertible when the ordinary dividend exceeds the pref dividend of 47.5c. Sanlam will underwrite the issue.

While it was unprepared to comment on price, profits or even turnover, Federale said the acquisition would be favourable to profits. Dr Rousseau would say only that the acquisition would absorb more than half the R30-million being raised by the pref issue.

COMMENT: Perhaps Firestone

does want a South African partner and perhaps it is trimming its sails internationally, but it is hard to imagine that the political problems of US investment in SA did not enter the equation. Especially with the Rev Mr Sullivan breathing down US companies' necks. For this reason I would suspect that Firestone US was a fairly willing seller and the deal will turn out favourable to FVB.

The closest I could get to a price was one FVB source's statement that this was a "big" acquisition, amounting to something like 10% of FVB's assets. Last year, these were about R358-million.

US churches hot up war on SA economy

RDM 23/2/81 (62)

WASHINGTON. — Nuclear energy and South Africa's racial policies are the major targets of this year's church-sponsored campaign for corporate responsibility in the United States.

The campaign, co-ordinated by the National Council of Churches' Interfaith Centre on Corporate Responsibility, will offer stockholder resolutions at meetings of some of the largest US corporations.

More than 50 religious organisations holding approximately \$25-million in stock will take part.

Officials said 26 companies would be asked to change or review their investment policies in South Africa. Eight others would be petitioned on nuclear issues.

Other church-backed resolutions will be offered on a variety of subjects including plant closures and toxic chemicals.

The South African investment campaign is in its 11th year, and Mr Tim Smith, ICCR's executive director,

said: "Church commitment is stronger than ever."

He said support for the anti-apartheid campaign was growing, especially among institutional investors.

Among this year's resolutions involving South Africa:

- Wells Fargo Bank, Crocker National Bank and Merrill Lynch will be asked not to make or renew any loans to the Government "until the system of racist laws and regulations has been revoked";

- Control Data Corporation and Sperry Rand will be asked to terminate all operations in South Africa, and the Fluror Corporation will be asked to end its contracts with the Government;

- Hewlett-Packard and IBM will be asked to ban the sale, lease or service of computers to or for the Government, except in cases of exclusive medical or humanitarian use;

- Citicorp and Continental Illinois Bank and Trust will be invited to establish committees

to review their loans to South Africa;

- Doyle Dane Bernbach Inc, and Republic National Bank of New York, will be asked to end all involvement in the promotion or sale of Krugerrands;

- US Steel and Dresser Industries will be petitioned to adopt the Sullivan code outlining non-discriminatory conditions in the workplace — or to terminate all operations in South Africa;

- General Motors, Ford, and Eastman Kodak will be asked to review their South African connections;

Mobil Oil will be asked to ban sales and services to the South African Defence Force or police and Superior Oil to cease all operations in South West Africa.

The church-backed anti-nuclear campaign, in its second year, seeks to turn a number of utilities and investment firms away from nuclear power, urging them instead to focus on conservation and alternative energy sources.

CHEMICAL

George Menzies Prize

B F McClelland

J H Rens

D P Weeks

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P M Salmon

Fourth Year (Gold Medal)

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of the 2nd, 3rd and final years.

For the best student in each

Corporation Medals

FACULTY OF ENGINEERING

CT 23/2/81 (62) (75) (1404) (1311)

US firm opposed to 'racial' unions

Own Correspondent

JOHANNESBURG - A major company has criticized the government's decision to grant trade unions affiliated to the Federation of SA Trade Unions 'racial' registration.

Mr Murray Rogers, managing director of Kellogg's (SA), said in an interview that his company was "disappointed" by the government registrar's decision and felt that it made "a mockery" of labour reforms.

"The effect of this decision is that these unions are prevented from representing the workers of their choice and we sympathize with them in their

plight," he added.

Kellogg's recognizes a Federated trade union the Sweet Food and Allied Workers Union which is one of those Posatu unions to have received a registration certificate preventing it from bargaining officially for some race groups.

Mr Rogers said that as a US company operating in South Africa, Kellogg's was committed to desegregation in the workplace.

"As such, a non-racial union such as those affiliated to Posatu, is precisely the type of union we would prefer to have to deal with.

"However, this decision

seems to make it impossible for us to deal with one union. Unless it is rescinded we could have to deal with separate unions for each race group. Having taken a decision to desegregate, we would be forced against our will to re-segregate in a crucial area."

This created problems for US companies operating here which were keen to demonstrate to their critics that they were fully committed to desegregation.

He added that it was possible that white workers would be working along one black line on the Kellogg's packing line within the foreseeable future.

"We cannot see the sense of forcing people doing the same jobs to belong to different unions."

The company was also worried about the decision because it could prompt Posatu unions to reject registration.

"We want to work within the law and the official labour system. But this decision is making this difficult to achieve."

Mr Rogers said he hoped Posatu unions would decide to "take a sensible view of the decision and appeal against it". The company hoped the appeal would succeed in overturning the decision.

Wolraad's action is generally considered to have been a Good Thing.

Though his action may be admired, it cannot be argued that he was obliged to act as he did¹². Indeed, his fame rests precisely on the fact that he did considerably more than could reasonably have been expected of him.

It is difficult to avoid the conclusion that the ship-wrecked passengers had no right to require him to rescue them though of course they were no doubt pleased to receive aid. They had no legal claim on Wolraad. They may, of course, have had a claim on the owners of the vessel, but this is a contractual matter about which no problems arise. To put the problem in a modern context, if our car breaks down by the side of the road nobody is obliged to stop and help us¹³.

Though there is no legal claim it may be argued that there is a moral claim. If we argue that there is such a claim, however, the challenge is to define it. Suppose Wolraad had been fifty miles away and heard about the wreck on his short wave radio? Is he obliged to help? If so, to what extent? Suppose that on the same radio he hears about a famine in India, involving far more lives than on the ship. Is he obliged to render help here also? In which case how does his position differ from ours? It is crucial to distinguish between legal obligations, which must be quite precisely defined, and moral obligations which cannot be. We can only talk about rights if we are prepared to enforce those rights, to compel people to save shipwrecked passengers and to hold them accountable before the law if they do not¹⁴. Whether the ship sinks or the car stalls or the crops fail, the same argument applies. Suppose that instead of saving lives Wolraad had gone home and set about campaigning for a lifeboat service or lighthouse. Suppose that as a result both these services were established. As a consequence Wolraad was able to save many more lives in the future (as well as his own). Is this less admirable? In general, should we invest in capital

equipment now in order to increase food production later? This generation.

then, bears burdens to lighten the load of up loss of life (and loss of the quality of life) is so wise as to know the answers?

Some economists, it is true, attempt empirically and pretend to believe their own nothing to increase our knowledge, though jibe that economists know the price of even

Although individually any one of us may have an ultimate obligation, it may be observed that according to this principle and it is difficult to say the least, it would involve probably in the long run an increased death toll. The men employed as medical orderlies. The men not useful as a basis for social policy but no time horizon. It tells us to save lives to save. The moral claim argument, in a doctrine of Acts and Omission - "the belief difference between killing and not killing do not accept this distinction then we must there is no difference between extermination and neglecting to send off an Oxfam cheque consequence of causing the death of a car

In addition, Wolraad's deed raises the question of having got to the wreck, on what basis would he save first? It is difficult to discover "women and children first" (besides bearing which women and which children. Suppose the purpose of saving his father. Would he have the rule of women and children first been ridden out at all. Could he be censured for this? If members of his

Ford labour audit is favourable

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Labour Reporter
The Ford Motor Company had made remarkable progress in implementing the American "Sullivan Principles" on labour relations but still required reform in several areas.
This was the finding of the second independent audit into labour practices at Ford conducted by the South African Institute of Race Relations.
The Sullivan Code consists of six principles of labour conduct which American companies operating in South Africa are

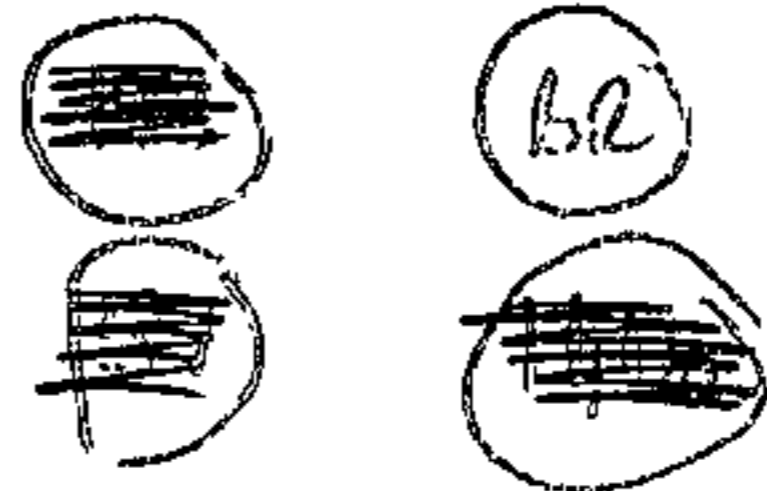
expected to implement to improve working conditions and labour relations for black workers
Ford had implemented a "progressive labour policy" since the first audit and the investigating group was "surprised" at the progress the company had made since the first audit in 1979.
Principles which had been fully implemented were the non-segregation of races in eating and work facilities and there was no racial discrimination in benefit plans.

Recommendations affecting other principles included
• Annual elections for shop stewards by all workers
• Company protection and support for labour leaders, including those from unregistered unions who are "threatened" by the State.
• Investigation of the predominance of whites in certain salaried jobs.
• Housing provision for senior black staff.
An important recom-

mendation of audit report concerned on recruitment and training of workers.
The present graduate trainee and commercial training programmes were still not providing an adequate number of competent black staff
Ford should continue to offer alternative tutorial schemes for school leavers to undertake apprenticeships and other training, the report stated.
The shortage of skilled black workers was ascribed to unsuccessful selection procedures.

LABOUR RELATIONS

Sullivan slammed



FM 6/3/81

Ford, alternately the villain and the hero of SA Labour relations, is again in the hot seat, this time over the second Audit by the SA Institute of Race Relations of its observance of the Sullivan principles.

The report paints a glowing picture of Ford's "progressive" internal industrial relations structure and praises the company for its commitment to "the spirit rather than the letter of the Sullivan principles, and the realistic awareness of the role that the company can play in bringing about peaceful change in the directions envisaged by Sullivan."

Although written by a committee of two sociologists, Cecil Manona and Dr Marianne Roux, an anthropologist, Professor Michael Whisson, an economist, Professor Wolfgang Thomas and an accountant, Professor Wiseman Mkuhlu, the report has drawn an angry response from unionists and has brought into question the usefulness of foreign labour codes and highlighted problems companies face in monitoring them.

The National Union of Motor Assembly Workers (Numarwosa) and the United Automobile and Allied Workers Union of SA (UAW) -- two unions affiliated to the Federation of SA Trade Unions (Fosatu) which merged at the beginning of the year -- and the Motor Assembly Components Workers Union of SA (Macwusa) have labelled the report a "whitewash" and say it gives unfounded credence to company adherence to the "questionable" Sullivan principles.

Says Fred Sauls, Numarwosa organiser: "The spirit of the codes is unrealistic in the political situation in SA. They serve primarily to improve the company's credibility but they were drawn up without prior consultation with workers and are being implemented in the same paternalistic way."

He adds that Fosatu has taken exception to the mention of its standpoint on the wage issue being included in the report.

Sauls says Audit 2, unlike Audit 1, contains no interviews with workers nor does it reflect the views of the black unions active at Ford. "The report contains no views from organised labour. No worker organisations participated in it. It cannot therefore reflect what is really happening."

The report finds that Ford has complied with Principle 1 of the codes -- the non-segregation of races in all eating, comfort and work facilities. However, Dumile Makanda, Macwusa organiser, says that toilet and eating facilities have been integrated. That is all, Sauls adds. "The

company has integrated some facilities but this does not mean integration of people. This step has in some cases hardened the attitudes of white workers who resent interference."

On Principle 2 -- the implementation of equal and fair employment practices -- the report says: "While the structure of the company is essentially fair and opportunities for advancement exist, problems remain in training 'non-whites' to take advantage of the opportunities, in training supervisors and managers to transcend stereotypes and in communication, especially across cultural divisions."

Says Makanda: "Nothing has changed in this regard in the company over the last two years. We would have to be the first to be convinced if it had."

Sauls says the problem of "middle management" still remains. "Even though top management may have made certain decisions in this regard, there are many people down the line who do not share the same sentiments. The report does not consider this problem at all."

The report says that "no racial discrimination" exists in benefit plans. Makanda, however, points out that many workers joined the company when discrimination regarding wages and benefits did exist. "The present structure only serves those who have joined recently. Older workers are still receiving benefits and increments based on their initial wages. The company has done nothing to rectify this."

Under recommendations on grievance procedures, the report raises the issue of

elected and company-paid shop stewards.

The ambivalent position of the shop stewards, especially those paid as such by the company, can lead to difficulties if the workers feel they are being co-opted by the company or even by the union bureaucracy and are no longer fully representative or sensitive to worker feelings."

The report recommends "annual elections on a plant-by-plant basis with open nominations -- not restricted to union members."

Makanda and Sauls strongly condemn this notion as they feel it will mean the introduction of "stooge" shop stewards, because non-union members elected will have no responsibility to anybody -- other than management. Says Sauls: "Under whose authority will they operate?" The report seems to be advocating a liaison committee.

Audit 2 also says the policy adopted by the company concerning discrimination against blacks in organising labour unions has been "exemplary" and that the company, by avoiding showing favour to any organisations, promotes freedom of association within the organisation.

Although unionists agree the company has accommodated the formation of unions at Ford (it was the first company to recognise an unregistered union), they feel the report fails to acknowledge that the company has little power in the face of repressive state action. They use as a case in point Thozamile Botha, who was banned and subsequently fled the country. With regard to Principles 4 and 5 -- developing training programmes for su-



Sauls . . . the same old paternalism

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Why them stones sold out to SA

S. T. ^{Amo} Special Finance Correspondent

8/3/81
FIRESTONE this week became the first international tire company in 18 months to sell a large slice of its South African asset.

It joins a band of well-known multinationals — among them IIT, Carsons International, Fiat, Bridon, Yasa and Reed — which have recently decided to reduce their exposure south of the Limpopo.

Political fears have prompted the move in a few, but not most, cases.

Most of the disinvestments appear to result from the parent company's financial plight.

The injection of substantial funds from sales of foreign subsidiaries is one way of improving cash flows crippled by recession in the home market. Dunlop and Bridon apparently needed a cloud of cash at home more than extra dividends from South Africa.

What about Firestone, which is to sell 75 percent of its local subsidiary to Federale Volkshetelings? The company has implied that it was promoted by financial motives.

General Tire's withdrawal in 1979 is believed to have been prompted by its inability to comply with the Carter administration's regulation prohibiting sales of US-origin products or technology to the South African Defence Force and other strategic agencies.

Since that regulation was promulgated almost three years ago Firestone has insisted that none of its products is imported from the US. It has also claimed that the technology used by its South African subsidiary comes from Italy.

Moreover, the company apparently needs the money in the US despite a recent profit turnaround. Firestone has already sold off parts of its Spanish, Mexican and Japanese subsidiaries.

SOWETAN
10/3/81
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FORD LOOKS AT LABOUR POLICY

THE major problem areas facing the giant Ford Motor Company is the identification of people suitable for types of training where blacks are prejudged as unlikely to succeed, says a five-man report by the South African Institute of Race Relations.

The report, first commissioned in 1979, takes an in-depth look at how the Sullivan Principles have been implemented at the motor company.

Rhodes University sociologists Mr Cecil Mazona, and Dr Marianne Roux, anthropologist Professor Michael Whisson; University of the Transkei accountant Professor Wiseman Nkuhlu and economist Professor Wolfgang Thomas prepared the report.

APTITUDE

The report says that the blacks are prejudged unlikely to succeed "because they are believed to be less capable to handle mathematical procedures and for jobs which involve the exercise of authority and supervision."

This can be tackled only by careful pre-training aptitude testing and selection, the report said. The area demands a different type of selection procedure and may benefit from informal consultations between industrial relations officers and shop stewards as to the acceptability of prospective trainees as supervisors.

The report offers far-

By Z B MOLEFE

reaching recommendations on discrimination against blacks in organising labour unions. The company should continue, it points out, in its present approach to organised black labour offer what protection and support it can to legitimate leaders.

It adds: "This support should include those from unregistered unions who are threatened by the State for engaging in peaceful activities in pursuit of the broader goals now seen as appropriate for organised labour. In so doing the company should not be seen to be departing from its even-handed approach to all unions."

To increase the number of blacks in management, the report recommends the company must develop a strategy of recruitment and training far more sophisticated than the present system which does little more than mirror that of the educationally advantaged whites.

For example, says the report, blacks could be recruited in their matriculation year and employed on probationary basis

for a year, during which time they might upgrade their weaker subjects. If their interests and aptitudes coincide with company needs "they could be supported through their higher education, spending their vacation at work in the company. In this way more realistic expectations could be established and some of the frustrations experienced by graduate trainees avoided."

INFLUX

On influx control, the report recommends that the company should press for and support others pressing for freedom of movement and opportunity for all blacks in South Africa, recognising that while this may not be in the short-term interests of most of its employees (who are "protected" in part by influx control), it is in the long-term interest of peace and economic growth.

Still on influx control: "This, surely, is the touchstone of the spirit of the Sullivan Principles — that the signatories will not only do things which are progressive and in their own interests, but will also do things which are not in their own interests, but will also do things which are not in their own interest, for the sake of the mass of the people."

Finally the report says that the 1979 commission criticised the company for spending a great deal

of money, ostensibly in pursuit of the Sullivan Principles, with very little commitment to the spirit of the goals that Reverend Sullivan set.

The 1979 commission recommended that the company be more selective in its efforts and in its identification of targets. While there remains an identifiable division within the company between those who see the Sullivan Principles as a nuisance and those who see them as an opportunity.

And the latter group does not always prevail: "The company has responded far more positively than we imagined possible and a more systematic approach with greater real commitment now forms company policy."

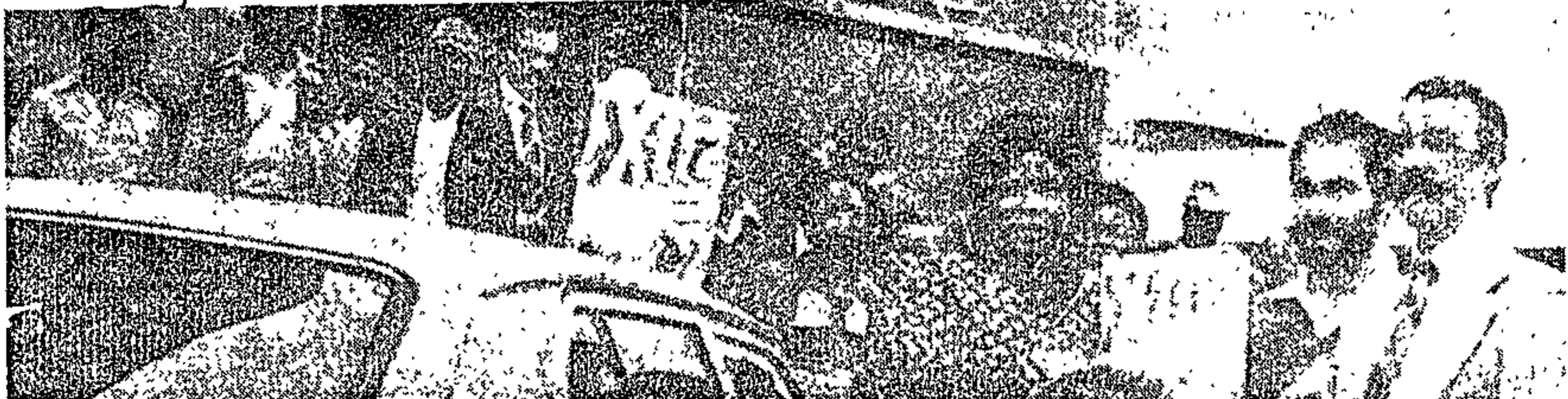
Bursaries

SIX high school students from Ga-Rankuwa, Makau and Kgabalatsene will today be presented with bursaries by the Odi branch of the Bophutha-Tswana Chamber of Commerce.

Mr Nkana Mesh Makena, regional secretary of the African Federated Chamber of Commerce BophuthaTswana affiliates said the presentations will be the second since the fund was established.

Mr Makena said it was envisaged that students would proceed to university through Nafcoc's Masekela/Mavimbela Fund.

Woman wins car



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In the location of Ntshigo (1976)

workers' But Asheen feels differently. "In-company unions are not true unions. They are completely isolated and cannot call for solidarity from other worker bodies. They will always remain glorified liaison committees."

leberg and his colleagues at the South African Medical Council (SAMRC) Tuberculosis Research Unit has provided information on the prevalence of tuberculosis in the Transkei Tuberculosis Study Group, 1974, and on the comparative recent case-finding techniques (de Ville de Goyet and ...). There is very little information yet available on economic and environmental parameters believed to be high prevalence, nor has there been any study of the health services on this major problem.

summarises the results of a small pilot survey carried out at the end of 1976 from St. Lucy's Hospital at ...

er, expressed 'disappointment.' Says a company spokesman. "The union (CSWU) may come back and we may be able to recognise it again."

Fukki Asheen, organiser of Epsfawu, says the company blocked the union's entry into the factory in 1978 on the grounds that it was not registered. Once the union received registration, Cadbury objected to its "racial" constitution. Says Asheen. "At the time the law did not allow us to be a non-racial union. Once this was permissible, the union applied for exemption. This was granted last year."

Botha's warning

One issue helped bring the union controversy to a head. "Workers complained they were being forced to work night-shifts. The company had received exemption from Manpower Utilisation Minister Fanie Botha for workers to volunteer for nightshift. We approached the company on behalf of the workers," says Asheen.

The EPSFAWU victory has highlighted the controversial issue of in-company unions. Last year Botha warned managements that they should not foster "sweetheart unions" and should not involve themselves in organising workers.

A company spokesman says Cadbury still believes, in principle, in in-company unions. "The union has been a useful thing for us - the company including the

UNIONS FM 13/3/81
A sticky end? (62)

A registered in-company union, the Chocolate and Sweet Workers Union (CSWU), which has been active at Cadbury Schweppes (SA) in Port Elizabeth, has come to what may be a sticky end. In a referendum last week, workers at the factory voted in favour of a Federation of SA Trade Union (Fosatu) affiliate - the Eastern Province Sweet Food and Allied Workers Union (EPSFAWU) - which has fought a three-year recognition battle with the company.

In terms of the agreement, negotiated between (EPSFAWU) and the company before the referendum, any union which received less than 20% support would not be recognised. A spokesman for the union says the agreement also included the de-registration of any union receiving less than 20% support, but a company spokesman denies this.

The in-company union received 19.5% support, while (EPSFAWU) received 50%.

The agreement also stated that there had to be a 50% plus poll and that if both unions received more than 20% support both would be recognised.

Fosatu has hailed the referendum results as a "major win for workers on the factory floor." The company has, however,

then proceeded through the location from household to household. For each household and for each individual a questionnaire (previously translated into Xhosa in order to standardise it as far as possible) was filled in and information was recorded concerning symptoms, past use of the medical services, and a wide variety of social and economic factors. All those present were also examined physically for signs of respiratory disease. Children were heard tested where this had not already been done at school, and all adults who could produce an early morning specimen of sputum were asked to do so and given a specimen jar for the purpose. The attitudes of the senior person present in each household were ascertained on a number of topics related to tuberculosis. Where there was good reason to suspect that someone had tuberculosis, they were taken to the hospital for a chest X-ray; but there was no mass radiographic screening available.

Prevalence

The annual incidence of tuberculous infection in the Transkei has been estimated by C. de Ville de Goyet (1974) as 7.55% per annum. The same statistic has been estimated for the black population in other parts of South Africa by the SAMRC TB research unit, and the results are given in Table 2. From this it can be seen that the Transkei and East London (which draws much of its black population from the Transkei) have very high rates of infection.

The attack rate does, however, vary considerably from one location to another within the Transkei (South African Tuberculosis Study Group, 1974). This is borne out further by the results of Hearf tests in schools within the Tsoolo district. These were schools where the public health unit of St. Lucy's Hospital had included Hearf tests as part of the examination of children in the school health programme. Not many schools had been tested at the time of this survey, but the four schools in Table 3 all taught up to Standard 7 and the age distribution of the pupils was probably similar.

The same table indicates that Ntshigo may be one of those locations with a higher prevalence than average, and this is borne out by the survey. The survey used two sources for the tuberculin sensitivities of the children of Ntshigo: the records from the school of the Hearf tests performed by the public health unit a few weeks earlier than the survey, and tests performed on other children in the households during the course of the survey team visits. In all 56, 5% of the children under the age of 15 years were successfully tested, the main difficulty being in finding the children a second time to read the result.

The Hearf test is a semi-quantitative test and low levels of sensitivity are difficult to interpret. The South African Tuberculosis Study Group (1974) considered that Grade I reactions had no specific significance, and cast doubt on the significance of some of the Grade II reactors. (See King (1966) for standard grading of Hearf reactions.) We have accepted Grades II, III and IV as indicative of past infection.

The rate of infection can be estimated from these figures. An exponential rate of infection is assumed (a), so that where age is 't', and the percentage still uninfected is 'q', we postulate an equation:

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FM 13/3/81

Creating a pattern



The SA subsidiary of the American multinational giant 3M was started in the fifties by one man with one other staff member - his wife. Today the firm employs some 1400 people, has an annual turnover of about R100m and markets a range of products from its well-known Scotch tape to highly sophisticated micro-film equipment.

But what is perhaps the remarkable thing about 3M SA is its elaborate and extensive training programmes for its workers.

All multinationals operating in SA are under intense pressure to upgrade conditions for their non-white staff (see leader), epitomised by the famous Sullivan

Principles. 3M SA, with two factories nationwide producing about 10% of the company's 200 or so locally manufactured products, is no exception.

Its parent company, in St Paul, Minnesota, was one of the original 12 signatories in 1977. But 3M SA MD Eric Woods insists that "we were well on the way to developing these programmes before Reverend Sullivan came into prominence."

Perhaps. At any rate, the company has long been non-discriminatory in its pay policies, Woods claims, with personnel manager Barney Bower checking monthly to ensure compliance.

The figures support his claim. Workers

are placed in job classifications having a corresponding wage scale and are paid according to their grades within that classification. In the group representing tool operators and junior clerical staff, for instance, 3M SA's 43 blacks earn an average of R157 a month, while that group's 43 whites earn an average of R416. Bower says that "this illustrates pay according to merit." The minimum salary for any worker is R240.

The company also has a works council, with 10 white and 10 non-white members elected by their peers. The racial breakdown reflects the make-up of the firm's 50% white, 50% black employees. The council can negotiate over wages and

FEKBLLONG
Villages surrounding the hospital
Two days
Approximately every 2 months
Demonstrations on:
immunization
hygiene
TB

SCOTT
Motsckuoa, Matelle
Clinic areas
One week lecture
One week practical
Every 2 months
Group discussions on:
nutrition
hygiene
preventable diseases
health edu. methods

QUTHING
LOCATION OF 9 Villages East & West of Quthing
INITIAL TRAINING
SUBSEQUENT TRAINING
CONTINENT TRAINING
Group discussions/practicals/films on:
immunization
basic hygiene
family planning
Two to three days every 3 months

continued

GOALS	OBJECTIVES	SELECTION OF VHM'S	NUMBER OF VHM'S
To obtain optimal contact between institutional health & consumer by training VHM's	Assist VHM in identifying local health needs/problems solving the above after one year	By mothers attending MCH Clinics through: Chief, MO, or Sister in charge	Originally 10; 2 dropped out; one added. "Up to 120 in near future."
The improvement of the level of health in the villages in the Scott Hospital region	To establish community based health service structure by identifying VHM tasks	Village pitsos called by chief to discuss VHM programme Second pitso called for election of VHM's	Originally 40; 16 dropped out
Getting people involved in their own health care	That women chosen by their own people accept certain designated responsibilities in their own villages	Each community chose 5 volunteers; hospital staff selected 2 staff members for VHM programme	2 to 4 each village
		Improvement of: coordination & communication between health agencies working in the area health knowledge & motivation Development of Health Education materials	

Appendix 1: Comparison of Village Health Worker Programmes in Three Districts of Lesotho (Source: Ministry of Health The Village Health Worker in Lesotho: Report of a Workshop held 20-27 March 1977. Maseru, 1977.)

working conditions.

The concept of work councils, or liaison committees, has been criticised by black trade unionists, but the company says it has not been approached by organisers partly because its manufacturing processes are so varied.

3M SA operates jobsite training schemes, designed to increase an employee's work and earning potential.

One black man's record, while perhaps not the norm, is certainly instructive.

Simon Seema began his working life as a caddy at a Johannesburg golf course and was first employed by 3M SA as a driver. Through on-the-job training, he was eventually promoted to fleet manager. He now oversees the company's 300 vehicles at its five plants nationwide, earning over R12 000 a year.

But the most impressive aspect of the firm's programmes involves its adoption of the "Plato" computerised teaching system in its educational centre - the first SA company to do so.

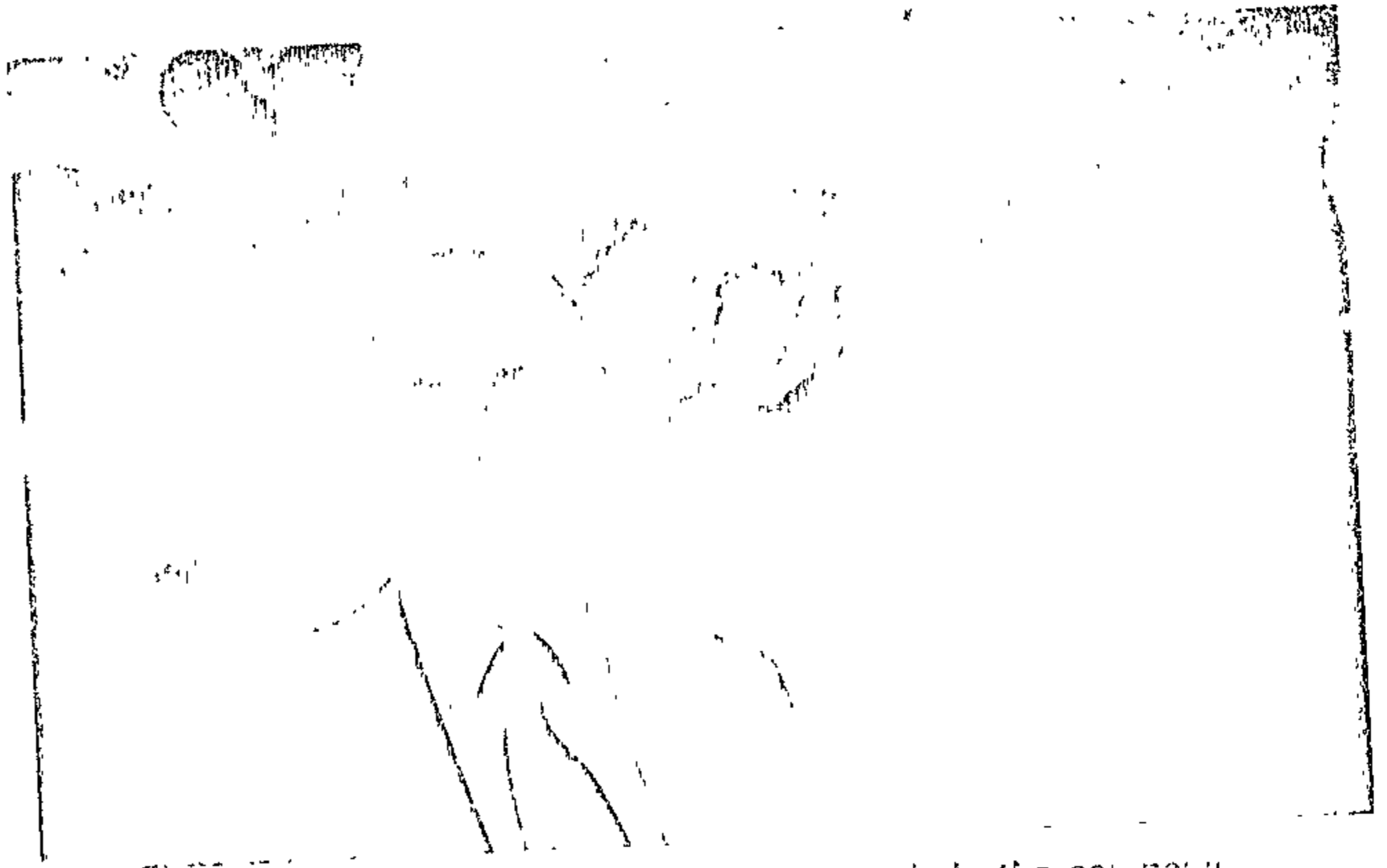
Every employee, regardless of race, at the flagship Elandstontem complex is allowed to take two hours a day with pay to work in the centre, upgrading his or her skills. For some, this means concentrating on the basics of languages and maths. Others are studying advanced calculus and accounting.

Woods estimates that the company has spent over R250 000 in the last three years to develop the centre.

Ben Mokoatle, the educational and training manager, heads a staff of six who last year worked regularly with 137 black and 130 white workers, out of the approximately 700 employed at the Elandstontem site.

At present, 24 black workers are receiving basic literacy education.

Mokoatle, who has been at the centre since its inception in mid-1979, says that "when I started here, it wasn't easy for



Woods: "Helping employees is to help the company."

many of the whites to accept that a black man could run a programme like this. Now the attitude is very positive.

Dependants of employees are also encouraged to use the centre, which remains open until midnight five nights a week. On a recent afternoon, a 14-year-old girl with a learning disability, a manager's daughter, was being tutored by a staff member using the Plato system.

Mokoatle hopes to launch a programme "within two years" that will allow staff to write matrix while at work. He says he is also preparing to extend his scheme to the company's other sites in SA.

Part of the Sullivan Principles require that signatories adopt a black school. 3M SA has undertaken to support the Tembisa High School and Woods says he expects to spend tens of thousands of rands in the next few years on the project. The company's skilled artisans have volunteered to upgrade the school's

premises.

For Woods, the growth of 3M has not only launched personal and corporate prosperity, but a chance to put into practice certain convictions.

Some executives may resent international pressure. But 61-year-old Woods appears completely sincere in his approach.

The former World War 2 bomber pilot is actively involved in helping SA's retarded children, having personally donated "do-it-yourself" plane construction kits to a number of institutions. The idea is to provide both the retarded with a meaningful exercise and the institutions with needed money when the completed planes are sold.

"We all have a need to contribute. When I get up in the morning, I have to know that I'm doing something that helps," he says. "It's not so unusual."

That may be, but the extent of 3M SA's programmes underscores Woods' beliefs.

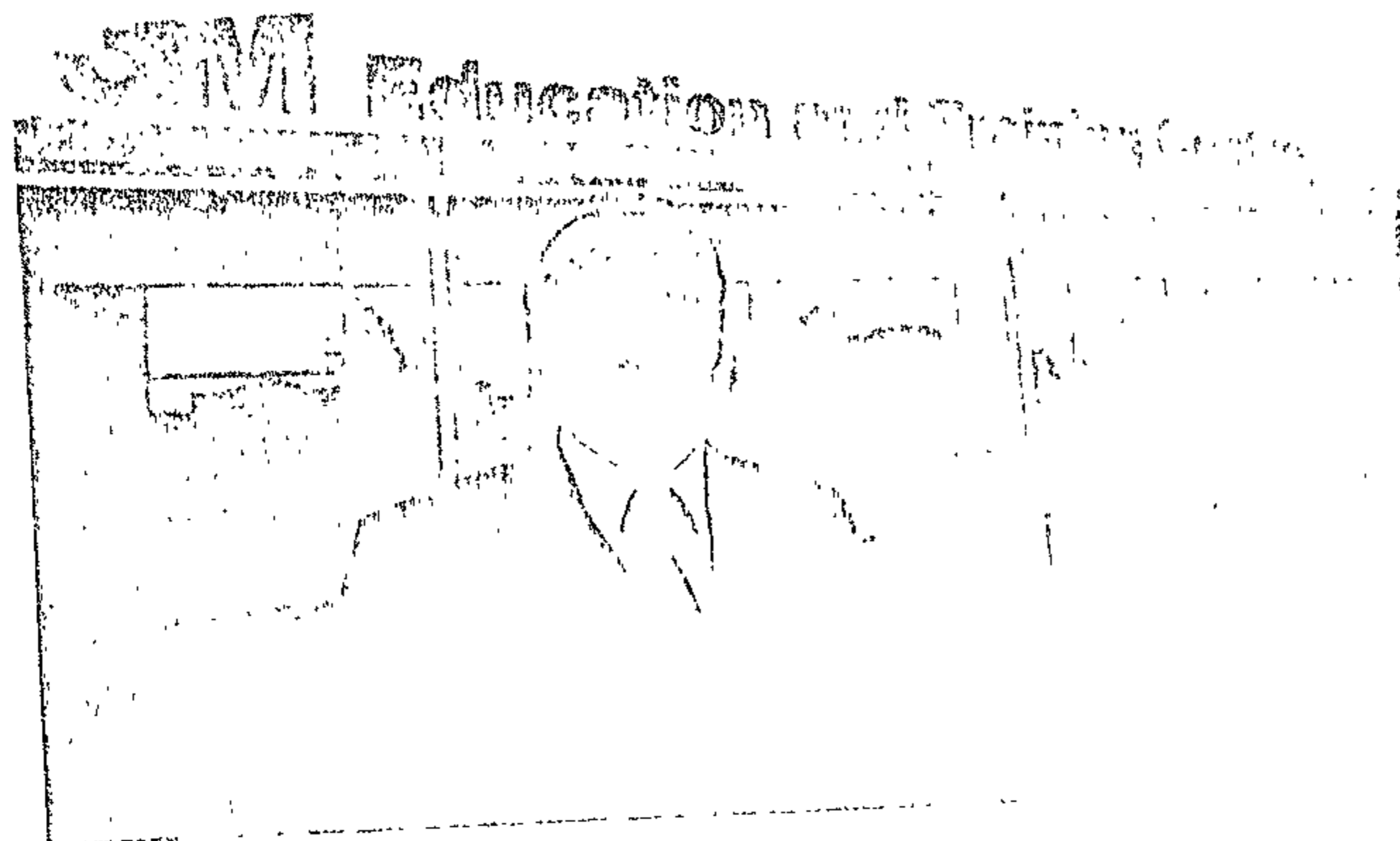
Yet another example: the company operates a recreation programme for its workers. The Elandstontem complex has soccer fields, tennis and squash courts, and sponsors a league for teams from neighbouring firms. The only stipulation for use is that every team be multiracial.

"We don't care if it's 10 blacks and one white, as long as it's mixed. We've actually had a few single race teams," Woods says. "But it's been worthwhile. More prejudices are broken down on those fields than anywhere else."

But how do all these schemes affect 3M SA's profitability?

Woods explains: "If we hope to reach our goals as a company, it is absolutely critical to help our non-white employees advance. My parent company realises it's part of the cost of doing business in this country."

"We are trying to create a pattern for other companies to follow. If we don't do it, who will?"



3M's Mokoatle: "Attitudes have become more positive."

Assisting:

EBERLONG

SCOTT

QUINN

SPRINGS
REDFIELD
(L. 100)

Questioning the codes

(62) FM 13/3/81

Black labour unions play a role in SA far beyond that of negotiation with management.

Their leaders and some of their members see them as a means of political expression and leverage. This makes life difficult for managers trying to meet union demands on a rational basis. Even chairmen of massive companies can't do away with the Group Areas Act.

Sometimes, therefore, management and black unions tend to talk past one another.

However, there is one surprising area of agreement: both sides seem to feel, on balance, that codes — such as those of the EEC and Leon Sullivan are losing relevance in SA.

Fred Sauls, general secretary of the National Motor Assembly Workers Union, puts it crisply: "Workers were not consulted and they do, therefore, not accept that the codes represent their interests. For workers, the only acceptable agree-

ment on employment practices is one negotiated between them and management."

Another labour observer says that managements have to "work at bumping about change — in their companies, and in the broader context. It's not enough that they subscribe to statements of high sounding principles." This, of course, calls for business to enter the political arena — an impractical approach.

The *PM* also learns that some companies, among them foreign subsidiaries, are questioning the relevance of the foreign codes in the light of recent developments in labour relations in SA — changes in labour legislation, the growing strength of black unions, and guidelines initiated by bodies such as the Federated Chamber of Industries and Barlow Rand.

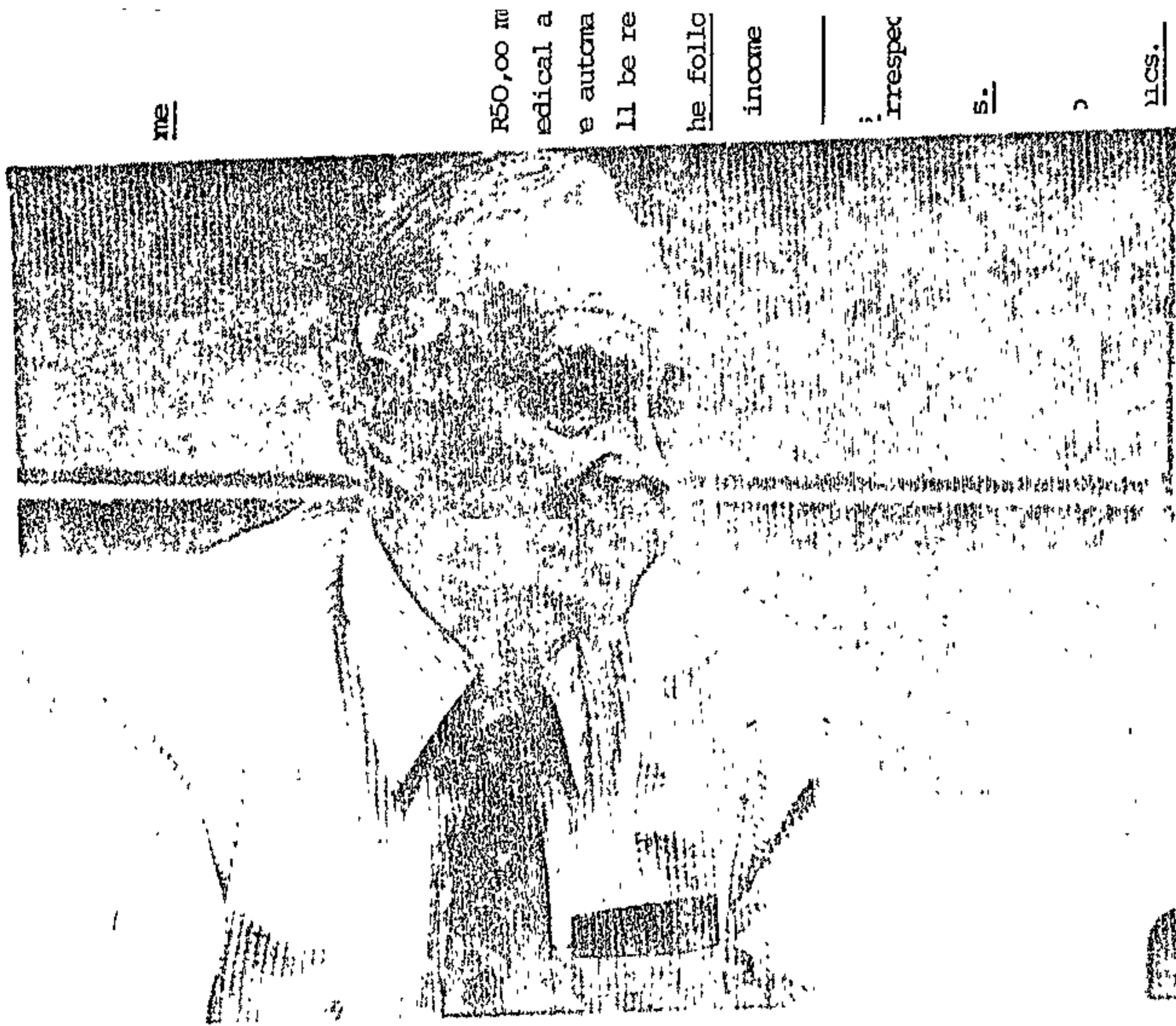
Indeed, some companies argue that they have "gone beyond" measures proposed by the codes, and that their usefulness on

the factory floor has been spent. "The codes are not much more than just plain and good management, and it is essential in SA at present to move faster," says a spokesman for Chloride.

A spokesman for the FCI says that as far as peaceful labour relations are concerned, "the codes are becoming a non-story. They do not, and cannot, deal with issues in detail. It's becoming more evident that this has to be done locally."

Adus Mike Bosholt, executive chairman of Barlow Rand: "We should be reaching the stage where foreign employment codes are replaced in SA by local codes. Certainly, Barlow Rand has its own which we believe goes further in certain crucial areas than either the Sullivan or EEC codes and which are specially tailored to our own requirement."

Labour observers support this view. "The codes are tame because they do not compel a company to do anything. A



Barlow's Bosholt . . . moving to close the gaps

signatory could live with a set of principles for 10 years and not do anything," says one. Furthermore, he feels companies in many instances have been "hiding behind" the codes in an effort to avoid implementing real changes.

A key issue here, however, is monitoring the codes. Neither the EEC countries nor Reverend Sullivan have successfully found ways of keeping tabs on subsidiaries. Both the EEC and Sullivan monitoring relies on annual company reports. Labour observers argue that this gives a picture that is remote from the shop floor.

After his visit to SA last year, Sullivan warned that he would set up an effective monitoring system, and threaten disinvestment action against companies which do not come up to the mark. In addition to the presumption inherent in this approach,

it is, in any event, not practical.

Predictably, to date nothing has happened.

But black unions, too, need to be circumspect. The codes have been beneficial and could continue to be so, although at a lower key.

After all, certain multinationals in key industries have been labelled "pace-setters" in the development of a "progressive" industrial relations structure in SA — among them Ford, Siemens, 3M and Chloride.

Professor Willie Bendix, industrial relations lecturer at the University of Stellenbosch, says: "The codes do serve a purpose in that they set precedents for companies. In the long term, if subsidiaries are signatories to the codes, they will have to answer for their action, or lack of

action."

In a recent study conducted by the University of the Western Cape's Institute for Social Development it was found that overseas companies in the Cape had made many more steps towards change than the SA firms surveyed, in terms of pay scales, benefit coverage, training programmes and general company policies.

It found that the SA companies paid lower wages than overseas companies, while the latter offered, on average, longer leave and higher bonus pay than their SA counterparts, as well as a greater number of fringe benefits.

The survey did not name the companies and it is open to question whether the findings are applicable to all companies in SA. For example, Barlow Rand has implemented a programme to close wage gaps and radically improve the employment conditions of its 200 000 employees.

Of course, it is not always easy for local companies employing vast and unskilled work forces to move rapidly towards the standards of the codes. To do so would push up unit costs and ultimately could prejudice job opportunities.

It is much easier for foreign companies employing only 5%-6% of the total work force to make these adjustments rapidly. US companies, for instance, employ only between 50 000 and 70 000 blacks.

There is reluctance among some firms to recognise unions, particularly those that have not joined the official bargaining system through registration under the Industrial Conciliation Act. Of course, there are always the intransigent and the restrictions in labour mobility play short-term into their hands.

Regrettably, some companies in areas like the Eastern Cape can obtain very easily large supplies of labour. To them, attempts at creating a settled and happy workforce appear unnecessary. Only time will prove the opposite.

BUSINESS TIMES ON THE INTERNATIONAL SCENE

By Irene Saunders
Washington

THE half-dozen US gold mutual funds that invest in bullion and mining stocks have lost little of their appeal despite the recent sharp decline in gold prices.

Sales among the diversified groups, while somewhat dampened, still outpace redemptions. Investors in the mutual funds have had a broad spectrum of orientations from which to choose.

The three largest funds: International Investors, Strategic Investments and United Services, are lead funds. Goldconda Investors, Research Capital and Goldfund are not.

Bullion accounts for roughly 40% of Goldconda and Goldfund assets. While the others concentrate primarily on mining stocks.

Only the shares of the South African gold-producing mines are held by Research Capital. While International and United add developing gold and silver mining stocks to their portfolios. Assets range from \$1.5-million (Goldfund), to \$332.2-million (International Investors). The funds' overall performance has been astoundingly

Gold mutual funds are still attractive

INVESTORS HAVE A BROAD SPECTRUM FROM WHICH TO CHOOSE

for the five years ended December 31, 1980.

According to Lipper Analytical Services, which tracks all six funds, net asset values have surged an average of 512% during the five-year period.

In 1980 alone, the average gain was 63.7%. With individual performance as follows: Goldconda 42.5%, United Services 78.8%, Goldfund 51.2%, International Investors 64.7%, Research Capital 71.7% and Strategic Investments 73.6%. So far this year, the funds' performance has been less encouraging. For the first

two months of 1981, net asset value for the group fell 17.3%, according to the Lipper analyst.

Strategic suffered the most, losing 20.2% of its net asset value. International Investors registered the best performance, but nevertheless lost 14.8%.

Goldconda dropped 15.4%, Goldfund slid by 15.5%, Research Capital 17.4% and United Services 19.2%. The main culprits were the decline in the price of gold and of gold-mining shares. But errors in judgment compounded the problem, say some analysts.

Strategic, for one, anticipated higher gold prices and thus invested in stocks of mining mines such as Durban Deep and Venterspost, where the potential for large gains was high.

But when the price of gold shipped, the leverage turned to the disadvantage of the fund. Goldfund, on the other hand, correctly predicted the metal's decline, but, on the mistaken premise that mining equities would slide more than bullion, the fund sold its South African stocks and bought bullion at just the wrong time.

But, war stories aside, investors remain bullish on the funds. In January, Research Capital's sales of \$900,000 totalled \$10,000 more than redemptions, and the pace accelerated through mid-February.

As for Strategic, January redemptions amounted to only 14% of its \$1-million in sales, and were just 19.8% of its \$631,000 sales in February.

Each is dealing with the dip in the gold price in its own way. Research Capital (the only fund authorized to deal in options) wrote three and four month slightly out-

the-money call options in a handful of its portfolio stocks. Ascent, Homestake, Newmont Mining and Texas-Gulf, to hedge its position in gold shares.

Goldconda has plans to increase its stock of bullion. Portfolio manager Barrett Warrin asserts that since gold must average \$700 an ounce in 1981 for the mining outfits to pay dividends on the order of the generous payouts of last year, bullion will be the most profitable way to deal in gold.

None of the other funds are worrying about a dividend cut since, they say, the mining houses have the necessary cash to meet dividend requirements. Whether it's by bullion, coins or mining company stock the funds all plan to increase their holdings of the metal next year.

Goldfund, for one, intends to purchase some mining shares it sold earlier (at a profit). Strategic is also on a buying spree, particularly in more conservative mining stocks such as Western Dry Levels and East Driewald.

GERIATRIC PATIENTS:

The delay in the development of consultative pharmacological services in each hospital dispensary and the relatively few hospitals in our country which have pharmaceutical services is not yet been realized. The lack of involvement of the pharmacist as a medication consultant at the bedside, the delay in the development of consultative pharmacological services in each hospital dispensary and the relatively few hospitals in our country which have pharmaceutical services is not yet been realized. The potential of the pharmacist in hospital practice, community or as is currently termed, retail pharmacist. The potential of the pharmacist in hospital practice, community or as is currently termed, retail pharmacist. Up to this point, the discussion has centred around the general HOSPITAL SERVICES:

Diabetes is another condition lending itself to such involvement. The pharmacist notes and can monitor compliance by calling delinquent patients who have not repeated their prescriptions by due date or alternatively counsel those who inadviseously increase their own dosage.

Black union's breakthrough

By Drew Forrest

In a major breakthrough, the unregistered South African Allied Workers' Union (SAAWU), yesterday won recognition from an employer after an overwhelming victory in a referendum at its East London plant.

The union polled 93,5 percent of the votes at Johnson and Johnson (Pty) Ltd, and the company later announced that a formal recognition agree-

ment would be negotiated with it.

SAAWU is one of a group of independent unions which have refused to register. This, and its reputation for toughness, have brought intense resistance from many East London employers.

The decision by the American-based multinational company to recognise the union is the second on record. Last year, Chloride (SA) gran-

ted formal recognition to the SAAWU after its success in a similar ballot.

The referendum, which began on Thursday, was held on company premises under the joint supervision of management and the union.

The overwhelming result is seen as evidence of consolidation by the union after the massive upsurge of popular support last year.

The union's branch chairman Mr Sisa Njike-

lana, said the ballot had given tangible proof of SAAWU's commitment to sound industrial relations.

After a one-day stoppage by about 500 workers at the Triomf Fertiliser Company at Richard's Bay, another union won effective recognition.

Once the Fosatu-affiliated Chemical Workers' Industrial Union had proved majority support at the plant, the company would sign an agreement, a union spokesman said.

White haves lose to black have-nots?

C. Herald 28/3/81

(62) 18/172

INDUSTRY in South Africa will go through a period of turmoil and adjustment, says Fred Ferreira, director of industrial relations at the Ford Motor Company in Port Elizabeth.

Last week he gave his news on the Sullivan code of conduct, the simmering discontent at industries,

the growing black labour movements and the adjustment his company had made since the labour unrest at Ford two years ago led by Thozamile Botha.

'I do believe that, in the interest of South Africa and its people, it would be incumbent on all organisations to re-examine their

philosophies to adapt to the realities of South Africa,' he said.

'With blacks deprived of platforms to air their views, many unions have been politicised and view labour movements as a vehicle for political expression.

'Fundamentally, what blacks are after is partici-

pation in the decision-making political machinery. As the consciousness of the contribution they are making grows, they will question long existing methods and systems which evolved without their participation.

'They will start re-examining these systems and the industry will have to face the fact that the system is being challenged by people who did not participate in it and who are even prepared to die to see it reversed,' he said.

The process, which many may view as conflict, will be the moulding of South Africa.

He did not state categorically that Ford had met all the Sullivan principles because the concept of happy labourers is a relative one.

EXPECTATIONS

The expectations of labourers have changed. Many workers look beyond a good salary for satisfaction.

He pinpointed income, working conditions, communication, opportunities for advancement and fulfilment, recreation and housing projects as concepts wanted by workers.

'We have to some extent met some of the Sullivan principles, but the only measurable thing is money and I believe Ford is among the best payers on basic salary scales.'

The company is doing several things to satisfy workers although the level of satisfaction differs from person to person.

'Man,' he said, 'is never satisfied with anything for long. We are busy with redistribution of wealth which involves the haves and have-nots.'

BLACKS AND WHITES

Naturally, he argued, the redistribution involves blacks and whites.

'This brings with it conflict because some people resist this change while others welcome it.'

'Although we have in-service training, the best in the country, and have moved away from discrimination, we can only say we have met the workers' objectives for 1981.'

Mr Ferreira believed disinvestment did not leave a vacuum behind. 'When somebody withdraws his stock, somebody buys them.'

'He pointed out that in South Africa, there was overemployment among whites while blacks were underemployed.'

'I say that if investment creates more jobs for the underemployed, disinvestment can only aggravate the situation for the unemployed.'

ALL BENEFITS

What South Africa needed was the ability to create more job opportunities for everybody so that all could benefit and make meaningful contributions.

He stressed that he believed in orderly change because disinvestment would only create chaos.

Recently the South African Institute of Race Relations conducted an independent second survey into labour practices at Ford and found that the company had made progress in implementing the Sullivan principles.

However, it recommended annual elections for shop stewards by all workers, protection and support for labour leaders, including those from unregistered unions who are 'threatened' by the State, investigation of the predominance of whites in certain salaried jobs and housing provision for senior black staff.

R12.2-m

profit
for GT

STAR
1/5/81
67

By Ann Croitor

General Tyre increased turnover for the 12 months to February 1981 to R129.8-million from R105.5-million for the 14 months ended February 1980.

After-tax profit was R12.2-million, up from R9.5-million. Total dividends were 15c a share higher, with a payment of 65c from earnings of 380.5c a share.

The results reflect a 14 month period for 1979/80 for some companies but turnover and earnings for only eight months for the more recently acquired companies therefore comparisons would be misleading.

As a substantial supplier to the automotive, mining and mechanical and civil-engineering industries the group was able to share in the buoyant trading conditions of this sector.

Colgate denies refusing to meet workers

By STEVEN FRIEDMAN
Labour Reporter

THE US-based chairman of multinational Colgate Palmolive, which is engaged in a bitter union recognition dispute at its Boksburg plant, has visited South Africa and held talks with the company's workers, according to Colgate.

The company also revealed that Mr Keith Crane, its parent company chairman, "fully supports" the stance of local management that it will recognise the union but will not negotiate with it on wages and work conditions.

Colgate says negotiation on this issue should take place through an official industrial council.

The Chemical Industrial Workers Union has declared a dispute on the issue and an official conciliation board has been appointed to resolve it. This is the first step on the way to a legal strike by Colgate workers.

These points are contained in a letter to the Rand Daily Mail from Colgate in which it reacts to allegations by the union that Mr Crane "avoided" a meeting with black workers at the Boksburg plant.

The union claimed workers

had twice tried to meet Mr Crane during his visit but that he had not answered a letter and telegram asking for a meeting.

The company refused to comment on these charges at the time.

In its letter, Colgate says Mr Crane attended meetings at the Boksburg plant on May 4 and 5. "Far from avoiding employees, Mr Crane had conversations with many employees, black and white."

The company says Mr Crane received no telegram from the union requesting a meeting. It confirms it received a letter asking for a meeting from six workers, but says the company's managing director, Mr G W Nocker, replied to this letter.

The letter says Colgate has not refused to recognise the union but has "offered our full support to a union in the efforts it may make to become part of a broadened industrial council".

The letter quotes Mr Crane as saying that he has kept himself "well informed" on the dispute.

Colgate was initially accused of opposing the appointment of a conciliation board.

RDM 13/5/81
Colgate
workers
may go
out on
strike

By STEVEN FRIEDMAN
Labour Reporter

A FOSATU-affiliated trade union will call a legal strike at Colgate-Palmolive's Boksburg plant if its recognition dispute with the company is not resolved.

If a strike is called, it will be only the second legal strike by black workers in the country's labour history.

In a booklet called "Workers' Struggles at Colgate", released yesterday, the union confirms its intention to call a legal strike if the dispute is not resolved.

The booklet, which sets out the union's account of the dispute at Colgate, is to be distributed to all members of Fosatu and to international trade union bodies in the Western world.

A Colgate spokesman said the company would comment on the booklet yesterday, but no comment was forthcoming.

It forms part of a concerted union campaign to win from Colgate the right to bargain on wages and work conditions at the Boksburg plant.

Colgate says it will recognise the union but all bargaining on wages and work conditions must take place through an official industrial council only.

The booklet also contains a comprehensive list of Colgate products, as well as a photograph of some of them.

Although union spokesmen would not comment yesterday, it is likely that the list is a precursor to a consumer boycott against the company if talks break down.

The Minister of Manpower Utilisation has appointed a conciliation board to attempt to resolve the dispute. It will meet on Monday.

If it fails to resolve the dispute, the union may call a legal strike after 30 days have elapsed.

The union says it has produced the booklet "in furtherance of a contemplated legal strike".

It adds: "It has been produced in order to explain to the public and particularly the unemployed, why workers at Colgate may have to take industrial action in order to secure their basic trade union rights."

The booklet details the dispute between it and Colgate at the Boksburg plant.

Throughout the dispute, which has lasted well over a year, the union has accused Colgate of not being prepared to bargain with worker representatives and of violating the Rev Leon Sullivan's labour code for American companies here.

It says that the company's insistence that it will only negotiate on wages and work conditions through an industrial council is an attempt to create a "toothless" union.

Colgate says wages must be negotiated at an industrial council to ensure that minimum wages are uniform throughout the industry.

It denies that it is violating the Sullivan code.

Ford Argus 18/5/81 sends hundreds home

Argus Bureau

PORT ELIZABETH. —

Most workers at Ford Motor Company's Struan-dale assembly plant were sent home today after production had been disrupted by some workers who refused to handle products from a tyre company.

About 1000 were asked to go home.

Ford's industrial relations director, Mr Fred Ferreira said that soon after work started this morning, a number of workers refused to handle Firestone tyres on the assembly line.

DISCUSSIONS

Discussions between these employees and labour relations personnel showed they did not intend resuming work and they were suspended.

Their action resulted in a disruption of production, and workers on the trim-line and in the body and paint shops were requested to stop work.

Mr Ferreira said the company had been advised formally by employee representatives last week that certain employees would refuse to handle Firestone products from today.

'The company was informed that the act stemmed from a dispute with Firestone, which had allegedly refused to rehire a number of employees previously dismissed for taking part in a strike at that company.'

Gord had pointed out to all employees what its position and stand was, saying it had more than 300 individual suppliers and it could not interfere in other companies' domestic affairs.

Ford strike goes into second day

STAR 19/5/81

Labour Reporter

The Ford Cortina plant strike in Port Elizabeth went into its second day today with workers refusing to handle Firestone products.

Yesterday about 1000 workers were sent home after employees at the Cortina plant refused to handle the Firestone tyres in support of their colleagues involved in a dispute at the other Port Elizabeth firm.

Production at the plant was halted.

Workers returned to the plant early today and resumed their stand against Firestone products. They were again sent home.

The strike has now spread to the Ford engine plant.

The strikers are represented by the Motor Assembly and Component Workers Union (Macwusa) and talks between the union and Ford management are expected later today.

Macwusa had called on Firestone to rehire dismissed workers after a

dispute over pension payouts earlier this year.

Ford's industrial relations officer, Mr Fred Ferreira, said domestic matters between another company and its workers should not be permitted to interfere with Ford production.

Any employees who refused to handle goods from suppliers would be subject to disciplinary action, he said.

Macwusa's chairman, Mr Dumile Makanda, said today that the Firestone product boycott could spread to other Port Elizabeth firms and the union had warned Ford earlier about the boycott.

"Firestone must re-employ our colleagues," Mr Makanda said.

He added that Ford had already given workers a written warning about the boycott.

At the Leyland Blackheath and Elsie's River plants near Cape Town workers once again streamed back to work although management has stuck to its decision not to start up the plants again until tomorrow.

Solidarity strike

MORE than 1000 black workers at the Ford Motor Company in Port Elizabeth were sent home yesterday after refusing to handle products from a local tyre company.

In a statement to SOWETAN yesterday, Mr Fred Ferreira, Ford's Industrial Relations director, confirmed that the workers have been sent home.

Mr Ferreira also confirmed that Ford management was advised by employee representatives that certain employees would refuse to handle Firestone products

at their plant yesterday.

The company was informed that the action stemmed from a dispute with Firestone which had allegedly refused to re-employ a number of employees previously dismissed for participating in a strike at that company," continued Mr Ferreira.

Mr Ferreira's statement went on: "In response the company stated its position on the subject of employee participation in secondary boycotts to the employee delegation and subsequently brought to the attention of all employees through bulletins in company notice boards.

"Ford does not permit other companies to involve themselves in their internal affairs," emphasised Mr Ferreira.

On the other hand, he

Strike

• From Page 1

warned: "Any employee who refuses to perform his normal job function as a result of the boycott of the product of another company will be subjected to disciplinary procedure."

Explaining the boycott, Mr Ferreira said a number of workers at Ford's Struendale plant refused to handle Firestone tyres shortly before 11 am.

"After discussions between these employees and labour relations personnel, it became apparent that they did not intend resuming work. They were suspended," continued Mr Ferreira.

He also said the refusal by the workers to handle Firestone tyres resulted in a disruption of production patterns at the plant. "Consequently we had to request workers in the trimline and the body and paint shops to stop work and go home. These workers were given two hours' notice of our intention."

Late last night Ford's management and employee representatives were holding talks in an endeavour to resolve the situation.

SOWETAN 19/5/81

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19/5/81

SOWETAN

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Ford strike spreads to GM

Argus Bureau

PORT ELIZABETH

The strike at the Ford Cortina plant, where 1 000 black workers downed tools for the second day today rather than handle Firestone products, spread this afternoon to two other Ford plants and a General Motors factory.

Ford's director of industrial relations, Mr Fred Ferreira, said that in spite of negotiations with worker representatives, the situation at the Cortina plant was unchanged today. The black workers there continued to refuse handling Firestone products

Meanwhile, 400 black workers at the neighbouring Ford engine plant today also downed tools and walked out. They represent about 70 percent of the black labour force there, but essential operations were kept going by the rest of the employees.

Later, about 40 black workers at the Neave assembly plant, which manufactures Escorts, Granadas and heavy lorries, also downed tools.

Ⓢ Strike deadlock — Page 3.

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62 129 152 192
2000

on strike

Argus Bureau
PORT ELIZABETH. — The Holy Spirit Church Hall in New Brighton here, was still packed with about 2 000 striking motor industry workers late today, locked in a meeting with their union leaders to discuss their position. Some of them reported being 'intimidated' by

police on their way to the hall after leaving their work places, while a spokesman for General Motors said there had been reports of much intimidation of black workers by others wanting them to down their tools. A spokesman for the Port Elizabeth based Motor Assembly and Component

Workers Union of South Africa (Macwusa), claimed there were 2 600 people at the meeting, of which many had to stand outside. He claimed 2 000 were Ford workers and that there were 600 from General Motors. The 100 strong black labour force at the Cortina plant today repeated their

performance of yesterday and Monday by walking out when they realised they had to handle Firestone products. They were joined yesterday by 400 workers at the adjacent Ford engine plant, 40 at the Ford Neave plant and 175 at General Motors.

Those on strike are reported to belong to the Motor Assembly and Component Workers' Union of South Africa (Macwusa). The union took a resolution last week — which was conveyed to management — that its members would refuse to handle Firestone products until the 150 workers dismissed following strikes at Firestone over proposed Government pension legislation were re-instated.

The chairman of Macwusa, Mr. Dumile Makanda, said today that Ford had taken a hardline attitude and that he saw no chance of the union backing down unless Firestone re-instated the workers who lost their jobs early this year.

If necessary, Macwusa members at four companies supplying Ford with products could also go on strike, he said.

How Firestone would re-instate the workers if they had already taken on substitutes was 'its own problem of its own creation.'

Police firm in aim to ban meeting

Ev Post
30/5/81 Weekend Post Reporter

139 152 192 62

THE chief of the Security Police in the Eastern Cape, Colonel Gerrit Erasmus, stands firm by his decision to apply for the banning of a workers' report-back meeting scheduled for Monday despite recent developments which could bring about an end to the 12-day strike by more than 3 000 Ford, General Motors and Firestone workers.

Col Erasmus, in an interview, said he would definitely go ahead with his plans to have the mass meeting banned. Asked if this would not aggravate the strike situation in the midst of a possible solving of the dispute, he said: "I can make no comment on that. But there is no indication that the strike is going to be called off anyway."

In an interview today, the organising secretary of the Motor Assembly and Component Workers' Union (Macwusa), Mr Government Zini, said the strike could be called off on Monday if a proposal, during a meeting with Firestone management this week, was supported by Ford and General Motors.

At the meeting, Macwusa officials suggested that each of the

three strike-hit firms agree to employ a quota of the 160 former Firestone workers who lost their jobs during a strike over pensions earlier this year.

Firestone's refusal to re-employ all the workers immediately led to workers at Ford and General Motors refusing to handle Firestone tyres in solidarity with the Firestone workers.

Mr Zini said the talks had, for the first time, been conducted in a "spirit of goodwill" and Firestone officials at the meeting appeared to be "encouraged" by the proposal.

A similar proposal that all three strike-hit firms agree to employ the 160 workers has been made by a Rhodes sociologist and one of the authors of the Ford audit report, Dr Marianne Roux.

According to Mr Zini, Firestone told the Macwusa officials that GM and Ford would be approached about the suggestion during the weekend.

Asked for comment today, Ford's industrial relations director, Mr Fred Ferreira, said he was not aware of the proposals at this stage.

3 car plants now hit by strikes

CT 20/5/81

152 172 62 138

Own Correspondent
PORT ELIZABETH - A strike by 1 500 workers at three Ford Motor Company plants yesterday spread to General Motors when about 175 workers at the Port Elizabeth car plant downed tools in sympathy with a bid by 350 dismissed Firestone employees to be reinstated

Production at the Ford Cortina plant at Struandale was at standstill for the second day in succession yesterday after 1 000 workers - all members of the Motor As-

sembly and Component Workers' Union of South Africa (Macwusa) - had arrived at the plant at 8 am but walked out 30 minutes later

Meanwhile, the deadline for 2 000 workers at Leyland's Blackheath plant near Kraantfontein, who have been on strike since Thursday, to return to work is 7 30am today

Yesterday evening the workers, according to the secretary of the National Union of Motor Assembly and Rubber Workers' of

South Africa, Mr Joe Foster, were "adamant" about continuing their strike till their wage demands were met

The strikers at Struandale were later joined by about 400 workers from the engine plant at Struandale and 40 assembly line workers from the Neave plant.

More than 175 of the 4 000 GM workers employed in the Kempston Road car plant downed tools yesterday morning, and after meeting factory heads and personnel managers, walked off the premises. They are striking in protest against the suspension of two Ford employees and a GM worker for refusing to work with Firestone products

The union's resolution taken last week - which was conveyed to management - is that members would refuse to handle Firestone products till the 350 workers who were dismissed following strikes over proposed government pension legislation, were reinstated.

In a statement yesterday, the Ford director of industrial relations, Mr Fred Ferreira, said the engine plant employees who stayed at their stations had been re-organized to continue with essential operations to support production

Mr Ferreira said management would continue to discuss the issue with employee representatives.

A Ford spokesman said disciplinary action against the strikers had not been considered yet. Employees who refused to work would be automatically suspended and go without pay until they returned to work

A statement released by General Motors yesterday said it was expected that the striking workers would return once the dispute with Firestone had been resolved

A spokesman said production at the plant was not affected

Argus 20/5/81 (152) (142) (139) (62)

PE—2 000 on strike

Argus Bureau
PORT ELIZABETH. —

The strike action of black motor industry workers was growing today with the labour dispute in Port Elizabeth still solidly deadlocked.

About 1500 workers from three Ford plants walked out again soon after starting time this

morning, and the number of supporting strikers at General Motors was reported to have grown substantially from the 175 who downed tools yesterday.

Hundreds of singing workers left the General Motors plant in Kempston Road about 8 am today.

The labour turbulence which began with a refu-

sal by two Ford Cortina plant workers to fit Firestone tyres on their production line on Monday now involves about 2000 striking workers.

The 100-strong black labour force at the Cortina plant today repeated their performance of yesterday and Monday by walking out when they realised

they had to handle Firestone products.

They were joined yesterday by 400 workers at the adjacent Ford engine plant, 40 at the Ford Neave plant and 175 at General Motors.

Those on strike are reported to belong to the Motor Assembly and Component Workers' Union of South Africa (Macwusa).

The union took a resolution last week — which was conveyed to management — that its members would refuse to handle Firestone products until the 150 workers dismissed following strikes at Firestone over proposed Government pension legislation were re-instated.

The chairman of Macwusa, Mr Dumile Makanda, said today that Ford had taken a hardline attitude and that he saw no chance of the union backing down unless Firestone re-instated the workers who lost their jobs early this year.

NEW THREAT

If necessary, Macwusa members at four companies supplying Ford with products could also go on strike, he said.

How Firestone would re-instate the workers if they had already taken on substitutes was 'its own problem of its own creation.'

STRIKERS CLOSE SIX CAR PLANTS

BY SOWETAN REPORTERS

STRIKING workers yesterday brought production at six motor car plants in the Cape to a halt.

• Two Leyland plants — at Blackheath with 2000 employees and Elsie's River with 400 — were hit by a strike over wage demands.

• At the Ford plant in Port Elizabeth, 1000 workers were suspended after a number of them refused to fit tyres made by the Firestone Company, which has refused to rehire workers after a recent strike.

• About 200 black workers at the General Motors Kempston Road plant in Port Elizabeth downed tools and walked out yesterday morning also refusing to handle Firestone products.

• It was reported late yesterday that another two PE plants had joined the "Firestone solidarity strike", but no details were available.

Tuesday's events at the Ford Cortina plant repeated itself yesterday when about 1000 black workers were sent home again when refusing to handle Firestone products on the assembly line.

The plant was expected to remain closed yesterday while management continued to meet employee representatives in an attempt to resolve the situation.

The boycott is linked to a protracted labour dispute between the Port Elizabeth-based Motor Assembly and Component Workers' Union of South Africa (Macwusa) and Firestone management

Cape branch of their union the National Union Motor Assembly and Rubber Workers of South Africa

Mr Foster handed management representatives a letter during a brief meeting at D F Malan Air-

port on Monday. The letter confirmed what the union had told management on May 7 about worker dissatisfaction over wages.

"It is up to management to react. The people are expecting something, but

so far, there is no indication of progress that we see.

• In Pretoria former employees of the Sigma Motor Corporation who were not reinstated after their recent strike refused yesterday to fill in application forms for new jobs because they do not accept their dismissal.

Firestone have refused to re-employ a number of former employees — apparently about 300 — who lost their jobs during a strike at Firestone early this year over a pension fund dispute.

All the strikers in PE are members of Macwusa.

The chairman of Macwusa, M. Dumile Makanda, has said it was Ford management's "hard line attitude and insensitivity" to the issue which ultimately led to the drastic action by the workers.

The strike by about 2000 workers at two Leyland factories entered its fourth day yesterday with no indication of an immediate end to the dispute.

Management suspended the workers last week and instructed them to return to work today. However, workers ignored the suspension and reported to the plant yesterday and the day before, although they are not working.

"Judging by the workers' attitude, there is no chance they will be returning to work today," said Mr Joe Foster, secretary of the Western

Motor
industry
strike

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152
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STAR
20/5/81

GROWS

Own Correspondent

PORT ELIZABETH — Strike action by black motor industry workers was growing today as the labour dispute in Port Elizabeth remained firmly deadlocked.

About 1 500 workers from three Ford plants walked out again after a morning.

The number of supporting strikers at General Motors was reported to have grown substantially from the 175 who downed tools yesterday.

Hundreds of workers were reported to be singing as they left the General Motors Kempston Road plant about 8 am today.

This means that the labour unrest which started with a refusal by two Ford Cortina plant workers to fit Firestone tyres on their production line on Monday has grown into a fully-fledged strike by about 2 000 workers.

The 1 000-strong black labour force at the Cortina plant today repeated their walkout of yesterday and Monday as soon as they saw the company wanted them to handle Firestone products.

They were joined yesterday by 400 workers at the adjacent Ford Engine plant, 40 at the Ford Neave plant and 175 at General Motors.

Those on strike are reported to be the full membership of the Motor Assembly and Component Workers Union of South Africa (Macwusa) at these plants.

The chairman of Macwusa, Mr Dumile Makanda, said today Ford had adopted a hardline attitude and that he saw no chance of the union backing down unless Firestone reinstated workers who lost their jobs early this year.

If necessary, Macwusa members at four companies supplying Ford with

To Page 3, Col 1

Unrest growing

From page 1

products could also go on strike.

Mr Makanda said how Firestone was to reinstall workers if they appointed substitutes was "a problem of its own creation"

"The strike at Firestone was probably a blessing in disguise because those people who lost their jobs were mostly old people

"They have probably now employed mostly youngsters."

Macwusa expected Ford to contact Firestone and put pressure on it

The union was also disappointed that Ford had ordered 400 more tyres from Firestone last week after being warned of the impending boycott.

Mr Makanda said the striking workers were to meet in a church hall in New Brighton today to discuss their position.

Strike continues

Labour Reporter

The strike at the Leyland Blackheath and Elsie's River plants near Cape Town continued today when workers refused to meet management's back-to-work deadline.

All workers were suspended until today after last week's strike over wage increases. Although they gathered at the plants they did not start work.

CAR

August 21/5/81

3 000 out in PE;

Leyland sacks 2 000

STRIKE

SPREADS

Port Elizabeth Bureau and Labour Reporter

THE strike-beset Port Elizabeth motor industry received a fresh shock today with the news that about 1 000 black workers had gone on strike at the Firestone Tyre Company.

These are in addition to the 1 500 on strike at three Ford plants and 200 at General Motors, bringing the Port Elizabeth total to about 3 000.

Meanwhile, Leyland has dismissed the 2 000 striking black workers at its Blackheath and Elsie's River plants following their refusal to return to work yesterday.

More than 1 000 decided at a meeting in Bellville South today that they would stay on strike until their wage demands were met.

Start

The Firestone strike started about 10 pm yesterday when the majority did not show up for their shift.

Today, the 6 am shift followed suit.

Leyland workers passed a resolution at the meeting today demanding a minimum wage increase of 25c an hour to match rising living costs.

They demanded that management immediately hold talks with their union — the National Union of Motor Assembly and Rubber Workers of South Africa (Numarwsa) — with the aim of setting a R2 an hour minimum wage to come into effect within the next four months.

Made clear

Yesterday afternoon, management issued terminology saying that workers had automatically terminated their services by refusing

to work and ignoring instruction to return.

'We wish to make it clear that termination for the above reasons does not constitute redundancy and no redundancy payments will be made.'

The notices said workers could apply for re-employment today.

In Port Elizabeth the strikes in motorcar plants started on Monday when two workers in the Ford Cortina plant refused to fit Firestone tyres.

They had hardly been suspended and replaced when, in a show of solidarity, the 1 000-strong black labour force refused to handle Firestone products.

Spread

They were asked to go home and the plant was closed.

This has happened every morning since, including today.

Meanwhile the strike had spread to the Struan-dale engine plant and the Neave assembly plant, where production had been continued through re-organisation.

On Tuesday afternoon, 200 General Motors

(Continued on Page 3, col 8)

cont



Car Strike Spreads

Algo 2/15/81



Meeting in Bellville South today.

(Continued from page 1)
 workers went on a sympathy strike.

The strikers are refusing to handle Firestone products because Firestone workers were not re-employed after a walk out in January.

The managing director of Firestone, Mr. Peter Morum, said today that workers who did not turn up last night and this morning had been intimidated.

He had been told that when workers tried to board buses last night to go to work they were ordered by officers to get off.

Some blacks had turned up for work, as well as the coloured workers who mostly had their own transport.

The plant was continuing production.

A police spokesman said reports of intimidation had been received, and special patrols had been sent into the townships.

Mr. Morum had said earlier that there were no vacancies for the 160 workers who had lost their jobs during a strike in January.

'If we employed the 160, we would have to release 160 others.'

Mr. Morum reiterated that the company would give priority to hiring workers who walked out in January as vacancies arose.

The chairman of the Motor Assembly and Component Workers Union of South Africa (Macwusa), Mr. Dumile Mxanda, said today that members of his union would not back down.

He was interviewed while leaving the Ford Cortina plant, where he worked.

He said union representatives were to meet Ford management for negotiations.

Blackheath

Mr. Mxanda said security and riot police had tried to stop General Motors workers yesterday as they walked from the plant to a church hall for a meeting with the union.

Black workers who left the Ford Cortina plant this morning, jeered and gave black power salutes to white and coloured workers inside the premises. Many also sang.

A Ford spokesman said today that production

worth R2.3-million had already been lost.

The Macwusa union has said it expects Ford to put pressure on Firestone, and to allow its workers not to handle Firestone tyres.

Leyland South Africa advertised today for assembly workers at the Blackheath and Elstree River plants.

The firm's director of communications and public affairs, Mr. A. Pith, said those workers who had shown a willingness to work would be retained without loss of benefit.

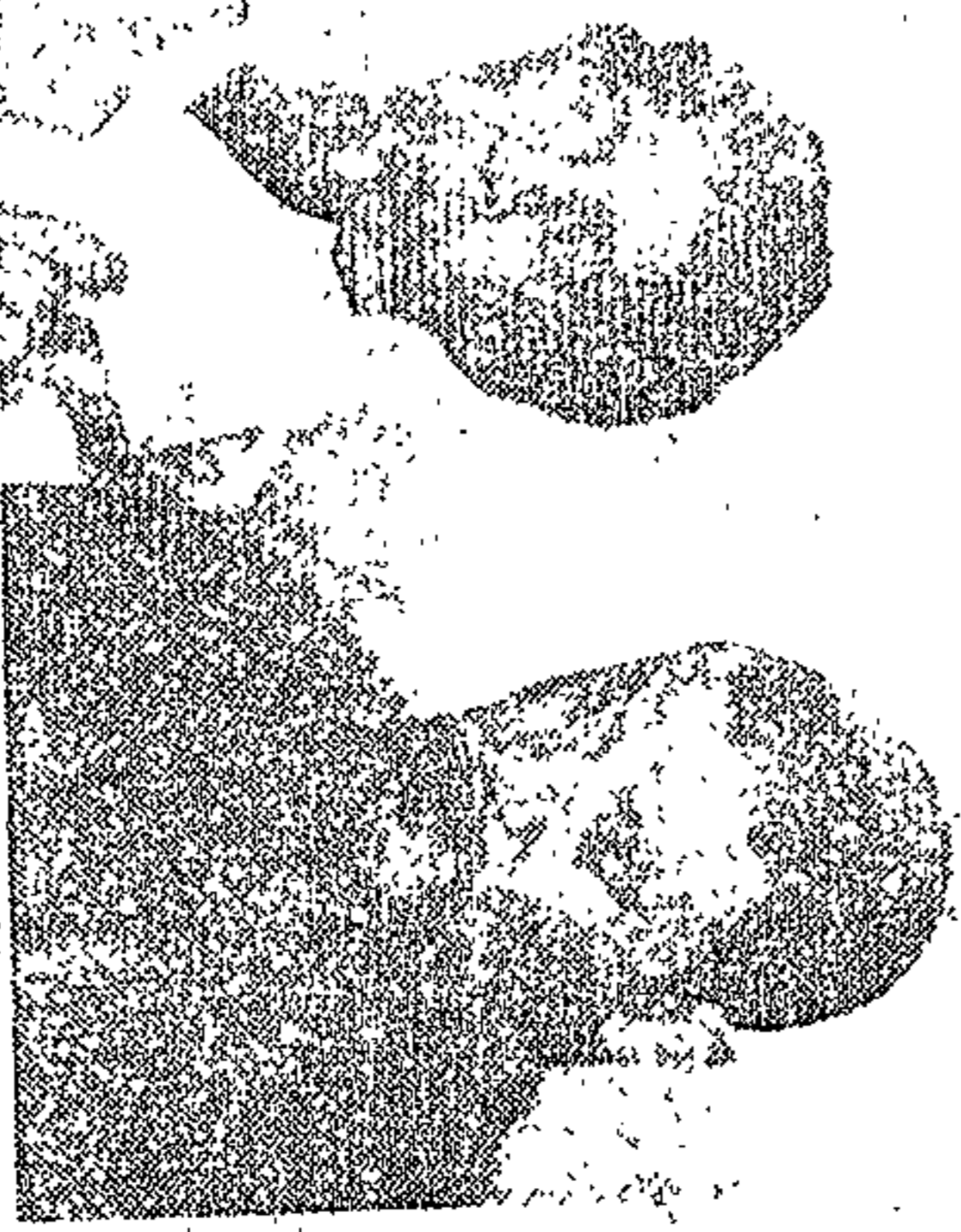
The secretary of the Western Cape branch of Numarwosa, Mr. Joe Foster, said today that very few workers had returned to work.

He dismissed 'as nonsense' claims by Leyland management that the union did not have the support of the workers.

The resolution passed at today's meeting said Leyland had taken a hostile attitude by refusing to negotiate reasonably with the union, as well as through the presence of police.

Numarwosa has received messages of support, including a telegram from the secretary of the International Metal Workers Federation.

.. Addition



DISMISSED: Mr. Hennie Adolain, left, and Mr. Tommy Brand with their payslips.

Talks scheduled on the Ford 'solidarity' walkout

STAR 21/5/81 (62) (39) (47) (48)

Labour Reporter

Ford management was scheduled to meet union officials today for the first time since Monday's mass walkout by workers.

About 1500 workers from three of the four Port Elizabeth Ford plants are still on strike in "solidarity" with colleagues who were dismissed from the nearby Firestone plant earlier this year.

Workers have refused to handle Firestone tyres and are being represented by the Motor Assembly Component Workers Union (Macwusa).

The chairman of Macwusa, Dr Dumile Makanda, said today the union would tell Ford that workers were willing to return to work — but they were still not prepared to handle Firestone tyres.

CAR

Augus 21/5/81

3 000 out in PE;

Leyland sacks 2 000

STRIKE SPREADS

157
139
192
140A
62

Port Elizabeth Bureau and Labour Reporter

THE strike-beset Port Elizabeth motor industry received a fresh shock today with the news that about 1 000 black workers had gone on strike at the Firestone Tyre Company.

These are in addition to the 1 500 on strike at three Ford plants and 200 at General Motors, bringing the Port Elizabeth total to about 3 000.

Meanwhile, Leyland has dismissed the 2 000 striking black workers at its Blackheath and Elsie's River plants following their refusal to return to work yesterday.

Start

The Firestone strike started about 10 pm yesterday when the majority did not show up for their shift.

Today, the 6 am shift followed suit.

At Leyland about 2 000 have been on strike since last week in a demand for higher wages.

Yesterday afternoon, management issued termination of service notices to those still on the premises.

The notices say that workers have automatically terminated their services by refusing to work and ignoring instruction to return.

You can therefore collect your wages and leave pay immediately, the notices say.

Made clear

'We wish to make it clear that termination for the above reasons does not constitute redundancy and no redundancy payments will be made.'

The notices say workers may apply for re-employ-

ment today.

In Port Elizabeth the strikes in motorcar plants started on Monday when two workers in the Ford Cortina plant refused to fit Firestone tyres.

They had hardly been suspended and replaced when, in a show of solidarity, the 1 000-strong black labour force refused to handle Firestone products.

They were asked to go home and the plant was closed.

This has happened every morning since, including today.

Spread

Meanwhile the strike had spread to the Struan-dale engine plant and the Neave assembly plant, where production had been continued through re-organisation.

On Tuesday afternoon, 200 General Motors workers went on a sympathy strike.

The strikers are refusing to handle Firestone products because Firestone workers were not re-employed after a walk out in January.

The managing director of Firestone, Mr Peter Morum, said today that

(Continued on Page 3, col 8)

CAR STRIKE SPREADS Pages 21/5/8

(Continued from page 2)

workers who did not turn up last night and this morning had been intimidated.

He had been told that when workers tried to board buses last night to go to work they were ordered by others to get off.

Some blacks had turned up for work, as well as the coloured workers who mostly had their own transport.

The plant was continuing production.

A police spokesman said reports of intimidation had been received, and special patrols had been sent into the townships.

Mr Morum had said earlier that there were no vacancies for the 160 workers who had lost their jobs during a strike in January.

'If we employed the 160, we would have to release 160 others.'

Mr Morum reiterated that the company would give priority to hiring workers who walked out in January as vacancies arose.

The chairman of the Motor Assembly and Components Workers Union of South Africa (Macwusa), Mr Dumile Makanda, said

today that members of his union would not back down. He was interviewed while leaving the Ford Cortina plant, where he worked.

He said union representatives were to meet Ford management for negotiations.

Mr Makanda said security and riot police had tried to stop General Motors workers yesterday as they walked from the plant to a church hall for a meeting with the union.

Black workers who left the Ford Cortina plant this morning jeered and gave black power salutes to white and coloured workers inside the premises. Many also sang.

Blackheath

Ford's director of industrial relations, Mr Fred Ferreira, said yesterday that the company had become party to a dispute of another company and its workers, and did not intend becoming involved.

A Ford spokesman said today that production worth R2.3-million had already been lost.

The Macwusa union has said it expects Ford to put pressure on Firestone, and

to allow its workers not to handle Firestone tyres.

Early today there were groups of workers outside the closed gates of the Blackheath factory, collecting their pay.

Workers said, there would be a meeting in Bellville today to discuss the situation.

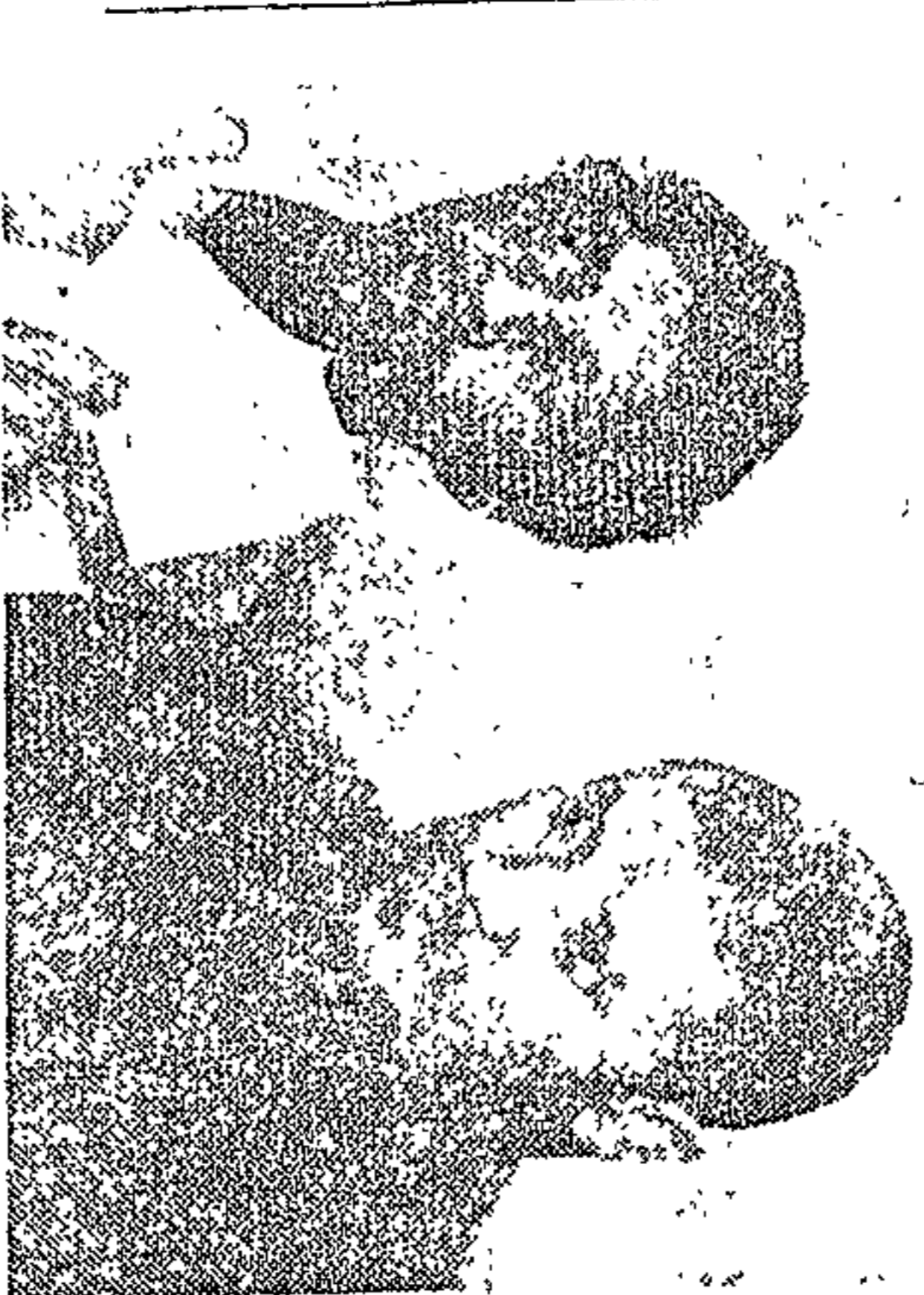
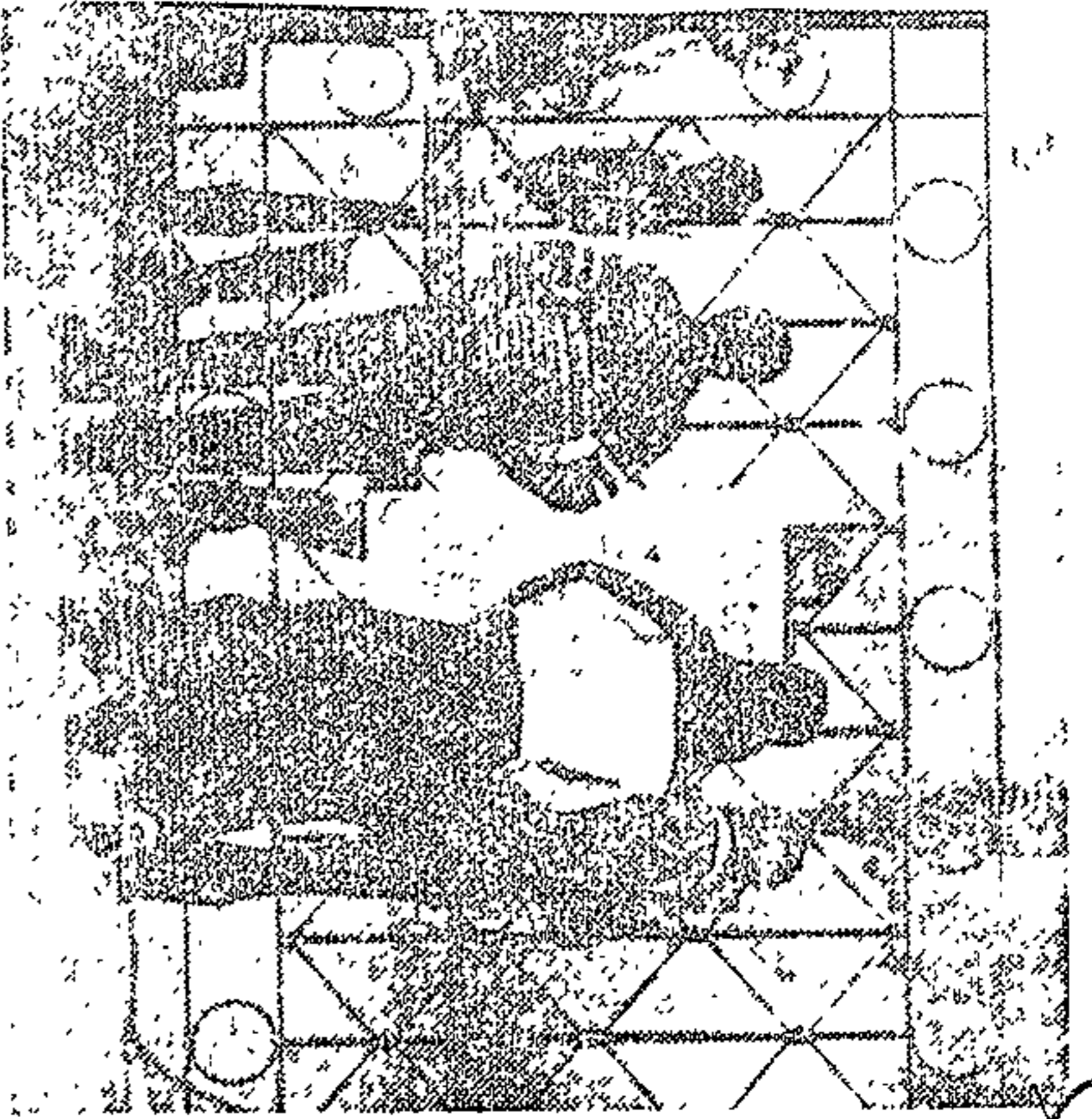
Leyland South Africa advertised today for assembly workers at the Blackheath and Elsie's River plants.

The firm's director of communications and public affairs, Mr A Pitlo, said those workers who had shown a willingness to work would be retained without loss of benefit.

In a statement yesterday, Mr Pitlo said the refusal to work was 'an illegal action in violation of the terms of the agreement between the National Union of Motor Assemblers and Rubber Workers of South Africa (Numarwosa) and the company.'

The Argus Bureau in London today quoted a spokesman as saying British Leyland was very concerned about the strike in Cape Town.

But it regards the strike very much as a 'local affair' and says it is leaving it to the South African management to handle.



1 000 stay STAR 21/5/81 away at Firestone

PORT ELIZABETH —
The strike-beset Port Elizabeth motor industry received another shock today with the news that about 1 000 black workers have now gone on strike at Firestone Tyre Company.

The Firestone strike started at 10 pm last night when the bulk of black workers did not turn up at the start of their shift. Workers on today's 6 am shift followed suit.

The managing director of Firestone, Mr Peter Morum, confirmed this morning that the black workers on last night's and this morning's shifts had not turned up for work. He attributed their absence to intimidation.

He said he was informed that black workers trying to board buses to come to work were ordered by others to get off.

"If we employ the 160 we would have to release 160 other workers."

Mr Morum reiterated that the company would give priority to the hiring of workers who walked out in January as vacancies arose.

As groups of workers left the Ford Cortina plant this morning, they jeered and gave black power salutes at white and coloured workers looking at them from inside the premises. Ford workers walked out on Monday in sympathy.

A spokesman for General Motors said the number of workers absent today was just below 200.

Company faces strike and consumer boycott

STAR
21/5/81
62
152 1/100

By Tony Davis
Labour Reporter

Colgate Palmolive in Boksburg faces a legal strike by its employees next month as well as a consumer boycott after a deadlock in talks this week.

Colgate management

met officials of the Chemical Workers Industrial Union on Monday and yesterday at a hearing of a conciliation board to resolve their dispute.

The CWIU, which is an affiliate of the Federation of South African Trade Unions, had demanded

that Colgate negotiate wages and working conditions and union recognition talks at the plant level.

Colgate, however, had stuck to its position of negotiating only at the Industrial Council level.

As a result of the deadlock the CWIU can hold a strike ballot in 30 days and go on strike if more than half its members support a strike.

A consumer boycott of Colgate products also looms for the company. In a recent booklet issued by the union, the company's products are all listed and pictured.

Union spokesmen see the Industrial Council system as a new means used by employers to control unions and limit direct negotiations.

Ⓢ Page 31: Call to boycott Rowntree products.

C1 21/5/81

FCI call to end strikes

Own Correspondent

PORT ELIZABETH — The Federated Chamber of Industries yesterday appealed to striking Ford and General Motor workers to negotiate a settlement on the rehiring of 160 Firestone workers.

The appeal was made in a statement released in Port Elizabeth yesterday by the chairman of the FCI's labour affairs committee, Mr R J Ironside.

The managing director of Firestone, Mr Peter Morum, yesterday reiterated that the company would give priority to the hiring of the workers as vacancies occurred.

Of the 1 500 Firestone workers who staged a mass walkout in January over draft pension fund legislation, 160 were not re-employed.

Meanwhile, the strikes continued yesterday without management and union representatives meeting.

The walkout by 1 000 workers at the Ford Cortina plant at Struandale three days ago led to the complete closure of the plant today. The stoppage has cost the company R1,8 million in lost production.

And after reporting for duty at the Nieve plant yesterday morning, 100 workers walked off the engine plant floor and about 40 workers refused to take up their positions.

Fosatu

calls for Colgate boycott

By RIAAN DE VILJERS
Labour Correspondent

THE Federation of South African Trade Unions (Fosatu) yesterday called for a country-wide boycott of products of the multinational Colgate Palmolive company.

The call has gone out in support of a Fosatu affiliate, the Chemical Workers Industrial Union which is on the brink of a legal strike at the firm's Boksburg plant in a bid to gain full recognition by the company.

In a statement issued yesterday, Fosatu said the firm's refusal to grant the union full negotiating rights at plant level was a flagrant example of a foreign-owned company taking advantage of the labour situation in SA.

It said it was clear that Colgate had made no genuine attempt to meet the aspirations of the majority of its black workers and added:

"Accordingly, Fosatu calls on all unions and the community as a whole to boycott Colgate products."

Earlier this week, official conciliation board hearings aimed at settling the dispute at Colgate, ended in deadlock and opened the way to a strike ballot by the union.

If workers do eventually go on strike, it will be the first legal strike by a black union since the introduction of the Government's new labour dispensation and only the second by black workers in SA's labour history.

The union declared a formal dispute with the firm earlier this year in a bid to gain full recognition, including the right to bargain at plant level on wages and working conditions.

The company has been willing to recognise the union but will only negotiate on wages and working conditions at industrial council level.

A booklet, setting out the union's account of the dispute and listing all Colgate products, was being distributed to foreign and local labour bodies and other organisations likely to support the boycott.

A union spokesman said yesterday all Fosatu affiliates had agreed to support the boycott and that the union was going ahead with its preparations for a formal strike ballot.

The proposed Colgate boycott is the latest of a growing number of consumer boycotts called by unions in recent years. The SA Allied Workers' Union is also attempting to step up its boycott of Wilson, Rowntree products.

Cape car plant strikes roll on

STAR

22/5/81

1409

1450

152

By Tony Davis
Labour Reporter

Both major motor industry strikes — at Ford in Port Elizabeth and Leyland near Cape Town — are deadlocked.

About 1500 Ford employees have been suspended from work after their refusal to handle Firestone tyres in support of workers at the tyre plant in Port Elizabeth.

Ford management met officials of the Motor Assembly and Component Workers Union (Macwusa) and warned them against engaging in a secondary strike at the plant and that suspensions would not be lifted until the workers returned and handled suppliers' products.

Ford has closed down the Cortina plant, although production continues at the Neave and

engine plants which have also been affected by the dispute.

At the nearby Firestone plant, the managing director, Mr Peter Morum, said there was still a partial stayaway from work which he attributed to worker intimidation.

Macwusa held talks today to decide on a new course of action.

STRESSED

At the two Leyland plants at Elsies River and Blackheath, the company continued to take on a new work force today after Wednesday's dismissal of about 1900 employees.

Leyland management has stressed that it will not negotiate with the National Union of Motor Assembly Workers (Numarw) until production has returned to normal.

And in Britain, pressure is being brought to bear on Leyland by the trade union movement which

has voiced its support for Numarw.

The strikers have demanded wage increases despite an agreement signed last December.

Under the agreement workers were to receive nine cents an hour increase. They are now demanding 25c increase.

Numarw has repeated demands made last month during the Sigma motor strike in Mamelodi for a R2-an-hour "living wage."

Numarw's Cape Town secretary, Mr Joe Foster, has accused Leyland of being insensitive to worker demands.

In both strike situations, unions are calling for reinstatement of employees without any penalisation.

Although both involve the motor industry, the Port Elizabeth dispute centres on the issue of "solidarity" with other strikers while the Cape Town area strikes involve wage demands.

PEOPLE'S MOTIVE Labour unrest

Friday 22/5/81

Argus Bureau

PORT ELIZABETH — In a display of mass defiance, thousands of workers in the Port Elizabeth area have taken part in a strike today. The workers' demands include a 20 per cent increase in wages and a 40-hour week.

A 1000-strong rally was held in New Park at 11am to demand the cancellation of the strike. The rally was held at the Port Elizabeth City Hall.

The head of the Eastern Cape Security Police, Col. Gernot Eason, said today that the police had been alerted to the possibility of renewed activity in the week.

New pamphlets in the form of the African Communist Party were distributed. The chairman of the African Communist Party, Mr. D. M. Nkomo, said today that the party was engaged in a struggle for the liberation of the African people.

Nkomo, said today that the struggle between workers and management at these plants would be a long one.

Has union has rejected Irvinstone's offer to employ the dismissed workers at a reduced rate.

and it now maintains that it will have to dismiss these workers if it is to rehire others.

The provincial director of Irvinstone, Mr. Peter Moran, said today that he had not yet been approached by workers' representatives to negotiate with workers' representatives.

at his plant joined the strikes yesterday.

In Cape Town, striking Leyland workers have reaffirmed their decision to continue their strike until management meets their demands for higher wages. The workers are adamant they are not going back, a spokesman said after a meeting in Bellville South today.

E. Post 23/5/81

New Union tests its strength in strike

WHEN Ford came up with the slogan "There's a Ford in your Future" years ago it might well have been talking about labour relations. For Ford has a habit of being the first to experience new labour trends.

Less than two years ago workers at Ford's Cortina plant in Port Elizabeth walked out in protest at the dismissal of a prominent community leader, Mr Thozamile Botha, at that time president of the growing Port Elizabeth Black Civic Organisation (Pecco).

They walked out not for higher wages, or better conditions, but primarily because an influential community leader had been asked to choose between his involvement in community politics and his job.

This week the Ford Cortina plant workers walked out yet again. Not for higher wages or better conditions, but as a show of solidarity with Firestone workers who lost their jobs during a strike over proposed pension legislation earlier this year.

Ford workers have refused to handle Firestone tyres, and are demanding that Ford cut its orders for Firestone tyres until the 160 former Firestone workers are rehired.

The Cortina plant has since come to a standstill, with lost production estimated at R2,5 million to date. And the solidarity strike has spread to Ford's engine and truck assembly plants, General Motors and Firestone itself, involving some 3 000 workers.

For the workers, the Port Elizabeth motor strike is intended to demonstrate solidarity. But the employers believe they cannot accede to demands which involve other companies. BILL GARDINER reports on the crucial test of attitudes.

But in the two years between the Ford strikes, there has been a fundamental realignment in union membership at Ford which has set a trend in Port Elizabeth. Splits between two rival unions at Ford have reflected growing militancy on the part of Ford workers and their support for a union prepared to challenge long-held management prerogatives.

Cortina plant workers have rejected the company-recognised National Union of Motor Assembly and Rubber Workers of South Africa (Numarwosa), an affiliate of the Federation of SA Trade Unions. For many years this union, like other Fosatu unions, was regarded as dangerously radical by employers and some still see it in that light.

But for Ford's growing number of young and politicised workers — among them students of 1976 — the Fosatu union was seen as "pro-management" because of its handling of the strike in 1979. They wanted a union that would concern itself not only with domestic labour issues but with the concerns of workers after they left the assembly line. So workers formed their own Ford Workers' Com-

mittee and affiliated to Pecco.

After an abortive bid to take over the local Numarwosa branch committee, the Cortina plant workers decided to launch their own union — the Motor Assembly and Motor Workers Union of South Africa (Macwusa).

At its inaugural congress this year, thousands of town-ship residents packed the Century Hall in New Brighton — venue for numerous mass Pecco rallies in the past — to hear speaker after speaker stress that unity was crucial for workers to "claim their place in the South African economy".

One speaker told the meeting that by their very nature trade unions had to "talk politics in the South African situation". The union adopted the motto "an injury to one is an injury to all".

So when the boycott of Firestone tyres began at Ford this week, the scene was set for deadlock between employer and employee. What workers saw as "solidarity strike" was viewed by Ford as interference in the domestic affairs of a supplier.

Ford's Industrial Relations director, Mr Fred Ferreira, has said the company regards any labour dispute between a supplier and its workers as a

domestic matter. "We do not permit other companies to involve themselves in our internal affairs and therefore we are not prepared to, and cannot be expected to, interfere in other companies," he said.

Ford obtains parts and products from more than 300 suppliers, and clearly management fears it would be setting a dangerous precedent if it gave in to Macwusa's demands and stopped buying Firestone tyres.

Three months ago the Fosatu motor union, Numarwosa, used the same tactic when members at Ford's truck plant refused to handle parts from Hella Automotive. Lighting because the firm was refusing to recognise the union. But the move was short-lived and did not have the same massive support as the Macwusa action.

Ford has since indicated that production will be "reactivated" next month, but would not say whether that pointed to the possibility of a new work force.

Striking Ford, Firestone and General Motors workers, and even the catering staff at the Cortina plant, will not budge from their stand that Firestone must rehire its former employees.

Ford and GM have been equally adamant that they will not stop buying Firestone tyres and will not be drawn into a domestic dispute.

According to the Macwusa chairman, Mr Dumile Makhanda, the dispute is not a

"domestic issue" but a "community issue" and the union has a responsibility to Firestone workers.

Meanwhile, Firestone's managing director, Mr Peter Morum has repeated an offer to take back the former Firestone workers as vacancies arise. But to take the 160 workers back immediately would mean dismissing an equivalent number of workers

hired in their place.

Macwusa argue that if GM could reorganise production this week to maintain output without 200 striking workers, then Firestone could reorganise production to include another 160 workers.

With no end in sight to the deadlock reached this week, the strike has become a crucial test for both management and worker

representatives

Labour observers see the strike as an attempt by Macwusa to demonstrate its support and to win workers over from the Fosatu affiliated union. As such it is a key test of their strength and support.

And for Ford and GM it has become a new test for their sophisticated industrial relations system built up with such care through the years

'I LOVE SA — I HATE APARTHEID'

Argus 23/5/81
(62)
(19)
(323)

From Weekend Argus Reporter
 Vivien Horler

LONDON. — Jennifer Davis says her life has been shaped by her love of South Africa, where she was born and grew up.

Now, through her untiring opposition to the Government's apartheid policies, she has become executive director of the leading United States anti-apartheid organisation, the American Committee on Africa.

Before taking up the post in July, 47-year-old Mrs Davis is spending time in Oxford researching material for a book which she will co-author on the impact of Western involvement in sub-Saharan Africa since the discovery of gold and diamonds in the south.

CAPITALISM

'What we're trying to establish is: Has Western involvement had this great liberating effect or have Western interests been involved in some of the worst oppression' she says.

'It is quite clear that the whole structure that has been set up feeds into the growth of Western industrial capitalism. There is much more concern for the rate of profit than there is for the rate of human development.'

Mrs Davis has been fighting for a cause since she was a student at Wits at the same time Nelson Mandela was there.

In 1956 she married Michael Davis, a young lawyer who appeared in

several political cases. They have two children, both of whom are in college in America.

The family left South Africa almost 20 years ago to settle in America because 'of the difficulties of maintaining what I saw as a viable role.'

'We were fundamentally opposed to apartheid, but couldn't see how we could play much of a role. The 60s were a bad time for doing anything — it became very demoralising.'

Shortly after their arrival in the United States, 'there were campaigns about American investment in South Africa, and because I'd been an economist and had first-hand experience in working conditions there, this was obviously an area I could slot into.'

'There is the strong argument that investment means more for everybody, that growth means a better deal for all.'

'But I felt clearly there was a close link between the development of the gold mining industry — with its foreign capital investment — and the establishment of the migrant labour system. Growth set a pattern which has continued.'

The American Committee on Africa grew out of the civil rights struggle in the United States.



JENNIFER DAVIS — would like to come home, 'but only when I feel I could play a role'.

Although the committee has, since it was founded in the 1950s, been concerned with South Africa, it was also concerned with self-determination elsewhere in Africa, and supported 'liberation struggles' when few African countries were independent.

'America has vast corporate interests in South Africa. The corporations are always saying they don't support apartheid, but that they are not political and what can they do?'

'They say they don't want to be involved, but they are involved, and by taking steps to defend their economic interests they are already taking sides — and I believe they have taken the wrong side,' says Mrs Davis.

'The United States doesn't see popular struggles anywhere as legitimate in their own right. They see everything in global terms: It's either

pro-communist or anti-communist. If it's pro-communist that means it's pro-Soviet Union, and that means it's bad.'

DEVELOPMENT

'We need to explain to people in America that the struggle in Southern Africa has very little to do with the Soviet Union — it has to do with the people in the country wanting to change their lives.'

What of the argument that blacks are better off in South Africa than they are in the rest of Africa?

'Well, the answer there is partly economic: South African development provides jobs. But just because a foreigner has a job in South Africa doesn't mean his political life in South Africa is better than in his own country.'

'A much more relevant question is: Why is Africa so unevenly developed and

why, in South Africa itself, do blacks earn one tenth of what whites earn?'

'I believe South Africa has played an active role in trying to maintain uneven development in sub-Saharan Africa.'

'As rich raw materials were discovered in Africa, centres of industrial development grew up, financed by foreign investment and worked by local labour.'

'And the best way of maintaining a pool of local labour was to ensure that the local people had no alternative means of survival.'

'So around the industrial centres were undeveloped labour reserves. Once they were called bantustans — now they are called homelands.'

Mrs Davis believes South Africa is the key to development in sub-Saharan Africa.

'Well, it is the richest country in the area — and a free functioning South Africa would be a tremendous liberating force for the whole of Southern Africa.'

'It has more people who have more skills than anywhere else in the region — skills that could be used to develop countries in ways that could lead to a better standard of living for everyone.'

Jennifer Davis, now separated from her husband, has spent a long time in New York, and wants to go home.

'But only when I feel that I could play a role in building the country. As someone once said: I would like to feel I could love my country — and love justice too.'

Deadlock, but both doors are 'open'

By RIAAN DE VILLIERS
Labour Correspondent

THE Colgate-Palmolive company said yesterday it was prepared to continue negotiations to avoid strike action by members of the Chemical Workers' Industrial Union at its Boksburg plant.

However, its statement gave no indication that the firm would concede to the union's demands for full recognition at plant level.

The statement followed the formal deadlock reached at conciliation board meetings on the recognition dispute earlier this week — which opens the door to a legal strike by union members.

If the strike goes through, it will be the first legal strike by a black union in the country's labour history.

The firm also faces a boycott of its products called by the Federation of South African Trade Unions (Fosatu), to which the union is affiliated.

In its first public comment after the conciliation board meetings, the firm expressed regrets that the union had called off the negotiations.

The union is demanding the right to negotiate wages and working conditions at plant level, while the firm is only prepared to negotiate on wages at industrial council level.

It said wage negotiations at industry level were the only fair method of ensuring that the company was not placed at a "severe disadvantage" relative to its competitors, which might happen at plant level negotiations.

It said the company's wage levels were the highest in the industry, at a minimum of R401 a month for the lowest grade shift workers and over R700 a month for grade 1 plant operators, including year-end bonuses.

The company was prepared to make major concessions, while the union was not prepared to make any, it said.

It added it was prepared to "keep the door open" on any suggestions to resolve the dispute.

A union spokesman said last night that the union's doors remained open as well.

"But the company's offer means nothing if it is still not prepared to meet our demand."

PE tense

after a

week of

strikes,

sabotage

Sunday Times Reporter

PORT Elizabeth is on tenterhooks after a week of strikes, sabotage and ANC propaganda

It has been fully mobilised and prepared to deal with any emergency. The police have been ordered to permit to enter the town because the situation is "tense".

- About 2,500 Ford, General Motors and other workers went on strike.
- A bomb ripped up a section of a main railway line. A second bomb was found unexploded nearby.
- Hundreds of ANC pamphlets calling for a three-day strike and schools hours off to protest against non-racial Republic for whites were distributed.
- Anti-racial slogans were daubed on walls in townships.

Hardest hit

The motor industry workers downed tools in sympathy with 100 Firestone workers who were not rehired after a walkout over proposed pension legislation earlier this year.

Officials from the motor companies and members of the Motor Assembly and Component Workers' Union (Macsuwa) have had numerous "cordial meetings" but no agreement has been reached.

No end to the strikes is in sight. Ford has been hardest hit with 1,500 workers on strike and its Cortina plant closed down.

Mr Dunbar Pucknall, public affairs director, estimated the stoppage had cost R1,8-million so far.

Disciplinary action against the strikers had not been considered yet, he said.

Workers had been automatically suspended, however, and would not receive pay until they returned to work.

This is not the first time Ford has been involved in disputes with its workers. It sacked 700 workers in November 1979 after unrest at its plant.

Those strikes were sparked off then by the resignation of a popular black personality, Mr Thomazile Botha, leader of the Port Elizabeth Black Civic Organisation (Pebco).

Meanwhile, at General Motors, about 200 men have gone on strike. They have listed several grievances, including:

- Unfair employment practices.
 - Job reservation.
 - A lack of communication between management and workers.
 - No scope of promotion for black employees.
- According to a General Motors' spokesman, production was continuing normally, however.

No workers had been suspended and they would be allowed to return when they "resolve their differences with Firestone".

Firestone's managing director, Mr Peter Morum, said he was "very satisfied" with production at his factory.

But the firm could not be expected to re-employ all striking employees immediately.

He said 1,500 employees walked out in protest against proposed legislation which would freeze pension funds until retirement.

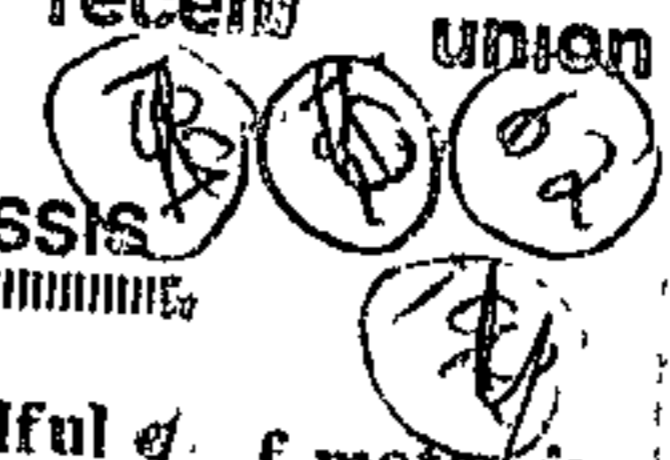
The firm later assured them it could be exempted from the legislation and about 1,240 workers were re-employed.

Mr Dunde Makanda, chairman of Macsuwa, said Macsuwa rejected Firestone's offers. The strike would only end when all 1,500 were rehired.

Dumile Makanda . . . at a recent union meeting

S. Tribune
24/5/81

BY CASSIE DU PLESSIS



THE downing of tools by a handful of industry workers in Port Elizabeth has become an extensive strike of 3 000 workers at four factories.

The strike by 1 000 workers at the plant has paralysed the plant since last Monday. There are 400 on strike at the adjacent Ford engine plant, 1 500 at Firestone and 200 at General Motors.

In the strike's driving seat is a small youthful-looking man by name of Dumile Makanda, 30, chairman of the Motor Assembly Component Workers Union.

His rise to prominence is reminiscent of that of the man who in 1979 led a strike at the Thozamile Botha — who is now in exile after fleeing while under a banning order.

It turns out that Makanda was Botha's righthand man at Ford.

Interviewed at a rally of workers in the Centenary Hall, New Brighton, this week, Makanda said Botha had put him on the road of active "mobilising" black labour.

Solidarity

Botha was founder chairman of the Port Elizabeth Black Civic Organisation (Pebco). His role allegedly caused his dismissal from Ford and a subsequent solidarity strike.

Makanda's path and that of Pebco have separated. His union now sees fighting for civic rights as part of its duty.

The union was launched last year as a rival to the National Union of Motor Assembly and Rubber Workers (affiliated to the Federation of South African Trade Unions) in the Ford Cortina plant. It has since gained the support of the full black labour force at the plant as well as many in other Ford plants, and members in at least six other Port Elizabeth factories.

Makanda said in the interview that all 3 000 workers at the meeting had resolved to stay out of work until Firestone reinstated 160 black workers over a pension issue early this year.

The company now maintains that it will have to fire 160 to reinstate them.

Says Makanda: "Firestone created the problem so they must solve it."

He said the strike was a "blessing in disguise" for Firestone when it re-employed people, it had a chance to leave out the elderly and sickly workers.

The interview took place against a background of freedom songs and Black Power salutes.

Diabetic

Among those present were some of the 160 former Firestone employees.

One of them, George Nzowuza, 49, said he had worked for Firestone for 27 years. When he went with other strikers to seek re-employment, he was left out because he was a diabetic who had to go to hospital for long periods.

John Ndima, 61, said he had been with the company for 30 years and he believes he was left out because he was near retirement age.

He still has two children at home and manages to come out with the help of friends and some pension money which was paid out.

Several former Firestone workers said they had used up all their savings and pension payout money to make ends meet. Whenever they tried to apply for other posts, people refused them, branding them as Firestone troublemakers.

Meanwhile, leaders in industry in the area criticised the union. They said the union was merely trying to impress potential members. At the same time the goals of collective bargaining had been thrown overboard.

GM shuts PE plant for a week's inventory check

By JIMMY MATYU
and BILL GARDINER

AS the strike by 3 500 workers at Ford, General Motors and Firestone enters its second week, the GM plant in Kempton Road shut down production today for a week-long inventory check.

According to GM's public relations manager, Mr Peter Ray, the closure was not related to the strike called by the Motor Assembly and Component Workers' Union (Macwusa) in solidarity with 160 Firestone workers who lost their jobs during a pensions dispute.

"It is part of our annual inventory check, planned weeks ago for this time of the year and is not related to the strike in any way," he said.

According to official figures released last week, about 200 GM workers had joined the solidarity strike out of a total workforce of some 1 000.

Union sources have claimed at least half the GM workforce had joined the walkout. The plant will reopen on June 2

At a lively meeting today in the Centenary Great Hall, New Brighton, the Macwusa chairman, Mr Dumile Makanda, said a delegation of 11, consisting of five Macwusa executive members and six former Firestone workers, met Firestone management in Firestone's boardroom last Friday.

He described the meeting as friendly and said Firestone wanted to be informed of worker grievances.

Macwusa meets Firestone management at 3pm today.

At today's mass meeting, workers reaffirmed their decision not to return to work until the 160 former Firestone workers were re-hired.

Meanwhile, a spokesman for the 50 000-strong Federation of South African Trade Unions (Fosatu) in Port Elizabeth has accused Macwusa of causing "ethnic divisions" between workers.

The Fosatu-affiliated National Union of Motor Assembly and Rubber Workers

(Numarw) which has the support of the majority of coloured workers at Ford and GM, held a meeting last week attended by about 700.

It strongly criticised Macwusa for not consulting them over the solidarity strike.

Macwusa has rejected the allegation and has stressed the union was a non-racial body.

Macwusa chairman Mr Dumile Makhanda said today the union had been approached by a Fosatu member, Mr D Khumalo, from Sigma in Pretoria.

The firm was recently hit a pay strike. Mr Khumalo said Sigma workers were dissatisfied with the Fosatu union's handling of the strike after the dismissal of about 400 Sigma workers.

Macwusa today dissociated itself from smear pamphlets issued under the union's name which called on motorists to bring in their Firestone tyres to the union offices where they would be paid out.

Ev. Post 25/5/81

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No let-up in Cape motor strikes

STAR
25/5/81

At the Sigma plant near Mamelodi, the scene of a major strike last month, management continues negotiations with Numarw representatives.

Labour Reporter

The two-week-old strikes at Ford in Port Elizabeth and Leyland near Cape Town today showed no signs of letting up as unions adopted non-negotiable stands.

At Leyland, where management has started to take on a new work force at the Blackheath and Elsie's River plants, strikers are sticking to their demand of a R2 an hour wage.

The National Union of Motor Assembly and Rubber Workers (Numarw) which represents the strikers, has organised regional meetings in the Cape Peninsula this week and plans a mass meeting on Friday.

Numarw's secretary, Mr Joe Foster, said today former Leyland workers would hold to new demands.

It was unlikely Leyland would find enough suitable employees for the two plants.

Last Friday Leyland had taken on about 500 workers out of the full work force of about 1 000.

Leyland has said it will not negotiate with Numarw until production has returned to normal.

At Ford in Port Elizabeth about 1 500 workers were still under suspension after their refusal to handle Firestone tyres.

TYRES

The Cortina plant is closed but production is continuing at the engine and Neave plants only partially affected by the strike.

Motor Assembly and Component Workers' Union chairman Mr Dumile Makanda has said the strikers will return to work provided they do not have to handle Firestone tyres.

Firestone's managing director, Mr Peter Morum, said today there was still a partial stayaway from the plant and that management would be meeting with Macwusa to discuss the dispute.

Ford's industrial relations officer, Mr Fred Ferreira, told The Star the company was maintaining its position that workers would stay under suspension until they returned to work and handled all suppliers' products.

Black American defends SA ties

STAR
25/5/81

62

The Star Bureau

NEW YORK — Mr Vernon Jordan, president of the National Urban League and the only black member on the Xerox Corporation board of directors, defended the company's position in South Africa during the annual shareholders' meeting in Chicago.

Mr Jordan is one of the most prominent spokesmen for black interests in America. He helped lead a company response to a shareholder's resolution that would restrict Xerox investment in South Africa.

The resolution called on Xerox to refrain from doing business with South Africa's military or police and not to expand its business through investment or re-investment.

Mr Jordan said: "If all the American companies left South Africa tonight, apartheid would continue in its present form."

He said he believed Xerox was helping blacks in South Africa — blacks who ultimately might be the vanguard of the revolution "that you and I would like to see carried out."

Mr Jordan, a Xerox director since 1974, said the South African system of white supremacy must be changed. But in the process of carrying out a revolution, people needed to be strong, fed and educated.

Debate over the resolution went on for over 30 minutes at the annual

meeting, during which representatives of several religious groups spoke for the proposal.

Although he had enough proxy votes to defeat the resolution, Mr C Peter McColouh, Xerox chairman and chief executive, listened attentively and explained that the resolution would have the effect of forcing Xerox to pull out of South Africa.

"If disinvestment would bring about an end to apartheid, I'd be for it," Mr Jordan said.

"But the continued presence of American companies in South Africa has positive value. American companies provide jobs. Every company, including Xerox, should do more to help end apartheid."

Union rejects 'smear' pamphlet on car tyres

Own Correspondent
PORT ELIZABETH The trade union representing thousands of workers at Port Elizabeth's three strike-hit manufacturing plants yesterday reacted angrily to a "smear" pamphlet distributed in the city's black residential areas at the weekend. The strike entered its second week today.

The "smear" pamphlet, issued in the name of the "Motor Assemblers and Components Workers' Union" (Macwusa) says that "from today no black man in Port Elizabeth and Uitenhage must have Firestone tyres on their vehicles".

"You must take the Fire-

stone tyres off your vehicles and bring it to the Macwusa office where we will pay you out so you can buy new tyres. We the Macwusa executive have already destroyed all the Firestone tyres we had."

The union's organizing secretary, Mr Government Zini, said yesterday that Macwusa dissociated itself from the pamphlet.

"This is an attempt to smear our image and incriminate our officials."

More than 3 000 workers at Firestone, Ford and General Motors downed tools a week ago in sympathy with 160 Firestone workers who were not re-hired after a walkout over a pension dispute.

LONDON. — The international trade union movement yesterday condemned Leyland South Africa for dismissing workers who had been out on strike.

Strike in PE plant spreads

Own Correspondent

PORT ELIZABETH — The stalemate between workers and management of the three strike-bound Port Elizabeth manufacturing giants could be solved only if the 160 former Firestone workers were reinstated, the union chief at the centre of the dispute said yesterday.

Mr Dumile Makanda, chairman of the Motor Assemblies and Component Workers' Union of South Africa, yesterday rejected Firestone's offer to employ the workers as the vacancies fell due.

Labour unrest in Port Elizabeth spread yesterday when the majority of black Firestones workers did not report for duty on three shifts.

Firestone management has blamed yesterday's stayaway on alleged intimidation of workers at bus termini in the townships. This has been denied by union officials.

The managing director of Firestone, Mr Peter Morum, said about 40 black workers had approached management yesterday to be allowed to go home for fear of reprisals from other workers. Permis-

sion had been granted

Police yesterday confirmed reports of intimidation of workers in the townships and patrols at bus stops and the affected motor plants were stepped up.

Mr Morum dismissed allegations that job reservation was practised in the appointment of staff to supervisory positions and a claim by Muewusa that most of the workers who were not re-employed were elderly with long service records.

Referring to the striking Ford and GM workers, Mr Makanda said if management gave its undertaking not to force workers to handle Firestone products, work would resume immediately.

The Ford director of public affairs, Mr Dunbar Bucknall, said yesterday that the situation at the company's three plants was unchanged.

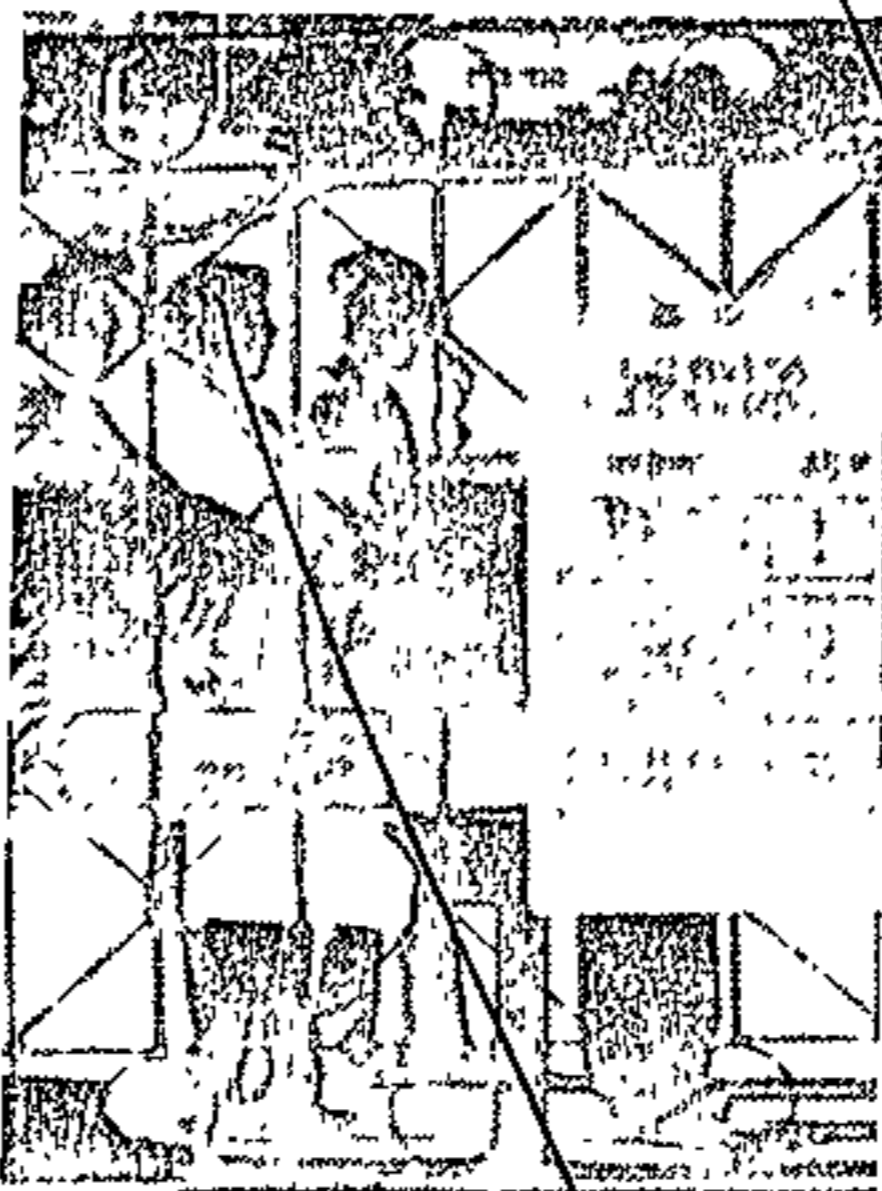
Lost production through the closure of the Cortina plant at Struandale was costing the company R-million a day. By today, the 1 500 striking workers would have forfeited R-million in wages.

International representatives of world trade unionists are backing black workers against multinational firms which, they claim, fall lamentably behind the European Economic Community's code of conduct.

The International Confederation of Free Trade Unions (ICFTU) — representing 71 million members — said they took current labour disputes in South Africa very seriously.

The ICFTU is sending a cable of "support and solidarity" to the National Motor Workers' Association in South Africa. They have also cabled the Leyland South Africa management urging them to reinstate the workers and to negotiate with them over their demands.

The ICFTU is the representative body for trade unions throughout the "free world".



A pay point set up behind the closed main gate of Leyland's Blackheath plant yesterday. Many of the workers who were sacked on Wednesday returned throughout the day to collect back pay.

— Western Europe, Britain and the United States

In current discussions with them over the situation in South Africa were the International Labour Organization (ILO), as well as the International Metal Workers' Federation — the union representing car workers.

They were also in touch with the British Trades Union Congress (TUC) to see what action could be taken to exert pressure on British Leyland over the actions of its South African subsidiary.

International trade unionists are also approaching the TUC to make representations to the British Government, which has a financial stake in British Leyland, and which they say is partly to

blame for the South African company's "poor labour record".

They blame the British Government for being lax in ensuring that the EEC code of conduct governing subsidiaries in South Africa is adhered to.

The secretary of the National Union of Motor Assemblies and Rubber Workers' of South Africa (Numarwosa), Mr Joe Foster, told the Cape Times yesterday that there was nothing in the Industrial Conciliation Act which covered the situation in which members of the union who had been dismissed from Leyland plants in Blackheath and Elsie's River on Wednesday, now found themselves.

Industrial council

There was no industrial council in the Western Cape which catered for the motor assembly industry, he said, and Numarwosa had been left with little alternative but to allow the dispute to develop along unofficial lines.

"We could appeal to the minister for the establishment of a conciliation board but then Leyland could say that the union was no longer representative of the work force because the company had no work force, it had dismissed the work force."

A meeting of workers and union leaders was held in Bellville yesterday and it was unanimously resolved that workers would refuse to seek re-employment with Leyland till a minimum wage increase of 25¢ an hour, to come into effect immediately, had been agreed upon.

The workers also demanded that immediate negotiations be held between management and Numarwosa with the aim of setting a R2 an hour minimum wage to come into effect within the next four months.

Meeting

Speakers at the meeting, which was attended by about 800 of the approximately 1 900 workers sacked on Wednesday after beginning a strike for better wages on Thursday last week, emphasized the importance of the workers sticking together in their resolve not to return to work at Leyland till their demands had been met.

Leyland's director of communications and public affairs, Mr A E Pitlo, said yesterday more than 500 people, including workers who had been sacked on Wednesday, had been recruited, and production had recommenced at most of the affected plants.

Motor firm strikes continue

Argus 25/5/81

102 152 164
110 134 62

Labour Reporter

THE Leyland strike continued today after last week's decision by workers to hold out until their demands were met.

A spokesman for the National Union of Motor Assembly and Rubber Workers of South Africa (Numarwosa) said today that no discussions were scheduled between management and the union.

Strikers at the Blackheath and Elsie's River plants of Leyland began on May 14 over dissatisfaction with wages and a nine cents an hour increase due in July.

MINIMUM WAGE

Last week, workers demanded a minimum wage increase of 25c an hour and negotiations aimed at setting a minimum wage of R2 an hour. The minimum at present is R1,30 an hour.

There were about 100 new work-seekers at the gates of the Blackheath factory today, most of them women.

The Argus Port Elizabeth Bureau reports that

the strike of 3 000 workers there entered a crucial stage with a meeting between Firestone management and leaders of the Motor Assembly and Component Workers' Union (Macwusa) scheduled for today.

The workers — at Ford and General Motors plants — downed tools last week in sympathy with 160 Firestone workers who were not re-hired after a walk-out earlier this year over a pension dispute.

However, there is 'precious little' chance of a settlement being reached, the managing director of Firestone, Mr Peter Morum, said in an interview.

He said Macwusa leaders 'would not budge a fraction.'

'They wanted all 160 former Firestone workers re-hired, including the "drunks and chronic absentees",' he said.

He described as 'rubbish' union allegations that the company had left out many of the 160 former workers, because they were elderly or sickly.

APR 21 1971
Prospects
of ending
PE strike
are slim

Argus Bureau

PORT ELIZABETH. — Prospects appeared slim today of the 2,000 black workers on strike in Port Elizabeth returning to work before next week at the earliest, after crucial talks between Firestone management and trade union leaders ended in deadlock yesterday afternoon.

The situation is apparently heading for a showdown early next week when, after the Republic Day and Ascension Day holidays and inventory shut-downs, factory management will want to get their plants in full production again.

Ford Motor Company will, by the end of this week, have lost R4-million in production. Its striking workers will have by the end of last week lost R1-million in wages.

Mr. Peter Morum, managing director of Firestone, where about 1,500 workers are on strike, was not available for comment today.

However, he hinted in an earlier interview that the company would have to start thinking in terms of alternative measures to get into full production again.

If these alternative measures included a return-to-work ultimatum — and this line could be adopted by Ford and General Motors as well — it could end with thousands of people losing their jobs.

PE strike 'new phase in labour relations'

CT26/5/81 (182) (192) (62) (120)

Own Correspondent

PORT ELIZABETH. — Port Elizabeth's week-old strike, which has affected production at General Motors and has meant losses of about R3-million to the Ford company, marks South Africa's entry into an important new phase in labour relations, says a Rhodes University sociologist, Dr Marianne Roux.

Dr Roux is a co-author of the Ford report on the company's implementation of the Sullivan employment code.

She said in an interview yesterday that the strike, in which more than 3 000 workers downed tools at Ford, Firestone and General Motors in sympathy with 160 Firestone workers who lost their jobs after a pension dispute, was "quite an historical event".

"The strike is not concerned only with the workplace, but is a much wider socio-political issue.

For the first time workers as a group, rather than employees of a particular factory, are pitting themselves against what they see as management as a group."

The strike was critical for the Motor Assembly and Component Workers' Union, which represented the strikers, because although it had been called specifically to achieve the re-employment of the Firestone workers, it would also be seen by labour observers as a test of strength for the union.

It could also prove to be the "making or breaking" of Macwusa. Macwusa could not back down without considerable concessions on the part of the managements concerned. Anything else would mean a loss of credibility for the union.

And while Ford would not want to be seen to be capitulating to the demands of the workers, neither could it afford to take a

hard line and fire all the workers.

Ford would not want to harm its reputation as one of the companies with the most progressive labour relations in South Africa — a reputation which it deserved.

To antagonize Port Elizabeth's highly-politicized workforce by firing all the strikers would increase its problems tenfold.

"If any of the three companies should fire strikers, it would be interesting to see how much solidarity there is in the community for Macwusa, and how many people are willing to come forward as scab labour.

"Macwusa must have been sure of considerable support to have taken up an issue like this."

Dr Roux suggested that one solution to the dispute would be for all the companies involved in the dispute to offer to take on the former Firestone workers.

CT 26/5/81 (152) (62) (39) (12)

Deadlock in PE strike talks

Own Correspondent

PORT ELIZABETH — Two hours of talks between Firestone management and Macwusa, the trade union representing thousands of workers at Port Elizabeth's three strike-hit manufacturing plants, ended in deadlock yesterday afternoon and a union spokesman said there were no immediate plans for another meeting.

More than 3 000 workers at Ford, Firestone and General Motors downed tools last week in sympathy with 160 Firestone workers who lost their jobs after a pension dispute.

Macwusa's organizing secretary, Mr Government Zini, said last night that the union still rejected Firestone's "farceful" offer to re-employ workers as vacancies came up. Firestone management could not be contacted last night.

In another development, the union is reported to have been approached by the former leader of the 4 000 workers who went on strike at the giant Sigma Motor Corporation in Pretoria last month.

Mr Zini said that Mr D Khumalo, who was elected chairman of a committee to represent Sigma workers in a wage dispute, and who was subsequently fired with a number of other strikers, had approached Macwusa to start a branch office in the Pretoria area.

Mr Khumalo and a number of fellow committee members broke away from the Federation of South African Trade Unions last Thursday because of their dissatisfaction with the union's handling of the strike.

A branch on the Reef would be Macwusa's first outside the Port Elizabeth-Uitenhage area.

Earlier yesterday, the Macwusa chairman, Mr Dumile Makanda, said he sneered at a claim by a spokesman for the Posatu-affiliated National Union of Motor Assembly and Rubber Workers of South Africa that Macwusa was causing "ethnic divisions" between workers.

In a jam-packed report-back meeting at the 9 000-capacity Centenary Hall in New Brighton, Mr Makanda said Numarwosa's criticism of Macwusa for not consulting them over the solidarity strike was "insincere".

"There has been such a sudden membership surge from them that we have had to order more than 5 000 forms. Posatu is realizing that it is losing members in great numbers and this is only a last-ditch effort to save face."

© Strike 'new phase in labour relations', page 13

No sign Ev. Post 26/5/81 of an early end to strike

By BILL GARDINER

WITH production losses at Ford's Cortina plant approaching R3.5 million today, there is little indication of an early settlement to the eight-day strike by more than 3 000 Ford, General Motors and Firestone workers.

The workers downed tools last week as a gesture of solidarity with 160 Firestone workers who lost their jobs after a dispute over pensions.

Yesterday's talks between Firestone management and officials of the Motor Assembly and Component Workers Union (Macwusa) ended in deadlock with both sides standing firm on the issue of re-employment of the 160 former Firestone workers.

Macwusa has rejected management's offer to re-employ the 160 workers as vacancies arise and has demanded that all the workers be rehired. Firestone has insisted that it cannot rehire the 160 workers immediately without dismissing other workers.

The union's organising secretary, Mr Government Zim, said he was disappointed about the deadlock.

He added that Firestone officials had told Macwusa yesterday that a number of "unproductive workers" would not be considered for re-employment as vacancies arose.

Macwusa officials will report back to workers on the talks at a meeting at the Centenary Hall in New Brighton tomorrow.

Firestone's managing director, Mr Peter Morum, said that although yesterday's talks had not resolved the current dispute, he was hopeful that an agreement between the two parties would be reached shortly.

He said the number of workers that Firestone would not consider re-engaging once vacancies arose was "marginal".

Motor plants are hit by shortages of components

62
24/5/87

Post Reporter

DEEP concern about the ability of the vehicle component industry to absorb the heavy demands made on it by Government local content programmes has been expressed by the managing director of General Motors South African, Mr Lou Wilking.

Addressing a conference of parts and accessories manufacturers in Port Elizabeth today, he referred to the difficulties which had arisen as a result of the firm trying to meet the 1981 local content requirement of 66% for passenger cars and commercial vehicles.

There were also difficulties in adjusting to the requirement of fitting diesel powered vehicles with engines manufactured at the new Atlantis plant near Cape Town.

In spite of the many problems this programme had created, GM had accepted it and was committed to making it work.

"What is of concern to us is the ability of the components industry in South Africa to keep on absorbing new programme after new programme. There are already signs of distress and of cracks appearing," said Mr Wilking.

This, he said, was not surprising when one considers the growth demand that South African suppliers have had to face.

In 1979 the industry was geared to a passenger car volume of 213 000 units which generated a need for 136 million components. This would rise to a "mammoth 245 million parts when all current programmes are completed."

This represented an increase in passenger car components of 109 million within three years.

It was "small wonder" the industry was daily facing critical parts shortages. Nor was there any immediate sign of the situation improving.

That was why "we at GM, and the balance of the motor industry, have been urging the Government to adopt an orderly and co-ordinated approach to future local content programmes," Mr Wilking said.

Mr Wilking told the Financial Mail last week in Johannesburg that the South African motor industry had produced up to 10 000 "crippled" cars valued at about R70 million which could not be sold because they lacked certain parts.

He said the car manufacturers were asking the Government to reduce the local content requirements on cars from 66% to 62%.

He said output was being restricted by the inability of local component manufacturers to deliver the parts.

Leyland

CT 27/5/81

recruiting after strike

Staff Reporter

LEYLAND SOUTH AFRICA is going ahead with recruitment after the dismissal last week of about 1 900 workers from its plants in Blackheath and Elsie's River.

The workers had been on strike for 3½ working days in support of demands for better pay.

Their dismissal last Wednesday precipitated calls of solidarity from the International Confederation of Free Trade Unions, which also cabled Leyland South Africa urging it to reinstate the workers and negotiate, and from the International Metal Workers' Federation.

Leyland South Africa's director of communications and public affairs, Mr Arno Pitlo, disclosed yesterday that 1 491 people had been employed since the workers' dismissal and that about 400 were new appointments.

He said the strike had cost Leyland the production of about 800 vehicles, but that the Blackheath and Elsie's River plants had now recommenced production in all departments. It was expected that full production would be restored to both plants by early next month.

The secretary of the National Union of Motor Assembly and Rubber Workers of South Africa, Mr Joe Foster, said on Monday that the workers, 85 percent of whom are represented by the union, were still adamant that they would not seek re-employment till their wage demands had been met.

Meanwhile, in Port Eliza-

both talks between Firestone and the Motor Assembly and Components Workers' Union of South Africa ended in deadlock on Monday and no end to the strike by about 3 000 workers at Firestone, Ford and General Motors is in sight.

In spite of the failure of Monday's meeting, both sides emphasized yesterday that the "door is still open".

A settlement at Firestone is believed to be the key to ending the strike at Ford and GM as well.

The situation at all three companies remained unchanged yesterday, and Macwusa's organizing secretary, Mr Government Zim, said talks with a fourth company, Armstrong Hydraulics, where 40 Macwusa members were dismissed after a strike, were continuing.

He said the union would continue talking to Firestone, but added "Their offers to reinstate people remain vague. They also say they will not re-employ all those who were dismissed. Not only 160 workers, but their families as well, are at stake and the workers are determined to continue."

Firestone's managing director, Mr Peter Morum, said "Negotiations have not been broken off and we will continue to seek a solution. We are experiencing the difficulties associated with the growth of a new union movement and there is learning to be done on both sides."

The strikes had been sparked by "issues which were outside our control and we are convinced that we are not bad employers".

Ev Post 29/5/81
**Makanda
statement
clarified**

IN a report in the Evening Post on May 22, Mr Dumile Makanda, chairman of the Motor Assembly and Component Workers' Union, was quoted as saying workers should not return to work until 160 former Firestone workers were rehired

Mr Makanda has asked us to point out that what he said was that workers should not handle Firestone products until the 160 former Firestone workers were re-employed

By DAVID NIDDRIE

MORE than 15 000 pamphlets calling for a boycott of Colgate-Palmolive products have been distributed on the Reef in support of what may become the first legal strike by black workers under the country's new labour dispensation.

The boycott call has been put out by the Chemical Workers' Industrial Union, a Government-registered affiliate of Fosata (Federation of South African Trade Unions), which has been locked in a recognition dispute with the local management of the multinational Colgate-Palmolive company for more than a year.

It is being extended to a national campaign with the support of all other member unions under the Fosatu umbrella. It comes within days of a call by the South African Allied Workers' Union for a boycott of all Wilson-Rowntree sweets.

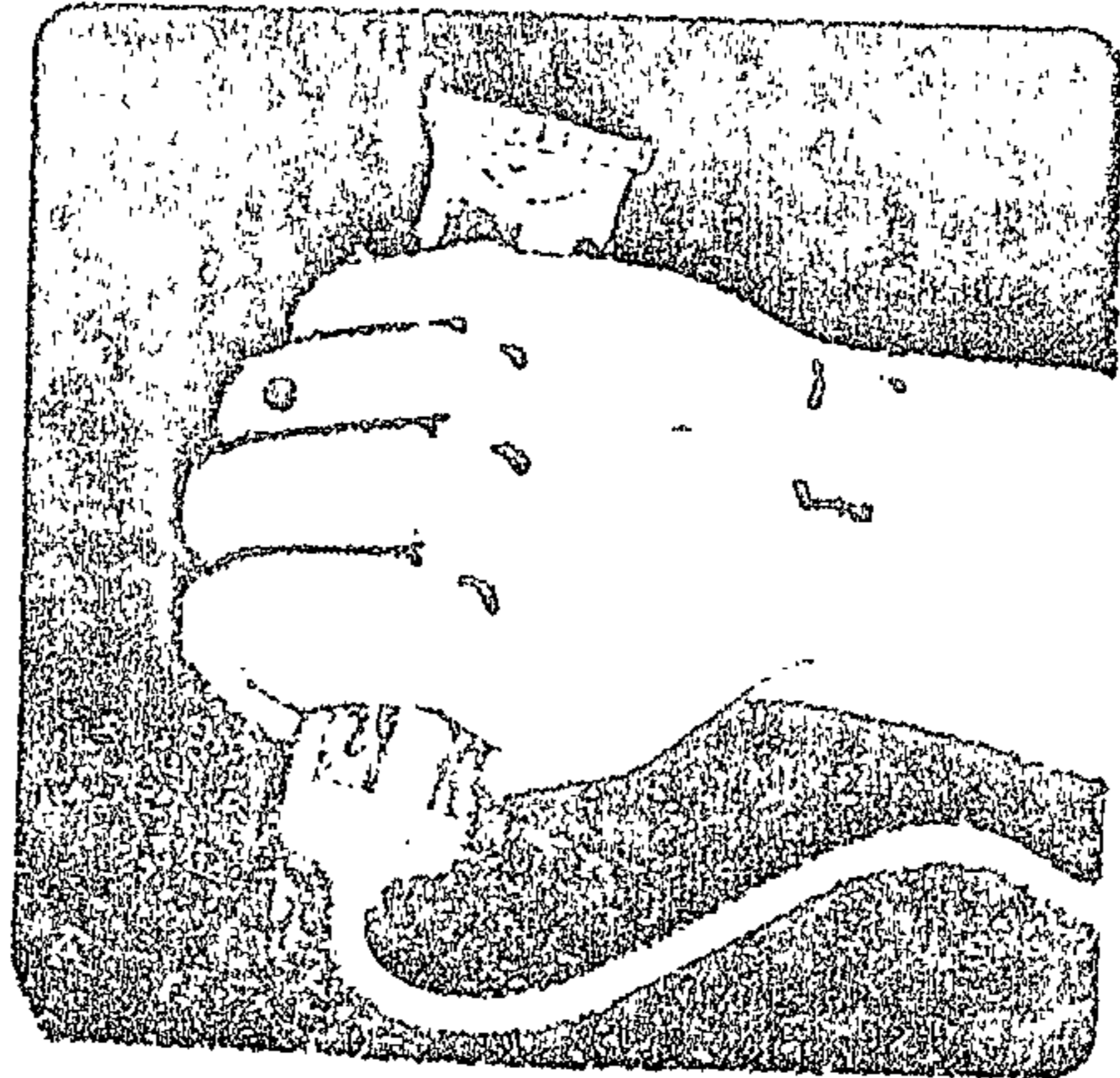
The decision to call a Colgate boycott follows the deadlock last week of a Labour Department consultation board hearing between the union and Colgate.

Colgate Palmolive is a signatory to the Sullivan Code which commits US companies to removing discrimination in their South African factories. It has in the past been seen as a model employer by other US companies operating in this country.

If the deadlock is not broken, according to a union representative, CWIU will hold a strike ballot within the next two weeks among Colgate's 240 black workers.

Union puts squeeze on the Colgate boycott call

S. Tubane 31/5/81



Depending on the outcome, a strike could begin in mid-June — about three weeks from now. It will be the first legal black strike under the Government's new labour laws introduced last year.

In preparation the union has distributed to local and foreign labour bodies a booklet outlining the

month-old dispute with Colgate. In black townships it is distributing a pamphlet calling for support for the boycott and naming 18 Colgate products.

The Colgate union dispute began in February last year with a refusal by management at the Boksburg plant to meet union representatives or to

grant recognition to the union which claims to represent more than two thirds of the Colgate workforce.

A petition signed by 180 black workers was presented to Colgate's management asking for a meeting to discuss recognition.

By October, Colgate had agreed to recognise the union but only to represent the black workforce in "matters relating to shop floor grievances". This would have excluded wage and general working condition negotiation rights for the union — both negotiating rights included in CUIA's original demand for recognition.

The wrangling continued until the union declared a formal dispute earlier this year. In an attempt to resolve it, both sides went to arbitration by a Department of Labour conciliation board.

But hearings ended in deadlock last week. By 31 days after a breakdown in negotiations before calling a strike — a wait that will end in three weeks. Although both sides still

maintain they are willing to negotiate, Fosatu has announced that Colgate had made no genuine attempt to meet the aspirations of the majority of workers.

As a result Fosatu said, it was calling for a nationwide boycott of Colgate which responded by issuing pamphlets to its workforce rejecting the dispute and the boycott call as "the work of outsiders not interested in the genuine welfare of the workers."

Trade unions have in recent years recognised consumer boycotts as powerful weapons with which to fight employers. The last two years have seen boycotts called against Pat's and Monks Paste products, red meat, as a result of disputes in the Cape Meat Industry, and more recently, of Wilson-Rowntree sweets, following the sacking of 500 workers at Rowntree's East London factory.

Although Fosatu has not formally discussed the sweet boycott, a spokesman said this week Fosatu and its members "would want to support anything that would get workers back to work on their terms."

GM wants change in SA before expansion

57
62
STAR
2/12/51

The Star Bureau
NEW YORK — The giant General Motors Corporation has placed a political price tag on future expansion in South Africa — a major change for the better in the social and political lives of the coun-

try's black, coloured and Indian populations. The corporation, in a statement in New York, says it has always been its belief that it could not help promote the necessary social and economic changes in South Africa by

withdrawing from the country. It also believed the single most important factor in the creation of a more promising investment climate in South Africa "is a resolution of the country's pressing so-

cial problems, which have their origin in the apartheid system." The statement added: "General Motors remains hopeful that these problems will be solved on a basis which is just and equitable to all segments of the South African population."

"Should conditions in South Africa improve substantially, the corporation may consider an expansion of its activities in that country."

"Any investment decisions regarding that country will, of course, necessarily include an assessment of the economic, social and political environment not only in South Africa, but in neighbouring countries as well."

GAP, SADF

The statement said some General Motors stockholders were concerned about the social and ethical implications of the giant car manufacturing company's selling vehicles to the South African Police and the Army and had urged the company to discontinue these sales.

The corporation believed, however, that stopping the sale of these vehicles could seriously threaten the ability of GM to continue operations in South Africa, thus preventing it from contributing to change.

Explaining its attitude to trade with the communist bloc, the company said its basic policy "is in support of all measures which advance worldwide trade in the underdeveloped areas of the world, and which are in the interest of political and economic stability and peace in all parts of the world. This policy is equally applicable to South Africa."

... of labour in the Transvaal appears to be drying up. The farmer expects to be adequate to recruit migrants) least with regard to agricultural employment (and the African unemployment will be offered later); namely reconciliation of it with other information on the high an unemployment (further evidence of this result and a the light of current hypotheses regarding the level This may well be a pointer to a somewhat surprising expressed a clear preference for working with African ability to procure Coloured workers, three of these While this may be explained as being a consequence of e of labour were using African migrants as permanent e interesting to note that all of the farmers who perceived d of the inferior quality of the worker that was available. ility in recruiting the desired number of workers - workers. Two further farmers - while claiming to have as becoming difficult to obtain the desired number of b of the farmers interviewed (four of fifteen) believed included as permanent workers. cruted on 8-10 month contracts (i.e. 238 workers) s to be explained later, almost half of the 502 r permanent labour force (S.D. = 20%) In addition, an annual contract - their African workers represented

GM price tag on expansion in SA

Argus Bureau

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HOPEFUL

The statement added: 'General Motors remains hopeful that these problems will be resolved on a basis which is just and equitable to all segments of the South African population.'

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ETHICS

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3/6/68
Vehicle
workers
dispute

Own Correspondent

PORT ELIZABETH -- The continuing strike by an about 3 500 Ford, Firestone and General Motors workers enters its third week today

In a new development, Ford's Cortina plant in Struandale -- closed 15 days ago after a walk-out by about 1 000 workers -- was opened yesterday

The industrial relations director, Mr Fred Ferreira, said there were plans to supplement the non-striking workforce at the Cortina plant with workers from Ford's two other plants, which had not been seriously affected.

Mr Government Zini, organising secretary of the Motor Assemblers' and Component Workers' Union, said yesterday union officials would meet workers, after the expiry of the ban at 8am today, to brief them on the strike's latest developments.

He said the union would meet Firestone's negotiating team at 11am today to hear its reply to the union's recent proposal that the three manufacturing companies, each agree to employ a quota of the jobless men

A spokesman for General Motors said the plant reopened yesterday after a week-long closure for an inventory check.

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h/6/51 (24)
S.W.C. (2)

Cape motor strike is over

THE 17-DAY strike by an estimated 3 500 Ford, General Motors and Firestone workers in Port Elizabeth was suspended yesterday after workers unanimously accepted a new proposal by the Firestone management.

The men have agreed to return to work on Monday.

According to officials of the Motor Assemblers and Component Workers' Union, Firestone has agreed to reinstate immediately 21 of the 150 dismissed workers who are in the 50-year age group.

The rest will be taken back as vacancies arise - which is at a rate of about 15 a month depending on the demand for supplies by motor manufacturers.

Yesterday's end to the protracted dispute, which centred on a demand by Macwusa that Firestone reinstate 150 workers who lost their jobs after a pension strike in January, was reached after five hasty meetings - two by union members and three between a union delegation and managements of the three strike-hit companies.

About 5 000 people attended a report-back meeting in New Brighton this afternoon at which union members decided unanimously to accept Firestone's offer.

In New Brighton's Ntshekisa Road, traffic was slowed down for about 15 minutes as hundreds of jubilant workers, pouring out of the hall, chanted peacefully in the street.

The union had initially demanded that Firestone reinstate the 150 workers en masse in a specified period of time. When Firestone pointed out that this would mean laying off 150 people, the union proposed that each of the three strike-hit companies agree to employ a quota of the jobless men.

Addressing the report back meeting, Mr Government Zini, organising secretary of Macwusa, said Ford and General Motors would not be drawn into the

Firestone domestic matter.

He said the managements of the two companies assured the union delegation at two separate meetings yesterday that if the jobless men sought employment at their plants, they would not be prejudiced by their involvement in the Firestone strike, but at the same time they would not be given preferential treatment.

They undertook to see to their welfare until Firestone had taken them all back.

It was also decided that the situation would be reviewed in due course and further action would be taken if the reinstatement of the men did not go as promised.

Workers meet again this morning for a post-strike briefing.

h/b/s/1 (249)
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Mobil oils for Koeberg

Mobil Oil, South Africa (PTY) LTD will supply the lubricating oils and greases for South Africa's first nuclear power station at Koeberg having been awarded the tender by Eskom.

In making this announcement, Mobil's sales director, Mr. A. "Tony" Eitelton, stated that the contract was for 10 years.

Mobil's experience and expertise in the field of nuclear power station lubrication is well known. In the United States 31 nuclear power plants, producing some 31 016 megawatts of power -- on completion the Koeberg nuclear power station will be able to generate 1 344 megawatts of power -- are lubricated by this company.

In France, where the expansion of nuclear energy has been dramatic with an increase from 4.22 percent of the total generated power in 1959 to 20 percent in 1970 and projected 70 percent in 1975, Mobil's achievements have been even more spectacular with nine of the existing and new stations having been awarded to them. They contribute to nearly 50 percent of the total plant fuel and under construction.

Mr. Eitelton stated that Mobil's research activities in the nuclear energy sector dated back to the 1940's when the industrialization of nuclear energy started.

The research was carried out in the Industrial Research Laboratories in Plainsboro, U.S.A. and at the reactor in Harwell, Britain.

Other comparisons are expressed in terms of measurable indicators. Parameters can be ranked according to their effect on these resources and those achieving the largest reductions in mortality/morbidity per rand consumed. Again, more information on the impact of programs is subsequently lacking, the effect of using indicators systematically to assess health programs would be to direct research more from the purely scientific to epidemiological lines of inquiry, and from collection of data on health status, only, to research into the impact of different dispositions of resources on these indicators.

4.2.4 Cost-Benefit Analysis

The aim of cost-benefit analysis is to compare the total cost of a program to society with the social benefits, and thus to arrive at a measure of the Net Social Benefits. If Net Benefit is positive the project should be undertaken. If however, they are too many projects for the available funds, one would rank the projects on the basis of their benefit-cost ratios and choose those with the most favorable ratios (16). In either case the procedure gives an answer

to the question whether a project should be carried out at all. It is felt that the development of the program in the evaluation of health programs in the U.K. has been partly a defensive move by administrators to safeguard the size of their expenditure by other industries able to do so on a more 'economic' basis.)

The issue of costs and benefits arising from health care in the case of health, the total cost of health is represented by the benefits of health. These costs comprise three elements of production: expenditure for medical care, expenditure on suffering that disease. Because economists concentrate on the first two elements, the third is often overlooked for lack of data and an appropriate

Colgate tries to avert strike action

By SELLO RABOTHATA

THE group personnel manager at Colgate-Palmolive, Mr D H Magid, this week had pamphlets distributed calling on employees not to take heed of the Chemical Workers Industrial union as it does not even have many workers as members.

The pamphlets were distributed as a result of the union threatening to call for a legal strike at Colgate-Palmolive and a call for a boycott of the company's products in the country. The strike would be called this month according to an earlier report from the union.

The pamphlets signed by Mr Magid mentioned that it was a true reflection of a meeting held between the company and members of the union under the chairmanship of a Mr Beyers, a member of the Department of Manpower Utilisation.

Sections of the pamphlets read "At the meetings Colgate did everything possible to reach an agreement with the union. Colgate presented a proposal for an agreement to cover the year 1981. In its proposal Colgate expressed its willingness to grant the following four of the union's five demands.

- Recognition of the union by the company.
- Access by union to company premises.
- Recognition of union shop stewards
- Stop order facilities.

Colgate would like to point out that the union and the Press keep talking about a majority of Colgate workers. The union does not even have half the Colgate workers as members. So we are only talking about a small number of people who are making a lot of noise

Meanwhile the Chemical Workers Industrial Union has also issued pamphlets calling for a boycott of Colgate-Palmolive products by the community. The CWIU has also said it would hold a strike ballot within the next two weeks among the company's 240 black workers and, depending on the outcome, a strike would be called in mid-June. This action would make it the first legal strike since the Government's new laws were introduced last year.

such judgements explicit. ... are clear advantages in making

16. For a discussion of cost-benefit techniques and their problems see 'Guidelines for Project Evaluation', P. Dasgupta, S. Marglin & A. Stiglitz, UNIDO, New York, 1972.

17. A.L. Sorokin, 'Health Economics for Developing Countries', Lexington, New York, 1976.

Colgate 'Intimidation' Slammed

Sowetan Reporter
THE Chemical Workers' Industrial Union (CWIU) has branded Colgate - Palmolive pamphlet campaign a Boksburg as an attempt to discredit the union and intimidate and misinform workers.

Management issued the

pamphlets to workers after workers demanded negotiation by the CWIU. In the pamphlet, Colgate claimed that it was an enlightened firm which offered better pay and work conditions than other companies.

In a statement contradicting Colgate's claims the unions said it had three petitions signed by two-thirds of the workers to back the union claim that it

represented more than just half-hourly paid Colgate workers.

Management had been against a union proposal for a secret ballot to test the union's representativeness because management knew it would lose out, the union said.

The union also pointed out that the Government could only establish a conciliation board if it was

satisfied that the union concerned was representative.

Colgate made a concerted drive to stop workers striking. However, they are not doing this by negotiating with the union", the union stated.

According to the CWIU, the Colgate campaign aimed to discredit the union and its officials and leaders at the plant, misinform workers about the recent negotiations and intimidate workers by threatening them with loss of jobs.

The union also said the company appeared to have stepped up its advertising and had recently supplied many townships and suburbs with free Colgate product samples. The union has called for a boycott of Colgate products.

According to the union Colgate issued four pamphlets, and some workers had even received

them at home.

One pamphlet had told workers it was their right to think for themselves and that workers were being "misled, fooled and tricked" by employees and others "who do not care what will happen to you".

The pamphlet also warned workers not to allow themselves to be used

Another pamphlet had warned workers not to strike and had explained the difference between legal and illegal strikes.

The true purpose of the pamphlet was revealed when it warned that workers on strike would lose their jobs and company contributions and be disqualified from unemployment benefits the union said.

The pamphlet had also warned other employers would not want to hire workers who had been involved in a strike.

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(62)
S.M.R.
8/6/81

Colgate accused of smear tactics

The protracted row over union recognition at Colgate-Palmolive in Boksburg has reached new heights of bitterness with the union accusing the company of "intimidatory and smear tactics."

The Chemical Workers' Industrial Union (CWIU) also claims the multinational company has stepped up its advertising campaign and is distributing free samples to defuse the current consumer boycott of Colgate products.

Colgate management has said the distribution of samples was "routine marketing strategy" but further comment could not be obtained last night.

The statement setting out these claims is the latest development in a

year-long drive by the CWIU for full negotiating rights at Colgate's Boksburg plant. The company has agreed to recognise the union, but will only negotiate wages and working conditions at Industrial Council level.

A conciliation board meeting called recently to resolve the dispute ended in deadlock.

In its statement the CWIU claims the company last week issued four pamphlets to workers as part of a campaign to dissuade them from striking. One of these had said workers were being "misled, fooled and tricked by persons who are not members of the company" and another had attacked elected worker representatives in the plant.

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Comprehensive agreement reached at Kelloogs

Star 12/6/87

(1) (2) (3) (4) (5) (6)

By Drew Forrest
One of the most comprehensive recognition agreements in recent years has been reached between the Kelloogs Company of SA and a largely black trade union.

Union (SFAWT) — an affiliate of the Federation of SA Trade Unions — is the second major recognition agreement negotiated by a Fosatu union in the Transvaal.

Apert from a clause providing for wage negotiations, there are unusual features, including a comprehensive redundancy pay.

A Fosatu spokesman said that in view of the downturn in the economy and the threat of large-scale redundancies, this was "particularly important."

When the union was still unregistered. It was the second company in South Africa to take this step.

The agreement between the Springs-based food company and the Sweet Food and Allied Workers

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A Fosatu spokesman said that in view of the downturn in the economy and the threat of large-scale redundancies, this was "particularly important."

Kelloogs, an important American subsidiary which subscribes to Suni van principles, first recognised SFAWT in 1979

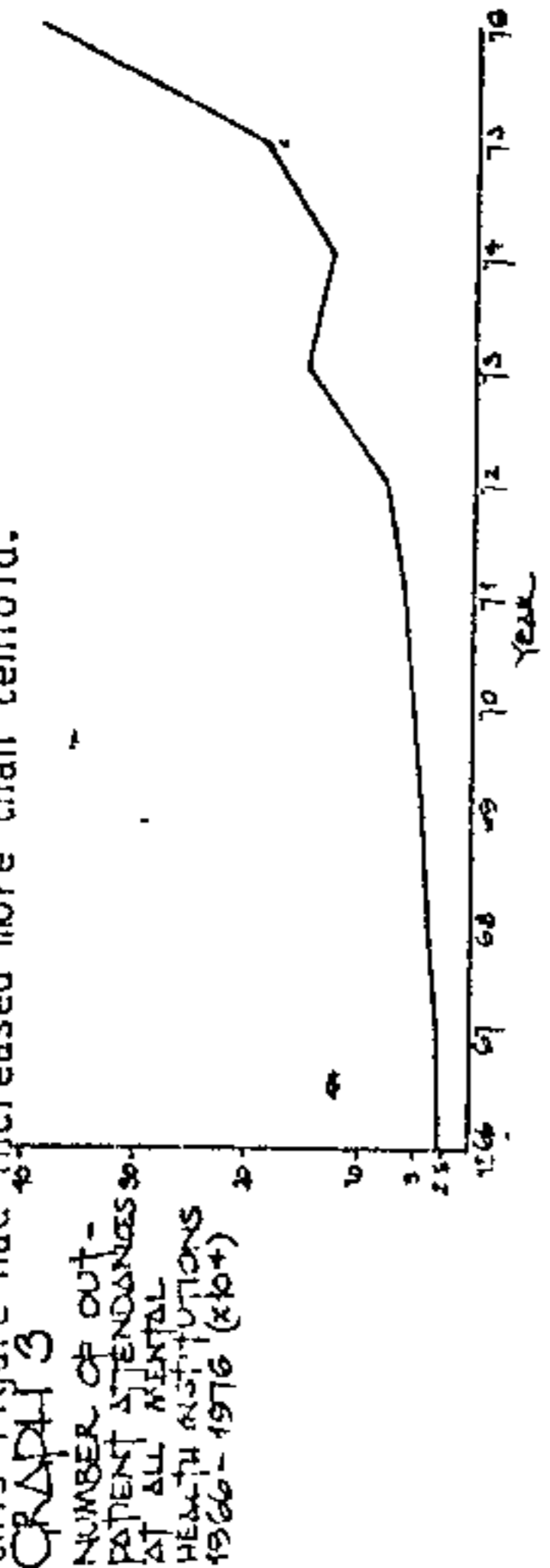
After negotiations with the union pressed its "living wage" demand — the company agreed to substantial wage increases for its 130-strong workforce.

(5) From the demand curve find the total amount which must be offered on the market in order to fetch the prices discovered in part (4). From these amounts make a schedule showing how much the government would have to buy or sell for each total output.

(6) Draw up a schedule showing how much the government would have to buy or sell in each of the ten successive years of part (2). Would the government have to sell a total greater than the amount it would have to buy over the ten years? Does the answer mean that stabilization of the gross value of a crop is impossible?

* * * * *

In 1966 there were 28 657 outpatient attendances. By 1976 this figure had increased more than tenfold.



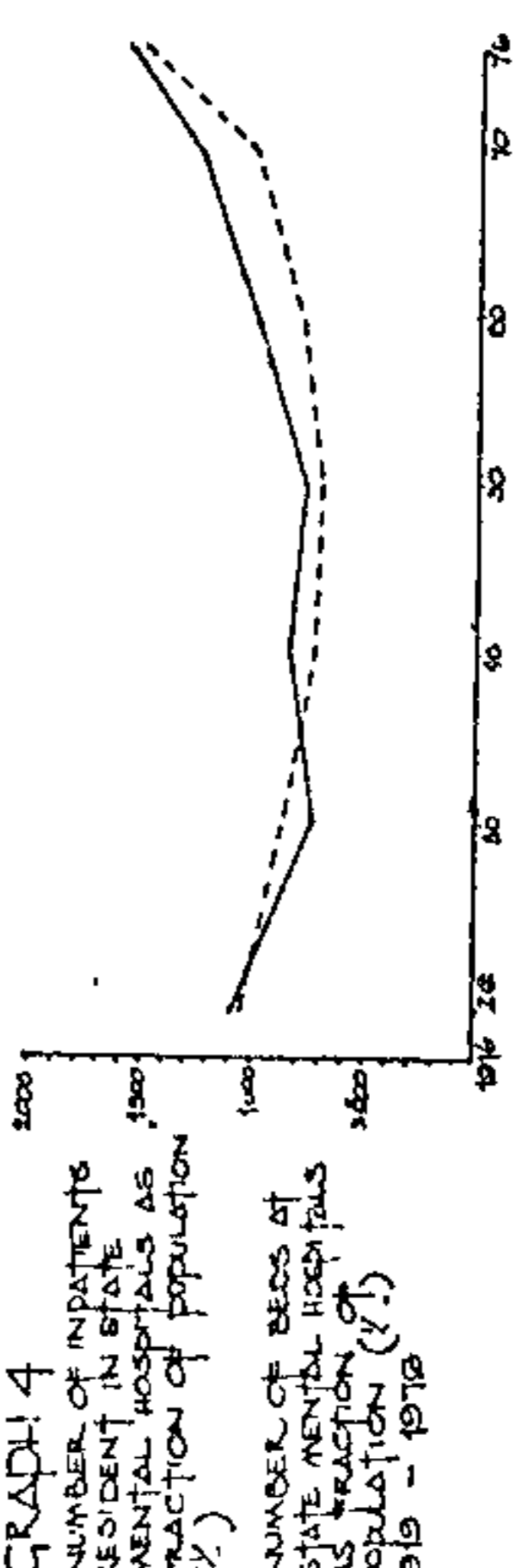
The outpatient services comprise two sections:

- a) Outpatient department psychiatry clinics i.e. patients attend at hospital clinics.
- b) Community services. Trained sisters travel to the patients in their home environment. This service has been available since 1962 at provincial hospitals, but only since 1974 at state hospitals.

Community Statistics

In 1919 there was a psychiatric bed for every 1 088 people in the country. By 1976 there was a bed for every 760. (This figure includes all beds of all category I institutions).

If the 1976 figure for beds at state mental hospitals only is used, then there was a bed for every 1 500 people in the population, i.e. an overall decline in the number of beds at state psychiatric hospitals per head of population.



In 1919 one in every 1 080 people were patients in psychiatric hospitals. By 1976 one in every 800 were resident inpatients.

Admissions 1919-1976

In 1920, 1 750 patients were admitted to state hospitals. In 1975 at least 39 700 patients were admitted to state, provincial and homeland hospitals. The number of admissions grew more than 20 times. The discharges mimicked the pattern of the admissions.

Workers win new rights at Kellogg

By RIAAN DE VILLIERS
Labour Correspondent

IMPORTANT new features have been incorporated in a re-negotiated recognition agreement between the multinational Kellogg company and the Sweet, Food and Allied Workers' Union.

The agreement supercedes a preliminary agreement reached between the two parties in August 1979, when the Fosatu-affiliated union was still unregistered.

The new agreement allows shop stewards to attend to union and company business in working hours.

Retrenched workers are to receive increased benefits through redundancy pay as well as a system for preferential re-employment.

Maternity benefits have been introduced, described by Fosatu spokesmen as "totally novel".

The agreement provides for a senior shop steward to be elected by shop stewards, who will have access to workers throughout the company on approval of plant management.

He will be entitled to an amount of company time to

attend to his duties in the plant, also to be agreed to by plant management.

Shop stewards will be allowed a monthly caucus meeting during working hours. The company has undertaken to consider employing retrenched workers in other departments when possible.

Workers with less than 18 months service will receive one months' wages in redundancy pay, those with between 19 months' and 30 months' service two months' pay, and those with over 31 months' service three months' pay.

Pregnant women leaving their jobs are to have priority whenever possible if they want to return after their confinement.

Women with more than a year's service will receive a third of their wages for 12 weeks, up to a maximum of R250.

Mrs Maggie Magubane, union secretary, described the agreement as a "breakthrough". She said this applied especially to the maternity clause, as women workers had been struggling for a long time for some form of protection.

greater rate of inpatient turnover. (6)

6. e.g. If hospital A with 800 beds has 300 inpatients in a year, none of whom improve and qualify for discharge, then a total of 800 patients would be resident in that hospital annually. If, on the other hand, hospital B discharges all its patients every 6 weeks, then a total of 6 900 patients would be resident in that hospital annually. Thus nearly 9 times as many patients rotate through hospital B compared to hospital A annually.

Wide concessions in new labour deal

Own Correspondent

JOHANNESBURG. — Important new features have been incorporated in a re-negotiated recognition agreement between the multi-national Kellogg company and the Sweet, Food and Allied Workers' Union.

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A mining trade union has agreed to relaxations in racial labour practices in exchange for a separate "package" improving benefits and service conditions.

Any relaxations will apparently depend on the inability of mines to find suitable white skilled labour.

This is the implication of a joint statement yesterday by the SA Engine Drivers' Firemen's and Operators' Association and the Chamber of Mines, announcing an agreement between the two parties.

This will only be done "after due consultation with the relevant mine or mines", the statement said.

Workers at Ford plant go back

Post Reporter

BLACK workers reported for work today at Ford's Struandale assembly plant after a four-week stoppage.

There were no incidents as the 900 workers clocked in.

Ford's director of industrial relations, J. E. ... a, said all the workers had turned up and everything was "running smoothly".

The Struandale plant was scheduled to begin production last Thursday but the re-opening was postponed after workers at the engine plant walked out for two days last week.

The engine-plant workers feared the management was training coloureds with a view to phasing out black workers. After discussions between management and the Motor and Component Workers Union of South Africa (Macwusa), workers returned to the engine plant on Thursday.

The date for the re-opening of the Deane assembly plant will be decided by Ford's management today.

Colgate row: workers back boycott call

By STEVEN FRIEDMAN
Labour Reporter

THE labour dispute at Colgate-Palmolive escalated yesterday when worker representatives from about 15 East Rand factories pledged their support for a boycott of the company's products.

At a meeting in Benoni yesterday, about 80 shop stewards and other workers in unions affiliated to the Federation of South African Trade Unions (Fosatu) pledged to distribute literature backing the boycott among workers in factories and on buses and to urge their colleagues not to buy Colgate products.

Similar meetings were held yesterday in Vereeniging and Johannesburg and Fosatu is hoping to enforce a nation-wide boycott.

Indications are that the Colgate boycott is becoming a rallying-point among Fosatu-affiliated unions in a range of factories on the East Rand.

A legal strike ballot, the first by a predominantly black union, is being held at Colgate's Boksburg plant. The result will be known later in the week.

Colgate has agreed to recognise Fosatu's Chemical Industrial Workers Union (CIWU), but says it will not bargain with the union on pay and work conditions. It says this bargaining must take place at an official industrial council.

The CIWU rejects this. It says most Colgate workers are not covered by a council and that workers want direct wage bargaining with the company.

An official conciliation board failed to resolve the dispute and, if the union wins the strike ballot, workers can strike legally from June 20.

It is understood, however, that talks between the company and the union are taking place in a bid to avert the strike.

At yesterday's meeting in Benoni, worker representatives

from other factories agreed to actively support a consumer boycott against Colgate called by the union and backed by Fosatu

Speakers said the Colgate dispute was "the struggle of all workers".

"If Colgate workers win, we all win. If they lose, we all lose," a speaker from one factory said.

Several speakers were critical of the industrial council system which, they claimed, was of little help to workers.

Speakers accused Colgate of violating the Rev Leon Sullivan's labour code for American companies operating here and of not fulfilling promises to end discrimination in the plant.

Colgate spokesmen were not available yesterday, but the company has insisted throughout the dispute that conditions within its plant are not discriminatory and that it adheres to the Sullivan code

Wm

19/6/81

11/6/81
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15/6/81

More support for boycott of Colgate

By STEVEN FRIEDMAN
Labour Reporter

WORKERS at "15 to 20" factories in the Germiston area have endorsed the boycott of Colgate-Palmolive products and agreed to support it actively, a spokesman for the Federation of South African Trade Unions (Fosatu) said yesterday.

On Sunday, representatives of about 15 other East Rand factories took a similar decision at a meeting in Benoni.

The spokesman added that Fosatu was also appealing to teaching, nursing and taxi owners' associations to support the boycott.

He said the issue had also been discussed at a meeting of the Azanian Peoples' Organisation on the East Rand.

Colgate is involved in a union recognition dispute with Fosa-

tu's Chemical Industrial Workers' Union (CIWU). The company says it will recognise the union, but that wage and working condition negotiations must take place through an official industrial council.

The CIWU rejects this and charges the company with refusing to negotiate on these issues.

The union and Fosatu have called for a nation-wide consumer boycott against Colgate and it appears the boycott is gathering momentum in the Witwatersrand area.

The CIWU might also call a legal strike on the issue if a strike ballot currently being held at the plant produces a "yes" vote.

Talks between the two parties have taken place in an attempt to end the dispute.

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5-24	0,07	0,06	0,09	0,10	0,14	0,17	0,11	0,13
25-44	1,09	0,44	1,31	0,70	1,54	1,27	0,73	0,78
45-64	9,75	4,44	14,75	10,70	20,22	8,25	4,61	5,02
65	42,19	32,93	55,30	47,72	43,12	40,91	12,55	14,21
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Executive on need for orderly industrial relations

By BRIAN POTTINGER, Political Correspondent

THE assistant managing director of General Motors, Mr. Rod Ironside, said yesterday he did not believe it was the role of companies to become involved in anti-Government action or propagating of any particular political type.

It was vital however, that companies involved themselves in their own interests and that of labour in working towards a pattern of ordered industrial relations.

His comments were expressions of statements he made during an SATY Midweek review of industrial unrest in the Eastern Cape.

Mr Ironside again emphasised the point he made in the

programme that if people felt they had no adequate instrument of political expression it was inevitable that they would seek that expression in other areas.

A survey of industrial unrest in the Eastern Cape in recent years would show that more and more of these disputes went into areas which were not purely industrial relations.

What must be realised was that where people did not have proper instruments for political expression they would move into other directions for that political expression.

One could not absolutely divide politics and trade union activities said Mr Ironside. Through the various employer groups attempts had been made to isolate the real issues but always, although four or five relatively minor problems might be identified

had there remained deeper issues.

By a process of elimination it was possible to identify these as basically political issues which phased over into industrial relations unrest. It was in the interests of both employers and labour that the need for an ordered system of negotiation over industrial relations issues be appreciated.

He pointed out that among many workers, although an issue may have been negotiated and agreed upon, there appeared no sanction on workers to maintain that agreement.

This could only be overcome by an educational process and a respect for "law and order" — not in the police sense, but in the sense of an ordered system of industrial relations.

Union says Ford aims to divide black labour force

Own Correspondent

PORT ELIZABETH—The trade union which recently staged a strike of about 2,500 African workers in Port Elizabeth, is launching a drive to recruit coloured workers to counter possible attempts by factory managements to divide workers.

The acting leader of the Motor Assembly and Component Workers Union of South Africa (Macvusa), Mr. Government Zino, said yesterday the union had refused that Ford was trying to divide its workers, probably because the plant hardest hit by recent strikes was its Cortina plant, which has a virtually homogeneous black labour force.

Macvusa believed the attempts to divide workers were being made in two ways:

○ The company was taking on only coloureds in new jobs.

○ It was putting many coloured workers in superior positions to blacks.

The company had since the 1970 strikes brought coloured workers into its Cortina plant. So far they numbered only about 150, while the number of Africans was 900.

At the adjacent engine plant, the two groups were now about equally represented after Ford had brought in about 80 new coloured workers to increase production.

The black workers' suspicions became clear last week when about 500 walked out at the engine plant when they had to insist new coloured employees.

The issue was resolved at a meeting between the union and management. But now Mr Zino says he believes they had been misled into believing new African workers were being employed as well.

Mr Zino said many coloured workers had approached his union to become members. The union was non-racial but so far had only African members. It was still new and to get off the ground, it started among Africans.

(b) Seasonal Workers

As a source of supply to labour requirements, the (short-term migrants are relatively far more in the region. In the past, the labour force follows some of these districts. For utilization of this has been researched. Among other out from where this has been organized - that is, to bring buyers and sellers will attempt to illustrate information available) out of season.

(i) The Hex River Valley

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Ballot almost sure to end in Colgate strike

Star 18/6/81 (152) (62) (183) (140A)

By Drew Forrest

Pressure was mounting on the Colgate-Palmolive company in Boksburg as union officials yesterday finished counting the ballot for what may be the second legal strike by black workers in South African labour history.

The strike ballot, involving members of the Chemical Workers' Industrial Union (CWIU), began last week and is almost certain to approve strike action. But the outcome may possibly not be published until after the union's report back and planning meeting at the weekend.

Talks are believed to be in progress between the union and management in a lastditch attempt to avert the strike, and to settle the long and acrimonious dispute at Colgate over union recognition.

The CWIU is demanding plant level negotiation on wages and working conditions, while the company has said it will bar-

gain on these only in the Industrial Council.

A conciliation board meeting called to resolve the dispute ended in deadlock last month. In terms of labour law the union is entitled to hold a strike ballot and stage a legal strike after 30 days if the majority of its Colgate members vote for it.

The 30-day "cooling-off

period" elapses on June 20.

The CWIU and Fosatu, to which it is affiliated, have intensified their drive for a consumer boycott of Colgate products.

On Tuesday a Colgate-worker representative called for support of the boycott at a June 16 memorial meeting in Pretoria. Shop stewards from about 40 factories on the

East Rand, in Johannesburg and Vereeniging pledged their backing for the boycott at the weekend.

And there may be further pressure on Colgate from surrounding companies in the Boksburg area — where employers are understood to be concerned about the prospect of sympathy strike action.

The Medical Commission of 1911 undertook its investigations and examinations in a more practical manner than the Mining Regulations Commission. In reaching their conclusions, the Medical Commissioners could only give estimated figures for incidence and prevalence. For instance, it was disappointing for them to discover that very few post-mortem examinations had been conducted at the Johannesburg General Hospital when deaths were presumed to be from silicosis. (117) The commissioners, all of whom were doctors, clinically examined 3 136 underground miners, selected at random from a Great many mines from all parts of the Witwatersrand. From these, 326 miners were chosen - two from each mine - for a 'special' examination, which radiography at the

since the Anglo-Boer war the number of married miners had increased to 57 per cent, of whom 84 per cent were living with their families in the Transvaal. (121) These findings indicated the start of a growing and settled white mining population which had a bearing on the contraction of silicosis. As has been shown, a number of important improvements were incorporated in the Mines and Works Act of 1911 and the regulations framed in terms of it, as a result of the recommendations of the Mining Regulations Commission. To these amendments were later added some of them on the suggestions of the Medical Commission. Such improvements also included the

Workers at Colgate vote 'yes' for strike

By Drew Forrest
After the first legal strike ballot held among black workers in South Africa, employees at Colgate Palmolive, in Boksburg voted over-whelmingly in favour of strike action. A spokesman for the Chemical Workers Industrial Union (CWIU) said 90 percent of eligible workers at Colgate voted "yes" to strike action, with only four voting against.

Whether workers will now proceed to a legal strike hinges on a union report-back and planning meeting scheduled for Saturday. It is understood that there have been negotiations between the CWIU and Colgate management, and these will be discussed at the meeting. The successful ballot is the latest development in a protracted wrangle at Colgate over union recognition. The union is demand-

ing plant-level negotiation on wages and working conditions, while management has insisted they will bargain on these only at industrial council level.

A conciliation board meeting called to resolve the dispute ended in deadlock, entitling the unions to hold a strike ballot and stage a legal strike after 30 days if the majority of its Colgate members voted for it. The 30-day period ends on June 20.

If a legal strike is staged, it will be the second by black workers in South African labour history. Workers at Armour-plate Safety Glass in Springs held a partially successful legal strike five years ago, under the Black Labour Relations Regulation Act. This did not involve a formal ballot.

to be enacted in 1912) to give a small measure of relief to destitute silicotics. The board was a valuable instrument for the commissioners, who through it had access to the life histories and other limited epidemiological evidence pertaining to the miners undergoing the examination. (120a) The Medical Commission also examined the components of the mining population. It reported that 35 per cent of miners were of South African birth, whilst the majority of the remainder had come from Britain or British possessions. It also showed that

improved so much during the past eighteen months that there was 'very little risk in working underground.' (124) Barry was not so complacent. Although conceding in 1913 that improvements had taken place during the past eighteen months, he stated that 'Phthisis is a far bigger factor in all this thing than even the men are aware.' (125) Thomas Mathews, a paid official of the FWA, wrote a scathing article in the Worker condemning a director of the subsidiaries of Rand Mines who had said in London that 'miners' phthisis was completely wiped out'. (126) Mathews, as a government appointed member of the Miners' Phthisis Board, responsible for investigating

and amendments lulled a number of miners into a false sense of complacency of silicosis. For instance, in 1913 Sir of Consolidated Goldfields, 'a very old fellow', told Sir William Solomon, that the position on the mines had ment were still lax in observing them, rictions imposed on underground working improvements included the construction of lte miners, but only shelters for Africans, water in drilling and other dust-producing ns. (122) Despite these innovations, by ment were still lax in observing them, rictions imposed on underground working improvements included the construction of lte miners, but only shelters for Africans, water in drilling and other dust-producing ns. (122) Despite these innovations, by

Star 23/6/81

Dispute ends as Colgate accedes to union demands

The long and bitter row over union recognition at Colgate-Palmolive in Boksburg has been settled, with the company acceding to union demands for plant-level bargaining on wages and working conditions.

This breakthrough for the Focstia-affiliated Chemical Workers Industrial Union (CWIU) was announced in a joint statement yesterday. The company has also agreed to drop its demand that the union seek admission to the Industrial Council for the Chemical Industry.

According to the statement, the company told the CWIU last Friday that it "agreed in principle to recognise the right of the union to negotiate wages and conditions of employment on an in-plant basis."

In return, the union has agreed to call off the consumer boycott of Colgate products, launched last month, and cancel the threatened legal strike by its Colgate members.

The parties will now move to negotiate a detailed recognition agreement.

Colgate's about-face on the issue of plant-level negotiations follows a union campaign lasting more than a year.

Last month statutory conciliation board proceedings activated to settle the dispute broke down, empowering the union to hold a strike-ballot and stage a legal strike at Colgate within 30 days.

Workers voted overwhelmingly for strike action in a ballot last week

and could have legally withdrawn their labour yesterday. However, they decided to stay their action after hearing of the company's offer at a report-back meeting at the weekend.

Colgate's undertaking is a crucial step forward for the CWIU and the Federation of SA Trade Unions, to which it is affiliated. The latter has repeatedly stressed the need for plant-based negotiations on wages and working conditions with representative unions.

Star 24/6/81
**No backing
for firms**

DETROIT — The United Auto Workers Union has asked banks handling \$595-million in pension funds not to invest the money in five US firms which have not supported an equal-employment code for US businesses in South Africa.

The firms are US Steel Corporation, Dresser Industries, Newmont Mining Corporation, Allegheny Ludlum Industries and Eaton Corporation. — Sapa-AP.

Colgate strike, boycott settled

THE CHEMICAL Workers Industrial Union and Colgate-Palmolive Limited have agreed to a settlement over the dispute for union recognition and the union is now taking steps to instruct its members and sister unions to refrain from any boycott action at the company's Boksburg plant.

Colgate-Palmolive last week informed the CWIU that management has agreed in principle to recognise the right of the union to negotiate wages and employment conditions on behalf of its members on an in-plant basis. The agreement was conditional on the provision provided by the union of a written undertaking to call

off strike threats and consumer boycott of the company's products.

Colgate-Palmolive has agreed that it will no longer insist that the union seek admission to the industrial council for the chemical industry.

The parties have agreed to re-engage in negotiations for a further detailed recognition agreement. Steps are under way to re-enter into negotiations immediately.

The union welcomed Colgate-Palmolive's acceptance of the principle of in-plant bargaining for wages and conditions of employment. The union has now called off both the strike and the product boycott.

that the phrase "is more orientated towards satisfying its own needs, than those of the community" was a very poor description of the medical profession. These two extreme opinions when analysed, resulted in ranks No. 1, and No. 3 respectively in Table 1. Employing the same methodology, students were asked, "how important each of 23 characteristics was, in making a good physician". Each characteristic was followed by the options "very important", "fairly important", "of minor importance" and "not at all important". Responses were ranked from the most to the least important as illustrated in Table 3. The top 10 characteristics were:

- a) Recognition of the limits of his knowledge and abilities
- b) Ability to think logically
- c) Integrity
- d) Accuracy in collection of clinical data
- e) Ability to define and solve problems
- f) Thoroughness in collecting clinical data
- g) Dedication to his job
- h) Enjoyment of his job
- i) An enquiring mind
- j) Readiness to assume responsibility.

When students were presented with the same characteristics, but were asked how important each was, in order to succeed at medical school, the answers were markedly different (Table 4). Finally, when asked "During the clinical course how well do you think the following characteristics of students were assessed?", it was apparent that many of the criteria considered in making a good physician were poorly assessed (Table 5).

Tables 6 and 7 illustrate the responses and ranked responses of 155 IVth year students who were presented with 14 statements and asked

to comment, firstly "How well does this medical school equip you for each of the following vocational needs" and secondly: "How well SHOULD this medical school equip you for each of the following vocational needs". Analysis of this data revealed a significant degree of negative correlation (P= 0.05).

When asked: "How do you plan to use your medical qualification", 20% of the IVth year sample chose general practice, 20% specialisation, 4% research and teaching, 5% community medicine, 26% were undecided and

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The company had insisted that negotiations on these should be restricted to the Industrial Council, and a 14-month-long recognition dispute culminated in a consumer boycott of Colgate products and a threatened legal strike — called off as part of the settlement. "Managements and the State have agreed that black unions exist and should be negotiated with," the statement said. "However, they are still attempting to decide unilaterally where such negotiations should take place."

Fosatu unions would decide on the basis of their own experience which forums would allow them to bargain effectively and from strength.

Fosatu warms further disputes

Star 25/6/71

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Fosatu unions would decide on the basis of their own experience which forums would allow them to bargain effectively and from strength.

- 1) Provide care for all people in S.A.
- 2) Be aware of their own personality and how this affects doctor/patient relationships

25/6/81
Police make 'unofficial' raid on 'political' union

By STEVEN FRIEDMAN
Labour Reporter

POLICE this week raided the offices of the union whose members were involved in the recent strikes in the Port Elizabeth motor industry and told officials the union was a "political" organisation.

According to officials of the Motor Assembly and Components Workers Union of South Africa, police also ripped a union telephone from its socket and were "rude" to union of free-bearers.

In response to queries by the Port Elizabeth Press, police confirmed that a raid had taken

place but said it had been "unofficial". Police also said the raid had taken place because a burglar alarm had been activated in the building housing Macvusa's offices.

According to the union, 10 policemen burst in on a union meeting which was taking place in the office and told unionists attending the meeting that Macvusa was a "political" organisation.

They said they intended calling the Security Police and are alleged to have ripped the union's telephone from its socket.

Macvusa officials described the police as "rude."

Three Macvusa officials, including the union's general secretary Mr Dumile Makanda, are in detention under security legislation. An ordinary member of the union at General Motors is also being held.

Macvusa members struck recently at Ford, General Motors and Burestone in one of the first "sympathetic" strikes in the country's labour history.

Shortly after the strike was settled, union members at Ford's engine plant staged a one day strike.

When the Macvusa men were originally detained, police said their detention was not connected with the strikes.

MENT

Many of these posts may fall empty, so that preventive work in urban townships could also dwindle. With increasing disorganization in the townships, more disease is to be expected: influenza, pneumonia, TB, measles, Gastro-enteritis and mal-

Resistance to bacteria
Because of the high default rate of TB patients strains of TB can be expected to develop which are resistant to known treatments. Thus mortality from TB could increase to extremely serious levels especially in the islands where it is endemic and where

"The question of where negotiations take place is clearly the next battle in terms of recognition... we are likely to see more struggles of this nature in the future."

This warning by the Federation of SA Trade Unions (Fosatu) follows the settlement last week of a 14-month wrangle between one of its affiliates, the Chemical Workers Industrial Union (CWIU) and Colgate-Palmolive in Boksburg.

The dispute centred on union recognition, but not of the traditional kind. Apart from an early and quickly retracted statement that it was Colgate policy world-wide not to deal with unions, the company did not set its face totally against the CWIU.

gaining rights at factory level, and to insist on the Industrial Council for the Transvaal Chemical Manufacturing Industry as the only forum for negotiations on wages and working conditions.

The company's stance, which it has now abandoned, was by no means untypical. Industrial Councils — in which registered unions and employer bodies reach legally binding agreements covering whole industries — are theynchpin of the established labour relations system, and are strongly favoured by the mass of employers.

Their view is that a centralised bargaining forum removes disputed issues from the heat and direct pressure of the shop-floor, making for a "de-personalised, professional and rational" basis for negotiation, as Colgate management put it to the CWIU.

Employers fear also that pressure than urban doctors and will probably continue as before. It also seems likely that the majority of black doctors graduating will continue to move ultimately into private practice.
The black communities are continually becoming more conscious of the need for general knowledge on health matters, including nutrition, gynaecology and first aid.

A Question of Power

Star 29/6/81

The settlement of the dispute at the Colgate-Palmolive plant in Boksburg marks a new phase in the black trade-union drive for recognition. Drew Forrest reports...

plant-level wage bargaining allows union to "play off" companies against one another, thus forcing up wages through a sort of "ratchet effect."

wide bargaining out of hand, but say they will embark on it only when they are ready to do so.

there is an imbalance of power which tells against emergent unions without a national base or structure.

The prospects for further conflict on this issue will to some extent be limited by considerations of strategy.

With this industry and in allied industries like building and paper where the Setsisa guidelines have strong influence — overseas pressure on the boycott weapon would not be as effective.

1. There should be as much decentralisation as possible, to cope with existing and future deficiencies in transport facilities.
2. Areas should become as self-sufficient as possible, in the capacity for maintaining preventive services as well as in curative medicine and surgery. There should be as wide as possible diffusion of skills, not only to equip nurses to work

nally," said one Fosatu figure.

A second tier of bargaining is needed, Fosatu says, because Industrial Council minimum wage-rates, which "fall to the lowest common denominator of the weakest union and the least profitable employer," are far too low.

But in the last analysis, the debate over levels of bargaining boils down to a question of power. Employers wish to retain control over what they see as their enterprises, while the unions are seeking to roll back management prerogative over the conditions in which their members must work.

As a multinational company, Colgate was vulnerable to pressure through the Sullivan code of conduct, and from unions and other groups in Britain.

tain, Spain and United States.

And the consumer boycott of Colgate products called by Fosatu and CWIU was potentially very damaging, because the detergent toilettries markets are competitive and because African consumers are prominent in them.

Fosatu considers its biggest headache to be the giant metal industry where the tightly organised Steel and Engineering Industries Federation of SA (Setisa) has joined its members not to recognise any union, while fights shy of the Industrial Council.

Further industrial conflict of some form on this issue of plant-level bargaining seems, however, inevitable.

COMPREHENSIVE HEALTH CARE IN RURAL AREAS OF MATABELAND

DR. A. O. PUGH

Introduction

The purpose of this article is to summarize the existing system of health care in rural areas of Rhodesia, with special reference to the Matabeland province. The roles of medical assistants, health assistants, village health workers and other auxiliary staff are outlined, and their duties described. The costs of the service are mentioned, and it is hoped that subsequent discussion will show that comprehensive health services can be provided.

STABLE LABOUR

"Now," says Mr Bruyns, "with the new organisation named Eastern Province Textiles, we have a completely stable labour force."

"This was evident during the 1980 textile workers' strike in Natal, when our workers, in appreciation, refused to participate."

In the restructured management team, Mr Bruyns is managing director of Eastern Province Textiles, with the rest of the board comprising Dr Ferreira, Mr A W Hofmeyr and Mr K Coetsee all of Mercabank.

Life in the smaller centres can be made, the urban hospitals will continue to swallow up most of our graduates and qualified nursing staff so that the doctor: population ratio in the rural areas will remain up to 1: 100 000. This means that our rural health services must be provided by auxiliary staff supported by their professional colleagues in urban areas.

The health problems in our rural areas are similar to those of other developing countries and the emphasis is on diseases prevalent where living standards are low and there is a lack of adequate water and sanitation. The health problems are grouped together under the following headings for convenience:

1. Nutritional
2. Infectious diseases
3. Parasitic diseases spread by vectors or intermediate hosts
4. Common ailments, injuries and social problems
5. Problems in pregnancy and childbirth
6. Emergencies of all types

We have analysed the health problems and we know what needs to be done to counteract them. Our challenge is to provide a system of comprehensive health care which will reach the people who need it most in ways which yield the greatest benefits, and yet are within the country's financial capabilities. By comprehensive health service we mean a system of health care (and I quote) which must "reach into the communities and homes, and influence patterns of living - the construction of dwellings, the protection of water, the delivery of babies, the feeding of children, the size of families". (Bryant 1971)

For convenience, the description of the system will be divided into the aspects of personal health care, environmental health services and

Jobs saved for 200 textile workers

Star 29/6/81

By Frank Jeans

A salvage operation by Mercabank has saved the jobs of 200 textile workers employed by hosiery manufacturers, Keepers Hosiery.

The company was formed in 1971 under United States franchise and following good trading years, difficulties were encountered which led to its being placed under provisional liquidation in 1979.

The then administrator for the provisional liquidator, Mr Denton Bruyns, however, stimulated new interest which in turn led to Mercabank coming in with an offer of compromise.

OPTIONS

There were two options opened to Dr Charles Ferreira of Mercabank and Mr Bruyns - the company could be disposed of, resulting in the dismissal of 200 workers; or Mercabank and Mr Bruyns could take over the plant and assets of Keepers Hosiery.

They settled for the latter course.

"The workers were of great concern to us," says Mr Bruyns. "This was one of the main motivations to keep things afloat."

During the negotiations on the future of the company the Garment Workers Union and the Industrial Council were concerned at the possibility of 200 men losing their jobs, as they could not be absorbed elsewhere in an already overstrained textile market.

STABLE LABOUR

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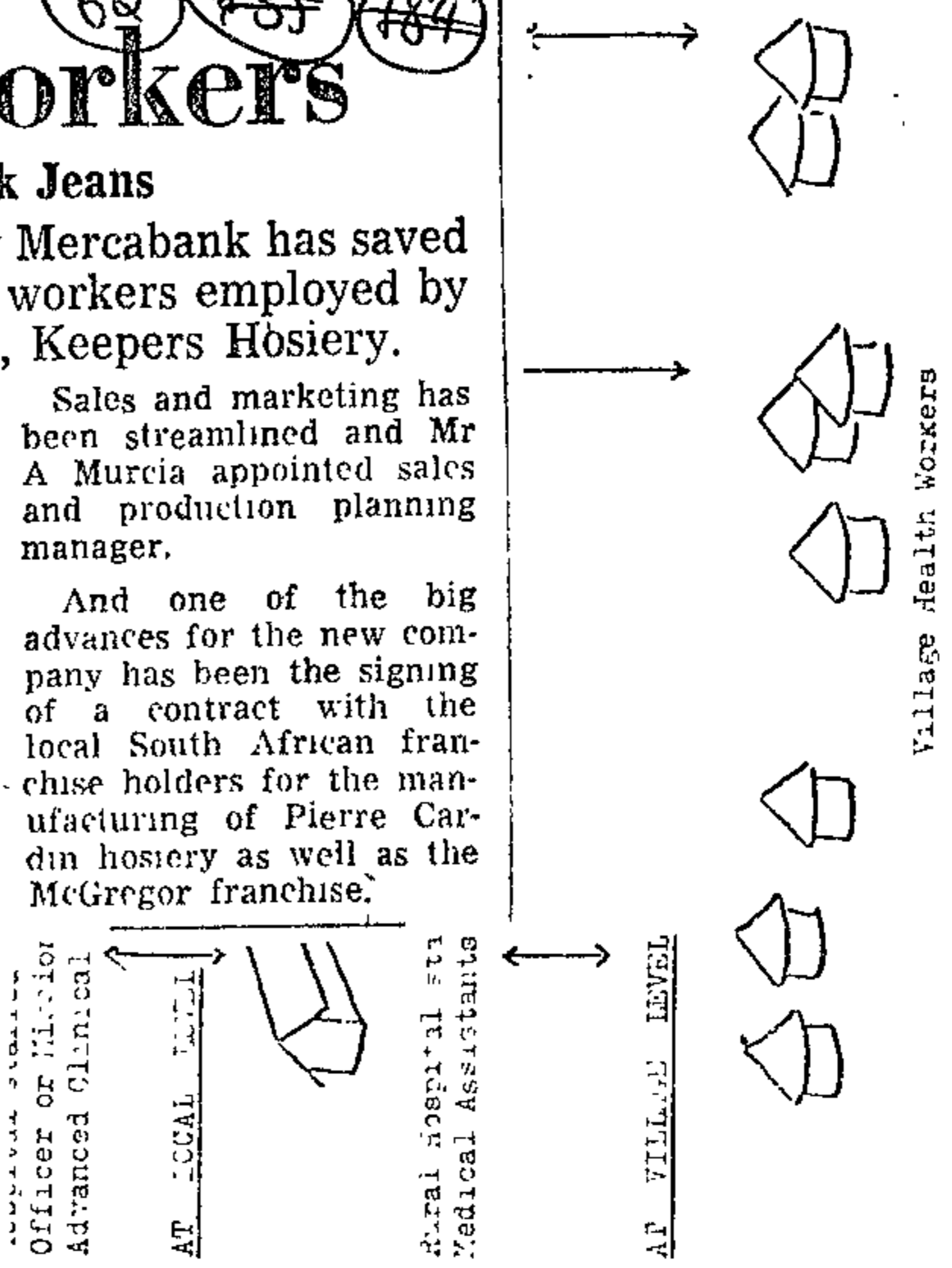
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AP LOCAL LEVEL

AP LOCAL LEVEL

Rural Hospital & Medical Assistants

AP VILLAGE LEVEL



Huge extensions by Firestone

By Mervyn Harris

Firestone South Africa is to spend R22,5-million in the first phase of a R55-million expansion programme to meet tyre demands for the 1980s.

Nearly half the R38-million to be spent locally will be devoted to enlarging the capacity of the Port Elizabeth plant to make the country independent of imported tyres for various industrial purposes, Mr Peter Morum, chief executive of Firestone SA, said at a Press conference yesterday.

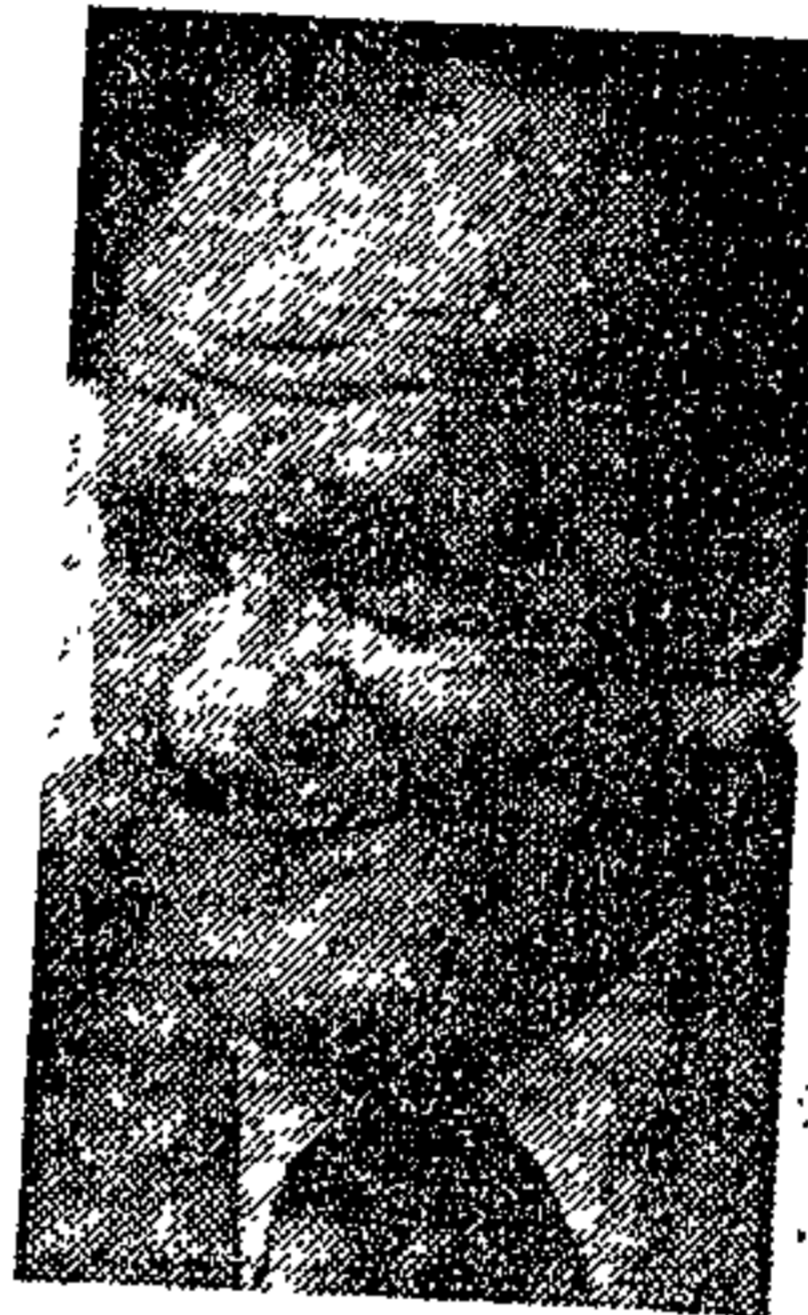
He said it was also Firestone policy to use raw materials produced by the local chemical industry to the greatest possible extent. This would save foreign exchange.

UNHEALTHY

"We believe this programme will enable us to have access to the total local market and get back business which has been lost to imports.

"This country needs employment opportunities and, as a manufacturer, we hope to provide this instead of providing more employment offshore," he said.

Mr Morum said that it was an unhealthy situation for a high percentage of tyres used in South Africa to be imported, particularly as the wages forming part of their cost structure could have been paid to local workers and thus be reinjected into



Mr Peter Morum, chief executive of Firestone SA.

the economy.

Firestone currently produces more than 500 sizes and styles of tyres, ranging in diameter from 28 cm minityres to giant 3.3 m high earthmover tyres weighing 2 700 kg each.

ACQUISITION

Mr Morum said the company's balance sheet was clean and it would finance the programme itself.

The investment follows the recent acquisition of a majority interest in Firestone SA by the Federal group.

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

P C Key

The Committee of the Western
Cape Chapter of Quantity

Surveyors' Prize

For the student obtaining
the highest marks in

Professional Practice.

P R Swift

LTA Prizes

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URBAN &
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QUANTITY
SURVEYING
(Continued)

62

1996 1999

SKR 8/7/81

Firestone announce huge expansion programme

Sewetan 8/7/81 (62)

By SELLO RABOTHATA

FIRESTONE South Africa yesterday announced the biggest single expansion in the tyre industry, an investment of R22,5-million over the next 15 months.

The board of directors is reported to have given approval for the first stage of a R55-million expansion programme, the major proportion of which is to be spent locally. The investment will increase the company's overall capacity by a third.

Mr Peter Morum, chief executive of Firestone SA, said that the investment was being made to meet the growing needs of Southern Africa as a developing region.

He said: "Of the investment of R22,5-million, R17,5-million will be for the company's Port Elizabeth plant, which will be extended to an area of 500 000 square metres, and modernised. Construction will start next month.

"The balance of R5-million will be for advanced



Mr Peter Morum . . . at the announcement of the expansion.

tyre-building equipment to be installed at the company's ultra-modern tyre factory at Brits," he said.

Mr Morum also said at a press conference held at the Landdrost Hotel he did not believe that the high incidence of imported tyres in South Africa was in

the interest of the country, and the investment was planned to meet the current shortages in major sectors of the economy.

The expansion programme would materially increase the company's production capacity of tyres, tubes and related products for industry. With

these capacities designed to make South Africa self-sufficient, Mr Morum said it was also policy to use raw materials produced by the local chemical industry to the greatest possible extent.

The new programme will bring the company's investment in quality testing equipment to R2,5-million. Currently the company produces over 500 sizes and styles of tyres, ranging in diameter from 28 cm to 3,3 m, the latter being giant metre-wide earthmoving tyres weighing 2700 kg each.

The company's massive investment follows the recent acquisition of a majority interest in the local company by the Federale Group. The idea will provide employment opportunities for 500 people who will be trained for semi-skilled jobs. Mr Morum said that the idea was to attack the local market and thereafter to tackle the export market.

GM pledge to help black industry

Argus Bureau

PORT ELIZABETH. — An appeal was made last night to black businessmen to concentrate more on manufacturing for the motor industry to alleviate critical parts shortages.

The managing director of General Motors South Africa, Mr Lou Wilking, made the appeal at a banquet of the National African Federated Chamber of Commerce (Nafcoc) during its annual conference in Port Elizabeth.

SHORTAGES

'When you look at the demand growth pattern, it is small wonder that the industry is daily facing critical parts shortages. We need more suppliers,' he said.

'We appeal to black suppliers to involve themselves in the many segments of the industry open to them.

'Any aspiring black entrepreneur should not

confine his manufacturing efforts — big or small — to a single company.

'He should direct it to the motor industry as a whole.

'We at General Motors have received approaches from black businessmen who are eager to be accepted as suppliers of commodities and components.

'We shall leave no stone unturned to assist them in becoming established.'

The president of Nafcoc, Mr S M Motsuenyane, said in an earlier speech to the conference, that the 'sad and sombre contrast of life' in South Africa, was the 'time bomb' on which the country was sitting.

He said the truth was revealed by reported incidences of starvation in Zululand, chronic housing shortages in Soweto and in other major urban areas of the country, and 'dire poverty' in certain parts of the homelands.

Firestone to spend R55m expanding tyre plant

20M 9/7/81

62
XOX
XOX

Financial Reporter

FIRESTONE South Africa will spend R22 500 000 in the next 15 months to increase its tyre-production capacity by 35% in the first stage of a R55-million expansion programme.

Mr Peter Morum, chief executive of the company, announcing the programme in Johannesburg this week, said it would be the biggest single expansion in South Africa's R400-million a year tyre industry.

It follows the recent acquisition by Federale Volkskas of a majority shareholding in Firestone South Africa.

Mr Morum said the total programme, designed over two years, would result in a material increase of the company's production capacity of tyres, tubes and related products for the industry and would mean increasing the company's staff complement by 500 people.

Increased production would help to meet current shortages, and rising demand in Southern

Africa while helping to make the South African tyre industry more self-sufficient.

It would also reduce the presently high incidence of imported tyres in South Africa, now 15% of the total market.

The company would adopt a policy of using locally-produced raw materials to the greatest possible extent.

Most of the R22-million is to modernise and expand the company's plant in Port Elizabeth to cover an area of 500 000m². Construction will start next month.

While a total of about R38-million of the budget is to be spent locally on expanding the plants at Port Elizabeth and Brits, the rest of the R55-million is to buy and import machinery and equipment.

The money for the expansion is to be borrowed both locally and overseas. Mr Morum said the ratio of funds from either source would depend on which offered the lowest interest rates.

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II and III in the third, fourth &
fifth years respectively.
I : N D G Sessions
II : A R Low Ken
III : ...

QUANTITY
SURVEYING
(Continued)

Star 14/7/81
**Dispute at
 Colgate
 flares afresh**

By Drew Forrest

The entire workforce at the Colgate - Palmolive plant in Boksburg — about 250 workers — downed tools this morning, barely three weeks after the industrial dispute there appeared to be settled.

Urgent talks were in progress this morning, involving Colgate management, the Chemical Workers Industrial Union (CWIU), which represents the workers, and the Federation of SA Trade Unions to which the CWIU is affiliated.

Last month the company agreed "in principle" to negotiate wages and working conditions with the union at plant level, after insisting for more than a year that it would do this only at industrial council level.

Its about-face followed a threatened legal strike and a consumer boycott of Colgate products by the CWIU and Fosatu.

It is believed that negotiations on a recognition agreement have since reached a stalemate. A source close to the plant claimed that management was seeking through the agreement to rule out any further strike or boycott action, and to re-introduce "in disguised form" a liaison committee system.

The parties are believed to have resorted to conciliation board proceedings last week, but without success.

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PLANNING
 REGIONAL
 URBAN &

QUANTITY
 SURVEYING
 (Continued)

50 workers
15/7/81
62

Colgate workers walk out

MORE than 500 employees at Colgate-Palmolive in Boksburg yesterday downed tools, claiming that although management had said it would recognise the Chemical Workers' Industrial Union (CWIU), it still refuses to let the union function properly.

The union had earlier threatened to call for a strike among its members and to launch a boycott of the company's products. A meeting held between Colgate-Palmolive and CWIU officials later averted the action after management agreed to recognise the union.

A spokesman for the workers said yesterday that they had decided to go on strike after they had asked to see one of the directors and were told he was not in — although his car was seen in its usual parking place on the premises.

The spokesman said: "It seems the company only agreed to recognise the union to make sure we do not go on strike. Last month we had a ballot vote and agreed to go on strike if the company does not recognise the union and they quickly came to a settlement because the company could have lost a lot of money and the public would have boycotted their products.

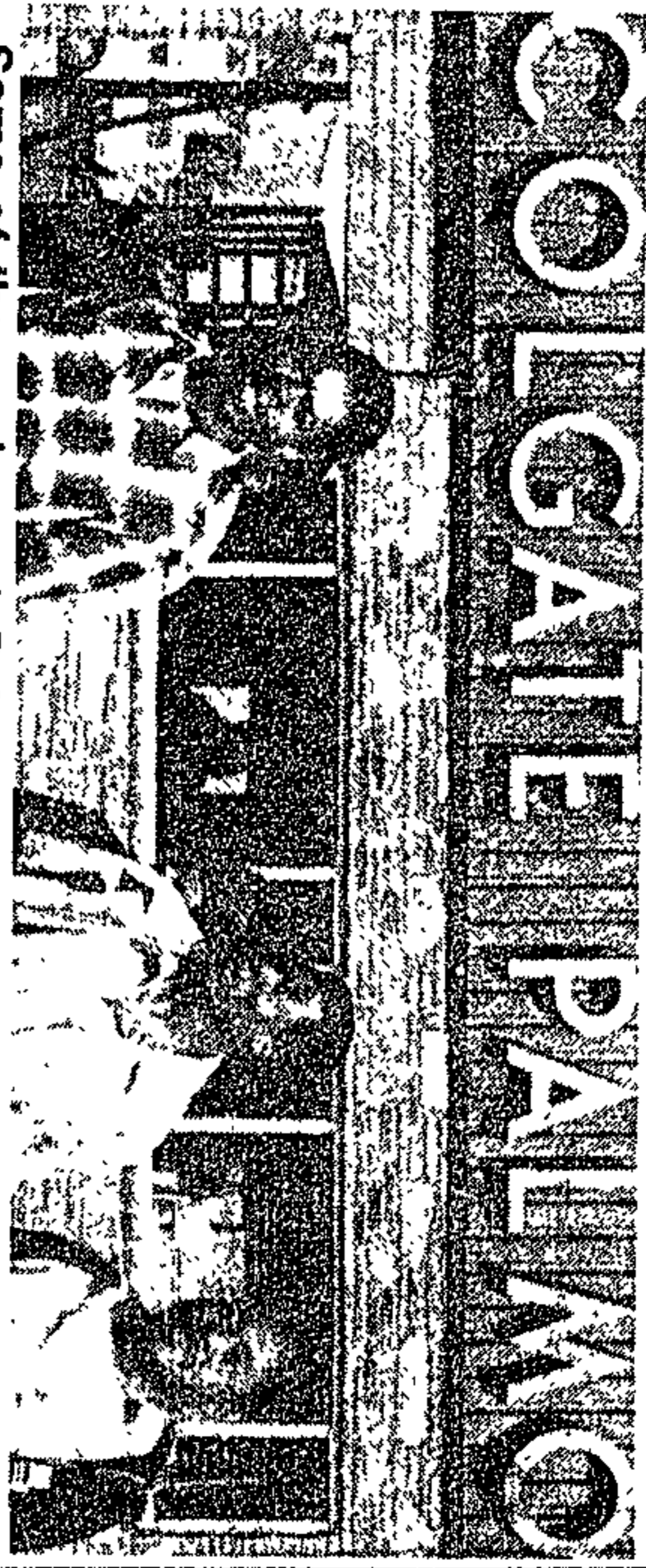
"Now, although the union is said to be recognised, we still don't feel its representation. It is as good as being a white elephant. Management does not give it the necessary flexibility.

Colgate-Palmolive had agreed in principle to recognise the union's rights

By SELLO

RABOTHATA

to negotiate wages and employment conditions on behalf of its members on an in-plant basis. The agreement was conditional upon the provision by the union of a written undertaking to call off strike threats and the consumer boycott.



Some of the workers at Colgate-Palmolive leaving the premises yesterday.

SA investment in US a counter ploy

KDM 16/7/81 (62)

GREATER investment in the United States by South African corporations could help to blunt the campaign for an end to American involvement in South Africa's economy, according to the SA Foundation's US director, Mr John Chettle.

He says in an article in Barlows '81 that South African businessmen have considerable ability and enjoy high respect abroad.

"It is time for them to use that influence," he suggests.

With the election of President Reagan it is no longer imperative that South African corporations have to maintain a subtle, low-key and unpublicised presence.

"It is generally recognised that the new Administration gives the South African Government an opportunity to make the internal reforms to which it is committed in an atmosphere free from the tension and threats which characterised the previous four years.

"It is less often noted that the new Administration also affords some new and exciting

possibilities to the South African sector. These possibilities have both an economic and a political dimension, and they relate both to Africa and the United States itself."

Mr Chettle said the Reagan Administration's policies represent a sharp reaction to the reverses the United States suffered in the recent past, and to the "escapism and unreality" which caused those reverses.

"High officials of the Administration believe that South African businessmen can make a great contribution to the sub-continent, that it can help develop the areas economically and thus do something to relieve the economic distress which might encourage other countries to look to the Soviet Union for help."

Officials have pointed out that hostility to South Africa tends to increase in inverse proportion to distance from the subject. If this policy were developed, US embassies in countries less accustomed to dealing with South Africa would give "quiet encouragement" to

those countries to develop their commercial relations with South Africa.

"There could be obvious political as well as economic benefits arising from such an investment," Mr Chettle says.

"One of the most striking recent phenomena in American politics has been the rise of the political action committees sponsored by business.

"The funds raised by businesses from their employees for distribution to the campaign of selected and sympathetic Congressmen have immeasurably enhanced the power of these businesses to direct attention to issues which they consider of vital importance to their interests."

The American political system recognises and provides normal and accepted access for private pressure groups. The fact that such access has been used up to now almost entirely by South Africa's enemies and opponents does not disqualify South African corporations with investments in US corporate entities from protecting their interests in the same way every other American corporation tries to do.

"There is all the difference in the world between open, public and acknowledged influence and that derived from such covert action as the attempt to purchase the Washington Star."

- Sapa

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fifth years respectively.

II and III in the third, fourth &

the courses of Building Economics I,

For the best student in each of

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the highest marks in

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(Continued)

QUANTITY
SURVEYING

8/16/81
 Strikers vote to go back

About 250 workers at Colgate-Palmolive have voted to end their two-day strike and return to work today.
 A spokesman for the Fosatu-affiliated Chemical Workers Industrial Union said the decision was reached after a general meeting at the plant, led by shop stewards.

The root cause of the strike was the workers' concern at what they saw as slow progress in negotiations at Colgate over union recognition.

Management warned yesterday that unless they returned to work by tomorrow they would be fired.

M P Morke
 of the first year.
 greatest promise at the end
 For the student who has shown
Student Planners Award

K Strong
 subject of Building Construction.
 For the second best student in the
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P C Key
 in any year of study.
 For the best all-round student
Bell-John Prize

URBAN &
 REGIONAL
 PLANNING

QUANTITY
 SURVEYING
 (Continued)

Firestone
E. Post 16/7/51
dispute
over pay 62

Post Reporter

A NUMBER of workers in one department at Port Elizabeth's Firestone Tyre plant stopped work yesterday.

According to a union source, workers in the tyre-building department had downed tools over incentive pay.

"The issue has been going on for some time now, so the workers in that section have decided not to work until management comes with a reasonable offer," he said.

The managing director of Firestone, Mr Peter Morum, confirmed there was a dispute but there was "no necessity for sensation". He didn't know how many workers were involved as he had just returned from leave.

Production had been affected but this was not significant, he said.

Colgate workers return

WORKERS at Colgate-Palmolive yesterday decided to call off their strike after management urged them to return to work by tomorrow or be regarded as having terminated their employment.

The decision to return to work was reached after worker representatives met with management and



Some of the workers who were on strike at Colgate-Palmolive.

agreed to having further talks next week. The dispute arose after management was accused of applying "delaying tactics" in the recognition of the Chemical Workers Industrial Union.

Conciliation
 procedures
 at Colgate
 Conciliation board proce-
 dures have been set in
 motion and talks will re-
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 the Chemical Workers' In-
 dustrial Union next Tues-
 day.
 Workers at the Boks-
 burg plant went on strike
 this week complaining
 that management was slow
 in initiating in-plant nego-
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Labour Reporter

Conciliation board proce-
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 the Chemical Workers' In-
 dustrial Union next Tues-
 day.

Workers at the Boks-
 burg plant went on strike
 this week complaining
 that management was slow
 in initiating in-plant nego-
 tiations

DISMISSAL

The 250 workers were
 given until today to re-
 turn to work or face dis-
 missal. The morning shift
 resumed work today.

In a statement Colgate
 said it did not consider it
 necessary to hold parallel
 talks at the plant when
 talks were being held at
 conciliation board level.

Conciliation board talks
 scheduled for yesterday
 were postponed until next
 week because management
 felt it was wrong to hold
 negotiations when workers
 were on strike, the
 statement said.

Conciliation board proce-
 dures have been set in
 motion and talks will re-
 sume between Colgate and
 the Chemical Workers' In-
 dustrial Union next Tues-
 day.

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 course.

BUILDING

R Stubbs Award
 For the best project in
 structure and design.
 M R I Ness

S A Brick Association Prize
 For the student who has made
 best use of bricks in his
 design work.
 J G Kirkman

Mrs. Thornton White Prize
 For the best work in
 first year.
 Miss M F J Sandilands

ARCHITECTURE
 (Continued)

100 tyre
E. Post 17/7/81
workers
still out

on strike

By BILL GARDINER

ABOUT 100 tyre workers in one department at the troubled Firestone factory in Port Elizabeth stayed away for the third successive day today.

According to a union source, workers in the tyre-building department downed tools on Wednesday and have refused to return until the firm's management comes up with a "more reasonable pay offer".

The workers are believed to be on strike over production bonuses, which they say are too low.

Firestone's managing director, Mr Peter Morum, said the tyre-building section had not shut down, but confirmed that production had been affected by the incident.

"But we are resolving the issue," he said.

Firestone employs about 1 300 workers at its Kempston Road plant and has been the scene of major labour unrest this year. In January, the entire work force downed tools over proposed pension legislation.

In May, most of the black workers at Firestone — about 700 — joined striking Ford and General Motors workers in support of 160 former Firestone employees who lost their jobs during the pension strike.

The strike was resolved after Firestone management agreed to reinstate 21 of the 150 dismissed workers and the rest as vacancies arose.

Optimism
20/7/81
in Dunlop
62 2000
report
1981

Own Correspondent

DURBAN — Dunlop South Africa has boosted first-half earnings by 41 percent and remains optimistic for the second half of 1981.

The interim report says that although consumer demand is not expected to increase at the same rate, July to December earnings should at least equal the first-half's 55,1c. First-half earnings in 1980 were 39,2c.

During the first half Dunlop boosted before-tax profit by 36 percent to R13,5-million on the basis of a 33 percent lift in sales (to R97,1-million).

Tax took slightly less proportionately — 38,5 percent instead of last year's 40,4 percent of profit, leaving attributable profit 41 percent ahead at R8,3-million.

The as-yet-unaudited results led to declaration of a 26c (18c) interim dividend at a slightly lower cover of 2.1 (2.2). The board says it is further reducing the disparity between interim and final dividends.

Oliver Tambo's recent discussions with representatives of some of the biggest American corporations operating in South Africa appear to have created little real impact.

They should have.

After all, the African National Congress leader met representatives of General Motors, Ford, General Electric, Citibank, Bank of America and Manufacturers' Hanover Bank at a dinner on June 12 organised by the African American Institute — an organisation which seeks better ties between America and black Africa, and which has been vigorously critical of the South African Government.

More than anything else, the meetings confirmed that even the most "respectable" of the American multinationals are beginning to hedge their bets on South Africa.

For long it has almost been an article of faith

among whites in South Africa that big business in America supported white rule in South Africa and that big business supported Ronald Reagan.

Neither generalisation is entirely true, the first less so than the second.

Big business in America will support whatever guarantees big business, big profits and continued growth. Often this objective is tempered by a dose of enlightened self-interest. Equally often it can be as blatant as the proverbial switching of horses in mid-stream.

The South African Government should have no illusions: whatever support it enjoys in the ranks of American big business will evaporate the moment the big business reaches the point where it believes its interests are



SPOR 23 7/81

62

62

better served by black than by white Africa.

But while South Africa will have lost the support of big business, big business will not have lost its clout with the Reagan administration — and the administration will have to contend with some powerful pressure groups demanding a policy tilted towards black Africa.

Already there are significant straws in the Washington wind.

The willingness of some of the biggest

American multinationals to meet

African National Congress leader Oliver

Tambo confirms for John D'Oliveira, of The

Star's Washington Bureau, that big

business in the US is beginning to hedge its

bets on South Africa.

The American Chamber of Commerce is surprisingly optimistic about the future of Zimbabwe, and it has long been mobilising its considerable Washington clout to get the best possible development aid deal for that country.

Clearly the chamber believes that a warm relationship with Zimbabwe will help American business in Africa. Implicit in its enthusiasm for Zimbabwe is the threat that it will make things difficult for South Africa if ever South Africa should turn to Zimbabwe.

The Reagan administration faced unexpectedly powerful opposition from Gulf Oil (and its allies), which does not want the administration to disturb the status quo in Angola and thus make things more difficult for Gulf Oil and its shareholders directly and the American

petroleum user indirectly.

So the Reagan men have dropped their talk about helping Dr Jonas Savimbi and speak instead of getting him a "piece of the action" in a sort of coalition government in Angola.

Also, the administration appears less enthusiastic about getting Congress to revoke the so-called Clark Amendment — the 1975 measure which prohibits America from covert or overt military action in Angola.

While nobody will comment officially, it seems that an increasing number of American businesses are asking the State Department about the wisdom of making contact with the South West African People's Organisation "just in case."

All this, of course, has been played out against a backdrop created by events in Zimbabwe where the man nobody believed could win is now running the country, and where a lot of businessmen rather

obviously backed the wrong horse.

So, enter Mr Tambo.

Partly he is accorded increased recognition because the Reagan administration's greater involvement with southern Africa means greater legitimacy for leaders from either side of the southern African political divide.

But, at the same time, big business (or important elements of big business) here is apparently more interested in hedging its bets than it has been in the past.

Admittedly, this is no more than a hedging of bets at this stage.

But, what happens if events in South Africa lend greater legitimacy to Mr Tambo and the ANC, if big business here believes the white government's painfully slow process of evolutionary change is tilting the future towards Mr Tambo; if it one day believes it should change South African horses?

EV Post 25/7/81

62

Ford's role in labour relations

Q: How do you see the role of labour relations departments and trade unions, and how significant is the role of, in particular, the black community-based trade unions?

A: The traditional role of the labour relations specialist has changed. He is not only concerned with the transmittal in both directions of impressions, desires and the resolution of grievances, but he now finds that matters extraneous to conditions on the shop floor enter into it.

We accept that in the present socio-political climate some unions might find it difficult to curb their activities to the shop floor, but at the same time we also ask unions not to be unreasonable towards the company. The maintenance of a good relationship can only be achieved through a two-way effort.

Unions can play a significant role towards the stabilisation of the labour situation if they have grassroots support and articulate the desires of their membership to management through labour relations departments.

Often in the case of new, emerging unions there are no parameters, and a desire to resolve matters immediately. This sometimes leads to the rise of expectations among members, which the unions are unable to meet.

The company has a pragmatic approach to trade unions. We are only one party in a situation of dialogue, the other being labour. We require the input and co-operation of

labour through the unions to jointly work out a *modus vivendi*. This requires negotiation, which implies a degree of concession on the part of both parties.

The white and coloured is a worker, like the black, and unionists should be careful that they don't alienate that element of labour in their efforts to achieve more overnight.

Q: How does Government and Security Police intervention affect labour relations?

A: I believe the Government's role in labour relations ought to be the creation of a broad legislative framework in which labour and management can effectively resolve their problems. When the Government's involvement goes beyond that, it is undesirable.

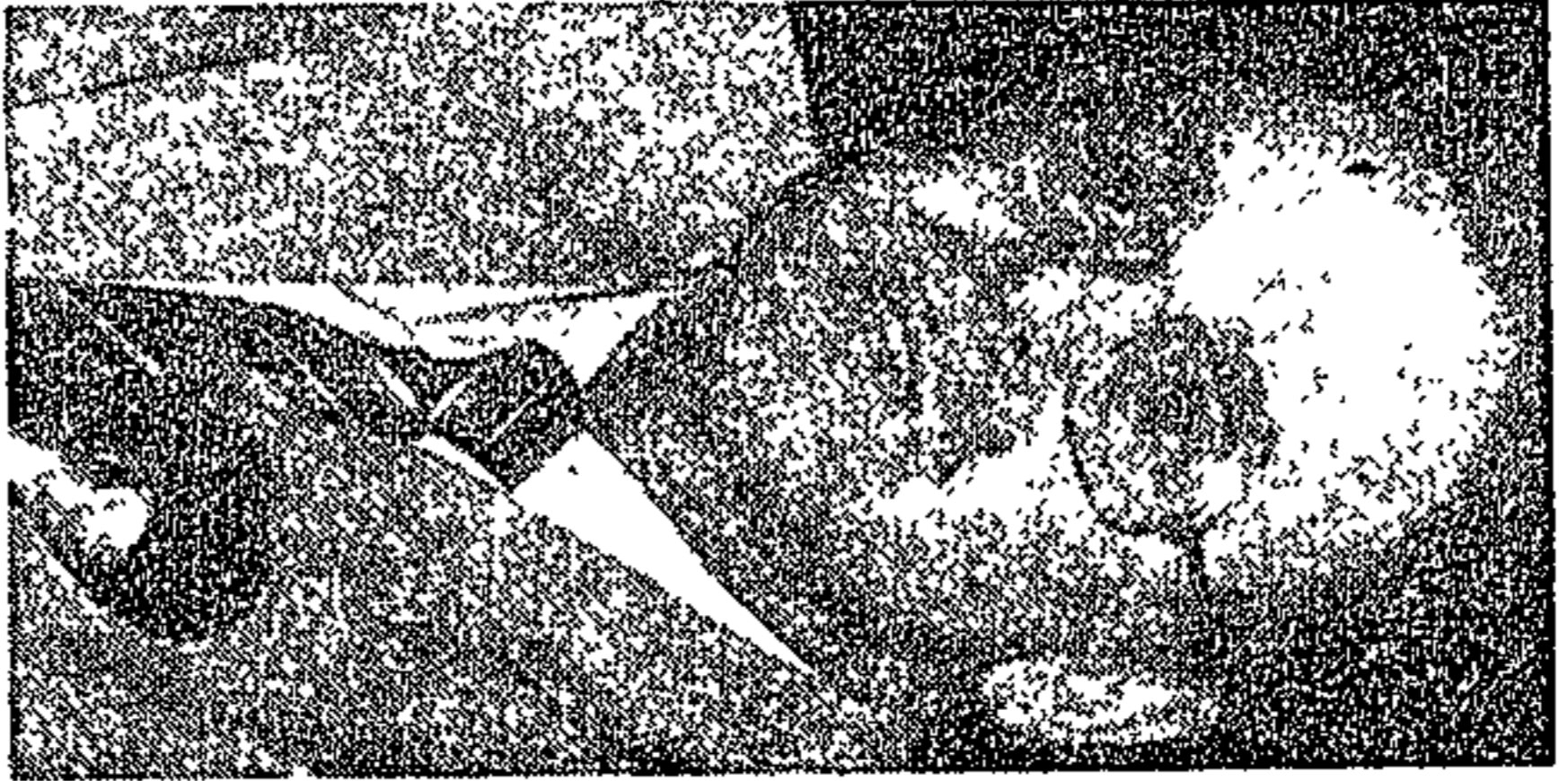
With respect to the Security Police, it does not really affect us, except that we do depict very strongly the occurrences when Security Police take into custody individuals with whom we are negotiating or having a dialogue at the time.

This not only contributes to the breaking down of effective dialogue, but raises suspicion of the possibility of the company being hand-in-glove with state security agencies, which we are not.

However much we regret the occasion of State intervention, there is nothing we can do about that except protest, which we certainly do.

I know that there are certain organisations which in

WHEN 1 500 workers at Ford motor company in Port Elizabeth this year went on a 17-day strike in solidarity with 150 dismissed Firestone workers, the company once again became the focus of industrial strife in the Eastern Cape. As in the past, the actions of Ford workers, particularly at the company's Corina plant, brought production to a halt. Yet Ford takes pride in having built up a sophisticated labour relations system. Its labour relations department has been in operation for 17 years, and has a R500 000 annual budget and a staff of 20. At its helm is industrial relations director, Mr Fred Ferreira. In an interview with SANDRA SMITH this week, Mr Ferreira discussed his ideas about labour relations in the volatile Eastern Cape, trade unionism, and Ford's special position.



MR FRED FERREIRA

times of stress have regarded the Security Police as consultants, but we do not do that.

Aspersions have been cast on the company and myself over alleged "unholy alliances" with State agencies. But when Thozamile Botha was banned, through our personal intervention there was a relaxation of that part of the order which prevented him from working at Ford. He was going to be re-hired by this company if he had not left the country.

Q: What is Ford's attitude to secondary strikes?

A: We will under no circum-

stances become involved in secondary strikes. We experienced a secondary strike this year, and absolutely meticulously refrained from becoming involved in that and at no time attempted to exert pressure on any party involved.

We took a tremendous loss during that period, and this is not meant to be a threat to anybody, but if the same thing was to happen again with the same people, we would have to consider alternatives.

Q: Is the company going to recognise the Motor and Communist Workers Union of South Africa (Macwusa), and what

are the factors involved in recognition?

A: We have had several discussions with Macwusa this year on the question of recognition, and have received a formal application. We will be having meetings in the future to discuss the question.

Recognition is not something which will come about overnight — it is not simply a question of saying "yes" or "no". There are areas which have to be explored and fully understood by both parties — what exactly is meant by recognition, and what are its implications: how do we accom-

modate recognition of an unregistered union into the bargaining structure which already exists in this area?

One should bear in mind that before one consummates a marriage one should get to know the girl fairly well, and we would want to look for positive demonstrations in the areas in which we have concerns.

Q: Audit 2, evaluating the implementation of the Sullivan Code at Ford, said that progress in the area of increasing the number of blacks in management was not progressing sufficiently fast. What progress has now been made in this respect, and what has been done in terms of the suggestions in the field of worker education?

A: Regarding blacks in management — a person assumes a management role in this company not because of colour, but because he produces in a manner which the company demands of him, and a number of blacks have assumed management roles.

From this year we have made provision for employees to attend special programmes at the University of Port Elizabeth, primarily in business administration, to bridge the gap which may be a consequence of the differential education system.

Last year we did not suspend any scholarships of students who were involved in boycotts at black universities. We advance funds to employees who wish to study further.

I think there has been positive proof of our intentions here.

Q: What has been done about the suggestion that training should include training for management relations to combat stereotypes on the part of white middle-management and supervisors?

A: We have employed a clinical psychologist and run intensive courses on, among other things, human interaction and relations.

Q: There have been criticisms that the Sullivan Code does not go far enough towards changing the position of workers, and is merely a sophisticated means of implementing apartheid policies — with meaningless reforms like introducing mixed toilets. What is your opinion?

A: I don't think that any code of statement of intent is going to drastically change matters in South Africa. In the workplace in particular. However, codes like the Sullivan Code can make a measurable contribution towards change, and it has made a very significant difference here in Ford in South Africa.

Since the trade unions and managements are interdependent, there is a necessity for co-operation, and problems must be addressed jointly. It is desirable to develop a situation of mutual trust. There is room for all of us and our aspirations, and we should endeavour to find common aspirations and develop them mutually.

Coco-Cola slammed on blacks policy

Sawetaw
27/7/81
62 *12801*

NEW YORK - Civil Rights leaders including the Rev Jesse L Jackson have called for a nationwide boycott by blacks of Coke and other Coca-Cola company products, claiming the concern keeps blacks out of its policy making and profit sharing positions.

"We're asking people to drink in their best interests . . . and don't choke on coke," said Mr Jackson, head of People United to Save Humanity (Push).

He said that the multi-million Rand company also markets such popular soft drinks as Tab, Sprite, Mellow Yellow, Fresca and Mr Pibb.

Mr Jackson said meetings with Coca-Cola representatives in the past seven months to discuss the company's responsibility to the nation's black

community had produced only a "cosmetic relationship".

He said there are no blacks on the 18 member board of directors, and none of its 550 bottling franchises or 4 000 National Fountain wholesale businesses is black owned.

Coca-Cola spokesman Mr Carlton Curtis said the company's only black board member, Mr William Allison, left in 1977 to take up a position in the Carter Administration.

"The Coca-Cola company has long been a leader in making opportunities available for black on various levels," Mr Curtis said in a telephone interview.

Firm leads the way with nod to union

By STEVEN FRIEDMAN

THE first in an expected spate of union recognition agreements on the unrest-hit East Rand was announced yesterday when a General Tire subsidiary — Piggot, Maskew and Company — revealed that it recognised the Fosatu-affiliated Chemical Workers Industrial Union (CWIU).

Piggot Maskew — which employs about 500 workers at its Boksburg plant — is General Tire's largest industrial rubber manufacturing company and the second of the company's subsidiaries to recognise a predominantly black union.

Reliable sources say the agreement is expected to be followed shortly by several more involving Fosatu unions.

A formal agreement between CWIU and Colgate-Palmolive, the scene of a bitter union recognition dispute which attracted widespread employer and union interest, is expected soon.

A number of other companies have been negotiating with Fosatu unions on wages and other issues. Although the talks have not yet resulted in formal recognition agreements, these are expected shortly.

Upsurge

Three formal recognition agreements between employers and Fosatu unions have been signed on the East Rand — at Kellogg, Putco and Fargesta — but yesterday's was the first to be signed since the recent upsurge of union activity in the area.

It is also CWIU's first East Rand agreement and the first in Boksburg — the scene of much of the recent East Rand labour unrest.

A statement issued yesterday by General Tire says the agreement was concluded last week and would be signed by a union representative and the company's managing director, Mr V T Pretorius.

"The negotiations between the two parties have been amicably conducted and both hope the relationship between them will be of mutual benefit," the statement quotes Mr Pretorius as saying.

Dispute

It is understood that the agreement provides for full negotiations between the company and the union on wages and working conditions — a stipulation which has been the subject of intense dispute at some plants.

CWIU representatives were unwilling to comment on the agreement yesterday as the union agreed not to expand on the company's statement.

• The first General Tire subsidiary to recognise a predominantly black union was Tensile Rubber, which recognised the Fosatu-affiliated Metal and Allied Workers Union at its plant in Wynberg, Johannesburg.

Top chess champions check in today

Mail Reporter

FOUR of the world's top chess players arrive in South Africa today for the Oude Meester Grand Prix in the SABC auditorium at Auckland Park, Johannesburg.

They are Viktor Korchnoi, John Nunn, Robert Hubner and Ulf Andersson.

A spokesman for the sponsor said participation of the four — regarded as the world's most accomplished players — was finalised without any adverse political pressure.

The players are all within 100 rating points of each other — the equivalent to one stroke in golf.

Korchnoi, the world's number two player, is well known to chess fans in South Africa. He won the Oude Meester tournament in 1979.

John Nunn, 26, is Britain's number one player and became an international master in 1974 and an international grandmaster in 1978.

Ulf Andersson, from Sweden, and Robert Hubner, from Germany, both have impressive international chess victories to their credit.

Early gifts anyone?

Mail Reporter

THE Wildlife Society of South Africa is thinking well ahead — with five months to go before Christmas they have issued a catalogue of 175 gifts and cards to "avoid last minute rush and possible disappointments".

The mail-order catalogue, which is valid until May 31, 1982, offers the public a new range of gifts such as candles, coasters and calendars.

The catalogue, which is available now, can be ordered from PO Box 1373, Maritzburg, 3200.

GM chief explains why his company stays here

E. Post 1/8/81

(62) (192)

8.	11.15
9.	
12.	
1.	2.15
7.	
	3.15

THE decision of General Motors Corporation to continue its operations in South Africa is based on the belief that the corporation's presence in South Africa remains a prudent investment for its stockholders, and that by the introduction of new vehicles in the coming years General Motors South African will enhance its competitive position, and facilitate its involvement as a force for further social and economic progress.

This was said in Port Elizabeth today by the managing director of General Motors South African, Mr Lou Wilking, who added: "We believe that by our continued operation in South Africa we can help to promote constructive change and demonstrate our confidence in South Africa's long-term economic stability and future."

He was addressing a symposium organised by Jaycee South Africa and the Family Life Advisory Centre in the East Cape.

"Any discussion of a foreign investment operation in South Africa must include the most controversial and difficult condition, and that is the Government's policy on apartheid," said Mr Wilking.

"This is a policy that is re-

flected in a number of South African laws, and one which we - General Motors - are critical of and opposed to.

"Because of the opposition to discriminatory laws by employers and other groups, two Government commissions were appointed in 1978 to investigate many aspects of the South African legislation.

"The Wiehahn Commission focused its efforts primarily on labour legislation, while the Riekert Commission addressed itself to matters related to the mobility and utilisation of blacks in the workforce.

"Many of the recommendations of these two commissions have already been made law, which has resulted in a lessening of the restrictions of the discriminatory legislation.

"At the present time the only essential factor impacting GMSA's ability to fully implement equal employment opportunities is the recognised limited education attainment of the black and other non-white population groups."

Mr Wilking said GMSA had initiated a number of programmes to improve this situation.

"A major example is our endorsement of Dr Sullivan's statement of principles of United States firms with affil-

ates in South Africa.

"The Sullivan principles are supported by over 140 firms operating in South Africa, and we were one of the first 12 companies to endorse them.

"In the most recent published monitoring of companies in South Africa, GMSA received the highest possible Sullivan rating."

He pointed out that last year GMSA had completed a project costing more than R4 million which had upgraded and consolidated the plant facilities and improved economic opportunities for blacks.

"We are particularly proud of the training centre which has allowed us to treble our in-plant training capacity.

"In 1980, which was the first full year of operation of the new training centre, we succeeded in obtaining full indenture status for black apprenticeship programmes."

Also last year, 144 black and 86 coloured unskilled operators benefited from the company's training in welding, metal finishing and other skills, and this year the figure would be even higher, said Mr Wilking.

In addition, GMSA operated a fully-equipped mobile training unit which instructed dealer service personnel in sheet metal repair, spray

painting and general mechanical maintenance.

So far the unit had trained nearly 1500 blacks in South Africa and the homeland states.

Mr Wilking urged the speeding up of job training.

From the semi-skilled levels could emerge the people who were sorely needed to provide the job capacity in South African industry generally.

"South Africa can become the workshop of the African continent.

"We have the infrastructure and resources but the need is there to utilise these resources to attain economic growth, and in turn this necessitates an increase in employment and better quality of life for the expanded South African force."

"The initiative lies with us as employers of labour.

"We have to be imaginative and we must recognise that this will entail the expenditure of considerable money.

"It is incumbent on both employers and employees to create a new industrial structure that will facilitate the most productive use of South Africa's labour force in an orderly and constructive manner."

COMPULSORY SECTION

OPTIONS

TERM I : A.

PERIOD OPTIONS

- 1. William Blake JM
- 2. Victorian Poetry MTB
- 3. George Eliot and Her Age VHH
- 4. Tennyson and Browning BSL
- 5. Melville JMC
- 6. The Nineteenth Century American Novel IEG
- 7. Contemporary American Poetry ... JMC
- 8. Introduction to Modern Drama ... TJB
- 9. Beckett, Ionesco JB

B. LANGUAGE AND MEDIEVAL OPTIONS

- * 10. Language and Attitudes KM
- * 11. The Arthurian Legend RCB
- * 12. 'Troilus and Criseyde' NHF

TERM II: A.

PERIOD OPTIONS

- 13. Romantic Poetry TJB
- 14. Four Romantic Poets GNC
- 15. Coleridge and English Romantic Thought of the Nineteenth Century JB
- 16. Charles Dickens MTB
- 17. The Novels of Thomas Hardy LM
- 18. The Problem Self: Dilemmas for Romantics JSC
- 19. Conrad and James GNC
- 20. W.B. Yeats DGG
- 21. D.H. Lawrence: Creativity and Corruption JSC
- 22. T. S. Eliot TJB
- 23. Modern Poetry: Eliot & Lawrence EJB
- 24. The Poetry of Frost & Dickinson RK&NF
- 25. Twentieth Century English Poetry MMC
- 26. Contemporary British Poetry ... IEG
- 27. Modern British Drama NMC
- 28. Saul Bellow IEG

Factors in efforts to solve labour problems outlined

By SANDRA SMITH

INDUSTRY needed to take a stand on issues outside the factory such as housing, police harassment, and education, if it wanted to help solve the difficult labour problems in South Africa, said Mr Fred Ferreira, the Ford Motor Company's director of industrial relations.

He was addressing a conference of the International Association of Commerce and Economics Students at Rhodes University, Grahamstown, on "South Africa's growing labour problem".

Mr Ferreira saw Ford as having assumed a leadership role in the process of change in industry.

"One cannot deny people certain rights for generations and then expect a steady, or-

derly and compliant work force," he said.

Labour unrest was especially prevalent in the Eastern Cape as it had some of the oldest educational institutions in South Africa. Black people in the area were often more politically conscious than elsewhere in South Africa.

The homogeneity of the black population and a vacuum in leadership which often led to the emergence of "nine-day wonders", were also factors in labour unrest in the Eastern Cape.

Ford, particularly, was the scene of strikes because, as a multinational company, it was seen as being "soft" and flexible in its attitude. It was also seen as being powerful and under sustained pressure from the United States.

The Sullivan Principles, which provided employment guidelines for US companies in South Africa, tended to raise worker expectations. Wage equalisation for all races at Ford in 1971 was probably a result of the company's adherence to these principles.

Ford was also one of the first companies to have recognised an unregistered black trade union.

It was necessary for firms to keep an "arm-length relationship" with unions and avoid the aura of having a "sweetheart" union.

Common causes for all strikes in South Africa were union recognition issues, discriminatory practices in firms, workers' non-participation in the decision-making process and a lack of faith in the

"system".

Other factors were the transference of social and domestic problems to the work place, a lack of opportunities for workers, a demand for employers to act as agents of change and an unwillingness to compromise on the part of workers.

Some solutions were for companies to define and make known their position on union recognition, to remove wage and other inequalities, to equalise benefit programmes and to take a stand on outside issues such as housing, police harassment and education.

It was also necessary to improve the grievance procedure and disciplinary system, to re-evaluate education and training programmes and create opportunities for advancement.

4

CONPELLSORY SECTION

OPTIONS

TERM I: A. PERIOD OPTIONS

- 1. William Blake JM 5
- 2. Victorian Poetry MTB 5
- 3. George Eliot and Her Age VHH 5
- 4. Tennyson and Browning BSL 6
- 5. Melville JMC 6
- 6. The Nineteenth Century American Novel IEG 6
- 7. Contemporary American Poetry JMC 7
- 8. Introduction to Modern Drama TJB 7
- 9. Beckett, Ionesco JB 7

B. LANGUAGE AND MEDIEVAL OPTIONS

- 10. Language and Attitudes KW 8
- 11. The Arthurian Legend RCB 8
- 12. 'Troilus and Criseyde' NMF 9

TERM II: A. PERIOD OPTIONS

- 13. Romantic Poetry TJB 9
- 14. Four Romantic Poets SNC 10
- 15. Coleridge and English Romantic Thought of the Nineteenth Century JJ 10
- 16. Charles Dickens MTB 10
- 17. The Novels of Thomas Hardy LM 11
- 18. The English Self: Dickens for Romantics JSC 11
- 19. Conrad and James GNC 12
- 20. J.G. Yeats DAG 12
- 21. D.H. Lawrence: Creativity and Structure JSC 13
- 22. T.S. Eliot TJB 13
- 23. Modernism as a Field of Inquiry JJB 13
- 24. JJB 14

Sasol links with US in cost-slash know-how

30/7/81 By DAVID CARTE

SASOL is to collaborate with Westinghouse of the US in developing, testing and marketing a new coal gasifier that could slash costs in oil-from-coal technology.

After prolonged negotiations, the two companies have concluded an agreement in terms of which Westinghouse will supply and install the gasifier at Sasol 2, Secunda.

Sasol will provide operating manpower, technical back-up and coal and connect the gasifier to the rest of its plant.

The gasifier, unlike existing ones, is able to use fine coal. This will be the first commercial-sized plant of its kind in the world.

If it is a success, Sasol will be able to use fine coal for the first time in synthetic fuel production.

Modern mining techniques have meant that a greater proportion of coal production emerges as fine coal, so the new gasifier should significantly increase fuel yields a ton of coal.

If the "pressurised fluidised bed coal gasification system" succeeds, Sasol will employ further such gasifiers and, with Westinghouse, will market the gasifier internationally.

Westinghouse has successfully tested a pilot plant using 35 tons of coal a day at Waltz Mill, Philadelphia. It wants Sasol to test a 1 200-ton-a-day plant.

Mr William H Peace, general manager of Westinghouse synthetic fuels, described the agreement as "a unique opportunity to demonstrate the Westinghouse gasification technology on a commercial scale much sooner than it could be done in the US".

"As a result of this project, we will be able to make this very clean and efficient gasification technology available as a practical, commercial product here, in the US and elsewhere much earlier than anybody had hoped.

"We believe it can reduce significantly the costs of producing synthetic fuels from coal."

Mr Malcolm Dyos, Westinghouse manager of the project, said: "Sasol Two is the one place in the world with the huge support facilities needed for such a full-scale demonstration.

"In addition, they have the operating experience, a vital ingredient needed to make any

new gasification technology work in a production environment".

The demonstration unit will be completed in 1983 and once fully operational, it will be acquired for permanent use by Sasol.

Sasol says that when it has been fully demonstrated as a commercial system, "licensing of the gasifier to third parties will take place on the basis of an equal partnership between Westinghouse and Sasol".

Dr John Holmgren, manager, Technology and Operations for the synthetic fuels division, said the Westinghouse technology had been under development since 1970 and had received funding assistance from the US Department of Energy, the Gas Research Institute and other organisations.

Pointers to US slide

WASHINGTON — The US index of leading indicators, which predicts the course of the economy, fell sharply in June for the second consecutive month.

The Commerce Department said the index dropped by 1.3% last month after a 1.5% decline in May.

These were the biggest drops since the 1980 spring recession and supported predictions by Reagan Administration economists that the economy was heading into a sluggish period.

The Government blamed much of the decline in June on a sharp drop in building permits for housing.

The Budget time to wait and

Howard Preece

IN ECONOMICS — as in most sports — timing is the secret.

Many important can be, and now are and when they suited.

There is no mysterious art, for example, in raising or lowering taxes. The consequences of either action can, however, be variously beneficial or disastrous, according to their appropriateness.

For all that, though, it is still the over-trepreneur of economic.

Mr Horwood will link his Budget to the range of non-B-sures that he can junction with

Union
 C. Herald
 15/8/82
 157 404 62
 199
 plant.

ER.33R1/09 (rst)*
 NUP <CR>
 (note 2)

<R><LF>
 (note 1)

slow.
 A ROW over trade union
 recognition is brewing at
 an American-based multi-
 national company, where full use is made
 system was being heavily

The Easton-affiliated
 Metal and Allied Workers'
 Union (Mawu) complained
 in a statement the week
 that the company's man-
 agement has consistently
 refused to meet the union,
 in spite of having claim-
 ed a 90 percent membership
 at its Wynberg plant.

*SAVE command cannot be
 'TEST' in the file, which
 A to A(J).
 is printed, namely the
 number 100).

But it gave no commit-
 ment to fall to the union
 management because these
 were met.

SPECIALIST

After this first contact,
 the Union elected a per-
 sonnel specialist was flown
 into South Africa.

Since then negotiations
 have been given, and a
 great deal of effort spent
 in explaining to the
 employees the benefits re-
 ceived from the company.

The union claims to
 have heard from two inde-
 pendent sources that it is
 illegal. The line was
 then (here it must be
 compare note 5 above).
 and accepted by @CTS.

The company's attitude
 — which Mawu says it has
 encountered at only two
 other multi-national in
 the metal industry in
 the world — was con-
 trary to both the Sulli-
 van Code and the in-
 dustry's standard em-
 ployer body. Since,
 according to the state-
 ment.

Motorola workers would
 meet at the weekend to
 decide on further action,
 it states.
 Management would
 like to see the alle-
 gations.

U UT100/81GUT100,
 U UT100/81G <CR>
 M ENTER USERID/P
 M/UT <JONES/AFJ
 M *DESTROY USERI
 M *UNIVAC 1100 O
 M/UT <@RUN,N/JONES
 M/UT <@@COUE <CR>

used and responses to in-
 to have taken place at a
 of the conversational a
 A sample of file-tidying
 6.2.3. Example 3

16. Remember to @TERM
 15. Exit from @CTS.

14. Resave 'TEST' in the
 must be replaced by
 used as there is all

13. Change all occurrence
 12. Print lines 1 to 100
 first line of the pr

11. Enter new lines into
 10. Retrieve the program

9. Clear the FORTRAN
 (edited).

8. This command lists
 TEST*PROGS.
 was rejected and had

7. To put a comment on
 comment. The plan
 To put a comment on
 comment. The plan

6. The abbreviation was
 resubmitted but the
 retypred as @CTS h
 Finally the line was

5. The line was mist
 <BACKSPACE> the whol
 resubmitted. The
 only the user-typed
 (compare note 6).

statement.

Merit pay at plant goes up

CV Doc 21/8/81 (62)
SALARIED workers at the Ford Motor Company in Port Elizabeth have received a substantial salary adjustment from this month.

A spokesman for Ford confirmed today that "supplementary merit adjustments" varying between 10% and 20% had been made for salaried workers from the beginning of this month.

Managing file storage - what the computing service does

Obviously mass storage devices cannot be one hundred percent reliable - files stored on them can be lost or corrupted. Also users may accidentally corrupt or delete their own files. So there has to be some sort of backup of mass storage files on another medium. There also has to be a mechanism for dealing with the inevitable overflow of files from the mass storage devices. The BNVAC executive system provides this mechanism. When there is insufficient available space on mass storage an algorithm (using information from the master file directory) decides which files should be 'rolled out' to make space available on mass storage. The term 'roll out' suggests that a tape is loaded and the files copied on to it. In fact this doesn't usually happen because on our system the backup of files is done on tapes and there is no need to make another copy of the file if a current backup copy of it already exists on tape.

Obviously there cannot be a continuously up to date backup of all files. The computing service attempts to provide backup that is not more than 24 hours out of date (60 hours at week-ends). This only applies to files on 'fixed' disc - files on removable disc are backed up less often and user files stored on drum are not backed up at all.

Each night Monday to Thursday and at about midday on Saturday a program called SAVPAR is run. This program searches the Master File Directory for (fixed disc) files which have been updated or created that day and causes a copy of each such file to be written on a tape. It also notes the name of the tape and the date in the Master File Directory. This includes those files the copy is made from the notes the name of the tape and typically SAVPAR makes copies of all on mass storage simultaneously tracks of storage compared available. SAVPAR tapes are kept used again.) SAVPAR tapes are second last SAVALL.

In addition to ensuring backup program file before copying non-current copies of elements of space (on disc and on tape) to make many update copies of their own files.

In order to prevent the Master File Directory from being deleted, removed, or made on a tape, a procedure is made on a tape (near mid-month) by a procedure assigned for more than 30 days. Limit the time taken and number of files taken and number of files assigned for more than 30 days. In order to prevent the Master File Directory from being deleted, removed, or made on a tape, a procedure is made on a tape (near mid-month) by a procedure assigned for more than 30 days. Limit the time taken and number of files taken and number of files assigned for more than 30 days.

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Another way the number of files taken and number of files assigned for more than 30 days. Limit the time taken and number of files taken and number of files assigned for more than 30 days. Limit the time taken and number of files taken and number of files assigned for more than 30 days.

BRIEFCASE

Sasolburg trial
run a success

First trial runs at African Catalysts R5-million plant at Sasolburg have been a success.

The plant - a joint venture between Suedchemie of Germany, the Industrial Development Corporation and Sasol - will produce catalysts for the oil-from-coal process which until now have had to be imported.

At the trial run was Dr C Hofstadt, chairman of African Catalysts and a member of the board of management of Suedchemie, who was "delighted" with the rapid progress in the construction of the plant.

One of the main feedstocks for African Catalysts is being supplied locally by the giant Hoechst South Africa group.

This feedstock will be supplied primarily from the new Hoechst poly-phosphoric acid plant in Krugersdorp.

The managing director of Hoechst SA, Mr A L Baltzer says work on the Krugersdorp plant is making good progress and will be in full operation during 1982. The plant represents an investment of about R5-million.

SAVALL also PACK each .C8 @PACK command removes his saves a great deal of space (on disc and on tape) to make many update copies of their own files.

This program causes a copy to be written on tape of every file the copy is made from the notes the name of the tape and typically SAVALL makes copies of all on mass storage simultaneously tracks of storage compared available. SAVPAR tapes are kept used again.) SAVPAR tapes are second last SAVALL.

SAVALL also PACK each .C8 @PACK command removes his saves a great deal of space (on disc and on tape) to make many update copies of their own files.

SAVALL also PACK each .C8 @PACK command removes his saves a great deal of space (on disc and on tape) to make many update copies of their own files.

Agreement
Star 25/8/81
ends Colgate
strike

Labour Reporter

The signing of a recognition agreement between the management of Colgate-Palmolive in Boksburg and the Chemical Workers Industrial Union (CWIU) has marked an end to several months of protracted dispute.

The agreement, which was signed in Johannesburg last week, also makes provision for grievance and disciplinary procedures between the parties as well as shop steward elections.

The dispute started over the issue of in-plant negotiations which were demanded by the CWIU while Colgate stuck to its decision to discuss wage issues only at the Industrial Council level.

There was initially a threat of legal strike action by Colgate workers and there was later an illegal strike in July when workers complained that negotiations had bogged down.

LTA and Jacobs of California link to form national energy giant

By Frank Jeans

A new giant in the chemical, energy and minerals engineering fields has been created with the linking of the LTA group and a major international construction company, Jacobs Engineering of California.

The formation of Jacobs-LTA Engineering — the South African company will have a 55 percent interest and Jacobs 45 percent — is the "knot" after a successful three-year courtship in which the two have been involved in projects including diamond recovery and coal-processing operations.

The alliance will now form the base for a spread of specialised projects in South Africa and, although an announcement on these would be premature, it can be assumed that they will cover

energy and petrochemicals.

Jacobs strengthening of its stake in South Africa is through the dynamic Mitec division of LTA which controls mechanical, electrical and process engineering work, and had charge of projects such as the \$100-million uranium-processing plant at Vanl Reef.

Mr David Thompson, chairman of Mitec, heads the Jacobs-LTA combine.

Jacobs, founded by Dr Joseph J Jacobs as a chemical-engineering company in 1947, is involved in more than 20 countries and has a total contract value of 1 000-million dollars.

Jacobs is in the top league of energy-supply assessment and through computer techniques, keeps the US Government and the big oil companies up to date on demand, supply and prices for



Mr David Thompson who heads a new giant in the engineering industry.

oil, gas and petrochemicals up to the end of the century.

Announcing the formation of Jacobs-LTA

in a joint statement in Johannesburg with Dr Jacobs, the chairman of LTA, Dr Zach de Beer, said:

"There are different paths to growth, but in traditional activities such as building and roadmaking — both highly competitive and cyclical — it is better to seek growth through diversification and development of skills.

"Several of our major competitors, quite naturally from their point of view, have elected to diversify right outside the construction field. I don't deny that our refusal to do so has to do with our membership of the greater Anglo American Group.

"But, I am comfortable with the idea that LTA should be and remain a specialist in the field of construction and engineering services," said Dr De Beer.

U1106n

(1) on the standard type of terminal, type in

1. To make contact with the computer:

the STN type.

There are two types of VDU configurations. The standard type and

3.2.1. VDU'S.

3.2. LOGGING IN TO THE COMPUTER

in and switched on at the waiting.

Power on. If the terminal refuses to comply check if it is plugged

3.1. POWERING ON THE TERMINAL

3. USING THE UNIVAC 1100/81 SYSTEM

NY Paid-off
11/9/81
62 ~~19~~ ~~19~~
workers
return

Mercury Reporter
ABOUT half of the workers who downed tools at the Dunlop plant in Ladysmith following a dispute with management over wages on Monday morning, returned to work yesterday, according to Mr John Lowe, works director for Dunlop SA Ltd.

Mr Lowe said between 30 and 40 workers refused to work on Monday and elected to be paid out.

But since then they had been returning in dribs and drabs and only about 20 men had not returned by yesterday afternoon.

According to Mr Lowe, the company had refused the wage increase demanded by the workers on Monday.

160.
 $\bar{X} = \text{me}$
 $\bar{X} = (1,98)$
 The mean of the **Ford may have to pay R1-m pensions**

$\bar{r} = (0,11)$
 We can use Tab
 We merely multiply

Then the control
 $UCL = \bar{X} +$
 $= 2,01 +$

$$LCL = \bar{X} - 3\bar{r} / (d_2 \sqrt{n})$$

$$= 2,01 - 3(0,16) / (2,326 \cdot \sqrt{5})$$

the nearby Firestone plant.
 Hundreds of workers at Ford chose to withdraw their pension funds.

GRACE PERIOD

However, under the rules of Ford's pension fund, workers have a six-month period of grace to return to the fund without any loss of benefits.

Ford's industrial relations officer, Mr Fred Ferreira, said it could cost the company about R1-million in pension payouts if workers chose not to reapply.

value of \bar{r} .

$$\hat{\sigma} = 0,16 / 2,326$$

$$= 0,0688$$

$$= (7.3)$$

$$= \bar{X} - A_2 \bar{r}$$

$$= 2,01 - 0,58(0,16)$$

$$= 1,92$$

(7.4)

TABLE 7.3 FACTORS GIVING UNBIASED ESTIMATE OF σ FROM \bar{r} †

Number of observations in subgroup		Factor for estimating σ from \bar{r} (multiply \bar{r} by $1/d_2$)	Number of observations in subgroup		Factor for estimating σ from \bar{r} (multiply \bar{r} by $1/d_2$)
n	A ₂	d ₂	n	A ₂	d ₂
2	1,880	1.128	22	0,167	3.819
3	1,023	1.693	23	0,162	3.858
4	0,729	2.059	24	0,157	3.895
5	0,577	2.326	25	0,153	3.931
6	0,483	2.534	30		4.086
7	0,419	2.704	35		4.215
8	0,373	2.847	40		4.322
9	0,337	2.970	45		4.415
10	0,308	3.078	50		4.498
11	0,285	3.173	55		4.572
12	0,266	3.258	60		4.639
13	0,249	3.336	65		4.699
14	0,235	3.407	70		4.755
15	0,223	3.472	75		4.806
16	0,212	3.532	80		4.854
17	0,203	3.588	85		4.898
18	0,194	3.640	90		4.939
19	0,187	3.689	95		4.978
20	0,180	3.735	100		5.015
21	0,173	3.778			

† Adapted by permission from E. L. Grant, "Statistical Quality Control," 3d ed. McGraw-Hill Book Company New York, 1964.

The values of \bar{X} , the UCL and the LCL and the sample means are plotted in Figure 7.2

S. TINALES
20/9/81

R12-m fertilizer plant contract

62
183

By John Spira

MITCHELL Cotts, in conjunction with an American group, has been awarded a R12-million contract.

The DM Weatherly Company, of Atlanta, engineers and builders of process plants serving the fertilizer industry, and Mitchell Cotts Projects SA, a company in the engineering division of the Mitchell Cotts group, are to build a granulation plant at Triomf Fertilizer's Richards Bay factory.

The plant is designed to produce 100t per hour of high concentration NPK fertilizers, di-ammonium phosphate and mono-ammonium phosphate.

A feature of the plant is the detailed attention paid to pollution control -- a necessary consideration imposed by strict US regulations and reinforced by local South African requirements.

Production will commence in December 1982.

Economy boost from United States

Representatives of 10 leading American companies will soon visit the Vaal Triangle black townships to study investment possibilities there.

Mr Knox Matjila, chairman of the Vaal Community Council, told a recent meeting of the council the companies were keen to make loans and investments in the Vaal Triangle.

Mr Matjila spent two weeks in America recently where he contacted several business companies. He told the meeting the 10 companies had agreed to study the investment possibilities after he had told them there was a cash flow of R180-million a year in the Vaal triangle, and that industrial sites and electricity and water supplies were available. The population was politically stable, he said, and there was a great economic development potential.

NO	NAME	EXCLD	SALPRD	LOEXC	SEMI	PVTOMN	SENCCLC	CLC	BCT
1	LONGMAN	13	14	15	16	17	18	19	20
2	LONGMAN	13	14	15	16	17	18	19	20
3	LONGMAN	13	14	15	16	17	18	19	20
4	LONGMAN	13	14	15	16	17	18	19	20
5	LONGMAN	13	14	15	16	17	18	19	20
6	LONGMAN	13	14	15	16	17	18	19	20
7	LONGMAN	13	14	15	16	17	18	19	20
8	LONGMAN	13	14	15	16	17	18	19	20
9	LONGMAN	13	14	15	16	17	18	19	20
10	LONGMAN	13	14	15	16	17	18	19	20
11	LONGMAN	13	14	15	16	17	18	19	20
12	LONGMAN	13	14	15	16	17	18	19	20
13	LONGMAN	13	14	15	16	17	18	19	20
14	LONGMAN	13	14	15	16	17	18	19	20
15	LONGMAN	13	14	15	16	17	18	19	20
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AND/OR COLUMNS WHICH ARE ZERO.

Spelling out Sullivan Code

Star 25/9/87 (622)



Sullivan . . . thundering appeals for US companies to "improve their grades."

By John D'Oliveira
WASHINGTON — A bipartisan group of congressmen has written to President Reagan calling on him to convene a meeting at the White House with the heads of all American corporations doing business in South Africa.

The text of the August 4 letter to the President was released yesterday, together with the comment that the President had not yet replied.

The letter was signed by all the members of the sub-committee together with four other congressmen keenly interested in South African affairs. Signatories included all the Republican Party members of the subcommittee.

They told the President: "We feel that a personal appeal by you at a White House meeting with the leaders of American corporations doing business in South Africa would significantly advance the critically important work the Reverend Leon Sullivan has undertaken . . ."

Your personal involvement would be entirely supportive of the Administration's expressed position that apartheid is repugnant to our nation."

Before the subcommittee are two pieces of legislation, one from Representative Stephen Solarz, a Democrat from New York, who preceded Mr Howard Wolpe as subcommittee chairman, and Mr William Gray, a Democrat from Pennsylvania who is vice-chairman of the Congressional black caucus.

Both are members of the House Foreign Relations committee. The main provision of the Solarz bill would make the implementation of a fair employment code mandatory for American businesses operating in South Africa. Mr Gray's bill goes further and calls for a ban on all United States investment in South Africa.

Evidence yesterday Reverend Sullivan, who said he supported both measures and vigorously urged the United States Congress to pass legislation that would make application of the Sullivan principles mandatory for all United States businesses operating in South Africa — "as an absolute minimum."

A fiery appeal to Americans

At the meeting the President would urge the businessmen to sign and to comply with the Sullivan Code of fair employment practices. This is part of a concerted new congressional move to prod American corporations in South Africa towards "fair employment."

At the same time, the House Africa Subcommittee launched a series of hearings yesterday on legislation that would, amongst other things, make the application of fair employment practices mandatory for American corporations doing business in South Africa.

By John D'Oliveira
The Star Bureau
WASHINGTON — A fiery Rev Leon Sullivan appealed to Americans yesterday to withdraw their money from companies which did not effectively apply his fair employment code and from banks which continued to lend money to the South African Government.

In evidence before a House Africa Subcommittee hearing on South Africa, the author of the "Sullivan Principles" for American businesses operating in South Africa deplored the fact that many companies had not agreed to apply his principles — and the fact that many of the signatories were receiving "failing grades."

He said that within a few weeks he would issue a new report on progress signatory companies were making and that he would name companies which he believed had failed.

He thundered: "I therefore appeal for divestment from all companies that refuse to sign the Principles and be measured by them. Further I appeal for divestment from companies which have signed but which receive a failing grade in implementation and refuse to give better working conditions for blacks in South Africa. I further appeal for the withdrawal of all deposits and funds and the curtailing of all business with banks that continue to lend money to the South African Government or its agencies until apartheid ends."

"My aim is not to make apartheid more comfortable but to end it. Now it was necessary to begin heaping pressure on defaulters — including legislation making the application of the Sullivan Principles mandatory and the threat of divestment. However, Mr Sullivan emphasised that the principles were having an effect and that they were bringing about 'important changes in the right direction.'"

"But much more needs to be done, and additional pressures must be brought to bear to help make this happen." More than 100 American companies had completely eliminated segregation in the workplace, in spite of South Africa's apartheid laws since the Principles had been introduced four years ago, he said.

But the same time, I think that it is the most we will be able to get through Congress at this time."

N. B. Monday, September 28, 1981

THE TUTORIALS REFER TO ARE UPDATED BY ONE YEAR.

New US SA ties threat

By JOHN MATISSON

WASHINGTON. — Liberal Democratic congressmen have begun a fight for legislation to end new investment in South Africa, force American companies to comply with fair employment codes, ban loans to South Africa and to forbid the sale of Krugerrands in the United States.

Congressman Howard Wolpe, chairman of the congressional subcommittee on African affairs, told a hearing that he would invite American companies which are not complying with the Sullivan employment principles to testify — and if they failed to appear he would subpoena them.

American mining companies would top the list of proposed witnesses.

The Rev. Leon Sullivan, author of the American code of conduct for companies operating in South Africa, endorsed legislation to compel companies operating in South Africa to comply or face penalties of up to nearly R1-million.

Voluntary

The Southern Baptist preacher and member of General Motors' board of directors told congressmen he had changed his mind about asking for voluntary compliance with the codes because American companies had responded too slowly.

Liberal Congressmen proposing the new legislation said they did not believe their Bills would

Move for laws to ban loans

bring fundamental change in South Africa, but said it was necessary to demonstrate to black South Africans that America opposed apartheid.

Black South Africans meeting American visitors have been suspicious of assurances that the United States opposed apartheid.

Congressman Stephen Solarz, the former subcommittee chairman, testified that all shades of black political opinion, from the most radical to the most conservative, had privately endorsed mandatory implementation of the Sullivan Code if American business continued to operate in South Africa.

"None of these Bills can make that much difference," Mr Solarz said. "Change in South Africa will come from South Africans, white and black, not in America."

Rhetoric

"The purpose of this legislation is to demonstrate where we Americans stand. Anyone who has travelled through South Africa knows how hollow our rhetoric is beginning to sound," he said.

Black South Africans have told Americans that diplomatic and economic co-operation had brought suspicion as to whether America really found South African policies "abhorrent" as US officials claimed, he said.

The Congressmen are trying to win the support of Republicans for some of the legislation.

At least one Republican, Congresswoman Millicent Fenwick, has indicated she approves one of the Bills.

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- T. 1431, T. 1432
- T. 1525, 14.5
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(b)

PAGE 8

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VACATION - 5 SEPTEMBER TO 13 SEPTEMBER

- Tax Planning for Asset Acquisitions
- leasehold improvements
- lease or buy decisions
- leverage leasing

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ILLUSTRATIVE TUTORIALS
EXAMPLES

Introduced by Mr. Solarz, the Bill aims to compel American firms to comply with an extensive code of conduct, ban the sale of Krugerrands, and prohibit American institutions from making loans to the South African Government.

The Bill has 22 sponsors, and Mr Solarz said he would be willing to amend it substantially to widen its support.

Mr Solarz said the Bill was a result of his conclusions from two years as chairman of the Africa subcommittee, about what congress should do in Southern Africa.

The Sullivan Code

is labelled a
Ev Post 12/10/81
'toothless package'

~~62~~ (62) Post Reporter

THE Sullivan Code of principles — non-discriminatory employment guidelines for American firms with investments in South Africa — had failed, according to a prominent local trade unionist, Mr Government Zini.

Addressing about 800 people at a football club banquet at the weekend, Mr Zini, who is organiser of the Motor and Component Workers Union of South Africa, also criticised the Ford Motor Company for selling vehicles to the Government.

Mr Zini is himself an employee of Ford.

Describing US firms operating in South Africa as "extensions of oppression", he said the Sullivan Code "circled around" apartheid.

The code, in fact, said nothing at all about co-operation with the South African Government.

The Government and its agencies were among the major clients of those who adhered to the code.

The code was a "toothless package" because it did not require firms to recognise black and white trade unions on an equal basis.

It simply encouraged signatories to support the elimination of discrimination against black unions.

"All that the code has served is to benefit the South African supporters of the apartheid system," Mr Zini said.

... to select ... and arrange ...

Sullivan steps up pressure on US

The Reverend Leon Sullivan is increasing pressure in the US to ensure that his code of fair employment principles is more effectively carried out in South Africa. John d'Oliveira of The Star's Washington Bureau reports.

New drive for fair employment code in SA

The Star Bureau

The Reverend Leon Sullivan yesterday announced an aggressive, three-pronged campaign aimed at pressuring American corporations operating in South Africa to applying effectively the Sullivan Fair Employment principles.

At a Press conference in Washington to release the fifth annual report on the application of the "Sullivan Principles" in South Africa, Mr Sullivan conceded that the principles had already made considerable impact on South Africa.

But not enough was being achieved — and time was running out for a peaceful solution to South Africa's problems.

That was why he had decided to launch an "aggressive programme" to deal with American corporations which either refused to apply fair em-

ployment principles or which applied those principles ineffectively.

In Travels across America during the past year he had enlisted the "actual signed support" of the ministers of 1000 of America's largest churches for a movement of "moral persuasion" against "unco-operative companies." Another 4000 churches were being contacted to join the campaign.

The churches were being asked to urge their congressmen to persuade America to "change its tilt towards South Africa," put pressure on "unco-operative corporations," visit corporate headquarters, publicise corporate delinquency and, if necessary, organise consumer boycotts.

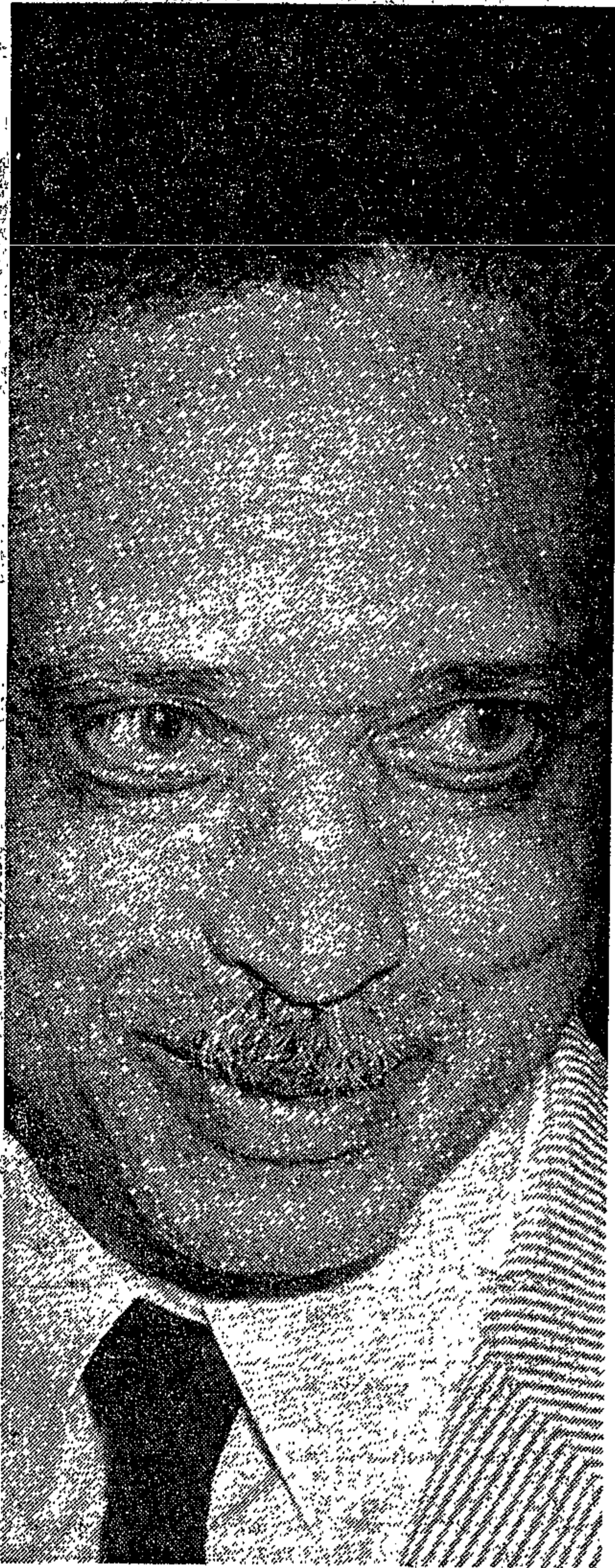
He would be contacting trade union pension funds, colleges and other organisations investing in corporate stocks to ask

them to withdraw the investments from "unco-operative companies."

He had already requested legislation from the United States Congress for mandatory sanctions, tax penalties and loss of government contracts and licences to be applied to corporations who did not apply the fair employment principles as fully as they should.

Mr Sullivan made it clear that he was advocating withdrawal of investments in American corporations operating in South Africa as a means to the end of fair employment — not as part of a total withdrawal from South Africa.

He stressed that he believed the "Sullivan Principles" were working. What he now sought was their wider and more effective application.



Sullivan ... considerable impact, but not enough was being achieved.

Dispelling the racial myth

Describing it as a "most important breakthrough," the Rev Leon Sullivan said yesterday more than 800 white employees of American corporations in South Africa now fell under the authority of black, coloured people or Indian supervisors.

Author of the Sullivan Fair Employment Principles, Mr Sullivan made this announcement when he released the fifth report on progress being made with the application of the Principles by American corporations operating in South Africa.

For the first time information was collected on the extent to which

Whites working for American corporations in South Africa are now being supervised by blacks, a fact which will dispel the myth of white superiority.

John D'Oliveira of The Star's Washington Bureau reports:

blacks, coloured people and Indians were supervising whites — as an additional indicator of the rate at which blacks were being appointed to supervisory and managerial positions.

The report, prepared by the Arthur D Little Company, of Cambridge, Massachusetts, showed a total of 815 whites supervised by blacks, coloured people

or Asians.

Of these, 244 whites were supervised by blacks.

"While the number of whites supervised is small in relation to the total number of white employees, this is an indicator of progress.

"Only recently has it become common for any whites to have their work overseen by employees of other races.

"This year almost a quarter of the reporting units indicate that at least one white employee is supervised by a black employee," said the Arthur D Little report said.

A chart in the report showed 32 "reporting units" where at least one white was supervised by blacks, 25 units where supervision was by coloured people and 38

where supervision was Asians.

The number of whites supervised by black, coloured people and Asians was 244, 384 and 187 respectively.

At a Press conference Mr Sullivan said: "This is a major breakthrough."

"As this development continues to expand, it will have a major impact on the changing patterns of racial discrimination in South Africa.

"In addition it will do much to dispel the myth of the inherent superiority of whites over blacks in South Africa."

'Unrelenting' stance on apartheid

By Jaap Boekkopi

American opposition to South Africa's racial and human rights policy would remain "unrelenting" in spite of the Reagan administration's friendlier relations with Pretoria. Mr Alan Pifer, president of the Carnegie Corporation, said last night.

Delivering the fourth Commemoration Day lecture at the University of the Witwatersrand, Mr Pifer said Americans considered events in South Africa "almost as much our business as yours."

"The fact is that South Africa touches two of the deepest and most sensitive nerve centres in our very being as Americans, our commitment to racial equality and our commit-

South Africa touches two of the deepest nerve centres in the American people — and that is why they consider events in the region "as much our concern as yours," says Mr Alan Pifer, president of the Carnegie Corporation.

ment to human rights."

America's performance towards these commitments had gone too far ever to return. Therefore Americans could not be anything but critical of regimes denying racial equality or suppressing human rights.

CAUSE

In future administrations the cause of human rights might enjoy more interest or less, but "never again, in my opinion, will the American nation, in the aggregate,

allow its concern for human rights throughout the world to become moribund."

The president of the Carnegie Corporation, which has been involved in philanthropic work in South Africa over 53 years, said it was too early to say what the Reagan administration meant by describing its South African policy as "constructive engagement."

It could mean the use of quiet diplomacy to influence Pretoria. Or, it

could, in effect, signify a decision to ignore apartheid while seeking pragmatic working relationships with South Africa's rulers.

By hoping to gain more through a friendly than a hostile attitude "the administration has made itself vulnerable to a severe loss of credibility in the eyes of many Americans and the world at large if in due course it has nothing to show in Namibia or by way of change in South Africa."

One of the unspoken,

but nonetheless real, fears among Americans, was that large-scale internal violence in South Africa "might have immediate and serious repercussions in the United States, very possibly putting in jeopardy our own rather fragile state of racial harmony," he said.

Some Americans continued to be infected by primitive racist thinking, "and admittedly too, there is considerable white backlash against blacks today."

"The next few years, therefore, will very likely be ones in which the nation generally marks time or even retreats from the civil rights front, with probably little or no leadership at the federal level," he said.

RDM 15-10-81 (14)

Unions appeal for foreign aid over disputes

TWO local black unions have sought the help of powerful overseas labour organisations in an attempt to resolve disputes arising out of recent strikes on the Witwatersrand.

The Building, Construction and Allied Workers' Union has appealed to the British Trade Union Council to approach the British parent company of Johnson Tiles at Olifantsfontein, where workers were fired after a recent strike.

A union spokesman said this week the TUC had secured an agreement from Johnson Tiles' parent company that workers would be reinstated and that the firm will meet the union.

However, he claimed local management wanted to re-employ selected workers only — which the British unions "totally rejected". He also claimed the

Labour Correspondent

firm had told fired contract workers to vacate their hostel in Tembisa township by Monday afternoon.

Company spokesmen could not be reached for comment.

Meanwhile, the Metal and Allied Workers' Union has called on the International Metalworkers' Federation to intervene in its dispute with Telephone Manufacturers of SA (TMSA) in Springs.

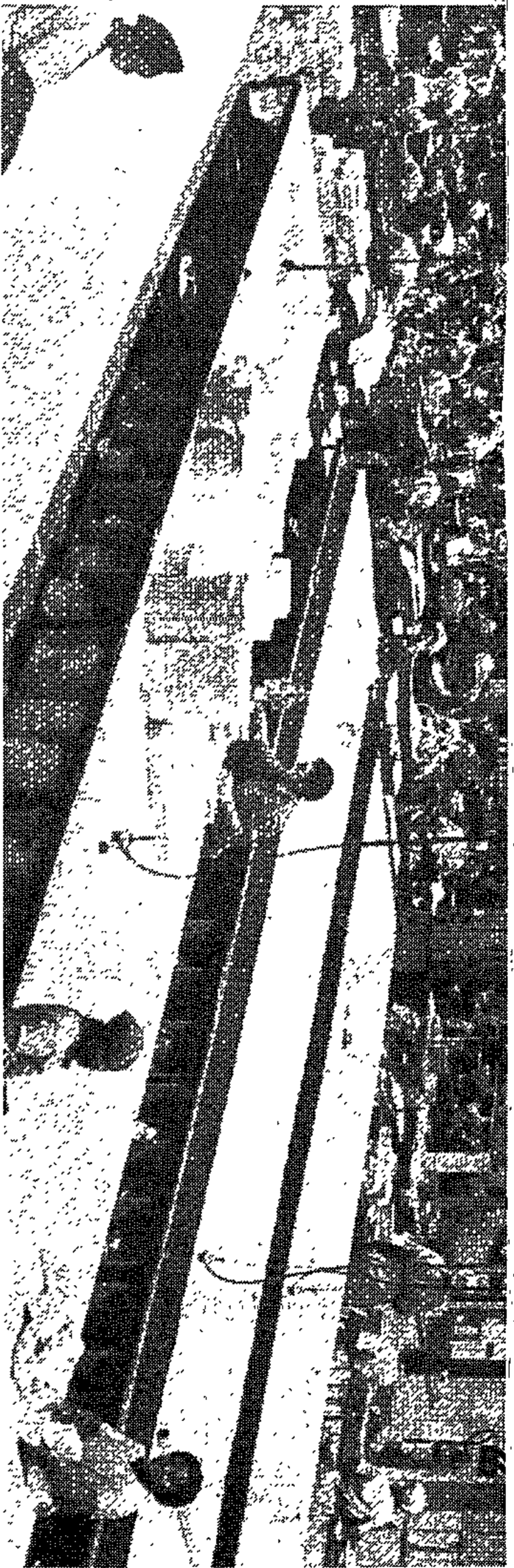
TMSA is a subsidiary of General Electric Company and the union has asked the IMF to approach GEC in an attempt to bring the local management to the bargaining table.

The union wants to meet the company to discuss the re-instatement of workers fired after the entire black work-force of 1 600 went on strike recently.

Up to now, TMSA has refused to meet the union.

Nine people appeared in the Kwa-Thema Magistrates' Court on Monday on charges of assault following the unrest. They were released on bail, paid by the union, and the case was postponed to next Monday.

A spokesman for TMSA said yesterday almost 1 000 of the 1 600 dismissed workers had been re-employed, and about 100 new workers had been taken on.



A general view of one of the production halls at Berkshire International in East London.

Bigger and better at Berkshire

Berkshire International (SA) first started hosiery production in East London in 1949 and has grown from a single product manufacturer into a three-divisional, public quoted company with strong international affiliations.

HOSIERY DIVISION
In 1949 the process involved dyeing and packing knitted hosiery imported from the parent company in the US.

On May 25, 1951, however, the factory, situated in the Woodbrook industrial area, was officially opened and went into full production. Berkshire thereby made the first stocking to be entirely manufactured in South Africa.

Today the factory still manufactures hosiery of the highest quality, which

is sold under the Berkshire label. There are styles and colours to suit all tastes.

In addition, hosiery under the prestige "Christ-ian Doir" label is manufactured, distributed and sold exclusively by Berkshire International.

KNITWEAR DIVISION
In 1965 the company entered the field of fully fashioned knitwear and after detailed research, the first Berkshire knitted garments for women were launched on the market in early 1966.

This range has expanded over the years and the application of up-to-date knowledge has ensured that fashion trends and styles are fully catered for in an extremely diversified plant with the

very latest in fully fashioned, circular and flat-bed knitting equipment.

H.D. LEE DIVISION
In 1973, H. D. Lee Co (SA) (Pty) was established as a wholly-owned subsidiary of Berkshire International and in 1974 the "Lee" range of work and leisurewear was manufactured in South Africa for the first time.

Full expertise gained since the formation of the H. D. Lee Company in Kansas City, US, in 1889 has been applied to the manufacture of the famous "Lee Riders", authentic Western-styled denim jeans and various other "Lee range" extensions.

"Lee" branded shirts have lately been launched on the South African mar-

ket to create the total authentic Western look in work and leisurewear, backed by the promise of "Lee" quality and durability.

VANITY FAIR
Berkshire International also imports and sells the famous "Vanity Fair" line of women's lingerie, manufactured and styled in the United States.

Berkshire International is the only company with its head office in East London which is quoted on the Johannesburg Stock Exchange.

The company employs over 1 000 people in its factory and in the country-wide sales and distribution structure.

The company's labour strength and relatively low labour turnover can be

ascribed to a modern management approach with accent on good human relations. Full training is provided both on and off the job and good fringe benefits ensure a loyal and stable workforce.

The company has entered a growth phase and expansion programmes are underway at present to meet the further challenge of the 80s.

These include increased production facilities, especially in the hosiery and "Lee" areas, as well as improved staff facilities, including a new staff canteen which was completed recently.

The future of the company looks good and the name Berkshire will continue to provide a firm foundation stone in the industrial life of East London.

Workers claim assault by police

CADETUN 12/10/81

A NUMBER of workers have claimed they were assaulted by riot police when about 1 000 workers at the Telephone Manufacturers of South Africa in Springs went on strike in solidarity with three of their colleagues who were fired. 152/1407/87

The strike started on Thursday at about 5 pm after the three workers had allegedly been fired for playing cards, although workers claim the three had already knocked off.

On Friday morning, all the other workers were allowed into the company premises, but those who worked in departments 26 and 27 were locked out. The others who were allowed in also refused to work and gathered outside and began singing freedom songs and shouting "Amandla". Riot police were called in and people started scattering and later converged again.

Mr Nhlanhla Phakathi, said he had asked to talk to management but was instead taken into an office by the riot police who allegedly assaulted him.

Sullivan steps up campaign

Sowetan 16/10/87

62

WASHINGTON — The Reverend Leon Sullivan has announced an aggressive, three-pronged campaign aimed at pressuring American corporations operating in South Africa into applying his fair employment principles effectively.

SOWETAN CORRESPONDENT

Releasing the fifth annual report on the application of the Sullivan Principles this week, he conceded that they had already made considerable impact on South Africa.

But not enough was being achieved — and time was running out for a non-violent

solution to South Africa's problems, he said.

For instance, more than half of the 300 American corporations operating in South Africa were not yet signatories to the principles and more than a third of the signatories had received a "falling grade" in the latest assessment of their

application.

This was why he had decided to launch an "aggressive programme" to deal with American corporations which either refused to apply fair employment principles or which applied those principles ineffectively.

● In travels he had made across America during the last year he had enlisted the "actual signed support" of the ministers of 1000 of America's largest churches for a movement of "moral persuasion against 'un-co-operative companies.'" Another 4000 churches were being contacted to join the campaign.

The churches were being asked to urge their Congressmen to persuade America to "change its tilt towards South Africa," to put pressure on un-co-operative corporations; to visit corporate headquarters; to publicise corporate delinquency and, if necessary, to organise consumer boycotts, and disinvestment campaigns.

● He would be contacting trade union pension funds,



SHARING JOKE: The Rev Leon Sullivan with Bishop Desmond Tutu during the American's visit to South Africa last year.

colleges and other organisations investing in corporate stocks to ask them to withdraw their investments from un-co-operative companies.

● He had already requested legislation from the United States Congress for mandatory sanctions, tax penalties, loss of government contracts and government licences to be applied to corporations who did not apply the fair employment principles as fully as they should.

Mr Sullivan made it clear that he was advocating withdrawal of investments in American

corporations operating in South Africa as a means towards fair employment — not as part of a total withdrawal from South Africa.

He stressed that he believed the Sullivan Principles were working. What he now sought was their wider and more effective application.

"Four-and-a-half years ago, in this very building, I announced the signing by 12 American companies of a set of employment principles.

"Now more than 144 companies have signed... the principles are working.

they are changing practices, customs and even certain laws in South Africa and I think they have become an important force for social change in South Africa."

He said in the past four-and-a-half years:

● More than 100 United States companies had completely desegregated all their plants and facilities — "in spite of the laws which said this could not be done."

● Thousands of black and other non-white people in South Africa had moved into skilled and administrative jobs.



ALL SMILES: The author of the Sullivan Principles with Dr Nithato Mollana.

HOW THE CODE HAS HELPED

Savelan

16/10/81

62

WASHINGTON - The Sullivan Fair Employment Principles remain an important force for social change in South Africa.

This point was made in the fifth report on the progress being made with the application of the so-called Sullivan Principles by United States corporations operating in South Africa.

Prepared by the Arthur D Little company, of Cambridge, Massachusetts, the report was released at a press conference this week by the Reverend Leon Sullivan.

It showed that 144 of the more than 300 United States corporations in South Africa had agreed to apply the Sullivan Principles.

Of these 34 companies were "making good progress", 32 were "making progress", 47 needed to "become more active" and 20 failed to report. The rest were companies which endorsed the principles but which had less than 10 employees in their South African operations.

This was less favourable than the positions reflected in the third (1979) and fourth (1980) reports which showed only 10 and 26 companies respectively receiving the failing grade of "needing to become more active".

However, the Arthur D Little company reported that the standards for evaluating companies became more stringent and more extensive every year.

Improvements since the initiation of the Sullivan Principles four and a half years ago included:

- 95 per cent of the reporting units showed that all their facilities were desegregated.

- 96 per cent of all reporting units claimed common medical, pension and insurance plans for all races.

- Nearly all signatories provided equal pay for equal work, with black employees receiving higher average pay increases each reporting period.

- An increasing proportion of the participants in training programmes for sales jobs was now made up of black, coloured and Asian employees.

- The proportion of blacks, coloureds and Indians in supervisory positions had increased from 27 per cent to 38 per cent since the third report was issued. However, the number of blacks, coloureds and Asians in managerial positions remained at three per cent.

- Contributions to what the report referred to as "community development" — housing, health projects, recreational facilities etc — increased sharply from R2,8-million to almost R5-million between the fourth and the fifth reports.

- The amount of money contributed by signatories to help educate South Africa's black, coloured and Asian people (excluding education programmes for employees) increased from R3,5-million to R4-million between the fourth and fifth reports.

The Arthur D Little Company reported there was an increase during the year of companies which failed to maintain a "sufficiently high rate of improvement" to keep up with the rising standards of the Sullivan Principles.

Unions appeal to overseas labour bodies

CT 19/10/81

Own Correspondent

JOHANNESBURG. — Two local black unions have sought the help of powerful overseas labour organizations in an attempt to resolve disputes arising out of recent strikes on the Rand.

The Building, Construction and Allied Workers' Union has appealed to the British Trade Union Council to approach the British parent company of Johnson Tiles, at Olifantsfontein, where workers were fired after a recent strike.

A union spokesman said the TUC had secured an agreement from the parent company that workers would be reinstated and that the firm should meet with the union.

However, he claimed local management wanted to re-employ selected workers only — which the British unions "totally rejected". He also claimed the firm had told fired contract workers to vacate their hostel in Tembisa township.

It was not known whether the workers were actually evicted but the union was seeking an urgent meeting with management, he added.

Company spokesmen could not be reached for comment.

Meanwhile, the Metal and Allied Workers' Union has called on the International Metalworkers' Federation to intervene in its dispute with the Telephone Manufacturers of SA (TMSA) in Springs.

TMSA is a subsidiary of the General Electric Company and the Fosatu-affiliated union has asked the IMF to approach GEC in an attempt to bring the local management to the bargaining table.

The union wants to meet with the company to discuss reinstatement of workers fired after the whole black workforce of 1 600 went on strike recently.

Up to now, TMSA has refused to meet with the union.

Nine people appeared in the Kwathema Magistrates' Court last Monday on charges of assault following the unrest. They were released on bail, paid by the union, and the case was postponed.

A police spokesman said another two people had been arrested in connection with alleged cases of assault and another arrest would be made.

A union spokesman condemned the involvement of the police in the dispute.

He added: "It seems TMSA management is using the police to weaken the resolve of the workers."

He said the company was still refusing to talk to union officials, which was "damaging to worker-management relations".

A spokesman for TMSA said almost 1 000 of the 1 600 dismissed workers had been re-employed, and about 100 new workers had been taken on.

He reiterated that the firm would not take back 200 workers who were fired first after starting the strike.

'Whites only' ad draws sharp reaction

A MAJOR American publishing company which recently placed employment advertisements for 'Europeans only' staff, has drawn sharp criticism from leading South Africans.

Lexington Andrews, a subsidiary of the giant Macmillan publishers, advertised in two Cape Town newspapers for sales representatives.

One ad in The Argus stated: 'Europeans only (sorry)'.

When a black reporter pretended to be interested in a second Argus ad which did not stipulate race, a company spokesman arranged an interview.

GOOD ENGLISH

When told the reporter was not white, the spokesman replied: 'But you speak such good English'.

The job ads were aimed at recruiting encyclopaedia salesmen for Lexington Andrews, whose biggest venture is Merit Encyclopaedias.

Mr Martin Brandt, of the company's newly opened Cape Town office, said they were expanding their sales division and would be working mainly with white people.

'That is why we have to have whites only,' he said.

HOLLOW

Dr Alex Boraine, the PFP spokesman on education, said this was a 'weak and hollow' explanation.

The shops of Cape Town have black, coloured and white assistants who cater for the total market. The economy should be colour blind and the sooner companies offer jobs on merit the better it will be, said Dr Boraine.

Mr David Curry, national chairman of the Labour Party, said this kind of employment would 'enforce the call for sanctions'.

Dr Ntatho Motlana, chairman of the Soweto

(Continued from Page 1)

Committee of 10, condemned the company's action 'in the strongest possible terms.'

'It also displays an incredible lack of foresight because there is a growing market among black people in South Africa,' he said.

He had recently discussed with the Rev Leon Sullivan the possibility of getting the US Congress to legislate the Sullivan principles of fair employment.

'It will compel these companies to subscribe to these principles, mild as they are,' said Dr Motlana.

When asked to comment on the issue, Lexington Andrews's spokesman for international operations in New York, Mr Reginald

Jobs ad criticised

Quinn, said it was not 'company practice' to restrict recruitment to a race group.

However, international operations were left in function under local law. Nothing was laid down that barred their Cape Town office from placing such an ad. He referred The Argus to Mr Keith Hume at their Johannesburg head office.

Mr Hume in turn explained that they were

trying to build up a 'new operation' in Cape Town.

'Once we have filled the key positions in our organisation, our ad will be normal and anyone with the requirements, irrespective of race, will be employed,' he said.

The company's present need was to train field and sales managers who would be responsible for teenage salesmen.

As far as the responsibility goes we would prefer to have whites only. There's no racial discrimination, just a matter of logistics,' he said.

(In addition) because of the nature of our business we operate in the evenings, calling on private residences — most of which are in white areas.'

There's progress, but more's needed

C. Head 24/10/87 (62)

THE Rev Leon Sullivan is to pressurise American companies operating in South Africa into applying effectively the Sullivan fair employment principles.

He concedes that the principles have already made considerable impact on South Africa, but 'not enough' was being achieved — and time was running out for a non-violent solution to South Africa's problems.

This was why he had decided to launch an 'aggressive programme' which, so far, entailed 'moral persuasion' against 'unco-operative companies' by 1 000 churches — and with another 4 000 churches to follow.

In addition, he would be contacting trade union pension funds, colleges and other organisations investing in corporate stocks to ask them to withdraw their investments from 'unco-operative companies'.

He has already requested legislation from the

United States Congress for mandatory sanctions, tax penalties, loss of government contracts and government licences to be applied to corporations who did not apply the fair employment principles as fully as they should.

Mr Sullivan made it clear that he was advocating withdrawal of investments in American corporations operating in South Africa as a means towards the end of fair employment — not as part of a total withdrawal from South Africa.

He stressed that he believed the 'Sullivan principles' were working. What he now sought was their wider and more effective application.

More than 144 companies have signed... the principles are working — they are changing practices, customs and, even certain laws in South Africa and I think they have become an important force for social change in South Africa.

In the past four-and-a-half years:

● More than 100 United States companies have completely desegregated all their plants and facilities — in spite of the laws which said this could not be done.

● Thousands of black and other non-white people in South Africa had moved into skilled and administrative jobs.

● Several thousand non-whites were now in supervisory positions.

● For the first time, non-whites were actually in supervisory positions over white employees.

● Millions of dollars had been spent on training, educational and housing facilities for non-white workers.

However, more than half the 300 American corporations operating in South Africa were not yet signatories and more than a third of the signatories had received a 'failing grade' in the latest assessment of their application of the 'Sullivan principles'.

EL strikers threaten to DD 21/10/77 contact US head office

EAST LONDON — Mr Richard Cook, managing director of the strike-hit firm Johnson and Johnson, yesterday turned down a call by the workers' committee at the factory to involve himself in negotiations.

About 650 workers, who continued the strike yesterday over the demand that management reinstate a cleaner who was fired for allegedly stealing toilet rolls, held a mass meeting in the morning.

They demanded that Mr Cook meet with the top official of Saawu, the national president, Mr

Thozamile Gqweta, who is at present in Durban. They said there was no way discussions on the deadlocked issue could proceed unless top management became involved.

The workers resolved that if this meeting did not materialise they would contact the head office of the company in the US and inform management there of the situation at the plant.

They also resolved that if Johnson and Johnson management "remained intransigent" the company should start preparing holiday pay and bonuses and shut down the factory

until next year.

Mr Cook said Saawu was already negotiating with a team that represented the views of the board of directors and the board was personally represented by the personnel director, Mr Wayne Munro.

He said: "Based on what has been reviewed by the parties concerned to date I see no reason to change the negotiating pattern."

"The union should understand that the recognition agreement provides adequate channels for the resolution of disputes and these are open today pro-

vided employees return to work."

Officials of the union have criticised the company for sticking to technicalities in the recognition agreement and avoiding the main issue. They said management did not appear to realise the depth of sympathy for the dismissed cleaner felt by the workers who would not abandon her by returning to work before she was re-instated.

The company has said that in terms of long-term policy theft, no matter how petty, is an offence punishable by immediate dismissal. — DDR

Townships may get US loans

SEVERAL American companies have agreed in principle to make loans and investments towards the development of the Vaal Triangle townships.

This was disclosed to The SOWETAN by Mr Jesia "Knox" Matjila, chairman of the Vaal Community Council during an interview in Sebokeng.

Mr Matjila, who recently returned home after a tour of the United States, said his council needed R100-million

~~Sowetan~~
By JOSHUA
28/10/81 RABOROKO

to develop the Vaal into a metropolitan area.

During his tour he met and discussed with directors of several companies, trade unionists, members of chambers

~~122~~ ~~62~~ ~~21~~ ~~343~~
of commerce and several others who showed "a keen interest in the Vaal complex".

"These groups have shown interest in my area and will come to South Africa to make a feasibility study of proposed projects," he said.

Joint US-Sasol gas plant in use by 1983

62

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260

STAR

25/11/81

Own Correspondent

The commercial-scale fine-coal gasification plant being put up at Secunda as a joint venture by the US-based Westinghouse Electric Corporation and Sasol should be in operation by 1983, Sasol said in a statement.

Sasol, as world leader in oil-from-coal technology, was an obvious choice for a partnership which promises to benefit both parties — Westinghouse can try out its system much faster than would otherwise be possible and Sasol hopes to find a use for excess fine-coal from its Bosjeespruit mine and elsewhere.

Opportunity

Mr William H Peace, general manager of the Westinghouse synthetic fuels division, described the agreement with Sasol as a rare opportunity of demonstrating Westinghouse's technology on a commercial scale much sooner than it could otherwise have done.

"As a result of this project, we will be able to make this clean and efficient gasification technology available as a practical,

commercial product in the United States and elsewhere much earlier than anyone had hoped.

"We believe it can reduce significantly the costs of producing synthetic fuels from coal."

Successful

Speaking for Sasol, Dr A H Stander, senior general manager and joint managing director of Sasol 2, said his company looked forward to the successful commercialisation and demonstration of the Westinghouse process.

Sasol's main purpose in co-operating with Westinghouse was to help to establish a system capable of handling the fine coal produced in many South African mines — a system which could ensure optimum use being made of coal resources.

Mr John D Holmgren, technology and operations

manager for the synthetic fuels division, said the Westinghouse technology had been under development since 1970 and had received financial assistance from the US Government, the Gas Research Institute and other organisations.

"Its competitive advantages include the ability to use many types of coal, plus high system efficiency and low water use.

The gasifier has undergone more than 7 000 hours of operation at a 35-ton-a-day pilot plant in Pennsylvania, meeting all Government environmental standards for air and water purity."

The Westinghouse plant at Secunda will gasify 1 200 tons of coal a day, with Sasol getting the benefit of the gas produced and licensing rights for third parties, in which it will get a half share.

FOREIGN INVESTMENT

Perking up 62

FM 12/11/81
Warming relations between SA and several of its major overseas trading partners are leading to a surge of foreign investment in the country. And the homeland states could reap some of the capital from overseas.

Mike du Toit, international marketing manager of the Corporation for Economic Development (CED), says he has received three applications from Taiwanese industrialists and one from a US company wanting to establish plants at Isithebe in Kwazulu. Total investment will be in the region of R16m — about half of which will come from outside SA.

Du Toit says the Taiwanese concerns include a company specialising in the manufacture of acrylic yarns, a manufacturer of cattle feed from sugar cane tops — all of which will be exported back to Japan — and a knitwear factory.

But investment from the US could be even bigger. On the cards is an R8.5m cotton spinning mill which would export its entire production of spun cotton back to the US.

Du Toit says the four applications have been processed through the Decentralisation Board and the CED is currently examining the viability of the scheme against local and overseas markets.

He says the steady improvement in enquiries from foreign investors can be directly attributed to SA's strengthening of trade ties with Taiwan, a more favourable bearing towards SA from the Reagan administration and uncertainty among French industrialists as a result of the new Socialist government's nationalisation policies.

"It is not easy to get foreign investors interested in SA, but there has been a distinct change in the international mood in recent months. I think the PM's visit to Taiwan and subsequent trade delegations to that country have played a very significant role in attracting investment from that quarter," says Du Toit.

He claims there are now 35 international or joint venture companies operating in the

national states. Foreign investors enjoy the same incentives from the CED as local industrialists, but they are subject to exchange control regulations where they are heavily export orientated. "We have to look at them a bit more carefully in case the export market collapses," says Du Toit. The CED entitles wholly-owned international subsidiaries to borrow up to 50% of their equity in the form of loan capital. Interest rates are an effective 8.2% fixed for 10 years — much better than the open market rate of around 14%.

Du Toit adds that tight local money supply and high interest rates are even changing the attitude of local industrialists — fairly jaundiced until now — towards decentralisation. He says the CED is also experiencing increased enquiries from the home front. "It's always the same," he says. "The moment money gets tight, they come to us. When things get better again, they invariably get their money from other sources."

'Kaffir-dog resign or we will kill you'

SAN TRIB
6/12/81

CHILLING THREAT TO REEF TRADE UNIONIST

By DAVID NIDDRIE

A SINISTER racist group has threatened to murder a top Reef trade unionist unless he resigns his job.

It delivered its first chilling message three weeks ago — scrawled across the back of unionist Dusty Ngwane's clock-in card at the Colgate-Palmolive factory in Boksburg where he is employed.

The messages — punctuated with racist slogans — were signed "A.S.W.S.A.", in apparent reference to "Action Save White South Africa", a Pretoria-based right-wing coalition.

ASWSA's founder, former defence force surgeon-general, Lieutenant General C. Cockroft, has angrily denied any link to the death threats "and I'll boot out anyone from our organisation if they have."

As vice-president of the Chemical Industrial Workers' Union (CIWU), union branch chairman at Colgate and Colgate's shop stewards' committee chairman, Mr Ngwane first entered the spotlight in July with the launching of a nationwide boycott of all Colgate products in support of Colgate workers.

The boycott was called off after three weeks — on the eve of a planned strike by black Colgate workers — when Colgate management agreed to negotiate wages and working conditions directly with the union under a recognition agreement.

On the night of Monday, November 16, when Mr Ngwane was clocking in to the toilet articles department at Colgate, he found scrawled across the back of his clock-in card, the words: "Kaffir dog". The message was unsigned.

He reported the matter to his superiors, but the next day workers entered the department to find two messages daubed on the walls. Both read: "Dusty is a kaffir dog."

On the third day, a CIWU spokesman told the Tribune, Mr Ngwane was about to clock in when he found a note stapled to his card and signed ASWSA for the first time.

"Dusty, black bastard kaffir-dog. You must resign before Friday or else we will kill you," the note said.

On day four — the day before the death threat deadline — day shift workers entered the factory to find a message chalked on a machine in the toilet articles department: "Dusty, you black dog, remember our promise about Friday. Your time is up." It was again signed ASWSA.

"On Friday," the union spokesman said, "yet another message was found on the machine." This time the noxious note, again signed ASWSA read: "Dusty, do not forget our promise. Black dog we will meet soon. We will watch you from tomorrow morning, because you don't do what you are told."

"Mr Ngwane then wrote to Colgate's managing director, Mr G. W. Nocker, about the threats," the spokesman said.

After consultations between management and the shop stewards' committee Mr Ngwane informed the police of the threats.

A police spokesman confirmed they were investigating the threats.

Mr Ngwane was unwilling to talk to the Tribune, but the union spokesman said "he is not scared by threats."

And in Pretoria General Cockroft said: "Action Save White South Africa is not militant and does nothing illegal. We are a co-ordinating committee for conservative white political organisations, parties and individuals. We are concerned Christians.

"If I find any of our members have been involved in anything like this, I'll have his head — or leave the organisation myself."

The organisation's founding committee is made up of delegates from most of the right wing parties in South Africa, including the Herstigte Nasionale Party, the Afrikaanse Weerstandbeweging, and even the National Party itself, of which General Cockroft is a card carrying member.

US to spend R8-m on education of blacks in SA

STAR
18/12/81

62

- Downpelt

WASHINGTON — Dr Chester Crocker, Assistant Secretary of State for Africa, today confirmed a major United States commitment to the education of blacks — as a vital element of a campaign to encourage peaceful evolutionary change in South Africa.

At a closed conference here on the education of the "disadvantaged," he conceded that significant change had taken place in South Africa.

But the choice between violent revolution and peaceful change was becoming ever more clearly drawn.

"It is too simple a dichotomy, but in a sense the choice which confronts South Africa and those who would influence it lies in part between the battlefield and the classroom.

"Education is, therefore central to peaceful evolutionary change — in that sense the classroom suggests itself as one very important key to our policy towards South Africa."

The conference is part of an attempt to coordinate the education programmes that will be adopted by the US Administration with those which might come from the private sector.

Congress this week passed legislation for a scholarship programme for black, coloured and Indian South Africans costing R8-million over the next two years.

More money could be made available for other programmes.

Dr Crocker made it clear that the administration had not yet decided on the details of its programme to assist black South Africans.

He explained that US policy was aimed at developing "a package of education initiatives."

In developing a programme the US would not attempt to be interventionist. It would not attempt to play the role that was properly that of the South African Government and it would formulate its approach in consultation with South Africans of all groups, particularly black.

While the South African Government remained committed to separate education systems for the different races, it was trying to reduce the "inherent inequality" of these systems.

"Even with this change in policy the extent of that inequality is of such magnitude as to call into question the South African Government's ability to redress the imbalance."

SA 'less an issue' for US shareholders

STAR
8/12/81

62

WASHINGTON — South Africa and the Nationalist Government's race policies is gradually becoming a less active issue at major United States companies' shareholder meetings.

This is confirmed by the most recent report from the Investors Responsibility Research Centre, an independent, non-profit Washington organization which studies the impact of social and public policy issues on major corporations and institutional investors.

Reviewing annual general meetings during 1981, the IRRRC said South Africa continued to slip as the most active shareholder issue.

"Colleges and universities refrained from sponsoring South Africa resolutions for the first time in years, returning almost all the activity in that area to Church proponents. The range of South Africa resolutions was also a little narrower than it had been in 1980."

Nevertheless, South Africa remained a prominent issue, especially for institutional investors.

A noticeable change between 1980 and 1981 was the disappearance of proposals asking companies to sign the Sullivan Code of fair employment principles. Most of these resolutions had been sponsored by colleges and universities.

A total of 26 resolutions were submitted on South Africa. Four were withdrawn, 22 were voted on (receiving an average support level of 5.2 percent of the votes cast) and only 12 received enough votes to warrant consider-

An independent organization which studies the impact of social and public policy issues on major corporations says South Africa continues to slip as the most active shareholder issue. JOHN D'OLIVEIRA of The Star's Washington Bureau reports.

ation again next year.

The greatest number of resolutions during 1981 centred on nuclear power and related issues: 44 resolutions voted on, with 29 winning enough support to survive until 1982.

The resolutions were "the somewhat standard South African proposals":

● Bankamerica was asked to report on loans to South Africa; Citicorp and Continental Illinois were asked to form review committees on loans to South Africa; Crocker National, Merrill Lynch and Wells Fargo were asked not to make loans to South Africa until the South African Government took significant steps towards majority rule.

● Borg-Warner, Eaton and International Harvester were asked to refrain from further investment in South Africa until the Government adopted democratic policies; Aerox was asked not to expand and not to sell to the South African Police or the military as long as apartheid remained in South Africa.

● Hewlett-Packard and IBM were asked to stop selling computers to the South African Government; Mobil Oil was asked to stop selling products to the South African Police or military and the Southern Company was asked to stop buying coal from South Africa.

● Flour and Control Date were asked to withdraw from South Africa while United States Steel and Dresse Industries were asked to sell their subsidiaries in South Africa if these subsidiaries had not complied with all the Sullivan principles by 1983.

● Republic New York (the largest seller of Krugerrands in the US) was asked to end these sales while Doyle Dan Bernbach, an advertising agency, was asked to stop promoting the coin.

● Engelhard Minerals and Chemicals was asked to report on its activities in South Africa.

● Superior Oil was asked not to participate in new ventures in SWA/Namibia for as long as that country was "occupied" by South Africa.

The Superior Oil Company resolution was sponsored by two church groups (which owned a total of six shares) and it received the most shareholder support of any of the South African resolutions: 12.8 percent. This meant it could be proposed again in 1982.

Among the institutions voting for the resolution: Carnegie Foundation for the Advancement of Teaching, Harvard University, John Hopkins University, Pomona College, Stanford University, six other universities and colleges, one bank and one insurance company.

FOREIGN FIRMS IN SA.

UNITED STATES

1982

Henry Ford II to visit PE plant

Post Reporter

(62) *Aditya E. Post 15/1/82*

FORD motor company today confirmed a visit to the Port Elizabeth branch next week by Henry Ford II, the grandson of the company's founder and himself a former president of the giant firm.

Mr Ford last visited South Africa in 1978 and met, among others, the then Prime Minister, Mr John Vorster. He was then at the helm of the firm's affairs.

Now he is a member of the firm's board of directors and chairman of the finance committee.

Ford's director of public affairs, Mr Dunbar Bucknall, said Mr Ford would arrive in Port Elizabeth on Tuesday, "on a farewell trip to recognise the end of Mr Ford's executive relationship with the company's South African affiliate and the Ford dealer organisation".

Similar trips had already been undertaken in Europe and Latin America, and further trips were planned.

Mr Ford would visit Ford facilities and bid farewell to the company's employees, Mr Bucknall said.

Handwritten text, possibly a signature or a list of names, enclosed in a rectangular border. The text is mostly illegible due to the high contrast and noise of the scan.

Own Correspondent
PORT ELIZABETH. —
The Motor Assemblers' and Component Workers' Union of South Africa has

CAPL 716/5 19/1/82 (62)

Union Reviews Sullivan Code

submitted a hard-hitting four-page document on the implementation of the Sullivan Code's fair employment principles to the company at its request.

According to the union, Ford's request follows an evaluation by an independent observer in the United States. Mr. Arthur Little, who reported that the company is "making good progress".

In the document presented to Ford last week Macwusa, one of the unions organizing black workers at Ford, slammed the Sullivan Code as a

toothless package" and a "piece-meal reform that allows this cruel system of apartheid to survive". Ford acknowledged receipt of the document but has declined to comment.

This is the sixth year since the Sullivan Code guidelines were established for US multinational plants in South Africa.

In its document, Macwusa listed the six principles and the union's comment on each.

Principle 1: Non-segregation of the races: The union says this has no significance to the needs of black workers of whom 78 percent are employed in job categories which have no white workers. "The system of job discrimination on the basis of race is being perpetuated in its entirety."

Principle 2: Equal and fair employment practices for all employees: The union says: "Practical experience at Ford shows that a black worker to qualify for a supervisory position he must be possess an academic Junior Certificate or undergo a

comparatively two-year technical course while whites who have lower primary school education fill supervisory and even senior appointments."

Principle 3: Equal pay for equal work: The union's comment: "84 percent of the workers in the lowest job categories are black and 90.5 percent of the workers employed in the top job category are white. Since the black worker does not occupy job seniority equal to that of the white, the 'equal pay for equal work' statement is simply lip service and an empty slogan."

Principle 4: Initiation of and development of training programmes for blacks: Macwusa claims that 99 percent of the black workers are misinformed about the education and training centre at Ford. Over the past five years the company has reported only on the number of black and white employees trained but has failed to reveal the discriminatory amounts of money spent in training them.

Principle 5: Increasing the number of blacks in supervisory and management positions: The union says the appointment of blacks to managerial positions is simply tokenism. "The company abides by the law that prohibits black supervision over white, and as such these black managers have no decision-making power or authority in the company."

Principle 6: Improving the quality of employees' lives outside the work environment: The union says

Ford has failed to address itself to the major question of black housing. Ford gave large sums of money to the East Cape Administration Board for the 'improvement' of the then Emaphlangeni area, subsequently demolished to make way for the new KwaFord township.

This resulted in exploration as rents ranged between R72 and R80 and the original residents, removed by Evcab, now lived in black townships in conditions of squalor. "The new Fordville, with limited houses selling at some

R45 000 each, is a window-dressing scheme aimed at promoting a black middle class.

Macwusa also says "substantial sums of money" from the company are directed towards apartheid organizations and "pro-government sports bodies."

In summary, Macwusa says the Sullivan Code "circles around apartheid's basic structures. The Code does not demand apartheid to be abolished, but merely to mordenize and ensure its perpetuation." It does not call for an end to passes or require companies to recognize black and white trade unions on an equal basis regardless of registration.

'Sullivan code is a toothless package'

THE SULLIVAN CODE is a "toothless" package that can be applied by United States companies operating in South Africa with ease, and is just a piece-meal reform that allows this cruel system of apartheid to survive.

This view emerges from a document by the Motor Assemblies and Component Workers Union of SA to the US company — Ford Motor Company SA.

Macwusa, one of the unions which organises black workers at Ford was requested by the company to comment on the firm's employment of the code.

According to the union the request is a sequel to the evaluation by an independent observer in the US, Mr Arthur Little, who had reported that Ford was "making good progress."

In its report the union says that the codes do not demand apartheid to be abolished, but merely to "modernise" and ensure its perpetuation.

"It does not cite the abolishing of the pass laws; does not make any demand for black political rights; does not require companies to recognise black and white trade unions on an equal basis, furthermore, regardless of registration.

The document says the code does not demand that Blacks must have the right to own land and conduct business throughout their country of birth — South Africa."

As regards non-segregation of the races, the union says that the removal of discriminatory racial sign posts is "extremely treacherous" and paints a decidedly false picture of the actual situation at the

By JOSHUA RABOROKO

company's plants.

Nearly 78 percent of the black workers are employed in job categories where there is hardly a white worker. Consequently, this practice is of no significance at all to the needs of the black workers. In effect, the system of discrimination on the basis of race is being perpetuated in its entirety.

Regarding equal and fair employment practices for all employees, the document says for a black to qualify for a supervisory position he must be in possession of an academic JC or undergo training whereas whites — who can hardly write nor speak English — are filling supervisory and even senior appointments.

"Ford does not recognise black and white trade unions on an equal footing. Because of this practice, therefore, one may safely say that a white dropout has greater job opportunities than a black university graduate at Ford.

"Eighty-four percent

of the workers in the lowest job category are black and the rest white. 98,5 percent of the employed in the top job category are white and black constitute only 1,5 percent.

"Since the black worker does not occupy job seniority equal to that of the white, the "equal pay for equal work" statement is simply lip service and an empty slogan.

"All white hourly workers are concentrated in the two highest pay grades and black hourly paid workers within the lowest grades of pay," the report says.

Referring to the initiation of and development of training programmes for blacks, the document says that a modern education and training centre exists at Ford, but 99 percent of the black workers are misinformed and that, of course, "is the costly price of apartheid". The act is designed to destroy the zeal to seek educational excellence.

"Over the past five years the company has only undertaken to report on the number of black and white employees trained but failed to reveal the discriminatory amounts of money spent in training them.

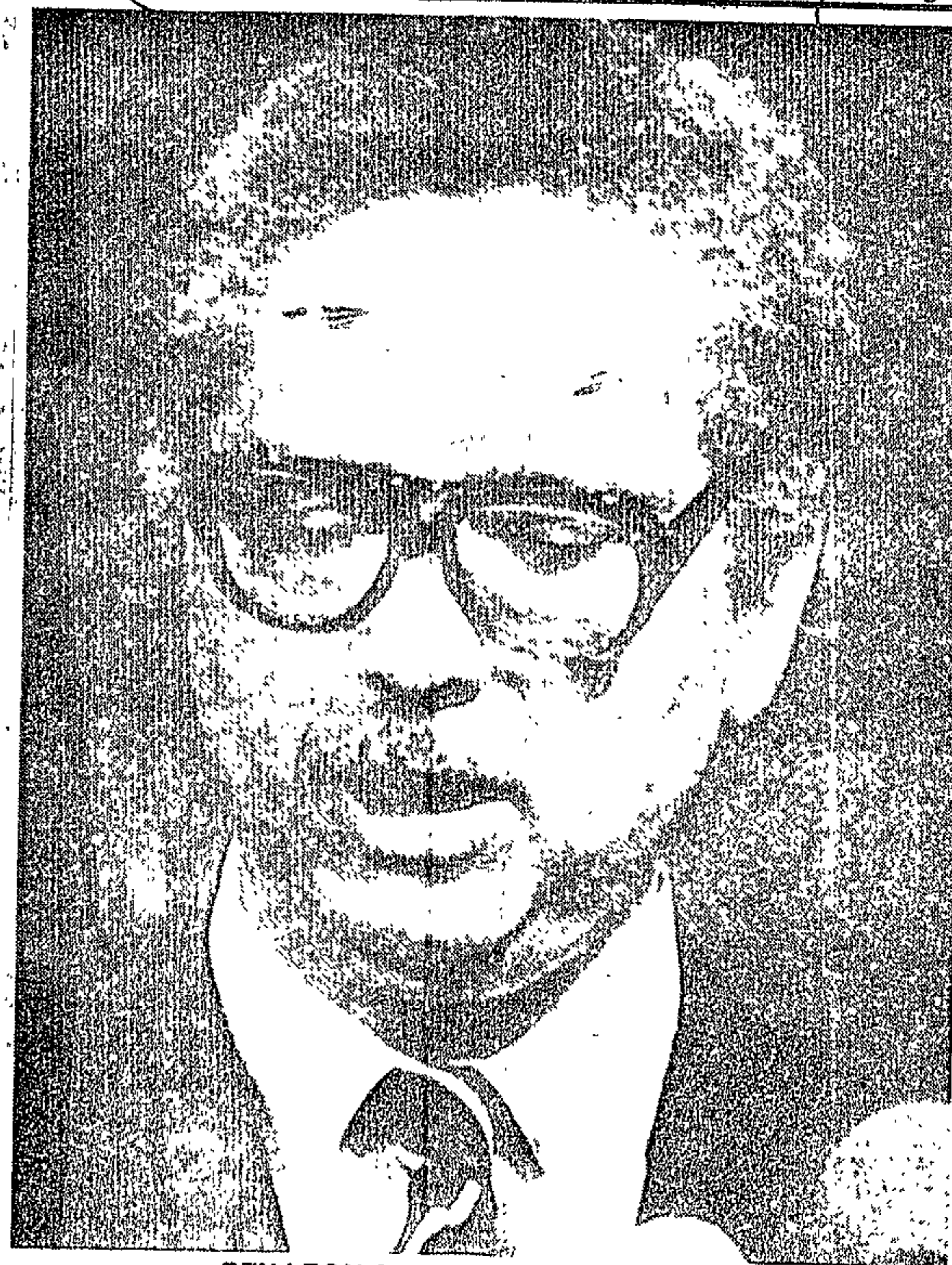
"The majority of black workers returning from "training still languish in the lowest category of skilled work."

The document says that the appointment of blacks into "managerial" positions by the company was sheer "mockery" since the company abided by the laws that prohibited black supervision over white; and as such these "black managers" have no decision-making power in the company.

The supervisory appointment was concentrated to foremanship. The whole exercise was simply tokenism.

Housing was a major crisis among blacks and yet the company has dismally failed to address itself appropriately to this aspect.

The company has made large sums of money available to the East Cape Administration Board to improve the then "Empangeni" Kwa-Ford Village and by so doing exposed the black community to frustration and exploitation of alarmingly high rents that ranged from R72 to approximately



REV LEON SULLIVAN: Initiated the codes

R80 per month.

"The company aggravated the squatter problem because these residents were evicted by the administration board and dumped in the ghettos at the back of the black townships where they were forced to stay in squalid conditions."

The new "Fordville" with limited houses selling at some R45 000 each was "a window dressing" scheme that was aimed at the higher bracket income group.

The company neglected the majority of hourly paid workers who were in desperate need

as most lived in overcrowded four-roomed "match-box style" houses or shantys in Soweto (PE).

Blacks hardly enjoyed the benefits of the Affirmative Action Budget (Nation's Money) whereas records reveal

that substantial sums of money are directed towards apartheid organisations and "pro-government" sport bodies.

The company's employee relations manager, Mr D P Pieterse, was not available for comment.

60 000 000 000

5000



GM to work

short-time

APC 45

2/11/82

(12) (10)

tomorrow

and Monday

Legis Bureau
POPE ELIZABETH
General Motors said in a statement today it had reduced its workday to seven hours for tomorrow and Monday "due to material shortages."

A spokesman said this meant there would be no work for some employees on either day.

He said the majority of the assembly operations would be closed due to the material shortages.

However, other vehicle operations will continue as usual.

Asked whether the short-time was temporary, he said the situation would be reviewed in line with production schedules.

He declined to comment on the number of employees affected or whether this meant a impending lay-off of staff at the plant.

General Motors was one of the two major motor firms here which extended end-of-year shutdown periods.

Mr. Lou Wilkins, the company's managing director, said at the time that the longer shutdown was caused through component supply and necessary reorganization in the factory.

DETROIT

Walter, spokesman for the motor industry here dismissed fears of a significant production cut-back.

Other announcements followed in the wake of an announcement by Sigma Motor Corporation in Detroit that it had dismissed 107 black workers and laid off another 24 until the end of this month.

Sigma, however, attributed its retrenchments to household organization changes and not market demand.

Spokesman for the other two major companies, Ford and Volkswagen, said today that no change in working hours was envisaged.

2. Post (122)
27/1/82

Macwusa quizzed by Ford man

THE Director of Industrial Relations at the Ford Motor Company, Mr Fred Ferreira, confirmed today that officials of the Motor Assemblers' and Component Workers' Union had been asked about rumours of a demonstration by workers — allegedly being planned to coincide with the visit of Mr Henry Ford II.

Macwusa's organising secretary, Mr Government Zini, said yesterday he was approached by a Ford labour relations officer who asked about a demonstration.

The grandson of the company's founder and a former president, Mr Ford, arrived by chartered jet in Port Elizabeth this week.

He is on a farewell trip to recognise the end of his executive relationship with the company's South African affiliate and the Ford dealer organisation.

Commenting on the incident, Mr Zini said: "Macwusa is disciplined and does not engage in sporadic actions."

Mr Ferreira said a staff member of Ford's industrial relations department had approached two Macwusa officials "to explore whether any demonstrations were being planned and to counsel against them".

Jan 29/1982

Unions object to SA imports

The Star Bureau

LONDON — Ford of Britain's decision to import the one-ton Cortina pick-up from South Africa has run into union problems.

The 14 unions representing 54 000 Ford workers will today spell out their objections to this move at their regular meeting with the company management.

Mr Ron Todd, chairman of the union side of Ford's national joint negotiating committee, indicated that the mood was grim.

Mr Todd, who is national organiser of the Transport and General Workers' Union which has 34 000 men in Ford, said the unions would be looking closely at two aspects of the company's decision.

The first was whether Ford had the capacity in Britain to make the one-tonners. Second there was the anti-apartheid commit-

ment by the unions, most of which support trade bans against South Africa.

A Ford management spokesman said the decision to buy the South African Cortinas was a purely commercial move.

The Pace will be set

By NKOPANE
MAKOBANE

PACE Commercial College, a unique school for blacks in South Africa, opens officially tomorrow and hundreds of guests are expected to attend the occasion.

The Project for Advancement of Commercial Education, situated in Jabulani, Soweto, is the envy of many who wish to acquire the high-

est quality in education.

The school which cost several millions to build, started to take its Form I pupils on July 6 last year and this year Form II classes have been introduced. The present enrolment is between 330 and 350 and by 1985 the school expects to have 600 students when the matric class will be introduced.

Financed by the

American Chamber of Commerce with 350 companies in South Africa, as well as some South African businesses, the school is a private institution and has a board with at least 50 percent black management.

The fees are R1 400 a year but bursaries of up to R1 000 are available for students whose parents cannot meet the

10/2/82
(62)
amount. Sowetan
Commenting on the school's progress and plans for the future, Mr Oswald Mtshali, deputy headmaster, said yesterday they were pleased that students did well in their last year's examinations.

What saddened him was that some people have expressed disquiet about the school and labelled it "elite". The



DEPUTY HEAD-MASTER: Mr Oswald Mtshali.

school accepted students from all walks of life on merit, and not because one is from a rich or well-known family.

Soweto's newest school up to world standard

By Andrew Torchia in Johannesburg

A SHINY, new, American-financed high school stands in the tumbledown landscape of Soweto, the black township to the south-west of Johannesburg.

The building, with carpets, electric typewriters, computerised teaching systems and tennis courts, would reflect credit on wealthy, suburban school districts anywhere in the world. It is unique in black South Africa.

The school rests on a commitment to superior education for blacks, to training of blacks for leadership and to preservation of a racially integrated teaching staff.

American companies operating in South Africa have in four years raised several million rand, enlisted help from South African businesses and installed 265 boys and girls in Pace Commercial College.

Second-year student Bongani Mcineka, 14, who lives with his four brothers in a four-room house, recalled his first look at the glass-walled, two-storey building: "I thought it was a hotel, not a school."

At State schools in Soweto, classes of 50 are common and pupils without desks write on floors.

Some teachers who left after the 1976 school riots have not been replaced and fewer than 60% of Soweto students passed final high school exams last year.

Getting South African Government approval for Pace took nearly a year and "it was tough, tough at

first", said Mr Clark Else, executive director of the American Chamber of Commerce in South Africa.

"If South Africa wanted to move into an Indian reservation and build a school, how would we (Americans) react?"

During the economic boom of the 1970s, shortages of white skilled workers led South African businesses to press for improvements in black training.

At the same time, American interest grew in supporting black education as a stimulus to social change.

Congress authorised \$4 million dollars (R3.8m) in 1981 for educational projects benefiting black South Africans.

Two visiting US Agency for International Development officials conferred with South African educators in December, apparently on ways to spend the money.

American foundations and corporations have financed a scholarship programme that since 1979 has chosen 127 non-white South Africans, mostly blacks, for study at American universities.

Dr Mokgethi Motlhabi, 35, with a doctorate in social ethics from Boston University, manages the Educational Opportunities Council Programme in South Africa.

"Change is bound to

come and when it does, we want to have the necessary skills for running the country," Dr Motlhabi said.

In response to the pressure, the South African Government declared late last year it was planning to eliminate salary differences between black and white teachers and to take other steps towards equal — but still separate — schooling for the races.

Pace Commercial College admitted its first classes in July and the R6.6 million school expects to have 600 students by 1985.

Courses include accounting, typing and other skills to prepare blacks for business jobs that, until recently, were closed to them.

Five tribal languages, English and Afrikaans are taught.

"We are aiming at middle management positions," said the headmaster, Mr Rex Pennington, 58, who retired as rector of Michaelhouse.

"But I am educating these children not only to earn their living but for life.

"Those who graduate from here will become community leaders.

They will set high levels of expectation for their children.

The move is upwards.

"I was concerned that so much money was going into one school but I changed my mind," Mr Pennington said in an interview.

"The impact of being given the best has opened visions of a future that pupils had not seen before."

Students are chosen competitively.

The parents of 12 are paying the full annual fee of R1 400.

Others receive scholarships up to R1 000 except for four whose parents are considered too poor to make any contribution.

"One of these four is a boy who packed coal every afternoon to keep his mother alive.

"He's our soccer captain," Mr Pennington said.

"Another is a girl whose mother earns R35 a month as a maid.

"The school was almost a shock to some children," Mr Pennington said.

"Lots of them have no running water at home and we had problems in getting them to turn off the taps."

Mr Else said about 150 US companies contributed to the school — about half the American companies operating in South Africa.

He said the American Chamber of Commerce had kept the school under private management — a board with at least 50% black membership — to forestall boycotts that have wrecked other school projects seen as Government-controlled.

"We made a pact with the blacks," he said.

"We will close the school if the Government tries to hijack it." — Sapa-AP

The Elco Corporation is offering exciting career opportunities to business graduates for employment in national operations.

General Management Programme

Elco CORPORATION



WARNING: Dr Samuels yesterday.

Businessman warns Govt. on Namibia

THE NAMIBIAN problem was a priority number one in this region if America and South Africa were to keep peaceful bilateral relations, business, educational and community leaders were told yesterday.

Dr Michael Samuels, vice-president international of the United States Chamber of Commerce, warned that if the South African Government did not act seriously to this end, then the Reagan Administration will have reason to consider its policies a failure and relations will definitely sour.

He was addressing a multiracial crowd of more than 600 at the official opening of Pace Commercial College in Jabulani, Soweto.

The visiting doctor was also quick to point out that solving the Namibian question would not end American concerns as South African domestic reforms and developments will be expected and be watched closely.

Attacking apartheid, Dr Samuels said the system has been described by President Ronald Reagan as

"repugnant". He said it made it difficult for blacks to gain the equal opportunities available to so many others throughout the world.

Americans understood that equal opportunities were a human right and a national goal that required active efforts. This was a matter of particular interest because they have



STUDENTS: Wendy Modiba and Stella Magada proudly standing in front of their school's foundation stone.

SOWETAN Reporter

been fighting their own heritage of racial inequality.

He further warned that in South Africa progress cannot be too slow because all affected communities will suffer unless they are brought into the constructive political partnership.

American companies, by being in South Africa, were taking a constructive view of what was necessary to do since they realised they can be a significant factor for change.

He said US companies sometimes had great difficulties deciding how best, or even whether, to operate at all in South Africa.

"Pressure at home

and political risk here and in certain African countries as a result of economic interests, are part of the environment within which the United States must operate," Dr Samuels said.

He added that change is always taking place and the progress of human beings cannot be denied. To change peacefully with minimal violence, education was one of the building blocks for the future.

Dr Samuels said he hoped that the school will provide, in this technical age, the advantages and opportunities for the development of generations of the future. This would mean that in future there will be no excuses that there are positions of responsibility.

Handwritten notes:
SAS
Sowetan
12/2/82

New Soweto college sets the Pace

62
Star 12/2/82

By Gillian Rennie

The official opening of Pace Commercial College in Soweto has been hailed as an important and historic occasion.

Pace Project for the Advancement of Community Education, a private school for black children, is financed by South African companies and South African-based American companies.

Dr Michael Samuels, vice-president international of the American Chamber of Commerce, called the project a "building block for the future."

"Education is one of the building blocks of constructive change. This school will develop future generations," he said.

Dr Samuels explained Pace's origin. He said: "We now understand that equal opportunity is a human right and a national goal that requires active efforts."

He said American companies were under constant pressure to disinvest from South Africa.

In trying to explain the human side of their operations in South Africa, the companies found a lack of trained individuals.

American business had responded to the need for commercially trained people and the result was the Pace Commercial College in Soweto.

"American companies can be a significant factor for change," Dr Samuels said.

"This college is a good reason to disagree with the arguments made by those who would have American companies pull out of South Africa altogether."

Mr David Thebehali, chairman of the Soweto Community Council, said the unique project was "important and historic."

Mr Rod Ironside, president of the American Chamber of Commerce in South Africa, said it was an "historic occasion in South Africa's advancement."

Mr Rex Pennington, principal, called it a "great occasion."

Strong Horwood

Gamble on gold failed, says NRP

diate attention," the Minister said.

Symptomatic of these difficulties was the balance of payments position.

Preliminary estimates put the current account deficit for 1981 at roughly R4000 million, or 5.7 percent of the Gross Domestic Product.

"As the economy cools down and imports decline in the months ahead, this deficit should decrease. Indeed, there are already signs that this process of balance of payments adjustment has begun."

Imports had levelled off in value terms and declined in real terms. The value of volume of merchandise exports had held up well, Mr Horwood said.

"Nevertheless, for 1982 as a whole, the current account deficit will probably remain substantial."

Considerable pressure had been, and was likely to continue to be, exerted on the Government's own finances, partly as a result of the decline in revenue from gold mining and taxation and leases.

But, Mr Horwood said, the deficit before borrowing for the current fiscal year might approximate reasonably closely the budget estimate of R2707 million. — Sapa.

CAPE TOWN — Increases in GST and import duties announced yesterday by the Minister of Finance, Mr Horwood, would push up the cost of living by at least R1.5 billion, Mr George Bartlett, the New Republic Party's economics spokesman, said.

In a statement Mr Bartlett said the Minister had once again gambled on the price of gold and come unstuck.

"He has mismanaged the economy by not reading the danger signals and by ignoring our repeated warnings."

"The R1.1-billion shortfall in tax revenue from gold is going to be painfully extracted from the already hard-hit public through the increase in GST which will yield an estimated R600 million and increased import duties will yield another R550 million."

The greatest sufferers would be those with fixed incomes and pensioners. Public servants would fall further behind in the inflation race. — Sapa

Today's business

Today's business in the Assembly is:

Questions. Private Members motions. Mr J J Lloyd (NP Roodeplaat) — importance of training of workers. Mr C W Eglin (PEP Sea Point) — inquiry into Rents Act and related laws.—Sapa.

Unless otherwise stated, all political reports in The Star by P Sullivan of 47 Sauer Street, Johannesburg. A H G Wentzel of 9 Esterhuysen and J Parker of 123 St George's Street, Cape Town. B Cameron of 85 Field Street, Durban, and L H Marshall of 216 Vermeulen Street, Pretoria. Cartoons by A Berry, D Fedler and K Smith of 47 Sauer Street, Johannesburg, and J Laydon and G Muller of 83 Field Street, Durban. Headlines and posters by Johan de Villiers and political comment by H W Tyson of 47 Sauer Street, Johannesburg. Sapa's parliamentary reports by A Brand, C le Roux, P Classens, F Neuhoff, and D Powell, all of the Press Gallery, House of Assembly.

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nd the un-impact of onomic den exports. ey policies erest rates contributed interest rates al tighten- th African

economy as confronted short term hich, al- transitional ure imme-

strikes last year

MBLY — Black workers went on lines last year, said Minister of Man- Fanie Botha yesterday.

g to a question by Dr Alex Boraine (lands), Mr Botha said 126 strikes wage demands. Other reasons were: nt of dismissed employees (46); of pension fund contributions (44); demands other than wages (29); the recognition of trade unions other demands (22).—Sapa.

LL LOVE THESE VINGS!

DIOM

ITS THE HEART OUT OF HIGH PRICES ON VIDEO

Father held after baby girl is stabbed

By Mike Cohen, Crime Reporter

A young mental hospital patient has been arrested in connection with the stabbing of his 18-month-old child.

The child is in hospital in a satisfactory condition.

A spokesman for Police Headquarters in Pretoria said today that a 22-year-old man escaped from Sterkfontein Mental Hospital near Krugersdorp on Wednesday morning and went to his parents' home at the Barrage on the Vaaldam. He apparently hitch-hiked to the area.

He found his 18-month-old daughter asleep on a bed in her grandmother's room.

She was stabbed in the side with a bayonet and seriously injured.

Police later arrested a man in connection with the stabbing and sent him back to Sterkfontein Hospital for observation.

The police did not give any details about a court appearance.

Policeman dies on duty

Crime Reporter

A Ladysmith policeman, Major C D Engelbrecht (38), died on duty in the operational area yesterday, police headquarters announced today.

Major Engelbrecht, who leaves a wife and two children, was attached to the district headquarters in Ladysmith, Natal. No details of his death have been released.

SA Soweetan 62

400 down tools for R1 per hour extra

Strike for pay rise



STRIKE: Part of the 400 strikers who refuse to work until their pay demands are met. **ABOUT 400** workers at Dresser SA in Wadeville, East Rand, this week downed tools after disagreement with management over wage rises.

By CHARLES MOGALL

The strike, which started on Monday morning, began with workers from one department in the firm refusing to work before management acceded to their demands of a R1 per hour increase.

The striking workers were yesterday joined by the remaining departments and brought production at the company to a standstill.

Spokesmen for the workers said a company

official had failed to address them when they had asked. Instead, they said, he returned later and "behaved rudely", threatening those who refused to work with dismissal.

"Now that everybody is out on strike, they are trying to get us to talk to them. That is something we are not prepared to do right now. The gen-

eral feeling among the workers is that management knows what we want. They just have to say yes or no. Those among us who agree to negotiate with management are obviously going to be looked upon as sellouts," a spokesman said.

Some of the workers complained about general working conditions in the company, but

could not elaborate. "The Sullivan Code of conduct is not observed here," one said.

The management's attempts to address the workers were futile.

"We know for sure that there are grievances involving payment. But these have not been defined. The workers have not nominated any representatives to talk to us in a proper manner. There seems to be a reluctance, but we are trying to get the work force to talk to us," Mr Allen said.

UJCT

How relevant now?

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

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

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

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

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

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

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

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

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



Sullivan ... raising the standards of the code

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

CHARLES DAVIS

A US look at labour

By Charles Davis



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

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

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

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

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

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

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

alternative to confrontation with SA over its policies.

With regard to the defectors, we have taken note of recent public statements by SA government officials that changes will be made to improve the conditions of detention and that the government will be more open to international criticism. We will continue to monitor the situation and report back to Congress as appropriate.

Each country must seek its own solutions to its unique industrial relations circumstances. There is no doubt that significant reforms have already been introduced and the process is still underway. However, in a country where established SA industrial relations structures may be difficult to change, the employment of workers as long as the present apartheid structures exist.

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

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

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

Does this forging of links between

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

We have already seen a few manifestations of international solidarity. I would expect this to become increasingly responsible for national events on the trade union movement fronts — whether or not there is rapid growth in formal ties.

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

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

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

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



No (62) star 3/3/82 sanctions - Rockefeller

The Star's Africa News Service
SALISBURY — A leading and influential member of the US banking community says that economic sanctions would not achieve their object of making the South African Government change its policies. Speaking in Salisbury, Mr David Rockefeller, former chairman of the powerful Chase Manhattan Bank, said he agreed with the US

Government's view that the exerting of a persuasive influence through closer ties with South Africa was probably the most effective policy. In any case, sanctions against South Africa would not be effective because not all countries would participate. Heading a Chase Manhattan delegation on a nine-nation African visit, Mr Rockefeller spent two days in

the Zimbabwean capital. He met Prime Minister Robert Mugabe, Finance Minister Dr Bernard Chidzero, President Canaan Banana and local businessmen. Mr Rockefeller was optimistic about the future of the Zimbabwean economy and impressed with what had been achieved since independence. He would encourage potential American investors to visit the country themselves and

talk to businessmen and government officials. On African marxism, Mr Rockefeller said that most of the allegedly marxist states he had seen seemed to be "more labels and trappings" than marxist reality. He had found many black leaders to be pragmatic and prepared to accept help from capitalist countries.

300	300	Income Statement	Jan 2:
		Insurance Expense	
		being closing entry	
24 000	24 000	Income Statement	Jan 2:
		Income from Life Policy	
		being closing entry	
24 000	24 000	Debtor (Insurance Company)	Jan 2:
		Income from Life Policy	
		being accrual of proceeds receivable	
300	300	Bank	04, Jan 1: Insurance Expense
			Years 02 and 03 - same as 01
300	300	Income Statement	Dec 31:
		Insurance Expense	
		being closing entry	
300	300	Bank	01, Jan 1: Insurance Expense
			being payment of premium

(1) Premiums Treated as Business Expense

SOLUTION TO: GLS

(104) As a mining engineer pointed out: 'As a mining proposition, the Rand is known all over the world as a low grade proposition, and you would not be able to work it unless you did have very cheap labour.' (105) And as an economist concluded: 'What made the Rand possible was the fact that the Kaffir worker would be employed for not over £50 per year. . . It is indisputable that the mines were saved by the services of a non-competing group of black workers.' (106) The profitability of the mining companies depended on the minimisation of the wages of the ultra-exploitable 90 per cent of their labour force to an average of 2s. per shift (in comparison with the average of 20s. per shift of the politically free 10 per cent of the labour force). Higher wages for 90 per cent of the labour force would have been quite incompatible with profitability.

A shilling a day to the boys [as a wage increase] would wipe out practically half the dividends paid by the Rand - Yes, and it would be a great deal more than

racial discrimination for the purpose of profit accumulation took the specific form of measures of racial discrimination serving to secure and maintain the ultra-exploitable and ultra-exploitation of non-white workers - referred to as exploitation colour bars. The exploitation colour bars were the profit-maximising part of what were referred to as the class colour bars - racially discriminatory class instruments serving to secure class interests - of the property-owning class (the other part being the property colour bars, serving to secure and maintain the separation of non-whites from ownership of property in the means of production), adapted and extended by specific groups of property owners, like the mining companies, to meet their own specific profit accumulation requirements. And, because of the specific conditions of the gold mining industry, the profitability of the mining companies was critically dependent on the exploitation colour bars.

Keep up
SA links,
says US
tycoon

By DAVID FORRET
Mail Africa Bureau

SALISBURY - American banking tycoon Mr David Rockefeller said yesterday he was opposed to economic sanctions against South Africa.

He was answering questions at the end of a two-day visit to Zimbabwe.

Mr Rockefeller said an economic boycott would not change South African policies - only make its rulers "more intransigent".

Mr Rockefeller, who is chairman of the international advisory committee of the Chase Manhattan Bank, said economic sanctions would probably not be adopted universally and would therefore be ineffective.

He felt that his corporation and the United States could be more effective by maintaining existing contacts and improving relations with South Africa's black community.

He was opposed to apartheid. His banking corporation did not make loans to the South African Government.

Mr Rockefeller is on a 10-nation African tour including Senegal, Guinea, Conakry, Ivory Coast, Nigeria, Cameroon, Angola, Gabon, Zimbabwe, Zambia and Morocco.

During his 45-minute news conference, Mr Rockefeller was questioned closely on the South African issue, and about the views of African leaders he had met.

Many African leaders were initially anxious about the Reagan Administration's Africa policy.

But as that policy had evolved, they had been "rather pleased" with it, he said.

Mr Rockefeller said he was pleased that negotiations were continuing between the United States and Angola.

Zimbabwean government leaders, including Prime Minister Robert Mugabe, had assured Mr Rockefeller that although they considered themselves socialists, they still believed in a mixed economy.

Mr Rockefeller said he thought Zimbabwe had done remarkably well. He was optimistic about the country's future.

the Other group which operated was by system of racial discrimination, and the system of debt inducement, and

FIG use

1. THE CLASS POSITION OF THE WHITE WORKERS

The first questions in an examination of the white workers must be, why speak of a group of white workers? What is the analytical meaning, for this study, of the term 'white workers'? Of course an answer to the first question could simply be found in the observed fact that one of the groups operating in the system of racial discrimination which this study is concerned to explain was a group of white workers, which merits particular attention for that reason. But there is a more important and more fundamental answer to these questions, which concerns the South African social formation and the respective political positions of white and non-white workers, and which needs

workers. did not constitute measures of racial discrimination. It was not the case that every instrument of profit maximisation operated by the companies was a measure of racial discrimination. What was the case was that the profitability of the companies was critically dependent on the system of racial discrimination constituted by the exploitation colour bars, which secured and maintained the ultra-exploitable (subjection to a system of forced labour) and ultra-exploitation (appropriation of profit from the labour of ultra-exploitable workers) of non-white workers.

Our concern here has been to elucidate the specific nature of the involvement of the mining companies in racial discrimination. This involvement was seen and explained as a means of securing the driving class interest of the companies: the accumulation of profit. This involvement in

Colgate ^{Stop 1912-18} wage ~~dispute~~ ~~is~~ ~~settled~~

Labour Reporter .

A wage settlement has been reached between in a management of Colgate-Palmolive in Roshburg and the Reorganized Chemical Workers' Industrial Union.

The wage negotiations went on for most of February, a consequence of the bitter four-month strike at the firm last year.

The February talks were the first negoti-

tions since the recognition agreement was signed last year.

Workers at Colgate-Palmolive will receive a minimum of \$1.95 an hour in May and this will be increased to a minimum of \$2.04 in November.

Other grades of workers will also receive the benefit increase this year.

The union negotiated a five-day work

MINING

~~TOP SECRET~~ (62)

Project poser

FM 9/4/82

Anti-SA church groups in the US are up in arms over plans for a major new coal field investment in SA by a mining subsidiary of

General Electric Corporation (GE).

Ironically, the project was disclosed by the Washington lobbyist for Utah International, speaking at a seminar on US corporate investment strategies. The seminar included delegates from the church-backed Interfaith Centre on Corporate Responsibility (ICCR), which organises shareholder protests against investment in SA.

Utah International has been a wholly-owned subsidiary of General Electric since 1976. Its huge coal and uranium mining operations produced \$1,72 billion of GE's total \$27,2 billion in gross revenues last year.

William Grant, Utah International's representative, reportedly told the seminar that part of his current duties was to sound out reactions from the Reagan administration and public interest groups for a "major undertaking" in the SA coal industry.

Grant said that Utah International would pay the SA black coal miners \$500/month, which he said compares favourably with other pay scales in the country. He noted that 80% of Utah International's workforce at its New Mexico mines is made up of Navaho Indians, who earn up to \$30 000/year.

The disclosure brought an immediate warning from Tim Smith, director of the Interfaith Centre, that such an investment would be taken as "a nod of approval" by Pretoria for its race policies. He also promised that his group would try to derail the project if possible.

Spokesmen for both Utah International and GE have refused to disclose details of the project.

'US should not rid itself of SA interests'

filed

S. Post

(62)

23/4/82

HARTFORD, Connecticut — The chairman of a committee studying Connecticut's investments in South Africa said yesterday the State should not entirely divest itself of interests in companies that do business with the Republic.

Instead, said the State Treasurer, Mr Henry Parker, it should tighten standards already recognised.

Connecticut forbids State pension-fund investments in companies not adhering to minimum standards for minority employment in organisations operating in the Republic.

Mr Parker, the highest-ranking black person in US State Government, headed a task force set up in December on South African investment policy.

Last year, the Connecticut Governor, Mr William O'Neill, vetoed legislation that would have required the State to withdraw all pension-fund investments in companies doing business with South Africa.

Attempting to make amends with those alienated by that veto, the Governor created the task force.

In releasing the committee's final report, Mr Parker recommended that Connecticut divest itself of interests in companies that:

- Had not obtained a performance rating in the top two categories of the Sullivan principles (which spell out the standards for minority employment).
- Supplied "strategic products or services" for use by the Government, the military or the police in South Africa.
- Failed to recognise the right of all South African workers to organise and strike, "free from the fear of dismissal or blacklisting". — Sapa-AP

Post Focus

The case for US firms

doing business in SA

24/4/82 E. Post

(62)

FOR about 350 American companies, doing business in South Africa has become much more than that. Whether they like it or not, they have become key actors in one of the more harrowing national dramas of our time.

In the public forum, the critics of American companies charge flatly that whatever helps the South African economy also helps apartheid.

So long as these companies go on conducting business as usual, so, too, will the South African Government, with its politics of repression. For, according to the indictment, this is a Government so immune to persuasion that it can understand no language milder than an American economic withdrawal.

But massive difficulty besets any grand design for American economic disengagement: the true nature and impact of any such withdrawal would bear little, if any, similarity to the avowed objective of its ardent advocates. And this, essentially, is why the vast majority of companies — after sober weighing of all risks and uncertainties — have chosen to stand their ground.

To be sure, one self-serving consideration plays its role in this decision. The fact is that any "heading for the exit" is not nearly as simple an exercise as some of its proponents seem to assume.

For, while South African foreign-exchange regulations allow the free repatriation of profits, this does not apply to capital. There is no way of packing up the plant and shipping it home.

If an American corporation found a South African buyer, the proceeds would first have to be invested for at least seven years in low-yield South African Government securities — as unattractive politically as it is financially.

The alternative of selling out to another foreign enterprise would merely give the buyer the competitive break of being able to pick up a plant at a knockdown price — and without any obvious gain for South Africa's blacks.

But going beyond these practical reasons, most American companies cast their decision to stay in South Africa in more positive terms. By their continued presence, they argue, they not only provide jobs for their 90 000 employees, including about 60 000 blacks, they also can serve as catalysts of peaceful social change.

For them, the crucial question is: would US withdrawal bring the desired human, practical and political rewards? And this is precisely where the case

The new American Ambassador to South Africa, Mr HERMAN NICKEL, presented his credentials this week to the State President. A former editor of Fortune magazine, Mr Nickel has written various articles about South Africa. In this one he argues that US investment is a needed force for peaceful change — but that its long-term future inevitably depends on how much change the Government allows.

for withdrawal, flawed with many over-simplifications and half-truths, breaks down.

To begin with, one has to confront a truth that Americans often prefer to ignore in foreign relations: there is a clear limit to American power and leverage. While continued US investment, credit and trade are important to South Africa, they are not a matter of survival.

In purely quantitative terms, the \$1.6 billion (R1.68 billion) US direct investment (book value) in South Africa represents 16% of total foreign investment there. This is dwarfed by the 57% stake of the European Community countries and amounts to only 4% of the total capital invested in the South African economy.

Successive British Governments have been far too worried about the 70 000

jobs allegedly dependent on British economic ties with South Africa to move decisively toward economic disengagement.

A new and increasingly vital factor in this equation is Western Europe's reliance on South Africa as a major supplier of processed uranium. The restrictive conditions that have been put on the export of US and Canadian uranium in effect increase this dependence.

Though no official figures are published, South African and SWA/Namibian uranium is estimated to account for at least 50% of Western Europe's supplies.

As soon as 10 years from now, top South African officials expect uranium (even excluding SWA/Namibian sources) to surpass gold in importance to the South African economy. Even South Africa's reliance on foreign credits,

while serious, has not made it vulnerable to an ultimate turn from outside.

Here one comes to the crux of the matter. Stopping the flow of foreign capital cannot bring South Africa "to its knees", in Finance Minister Owen Horwood's phrase. But it does spell the difference between adequate and inadequate growth.

South African blacks would thus face the prospect of growing unemployment, without the benefits of welfare cheques and food stamps. That would be the harshly ironic result of a policy designed to help them.

In broad historical terms, there appears to be little logic or reason in the idea that economic stagnation provides a better backdrop for the peaceful transformation of South Africa from institutionalised racism into a multiracial soci-

ety.

The notion would seem all the more bizarre when put forward by Americans, for the whole history of racial progress in the US points in the opposite direction. Practically every major step forward was linked with economic progress.

Economic growth did not strengthen the system of institutionalised racism in the US; it effectively destroyed it.

This structural transformation of the labour market has already had significant effects on the real earnings of black industrial workers.

In contrast to what has happened in many independent black African countries, the gap between black and white incomes has been narrowing steadily.

Between 1970 and 1977 the white share of total income declined steadily at a rate of one percentage point a year, from 70 to 63%. Economist Erich Leisner predicts that by the end of the century the black market will be twice the size of the total consumer market in South Africa today.

The striking mark of this process is that the forces for change in the political sector receive their strongest thrust from progress in the economic sector.

In the light of this fact, it hardly seems sensible to argue that political redemption can be accelerated by a full-scale American retreat from the economic arena.

The huge, sprawling township of Soweto outside Johannesburg became the dramatic symbol of apartheid's failure to face up to the reality of the urban black.

When Soweto erupted into violence in 1976, this failure could no longer be masked, and there is now a virtual consensus that the status quo will no longer do.

It is not surprising that Afrikaner businessmen themselves a fairly recent product of economic growth, should be playing a prominent part in this reappraisal. It is, after all, in business's own interest that the status of the 10 million urban blacks be improved.

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ROOM 24/4/82 (62) 2057

SA investment fine if...

HARTFORD. — The chairman of a committee studying Connecticut's investments in South Africa said today the state should not entirely divest itself of interests in companies that do business with the Republic.

Instead, said the State Treasurer, Mr Henry Parker, it should tighten standards already recognised.

Connecticut forbids state pension-fund investments in companies not adhering to minimum standards for minority employment in organizations operating in South Africa.

Mr Parker, the highest-ranking black person in US state government, headed a committee set up in December on South African investment policy.

Last year the Connecticut Governor, Mr

William O'Neill, vetoed legislation that would have required the state to withdraw all pension-fund investments in companies doing business with South Africa.

In releasing the committee's final report, Mr Parker recommended that Connecticut divest itself of interests in companies that:

- Had not obtained a performance rating in the top two categories of the Sullivan principles (which spell out the standards for minority employment);
- Supplied "strategic products or services" for use by the government, the military or the police in South Africa, or;
- Failed to recognise the right of all South African workers to organise and strike, "free from the fear of dismissal or blacklisting". — Sapa-AP

Shock absorber factory for SA

Cape Times
28/4/82

62

189

172

Cape Peninsula

THE official opening of a R10m shock absorber factory for Gabriel South Africa by the Minister of Industries, Commerce and Tourism, Dr Dawie de Villiers, at Retreat industrial area last week was another milestone in the growth of the local motor component industry and in the efforts to make this country as independent as possible of overseas supply sources.

This is especially so when you consider that every four-wheeled vehicle produced in the Republic, from the smallest car to the heaviest truck, has to have four shock absorbers fitted as original equipment and will probably need a few replacements during its running or working life.

The Retreat factory will produce 2 000 000 shock absorbers a year and this is barely enough to fit to the 450 000 cars and commercial vehicles which were produced in a record 1981 and which are expected to be produced again in 1982 and replacements for vehicles already on the road. The increase in car production was 41 percent and 50 percent in commercial vehicles.

Local Expertise

Not only does a factory such as the one at Retreat add yet another advance in local expertise and manufacturing technology — and a further contribution to SA's self-sufficiency — but it will save the country some R15m a year in foreign exchange for imports and provide an export market which in itself could bring millions back into the country.



Mr Byron Pond, chairman, president and chief executive officer of Gabriel's parent company in the USA, flew out from his Chicago base to attend the opening and said that the fact that the South African operation had developed significant exports markets in the USA, Australia, New Zealand and some southern African countries was an impressive feat.

Gabriel, of the United States, is one of the biggest manufacturers of shock absorbers in the world, and its South African operation was started 19 years ago in Plumstead by Harold Jones and Co which acted as indent agents and which retains a 14 percent interest in the new operation. The Chicago-based Maremont Corporation, which controls Gabriel in the USA, has a controlling holding of 51 percent with Plessey SA — which is sited right next door — a big local shareholder with 35 percent.

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Industrial Council: _____
 Registration: _____
 Founded: _____
 Area of Operation: _____
 Officials: Secretary _____

Address: P.O. Box 8000
 Cape Town

1980	
1979	
1978	
1977	
1976	
1975	
1974	
1973	
1972	
1971	
1970	
	Year

\$	1	429
\$	1	029
\$	1	029
⌘	1	029
⌘	1	029
⌘	1	029
⌘	1	029
⌘	1	029
⌘	1	029
⌘	1	029
+	2	702
⌘	1	029
⌘	1	029
⌘	1	029
		Total

cont ↓

'Our biggest challenge'

"Our biggest challenge for the future will be to remain competitive with the growing Japanese parts industry for in terms of quality and cost efficiency they are rapidly approaching the excellence of their country's car manufacturers."

During the past 19 years Gabriel has become the leading shock absorber manufacturer in South Africa and this has been due mainly to the high technological excellence of its products. The previous factory in nearby Main Road, Retreat, became inadequate to meet the demands, both local and overseas, for its products so the new factory was built to handle the additional capacity and potential growth until the end of the century at least.

The growth — and success — of Gabriel in SA is reflected in annual increases of workers by 3,9 percent, production by 14,2 percent, capital investment and turnover by 20,3 percent or an overall 36,5 percent improvement.

Original factory

The original factory in Main Road, Plumstead, was established with an investment of R300 000 and initial production was 120 000 units a year and the range consisted of two basic types of shock absorbers in 60 variants. Local content was then about 50 percent.

The new factory will initially produce more than 2 000 000 units a year with 10 different types of shock absorbers with 400 variants. Local content now averages more than 80 percent and exceeds 90 percent in some products.

Since it started, Gabriel has captured a 60 percent share of the shock absorber market and is also the leading manufacturer of McPherson struts for suspensions. In fact, if it did not produce these struts as well it could turn out more than 3 000 000 shocks a year.

It all sounds like a shockingly good business to be in.

Shareholders of IBM vote to stay in SA

Argus Bureau

WASHINGTON. — International Business Machine shareholders voted by an overwhelming majority yesterday to keep the huge multinational company operating in South Africa.

This was one of the major skirmishes of current "proxy season" during which America's major corporations face their shareholders at annual general meetings.

Church groups, universities and retirement funds have placed "social conscience" resolutions on a string of annual general meeting agendas — and many of those resolutions involve South Africa.

A total of twelve church groups holding almost 83,000 IBM shares with a total value of about \$4.7-million asked IBM to terminate its activities in South Africa as quickly as possible unless the South African Government committed itself to ending apartheid and taking "meaningful steps toward establishing full rights for the black majority population."

VOTES

The proposal drew support from only 2.52 percent of the total of more than 475-million votes cast at the meeting.

Because IBM meeting rules require a vote of at least six percent for any proposition to be reconsidered the next year, the resolution falls away.

IBM chairman Frank Cary denied that his firm's computers — including one in the South African Department of the Interior — were being used to implement racial discrimination.

He said IBM would not bid in any situation where it thought its machines would be used for repressive purposes.

No information
Presumed defunct.
Date of deregistration unknown

Year	African	Total
1980		
1979		
1978		
1977		
1976		
1975		
1974		
1973		
1972		
1971		
1970		
	African	Total

(UNSKILLED I
OIL AND PETROL

Plant to go on short time'

PORT ELIZABETH. Ford announced yesterday that its three Port Elizabeth plants would be closed on Monday and Tuesday and that workers at its Neave plant would go on "short time" from Wednesday.

A company spokesman said the closures were due to a disruption in short-term supply of parts and to enable the company to carry out "inventory rationalization actions".

He said that because of the economic downswing, the company had decided to reduce the 8^{1/2}-hour shifts to eight hour shifts at the Neave plant, but had not cut out any shifts. Overtime would still be worked as and when required at all three plants, he said.

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Black Allied Workers Union
Commercial, Catering and Allied Workers Union
Concession Stores and Allied Trades Assistants Union
Domestic Workers and Salesladies Association
Kilmerley Shop
National Union
National Union
Pretoria Vakk
Transvaal Reta

Wholesale & Retail Trade

WHOLESALE & RETAIL TRADE AND CATERING AND ACCOMMODATION SERVICES

Amalgamated Society of Woodworkers
Amalgamated Engineering Union of South Africa
Amalgamated Union of Building Trade Workers
Black Allied Workers Union
Blankenbouvewerksbond
Building, Construction and Allied Workers Union
Building Workers Union
Electrical and Allied Trades Union of South Africa
Electrical and Allied Workers Union of South Africa
Engineering and Allied Workers Union
Engineering Industrial Workers Union of South Africa
General Workers Union
Metal and Allied Workers Union
National Union of Engineering, Industrial and Allied Workers
Port Elizabeth Operative, Plumbers Employees Association
S.A. Operative Masons' Society
S.A. Woodworkers
Steel, Engineering and Allied Workers Union
S.A. Electrical Workers Association

CONSTRUCTION

Cape Town Gas Workers Union
Escom (Cape Western Undertaking) Salaried Staff Association
Escom Salaried Staff Association
Escom Workers Association
General Workers Union
Johannesburg Municipal Water Work Mechanics Union

ELECTRICITY, GAS AND WATER

Diamond Cutters Union of South Africa
Jewelers and Goldsmiths Union
Optical Workers Union
S.A. Association of Dental Mechanicians
S.A. Diamond Workers Union

Other

man who had a large measure of respect on both sides of the House, proposed an alternative amendment that was ultimately adopted and added to the Export - Import Bank's charter.

The Evans Amendment — as it is now known — required that the US Secretary of State "certify" that the companies applying for Exim bank loans or guarantees on SA business ventures were following the Sullivan Code or some other demonstrable programme that was working toward racial equality.

The word "certify" proved a poor choice. Carterites in the US State Department quickly threw up an impenetrable barrier that legally made it impossible for the administration to do what Congress required of it. The word "certify," the State Department legal bureau reported, by its very choice implied that representatives of the State Department would have to make a physical inspection of the business themselves and their operations in SA. And obviously one inspection would not do, there would have to be regular patrolling to prevent backsliding. That would (by implication) require a substantial increase in the permanent staff of the US Embassy in Pretoria which would have to wait increased appropriations.

Then Pretoria stepped in with an explicit objection to American inspectors traipsing around SA corporate plant sites every quarter. That objection was seized upon by the State Department as further proof that nothing could be done right away to "certify" any specific applicants and thus renew trade financing activities through the Exim bank.

The advent of the Reagan administration last year did not improve matters. William Clark, now the President's top security adviser, was the State Department official who reviewed the Evans Amendment at Rep Evans' request to see what could be done to break the legalistic logjam.

Evans' legislative aide, James Orr, told the FM last week what happened. "Under-Secretary Clark wrote us in return that the law was so tightly drawn that there was no way he could move the legal folks at State unless there was a change in the wording.

"We realise now that the word 'certify' was too narrow and Evans has said to me in the past week, and to some business groups too, that he would like to have the law changed to make it easier for the bank to begin funding trade with SA under the Sullivan Code," Orr said.

But this is an election year for all of the congressmen and one third of the senators. American voters are frustrated over the economy and spoiling for a fight over a hundred other issues both foreign and domestic.

"No-one wants to be the congressman who comes out for free trade with SA in a year like this," Orr explained. "The Reagan administration won't change the interpretation of the law and this year, at least, the law can't be changed."

Thus it was last week that when Evans told a group of visiting SA business executives in New York of his frustration, there was a faint but fruitless flutter of hope that he had decided to make the push this year. His aide, Orr, says that is most unlikely course of action.

But there is always next year.

"By May 15 1983 we have to have approved the Bill to extend the Exim Bank's charter for another six years and that might be an appropriate time to change the amendment to something more workable," Orr explained. "I do know Evans is concerned right now. But between now and next spring I just don't think anything can be done."

US-SA TRADE (62) Evans Amendment

FM 7/5/82

It was back in 1978 when the then-liberal representative (now Senator) Paul Tsongas of Massachusetts was busy burnishing his image as the man suited to become Ted Kennedy's teammate in the upper chamber. When the legislation came up to extend the charter of the US Export - Import Bank for another six years, Tsongas offered an amendment flatly barring the bank from supporting any US trade activities with SA.

This was the height of the Jimmy Carter campaign for morality in foreign policy, so overt friends of SA were off in the tall grass biding their time. Nonetheless, Thomas Evans, a senior Republican congress-

U.S.'s big ⁽⁶²⁾ stake ^{9/5/92} in SA

By Andrew McNulty

INVESTMENT in South Africa by United States companies has soared by 1 400% in the past 30 years. The total value rose from \$140-million in 1950 and \$288-million in 1960 to \$2 000-million in 1979.

Dr Robert Glover, of the University of Kansas at Little Rock, says that, despite calls for disinvestment, direct US investment in SA continues to stand at about 1% of total US investment. He comments: "The South African economy would hardly fail to survive should American investments and trade be withdrawn."

"United States companies direct foreign investment in South Africa is far smaller than that of the European Economic Community and is less than 6% of the total capital invested in the SA economy."

However, in addition to direct investment, there is indirect investment, which a United Nations study estimated at a further \$2 000-million in 1977.

Also, American banks are estimated to have supplied another \$2 000-million in loans in the past five years.

Writing in the SA Chartered Accountant, Dr Glover says the largest concentration of investment by American companies is in manufacturing.

"Surprisingly, relatively few companies actually have investments in mining and ferro-alloy production of minerals, which are vitally important to the United States."

About \$150-million and \$20-million is invested in mining and smelting operations, respectively, accounting for about 2% of the estimated \$1 500-million investment, both domestic and foreign, in this area.

However, the investments are selectively placed and often provide a supply of minerals that are important to an individual company even if it holds only a minority interest, he says.

(62) S. Times 30/5/82

'Silent U.S. giant' hits at disinvestment lobby

A SILENT giant among United States multi-nationals operating in South Africa has snapped back at disinvestment lobbyists who claimed recently that the Rank Xerox Corporation was "stripping blacks of their dignity".

The lobbyists tried to pressure the huge international corporation, which has a major stake in South Africa, to curtail further development in this country and cut commercial ties with the South African Defence Force and South African Police.

This week local Rank Xerox chief executive Mr Jan Kobben hit back at "those minority groups", breaking a traditional silence of multi-nationals who usually keep a low profile on their involvement in South Africa.

"We are doing more than we should be doing — and there are no kudos to be gained from that," Mr Kobben said.

Bitter

He dismissed any possibility of the South African operation suffering at this stage because of the activities of the disinvestment lobby.

"They represent a very minor portion of the shareholders," he said.

This was borne out by activist leader Miss Alice Lytle, who said in Sacramento that the two public pension funds she represented — controlled by the Governor's office — represented only about 1.4 percent of total shareholding in Rank Xerox.

Miss Lytle tried to have the anti-apartheid resolution put to the vote at the meeting of shareholders.

She rejected the argument that US corporate activity in South Africa should be encouraged as a force for racial equality.

Mr Kobben is bitter at the attack and believes that Rank Xerox was ahead of its time in introducing better standards of employment.

Xerox picked this up before the EEC and Sullivan reports. We produced a statement of employment policy in 1969.

It quite clearly stated no discrimination on grounds of colour, race, creed or sex.



JAN KOB BEN
"Enormous change"

By PAUL LANGE

This, said Mr Kobben, was equally unsuccessful.

"Then we went into the needs of the people — and discovered that initial black training and education was not up to the standards we needed."

Xerox then developed a training programme that started on a more basic level and found it more effective.

From this base the company built up black positions for technicians, salesmen, sales trainers and finally supervisory positions in the sales training package.

Once basic training problems had been sorted out, Xerox began their "top-hat scheme" — management training for black graduates.

"We took five individuals on a two-year training scheme. The training was given as a trial period in the company."

"Now there are three in middle management and one in top management."

In line with many other multi-nationals operating in South Africa, Rank Xerox had developed a social responsibility programme that extended beyond training of employees.

Projects include:

- Adult education classes for employees
- Funding for Soweto schools
- Urban Foundation projects
- A creche
- Plans for involvement in two creches in Tembisa.

"Rank Xerox is certainly participating in change in this country."

"There has been an enormous change in South Africa."

Mr Kobben added that most multi-nationals preferred to maintain a low profile on their South African involvement.

	Total	
	418	x
	322	x
	331	x
	222	x
	277	x

Failures

The programme resulted in several mistakes including training programme failures, the resignation of a white employee and relatively high expense.

In 1969 13 percent of Rank Xerox's workforce was black — now the figure is 35 percent — the result of a "very conscious" effort to increase the black workforce in relation to the number of whites.

"I believe a country's economy — if it is to grow — cannot be driven and run efficiently by 25 percent of its population."

Mr Kobben said the first two training programmes were disasters: "We adopted a scientific approach."

"Xerox took people with supposedly the same primary and secondary education levels and trained them in the same way as our white technicians."

"We quickly came to the conclusion that this did not work out very well. There was not a sufficient success factor after training," he said.

Rank Xerox then moved to employ black graduates and put them through the traditional training scheme.

201/4 City Centre
Corporation Street
Cape Town
8001

Telephone: _____

Secretary: A. Frazer

Operation: Western Cape

1939

on: Yes

Annual

81

1974 affiliated to TUCSA and had disaffiliated by other unions formed FOSATU in 1979

CAPE TOWN
12/5/82

Gwusa gets world support

Own Correspondent

GENEVA — The General Workers Union of South Africa has won international backing in its dispute with the South African Bottling Company of Port Elizabeth, the Coca-Cola franchise holder.

Gwusa has launched a nationwide boycott of Coca-Cola products with the support of the Geneva-based International Union of Food and Allied Workers Associations (IUF) which groups 175 unions with nearly 2-million members in 19 countries.

The dispute began in October when 220 Gwusa members went on strike over poor working conditions and lack of recognition for their union.

A spokeswoman for IUF yesterday did not rule out the possibility of an international boycott against Coca-Cola products.

The IUF helped Gwusa gain recognition at the Rowntree Mackintosh factory.

● Leading British trade unionists demonstrated outside the South African Embassy demanding the release and dropping of charges against the president of the South African Allied Workers' Union (Saawu), Mr Thozamile Gqweta, Saawu vice-president Mr Sisa Njikalana, and Saawu member Mr Sam Kikine.

The three were charged on May 5 in terms of the Terrorism Act.

● In York, anti-apartheid demonstrators urged shareholders arriving for the AGM of Rowntree Mackintosh to consider carefully the company's operations in South Africa.

1974 affiliated to IUF other unions formed by

Registration: Yes

Founded: 1939

Area of Operation:

Officials: Secretar

Address: 201/4 City
Corporate
Cape Town
8001

Year	Affiliated
1980	
1979	
1978	
1977	
1976	
1975	
1974	
1973	
1972	
1971	
1970	

ed by 1977/78 and with

Telephone: (021) 433658

Report
Fosatu Annual
1980/81

White	Total
320	418
294	322
305	331
201	222
347	377
..	..
445	460
Total	

JEWELLERS AND GOLDSMITHS UNION

By-election to test NP against CP

Political Staff

CAPE TOWN — The first big test of strength between the National Party and the Conservative Party will take place on August 18 in a provincial by-election in Germiston District.

The parliamentary seat is held by Mrs Bessie Scholtz, one of the 17 Nationalist MPs who followed Dr Andries Treurnicht to form the Conservative Party.

The seat is regarded as a Nationalist stronghold. Mrs Scholtz was unopposed when she stood for the National Party in a by-election in 1979 and in last year's general election.

Both parties will throw everything they have into the fight as the outcome will be the first indication of where the sympathy of the bulk of Transvaal Nationalists lies.

The Star's Pretoria Bureau reports that the Herstigste Nasionale Party has nominated Mr Jack Myburgh as its candidate.

US state to end SA investment

NEW YORK — A law establishing stricter limits on Connecticut State Government investments in companies doing business in South Africa was passed yesterday.

Its supporters estimated that the state will have to sell at least R63 million in stocks and bonds.

State Treasurer Mr Henry Parker said it was the toughest state law of its type in the United States aimed against the South African Government.

Those involved in the issue say that about R200 million of the state's R1800 million investment portfolio involves businesses and banks with connections in South Africa.

"We have figured that, depending on how strictly it is enforced, the new law will require divestment of at least 70 million dollars

(R63 million) worth of that, and maybe more," said Mr Christy Hoffman, a member of the special commission which studied the problem.

Governor William O'Neill vetoed an even stronger bill last year, saying he wanted to know if the state's financial position would be hurt by selling the holdings.

He appointed the 11-member commission, whose members crowded around him yesterday as he signed the product of their work.

Though the commission report, on which the law is based, was unanimous, the panel was split internally over whether to recommend complete divestment of state pension money and other funds from companies which operate in South Africa.

It's A Birth

By Sue Leeman

Mum-on-the-run Mrs Lea van Niekerk was in a race of a different sort on Monday evening when her new baby made an overdue appearance soon after she had completed a 2 km jog.

Husband Peet rushed her to the Marymount Nursing Home in Kensington where Peet junior made his debut, weighing a strapping 4 kg and none the worse for his mother's energetic activity.

Lea, who took up running three years ago when she and Peet married, only discovered she was pregnant during her fourth month — just after she had completed a gruelling 16 km road race in Amanzimtoti.

In fact, she ran five races, including the heart-stopping Harrismith Mountain Race, before she found she was expecting her first child and gave up



Energetic mum Mrs L soon after

running competitively.

She was the first woman home on two occasions, winning the ten km Glencoe Dundee

WORLD NEWS

135 killed in crossfire

SAN SALVADOR — An army colonel who headed a sweep against leftist guerillas in northern El Salvador said yesterday 135 people, including insurgents, women and children were killed in crossfire during the operation.

Colonel Domingo Monterrosa gave no breakdown on how many of those killed were guerillas and how many were non-combatants.

"It was natural that there were deaths — some of the people were unarmed, including some women and children," he said.

The United States has been helping the Salvadoran Government to fight the leftist insurrection. American aid includes military hardware and the stationing in El Salvador of 56 military advisers. — Associated

Reagan aim in Europe is 'cathedral of peace'

BONN — President Reagan, in a speech to the West German Parliament yesterday, pledged his commitment to nuclear disarmament and announced a new proposal to reduce conventional forces in Central Europe.

After a private meeting with Chancellor Helmut Schmidt, he urged West Germans to help the United States build a "Cathedral of peace."

He acknowledged deep concern in Europe about the danger of a nuclear war, but said history showed unilateral disarmament did not advance peace.

Mr Reagan, whose visit to Bonn to attend a Nato summit meeting today has stirred pas-

sion and opponents, said America's commitment to defend Europe remained strong.

"Europe's shores are our shores. Europe's borders are our borders," he said.

On conventional forces he suggested that East and West agree to reduce ground troops in Central Europe to 700 000 men on each side.

The move was aimed at reviving Vienna talks on mutual force reductions, long stalled because of the inability of both sides to agree about how many troops they have now.

Diplomats said the proposal would enable the 16-member Nato summit to endorse disarmament goals for all areas of nuclear and

summit, the first since 1978, will give a powerful display of Western unity and renew its commitment to adequate defence and to dialogue with Russia and its allies.

Mr Reagan's speech contained little of the anti-Soviet rhetoric that alarmed many West Germans last year.

But he said "We are menaced by a power that openly condemns our values and answers our restraint with a relentless military build-up."

The President was heckled by two MPs expelled from the Social Democratic Party.

Although his visit to Bonn was added almost as an afterthought, this was the most important

British rail strike looms

The Star Bureau

LONDON — A nationwide rail strike from June 28 has been called by the National Union of Railwaymen.

Also affected will be cross-channel ferries operated by British Rail.

The walkout, by a 17-6 vote of the union executive, is over a five percent pay offer which the NUR called "derisory." The union wanted a substantial increase, better holidays and a shorter working week.

A strike by the NUR means that the 27 000 drivers and 71 000 clerks in separate unions cannot work.

A series of strikes on 17 days by the drivers earlier this year over new work schedules cost the board more

R400 000 boat dispute settled

Staff Reporter

A DISPUTE over a R400 000 yacht, which arose from an alleged breach of contract between two companies, was settled in the Supreme Court late on Thursday.

The yacht, an 18.9 m luxury Deerfoot 62, was built by Cenmarine Pty Ltd of Athlone for export by International Yachts Pty Ltd.

An order was made in Mr Justice Friedman's chambers on Thursday by which International Yachts was required to pay Cenmarine R26 000 and to provide further security of R52 000.

Cenmarine was ordered to release the yacht to International Yachts.

In an affidavit, Mr S Dashew, director of International Yachts, claimed that on September 29 last year a company called CIW (Pty) Ltd had agreed to equip the yacht before February 28 this year.

CIW's obligations were taken over by Cenmarine in December last year.

Antigua week

According to Mr Dashew, Cenmarine was aware of the stipulated completion date and agreed to it. He claimed they were also aware the yacht was required for resale.

He said the completion date was stipulated because the yacht was to have taken part in the Antigua annual yacht week in April this year.

To take part, the yacht would have had to com-

plete its sea trials by March. Sailing time from Cape Town to Antigua was about five weeks.

Because the completion of the yacht was delayed, the yacht would not be able to sail to Antigua in time for the yacht week, Mr Dashew said.

His company's customer, Constellation Marine Ltd, had informed him that International Yachts would be held responsible for any damages suffered through the late delivery of the yacht, he said.

'Not stated'

Mr F Palthe, managing director of Cenmarine, claimed in an opposing affidavit that February 28 had not been agreed on as a completion date. He alleged that it had also not been stated that the yacht was to take part in the Antigua Yacht week.

Mr Palthe said Constellation Marine Ltd, the customer for the yacht, was controlled — directly or indirectly — by Mr Dashew.

Mr Dashew intended selling the yacht for 360 000 dollars — far below its true market value, he claimed. The selling price had been settled at 550 000 dollars in their original agreement, he said.

Mr Justice Friedman presided. Mr I Farlam, SC, assisted by Mr M Jacobs, instructed by Asherson and Asherson, appeared for the applicant. Mr W Burger, SC, assisted by Mr C W Rosenthal, instructed by Sonnenberg, Hoffman and Galombik, appeared for the respondents.

Deposit mistake: Man fit to appear

Staff Reporter

A 41-YEAR-OLD Kuils River businessman who left the country on March 25 this year with R396 000 after the money had been deposited accidentally into his business bank account, was fit to appear at a summary hearing on a charge of theft in the Supreme Court on August 19, a Cape Town magistrate ruled yesterday.

Mr Dirk van Rooyen, of Stepping Stones Road, Durbanville, was referred to Valkenberg Mental Hospital for 30 days' observation on May 12 after an appearance in a Magistrate's Court, where he stated that he was not aware

and could not recall details of an alleged disappearance of R1.2-million.

The district surgeon had said Mr Van Rooyen was not capable of giving a rational account of his financial dealings and said he went overseas to obtain funds to repay the money he had allegedly embezzled.

A senior psychiatrist at Valkenberg Hospital, Dr T Zabouw, yesterday submitted a report stating that Mr Van Rooyen's memory was intact. Dr Zabouw said Mr Van Rooyen showed "adequate insight" into his predicament and was not affected by mental

Board blasts cola battle

Political Staff

HOUSE OF ASSEMBLY. — The bitter fight between Coca-Cola and Pepsi-Cola in the South African softdrink market has led to the Competitions Board finding that restrictive practices existed in their operations in Cape Town and Soweto.

The board, whose investigation of alleged restrictive practices in the softdrinks industry was tabled in Parliament yesterday, said the activities of Pepsi in Cape Town and Coca-Cola in Soweto could not be said to be in the public interest.

While one member dissented, the board said Pepsi's pricing policies in Cape Town between 1978 and 1981 had been a restrictive practice.

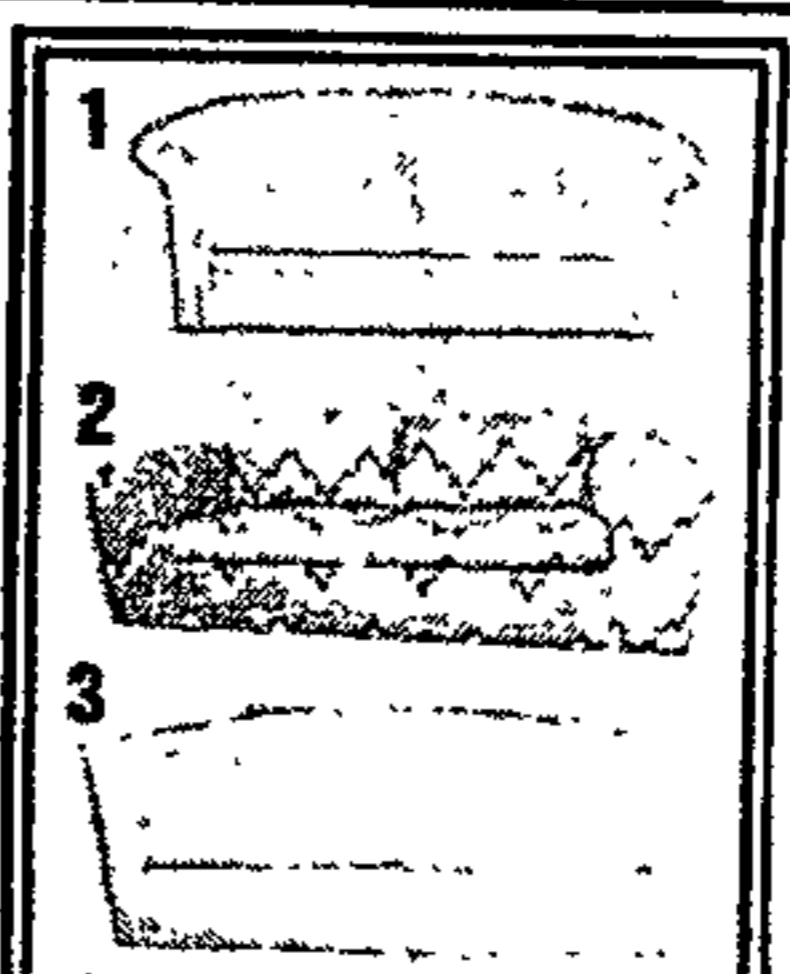
Bottles

"By repeatedly introducing new bottle sizes at the price of the smaller packages in use, it caused a dislocation of that market, endangering output and threatening the continued existence not only of less efficient small firms but also of viable medium-sized ones."

Its fight all along had been with Coca-Cola, but in Cape Town it had overreacted.

One unjustified restrictive practice by Coca-Cola in Kliptown and Soweto was conclusion of tying agreements with one or more of a limited number of distributors. The other was removing crates and bottles of a competitor, Sparletta-Suncrush, and substituting its own.

Pepsi had now increased its prices to levels less disruptive of competition in Cape Town and the board did not consider that action by the minister was necessary at this stage.



me the order to do that." One of the soldiers then commanded all the people to leave the church and gave an order to other soldiers to shoot anybody who ran away or refused to leave the church.

The men were then separated and assembled at the main entrance of the church.

"They were then taken by the soldiers one by one in order to be interrogated and beaten. Some of the women started to cry when they saw the men were really badly beaten. The soldiers then ordered the men to move further behind the walls of the church building.

'Badly hurt'

"They were also beaten and kicked with boots. All these things were done before our very eyes. All lasted for about an hour. Some of the people were so badly hurt that they were unable to continue with the worship service after this," the memorandum says.

On the same day, he says, two unregistered army lorries full of soldiers arrived at the Onayena parish, 15km from Elombe.

A car full of passengers was on its way to the graveyard for a funeral when the passengers were ordered to get out and were beaten up. Two of them were "half dead" and had to be hospitalized.

Mr Peter Kalangula, chairman of the executive committee of the Ovambo Representative Authority, could not be reached for comment yesterday.

Bond prize for Fish Hoek

PRETORIA. — This week's R10 000 Bonus Bond bonanza prize has been won by the holder of certificate 0009935372, bought at the Fish Hoek Post Office, the Treasury announced in Pretoria yesterday. — Sapa

Monogrammed Bespoke shirts made on the premises from imported Silks and Sea Island Cottons

This is a unique service to Cape Town

JAMES HINTON-LEVER

Bespoke Tailor, Shirtmaker and High-Class Outfitter

Marlborough Centre, Foreshore

PHONE 25 3630

bathroom

C. Times
GM to build
22/6/82 *62* *789*
30 SAR locos

GENERAL MOTORS will build 30 electric locomotives for the South African Railways.

This was announced yesterday by the general manager of GM's electro-motive division, Mr John Diener. The contract is for 30 KV AC electric locomotives.

It will cost the SA Transport Services, under which the railways now falls, more than R43-million. Deliveries will begin in May 1984.

The locomotives will operate on the coal export line between Ermelo and Richard's Bay.

The order marks a major breakthrough by General Motors into the electric locomotive market in South Africa following nine successful years during which the division manufactured more than 500 diesel electric locomotives.

It brings the number of locomotives sold to the South African Transport Services to 611 since 1973 when General Motors established a manufacturing and assembly facility in South Africa.

Before local assembly, 95 locomotives were supplied to the SATS which were imported from the division's parent plant in Chicago.

The locomotive will be designed in Chicago and will have a local content of more than 40 percent.

Star 24/6/82

Pan Am restores old links with SA

By Richard Paris
Air Correspondent

Pan American World Airways had not flown passenger aircraft into Jan Smuts Airport for several years until recently but its links with South Africa go back further than most other airlines.

Pan Am first flew the US flag on the long New York-Johannesburg route by way of West and Central Africa in Constellations in the late 1940s — about 20 years before there was a reciprocal service with the South African flag carrier.

Piston-engine aircraft were replaced with jets — DC-8s and Boeing 707's — in the early 1960s but until 1976 the route to New York was still something of a milk run, stopping as it did in several places.

That year African routes were restructured and cut back. The Johannesburg New York route became a twice weekly 707 frequency by way of Rio de Janeiro. During the following year, a Boeing 747 was introduced for a few months before services were suspended altogether during a period of financial austerity.

NOT POLITICS

"There is no truth in that we suspended flights into this country for political reasons," explained Mr Douglas Davison, the airline's general manager in Southern Africa who has served Pan Am for three decades.

At that time Pan Am was competing on the South Atlantic with SAA and Varig Brazilian Airlines. Its links with South American

capitals had been established 40 years before.

"In the past few years, however, it was obvious that a one-stop route to New York of a more direct nature than in the past was desirable because of the fantastic growth in traffic, business and tourist, between the countries," he said.

During this time, SAA increased its flights to New York by way of Ilha do Sal from twice weekly to five times a week; boosting passenger loads by up to 25 percent each year.

RECESSION

The resumption of Pan Am flights to South Africa was prevented by the airline's ailing finances brought about by the world recession, soaring fuel prices and a costly merger with the American domestic carrier, National.

The airline's recovery programme has been harsh; 10 percent salary cuts throughout the world for staff with no increases at managerial level this year and a longer working week are just two measures that were taken.

But unlike most airlines, Pan Am has embarked on a major route expansion — it already flies to the six continents — and has expanded its fleet with new jumbo jet and long-range TriStars.

Mr Davison said that in spite of the high value of the dollar against the rand, the US was still less expensive to visit than Europe and many costs were actually lower than they were in South Africa.

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(35,4% of

to fall due, interest payable
on the new loans is likely to
be 16.5% to 17%."

In the annual report, Dr
Human says "the business en-
vironment in which (the
group) will operate in the
next few years will differ
considerably from that of the
recent past"

It will not only be more
difficult from an economic
point of view, but the rates of
change in other areas (such
as labour and political poli-
cies) continue to accelerate

"The ability to adjust to its
environment is the basic re-
quirement for any company.
In the first instance for its
survival and in the second
instance for success."

The divisional review says
that the lack of satisfactory
growth in profit by the 51%-
owned SA Druggists subsidi-
ary is attributable to losses
incurred by certain compan-
ies in the medical services
division.

The forecast that Drug-
gists "should show a reason-
able growth" this year is un-
fortunately little different
from projections made in the
past - projections that have
rarely come about.

At March 31, current as-
sets totalled R940 012 000
(1981, R413 951 000) and cur-
rent liabilities R372 521 000
(R297 565 000). The quick as-
sets, or liquidity, ratio im-
proved from 0,74:1 to 0,84:1.

US interest rates is achieved
Most of the increase in new
fund raising is likely to be
concentrated on the bond
markets

Not all the fund raising is
likely to be straight balance
of payments financing as in-
ternational financial mar-
kets will be called on to sup-
plement domestic sources of
funds

Currency fluctuations will
also play a predominant role
in shaping developments on
individual bond market
compartments

Total fund raising in the
first five months of this year
has been running at an annu-
al rate of more than \$175 000-
million -- Reuter

Sage pays record 18,5c

Financial Reporter

SAGE Fund is making an in-
come distribution of 18,5c a
unit for the six months to
June - the highest distribu-
tion in the fund's history It
compares with the 14,9c dis-
tribution declared in June
last year

The managers say the con-
tinued rise in income in the
past six months reflects
growth in company dividends
and in particular significant-
ly higher income earned on
increased liquid resources.

manager had told him before
the meeting that shoals of
good size had been found in
the past two days

"In fishing one good month
can make all the difference
in the world," Mr Du Preez
said

The company had the fac-
tory capacity and the boats,
so that if the fish were found,
the season would be success-
ful The main problem was
the short duration of the sea-
son - to the end of August

The pilchard quota had
been achieved, with a high
percentage canned. Good
shoals of maasbanker, which
were free of quota, had been
found in the north

Replying to questions, Mr
Du Preez agreed that the net
asset value of the share was
R5

He said that the group's
cash assets of about R10-mil-
lion were invested at favour-
able market rates, averaging
18%

The company had bought a
beachfront site in Summer-
strand in Port Elizabeth for
R750 000. It planned to build
200 luxury houses in the next
five years The development

strict The subsidiary pro-
perty company would build
holiday houses alongside a
beach next to the reserve

SA trucks for UK

LONDON Bureau

FORD UK intends import-
ing 6 000 South African-made
one-ton pick-up trucks for
sale in Britain.

The company aims to cap-
ture at least a third of the UK
pick-up market with the
South African trucks. The ini-
tial sales launch comprises
1 500 South African vehicles
and the introduction has been
timed to take advantage of
the peak selling month of
August.

Ford expects that 4 000 of
the South African vehicles
will be registered in a year.
Sales of one-tonners rose
from 7 171 in 1980 to 9 906 last
year. This was the only sec-
tion of the car or commer-
cial-vehicle market to
advance.

**IN BUYING?
URY CAR?**

**TIL YOU
THE NEW**

Plan

**ern 103
nd NUGGET STREET,
JOHANNESBURG**

**(29-3321). Gavin Kerr (29-9874)
ive demonstration.**

**Roast Lamb,
Beef & Pork**

R4,95
(inc. G.S.T.)

LUNCH AT THE GASLIGHTS 'CARVERY'
WHERE YOU CAN EAT AS MUCH AS YOU LIKE

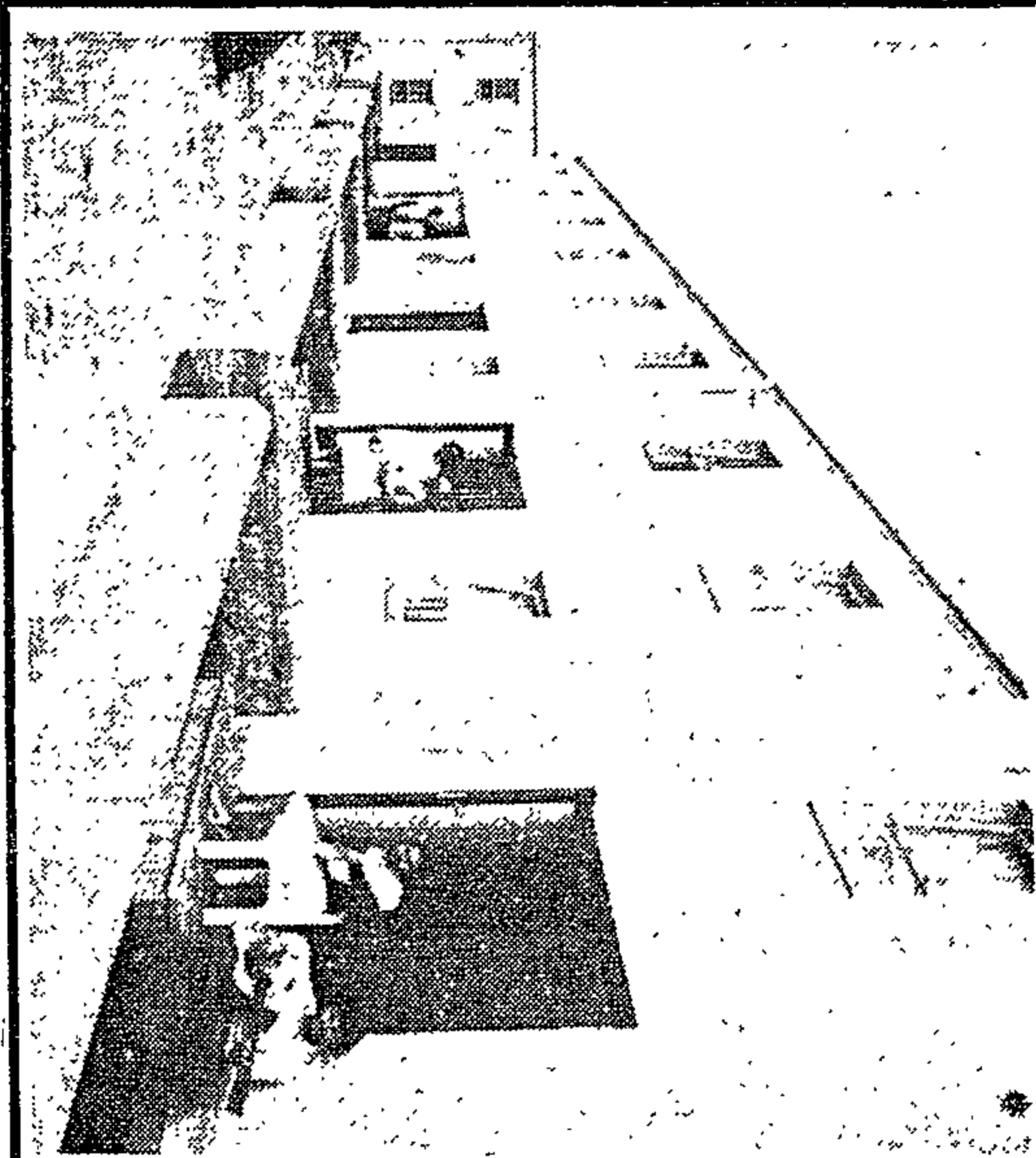
- ★ Roast Leg of Lamb, Roast Beef and Yorkshire Pudding, Roast Pork with crispy crackling and fresh vegetables.
- ★ French Salad from our spinning salad bowl.
- ★ Sweet trolley - R1,25 per head.
- ★ FREE BASEMENT PARKING.

Entrance in Wolmarans Street. (Before Twist St.)
★ Only two minutes from City Centre

HOTEL *TYYY**
JOHANNESBURGER

Corner of Twist and Wolmarans Streets
Joubert Park, Johannesburg Tel 725-3753

● THE new project is closed off from through traffic making it a quiet and pleasant environment. In the background are the old blocks of flats.



10 YEARS OF HARD WORK PAY

THE chairman of Mobil Oil Southern Africa (Pty) Ltd, Mr P W Wilson, said last week that private sector responsibility extended beyond the continuing process of employee development.

Mr Wilson spoke at the official opening of his company's R1,2-million housing project in Kew Town for people other than members of its staff.

OFF

The project was the culmination of 10 years of hard work and dreams of Build a Better Society (Babs), a community self-help group which has secured sponsorship from Mobil for the deve-

Reports by
Perrynne
Constance

development of a part of their area.

This is the first time a private company has become involved in community housing.

Mr Wilson said he need not stress how serious the housing shortage was. He added that without the involvement of the private sector, progress in housing would be too slow to meet the expectations of the people.

INVOLVEMENT

Describing Mobil's involvement in Kew Town, Mr Wilson explained: "We chose to assist a grassroots self-help group like Babs, in a joint community venture, for we believe this represents the highest and most deserving

icipation in community development, Mr Wilson continued.

He expressed hope that others in private and public sectors would improve their example.

The national vice-president of Babs, George Gibbs, thanked Mobil for their contribution in improving quality of life in Kew Town.

BELIEF

Mr Gibbs is a former social worker who works for Mobil's Public Affairs Department.

He said Babs had held the belief that community progress depended on self-help and on handouts.

The organisation, grown from a solitary branch in Kew Town to 12 branches nationally, proved that other communities were prepared to help themselves, he added.

All smiles

MRS Christine Kleinschmidt, who moved in to the new M

Handwritten notes: (124) C. Perrynne 2/7/82

OF HARD PAY

Reports by
Perryne
Constance

12/24/82
C. Herald
3/7/82

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lopment of a part of their area.
This is the first time a private company has become involved in community housing.
Mr Wilson said he need not stress how serious the housing shortage was. He added that without the involvement of the private sector, progress in housing would be too slow to meet the expectations of the people.

INVOLVEMENT

Describing Mobil's involvement in Kew Town, Mr Wilson explained: "We chose to assist a grassroots self-help group like Babs, in a joint community venture, for we believe this represents the highest and most deserving level of assistance. We wished to set a precedent in assisting genuine community development."

The houses in Kew Town will be rented at R66 a month and tenants would be able to buy their homes for R8 000 plus R1 000 in the rateable value for land in 1995, Mr Wilson said.

WORKABLE

He pointed out that this amount was 50 per cent of the current cost of building the house.

Mobil believed they had a workable model for private sector parti-

icipation in community development, Mr Wilson continued.

He expressed the hope that others in the private and public sectors would improve on their example.

The national vice-president of Babs, Mr George Gibbs, thanked Mobil for their contribution in improving the quality of life in Kew Town.

BELIEF

Mr Gibbs is a former social worker who now works for Mobil's Public Affairs Department.

He said Babs had long held the belief that community progress depended on self-help and not on handouts.

The organisation had grown from a solitary branch in Kew Town to 12 branches nationally. This proved that other communities were also prepared to help themselves, he added.

All smiles as families move in

MRS Christine Kleinsmith, was all smiles last week when she, her husband and four children moved in to the new Mobil sponsored R1,2-million housing scheme in Kew Town. They were among the 50 families who took up residence.

Mobil's participation in the scheme was a direct result of its close connections with Build a Better Society (Babs), a Kew Town self-help group which aimed at improving the life of its residents.

The Kleinsmiths moved into their three-bedroomed duplex on May 22 after living at 14 Goedeplein for the past 16 years.

Mrs Kleinsmith, whose house was one of those on show at the official opening last Thursday, said the family had been excited when they had been selected for a house.

They had been used to living in a single room when they lived with her parents-in-law in another part of Kew Town.

"I am a Babs supporter because they are doing good things to help others and we, in serving God, must serve to help others," Mrs Kleinsmith said.

The Kleinsmiths satisfied the demanding criteria for a house by:

● BELOW: A visitor admires the house of Mrs Christine Kleinsmith (right), while her sister-in-law, Mrs K Kleinsmith, looks on.



- Being on the City Council's housing waiting list.
- Being members of Babs.
- Living within the immediate area.
- Satisfying the income criteria.

Mrs Kleinsmith's sister-in-law, Mrs K Kleinsmith, was at home with her to admire the new house.

She said she found it nice and private after living in Goedeplein as well for a number of years, but was a bit sad that she was not lucky enough to be given a house when the selection was made.

The Kew Town project has 37 duplexes and 13 single-storey houses in Dr Abduraham Avenue.

DESIGNED

Each dwelling has three bedrooms, a kitchen, general living and dining room and a separate bathroom and toilet.

The homes were designed in consultation with the community through Babs and meet all the expressed wishes of the community.

The main focus will be the community centre which is due to be completed at the end of the year and which will have facilities for a creche and a madrasq.

Mobil pioneering R1,2m Cape Flats housing scheme

1 J S e u

CAPE TIMES 6/7/82

By PAUL DOLD, Financial Editor

will prove to be an important catalyst in encouraging the business sector to contribute towards community housing.

This pioneering project is providing one of the first successful models for private sector participation in community development.

Mobil chairman, Mr Paddy Wilson, says the project is part of his group's commitment to improve the quality of life for all South Africans and in the design the accent has been heavily placed on the family unit.

The Kewtown project was developed and financed by Mobil in collaboration with Babs (Build a Better Society Organization).

The 37 duplex and 13 single-storey houses include a recreational hall, a creche, a madressa for muslim religious instruction as well as a teaching unit and a soup kitchen to be used in a feeding programme.

Mobil has had a long association with Babs, a community self-help organization conceived by Professor Richard van der Ross and Mobil's past relations director, Mr G N Serrurier.

The 50 tenants selected for the homes are all members of Babs and active in the community. The other criteria are:

- An income between R275 and R500 a month.
- Tenants must have been on a council waiting list for a house.

The leases will enable the tenants to purchase the houses at the end of Mobil's lease in 1995 for R8 000 plus an additional R1 000 to cover the estimated ratable value of the land at that time. The rent is R66 a month.

Designed by Louis Karol, the houses are clustered around a central focus — the community centre — and consist of living room, kitchen, bathroom and three bedrooms. The average plot is 90 to 180² and the floor area of the single-storeyed units is 74² with 79² for the two storeyed units.

The neighbourhood has been closed to through traffic. Each home has a semi-private front space with lawn and the whole area is landscaped with a central park.

At the official opening of the project Mr Wilson said that Babs' emphasis on self-help appealed to his group as Mobil's policy had always been one of assistance — not handouts.

Social responsibility extends beyond the continuing process of employee development. We know also that token gestures of support of good causes and demonstrations of charity are not answers to the depths and complexity of the needs of this country.

Mobil is convinced that we



Mr Paddy Wilson, Mobil's chairman... The Kewtown scheme is the catalyst for greater private sector involvement in community housing.

are expected to exercise judgment, take responsibility show initiative and exhibit management skills. If such people are not able to carry over such skills into their community they will undoubtedly become demoralised. Further promoting black advancement in commerce and housing has many striking parallels.

"Housing can be viewed as a process which is inextricably linked to the career and personal development of an individual. It makes a great deal of sense to run parallel programmes in business and housing advancement for blacks for each complement the other in the choice of advancement and improvement."

should not only attempt to assess priorities in meeting social needs but that we should do so in a way that can provide a model for wider developments by both the private and public sectors.

"And this above all — we believe that there should be more than mere nominal involvement by under privileged communities in addressing their problems and that nothing less than joint endeavours with the communities themselves is sufficient."

Turning to the housing shortage itself, Mr Wilson says that without the involvement of the private sector progress in housing will be too slow to meet the expectations of the people. There is currently a shortage of some 200 000 homes for blacks.

"It makes sound social and business sense for the private sector to get involved in housing."

Housing was a strong motivator and workers undertaking routine tasks could hardly be expected to derive self-esteem directly from their work. It was important that such workers could house their families decently within the limits of their means and housing was the one way of promoting self respect.

"It is even more important that higher ranking people can translate job-related achievements into symbols of community progress. How can this be done in township housing which is too often developed to meet the needs of the masses and so cannot possibly fulfil the desire for the expression of individual success.

"Productivity and job performance are closely related to how people spend their leisure time. If people are to work well and participate in community activity they need facilities for resting, relaxing and recuperating. Parents also need to be able to create an environment, a home in fact to realize family aspirations."

"Programmes of job advancement, if they are not to be viewed as hollow concepts, must be addressed to the whole person. Scope for advancement on the job must be complemented with opportunities for progressing in other spheres of life.

Middle level management

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(16/11/82) (62) NAM 7/7/82
**Coke strike leaves
sweet teeth flat**

Labour Correspondent
SUPPLIES of Coca-Cola to Witwatersrand areas have been disrupted for the past week by a strike at three Coke depots over wage demands.

It is understood that, as a result of the strike, some outlets have been without supplies for the past few days.

But the company's corporate development manager, Mr Hennie Viljoen, said that most strikers had returned yesterday and that deliveries were "almost back to normal".

There had been no deliveries from last Wednesday to Monday at the three plants, Mr Viljoen said.

The company was hit by a drivers' strike at two of the depots some weeks ago.

Mr Viljoen said the latest stoppage had begun last week when the company an-

nounced new pay scales for truck helpers — unskilled workers who assist with deliveries — which are scheduled to come into effect on August 1.

The company has awarded these workers a 10% rise, Mr Viljoen said, but "this is the third raise they have received this year — compounded, it means that we have raised their pay by 34% during the year".

The helpers had been unhappy with this amount and had downed tools, demanding a 60% rise, he said. They had later been joined by workers in the company's yards.

Mr Viljoen said the company had been carrying on "a constant process of consultation and negotiation" with the workers since the stoppage began.

"But we have made our position clear to them"

1/1/82
NAM

Backing from US banks

SA Brews gets \$100m credit

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10/7/82

A CONSORTIUM of American banks has provided SA Breweries with a seven-year \$100-million Eurocredit facility — one of the largest offshore loans to be arranged by an industrial company in SA.

Six American banks are involved in the deal, along with one undisclosed SA bank.

The terms of the loan facility provide for a split interest rate: 0.75% above the London Interbank offered rates (Libor) for the first three years, and 0.875% above Libor for the remaining four years, according to agent bankers Manufacturers Hanover Trust.

Manufacturers Hanover said the facility was being arranged on a club basis — that is, the credit would not be generally syndicated.

The financial director of SAB, Mr Selwyn Macfarlane, said that it was the first time the group had raised money overseas since 1976 when it borrowed \$30-million.

No money had been transferred to SA yet, he said. The facility had been arranged to underpin the group's financing in the next seven years, not to invest in any specific project.

"It has never been our policy of identifying borrowing with spending. It will supplement overall funding, not a single investment."

SAB had a policy of arranging finance for use as required.

Mr Macfarlane said. "Obviously the proposed brewery (in the Pretoria-Witwatersrand-Vereeniging area) will attract some of the finance, just as other developments will."

In the short term, the group might not use any of the \$100-million, but there was little chance any would be left after seven years.

SAB would continue to use SA credit facilities throughout the period, but if interest rates made SA funding too expensive, the group would use Eurocredit.

Mr Macfarlane knew of no restrictions on SA companies seeking offshore finance other than gaining approval from the Reserve Bank.

Most companies did not spend the time necessary to build good relations with foreign financial houses and therefore had difficulty arranging loans when they needed them.

SAB executives toured Eu-

By STEVE ELLIS

rope, Britain and America in November 1980 and June 1981 to meet bankers

"The Reserve Bank is extremely pleased if SA companies avail themselves of facilities from overseas financial institutions. They are keen to encourage it," he said. "The bank certainly does not inhibit it as long as the money is used well."

Generally, only the large private companies sought finance offshore — companies which could afford to service it.

Mr Macfarlane said the facility did not threaten to push SAB's debt:equity ratio above its self-imposed limit of 0.60:1. At March 31, it stood at 0.53:1.

In spite of the projected slow growth in SA's economy, shareholders' funds would continue to show solid growth. The proportion of retained earnings would increase after the group's decision to gradually increase dividend cover from 2.0 to 2.5 times.

It would provide it with further leverage to borrow.

He said SA Brews had not yet considered whether further overseas credit facilities might be arranged after the \$100-million was used — "that's a lot of money to spend".

"We don't believe that to

jump in and out of the international money markets is the best way to build long-term relationships."

SA Brews wanted to keep a low profile on the loan to avoid any possible embarrassment to the American banks.

"Lending money to SA is not particularly favoured by some American shareholders."

Hence the non-disclosure of the banks involved.

COMMENT: SAB's success in securing offshore credit is testimony to its international standing as a "safe bet". By SA standards, it is lowly geared but still has the financial muscle to undertake some huge developments.

The interest rates payable on the facility are about 5% lower than those on SA money and although it is impossible to gauge how favourable the comparison will be in three to seven years' time, there is little doubt that the cost of servicing the Eurocredit facility will remain cheaper.

AECI secured a similar-sized overseas loan last October.

The success of other forays into the foreign money markets will ultimately depend on the reputation of the companies concerned and the willingness of offshore banks to deal with SA.

10 000 DOWN TOOLS

Argus Bureau
PORT ELIZABETH. — Production stopped today at the three Eastern Cape motor manufacturing giants — Ford, General Motors and Volkswagen — when nearly 10 000 workers downed tools in support of demands for higher wages.

At Ford's truck plant and the Neave plant 1 650 workers walked out at about 9 am after being addressed by representatives of the National

Automobile and Allied Workers' Union (NAAWU).

Union sources claimed that "many workers" at the Struandale plant where the Cortina range is assembled also walked out.

At the Volkswagen plant in Uitenhage the assembly line stopped rolling briefly as more than 4 000 workers gathered on the premises to decide whether they too would strike.

According to a VW spokesman, the men returned to work "after an hour and the situation is back to normal. The management was still awaiting contact with union shop stewards who addressed the meeting."

First reports from the General Motors plant in Kempston Road said workers streamed from the factory at 10.30 am. Riot police stood by.

There were no reports of any incidents

A spokesman for NAAWU, Mr Les Kettledas, said the union had reports of 4 000 workers leaving GM.

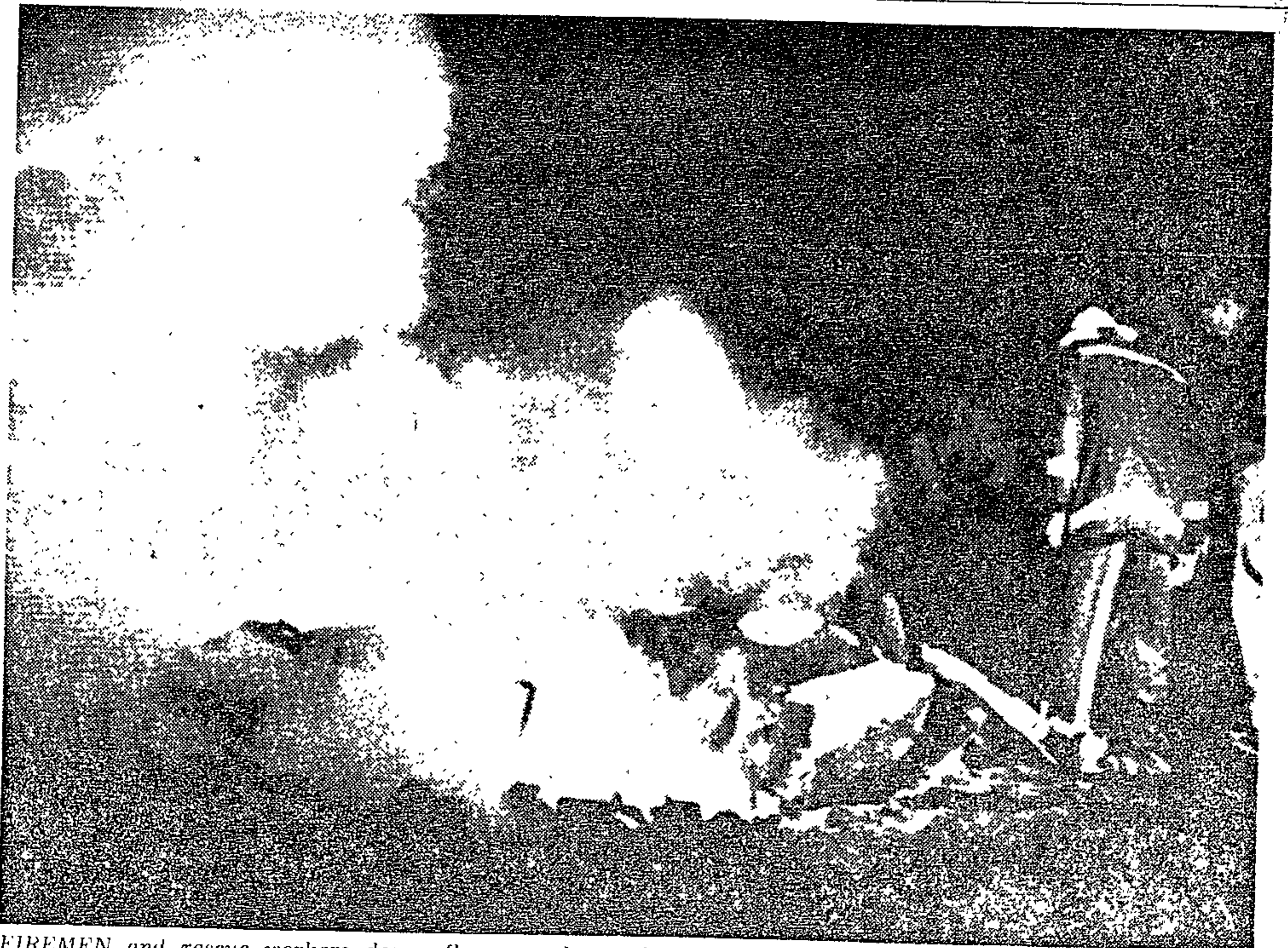
Today's development came after a deadlock yesterday in negotiations at the sitting of the Industrial Council for the motor industry in the Eastern Cape.

The general secretary of NAAWU, Mr Freddy Sauls, said the employers had not been "prepared

to budge" from a proposed increase in minimum wages from R2 to R2.15 an hour. NAAWU has demanded a minimum of R3.50 an hour.

The employers would not accede to other demands including a proposal that workers receive severance pay of one month's wages for every year worked.

Industrial Council negotiations will resume on Monday.



FIREMEN and rescue workers douse flames and search the wreckage of the SAAF Merlin executive aircraft and a Piper Navajo that collided above Pretoria last night. Thirteen people, including three senior Defence Force officers, were killed.



SERGEANT A Niemand.



MRS Jeanette de Villiers, widow of the SAAF pilot, with their 10-month-old baby, Elaine.



CAPTAIN J I T de Villiers, pilot of the SAAF Merlin.



MAJOR - General D J van Niekerk.

City man Footman was walking novel couple

Modified pay demands by car union

ARGUS 15/782

62

63

~~170A~~

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246

Argus Bureau

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PORT ELIZABETH. — The National Automobile and Allied Workers' Union (NAAWU) presented modified pay demands at this week's meeting of the Industrial Council for the motor industry in the Eastern Cape.

Union officials indicated that the modified demands were for an initial increase in minimum hourly wages of 25 per cent. Originally a 75 per cent increase in minimum wages, from R2 an hour to R3.50, was sought.

At Wednesday's Industrial Council meeting, which ended in deadlock, the NAAWU delegation suggested that workers in grade one receive R2.50 an hour.

SPIRIT

This would be increased to a minimum of R2.75 after six months, R3 after a year and R3.25 after 18 months.

The union's general secretary, Mr Fred Sauls, said: "There was a complete lack of any negotiating spirit at the Industrial Council meeting and the employers were not prepared to discuss a move from the offer of R2.15 an hour minimum."

"The employer representatives' attitude makes us believe either that these individuals cannot make the decisions or that this is a strategy to force the workers into a strike situation. They may see this as a way to force a division among the workers and destroy the union."

After a report back to workers yesterday on the negotiations by shop

stewards at Ford, General Motors and Volkswagen, all hourly paid employees at two Ford plants and a number at two of the company's other plants and workers at General Motors and Volkswagen walked out.

In an interview yesterday, NAAWU officials said the aim in initially demanding R3.50 an hour was not to keep wages abreast of inflation but to improve the workers' standards of living.

BACKLOG

A member of the NAAWU negotiating team, Mr Brian Fredericks, said it was pointless to talk of a downturn in the economy in the context of wage negotiations.

"We believe there is a backlog of low wages among workers in South Africa which has to be rectified."

Mr Sauls said the union did not believe increased mechanisation — widely predicted in the face of wage demands — would necessarily lead to unemployment.

"To pay the high rates would push management into accepting their responsibility for ensuring better production, quality and efficiency — and not laying the blame for low productivity on the workers," he said.

Referring to the possibility of the wage demands leading to retrenchments, he said the union thought "a solution could be found to this kind of problem through negotiations conducted in a spirit of goodwill on both sides."

REPORTS

Close in car strike

Cape Times 16/7/82 (62) (63) (64) (65) (66) (67) (68) (69) (70) (71) (72) (73) (74) (75) (76) (77) (78) (79) (80) (81) (82) (83) (84) (85) (86) (87) (88) (89) (90) (91) (92) (93) (94) (95) (96) (97) (98) (99) (100)

Own Correspondent

JOHANNESBURG. — Three Eastern Cape car assembly plants closed down yesterday when at least 10 000 workers stopped work in the biggest strike to hit motor manufacturers in the area.

Two other car assembly plants in the region are expected to close down by noon today.

The Volkswagen plant in Uitenhage has been closed down till further notice after workers went on strike yesterday.

Two of Ford's four plants have also been closed. According to an informed source this will lead to the closure of the other two plants from noon today.

The strikers are members of Fosatu's National Automobile and Allied Workers' Union (Naawu), which said yesterday that 15 000 workers were on strike — 7 000 at Volkswagen and 4 000 each at Ford and GM.

But Volkswagen yesterday put the figure at 5 500, Ford at around 3 000 and GM at between 1 800 and 2 000.

No end to the strike is likely until Monday, when the industry's industrial council meets to discuss a deadlocked wage dispute between employers and the union.

The strike follows demands by Naawu at council negotiations that minimum pay be raised from R2 to R3.50 an hour — its biggest-ever demand. Employers replied with their lowest offer for some years — a R2.15 minimum.

'Flat rejection'

Naawu organizer Mr Les Kettleidas said that at meetings held last week, 10 000 workers rejected this. But at a meeting of the council on Wednesday, employers stuck to their offer "despite workers' flat rejection" and another meeting was scheduled for Monday.

When Naawu shop stewards reported back to members that employers were sticking to R2.15, the workers decided to down tools, Mr Kettleidas said.

Almost all the strikers are Naawu members — workers, belonging to the rival Motor Assembly and Components Workers' Union did not join the stoppage. Some white-collar workers are also taking part.

A Volkswagen spokesman, Mr Rubin Els, said workers had met shop stewards yesterday morning and began drifting back to work. But they then decided against returning and began another meeting. The company then closed the plant and is seeking further talks with the union on a reopening date.

Approach for talks

Mr Kettleidas said the company had approached him for talks on reopening the plant, but said he refused. "The only thing union officials can discuss now is wages — but there may be talks with shop stewards on reopening."

At Ford, most workers at the Cortina and engine plants are Macwusa members and the plants remained in operation. But Ford's other plants closed.

The company's industrial relations director, Mr Fred Ferreira, said all plants would be closed today and on Monday morning.

Ford would wait for the outcome of Monday's industrial council meeting.

GM issued a statement saying that 1 800-2 000 workers had walked out yesterday. The company employs nearly 5 000 workers.

The statement referred to the fact that the current wage agreement expires only at the end of the month and that industrial council wage talks are scheduled for Monday.

"We cannot therefore comprehend the action of employees in downing tools at the present time because it is unusual for this to happen while wage negotiations are still in progress," it said — Own Correspondent-Sapa

● Strikers face loss of jobs, page 16

Firms would be 'ruined'

Own Correspondent

PORT ELIZABETH. — The three motor manufacturing companies in Port Elizabeth and Uitenhage would collapse if striking workers' demands for a R3.50 an hour minimum wage were met, spokesmen for two of the companies said yesterday.

Faced with the demand for a 75 percent increase of the minimum wage, Volkswagen and Ford are looking at a combined annual increase in their wage bills of about R50-million.

Executives at Ford and Volkswagen agree that the average price of a new car would increase by between R800 and R1 000 if the minimum wage of R3.50 were implemented.

Mr Fred Ferreira, industrial relations manager at Ford, said simply: "Motor manufacturers in the Eastern Cape would cease to exist."

It is estimated that the total shutdown at Ford is costing the company R2.4-million a day — the value of the 300 vehicles it usually produces in one day.

Mr Ferreira said that based on a 43¼-hour week, an unskilled worker earning R3.50 an hour would take home R658.43.

"In this category we have sweepers and cleaners who are trained in one day to do their jobs. In this category we have workers whose jobs it is to lash cars to trucks.

"And this is the kind of salary which we pay to newly-graduated engineers. The demand is just crazy."

13000 now in big motor strikes

ARGUS 16/7/82 (62) 63/140M

PORT ELIZABETH. — Production at two more motor industry plants has come to a standstill because of the strike by more than 10 000 workers employed by the three companies in the Eastern Cape, bringing the total number of workers affected to about 13 000 at six plants

Kept busy

He said the four Ford plants had close "interaction" and that about 2 500 workers at the two Struandale plants were being kept busy although there was no production. These plants would also be closed later today.

A strike by about 250 workers, mostly at the Struandale Cortina plant paint shop and at the adjacent truck plant, had contributed to this development.

Mr Bucknall said more than 3 000 workers at Ford were on strike — 100 at

ARGUS BUREAU

the engine plant, 250 at the Cortina plant, about 2 500 at the Neave assembly plant and 150 at the truck plant.

At Volkswagen's plant in Uitenhage, more than 5 000 were on strike and another 1 000 had been sent home because of the forced closure.

Virtually all the employees on strike in Port Elizabeth are coloured and most of those in Uitenhage are Africans.

At General Motors, 2 000 workers downed tools yesterday and the situation was described as "fluid" today. The company would not comment, but it was reported that workers there were collecting their pay while the plant was being closed.

Management spokesman at Ford and Volkswagen have warned that if the companies acceded to the workers' demand for a minimum wage of R3.50 an hour, Eastern Cape products would be priced out of the national motor market.

workers went in their thousands today to collect their wages for the week. No incidents were reported.

Mr Jury Harris, president of the National Automobile and Allied Workers' Union (NAAWU), whose members went on strike simultaneously at Ford, General Motors and Volkswagen yesterday, said there was little likelihood of the workers returning to work before Tuesday.

They were now waiting for a continuation of the deadlocked wage talks on Monday between unions and the three companies through the Industrial Council for the Eastern Cape motor industry.

Minimum

The workers had gone on strike spontaneously on hearing that the second round of wage talks on Wednesday had ended in deadlock — with the managements not prepared to budge from their minimum wage offer of R2.15 an hour. The workers are demanding R3.50.

The workers had warned after a series of report-back meetings last week that the employers would have to "face the repercussions" if they did not agree to the demand.

Mr Harris said the union would not meet the workers before Monday.

Confident

The union would try to persuade workers to modify their demand. He was confident they would accept a deal similar to the one at the 1980 wage talks when their demand was met over a period of 18 months.

"They want a guarantee, and not necessarily the full R3.50 immediately," he said.

The director of public relations at Ford, Mr Dunbar Bucknall, said the forced closure of the company's assembly and truck plants at Neave Township had paralysed production at the two Struandale plants where most of the workers, who belonged to the Motor Assembly and Component Workers' Union, were not on strike.

artkops Valley



Medical supplies found by Weekend Post on the banks of the... the left are pieces of medical packaging, used bandages, a surgical blades, an injection needle and soiled surgical gloves.

we'll have to... controls," he

Clark, superin-... livingstone hos-... yesterday that it... that some of... ame from Liv-... i said "it was... ey on what day... removal of... waste took

ospital vehicles... mally used to... arden refuse... pital - "it is... inquiries were

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Mr DAVID WALKER, a second year botany student at the University of Port Elizabeth and assistant to Mrs Bennett, shows pieces of in-

Plan to boost

8. Post
blacks in (62)

SA industry

From Page 1

clamping while welding work would be done by computer-controlled robots.

In another part of the plant, such as the paint shop, computers could be programmed to control spraying of bodies to such an extent that colours could be regulated.

"For example, we could paint a body black after we painted one white or red without relying on humans," Mr Bucknall said

"The trouble with computers generally, though, is that while they take over unskilled jobs, they tend to create the need for more skilled control operators."

Dealing with another aspect of the strike, the Secretary of the National Association of Automotive Component and Allied Manufacturers, Mr Bill Hayward, said the disruption in production would have no effect for the time being on the manufacturing of motor components in the Eastern Cape.

"The component companies will carry on producing as before, as they have done during strikes in the motor manufacturing industry in the past," he

said

The component manufacturers did not only supply the Eastern Cape motor industry but also firms in other parts of the country.

"Organised commerce and industry in the Eastern Cape, after many years, succeeded in persuading the Government to create incentives for the development in the Algoa Bay area to provide employment for a growing unemployed population," Mr Hayward said

Funds for the training of unemployed people had been provided, and the training was conducted free of charge, and trainees paid during its duration.

"Bearing this in mind, I appeal to the strikers and their leaders to think their actions through. At the moment such actions are a disincentive to industry and can put a brake on industrial development," said Mr Hayward.

"This has to be seen as something which involves a community effort - something which the worker and employer must tackle together. The present actions by the workers are irresponsible in the face of the present unemployment problem."

Police officer shot dead by terrorists

MILAN - Terrorists shot and killed a paramilitary police officer who approached the post office they were robbing yesterday, police said.

The murder of Mr Valerio Renzi, 44, was claimed hours after the shooting by Prima Posizione (Front Position) in a telephone call to Rome's Il Messaggero daily.

Prima Posizione is a Left-wing terrorist group allied with the Red Brigades, Italy's most feared terrorist gang.

Police said Mr Renzi had driven to the central post office in Lissone to drop off some letters.

Before he could get out of his car, one of three terrorists outside the post office opened fire with a submachine gun.

Once the shooting broke out, the three terrorists inside the post office fled with only about 300 000 lire (R240).

The six escaped in two cars.

Meanwhile, the Red Brigades member, who led police to where his fellow terrorists were holding US Brigadier General James Dozier, has been released from prison. Italian news agency Ansa said

Weekend Post Correspondent

JOHANNESBURG — American companies in South Africa are planning to boost their drive to improve standards among black workers as part of a rapidly accelerating programme in terms of the Sullivan Principles.

The Rev Leon Sullivan's right hand man, Mr Dan Purnell, executive director of of the International Council for Equality of Opportunity Principles, said after a visit to South Africa that US firms in 1985 would:

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

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

Labour relations experts expressed the hope today that the striking workers who have brought the three large motor plants in Port Elizabeth and Uitenhage to a standstill this week would reconsider or at least temper their pay demands in the light of this move to improve working conditions for blacks in South African industry.

Urging patience, they said the workers should not also not lose sight of the threat of automation replacing workers in the motor industry should wage demands be pitched on a level which could make large staffing uneconomic.

They pointed out that automation was being introduced world-wide in cases where companies have found wage rates becoming prohibitively high.

In Port Elizabeth, Mr Rod Ironside, chairman of the Eastern Cape Automobile Manufacturing Employers' Association and acting chief executive of General Motors SA, told Weekend Post the growing world-wide trend in union militancy was one of the reasons why automation was replacing workers in motor assembly plants.

"Because of the world-wide economic situation, there is a strong tendency to think along the lines of automation."

"One has to take it into consideration if your labour force is going to be involved in wild wage claims."

But he emphasised that automation — a long term programme — in the motor industry would not be just the direct result of worker militancy in South Africa. It could also result from motor design and production sources from parent companies overseas.

"On the technical side, the design of future vehicles will strongly influence should we need to introduce automation," Mr Ironside said.

"New developments in assembly plants — anti-corrosive spraying and painting — will make it very practical to introduce automation."

The director of public affairs for Ford, Mr Dunbar Bucknall, said he thought any move towards automation — although a high capital investment activity — would be "good business sense".

"The concept of automation will become financially more supportable once volume of cars produced by the motor industry in South Africa has reached 500 000 a year," Mr Bucknall said.

Last year a record number of more than 300 000 new vehicles were sold in the country.

Both Mr Ironside and Mr Bucknall believed automation could replace a substantial number of the current work force.

"However, in terms of labour requirements, I believe we could reach a situation where output would increase to a point where we would need to maintain a considerable work force of highly skilled people to oversee and supplement automation," Mr Bucknall said.

To give an idea of an automated motor assembly plant, Mr Bucknall described existing mechanised techniques.

"At present, a system of 'body bucks' — frames or 'jigs' — are used in which body parts, like the inner shell of the floor, can be clamped.

"Then the bulkheads and the mudguards can be clamped into place. After this the body is welded together and the 'buck' removed."

Automation would mean human workers doing the

● Turn to Page 2

black workers

boost

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US firms to improve conditions

Chief Reporter

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

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

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

In 1985 US firms in South Africa will:

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

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

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

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

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

● Page 5: Operation Upgrade!

Strikes: All plants close

CAPE TIMES 17/7/82 (62) (63) (40A) (152) (192)

BY PHILLIP VAN NIEKERK

ALL MOTOR assembly plants in Port Elizabeth and Uitenhage were closed until further notice yesterday as the strike by more than 10 000 workers over wage demands brought production to a standstill.

Spokesmen for the three companies — Ford, General Motors and Volkswagen — said they would not resume industrial council wage negotiations, due for Monday, until the dispute had been resolved.

The workers downed tools on Thursday after shop-stewards of the National Automobile and Allied Workers' Union (Naawu) had reported back from the industrial council talks that the companies were only prepared to offer a minimum rate of R2.15 an hour.

While at least 10 000 workers went on strike, another 3 000, many of them members of the Motor Assembly and Component Workers' Union (Macwusa), have been affected by the halt in production.

Leyland not hit

The strike is restricted to the Port Elizabeth-Uitenhage area. Leyland, the only major motor manufacturer in the Western Cape, where Naawu is also organized, do not fall under an industrial council and there are no wage negotiations in progress.

Mr Rod Ironsides, the acting chief executive of General Motors and chairman of the Eastern Province Automobile Manufacturers' Association, said the strike had created a "de facto dispute" which had to be resolved before negotiations could continue. Employers were "not prepared to negotiate under duress".

It was "deeply regretted that one party to the industrial council has seen fit to take arbitrary action while negotiations are in progress and despite strong appeals by employers for responsible action".

'Out of touch'

Mr Fred Sauls, general secretary of Naawu, said the employers had not conducted the talks in a spirit of compromise. They were out of touch with the feelings of their workers and had been shocked at the extent of spontaneous worker reaction.

"We offered a compromise deal, starting with a R2.50 an hour minimum now and rising over 18 months to R3.25. They refused to offer more than R2.15 an hour — only 5c more than their first offer in April.

"The workers got fed up when they heard this, because they felt management was just playing

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To page 2

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around and not really negotiating."

Naawu is to meet workers before Monday's meeting to decide what action to take

'Exploitation'

The Macwusa organizing secretary, Mr Government Zini, said Macwusa workers had decided not to support Naawu, an affiliate of the Federation of South African Trade Unions (Fosatu), in the strike. Macwusa members, who are mainly at the Ford Cortina engine plant and General Motors, reported for work yesterday.

Mr Zini said they could not support a strike which was involved with the industrial council "which we totally reject as an apartheid vehicle geared to place management in a better position to exploit workers".

Mr Zini also listed the failure of Naawu to support Macwusa in several other strikes and their "half-hearted" action over the half-hour work stoppage called after the death in detention of trade unionist Dr Neil Aggett.



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Fosatu backs striking Cape car workers

Staff Reporter

THE Federation of South African Trade Unions (Fosatu) has come out in support of car industry workers who are striking in the Eastern Cape.

In a statement issued yesterday, the Fosatu central committee said it backed the demands of the National Automobile and Allied Workers' Union (Naawu) for a "living wage and better working conditions".

"We wish to condemn Eastern Cape motor employers for offering the pittance they have despite record sales for the past two years. The June car sales report of an all-time record makes a mockery of the 7½ percent increase offered by employers.

"This does not even compensate for the increase in the cost of living. Fosatu condemns the intransigent attitude of the employers. We are clear that employers in the motor industry are coordinating on a national basis and that there is

now a concerted effort to check and even break the union on a national basis.

"Non-unionized firms have been given large increases, while in all unionized companies management have firmly resisted demands made by the unions. We are also aware that employers are using the press and opportunist unions to break the struggle.

"Fosatu wishes to congratulate its motor affiliate on the courageous and far-sighted way it has led the battle for higher wages, shorter hours and a better standard of living for all workers in South Africa."

The committee said it was aware that the dispute was entering "a critical and dangerous phase" and asked the workers to be "far-sighted" so that they could emerge with strength.

It added that delegates from the meeting would take up the issue with their respective unions, shop steward councils and shop floor committees.

All answer books

Number of books
Number of titles

Surname.....

First Name(s).....

Date.....

Degree/Diploma you are registered for.....

Subject.....
(to be copied)

Paper No.....
(to be copied from the heading on the Examination Paper)

2 ✓ Q 1.

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

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Examiners' Initials		

NOTE CAREFULLY

- Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.
- Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.
- Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book (s) are used.

WARNING

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

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

Argus Correspondent

JOHANNESBURG. — United States companies in South Africa are embarking on an ambitious programme to improve black standards in this country.

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

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

MANAGEMENT

In 1985, US firms in South Africa will:

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

Signatories to the Sullivan code have reached close to a 100 percent performance on desegregation and union recognition, essential components of the principles.

Sullivan upgrade forges ahead

ARGUS

19/7/82

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272

Mr Purnell said that for the first time since progress reports were prepared in 1978, firms submitting reports on their progress in terms of the Sullivan code over the past year, will have to be certified by a public accountant.

He emphasised that while US companies employed only a small part of South Africa's work force, the Sullivan principles acted as a guide for other overseas companies as well South

African companies to follow.

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

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

E Cape car plants to *CAPE TIMES 20/7/82* 'prepare to reopen'

Own Correspondent
PORT ELIZABETH. —
Car manufacturers in the
Eastern Cape are expect-
ed to begin preparing
their factories for produc-
tion today after a strike
by more than 10 000 work-
ers led to their plants be-
ing closed last week.
A spokesman for the

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manufacturers said they
were making the prepara-
tions following a state-
ment by the general
secretary of the National
Automobile and Allied
Workers' Union, Mr Fred-
die Sauls, during indus-
trial council talks
yesterday that workers
were prepared to return

to work.
Meanwhile, at least
4 000 workers, all Naawu
members and mostly Ford
workers, are expected to
return to factories today
after deciding to do so at
a report-back meeting
after yesterday's talks.
The aim would be to as-
sess the position and em-
bark on further action as
the situation demanded.

Naawu spokesmen said
yesterday that at the talks
the union had rejected
management's ultimatum
for a return to work by
more than 10 000 workers
from Ford, Volkswagen
and General Motors be-
fore continuing discus-
sions on a wage
agreement. They said,
however, that they had
proceeded with wage
talks after management
had backed down on the
ultimatum.

Meanwhile, Mr Rod
Ironside, chairman of the
Eastern Province Auto-
mobile Manufacturers'
Association, said the em-
ployers had undertaken
to advise the unions in-
volved in the talks of "the
appropriate plant start-up
schedules".

Report-back meetings
are still to be held with
Volkswagen and General
Motors employees. It is
expected similar deci-
sions will be taken to that
taken by the 4 000 who at-
tended yesterday's report-
back meeting.

ARGUS 20/7/82 62 63 140A
152 192 346

Car men locked out

PORT ELIZABETH. — Several thousand eastern Cape motor industry workers who returned early today to the plants where they downed tools on Thursday, found the gates locked. They were told to leave until the companies could accommodate them again.

This follows a third round of Industrial Council negotiations yesterday where the wage talks which led to the strike again ended in deadlock. A union report-back meeting last night left workers confused about the exact state of affairs.

Before yesterday's industrial council meeting, Ford, General Motors and Volkswagen, said they were not prepared to negotiate further on wages while workers were on strike. However, at the council meeting yesterday, the union said that it had not sanctioned the strike and that they were there to talk wages.

Mr Jury Harris, the President of the National Automobile and Allied Workers Union (NAAWU) which represents the about 13 000 workers who downed tools, said today that employer representatives seemed unprepared for wage talks.

The employers stood by their offer of R2.15 minimum wages. The union was hoping they would negotiate on their moderated demand of an initial

ARGUS BUREAU
R2,50 minimum and a guarantee of R3,50 over 18 months.

The union refused to discuss the strike as it regarded the strike as spontaneous and not sanctioned by them.

At last night's report-back meeting, the workers, said they wanted to return to work today, said Mr Harris.

The acting Executive Director of General Motors Mr Rod Ironside, said workers who turned up today had to be turned back as it took time to phase them in again and through new schedules.

It could take some days before the plants could be fully opened. Operations had to be re-started and other workers who were affected by the strike would have to be recalled first.

Further industrial council meetings were scheduled for Thursday and Friday, and it was likely that the council's dispute procedures would come into effect.

The Argus early today found close on 4 000 workers crowded outside General Motors where the factory gates had been firmly locked.

ARC 45
21/7/82
62
192

Motor workers back but gates shut

Argus Bureau

PORT ELIZABETH. — Several thousand motor workers turned up at work today for the second day only to find the premises locked.

According to the president of the National Automobile and Allied Workers Union (Naawu), Mr. Jury Harris, and Mr. Roger Gamomo, chairman of the Volkswagen Shopstewards' Committee, the entire workforce at Volkswagen in Uitenhage — about 6,000 — arrived for work at 6 am and were told that "limited production" would start tomorrow.

LOCKED

When The Argus visited the plant, workers said most of the workers had already gone home. About 100 workers were talking in small groups outside the factory.

At the Ford truck assembly plant, a few workers stood in groups at the locked gate. They said all the workers had arrived to work, but the security guards had told them to go home. They did not see any of the managerial staff.

"The workers are angry about being locked out," said one worker at Ford. "We are suffering

(Contd on Page 3, col 9)

ARGUS 21/7/82

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(Continued from Page 1)

through this thing," he added.

Mr Harris, said he thought the employers were trying to confuse the workers by locking the gates. "The workers are clear that they want to return to work. They decided at a meeting on Monday to return on Tuesday."

A reliable source said there were no workers at General Motors today.

Workers

Naawu officials in Port Elizabeth, were not available for comment.

While Volkswagen was preparing today to reopen its paralysed plant in Uitenhage tomorrow after the work stoppage. Ford and General Motors in Port Elizabeth appeared to be in no hurry, aiming at re-opening only early next week.

Volkswagen said yesterday that it intended starting its plant gradually tomorrow and on Friday, and that it was hoping to be in full operation on Monday.

● A new proposal on wage increases has been made by the three motor companies, Naawu officials have disclosed. The proposals were put at Monday's Industrial Council meeting between the employers and the union.

ROOM 23/7/82 (15) (14) (13) (12) (11) (10) (9) (8) (7) (6) (5) (4) (3) (2) (1)

Meeting on motor men's strike ends in deadlock

By STEVEN FRIEDMAN
Labour Correspondent

AN INDUSTRIAL council meeting called to resolve the pay dispute between Port Elizabeth and Uitenhage motor manufacturers and Fosatu's National Automobile and Allied Workers' Union ended in deadlock yesterday.

As a result, the council's disputes procedure would now come into effect, announced the chairman of the industrial council, Mr Fred Ferreira.

This is the first step towards a legal strike or lock-out in the dispute, which has halted all vehicle production in the area over the past week.

Despite the deadlock, production resumed at Volkswagen's Uitenhage plant yesterday as the company opened its gate to allow in workers, who had downed tools last Thursday.

Employer sources indicated that full production is likely to resume at Ford's and General Motors' PE plants early next week. Limited production could resume at Ford today.

NAAWU officials, who were holding a series of meetings with their members last night to discuss the deadlock, could not be contacted.

All vehicle production in the area has been halted since last Thursday when at least 10 500 workers downed tools. NAAWU claims employers have been implementing a lock-out since the day after the strike. Employers deny this.

The council met twice yesterday in an at-

tempt to resolve the pay dispute in which employers have offered a minimum of R2,15 an hour. NAAWU originally demanded R3,50 but it has since indicated it will accept much less.

No new wage proposals were made by either side and they are now formally in dispute. A legal strike or lock-out will not be possible before the end of this month — when the present wage agreement expires — at the earliest.

At Volkswagen yesterday a company spokesman said workers had returned to work staggered shifts, as agreed with NAAWU shop stewards on Wednesday.

Ford and GM stayed closed. GM said it had told unions of its re-opening plans at yesterday's meeting, but did not reveal the plans. It is understood that full production is likely to begin again early next week.

Mr Ferreira said Ford, which said it could not re-open its plant until it received a NAAWU assurance that all workers would return, had not been given this undertaking yesterday.

But he said the motor company had told NAAWU it would re-open the plant if "substantial numbers" of workers returned. However, because two of the company's four plants had worked on the day of the stoppage, some workers would have to return earlier than others to allow production in some areas to catch up.

It is expected that the plant could resume limited production today, with full production beginning early next week.

E Cape motor industry in deadlock

Cape Times

23/7/82

62 63 7152

Own Correspondent

PORT ELIZABETH. — The Industrial Council for the Motor Industry in the Eastern Cape entered official dispute procedure yesterday afternoon when all parties in the negotiations on minimum wage levels for the industry acknowledged deadlock.

And last night at a National Automobile and Allied Workers Union (Naawu) report-back meeting on the talks — during which a recording device was found hidden in the folds of curtains in the hall — General Motors workers agreed to return to work on Monday.

The Volkswagen plant was reopened yesterday but Ford remains insistent that it will reopen only when the union informs it that the workers are prepared to return.

Strike

The General Motors, Volkswagen and Ford motor companies have been closed for a week following a strike last Thursday of more than 10 000 motor industry workers. The workers went on strike after the wage negotiations reached deadlock.

Unions officials said they yesterday repeated to management their argument that the decision to strike was not taken by the union but by the workers. The union officials on the IC are not prepared to discuss the return to work with managements.

Their presence at the IC talks was purely to negotiate wages and working conditions on a specific mandate from the workers, said the officials.

During the report-back meeting someone in the audience noticed a bag hanging in the folds of curtains above the stage.

The bag was of an identical colour to the curtains.

Recording device

On his remarking that the bag was there, Mr Fred Sauls, national secretary of the union, told the audience that it probably contained a police bug but that the meeting should expect there to be recording devices — it was part of the struggle, he said.

Colonel Gerrit Erasmus, head of security police in the Eastern Cape, said last night he had no knowledge of the device.

Cape Times 24/7/82

Dispute in car industry declared

PORT ELIZABETH. — The Industrial Council for the Automobile Manufacturing Industry in the Eastern Province has declared a dispute after holding two meetings in Port Elizabeth yesterday.

The council reached a deadlock in negotiating a new wage agreement to come into effect from the beginning of August.

The chairman of the council, Mr. Fred Ferreira, said the council would meet again on August 5 to determine whether to follow the path of mediation or arbitration.

'Disappointed'

Employers are disappointed that no progress was made at yesterday's meeting of the Industrial Council, a statement issued by the Eastern Province Automobile Manufacturers Association said.

Compared with the position in August 1981, the current offer for a Grade 1 employee represented an increase in basic wages of 19,4 percent (R1,80 to R2,15). Over the corresponding period the forecasted consumer price index increase was 16 percent.

Employers had guaranteed a further minimum across-the-board increase in February 1983 which starts at 10 cents for a Grade 1 employee. The effect of this adjustment was that a Grade 1 employee would receive, within a six-month period, an effective basic rate increase of 25 cents an hour, the statement said.

Improvements

Employers have offered the following improvements in general conditions of employment.

"Service leave to increase from a maximum of three days to six days.

"Separation payment — to be funded entirely by the employers — ranging from 10 days pay to a maximum 35 days pay.

"An increase in short term lay-off benefits in excess of 180 percent."

These offers are apart from an agreement to review the total grading structure, which could have enormous cost implications — to be carried by the employers. The employers believe their offer, seen with existing benefits, is amongst the best in the country. — Sapa

Ford strikers

refuse to
resume

62 ~~Aug 11/1982~~
CAPE TIMES 27/7/82
Own Correspondent

PORT ELIZABETH. — Workers employed in the cut and sew department of the Ford Motor Company yesterday refused an offer to resume work because the Neave and truck plants were still closed.

The workers, all members of the National Automobile and Allied Workers' Union (Naawu), said they wanted all their colleagues to be allowed to resume work concurrently.

They rejected management's insistence that a day's production in the cut and sew department was necessary before the two plants could reopen.

Mr Dunbar Bucknall, director of public affairs at Ford, said the company had reached an impasse with the workers.

Yesterday the Cortina and engine plants, staffed mainly by members of the Motor Assemblers and Component Workers' Union, reopened with high absenteeism on a limited production line.

The closure of the factory 10 days ago followed a strike by more than 10 000 Naawu members employed in the Eastern Cape motor industry over deadlocked Industrial Council wage negotiations.

Two PE car plants stay shut

ARGUS
27/7/82

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160A
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163

Argus Bureau

PORY ELIZABETH. — In spite of a warning of legal action to be taken against Ford Motor Company by the National Automobile and Allied Workers' Union (NAAWU) if the company did not open its gates to the union's members today, the two plants were still closed today.

Early today a huge crowd of workers gathered outside the two Ford plants, as they have done now for six successive days.

However, according to reports, they were told by the company that only workers of two important departments — "cut and sew" and "parts and accessories" — could start to prepare the way for the rest at a later stage.

REFUSED

Yesterday they were also told that only a limited number of workers could start work at first. But they refused, insisting that all should return to work immediately.

By 9 am it was not clear whether the workers had dispersed.

Yesterday Ford was served with a lawyer's letter on behalf of NAAWU.

The letter says that "in closing down the factory and excluding the employees from the factory premises your company has committed an

act of lock-out as is defined in the Industrial Conciliation Act.

"Where there is a dispute in regard to the terms of a future agreement your company has no right to cease operations on condition that the factory will not be reopened until the dispute has been resolved.

"In the circumstances we are instructed to call upon you to re-open the factory at 7 am on the 27th instant, failing which our clients have no alternative but to move the Court to oblige you to do so."

CONCEDED

The letter said it appeared that when demands for new conditions of employment were made to the employers on behalf of the employees they were rejected. This was reported to the employees on the factory premises on July 15. As a result they downed tools.

"It is unequivocally conceded that this action constituted an illegal strike," it said.

No spokesman for Ford was available today, but the director of public affairs, Mr Dunbar Bucknall, said yesterday that the company had reached an impasse with the workers.

Meanwhile, the Cortina and engine plants, staffed mainly by members of the Motor Assembler's and Component Workers' Union, have been working since yesterday on a limited production schedule.

62 ~~140A~~ ~~152~~ ~~102~~ CMM/Traits 28/7/82

Ford: Full production after concessions

Own Correspondent
PORT ELIZABETH. — Ford South Africa will resume full production today after apparent concessions by both workers and management regarding the company's reopening procedure.

Today's reopening of the Neave and truck

plants follows resumed production in the "cut and sew" and "parts and accessories" departments yesterday morning.

It also follows the delivery of an attorney's letter by Mr Fred Sauls, general secretary of the National Automobile and Allied Workers' Union (Naawu), to Ford management on

Monday warning of court action if the factory did not reopen.

Ford management closed its plants after a strike by more than 10 000 Naawu members halted production at the three major motor manufacturers in the Eastern Cape on July 15.

The strike followed deadlock in wage negotiations in the Industrial Council for the Motor Industry in the area.

General Motors and Volkswagen resumed full production on Monday but Ford opened only its Cortina and engine plants, which are staffed mainly by members of the Motor Assemblers and Component Workers' Union of South Africa (Macwusa), who did not support the strike action.

The rest of the factory, where Naawu is in the majority, remained closed.

On Monday, the 72 cut and sew workers refused an offer to resume work, insisting that all their colleagues be allowed to resume work with them.

They rejected management's claim that a day's production in the department was necessary before the other areas could reopen.

Yesterday, however, they agreed to return to work after only the parts and accessories department workers had also been invited to resume work.

D. J. ...

Ford

CAPC TIMES 29/7/82

Strike

62 63 64
in PE

ends

PORT ELIZABETH. — Production returned to normal at the four Ford motor plants yesterday after a two-week strike that led to the closure of all the company's operations.

The plants were closed on July 16 after a strike by about 3 000 members of the National Automobile and Allied Workers Union (Naawu). Production was partially resumed at Ford's engine and Cortina plants on Monday.

The strike — which followed a deadlock in talks with the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape — also led to the closure of the General Motors and Volkswagen plants in Uitenhage.

Production returned to normal at GM and VW on Monday after the companies had held talks with Naawu shop stewards. Workers in these two plants have refused to work overtime since their return.

Volkswagen's public affairs manager, Mr Rubin Els, said workers in certain sections had refused to work any overtime.

Naawu's regional secretary, Mr Les Kettleidas, said the same applied at GM. A General Motors spokesman was not available for comment.

One of the demands made by the union was that all overtime work be voluntary.

Ford announced on Tuesday it would open all its plants yesterday, as the cut-and-sew seat section had produced enough material.

On Monday, Naawu delivered an attorney's letter to Ford saying the union would take the matter to court if the two plants did not re-open yesterday.

The chairman of Volkswagenwerk in Germany, Mr C Hahn, is visiting the Uitenhage plant.

He held talks with union shop stewards at the Volkswagen plant in Uitenhage yesterday. — Sapa



Car industry production disrupted

CAPL TIMES 30/7/82

Own Correspondent

PORT ELIZABETH. — Production was disrupted at Ford, General Motors and Volkswagen yesterday.

At Volkswagen in Uitenhage, 2000 workers were sent home yesterday after repeated requests to them to resume work had been ignored, said Mr Bob Kernohan, press relations manager for the company.

Management had delivered an ultimatum to employees to get production up to "normally achievable production targets" within an hour of starting their shifts this morning or face being sent home again.

At General Motors, a shop steward claimed the company was yesterday faced with so many cars with missing or ill-fitting parts that it threatened to close the plant on Monday.

Threats

He also said workers had claimed foremen were threatening them when they said they could not work overtime because of prior commitments.

Ford workers in the Neave and truck plants

demanding their pay slips to know what they were to be paid during the factory's closure when they had been at the gates every morning available for work.

They were told they would receive their payslips this morning.

The demand halted production in the trim section in the Neave plant for two hours.

The three companies were closed after production was halted by a strike on July 15 by more than 10 000 members of the National Automobile and Allied Workers' Union (Naawu).

Deadlock

The strike followed deadlock in Industrial Council wage negotiations for the motor industry in the Eastern Cape.

Volkswagen's closures came after workers in the press and body shops downed tools.

A shop steward said the workers had said they wanted management to accede to Naawu demands.

The union is demanding an immediate R2.50 an hour minimum wage with an eventual R3.25 rate. Management has offered a R2.15 hourly minimum.

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

All answers

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NOTE CAREFULLY

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

WARNING

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

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

The battle for a 'decent living wage'

A key issue raised in the recent strike by more than 10 000 motor workers and the subsequent closure of three Port Elizabeth motor companies for nearly a week after the workers had decided to return to work is that of a "decent living wage".

PHILIPPA GREEN,
The Argus Labour Reporter, reviews the recent motor strike in Port Elizabeth

said that while the report of the record car sales had been correct, the market had been made "artificially high" through incentive programmes and discount schemes.

But the workers disagree.

"The employers are talking now about a downturn in the economy, but when there was a boom they did nothing to uplift the living standards of the workers," said Mr R Gamomo, chairman of the shop-stewards' committee at Volkswagen.

Naawu has alleged that motor employers are co-operating on a national basis to crush the union.

A further complication in the dispute between Naawu and the employers has been the attitude of the previously militant Motor Assembly and Components Workers' Union (MACWUSA), which represents part of the workforce.

MACWUSA has refused to support the Naawu workers in their wage demands. About 1 300 MACWUSA members manned the engine and Cortina plants on Monday and Tuesday this week before Naawu and Ford agreed on procedure for a return to work by the Naawu workers.

A MACWUSA spokesman said the reasons for the refusal to support Naawu were:

●The fact that the conflict erupted after a breakdown in Industrial Council wage talks. MACWUSA rejects the Industrial Council system as "an apartheid vehicle geared to please management".

●Naawu had not supported MACWUSA in strikes last year at Ford, General Motors and Firestone.

●Naawu members had stopped work for only five minutes during the half-hour work stoppage to mourn the death of trade unionist, Dr Neil Aggett, in spite of a call by Naawu's mother body, FOSATU, to support the stoppage.

FOSATU has accused MACWUSA of being an "opportunistic" union which has been used by the employers to weaken and divide the majority of workers.

On August 5 the Industrial Council will meet to discuss ways of resolving the formal dispute that was declared last week. There is little chance that there will be agreement on the manner of resolution.

The display of strength by both the National Automobile and Allied Workers' Union (Naawu), representing the workers, and the three motor giants — Ford, General Motors and Volkswagen — in the deadlocked conflict has raised two further questions about the strategies of management and labour. These are.

●The allegations by Naawu that the motor employers are co-ordinating on a national scale to undermine the power of the union.

●The inter-union conflict that has emerged in Port Elizabeth with the Motor Assembly Component Workers' Union (MACWUSA) members refusing to support their fellow workers in their demand for R2,50 an hour.

Previously the demand had been for R3,50 an hour.

Thousands of workers at two mass meetings held in Port Elizabeth last week stressed that they did not consider their demand for R2,50 an hour excessive.

Although motor workers are probably the highest paid factory workers in South Africa, the workers and their union consider themselves in the forefront of the battle for a "decent living wage" for all workers.

The chairman of the shop-stewards' committee at Ford, Mr Douglas Slingers, said the battle was an important one for "our futures and our families' futures".

Another worker said their children should remember them as the ones who fought for a better standard of living for workers of the future.

Naawu's mother body, the Federation of South African Trade Unions (FOSATU), has come out in strong support of the workers' demands for a decent living wage and a better standard of living.

Referring to a report of record car sales over the past two and a half years, FOSATU said they made a "mockery" of the 7,5 percent increase offered by the employers. "This does not even compensate for the increase in the cost of living," said the federation.

The employers, who have stood by their original offer of R2,15 an hour, maintain they cannot afford further increases.

Mr Fred Ferreira, Ford's industrial relations director, said the motor firms paid "substantially higher" wages than any other employer in the country and they were "well in excess of the minimum living wage." Employers could not afford to pay the R2,50 an hour the workers were demanding, he said.

Mr Rubin Els, PRO for Volkswagen,

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Closure of plants a 'lockout'

ARGUS 5/8/82

(62) ~~63~~ ~~140A~~

~~111~~ ~~346~~

Argus Bureau

PORT ELIZABETH. — The closure of plants by Ford, General Motors and Volkswagen for more than a week last month after a strike by about 11 000 workers was "an illegal lockout," according to the deputy general secretary of the Steel and Allied Industries Union, Mr H Ferreira.

The union, one of the more conservative white unions, is negotiating on wages and working conditions at the industrial council for the motor manufacturing industry of the Eastern Cape, which meets today.

Also represented are the three companies and the National Automobile and Allied Workers' Union (Naawu).

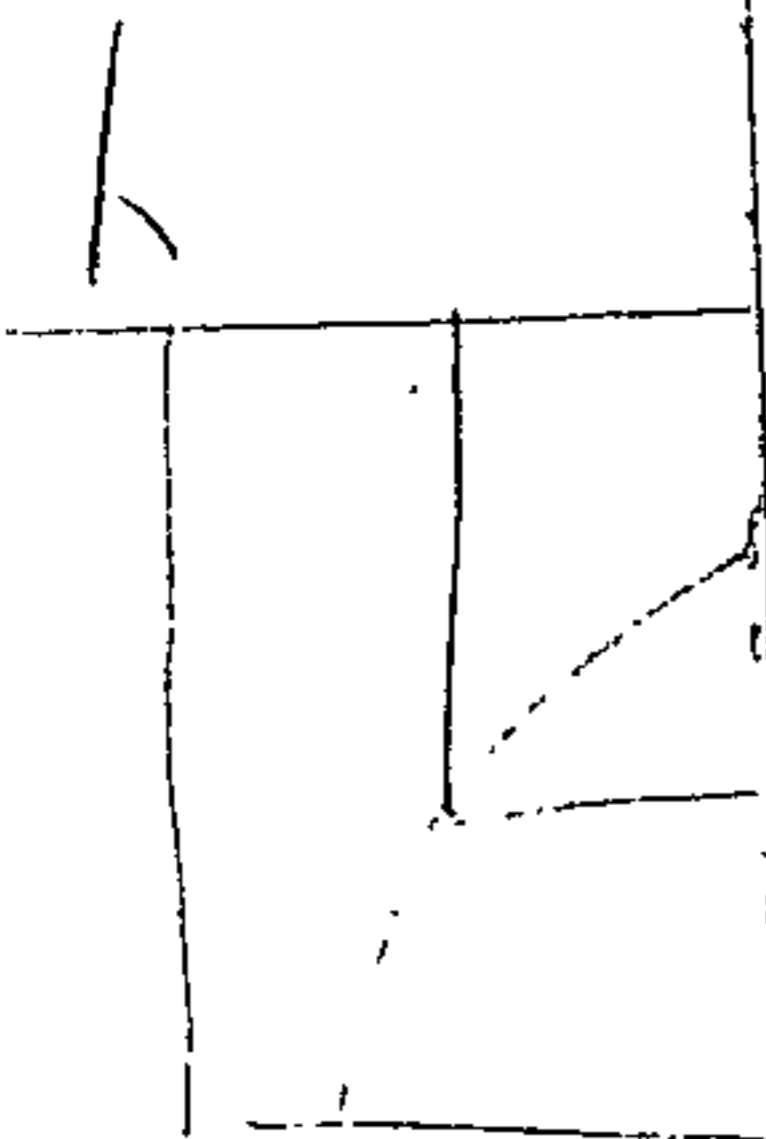
Mr Ferreira said his union had asked the employers to pay its members for the period the plants were closed. Its members did not take part in the strike on July 15 by members of Naawu.

Naawu has also demanded payment for the period the plants were closed.

The manufacturers refused to pay the steel union's members for time not worked. The union has demanded that the matter be discussed at today's meeting.

"We will go all the way if necessary to get payment for our members," Mr Ferreira said.

The union supported Naawu's demand for severance pay of one month's wages for every completed year of service.



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More E Cape motor plants hit by strikes

PORT ELIZABETH — The current wage dispute in the motor industry in the Eastern Cape was further highlighted yesterday with the assembly section of the General Motors plant, the truck plant at Ford and the whole of the Volkswagen plant closed

And a statement issued by the National Automobile and Allied Workers' Union (Naawu) yesterday indicated that the union might withdraw from the Industrial Council if the dispute was referred to arbitration

The council meets today to discuss the procedure it will adopt to resolve the deadlock in negotiations.

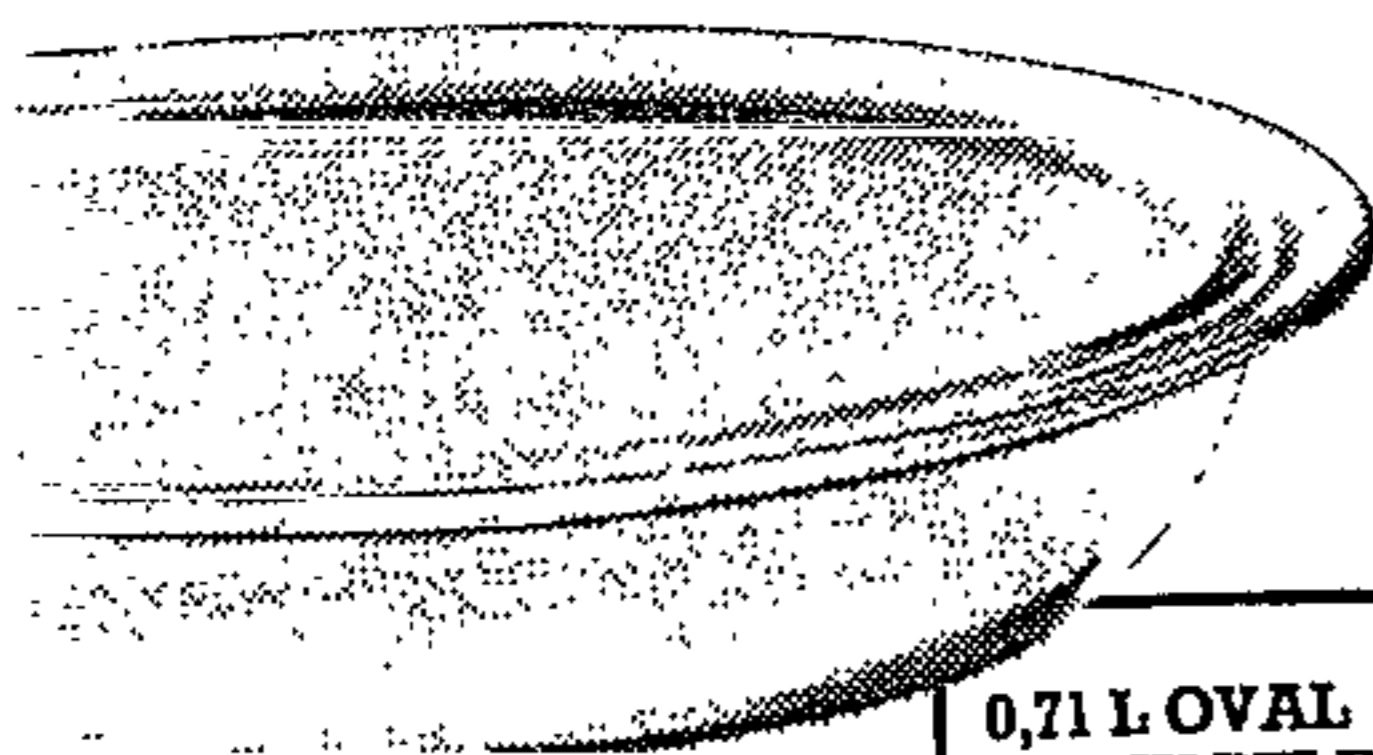
At Ford yesterday the truck plant was closed after workers downed tools in protest at a company bulletin which was posted in the plant detailing management's wage offer at the IC talks.

A shop steward said the workers saw this as provocation and believed it indicated that the company would insist again on its offer of a R2,15 minimum hourly wage when the IC talks resumed today.

Volkswagen was closed "until further notice" on Tuesday after a week-long go-slow affected production so badly that the company announced it was no longer able to operate economically.

WEDNESDAY

7 AUGUST WHILE STOCKS LAST



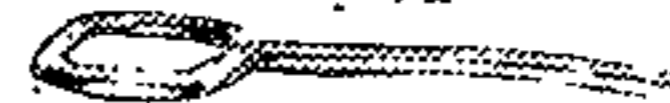
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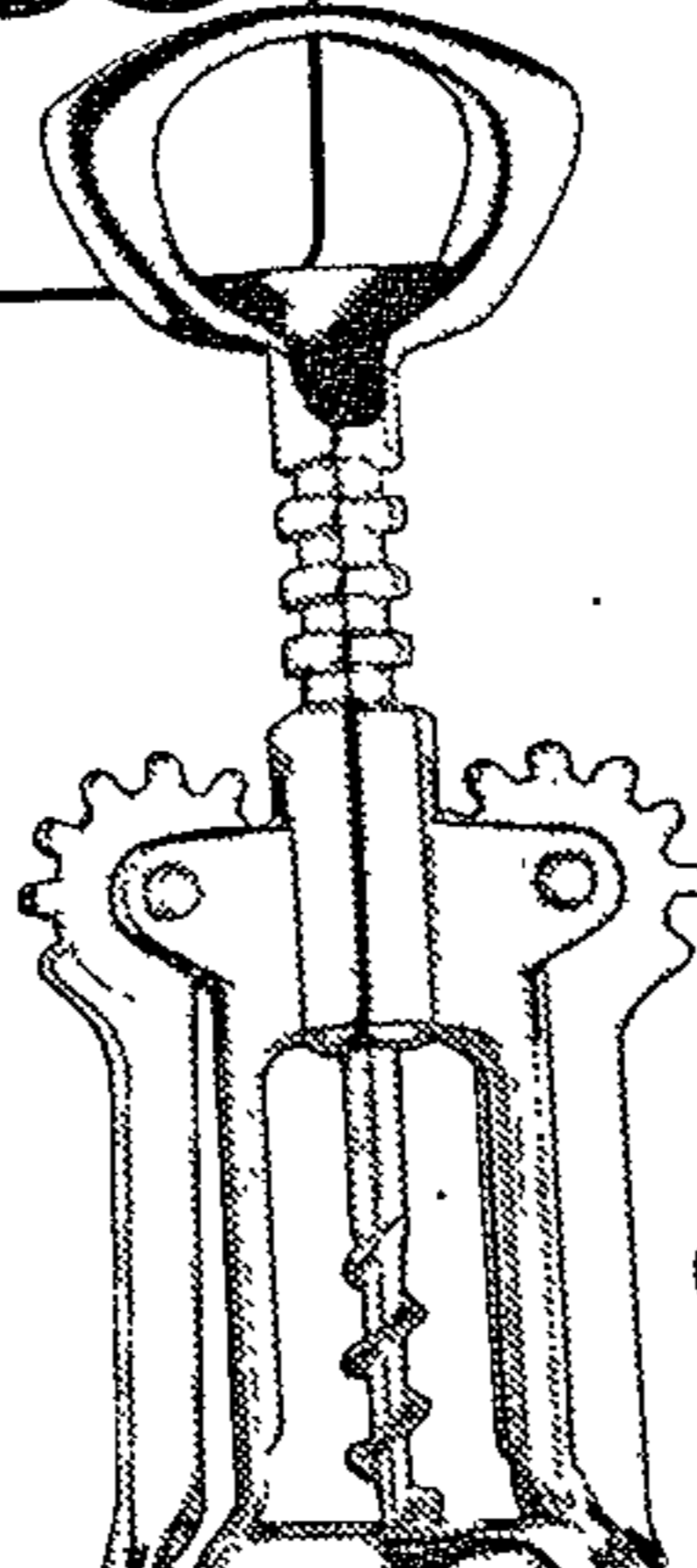
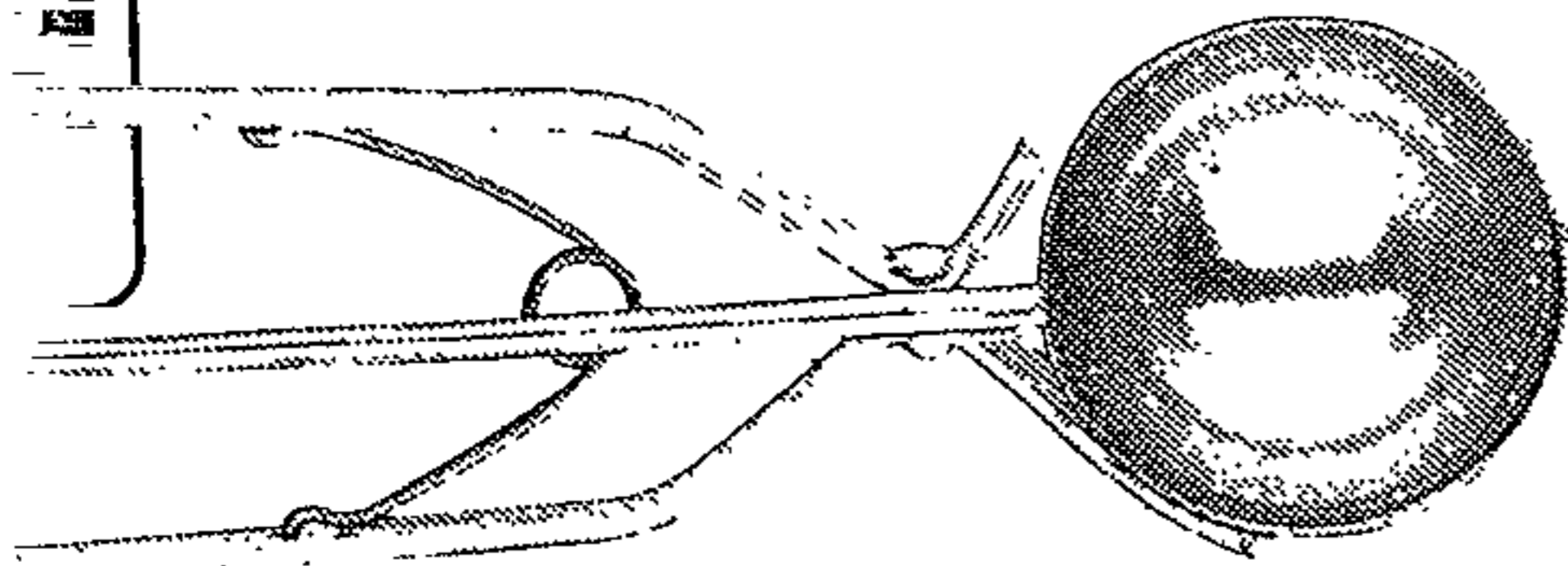
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UNIVERSITY OF CAPE EXAMINATION ANSWER BOOK

PORT ELIZABETH. — After three weeks of major disruptions in the Eastern Cape motor industry, the peaceful strikes took an ugly turn today when fighting broke out between workers at the giant Ford Neave plant.

Authoritative sources reported that striking Ford workers were involved in brawls with workers who wanted to continue their jobs.



A later report said knives were used in the fighting, and that 11 people were injured, but not seriously, and that they were being treated at the company's first aid department.

attempt to "sort things out".

A spokesman for General Motors confirmed that the company has closed its production section when workers walking off their jobs "made it impossible to continue".

The workers had collected their pay before noon, when downing tools.

At three report-back meetings last night, several thousand members of the National Automobile and Allied Workers Union (NAAWU) employed at three motor companies rejected outright the new wage offer made by the companies at yesterday's Industrial Council talks.

The council, which is negotiating an agreement for the motor industry in the Eastern Cape, and is formally in dispute over the talks, adjourned until Monday for the union to take the offer to members.

Workers were told that the employers had offered R2,20 minimum wages — 5c more than their previous offer.

The union is demanding an immediate R2,50 an hour minimum with six monthly increments of 25c to an eventual R3,25 an hour.

The national secretary of NAAWU, Mr Fred Sauls, said today that the union would not accept arbitration or mediation as a further procedure to try to resolve the issue as it did not want another party to decide on the issue, which was being handled by collective bargaining.

The police liaison officer for the Eastern Cape, Major Gerrie van Rooyen, confirmed that police were on standby outside the Neave plant, including a contingent of the reaction unit (riot squad).

Meanwhile the Neave plant was said to be on the point of closing because of walkouts there today, the Ford truck plant was closed early and the General Motors plant at noon today.

With the Volkswagen plant closed since Tuesday, this brings the number of closed motor industry plants in Port Elizabeth and Uitenhage to a confirmed three, with another pending and walkouts of numbers of workers were also reported at a Ford plant at Struandale.

EVADED

An authoritative spokesman said that shortly before noon, a group of workers who had walked out at Ford's Neave assembly plant, had evaded security personnel by climbing over a fence.

Inside the premises they argued with workers who would not leave their jobs and fighting broke out, resulting in five people being injured and treated in the first-aid department.

All Ford's top executives were said to be at the Neave plant in an

All answer books must be numbered

Table with 2 columns: Field name, Value. Number of books handed in: 7. Number of this book: [blank]

Fighting as strike tensions mounts. Includes handwritten notes: 62, ARGUS 6/18/82

Paper No. (to be copied from the heading on the Examination Book)

NOTE CAREFULLY

- 1. Enter at the top of each page and in column of the block on this cover the number of question you are answering.
2. Blue or black ink must be used for writing answers.
3. Names must be printed on each separate sheet.
4. Do not write in the left hand margin.

Do not communicate with other candidates or with any person except the invigilator.

- 3. No part of an answer book is to be torn out.
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Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

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CAPE TIMES 6/12

Naawu rejects new wage offer

Own Correspondent

PORT ELIZABETH. — Several thousand members of the National Automobile and Allied Workers' Union (Naawu) employed at Ford, General Motors and Volkswagen last night rejected outright the new wage offer made by the companies at yesterday's Industrial Council talks.

The council, which is negotiating an agreement for the motor industry in the Eastern Cape and is formally in dispute over the wage talks, was adjourned until Monday for the union to take the offer to its members.

At the three Naawu report-back meetings on the talks, workers were told that the companies had offered a R2,20 minimum hourly wage — five cents more than their previous offer.

The union is demanding an immediate R2,50 hourly minimum with six-monthly increments of 25 cents to an eventual R3,25 hourly minimum at the end of two years.

A severance pay offer was rejected by all three meetings on the grounds that it did not make provision for workers with less than two years' service to the companies.

At the General Motors and Volkswagen meetings workers accepted a management proposal for "lay-off" pay which would provide workers with scaled guaranteed annual payment if they should have to work short-time during the year.

Ford workers rejected this proposal.

CRUCIAL WEEK AHEAD FOR MOTOR INDUSTRY

W/E Argus 7/8/82

62

Weekend Argus Reporter by one of the motor industry unions were totally unacceptable.

PORT ELIZABETH. — The troubled Eastern Cape motor industry will be largely at a standstill next week, and thousands of workers may lose their jobs if the situation is not resolved at an industrial council meeting on Monday.

More than 2 000 workers in other industries here have lost their jobs in the past two days through strike action.

A motor industry official, who asked not to be named, said the employers were likely to set ultimatums next week for strikers to work or lose their jobs.

A spokesman at another company said only that it would regard it in a "very serious light" if employees did not return and work normally next week.

Already, more than 15 000 workers are idle at Eastern Cape factories, two major factories are closed and at least three others have been operating at less than half their production capacity.

The managing director of Volkswagen, Mr Peter Searle, yesterday told a conference in Johannes-

Go-slow action which paralysed Volkswagen for most of this week has been attributed to workers wanting in-plant wage talks. The company is reopening some sections of its plant on Monday and is hoping to be in full production on Tuesday.

Ford will open its gates on Monday. The company closed its truck plant for two consecutive days this week and many workers doffed tools in its three other plants.

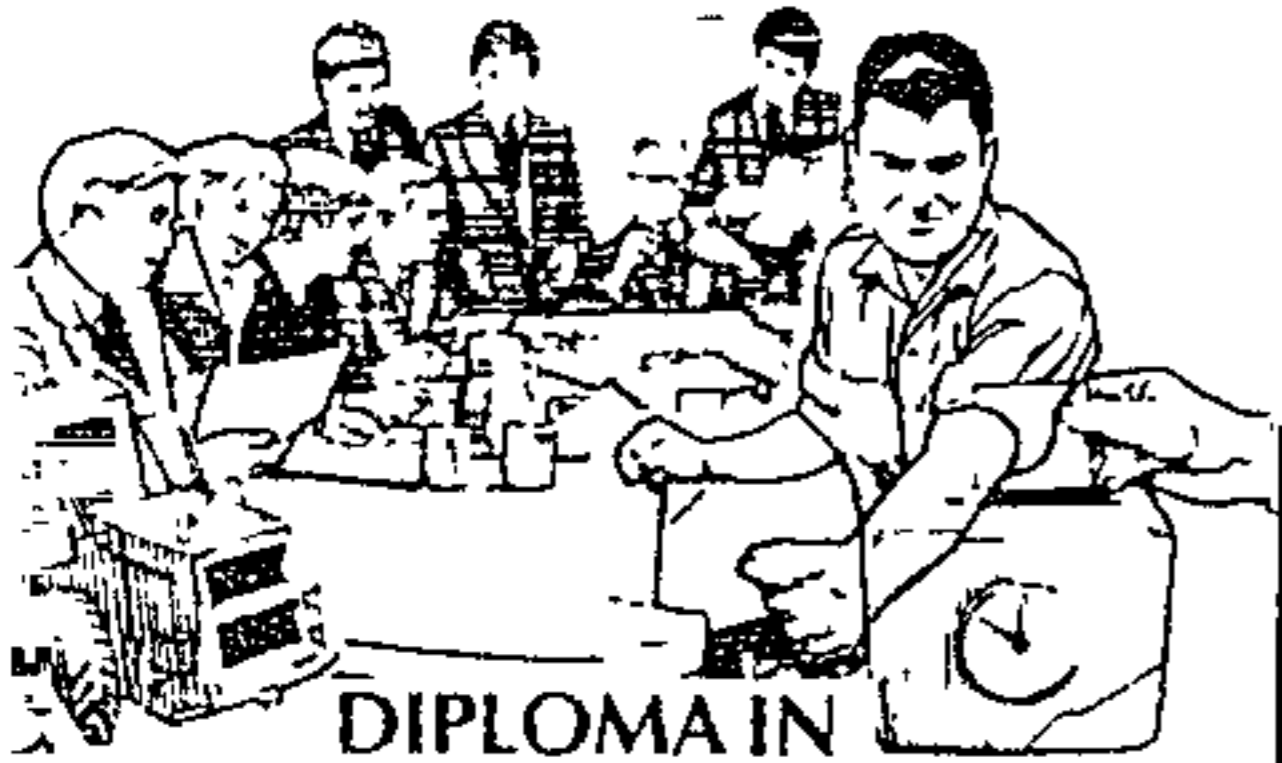
General Motors, closed at noon yesterday because of the walkout and it is believed the plant will remain shut on Monday. Thousands of members of the National Automobile and Allied Workers' Union (Naawu), rejected an improved wage offer from employers this week.

The white SA Iron, Steel and Allied Industries Union said it believed it could get its members to accept the wage offer.

The employers are now offering R2,20 an hour on their minimum scale — an extra five cents. Naawu is demanding R2,50, with six monthly increments of 25c to an eventual

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gem as a recreation area
and it's just being totally
ignored," said the group's
secretary



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CAPE TIMES 7/8/82
**Kaplan:
Student
bodies
shocked**

Staff Reporter

STUDENT organizations have expressed their shock and condemnation of the deportation on Wednesday of UCT post-graduate student Mark Kaplan

Immigration officials and members of the security police gave Mr Kaplan, who was detained for 51 days last year, an hour to pack before putting him on an aircraft to Zimbabwe

The UCT Community Video Resource Association (CVRA), of which Mr Kaplan was co-ordinator, released a statement yesterday protesting "in the strongest possible form"

"His deportation amounts to conviction without trial. It implies guilt, where there is none, of an offence for which the State has no name, after imprisonment for no reason"

Video shows

His only "crime" had been to help produce video documentaries in Cape Town on such issues as poverty, TB and education, the statement said

The Nusas head office called the deportation an underhand means by which the State removed "so-called undesirable aliens". It was a method used by a "fearful, crisis-riddled government" unable to cope with opposition.

● The South African Society of Journalists yesterday condemned the deportation as a "sinister attack on the media and the free flow of information."

● Leading article, page 8

CAPE TIMES 7/8/82
**Motor plants
close as men
down tools**

Own Correspondent

PORT ELIZABETH. — Almost the entire workforce at General Motors walked out yesterday and Ford's Neave and truck plants were closed after workers had downed tools

A number of workers at Ford's Cortina and engine plants also downed tools, but Mr Fred Ferreira, director of industrial relations at the company, said production in these plants was continuing and a skeleton staff would be brought in to man the other sections of the factory essential to their operation.

The closure of the plants follows repeatedly disrupted production at the three motor firms currently facing a wage dispute in the Industrial Council for the Motor Manufacturing Industry in the Eastern Cape.

Ford, GM and Volkswagen — which has been closed since Monday — are trying to reach an agreement with the National Automobile and Allied Workers' Union (Naawu) and the SA Iron, Steel and Allied Workers' Union to replace an agreement which expired at the beginning of this month.

Fighting

At report-back meetings on the Industrial Council talks on Thursday, thousands of Naawu supporters rejected the companies' new wage offer.

At the Neave plant yesterday, fighting broke out between workers who had downed tools and those who wished to continue working. A reliable source said 11 workers

were injured, some with knife wounds.

However, neither Mr Ferreira nor a spokesman for Naawu was able to confirm this

Major Gerrie van Rooyen, police press liaison officer for the Eastern Cape, confirmed that members of the reaction unit had been deployed at the Neave plant but said this was not at the request of Ford

The policemen had been present in case the workers spilled into the street from inside the plant and in case a public disturbance was created

'Compelled to close'

At GM, thousands of workers left the plant after being paid and went home.

Mr Peter Sullivan, public relations manager for the company, said the company was "compelled to close when workers walked off the job and made it impossible to continue normal production"

He said the company was not in a position to give details of the number of people who walked out.

Meanwhile, Volkswagen announced yesterday after discussions with shop stewards that it would reopen most of its Uitenhage plant on Tuesday

A company spokesman said more than 75 percent of the workforce would start on Tuesday in order to enable full production to begin on Wednesday.

A union spokesman confirmed the decision had been reached after discussions with management.

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Motor giants idle in EP

AKus 9/8/82

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PORT ELIZABETH. — Most of the giant Eastern Cape motor industry was still idle today, following go-slow strikes and walk-outs last week, and there was little prospect of the wage dispute being resolved at another Industrial Council meeting.

It has been learnt that the three employer companies — Ford, General Motors and Volkswagen — would not improve their latest wage offer.

This offer, made on Thursday after a series of deadlocked council meetings and major work disruptions, has been rejected by the National Automobile and Allied Workers' Union (Naawu).

More than 10 000 Naawu members have sporadically disrupted the industry here in the past three weeks.

On Friday, after report-back meetings, thousands of them walked out again at General Motors and

Ford Volkswagen, which closed its Uitenhage plant early last week, announced today that after consultation with worker representatives it intended to open partially tomorrow and fully on Wednesday.

General Motors announced today that it would re-open on Wednesday after being advised by shop stewards that workers who had walked out at noon on Friday would return.

Ford's four plants were open today, but there was high absenteeism and a vital department, cut-and-sew, was at a standstill because none of the staff had arrived.

The director of industrial relations, Mr Fred Ferreira, said staff would be brought from other sections to get production going again. If this was not successful, large sections of Ford would have to close.

Naawu pulls out of negotiations

62 ~~1972~~ 1972
Cape Times 10/8/82

Gwa Correspondent

DURBAN. — The National Automobile and Allied Workers Union (Naawu) delegation yesterday walked out of the Eastern Cape motor industries' Industrial Council meeting and the union has withdrawn from present negotiations.

Naawu organizer Mr Les Kettleidas said: "As talk turned to whether the council should now apply for arbitration, we

made our position clear that we would not be party to such a decision."

Volkswagen and General Motors remained closed yesterday and Naawu members at Ford did not report for work.

New offer

A formal dispute was declared last month and the resulting Industrial Council meeting adjourned last Thursday when employers made a

new offer of R2.20 an hour — 5c up on their previous offer.

Naawu has demanded an immediate R2.50-an-hour minimum wage with six-monthly increases up to an eventual R3.25.

When the council reconvened, the union reported its members' rejection of the employers' new offer.

"Employers said they were not in a position to increase the offer and no further negotiation took place on the issue," Mr Kettleidas said.

The employers and the SA Iron and Steel Workers Union then decided to settle for arbitration and the Naawu union delegation withdrew from the council, he said.

Mr Kettleidas said the union had withdrawn because "we felt this was not the proper course of action to take, as it should have been settled between the parties concerned".

General Motors announced that its plant would not re-open till tomorrow. This followed Friday's walkout by the entire workforce.

At Volkswagen preparations were being made to open certain departments today. The Uitenhage plant shut down early last week following a go-slow by workers.

A company spokesman said the decision to re-open the plant had followed discussions with employee representatives. Production should be back to normal tomorrow, he said.

At Ford, the industrial relations manager, Mr Fred Ferreira, said all the plants were operative but there was a "fairly high" worker absenteeism.

According to worker reports only Ford's Cortina and engine plant were in full production.

10-day closing for Ford plants

62/63/64/65/66/67/68/69/70/71/72
 CAFE TIMES 11/8/82

Down Correspondent
PORT ELIZABETH — The Ford Motor Company yesterday announced that all its Port Elizabeth plants would be closed until August 20, after workers at the company's Neave plant had downed tools and walked out at midday.

Reaction Unit police in camouflage uniforms

were stationed at both Ford and General Motors yesterday and workers emerging from the Neave plant were told their gathering on the pavement outside the plant was illegal. They were given two minutes to disperse.

Workers said they walked out yesterday in protest at the firing of six of their colleagues and the

suspension of a seventh on Monday.

Ford's director of industrial relations, Mr Fred Ferreira, confirmed the dismissals saying the six had been fired for "their participation in the hooliganism at the plant on Friday".

He could not confirm the suspension of the seventh man.

It was reported on Friday that fighting between workers who downed tools and those who wished to continue their shifts had resulted in 11 people being injured.

However, the National Automobile and Allied Workers' Union (Naawu) said earlier this week that efforts to confirm the alleged acts of violence and intimidation had been unsuccessful.

'Saw no acts'

Workers interviewed said they did not know of anyone who had been injured on Friday and said they had not witnessed acts of violence.

The whole factory was closed last month after deadlock in wage negotiations in the Industrial Council for the motor-manufacturing industry in the Eastern Cape had sparked off a strike by more than 10 000 Naawu members.

The Volkswagen and General Motors plants were also closed.

Production has repeatedly been disrupted since the three companies reopened.

Mr Ferreira said Ford would be closed today "as a result of work stoppages". It would reopen on August 20.

Holiday pay

About 5 000 hourly workers affected by the closure would receive three days' holiday pay, he said.

At General Motors yesterday, several hundred people arrived for work to find the gates closed.

A Naawu spokesman said there was confusion about the reopening of the plant, which closed on Friday, because the union had not had time to contact all its members after being informed by management on Monday that the plant would reopen only today.

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Carl Rogers in SA Report.

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Sackings: GM plant shut again

Own Correspondent
PORT ELIZABETH. — General Motors again closed its Port Elizabeth plant yesterday after workers downed tools in protest at the firing of 17 colleagues.

It had reopened yesterday morning after three days of closure followed

the downing of tools on Friday.

Mr Peter Sullivan, the firm's manager of public relations, said the company had taken "disciplinary steps against certain employees" following "incidents of intimidation and/or violence and damage to company property" he

said occurred on Friday. It was anticipated that production would be normal again today.

Earlier this week spokesmen for the National Automobile and Allied Workers' Union (Naawu) said they had tried to get confirmation of the acts of intimidation and violence reported to have occurred at Ford and General Motors on Friday. It had been unsuccessful.

Mr Fred Sauls, the general secretary of Naawu, said it appeared the terms of the formal grievance procedure had not been adhered to in that the dismissed workers had not been given access to shop stewards.

If it was found that some of the dismissed workers were not union members, Naawu would seek power of attorney to act on their behalf.

The four Ford plants were closed yesterday after workers at the Neave plant downed tools on Tuesday in protest at the dismissal of seven workers.

A company spokesman said they had been fired "for their participation in the hooliganism which took place at the plant on Friday". He said the closure of the factory until next Friday was "because of work-stoppages".

● Last night Mr Sauls said he had been mandated by the union executive to write to all three companies to request a date to begin in-plant negotiations.

The union walked out of negotiations in the Industrial Council for the Motor Manufacturing Industry in the Eastern Cape on Monday when it was decided to refer the dispute in the council to arbitration.

NRP scoffs at PFP optimism

Political Correspondent
THE New Republic Party yesterday rejected as "far-fetched" Progressive Federal Party designs on some 60 constituencies, including all eight seats held by the NRP.

Mr Claude van Wyk, director of the NRP secretariat, discounted PFP suggestions that the NRP would be eliminated at the next general election.

"When South Africa is starting to realize the NRP has the only practical plan for power-sharing, we believe our time for growth has arrived."

He was reacting to a statement by the leader of the Opposition, Dr Van Zyl Slabbert, that the PFP planned to increase its 26 seats to a minimum of 45 at the next election. The PFP has since named the 60 seats it believes can be brought within its range.

Mr Van Wyk said that last year's general election results showed how far-fetched Dr Slabbert's predictions were. The NRP had polled more than double the number of votes drawn by the PFP in many of the seats the PFP now believed it

could win, with the PFP frequently coming third behind the National Party.

He rejected in particular the PFP suggestion that it could capture the Durban Point seat of the NRP leader, Mr Vause Raw, or other NRP Natal bases like Umhlanga, South Coast or Umbilo.

Another PFP target was King William's Town, the only Cape seat held by the NRP. Both the NRP and the NP had polled nearly double the number of PFP votes.

For the PFP to claim that Cape Nationalist seats like Algoa or Humansdorp were within its reach went "from the sublime to the ridiculous", he said. In Rosettenville and Turffontein, two Transvaal Nationalist seats earmarked by the PFP, the NRP had beaten the PFP

Accusing Dr Slabbert of having "a rush of blood to the head", he said the NRP had increased its number of public representatives in last year's election, after the PFP had predicted its demise with equal confidence.

Blast on airliner kills boy

HONOLULU. — An explosion believed to have occurred under a passenger seat killed a 16-year-old boy and injured four people just before a Pan-American World Airways Boeing 747 airliner landed in Honolulu yesterday, airline officials said.

All the casualties were Japanese.

The jumbo jet, carrying 270 passengers and 15

crew from Tokyo, was flying at 8 000 metres when the explosion occurred.

The inside of the aircraft was badly damaged and air pressure dropped, but the pilot landed the aircraft safely in Honolulu 23 minutes after the explosion, the officials said.

Police and the FBI are investigating whether the explosion was caused by

a device placed on board the airliner.

The aircraft, flight 830, had been scheduled to continue to Los Angeles

When air pressure dropped in the cabin, the pilot brought the aircraft down from 8 000 metres to 3 100 metres, airline officials said.

The injured were said by airport officials to be in satisfactory condition. — Sapa-Reuter



Whoops of joy and congratulations from the election results greeted Mr Stuart Collins and Ivan Hampshire. The first to hug Mr Collins was his wife.

Hampshire, Johnstone lose Divco seats

By JANE ARBOUS
 Municipal Reporter

TWO long-standing divisional councillors, Mr Ivan Hampshire and Mr Ronald Johnstone, suffered resounding defeats in yesterday's election while two newcomers, Mr Tony Powell and Mr Willie Schultz, scraped home.

One councillor, Miss Mary Olsen, lost her seat while another, Mr Dennis Lambert, kept his.

A large crowd of supporters greeted last night's election results with roars of approval and blowing of motor car hooters at the council's headquarters in Wale Street.

After a day of steady voting, the men who got in with landslide victories were Mr Stuart Collins in Ward 2's Oranjezicht/Vredehoek area and Mr Jasper Walsh in Ward 7's Claremont/Kenilworth area.

"It's nice to win," said a

stunned Mr Collins, drew 1 072 votes to former council chairman's 483 votes in a 20.6 percent.

Mr Walsh, a financial consultant, swept in 1 365 votes, 744 more than councillor Mr Johnstone.

In Ward 5's Observatory/Mowbray/Rosebank area, councillor Dennis Lambert held to a narrow 80-vote majority to defeat challenger Mr Ludi Borekenha. The lowest poll of 10.6 percent was recorded here.

In Ward 8 — Milnerton/Brooklyn — with the highest poll of 27.4 percent — Miss Olsen lost her seat to a newcomer, Mr Tony Powell, who won by 100 votes.

A Philippi farmer, Willie Schultz, defeated Mr Robert Leslie by 100 votes in Ward 11, which was vacated by councillor Mr Jimmy Earle.

Ford lays off 507 workers

CAPL TIMES 14/8/82 62

Own Correspondent
PORT ELIZABETH — Ford South Africa retrenched 507 hourly-paid workers yesterday — approximately 11 percent of its hourly workforce — because of South Africa's "worsening economic situation"

The workers knew only yesterday of the retrenchments when they received letters thanking them for their services to the company with their pay packets.

The letters told them all money owed to them would be included in the

packet, as well as a day's payment in lieu of notice

While the retrenchments affect workers in all the company's plants, the majority are from the Neave plant which has the greatest number of employees

Police

At Neave yesterday morning workers were paid through the fence while several police vans with Reaction Unit policemen in camouflage gear were parked outside.

No incidents were reported at any plant.

Last night the National Automobile and Allied Workers Union (Naawu) warned that the reaction of workers to the retrenchments "could not be expected to be passive and without resistance".

Shareholders

A statement issued by the union said that Ford had shown it protected the interests of its shareholders "irrespective of the repercussions on human life or the effects on any country it operated in".

In a statement issued yesterday the company said it had put off retrenchments for "as long as possible" through working short-time and by not replacing workers who left. This could no longer be considered "because of the impact on workers' incomes".

GM, VW

Mr Peter Sullivan, manager of public relations at General Motors, said yesterday the company had "no plans for any layoffs".

Volkswagen's manager of public affairs, Mr Ruben Els, said the company had "no definite plans for retrenchments at this stage".

● A Naawu spokesman said yesterday GM management had agreed to meet with union representatives to discuss a procedure for investigating the dismissal of 17 workers on Monday. They were fired for their alleged participation in acts of violence and intimidation.

He also said a general meeting of Ford workers would be held on Tuesday on the retrenchments.

R42-million lost in motor strikes

CAR, Times 13/8/82 62 ~~13/8/82~~ ~~15/8/82~~ ~~12/8/82~~

Own Correspondent

PORT ELIZABETH. — Two of the three strike-ridden Eastern Cape motor manufacturing giants, have together lost about R42-million in revenue and production and 11 400 workers have lost about R2-million in unpaid wages since the start of the troubles on July 15.

These figures were released by spokesmen for Ford in Port Elizabeth and Volkswagen in Uitenhage yesterday.

General Motors, which has 4 000 hourly-paid workers, declined to supply figures but said that

the effect on families in loss of earnings through work stoppages was of particular concern to the employers.

GM's assistant managing director Mr Rod Ironside, said that despite repeated appeals for responsible action and a realistic approach compensation, the economics of the situation were not being viewed on a rational basis.

Volkswagen's public affairs manager, Mr Ruben Els, said that with R96 000 as the daily pay packet for the company's 6 000 hourly-paid workers, unpaid wages totalled

more than R1-million in 12 working days lost from July 15 to Tuesday this week.

Mr Els said that over the 12 days the company had lost R24-million in production turnover.

Ford's public relations officer Mr Harry Hill said the company was working on a figure of R100 000 a day for its 5 400 hourly-paid workers.

In nine lost working days and six days of interrupted production, workers had lost about R1-million in wages.

The figure did not include Ford's present closure from Wednesday this week to August 20 during which workers would get three days' holiday pay.

With daily revenue losses estimated at about R2-million, the company had lost R18-million in the nine days' shutdown.

He expressed particular concern for the large number of workers who were compelled to lose earnings because of the actions of others.

Inevitable industrial consequences were that manufactured products had been curtailed and sales lost.

● Production resumed at General Motors yesterday, Sapa reports, leaving only Ford's Port Elizabeth plants closed after a strike, go-slows and walkouts in the Eastern Province motor manufacturing industry during the past month.

General Motors closed on Wednesday after workers downed tools when 18 employees were dismissed in connection with alleged assaults and damage to company property on Friday.

At Volkswagen, production returned to normal yesterday after the Uitenhage plant had closed last week when workers started a go-slow.

Union says sackings raise conflict chance

Weekend Argus Bureau
PORT ELIZABETH. —
 The mass retrenchment at Ford this week is seen by workers as an attempt to frighten them of calling further strikes, but it has raised the "conflict potential".

This was said today by the secretary of the National Automobile and Allied Workers' Union (NAAWU), Mr Fred Sauls.

His union's members have in the past month been responsible for an unprecedented wave of strikes in the Eastern Cape motor industry related to a protracted wage dispute.

MEETINGS

Mr Sauls said in an interview that a further line of action would be decided at a series of union-worker meetings early next week.

Ford announced yesterday that 507 workers were being laid off because of hardship in the industry. The company has already this year im-

plemented shorter weeks and short-time

The reaction of workers to their retrenchments "could not be expected to be passive and without resistance," Mr Sauls said

MANUFACTURERS

Contrary to frequent claims that the motor manufacturers in the Eastern Cape were there for the well-being of the community, Ford had shown it protected the interests of its shareholders "irrespective of the repercussions on human life or the effects

on any country it operated in."

Irrespective of the workers' decision, NAAWU would take up with managements the lay-offs and the sacking of six Ford workers and 17 General Motors workers for alleged "molestation" of other workers, he said.

The sackings led to walkouts at both plants early this week.

Ford then closed its operations until August 20, but General Motors has remained open

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

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

ARGUS
17/8/82

Union in ~~bid to~~ prevent layoffs

Argus Bureau

PORT ELIZABETH. — The National Automobile and Allied Workers' Union (NAAWU) has been negotiating with the Goodyear Tyre and Rubber Company in Uitenhage in an attempt to prevent the layoff of 75 employees.

The local secretary of the Federation of South African Trade Unions (Fosatu), of which NAAWU is an affiliate, Mr M Sam, said today Goodyear had told shop stewards it planned retrenchments soon.

The number of workers who would be affected had not been specified, but the union had been told by Goodyear the company had about 75 surplus employees.

Four employees have already been laid off this month.

Some departments in the Uitenhage plant had been working a four-day week since July and some had changed from a "swing shift" to a five-day week in an attempt to avoid retrenchments.

"We have met company representatives and suggest Goodyear should freeze employment, eliminate overtime work and not replace employees whose services have been terminated or who have resigned," Mr Sam said.

The company had accepted these proposals.

Goodyear's personnel manager could not be contacted for comment.

Cape Times 18/8/87
Workers criticize Hendrickse

PORT ELIZABETH — Friday the company Ford, General Motors and Volkswagen workers have condemned statements by the leader of the Labour Party, the Rev Allan Hendrickse, that their union does not have community support for its wage demands.

In another development, a meeting of Ford workers decided yesterday to return to work on

Friday the company reinstated 507 workers it retrenched last week.

Mr Hendrickse was reported to have said the National Automobile and Allied Workers' Union leadership was "abusing strikes as a weapon" and did not have community support for its "high demands".

The Ford company has closed its Port Elizabeth operations for 10 days until Friday because of repeated work stoppages after a breakdown in wage talks.

At yesterday's meeting, workers rejected the retrenchments and demanded that those paid off be reinstated. — Sapa

400 workers walk out at Ford

Own Correspondent

PORT ELIZABETH. — About 400 Ford workers walked out shortly after the company had re-opened its Port Elizabeth plants yesterday after a 10-day closure.

Ford, which together with General Motors and Volkswagen is involved in a wage dispute with the National Automobile and Allied Workers Union (Naawu), closed its plants last week because of continued disruption of production.

Ford's public relations officer, Mr Harry Hill, said "enough workers to resume normal production" had turned up at their Neave, Cortina and engine plants but workers at Struandale and the truck plants would not start work.

Mr Hill said they had

given no indication why they would not start work.

Naawu's regional secretary, Mr Les Kettledas, said all the Ford workers had refused to start work yesterday morning and demanded re-instatement of 507 workers retrenched last week. He said workers had only started work when company officials threatened them with dismissal.

The workers who walked out would return to work on Monday and further action would be discussed at a general meeting next week.

Both Naawu and the Motor Assembly and Component Workers Union of SA — which refused to participate in last month's mass Naawu strike — have demanded reversal of the retrenchment decision.

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Workers reject interim pay rise

ARGUS 28/8/82
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Argus Bureau

PORT ELIZABETH. — Workers who have in recent weeks staged work-stoppages at the three Eastern Cape motor firms last night rejected an offer by employers for an interim wage increase until the wage-dispute deadlock here has been resolved.

However, attendances at the trade union report-back meetings of Ford and General Motors workers were low compared to previous meetings.

Some observers see this as an indication that there is a break in their unity.

R2,50 AN HOUR..

About 1 000 workers attended the Ford meeting, including about 100 from the giant Neave plant which has been the centre of labour unrest.

About 500 were at the General Motors meeting and thousands of Volkswagen workers met in Uitenhage.

The workers last night reaffirmed their demand for an immediate R2,50-an-hour minimum hourly wage, which is an effective 50c increase on the minimum scale.

Argus Bureau
PORT ELIZABETH. —
The uncertain labour situation in the Eastern Cape has not only contributed to the temporary shelving of a R100-million expansion programme at Volkswagen, but has also delayed a multi-million rand expansion programme at Ford.

At the same time, both these giant companies are constantly looking for possibilities of expanding elsewhere, and Ford was meeting a delegation from Transkei on this issue today.

This picture emerged from inquiries today fol-

Labour unrest: Car plants hold up expansion plans

ARGUS 26/882 (62) 63/1982 192

Following the announcement yesterday by Volkswagen that because of the labour situation and the downward trend in the economy it has suspended decisions on any investment in the immediate future.

The third Eastern Cape motor company, General

Motors, which has also in recent weeks been hit by unprecedented labour unrest, issued a statement today warning about the negative effect of an unstable labour situation, and hinted that this might have delayed expansion programmes.

The public affairs manager of Volkswagen, Mr Ruben Els, said today that a R100-million programme to establish an engine plant, more training facilities and the introduction of new models was almost completed,

but that a further programme for R100-million had now been shelved.

Tenders for the new programme had already been called for, but no contracts would be signed, at least before the situation had changed.

'S VIEW

000 coloured people Chapman's Peak on the three distinctly at least half the Town. They were a naval dockyard or and the town, despite perceived itself as the town were two the living in poorer, Simon's Town and people also helped and exploiting the and herbs. These affiliated to the (ic) or to Islam. id valley between saking rural community 5, both by natural ded areas elsewhere, ing farms at Dassenberg h Hoek, although some the growing agro- ; Afrikaans speaking, ;) and very poor.

be doctors, by its own in the town. In the t that they were forced ; of Simon's Town recall dly and efficient re similar - "Dr. Alpha than a doctor. He

d by a dedicated and doctors who would . But the journey to d until the new False wn Hospital closed. former residents of most found the medical heir high regard for

2/.....

permission of

This background is important if we are to understand the nature of medicare facilities available to the people, and the attitude of the people towards them. Medicare is a set of resources defined by its function, which is to maintain and restore the health of a community, the individuals in the community defining "health" in their own terms for the most part. As such the expectations of the community concerning the physical uns and downs of life, and the knowledge and skills existing within the community, are vital components. The people of Ocean View brought with them a fund of folk wisdom, learned from their parents and their peers, and a set of expectations about the behaviour of doctors and the operation of hospitals, as well as ideas about normal levels of discomfort to be tolerated and normal levels of well-being appropriate to different age groups.

This paper treats medicare as a set of resources to be drawn upon by members of the community in exchange for some other valued element - time, money, in the humiliation, or discomfort additional to that which made them seek care in the first place. We assume that, given the knowledge available to them, the people make rational choices i.e. that they seek to maintain or restore their sense of physical well-being at the minimum expenditure of other scarce resources. This is not to reduce the exercise to one of formal economics, as the valued elements sacrificed in the search for medicare cannot themselves be reduced to a common monetary denominator. It does assume that people economise in terms of their own values and that it is possible to explain their behaviour in rational terms.

Part 1. The Folk System.

Ocean View people are not homogeneous. There are graduates and illiterates, some economically secure, many very poor, Muslims and Christians, devout and lapsed, alcoholics and teetotalers. They share, however, the heritage of Simonstown district (Whisson 1972) a network of kinship ties (Whisson 1976) religious associations and sporting links which ensure that information travels quite quickly from one group of people to another. The folk values regarding the pre-requisites of good health are fairly consistent across the whole population, though probably best articulated by the older people who have had most time and cause to ponder them.

Those who have enjoyed good health, or who have lived beyond the span of most of their peers, have little difficulty in explaining their good fortune. For some there is an implicit recognition that they have fulfilled their side of the Covenant of their faith in God. He looks after those who worship regularly and live cleanly, but this is not then taken to imply that those who suffer necessarily do so as a result of their own wickedness. Many, however, do suffer as a result of excess, notably through heavy drinking, and the moral is not lost on the healthy. Some put their good health down to their attitude of mind, and the way in which they express that attitude. "Fight it," they said, referring to any minor ailment. Those who take note of their every ache soon find that the aches multiply (Jerome 1903 : Ch 1) so one should ignore little aches and pains. "Avoid draughts, have plenty of sleep and eat the right sorts of food," was another bit of advice. A diet which includes plenty of vegetables and fruit (both more plentiful when people had their own well established gardens and plots in the peri-urban shanty settlements), not too much "greasy food" or starch, and not too "strong" i.e. heavily spiced, food is a fair consensus of the popular recipe for good health. Exercise, whether in the form of hard work, as recommended by a lady who had had at least five children under the age of ten living with her for all of the past twenty years, or in a more congenial form, was also recommended. The longevity of "the old folk" meaning both those still alive and those who had lived in the past, was ascribed to the physical toughness of their lives and the absence of vehicles to carry them about. One old man ascribed his failing health to the fact that

3/.....

~~#40A~~ 62
E. Post
27/8/82
Union
why were
the cops
called in?

MEMBERS of the Chemical Workers' Industrial Union (CWIU) at Colgate-Palmolive in Boksburg yesterday called on the company to account for the presence of Security Police during their protest march on Wednesday.

The workers said that when they were taking a petition to management on Wednesday special branch police were seen parked in the visitor's car park.

The industrial relations officer for the company, denied any knowledge of their presence.

A statement released by the workers said: "Management neglected decisions taken at a meeting with worker leaders. This caused grave dissatisfaction among workers who then decided to draw up a petition and took it to the personnel department themselves. The direct causes involve several minor and two major grievances which are a violation of the recognition agreement entered into by management and the CWIU."

The two major grievances were:

- Management doubled its operations in the boiler house but had refused to acknowledge pleas from the boiler attendants to take on additional labour.
- A fellow member, who had been operating a plant for the last three years, had been transferred to a lesser position on the grounds that he was nervous. This was done in favour of a non-union member.

TYCOON QUILTS AFTER CHURCH STORM ON S A

Weekend Argus
Correspondent

LOUISVILLE (Ken-
tucky). — Dr. L. Mil-
ton Woods, executive
vice-president of the
Mobil Oil Corpora-
tion, resigned as trea-
surer of the 3-million-
member Lutheran
Church of America
(LCA) last night.

He did so after the
Lutheran convention
called for withdrawal
of investments from
companies and banks
doing business with
South Africa.

DECISION-MAKER

Dr. Woods, who had
been church treasur-
er since 1972, told
stunned delegates he
was resigning as a
matter of con-
science, saying it
would be inconsistent

to remain in office
when Mobil did sub-
stantial business with
South Africa and had
more than 1,000 em-
ployees in South
Africa.

"You have directed
separation of this
church from corpora-
tions with holdings in
South Africa. You
should know that I
am one of the chief
decision-makers in
one such organiza-
tion.

He said Mobil had
equal employment
opportunity policies
in South Africa as far
as possible, paying
black employees sal-
aries equal to compa-
rable whites, training
blacks for advance-
ment and promoting
them to supervisory
posts over whites.

Lutherans resist

Over trade issue

Richard Walker
11/9/72

NEW YORK—The treasurer of America's largest Lutheran denomination dramatically resigned his post to protest an order instructing him to step up efforts to persuade companies to stop doing business with South Africa.

You should know I am one of the chief decision makers in one such organisation. Mr Milton Woods told the general convention of the Lutheran Church in America. As well as treasurer, Mr Woods is a vice-president of Mobil Oil Corporation.

Meeting in Louisville, Kentucky, the convention almost unanimously approved a resolution calling on the church's executive committee to intensify efforts to influence corporations doing business in South Africa to divest themselves of such activity — yet the delegates warmly applauded Mr Woods for his stand, which a church spokesman approvingly termed 'a matter of conscience.'

Debated

Mr Woods told the convention that his company employed more than 1,000 black workers in the Republic and was committed to equal pay and training programmes to raise blacks to supervisory positions.

The convention had earlier voted to join two other Lutheran bodies in forming a new church with 5,500,000 members, making it the third largest Protestant denomination in the United States — after the 13 million member Southern Baptist Convention and the United Methodist Church, which has 10 million.

The Lutherans in Louisville debated the South African issue for several hours before deciding also to sell off their own church's investments in companies active in the Republic, although the resolution instructed their financial officials to do so in a prudent manner.

Skills shortage 'forcing new look at SA laws'

ARGUS
14/9/82 (62)
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NOTE

Argus Bureau

NEW YORK. — South Africa's severe shortage of skilled labour is forcing the country to re-evaluate its repressive laws, the influential Wall Street Journal reports.

In an article in America's largest circulation national daily, associate editor Thomas J Bray writes that the skills shortage is one of the most striking aspects of the South African economy, and is both good and bad news for the country.

Mr Bray recently visited South Africa for three weeks and interviewed prominent South Africans, including business leaders and economists.

LIBERTIES

He writes that the shortage of skilled staff is bad news because it reflects decades of apartheid in which blacks were stripped of political and economic liberties by whites, restricted in where they could live, denied equal access to training and education, prevented from holding higher paying jobs reserved for whites and denied property and voting rights.

It is good news because it has forced a re-evaluation of those laws. As a result, job reserva-

tion has been largely abolished, blacks are freer to move where the jobs are and to hold property if they can earn enough to buy it.

SPENDING

Spending on black education and training is soaring, wages are rising and trade unions are being allowed, he says.

However, adds Mr Bray, "it is debatable whether anything fundamental has changed or is likely to, simply as a result of economic forces".

South Africa, he says, is a democracy for its whites and a police state for its blacks.

"The pass laws, Group Areas Act and security legislation that give the white minority almost total control remain a dismal fact of life."

CHANGE

But there has been political movement, and much of it has been driven by the economy.

In spite of the backlash against modest steps taken by the Government, most observers believe there has been a fundamental change, "if not in the political structure, then at least in the climate of opinion".

Mr Bray says sections of Soweto would do credit to affluent suburbs anywhere in the world, but it is not easy to for-

get that it is a "bedroom reservation to which one million must return by law after working in even the most glittering white areas".

He says on balance economic growth seems to offer the best climate for non-violent, lasting change in South Africa. It creates space for political development.

TRAP

In conclusion, Mr Bray warns that the "reform" path in South Africa may lead into the trap of buying social peace with

increasing social spending on education, housing and income transfers since the Afrikaners have always favoured strong State intervention in the economy.

"It is a fair question whether the white elite, in spite of its rhetorical commitment to the marketplace and free enterprise, is in much of a position to resist the social welfare demands of the black, coloured and Asian majority, even if they don't become fully enfranchised."

Examiners' Initials		

WARNING

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

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

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

62 U.S.S.A. 18/9/82
 Mercury
 company

formed

JOHANNESBURG— The formation of a new company which will specialise in all aspects of power-generating plants and jointly American and South African-owned in the ratio of 51 percent to 49 percent, was announced in Johannesburg yesterday by Mr Steve Boyazoglu, chairman of Engineering Management Services (EMS), a 100 percent Murray & Roberts group subsidiary.

The company is a joint venture between WMS and the Stone and Webster Overseas Group of U.S. and will trade under the name EMSAW.

Mr. Boyazoglu said at a launching function that a strong technical base would be supplied by the American group, while the engineering skills would mainly come from EMS.

EMSAW would provide power-generating services — industrially, technically, advisory, and all other allied services ranging from small industrial generating plants to nuclear stations.

- a) where.....
- b) to whom.....
- c) for what additional.....
- d) has this been granted.....
- e) if so, when.....

In the light of the 1979 amendments to the Industrial Conciliation Act, could you please indicate if your union has made any application for extensions in scope. If so,

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

AFFILIATIONS TO INDUSTRIAL FEDERATIONS CONTINUED:

money to produce it. ... use. Phone her at 648-2508.

One firm 3 schools

Star 20/9/82

62

During the past five years, Colgate Palmolive in Boksburg has channelled almost R90 000 into the three East Rand schools it has adopted.

The schools are the Bafo-Shiko lower primary and Matiyotenga higher primary schools in Daveyton, and the Kutloanong higher primary in Vosloorus.

The bulk of the money which the firm has sponsored has gone towards improving physical facilities at the schools.

"We adopted our first school at Kutloanong, in 1977 and the schools in Daveyton in 1980," said Mr C H Magid, the personnel manager of Colgate Palmolive.

"Kutloanong was a bare shell when we adopted it. We have in-

stalled ceilings, electricity, burglar guards, and cement floors. A security fence has also been erected around the school."

Similar repairs have been done at the schools in Daveyton.

"In addition to the repairs we've sponsored, Colgate has provided a box library at each of the schools. We also intend providing audio-visual facilities for the schools," Mr Magid said.

He added that the company was considering sponsoring bursaries for teachers who wished to improve their qualifications.

"Once we've accomplished what we set out to do at these schools, we will adopt other schools where there is a need for upgrading," he said.

Star
20/9/84

Spotlight on US businesses in SA 62

The Star Bureau
NEW YORK —
Leading South African political, business and labour leaders meet in Pennsylvania this week for a major conference on the responsibilities of American businesses in South Africa.

About 50 top American business leaders from 40 companies with interests in South Africa will attend the conference, sponsored

by the Yale School of Management and organised by a group from Yale and Harvard.

Chief Gatsha Buthele, Chief Minister of kwaZulu, Mr Frederik van Zyl Slabbert, leader of the Progressive-Federal Party and Mr Barend du Plessis, Deputy Minister of Foreign Affairs and Information, are among the South

Africans due to attend.

Mr Bo Baskin of Yale, a co-chairman of the conference, said its purpose was to "try to introduce issues which will enable firms to choose policies promoting equal opportunities."

Topics to be raised include trade unions in South Africa, community development, disinvestment and the role of the US Government.

The conference, officially titled "United States firms in South Africa: Responsibilities, Risks and Opportunities," will take place at the Buck Hills Inn Convention Centre in the picturesque, Pocomo Mountains, from tomorrow to Thursday.

Former Assistant Secretary of State under the Carter Administration, Mr Richard Moose, and Mr Frank

Wisner, Deputy Assistant Secretary of State for African Affairs, will be among the Americans present.

Former Sowetan Committee of Ten member, Mr Leonard Masala, Mr Tony Bloom, chairman of Premier Milling, and Professor Herbert Adam, Canadian author of several books on Afrikaner power and politics, will attend.

Argus Bureau

NEW YORK. — Top South African political, business and labour leaders are gathering in Pennsylvania this week for a major conference on the responsibilities of American businesses in South Africa.

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Chief Gatsha Buthelezi, Chief Minister of Kwazulu, Dr F van Zyl Slabbert, leader of the

US businesses in SA under the spotlight

Argus 21/9/82

62

Opposition, and Mr Bar-end du Plessis, deputy Minister of Foreign Affairs and Information, are among the South Africans scheduled to attend.

Mr Bo Baskin of Yale, a co-chairman of the conference, said the purpose of the conference was to "try to introduce issues which will enable firms to choose policies

promoting equal opportunities".

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Former assistant Secretary of State in the Carter Administration, Mr Richard Moose, and Mr Frank Wisner, deputy assistant Secretary of State for African Affairs, will be among the

Americans present.

Former Soweto Committee of Ten member, Mr Leonard Masala, the chairman of Premier Milling, Mr Tony Bloom, and the author of several books on Afrikaner power and politics, Professor Herbert Adamm, will also attend.

The conference will be closed to the Press and public.

SECTION 10

Isolation will unfetter a siege mentality

by Cheetah Haysom
New York Staff
Reporter

BUCK HILL (Pennsylvania) — Mr Tony Bloom, chairman of the Premier Milling group, has told top United States executives here that political and economic isolation will intensify the "siege mentality" in South Africa.

Addressing a conference on American businesses operating in South Africa organised by the Yale School of Management, Mr Bloom warned yesterday that isolation would be a "negative, retrogressive step" that would persuade South Africans to accept "otherwise unacceptable formulae."

It would "intensify the paranoid siege mentality which ripples below our national psyche," he said.

"The stifling of United States interests would remove a positive and constructive influence and would cause hardship and suffering among those who need help most."

South Africa was at the crossroads, he said.

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

"If, on the other hand, South Africa was to choose the other road, cling to the obstinacies of the past, retreat into its heavily armed white stockade and embark on another disgraceful wave of arrests, bannings, detentions without trial, then — though I have no doubt we will survive — the period ahead is not going to be a pleasant one"

The responsibility for the choice was heavy. It was here that America and its political and economic interest could make a lasting contribution.

Those companies operating in South

Africa could ask themselves some questions, Mr Bloom said:

- Are wages for blacks in their companies advancing fast enough?
- Have they moved toward equal pay for equal work and do they provide equal opportunities?
- Are they spending enough time, money and effort on training their workers?
- Are they promoting on merit alone and seeking out blacks with the required qualifications for managerial positions?
- Can they do more to improve the living standards and job opportunities for workers?
- Are they contributing to workers' lives outside the job?
- Are they giving enough support for philanthropic projects which will benefit all sections of the community?

● Are they speaking out on matters of national importance such as detentions, removals and group areas?

Another speaker, Mr John Kane-Berman, said the South African Government planned to enact one of the cruellest and most massively destructive laws.

Mr Kane-Berman, a member of the executive committee of the Institute of Race Relations, said that the proposed Orderly Movement and Settlement of Black Persons Bill would be the most drastic piece of apartheid legislation since the pass laws were extended to include women in the 1950's.

It was possible, he said, that attempts to confine increasing numbers of blacks to the homelands would be one of the major causes of racial conflict in South Africa in the years ahead.

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Paper No.

(to be copied from the heading on the Examination Paper)

Initials		
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NOTE CAREFULLY

1. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.
2. Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.
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Buthlezi: Whites greedy

Washington Bureau

WASHINGTON. — Much of the suffering in South Africa could be traced to irresponsible capitalism, white economic greed and businesses that are immune to the pleas of black people, the Chief Minister of KwaZulu, Chief Gatsha Buthlezi, said yesterday.

"For me as a black South African what is perhaps worse even than the brutality of the violence that maintains apartheid is the attitude of those who grow fat under apartheid," he said.

Speaking at Yale University, New Haven, at the conference on American business in South Africa, Chief Buthlezi said many South African and foreign businesses in private agreed with everything he said, but in fact had visions that "only extend to this year's balance sheet and next year's business".

He attacked the Prime Minister, Mr P W Botha, saying the net result of Mr Botha's premiership had been a move towards hard-

line politics.

"In his term of office we are facing an attack on human dignity unparalleled in the annals of South Africa's political history."

He said he rejected the policy of violence adopted by South African organisations in exile as "unparalleled in futility" since it had failed for 25 years.

Economic sanctions too were not viable because they would not cripple the economy.

By contrast with the "failed strategies" of violence and economic sanctions, and the reliance on the reform promised by Mr Botha when he became Prime Minister, Chief Buthlezi proposed "constructive involvement in the internal process of change".

Welding people into viable groups by forming constituencies in which disciplined leadership could act was the function of Inkatha.

Inkatha's mass support was the beginning of the constituency politics which would eventually drive apartheid into a future "political chamber of horrors", the chief said

APR 21 1962
Du Plessis

denies he

shocked

Americans

Argus Bureau

WASHINGTON. — The Deputy Minister of Foreign Affairs and Information, Mr Barend du Plessis, called a Press conference here yesterday to say a report of remarks he made at the Yale School of Organisation and Management was "totally distorted."

Mr du Plessis reiterated his view that foreign employers should be aware that unions were being misused for political purposes.

He said again that employers should "isolate the responsible elements" by making it clear that such activities were disapproved of. But this did not imply that employers should become policemen.

"We are talking about attitudes. If a trade union which allows itself to be misused for political purposes should feel cold winds coming from the company, then the Government can say it has an ally in furthering the proper goals of trade unionism."

He said he had encountered no "negative" reaction at the closed meeting.

However, participants maintained today that his remarks had caused amazement and shock.

200 laid off by motor firm

O. Dispute 1/10/87
PORT ELIZABETH — About 200 workers were laid off yesterday by General Motors, due to deteriorating economic circumstances. Mr Rod Ironside, assistant managing director of GM, said in a short statement there had to be "some adjustment in the workforce in line with economic conditions."

He said about 200 workers would be involved in this "adjustment" and that this would be effective from yesterday.

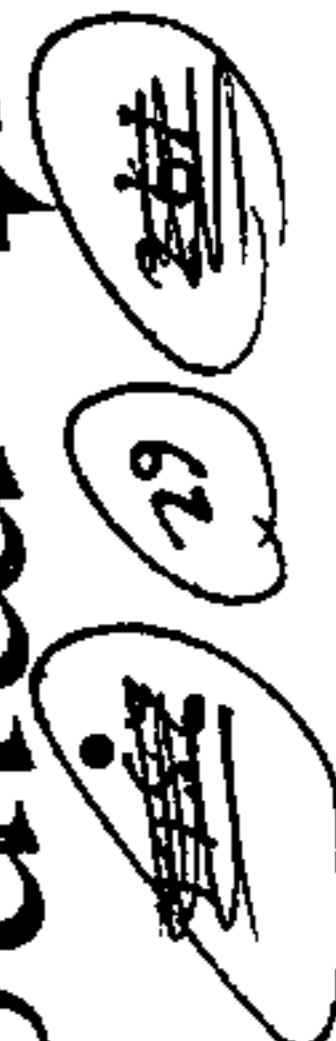
(b2) (USA)
"This act is regrettably necessary but unavoidable after we have had to adjust the work hours and shifts to the maximum extent possible within the context of operating a motor plant," Mr Ironside said.

Officials of the National Automobile and Allied Workers' Union (Naawu) could not be contacted for comment.

Naawu has been involved in a lengthy wage dispute with GM, Ford and Volkswagen since July. — SAPA.

PE plants turn out mine-proof bakkies

CME Tavis 2/10/82



Own Correspondent

JOHANNESBURG.—Farmers in the border areas of South Africa will soon be able to buy expert-designed bakkies, protected against mines, modified in the assembly plants of Port Elizabeth.

The threat of anti-personnel and larger vehicle mines laid on the main roads of Rhodesia in the 70s prompted farmers there to build their own protected vehicles—often with disastrous consequences.

The type of metal sheeting they attached to their vehicles was often the wrong kind and armour was added in the wrong places with the result that the vehicle was perhaps more vulnerable and slow after modification than in its original form.

For the past five years Erikssen-Ford have been building the Ribbok, a special mine-protected truck with an armour-plated cabin they call the "safety cocoon". Complete with bullet-proof windows and firing portholes, the Ribbok is a cannibalized farm truck with enough protection to save the lives of occupants should the vehicle activate a landmine.

Farmers, contractors and quasi-government officials in SWA/Namibia have been using the Ribbok in their daily work which often takes them through areas where landmines have been laid in past years. With an underbelly lined with armour-plated metal and shaped in a V-formation to spread the mine shrapnel, the "safety cocoon" has been tested under extreme stress conditions.

What makes the R30 000 Ribbok unique in the civilian protection field is the special armoured material it is made of. The material and workmanship has to be inspected and passed by Armscor, the South African weapons producing giant. Erikssen-Ford have the Armscor franchise to produce the Ribbok, and as such have been allowed to use the armoured materials and design.

"At present we are selling the Ribbok to organizations and individuals in SWA/Namibia, where the threat of landmine activity is a real one," said a director for the company, Mr Shaun Butler.

"But should the situation arise in South Africa where farmers might need specially protected vehicles, we will be ready to serve them."

20m 28/9/82
62

US state is to vote on SA disinvestment

By RICHARD WALKER

NEW YORK. — Sponsors predicted certain victory in a vote to be cast today to withdraw up to R300-million in investments from Massachusetts State companies and banks doing business with South Africa.

"It should be with the governor for signing by the end of the week," said a spokesman for Mass Divest, a coalition of trade union, church, student and other groups that has lobbied the state authorities for three years.

The influential Boston Globe newspaper backed the Bill at the weekend and its passage is said to have been assured by legislators.

"To say disinvestment is a dying issue is naive," said Mr Dumisane Kumalo, projects director of the American Committee on Africa and the only disinvestment advocate at last week's Yale University conference on South African business.

Mr Kumalo said American delegates at the gathering were "shocked" when Mr B J du Plessis, South African Deputy Minister of Information, suggested political activists should be weeded out from South African unions.

"The corporations see working with the unions as their best defence against disinvestment."

Invasion Fraser's bug

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ted to cash, then sell
to a promoter

The promoter con-
verts cash into shares
in a new company
which is then sold back
to the original owners
and the books of the
original company are
destroyed

The promoter takes
20 percent and the re-
maining 80 percent is
returned to the owner-
in non-taxable capital
gains. (Australia does
not have a capital
gains tax). By this me-
thod company tax of 46
cents in the dollar is
avoided as is personal
tax which would be 60
cents in the dollar of
the income the people
involved in these
schemes would earn.

Critics of the Prime
Minister's move argue
that, apart from the
fact that many share-
holders in these compa-
nies did not know what
was happening, there
was nothing illegal in
these artificial com-
pany transactions when
they were undertaken

The Liberal Party is
divided not just on the
principle of retrospecti-
vity.

The tax avoidance in-
dustry grew out of the
mining boom in Austr-
alia of the late '60s and
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unes were made in
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Many of those who
made fortunes were
not traditional conser-
vatives but they joined
the conservative parties
and donated large
sums of money to the
Liberal Party and its
coalition party, the
National Country Par-
ty.

Mr Fraser's move is
threatening to drive
them out of the Liberal
Party and, if they
leave, they will take
their campaign funds
with them. — AP

Detention without trial wa-
 queried several times at the
Yale conference addressed
by Mr Barend du Plessis.

Message to Pretoria from Yale

The Deputy Minister of
Foreign Affairs, Mr
Barend du Plessis, was
asked to take a mes-
sage back to Pretoria
from last week's Yale
conference on Ameri-
can business operations
in South Africa

A participant said
that after the Deputy
Minister's address he
asked Mr du Plessis
to tell Pretoria that
South Africa was not
judged by the same
standards as countries
like Uganda or Cambo-
dia.

South Africa was
judged by higher stan-
dards. Therefore, it was
difficult for American
and Canadian bu-
sinesses to defend their
operations in South
Africa when reports of
action such as deten-
tion without trial per-
sisted

It was one of several
occasions at the con-
ference in which the
absence of "due
process" in "security"
measures, especially
among trade unionists,
was raised, according
to participants

Mr du Plessis caused
a stir at the conference
with some of his re-
marks in his address
and — mostly — in
reply to questions he
was asked about due
process being followed.

He gave the impres-
sion that he was asking
for employers' co-opera-
tion in weeding out
political unionists.

Many people in
America consider as
repelling the concept
of sniffing out "politi-

Cheetah Haysom
reports from
New York

South African Govern-
ment in their dealings
with unions, especially
in any form of poli-
cing

The domestic pres-
sure on US firms in
South Africa, and their
important relationship
with their own shop
floors, demands it

American business-
men who understand
that black unions in
South Africa are
community-based wan-
ted to know what the
South African Govern-
ment defined as "poli-
tical activity."

And that is why the
deputy minister was
asked by a questioner
to define political acti-
vity. Mr Du Plessis said
it was hard to define,
but the government
knew.

Americans said they
considered his remarks
naive and inappropri-
ate. They were disap-
pointed

The South African
Government and its of-
ficers may consider
due process a "liberal"
concept. They may
have done so for so
long they forget the
meaning of the term.

In countries like the
US, however, the right
of a person to be
charged and tried and
their right to "due
process" is not "liber-
al." It is conservative,
fundamental to the
principles on which the
republic was founded.
It is a republican deal.

So, American bus-





and Secretaries of State . . . !"

The Standard, London

and — mostly — in reply to questions he was asked about due process being followed.

He gave the impression that he was asking for employers' co-operation in weeding out political unionists.

Many people in America consider as repelling the concept of sniffing out "political" people, and using the police to curb union activity. It is reminiscent of the days of union-bashing and McCarthyism — periods most Americans consider a dark part of their country's recent past.

More important to American corporations is the fact that they cannot be seen co-operating with the

long they forget the meaning of the term.

In countries like the US, however, the right of a person to be charged and tried and their right to "due process" is not "liberal" It is conservative, fundamental to the principles on which the republic was founded. It is a republican deal.

So, American businessmen are disturbed by abrogation of due process (especially perhaps, when it happens to employees of their own subsidiaries in South Africa, and is reported in America).

When the deputy minister was asked what due process was followed in the cases of unionists who engaged in political activity, he said (according to those who were present at the conference hearings, as this reporter was not) that they were charged when there was evidence. Others were put away for a while.

The last phrase stuck in the minds of many people. "They were incredulous," said Mr John Kane-Berman, the financial writer who gave the keynote address.

They did not say so to Mr du Plessis. It would have seemed discourteous. There was no ill-will towards him. But the conference delegates said it among themselves.

When asked about deaths in detention, Mr du Plessis said attempts were being made to make cells suicide proof.

His audience was "incredulous" again.

Americans, even those who sympathised with Mr du Plessis and applauded the government attempts that he outlined in his speech to improve facilities and education for their workers, do not look at cell suicides the same way.

To them, the question is why detainees want to kill themselves. To then describe attempts to make cells suicide proof, as if suicidal intent was presumed, is to miss the point — at the very least.

And at the worst, it is to suggest that standards in South Africa are not quite as high as the man with the message for Poria said they were. Star Bureau

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A million wish to be martyrs

Sadegh Ghotbzadeh, the man who helped the Ayatollah Khomeini seize power, has been executed for opposing him. Ghotbzadeh's disillusionment is symptomatic of growing discontent with the regime. Recent reports refer to an undeclared civil war. For the first time the mullahs are having trouble recruiting young men to fight in the war against Iraq and are enacting draconian legislation against draft dodgers.

But Khomeini's supporters are still determined to export their Islamic revolution. Yussuf Nazeer, a reporter on The Star visiting Tehran, gives his impression of their zeal.



Khomeini . . . world challenged.

the revolution which deposed the dictator Shah.

The colossal cemetery contains more than 100 plots each of 10 000 readied graves. Three plots with 30 000 war dead already filled. Among these are hundreds of young soldiers aged 13 to 15. They are known as the "child warriors of Allah." Photographs of the martyrs are mounted

above the graves.

One young mujahideen in particular is 13-year-old Shaheed Mohammed Hussein Famedar who strapped grenades and mines to his body and then charged under an Iraqi tank coming through a pass followed by other tanks.

His suicide mission blew the tank to a stop, blocking the pass with other tanks behind. The report says the boy volunteered to do it his way after his regiment ran out of anti-tank shells.

The martyred school-boy's feat gave the Islamic concept of jihad and shahadat (holy crusade and martyrdom) a pragmatic impetus to the degree where revolutionary spokesmen here claim that more than a million Iranian Muslims committed to Islam are now projecting a death-wish syndrome for the cause

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Why I WANT more American companies here

(62) (MAD) S. Times 26/9/82

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

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

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

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

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

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

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

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

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

Visitor

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

And every time a black visitor to South Africa is

By
**TONY
BLOOM**



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

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

South Africa is worth doing.

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

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

There are often-heard objections to co-operation in the sporting and cultural fields — based on the prem-

ise, and correcting patent injustices.

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

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

Courage

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

I have urged business and professional leaders to be

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

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

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

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

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

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

Chaos

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

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

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

- Have they moved towards equal pay for equal work and do they provide equal employment opportu-

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

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

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

Will it contribute towards the goal of equal opportunity?

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

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

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

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

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

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

Interest

US corporations can and must assist in this process — it is to their own commercial and economic, political and moral advan-

by withdrawal.

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

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

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

Visitor

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

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

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

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

Anything that promotes and influences the material wellbeing of workers in

chief executive officers of leading United States companies with major interests in South Africa.

South Africa is worth doing.

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

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

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

Values

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

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

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

Africa, and correcting patent injustices.

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

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

Courage

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

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

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

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

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

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

— persuading him to change his attitude."

Chaos

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

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

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

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

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

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

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

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

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

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

US interests in South Africa — economic growth in South Africa can only be beneficial to the process of dismantling apartheid generally, and the faster the growth, the faster that process will be.

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

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

Interest

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

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

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

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

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

● Mr Bloom is chairman of Premier Milling.

I was right to hit out at SABC

By JOHN MATISONN
Washington

DEPUTY Minister of Foreign Affairs Mr Barend du Plessis says his tour of White House and State Department media offices this week proved he was right to complain about the SABC.

"My statement in Bloemfontein was by no means a demand from the side of the Government that Ministers should get unlimited time on the air to make speeches and announcements," he said in an interview in Washington.

During his week in the United States Mr du Plessis found that every word of President Ronald Reagan was carried on television — "even live on one occasion on all three TV networks".

On subsequent news programmes the issue was digested.

"We have a lot to learn, and we can take a leaf out of the media in the US," he said.

"Those private networks regard it as normal to present and interpret these announcements to the public in such a way that people can understand what they are about.

Implications

"It's not the intention that Ministers should stand there and talk for hours to explain the implications. Communications specialists are much better equipped to do that.

"If an announcement is made that affects John Citizen's life it is correct to expect of a statutory body like the SABC that it get its specialists involved to present and interpret its implications to the public, in such a way that people can understand what it's all about."

'We've a lot to learn from U.S. media' — Barend du Plessis

Mr du Plessis made courtesy calls on Dr Chester Crocker, Assistant Secretary of State for African Affairs, and senior State Department officials, attended a State Department briefing, and looked over the White House media system.

"I don't know how we've been able to get along without these systems so long," he said.

"We have made substantial progress with installations at the Union Buildings, and it can only be of the greatest benefit to South Africa to establish effective channels of communication between the media and Government."

The daily briefings at the State Department, White House, Pentagon and elsewhere and the regular background and deep background briefings enabled the media to understand the material, he said.

Their procedures made people in government accessible to the media.

Mr du Plessis said he viewed in detail the White House equipment and facilities.

He was involved in his second controversy since he became Deputy Minister of Foreign Affairs and Information when he told a conference at Yale University this week that foreign firms should isolate those who misused South African trade unions for political purposes.

He called a Press conference in Washington after the incident was reported in the South African Press, and pointed out that he did not expect firms to fire union members.

But he wanted them to be aware of the problem, and to speak out so that alleged political activists "feel the cold winds".

Then at least the Government would know it had allies in those firms, he said.

BAREND DU PLESSIS
'The people need to know'

26/9/82

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

Internal	External
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pieces of paper or other material
brought into the examination room
are so instructed.

Not to communicate with other
candidates or any person except the invigilator.

The answer book is to be torn out.

The answer book must be handed to the invigilator before leaving the examination room.

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

329 159 (b2) RDM 25/9/82

US firms back 'due process'

By JOHN MATISONN

WASHINGTON. — The controversial remarks of Mr Barend du Plessis, Deputy Minister of Information, at a Yale University conference were taken to mean the Government would like American firms to isolate political agitators in trade unions so that action could be taken against them, according to the conference's closing address.

Mr John Kane-Berman, freelance journalist and author of "Apartheid and Business", referred to the Mr Du Plessis' remarks, without naming the Deputy Minister, to show that some American businesses were becoming constructively engaged in terms of the Sullivan Principles with South Africa to get their views across.

Constructive engagement was evident at the conference in the response of participants to remarks which were taken to mean the Government would like to see US firms isolate political agitators in the unions so that action

could be taken against them, he said.

Mr Kane-Berman told the conference that, as he understood it, the conference had made it clear American business did not approve of violations of the due process of law.

This message was an example of constructive engagement for which every person in detention, or threatened with detention, was indebted to the businessmen who took that view at the conference, he told delegates.

He agreed with Mr Du Plessis that the Government deserved credit for the positive advance in Government policy which allowed black trade unions to be recognised under the law.

One American businessman told Mr Du Plessis that due process of law was a strong American tradition — that individuals accused of a crime should be prosecuted, not detained without trial.

During lunch and tea breaks a number of businessmen expressed surprise that a South African Deputy Minister could convey the impression American businessmen were expected to condone or co-operate with procedures which

ignored due legal processes, Mr Kane-Berman said in an interview yesterday.

"It was quite clear to me from a variety of opinions that Americans reacted with incredulity that a Government spokesman would expect them to condone detention without trial", he said.

In his closing remarks Mr Kane-Berman, the conference's keynote speaker, said there had been a quiet revolution in the attitudes of managements to black unions in the 12 years he had reported on the South African labour scene.

A trade unionist at the conference, Mr Halton Cheadle, was banned in 1974 after being active in the revival of the union movement in Durban.

"I am sure that, with the exception of two or three businessmen, the business community would have welcomed it," Mr Kane-Berman said.

Yet at the conference businessmen had expressed concern about detentions without trial, influx control, large-scale resettlements, and the de-nationalisation of over a 7-million black South Africans.

62
CASE Times 25/9/82 ~~#32~~ ~~#8~~ ~~#13~~

'Political' element in unions: SA warning

WASHINGTON. — Mr Barend du Plessis, Deputy Minister of Foreign Affairs and Information, wants United States firms in South Africa to "be aware of and isolate those who misuse trade unions for political purposes" — but not to get rid of them.

Mr Du Plessis called a press conference at the South African Embassy in Washington on Thursday to deny a report in an afternoon paper that he had called on US firms to rid their black unions of political elements.

He said the report was an unfair distortion which would jeopardize the participation by "certain categories of people" in this type of conference in the future.

'Extremists'

The conference he was referring to was held behind closed doors by the Yale School of Organization and Management on

the risks, opportunities and responsibilities of US firms in South Africa

In his speech, released to the press by the embassy in Washington after the news report had appeared, Mr Du Plessis called on employers to "see to it that extremists do not use the union movement for purposes other than achieving legitimate rights of workers".

Because labour reform occurred before political reform in South Africa, the trade union movement presented opportunities to "those bent on the destabilization of South Africa" to use the unions for political purposes, he said.

"Where employers have shunned their responsibilities by taking no steps to condemn such activities and to isolate those who misuse unions for this purpose, action

had to be taken by the police.

"As a result, the government is accused of giving rights by passing legislation and removing them by police action."

'Misuse'

At his press conference, Mr Du Plessis said that after he had referred to "appropriate action" by US firms, he was asked at the conference if that meant the government expected US firms to police the unions.

He had replied that the government did not expect that. Foreign companies should simply be aware of the misuse of unions for political purposes when that occurred.

"If a union is misused, it should feel cold winds. "It should get the impression from employers that that portion of their activities is not popular," he said in Washington yesterday. — Sapa-AP

CANDIDATE MUST enter in (1) the number of each question d (in the order in which it has swered) ; leave columns (2) and k.

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Paper No. 1
(to be copied from the heading on the Examination Paper)

NOTE CAREFULLY

1. The answers only on the right hand pages will be marked. The left hand pages may be used for rough work, but no credit will be given for such work.
2. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.
3. Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.
4. Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.

WARNING

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

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

62 103 RDM 15/10/82

GE quits KwaZulu venture

GENERAL Electric, of the US, the world's most diverse manufacturing company, has pulled out of a major mining project in South Africa, apparently because of political pressure.

Company officials in Johannesburg said the decision by Southern Sphere Mining — a subsidiary of Utah International, which is in turn owned by General Electric — to sell its stake in a planned R160-million anthracite mine in

kwaZulu was influenced by anti-apartheid pressure in Connecticut where GE has its headquarters

The Connecticut legislature has taken steps to forbid the state's pension fund investing in companies with interests in South Africa

The investment, which would have been the largest by any US company in South Africa in recent years, was to have been a joint venture between Southern Sphere and Gencor, each company paying an equal share of the cost

A Gencor official confirmed that Southern Sphere

had agreed to sell its prospecting rights to Gencor for R16-million, payable in four equal annual instalments.

An official of General Electric South Africa said the decision did not affect GE's other investments in South Africa, centred on the domestic appliance and electrical equipment industries. These interests had grown markedly in recent years.

Southern Sphere's withdrawal from the kwaZulu venture is in sharp contrast with the actions of many of the more than 360 US companies with investments in South Africa which have sub-

stantially expanded their operations in the past year or two.

According to the US Department of Commerce, US investment in South Africa was valued at \$2 630-million at the end of 1981 compared with \$2 320-million in December 1980

A New York report says General Electric said "Utah International decided not to pursue the kwaZulu coal venture because the project did not meet the criteria upon which allocation of resources are based" — Financial Times

SA plays host to 200 at US seminar

Stw
12/10/82

62

By Neil Lurssen
Own Correspondent

WASHINGTON — More than 200 American business executives and congressional aides are to attend a seminar staged by the South African embassy in Washington this week on the challenge of political and economic growth in South Africa.

The keynote speaker is the South African Minister of Internal Affairs, Mr. F. W. de Klerk, whose address tomorrow will be "South Africa: New political horizons."

It will be the fifth such annual seminar in the US for the American business and political community.

Attendance in past years has varied from 150 to 180 delegates. Provision is being made for more than 230 this week.

Other speakers are Mr. Marius de Waal, managing director of the Development Corporation of South Africa, Dr. Simon Brand, senior financial adviser to the Prime Minister and a professor at Unisa, Dr. Chris Stals, senior vice-president of the SA Reserve Bank, and Mr. Piet Liebenberg, former chairman of the Finance Bank.

Their themes include new regional development programmes, economic planning for growth and stability and investment in South Africa.

The South African ambassador to Washington, Mr. Brand Fourie, will chair the two-day seminar.

A call for economic disengagement from South Africa was made in Washington last week by the American Friends Service Committee (Quakers) at a Press conference to launch a new book based on a two-year study on conditions in South Africa.

Mr. Lyle Tatum, a member of the group that produced the book "South Africa: Challenge and Hope," said the recommendation for disinvestment had not come easily to the authors but they believed such pressure could make a significant contribution to fundamental change.

WHAT'S ON

(62) 19-10-82

Look below the surface, US is told

By John D'Oliveira
The Star Bureau

WASHINGTON — The South African Government aimed at stability based on the ability to broaden participation in democracy and the free market economy.

This point was made to about 200 leading American businessmen here yesterday by Mr F W de Klerk, Minister of the Interior and leader of the National Party in the Transvaal.

Mr de Klerk was speaking at a banquet in a Washington hotel for the participants in the fifth annual symposium

on South Africa organised by the South African Embassy here.

Highlight of the event will be the keynote address by Mr de Klerk today entitled: "South Africa — new political horizons."

Last night he said American businessmen who looked below the surface in South Africa would see a political structure which en-

sured stability for the present while it addressed the challenges of the future.

"Businessmen will understand that true stability means the ability to look forward and not backward.

"True stability means the ability to anticipate and accommodate change — the ability to broaden participation in democracy and the

free market economy without the destruction of democracy and the free market economy.

"That is the course upon which my Government has embarked."

Earlier Mr de Klerk said the stability of South Africa was one of the anchors which secured prosperity in Southern Africa.

The sooner the free

world realised that South Africa had this anchor role to play in Southern Africa, the better it would be for everyone.

Mr de Klerk said he believed this realisation was dawning on South Africa's neighbours.

"There is a growing tendency towards better relations in the economic field between South Africa and some of its neighbours."

He said the Government's new economic decentralisation programme "is the starting

To Page 3, Col 6

The Bookie's Bet

The Bookie's Bets for tomorrow's race meeting at Newmarket are: Best Bet — VETO in the second race, and Best Eachway Bet — CACTUS JACK in the fourth race.

(62) 19-10-82

'Look below the surface'

▶ From page 1

point for something really big in South Africa."

At the same symposium, Mr Brand Fourie, South Africa's ambassador to the United States and key Namibian negotiator told the audience the overriding issue at the moment was whether Cuban troops would leave Angola.

He said there had been hopeful signs, but matters were not moving "at a pace that we would have hoped for."

"As far as South Africa is concerned, we have done everything we undertook to do, and we intend to do everything we have undertaken to do," Mr Fourie said.

"We hope a solution will be found because there are few things which would help the stability of the area to a greater extent or create greater international confidence.

"For the time being one should, perhaps, let the pot simmer and not stir it to the extent that it boils over."

PE motor

workers on
4-day week

PORT ELIZABETH —
Two motor assembly
plants here, Ford and
General Motors, will
work a four-day week
from next month.

General Motors in
Kempston Road closes
tomorrow and will
work its short-time
operations from Tues-
days to Fridays.

Ford will work a
four-day week every
other week.

GM's PR manager Mr
Peter Sullivan said the
effects of the economic
downturn had com-
pelled GM to adjust its
production schedules.

"On present outlook
it may be necessary to
continue working a
four-day week," he
said.

Ford's employee rela-
tions manager Mr Dirk
Pieterse said economic
factors had made a
four day week neces-
sary at the Cortina
plant in Struandale. —
Sapa.

Ford and GM go on four-day week

PORT-ELIZABETH. — Two motor assembly plants in Port Elizabeth, Ford and General Motors, are to work a four-day week from next month.

GM closes today and will work its short-time operations from Tuesdays to Fridays. Ford will work a four-day week every other week.

GM's public relations manager, Mr Peter Sullivan, said the effects of the economic downturn had compelled the company to adjust its production schedules. The decision to adjust schedules was in keeping with the company's undertaking to minimise the potential for retrenchments.

Ford's employee relations manager, Mr Dirk Pieterse, said that because of economic factors affecting the motor industry, the Cortina plant at Struandale would be working a four-day week on alternative weeks.

Meanwhile, about 85 workers, or 10% of the work force at the Hella (SA) lighting equipment company in Uitenhage, were retrenched yesterday.

The company said the step was necessary because of the economic slowdown and because the company had been affected by the short-time worked by many of its major customers. — Sapa.

VW to work

short week

E P O S L
22/10/82 Post Reporter



THE Volkswagen motor plant, in Uitenhage will work a four-day week twice next month but, unlike its Port Elizabeth competitors, Ford and General Motors, this is not connected with the downturn in the economy.

VW's public affairs manager, Mr Ruben Els, said today the plant would probably close on November 8 and 22.

This was due to a "structural change-over" and was not related to a cutback in production, he said.

Yesterday Ford and GM announced that they would be working shorter time in the future.

GM was closed today and production will resume on Tuesday — but the firm may continue with a four-day week. Ford's Cortina plant will work a four-day week every alternate week from Monday.

str 26/10/82

US pushes education along...

By Moira Levy



At the end of last year 174 black schools had been adopted by American companies in South Africa within the requirements of the Sullivan Code.

Sullivan's sixth principle says signatory companies should involve themselves in 'improving the quality of employees' lives outside the work environment in such areas as housing, transportation, schooling, recreation and health facilities.'

Out of that the Sullivan Principles Education Committee's Adopt-a-School project was born in 1978.

The education committee chairman, Mr John L K Brett, said: "Our 12-man committee is multiracial and is a microcosm of our society."

"At our meetings we interview the people who come for help. Then we write to all our members and they give what resources, knowledge or influence they can."

A committee document says: "Among the reasons for the high drop-out rate (in black schools) are the physical facilities. Without electricity, heating or proper construction, the schools become an unpleasant setting."

"Beyond these physical factors is the absence of equipment like typewriters, mimeograph machines, books and visual teaching aids. Further, there is also the question of the curricula."

At the end of last year, the education committee reported more than R1,5-million had been spent on the project during two years.

One of its greatest achievements was Soweto's Pace College.

"We also raised almost R9 000 from American companies for St Anthony's College in Reiger Park, Boksburg," Mr Brett said.

40 years' service to Africa

Mercury 27/10/82 (62)

THE United States shipping company, Lykes Lines, is celebrating 40 years of association with Africa and is also busy deciding on what vessels to build in its fleet replacement programme.

In Durban to mark the 40th year of service to Africa, Mr Stewart Le Blanc Jr, said: 'Lykes pioneered intermodalism, the combination of water and rail or truck transportation, in the African trade.'

'Today intermodal shipments represent a major part of our business, especially westbound from South and East Africa. Our intermodal business has grown by leaps and bounds.'

'We are in the midst of a major study to determine what kind of ships to build in our fleet replacement programme. The African trade and the growth of intermodalism in the trade figures prominently in our planning,' he said.

Lykes provides a regular direct service between all the US Gulf ports and South African ports like Durban, Cape

Town, Port Elizabeth and East London.

The line has its own supervisory control office in Durban, with Mitchell Cotts acting as master agents for Lykes in South Africa, which liaise with company offices in the US. Through them, imports and exports are arranged between Africa and US Gulf, West Coast and Mid-West centres.

Typical commodities shipped from Africa are coffee, tea, copper and sisal, while trade into Africa is mainly in manufactured and semi-manufactured goods, with a substantial amount of shipments from relief projects.

The line's ships in the Africa service handle all types of cargo — breakbulk, container, bulk, heavy and oversized pieces.

End of

E Rose 9/14/82
**Turning
point ⁽⁶²⁾
for GM
in US?**

Business Editor

GENERAL MOTORS, parent company in the United States of GM (SA), has produced third-quarter results which suggest the collapse in the company's fortunes may have reached a turning point.

Granted that the after-tax profit of R129.4 million (R149.4 million) just reported represents a paltry 41¢ a share, the significance of the results is that during the same quarter last year GM's \$468.6-million (R541.1-million) loss left ordinary shares bearing a loss of \$1.59 (R1.83) each. The net profit amounts to only 1% of sales turnover.

In a statement on the results, GM says worldwide factory sales for the quarter ended September amounted to just over 1.5 million units (up 133,000).

However, while domestic sales revenue rose 7%, worldwide sales contracted by 12%. Behind the turnaround in profitability, says GM, is continuing success in controlling costs and increased earnings from non-consolidated affiliates.

US firm to launch SA operations

Shipping Reporter

CARLTON Container Services are to act as deconsolidation and sales agents for an American company following the conclusion of recent negotiations.

The company, Davis Turner and Company, will offer services through Durban to Zambia, Zimbabwe and Malawi.

Vice-presidents Jack Cook and Fred Sherman said during a recent visit to South Africa that their decision to start a weekly service into South African ports, including Johannesburg, from Chicago, Boston, Philadelphia and New York, had been brought about by the increased traffic opportunities fol-

lowing the Reagan administration's encouragement of increased trade with the Republic.

Davis Turner and Company have been involved in the American freight industry for more than a century and have been consolidating cargo worldwide for the past 10 years.

(24) (62)
Steiner

cuts ^{S. Times}
^{21/11/82}
into SA
market

STEINER Services Corporation of Salt Lake City, Utah — the world's largest in the field of garment, linen, towelling and related hiring services — has now captured by far the largest slice of the South African market through its South African affiliates.

With factories in Cape Town, Port Elizabeth, East London and on the Rand, it renders comprehensive services to the manufacturing industry, says Dr Jan Marais, who joined the Steiner Services Group board recently.

The group services large vehicle manufacturers, the service industry, office complexes, shops, restaurants and hotels, says Dr Marais.

The international company employs a staff of 2 000 in South Africa and operates more than 300 factories worldwide including the US.

The group's progress illustrates the international trend towards hire rather than purchase with its problems of capital investment, stock-keeping, cleaning and replacement.

VIGOROUS CAMPAIGN AGAINST AMERICAN INVESTMENT IN APARTHEID

US computer giants are the target of Quaker action

BY CHESTER PIERCE

NEW YORK — The Society of Friends — better known as the Quakers — has launched a \$10-million campaign to 'discourage' United States computer companies from investing in South Africa.

Launched in Pennsylvania, where the sect has its headquarters, the campaign is initially aimed at computer companies but will later include companies such as Ford and General Motors.

Thousands of bumper stickers have been printed and are awaiting distribution to the many Quaker congregations in the US.

Another important part of the campaign will be to focus American attention on Robben Island political prisoner Nelson Mandela.

Several hundred thousand petition forms calling on the South African Government to release Mandela are circulating on American university campuses.

The first shot fired in the anti-South Africa campaign was the publication of a book entitled 'Automating Apartheid'.

Published by the Quakers in co-operation with the

United Methodist Church Board of Global Ministries and the World Campaign Against Military and Nuclear Collaboration with South Africa, the 110-page book sets out the heavy involvement of the American computer industry in South Africa.

The book claims that the majority of large American computer manufacturers regularly circumvent the American arms embargo by supplying sophisticated computer technology to both the South African Defence Force and the South African Police.

It sets out in detail the number of contracts awarded to American computer Government and quasi-Government organisations.

The compiler and principal researcher of the book, Mr Thomas Conrad, said research done by several anti-apartheid groups in various parts of the world had shown that South Africa was dependent to a very large extent on the US for its computer hardware.

"Our research showed that 75% of all outright sales and 77% of all computers leased to South African clients were of American origin."

system" — what the book calls "the very foundation of the apartheid system".

Every computer firm active in South Africa is mentioned in an appendix at the back of the book, complete with address and the number of people the company employs in South Africa.

The Quakers aim to bring direct pressure on the US Government and indirect pressure on legislators by forming pressure groups with a view to influencing elections.

Mr Conrad said: "We plan to expose the inequities of apartheid as and when they occur. We have started a campaign to bring pressure to bear on congressmen and senators."

"To us, these facts indicated an Achilles heel. Because of that we decided to focus our attention on the computer industry in South Africa."

"There is little doubt that it will hurt the South African Government gravely if we can succeed in diverting American computer technology from South Africa."

Much of the information in the book was gleaned from South Africa and sources mentioned prominently in the preface are publications such as the SADF's 'Paratus' and 'Armed Forces', the police magazine 'Servamus', and 'Electronics and Instrumentation', 'Management' and 'Security and Protection SA'.

Computer firms mentioned are such giants as IBM which, according to the book, supplied the system that controls the 'pass book

is not clear on letter if that creation will receive wider coverage as a result of the increase in profits. This move is a result of the market (dollar vs rouble) falls on the market value of shares are contracts of a long-term horizon over a long period, the mistake in its real value. Premiums on sales & new insurance companies shareholders (insured) but done so incorrectly & as expected, new sales firms no would have not their profits result increase will take to a short price level. The and in the realises this time transfer. It means less to us eg. German 1920's market.

CONT →

"This involves informing them of how American equipment is being used to bolster the white regime in South Africa and getting them to launch legislation to prohibit the sale of American computer technology to South Africa — much the same way as American technology is being withheld from the Soviet Union."

He claimed it was possible to bleed South Africa dry of the required technology and hardware "within a fairly short space of time" because of the heavy American involvement in the computer industry worldwide.

"While it might theoretically be possible for South Africa to get hold of some computer hardware from countries in Europe and the Far East, almost all of the mainframe computers in the world are still based on American technology. And while they may be made under licence in Germany, France or England, the technology still belongs to the United States."

He said that while the campaign "looked promising" much remained to be done before there was a chance of such legislation being passed by the American House of Representatives.

But he said, "we will continue until such time as companies like IBM, Sperry Univac and others have seen the error of their ways."

Times
Film giants in SA link-up ^{5/12/82} (62) (29)

By Don Robertson

THREE of America's largest film studios, Paramount, Universal and MGM, have joined forces in South Africa to launch a new video hire company to handle their products exclusively.

The new company, CIC-MGM/UA Video, will be the largest single distributor of video products in South Africa, and has given warning that it will take an active role in combating piracy of titles — a practice rife in the industry.

The three partners have more than 5 000 feature films which can be released for the local market, but the initial launch will consist of 15 titles including major films such as "The Godfather", "Battlestar Galactica", "2001, a Space Odyssey" and "The Sting".

Managing director John Smithers, formerly managing director of Gallo Communications, told Business Times that a major marketing campaign would be launched to coincide with the Christmas trade, and that regular newsletters would be distributed through carefully chosen distributors advising customers of new titles.

It is expected that each of the partners will release between 30 and 40 new titles a year, and that by the end of 1983 the company hopes to

have about 40 000 tapes on the market.

Mr. Smithers warned that the company would deal severely with any dealer infringing copyright and that strong civil action would be taken.

He estimates that about 75% of the R25-million-a-year industry is made up of parallel imports — those tapes that are brought in from overseas and hired out — and pirated copies.

The remainder comes from legitimate distributors such as Gallo and Warner. Infringement of copyright is also policed by the Motion Picture Association of America, which has representation locally.

The company has adopted a pricing policy which should be of advantage to distributors. It is intended to charge a fee of R25 a month per title for a minimum period of six months.

Mr. Smithers believes that the market will continue to grow at a rapid pace in spite of the economic climate, and that sales of VCRs are currently running at about 4 000 units a month.

As a result, he expects other producers such as Columbia, 20th Century Fox and Ster-Kinekor to enter the market early next year.

Sullivan Code findings point to black training need

'Progress' on race by US-SA firms

62

97

12/12/82

S. Tribune

Finance Reporter

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

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

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

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

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

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

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

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

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

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

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

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

service is supervised by a black.

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

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

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

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

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

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

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Strike case withdrawn

Labour Reporter

The non-appearance of two witnesses caused an Intimidation Act case against two members of the Metal and Allied Workers' Union to be withdrawn in the Brits Regional Court yesterday.

Mr Ernest Lutswela and Mr Jacob Magahakwe were arrested and charged in Brits in September after a strike at B & S Engineering over the dismissal of a worker.

Yesterday the prosecution withdrew its case after Mawu opposed an application for a postponement.

Union protests at ban on township meetings

Labour Reporter

Local authorities in the Lydenberg area have banned all meetings in a rural township for two months.

The Metal and Allied Workers' Union, which represents a majority of the workforce at the nearby Tubatse Ferrochrome plant at Steelpoort, has condemned the ban, saying it is directed at the union.

The ban comes in the form of a decree from the Chief Commissioner for the De-

partment of Co-operation and Development in Lydenburg. Mr Phillip le Grange.

It prohibits any meeting in the township of Eerstegeluk and provides for a R1000 fine or one-year jail term if the ban is broken. The decree also provides for restrictions on future meetings once the two-month period has expired.

A Mawu spokesman said the ban directly affected their meetings with members of the Union Carbide subst-

diary where they hold a recognition agreement.

The spokesman said that Mr le Grange had informed them that the ban was implemented because some workers had been intimidated by union members. Mawu denied this, he said.

The ban allows only for religious meetings, funerals, weddings and other community functions. In future, applications will have to be made to the Chief Commissioner 72 hours in advance.

Buthelezi said.

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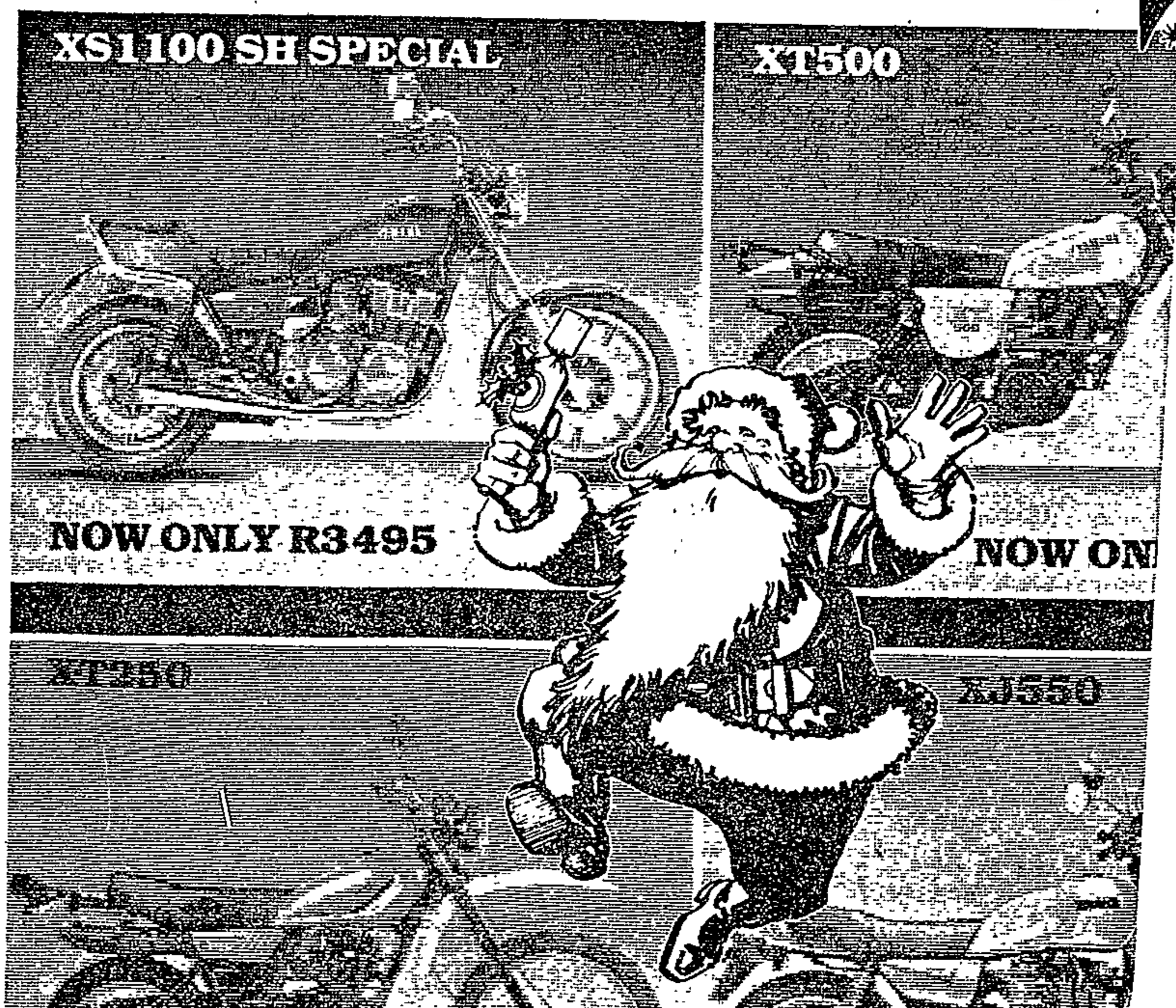
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(62) ~~288~~ O. Dispatch
24/12/82
**Governor briefed
on disinvestment**

NEW YORK — The Governor of Massachusetts, Mr. Edward King, ended a private meeting with a former South African editor, Mr. Donald Woods, still doubtful whether to sign a bill withdrawing state funds from companies that do business with South Africa.

The Governor can veto the bill but can only do so up to December 30. Otherwise it will become law with or without his signature.

At stake is about R115 million in pension funds. If the bill goes through, a major boost will be given to the disinvestment campaign against South Africa. Mr. King's attempt to amend the bill to exempt the sale of about R43 million

worth of bonds until they recover from their currently depressed values was rejected by the Massachusetts legislature when it passed the bill earlier this month.

A spokesman for the legislature's black caucus, who accompanied Mr. Woods to the meeting with the Governor, has complained about Mr King's attitude.

Mr. King said he was happy to listen to Mr. Woods but remained concerned that pension portfolios could lose money through disinvesting.

A black caucus official said Mr King listened attentively to Mr Woods for about 15 minutes, but asked him no questions.
— DDC.

housing provision."

The scheme is unique in that Mobil chose to provide housing, not for their own employees, as is becoming increasingly common, but rather simply in recognition of a social need.

The project was developed through Build a Better Society (BABS), a self-help organisation in Cape Town's Kewtown, with whom Mobil has had a long association. "It became clear to us that any self-help projects attempted in the Kewtown area were hindered by the chronic housing shortage. So the project simply grew out of BABS's self-help philosophy," says O'Malley.

A profile of project applicants indicates that over half lived with their families in one room — usually in their parents' house or flat.

Estimates of the housing shortage for coloured people in the Peninsula vary between 40 000 and 70 000 units, and many people have been on the Cape Town City Council's (CCC) waiting list for more than 15 years. Last year the Department of Community Development estimated that 21 700 houses would have to be built annually over the next five years to meet the backlog and cope with the natural increase.

Townhouse project

The townhouse project was developed at a cost of R1,3m and consists of 50 housing units designed in Georgian style; 37 are duplexes and the rest single-storey units. Each unit consists of a living-cum-dining area linked to a kitchen, and has three bedrooms and a bathroom.

Each unit cost approximately R18 000, including infrastructure. In 1992 tenants will have the option to buy the houses for R9 000 (including the cost of land) when Mobil's lease on the CCC-owned land expires. Present rental tenants pay only R66 a month — lower than equivalent houses in Mitchells Plain.

However, the possibility of future home ownership is an important motivating factor for the present upgrading of houses. O'Malley says: "We're monitoring conditions closely, and it is too soon to draw categorical conclusions. But people are reacting very positively with continuing alterations to the basic structure."

The criteria for acceptability to the scheme were that income levels should be not less than R250 a month and not more than R500 a family. Applicants had to be members of BABS, have their names on the council waiting list for Kewtown and be actively involved in community life. Mobil was not involved in the selection process, which was conducted by BABS with help from sociologists.

A community centre to serve the entire Kewtown community is scheduled for completion in March next year. O'Malley says that "when the community centre is completed, we will be running people development projects which will increase our involvement in the community."

Financial Mail December 17 1982

and Turkey which now provide economic rates of return on the original investment.

Bridgman says the scheme will be "absolutely voluntary" and he expects the response to be good.

FM 17/12/82
BLACK HOUSING

Mobil homes

There are umpteen ways for the private sector to heed PM P W Botha's appeal for involvement in the provision of black housing. But few have been tried. Now Mobil SA has broken new ground with the development of a townhouse project on the Cape Flats, believed to be the first example of a subsidised housing project developed by the private sector for non-employees.

According to Mobil's Public Affairs Manager, Patrick O'Malley: "The housing problem is so acute that we believe private sector involvement is essential if a solution is to be found. We want to stimulate private sector involvement and hope this project has a catalytic effect. We want to demonstrate a workable option and develop a model demonstrating the possibility of meaningful private sector involvement in

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62

FIRM
FOREIGN_^ TRADE — U. S. A.
1983

JAN. — DEC,

SAAS' DIRTY KITCHENS

2/1/83
S. Express

SOUTH African Airways will spend R90-million on a new American catering service after firing the caterers which have supplied passengers with meals for 40 years.

New firm to move in on air meals

SAAS' DIRTY FOOD SECRET

By CHRISTINA PRETORIUS

At the same time, the kitchens at Jan Smuts airport, condemned as unhygienic earlier in the year, will be refurbished to international standards.

About 400 South African Transport Service workers who will lose their jobs when the change takes place at the end of this month have been offered other work.

The change comes just four months after the Sunday Express reported that health inspectors from British Airways and the State Health Department had condemned the kitchen

2 920 000 meals and refreshments served on flights each year.

An important part of the contract is that the caterers will spend R2,7-million renovating the kitchen at Jan Smuts airport where international flights are prepared for SAA and other international airlines.

When BA health inspectors visited it on a routine inspection earlier this year they found the food prepared there to be dirty, the Express was told, and the airline immediately cancelled its contract with SATS.

The BA inspectors were reported to have found an unacceptable bacteria count in food there.

The report was hotly denied at the time but now SAA has signed a contract with Marriotts International Services a multi-billion rand American catering company to prepare the

SAAS is cleaning its dirty kitchens

From Page 1

International Service said his company's contract with SAA also includes a five-year renewal clause.

"The kitchens at Jan Smuts airport are definitely not up to Marriotts or international standard."

"We will be refurbishing them over a period of three months starting next month," he said.

Marriotts are due to take over the kitchen on February 1. Healthkit sources say the investor contract is worth R9-million a year.

The SATS catering unit fell under Railways and the air department either by Marriotts or by the law.

A spokesman for SAA denied the "dirty" allegation had anything to do with the decision to move their catering to Marriotts.

"We decided that because Railways had their hands full trying to cater adequately for the rest of SATS and

were battling with a severe staff shortage, we would move our business to Marriotts," he said.

"To us it is beneficial. We are in a competitive situation and are trying to provide the best service possible for our passengers," he said.

Marriotts was voted one of the 35 best-run companies in America in 1982 and is expected to make a profit of R3 billion during the 1982-83 year.

The company began in 1927 as a small Washington food-beer stand. Wilford Marriott's son, drink business entrepreneur, eventually provided financial assistance to airline. It now serves in a line.

A spokesman for SATS said Railways would not be involved as a result of SAA's new contract.

"Although we have been catering for SAA for more than 40 years we had an internal contract with them. There will be no loss for us although SAA will now have to start paying their new caterers," he said.

"There has been some competition about the food being served on the domestic and international flight."

"There is enormous competition on international routes."

"When you get down to it the fares are the same whether you fly SAA or another airline — the real competition is based on service and facilities," he said.

SAA carries 4-million passengers annually on 17 628 flights — domestic and international.

A spokesman for SAA said Marriotts would offer passengers a "greatly improved" catering service.

"As proof of their professionalism Marriotts are able to provide 16 separate menus per meal."

"They are absolute experts. If their field and will be able to concentrate solely on providing a consistent service," he said.

Mr. Marcano said it was not clear that the airline had decided not to bid.

"There had been some competition about the food being served on the domestic and international flight."

"There is enormous competition on international routes."

"When you get down to it the fares are the same whether you fly SAA or another airline — the real competition is based on service and facilities," he said.

Station to bring cheer to firemen on standby duty. Picture by PIERRE OOSTHUYSEN

The Editor and Staff of the Sunday Express wish to express a happy birthday to...



Station to bring cheer to firemen on standby duty. Picture by PIERRE OOSTHUYSEN

Michigan moves to stop SA investment

Mall Correspondent

WASHINGTON. — The State of Michigan — which includes the US car-manufacturing capital of Detroit — has passed a law which will force all state universities to sell their shares in companies that operate in South Africa.

It was written as an amendment to the state's Civil Rights Act forbidding racial discrimination and signed into law by the Republican Governor, Mr William Milliken, on his last day in office on New Year's Day.

The law says these institutions must sell all shares — valued at more than R50-million — in companies operating in South Africa within 15 months.

It was enacted over the strenuous objections of the Ford motor company, which operates a car-manufacturing plant in Port Elizabeth, and the giant University of Michigan, which alone has almost R40-million invested in companies that are active in the Republic.

The companies affected are expected to include Ford, General Motors, IBM and a number of other American companies which are among the largest in the world.

"Several anti-apartheid groups, under the umbrella of a Michigan State coalition against apartheid, were fighting for this law," said Mr Dan Sharp, chief aide to Mr Perry Bullard, a representative in the Michigan State legislature, who sponsored the legislation.

Religious groups have been pressing for a variety of laws prohibiting government money being used to buy shares in South Africa-related companies, he said.

The trade unions "passively supported" the Bill, Mr Sharp said, though their state has one of the highest rates of unemployment in the US — 17%, or 735 000 workers — as a result of the decline in sales of American cars.

One of the strongest reasons for the Bill's passage was that Michigan State University sold its holdings in companies operating in South Africa in 1979 — and made more money than if it had maintained them, Mr Sharp said.

Michigan State University took the decision to slowly sell its holdings in these firms in 1979. As a result, it sold its shares in Citicorp, Coca-Cola, Dow Chemical, Eastman Kodak, Exxon, Ford, General Motors, IBM, Minnesota Mining and Manufacturing, Pepsico, Upjohn and Xerox.

The total effect of the changes — including changes made for purely business reasons — was a profit of more than R1-million. But a spokesman for Michigan State University said many of those sales might have been made anyway as straightforward investment decisions.

"Nevertheless, that was a powerful argument we used to show that universities would not lose by it," Mr Sharp said.

"This is part of a national divestment movement to bring pressure on the South African Government to modify its

apartheid policies."

Last year the Massachusetts legislature passed a Bill calling for withdrawal of certain state funds from firms active in South Africa. The Bill was vetoed by the conservative Democratic governor, Mr Edward King, who has since been replaced by a liberal Democrat.

The University of Michigan opposed the Bill on the grounds that it supports the Sullivan principles, which set a code of conduct for American businesses in South Africa.

The State of Michigan has become an increasingly active area for debate about South Africa, since two of the best-known US spokesmen on South Africa come from that state.

Dr Howard Wolpe, the chairman of the Congressional Sub-committee on African Affairs and who is the congressman for Kalamazoo, Michigan, supported the Bill on withdrawing investment.

Mr John McGoff, the Muldergate publisher and friend of Dr Connie Mulder, the former Minister of Information, who still maintains an office in Lansing, the capital of Michigan, opposed it.

The town of Grand Rapids, Michigan, which was represented in Congress for 25 years by Mr Gerald Ford, later to become President, passed a limited Bill against investment last year.

The new law requires state universities and colleges to sell their shares in South Africa-related firms by April 1, 1984.

(62) R04
5/11/83

Move to block SA investment

BOSTON — The Massachusetts State Senate yesterday overrode by a 23-5 vote Governor Edward King's veto of a bill barring public pension fund investments in companies doing business in South Africa.

But supporters of the measure — a response to South Africa's apartheid policies — had just hours left to try for a similar overriding vote in the House of Representatives.

If there is no final action by midnight, the veto will be sustained because the 1982 session will dissolve automatically.

Senator Jack Backman, the principal sponsor, said more than 100 religious, labour and civic organisations backed the legislation. Endorsers said this would be a moral message of protest against South Africa's racial segregation policies.

Mr King said he supported the concept, but added that mandatory disinvestment

could cost the pension funds millions of dollars. He sent the Bill back last month for revisions, but the legislature declined to change its stance.

The disinvestment would be accomplished over three years. The proposal bars investments in banks or other financial institutions that directly or indirectly have outstanding loans to South Africa.

Also, "no assets shall remain invested in stocks, securities or other obligations of any company doing business in or with the Republic of South Africa". Proceeds from the sale of securities must be invested in Massachusetts firms "as much as reasonably possible".

Senator Paul Doane said this would cost pension funds R22-million or more "and would not benefit blacks in South Africa". He said this type of economic boycott had not succeeded in the past. — Sapa-AP

2011
13/1/83
62

Bill to divest public money

By SIMON BARBER
Washington Bureau

WASHINGTON — The district of Columbia, home of the US capital, is the latest entry in a growing roll of states and municipalities seeking to divest public money from firms doing business with South Africa. Borrowing directly from legislation passed in Philadelphia last year, DC Council member Mr John Ray has introduced a Bill that would divest about R182-million in district pension funds from such institutions as Chemical Bank, Chase Manhattan, Manufacturers Hanover and Citibank. This represents 72% of DC's total pension fund investments.

If passed, the Bill would give the city two years to complete the divestment process. Ironically, the financial consultant who will be handling the reinvestment is with Shearson American Express which has ties with SA.

Mr Ray's Bill, which is currently at the committee stage, also prohibits the city from carrying on its day-to-day financial operations with South Africa-related banks.

One such bank is Riggs, with which the South African Embassy does business.

The Bill's chances of success are high. Washington's population is over 70% black and the Mayor, Ms Marion Barry, is a former civil rights activist.

Similar legislation is expected shortly in Minnesota, Kansas, California, Oregon, Texas, and the cities of Minneapolis and St Paul.

This is thought to involve a total of sum about R300-million in funds to be divested.

Friday, January 14, 1983

(62) Cape Times
**Another US
state calls for
divestment**

From SIMON BARBER

WASHINGTON — The District of Columbia, home of the United States capital, is the latest entry in a growing roll of states and municipalities seeking to divest public money from firms doing business with South Africa.

Borrowing directly from legislation passed in Philadelphia last summer, DC council member John Ray has introduced a bill that would divest about \$182 million in pension funds from such institutions as Chemical Bank, Chase Manhattan, Manufacturers Hanover and Citibank. This represents 72 percent of DC's total pension fund investments.

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American Express, which has ties with South Africa.

Mr. Ray's bill, which is currently at the committee stage, also prohibits the city from carrying on its day-to-day financial operations with South African-related banks.

One such bank is Riggs, with which the South African Embassy does business.

Like laws passed recently in Massachusetts and Michigan, the bill ignores compliance with the Sullivan Principals.

Its chances of success are high. Washington's population is over 70 percent black, and Mayor Marion Barry is a former civil rights activist.

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62

THE ECONOMIC SCREW

NEW YORK — In two years the campaign to end American investment in South Africa has achieved several major victories, involving hundreds of millions of rands.

In the '70s the campaign was centred on university campuses where its success was limited and its student support was vocal but small.

The investment issue has come up in resolutions at shareholders' meetings. Overall it achieved divestment of small sums, but got considerable publicity.

But since 1980 the campaign, led by a South African expatriate, has turned its attention on the legislatures in American States and cities. There it has won considerable success — from Republicans as well as Democrats.

Mr. Dumisani Kumalo, co-ordinator of the effort, said the response in the local authorities has surpassed his own expectations when he started to target them three years ago.

In an interview Mr

Kumalo said that South Africans were mystified how the campaign could be successful at a time when the President, Ronald Reagan, was "on South Africa's side."

"The answer is that Reagan is out of tune. The American people, seeing that he is not doing anything to put pressure on South Africa, have started taking their own foreign policy decisions."

Campaigns to divest have been waged in 17 States and 14 cities. Many more are lined up for next year.

Mr Kumalo said his first victory was in the State of Nebraska in March, 1980, when the legislature voted to divest R25-million worth of pension funds in companies in South Africa.

"Then I was invited to Connecticut on a unique trip to visit every local union. Some of the plants were themselves involved in South Africa, so I got a lot of grassroots support."

He took the campaign to Massachusetts. During the debate in the Senate he was one of the few non-members ever

asked to address the members.

Two weeks ago the Massachusetts Senate and House voted overwhelmingly in favour of a measure that would lead to divestment of R110-million in pension funds from companies doing business in South Africa.

"In the long term as much as R320-million may be affected. On June 30, last year, Mr Brand Fourie, South African ambassador to the United States, sent an 18-foot long telegram to the Connecticut Governor, William O'Neil, urging him not to sign the State Divestment Bill after it was passed, Mr Kumalo said. The governor signed it anyway.

Mr Kumalo said that events in South Africa and the publicity they caused helped him get a strong resolution through in the State of Kansas, calling for the State Employees' Retirement Fund to be withdrawn from South Africa.

"Two days before the Bill was due to go through, CBS carried a

report on David Kitzin, a white political prisoner on Robben Island.

A legislator stood up and referred to the show, saying that he was deeply moved because apartheid even affected the lives of whites.

Mr Kumalo said that the South African Government tried to prevent a resolution from being carried in the city of

Portland, Oregon, by flying its mayor, Clay Myers, to South Africa to see the situation for himself.

"He went on the trip, and came back even more convinced the bill should be passed," Mr Kumalo said.

Mr Kumalo said he was often asked what effect divestment was having in South Africa. "I showed them a report published in South Africa, which quotes Ernie van der Merwe, head of the South African Reserve Bank's balance of payments section.

Mr Kumalo said that

"Dr Van der Merwe said that there was an increase in political pressure overseas for companies to limit their investments in South Africa. And he said that as a result many were giving preference to short or medium instead of long term investments."

When major funds say no, Mr Kumalo said it becomes harder and more expensive for South Africa to raise capital.

When major funds say no, Mr Kumalo said it becomes harder and more expensive for South Africa to raise capital.

Anti-SA investment bid

By PATRICIA CHENEY
Washington

A WAVE of rulings demanding that US companies with South African operations withdraw their investments: there is sweeping American state and city governments.

In all, anti-apartheid activists have waged divestment drives in 17 states and 14 cities. Some of the more significant victories include:

● The Massachusetts Legislature last week passed a Bill which orders the state's \$1 500-million pension fund to sell off \$91-million in assets invested in US firms with operations in South Africa. The Bill also calls for that money to be reinvested in Massachusetts-based companies.

● In December the Michigan State Legislature passed a Bill prohibiting public universities from "making or maintaining" South African-related investments after April 1 1984.

The University of Michigan would have to divest itself of about \$60-million of its equity holdings under the law.

● In Connecticut, the law requires divestment of all state pension-fund assets from US companies which have not signed the Sullivan

Principles, which set guidelines to promote racial equality in the South African workplace.

● The City of Philadelphia last year removed about \$75-million of its pension funds from firms with SA investments.

● Washington City Council last week introduced a Bill to divest about \$182-million in pension funds from corporations operating in South Africa.

Non-binding

Similar legislation is expected to be enacted in the states of Minnesota, Kansas, California, Oregon and Texas, and the cities of Minneapolis and St Paul.

In all as much as \$300-million in locally affected investment funds is to be divested.

Several other states and cities have passed non-binding resolutions which request the divestment of public and university funds from companies doing business in South Africa.

Such a proliferation of divestment activity is due

largely to the efforts of the Campaign Against Investment in South Africa (Caisa), an umbrella organisation embracing a large number of local anti-apartheid groups, unions, churches and other activist forces for disinvestment.

Since its founding in 1981, Caisa has rallied such diverse groups to persuade local and state authorities to act on the divestment issue with an intensive campaign of mass mailings, demonstrations and lobbying of state legislators.

"Such legislation," said William Johnson, president of Episcopal Churchmen for South Africa, "is the best tool to respond to the horrors of South Africa. It makes US corporations very uneasy to want to stay there."

The corporations, however, argue that their presence in South Africa helps rather than harms the country's blacks.

Not only are they providing jobs, they argue, but by their equal employment policies they also set an example to the rest of the country.

Divestment groups do not accept these arguments. The most recent state legislation does not exempt Sullivan Principles signatories from losing pension-fund investments.

It is unclear how much the divestment movement has affected US corporations in South Africa.

Spurred by a more sympathetic Reagan Administration, total US investment in South Africa increased 13 percent to \$2 630-million in 1981 from \$2 350-million in 1980, according to US Commerce Department reports.

Most of this increase, however, was the result of reinvestment of earnings generated in South Africa. Only \$51-million of the increase resulted from new investments.

Cautious

In the past few years, US companies have grown more cautious about committing new funds to South Africa, according to a report put out by the Investor Responsibility Research Centre, a Washington-based research group.

The centre attributes this partly to state-level divestment action. It cites the Connecticut law as a factor in General Electric's recent decision not to invest almost \$14-million in a South African anthracite mine.

62 S. Times 16/11/83
sweeps U.S.



● Better than champagne . . . Mr Cyril Guy, a resident at the Brixton Old Age Home, is given some water from a tank by Mr Kgotang Reckon.

Broken links: ⁽⁶²⁾
 SA ^{S. Express} not likely to suffer
 16/1/83

By GHERARD PIETERSE

NEW YORK — The decision by the State of Massachusetts to divest all state funds from American companies who have dealings with South Africa will have "little or no effect" on the South African economy, according to prominent Wall Street analysts. Although some \$131-million is involved in this divestment programme it will largely encompass a paper transaction in terms of which the State of Massachusetts offers for sale the shares they hold in companies like Ford, General Motors, the Bank of America, J P Morgan Trust Company, IBM and Rank Xerox to other buyers within the United States.

None of the companies involved is South African and all the shares involved in the divestment programme are held in the US.

Massachusetts now joins Connecticut, becoming the second state in the US to impose a ban on the investment of public funds in companies doing business with South Africa.

A source close to the South African mission in New York said the Department of Foreign Affairs was watching developments "carefully and with a great deal of interest" but was not "unduly disturbed" about recent developments.

COUNTRY KIN FACE MASSIVE LOSSES

long term drought strategy which will be put into effect immediately. Details of the strategy were not released. One measure to save animal herds from dying in parched areas was announced by the SADF, which said it would make available thousands of hectares of its land for grazing.

come too late. The worst drought areas remain the Eastern and Northern Cape, the Free State, Northern Natal and most parts of the Transvaal. The National Maize Producing Organisation (NAMPO) doubts whether this year's crop will yield 8-million tons — 1,4-million

on the current selling price as the crop tonnage is expected to drop by 38 277 tons from an average of 339 900 tons.

Figures for losses in the tobacco crop will be released next week. The SAAU expects them to be considerable due to the drought and extensive hail damage in the Lowveld.

More livestock are being slaughtered as grazing lands are laid waste.

About 50 000 more cattle and about 450 000 more sheep than usual were slaughtered in the last three months of last year.

Dr Pieter Coetzee, general manager of the Meat Board, said one reason for this was farmers trying to cash in on Christmas meat prices as early as September.

"But there has been pressure to get the cattle away due to the drought." He said it was difficult to predict this year's meat supply.

An SAAU spokesman said this week farmers were anxiously awaiting relief announcements to carry them through the drought.

Farmers owe the Land Bank R835-million — most of it incurred last year — and in many cases they will not have crops this year and will not be able to repay their loans.

Cyclone Helena has brought rain to some parts of the country and more was expected this weekend. But for many farmers it has

tons below the average production in the past 10 years.

Last year maize fetched a price of about R150 a ton. Based on this figure, farmers stand to lose about R210-million because of the drought.

Ground nut farmers are expected to lose about R58-million as the production figure is expected to fall by just under 50% from an average of 186 800 tons a year to 99 528 tons this year.

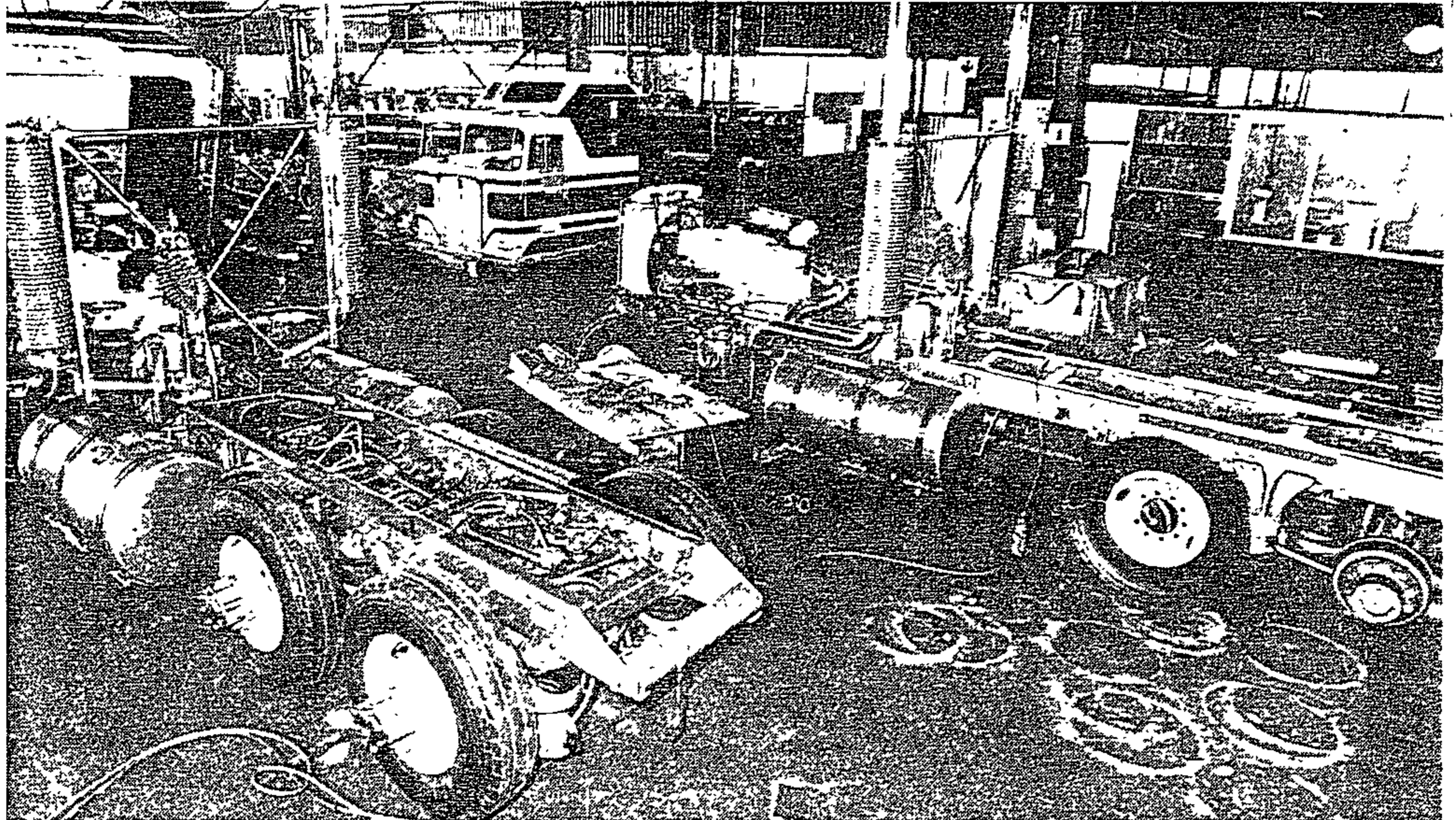
Income to farmers on sunflower seeds is expected to drop by R13-million based

MR. home with a cupboard



192 62

ROOM 17/1/83



Prospects for South Africa's heavy-truck market in 1983 are good and Fodens SA should have a turnover of close to R28-million, according to the chairman, Mr Ben van der Berg.

The company's strength lies in its marketing strategy, under which products, specifically engineered to SA conditions, are only manufactured to order and to clients' specifications.

The company is heavily committed to the local content programme, especially for axles, transmissions and ADE power units.

Decision-making has been more effective since the company became wholly SA-owned in 1981 and its association with the US company Paccar Inc has proved beneficial. Both have similar engineering philosophies and marketing strategies.

Paccar, the owner of Fodens UK, manufactures the Kenworth truck, three of which have arrived in South Africa for assembly by Foden SA.

One is for Concor Roads. The other two for Kidvil Transport, which has invested more than R1-million in Kenworth vehicles in the past five years.

Kidvil's proprietor expects to get 300 000 km from his trucks.

Kenworths have axles up to 250 000 kg, power units up to 600 hp.

According to Paccar, US owners tend to trade their vehicles in only after they have done 1 600 000 km.

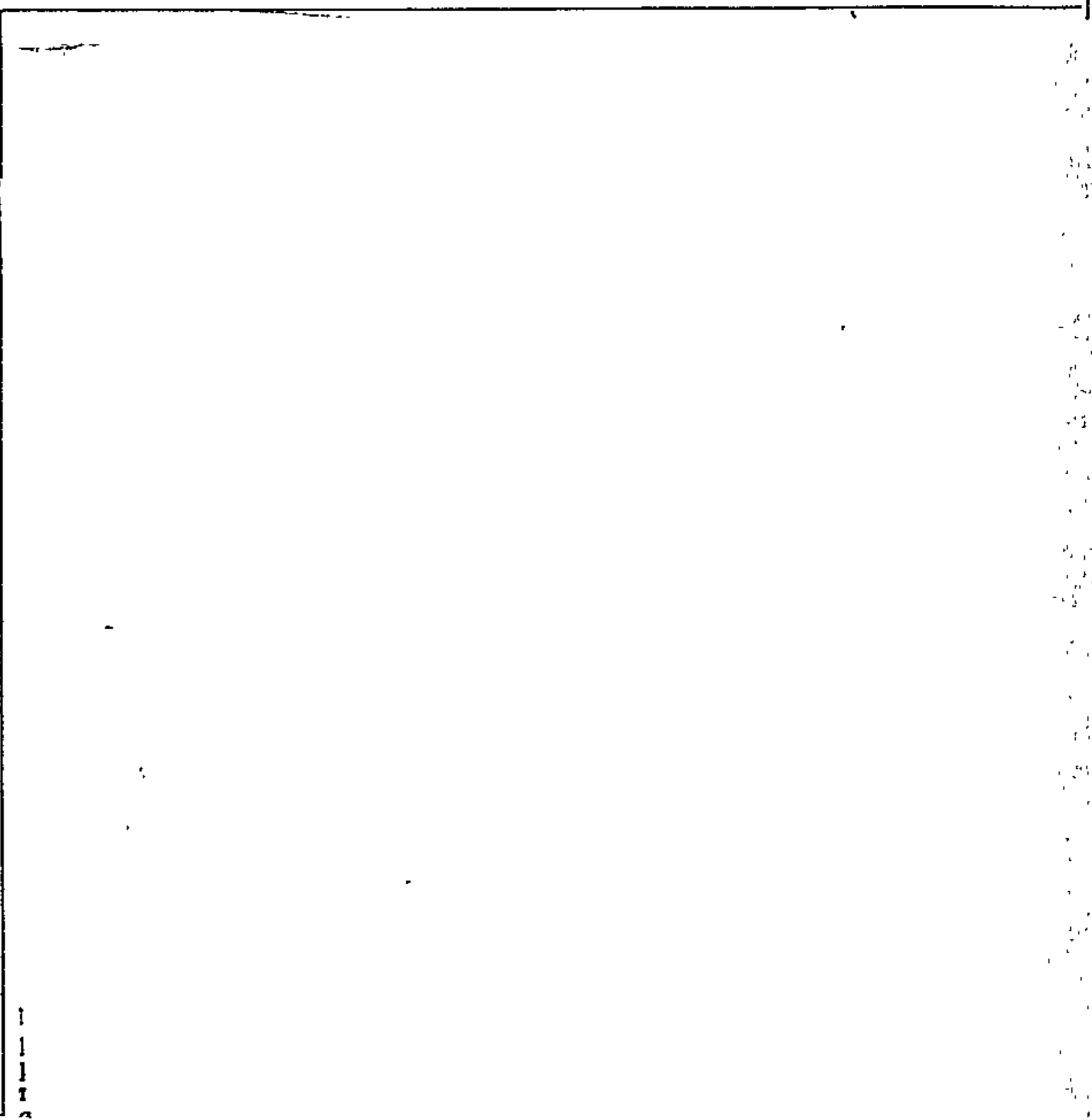
As they are custom-built, owners have a choice of engines, gear boxes and axles. Clutches are designed for the type of work the vehicle is to do.

Kidvil Transport's new vehicles will be fitted, for the first time outside America, with Air Glide air suspension, which offers a soft ride when required. Self-adjusting to the terrain, it can improve tyre life.

Another feature is the extra large cab, with two bunks and standing room that can be used as a walk-in wardrobe.

Sound proofing has cut noise level in the cab to 79 dB. It is fitted with a refrigerator and air conditioning and has automatic windows. The air operated seats are ergonomically designed and fully automatic.

The picture shows the first two Kenworths being assembled.



Anglo American takes all

Chrysler sells Sigma stake

62 ~~1982~~ ~~1982~~ RDM 27/1/83

THE Anglo American group is buying the 25% stake held by Chrysler Corporation of the US in Sigma Motor Corporation.

Anglo holds the other 75% — 37% through the main Anglo American Corporation (AAC) and 38% through Anglo American Industrial Corporation (Amic).

Mr Chris Griffith, the chairman of Sigma, declined yesterday to say how much Anglo was paying Chrysler for its stake in the South African group.

A fairly hefty sum must, however, have been involved.

In 1980 Sigma made a pre-tax profit of more than R25-million and in 1981, according to Amic, the figure was 6,5% higher, which would take it to about R27-million.

No figures are available for 1982, but Mr Griffith has admitted that Sigma incurred a loss last year.

Apart from Sigma's particular problems, the motor industry is heavily cyclical and Chrysler is presumably getting tens of millions of rands for its holding.

How much might depend, though, on how anxious a seller it was.

On the surface, Chrysler's decision to sell looks strictly business.

The US company piled up

colossal debts of \$3 500-million between 1978 and 1981 and although its finances looked much healthier last year the group's future is still precarious.

In fact, it is so much in debt to the US Government that the Sigma holding sale technically requires the approval of the US authorities.

That should be a formality. Selling overseas assets looks, therefore, a matter of necessity.

But in the past few years several overseas companies have been selling some or all of their fixed investments in South Africa.

In nearly every case commercial reasons have been advanced, but it has been difficult to avoid the conclusion that politics has played a role, even if only a supporting one, in some instances.

At any rate, the Chrysler-Anglo deal represents another example of disinvestment in this country for whatever motive.

It also seems as if the deal has been structured in a fairly complicated way.

The announcement from Sigma said that "the agreement has the approval in principle of the exchange control authorities in South Africa".

Mr Griffith said, however, that it was not a simple "cash-financial" rand operation.

By HOWARD PREECE

Sigma's main interest is in the Mazda range and it has little direct involvement with Chrysler.

In future, however, it will still have "the right to distribute any new Chrysler products in South Africa".

There seems no reason for Sigma staff to be affected by the ending of Chrysler's holding.

But Anglo will have 100% control and will no longer have to consider, if it was ever a problem, the interests of a large minority shareholder.

AAC and Amic will have 50% each of Sigma ex-Chrysler.

US campus (62) row over 20M SA money 2/1/83

By RICHARD WALKER

NEW YORK — Thirty-six professors and lecturers have formed a support committee to back students who have vowed to continue a hunger strike until a Maryland university sells off \$6-million invested in 15 companies active in South Africa.

Six students are now fasting in the administration building of Williams College in Williamstown. The fast began last Friday when Williams president John Chandler rejected the students' demand.

"He has to realize this is not some little band, but a serious and determined movement," said a student spokesman. "We think he is coming around to realizing this."

The 15 companies were picked for not abiding by the Sullivan equal employment guidelines for American business in South Africa.

Williams College is a small, highly regarded private university.

$$\frac{1}{1 - MPC}$$

$$\frac{1}{MPW}$$

$$\frac{1}{1 - (MPC + MPB)}$$

X ?

$$1 - 0.2 = 0.8$$
$$= 0.8$$

Balance budget must be
checked

4

p 25

A new jobs deal despite SA ties

(61)
27/1/93

The Star Bureau

LONDON — Labour Party councillors in Lambeth have decided to go into partnership with a large commercial company to create more jobs in Brixton — despite the firm's links with South Africa.

The Lambeth Council's policy is not to deal with any company with major links in South Africa. It has already switched its bank account from Barclays and banned tarmac from future building contracts because of its South African interests.

But the council was "forced" to go into partnership with BAT Industries because the company has a commercial scheme which will create 400 more jobs in Brixton.

A spokesman for the council said yesterday: "The council has not changed its policy. It still won't do business with companies which have major interests in South Africa. But BAT has only one percent of its holdings in that country.

"One in five people in Brixton is unemployed and there are massive social problems there. Faced with an opportunity to provide work opportunities there, the Labour group was forced to accept the deal."

The spokesman added: "It is becoming increasingly difficult to find companies without any South African business at all."

BAT plans to buy an empty department store in Brixton and convert it into craft workshops, retail shops and offices. The scheme will cost about R4 million and the Lambeth Council will contribute R1.2 million.

The council will have seats on the board of the company set up to run the project and it will also share in the profits after the initial costs have been paid off.

A Labour councillor described the project as "exciting" and said she understood "BAT companies in the Republic have the reputation of being progressive employers."

SA spent R300 000 for failed lobbying Sun. Times campaign

By RICHARD WALKER
New York

THE South African Government spent more than R300 000 trying unsuccessfully to prevent the passage of a Massachusetts law penalising companies that do business with the Republic, newly released records reveal.

Now state officials want to find out how the money was spent.

Jubilant anti-apartheid activists hailed the disclosure as proof of the potency of their disinvestment campaign.

They see it boomeranging on South African efforts to counter similar Bills pending in 10 other states. All that is known so far is that the operation was conducted by a professional lawyer-lobbyist working closely with Ambassador Brand Fourie in Washington.

Costly failure

It ended in abject failure with only seven out of 164 legislators siding with Pretoria.

It was the costliest lobbying effort of any kind in Massachusetts last year.

It ended on January 4 when the state legislature overwhelmingly defeated an attempt by Governor Edward King to veto the Bill which prohibits state employee pension funds from being invested in companies and banks doing business with the South African Government.

The State Senate rejected the veto by a vote of 23-5 and the lower house over-rode it by 134-2.

It was the first King veto ever to be thrown out and the state now has three years to sell off R120-million worth of shares and bonds in 32 companies, including many of America's largest.

Lobby agents

Documents on file in the Massachusetts Secretary of State's office identified Mr. Stephen Riley as the South African Government's lobbying agent, but they gave no clue how the money was spent.

Mr. Riley works for Smathers, Symington and Herlong, a Washington law firm retained by Pretoria.

Ambassador Fourie declined comment, except to confirm through information counsellor Pieter Swane-poel that the firm "does some legal work for us".

"Here we have the Government of South Africa spending R300 000 and nobody knows on whom that money was spent or how it was applied to try to influence this state's government," said Mr. Michael Connolly, the Massachusetts Secretary of State.

A total of R300-million in investments has been affected by the passage of Bills over the past year, according to Mr. Dumisane Kumalo, projects director of the American Committee on Africa and a coordinator of the disinvestment effort.

He claimed that Chrysler's decision to sell off its South African investments was in part influenced by the campaign.

US giant guns for SA

~~62~~ 62
 sfaw 17/2/83

By Stan Kennedy

A major US company involved in Sasol 2 and 3 wants to increase market penetration in South Africa, arguing that it can sell good ideas and technology to several more industries.

Fluor Corporation has been active in South Africa for 20 years in engineering, procurement, construction and maintenance of some of the country's major industrial plants

VENTURE

Among its projects are plants at Secunda, a synthetic rubber plant at Sasolburg and a refinery at Cape Town.

In 1980 it decided to become established permanently in

South Africa, entering a joint venture with General Erection Holdings. This led to the formation of a locally-registered company, Fluor Engineers.

Turnover of the local company last year was R30 million. Mr Bill McKay, president of Fluor Engineers, who is on a tour of his company's projects under construction, said this was a modest figure compared with the R16 000 million worth of work the group had in hand throughout the world.

"To be successful here we decided we had to have a wide range of capabilities to exist in your small economy. There are not enough refineries being built

to keep us busy.

"We can serve not only the process industries but also the food, pharmaceutical, bulk paper, power and offshore drilling industries. We will even construct residential houses, offices and factories"

The group regards maintenance as an integral part of a project, from the initial stage of a plant design

Maintenance costs, Mr McKay said, ran from five to 10 percent of a company's original capital investment.

UNIQUE

Despite the recession South Africa was in a unique position, he said. The country had no oil

but had overcome this lack by the Sasol plant. The shortage of artisans meant the country did not have a lot of unemployed skilled people, and it was in an enviable position being able to export precious and strategic minerals.

"You have everything going for you. You have a large black population requiring education and training, but once the process gets under way their standards will rise. This will create a tremendous internal market.

"Properly managed, you can have the greatest internal market in the world," he argued.

Hunger strike

ROM
peters out (62)

2/2/83

Mail Correspondent

NEW YORK — Six students staging a hunger strike have admitted defeat in their attempt to force Williams College in Maryland to sell \$6 million invested in 15 companies active in South Africa.

The students began the strike on January 20 in protest against the companies failure to comply with the Sullivan employment code.

Farm school given a new home

Weekend Post Reporter

E. Post

5/2/83

THERE were shouts of joy today when pupils of the St Albans Farm School moved into their new school building, erected this week.

The school was built as part of the social action programme undertaken by General Motors in Port Elizabeth.

Exactly a year ago, to the day, the motor company decided to offer a helping hand to the school principal and pupils of the farm school at St Albans, about 20 kilometres outside Port Elizabeth.

General Motors managing director Mr Lou Wilking handed the keys of the new school to the principal, Miss Regina Sili, at the official opening on the farm of Mr Craig Mennie.

Miss Sili said that when she joined the school eight years ago it was "just a mud-walled building in which we at times had to contend with snakes slithering through the floorboards".

"Last year General Motors offered to assist in building a new school and now there it stands — we even have new toilets. We don't have to worry about snakes or a leaking roof anymore," Miss Sili said.

Mr Pieter Herbst, the motor company's manager of training and development, headed the social action programme. He said that apart from General Motors' involvement, various companies in Port Elizabeth and East London donated material for the school.

"Everybody helped to build the school — pupils included. We plan to build two more classrooms — there are already some 180 pupils — and assist with the layout of a rugby field and the relocation of the netball field.

He said the General Motors social action programme, aimed at the upliftment of living standards in the local community, is involved in 21 similar ventures involving 10 000 schoolchildren.



A happy moment for the St Albans Farm School at the official opening this week. From the left, Mr CRAIG MENNIE, owner of the farm; Mr LOU WILKING, General Motors managing director; Miss REGINA SILI, the school's principal; and Mr PIETER HERBST, manager of training and development at GM.

WINDHOEK. The man who beat big business to a 70 000 hectare uranium concession in the Namib Desert, 35-year-old Charles Zandberg, says he has a few million dollars in American backing to keep him in the exploration business.

But he's been given only

By **PETER HONEY**
Tribune Africa News Service

five years to turn the arid expanse of desert into a uranium mine, or he will have to return the full amount to the bank which lent him the money.

Just which bank is providing the money, and exactly how much it is, the bearded prospector-poet is not saying. But in the

next year he intends spending R200 000 on drilling the two richest parts of his claim which adjoins the Rossing uranium mine near Swakopmund.

It took three trips to America by himself and a contact in Johannesburg during the last six months to find the funds.

Mr Zandberg, the ama-

teur mineralogist and barefoot waterskier who whisked the rights from under the nose of Rossing's sister company, Rio Tinto South Africa, 18 months ago, says business is not all that good anymore.

In mid-1981 he was granted the rights when Rio Tinto had not carried out the required development in the area. His take-over meant he had to pay nearly R48 000 for the rights and on exploration work each year.

Now with the low uranium price and all the latest bull going on in South West's politics, foreign investors aren't all that keen anymore.

"With the Administrator-General taking over again, and the dumping of Mudge, (former DTA leader Dirk Mudge) they are worried. It confuses them because things don't look peaceful all of a sudden," he says.

Nonetheless, an American bank has agreed to lend him the money in exchange for a 49 percent interest if he successfully mines his concession.

But he will have to pay back the full amount if, after five years, nothing has been accomplished.

Why should the the small man receive foreign backing when some people might consider him a mere claim-jumper?

"People who know mining in this country know me from way back," replies Mr Zandberg.

"I've done business with some very big companies in the mining and exploration business, and they know I'm on the level."

Zandberg sets his

AMERICAN MONEY SETS UP PROSPECTING POET'S NAMIBIAN

millions

MINING VENTURE

SUNDAY TRIBUNE

Firms trading with SA feel the heat

RWM
16/2/83
62
RWM

By SIMON BARBER
Washington Bureau

WASHINGTON. — South Africa will be the subject of 36 resolutions at annual stockholder meetings this year — up from 23 in 1982 — according to the Washington-based Investor Responsibility Research Centre

Most of the resolutions are sponsored by church-related shareholders and call on companies to cease doing business with South Africa, or at least not to expand their operations

Four banks — Citicorp, Phibro, Wells Fargo and J P Morgan — are being asked not to make any new loans or renew old loans to the South African Government. Two other institutions, Crocker National and Republic New

York, are being asked to provide detailed accounts of their South African lending policies

But not all the resolutions are hostile. Chemical Bank, Sears Roebuck and Shearson/American Express are each being commended by church groups for adopting policies against lending to the South African Government

Computer manufacturers continue to be a main focus. Sperry is being asked for a list of the types and uses of the computers it has sold or leased to South African authorities or corporations with government contracts.

The company would also have to explain how it intends to ensure its equipment is not used for military purposes, and to describe its on-site inspection procedures at Atlas Aircraft, a manufacturer of military aircraft to which it has sold a computer.

Control Data, which was recently granted a licence to sell a computer to the Council for Scientific and Industrial Research, is being asked to explain how its business with South Africa is consistent with its human rights policy.

Resolutions before Standard Oil of California and Texaco require that no products or services be sold to the South African Police and military, and that all sales to South Africa be monitored to ensure no product ends up, through intermediaries, with the security forces.

Few, if any, of these shareholder resolutions are expected to pass. Nevertheless, they represent one of the most important modes of anti-apartheid activism in the US.

Sponsors hope the resolutions will provide adverse publicity for the target companies and thus pressure managements into altering their policies.

Disinvestment ⁽⁶²⁾ won't change SA — Fugard ^{17/2/83 post}

NEW YORK — Forcing US companies to sell their investments in South Africa was not likely to end racial separatism, Athol Fugard, the playwright, said yesterday at Harvard University in Cambridge, Massachusetts.

"Disinvestment is unlikely to work because American foreign policy is committed to keeping a stable situation in South Africa, even though it involves entrenching white supremacy," said Mr Fugard, 53, at a packed seminar at Harvard's Centre for International Affairs.

Asked what the US could do to help end South Africa's policy of apartheid, Mr Fugard replied: "Is it possible for America to have in the White House a Presi-

dent who will be motivated, in terms of decisions like acting over South Africa, totally uninfluenced by American interests, American investments and American profits?"

Mr Fugard added in a brief interview that he also believed forcing US companies to stop investing in South Africa would harm blacks there more than whites.

"If Ford and General Motors closed their plants in my home town, Port Elizabeth, they would put about 1 000 whites out of work, but they would have access to unemployment compensation," he said.

"But about 20 000 blacks would lose their jobs and they would have nothing."

Sapa-AP


University ^{COM} in anti-SA ^{2/13/83} controversy ⁽⁶²⁾

NEW YORK. — The University of Michigan, in Ann Arbor, plans to fight a new state law requiring Michigan state colleges to cut off their investments in South Africa.

State legislators say it's improper to invest in a nation with apartheid policies and college officials say they should have the freedom to invest in companies such as General Motors that do business in South Africa.

The plans for university officials to defy the law sparked campus protests last week similar to those of a decade ago.

The university will officially announce its plans at a meeting on March 18. University officials, however, have made no secret of opposing the law which is expected to affect about \$67 million in college investments. — Sapa-AP



THE first Yale forklift unit is delivered to Mr Joe Coetsee (seated) of the Wool Board by Mr Keith Dent of the South African LancerBoss organisation.

Forklift firms join forces

Mercury 22/2/83
Shipping Reporter

YALE, one of the most respected names in forklift trucks, has joined forces in South Africa with LancerBoss, the British range with an established reputation for upmarket trucks in the larger classes.

The company now marketing these forklift trucks in the Republic is LancerBoss Yale (Pty) Ltd and, according to Durban manager, Mr Keith Dent, it now markets one of the most extensive ranges of forklifts ever offered to shipping and other industries.

'LancerBoss has always had an exceptionally good name for producing large forklifts which have been well received in various container depots,' he said.

Yale, manufacturers of the world's first forklift truck in 1930, is generally regarded as one of the finest small forklifts available.

'Together with the LancerBoss models at one end of the scale and Yale's at the other, we have the local market well covered,' Mr Dent added.

The front-end forklifts in the four-to-42 ton capacities are widely used in the handling of containers while side-loading models have been well received in other areas of cargo handling. Both types are diesel-powered.

Yale, part of the giant American Eaton Corporation, have gas, petrol and diesel-powered models available.

'We have already delivered our first Yale unit, a GLPO40 gas model, to the Wool Board,' Mr Dent said.

LancerBoss, one of the main manufacturers of forklifts in England, was the first forklift manufacturer to win the coveted British Design Council award.

Yale forklifts. are as-

sembled in Johannesburg from Japanese and South African components. The mast, chassis and counterweight are some parts which form 60 percent of the local content.

~~122~~ ~~57~~ ~~41~~
Star 28/2/89 ~~122~~ ~~57~~ ~~41~~ (62)

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



For a normal society in the workplace

By Moira Levy

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Car firm plans to feed needy

Argus Bureau
PORT ELIZABETH. —
General Motors has
launched a company-em-
ployee project to provide
food for those in need.

The project was
launched because rising
unemployment "has re-
duced many families to a
point where they simply
do not have enough to
eat".

The programme, intro-
duced by the managing
director, Mr Lou Wilking,
is intended to provide the
equivalent of more than
96 000 tins of canned food
to families of the thou-
sands of unemployed in
the Port Elizabeth-Uiten-
hage area in the next
four weeks.

FORTUNATE

Mr Wilking today cir-
culated a letter among
employees at its two
Port Elizabeth plants,
asking each person "for-
tunate enough to be
working now, and who
cares enough about your
less fortunate friends and
neighbours to share your
food with them".

Employees are asked
to bring to work no more
than two cans of food or
a cash contribution of R1
four weeks.

On each Wednesday,
starting next week, "care
and share" collection
bins and money boxes
will be placed on the
company premises.

MATCHED

The company will
match each contribution
can for can and rand for
rand and has budgeted
R4 for each of its 4 200
employees.

The gifts will be dis-
tributed through a char-
ity organisation to the
needy in the community
and will not be restricted
to former General Mo-
tors employees.

"Our GM family has
weathered the recession
with varying degrees of
difficulty. Those with
their jobs in hand have
fared the best," the circu-
lar says.

"Unfortunately, short
time and retrenchments
have been essential.
"These people cannot
wait for the economy to
improve — their problem
is immediate, today."

Coal-mining equipment races in SA

1991
ROOM
3/3/83

By **BRENDAN RYAN**
Mining Editor

THE MARKET for coal-mining equipment in South Africa is expected to grow faster than in any other in the world according to Joy Machinery's president, Mr Carl Heinz.

He said at the opening of a R8-million service centre in Wadeville yesterday that he expected the South African coal industry and the market for coal-mining equipment to grow at a compound rate of between 5% and 10% annually over the next 10 years.

Major reasons for this were that South Africa had a national commitment to mine and use coal. It also had a highly developed coal industry in a developing economy. "This means demand for coal will continue to rise at a more rapid rate than in developed countries with well-established coal industries," he said.

The operations of Joy-Manufacturing in South Africa provided about 12% of the \$1 200-million turnover of its United States holding company, Joy Machinery, in 1982.

Joy estimates that in 1979-81 it captured 85% of the market in South Africa for coal-mining machinery.

The number of Joy machines on South African coal mines is estimated at 2 000.

The volume of back-up and service work these machines provide for the company accounts for 17% of its annual revenue and justifies the expansion of Joy's service operations at the new site at Wadeville.

The profit margin on sales of spare parts and the overhaul of machinery is higher than on the sales of new machines.

The building housing the service operation cost R5-million and an additional R3-million was invested in the equipment required for servicing and overhauling the machines. Another R1-million is invested in spare parts inventories at the plant.

It is the first stage of a R25-million plan to move Joy's entire manufacturing operation to the 13 ha Wadeville site in four to five years.

The company's manufacturing facilities are at Steeledale.

The timing of the next stages in the plan will depend on the growth of the South

African and world economies and consequent demand for Joy's products. Mr Heinz said little growth in the SA market for coal-mining equipment was expected over the next 18 months.

Joy Manufacturing's managing director, Mr Ian Heron, said the new service factory was Joy's vote of confidence in the long-term future of the coal-mining industry.

"It is also a reinforcement of our policy of not only providing high-quality, cost-effective mining equipment but of supporting this equipment with the highest level of product support services," he said.

Mr Heinz said the policy of the American holding company regarding its South African subsidiary was not to take dividends out of its operations now.

The cost of the building and its equipment had been financed entirely from earnings.

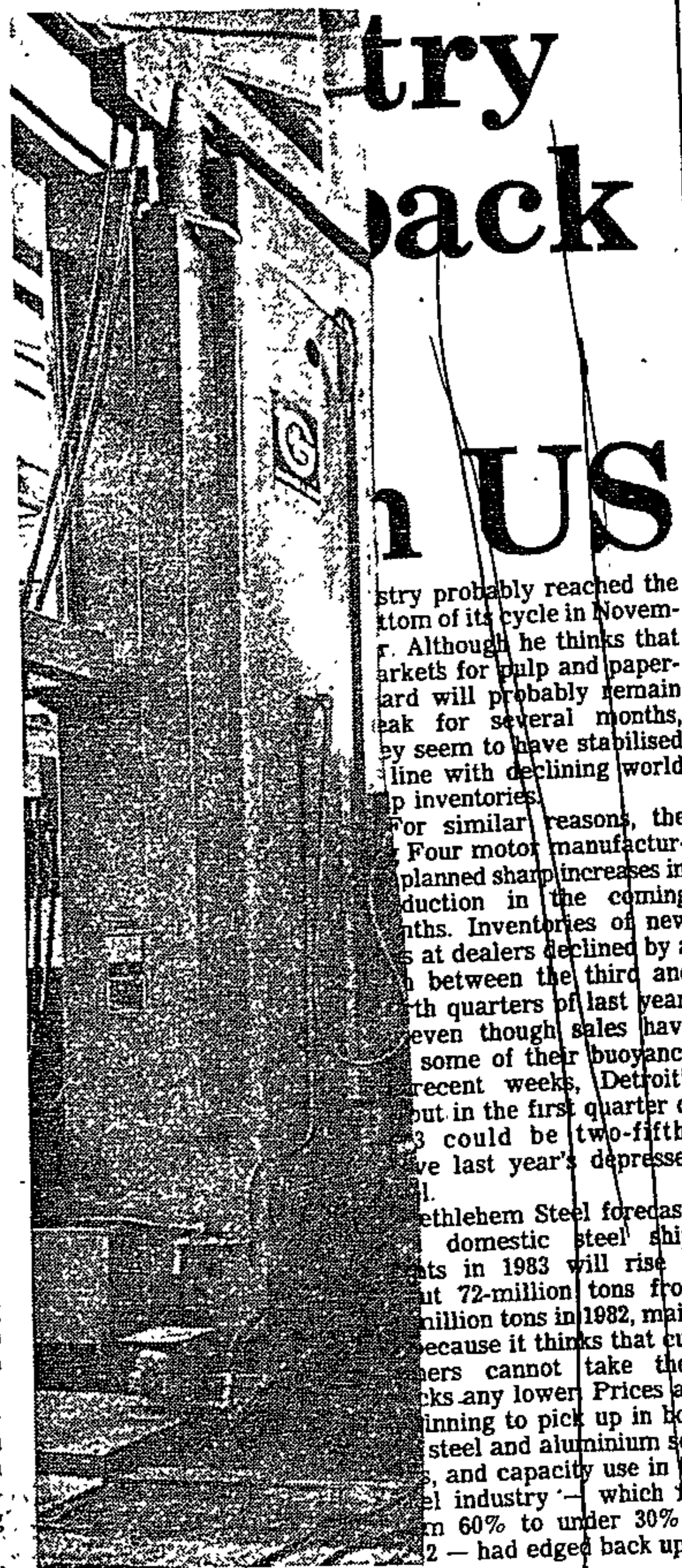
"We are ploughing the profits from the South African operation back into it with a view to increasing the company's size in the growing South African market.

"Those of us who regularly visit South Africa have developed an admiration for the expertise and energy we find in your mining industry.

"That industry is fast growing and dynamic. The future for mining, coal mining in particular, is bright in South Africa and we in Joy are anxious to participate in that growth.

"Our commitment is displayed in machines like the 12HM9 continuous miner designed primarily for this market and in this service centre."

The SA content of Joy's mining equipment is 90% for cutters and loaders, 80% for shuttle cars and more than 75% for continuous miners. The company claims it has built up availability levels of nearly 90% in its parts inventory.



Final machining on a loader by last week. The hope is that the inventory pipeline will gradually be refilled in the next

try back US

stry probably reached the bottom of its cycle in November. Although he thinks that markets for pulp and paper-card will probably remain weak for several months, they seem to have stabilised in line with declining world inventories.

For similar reasons, the Four motor manufacturers planned sharp increases in production in the coming months. Inventories of new cars at dealers declined by a third between the third and fourth quarters of last year, even though sales have some of their buoyancy in recent weeks. Detroit's output in the first quarter of 1983 could be two-fifths of last year's depressed level.

Bethlehem Steel forecasts domestic steel shipments in 1983 will rise to about 72-million tons from 60-million tons in 1982, mainly because it thinks that customers cannot take their prices any lower. Prices are beginning to pick up in both steel and aluminium sectors, and capacity use in the steel industry — which fell from 60% to under 30% in 1982 — had edged back up to 40% by last week.

The hope is that the inventory pipeline will gradually be refilled in the next

Role of big business in a new SA

5/3/83
E. Post

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

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

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

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

virtually in a third-world environment.

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

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

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

ROGER CRAWFORD FM 11.3.83

(62) (57)

Monitoring Sullivan



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

to handle the recently-created position.

FM: How is the SC monitored?

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

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

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

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

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

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

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

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

What do you feel about mandatory compliance?

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

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

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

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

Giants are poised to invade the micro-computer market

BY ALEX PETERSEN

12/3/83
C. Trueman

THE MICRO-COMPUTER market looks set for a space-invader challenge in the coming weeks with the advent of a new range of micro-computers from the traditional main-frame manufacturers.

The new entries are certain to lead to a sharp shake-up in margins and prices, although at the same time the big names could stimulate demand. The micro-computer

market has until now been dominated by manufacturers specializing in micros, such as Apple and Commodore, but this week the prestigious IBM group launched their IBM

PC (personal computer) onto the market. To add to the fight NCR will respond with their NCR Decision Mate towards the end of the month, while Europe's

biggest main-framer ICL will introduce their powerful multi-terminal micro on the market in April.

The entry of the giants into the field of micros is indicative of the change in the industry, both in technologies and markets. Advances in silicon chip technology have been echoed by a huge growth in market potential, with medium-size and even small businesses using micros as indispensable business aids.

The market growth has clearly been too great for traditionally main-frame manufacturers to ignore, and the fight for market share looks to be intense, as it already is in the United States and Europe.

Although new in South Africa, the IBM PC has been on the US market for over a year, and its impact on the market was doubtless a factor in the recent launch of the new Apple model, the 2e, which boasted several improvements over their previous models.

Innovations

The race for innovations is one of the keys to the industry which has led to the micro's market evolution from that of the home computer to the sophisticated demands of business.

The effect on price has been dramatic. Today's micro-computers can perform a range of functions which a year or two ago would have meant a computer five or six times the price.

The reduced price brings with it a potentially vast market, and the giants want a slice, preferably a big one.

Anticipating the attack, Apple have cut prices. The new Apple 2e costs slightly over R4 000, complete with key-board, monitor screen and print-out facilities. With the same extras the IBM PC is slightly over R5 000, but Cape Town dealers and IBM in Johannesburg report that they have been inundated with enquiries.

The price of the ICL micro is likely to be marginally higher, but it has the attraction of being a multiple-user system, with more than one terminal and programme in use simultaneously, features unique in machines in this price range, making it less costly to expand.

New strategies

To get to the potential markets the giants are having to develop new market strategies, and some radical adjustments to their normal style.

In a decided departure to their traditional approach, IBM are not selling their micros themselves, but through a network of dealers selected for their expertise. The 23 dealers have all completed a course at IBM, since they will be required to provide back-up service and repairs if necessary.

ICL will have a similar arrangement, although I understand that repairs will remain a function of the group.

On the other hand, it is likely that NCR will handle both sales and service themselves in the major centres, mainly because of the technical support division they have developed for their point-of-sale terminals, although they will probably have dealers in some centres.

Estimates of the size of the South African market differ, but it is clear that when the economy moves out of the downturn, it will be with the aid of a lot more competitively-priced computers.

Cafe turns away black US student

2/12/62
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Mercury
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Pietermaritzburg Bureau

A BLACK American student, who was turned out of a Wimpy bar in Pietermaritzburg, has sent a letter of complaint to the company's head office in London.

Miss Keletso Atkins, doing research on African history at the University of Natal, was told she could not be served at a Wimpy bar in Church Street because she was black and the restaurant did not have a permit to serve blacks.

She told the Mercury she had been offended because Wimpy was part of an international group and one would have expected they would adopt a multiracial policy.

Problems

In her letter to Wimpy International in London, the Pietermaritzburg City Council and the American Consul, Miss Atkins said she had avoided racial confrontation since arriving in South Africa 13 months ago.

The absence of racial signs created problems for blacks not used to South African customs, and they could be told to leave premises where blacks were not served.

Mr Colin Podmore, who runs the Wimpy bar, said he had been obliged to turn Miss Atkins away because the restaurant did not have a permit to serve blacks.

'We have applied for a permit, but have been turned down on the grounds that there are enough restaurants in the city which cater for the needs of blacks.'

A spokesman for Wimpy in Durban said it was company policy to have all their restaurants multiracial, but this was not always possible.

About one third were multiracial, he said.

CAPE TOWN
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West warns of SA disaster failing reforms

By MICHAEL ACOTT, Political Correspondent

SOUTH AFRICANS have been reminded forcibly in the past two months that Western contact with this country is aimed at ending apartheid, not bolstering the present system.

Both Britain and the United States, particularly under their present conservative governments, are regarded by South Africa as friendly powers. They have vast direct investments in South Africa and together account for a large slice of the Republic's foreign trade.

In two important and remarkably similar policy speeches this year, the United States and British ambassadors here have spelt out the meaning of their countries' links with South Africa.

The US ambassador, Mr Herman Nickel, spoke to the American Chamber of Commerce in South Africa in Johannesburg last month. The British ambassador, Mr Ewen Fergusson, addressed the South African Institute of Race Relations, also in Johannesburg, last week.



Mr Herman Nickel... on the object of constructive engagement

Each speech was important on its own. Together they amount to a strong Western warning that South Africa is headed for disaster unless dramatic social and political reforms are initiated.

They believed economic growth and prosperity would help, not hinder, this process and on that basis defended their respective countries' trade links and investments in South Africa.

Both stressed the objectives of what the Americans call "constructive engagement". Both were at pains to point out that their diplomatic and business involvement here is aimed at bringing about fundamental change away from apartheid and towards a more representative government.

Mr Nickel and Mr Fergusson told their audiences that their governments could neither dictate South African policy, nor would they seek to do so.

They agreed that the ability of the United States and Britain to bring about change here was often over-estimated and the complexities of South Africa's problems as frequently under-estimated.

Inherent injustice

Both rejected any suggestion of a magic wand which could be waved to bring about change overnight.

Each laid great emphasis, however, on the injustice inherent in the present system here and the threat this posed, not only to British and American interests, but to South African society as a whole.

The ambassadors explained that their countries' views of South Africa sprang from the values in the great nations they represented.

"The very basis of constructive engagement is our recognition that the status quo in South Africa is simply incompatible with both our national values and our national interest in peaceful development and stability in this vital region," Mr Nickel said.

"Constructive engagement, in our view, is a more promising approach to encourage peaceful change than progressive disengagement."

Mr Fergusson dismissed the cynical view that foreign policy was a narrow and bloodless calculation of national profit and loss.

"Foreign policy must be the outward projection of the values and aspirations of the nation as a whole. Our foreign policy has to reflect our commitment to liberties: personal, political, economic."

From this basis, the ambassadors spelt out their governments' concerns for regional stability, economic prosperity, social justice and legitimate government in South Africa based on the consent of the governed.

In similar passages they noted the respective codes of conduct on black employment and advancement adhered to by British and American

businesses here. They urged the government to take account of inevitable black urbanization and said their embassies poured money into black training because this was one of South Africa's greatest needs.

And they contrasted the societies they represented with the system operating in South Africa.

Mr Nickel said America believed in law and order, but also in the judicial process which allowed every person his day in court and a fair trial.

"That is why we cannot accept the concept of detention without trial or the onerous punishment of banning, which restricts people by administrative fiat."

Mr Fergusson said British governments, faced with their own racial problems and ethnic disputes in Northern Ireland, understood some of the problems facing South Africa.

While racism existed in Britain, racial discrimination was unlawful in a wide range of circumstances including employment, education and housing. Detention without trial of terrorist suspects ended in 1975.

There was no such offence as "terrorism", he said in a clear allusion to the differences between the British and South African systems.

"The central principles of British justice are maintained — the onus on the prosecution to prove guilt, the right to be represented by a lawyer, the right to appeal.

"No one is imprisoned for his views — only, if guilty, for his crimes. There are no 'political prisoners', as organizations such as Amnesty International have freely acknowledged."

Both ambassadors said it was up to South Africans themselves to work out a constitutional solution for their own country and that moves towards evolutionary change would be encouraged. But they left their audiences in no doubt about how they would like to see

things develop.

"We have made it crystal clear that when we speak of the consent of the governed, this must also include the 72 per cent of the population of this country who are black Africans," Mr Nickel said.

"We cannot accept that they can be deprived of their South African citizenship against their will."



Mr Ewen Fergusson... on devising a system of government acceptable to all

Constructive engagement, he said, was aimed ultimately at the longer-term objective of US policy:

"A South Africa moving through a process of peaceful evolutionary change away from apartheid and towards a society that addresses the equities of all groups, majority and minorities alike."

Mr Fergusson was no less forthright on the reasons for Britain's continuing involvement in South Africa.

"A stable South Africa requires a system of government which is generally acceptable to the people of South Africa," he said.

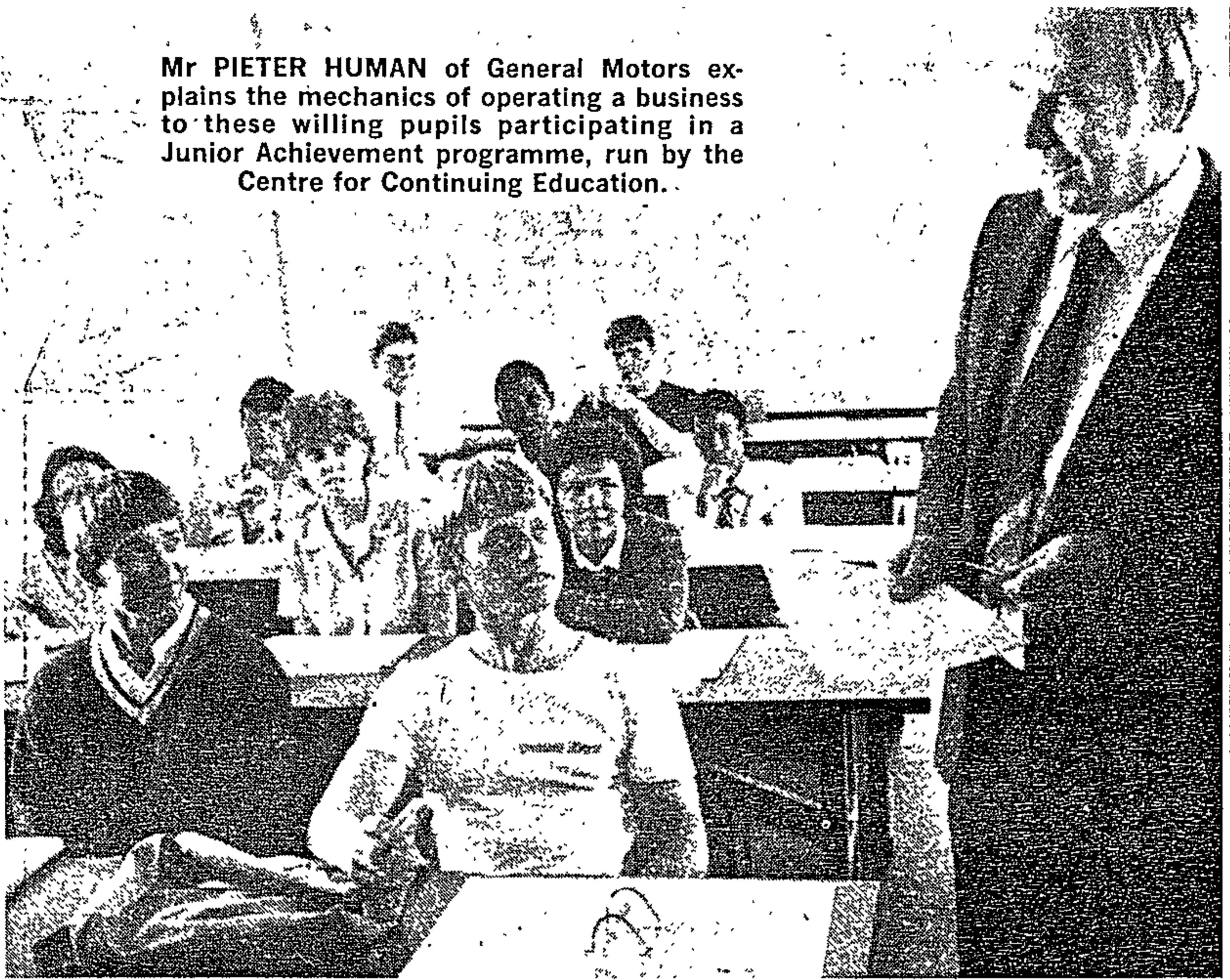
"It is in the expectation that economic development and prosperity will be accompanied by social and political change that we continue to believe in the value of our economic relationship with South Africa."

Britain's preferred hypothesis for a future South Africa was one which would permit society to evolve in an organic way so as to provide a reasonably stable and prosperous future for this and future generations, he said.

Both Mr Nickel and Mr Fergusson said these views had repeatedly been put to the South African government.

Their clear policy statements in the past two months seem designed to ensure that the objectives of American and British involvement here are understood by the wider South African public of all races.

Mr PIETER HUMAN of General Motors explains the mechanics of operating a business to these willing pupils participating in a Junior Achievement programme, run by the Centre for Continuing Education.



By LINDA GALLOWAY
IT pays to learn. That's what a bunch of Port Elizabeth high school pupils are out to prove. They are running their own business through a programme called Junior Achievement.

Their programme, started in America in 1919 to teach high school students the mechanics of business, began this week.

The concept, which has developed into an international course over the last 63 years, came to South Africa three years ago and is run here by the Centre for Continuing Education. Two programmes are planned for this year.

Standard 9 and 10 pupils are given details of the course, and groups of 25 to 30 pupils of all race groups are chosen to form "mini companies".

They choose a company name, select a product to manufacture, elect a board of directors and for 12 weeks, 2½ hours a week, they run their own small business.

Each participant is expected to purchase a R1 share in the company, and to sell shares to his family and friends. Maximum share capital is R200.

Sponsoring companies provide extra financial assistance and each Junior Achievement company is assisted by a team of advisers (executive, financial, production and marketing) from the sponsoring company.

Raw materials are pur-

Pupils learn to run a business in a tough, realistic way

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chased and a production line is set up. The finished products are sold and at the end of 12 weeks the company is liquidated and a final report is drawn up. Shareholders are paid out their initial investment and also a liquidating dividend, providing the company has made a profit.

Mrs Dolores Naude, regional programme co-ordinator in Port Elizabeth, said JA gave pupils a real-life opportunity to operate a small business and to face the same problems as those experienced by companies in commerce and industry.

"It reinforces the desire of young people to establish goals and to set out and achieve them. Since 1980 we have exposed 1 257 students to business in South Africa. Our objective is to expand to every centre in South Africa and to reach as many young people as possible," she said.

"In addition to the educa-

tional aspects of the programme, pupils of all race groups learn how to work together towards a common goal, they gain self-confidence and learn the meaning of responsibility," she said.

It was difficult to choose the right pupils for the course, because there were more black than white pupils and there had to be an equal ratio.

"We need pupils with leadership ability who can communicate their ideas well," she said. "The sponsorship from companies in the area, especially large motor companies, is invaluable. Of course, we are creating their work force of the future."

Schools participating in this year's programmes include St Thomases, Kwazakele High, Victoria Park High, Andrew Rabie, Grey, Collegiate, Newell High, Patterson High and Technical High School.

Food cans galore for needy folk



employees of General Motors at one of the "Share and Care" programme collection points at the plant. They are (from the left): Mr LYCETT BESTER, Mr CHRISTIE NAIDOO, Mr DAVID NAZO and Mrs ISABEL BOTHA.

Puppet group as venue

By STEPHEN ROWLES

Port Elizabeth City Council will today discuss an application from the Handspring Puppet Company for the use of the City Hall auditorium from April 4 to April 12 — the company has already had to book another hall for the production.

City clerk Mr P K Botha, initially turned down the application because of the "commercial nature of the production" and the risk of damage to the auditorium.

The company appealed against this decision and the Recreation and General Purposes Committee recommended that the application be granted.

However, because the company had to secure a venue in advance of the production's opening it will now be held at the St Johns Methodist Hall.

The matter was discussed at the monthly meeting to be held in the Council Chamber at 5pm are:

Application from the Victoria Park Sports Club for permission to alter and extend its change rooms.

Declaration of the Baakens River Bridge in Kabega as a historical monument.

Declaration of the Horse Memorial as a historical monument.

Application from the Port Elizabeth Technikon for permission to alter and extend its change rooms.

Application for an in-aid to cover the price of land bought for the purpose of the development of the area.

Fun for young anglers

Post Reporter

UITENHAGE — Young anglers can while away their holiday time at Willow Dam from Monday to Friday next week.

It is to be open for a week during the school holidays.

The Director of Parks, Mr Reg Pashley, said that because the municipal offices would be closed on Monday, the young people could go straight to Willow Dam and fish between 8am and 5pm, without having to obtain permits.

Mr Pashley also said Uitenhage swimming pools would be open during the Easter weekend, with the exception of tomorrow.

All accommodation has been taken up at the caravan park and rondavels at the Springs.

Firm's workers 'share and care'

Post Reporter

A PORT ELIZABETH motor company's "Care and Share" programme has so far collected more than the equivalent of 8 000 cans of food for distribution to unemployed people in the Eastern Cape.

Mr Peter Sullivan, public relations manager of General Motors South African, said the scheme was intended to help alleviate problems caused by economic pressures and unemployment that had left many people in the area unable to meet basic needs.

Employees were asked to bring two cans of food or a donation of R1 once a week for four weeks. The company will match the contributions can for can and rand for rand.

Since March 9, collection bins and money boxes have been placed at strategic points on the company's premises each Wednesday.

The gifts will be distributed through a local welfare organisation — not only to former GM employees.

The managing director of the company, Mr L H Wilking, said the programme, based on successful campaigns launched by branches of the parent company in the United States, was designed to enable the employed to share with those less fortunate.

Each employee received notification of the programme and weekly reminders were placed under the windscreens of employees' cars.

62 1983 E. Post 31/3/83

~~62~~ (62)
Anti-SA
RDM
groups
7/4/83
plan new
action

By SIMON BARBER

WASHINGTON — Organisers of the campaign to force state and municipal governments to sell public investments in companies doing business with South Africa have scheduled a two-day conference in Boston next week to plan their strategies for the coming legislative year.

Lawmakers, union leaders and churchmen from around the country will attend the conference

Twenty-five states and at least 10 cities are currently engaged in some activity to pull public funds out of corporations and banks that operate in South Africa

The local disinvestment movement is being co-ordinated in part by Mr Dumisani Kumalo, an exiled South African journalist, who is with the New York-based American Committee on Africa.

Laws calling for the removal of pension funds from companies with South African dealings have been passed in Massachusetts, Michigan, Connecticut and the city of Philadelphia.

Similar bills were either voted down by legislatures or vetoed by governors in California, Minnesota and Wisconsin.

Other states targeted for disinvestment action are Alabama, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Nevada, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Texas and Washington DC.

ward and reverse modes, a programmable button from being accidentally pressed.

the size of a Boeing 737.

62 S. Times 10/4/83

AM International still OK in SA

By Julian Kraft

UNDAUNTED by the domestic troubles of its American parent, AM International in South Africa is forging ahead

and expects to increase market share in all the areas where it is active.

The principal, which struck problems in 1981, is

now on a recovery path, having achieved a R14,4-million turnaround in a year, with a net income of R1,8-million in its second quarter ended January this year after suffering a loss of R12,6-million in the same period last year.

The effect of these setbacks on the local operation,

however, has been minimal, and in the current year ending June turnover is expected to be R18-million, representing a 5% increase over last year.

The introduction of a variety of new products is predicted to bring more marked growth in 1983/84.

(62)

With SA links

Tougher squeeze on U.S. firms

By PATRICIA CHENEY

AMERICAN anti-apartheid activists are linking with other activist groups to force state and local governments to divest public monies from companies that deal with South Africa.

The anti-apartheid movement is seeking to broaden its base by linking divestment with nuclear disarmament, environmental protection and the responsibility of states to invest in businesses which provide local employment.

At the same time, the various divestment groups, aware that the more lenient export policies of the Reagan Administration have hindered them, are trying to co-ordinate their activities for maximum effect.

The initiative has been taken from student groups which petitioned universities in the Seven-ties to divest.

It has been taken up by more adult organisations which seek to broaden their effect by influ-

encing actual laws governing investment of public funds.

A new umbrella organisation, the Coalition Against Investment in South Africa (Caisa), was formed last year to rally student, church, trade union and political groups that comprise the divestment movement.

Legislation

It is difficult to gauge its success so far.

Legislation has been introduced in more than a third of the 50 states, seeking to limit or prohibit the investment of state funds in corporations or banks that do business in SA.

But it has come into law in only three states and five municipalities.

Connecticut has passed a law requiring its state government to divest from corporations operating in SA that sell strategic goods, such as computers and aircraft, to the South African Government, or are not signatories of the Sullivan Principles, a set of guidelines governing the labour practices of US companies in SA.

In Massachusetts, a law was passed in December that requires the divestment of about R140-million in pension fund assets from the state's two pension funds.

Michigan prohibits the deposit of surplus state funds in banks that make loans to the South African Government,

South African corporations, or subsidiaries of US firms in the country.

In December, the Michigan State Legislature approved a Bill that prohibits state universities from investing in firms doing business in SA after April 1, 1984.

Activists

The University of Michigan has vigorously opposed the legislation because it would mean divesting about R80-million of its holdings.

The most significant achievement for anti-apartheid activists on the municipal level was last year in Philadelphia.

The Philadelphia City Council passed a Bill outlawing the investment of the city's pension

funds in companies doing business in SA or SWA/Namibia, or in any bank making loans to either.

Up to now activists have had trouble garnering enough interest among state and local legislators to get divestment legislation passed.

They have had most success in approaching black legislators who see divestment as a civil rights issue.

The increase in divestment on the state level has been stepped up as a result of the more co-ordinated activity of activist groups.

In June 1981 Caisa held a conference for 42 legislators from 22 states to discuss the divestment issue.

In the last two years Transafrica, one of the most active

anti-apartheid groups, has met with more than 300 black officials to press for divestment.

Next week the American Committee on Africa is holding a conference in Boston to teach more than 40 legislators how to push through the necessary legislation

Alarmed

Activists have discovered that the most successful approach is to link divestment with reinvestment of funds in economically productive investment ventures.

Massachusetts represents their first success in this direction.

The divestment law there calls for the reinvestment of divested funds "as much as rea-

sonably possible in institutions

or companies which invest or conduct business operations in Massachusetts".

Oregon and Nebraska activists are trying to use this approach to win over state legislators.

Some US companies involved in South Africa have become alarmed by the acceleration in divestment activities on the state and local level.

Some, like Ford, have sent lobbyists into some states to push for compromise bills.

The South African Government has paid little attention to the divestment activity.

It feels US divestment would have little impact economically.

There is only about R2 200-million in American funds in-

vested in South Africa.

A spokesman from the South African Foundation pointed out, however, that the principle of divestment could ultimately harm SA's image of stability and reliability among foreign investors.

It is almost impossible to determine just how much money is involved in divestment legislation thus far, since so many of the prohibitions are conditional and since so many US companies affected can redeem themselves by signing the Sullivan Principles.

Doubts

It is doubtful, however, whether much more than about R265-million have been divested.

The future success of anti-apartheid activists in the remaining 47 American states that have not passed legislation is also difficult to determine

Depend

It will depend on the future political balance in each state between Democrats or the more business-minded Republicans.

And it will depend on how successful activists will be in gaining the interest of legislators who know there is no political hay to be made out of such legislation.

Finally it will depend on how much South African developments force themselves into the national consciousness of small-town America.

Chicago ^{extreme} mayor
is bad news ^{177 4183}
for Pretoria ⁽⁶²⁾

By GHERHARD PIETERSE

CHICAGO — The newly-elected black mayor of Chicago is to start withdrawing the city's cash from firms which have links with South Africa.

Sources closed to Mr Harold Washington said this would be one of his first major tasks.

A South African Government source said although Mr Washington's planned action will have no immediate effect on the South African economy — it will simply mean a change of ownership in the shares of affected companies — it could have a psychological effect in the long term.

The disinvestment plan — said to involve about R420-million in city pension plans and other city funds — will involve such corporate giants as IBM, Rank Xerox, Ford and General Motors.

A Wall Street stockbroker said the action could mean some heavy losses for Chicago.

"Many of these shares were bought when the market was at a very high level some years ago and although the Dow Jones Index is currently at a near all-time high, many of these stocks, such as Ford and General Motors, have not recovered.

"By selling them off at this point, Chicago is bound to incur some heavy losses," he said.

Chicago will follow Michigan, Nebraska, Kansas and Massachusetts which have already enacted legislation prohibiting future investment in companies with South African business ties.

Mr Washington's election to Chicago's highest office may also spell further bad news for South Africa.

Plans are already under way for him and Atlanta's Mayor Andrew Young to form a loose alliance with other black mayors for the exclusive purpose of putting pressure on the Reagan Administration to renounce its policy of constructive engagement.

State Department sources in Washington admitted that the events in Chicago were being "closely watched" and that the mobilisation of the city's black community could repeat itself on a nationwide basis.

Harvard campaign

ROM 23/4/83
CAMBRIDGE. — Students at Harvard University have launched a campaign to place class gifts into an account until the university stops business dealings with companies which have investments in South Africa.

More than 140 members of the 1 550-student senior class donated R2 600 to Endowment for Divestiture on the first day, a spokesman said.

357
270
62
The money collected will be held until the university rids itself of the stock in the companies or for 20 years, when it will be turned over to a private charity.

The spokesman said R272-million of Harvard's R2 000-million endowment is invested in companies which do business with South Africa.

He said 155 companies were involved. — UPI.

An apology and a promise

There are many readers who want The Star, but are not getting it. Please accept our apologies. Production of the new Star has been erratic, mainly because our giant new presses have developed a number of unforeseen idiosyncracies. Street sales have sometimes been delayed or curtailed. At the cost of losing sales we have ensured that our subscribers — who paid in advance — get their papers first ... even if it is a first edition copy.

Please bear with us in our technical teething troubles. We promise you full, fast deliveries soon.

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Ethiopia ... the scenes of rebel activity that has ended the abduction of eight aid workers.

US firms in SA urged to play fair

Star 26/4/83 (62)

WASHINGTON — The White House said in a statement yesterday it neither encourages nor discourages US private investment in South Africa but feels firms investing in the country could encourage peaceful change in apartheid.

The statement endorsed a February 16 speech by Mr Herman Nickel, US Ambassador to South Africa, who said US companies had the potential to be a positive force for such change.

The White House statement said: "Disinvestment as a solution to apartheid does not enjoy universal support among those it would purport to assist."

The Reagan Administration,

though neutral on the question of investing in South Africa, believed US companies who did invest there should follow fair employment practices, the statement said.

It said US companies had responsibilities as employers "to provide fair employment opportunities to all and sufficient training so that the phrase 'equal pay for equal work' has real meaning for all South Africans."

Last week 24 US religious, labour and civil rights groups said US policy on South Africa "will alienate the American government from the majority of nations of the world". — Reuter.

... as serious as one 10 years ago in which more than 200 000 people died.

Aid workers said that as many as 42 000 people had flocked to Korem for food by the start of this month.

Korem was an administrative part of Tigray until the 1940s when the central government put it under Wollo administration.

The TPLF has fought a guerrilla war against central rule from Addis Ababa since the revolution which overthrew Emperor Haile Selassie in 1974.

Spokesmen for the guerrilla movement say the Tigray region is ignored by the central government and has received insufficient economic assistance.

There was a similar hostage-taking incident in Ethiopia in the 1970s when a British couple were held for a considerable period by the Eritrean People's Liberation Front, which is fighting for the autonomy of the region.

Yesterday's reports said that the TPLF guerrillas seized control of Korem during the night, but it was not known if the rebels still held the town. — Reuter.



'The Duke's' last love affair

The Star Bureau

NEW YORK — Actor John Wayne's last words to his secretary Pat Stacy as he lay dying were: "I love you." And now it has been revealed that they had a five-year love affair. Yet Wayne — "The Duke" as he was known — refused to press his estranged wife Pilar for a divorce because he was 34 years older than Miss Stacy.

Miss Stacy worked for Wayne from 1972 until he died of cancer, aged 72, on June 11 1979. She is revealing details of their romance in "Duke, a Love Story", due to be published in June.

Miss Stacy says Wayne, who long as he could, once told her: "a man has an object — something forward to — he'll never really ... You can't turn the clock back no such thing as growing old. It's all deterioration, decay." Miss Stacy writes: "He was ... about reaching 70 — jealous of ... jealous, I often thought, of his ... During Wayne's final hours, Stacy, she and his sons Michael ... trick arranged a secret burial. "How ironic," she says, "that is everywhere, but not on his grave."

MONEY!

THE MAN BARCLAYS GOT GOING

See TODAY!

MONEY!

THE COST OF HITCHCOCK'S PRANKS

See TODAY!

MONEY!

HOLIDAY INN R2 000 CAN BE YOURS

See TODAY!

Bomb blasts newspaper office

Ten people were injured today when a bomb exploded at the Central Daily News, newspaper of Tigray — the last demolished

WORLD AT A GLANCE

Libian settlement delay

Mr Cheysson said that France had considered, but rejected, the idea of quitting the contact group.

Observers noted that the French Minister had his lines approved by the United States — which presented the ... with a ...

US Govt will not support disinvestment in SA

26 APR 1985



By Neil Lurssen,
The Star Bureau

WASHINGTON — The Reagan Administration has no intention of heeding calls that it support disinvestment in South Africa.

As the chorus for disinvestment strengthens in the United States, the Administration has repeated its belief that South Africa will find it easier to move from apartheid only if its economy is sound.

A State Department spokesman said yesterday that "disinvestment as a solution to apartheid does not enjoy universal support among those it would purport to assist".

He was replying to newsmen's questions about a growing campaign to boycott companies that do business with or invest in South Africa — and to a move here to persuade the Administration to consider economic sanctions against South Africa as a means of speeding up the Namibian settlement process.

Such a call was made last week by a coalition of 24 American research, civil rights and trade union bodies representing 15 million people.

The State Department spokesman said that as a general policy, the US did not think government should make suggestions about how investors should invest their money.

"In respect to South Africa, the US has neither encouraged nor discouraged investment."

But he cited a speech in South Africa on February 16 by the American ambassador, Mr Herman Nickel, who said US companies had the potential for being a positive force for peaceful change in South Africa.

He recalled Mr Nickel's comment that if it was the aim of disinvestment to slow down "South Africa's remarkably resilient economy, we all know who will be the first to pay the price for the dubious gesture of solidarity".

The ambassador had also indicated a peaceful transition from apartheid would be easier against a background of adequate economic growth.

The spokesman said that once American companies had decided to invest in South Africa, the US Government strongly encouraged them to adhere to the Sullivan code, the voluntary code of fair employment practices.

The code was viewed as a useful means of focusing the attention of American companies on their responsibilities to provide fair employment opportunities for all and sufficient training so that "equal pay for equal work" had a real meaning for all South Africans.

He cited Ambassador Nickel's statement that to the extent that foreign investment contributed to South Africa's industrial growth, it also helped to change peacefully the status quo.

Disinvestment no solution, says US

ARGUS 26/4/83 (630) 62

Argus Foreign Service
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CALL MADE

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PAY THE PRICE

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Declining role of foreign investment in S A

Mercury
Mercury Correspondent
30/4/83

JOHANNESBURG—Foreign investment in South Africa is playing a steadily declining, although still very important, role in the total economy. This applies both to overseas interests in factories and other fixed assets and in shares.

According to the Reserve Bank, South Africa's foreign liabilities for direct and non-direct investment here were R16 548-million at the end of 1975.

By the end of 1980 they had risen only to R25 485-million — an increase well below the inflationary rise of gross domestic product in money terms.

These are some of the main disinvestment actions in recent years.

- Kohler pays R24-million to DRG of Britain for its control of DRG South Africa (1983).

- ITT of the U S sells its 33 percent stake in Altech to South African interests for R37-million (1980).

- Bridon of Britain sells its 39 percent holding in Haggie of South Africa to Anglo American and Gencor for R57-million (1980).

- Asea of Sweden sells an 18,8 percent holding in Asea South Africa to Anglo American Investment Company (Amic) for R11-million. This gives Amic effective control of Asea SA (1980).

- Haggie pays nearly R25 million to McKechnie Brothers and Delta of Britain for 50 percent of Macdem, South Africa's largest manufacturer of copper, brass and bronze semi-manufactured products. It also has an option to buy the other 50 percent over 1985-89.

- Sigma buys Peugeot/Citroen SA from French control for R30-million (1978).
- Grinaker pays R12-million for Racal Electronics of Britain's South African operation (1978).
- British Steel sells its interests in Stewarts & Lloyds and Dorbyl of South Africa for R67-million, basically to Anglo American and Metkor (1981).
- Tate & Lyle of Britain sells 49 percent of Illovo Sugar to C G Smith for R8-million (1977).
- Mondri pays R110-million for Usutu Pulp of Swaziland from Courtaulds of Britain and the Commonwealth Development Corporation (1981). Technically that is not disinvestment from South Africa but the implications are similar.
- The pension fund of Marks & Spencer of Britain sells just over 10 percent of Woolworths SA to South African interests for around R8 500 000 (1976).
- GEC of Britain sells 50 percent of its South African arm to Barlows for more than R27-million (1978).
- Chrysler of the U S sells its 25 percent holding in Sigma SA for R16 500 000 (1983).

Control plans on US firms

From SIMON BARBER
WASHINGTON. — In what could be its most damaging sortie so far against the Reagan administration's Southern Africa strategy, the House of Representatives foreign affairs committee yesterday accepted an amendment making it compulsory for US companies in South Africa to abide by fair employment standards or face fines and other penalties.

The amendment submitted by the former chairman of the Africa subcommittee, Mr. Stephen Solarz, also bans private US bank loans to the South African Government except for "loans for educational, housing or health facilities" on "a totally non-discriminatory basis in areas accessible to all population groups".

Imports of Kruger Rands would also be prohibited.

The State Department would be required to monitor compliance.

Because the amendment deals with banking practices, it must now be referred to the house banking committee which will have 30 days to consider it.

New move for control of US companies in SA



62
Newspaper 6/13/83
Simon Barber

WASHINGTON—In what could turn out to be its most damaging sortie so far against the Reagan Administration's southern Africa strategy, the House Foreign Affairs Committee yesterday accepted an amendment mandating US companies in South Africa to abide by fair employment standards under threat of fines and other penalties.

The amendment, offered by former Africa Sub-committee chairman Stephen Solarz, was attached to the Authorisation Bill funding the State Department for the next two fiscal years.

It also bans private US bank loans to the South African Government except for certain purposes.

Loans for educational, housing or health facilities' operated on a totally non-discriminatory basis in areas accessible to all population groups' are allowed.

Further US imports of Kruger rands would additionally be prohibited.

The measure was approved after a compromise amendment proposed by Mr Mark Silljander, a Michigan Republican, that would have removed the banking and coin clauses and would have made the employment code resolution non-binding, was overwhelmingly rejected by the Democrat-controlled committee by 21 votes to 12.

Because the amendment, known as Title VII of the State Department Authorisation Bill, deals with banking practices, it must now be referred to the House Banking Committee which will have 30 days to consider it.

Tax credits

In original form, it would also have to have gone before the House Ways and Means Committee because it required the Internal Revenue Service to deny tax credits to companies failing to abide by the labour code.

However, Mr Solarz chose yesterday to delete that clause rather than face a further delay in getting his legislation to the House floor.

The employment practices Mr Solarz is calling for are a strengthened version of the Sullivan Principles and contain elements of the EEC code. The State Department would be required to monitor compliance.

Debate at yesterday's session was extremely heated. Deputy Assistant Secretary of State Frank Wisner said: 'This is confrontation legislation which will not bring about change in South Africa... it makes it even more difficult for American companies to be on the cutting edge of change.'

Protected

Mr Wisner insisted that 70 percent of the South African blacks employed by 146 US-controlled firms were already protected by the Sullivan Principles.

Mandating adherence, he said, would put even those companies abiding by the code at odds with the US Government.

Instead of working with us, they'll be asking their lawyers to work out a defence against (what are now) fair-minded, voluntary employment principles.'

Mr Howard Wolpe, chairman of the Africa Sub-committee, fired back that half of the US companies supposedly complying with the Sullivan Code were not delivering the regular reports the code required.

The Administration's policy of constructive engagement had 'implicated the US in the South African Government's repression... the minimum we can do is to redress the damage that has already been done.'

US firms face SA job rules ⁽⁶²⁾

By John D'Oliveira
The Star Bureau — 5 MAY 1983

WASHINGTON — Liberal Democrats have won committee approval for legislation to make fair employment practices mandatory for American corporations operating in South Africa.

The legislation would also ban the sale of Kruggerands or any other South African gold coins in the United States and prohibit new bank loans to the South African Government or its agencies.

Members of the House Committee on Foreign Affairs approved the amendment attached to the State Department Appropriation Bill by 21 votes to 12.

In the process, members defeated an amendment supported by the Reagan Administration calling on American firms in South Africa to adhere to the Sullivan Code of fair employment practices.

A committee spokesman said this was the first time it had considered legislation specifically affecting South Africa. The Bill now goes to the floor of the House where it is expected the Democratic Party majority will endorse it — with the South African amendment.

Meanwhile, the Senate has already approved its version of the Bill — complete with a Republican-sponsored amendment that would give the United States Ambassador in South Africa \$1 million for each of two years to make \$10 000 grants to organisations working for a "just society" in South Africa.

Under congressional procedure, both versions will be considered at a conference of Senate and House representatives. If they can work out a compromise, the Bill will go to the President for his signature — or veto.

Observers believe it is possible the compromise Bill to emerge will include the section making fair employment practices mandatory.

Because the Administration needs this Bill to run its massive foreign affairs operation, the President may be forced to accept the legislation — and the State Department would then have to set up a bureaucracy to draft a United States code to replace the Sullivan Code and to enforce the new law.

Administration spokesmen have said this would place the State Department in an impossible situation. The Administration has opposed the amendment.

The amendment originated last year in the so-called Solarz Bill (named after Representative Stephen Solarz, a liberal Democrat from New York who is an outspoken critic of South Africa and a former chairman of the House Sub-Committee on Africa).

The "Solarz Amendment" is the first fruit of a planned drive by liberal Democrats to push legislation on South Africa in the House whenever possible.

Aim for SA blacks, US businesses told

NEW YORK — American companies in South Africa were catering to whites when they should be concentrating on black customers, says a writer in the Harvard Business Review.

In South Africa, according to Mr. Howard Schomer, "most of the 400 US businesses not in the minerals extraction and export sector produce mainly for the white market. This is not good business."

"By the turn of the century blacks will make up almost 90% of South Africa's population."

"Savvy companies should follow the lead of those in the manufacturing and processing fields that have long made products that are in demand in the black communities."

Mr. Schomer says: "The black community now accounts for about 30% of the Gross National Product."

"It urgently needs better

housing, transportation from township to work site, after-hours schooling, disease detection, and remedial health services."

Mr. Schomer, a theologian and a consultant on social policy to investment portfolio managers and industrial corporations, says in his article that "even faced with a climate of repression" an American company "cannot enter directly into South Africa's political process."

American executives should make it clear that they believed in the recognition of all South Africans as full citizens, he said.

"They should not support the Government's policy of separate development in any way, for example by making an investment in the so-called homelands. They should refuse to locate plants in border areas surrounding the homelands, where they would profit from what have become vast internment centres." — Sapa-AP.

Congress battle over SA ties

From SIMON BARBER

WASHINGTON. — The Reagan administration's policy of "constructive engagement" towards South Africa is under major congressional assault for the first time since its inception in 1981.

Legislation is now before Congress that would dramatically change US-SA relationships. The measures are:

- The Solarz amendment to the State Department Authorization Bill, requiring US subsidiaries in South Africa to comply with a stricter version of the Sullivan employment code, banning the import of Kruggerrands and effectively prohibiting US bank loans to any entity of the South African Government.

- The Patterson amendment to legislation providing an additional \$8.4-billion in US contributions to the International Monetary Fund, that would require the US to vote against all future South African applications to use fund facilities.

- The Howard Berman amendment to the Export Administration Act, which gives the President the powers to control US exports for national security purposes and must be renewed by September 30, reimposing controls relaxed by the administration on exports to South Africa.

US 'principles' man calls for tougher SA line

11 MAY 1985

By John D'Oliveira,
The Star Bureau

WASHINGTON — The Rev Leon Sullivan has called for tougher action against American corporations which did not apply his fair employment code in South Africa.

Mr Sullivan said in the Washington Post yesterday that apart from making his "Sullivan principles" mandatory, other action had to be taken.

"Until apartheid ends and full equality is achieved for blacks, there should be no new expansion in South Africa by American companies, no new bank loans to the South African Government and no sales to the South African Police or military."

He said the application of his principles during the past six years had marked the beginning of a revolution in industrial race relations in South Africa.

Unfortunately the necessary vast changes were not happening fast enough. Visible, broad,

effective and quick change was imperative.

Compliance with the principles had to be made mandatory by the United States Government.

Mr Sullivan's article echoed some of the evidence he gave before the House Africa Subcommittee last year when it considered legislation proposed by New York's liberal Democrat, Mr Stephen Solarz. The legislation — dubbed the Solarz Amendment and now tagged on to the State Department Authorisation Bill — calls for mandatory application of a fair employment code by American corporations operating in South Africa, the ban on the sale of South African coins in America and a prohibition on new bank loans to the South African Government or its agencies.

The Bill was endorsed by the sub-committee and last week by the full House Committee on Foreign Affairs. It will shortly go to the floor of the House for debate.

Revises for move against firms in South Africa

12/5/83
Simon Barber

WASHINGTON—After a week of bitter behind-the-scenes haggling, an amendment to force United States subsidiaries in South Africa to abide by a strict labour code yesterday suffered an important reverse.

The amendment, offered by Mr Stephen Solarz, the former House Africa Subcommittee chairman, was to have been attached as a rider to the State Department Authorisation Bill, a must-pass piece of legislation without which the State Department would cease to function at the end of September.

Although the full Foreign Affairs Committee had earlier endorsed the Bill as amended by Mr Solarz, in the face of strident Administration opposition, it yesterday opted to send a second version, without the Solarz rider, to the House floor.

Anxious

The Bill's sponsor, Mr Dante Fascell, chairman of the International Operations Sub-committee, was anxious for the legislation to reach the floor as quickly as possible so that it could be considered before a mass of other business supervened.

Because the Solarz amendment also contained banking clauses — it would effectively have banned all further loans to the South African Government — the House Banking Committee had a right to consider it, thus holding up the entire Bill.

Mr Fascell told Mr Solarz that he would only send the amended Bill to the floor if the banking panel's chairman, Mr Fernand St Germain, agreed to waive that right. Mr St Germain, though a firm supporter of a measure in his own committee that would force the US to oppose South African International Monetary Fund loan applications, insisted on considering the Solarz rider for at least a week.

Security

Mr Solarz, meanwhile, is not giving up. Next Tuesday he will seek to have his amendment added to another important Bill, the Export Administration Act, which gives the President the power to control US exports for national security purposes.

This Bill, which has been accepted by the International Trade Subcommittee but has yet to be dealt with by the full Foreign Affairs Committee, already contains language which would restore stiff controls on exports to South Africa which the Administration eased in 1981.

On the surface, at least, the Solarz amendment stands a better chance on this legislation. Its sponsor, Mr Don Bonker, chairman of the International Trade Subcommittee, is in less of a hurry than Mr Fascell.

Alfa's dispute with union ends in Rome

By STEVEN FRIEDMAN
Labour Correspondent

IN AN unusual move, a dispute between the motor company Alfa Romeo and a local union has been settled — at a meeting in Rome.

As a result of the settlement, the National Automobile and Allied Workers Union (Naawu) has won recognition at two of Alfa's Transvaal depots and the reinstatement of three union leaders retrenched by the company, according to a union statement released yesterday.

In return, Naawu will drop its current industrial court action against Alfa.

The Rome settlement followed intervention on Naawu's behalf by the Italian Metal Workers Federation, the FLM, and the powerful International Metalworkers Federation, of which Naawu is a member.

The meeting which led to the settlement took place on Monday and was attended by representatives of both the FLM and the IMF, as well as Alfa's South African chairman Dr Vito Bianco, and Naawu organiser Mr Taffy Adler.

The settlement was signed in Rome by Dr Bianco and Mr Adler.

In a statement yesterday, Mr Fred Sauls, Naawu's general secretary, welcomed the outcome and "the spirit in which the agreement was reached".

Mr Sauls said it was "clear" that "the only way to counter the power of the multinational corporations is to establish close links such as those which exist between the unions of the Italian metalworkers and Naawu".

He said this would "prevent the companies playing workers in another country off against workers in South Africa".

An Alfa spokesman said the company would not be in a position to comment until its representatives at the Rome meeting returned to South Africa.

The dispute between Alfa and Naawu arose when the company refused to recognise the union at its Wynberg depot. The union claims it then "foisted" a works council on workers against their will, but Alfa denied this.

The company also denied a charge by Naawu that 16 workers at the depot were retrenched in an attempt to "victimise" worker leaders.

According to the Naawu statement, the company agreed at the Rome meeting to recognise Naawu at its Wynberg and Tulisa Park depots.

"The company confirms it is not against unions in general and Naawu in particular and will not interfere in any of the union's actions at its plant in Brits and will assist in discussions with workers there."

Alfa had also agreed to reinstate a worker leader, Mr Thomas Mathole, who had been retrenched.

Two other union leaders at the plant, Mr Lazarus Ngoepe and Mr Hendrick Poo, would be offered temporary work with the undertaking that they would be taken on permanently if business improved, Mr Sauls said.

It is understood that the retrenchment of the other 13 workers may be taken up later.

E. Port
1915/83
**British
United
head
retires**

Mr DALTON LE GRANGE, chairman and managing director of PE-based British United Shoe Machinery (South Africa) (Pty) Ltd, has retired after 48 years' service.

Mr John Begg, formerly with the parent company's Leicester operation, is to succeed Mr Le Grange in Port Elizabeth.

The BUSM operation is a subsidiary of the Emhart Corporation of Hartford, Connecticut, whose machinery group has been restructured into two groups, namely the shoe machinery group (SMG) and the footwear materials group (FMG).

This reorganisation is designed to give more impetus to the product lines, with the objective of improved products and service to the customer.

Mr John Begg is director of the SMG unit, and Mr Pieter Schoombee director of the FMG unit.

Several other new appointments have been made. Mr Robert Morris, who has been general manager, fastener division, and Cape Town branch manager, has been appointed manager, shoe machinery and Mr Clive Brunette, Johannesburg branch manager, will be manager, press cutting and general machinery.

1975/83 (62) (238) ROOM

Baltimore call for 'divestment' in SA

BALTIMORE. — Two city council members have introduced legislation that would prohibit Baltimore, Maryland, from investing public money in American companies that do business with South Africa.

Two council members, Mr Kweisi Mfume and Mrs Mary Pat Clarke, both Democrats, said last night that South Africa's strict racial segregation should not be supported by funds from a primarily black city.

Baltimore's population is about 60% black.

The bill would require trustees of the employees' retirement system to divest pension fund assets within two years.

"I don't know how any member of the council could vote against this," Mr Mfume

said. "It also makes a statement on the part of the city, a city that has a majority black population."

But the city's pensions administrator opposed the legislation as impractical.

"I don't want to be made a policeman of investment policies of major American corporations," said Mr Max Leslie. "There are a lot of blue chip companies (in which Baltimore has investments) which we don't know if they have a lot of investments (in South Africa)."

The city has about \$760 million in pension funds, but Mr Leslie did not know how much of that was invested in companies that do business with, or in, South Africa.

The State of Massachusetts and several municipalities have already adopted similar divestment laws. — Sapa-AP

UPI 20/5/83
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Xerox urged to end sales to SAP

WASHINGTON. — Leaders from two religious denominations yesterday urged Xerox stockholders to modify the company's policies and business practices in South Africa.

"We cannot in conscience continue to bankroll apartheid oppression," the Rev Charles Lutz of the American Lutheran Church said in remarks prepared for Xerox's annual stockholders' meeting.

"We believe it is time for shareholders to tell the board of directors that it is not possible to continue to profess adherence to the ethically and socially sound principle of non-expansion and then to go on expanding."

Mr Lutz was joined by Dr Avery Post, president of the United Church of Christ, in presenting two stockholder resolutions to the Xerox

meeting which ask the company to adopt a "No expansion" policy in South Africa and to end sales to South African Police and military units.

"By its very nature, apartheid is an affront to the basic notion of human dignity," Dr Post said in remarks prepared for the meeting. He said apartheid, South Africa's legally enforced racial segregation laws, "assigns the non-white majority of South Africa to perpetual and enforced inferiority".

Dr Post also commended two other corporations — Eastman Kodak and the Caterpillar tractor company — which have not only declined to sell equipment to South African military or police, but also monitor through various means the end destination of their products. — UPI.

US business urged to stay in SA

(b2) 2004 24/5/03

By HAROLD FRIDJHON

NO good purpose would be served by American disinvestment from South Africa, Mr Jan Steyn, executive director of the Urban Foundation, told a seminar of 100 businessmen in New York.

This seminar is one of four organised by the Standard Bank. The others will be held in Pittsburgh, Chicago and Los Angeles. Speakers will include Mr Henri de Villiers, managing director of Stanbic; Dr Conrad Strauss, managing director of the Standard Bank; Mr Manfred Schutte, general manager, international division; Mr Eddie Theron and Mr Div Geerlingh, of Standard Merchant Bank; and Mr Andre Hammersma, group economist.

The other members of the team are Mr Steyn and Mr Chris Saunders, chairman of the Tongaat Hulett's Group.

Mr Steyn said US corporations could continue to play a positive and beneficial role in promoting change in SA.

"It is significant that this role is seen most clearly in the field of industrial relations and that industrial relations is precisely the field in which significant reforms have been achieved."

He stressed that this was not a pragmatic view. The issue was one of fundamental principle and debate about the desirable and likely course of reform in South Africa.

The assumption behind the disinvestment strategy was essentially that significant

reform was not possible through non-revolutionary pressures and the weakening of the industrial system was a first step to the overthrow of the whole system. This assumption had to be questioned.

A second assumption was that the South African Government would respond with sweeping reforms if the threats of disinvestment became serious and the economy really suffered.

"This is a fundamental miscalculation, and implies either a violent confrontation or a protracted period of misery and unemployment for all under a stagnant economy.

"I cannot see that any proponent of peaceful, non-revolutionary change can support that prospect."

Most organised black opinion in South Africa did not support disinvestment by US companies. It favoured the vigorous support of well-directed, carefully monitored, positive investment. By doing so US corporations would contribute to reform in South Africa.

Mr Steyn spoke about social, political and economic change and expressed disappointment that nothing had happened on an official basis after the De Lange report on education

This report was the first qualitative assessment of the South African education system in 30 years and followed the unrest, especially in the coloured schools, in 1980. It was "a shining example" of a reformist document and for a while it seemed as though it was the start to the process of consultation and compromise which could lead to gen-

erally acceptable reforms in a key area of national life.

But little of note had happened at policy level. An official reaction to the report had been promised for early in 1983. But none had been forthcoming and it was unlikely any legislative action would come before 1984.

No noteworthy policy reforms had taken place in education in the past three years, but quantitative changes had been made. Expenditure on black education was R475-million last year and was budgeted to reach R561-million in the current fiscal year. More black children went to school and stayed there longer and "new buildings are erected almost daily".

Mr Steyn warned that unless Government action was taken soon on some of the key recommendations of the De Lange report "the impetus of the investigation will be frustrated, with grave consequences".

FM 27/5/83

INDUSTRIAL RELATIONS

Code's utility 62

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

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

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

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

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

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

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

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

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

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



Ford's Ferreira . . . suggesting labour reforms

South Africa: beyond fair employment

62

Howard Schomer

Howard
Business Review
May/June 1983

*Action that companies
can take now to
foster justice and stability*

Most international companies would like to remain neutral observers wherever they operate. But there are countries where the mere fact of sizable operations makes corporate neutrality an illusion.

The repression of the black majority by the white minority in South Africa is building toward an explosion that could have devastating consequences for both South African society and the foreign companies in its midst. Howard Schomer says that business can and must do much more than ignore the color line in its employment practices. He lays bare the key features of apartheid oppression and offers practical suggestions for appropriate corporate action.

Howard Schomer is a theologian, a minister with the United Church of Christ, head of Howard Schomer Associates, and a consultant on social policy to investment portfolio managers and industrial corporations. He has made a name for himself as a negotiator with corporate management for institutional investors concerned about such public interest issues as South African investments, and serves as the Non-Governmental Organization representative of the International Christian Union of Business Executives to the Economic and Social Council of the United Nations.

Executives of companies with interests in South Africa have known for some time that neutrality toward the government's policy of apartheid is at least irresponsible, if not downright dishonest. Few actually agree with the notion that enshrining white supremacy as a constitutional principle is a defensible political course.

And so they've done something about it. When the government of Prime Minister Pieter Botha allowed limited yet independent black unions in 1979, for example, some companies immediately began to negotiate with representatives of blacks and bypassed the government-supported labor organizations, which are dominated by whites. Fully 30% of the 400 U.S. companies with affiliates or subsidiaries in South Africa have committed themselves to racial equality in their operations, in accordance with six principles promulgated in 1977 by the Reverend Leon Sullivan, a black social reformer who has become a member of the board of directors of General Motors (for more details on the Sullivan initiative, see the ruled insert).

But are such actions by companies enough? Absolutely not. Events of the last few years cause knowledgeable corporate executives to despair whether the white rulers of South Africa will be able to move swiftly enough toward equal rights for all. No longer can they think that the problem will simply go away or that the government can indefinitely contain the black drive for equality. The much-heralded initiative to allow independent black unions, taken after a 1976 police assault on unarmed demonstrators in Soweto that resulted in 600 deaths, 6,000 arrests, and hundreds of banning orders, has been followed in 1980 to 1982 by a climate of renewed repression in which:

□ More than a dozen trade union leaders have been held for long periods without trial for questioning.

Those in South Africa and abroad who want to deal the institutionalized racism of apartheid a major blow have repeatedly called for the withdrawal of all foreign investment from the economy. Ever since the shock of the Sharpeville massacre of 67 peaceful African demonstrators by the white police in 1960, sizable church and academic groups have persistently raised the call.

Then, in early 1983 the Massachusetts legislature required the sale of all state pension funds assets invested in companies operating in or lending to South Africa. The Michigan legislature prohibited public educational institution investment in such companies. The Connecticut legislature had already moved toward divestment if certain anti-apartheid steps were not taken by Connecticut portfolio companies. A number of their state and municipal authorities were heading in the same direction.

Total foreign investment in South Africa today is estimated to be \$27 billion, or 20% of the value of South Africa's industrial plant. Clearly, the withdrawal of all foreign investment would seriously handicap the South

African economy, which must achieve an annual real growth rate of 5% to 6% just to generate enough jobs for the growing population.

The only case on record of the withdrawal of a significant foreign business asset from South Africa is the sale by Chrysler in early 1983 of the last 25% of its stake in Sigma, a South African car manufacturer. The financially troubled U.S. company, which is to receive the proceeds of sale by March 31, made clear that this disinvestment was purely for business reasons and in line with corporate strategy that had earlier led to the sale of its units in Britain, France, Australia, and South America.

The call for the withdrawal of foreign investment has gone largely unheeded because:

- 1 No home government of any international corporation has adopted policies requiring such withdrawal.
- 2 Not more than 3% to 5% of the shares of any corporation have been voted in favor of any shareholder proposal calling for such disinvestment, although at least 25 major companies have had withdrawal resolutions on the agendas of their annual meetings.

- 3 Western European as well as U.S. corporations, having evolved their several equal opportunity employment "codes" in response to a decade of sharp criticism of their profitable "partnership with apartheid," staunchly maintain that they have put in place many work site reforms, training programs, black community housing, and other improvements which, they argue, open wide the door to black social and economic advancement. Foreign corporations may employ only 600,000 of the 10.5 million people constituting the current South African labor force, and only 400,000—plus the 8.5 million employed blacks, but they are concentrated in key economic sectors. Seeing themselves as pacesetters, they argue that their presence is essential to black economic development and that their black employees and suppliers and their families would be the main losers if foreign investment were repatriated.

- 4 Management of many transnational corporations is persuaded that the South African economy not only offers a return on investment superior to the worldwide average but that it has excellent prospects for growth, at home and across the whole African continent, if it succeeds in resolving its internal social problems.

- 5 For the past 22 years, there has been no way to remove the capital assets of any foreign company from South Africa without authorization by the South African Ministry of Finance, because of strict exchange controls.

But the finance minister announced that the rigid exchange control, and the "financial rand" through which it was exercised, were abolished as of February 7, 1983. The minister said that the local proceeds of sales of investments held by foreign entities are now "freely transferable from South Africa through normal banking channels at the ruling unitary rate of exchange for the rand."

Since the assets of foreign corporations in South Africa are therefore no longer hostages that can be repatriated only at the pleasure and on the conditions of Pretoria, the campaign to withdraw U.S. and other foreign investments from South Africa is no longer up against a stone wall. But it should be noted that the first reported reaction of the marketplace is a fresh inflow rather than an outflow of foreign investment. South African authorities claim that U.S. direct investment in early 1983 has for the first time reached \$3 billion.

The impervious apartheid wall?

When the Botha administration began to speak the language of social change in the late 1970s, many corporate executives thought that long-overdue reforms were about to be instituted. In 1983, it is evident, however, that the government's reluctant concessions have done more to placate world opinion than to improve the lot of the Africans, the Coloreds, and the Asians who together comprise the 84% of the population that increasingly calls itself "black."

Indeed, Botha's latest ploy seems calculated in part to ward off the growing unity of "nonwhites." The current session of Parliament is to consider his scheme to create a three-tiered legislature—separate chambers for white, Colored, and Asian representatives but none for the Africans. Instead there is an "Orderly Movement and Settlement of Black Persons Bill" which would further drive Africans away from the urban areas into the barren "homelands," incidentally requiring employers and landlords to serve as police-aides for checking their papers. Even if Coloreds and Asians decide to accept the spurious "chambers," all real power will remain in white hands—and the African majority (72%) will be alienated and the country perhaps rendered un-governable.

The experiment in black unionization does not augur well for future stability either. Until 1979, black workers were put into special branches of government-authorized white unions. When the government allowed blacks to set up independent unions, the response in vanguard industrial sectors was swift. Given the choice, workers overwhelmingly chose the independent organizations over those that enjoyed official recognition or were junior wings of white unions. Black union membership went from 16,000 at the end of 1979 to 85,000 by the end of 1981.

As blacks realized the potential of collective power, a flurry of strike actions, many of them wildcat, took place: in 1979 there were 96 reported strikes; in 1980, 204; and in 1981, 342. The government swiftly cracked down on those organizers it considered to be troublemakers.

The authorization of unions simply accommodated the fact that economic growth requires black workers. Prime Minister Botha clearly has no intention of presiding over the dismantlement of apartheid but merely of modernizing it in order to make it more efficient at home and palatable abroad.

The homelands solution

As long as the Nationalist government of Prime Minister Botha derives its power over the affairs of 28 million South Africans from 900,000 votes, cast by the 3% of the population that comprises the adults among South Africa's 4.5 million whites, apartheid will remain. Blatant racial discrimination may no longer mark the language of laws, regulations, and policies, but black Africans are caught in a complex scheme, called the homelands policy, that strips them of rights and control and manipulates them in a most sophisticated way.

Under this policy, the government has decreed that all black Africans belong to one of ten homelands, located outside economically viable regions and constituting, all told, only 13% of the area of South Africa (see map). Individuals may stay in "whites only" South Africa in "native townships" if they have lived in South Africa since birth, worked for one employer for at least 10 years, lawfully resided in the township for at least 15 years, or are dependents of a man meeting these requirements. An average of 250,000 people have been arrested annually for violating this law; they now make up one-third of the prison population.

If Parliament enacts the "Orderly Movement and Settlement of Black Persons Bill," absolute control over the travel and residence of blacks will be vested in the minister of cooperation and development, with no court review possible. This new law would likely drive hundreds of thousands more from urban areas, where they have some chance of finding work, to overpopulated homelands. The American Chamber of Commerce in South Africa has informed Pretoria that Americans of every persuasion find such restriction of freedom of movement and association repugnant, and that the U.S. companies in South Africa must express in the strongest terms their opposition to this bill.

Even those blacks authorized to live within the townships have no more than very limited, tenuous freedom. Africans are grouped according to language within each township, and Coloreds and Asians are segregated in other townships. As boundaries change, and "black spots" have moved to the periphery of "white areas," the government has since 1960 ordered 750,000 blacks to make way for whites, and current plans call for at least another 157,000 removals from the urban areas. The distance from various places of employment is great and transportation poor. Housing is in short supply and the basic Soweto-type house designed for 8 persons actually holds an average of 14. Squatters inevitably move in nearby.

Unready to cope with the housing, educational, health, and general community needs of the

9 million or more blacks in the townships, let alone the workers the economy will require in the next ten years, the government makes industry rely on migrant workers (according to some sources, more than 40% of African male workers in South Africa in 1977 were migrants).

These men come from the homelands and neighboring countries, are recruited for periods of up to 18 months, and live in barracks in camp-like "compounds." They are beginning to become a source of difficulty as, on the one hand, the dynamic labor movement seeks to unionize them, and, on the other, blacks allowed to live in the townships want to force them out of the district. Continuing reliance on migrant workers will likely contribute to further tensions.

The Afrikaners have an almost hysterical desire, first to force all blacks into the homelands and then cut them off from South Africa by manipulating them to accept political independence for these homelands. The relocation is already happening. More than 2 million people have been uprooted and shipped to homelands since 1948. From 1979 to 1980, the authorities arbitrarily removed thousands more from modest footholds in urban townships, shipped by truck or train from 20 to 500 miles or more, dumped in barren land with few or no community facilities (at best incomplete shells of cement-block huts), with little money in their pockets and no jobs within reach.

I have seen hundreds of wives and children of employed Africans in Langa and Nyanga in the Capetown area, standing in the icy rain of winter, staring at the ruins of plaster and rag lean-tos torn down by police who would not even let neighboring white women bring in warm clothing or food. I then saw the blacks herded into trains or trucks to return to the homeland from which they had desperately fled.

Four of the ten homelands have already "accepted" independence. In the words of one observer, these declarations strip the homeland black of any claim to political rights within South Africa. The 8 million blacks of these homelands now have no title to a South African passport. Others of their tribal language groups within South Africa can simply be deported to the homelands if their activities displease the government.

Business & social change

Even faced with a climate of repression, a company cannot enter directly into South Africa's political process. There are, however, two things it can legitimately do to support the claim of all South Afri-

cans to national citizenship. On the level of interpersonal relationships, executives should make it clear to black communities, South African business colleagues or competitors, and South African officials that they believe that simple justice as well as social stability demand recognition of all South Africans as full citizens.

On the level of corporate policy, companies can and should apply this principle rigorously. They should not support the government's policy of separate development in any way, for example, by making an investment in the so-called homelands that have arbitrarily been declared "independent." They should refuse to locate plants in border areas surrounding the homelands, where they would profit from what have become vast internment centers for a labor force that has no access to a social welfare system, no union representation, and no other chance for a job.

Equitable share of political power

Corporate executives can also make clear their belief that all those governed should share in political power. They can testify from broad experience that the laws and regulations needed in an increasingly industrial society are more effectively accepted when duly chosen representatives of the people participate in their creation. More formally, corporations can help to prepare their employees for the full assumption of their responsibilities as citizens through equitable labor-management relations.

A plant can be either a school of blind obedience or a learning center for mutually responsible vocational association. Corporate subsidiaries in South Africa could usefully experiment with the kind of management style that enlists rather than commands superior performance. For example, American Cyanamid has dealt with a general black skepticism about the evaluation of jobs, ranking, and pay levels by including worker representatives on an evaluation committee that is charged with ranking all jobs below the mid-management level.

The Control Data Institute for computer programmers invited a group of educators and civic leaders, mostly from the black community, to help with the selection, financial aid allotments, and counseling and career development of the black students who make up the majority of the program participants. More than 70 have been trained and placed in spite of the mountains of mutual mistrust that had to be overcome. All such initiatives, which are quite unusual in an apartheid society, will contribute to the education of urban black leaders with valuable practical experience for the responsible exercise of their

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SOUTH AFRICA

Area

Including homelands (larger than all Atlantic Coast seaboard of the United States)	472,359 square miles
Namibia-Southwest Africa	317,827 square miles

Population

African	20,084,319	72%
White	4,453,273	16
Mixed	2,554,273	9
Asian	794,369	3
Total	27,886,234	100%

As of 1978:

Africans living in white areas	10,998,700
Africans living in home- lands	8,972,000

1948-1978:

Forced removals from white areas to black areas	2,108,000
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Labor force 1980

African	7,537,000
White	1,970,000
Mixed	1,023,000
Asian	272,000
Total	10,802,000

Average wage differentials in 1979-1980, white to black:

Manufacturing	4 to 1
Mining	6 to 1

Employees of U.S. corporations:

Black (African, Asian, Mixed)	70,000 est.
White	30,000 est.

Source:
"Southern Africa
Perspectives,"
South Africa Fact Sheet
(New York: The Africa Fund,
February 1981).

Economy

GNP	\$ 85.000 billion in 1981
National budget	18,000 billion in 1981
Inflation rate	14 % in 1981
Prime rate	20 % in 1981
Total foreign investment (20% of value of industrial plant)	27,000 billion in 1981
Total U.S. direct investment	2,630 billion in 1981
Total U.S. after-tax profits	658 billion in 1980
Total U.S. indirect investment	1,300 billion in 1980
Total U.S. portfolio invest- ment in South African companies	2,000 billion in 1980

Government

Republic of South Africa
established in 1961 on
basis of voting rights for
national parliament
restricted to whites. Four
states and ten reserves
or homelands.

Blacks offered vote in
homelands and resident
townships located on
white land. Four home-
lands declared "independ-
ent": Bophuthatswana,
Ciskei, Transkei, and
Venda.

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Mixed	1,023,000
Asian	272,000
Total	10,802,000

Average wage differentials
in 1979-1980, white to black:

Manufacturing	4 to 1
Mining	6 to 1

Employees of U.S. corporations:

Black (African, Asian, Mixed)	70,000 est.
White	30,000 est.

Source:
"Southern Africa
Perspectives,"
South Africa Fact Sheet
(New York: The Africa Fund,
February 1981).

Economy

Rands calculated as
equal to dollars

GNP	\$ 85,000 billion in 1981
National budget	18,000 billion in 1981
Inflation rate	14 % in 1981
Prime rate	20 % in 1981
Total foreign investment (20% of value of industrial plant)	27,000 billion in 1981
Total U.S. direct investment	2,630 billion in 1981
Total U.S. after-tax profits	658 billion in 1980
Total U.S. indirect investment	1,300 billion in 1980
Total U.S. portfolio invest- ment in South African companies	2,000 billion in 1980

Government

Republic of South Africa
established in 1961 on
basis of voting rights for
national parliament
restricted to whites. Four
states and ten reserves
or homelands.

Blacks offered vote in
homelands and resident
townships located on
white land. Four home-
lands declared "independ-
ent": Bophuthatswana,
Ciskei, Transkei, and
Venda.

rights and duties as citizens. But obviously such experiments are delicate and the feisty companies that attempt them should be able to take unfair criticism from both some of the blacks they would help and some of the whites they would ask to contribute to black advancement.

Achieving economic well-being

Foreign corporations can make a substantial and *very direct* contribution by helping to provide an equal opportunity for all citizens to secure everything necessary for their economic well-being, e.g., quality education and community facilities, adequate housing, normal property rights, unrestricted union organization, and freedom to locate where jobs exist. At a time when even the white minority has widespread doubt about the feasibility of separate development, and when many South African business people say that economic growth is on a collision course with apartheid inequality, corporations have an opportunity deftly to open doors closed to their black employees and to the people of neighboring black communities.

South African and foreign business leaders agree that a shortage of skilled workers, not a shortage of domestic capital or foreign exchange, will cause the country's economic growth to taper off. Skilled workers are in short supply because the South African education system has long spent ten times as much to educate a white child as it does to educate a black. The typical black job applicant at the factory gate has only four years of schooling.

Many companies, acting separately or in innovative consortia, are now in a position to assist in the remedial education of older black employees and the supplementary education of many younger blacks, both in the plant and in residential townships. A company could link such a program to train employees or improve their basic skills to those plans under black community auspices that benefit the wives, children, and neighbors of the workers.

The Sullivan Signatory Companies contributed more than \$5.5 million in 1981-1982 to help educate blacks that were not their own employees, and more than 5,600 employee days of work in the educational institutions themselves.² Control Data, ITT, and Barlow Rand equipped an adult education center serving 3,000 to 4,000 night students near Soweto with a computer-based learning center. IBM is in the middle of a \$2.7 million project that will upgrade the teaching of mathematics and science in Soweto's 60 secondary

schools. American Cyanamid works with principals of African schools to encourage exceptional ninth graders to go on to high school and, in some cases, enter the company's career development program after graduation. The American Chamber of Commerce in South Africa mobilized 70 U.S. companies to raise \$4.5 million for construction of a private commercial high school (named Pace) in Soweto—a project planned with the Soweto community and designed to provide top-quality secondary education rather than the inferior instruction normally offered blacks in the public system. It successfully opened early in 1982. Various companies are helping older workers prepare for an equivalency certificate as artisans.

Market needs

Most of the 400 U.S. businesses not in the minerals extraction and export sector produce mainly for the white minority market. This is not good business. By the turn of the century, blacks will make up almost 90% of South Africa's population. Savvy companies should follow the lead of those in the manufacturing and processing fields that have long made products that are in demand in the black communities.

The black community now accounts for about 30% of the GNP. It urgently needs better housing, transportation from township to work site, after-hours schooling, disease detection, and remedial health services. Couldn't a company consider ways of resolving the acute shortage of low-priced housing in every black industrial township? The segregated homelands and urban township policy forces workers to commute in crazy patterns and over great distances, so that many breadwinners must leave home before dawn and return in the dark of night; but the new car market is 90% white. Perhaps carmakers could, separately or in joint ventures, design a basic means of transportation and help urban blacks finance its purchase.

The traveler in South Africa often sees good but underdeveloped agricultural land, usually owned by absentee landlords. Millions of rural black people lack legal access to it and the technical means or know-how to make it more fruitful. Some companies with subsidiaries in South Africa have experience in corporate farming and working with producers' cooperatives. They should explore the possibility of developing programs to make land and technical assistance available to black farmer cooperatives, with all necessary official permissions or exemptions, thereby

² Since the rand has fluctuated between \$1.20 and \$1.88 during the year past, references to rands in Sullivan reports are here equated with dollars.

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The African homelands

Homeland	People
Bophuthatswana	1 Tswana
Lebowa	2 North Sotho
Gazankulu	3 Shangaan and Tsonga
Venda	4 Venda
Swazi	5 Swazi
Qwaqwa	6 South Sotho
Kwazulu	7 Zulu
Transkei	8 Xhosa
Ciskei	9 Xhosa
South Ndebele	10 South Ndebele



Source: Gwendolen M. Carter, *Which Way is South Africa Going?* (Bloomington, Ind.: Indiana University Press, 1980).

increasing the physical well-being of a sizable number of black South Africans.

A small flow of black university graduates has begun to enter the labor market, and others are completing apprenticeship courses. Besides providing job opportunities, corporations might help them start related small businesses by showing them how to win permits from balky bureaucrats for commercial or industrial shops in many urban areas. More corporations could designate local earnings and managers to teach small business management techniques to such intrepid and capable people. The social impact of such efforts would be to prepare blacks for their inevitable entry into political power sharing and for the dynamic social stability most favorable to economic development.

Begin at home

Foreign-based companies can make their most direct contribution to black economic growth and well-being in their own plants. Wise managers are already working with responsible black union leaders in the more than 150 companies that have formal recognition agreements with independent black unions, establishing rules for their access to the plant and procedures for settling grievances and negotiating wages and changes in working conditions. Although only 9 of these companies are American, 114 Sullivan Signatory Companies have stated their willingness to recognize whatever union a majority of their employees may elect to represent them. Will this goodwill encourage responsible union action?

Ford Motor Company turned its informal understanding with a black union into a formal contract in 1980. Kellogg had a recognition agreement in 1979, the first U.S. company to do so. By the end of 1981, seven other American corporations had formed agreements: Borg-Warner, Colgate-Palmolive, Johnson & Johnson, Schering-Plough, Chrysler, Fruehauf, and Dresser. General Motors and R.J. Reynolds had informal understandings with unregistered black unions, and Ingersoll-Rand, Union Carbide, 3M, Gillette, and Chesebrough-Pond's had indicated they would talk with unregistered unions if a majority of their members so desired.

Even if some U.S. companies have traditionally been nonunion at home, they should be able to see that a union is the only way for a black worker to get a tangible stake in South African society. Black civic leaders who have no personal interest in the matter are increasingly urging companies to affirm and implement their willingness to work with either government-controlled or black unions, depending on the preference of the majority of employees.

Ending arbitrary relocation

Corporations can make both direct and indirect contributions to ending the forced relocation of blacks to the homelands.

When relocation threatens their operations (such as at Walmar, near the motor industry center of Port Elizabeth), companies can raise pointed questions with the appropriate national officials. They can also encourage local officials to seek alternatives for the resolution of any problems that may be cited as reasons for ordering relocation.

When relocation directly threatens their own employees and their families, corporations can seek exemptions for workers deemed necessary to their operations, and for whose welfare they feel immediate responsibility. More positively, employers can plan the location of new facilities with a view to obtaining authorization for all their employees to reside in the general vicinity of their place of work. In the interest of efficiency as well as humanity, they can vigorously press on the authorities the right of the worker and his family to live together near the job.

Business & regional development

The dynamic growth of the South African economy, in which foreign-owned companies often occupy small but strategically important positions, offers opportunities for innovative initiative that may contribute greatly to the advancement of blacks.

Much study and discussion in South Africa centers on an apparently irreversible drive toward urbanization and the imperative need for decentralized economic development. Already 10% of the students in the "white" universities are black, for only these older, prestigious institutions can provide the specialized training required for many jobs. Given the needs of the economy, the apartheid establishment must make an exception in the case of almost every black applicant, although it still pledges that every one of the ten impoverished homelands will eventually have its own university!

Parallel demographic predictions say that the population of Johannesburg will rise from 2 million to 8.5 million by the turn of the century. Sane arguments are being advanced for carefully planned regional economic development.

Gradualism's Five-Year Trial Run

In 1977, the Reverend Leon H. Sullivan, a member of the board of General Motors with experience in upgrading unskilled labor in the United States, drew up half a dozen principles for those companies in South Africa ready to undertake a few basic reforms. The principles were conceived as "a voluntary effort among companies to end racial discrimination in their operations in the Republic of South Africa and to help improve the living conditions for blacks and other nonwhites there, and to take a stand against apartheid." Twelve companies initially endorsed them.

By 1982, 146 of the 400 American companies with subsidiaries or affiliates in South Africa, with assets equal to one-half of the total U.S. foreign direct investment in the country, had become signatories.

Close observers of developments at the work sites and in the communities where the Sullivan Signatory Company black workers live agree there has been movement in the right direction. But these observers are uneasy about the self-monitoring feature of the procedure, which does not allow on-site verification. The monitoring agency substantiates their impression that the main black progression has been from unskilled to semi-skilled to skilled production jobs, with an actual decline in the number of black clerical and administrative workers. Of the 1,450 vacancies to be filled in the managerial level in 1981 to 1982, blacks were moved into 6% and whites into 94%. But following revision of government policies on black unions, six signatories reported signing formal union recognition agreements, and 98% of all signatories reported their willingness to recognize unions.

The Six Sullivan Principles call for companies to:

- 1 Desegregate all eating, comfort, and work facilities.
- 2 Implement equal and fair employment practices for all employees and acknowledge the right of black workers to form their own unions.
- 3 Ensure equal pay for all employees doing equal or comparable work for the same period of time.
- 4 Initiate and develop training programs to prepare substantial numbers of blacks and other nonwhites for supervisory, administrative, clerical, and technical jobs.
- 5 Increase the number of blacks and other nonwhites in managerial and supervisory positions.
- 6 Improve the quality of employees' lives outside the work environment, e.g., housing, transportation, schooling, recreation, and health facilities; provide for the right of black migrant workers to normal family life; and assist the development of black and other non-white-owned and -operated businesses.

The signatories promise periodic reports on their progress in implementing these principles. According to Arthur D. Little, Inc. (the signatory companies' monitoring agency), the sixth report, published in November 1982, found:

- Principle 1:** All but one of the reporting units state all facilities are desegregated.
- Principle 2:** All but one have common medical, pension, and insurance plans for all races.
- Principle 3:** Black employees are receiving higher average pay increases than whites, though the average percent increase is less than the previous year.
- Principle 4:** The proportion of blacks participating in training programs for sales positions has continued to increase.
- Principle 5:** The proportion of blacks in supervisory positions has dropped, indicating a lack of progress in this area in weaker economic times.
- Principle 6:** Contributions for community development have doubled since last year, amounting to about \$11 million.

The monitoring organization graded as follows:

- 32 Making Good Progress Category I
- 38 Making Progress Category II
- 37 Need to Become More Active Category III

After reviewing the progress of the past five years, Reverend Sullivan stated that companies were meeting the objective of improving significantly the quality of life of their black employees in South Africa. He added, however, that far swifter advance was essential in the years just ahead, particularly to train and place black managers, develop black-owned enterprises, and upgrade the black residential township educational and health services.

Executives of some signatory companies may think that too much has been expected of them in too short a time; their local subsidiary managers may have felt that the pressures put on them from headquarters were unrealistic. But the deepening unrest among urban blacks underscores the conviction that the six Sullivan Principles are the very least that foreign employers, in their partnership with the apartheid establishment, ought to do.

International corporations, with their hard-won capacity for macroeconomic thinking and planning, can make a socially constructive contribution. Consortium approaches to the generation of jobs, housing, and educational and social services are being applied in the United States, the United Kingdom, Italy, and a number of other countries. Companies could help develop new towns and industrial complexes in promising but undeveloped areas.

Besides the capital and practical know-how of corporations, the participation of top university personnel (particularly anthropologists, sociologists, economists, and land-use experts) and of black community leaders (African, Asian, and Colored) is absolutely necessary. All three—companies, academics, and community leaders—not only should consult but should enter into a joint declaration of intention from the beginning. New legal structures might have to be developed to accommodate the complex South African reality. These would give representative academics and black community leaders substantial participation in the policymaking traditionally confined by corporations to their boards of directors. In light of South Africa's internal politics, the contributions of academic knowledge and black community involvement are as indispensable as corporate capital, technology, and managerial expertise.

Decentralized regional development is very much center stage in both governmental and business circles in South Africa. There is no agreement yet as to priorities, procedures, or partners. Corporate executives, social scientists, clergy, legislators, and black community leaders are brainstorming possibilities, proceeding perhaps from different assumptions toward divergent goals. It is not too early for corporations to formulate necessary incentives, embrace grand designs, and contribute to the search. Successful regional economic development may be the key to turning South Africa away from the bankrupt vision of "separate development," which is certain to lead to ruin, and toward that multiracial development which is essential to the stability and prosperity of South African society.

Bank loans can hurt or help

The great international banks of Europe and the United States, only three of which have operations inside South Africa—Barclay's, Citibank, and Standard—have for many years provided South Africa with strategically important loans. But as foreign lenders, they have exercised no significant leverage against

apartheid. On the contrary, they have buttressed the reign of white supremacy. Unlike industrial corporations with plant facilities and employees inside the country, most of the foreign lenders are quite free to wind down, maintain, or increase their public sector loans according to their policy objectives. The South African government, jealous of its international credit standing, is sure to repay the \$1.3 billion it currently owes U.S. banks and the additional billions it owes elsewhere.

International banks could make an enormous contribution to justice and stability in South Africa if they determined that their overriding objective in all public sector loans would be to earn a suitable return on loans that effectively promote black educational, social, and economic progress. I would suggest four criteria for checking the genuineness of such loans for black advancement:

- 1 Sponsors of projects include bona fide representatives of major voluntary black institutions or movements.
- 2 Projects will advance black educational, social, medical, or housing services, or generate black economic opportunity.
- 3 Projects will not assist so-called "homeland development" but promote the integration of blacks into South African society.
- 4 Loans will not release funds for other, repressive, purposes.

Foreign bank allocation of credit to the South African treasury or any government agency or corporation connected to the government must end if these criteria are respected. Major black organizations are not represented in official South African borrowing agencies, and government loan requests for "black development" projects are oriented toward *separate* development.

The South African government puts forward such projects only when they are in its budget involving grand expenditures. The result is the enrichment of the government's foreign exchange revenue account. Such increases help maintain white minority rule by financing imports unavailable to South Africa through normal commercial channels at normal rates because of various embargoes, e.g., oil and arms.

Corporations determined to promote large projects in regional economic development can also direct banks toward multiracial borrowing entities serving the needs of the black majority and, consequently, helping to construct a healthier future for South African society.

More than a utopian dream

The vision of just, integrated, and prosperous regional development projects may seem utopian, given the house of South African apartheid and the readiness of many foreign corporations and banks to walk hand in hand with the white supremacists, right up to the deluge. Yet corporate management would be well advised not to shrug it off as merely a dream. The house is beginning to crumble because of its inherent contradictions and because of the voracious appetite of industrial growth with as little prejudice and self-deception as possible for skilled labor on all levels. The government of South Africa has its centrists, and its opposition-party progressives, even as it has its extremists. The republic today is a field of vigorously contending forces. Well-considered concepts of regional economic development, technically promising and socially innovative, might have considerable appeal to many who have concluded that the continued pursuit of apartheid-ridden development will bring disaster.

But would such an initiative not be fiercely condemned by others—all those whose ideology requires that things get worse before they get better? If leaders or movements, be they black or white, have their hearts set upon violent revolution as the only response to the institutionalized violence of apartheid, obviously they will repudiate the kind of reform outlined here. Very few people committed to the liberation of the black majority from white minority domination are, however, so unrealistic as to maintain that white rule, with its awesome technological and military superiority and its splendid isolation at the tip of Africa, can be overthrown any time within the visible future by sheer black power. It is likely that they would, at first, find the breaking down of apartheid and the economic conversion of separate development into genuine multiracial development a less satisfying objective than the abrupt destruction of white power. If, however, multiracial economic and human development, rather than statism in *any* of its leftist or rightist forms, is their paramount goal, they may offer their support as black progress and regional economic development become growing realities.

If regional economic development to erode racial discrimination is to take place in South Africa, strong backing will have to be generated among foreign investors. The chief executive officers and public affairs specialists of parent companies in home countries will need to offer firm leadership in both business and government circles. They know that concern is growing among many sectors of public opinion,

particularly in the United States; that the bankrolling of South African apartheid by public and private pension funds, universities, foundations, churches, or other investors in corporations that strengthen white minority rule is immoral and must be stopped. This concern need not be monopolized by futile discussion about corporate disinvestment from South Africa or shareholder divestment of the offending company's stock—neither of which courses seems capable of directly promoting black political or economic rights (see the accompanying insert). If business corporations and executives will give high priority to the urgent need for large-scale actions in behalf of black educational, social, and economic advance, that message may be influential in Pretoria, Washington, London, Bonn, Paris, and Bern. At the very least, it will send a clear signal to those in charge of subsidiaries in South Africa that their most creative efforts toward this goal are expected and will be rewarded by their bosses back home, and even applauded by their company's shareholders as spreading justice breeds growing stability. U

Handwritten scribbles and the number '62' in a circle.

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



Place more pressure on SA, urges Sullivan

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

These companies should be contacted by stockholders and fiduciaries and asked for written assurances they will do better in the coming year, accom-



justification for remaining in South Africa, and should be compelled to leave the country.

The principles were never intended to be a camouflage for corporations to hide behind, but were meant, along with other thrusts, to help end race discrimination and apartheid in South Africa.

It was hoped this could be done by peaceful means, without the need for devastating war, and the loss of millions of lives and the predictable involvement of most of the rest of the world that could lead to an atomic confrontation.

Though progress is still limited in comparison to the enormous size of the problem, the principles are beginning to work.

Starting from where we began six years ago, at a near "zero" base where blacks were not even legally considered "employees" in that country, some significant changes are occurring:

- Throughout South Africa, plants are being desegregated in spite of the laws.
- Blacks and other non-whites are being upgraded, for the first time, to administrative and supervisory jobs.
- Blacks are supervising whites, for the first time, in South Africa.
- Blacks and non-whites are being trained for skilled jobs in ever increasing numbers.

- Black representative registered and unregistered trade unions are now beginning to be recognised.

- Technical schools training blacks and other non-whites are being built.

- Black businesses are being initiated in increasing numbers.
- Equal pay for equal work is beginning to be instituted.
- Companies are beginning to improve the quality of life for blacks and other non-whites outside the workplace: in housing, health care, and education.
- For the first time, some company executives are beginning to lobby for an end to all racial discriminatory laws and the apartheid system.

Also, the principles have led the way in the initiation of similar codes of conduct for companies operating in South Africa from around the world, including a group of South African companies that employ nearly one million workers, most of them black.

In conjunction with the principles, the Arthur D Little Co has formulated the most stringent and comprehensive measurement requirements for fair employment and social responsibility practices ever developed for multinational corporations operating in a foreign country.

As a result of the principles, the last six years have marked the beginning of a revolution in industrial race relations in South Africa.

Unfortunately, even considering these beginnings, the vast changes necessary are not happening fast enough. The necessity for greater changes — visible, broad, effective and quick — is imperative.

do better in the coming year, accompanied by a plan for doing so. Otherwise there should be targeted divestment actions against those companies.

Companies receiving "passing grades" according to the Little Report should be urged by stockholders to remain in their top categories, or face divestment.

American companies employ less than one percent of the workers in South Africa. For these efforts on the part of multinational companies to be broadly visible and effective, participation will have to be global.

I have travelled abroad and have urged divestment actions against foreign companies in South African subsidiaries that are not living up to their codes. I have appealed for strong government action by the nations and their parliaments as pressure against company noncompliance.

Foremost, I see the necessity for the recognition of the rights of association for black workers, and the recognition of their representative registered and unregistered trade unions, thereby empowering black workers to speak out for their rights on the job, as they will one day speak out for their rights in society.

The growing strength of the black worker is one of the greatest hopes for peaceful change in South Africa.

It is clear that the main problem in South Africa is not just fair employment practices, or equal opportunity, or better schools.

The main problem is freedom, including the end to influx control, an end to the incredible homeland policy, and full political equality for the black population.

Therefore, beyond the principles, it is my position that until apartheid ends and full equality is achieved for blacks, there should be no new expansion in South Africa by American companies, no new bank loans to the South African Government, and no sales to the South African police or military.

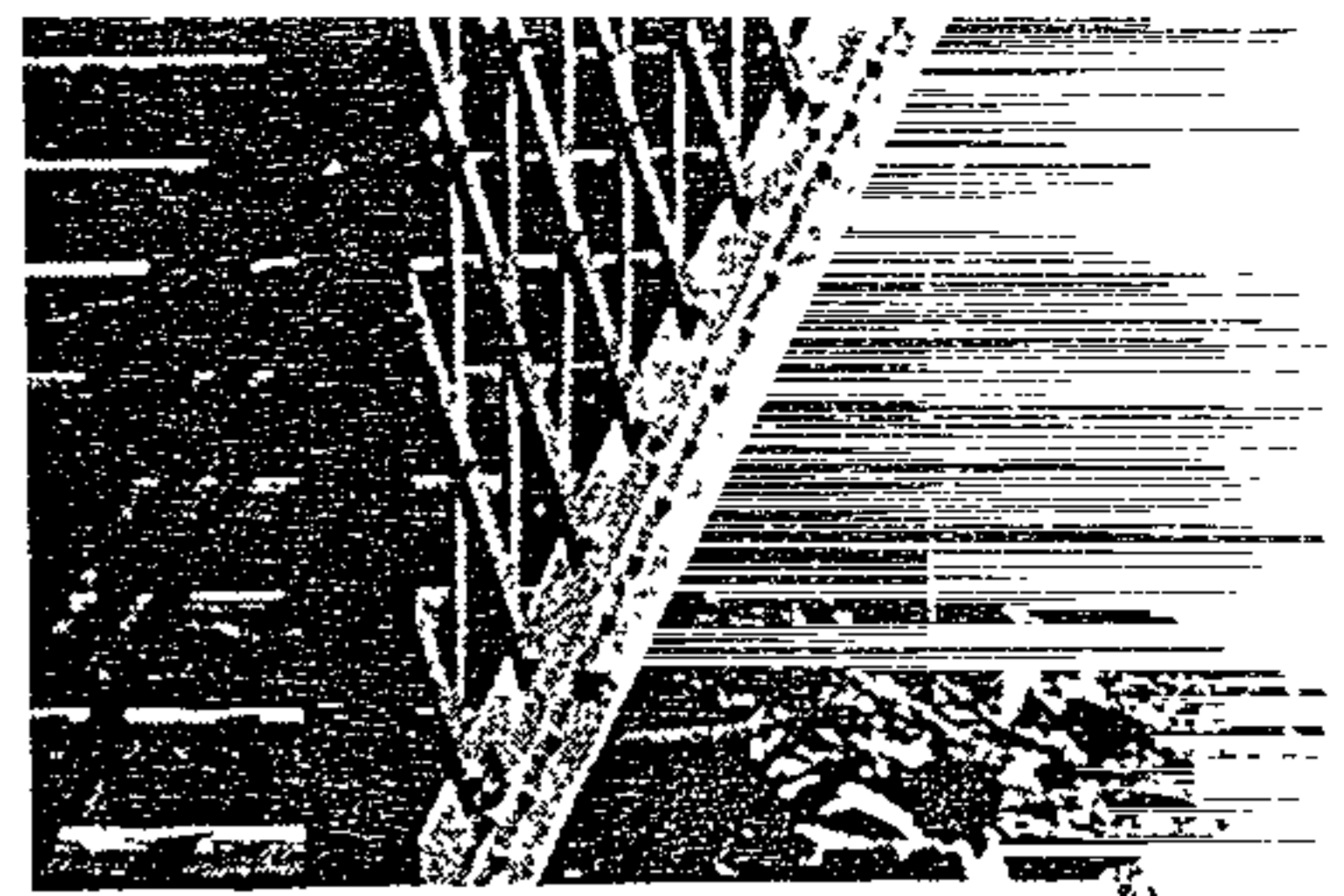
Perhaps the Sullivan principles and the other codes in the world will only do so much, and only go so far. Perhaps the only way South Africa can be fundamentally changed is by massive conflict and a devastating war.

But I believe that attempts must be made to find peaceful means for change if it is still possible.

If these world multinational company efforts are aggressively initiated, broadly and effectively applied and closely monitored, they will have to make a difference.

None of us can be sure the total goals of the principles will ultimately be attained; but things are beginning to happen in South Africa as a result of the principles. They are a catalyst for social change in South Africa.

In this endeavour, powerful support will be needed beyond the companies, including unrelenting and much clearer commitments to racial justice in South Africa from the President of the United States, Congress and other government leaders and nations.



Apartheid in the city... but these two blacks to ignore the sign over a railway bridge crossing.

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Sullivan wants more muscle for bar on US operations in SA

City Press
5/1/83
62

CP Correspondent
WASHINGTON — Six years after the introduction of the Sullivan Code of employment for US companies operating in South Africa, 150 firms are still refusing to sign up.

And a third of those who are participating have received "failing grades".

Because of this dismal record, the Rev Leon Sullivan, who drew up the code in 1977, wants the US government to enforce it.

In an article written for the Washington Post recently, Mr Sullivan said: "The vast changes necessary are not happening fast enough. The necessity for greater changes — visible, broad, effective and quick — is imperative. No one is more aware than I that the principles and other codes must be pushed harder for greater and faster results. It is my view that if the principles and codes of other nations are enforced and vigorously implemented and monitored, they can work for change, but in order to bring this about, more pressure is needed on the companies for fuller and swifter compliance."

He called on the US government to intervene.

"The full compliance with the principles by all American companies with operations in the Republic should be made mandatory by the US government, and backed with embargoes, tax penalties, sanctions, loss

of government contracts and any other effective means."

Despite the limited progress, Sullivan said the principles were beginning to work.

He cited some "significant" changes since the code was introduced, such as the desegregation of many factories, the increased training of blacks in

"It is clear that the main problem in South Africa is not just fair employment practices, or equal opportunity, or better schools . . . the main problem is freedom."

Even if they were implemented to the optimum, the principles alone could not end apartheid. Apartheid is a ruthless, inhumane

who believe in justice within the country, and world public opinion.

"But it is my firm opinion that the multinational corporations have a major role to play. In the past they have been the main beneficiaries of cheap labour and profits from this evil and unjust system and among its main supporters. It should be the responsibility of these companies to help change that system. Otherwise, they have no moral justification for remaining in South Africa, and should be compelled to leave the country."

And he added that until apartheid ended, American companies should not expand their South African operations, or lend money or sell military equipment to Pretoria.

Sullivan concluded that despite its limitations, the code had become a catalyst for social change.

'Push harder for faster results'

supervisory jobs, the increasing recognition of representative unions, and the commitment by companies to improve the quality of workers' lives.

He cautioned, however, that the code should not be seen as a solution to South Africa's problems.

system of practices and laws deeply embedded in the world's most racist society, and in order for apartheid to be completely eradicated, it requires the combined efforts of many forces, including governments, companies, churches, unions, the United Nations, those

Stay off Rikhoto, Govt is warned

By STEVEN FRIEDMAN
Labour Correspondent

THE Government could unleash a "furore" in the United States if it overrode the Rikhoto judgment extending migrant worker rights, and such a decision would strengthen the hand of the growing disinvestment lobby in the US, a leading industrial relations man said yesterday.

Mr Fred Ferreira of Ford (SA) warned that campaigns to pull tens of millions of rand out of companies doing business with South Africa could gather steam if the Government took this step.

He was approached to comment in the light of a recent speech he made to the Afrikaanse Handelsinstituut.

Mr Ferreira told the AHI the US disinvestment lobby, which has recently persuaded several state and city legislatures to withdraw investment from companies doing business with South Africa, was increasingly focussing on influx control and on the proposed Orderly Movement of Black Persons Bill.

He argued that the Government should announce the scrapping of the Bill.

Mr Ferreira said yesterday that overriding the Rikhoto judgment could cause a "furore to the nth degree" in the US.

"The Americans are certain to view an

attempt to circumvent the judgment as an attempt to muzzle the courts," he said.

"They are particularly sensitive to this sort of issue as their own Supreme Court played a key role in the desegregation initiatives of the 50s and 60s," he added.

Mr Ferreira said large sums would be involved if the disinvestment lobby succeeded in persuading public bodies to withdraw funds from companies doing business here.

"For this and many other reasons, I believe the Government would do well to implement the judgment," he added.

Meanwhile, influx control specialists pointed out yesterday that according to a recent study by Cape Town economist Charles Simkins, South African cities were less populated than those of other comparable countries.

They were reacting to suggestions that implementing the judgment would prompt a "flood" of black people to the cities, whose facilities would not be able to cope with them.

In a book published recently, which analysed official population statistics, Mr Simkins found that influx control measures had led to South African cities becoming "under urbanised" compared with United Nations norms for city populations.

He also argued strongly against suggestions that relaxing influx control would lead to an "uncontrollable flood" of black people to the cities.

US government backs Sullivan code

By SIMON BARBER

WASHINGTON. — In a major defence of "constructive engagement", Mr Ronald Reagan's administration this week warmly endorsed the Sullivan fair employment code for United States companies in South Africa and warned that it was "not prepared to condone a business-as-usual posture" by those who ignored the principles.

Appearing before a house banking committee to fight legislation proposed by Mr Stephen Solarz that would make compliance with the code compulsory, Mr Frank Wisner, Deputy Assistant Secretary of State for Africa, said that the 146 US firms who have signed the code "are in the forefront of US efforts to bring about meaningful change in South Africa".

Among highlights of Mr Wisner's presentation were:

- 90 000, or 71%, of the workers employed by US-controlled firms in South Africa work for Sullivan signatories;
- Of the 37 000 employees working for the 152 firms which are not signatories, 20 000 work for companies where the US interest does not amount to control and cannot therefore enforce code compliance;
- Signatories spent about R3 500 000 on employee training last year, a 48% increase over 1981 expenditures. Sixty per cent of the employees trained were black;
- Signatories last year contributed about R10-million to community projects, more than 2% of the total profit derived from US direct investment in South Africa during 1981;
- Expenditure by 120 signatories on development, education and training assistance for non-employees last year added up to a total of 3½% of their 1981 profits;
- Similar expenditures by the entire private sector in South Africa would yield an annual nest egg of about R215-million for the development of "disadvantaged communities", a sum far greater than what was spent in 1981, "demonstrating again the leadership position of US companies in community development";
- Initiatives by US firms have encouraged others to follow suit. Project Pace (the Soweto technical school) "set an example which is being followed by the German Chamber of Commerce along with the Urban Foundation in the establishment of a teacher training centre in Soweto ... and encouraged the Department of Education and Training to upgrade facilities in the Pace

neighbourhood";

● Salaries for black workers in Springs are above the norm for the Pretoria-Witwatersrand-Vereeniging area because US companies' pay scales have set a standard that other local companies must meet.

Mr Wisner also attacked the spreading disinvestment movement

"To date, those who advocate disinvestment have failed to address the fact that disinvestment only transfers ownership, it does not result in capital withdrawal from South Africa.

"In some instances, the new owners will not act to maintain the Sullivan code practices. Thus, it is the black workers who suffer, not the apartheid system, which is strengthened through the elimination of outside influence."

The State Department is afraid that the Solarz proposals, which are attached as a rider to the Export Administration Act, will discourage, rather than enhance, compliance with the Sullivan principles by putting the US government and private sector at odds, and may even cause some firms, whose presence might otherwise help promote change, to transfer control of their operations to domestic interests.

"At stake," said Mr Wisner, "is whether our system's enormous potential for good can be translated into reality."

Officer of Watch 'had not been briefed

CAPE TOWN. — A South African Navy commodore told the President Kruger inquest in Cape Town yesterday he was "dumbfounded" that the Officer of the Watch (OOW) at the time of the collision had not received any briefing whatsoever.

Commodore D F Silberbauer, Officer Commanding Naval Operations Command, was giving evidence at the inquest into the death of Chief Petty Officer Donald Webb.

Mr J P van Niekerk (for Sub-Lieutenant R Pickstock,

the OOW at the time of the collision) told the inquest Lieut Pickstock would testify he had rejoined the President Kruger on February 1 last year, before the departure of the frigate from harbour for the fatal manoeuvres. He had stood only one watch as OOW on the ship and that was while the ship anchored.

Lieut Pickstock would say he had for the first time seen his name on the roster as OOW of the middle watch on February 15 when the President Kruger left Simonstown harbour.

Asked whether he thought it reasonable to appoint a man under these circumstances, Commodore Silberbauer replied it would be a "bit heavy" on the officer. Mr Van Niekerk said Lieut Pickstock would say no officer on board the President Kruger had had the opportunity to observe him as an OOW under controlled conditions.

Commodore Silberbauer replied he was under the impression Captain Wim de Lange had observed Lieut Pickstock.

Mr Van Niekerk said the

sub-lieutenant was "not briefed at all in relation to this particular exercise" and had had no briefing whatsoever.

Asked to comment, Commodore Silberbauer replied, "I am dumbfounded."

Mr Van Niekerk said Lieut Pickstock would further "in spite of the magnificent title of Officer of the Watch" be expected to take orders from the PWO in the operations room.

He would say that in the circumstances he would never have dreamt of ap-

proaching the PWO in any doubt. He would say he queried an instruction PWO, but no further.

Commodore Silberbauer asked by Mr Van Niekerk to assume Capt De Lange had been aware of this, said: "I can't believe it."

Mr Van Niekerk said Lieut Pickstock would also say he was the practice on board and that Capt De Lange had been aware of this.

The commodore said the situation was "a book" one.

The inquest continues in Sapa.

Violence spurs West over SWA

PARIS. — Senior officials of the Western Contact Group on South West Africa said yesterday that recent violence in Southern Africa made it urgent that a solution to the question of independence for the territory be found.

"Conscious of the increase in violence in Southern

No BBC TV of papal visit

London Bureau
THE BBC has withdrawn television teams assigned to cover the Pope's visit to Poland next week after Polish authorities refused to grant visas to Mr Tim Sebastian, its European correspondent, and Mr Jan Repa, the BBC external

correspondent to visit Poland and entirely contrary to the spirit of the meeting between Polish Embassy representatives and the BBC's director general earlier this year".

Mr Kevin Ruane, the BBC's resident radio correspondent in Warsaw, was ex-



Apartheid inhumane Sullivan

C. Herald 11/6/68
(62)

THE principles I initiated were intended to bring the actions and influences of American companies in South Africa to bear against the racist practices and apartheid laws of that country.

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

The principles are not the total solution to the South African problem, and even if they were implemented to the optimum, the principles

alone could not end apartheid. Apartheid is a ruthless, inhumane system of practices and laws deeply embedded in the world's most racist society, and in order for apartheid to be completely eradicated, it requires the combined efforts of many forces, including governments, companies, churches, unions, the United Nations, those who believe in justice within the country, and world public opinion.

But it is my firm opinion that the multinational corporations have a major role to play. In the past they have been the main beneficiaries of cheap labour and profits from

this evil and unjust system and have been among its main supporters. It should be the responsibility of these companies to help change that system. Otherwise, they have no moral justification for remaining in South Africa, and should be compelled to leave the country.

The principles were meant to help end race discrimination and apartheid in South Africa — hopefully by peaceful means. Though progress is still limited in comparison to the enormous size of the problem, the principles are beginning to work, and some significant changes are occurring.

UNTTI, apartheid ends and full equality is achieved for blacks, there should be no expansion in South Africa by American companies, no new bank loans to the South African Government, and no sales to the South African Police or military.

So says the Rev Leon Sullivan in an article published in the Washington Post recently. The Rev Sullivan is the man who, six years ago, drew up the Sullivan Principles, a code of employment practice for American firms operating in South Africa. This is a summary of his article.

- Among these are:
- Throughout South Africa, plants are being desegregated in spite of the laws.
 - Blacks and other non-whites are being upgraded, for the first time, to administrative and supervisory jobs.
 - Blacks are supervising whites, for the first time, in South Africa.
 - Black and non-whites are being trained for skilled jobs in ever-increasing numbers.
 - Black representative registered and unregistered trade unions are now beginning to be recognised.
 - Technical schools

- training blacks and other non-whites are being built.
 - Black businesses are being initiated in increasing numbers.
 - Equal pay for equal work is beginning to be instituted.
 - Companies are beginning to improve the quality of life for blacks and other non-whites outside the workplace: in housing, health care, and education.
 - For the first time, some company executives are beginning to lobby for an end to all racial discriminatory laws and the apartheid system.
- Unfortunately the vast changes necessary are not happening fast enough. The necessity for greater changes — visible, broad, effective and quick — is imperative.
- The voluntary support of the principles has been effective, but it is not getting the desired results quickly enough. More enforcement is needed. I have travelled abroad and have urged investment actions against foreign companies and South African subsidiaries that are not living up to their codes. I have appealed for strong government action by the nations and their parliaments as pressure against company non-compliance.
- Foremost, I see the necessity for the recognition of the rights of association for black workers, and the recognition of their representative registered and unregistered trade unions, thereby empowering black workers to speak out for their rights on the job, as they will one day speak out for their rights in society.

It is clear that the main problem in South Africa is not just fair employment practices, or equal opportunity, or better schools. The main problem is freedom, including the end to influx control, an end to the incredible homeland policy, and full political equality for the black population. Therefore, beyond the principles, it is my position that until apartheid ends and full equality is achieved for blacks, there should be no new expansion in South Africa by American companies, no new bank loans to the South African Government, and no sales to the South African police or military.

The growing strength of the black workers is one of the greatest hopes for peaceful change in South Africa.

Law to rule US firms in SA likely to be passed

WASHINGTON. — Proponents of legislation that would require United States businesses to follow fair employment standards in South Africa predict the Bill will easily clear its second hurdle in the House of Representatives.

The legislation has already passed the Foreign Affairs Committee as an amendment to the controversial Export Administration Act.

It has 64 sponsors, including 12 members of the Banking Committee, to which it has been referred.

The Bill establishes a set of legally enforceable fair employment standards for American firms operating in South Africa with more than 20 employees. It also bans loans by US banks to the South African Government except those made for integrated educational, housing and health facilities.

It would also ban the sale of the popular South African

gold Krugerrand in the US.

The proposal is unpopular with the banks and with the Reagan Administration.

Five major banks declined to testify this week on the Bill before the House Banking subcommittee on financial institutions. Subcommittee chairman, Mr Fernand St Germain, said invitations were sent to seven of the nation's largest banks.

"I regret to report that none of the seven was anxious to testify," he said as he opened the hearing. "Their failure to appear highlights the moral nature of the apartheid issue."

Mr St Germain said Bankers Trust, Chase Manhattan, Chemical, Morgan and Wells Fargo Banks declined to testify, although Chase, Chemical and Wells Fargo sent statements.

Citibank submitted a statement saying it would appear if it were not the only bank to testify, and Bank of America

"indicated its willingness to send "a not-too-qualified witness" since their only "expert" on South Africa had recently suffered a heart attack," Mr St Germain said.

State, treasury and commerce departments officials and the Export-Import Bank testified against the bill.

There are 350 US companies in South Africa, employing more than 100 000 workers, 70% of them black.

The Reverend Leon Sullivan, author of the "Sullivan Principles", by which US firms voluntarily subscribe to fair employment practices in South Africa, said the principles can only go so far.

Support for restrictions on South Africa has been growing in the House. Last month, the Banking Committee adopted an amendment requiring the director of the International Monetary Fund to oppose lending privileges to any country practicing apartheid. — UPI.

(62) Sweet a

SULLIVAN CALLS ON U.S.A. TO PUSH EMPLOYMENT CODES



WASHINGTON — The Rev Leon Sullivan, author of a voluntary code of fair employment principles for American firms operating in South Africa, called yesterday for such a code to be made compulsory.

Of the 300 American-owned or affiliated businesses in South Africa, 146 are signatories to the Sullivan Principles. The signatory companies employ 90 000 of the 127 000 South Africans who work for US firms.

But this was not enough, Mr Sullivan, a Baptist preacher and chairman of the International Council of Equal Opportunity Principles, told a congressional hearing on banking affairs.

Embargoes

Though the code had been effective as a catalyst for change in South Africa and had been copied in other parts of the world, it was not getting results quickly enough.

He therefore supported mandatory compliance of the principles, backed up with embargoes, tax penalties, sanctions and loss of government contracts for companies that offended.

SOWETAN FOREIGN SERVICE

Mr Sullivan was speaking in favour of a Bill introduced by Congressman Stephen Solarz, a Liberal democrat from New York, that aims to restrict US trade ties with South Africa.

Loans

It would make fair employment practices legally enforceable for US firms that have more than 20 workers in South Africa, ban loans to South Africa except for integrated educational, health facilities and housing, and stop the sale of Krugers in the US.

The measure has 64 co-sponsors in the House of Representatives. It has already passed a congressional committee that deals with foreign affairs.

"I support this Bill in its entirety," Mr Sullivan told the congressmen.

He said it was possible that the only way South

Africa could be fundamentally changed was by massive conflict and a devastating war. But he believed attempts must be made to find a peaceful means.

Results

Mr Frank Wisner, deputy assistant Secretary of State for African Affairs, told the hearing that the Reagan Administration strongly endorsed the Sullivan Code but that it should remain voluntary to get the best results.

"US firms which have adhered to the code are helping to end apartheid on the job and in work-related activities," he said.

But efforts in the social responsibility field were by no means limited to signatory companies. At least one company had adopted the principles as a board resolution — but had not signed because it rejected the idea that an outside body could set standards for the corporation.

Travesty

The Reagan Administration believed that this was the prevailing attitude among the non-signatories.

whether our system's enormous potential for good can be translated into reality."

"We believe it would be a travesty to destroy the Sullivan Code by turning it into a congressionally mandated legal requirement for doing business in South Africa," Mr Wisner said.

He said the Reagan Administration was prepared to support strongly and defend the US business community in its efforts to promote economic growth and social justice in South Africa.

Trial

But the administration would not condone a business-as-usual posture by firms which had not adhered to the code.

Mr Wisner said that capitalism was on trial in much of the Third World, including Africa.

"South Africa is a special case, perhaps more

Handwritten mark

Handwritten signature

SOWETAN, Wednesday, June 15, 1983

Jan Steyn speaks out on disinvestment

WASHINGTON — Mr Jan Steyn, executive director of the Urban Foundation, has said here that he cannot see any purpose served by US disinvestment in South Africa.

Addressing an invited group including State Department and congressional officials, Mr

Steyn said the matter of investment in South Africa aroused strong emotions in the United States.

But US corporations could play — and had played a positive and

beneficial role in promoting change.

In many respects, Mr Steyn said, the debate about disinvestment was about the desirable and likely course of reform in South Africa.

The assumption behind disinvestment strategy was essentially that significant reform was not possible through non-revolutionary pressures and that the weakening of the industrial system was a necessary first step to the overthrow of the whole system.

But an analysis of the changes that had taken place, and why they had occurred, must lead to that assumption being questioned.

A second assumption was that the present South African Government would respond with sweeping reforms if the threat of disinvestment became serious and the economy really suffered.

"This is a fundamental miscalculation, and implies either violent confrontation or a protracted period of misery and unemployment for all, under a stagnant economy," Mr Steyn said — SFS.

The Lamborghini Countach — acclaimed as one of the finest and most spectacular sports cars ever designed. And in its rather intriguing black and gold box John Player King Size is certainly its equivalent in Virginia cigarettes. Lamborghini Countach R150 000. John Player Special King Size, considerably less.





We can expect a signal from the United States

THE United States, officially repulsed by South Africa's official racism, has yet to devise any effective means of dealing with it.

We have tried diplomatic tongue-clucking. We have placed restrictions on transfers of military goods. Particularly during the Carter years, we stated our disapproval more directly. Now, under the Reagan administration, we are trying open-armed friendliness in an effort to nudge South Africa away from its most odious racial policies.

None of it has made the slightest difference in South Africa's treatment of its black majority. Maybe, in terms of American influence, it's a hopeless task. But the Republican Congressman Stephen Solarz doesn't think so.

He begins with the notion that while South Africa would like to have American approval, acceptance in the family of civilised nations — what it covets more is American investment, through individuals, through institutions and through American-based firms doing business there.

"This is the basis of no-more-nonsense legislative proposal by Solarz, which, at the very least, ought to trigger an important policy debate here.

The Bill has three main provisions. It would establish a set of legally enforceable fair-employment standards for American companies operating in South Africa; it would bar US banks from making loans to the South African Government, "ex-



William Raspberry AMERICAN SIDELINES

cept for loans made for educational, housing or health facilities which are available on a non-discriminatory basis in areas open to all population groups"; and it would ban the importation of South African gold coins, including the Kruger Rand, of which millions have been sold in America.

The fair-employment principles Solarz has in mind are similar to those outlined in the Sullivan Plan — except that the code drawn up by

the Rev Leon Sullivan calls for voluntary compliance.

"By making fair-employment principles mandatory," Solarz contends, "we would overcome two serious problems with the present voluntary approach; first, that half of the American firms in South Africa have not signed the Sullivan principles; and, second, that at least a third of the signatories have failed to implement the code effectively."

The Solarz proposal, though it will disappoint advocates of full investment, does have its attractions. It constitutes a solid statement of American principle, and its focus is on changing conditions in South Africa, not merely punishing the Government.

"I have no illusion that passage of this legislation would bring the apartheid system to its knees," says

Solarz, "but it would make a significant difference in the lives of approximately 70 000 black men and women who work for American firms in South Africa. It would also limit US sources of foreign exchange for the South African Government, and, most important of all, it would send a powerful signal that the United States is prepared to oppose apartheid by deed as well as word."

Such a signal would be important, particularly in view of present US policy, which supposes that being nice to South Africa will pay off in changing South African behaviour, both internally and internationally. It clearly isn't working. Solarz is operating from a different premise: that while we might not be able to eliminate apartheid, we can at least stop being a party to it.

Big U S housing corporation to enter S A market

62
28/6/83

Property Reporter
A MULTI-million rand American housing corporation is to enter the South African market in co-operation with the Corporation for Economic Development (CED).

Mr Don Tidwell, chairman of the board and president of Tidwell Industries, announced this week that a new company, Tidwell Housing SA is to establish a factory in the Ezakheni industrial area near Ladysmith.

The company is a subsidiary of Tidwell Housing Systems International, based in Haleyville, Alabama. It will manufacture mobile homes with an initial emphasis on housing for mobile home parks developments and single-family dwellings.

Construction of the Ezakheni factory is due to begin in mid-July and is scheduled for completion in January 1984. It should eventually produce seven to eight units a day and employ over 300 workers.

The houses will be built to S A B S specifications and Tidwell aims to work towards gaining a S A B S mark for its products.

Mr Tidwell said the factory would eventually include constructions for the industrial and commercial markets, including dining units and laundry units for mining and construction sites, as well as modular offices for urban areas.

Sales centres are to be established at various sites by November this year.

Realising the tremendous housing shortage that exists throughout the world, Tidwell has for several years followed an

aggressive policy of exploring promising opportunities for the shelter and housing business in international markets.

'Through on-site visits and extensive discussions, we found that South Africa provides a stable, attractive investment climate, a highly developed economy and far-sighted government officials and business leaders. We are very pleased to have this opportunity to extend our operations to South Africa,' Mr Tidwell said.

Tidwell has worked in Kuwait and Saudi Arabia, providing technical assistance and management services as well as establishing manufacturing housing assembly lines.

Tidwell Industries employs more than 2,000 workers in the U S and sales in 1983 are estimated to total approximately R200 million.



ONE of Tidwell's manufactured homes — soon to be produced locally at Ezakheni industrial park.

Thursday, June 30, 1983

Page 5

US paper joins pact

WASHINGTON — The Los Angeles Times, America's major West Coast newspaper, has joined the New York Times and the Washington Post in opposing moves in the US Congress to sever or limit business ties with South Africa.

But all three papers, which reach millions of readers throughout the US, are highly critical of South Africa's race laws.

Earlier this year, both the New York Times and the Washington Post said, in effect, that disinvestment was pointless and that the withdrawal of American businessmen would remove their ability to implement fair employment practices in South Africa, and serve as a lever for reform.

This is also the view of the US State Department, repeated last week in a speech by Mr Lawrence Eagleburger, Under-secretary of State for political Affairs.

EDITORIAL COMMENT

In an editorial comment yesterday, the LA Times supported Mr Eagleburger's rejection of proposed legislation to control the actions of American companies operating in South Africa and limit South African exports to the US.

"Those are issues better left to voluntary arrangements," the LA Times said.

"Concerned Americans are free to boycott corporations that do not conform with the standards set by the Rev Leon H Sullivan, and free to decline the purchase of gold Krugerrand coins."

The newspaper said Mr Eagleburger's speech had cleared away many of the ambiguities in the Reagan Administration's policies toward South Africa. One of these was the myth that South Africa was a reliable strategic ally of America when its very constitution left it vulnerable to disorder.

Mr Eagleburger's statement that all South Africans had the right to determine their own future without interference should not be construed as an invitation to maintain the status quo, it said.

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30/6/83 Sowetan

Varsity
ROOM
to keep
7/28/83
R43m (62)
in SA

By RICHARD WALKER

NEW YORK. — Columbia University trustees have voted not to sell off R45-million invested in companies operating in South Africa, branding the senate's disinvestment proposal as counter-productive.

Columbia's decision will influence the disinvestment campaign of many states and colleges in America.

Columbia's policy allows investment in companies which have signed the Sullivan Code, which seeks to set employment standards for American companies active in the Republic.

The senate had voted for much tougher action after hearing a presentation from Bishop Desmond Tutu claiming investments maintained apartheid in South Africa.

All 53 senators present voted for a sell-off of investments in South Africa.

The university's president Mr Michael Sovern admitted surprise at the weight of the senate vote, but refused to reveal his advice to the trustees, although trustees chairman Mr Samuel Higginbotham called disinvestment a "fairly futile" gesture.

A final trustee statement declared "total disinvestment would contribute little to the elimination of apartheid and, indeed, might prove to be counter-productive to this goal and injurious to the university".

Sullivan examines SA moves towards his labour code

62 star
5/7/83

Labour Reporter

A former American community and religious leader, Mr Dan Purnell, is in South Africa to investigate the operations of United States subsidiaries.

Mr Purnell is the active arm of the Rev Leon Sullivan, the creator of the Sullivan Code of Employment Practices which define how these subsidiaries should move towards equal opportunities for their workforces.

An articulate and humble man, Mr Purnell comes with the title of executive director of the International Council for Equality of Opportunity Principles Inc.

He makes an annual pilgrimage to South Africa to look into the operations of the Sullivan Principles here and report back to Dr Sullivan.

"I will talk to anybody — church leaders, community leaders, labour leaders — and I've found no difficulty in doing so," Mr Purnell says.

Subsidiaries are graded on certain criteria on the basis of the codes. They are said to be making good progress, making progress or needing to be more active.

Funding for the Sullivan operations in the US and in South Africa comes from the signatory companies on a voluntary basis.

But this in no way means that these firms have any say in the implementation of the principles, Mr Purnell says.

The present US draft legislation in the Solarz Bill results from a feeling that in spite of their government's policy of "constructive engage-

ment" towards South Africa the authorities here have been complacent in making movement towards change.

The forced resettlement of squatters has been widely publicised in the US and used by groups favouring disinvestment legislation.

Various labour and other reforms are still considered to be cosmetic, Mr Purnell says.

Dr Sullivan fully supports the Solarz Bill — it contains many principles he has been advocating for more than four years.

While in South Africa, Mr Purnell will deal directly with the representatives of various US firms which are signatories to the Sullivan Principles.

Mr Purnell will also meet non-signatory US companies in South Africa and hopes some of them will soon join.

He sees three major reasons for these subsidiaries not committing themselves to the Principles:

- Firms feel they are too small and therefore not relevant to the operations of the Principles.
- Some firms feel the report-back process is too laborious and not productive for their South African operations.
- Other firms just are not interested in the Principles at all.

WKE ARGAS 16/7/83 (62)

American opinion on the subject of trade and investment relations with South Africa is divided. Here are two views which appeared side by side in the influential New York Times.

Invest in South Africa . . .

says ROBERT WEIGAND, professor of marketing at the University of Illinois

CHICAGO. — The question of what to do about South Africa's race policies is still with us.

A host of organisations have had to decide whether to divest, stop new investments or stop trading with a country that is so well-known for apartheid, jailings, beatings, murder and other racially derived practices.

What few of these organisations recognise is that South Africa's blacks and the people of mixed race known as coloured are better off, and so are Americans, if American businesses remain in that country than if they pull out.

First, our role there is negligible — not large enough to affect that country's racial policies. American businesses have invested only \$2.6-billion in South Africa — only a tiny fraction of the goods produced there. It is also small when compared with the roughly \$19-billion of investment held by European, Asian and other foreign countries.

If our commercial relations with South Africa were truly immoral, then the size of our investments or trade would be irrelevant. That is a larger question. Nevertheless, acknowledging the extent of our ties is important for those concerned Americans who believe that withdrawing our country's business can have a substantial impact on that country's racial practices. It cannot.

Second, our industry can — and does — do more for black and coloured workers by trying to work within the country than by pulling out. American businesses must resolutely move beyond presently acceptable South African business practices.

The splendid voluntary code devised by the Baptist minister Leon

Sullivan of Philadelphia for foreign businesses operating in South Africa includes equal pay for equal work, training programmes for blacks, desegregated working facilities, improved worker housing and transportation and the right to unionise. It is being practised by about half of our companies. There is little doubt that abiding by the code can cost money. Still, it is a way to improve the lot of South Africa's black and coloured workers while remaining a part of the system.

Third, we are so replaceable. South Africa can easily turn to alternative suppliers of capital and know-how.

Many countries do not share America's enthusiasm for human rights, particularly during a period of world-wide economic difficulties. Any economic vacuum created by American withdrawal would generate much attention. One can almost hear managing directors in other countries holding their collective breath in anticipation of windfall profits brought by an American pullout.

Fourth, South Africa's black and coloured people pay a higher price during economic difficulties than do the minority whites.

Fifth, we need South Africa — unfortunately. The Republic of South Africa is a major source of chrome, manganese, platinum, vanadium, uranium, gold and other minerals that are essential to America's economic and military well-being.

Sixth, Washington should make foreign policy — businesses should not. Nor is it in businesses' interests to introduce an ethical variable into a situation that may be purely economic.

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State, federal campaigns for disinvestment

5/7/83

Labour Reporter

The disinvestment campaign against South Africa in the United States is gaining momentum at both federal and state levels.

About 28 states already have some form of disinvestment legislation.

Massachusetts has passed a Bill which restricts any investment in banks doing business with South Africa and there are prospects that similar legislation will be passed in another six states by the end of next year.

In Connecticut legislation was passed which required strict adherence to the Sullivan Code of employment practices and report-back mechanisms to ensure that firms operating in South Africa had a good record.

If such a record were not obtained they would face a one-year probationary period and sanctions.

As a result of the widespread state campaign against South Africa, as well as extensive criticism in the media, the Solarz Bill was recently launched at the Federal level.

The Bill introduced by Representative Stephen Solarz proposes that American firms operating in South Africa will have to adhere to a code of employment practice or face fines and other penalties.

To date, codes of employment practice such as the Sullivan Principles upon which the Solarz Bill appears to be based, have been voluntary codes.

If the Solarz Bill is passed, American subsidiaries in South Africa will

be legally bound to adhere to the codes contained in the Bill.

The codes lay down equal wages, working conditions and opportunities for staff of all races in any American subsidiaries operating in South Africa.

But various emergent trade unions and some employers in South Africa have described these codes as window-dressing or public relations exercises.

There are about 300 American subsidiaries in South Africa of which 146 are signatories to the Sullivan Principles. The 146 companies represent about two percent of the country's labour force.

In addition to fines and penalties the Solarz Bill seeks to stop the sale of Krugerrands in the United States and halt new American investment in South Africa as well as company expansion.

The State Department has already expressed reservations about the Bill but it has passed the House foreign affairs committee and has been heard by the House banking committee.

It would have to pass several other government committees.

It is believed there are likely to be some changes to the Bill if it does pass through the House and it would still have to be cleared by the Senate before going for the President's signature.

In the past American government and overseas business interests have stressed the importance of voluntary codes and minimal official interference as part of the free enterprise system.

Matter of fact

A REPORT on a case between Mr Tau Diale and 3M, in The SOWETAN of June 9, omitted the argument of counsel for 3M. The judge, Mr Acting Justice Schutz, dismissed Mr Diale's claim for R5 000 damages for wrongful arrest after being accused of theft and malicious prosecution.

Mr R Meyer, for 3M, told the court it was clear from evidence that Mr Diale had not been forced to accompany his two colleagues to the police station.

He said it emerged in his testimony that he went voluntarily with them and had not pro-

tested or resisted. Mr Diale, he said, had also admitted under cross-examination that the men did not speak harshly to him, but were courteous.

He also admitted that the reason why he had not protested was because he had been told where he was being taken and the reasons for doing so.

It was also clear, Mr Meyer said, that the two men had wanted the matter investigated further and they did not ask that a charge be laid. Furthermore, there had not been any malice

when this was done because Mr Diale admitted he had not quarrelled with the two before.

In granting 3M absolute, the judge said there had been no indication that Mr Diale was detained since he was willing to go to the police station.

On the question of malice, Mr Diale had conceded there had been no enmity between himself and the two men. There had also been no evidence of improper motive when they acted. The men had not only the right, but also the duty, to find the offender if they could.

ivated for petty political advantage.

teachers' association was making political attacks on

to return to Peking after a two-month tour. — UPI

blition on Tuesday.

Threat to US bank loans in SA

By SIMON BARBER

WASHINGTON. — Legislation that would force United States subsidiaries in South Africa to abide by the Sullivan principles and outlaw further US bank loans to the Republic has crossed an important hurdle in Congress.

The measure, tacked on to the Export Administration Act as an amendment, was accepted by the House Foreign Affairs Committee

and then referred to the House Banking Committee because of its loan provisions.

In a surprise move, the banking committee has now waived its right to study the rider, effectively readying it for a vote on the House floor.

Administration officials, who oppose the measure on the grounds that it will seriously hamper their efforts to become constructively engaged in South Africa, had

hoped it would meet tougher opposition in the banking committee.

The banking committee decision was made after several major US banks refused to testify before its subcommittee about their activities in the Republic.

While the Export Administration Act as a whole will be open to new amendments when it reaches the floor, the language of the proposed

anti-SA amendment is expected to remain unchanged.

The Act also contains a rider that would re-impose the tight controls on US exports to South Africa which the Reagan administration has eased

State Department sources now fully expect the House to accept both the amendments, and are hoping, as one put it, that "the Senate will pull the fat from the fire".

Auss 'racis raised a sto

By MARSHALL MELBOURNE.

ment member bourne Chinese ity was refused to speak during immigration at rian Return men's League ference, in yesterday.

Mr Wellington T. gate for the thorn sub-branched to contest motions raised the week urging tralian federal ment to prevent colony" from by increasing immigrant decreasing the Asian countries.

But in an improve delegates to allow Mr Lee because his personal and representative of his sub Mr Lee said later people in there sympathetic to they just went the crowd.

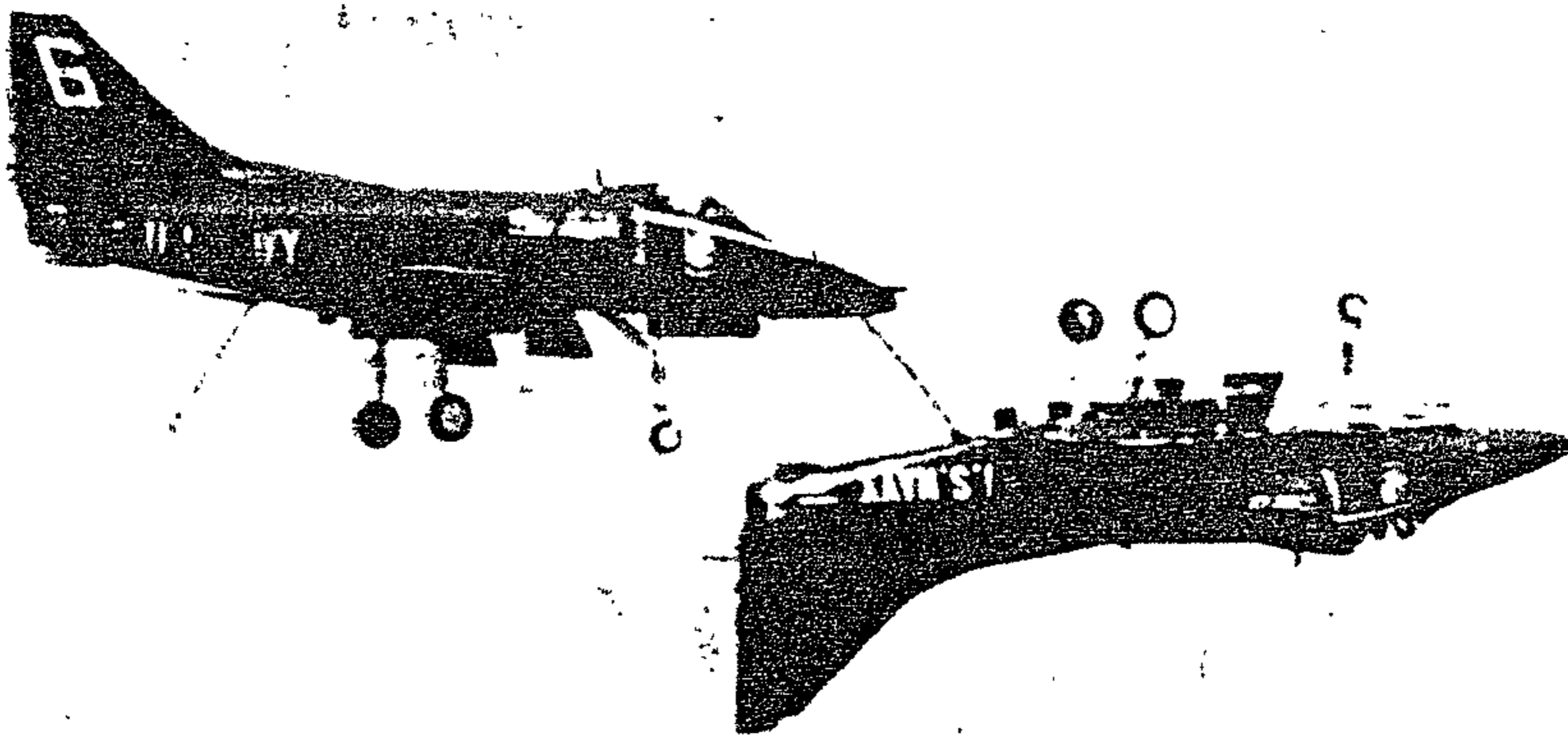
He said he believed ignorant" chestrated the rights to be he issue which was emotive.

"It is a sad day for when a respon like the RSL one of its democratic speak," Mr Lee

Later two Labour ernment backed Giovanni Sgro and Sidiropoulos, RSL president, Ruxton, for

ism in Australia. "The RSL and its are totally out with the social has occurred in in the postwar they said. Multi was now a reality tralia and the pro irreversible.

"While the attack state conference RSL appear to be at Asian immi there is little doubt target is much comprises other groups as well, statement added.



The US Navy's flying team performs a tricky stunt during celebrations of the 50th anniversary of the Sunnyvale Airfield in California. The stunt involves two planes in a midair "hook-up" operation.

Actress who sued, beaten to death

LOS ANGELES. — A former actress who claimed a multimillionaire adviser of President Ronald Reagan had promised to support her for life, had cash problems when she was beaten to death yesterday, say police.

Miss Vicki Morgan, who unsuccessfully sued Mr Alfred Bloomingdale and his wife Betsy for R10 800 000, had claimed a 12-year relationship with the heir to the department store fortune.

She once claimed she had received cheques for up to R19 500 a month from Mr Bloomingdale, who died last July. But police said they had heard she could no longer afford her rent of R1 086 a month.

Her body was found in her tree-shaded home after her boyfriend, Mr Marvin Pancoast, walked into a police station and blurted out, "I just killed someone."

Detectives at her apartment found a blood-stained baseball bat beside her bed. — Sapa-Reuter.

Whites dispute black ban

DURBAN. — A group of whites has challenged a decision to ban local black golfers from playing at the Port Shepstone Country Club by demanding a special general meeting of the club.

And more than 70 white scholars, in a letter to a local newspaper, have described the ban as "insensitive and bigoted".

The club last month barred a well-known visiting Indian golfer from Maritzburg, Mr Reggie Naidoo, from playing a round with other members of the Maritzburg Country Club.

Until recently local "non-white" golfers — mostly Indians — have been allowed to play at certain times of the day, but at the club's annual

meeting 77 members voted in favour of a ban, with only two against.

One of the dissenting votes was that of Mr Bill Redpath, a professional man who this week wrote to the club's executive committee complaining about the "highly irregular" way the matter was raised at the annual meeting — under the general category with no forewarning to members.

Mr Redpath has sent a petition, signed by more than the required 10 members, asking that a special meeting be called.

"Anyone who wants to take away facilities from black players, or indeed to give them more, must put the proposals in writing for circulation to all members so they

can prepare themselves to talk on the subject," he said yesterday.

"The Port Shepstone ban has repercussions far beyond the town's boundaries and far beyond the borders of our country. It makes the task of top sports administrators such as Dr Danie Craven and Joe Pamensky a hell of a lot more difficult when they try to convince people overseas that we are becoming more enlightened."

The local white pupils, in their letter to the South Coast Herald, said. "We want to assure the victims of this injustice that we are as embarrassed about the banning as they are humiliated, and that this decision in no way reflects the opinion of all whites along the coast."

R1 600 000 paid for antique cabinet

LONDON. — A French king's ebony cabinet broke the world auction record for a piece of furniture yesterday.

A "magnificent ebony and lacquer cabinet", once in the private study of King Louis XVI at Versailles, was sold to an American collector for

R1 600 000, said an official of auctioneers Sotheby Parke Bernet.

The price topped the previous auction record for any piece of furniture — R1 400 000 paid four years ago for a Louis XV corner cabinet.

The ebony cabinet, inlaid with mother of pearl, was discovered by Sotheby's experts in a private collection. It was made for Louis XVI in about 1784, a few years before the French Revolution.

The king took it with him on his last journey to the Tuileries Palace, where

held before his execution by guillotine in 1793.

Sotheby's said its and decoration... work of Adam Weis who made several lacquer furniture for Marie Antionette. —

Nigeria plant ⁶² for GM ^{2. Port} trucks ^{12/7/87}

DETROIT — General Motors, the world's biggest car manufacturer, was negotiating with Nigeria about setting up a truck-making plant there, a GM spokesman said.

He said talks with the Nigerian Government had recently started, but declined to give details.

However, other company sources said Nigeria offered to give the firm a site in the city of Maiduguri if General Motors agreed to set up a plant by early 1984.

GM has said it plans to assemble light commercial trucks in Nigeria, possibly by 1985. Company sources said it was still unclear to what extent Isuzu of Japan, which is 34.2% owned by GM, would participate in the Nigerian venture.

GM sources said negotiations with Nigeria were expected to continue until the end of the year and added that the venture was part of a recently planned expansion in Africa.

They said terms may be similar to a deal reached several months ago with Egypt.

In Egypt, GM agreed to assemble light and mid-size commercial trucks and buses, starting in early 1985, and took a 31% equity interest in the venture.

Sapa-Reuters

300 workers go on strike at Vereeniging Coke plant

ed Mail Reporter 15/7/82 ~~(b2)~~ ~~(b7)~~ demanded an increase in the minimum weekly wage from R68 to R115. During six meetings with management, the demand was lowered to R96. Management, the union official said, had offered R77.

THE Coca-Cola plant in Vereeniging was brought to a halt yesterday when the entire work force of about 300 people went on strike to support a wage demand. The workers, members of the Fosatu-affiliated Sweet, Food and Allied Workers' Union, downed tools on Wednesday after a breakdown in negotiations with management over wage increases.

The two groups, who signed a union recognition agreement a year ago, were yesterday meeting to discuss the dispute.

According to a union official, the workers had de-

A spokesman for the company confirmed that the plant had been shut down by a strike, but would not comment further.

79 (62)
RDM
2/8/83

US stake in SA 'larger'

By SIMON BARBER
Washington Bureau

WASHINGTON — A leaked cable from the United States Consulate in Johannesburg to the State Department contradicts the Reagan Administration's view that disinvestment would have little effect on the South African economy.

The document, which was acquired by investigative columnist Jack Anderson, states: "The potential for US disinvestment could be more important to the South African economy than we had previously assumed."

This conclusion is based on the finding that American investment in South Africa is almost six times larger than the R3 000-million figure often quoted by the administration.

"According to information we have recently obtained, the total (financial involvement) is probably in excess of R14.6 billion," Mr. Anderson quotes the cable as saying.

According to the columnist, it then points out that the figure "we have always glibly bandied about" is the R3-billion estimate prepared by the State Department.

"Disinvestment proponents who target US companies doing business in South Africa and banks lending to South Africa are aiming only at the tip of the iceberg," the cable says.

The State Department declined to comment on what one official termed "stolen documents." However, US Government sources said the author of the cable, which could provide fresh ammunition for the disinvestment movement, had misunderstood how the state and commerce departments analysed US foreign investments.

62 ~~1107A~~ ~~1107B~~

PRESS STATEMENTS

August 1983



JOINT PRESS STATEMENT MAWU / OCEAN MANUFACTURING

FOLLOWING the recent stoppage by employees of Ocean Manufacturing Ltd. at Pinetown, representatives for the Metal and Allied Workers Union and the management of the company met and negotiated a settlement acceptable to all parties

In terms of the settlement, Procedural Arrangements between the company and the union were confirmed, the method for the re-engagement of former employees was resolved and ex gratia payments were made for some employees.

The union confirmed its satisfaction with the terms of the agreement and trusted that it would lead to good industrial relations in the future.

Management expressed that it was pleased with the spirit in which the discussions were conducted and was looking forward to the resumption of normal production operations with immediate effect.

11.8.83

MAWU DECLARES DISPUTE AT PIETERMARITZBURG FACTORY

THIS week the Metal and Allied Workers Union was forced to declare a dispute with McKinnon Chain SA which is a subsidiary of Columbus McKinnon USA.

The dispute at McKinnon Chain arises out of the company's continued refusal to enter into negotiations on recognition with MAWU which has been organised at the plant for some three years and represents a majority of the hourly paid employees.

Mr. Mbanjwa the local MAWU organiser reported that the company had made many undertakings to the union that it would give it recognition but it always ended up renegeing on these agreements. He said that the union was keen to take the case to the Industrial Court because it had now been established that employers were bound to negotiate in good faith with representative unions.

11.8.83

CWIU AGREEMENTS COMPLETED

THREE Recognition Agreements have recently been completed in the Glass Industry. The Agreements are between the Chemical Workers Industrial Union, a FOSATU affiliate, and companies in the Plate Glass Group.

Full Recognition Agreements have been signed at Plate Glass, Germiston, Shatterprufe Safety Glass, Pretoria, and Shatterprufe Safety Glass, Port Elizabeth. The Port Elizabeth plant was previously organised by the TUCSA affiliate Glass Workers Union. But workers resigned and joined the FOSATU union when they heard about the progress in glass factories in the Transvaal.

The Agreements are the first in the Glass Industry and have been negotiated since the merger of the former Glass and Allied Workers Union with the Chemical Workers Industrial Union. The merger took place in December 1982.

The Agreements cover recognition of shop stewards, access for organisers, stop order facilities, procedures for handling grievances, discipline, retrenchment and disputes. They also allow for full collective bargaining rights on wages and working conditions.

17.8.83

SA defence 'aided by US investment'

The Star's Foreign News Service

12/8/83
MOSCOW — The Soviet Union has charged that American investment and credits are enabling South Africa to increase its defence spending.

A commentary in Pravda, the Communist Party daily, said half of the 500 major US corporations had branch offices or subsidiaries in South Africa and that US companies owned 57 percent of all foreign stock capital in the mines.

(KEL) (190A) (62) (187) 204
**Company says it knows
nothing of a dispute** 3/8/83

By STEVEN FRIEDMAN
Labour Correspondent

THE Metal and Allied Workers Union says it has declared a dispute with a Maritzburg company which could lead to another key industrial court ruling on the obligation of employers to bargain with a majority union.

The union says it has declared the dispute with McKinnon Chain (SA), a subsidiary of the American firm, Columbus McKinnon, because the company refuses to recognise it.

McKinnon's managing director, Mr D S Samuel, yesterday denied that the company was unwilling to recognise MAWU and added that it was not aware that the union had declared a dispute with it.

The threatened action follows two rulings by the court this year which have been seen as backing the view that an employer must negotiate with a majority union.

In a statement, MAWU said it had been forced to declare a dispute with McKinnon Chain because of the company's "continued refusal to enter into negotiations on recognition with MAWU, which has been organised at the plant for some three years and represents

a majority of the hourly paid employees."

It claimed the company had made many undertakings to the union that it would give it recognition, but always ended up renegeing on these agreements

The union was now keen to take the case to the court because it had now been established that employers were bound to negotiate in good faith with representative unions

Mr Samuel said, however, that McKinnon was in the process of preparing a procedural recognition agreement to be signed by MAWU.

He said the Steel and Engineering Industries Federation (Seifsa) had prepared guidelines urging firms to sign these agreements with unions willing to join the Metal Industrial Council. McKinnon would abide by these.

"We received them this week and, once we have studied them, will present the union with a document," Mr Samuel said

Meanwhile, MAWU has reached an agreement with a Pinetown firm Ocean Manufacturing on grievances raised during a recent strike by MAWU members, according to a joint statement by MAWU and the company.

Labour Correspondent

POLICE have denied allegations that they are "intimidating" members of the Commercial, Catering and Allied Workers' Union (CCAWUSA) — but have not denied any of the specific claims made by the union on Thursday.

In a statement CCAWUSA claimed that three of its members at an OK Bazaars warehouse in Johannesburg were raided by police and held briefly. It also alleged that their homes and work places were searched.

It said this followed the brief detentions of union shop stewards in Newcastle and Potchefstroom.

The union alleged that all the workers whom police acted against were questioned about union activities and that one member was allegedly given electric shock.

It accused police of "intimidating" its members and urged the Ministers of Police and Manpower, as well as employers, to act to prevent this.

Yesterday police replied to these allegations after the

THE EXECUTIVES

GM chief enjoyed his ride to top

By KEVIN VERNON

Weekend Argus Bureau, Port Elizabeth

THE head of General Motors' multi-million rand South African operation is a man who has enjoyed every minute of his climb up the corporate ladder.

Mr Lou Wilking, 53, is proud of his humble origins as the son of a machinist turned grocer in tiny Lochland (population 5 000), Ohio.

The steep climb has taken 31 years, and, he says: "I have achieved more than I ever believed possible when I first set out.

"A person's aims are limited by the scope of his immediate horizon, and only as his horizons are broadened does greater achievement become possible."

Since he has been general manager here, he has expanded GM's programmes concerned with the welfare of GM's employees, especially blacks.

Good business

"Ever since 1962 GM has been supplying the children of black employees with free school books, and

often helping with school expenses.

"GM has also adopted 21 schools, with some 13 000 school children, to whom we give financial support."

While concern with worker welfare is by no means limited to GM operations in South Africa, "the political system in operation here virtually forces a firm such as GM to expand into a greater social responsibility.

"And I believe it is also good business, because when these people are on their feet financially they will buy the products of those companies which helped them to get on their feet."

Potential

He gets annoyed at those people who say that GM might one day pack up and leave the country.

"South Africa has been good business for GM for the 57 years we have been here, and with the massive investment in plant and personnel constantly expanding, there is no way I can see GM ever leaving."

While he sees the



MR Lou Wilking ... achieved more than he ever believed possible.

vehicle market in South Africa as perhaps over-competitive, he believes the country has "dramatic potential."

"The car density of white South Africans is the same as in the US. If blacks can be brought into the market as well then the market will increase three or four fold.

Intrinsic wealth

"Add to this the stability and good financial climate and the tremendous intrinsic wealth of South Africa, and the sky is the limit."

As for his personal future, Mr Wilking says he would be "more than happy" to spend a few more years here.

"There are still some important things

I would like to achieve, and also some things I would like to see through to their successful conclusion.

"But I still have 12 years to go before I reach the nominal retirement age, and so far I have seen some strange places and I have had a lot of fun. Who knows what the future has in store?"

Korean war

After graduating with a B Sc in Business Administration from Cincinnati's Xavier University in 1952, the young Lou Wilking hoped at best to become a safe and secure public accountant.

But the Korean war intervened and as he had taken military

To Page 3

From Page 1. W/6/1983

General Motors chief

tactics at university and was on the officer reserve list, he headed off to war as an artillery officer.

In 1954 he returned as a lieutenant of artillery, with prospects of soon becoming a captain, and faced a turning point.

"The army was not such a bad life, but I was planning to marry and the money I could earn at the Chevrolet division of GM lured me there.

"I have been at GM ever since and have never regretted it."

Trouble shooter

After a while with Chevrolet he became travelling auditor and showed such aptitude that he soon came to be a financial trouble-shooter investigating varied aspects of the gargantuan GM budgets which were not functioning efficiently.

"One particularly interesting job was to negotiate a complex new agreement for

the movement of parts to and fro across the Canadian border. My recommendations eventually became the basis for all US-Canadian trade.

"Another time when investigating taxes paid by GM in various states — in the US different states have different tax structures — I discovered that if the GM office in Philadelphia was moved just across the river to Hampden, New Jersey, the company would save R4-million in state taxes."

Unbiased

The ability to see a problem and find a solution meant that he quickly became in great demand, and he has been on assignments in GM plants in Australia, South East Asia and Iran, as well as South Africa.

Such wide-ranging experience meant inevitably that he be-

came involved in "more than just adding numbers," but also entered into the basic concepts of the business operations he was assigned to.

"As my boss once said when sending me off to some place 'you might just be dumb enough to ask the right questions,' meaning that I could approach problems with an unbiased viewpoint."

His first experience of South Africa was in 1971 when he was sent here to find out why the GM operations were losing money.

In 1973 he was appointed to South Africa as treasurer and by mid-1974 the operation was back in the black.

In mid-1974 he was transferred to Iran to start up GM operations there, and he stayed until 1977 when he was made general manager of GM South Africa.

US investments do help blacks in South Africa

Jan 17/8/83

The debate between Professor Weingand and Professors Smith and Hoffman concerning US disinvestment in South Africa's industries is a good example of intellectual quick-fix solutions to very complex problems.

It would remain an innocuous debate except that the penalty for mistakes will have to be borne not by these intellectuals, but by South Africa's blacks. The foremost concern of this debate is not race, but power. This calls for much greater caution than is demonstrated by these protagonists.

Professor Weingand typifies one position in this debate when he confounds morality and self-interest. If disinvestment is a moral position, why introduce the issue of economic self-interest?

Why hesitate in asserting that investments can and do help blacks? This moral position needs not to be buttressed by the argument that the US investor will also gain spin-off benefits from it.

The US enjoys a very positive image among many of South Africa's blacks, in part because of the association of American companies with a political system which has done more to legislate against discrimination than any other country in the world.

The Sullivan principles have sensitised more white and black South Africans to the power of the corporation as an instrument of social change than have any international cricket or rugby unions.

The major problem of these external non-governmental sources of pressure is that their efforts are selective in that they are not universalised.

This undermines the argument by Professors Smith and Hoffman, who hold that, in opposing the evil system of apartheid, "American investments are committed to the fundamental values of our common humanity."

"Were this the case, universities would certainly have to expand their efforts to protest against at least one-half of the world!

The would-be disinvestors-at-any-cost ignore one of the two age-old methods of inducing children or states to behave in a desired way:

Recently, we published two articles by American academics on whether or not United States companies should invest in South Africa. Professor Robert Weingand, of the University of Illinois, was for investment, while Professors Michael Smith and Stanley Hoffman of Harvard University were against. Today, Professor Karl Magyar, economic adviser in 1982 to the President of Bophuthatswana and currently Professor of Political Science at the University of Durban-Westville, gives his view

the allocation of punishments, but also the dispensing of rewards.

A policy of only negative sanctions and total disinvestment would, if it were logically enacted to the desired degree of perfection, achieve the collapse of the Government, after which the blacks would inherit a destroyed economy, rampant poverty, a total lack of a trained labour force and managerial cadres, capital flight, and, of course, a total avoidance by external investors.

If this is the consequence of a prescribed morality, I wish to dissociate myself from it completely.

Professors Smith and Hoffman refer to human rights as being either political and civil or social and economic. The former was promised profusely throughout independent Africa, but the latter interpretation has remained elusive on this continent.

The disenfranchised majority section in South Africa is a rare group in Africa in that the blacks can aspire to attain both versions of human rights. Yet, by an incomprehensible reasoning process, Professors Smith and Hoffman call for the destruction of that economic core which is the very source of that hope.

There are many black leaders who do appeal to foreign companies to disinvest, but there are also those who appreciate that economic emancipation in South Africa for the blacks is within reach, but that it will require black skills, jobs, savings and management and not an economic holocaust. Black economic power builds black political bargaining power.

Is this an argument for "business as usual?" It is not.

The question, as I have noted earlier, is not race so much as it is power. The hitherto privileged economic class is presently confronting the emergence of an increasingly

cohesive united front majority that is demanding nothing more than what white people in the West have valued above all: self-determination — along with all the delicious accoutrements of a good life.

Foreign universities, churches and sporting organisations will hardly succeed in eliminating only apartheid in the face of cultural suicide which the whites would perceive as the consequence of a simple one-man, one-vote resolution.

The ultimate answer to the future will be more complex. The precious economic foundation so laboriously built in South Africa will be able to serve the interests of all social sectors.

And as for black political participation, this can be accommodated in a segmented South Africa reunited into a federation, or at least an economic confederation. These are major changes and call for decisive actions and demonstrations of mutual restraint.

It will not be external universities nor sporting organisations that will bring this about but the mutual respect for power equilibration within South African society.

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International Labour Office
Bureau of Information
Geneva, ILO, 1977. Thirteenth
Annual Report of the Director
General of the Republic of South
Africa

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Fluor (62)
wins (S)
NPR (WOM)
refinery 25/8/83
contract

Financial Reporter

FLUOR Engineers SA (Pty) has been awarded a contract by National Petroleum Refiners (Pty) to perform modifications at a refinery in Sasolburg.

The value of the contract has not been disclosed.

Fluor will provide project management, engineering, design, procurement and field support services for the third phase of the modification project. The contract calls for upgrading of the refinery's black-oil cracker.

Fluor performed the initial two phases of the work, including preparation of a budget estimate and selection of approved vendors with quotations for critical equipment and materials.

The refinery's black-oil cracker uses a Universal Oil Products process to break down heavy residue oil into additional marketable products. It is the only cracker of its type in operation in the world today.

The project includes two new reactors from Japan with associated supporting structure, high-pressure alloy piping and other ancillaries within the existing unit.

Overseas procurement for the reactors and pipe materials will involve Fluor's offices in Tokyo and Irvine, Scotland. The Irvine office will also perform the engineering and design of the reactors in conjunction with Universal Oil Products.

(62)

R2

For a hero who risked his life to save a blazing petrol tanker from exploding

Tribune Reporter

A PACKET of biscuits and a packet of rusks costing R2,16 was the reward a motorcycle messenger received after risking his life to save a blazing petrol tanker from exploding in the centre of Pietermaritzburg.

The heroic deed was carried out by Justice Zulu, a Sobantu resident, when he saw flames and smoke spewing from the undercarriage of the fully-laden R120 000 tanker.

In what he described as a "reflex action", Mr Zulu ran to a nearby garage to grab a fire extinguisher which he used to smother the flames and prevent them from spreading.

Had the R14 000, 25 000-litre load exploded the busy city street would have become the scene of carnage, chaos and devastation.

Later, he was visited at the pharmacy where he works by a representative of the local office of Caltex Oil (Pty) Ltd, who thanked him on behalf of the company and handed him a "small present" in recognition of, and appreciation for, his unthinking gallantry.

Obviously disgusted, Mr Zulu promptly made his own presentation of the 200 g packet of biscuits and 500 g packet of rusks. He passed them on to a beggar whom he felt needed them more than he did.

"A word of thanks would have been more appropriate," he said.

"I wasn't looking for a reward at all — but



Justice Zulu with the packet of biscuits and rusks he received as his reward

what would I have got had I been a white man?"

It was insulting that in return for risking his life he should be given "dry cakes" for which, in any event, he had no taste.

The incident has proved highly embarrassing for the oil company — especially after the manager of the Caltex's Pietermaritzburg branch, Russell Lazenby, told a reporter: "What does he expect? If he's not satisfied with biscuits he can give them back."

Caltex's delegated spokesman, Keith Buick, of Cape Town, said there was an established procedure when the company decided to make awards for bravery, long service or the like — but this did not

extend to handing out biscuits or rusks.

"It's neither our style nor policy.

"With similar incidents in the past we have made presentations of gold watches."

It appeared Mr Lazenby — "whom we will be speaking to about this" — had contravened company regulations by not informing head office of the incident in which a tanker had caught alight and then by speaking to the Press.

Asked whether it was likely that Mr Zulu would be presented with a more suitable gratuity, Mr Buick replied: "Oh, indeed.

"We will ensure that Justice Zulu gets a just reward."

Mr Lazenby was not available for comment.

Transkei plans its own tax-free Las Vegas

62 \$\$\$ 288 270 S. Express 4/9/83

A MYSTERIOUS American businessman has for the past two years been secretly negotiating with the Transkei government for rights to establish a casino, banking and tax haven — described as 'Las Vegas and the Bahamas rolled into one' — on the Transkei coast.

Negotiations are apparently well advanced, and the Transkei government's go-ahead for the ambitious scheme — said to involve hundreds of millions of rands — is believed to be imminent.

The proposed scheme provides for at least three casinos, several banks and 200 spectacular sea-front mansions along a 15km strip of the Pondoland coast.

Only the small Mkambati game reserve separates the site from Holiday Inns' Wild Coast casino.

It has been established that a few senior members of the Transkei government, including President Kaiser Matanzima, were shown a

draft of the proposed agreement at least a year ago.

Negotiations were resumed two weeks ago when the American negotiator was invited to return to Umtata as the guest of the Transkei ministry of foreign affairs.

Informed sources in Transkei disclosed that the scheme was first mooted two years ago when a group of six black American businessmen were invited to Transkei by 'roving ambassador' in America, Mr M Masimini.

They were described as "well connected in business and political circles in Washington". Several government sources in Umtata claimed this week that the businessmen had come to Transkei "with an introduction from the Carter administration".

Main promoter of the casino and banking project has been identified as Mr Emmett Eaton Cash III, of Long Beach, California.

Mr Cash's latest visit coincided with the announcement of the amalgamation of Southern Sun's and Holiday Inns' casino interests in Southern Africa in Mr Sol Kerzner's new gambling empire.

Besides casinos, banks and millionaire mansions, the scheme also provides for a floating harbour and an international airport.

The agreement does not indicate who is to finance the harbour and airport, but suggests that the scheme could

provide employment for 7 000 Transkeians.

"The scheme will require an investment of hundreds of millions (of rands). Before embarking on this major scheme, however, Mr Cash has undertaken to build a small hotel at Ezibeleni, President Matanzima's home village in the south," said one source.

A spokesman for the Transkei president's office said Mr Matanzima was not available to speak to the Press. — Mr Sol Kerzner, who two

weeks ago took over control of all Holiday Inns casinos in Southern Africa, flew to the Wild Coast Holiday Inn on Friday.

He said he was "totally unaware" that the Transkei government was negotiating with American interests for a new casino and banking centre right on his doorstep.

"I have never met or heard of Mr Cash and really can't comment on something I know nothing about," he said.

Mr Kerzner said he had been under the impression that Holiday Inns held the sole concession for casinos in Transkei, "but I don't know the facts."

Report by MARTIN WELZ

(129) (257) (129) (62)

BLACK UNIONS SEEN AS FORCE FOR CHANGE IN S. AFRICA (1,200)
BY JO CAMPBELL
USIA STAFF WRITER

WASHINGTON -- THE REVEREND LEON H. SULLIVAN, AUTHOR OF GUIDELINES FOR AMERICAN COMPANIES IN SOUTH AFRICA IN ESTABLISHING WORKER EQUALITY, IS OPENING A SECOND FRONT AGAINST APARTHEID.

+THE BLACK TRADE UNIONS, I THINK, ARE THE MOST IMPORTANT FORCE EMERGING IN SOUTH AFRICA FOR PEACEFUL CHANGE,+ SULLIVAN SAID IN A RECENT INTERVIEW. +ONE OF MY MAJOR CONCERNS IN THE EVOLVING PROCESS OF THE (SULLIVAN) PRINCIPLES HAS BEEN THE EMPOWERMENT OF THE BLACK WORKER THROUGH THE UNIONISM FACTOR, AND THAT IS THE DIRECTION IN WHICH I AM GOING NOW.+

SEVEN YEARS AGO SULLIVAN BEGAN APPROACHING MANAGEMENT OF AMERICAN COMPANIES OPERATING IN SOUTH AFRICA, PURSUADING THEM

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TO AGREE TO THE SIX +SULLIVAN PRINCIPLES+ OF WORKER EQUALITY. ACCORDING TO THE SEVENTH REPORT ON THE SIGNATORY COMPANIES THERE ARE NOW 119, 67 OF THEM RANKED AS +MAKING PROGRESS,+ SOME +MAKING GOOD PROGRESS.+

SOUTH AFRICAN BRANCHES OF SOME AMERICAN COMPANIES YEARLY INCREASE PARTICIPATION IN THE SULLIVAN PROGRAM, ACCORDING TO THE REPORT PREPARED FOR THE INTERNATIONAL COUNCIL FOR EQUALITY OF OPPORTUNITY PRINCIPLES, INCORPORATED, BY THE ARTHUR D. LITTLE CONSULTING FIRM OF CAMBRIDGE, MASSACHUSETTS. BUT MANY COMPANIES MAKE LITTLE OR NO PROGRESS TOWARD PROVIDING EQUAL OPPORTUNITY FOR BLACKS AND OTHER NON-WHITES. THE DECISION THIS YEAR TO MAKE PREVIOUSLY VOLUNTARY ASSESSMENT PAYMENTS COMPULSORY HAS CUT 29 COMPANIES FROM THE LIST. MANY OF THE DROPPED COMPANIES, ACCORDING TO ARTHUR D. LITTLE, HAD NOT PAID FEES EVEN UNDER THE VOLUNTARY ARRANGEMENT, AND SEVERAL HAD GONE OUT OF BUSINESS.

SULLIVAN, FOUNDER AND CHIEF OF OPPORTUNITIES INDUSTRIALIZATION CENTERS (OIC), A SELF-HELP AND VOCATIONAL

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TRAINING ORGANIZATION IN THE UNITED STATES, AND OIC INTERNATIONAL, WITH PROJECTS IN AFRICA AND THE WEST INDIES, TOLD A RECENT WASHINGTON PRESS CONFERENCE THAT HIS PRINCIPLES +ARE NOT DESIGNED TO BE THE TOTAL SOLUTION IN ELIMINATION OF APARTHEID, BUT THEY CAN CONTRIBUTE WITH OTHER FORCES TO MAKE THIS A REALITY, A GOAL WHICH HAS NOT CHANGED.+

THE PRINCIPLES CALL FOR NO SEGREGATION IN ANY WORKPLACE FACILITIES= EQUAL EMPLOYMENT RULES FOR ALL EMPLOYEES= EQUAL PAY FOR EMPLOYEES DOING EQUAL OR COMPARABLE WORK FOR THE SAME PERIOD OF TIME= TRAINING PROGRAMS TO PREPARE BLACKS, +COLOREDS+ AND ASIANS FOR SUPERVISORY, ADMINISTRATIVE, TECHNICAL AND CLERICAL JOBS= INCREASING THE NUMBER OF BLACKS, COLOREDS AND ASIANS IN MANAGEMENT AND SUPERVISION= AND IMPROVING HOUSING, TRANSPORTATION, SCHOOLING, RECREATION AND HEALTH FACILITIES.

SOME AMERICAN COMPANIES IN SOUTH AFRICA, INCLUDING FORD MOTOR COMPANY, CITICORP, EASTMAN KODAK, IBM, ITT, EXXON,

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GENERAL MOTORS AND MOBIL OIL, CONTINUE ACTIVE, OUTSPOKEN SUPPORT OF THE PRINCIPLES, ACCORDING TO THE REPORT.

THE NEXT STAGE OF PROGRESS, IN SULLIVAN'S OPINION, MUST INVOLVE THE WORKERS THEMSELVES, HELPING THEM TO MOVE UP ECONOMICALLY AND THEN POLITICALLY.

+EMPOWER THE WORKERS WITH RIGHTS IN THE WORKPLACE, + HE SAID, +AND THE WORKERS WILL EMPOWER THEMSELVES WITH RIGHTS AS A POLITICAL FORCE.+

SULLIVAN HAS BEEN INVITED TO EXPLAIN HIS PRINCIPLES DURING A MEETING OF THE INTERNATIONAL CONFEDERATION OF FREE TRADE UNIONS IN DUSSELDORF, GERMANY, AT A SYMPOSIUM JANUARY 19-20, 1984, CONVENED TO EVALUATE ICFTU'S SUPPORT OF THE BLACK UNIONS IN SOUTH AFRICA. FOLLOWING THE ICFTU MEETING, HE PLANS TO VISIT CORPORATE MANAGEMENT AND PARLIAMENTARY LEADERS IN A NUMBER OF EUROPEAN COUNTRIES AND IN JAPAN IN AN EFFORT +TO GET THEM TO PUT SOME ENFORCEMENT BEHIND THEIR EFFORTS TO REGULATE THEIR OWN COMPANIES IN SOUTH AFRICA,+ SULLIVAN SAID. +WITHOUT ENFORCEMENT, IT IS A FIZZLE.+

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THE ARTHUR D. LITTLE COMPANY, UNDER CONTRACT TO THE SULLIVAN ORGANIZATION, ANALYZES THE COMPANY RESPONSES TO THE 50-PAGE QUESTIONNAIRES CONCERNING THEIR EMPLOYMENT POLICIES AND CONDUCTS MEETINGS OF REPRESENTATIVES OF THE SIGNATORY COMPANIES IN AFRICA DURING TWO WEEKS EACH YEAR. IN ADDITION, ACCORDING TO THE COMPANY'S CONSULTANT SUSAN PENDLETON, DISCUSSIONS HAVE BEEN HELD WITH LEADERS OF BLACK TRADE UNIONS AND WITH INDIVIDUAL BLACK WORKERS.

BY AND LARGE, PENDLETON SAID; +BLACK WORKERS IN U.S. FIRMS IN SOUTH AFRICA THAT I HAVE TALKED TO...FEEL THAT THE (SULLIVAN CODE) PROGRAM IS VALUABLE...BUT THEY HAVE CONCERNS ABOUT WHAT THE COMPANIES ARE REPORTING TO US.+ MOST OF THE WORKERS THE CONSULTANT TEAM MEETS, SHE ADDED, +ARE ONES THAT THE AMERICAN FIRMS HAVE MOVED UP AND HAVE GIVEN FAIRLY RESPONSIBLE POSITIONS WITHIN THE COMPANY.. SO THE PROGRAM HAS BENEFITTED THEM QUITE A BIT.

+THEY WOULD LIKE TO BE MORE INVOLVED IN THE PROGRAM, AND I WOULD LIKE TO SEE THEM MORE INVOLVED...BECAUSE THIS PROGRAM

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IS REALLY FOR THEM, TO HELP THE WHOLE SITUATION DOWN THERE....+

SOME COMPANIES HAVE OUTSTANDING WORKER-PARTICIPATION PROGRAMS, AND THE ARTHUR D. LITTLE TEAM CAN ENCOURAGE OTHER COMPANIES TO IMPROVE THEIR EFFORTS, SAID PENDLETON, +BUT IT IS UP TO THE COMPANIES THEMSELVES TO WHAT EXTENT THEY INVOLVE THOSE EMPLOYEES.+

PATRICK O'FARRELL, DIRECTOR OF THE AFRICAN-AMERICAN LABOR CENTER IN WASHINGTON, BELIEVES STRONGLY THAT THE COMPANIES SHOULD NOT BE THE SOLE ARBITERS OF COMPLIANCE OR EMPLOYEE INVOLVEMENT.

+IN THE FINAL ANALYSIS IT IS SOMETHING THAT THE WORKERS THEMSELVES HAVE TO DO THROUGH THEIR LEGITIMATE ORGANIZATIONS,+ O'FARRELL SAID IN AN INTERVIEW, ADDING THAT, IN HIS OPINION, THE WORKERS ALONE ARE COMPETENT TO SAY ON A DAY-TO-DAY BASIS THAT A COMPANY IS PAYING THE WAGE, OR INSTITUTING THE PROGRAM OR RESPONDING TO GRIEVANCES IN THE WAY IT PROMISED.

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+IN OUR JUDGMENT, A BETTER WAY TO ATTAIN THAT KIND OF SATISFACTION WITH THE WORKING CONDITIONS AND WAGES ON THE PART OF THE WORKERS IS FOR THE WORKERS THEMSELVES TO DO IT, ORGANIZE A UNION TO GO TO THE MANAGEMENT, TO BARGAIN COLLECTIVELY FOR THE CONDITIONS OF THEIR SERVICES...ON THE BASIS OF A CONTRACT,+ SAID O'FARRELL.

THERE HAS BEEN GREAT PROGRESS IN THE SOUTH AFRICAN BLACK TRADE UNION FIELD, O'FARRELL SAID.

+IF SOMEBODY HAD SAID TO YOU TEN YEARS AGO THAT TEN YEARS HENCE IT WOULD BE POSSIBLE TO HAVE A MULTI-RACIAL UNION IN SOUTH AFRICA INCLUDING BLACKS, WHITES AND ALL THE SPECTRUM OF COLOR IN SOUTH AFRICA, AND THAT THE UNION COULD BE REGISTERED AND FUNCTION UNDER THE LABOR LAWS OF SOUTH AFRICA, I GUARANTEE THAT ANYONE INVOLVED IN THE LABOR MOVEMENT AT THAT TIME WOULD HAVE SAID THAT YOU WERE CRAZY, THAT IT COULD NOT HAPPEN IN TEN YEARS. BUT IT HAS HAPPENED,+ HE SAID.

THE REVEREND LEON SULLIVAN AND PATRICK O'FARRELL HAVE DISCUSSED WAYS TO PLACE MORE POWER AND PARTICIPATION IN THE

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HANDS OF THE BLACK TRADE UNIONISTS, MAKING THEM PART OF THE REPORTING AND ENFORCEMENT MECHANISM FOR THE SULLIVAN CODE.

O'FARRELL AGREES WITH SULLIVAN THAT THE TRADE UNIONS REPRESENT A RESERVOIR OF HOPE FOR CHANGE WITHOUT CONFLICT IN SOUTH AFRICA.

+WE FEEL THAT IT IS MAYBE THE LAST REAL AREA IN WHICH PEACEFUL MOVEMENT TOWARD CHANGE CAN BE MADE,+ THE AMERICAN LABOR LEADER SAID, ADDING:

+THE INVOLVEMENT OF THE BLACK WORKERS IN THE DETERMINATION AT LEAST OF THEIR ECONOMIC LIVES WILL HAVE AN EFFECT ON THE DEVELOPMENT OF THEIR SOCIAL LIVES, AND THAT IN TURN WILL HAVE AN EFFECT ON THE DEVELOPMENT OF THE POLITICAL SYSTEM IN THE COUNTRY. THE DEVELOPMENT OF THE BLACK TRADE UNION MOVEMENT IS A VERY SIGNIFICANT DEVELOPMENT.+

ITEM

Focus on disinvestment

FM 23/9/83

Relations between the United States and SA are possibly entering a cooling-off period. Not in the sense that there has been any abrogation of the policy of constructive engagement. But after a long lull grassroots American anti-apartheid movements are making their presence felt with fresh vigour — and from their point of view there have been significant gains.

The latest action represents a move to sever cultural and artistic ties between the US and SA. An organisation called Artists and Athletes against Apartheid has picked up on the slender thread of a 1968 UN resolution calling for a cultural boycott of SA.

For several years, boycotts directed against SA were considered ineffective, even counter-productive. It was widely believed that US disinvestment of all types would hurt SA blacks first and foremost.

This view is summed up by the comment of Karl Magyar, Professor of Political Science at the University of Durban-Westville: "A policy of only negative sanctions and total disinvestment would, if it were logically enacted to the desired degree of perfection, achieve the collapse of the (SA) government, after which the blacks would inherit a destroyed economy, rampant poverty, a total lack of a trained labour force and managerial cadres, capital flight and, of course, a total avoidance by external investors."

Leaders like Chief Gatsha Buthelezi have

The US Congress is soon to consider legislation which would curb trade relations with SA. This could give fresh impetus to anti-apartheid movements across the country.

indicated that they feel disinvestment that affected job-creation would not be in the interests of blacks.

In this respect, a partial cultural and sporting boycott — which has the support of such figures as singers Harry Belafonte and Tony Bennett, Arthur Ashe, boxer Muhammed Ali, basketball player Wilt Chamberlain, comedian Bill Cosby, and actors Jane Fonda and Paul Newman — will be little more than a pinprick to Pretoria.

In the US, however, Artists and Athletes against Apartheid comprises more than 30 national and international organisations, representing more than 20m people. Its potential, therefore, lies as much in its long-term ability to alert a wide spectrum of public opinion to the evils of apartheid, as in immediate refusals by singers to perform at, say, Sun City.

It, and other lobbies, will be applying pressure on the US Congress during the next month to consider anti-SA disinvestment legislation. After a flurry of rulings requiring disinvestment from SA on the

state level in 1982, there has been a lull as these regional governments wait for the appropriate signals from the senior levels of authority.

Specifically, two attachments to the Export Administration Act — the so-called Solarz and Berman amendments — would restore Jimmy Carter-style export controls on US sales to SA. The two additions along with the important Export Act, were scheduled for hearings and for a vote this past summer, but events in Lebanon and the attack on the Korean jetliner pushed the Congressional agenda forward into the autumn. But in the next two weeks most SA watchers in America expect a vote to be taken.

The Democratic Party leadership clearly backs the two amendments, which have a good chance of passing through the House of Representatives. The real struggle will take place in the Republican-dominated Senate, where the White House has lobbied quietly but firmly to have the amendments scraped off the critical Export Bill.

The Berman amendment would prohibit sales to SA of any American goods that could possibly be used to buttress police and military systems. This broad category includes computers, calculators, some medical equipment, and anything marginally useful to SA's police bureaucracy.

The Bill which has a stronger chance of passing — the Solarz amendment — would cut off gold sales, US bank loans to SA, and

require any US businesses in SA to operate in full compliance with the Sullivan Code fair employment principles (Most local unions feel that the Sullivan Code has become irrelevant — but that will not affect perceptions in the US.)

Support for the Bills comes from Democratic congressmen who want to abide by the spirit of UN resolutions prohibiting the sale of arms, and the technology to produce them, to SA. While arms exports to SA remain illegal, the Ronald Reagan administration has bent much of the legislation enacted under Carter, restricting flows of capital and technology.

While the Reagan White House is clearly less anti-South African than the preceding administration, advisers to Reagan have warned that politically he cannot afford to appear too friendly to Pretoria. The activities of civil rights leader Jesse Jackson are also playing a role in the administration's thinking in the run-up to the 1984 presidential elections (see *Current affairs*).

For this reason, reportedly, the White House has not yet approved the 10-year, \$50m application by Westinghouse Corp to service SA's atomic installations at Koeberg. Until now, US companies have had few dealings with SA's nuclear power programme because SA has not signed the Nuclear Proliferation Treaty, and because it is widely believed that SA is working on its own nuclear arms programme.

A spokesman for Westinghouse has said the contract has little to do with providing nuclear technology or parts, but is a training and servicing arrangement.

Nonetheless, a dozen or so "dismayed" congressmen have written to the President

asking him not to approve the application, adding that they will hold some quick hearings on the effects of such a sale. The White House, however, appears to be tilting towards approving the sale.

Meanwhile, various local authorities continue to make their own moves. For example, the District of Columbia City Council is debating its own disinvestment bill. Council member and disinvestment proponent John Ray cited analyses by Robert Schwartz, of Shearson/American Express, and Joan Bavaria, of Boston's Franklin, that divestiture can be implemented with no adverse effect on the earnings of pension funds.

This follows developments in 1982, when Connecticut, Massachusetts and Michigan enacted laws to restrict investment of state funds in SA. About \$160m worth of SA-related stocks were subsequently sold, according to the Washington-based Investor Responsibility Research Centre.

However, while such legislation is prompted by a variety of groups with considerable clout at state level, two considerations could affect the momentum of the movement — and influence Congress. The first relates to the security of pensions.

According to Michael Spicer of the SA Institute of International Affairs: "The trend is quite clear. At state level the anti-apartheid movements are adopting more sophisticated measures than resolutions at stockholders' meetings. Such meetings, from their point of view, provide a bad forum — many people present at them are not in sympathy."

A point which is being frequently raised at stockholders' meetings is that if pension funds are prohibited from being invested in

many companies with SA links — which includes a good proportion of the Fortune 500 — the security of pensions could be endangered.

So, as Spicer points out, "The movements get a far better hearing at the state legislature level, which has a greater representation of minority groups and women. And, from a publicity point of view, what they say there has a far greater resonance."

The second factor which could adversely affect disinvestment and boycott moves lies in court actions over their constitutionality. John Chettle, director of the SA Foundation's Washington office, contends that state laws calling for disinvestment contradict the US constitution, which states that foreign policy is the prerogative of the central government, as well as the regulation of foreign commerce.

Court actions which debate aspects of the US constitution will inevitably be dragged out for years, and the very prospect of this happening could deter state legislatures from acting precipitately without Congressional sanction. For this reason, any fresh move by the central government to curtail the flows of US goods and capital to SA could reinforce momentum at state and district levels — and *vice versa*.

Votes on the Berman and Solarz amendments, therefore, could set the tone of US-SA relations for some time to come. And unless the White House can convincingly present the reform moves in SA as a positive result of the constructive engagement policy, there could be a shift away from the qualified friendliness that has characterised the Reagan administration's relations with Pretoria.

(62) (230) (30) Aug 6/10/83

Washington city votes to cut financial ties with SA

By Neil Lurssen,
The Star Bureau

WASHINGTON — The city council here has unanimously approved a controversial Bill which prohibits it from dealing with American corporations that have ties with South Africa.

The Bill, introduced by councillor John Ray, instructs the city's pension fund managers to sell \$70 million worth of shares in 31 companies, which includes some of America's most prominent corporations.

It also orders the city treasurer to close accounts in banks that have outstanding loan transactions with South Africa.

A bank which gets a large slice of Washington's annual \$2-200 million business is Riggs National Bank.

A Washington official said today public documents showed that Riggs had entered into loan deals with South Africa but it had declined to provide the city with details.

If Riggs wanted to keep its two large city accounts — one for property tax revenue deposits and the other for motor vehicle licence deposits — it would have to produce an affidavit proving that the South African loans had been "offloaded".

The bank had two years to comply.

The Bill faces one more hurdle. It must be reviewed within 30 days by a United States Congress committee which oversees the city's financial affairs.

Some Congressmen have threatened to veto the Bill on the ground that it is unfair to pensioners at a time when they need as much money as they can get.

They said it was financially foolish to sell shares in some of America's most profitable companies.

If the Bill's opponents do win a veto, it will be challenged in the courts here — and the decision may have a bearing on Washington's independence from the Congress.

The Appeal Court would have to take into account a recent US Supreme Court decision that legislative vetoes are unconstitutional.

A similar decision in the Appeal Court would undercut the existence of the mostly black city council which was granted independence in 1974.

Until 1974 Washington was run by the Congress and even its mayor was an appointee.

Congress has retained its financial oversight because a great deal of Federal money is pumped into the bankrupt city.

Anti-SA campaign stalls

By SIMON BARBER

WASHINGTON. — The grassroots campaign in the US, to push state and local governments to divest public funds from companies that do business with South Africa, has stalled — at least for this year.

Of the 26 state legislatures that were expected to consider divestment Bills this year, only three have passed laws — Massachusetts, Michigan and the District of Columbia. In 16 other states, Bills have either been killed or shelved until the 1984 legislative season.

These figures emerge from a state-by-state breakdown prepared by the American Committee on Africa, one of the divestment movement's main co-ordinators.

In most cases, the divestment Bills failed to move beyond committee, either pushed aside by more urgent business or having run into stiff opposition.

Major battles developed in Kansas, Oregon and Wisconsin. A strong Bill was overwhelmingly accepted

by the Kansas House of Representatives, but died when the state Senate refused to debate it.

The Oregon House defeated a measure to divest state pension funds after the state's Retirement Board argued that the move would not be "fiscally prudent". The Bill's supporters also blamed energetic lobbying by the South African consulate in Los Angeles.

Similar claims were made in Florida after the state's House Commerce Committee killed a measure to disinvest all state funds over three years. In Iowa, even a mild divestment Bill requiring only that "idle funds" should not be invested in firms with South African dealings, failed to reach the legislature floor.

Of this year's three approved Bills only one, in Massachusetts, has thus far gone into effect. Treasury officials have sold about \$75m worth of South Africa-related stocks and bonds from the state's investment portfolio.

The Michigan law, which affects

only the portfolios of state educational institutions, is being challenged in court by the regents of Michigan University who claim an unconstitutional intrusion on their authority. A broader Bill, modelled on the Massachusetts measure, died in the state's retirement fund committee.

Last week Washington, DC, City Council gave final approval to a broad diinvestment measure affecting at least \$63m in city pension funds. Because Washington, DC, is not fully autonomous, the Bill must first be vetted by Congress and may be challenged.

In spite of this year's setbacks, the divestment movement is far from dead. Most of the legislation which failed in state Houses will be reintroduced next year. Nonetheless, as Mr Steve Hauck, a South Africa analyst at the Investors Responsibility Research Centre, put it recently: "The divestment campaign hasn't yet turned into the steamroller its supporters thought it would."

CML Timbl 28/10/83 (62)

Congress gets tough on investment in SA

From SIMON BARBER

WASHINGTON. — The United States House of Representatives yesterday accepted legislation banning all new investments including bank loans and other extensions of credit to South Africa.

The measure, an amendment to the Export Administration Act, was passed on a voice vote and is the strongest anti-South Africa law ever approved by Congress.

Offered by Mr William

Gray of Pennsylvania, the legislation strengthens language already placed in the act by Mr Steven Solarz, the former Africa Sub-Committee chairman who has co-ordinated anti-apartheid efforts in the house.

Congressman after congressman rose to support Mr Gray and to denounce the Republic.

Only a handful attempted to fight the measure. One of them Mr William Frenzel, a Republican and free trade advocate, summed

up the problems of would-be opponents when he said, "this leaves very little room for those of us who believe in free trade to avoid looking like red-neck racists".

Under the Gray amendment the President would have 90 days to draw up regulations prohibiting all fresh investments in South Africa. The prohibition could be waived if the President certified "substantial progress" by the South African Government towards dismantling apartheid.

IF tests the franchise water before the big lift-off in SA

By LIN MENGE
Small Business Reporter

HOWARD Bellin, chief executive of International Franchising, is not one of your fancy eaters. When travelling, he goes to a MacDonald's for a good hamburger.

He was ill recently in Malaysia. If only there were worldwide medical franchising, he says. By that he means a chain of outpatients with a visible shopfront, prices posted outside, no appointments needed, and a paramedic in attendance with a doctor there some of the time.

He broke a tooth in South Africa and had a hassle finding a dentist: if only there were franchising in dental care, he says.

Professional ethics? He shrugs: "Everyone hates progress when it's going to hurt their money," he says.

Not that Mr Bellin is bent on frightening the SA Medical and Dental Council. If IF started a franchising chain in South Africa it would be in the area the company knows: service.
For the present, his Australian-

based company is interested in re-
dying itself for when franchising takes off in South Africa, especially in the black market. IF has had exploratory talks with Nafcoc.

"One of the main contributors to franchising is disposable income," he says. In South Africa disposable income is increasing. But if his firm of management consultants is in business for a profit, he is also committed to putting something back in the system, and believes that franchising is not all chickens and hamburgers but a sociological tool.

"With franchising you always end up with the customer getting a better deal — or the franchisee crashes. But to give the customer a better deal, the person providing the product must have knowledge."

Mr Bellin doesn't buy the theory that you cannot tell some people about franchising because they won't understand it. The fault is more likely to lie with the training programme.

"If we do our franchise job right in South Africa, we'll help the peo-

ple far more than by carrying placards or throwing flour bombs."

In the next few years he expects to see, first, white franchises run by black franchisees, then some black-developed franchises for black areas, and then those moving into white areas.

"I'm looking at five years. When we started franchise consulting in Australia in 1969, everyone thought we were crazy. But the secret of being on time for any business venture is getting in too soon."

Next year is growth year — he opens in Singapore, San Francisco and Kuala Lumpur.

IF has been in South Africa for a year and includes among its clients printing and discount paint franchises. Wary of encountering cultural and political problems he did not understand, he joined Bifco in a 50-50 venture instead of coming here as a wholly owned subsidiary.

Prospective clients are advised, if need be after a feasibility study, whether their business is suitable for franchising. IF finds it advises

25% of applicants against going in.

But if franchising is feasible, it prepares the package the businessman can take to the market, including documentation, screening procedures, the operations manual and profit projections.

"When you hire a consultant you buy time, experience, objectivity — we didn't grow up with your business or lose sleep over it going broke; and an analytical approach. The owner or line manager has the prime responsibility of getting money through the till, he doesn't have much time to sit back and analyse."

Franchising can be a career. In Malaysia franchising in service stations is in the second generation. But franchising is not for the rugged individualist, the boss who wants to be his own boss. He must give up a little of his independence to be able to adhere to the franchisor's controls.

"Every good franchising chain has strong discipline, every so-so chain has weak discipline," he says.

Scales for motor industry

Financial Reporter

SA SCALE has sold Avery microprocessor scales to five major motor and components manufacturers.

Systems have been installed at Ford, Port Elizabeth, Girlock in Isando, Borg-Warner of Uitenhage, Nissan, Rosslyn and CDA, East London.

"The accuracy of electronic counting scales is simplifying stock-taking, stores issue and receipt, quality control, production control and packaging," says the managing director of SA Scale, Mr Peter van Heyningen.



**M.T.D. (MANGULA)
LIMITED**

(Incorporated in Zimbabwe)

RDY
8/11/85
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Move to widen Sullivan code

By RICHARD WALKER

NEW YORK — More than 100 American companies met last week to consider setting up a permanent anti-apartheid lobby in South Africa.

It is one of several proposals to extend the Sullivan Code of Conduct for US business in SA, and is being advocated by its formulator, the Rev Leon Sullivan.

An annual progress report reveals the six-year-old code is under stress, with the number of US companies committed to it down by 20% to 116.

The 29 deleted from the programme include Revlon, Champion Spark Plug, General Tire, American Airlines, Pan American and Trans World.

Most have been dropped through failure to pay an assessed participation fee, says Mr Arthur D Little, the company that rates the performances of Sullivan signatories. Of those remaining, 44% are deemed to be making progress and 6% given a failing grade.

Top marks go to Ford, General Motors, Mobil, Exxon and IBM. The failures include Firestone, Carnation, Olin Industries, and Masonite.

Tomorrow, Mr Sullivan will be at Exxon headquarters to meet representatives of those still in the programme.

The big question, says Mr James Rawlings, Union Carbide's chief in South Africa, is "whether we try to make more of a splash" by operating collectively. "We've come to a kind of crossroads."

As well as the proposal for joint lobbying, Mr Sullivan is expected to suggest that signatory companies deal only with South African suppliers sympathetic to the code's principles of equal treatment and opportunity for all workers.

A major prod has come from militant trends in Congress against American business in South Africa. Of particular concern is a Bill to ban all new investment and require every US company not only to abide by the Sullivan Code, but also to report progress to the State Department.

Though unlikely to become law, the Bill's approval by the House of Representatives is considered a significant achievement by SA's foes.

The Bill is a "bureaucratic monstrosity", impossible to enforce and "probably illegal", a Ford director, Mr William Broderick, has protested.

OREG CRUDE PRODUCTION SLUMPS

Washington DC move against SA investment

ARGUS 10/11/83 (62)

Argus Foreign Service

WASHINGTON. — The Mayor of Washington DC, Mr Marion Barry, has signed a Bill approved by the city council that prevents the city from investing pension funds amounting to \$63-million (£74-million) in American corporations that do business in South Africa.

The Bill also requires the city to close its accounts in banks that have current loan transactions with the South African Government.

The legislation now goes before a review committee in the US Congress where it is expected to run into opposition from congressmen who argue that the measure is unfair to pensioners since it will separate them from some of America's most profitable companies.

Within 30 days

The committee has to review the Bill within 30 days. If it fails to take action in that time, the Bill will automatically become law.

The mayor's action follows the approval of a number of measures in the House of Representatives recently, all designed to put financial pressure on South Africa to drop apartheid.

These include an amendment that bans any new investment of American money in South Africa, a ban on the sale of Kruger rands here and compulsory adherence by American companies in the Republic to the Sullivan code of employment practices.

Symbolic victory

While the House approval represents an important symbolic victory for anti-apartheid congressmen and lobbyists here, the measures themselves are not expected to get through a joint conference of House members and Senators this session.

However, apartheid is expected to become a major issue again next year — election year — when large numbers of newly registered black voters are likely to force attention on US relations with South Africa.

Last night the South African Ambassador in Washington, Dr Brand Fourie, described the measures as examples of "misguided humanism".

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By PATRICIA CHENEY
Washington

AMERICAN companies which have spearheaded drives to desegregate their South African branches and provide equal pay for equal work want to improve black education and teacher-training in South Africa.

The proposal marks a new era in US corporate effort to boost the lot of South African blacks.

"While we can't educate the four-million blacks who need educating, we can improve the quality of teaching," said Mr Daniel Purnell, executive director of the International Council for Equality of Opportunity Principles Incorporated (ICEOP Inc).

The decision to concentrate on education was made at a meeting of representatives from 103 American companies in New York last week.

Under the leadership of Mr K P O'Malley, a South African who works for Mobil, the corporations plan to send teachers to South Africa and to run teacher-training workshops.

Principles

In all, 116 American companies, including the Ford Motor Company, General Motors, Union Carbide, Mobil, IBM, Exxon and General Electric, have adopted a code of employment principles featuring the following:

- Non-segregation of races in all eating, comfort and work facilities.

- Equal employment practices for all employees.

- Equal pay for equal work.

- Initiation of, and development of, training pro-

U.S. firms to boost black teaching in SA

grammes that will prepare substantial numbers of people of colour for supervisory, administrative, clerical and technical jobs.

- Increasing the number of blacks, coloureds and Indians in management and supervisory positions.

- Improving the quality of employees' lives in areas such as housing, transport, schooling, recreation and health.

In the six years since the principles were instituted by the ICEOP, the signatories maintain they have successfully carried out the first three principles.

"We've come to a kind of crossroads," Mr James Rawlings, chairman of Union Carbide South Africa told the New York Times.

"The easy issues, like desegregation in the workplace and equal pay for equal work, are pretty much behind us. It's time to refocus our efforts, and figure out how we can be most effective on the harder issues, like education, community development and black entrepreneurship."

The meeting at the New York headquarters of Exxon, was also attended by a group of South Africans involved in instituting the principles.

They made up task forces on subjects such as equal pay

for equal work, education, management development, health care, housing, black business and entrepreneurship.

To boost black business, signatory companies may be asked to deal only with South African suppliers sympathetic to the principles.

This would have the effect of extending the concept to a broad swathe of South African companies.

The New York meeting also discussed increasing the number of blacks holding supervisory and managerial positions, a delicate subject because it could mean blacks supervising whites.

"Tremendous efforts are already being made to bring about attitude changes, including sensitivity training and human relations courses," said Mr Purnell.

Over the past year the number of signatories has dropped from 145 to 116, mainly because some companies were unwilling to pay fees providing funds for the auditing of the signatories.

Dropouts

Most of the dropouts were apparently also unwilling to make the necessary commitment to instituting the principles, which become more stringent all the time and include the requirement that companies recognise black trade unions.

Auditing requirements, and a rule that companies discuss progress on the principles with their workers, have been recently added to the list.

Legislation recently passed the US House of Representatives to make the principles mandatory for all US companies in the Republic. If approved by the Senate, about 350 companies in South Africa will be involved.

US discussions on operation of Sullivan Principles in SA

11/11/83
62
E. Post

NEW YORK — The Rev Leon Sullivan met representatives of about 100 American corporations in New York this week to discuss the "Sullivan Principles" of fair employment for American companies operating in South Africa, a spokesman said here.

The meeting was closed to the media. Mr Sullivan, a black Baptist minister from Philadelphia and a member of the board of directors of General Motors Corporation since 1971, enunciated his "principles" in 1975 for the guidance of American companies in South Africa.

A spokesman for Mr Sullivan said the meeting was held to "evaluate where we have been and where we are going". The spokesman, Mr Daniel Purnell, executive director of Sullivan's International Council for Equality of Opportunity, said Mr Sullivan urged American companies to:

- Sponsor educational progress for black South African workers by upgrading teacher training. He said an ultimate goal is the desegregation of South African schools.

- Continue expanding programmes to put blacks into management and supervisory positions.

- Provide more black involvement in the decision-making process in programmes for their advancement.

He also stressed the right of blacks to form unions if the majority of workers want them.

Mr Purnell said more than 100 companies took part in the meeting and that about half of the 300 or so American companies in South Africa have subscribed to the Sullivan principles.

He stressed that Mr Sullivan was an early proponent of American disinvestment in South Africa — a recommendation which General Motors did not accept — and that he does not favour any new American investment in South Africa.

"Our position," Mr Purnell said, is that "as long as the companies are there, they should be doing something constructive".

"They should make more use of their influence to improve things in South Africa." — Sapa-AP

Ford SA has unique plant safety record

FORD (SOUTH AFRICA) has achieved a unique position in the realms of plant safety in the country and is probably a leader world-wide.

This is the judgment of Mr Bunny Matthysen, general manager of the National Occupation Safety Association, after the announcement that five Ford plants in Port Elizabeth had been re-awarded five-star safety ratings and two re-awarded four-star ratings.

"There are 30 000 factories in South Africa and of these 150 to 180 receive five-star ratings after we've carried out 9 000 audits and inspections a year," said Mr Matthysen.

"For a company to be awarded a single five-star rating is an achievement to be proud of, but for Ford to have five plants each with these ratings places it in a unique position in South Africa.

"There is no other company with a multi-plant complex that measures up to this standard.

"And that is not all. On top of this, Ford holds 22 Noscars — the supreme accolade of safety achieve-

ment — adding to its unrivalled standards and record."

The plants whose five-star gradings have been renewed are:

- Truck plant (now in contention for a Nascar).
- Engine plant (which has won Noscars for 10 consecutive years).
- Struandale assembly plant (winner of four Noscars).
- Neave assembly plant (winner of eight Noscars).
- Product development.

Four-star re-awards were made to parts and accessories at Struandale, which has been recommended for upgrading to five stars, and education and training.

Mr Matthysen explained that to win a five-star rating a plant or factory had to achieve 91% or more in meeting Nosa's exacting standards, to achieve a Nascar a 95% plus rating had to be gained.

He added that South Africa, through Nosa, was a worldwide leader in auditing and inspecting plants and factories on the basis of star ratings.

"We introduced this system in 1960 and, because of its success and the positive results achieved, it has been adopted in some parts of the United States

"Australia will be introducing a system modelled on ours early next year.

"That places Nosa, and companies like Ford with long associations with it, to the forefront in the world."

Mr Matthysen said that the Nosa programme worked on a management-by-objectives basis, coupled with a system through which everyone in a company was made fully aware of the needs for safety.

"Each company is evaluated against itself — we inspect the factory and see what it manufactures or what is stored in it and set the objectives, against which it is measured

"We also take into consideration the frequency of accidents, and one measure of the success of the Nosa programme is that the national average has been reduced from 4% in the 1950s to 1,8% now.

"Ford's frequency is below even this figure, which is among the lowest in the world."

62 E. Post 15/11/83

Horwood attacks US Bill's anti-SA clause

7/5/83 62 20M 2/11/83

By JOHN MULCAHY

THE US Senate's agreement on the wording of an anti-South African clause attached to a Bill approved by Congress has drawn sharp criticism from Mr Owen Horwood, the Minister of Finance.

Describing the clause as "clumsy and rambling", Mr Horwood said it was regrettable and ironic that the Senate found it necessary to include this clause at a time when SA had done so much to remove constraints on labour and capital mobility.

Congress on Friday night gave final approval to the long-delayed \$8.4bn Bill for supplemental US financing of the International Monetary Fund to help it rescue financially-troubled nations.

Attached to the Bill was a clause instructing the US executive director at the IMF to oppose any request from "a country that practises apartheid" for IMF aid unless the Secretary to the Treasury certified that the credit would:

- Reduce the severe constraints on labour and capital mobility;
- Reduce other highly inefficient labour and capital supply rigidities;
- Benefit economically the majority of the people of any country which practises apartheid.

The House of Representatives gave the measure, which had been held up since August, its final approval on a 226-186 vote.



MR OWEN HORWOOD

The Senate approved it 67-30.

The measure now goes for signature to President Reagan, who has been urgently seeking the IMF financing measure, along with the other members of the 146-nation global assistance agency.

The IMF funds were lumped in a multi-billion-dollar Bill that included domestic low income housing programmes and funding for the US Export-Import Bank, which assists US exporters.

Mr Horwood said in a statement at the weekend that labour in SA was working under far fewer restraints than ever before, and a Small Business Development Corporation was estab-

lished last year to provide capital and other assistance to small business enterprises among all population groups.

Mr Horwood said: "It is true that, if this Senate version should be accepted by the House of Representatives (Congress), it would allow the Secretary to the Treasury to issue the necessary certification to permit the US director on the IMF board to support a loan application by South Africa.

"I hope that the US Administration would rather assist South Africa in moving resolutely in the direction of further liberalisation of constraints on labour and capital mobility than be a party to excluding South Africa from any future use of (IMF) fund resources."

It would be a sad day for the IMF if purely political considerations led to its facilities being denied any member country in good standing which complied in letter and in spirit with all conditions laid down by the IMF and which operated absolutely within the Fund's articles of agreement.

"Such political interference would create a dangerous precedent and could signify the beginning of the end of an institution which has thus far scrupulously avoided political interference and has judged credit applications strictly on merit.

"Once South Africa has been denied access to Fund credit on political grounds, the next step to exclude other members for other political reasons would be a relatively easy one to take."

US finds rich rewards in SA investments

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A SURVEY by the State Department of offshore US capital investment over a five-year period showed that in both manufacturing and mining, investments in South Africa substantially outperformed those in all other parts of the world.

This was disclosed by the Minister of Finance, Mr Owen Horwood, at the annual dinner of the Cape Town Graduate School of Business Administration in Johannesburg yesterday.

In the manufacturing sector, the return on investment in South Africa was 18%, compared with an average of 12,6% elsewhere. And in the mining sector, the respective figures were 25% and 13,7%.

South Africa's credit rating continued to draw "an embarrassing volume" of loan offers from leading international banks.

"The acid test of a country's investment climate is the willingness of overseas investors to participate in public bond issues. Our advice from leading bankers is to arrange for sterling bond issues in the United Kingdom, Germany and the US."

Referring to South Africa's IMF loan applications, now subject to US congressional approval, Mr Horwood said senior bankers had told him it would be the beginning of the end of the IMF if political considerations interfered with the evaluation of applications.

A single major default by a bank or a national economy would send the gold price soaring. At the same time, a resurgence of Western economies would also result in an improved gold price owing to increased industrial demand for the metal. — Sapa.

Spotlight on US firms

62
after press
27/11/83

UNITED States companies in South Africa came under heavy fire this week — for their lack of effective black management training following Sullivan Code findings that a number of them no longer support the code.

The annual progress report of the Sullivan Code reveals the 20 percent of companies have abandoned it over the last six years.

Those out of the programme now include Revlon, Champion Spark Plug, General Tyre, Pan American and Trans-World Airlines.

“There is very limited commitment from these companies in their training of black management — at least there’s no commitment visible,” said Martin Sebesho, president of the Black Management Forum.

Mr Sebesho has become the latest addition to the growing number of voices critical to these US companies — criticism which surfaced recently in the influential New York Times and the US Congress with calls to ban all new investment.

Also to require every US company in SA not only to abide by the code but also to report progress to the US State Department.

But in a wide-ranging examination of the effects of the code, which aims to raise opportunities for black workers employed by US companies in South Africa,



● MARTIN SEBESHO . . . “you’re never going to be given political power”.

ranks: inferior education, the lack of business culture among blacks, resistance among whites and the fear of senior blacks that they will be labelled as sellouts by their colleagues,” said the newspaper.

Mr Sebesho did not hide his disappointment at whites who claimed there were no black candidates for managerial jobs in these companies: “we have a lot of people with potential who are unemployed at the moment.”

He also pointed out that those blacks with managerial potential were faced with a multi-faceted problem.

“You are never given political power but you usurp it. With economic power you have to gain it. We have to look at a number of strategies,” he continued.

This brought Mr Sebesho to the oft-repeated accusation that black managers were used as buffers against the country’s masses in their struggle for liberation.

“Yes we are going to be buffers. But in this case we are spying on the enemy”

Sullivan Code drop-outs slated

By ZB
MOLEFE

the New York Times concede that thorough application of the code had led to many gains

for black workers.

But the newspaper also pointed out that most of these companies knew that their biggest challenge lay in the need to move blacks into

managerial ranks.

“White managers trot out a litany of claims to defend their failure to come up with black candidates for promotion through management

ONCE blacks become aware of their oppression and exploitation by whites, they will develop a black consciousness which eventually leads to black nationalism.

“This is the point we have now reached in South Africa. One does not need communism as an explanation of what is happening at the moment,” declares Swaziland’s Head of the Church, the late

**Black man, you
are STILL
on your own . . .**

‘ZB MOLEFE reviews a new book on apartheid

grabs the reader by the scruff of the neck.

For example: “South Africa is still bent on a course which will plunge the whole of the sub-continent into a state of primordial chaos”.

And finally it is the church and its role that worries Bishop Zwane. The accusation levelled at it in the critical situation of Southern Africa is its apparent inability to speak and act relevantly in a crisis situa-

Citibank finds it's comfortable

BY BERENICE MARGOLIS

THE chief executive of Citibank in South Africa, Mr Tim Wood, 42, says that "after 25 years here we can feel comfortable about our presence". Citibank, the only American bank in SA, remains a focal point of criticism in the United States. From his blue-hued 23rd-floor suite in Life Centre at 45 Commissioner Street, personable Mr Wood, as "country head", supervises Citibank operations in South Africa, Swaziland, Botswana and Lesotho with a staff of 220.

His international repertoire is extensive. After earning an MBA from Stanford University, he worked as a Fulbright Scholar in India on a research project that dealt with the structure of that nation's stock exchange.

He says: "The British left the infrastructure, but there had always been traders and after independence they developed into a class of industrialists." The trend in India, as in South Africa, is for greater institutional investment, especially by pension and provident funds.

Mr Wood joined Citibank as a management trainee 17 years ago and has worked in the Philippines, Indonesia, India, Pakistan, the Ivory Coast, Paris and Milan. In the Ivory Coast and in Paris he worked for Citibank affiliate Banque Internationale pour l'Afrique Occidentale. In Pakistan he worked for affiliate Grindlays Bank.

He says Citibank is the only merchant bank in SA "with the luxury of a commercial banking licence" as its 250 clients are mainly corporate. Nearly half Citibank's clients in South Africa are multinationals, the other half being SA companies with international interests. "We're a dollar bank."

Citibank processes letters of credit and transfers on the "general foreign side" as well as a "certain amount of acquisitions" in America and the UK. Three people look after leverage and tax leases for plant and equipment.

"We reach between 5% and 10% of commercial foreign exchange which, although small proportionately, is a fairly decent-sized play."

Mr Wood says Citibank expansion in the United States has been hamstrung by the Banking Charter which restricts not only the scope of banking activities but geographical spread.

Deregulation is changing the picture and the lines between commercial banks and savings and loan banks, the American equivalent of building soci-

eties, are becoming blurred. Citibank has no presence in California, for example, other than as a savings and loan bank. Banks are facing increasing competition from non-financial institutions.

"Sears, Roebuck has taken on many of the functions of a bank. It offers its own credit cards, an insurance service and has a stockbroking company. You can do all your banking at a Sears, Roebuck store and Sears, Roebuck doesn't have to ask Federal permission to buy an insurance company.

"American Express, with all its ramifications, although not a bank, is another source of competition for commercial banking in the United States. However, there has been a wave of deregulatory inter-state legislation to overcome the threat posed by the non-banking institutions."

A core computerised communications network, developed in the past seven years at a cost of \$2bn, gives Citibank a competitive edge.

"A South African client with a Citibank rig in his office can connect to the international terminal and within minutes get a print-out of his balance, an account statement going back 90 days and he can call up his outstanding foreign-exchange transactions and Eurodollar loans. This way he can build up a foreign-exchange exposure picture and see how he's managing."

"A South African exporter who works on a consignment basis can find out if his goods arrived at

their destination and have his account credited in Europe. This has significant applications for the mining houses which can know in the morning how their dollar accounts are faring. Citibank is the only bank in the world with a presence in so many countries."

Citibank is also one of the big three American banks that have lent billions of dollars to Argentina and Brazil. The amount owed to Citibank is secret. But Mr Wood is confident these countries will not repudiate their debts. "Perhaps Argentina, self-sufficient in beef and wheat, has given that idea some credence, but the knowledge that a default would mean the cessation of all trade is the impetus for them to meet their commitments."

Turkey is a reason for optimism. "In 1980, Turkey's exports couldn't pay for its oil imports. I was there at the time and recall having to wait 24 hours in the queue for my petrol ration. Since then, through painfully enforced austerity measures, Turkey has made the turnaround. Economic expansion in Europe and America, which is in its initial phase, ought to help."

Citibank is a signatory to the Sullivan Code and almost 50% of its employees are black. A black, and others are being trained in London. "We scored in the highest category for equal employment practice," says Mr Wood.

MR TIM WOOD



Pressure mounts against firms operating in SA

By JACQUELINE FRANK in Washington

A MOVEMENT among US cities and states aimed at putting economic pressure on South Africa to end its racial policies appears to be gaining momentum.

More than 20 local governments are now threatening to pull pension and other investment funds out of US firms operating in South Africa because of the Nationalist Government's discriminatory laws.

The campaign runs counter to the Reagan Administration's policy of working with South Africa to achieve gradual change.

In the past two years three large northern states — Massachusetts, Connecticut and Michigan — have passed laws to bring about the withdrawal of some 300 million dollars (about R350 million) in

funds invested in US companies doing business in South Africa.

Eight cities, including Philadelphia and Atlanta, have approved similar sanctions.

Next year at least four more states are expected to pass laws on investment in businesses involved in South Africa, and the issue will be debated in another 16 states and 10 cities, including New York and Dallas.

The boycott is aimed at the 350 US firms active in South Africa. These include some of the largest American companies such as Ford, IBM, General Motors, Mobil and Dow Chemicals.

If approved by such populous areas as New York City and California, pension funds totalling more than 50 billion dollars (about R58 billion) would be affected.

State officials say the movement wants to send a message to Pretoria that the recent constitutional proposals giving a limited political role to Indians and coloureds, but not to South Africa's 70% black majority, do not go far enough.

Connecticut's assistant investment officer, Barbara Reid, said that full civil rights for black South Africans are not expected to follow directly from one state's boycott action.

"There is no question that it is symbolic. The securities we sell could certainly be picked up by others," she said.

Connecticut sold shares in 12 companies dealing with South Africa at a profit of 5.7 million dollars (R6.5 million).

Some investment counsellors argue that the sanctions will limit possible profits and create more risks for pension funds.

Proponents of the anti-apartheid measures argue that US companies have some power to influence

the South African Government and are in effect cooperating with Pretoria by selling products such as computers, oil, cars and trucks which the Government uses to enforce apartheid.

The potential cost in public relations and loss of capital has begun to worry some companies, who have joined forces to oppose the state and city proposals.

The director of Ford's international governmental affairs division, William Broderick, said that US companies have been a major force for improving conditions for South Africa's black workers.

In an interview, he agreed with those who say change is slow in South Africa. "But they do not address how change will come any faster if all American companies leave," he said.

Black South Africans would have far fewer opportunities for job advancement, education and improved housing and services if US companies leave, he said.

He also pointed out that American companies adhere to the Sullivan Code on labour practices and were in the forefront of applying pressure for more labour reforms. — Sapa-Reuter

62 E-Post 8/12/83

Economists clash on SA disinvestment

62 Star
12/12/83

The Star Bureau

WASHINGTON — A black economics professor and the white president of the United States Chamber of Commerce stoutly defended US investment in South Africa in a nationally screened debate yesterday against a black political lobbyist and a white congressman.

Clashing on a programme televised over the major ABC network were Dr Walter Williams, professor of economics at George Mason University; Dr Richard Leshar, president of the national chamber of commerce; Mr Randall Robinson, executive director of the black political lobbying organisation, Trans Africa, and congressman Mr Stephen Solarz, who has sponsored anti-South African legislation in the House.

Professor Williams argued that "economic growth is one of the strongest tools against racialism in the world". Forcing US investment out of South Africa would hamper economic growth in that country and impede the fight against apartheid.

Arguing that human progress was speeded by economic progress, Dr Leshar said economic advancement in South Africa was tied to trade with the United States.

"American business is the most powerful force for change that South Africa has seen," he said.

Mr Solarz, whose legislation has been approved by the House of Representatives, said it would send a powerful message to South Africa that the US would not continue to do "business as usual" as long as blacks in the South Africa were denied fundamental human rights.

He said that his legislation was not intended to force existing US business out of South Africa. It would enforce penalties against US firms in South Africa that failed to comply with the Sullivan Code of fair

employment practices.

It would also bar US bank loans to South Africa and ban the importing of Krugerrands.

Mr Robinson said that if the countries investing in South Africa would act collectively under US leadership to force withdrawal of their 27 000 million dollar investment through mandatory United Nations sanctions "we could cripple that economy and that government".

Professor Williams said he considered apartheid "despicable" but it could not be denied that conditions for blacks in South Africa had improved substantially. Their living standard was now one of the highest in Africa.

In South Africa there had been nothing as bad as what had happened in Uganda, Biafra or Ethiopia, he said.

Leading blacks such as Chief Gatsha Buthelezi, trade unionist Lucy Mvubelo and former newspaper editor Percy Qobza were opposed to disinvestment, said the professor.

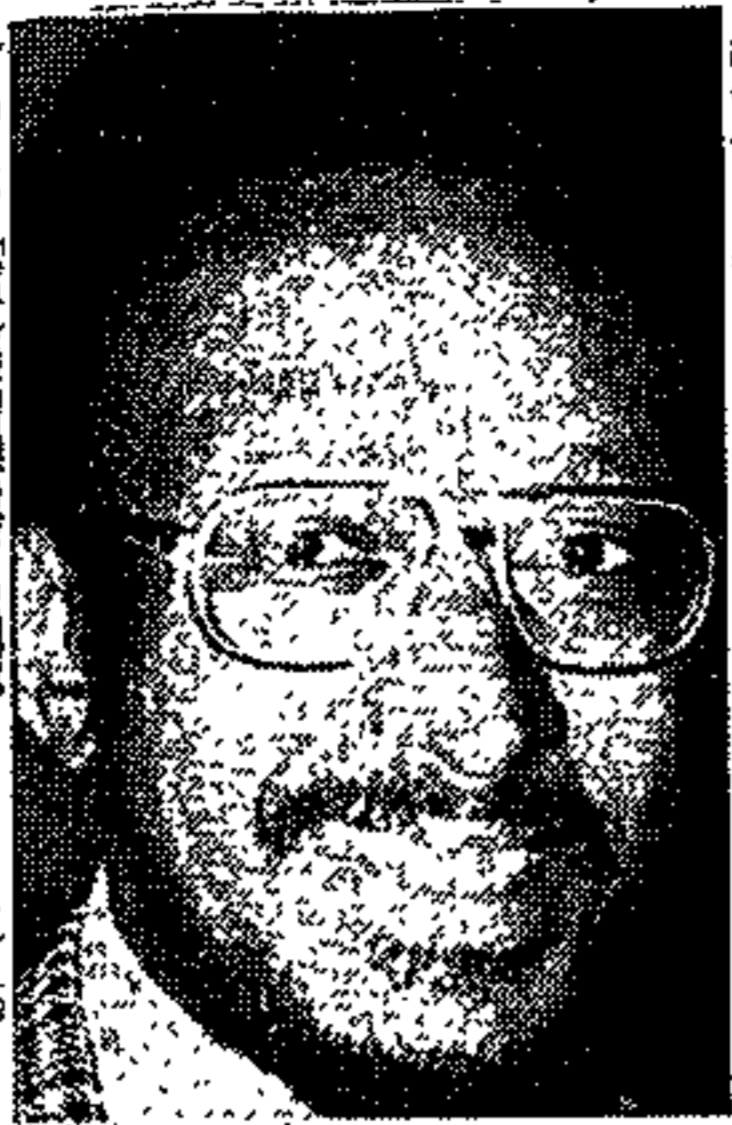
Professor Williams accused Mr Solarz and Mr Robinson of favouring "totalitarian and fascist-like measures" such as those they accused the Pretoria Government of pursuing.

Dr Leshar said disinvestment would be "the single worst thing that could happen to South Africa. It would cause the economy to collapse and take human rights back 100 years".

Challenging the professor's assertion about Chief Buthelezi, Mr Robinson said that the chief was "on South Africa's payroll" and it could not be expected that he would favour disinvestment.

He claimed that "by any measure blacks are doing worse in South Africa than they have ever done".

Mr Solarz said that he did not expect his legislation to be approved by the Senate but he thought there was a good chance of getting some of it adopted in a House-Senate conference.



Dr. Walter Williams

Investing in SA 'tool against racism'

ARGUS
13/12/83
62

Argus Foreign Service

WASHINGTON — A black economics professor and the white president of the United States Chamber of Commerce vigorously defended American investment in South Africa in a nationally televised debate against a black political lobbyist and a white Congressman.

Appearing in a programme televised over the major ABC network were Dr. Walter Williams, professor of economics at George Mason University; Dr. Richard Leshner, president of the National Chamber of Commerce; Mr. Randall Robinson, executive director of the black political lobbying organisation TransAfrica; and Congressman Stephen Solarz, who has sponsored anti-South African legislation in the House of Representatives.

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Hamper growth

Forcing American investment out of South Africa would hamper economic growth in the Republic and impede the fight against apartheid.

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Sullivan Code

He said his legislation was not intended to force existing American business out of South Africa. It would enforce penalties against US firms in the Republic that failed to comply with the Sullivan Code of fair employment practices.

Mr. Robinson said that if the countries investing in South Africa would act collectively under United States leadership to force withdrawal of their R33 000-million investment through mandatory United Nations sanctions, "we could cripple that economy and that Government".

American investment, he said, was giving the South African Government the technical capacity to repress the black majority.

Shouting

At times the debate became so vigorous viewers could not hear what was being said as participants shouted simultaneously to make points.

Professor Williams said he considered apartheid "despicable" but it could not be denied that conditions for blacks in South Africa had improved substantially. Their living standard was now one of the highest in Africa.

Leading blacks such as Chief Gatsha Buthelezi, trade unionist Lucy Mvubelo and former newspaper editor Percy Qoboza were opposed to disinvestment, said the professor.

Dr. Leshner said disinvestment would be "the single worst thing that could happen to South Africa. It would cause the economy to collapse and take human rights back 100 years."

Work stoppage by 700 at Ford set to continue

By CLARE PICKARD-CAMBRIDGE

NEARLY 700 workers — about 200 more than yesterday — stayed away from work at Ford's Struandale plant today. They plan to return tomorrow only to collect their pay before the annual shutdown.

The workers downed tools when management informed them that an employee in the main-line section had been suspended

for five days because "his work was behind schedule".

A shop steward at the plant, who did not wish to be named, said only a few workers returned today.

The number who had left the paint shop, body shop, trim, chassis and main line sections had swelled from about 500 yesterday to nearly 700 today, he said.

Official dispute procedures had not been invoked because workers had been waiting on management for

a decision about the National Automobile and Allied Workers' Union (Naawu) worker who had been fired. Management yesterday decided to suspend him instead.

He said workers involved in the stoppage would meet tomorrow to collect their pay packets at 10am because that was when the suspended man had been told to turn up for his pay.

"But workers do not in-

tend to do any work tomorrow," he said.

"They will be meeting again at the Holy Spirit Church Hall in Kwazakele on January 7 to discuss the situation before the plant re-opens on January 9."

He said he hoped that the 10-man workers' committee would be able to meet with management to discuss the situation when the plant re-opened.

He reiterated that yesterday's work stoppage and

worker stay-away had not been initiated by Naawu or the Motor and Allied Component Workers' Union of South Africa (Macwusa), but had resulted from a general dissatisfaction on the part of all workers.

It had been a grass-roots decision by sympathetic workers.

The director of industrial relations at Ford, Mr. Fred Ferreira, could not be reached for comment.

af t i a e n

Striking workers take leave

Cape Times 16/12/83
(2) (12) (15) (17) (18) (19) (20) (21) (22) (23) (24) (25) (26) (27) (28) (29) (30) (31) (32) (33) (34) (35) (36) (37) (38) (39) (40) (41) (42) (43) (44) (45) (46) (47) (48) (49) (50) (51) (52) (53) (54) (55) (56) (57) (58) (59) (60) (61) (62) (63) (64) (65) (66) (67) (68) (69) (70) (71) (72) (73) (74) (75) (76) (77) (78) (79) (80) (81) (82) (83) (84) (85) (86) (87) (88) (89) (90) (91) (92) (93) (94) (95) (96) (97) (98) (99) (100)

Own Correspondent
PORT ELIZABETH. — Striking workers at Ford's Struandale assembly plant collected their outstanding pay after 10am yesterday and took their annual holiday, which ends on January 8 next year.

The workers, belonging to the National Automobile and Allied Workers' Union (Naawu) and Motor Assemblers' and Component Workers' Union of South Africa (Macwusa) and said to number between 700 and 800, have been off work since Tuesday morning in sympathy with a suspended worker.

'No incidents'

According to Mr Dennis Neer, Macwusa's general secretary, no incidents were reported. However, it could not be established if the workers had received their full outstanding pay, holiday pay and bonuses.

Ford's industrial relations director, Mr Fred Ferreira, and other senior management personnel were not available for comment yesterday afternoon.

Mr Neer said the workers would meet at an open meeting on January 7, two days before the factory resumed production for the new year.

The two unions were not involved in the work stoppage, as workers felt it was purely a

worker issue, he said. The issue arose on Thursday last week when management asked workers on the Sierra production lines to start work an hour earlier the next day, reportedly to catch up on the Sierra's backlog. The workers refused to do so.

'Suspended'

Later, a Naawu member was dismissed. According to worker representatives, the company had claimed his work was behind schedule. Workers downed tools for two hours, demanded that management review their colleague's case and gave a deadline of 10am on Tuesday.

Management's reply was that the worker had only been suspended for five days, effective from Friday. Workers refused to accept this explanation and walked off their jobs.

After a meeting on Tuesday night, they decided they would return to work at 10am yesterday, but only to collect their wages, holiday pay and year-end bonuses. It was the same time the suspended worker had been told to collect his.

Yesterday afternoon, Mr Phaldie Kalam, Ford's public affairs manager, said that yesterday was also the start of the annual shut-down for the company's other plants and for administrative staff.



Seven people were injured in a bomb blast in the Johannesburg area in just over a week. Some of the injured were Mr Piet Tlou, Mr George Lakgwathe, Mrs C...

Fate of MNR in balance say sources

Cape Times 16/12/83
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Own Correspondent
LISBON. — The future of the South African-backed rebel movement in Mozambique — Renamo — appears to be in the balance following preliminary moves to reach a security agreement between Pretoria and Maputo, Portuguese sources believe.

Renamo, the Portuguese acronym for the Mozambican National Resistance movement, has been responsible for constant and sometimes spectacular sabotage in Mozambique since 1977, and is widely held to be used by Pre-

toria for putting pressure on Maputo.

It has repeatedly sabotaged powerlines carrying electricity to South Africa from the Portuguese-run Cabora Bassa hydro-electric project, causing huge financial losses to Portugal and keeping prices artificially low.

Low profile

Following the visit to Lisbon late last month by the South African Foreign Minister, Mr Pik Botha, the Portuguese have been active in working for a summit meeting between Mozambique's President, Mr Samora Machel, and the South African Prime Minister, Mr P W Botha, at which a "mutual security agreement" is likely to be discussed.

Nai... escape for in s

Staff
A MAN ... an epileptically narrow drowning evening pulled out unconscious members Bay Surf Club.

It is believed Mr Charles of Haybar River, managed to escape the water. According to Monty Walters, an officer for savers were the time of but were the beach. "We pulled the surf... ing mouth



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Photo

~~62~~ (62) RWA
A lie, says
General Motors boss
24/12/83

Mail Correspondent

PORT ELIZABETH. — A statement made on SABC TV's "News Focus" on Thursday night has been described as "a total fabrication" by the assistant managing director of General Motors, Mr Rod Ironside.

Mr Ironside said yesterday that he wanted to "put straight" a statement made by a member of a panel during a discussion on American disinvestment, which implied that there was an agreement between General Motors and the SA Government.

He said the panelist's statement was a "blatant untruth".

"It was a fabrication hatched up in the United States by an anti-South African church group a few years ago and is devoid of any truth whatsoever," he said.

The statement was denied at the time by GM in the US.

FOREIGN FIRMS IN S. A. - U.S.A

1984

JANUARY — DEC.

Evening Post-General Motors camp is off to a great start

Weekend Post Reporter

WILLOW POINT, set among forest-clad mountains, shimmering lakes and majestic peaks of the Outeniqua Mountains, is the idyllic setting for the Evening Post-General Motors Adventure Camp.

It was here that 60 excited children with their 20 leaders arrived on Tuesday to start their week-long stay, which for most the children was to be an adventure of a lifetime.

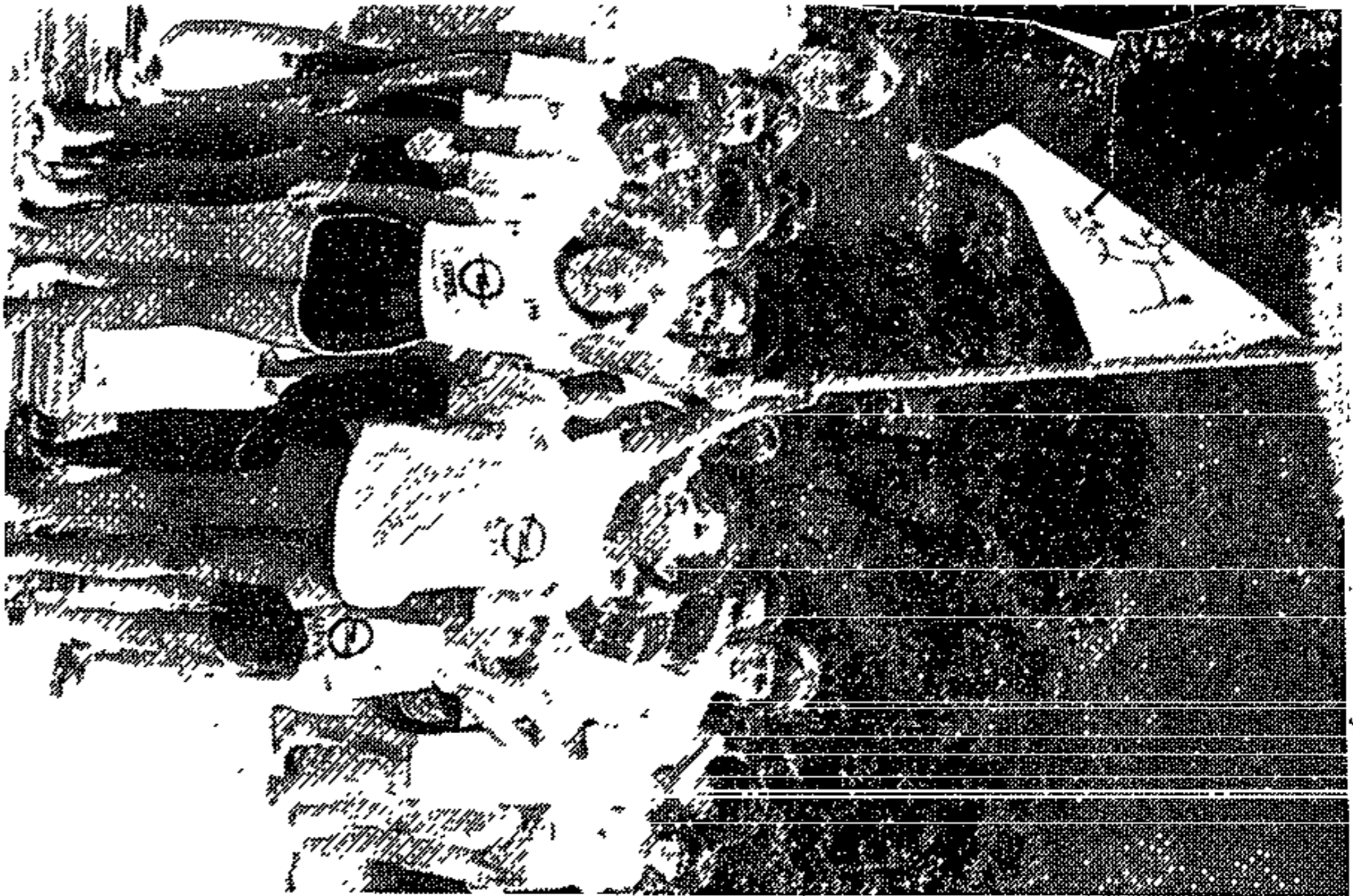
Shyness and racial barriers were soon forgotten by the children, who had all been recruited from white, coloured and black schools in the Port Elizabeth area.

They were immediately placed in teams and with good team spirit set about deciding on names for themselves, designs for flags and appropriate war cries.

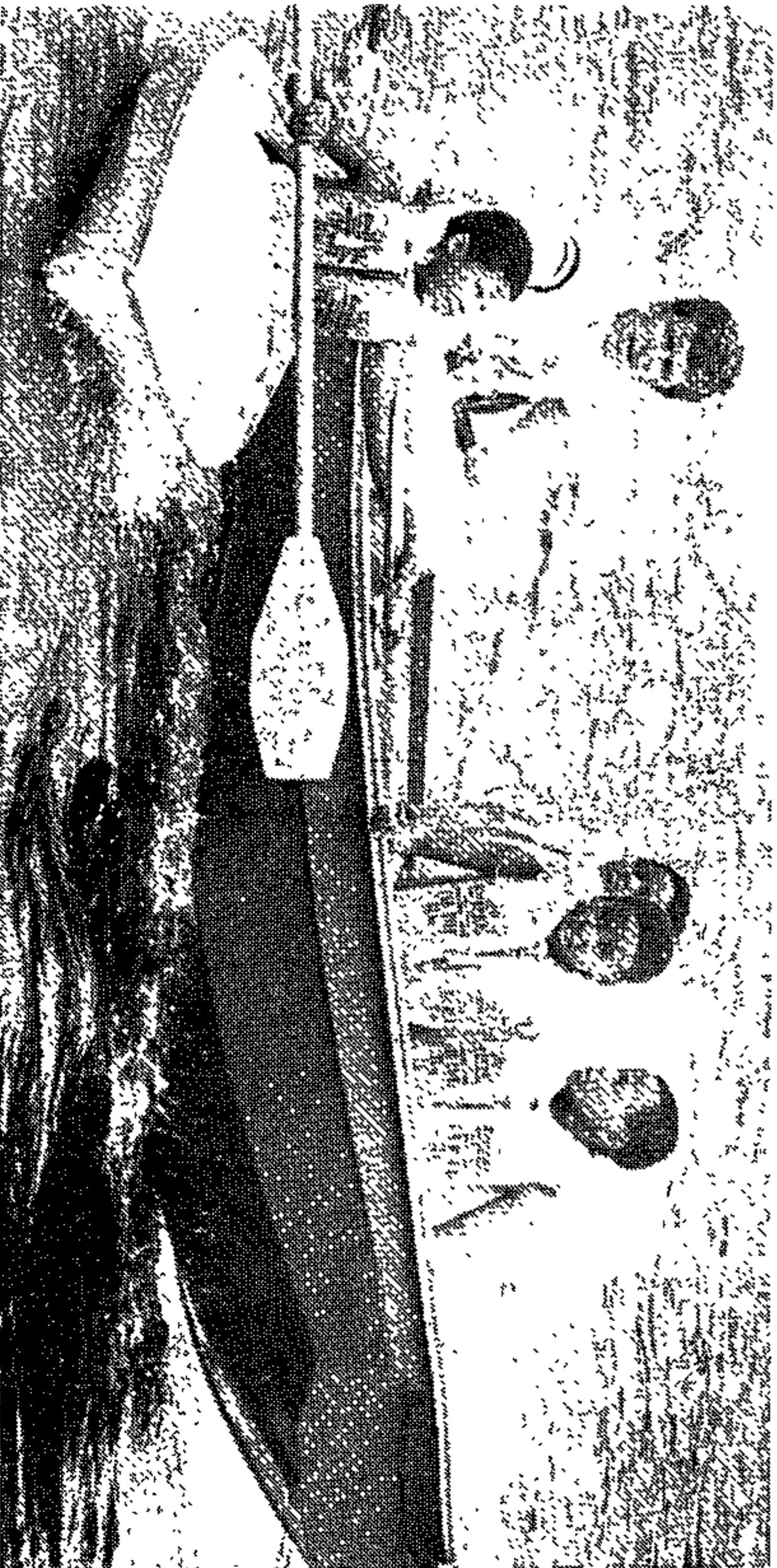
Soon, for the Yo-yo Pirates, the Beetles and the Cool Cats, it was a happy tussle for points — not only for keeping the camp clean but also for sporting events and other activities.

For the children, aged between 11 and 13, the activities, specially devised by Dave and Steve Beggs, the camp organisers, were not just to provide them with fun-filled days but also ensure that they leave the camp having learnt something.

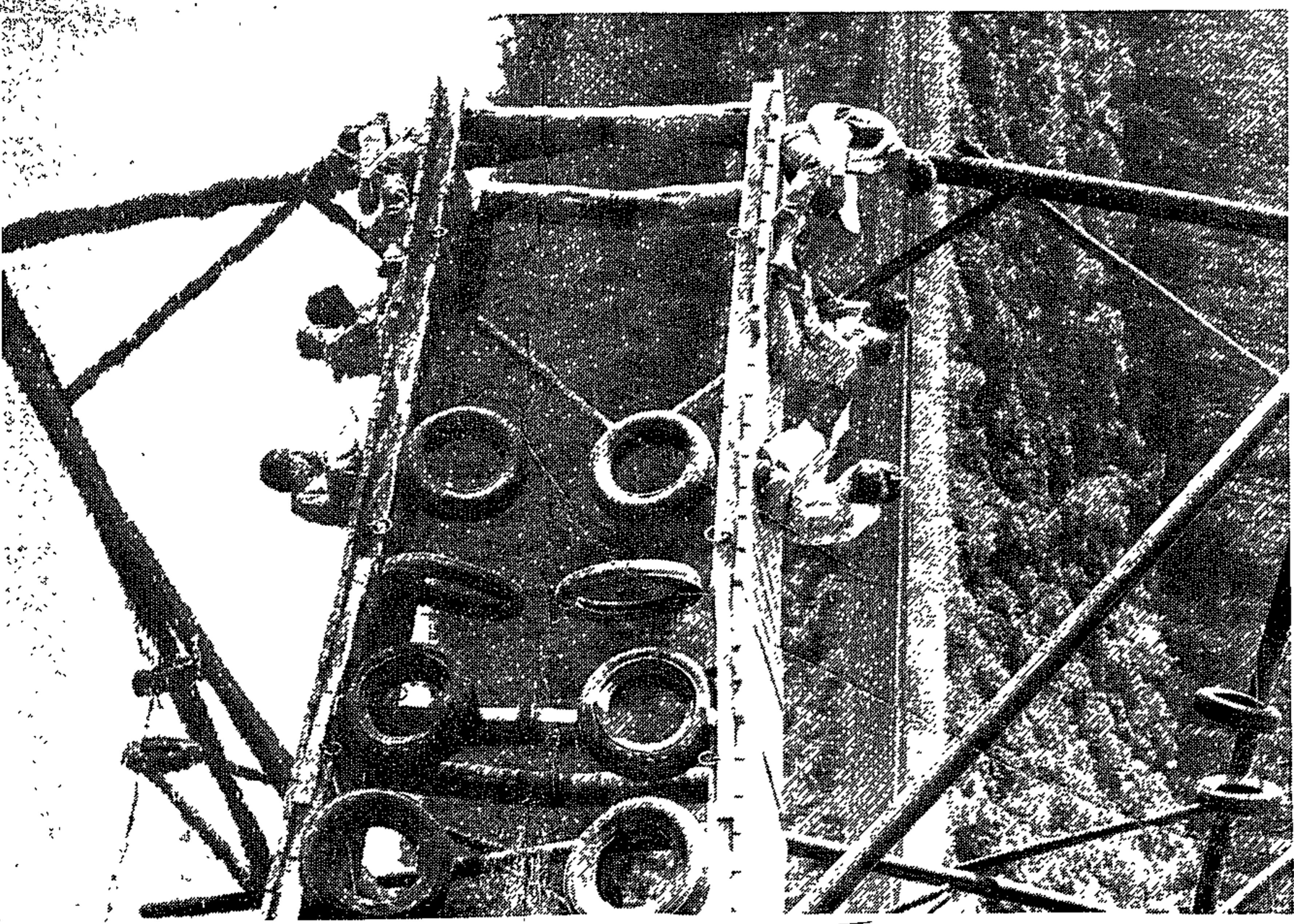
Daily activities ranged from early morning sing-songs, puppet shows, canoeing on the reed-fringed lake, hiking, handicraft classes and yesterday's highlight — a visit to an ostrich farm, the crocodile ranch and the Cango Caves at Outshoorn.



Little KIM OLIVER and CLIVE DU RANDT hold their team flag high.



Adventure camp leader DAVE BEGGS gives CLIVE DU RANDT a helping hand as he tries his hand at canoeing for the first time.



An early morning Bible discussion reflected in the waters of the placid coastal lake.

(2) (2) S. News
Ex-Sage man at Harvard warns

Tide turns against SA in America ^{8/1/84}

THE tide of political opinion in the United States is turning against South Africa and the movement to disinvest is gathering momentum.

This warning comes from Robert Conway, a former Sage general manager and PPP parliamentary candidate who is now conducting a series of seminars and workshops on South Africa at Harvard University.

Mr Conway, who is attached to the Harvard Centre for International Affairs and Harvard's influential Kennedy School of Government, says South Africans who think they have an unshakable ally in President Reagan are misguided.

It is also a mistake to take the recent lack of political pressure from the US for granted.

He maintains that if the Reagan administration perceives that the carrots it has proffered to SA to effect change have not worked, it might well turn to the stick — especially if public opinion moves further against SA in an election year.

Mr Conway says many white Americans have voted for black politicians in state and mayoral elections. This new trend does not bode well for SA. Nor does the burgeoning popularity of presidential candidate the Rev Jesse Jackson, a heated critic of SA.

Even if Mr Jackson did not unseat President Reagan, he could influence him to take a harder line on SA.

Mr Conway maintains that more states are likely to follow the example of the Massachusetts state pension fund in selling all shares of companies represented in South Africa.

By DAVID CARTE

He is concerned that academics, church groups, even some businessmen — "not just radicals" — are behind the pressure.

He reckons there is a reasonable possibility that the Solarz and Berman amendments to the Export Administration Act will become law. The Solarz amendment would compel firms operating in South Africa to comply with the Sullivan fair employment principles, and would prohibit Kruggerand sales and commercial bank loans to SA.

The Berman amendment seeks to ban the sale of any goods or services to the SA military or police and other government agencies.

Mr Conway says the most recent US infusion of billions of dollars into the International Monetary Fund came with the proviso that all future IMF loans to SA had to be certified as being for good purposes by the Treasury Secretary. This, he says, could be just a first step.

He believes that if the problem is left unattended, first loans and then new equity investment might be affected. Eventually, US companies might yield to pressure from shareholders and pull out of SA. This could injure SA's economy, cost thousands of jobs and set the country back technologically.

Mr Conway, who has just visited the European Parliament and Nato with his Harvard colleagues, is convinced that if the US leads in ostracising SA, other nations will follow.

Already, the European

Parliament has expressed dissatisfaction with the implementation of its codes of conduct for European companies in SA.

"What is worrying is that little is being done to turn this hostile tide. Even if one disagrees with SA's policies, there are many arguments in favour of this country — and at the moment they are not getting a hearing.

"Nobody is conveying to the American public South Africa's side of the argument. Americans are not being told about the complexity of the situation. We are not providing the many potential friends we could have in the US with the facts they need to reply to our critics.

"In addition, there are politicians in the US who are using our situation for their own ends and nobody is taking them to task.

"What is desperately needed is an independent foreign advisory committee reporting directly to the prime minister. It should be a non-political, non-partisan, non-racial body. It should be made up of first-rate communicators and negotiators spanning the globe.

"Our embassies are not enough because they represent the official government line. The SA Foundation is doing a courageous job, but is too thin on the ground and is seen incorrectly by many foreigners as an arm of government.

"It's time now for SA to stop being so defensive in its international relations and to use competent people to put its case fairly and justly. We cannot simply ignore the rest of the world."



ROBERT CONWAY
Misplaced trust in US.

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.

~~252~~ ~~129~~ (62) ROM 18/11/84

Ford retrenches ^{ARGUS} 490 ~~200~~ ~~400~~ union upset ^{20/1/83}

Argus Bureau

PORT ELIZABETH. — Nearly 500 workers have been laid off by the Ford Motor Company following retrenchments by the Sigma Corporation in Johannesburg yesterday.

Ford's director of public relations, Mr Fred Ferreira, said in a statement today that the company saw no prospect of the present depressed market for car sales improving in 1984.

As a result, 490 hourly-paid Ford workers had been retrenched and would be paid off today.

FEWER CARS

He said Ford anticipated building fewer cars this year than it did last year and felt it could not economically work fewer hours instead of laying off staff.

However, the general secretary of the powerful National Automobile and Allied Workers Union (Naawu), Mr Freddie Sauls, said his union was unhappy with the way Ford had effected the reductions.

"We received only one day's notice of the layoffs and have had no opportunity to consult our members on any possible action," he said.

DEPARTURE

"This is a complete departure from normal practice at Ford, where in the past we have sat down with management and tried to find solutions to any problems they foresaw.

"It appears that Ford has adopted a new strategy with respect to industrial actions which may be better designed to out-manoeuvre the unions but is definitely a

turn for the worse in industrial relations practice at Ford."

Mr. Sauls said the next general meeting of the union was scheduled for next Thursday. He thought the layoffs had been timed to catch workers off guard and short of funds after the Christmas recess, and he did not expect any industrial action.

Spokesmen for the other major vehicle manufacturers in the area, General Motors and Volkswagen, said they did not anticipate any layoffs in the immediate future.

Ford lay-offs bring new model plant to standstill

By PHILLIP VAN NIEKERK

THE Ford Sierra plant in Port Elizabeth was closed down early yesterday after hundreds of workers downed tools in protest against the retrenchment of 490 colleagues.

A company statement from Port Elizabeth said the retrenchments had been decided on because vehicle markets, which were quiet in 1983, were expected to remain at low levels in 1984.

The retrenchments follow close on the heels of the laying off of 850 workers by auto manufacturers Sigma in Pretoria on Thursday.

However, officials of both the National Automobile and Allied Workers' Union (NAAWU) and the Motor Assembly and Components Workers' Union (MACWUSA) accused the company of using the retrenchments to weaken the unions.

A few hundred workers in several sections at the Sierra plant, formerly the Cortina plant, stopped work in protest against the retrenchments, after which the company closed the plant and paid the entire workforce of 1 500 early.

Mr Fred Ferreira, the company's industrial relations director, said Ford had made no reductions in personnel in 1983, despite difficult market conditions.

Replying to the union allegations, Mr Ferreira said:

"We have considered a number of alternatives in order to prevent the retrenchment,

including working extended short time at the end of last year. We have now reached the point where we can no longer absorb these penalties."

Mr Ferreira said unions had been advised of the move and had confirmed that retrenched workers would be given preference when positions become vacant.

This was denied by Mr Fred Sauls, NAAWU'S general secretary. In response to Mr Ferreira's assertions, Mr Sauls said the union had been advised of the impending retrenchments at the last moment.

He said the union had been told there was no possibility of deferring them until the union had been able report back to their members.

Both Mr Sauls and Mr Denis Nair, general secretary of MACWUSA, said the retrenchments had come soon after a strike by about 1 500 workers at the Sierra plant in December.

They claimed that by the current retrenchments the company was "hitting back" at the unions.

The last time Ford retrenched workers was in August 1982. At that time there were widespread strikes in the Port Elizabeth motor industry.

Mr Nair said: "Ford has a new approach as far as communication with the workers is concerned. In the past it was agreed that if there were retrenchments pending we should be informed but now they spring this on us at the last moment."

Disinvestment: a US election issue?

By David Braun,
Political Reporter.

IN this American election year the question of US disinvestment in South Africa threatens to become an issue.

Former US Vice President, Mr Walter Mondale, who is a candidate for the Democratic nomination for the presidential election in November, recently suggested during a televised pre-election debate that he was in favour of cutting the sale of Krugerrands in the US and that South African Airways should lose its landing rights in America if South Africa did not make progress in human rights.

Mr Guy Woolford, a lecturer in international relations at the University of the Witwatersrand, says the sanctions and economic withdrawal posture in the US preceding this year's elections is a fallacy.

"As was the case when the US applied an embargo against the USSR over the Euro-Soviet gas pipeline project, such policy it seems has failed to consider the intrinsic weakness of embargoes as a measure of foreign policy, or the double-edged nature of such an instrument on the actual effect on political support within the sanctioned government," he says.

Mr Woolford, who completed his M Phil at Cambridge with a thesis

titled "The Efficacy of Economic Sanctions as Applied Against South Africa," says recent experience has shown that embargoes often have perverse and sometimes contradictory effects.

With South Africa the demands for sanctions are primarily ideological — that is related to the apartheid issue. "Unlike the demands made at the UN and within the 'socialist' world," says Mr Woolford, "it is not directed at capitalism and the trans-national corporation, but is rather a classic case of the existent nature of American political culture in the prelude to a presidential election.

"The eradication of racism is a political issue and is likely to remain so for the foreseeable future. Both Democrats and Republicans will attempt to make political capital by rehashing the apartheid issue and externalising the problem of colour discrimination, a problem which persists in the US today.

"Within such a climate, politicians have recourse to stereotypes. Apartheid, like Coca-Cola, is a brand name which people understand and can relate to."

With this as background, The Star this week interviewed the conservative Republican Senator Steve Symms, chairman of the US Senate sub-committee on monetary and fiscal policy, who is in South Africa on a fact-finding visit.

Senator Symms, who defeated South Africa's arch-critic Senator Frank Church of Idaho in 1980, is also on the Senate's finance, budget and joint economic committees.

He would, he says, advise the President to veto any legislation calling for disinvestment in South Africa.

"Such legislation would be totally economically ignorant, no matter how noble are the intentions of the lawmakers. It would be self-defeating for South Africa's blacks, the very people such legislation intends to serve.

"The best way to break down colour barriers is through capitalism, because capitalism is colour blind. I don't care how firm and rigid people may be with the prejudices they were raised with, if they are given a choice in a free market they will be colour blind in their choice economically. Allow the opportunities and maximum freedom for blacks so that they can move up economically.

His personal opinion is that there is not much support to pass a major disinvestment bill through the US Senate, there would be too much opposition.

"Certainly not this year, it's way down on the list. It would be unlikely to be passed even in the worst scenario with Mondale as president and the Democrats once again in control of the Senate.

"That doesn't mean that conservative Republicans are not concerned about basic human rights.

"Most people, including me, raised in the tradition of the Declaration of Independence, the Constitution of the United States, the right of private ownership and life in pursuit of happiness, naturally feel a sympathy for people who don't have those opportunities. There is genuine sentiment on behalf of most US people that they would like to see others have the opportunity of the American Dream.

"Because of this, disinvestment is apt to being brought up as an election issue as it has significance for black voters."

Senator Symms says that by imposing forced disinvestment on American companies, South Africa's blacks will suffer because they will not be able to achieve a better life and the dream of all human beings to be free and self sufficient that comes from complete economic development.

A second reason why he opposes disinvestment is that it denies Americans freedom.

"To deny Americans the right to buy Krugerrands (forgetting about what it means to SA) is to deny freedom to American citizens, denying them the right to buy something regarded around the world as an international currency. Why should Americans be denied that right?"

"The third reason why it is a bad idea: The real struggle for freedom in this world, is the struggle against those people who strive for higher ideals, human rights, freedom of the press, freedom of religion, embodied in the spirit of the US, and on the other side of the fence, the tyrants in the Kremlin who develop their Soviet empire by threats, force, coercion and murder, going on every day.

"In order for the West to survive, part of the essential element in that survival is the minerals in Africa.

"For the survival of freedom in the world, I don't think it's the human thing to make it easier for the Soviet Union to expand its hegemony. For that reason I believe that South Africa, with all its imperfections, should be defended. The US Navy should use Simonstown for calls and there should be no arms embargo."

Senator Symms says the one thing South Africa should do immediately to take the wind out of the sails of the disinvestment lobby is to give blacks full freehold property rights.

"Once a person owns his property that is the secret of success. It is the key to stability, responsible attitudes towards voting and a better standard of living.

"Once you have property rights, the franchise is just down the road" □

Union's Sowetan court move

25/11/84 (110) 62

THE National Union of Mineworkers (Num) is to take the Bophuthatswana Government and an American-owned mine to the Supreme Court.

This is a result of the decision by the Government and the Union Carbide Company, which owns the Ucar Minerals, to stop the union from continuing its activities in the territory where about 450 workers went on strike yesterday.

This was disclosed to The SOWETAN yesterday by the union's general secretary, Mr Cyril Ramaphosa, who said that the workers at Ucar Minerals near Brits, Bophuthatswana, went on strike over wages.

This is the second time that the miners have gone on strike this



MR CYRIL RAMAPHOSA: Miners leader.

week after a deadlock was reached over several demands, including wages. On Monday they held a two-hour stoppage following news that their union was banned in the "independent state".

The spokesman for Union Carbide said that the strikers had earlier appointed a committee to deal with their grievances, including wages.

The company was also trying to negotiate with the government and the union to break the impasse following an earlier directive from the government for them not to have dealings with the union.

26/1/84

Outlawed union continues strike

By Jo-Anne Colling

The strike at Union Carbide's Ucar mine in the Brits area of Bophuthatswana continued yesterday as worker representatives, management and homeland government officials held talks.

The National Union of Mineworkers (NUM) says that the strike, which started on Monday and is said to involve almost 400 workers, is related to the Mangope Government's declaring the union's activities illegal in the homeland.

While Union Carbide's industrial relations manager Mr C Robertson acknowledges that the move by the Bophuthatswana Government disrupted recognition talks with the union, he insists a pay dispute is at the heart of the strike, although no figures had been mentioned.

Bophuthatswana is about to enact its new Industrial Conciliation Act which provides for the establishment of homeland unions.

NUM has been advised that its activities in Bophuthatswana are "contrary to the law". Mr Robertson could not say whether the firm would face penalties if it were to recognise an outlawed NUM.

The role of the Bophuthatswana Department of Manpower in the present talks was "conciliatory and mediating", Mr Robertson said. "We understand that they are concerned that their citizens should not lose their jobs."

Mr Cyril Ramaphosa, general secretary of NUM, saw the outlawing of established unions as an attempt to install "government unions" in the homeland. He was dubious about the sincerity of firms which claimed they were unwillingly bound by State restrictions. "We think they actually prefer to deal with unions which are kept under Government surveillance."

62

62 SOWETAN Thursday, January 26, 1984

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SULLIVAN ADMITS FAILURE

FROM SAM MABE IN WEST GERMANY

FRANKFURT — The Reverend Leon Sullivan, author of the Sullivan Principles, admitted before an international labour conference held in West Germany at the weekend that his principles were too weak and had failed to effect any meaningful change for black workers in South Africa.

He was addressing about 100 trade unionists from all parts of the world at a conference where the International Labour Movement examined the apartheid laws and problems faced by black trade unions.

A Baptist priest in Philadelphia, USA, and member of the board of directors of General Motors, Mr Sullivan said his principles failed because companies were under no obligation to subscribe to them. He said he was going to fight for the passing of a legislation that would make it mandatory for all American companies operating in South Africa to apply the principles in their firms and to be penalised for flouting them.

The conference, organised by the International Confederation of Free Trade Unions (ICFTU), was also attended by four South

African trade unionists representing the Media Workers' Association of South Africa (Mwasa), Commercial, Catering and Allied Workers' Union of South Africa (Ccawusa), the Council of Unions of South Africa (Cusa) and the Federation of South African Trade Unions (Fosatu). Mr Sullivan said that being black in South Africa meant being subjected to the most dehumanising applications of laws in the world, and being stripped of dignity, self-worth and honour. His principles were an attempt to influence US companies in South Africa to abide by the same employment standards as those in the US.

Among others, the principles advocated an increase in the number of blacks in management and supervisory positions and the improvement in the quality of employees' lives outside the work environment in such areas as housing, transportation, schooling, recreation and health facilities.

"It was my intention that the principles would become a catalyst for change throughout South Africa in business as well as other private and public places and that they would have a substantive effect in moving other companies in South Africa from other nations and South African companies in similar actions. "I have never imagined or assumed that the principles alone could bring about an end to apartheid," he said. He said the least any company operating in South Africa could do was to live up to the highest standards of social responsibility possible, and work to help change the inhumane system or they should be forced to leave the country. "Let it be heard in the board rooms of the companies of the world that either they should shape up or ship out of South Africa," he added. Mr Sullivan further called on trade unions of the world to join with churches, educational institutions and other public and private bodies to help in creating monitoring groups to enforce the principles. He called for heavy penalties against compa-

nies which failed to comply with the principles. He said union and pension funds should also be disinvested from companies refusing to recognise representative trade unions and where necessary, work stoppages and boycotts should also be effected.

Mr Sullivan appealed to the International Labour Movement to use its resources and educational capabilities to assist and protect the growing independent black trade union movement from destructive fragmentation and in-fighting. "My friends of labour, the black workers in South Africa need the International Labour Movement to act on their behalf. You can help bring justice to South Africa non-violently if you act decisively now. I ask the ICFTU to swing the hammer of freedom with your resolutions and your actions."

Mr Herman Rebhan, general secretary of the International Metalworkers' Federation (IMF) said ever since the Sharpeville massacres, the conscience of the world has been affronted by the apartheid system. Around the world, there were people who like to pretend that trade union activity was somehow completely separate from political activity. On the contrary, every advance in terms of trade union organisation by black workers is a defeat for apartheid. Mr Rebhan said he rejected calls that there should be a complete ban on visits to and from South Africa. He said contact had to



THE REV LEON SULLIVAN: Code not working well.

be maintained with spokesmen and elected representatives of the black workers. Also, trade union delegations from Europe and North America should undertake visits to South Africa, though such visits were to be carefully prepared and undertaken on terms agreed upon with black unions. Mr Rebhan went on to condemn the minimal coverage given by the English Press to trade union activity. He said foreign correspondents, by and large, knew little and cared less about trade union activity.

He also condemned South Africa's continued occupation of Namibia and what he called "criminal" military incursions into Angola and Mozambique.

Ford chief on PE lay-offs

31/1184 (335) (192) (62) (74) E. Post

By LOUIS BECKERLING
Business Editor

FORD management would adopt a strictly business approach to importing fully-assembled vehicles into South Africa should its situation demand such a strategy, according to the company's international chief executive.

In Port Elizabeth for "an in-depth review of Ford's operations in South Africa", Mr Philip Caldwell, chairman of Ford's board of directors and chief executive officer, made this observation during a Press conference yesterday.

During the course of a wide-ranging series of questions in the boardroom of the Ford (SA) headquarters in Albany Road, Mr Caldwell also defended the retrenchment of workers — whether in the United States or in South Africa — as a pragmatic business principle.

"The only thing that counts at the end of the day is a sound and profitable company and the only way in which a company can continue remaining sound

and profitable is to deal with the realities with which it is confronted...

"Governments may, but private companies simply cannot provide jobs when there's no useful market demand for their product," said Mr Caldwell.

His visit follows days after a similar fact-finding and familiarisation tour of South Africa by the president and vice-president in the United States of the separately administered Ford Motor Credit Company Company.

Introduced by Ford (SA) managing director Mr Brian Pitt, Mr Caldwell began the conference in the presence of several international and local directors — and a camera crew from SATV — with a brief statement on his impressions of the Ford (SA) operation.

"I was last here for a complete review 10 years ago and I have come to listen and see and learn of the opportunities, hopes and aspirations of Ford of South Africa," said Mr Caldwell.

Observing that the South African division (wholly

owned by Ford of Canada, which in turn is 89% owned by Ford in the US), was "the largest vehicle producer in the company operating outside of the US or Canada", Mr Caldwell said the parent company was "specially proud of the fact that Ford (SA) has produced two of its own products — the Ford 1-tonner and the Bantam".

"And another fact which has impressed me is that it's no overstatement in any way to say that Ford (SA) is making the highest-quality products of any manufacturer in South Africa — as is the documented case in the US.

"I am pleased that the quality goal is on top of the list in South Africa."

Mr Caldwell said Ford's strategy was a simple one: to manufacture high-technology products offering the latest modernity and value for money.

This strategy had ensured that "our pipeline has more new products in it yet to come than we have ever had before and our planning horizon is now 10 years

ahead".

Questioned after his statement on Ford's attitude to local content regulations, Mr Caldwell said sovereign countries had a right to their own rules.

"We have followed the path of respecting whatever these rules are and operate under varying conditions — in some cases local content requirements of up to 90%.

"If we were living in a perfect world I think we'd all be best off with a minimum of restrictions, but the realities are that we don't live in such a world and I respect the pragmatism of the Government

"We have to decide whether we have to make a contribution under the ground rules and if we cannot, of course we don't need to compete."

However, management would regard the payment of penalties incurred in order to import fully-assembled vehicles as a "purely economic consideration and such a decision would be taken on a business basis".

Big leap towards disinvestment in SA

1/2/84
62
s. Few

The Star Bureau
NEW YORK — In an important victory for supporters of disinvestment in South Africa, a congressional sub-committee yesterday endorsed the decision by America's capital city to withdraw its investments from US companies doing business in South Africa.

But Americans were warned that they stood to lose hundreds of billions of dollars, in a Press statement by Mr John Chettle, Washington director of the South Africa Foundation.

The endorsement of the decision by the District of Columbia Council (of the City of Washington DC) came after the issue of disinvestment in South Africa was debated under the glare of TV lights in a packed congressional committee room.

It came in the form of a 6-2 vote against a resolution by Republican Congressman Phil Crane calling on the House to veto the council's disinvestment decision.

The sub-committee rejected arguments that disinvestment

would harm blacks in South Africa and Washington municipal pensioners and that the council had no legal power to take the decision.

The issue is expected to go the full committee next week and sources said it would probably endorse the decision.

That would be the end of the matter — unless Mr Crane can get it sent to the floor of the House or the legality of the council's decision is challenged in the courts by pensioners or banks.

Mr Crane argued that the council's action would cost Americans and South Africans jobs and would take away one of the major instruments for social change in South Africa — without resulting in meaningful changes in apartheid.

Mr Chettle said at a Press conference yesterday that a major study for the Washington DC Retirement Board had been done by Mr David Eager, senior analyst for the Investment Analysis Company of Meidinger, Inc.

Mr Eager had found that a

state like Ohio, which had a pension fund of R23 billion, could lose R120 billion over the next 30 years.

Mr Chettle said questionnaires had been sent to 55 American investment managers, retirement plan sponsors, and other experts. Only one had said restriction would not hurt investment performance.

Legislation to force state pension funds and universities to divest has been introduced in 23 US states.

● The New York Times yesterday described the proposed new Parliament as "a forum for apartheid: three races, three rooms". Pretoria's view that the new body would "reflect South Africa's political complexities" was as flawed as the previous claim that South Africa's parliamentary system was based on the Westminster model.

The Times says there is now a real fear among White opposition leaders that their voice of dissent could become "little more than a whisper".

Chief praises motor giant

62 *Mercury* African Affairs 59

100 Correspondent 2/2/84 1972

THE Chief Minister of KwaZulu, Chief Gatsha Buthelezi, has told the chairman of the Ford Motor Company, Mr P Caldwell, that his company had the courage to 'act out of its convictions' in labour matters before being 'pressurised' to accept trade unions.

Chief Buthelezi met Mr Caldwell and several international and South African directors of the giant United States company at Ulundi.

The Chief Minister said Ford had recognised black trade unions before it was 'the accepted thing' to do in South Africa.

He said trade unionism was 'vitally important' to the goals of liberation.

'But trade unionism loses its very particular value when it is regarded as the sole, or perhaps even the dominant vehicle of liberation.'

He urged Western industrialists to support organisations with a constructive and 'multi-strategy approach'.

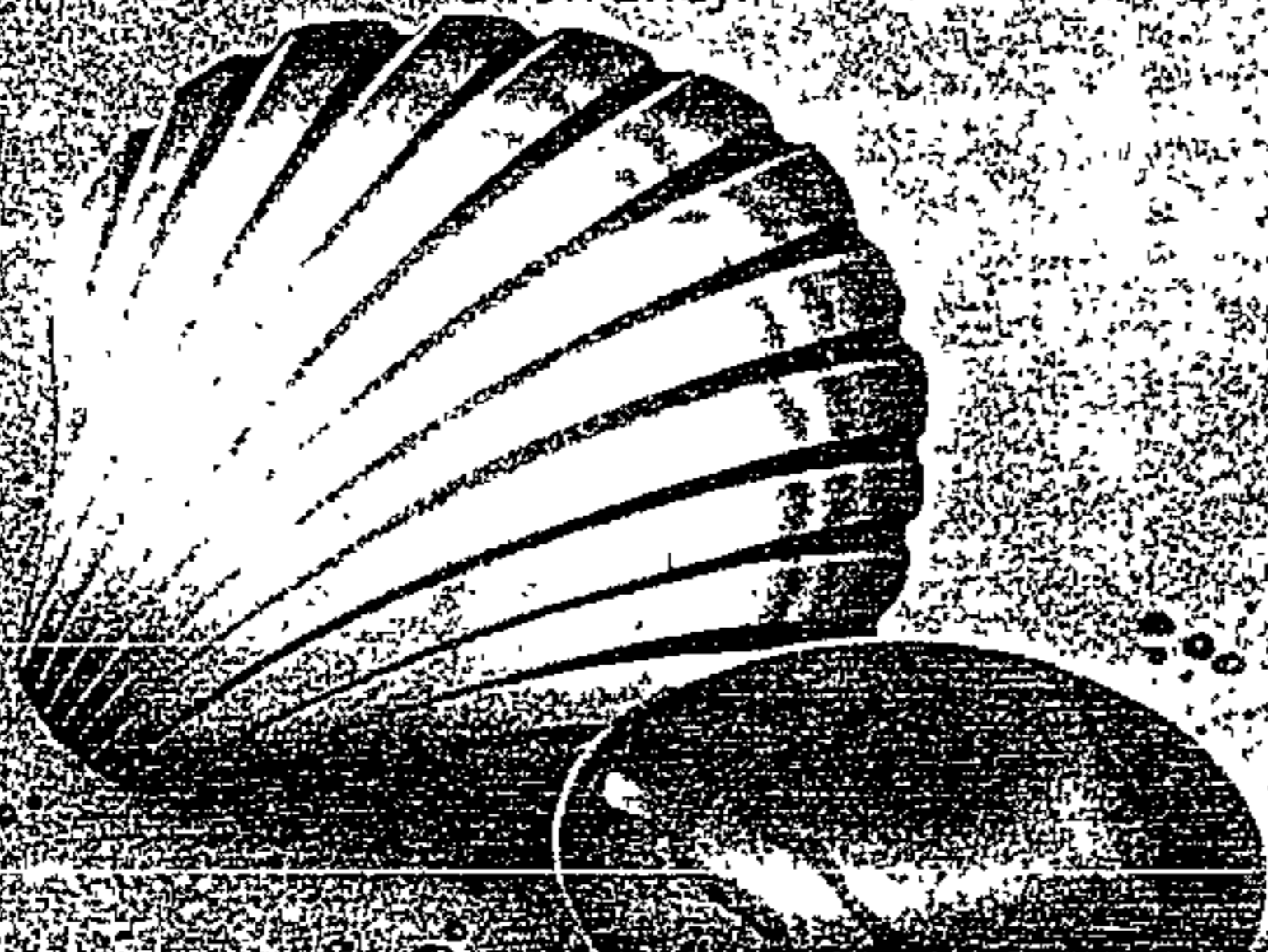
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DURBAN

Liquor war truce?

Bad news for consumers, perhaps, but Durban bottle store-owners are attempting to cool the liquor price war which has dogged the city's retail trade for the past 10 years.

The Hotel and Bottle Store Association (HBSA), Durban and District, last week recommended that members refrain from advertising prices as a first step towards reducing "suicidal price cutting."

The association fears the latest round of price increases from the KWV could cause the price war, dormant since before Christmas, to flare up again. Wholesale prices have risen 3%-16% and retailers, who are already operating on slim margins, say they will be passed on.

Reg Boik, head of the association's liquor committee, says: "We cannot force members to stop advertising, but, in the interests of the industry, we sure hope they desist."

HBSA Director Tony Lack believes the Durban liquor market is over-traded. In addition, he says business is seasonal with good turnovers recorded only four months of the year. "Central retailers market aggressively to draw customers from the suburbs, and fringe retailers counter with further price cuts to keep them. It's a ridiculous situation. In the end they finish up selling at cost."

According to Boik, Durban liquor retailers' margins are traditionally lower than elsewhere. The average mark-up on cost is 6%-11% whereas in the Transvaal it is 16%-21%. Consequently, a litre bottle of proprietary brandy sells for R8,81 — roughly the same price a 750ml bottle retails for in Johannesburg.

"What we need," says Boik "is an end to price cutting and a stronger association to help us maintain a more realistic mark-up."

MOTOR INDUSTRY

Tough talking

Following the lay-off last month of 390 Ford SA workers, US parent company chief executive Philip Caldwell did some tough talking during his visit to Port Elizabeth this week.

"A private company simply cannot provide jobs when no useful market demand exists for their product," he said. "When the business isn't there, the jobs aren't there and you shouldn't consider this harsh."

"The only thing that counts at the end of the day is a sound and profitable company, and the only way in which a company can remain sound and profitable is to deal with the realities with which it is confronted. In 1979, we had to cut back considerably in the US because demand wasn't there."

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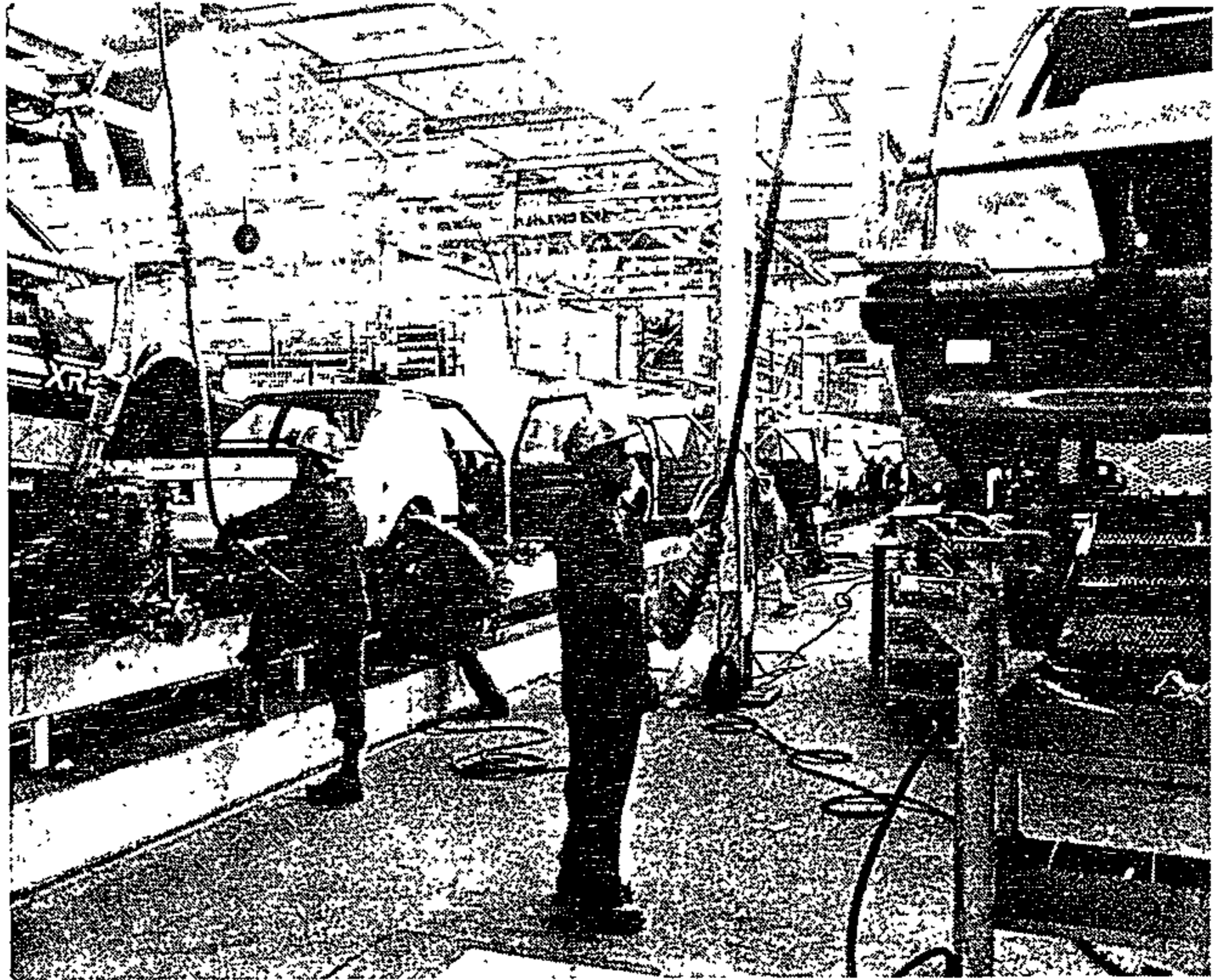
fm 3/2/84

On the subject of local content, Caldwell was equally pragmatic. While Ford would respect the right of a sovereign country to make its own rules and would operate within those rules, should corporate strategy demand it, mass importation of fully assembled vehicles would be considered on its business merits.

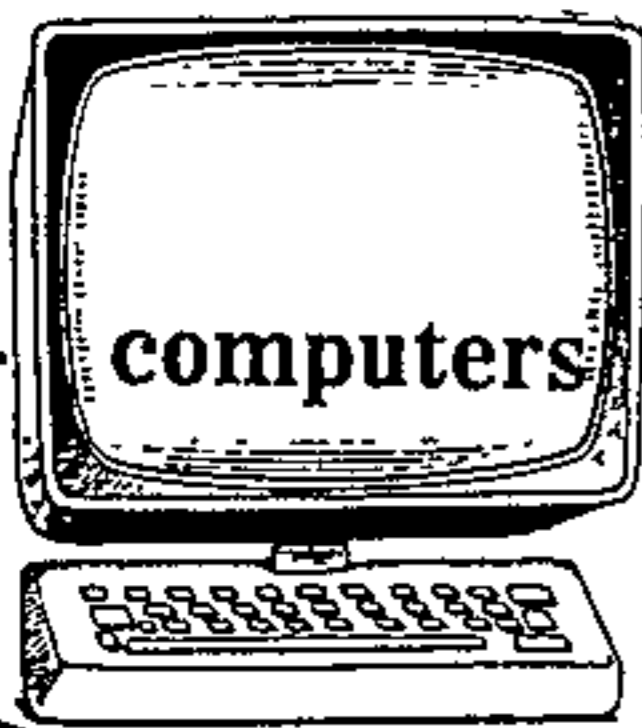
This suggests that Ford may well take advantage of the recent scrapping of import control on new cars.

It appears that Ford has not been afflicted by the recent rash of disinvestments. Ford SA is wholly owned by Ford of Canada, which, in turn, is 89% held by Ford of the US. And judging by Caldwell's remarks this week, there's no intention of changing.

"Our general practice is to own 100% of our divisions — though we are pragmatic about it," he says. "To my knowledge, we have not had an approach to sell our SA operation and I suppose we would simply have to think about it. But it's not something that would make me want to jump out of the window."



Ford's PE plant ... pragmatism the order of the day



BELTEL Sapo soldiers on

While some foreign telecommunications authorities still hesitate over introducing videotex systems, SA Post Office (Sapo) went a step further in building its own, Beltel, last week with a R5,9m order for hardware and software.

Beltel is an electronic information service which works through the telephone network.

The order went to Olivetti Africa and Systems Design, a UK software house which has done a lot of work in producing the international videotex standard known as CEPT.

The order is for seven Digital Equipment VAX 750 computers and appropriate software. Three will be installed in Beltel's Pretoria head office, two in Johannesburg, and one each in Cape Town and Durban.

Fanie Viljoen, Beltel's project leader, says SAPO's aim is to give the home user access to all Beltel services for less than the monthly cost of a newspaper, roughly R7,50. This does not include the cost of the hardware which is likely to be bought outright or rented, depending on usage. "We hope Beltel will be the cheapest data service available to the public," he says.

Beltel's news system is expected to go live in June next year. Meanwhile, Sapo will upgrade its existing system and start charging for the service which has been free up to now. Rates are still being decided.

The upgrade will include a "gateway" (a way of allowing third party computers to link into the service) based on the X 25 packet switching protocol used for much of the country's data communications traffic. In theory this will allow an infinite number of users access and messages facilities over Beltel. This should be available in June.

Currently, there are 75 main information providers (IPs) and 28 sub-IPs with another 35 on the waiting list. Viljoen estimates there are about 19 000 pages of "live" information on the system at present and some 690 registered users.

Key to the eventual success of Beltel is the number of terminals in the field. So far seven companies have been licensed to provide terminals, but a big increase is expected when the television manufacturers adapt their TV sets for Beltel.

Other potential Beltel customers are the 10 000 users of microcomputers. Already Apple, the IBM Personal Computer and Commodore micros can, with extra printed circuit boards, be used as Beltel terminals. Others are likely to follow.

So far one complaint against Beltel is that much of the information is out of date. Viljoen believes this will disappear once the new system is running and people start

paying for usage.

For the moment he is concentrating on business transactions over Beltel. Examples of this include telebanking, teleshopping and bookings services.

Standard Bank is pioneering telebanking, Checkers teleshopping, and SAAN, the Argus group, and Nasionale Pers are on the news and entertainment side. Viljoen is hoping that SA Airways or perhaps Info, will provide the bookings system.

Other potential uses, especially for business, include cheap communications with regional offices using a "mailbox" facility or a "closed user group" (CUG) facility. The CUG is accessible only by users with the appropriate passwords and is therefore private.

Many people have been put off buying terminals because Sapo is changing from the British Prestel standard to CEPT. But Viljoen says that Beltel will support both types of terminals until the price of CEPT terminals is low enough to attract a mass market, hopefully by June 1985.

"We have the option in the new system to extend support for Prestel almost indefinitely, but the CEPT standard will make it far easier for us to access international videotex systems, so we would prefer to use it," he says.

Viljoen says that Sapo will not set prices of terminals but will allow the market to do so. "Growth in terminal numbers will occur when CEPT terminals become reasonably priced," he says.

words...

BOP Manpower Minister Rowan Cronje, a former member of Ian Smith's Rhodesian Front Cabinet, has apparently changed his tune about trade unions.

The homeland's recent ban on SA-based trade unions is in glaring contrast with Mr Cronje's utterances at a conference of the Institute of Personnel Management last year.

He said at the time: "Many people regard trade unions as a monster. I believe that a trade union is an essential and a most important part in the process of industrial stability and sound relationships."

In grand fashion he continued: "In the field of industrial relations the obvious objective ultimately is industrial peace and harmony. However, if 'peace' means to an employer a humble, docile labour force, peace could never be a possibility."

Mr Cronje said that Bop's new industrial relations legislation would "actively encourage and assist with the establishment and training of these unions."

Trade unionists might be wondering if he rather meant "assisting in the neutralising and taming" of these unions.

game and its misguided advances".

The Cusa statement also warned the giant multinational Union Carbide, which owns a number of mines in the homeland — including Ucar, which is refusing to grant NUM recognition — that it was "prepared to raise the issue at every local and international forum".

Cusa also alleged that the Bophuthatswana government had come to a deal with the white mine-workers of the Mine-workers' Union, and warned that this would sow the seeds of discord and suffering among workers.

It also slammed Mr Cronje for his "pious and sanctimonious utterances" in supporting the homeland ban.

"For some time now we have been expecting the so-called government of Bophuthatswana to take this action," said Cusa.

"Many of our members daily cross the road to work in so-called Bophuthatswana. Cusa has constantly maintained that this charade will

Don't come back, Ford boss told

EASTERN Cape trade union leaders in the motor industry slammed the recent visit of Ford's World-wide Chief Executive Officer Mr Phillip Caldwell of America to Port Elizabeth.

By MONO BADELA

described this as surprising.

"We believe there are principles which are basic to labour relations all over the world. This includes consultation with trade unions before workers are retrenched," he said.

"Mr Caldwell's statement amounts to divorcing Ford's headquarters from labour issues at its subsidiaries."

The National Automobile and Allied Workers' Union (Naawu) and the Motor Assemblers' and Component Workers' Union (Macwusa) said they were not informed of his visit and also condemned the remarks he made.

Mr Caldwell told reporters Ford could not manage labour affairs from 9 000 kms away, and left these with Ford management in South Africa. Naawu regional secretary Les Kettleidas

Ticket inspector 'told me to strip'

BY BENITO PHILLIPS

A RAILWAYS ticket controller ordered a 14-year-old to strip and then assaulted her after querying her train ticket, an East London magistrate heard this week.

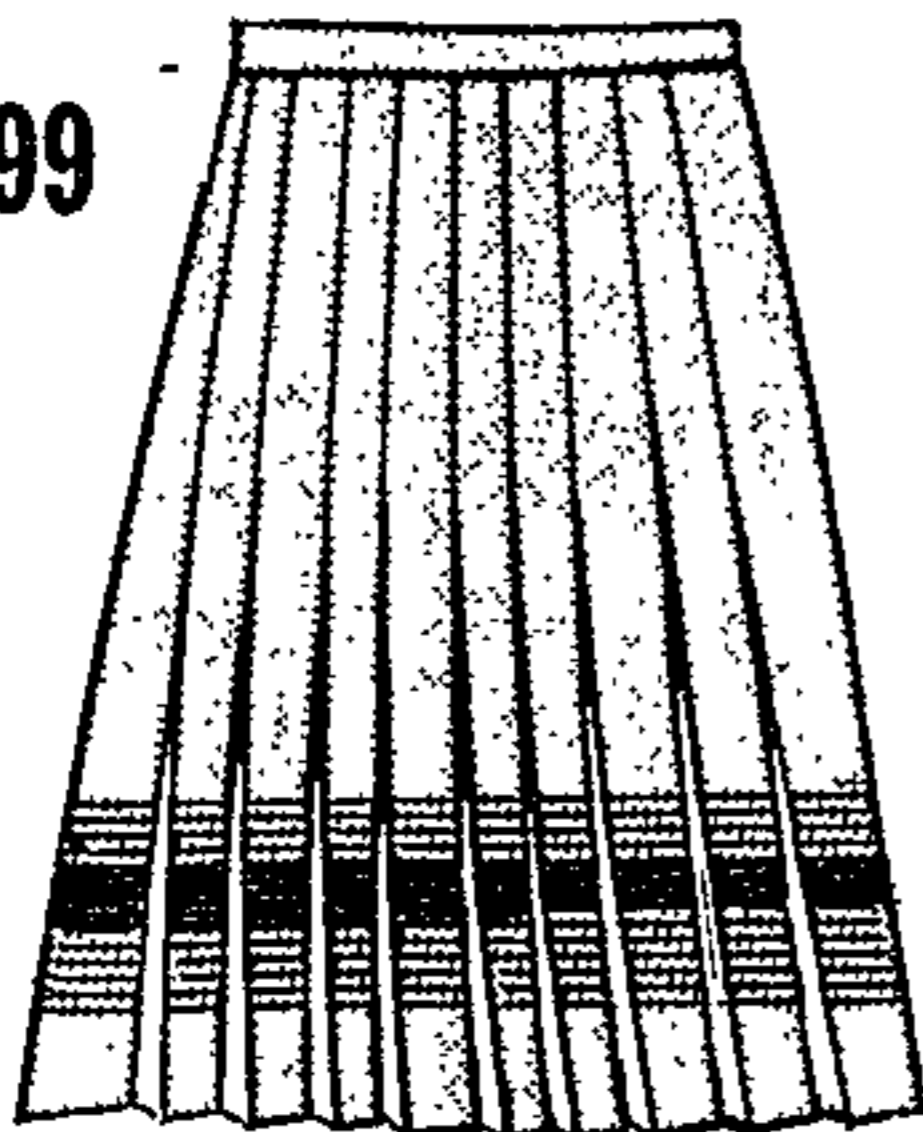
The controller, Carl Albertus van Rensburg, was fined R300 or 50 days for indecent assault.

The girl told the court she had been taken into a second-class compartment by the controller, who said he wanted to speak to her about her ticket.

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US capital may dump its R94-m stake in SA

9/2/84
By Neil Lurssen,
The Star Bureau

WASHINGTON — In spite of strong objections by the chairman of Washington DC's pension fund, a decision by America's capital city to withdraw its R94 million investments from companies and banks doing business with South Africa and Namibia is expected to become law on March 7.

This week a US House of Representatives committee endorsed by 10 votes to two an earlier decision by a congressional subcommittee to reject an argument by Congressman Phil Crane of Illinois that the city's dis-

investment Bill be vetoed.

Only two moves can stop the Bill now.

One is for the full House of Representatives to throw it out — a step that Congressional sources said today was highly unlikely.

The other is for the Bill to be challenged in court by pensioners, or by banks and companies affected by it, as unconstitutional — but there has been no firm sign of such a development so far.

In the absence of any more challenges, the Bill — originally introduced in the city council by a councillor, Mr John Ray — will automatically be-

come law after the elapse of 30 legislative days.

The Bill is one of the most controversial measures approved by Washington DC. Economists and financial analysts argued its pros and cons, some saying that it would be especially harmful to the city's pension fund to be prevented from investing in America's most profitable companies and corporations, and others saying it would not.

One who protested about the measure was Mr Frank Higgins, chairman of the DC Retirement Board, who said that though his board

condemned apartheid, the Bill threatened the board's ability to invest its funds prudently.

Mr Higgins said the board's overriding objective was to protect the retirement income of the city's pensioners.

Mr Higgins warned the congressmen, who have veto power over the city's financial affairs, that actuaries had calculated a R15-billion "unfunded liability" for Washington's pension fund in 20 years' time.

The city's taxpayers might have to carry this burden unless the US Government's contributions to the fund were increased, he said.

Sunday Tribune 12/2/84 (62)

SUNDAY TRIBUNE, FI

US company moves into freight market

Finance Reporter

A TOP United States transport company, Enterprise Shipping Corporation of San Francisco, has moved into the South African air freight market as American partners of Eagle Freight of Johannesburg.

Richard Backwell, managing director of Eagle Freight, a Protea

Holding subsidiary with branches in Durban and Cape Town and agencies throughout the country said: "We believe that by linking with Enterprise Shipping, which is in the top 15 air freight concerns in the US, we will offer our clients a better service, especially as our emphasis is on speed, cost effectiveness and

communication."

Enterprise has branches in San Francisco, Los Angeles, Chicago, New York, Boston, Denver, Salt Lake City, Houston, Seattle, Miami and Kansas City.

Michael Squadrille, vice-president of corporate development said: "A feature of our deal with Eagle Freight is the

direct consolidation service we offer from the West Coast, Mid-West and East Coast of the US to South Africa, which is more cost effective, a lot safer because of reduced physical handling and generally a lot quicker, usually by as much as 24 hours."

Enterprise Shipping, which began as a sea

freight company in 1964, launched into air freight in 1970. Today about two-thirds of its R25 million gross billings is air freight.

The corporation is also negotiating with Eagle Shipping, a Durban subsidiary of Protea Holdings, for a similar partnership deal to handle sea freight.

Original with was compiled five years ago.

Companies increase interest in education



Mrs LYNN JONES

COMPANIES in Port Elizabeth were becoming increasingly aware of the contribution they could make to the education of their own employees and employees' children, the newly-appointed co-ordinator for Read, Educate and Develop (Read) in the Eastern Cape, Mrs Lynn Jones, said yesterday.

The organisation in South Africa is planning a massive programme of growth over the next five years and has already attracted more than R2 million in aid from the private sector for the implementation of its projects throughout the country.

Read aims to co-ordinate private sector initiative in an attempt to alleviate the manpower dilemma in black education. The programme's Port Elizabeth operation recently received the welcome boost of R12 500 from Phillips Carbon Black.

Mrs Jones said this would be used for the upgrading of library facilities and the promotion of reading, literacy, independent study and research in black schools in the area.

The Read Education Trust programme was launched in 1979, the result of the manpower dilemma in black education which had led to a serious oversupply of under-qualified labour and a shortage of skilled and supervisory personnel.

Read is focusing increasing attention on teacher training colleges and in-service training programmes as the point of maximum impact for the improvement of standards in black education. Some of Read's achievements include the provision of libraries to more than 200 schools in South Africa, the development of a portable box library system for schools which do not have room for permanent libraries, the development of training courses for headmasters, teachers and librarians and the launching of the Adopt-a-School programme.

Parliament

Teachers' Bill amendment opposed by CP

CAPE TOWN — The Conservative Party was not prepared to support the South African Teachers' Council for Whites Amendment Bill because the Minister of Education, Dr Gerrit Viljoen, had said the principles of education were contained in the new constitutional dispensation. The CP MP for Rissik, Mr Daan van der Merwe, said this during the Bill's second reading debate in Parliament yesterday.

The NP MP for Johannesburg West, Mr Roelf Meyer, appealed to the CP to support the Bill, as educational principles could be discussed when the White Paper on the De Lange Report was debated. Mr Pat Rogers (NRP, King William's Town) said any profession should have one standard and one statutory body.

Replying to the debate, Dr Viljoen called Mr Van der Merwe's speech "most opportunistic" with Mr Van der Merwe's sights probably set on tomorrow's Soutpansberg by-election. There had to be certainly

Fewer whites get treatment under Compensation Act

By DIRK VAN ZYL

Political Correspondent

CAPE TOWN — Fewer white workers received rehabilitation treatment under the Workmen's Compensation Act during the financial year ending February 28 last year than in the previous year.

This emerges from the annual report of the Workmen's Compensation Commissioner released yesterday.

The report says this can be ascribed mainly to the fact that more white workers in the labour force are earning more than R12 000 a year and are therefore excluded from benefiting from the Act. The number of black patients treated had increased slightly.

Eviction clause 'erodes' rights'

CAPE TOWN — The Government was eroding common law rights with a Bill that would empower the Community Development Board to evict a tenant under certain circumstances, the PFP spokesman on housing, Mr Colin Eglin, said yesterday.

He was opposing the Second Reading of the Community Development Amendment Bill, which makes provision for the board to evict its tenants for failing to pay rent or get out when lawfully required to do so. The solution was not to

AKGed 17/2/86 62 237

US Chamber of Commerce votes to keep ties with SA

Argus Foreign Service

WASHINGTON. — The board of directors of the United States Chamber of Commerce has voted in favour of maintaining US commercial ties with South Africa as the best way to change apartheid policies and to bring employment opportunities to blacks.

At the same time, the board urged American businesses in South Africa to launch vigorous programmes to improve the lives of black employees, their families and their communities.

The US Chamber of Commerce is a powerful nationwide organisation with 200 000 members consisting of private businesses, associations, and local and state chambers of commerce.

It is an influential lobbying body in Washington, and runs its own business-oriented television programmes which are widely viewed.

Significant gain

The board's vote is seen here as a significant gain for those who oppose a strong effort by anti-apartheid activists to force disinvestment measures into local, state and federal laws.

Recently, the city of Washington voted to cut all financial ties with companies doing business in South Africa — a move opposed by both of the city's daily newspapers — and disinvestment measures will come before the US Senate in the next few weeks, having already been approved by the US House of Representatives.

This week, the Secretary of State, Mr George Shultz, said disinvestment and economic sanctions would pull the rug out from under South Africans working towards a more equal society.

Mogopa removals

Analysts here believe that when the senators vote, they will be most strongly influenced by their perceptions of how South Africa is treating its black population.

In this respect, the analysts say, the Group Areas removals at Mogopa, which have been widely publicised in the US, are a major setback for the Administration's efforts and a boost for the advocates of disinvestment.

The board of the US Chamber of Commerce voted to go on record as opposing racial discrimination.

It called on Congress to defeat amendments to the Export Administration Act that would ban new investments in South Africa and make adherence to the Sullivan Code of fair employment practices mandatory.

The board questioned the efficacy of trying to apply US laws in a sovereign foreign country and pointed out that Americans would certainly reject such an attempt if it were applied in reverse.

(62) Times
19/2/84
**U.S. firms slam
'get out' call**

By SARAH SUSSENS

THE American Chamber of Commerce in South Africa (Amcham) has slammed calls for disinvestment from the Republic, arguing that American companies in the country have contributed significantly towards change.

The body, which represents American business involvement in South Africa, said any moves to bring about disinvestment would hit blacks the hardest.

In a report which has been sent to all leading American politicians, including President Reagan, Amcham outlines the impact of US business on the social and economic life of South Africa.

Work by American companies in numerous fields — such as education, training and development, black business development, housing, health care, special projects, and industrial relations — is detailed in the report.

"Well-intentioned people may believe our presence here is harmful to the cause of justice and equality. This is not so and we would welcome an opportunity to make that clear," the report states.

Introducing the report, the executive director of Amcham, Mr C.M. Else, said Amcham's relationship with the South African authorities through the SA Government Relations Committee had much to do with breaking down the apartheid system.

"For example, our opposition to the Orderly Movement and Settlement of Black Persons Bill last year has had positive results," he said.

Amcham, which has a membership of less than 300 companies, seeks to minimise discriminatory or restrictive government practices — whether US or local — which could impede the international flow of goods, people, services and capital.

The report states that of the 350-odd US companies operating in South Africa, 147 have endorsed the Sullivan code.

S. Post 1/21/84
 69
 Changing face of black employment

THE impact of the Sullivan code on employment practices in South Africa has been outlined in a report from the American Chambers of Commerce in South Africa (Amcham)

"By 1983, of the approximately 350 American companies operating in South Africa only 147 had endorsed the code" observed Amcham in its report just published

"These companies, however, employ over 71% of the total workforce employed by US companies. Of the balance, 21% work for companies over which the US parent companies do not have majority control

The rigorous attention to the code's principles meant that by 1983 "99% of signatories reported fully integrated facilities, 100% reported equal pay for equal work with significant focus of effort on education, training, health, welfare, housing and black entrepreneurship

"The extent of the effort is measured by reported expenditure in these areas. In constant 1983 dollars it increased from \$1.8 million (R2.25 million) in 1978 to

\$48.7 million (R60,875 million) in 1983, or, reflected in another way, from an average expenditure of \$35 (R43,75) per employee in 1978 to \$383 (R478,75) per employee in 1983"

In its report Amcham endorsed the principle that black workers could best secure a fair economic stake in South Africa by acquiring work skills

The report provides some evidence of the success of such an approach by noting that the black/white wage gap in South Africa was steadily narrowing

From R3 for every R1 in 1980, the ratio of a skilled wage to an unskilled wage was now approaching 2.5:1, in comparison with the 2:1 ratio prevalent in the industrialised West.

According to Amcham nearly all American companies in SA now pay equal wages for equal work, and black real wages had increased by an average of more than 20% a year over the past four years.

This had come against a background of skills and literacy training



Rev LEON SULLIVAN

In the Eastern Cape, for example, US and other companies had contributed \$1.6 million (R2 million) to build a technical college for blacks and a major contribution to the upgrading of black education was the School Video Project costing about \$2.5 million (R3.1 million).

Advancement of blacks had not been without its problems, confessed Amcham. In the 1970s American companies began open-

ing higher-level job opportunities to blacks. Most of these endeavours proved a sad disappointment

"The vast majority of blacks in the workforce were inadequately educated"

Consequently most companies were engaged in ongoing efforts to upgrade skills and functional literacy

Against this background, Government policy to teach blacks in their own vernacular, combined with inferior educational facilities, seriously curtailed black potential to acquire satisfactory basic education.

Following student unrest in 1976, however, the Government had made significant changes and since 1979 parents have been able to select either English or Afrikaans as a medium of instruction for their children after the third year of schooling

Furthermore, compulsory education was now being extended to blacks, the report said

Black participation in

higher education has continued to grow. Of the 158 836 students registered in the country in 1982 27.5% were black - an increase of 14.7% from 1972

Vital to this process of educating blacks was an improvement in the quality and qualifications of teachers at black schools. Amcham was therefore giving top priority to in-service teacher training

In addition the R7.5 million Pace Commercial College was entirely the creation of American business, the report said. Pace has 28 classrooms, a theatre-cum-assembly hall, a library, a kitchen and canteen, a gymnasium and a wide variety of other sports facilities.

US companies state views on SA trade curbs

By BERNARD SIMON

US COMPANIES are hoping a booklet mailed to Congressmen and State Governors will help stave off legislative proposals for tighter curbs on business interests in South Africa.

The publication, compiled by the American Chamber of Commerce in South Africa (Amcham), is the first joint effort by US investors to defend their record in South Africa.

Mr Ian Leach, the head of Caterpillar's subsidiary and the president of Amcham, says: "We want to try and project the value and benefits of a continued American business presence in South Africa."

The booklet says US business, "is exerting an influence out of proportion to the size of US investment" in the promotion and monitoring of improved black education, health and housing.

"We know of no part of the world," it says, "where American companies are doing more to promote equality and opportunity in the workplace than in South Africa."

Mr Leach says the booklet has been timed to coincide with a Senate debate on a Bill strongly opposed by US companies operating in South Africa.

The Bill's proposals include compulsory adherence to the 1977 Sullivan Code of Fair Employment Practice and measures to restrict the import of Krugerrands.

According to Amcham estimates, US investors have so far spent about \$70m implementing the Sullivan Code principles, including desegregation of locker rooms and canteens, improved training facilities and assistance to communities in which black workers live.

There are about 350 US investors in South Africa, concentrated in the office products, pharmaceutical, motor, engineering and oil sectors.

The value of their investments is about \$3bn. They employ 120 000 blacks out of an economically active black population of 7.6-million.

The investors have come under fire from certain quarters for their involvement in South Africa.

Critics claim they have done little to improve the black position in South African society, while contributing to its ability to withstand international

trade and investment sanctions. Sullivan Code signatories are criticised for giving priority to showy "bricks and mortar" projects, instead of in-house training and black advancement programmes.

They are accused of not taking a sufficiently strong stand on political issues affecting black workers — detention without trial and influx controls, for example.

Amcham says it is concerned about the activities of the disinvestment lobby because, "an economic group left weakened and perhaps unsympathetic will not maintain the pace of progress which has been so apparent over the past five years".

Among projects cited as evidence of this progress are:

- The \$6m Pace Commercial College in Soweto, sponsored by the US business community;
- An annual increase of more than 20% in real terms of average wages paid by US companies to their black workers over the past four years;
- Several urban renewal programmes in black townships in the Cape Province. According to the Amcham booklet, US investors committed over \$1.6m to housing projects in 1982;
- Investigation into the establishment of a business advancement centre for the training of black managers and administrative personnel;
- Aid to black businessmen.

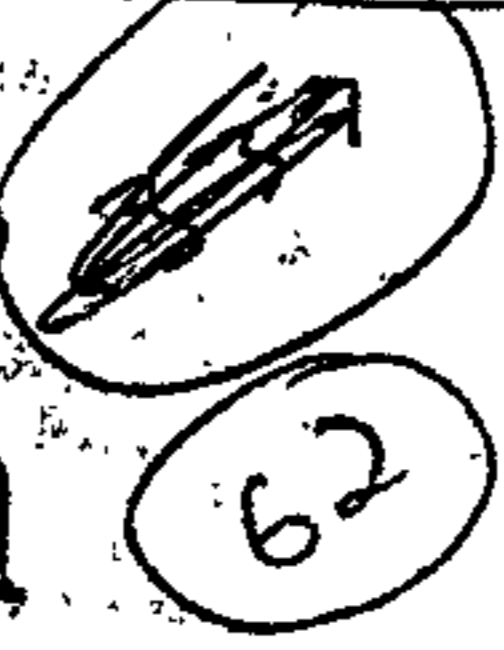
Amcham says several hundred blacks are enrolled in management-related courses in the US, sponsored by American investors in SA.

Several US companies have helped blacks set up franchise operations. They have helped establish black-owned tyre and vehicle dealerships and printshops, using them as suppliers.

Without giving details, Amcham notes that US companies "have played a role in lessening some of the more oppressive effects of the apartheid system".

It is known that US businessmen have protested privately against Government moves to tighten influx controls, but their willingness to become involved in political issues clearly has limits.

Mr Leach says: "We don't want to be seen as part of the pressure process for change in South Africa."



REINFORCEMENTS UNRELATED TO SIERRA — FORD

CHRYSLER, GENERAL MOTORS, FORD, and other major manufacturers have been contributing to last month's rearmament of 400 staff members. Mr. Ford said no further reinforcements would be made. Mr. Ford had lost Roy in the Sierra range.

Mr. Ford said the cost of launching the Sierra had in any way contributed to last month's rearmament of 400 staff members. Mr. Ford said no further reinforcements would be made. Mr. Ford had lost Roy in the Sierra range.

Mr. Ford said the cost of launching the Sierra had in any way contributed to last month's rearmament of 400 staff members. Mr. Ford said no further reinforcements would be made. Mr. Ford had lost Roy in the Sierra range.

ROM 23/2/84

Firms give thumbs down

to disinvestment

If moves to bring about disinvestment in South Africa are successful, progress by American companies to bring about equal opportunity and social justice in the workplace will die.

This is the conclusion of a special report on US business involvement in South Africa produced by the American Chamber of Commerce in this country (Amcham).

The chamber's current membership is just under 300 companies, 90 of which are South African. It is a voluntary association of businessmen concerned with US trade, investment and local community services.

Amcham's report, which will be distributed to all senior politicians in America, including President Reagan, details the involvement of US companies in the fields of education, training and development, labour practices, black business development, housing and health care.

"We know of no part of the world where American companies are doing more to promote equality and opportunity in the workplace than in South Africa," says the report.

"Improving the lives, prospects and opportunities of South African blacks in our employ, and their families, is a matter of major concern.

"While the basis of our presence here, as anywhere in the world, is economic, the benefits to the community in which we operate go far beyond economics.

(62) Stan 24/2/84
The American Chamber of Commerce in South Africa has pointed out the benefits its member companies are bringing to blacks here, writes Political Reporter David Braun.

"Americans have certain values, hopes and beliefs. We did not leave these behind when we came here. Any steps taken at home which would remove or limit our presence here can only reduce our capacity to project these values to contribute to understanding and to the institutional structures which are necessary to peaceful change, equality and human progress.

"The disinvestment initiatives which have surfaced in the US fall in this category. Well-intentioned people may believe our presence here is harmful to the cause of justice and equality. This is not so, and we would welcome an opportunity to make that clear."

Amcham, whose American members employ 120 000 blacks, says its impact on the disentanglement of a complex situation in the country has been dramatic.

"It is concerned about the activities of those organisations within America who preach disinvestment from South Africa, because an economic group left weakened and per-

haps unsympathetic will not maintain the pace of progress which has been so apparent over the past five years."

The report details the millions of dollars spent by Amcham members to upgrade black education and housing. Nearly all the US companies have closed the wage gap and uniform pension and medical aid plans for all races have been introduced.

Of the 350-odd US companies operating in South Africa, 147 have endorsed the Sullivan Code of employment principles. These companies spent more than R60 million last year, or R440 an employee, on improved working and social conditions.

Several hundred blacks are currently in the US on management-related courses, sponsored by American corporations.

"Success in the promotion and monitoring of the quality of education, health and housing is exerting an influence out of proportion to the size of US investment in the country," says the report.

"American business is evolving strategies that can make even greater progress and have an even stronger impact if its efforts are encouraged and supported in the US."

"If moves to bring about disinvestment are successful, then this progress will die away and the black people in the country will be the ones that will most severely suffer from such a retrogressive step."

⁶² New York ^{O. Dispatch} may
cut funds ^{8/3/84} from
SA trade firms

NEW YORK — New York City's top financial officer, Mr. Harrison Goldin, said he would soon propose to trustees of the city's five employee pension funds, a plan to phase out investments in American companies doing business in South Africa.

The controller's idea has won support from city council president, Mrs. Carol Bellamy and influential city labour leader, Mr. Victor Gotbaum, according to a report in the New York Times yesterday, but only qualified approval from Mayor Edward Koch.

Mr. Koch was quoted as saying such a ban should be applied not only to South Africa, but to the Soviet Union and other "pariah" nations, among them Iran, Libya and Syria.

Mr. Goldin is custodian of all five pension funds, and he and Mr. Koch are trustees of the four largest. Mrs. Bellamy and Mr. Gotbaum are trustees of the largest of the five, the New York City Employees' Retirement System.

Mr. Goldin's office said that at the end of January, the latter fund and the police and firemen's funds had about R1.8 billion invested in 148 companies doing business in South Africa.

The only US company Mr. Goldin named was Sedco Incorporated of Dallas, Texas, a concern involved in the drilling of oil and gas wells.

He said any divestiture should be selective, since some companies had tried to "improve human rights in South Africa." — SAPA-AP.

US disinvestment will hurt blacks most — Suzman

23/3/84 Staw

By Neil Lurssen
The Star Bureau

WASHINGTON — South Africa's blacks would be the ultimate losers if punitive action against the country, such as divestment measures, retarded black economic advancement, Mrs Helen Suzman said in a prominent report in yesterday's Washington Post.

Mrs Suzman, the PFP's spokeswoman on civil rights, said that although international pressure had played a role in accelerating change, the real determining factor for change was economic pressure from within South Africa caused by the steady upward movement of blacks into skilled jobs.

The report appeared shortly before the US Congress is to make an important decision on proposed sanctions against South Africa.

The measures, contained in a wide-ranging legislative package that includes a ban on Kruggerand sales in the US, a ban on new US investments in South Africa, and the imposition of a mandatory employment code for US companies, have been approved by the House of Representatives as amendments to the Export Administration Act.

Mrs Suzman is widely respected in the US. Her article could influence members of the Congress, many of whom are not convinced that divestment is in the interests of either the US or South Africa's blacks.

Mrs Suzman said several state and city legislatures had adopted or were considering divestment measures.

"But unless such a campaign can be conducted successfully on a universal scale, which is highly unlikely, it is of symbolic significance only," she said.

The amendments to the Act, introduced by Congressmen Stephen Solarz, Howard Berman and William Gray, could be damaging.

If the intention of the legislation was to send a signal from the US to Pretoria, chances were that it would make little difference, she said.

The truth was that the capacity of the US to influence change in South Africa was limited. This had to be accepted if reform was the objective of those who asked what the US could do about South Africa.

Changes in South Africa could not be attributed to either the carrot or the stick.

"The determining factor has been economic pressure from within South Africa, the steady upward movement into skilled occupations by blacks, eventually giving blacks the muscle with which to make demands for shifts in power and privilege, backed up by the force of black urbanisation, which continues inexorably despite government action to stem it," Mrs Suzman said.

While blacks reacted with enthusiasm to suggestions of punitive action against South Africa, in fact, if black economic advancement inadvertently were to be retarded by these actions, blacks would be the losers, she said.

In spite of the limitations, she believed the US had a role to play in South Africa.

The US should use its leverage wherever possible to lend weight to the hope it expressed after the recent referendum in South Africa that the mandate received by the Government be used to address the problem of the political rights of South Africa's black majority.

BUSINESS

Ford looking for profits from its SA operation

Star
23/3/84
62

DETROIT —The Ford Motor Company had its best sales outside North America last year since the record year of 1979, maintaining its position as the dominant firm in international markets, according to a senior executive.

Combined Ford car sales in Europe, Latin America, Africa and the Asia-Pacific region rose five percent over 1982 to a record 1 741 400, though lorry sales of 282 700 declined six percent.

Though Ford — the world's second largest motor company — made no money in South Africa last year despite a small gain in volume, the company intended to become profitable there this year, said Mr Robert Lutz, the company's international chief.

Ford made substantial gains in Asian and Pacific markets and increased its overall share of international sales from 10.1 percent to 10.4 percent, he said.

Though Ford ranks behind General Motors when US and foreign sales are combined, its 1983 sales kept it ahead of its competitors for sales outside their home countries.

However, Ford said last month that its earnings from its overseas operations declined by \$109 million to \$35 million last year.

The company blamed the slide on the dollar's strength, the

cost of new model introductions and one-off costs of European plant closures.

Despite increased competition from General Motors and Japan's Toyota company, Mr Lutz said 1983 was his company's second best international sales year in 81 years of doing business, with volume almost a million units ahead of Toyota.

Records were set in Britain, France and Taiwan and sales also increased in South Africa, West Germany, Brazil, Argentina, Malaysia and the Philippines.

Ford announced earlier this week it would cease operations in the Philippines in August because of losses and problems in the local industry.

Sales declined from 1982 levels in Spain, Italy, Venezuela, Australia and New Zealand, even though Ford increased its market penetration in some of these countries.

Looking ahead, Mr Lutz said he expected Ford's sales outside the United States and Canada to improve again overall with the Asian-Pacific countries showing the best growth.

Latin America remained a "problem area," he said, because government anti-inflation measures made it unlikely the company would make adequate profits there in the near future.

— Reuter.

New move on Sullivan Code

62
Staw
4/4/84

By Neil Lurssen, The Star Bureau

WASHINGTON — The Rev Leon Sullivan, author of the fair employment code for American companies in South Africa, has launched a world-wide campaign to persuade 1 000 multinational companies to practice equal rights in this country and to take a stand against apartheid.

Mr Sullivan, who recently returned from Europe where he has promoted

his campaign, is also lobbying here for the Sullivan Code to become mandatory in US law for the 350 US companies in South Africa.

Many of the larger US companies already adhere to the code, but if a measure shortly to come before a conference of the US Senate and House of Representatives is approved, all will have to observe the code or face financial penalties in the US.

Mr Sullivan wants to extend his equal rights campaign to companies based in Europe and Japan.

He argues that US adherence, even if mandatory, is not enough to eliminate apartheid.

At a meeting here attended by Secretary of State Mr George Shultz, Mr Sullivan said he had met government, industrial and religious leaders in Europe.

"The beginning of a network of mutual interest has been established that, if developed, can assist in bringing about this world multinational effort," Mr Sullivan said.

He called on the US Congress to make the Sullivan Code mandatory, saying that it would influence the actions of companies and governments throughout the world.

Kidnapped tourists alive in Zambia?

HARARE — Zimbabwe has denied a rebel gang commander's claim that six foreign tourists kidnapped in Matabeleland were alive and being held in neighbouring Zambia.

"Zambia was consulted on the matter and the results were negative," Minister of Security Mr Emerson Munangagwa said in an interview with the Harare Herald newspaper today.

Mr Gilbert Ngwenya, head of a rebel gang alleged to have kidnapped the tourists on July 23 1982 told a court in Matabeleland on Monday that the two Americans, two Australians and two Britons would be freed if certain demands were met by the Zimbabwe government.

Mr Ngwenya, a former guerilla commander for opposition leader Mr Joshua Nkomo in the seven-year independence war, told the magistrate that if properties confiscated by the government from Mr Nkomo two years ago were returned, the six abducted tourists would be returned.

Mr Munangagwa told the Herald there was no evidence the tourists were alive in Zambia — Mr Nkomo's base during the war. — Associated Press.

Pik, Steyn meet for talks

Political Staff

CAPE TOWN — The South African Ambassador in London, Mr Marais Steyn, has started talks with the Minister of Foreign Affairs, Mr Pik Botha, in Cape Town.

Mr Steyn was recalled after the arrest of four South Africans in Britain, who appeared in a British court charged with illegally exporting arms to South Africa.

French pay tribute to Mark Raubenheimer

The Star's Foreign News Service

PARIS — About 500 people attended a concert here by four leading young French professional pianists in memory of their South African colleague Mark Raubenheimer.

Mr Raubenheimer (31) was killed in an air crash

in Madrid in December. Critics had predicted a brilliant future for the South African, who won the International Piano Concours at Santander, Spain, in 1982.

The South African Ambassador in Paris, Mr Robert du Plooy, and about 40 members of the South African community here attended the concert.

Mother dives under bolting horses

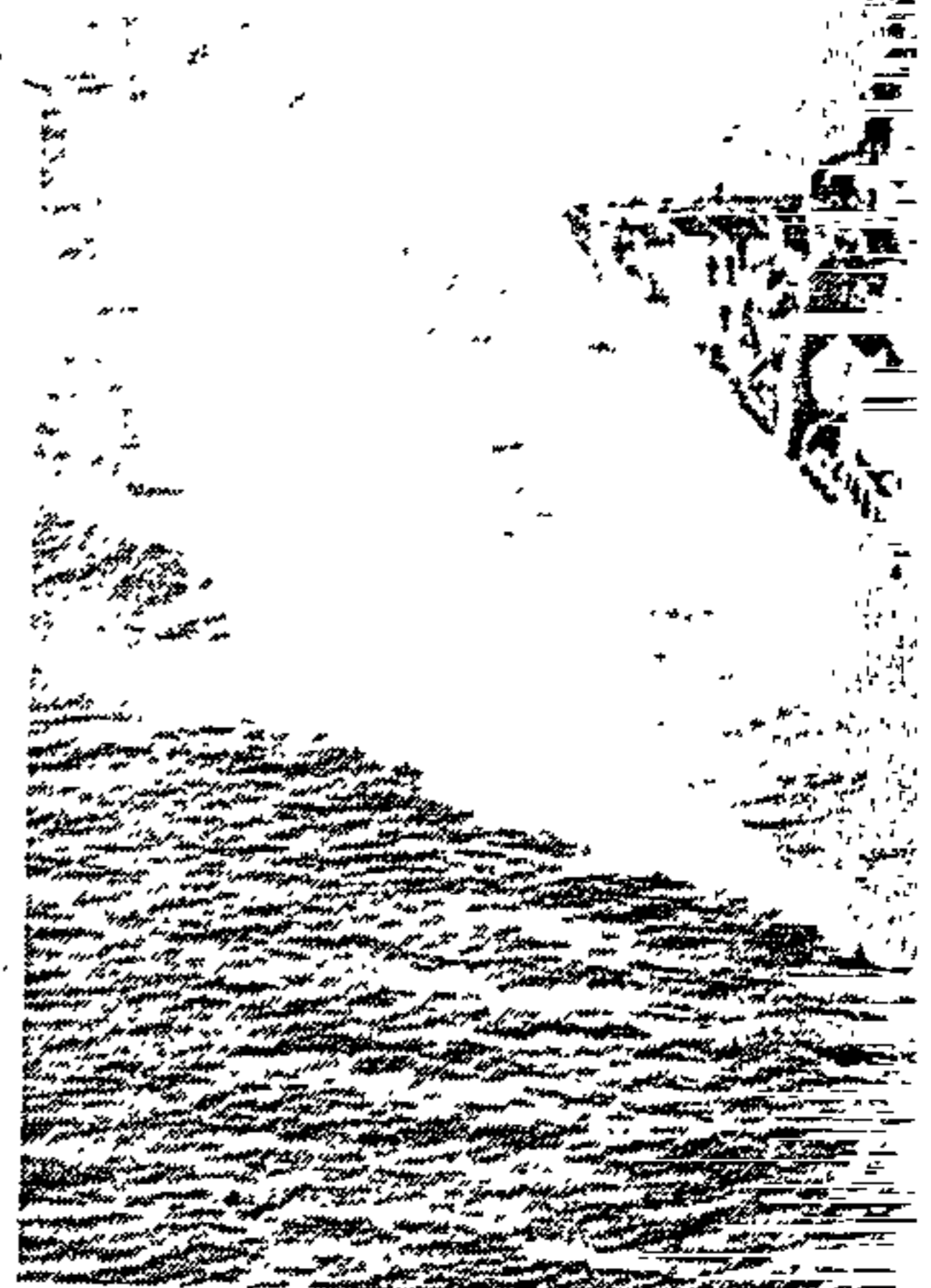
The Star Bureau

LONDON — A TV film sequence turned to near-disaster when horses drawing a coach carrying Sir Harry Secombe suddenly bolted into a crowd of onlookers.

His mother dived under the flailing hooves to drag him to safety.

A woman was taken to hospital with suspected broken ankles and five other people were treated for shock and bruises.

The drama happened during filming for Sir Harry's Sunday show "The..."



The 22 000-ton nuclear-powered Soviet battlecruiser Kirov, pictured during her sea trials in 1982, reported by the British Defence Ministry to be

Red navy flexes its muscle

The Star Bureau

LONDON — Large-scale Russian naval manoeuvres now taking place in the Norwegian Sea seem designed "to show the Soviet navy's ability to defend its homeland," the North Atlantic Treaty Organisation said.

The manoeuvres, the biggest seen in north Atlantic waters, are mainly concerned with practising anti-submarine warfare.

Yesterday more than 20 submarines had been detected with three groups of warships, the largest of which is being led by the 22 000-ton nuclear-powered Battlecruiser Kirov, from the Northern Fleet.

The Kirov group of 15 warships was spotted last week heading west past the North Cape from its bases near Murmansk.

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Parliament and Politics

Suzman calls for stop to removals

Cape Times 4/4/84

Political Correspondent
HOUSE OF ASSEMBLY.

— Mrs Helen Suzman called yesterday for an immediate stop to all forced removals.

The veteran PFP MP for Houghton said that, apart from the human misery they caused, removals had the worst possible effect on potential foreign investment in South Africa.

Mrs Suzman told the government to carry on as it was if it wanted to ensure the adoption of proposed American legislation which would hit bank loans to South Africa, the sale of Kruggerands and the export of items like computers.

At the very moment these were due to be debated, the Deputy Minister of Co-operation, Dr George Morrison, confirmed the intended move of about 200 000 people from Crossroads, Langa, Nyanga and Guguletu to Khayelitsha.

"We should be calling for a freeze on all removals, not only this one," she said.

She criticized the plan to remove 51 coloured families from Lansdowne, the scheduled removals of thousands of people in Natal, the removals in Driefontein and others.

"A permanent freeze on all removals would do more good for South Africa than a rise in the gold price."

While she had been campaigning in America against disinvestment, the government helped the disinvestment lobby by announcing removals such as Magopa, which made headlines throughout the United States.

Government actions, not opposition criticism of those actions, affected disinvestment as well as possibly billions of rand in potential new investment.

Companies and universities weighed up profits against the "hassle factor" of well-organized protest groups, at annual general meetings and decided investing in South Africa was not worth the trouble.

Nor was it only forced removals which provided ammunition for the groups agitating against South African investment. Deaths in detention and the whole system of detentions and bannings which denied people the due process of law had the same effect.

Mrs Suzman said the government could not rely on the effects abroad of its new constitution and the Nkomati accord. Only last week the US Secretary of State, Mr George Schultz, said America's relationship with South Africa would remain limited while the majority of South Africans were denied meaningful political participation.

This what the PFP had always advocated, not because of overseas pressure but because it was right for South Africa.

South Africa would not regain respect in the West until its internal policies were brought into line with the widely accepted criteria of Western democracies.

GM has no plans to leave South Africa

DETROIT — General Motors has no plans to pull out of South Africa and believes the Republic has great potential despite a couple of financially rough years for the company's subsidiary there, company president Mr. F. James McDonald said in Detroit today.

He also told Reuters in an interview he believed there were signs of some improvements in the country's racial situation, though he stressed he considered himself far from an expert on apartheid.

"There are some signs they are making some progress in the apartheid challenges that exist there," he said. "I don't mean to imply they've got near-term solutions."

Mr. McDonald said GM had programmes to improve the lot of black workers employed by its South African subsidiary.

He added the company was committed to the equal-employment guidelines known as the Sullivan Principles and followed by many American corpora-

tions in their South African operations.

"I know... what we do over there in terms of assisting coloureds and blacks both in their housing and borrowing so they can build their houses, the educational process and the recreation areas," he said. "And I know there's a definite line between coloureds and blacks."

"If for some reason, theoretically, you were to turn all the government operations over to the blacks, you know it could be a disaster in that country," he added.

Mr. McDonald said he favoured continued implementation of the Sullivan Principles to give opportunities to black South Africans for better education, advancement to supervisory roles and removal of discrimination in eating places and restrooms.

"It's a slower process than many people would like to see as far as giving them their equal rights. But if you dump them on them today, I'm not sure it would be good for everybody." — Sapa-
Reuter

Car sales hit a March peak

Motor industry 'well on the road to recovery'

By LOUIS BECKERLING, Business Editor
RECORD sales of passenger cars for last month

couldn't wait to get to the phone



PRETORIA — The first shipment in a consignment of 5½ million tons of maize being imported for distribution to several drought stricken states in the sub-continent, arrives in Port Elizabeth on Saturday.

Comprehensive measures to cope smoothly with the flow have been devised by the South African Transport Services in conjunction with neighbouring states.

Port Elizabeth has been singled out as the sole port of entry for the maize, all of it harvested in the United States.

SATS's general director of harbours, Mr. Dolf Jonker, said the rail network would transport 600 000 tons of maize for Zimbabwe, 300 000 tons for Zambia, and 400 000 tons for Zaire, Lesotho, Botswana and possibly Swaziland as well.

The first ship, carrying a consignment of 30 000 tons for Zimbabwe, arrives on Saturday.

The second, with a consignment of 25 000 tons for Zambia, is due on April 25.

Special methods will be employed by the SATS to distribute the maize because neighbouring states only have open trucks available to handle their consignments.

P fo U in

Mr. Jonker said the rail network would transport 600 000 tons of maize for Zimbabwe, 300 000 tons for Zambia, and 400 000 tons for Zaire, Lesotho, Botswana and possibly Swaziland as well. The first ship, carrying a consignment of 30 000 tons for Zimbabwe, arrives on Saturday. The second, with a consignment of 25 000 tons for Zambia, is due on April 25. Special methods will be employed by the SATS to distribute the maize because neighbouring states only have open trucks available to handle their consignments.

RDM 14/4/84

Sullivan code gets more signatories

(52)

By JOHN MATISONN
WASHINGTON.— Four US companies — Eaton Corporation, Pepsico, Chicago Bridge & Iron and Foster-Wheeler Corporation — have signed the Sullivan voluntary code of employment practice relating to South Africa.

Three of the four — Pepsi, Chicago Bridge and Eaton — were among 26 companies singled out by Mr Frank Wisner, a deputy assistant secretary of state for African affairs.

There are now 124 signatories and 200 US firms which have not signed. Those that have signed are the larger ones. They account for 72% of US investment in South Africa and employ 74% of those working for American companies.

Eaton, a car component company, signed the Sullivan code at the end of 1983. The soft drink company, Pepsico, signed two weeks ago. Foster-Wheeler, a chemical engineering and energy company, signed early this year. Chicago Bridge signed last year.

In June last year, Mr Wisner told a hearing of the House of Representatives' sub-committee on African affairs the 26 firms should support the Sullivan code.

Mr Wisner called for voluntary signing of the Sullivan code as part of administration efforts to stop Congress from imposing limited economic sanctions against South Africa.

At the end of last month, the Secretary of State, Mr George Shultz, addressed chief executives of companies doing business in South Africa. He praised the record of American firms in South Africa.

But he added: "We have to be seen doing a better job. I strongly urge those companies that have not adopted such principles, for example those basically defined in the Sullivan code, to do so without delay."

State Department pressure comes at a time when Congress seems on the verge of passing into law sanctions legislation, which would include making a code of em-

ployment conduct mandatory in US law.

It is part of the amendment proposed by Mr Stephen Solarz, the former chairman of the African affairs sub-committee, and adopted by the House of Representatives as part of the Export Administration Bill.

The Senate has passed a version of the Bill without the South African clauses. A conference of representatives from both houses is meeting to hammer out a compromise.

Results may not be known until next month, but it is expected that at least part of the anti-apartheid legislation will be signed into law when a compromise has been worked out.

The one most likely to become law, officials say, is a clause banning all Krugerrand sales in the US.

Several conservative Senators support this, though for reasons different from those of the anti-apartheid liberal Democrats. Conservatives favour selling an American gold coin to take away some of the Krugerrand market.

Another clause likely to become law is one making American firms with more than 20 workers in South Africa comply with a code of fair employment. This would be enforceable in US courts.

The Reagan Administration opposes the legislation. In particular, it does not wish to see American firms forced to comply with a code that is enforceable in American courts.

The remaining 23 businesses that Mr Wisner has called on to sign the Sullivan code are Getz Bros, Oak Industries, Echlin Manufacturing, International Playtex, Cheseborough-Ponds, A M international, Maremont Corp, Alexander & Alexander, International Corp, BBDO International, Dun & Bradstreet International, Associated Metals & Minerals Corp, Newmont Mining, Chicago Pneumatic Tool Co, Columbus-McKinnon Corp, Ingersoll Rand Co, Blue Bell Inc, Timken Co, Wyeth International, V F Corp, Dresser Industries, Precision Valve Corp and City Investing International.

Y & R moves into the SA market

CAPE TOWN
14/4/84
62

By PAUL DOLD, Financial Editor

YOUNG & RUBICAM (Y & R) with billings of \$3 billion and a staff of 7,000 is the largest United States advertising agency. With 140 offices in 26 countries Y & R is truly global and its leading accounts include industry leaders such as Colgate, American Home Products, Kodak, Gillette, Johnson & Johnson, Warner Lambert, Kentucky Fried Chicken and Ford.

Y & R has moved into the South African market through a merger with the Republic's fourth largest advertising group, Comcor, which has billings of R72m. Comcor's twin arms are McKinstry Schonfeldt & Partners and Hedley Byrne.

The deal provides Y & R with the backup to service its multinational clients in South Africa and the link with this giant offers Comcor access to Y & R's considerable know-how not only in the technical field but more significantly in training.

Comcor will now also be able to offer its major South Africa clients which operate abroad — these include Pick 'n Pay, Plate Glass and Rembrandt — a service in more than 20 countries.

Interview

Y & R's president, Mr Peter Georgescu, visited Cape Town this week and in an in-depth interview told how Y & R — a 64-year-old agency — has become the unrivalled leader in its industry with an excellent profit record.

Mr Georgescu joined Y & R after graduating from Princeton and Stanford and has extensive background in both research and marketing.

In 1974 he was appointed general manager of Y & R's Amsterdam office and within three years doubled the Dutch agency's billings.

Business Report: How has Y & R become so successful?

Georgescu: We took stock a few years ago and redefined the purpose for our existence and realised Y & R was not just in the business of making film or print ads or media programmes. Our function is to help our clients' businesses grow.

Once this focus became clear everything we did took a very simplistic reality. We knew what business we wanted to be in, what people to hire and what partners we wanted to be associated with around the world.

BR: The philosophy of getting results in the market place — building market share or profits is basically something no agency would argue against but this is difficult to achieve.

Georgescu: Too many of us are spending time hiding behind the game of advertising or marketing — writing letters, recommendations defending our positions. In reality none of these things make any difference at all if you don't get results in the market place.

Trends

BR: What trends are taking place within the industry?

Georgescu: Business is tending to become more global. Our clients operating in the United States also trade in France and Britain and other major markets. Many want the assurance that they can have the same kind of support as in their domestic markets.

Global marketing is becoming a major factor. This is why we have sought a South African partner. It was also apparent that if our objective is to help our clients build their business we should do this in as many markets as possible.

BR: What is the basis of good advertising today?

Georgescu: Understanding the consumer, that is the foundation. Our



Y & R president Mr Peter Georgescu, right, and Mr David McKinstry, managing director of Young Rubicam, McKinstry Schonfeldt ... global marketing the key.

clients make fine products and worry about pricing and distribution. The unique perspective we have is understanding the consumer. This has to be the base of everything we do, creative, media, marketing. The better one understands the customer — the relationship between the consumer and the product — the more one is able to develop evocative and impactful advertising.

Consumer's cause

BR: Pick 'n Pay has a unique brand of retail advertising. Their chairman has championed the consumer's cause. What do you think of the group's image?

Georgescu: They certainly understand the consumer. Walk through the stores ... one sees the dedication and the philosophy. It feels like a religion. While advertising has helped it is only part of the story. Pick 'n Pay is doing many things brilliantly. There is an awful lot which works together and much of what is being achieved is ahead of elsewhere in the world.

BR: You doubled sales in three years in Y & R's Amsterdam office. How was this achieved?

Georgescu: Doing the fundamentals right. One needs a clear focus of your business. Once you determine that and understand the consumer one must work with the creative people, encourage them and support them in creating, exciting advertising. The consumer has to see the product as filling a need. Advertising is not a mass media, it needs to touch both the rational and emotional side of the being. One has to allow the creative team to take risks — the most creative advertising is the most effective.

There is a real link in the ability to develop imaginative advertising and results. What we are trying to do is not to push the outer limits of art but to create imaginative advertising that make people buy a product or use a service. Attention to that process makes an agency successful.

BR: Y & R is highly profitable.

Georgescu: We believe in profitability. I am far from apologetic. Without profits no business can succeed in the long term. Profit is critical — we need to reward unusual talent, superlative performance. We have to invest in quality of product, research, and training. Y & R's credo is to move into each area of the business with outstanding, superior people.

BR: Y & R is known for some of the most original advertising campaigns.

Georgescu: We are in the business of developing ideas. Ideas come from the right people and the right environment, knowledge and input. These working together make impactful advertising.

You have to have profits to get the knowledge, to train people, to develop a relaxed atmosphere which is conducive to good advertising. What counts is the quality of the idea not the originator. The lowest account executive is encouraged to come up with the best solution.

The big idea endures. Most products need a consistent personality over time. We want to try and provide clients with an ideal position or personality. The longer one can maintain that position, the better the value is for the client. One is building equity over time instead of changing around from day to day. With the latter the consumer becomes confused and it requires extra money to create yet a new vision of what you ought to be.

It is vital to promote the identical image across all the media — television, print, direct marketing and public relations.

BR: Are you anticipating a rapid expansion of business through your new South African partner?

Georgescu: The fact we have an associate here means nothing. We have to earn the right to service these multi-national clients in all the markets. We don't want to be appointed by an invisible manager in New York to handle advertising in South Africa.

Recession

BR: How has the recession affected the advertising business?

Georgescu: Traditionally whenever times got tough, budgets were first to suffer. But in the past two or three years, budgets by and large have withstood the temptations to cut. I think corporations are looking at advertising and marketing as an essential part of doing business maintaining market share and positioning to take advantage of the blue sky that will come up in the boom. It is encouraging and recognizes the importance that advertising and marketing plays.

The agencies in turn have got to make the investment produce in the marketplace. Rather than just say we have the money ... we have an added

responsibility to our clients. The budgets are expanding, the percentage of turnover allocated is high and it has to generate a return on the investment.

BR: What is changing within the industry?

Georgescu: Manufacturers and producers of services are trying to learn from mutual experience around the world. Very few people as yet understand global marketing. But global marketing on a world-wide basis will explode over the next decade. This will be the trend over the next decade.

BR: Can one link markets such as Australia and South Africa?

Georgescu: No. Every market is highly segmented. South Africa has one of the most complex segmentations. How you market effectively in some of these markets is a very complex process. All of us can learn enormously from the South African experience. It provides us with an opportunity as a multi-national company to learn and possibly link to a similar segment in another market. One cannot look at any market as a homogenous monolithic entity.

Training

BR: Y & R has its own resource training centre in New York.

Georgescu: We are trying to create better print and television advertising. Three major seminars are held annually. We train, train and train.

BR: Y & R is heavily involved in areas such as direct mail and public relations apart from advertising.

Georgescu: Advertising is not the only way to resolve a client's marketing and communication problems. At one point in time agencies were similar to a drug store with one cure-all remedy. Whatever your problem we would dispense a media advertising campaign.

Today we find the solution could be sales, promotion, point of purchase display, an offer on the shelf, packaging, direct mail or third party endorsement through public relations.

About 10 years ago we made a commitment to be a leader in each one of these disciplines. We are now dominant in PR, direct mail, sales promotion, and package design on a world-wide basis.

Disciplines

All these disciplines must be synergistic — working together on a united front and all pulling in the same direction. It is not easy to do.

BR: Will Y & R maintain its lead in the industry?

Georgescu: We are ploughing back funds heavily to develop the best products. We want to deliver the most superior product in each one of the disciplines and only then we have a chance to survive over the long term.

The moment one is successful in the marketplace and have an advantage over the competitor, the free marketplace works to erode that advantage — whether it is cash or technology.

We never underestimate the competition. We have to force change and improve. One cannot rest on last year's performance or take for granted past performance for the client. The question is: What are we going to do for your brand tomorrow?

RAM
24/4/84
US
business
people (62)
favour

SA ties

WASHINGTON — Nearly 80% of United States businessmen responding to a poll opposed mandatory restrictions on US investments in South Africa, while 11.6% want to replace the present voluntary guidelines, the US Chamber of Commerce reported yesterday.

The chamber said over 1 600 readers of its monthly magazine, "Nation's Business", replied to a poll in the publication's March issue which included a question on South Africa.

Another 8.6% respondents were undecided. The magazine has a circulation of 850 000 and the chamber says nearly 66% of its readers are top-level business leaders.

It said: "The role of United States business in South Africa has long been controversial. Some argue that any American presence in that country amounts to support of its apartheid system of racial segregation. Others, including many business people, say an American presence can help the black majority.

Seven years ago the Rev Leon H Sullivan, a Philadelphia civil rights activist, drew up guidelines to promote equality for South African black employees of US firms. Adoption of these principles has boosted desegregation on the job at such firms, upgraded employee benefits packages and increased the number of black supervisors.

"The Export Administration Act now before Congress would make the Sullivan guidelines mandatory and impose other restrictions on US involvement in South Africa. Some fear the next step would be the forced withdrawal of US interests from South Africa.

"Should US business in South Africa be restricted?"

The chamber said 79.8% of those responding to the poll were against restrictions. — Sapa-AP

Despatch 11/5/84 (62)

American firms in SA shown as good guys

EAST LONDON — American companies operating in South Africa are bent on showing their critics in the United States that "we are not the bad guys, we are the good guys."

An article in the latest issue of Fortune magazine (April 16) says this is in reaction to activists who condemn American companies doing business in South Africa and are mobilising influence to oust these businesses and American investments from South Africa.

Activists who condemn American companies doing business in South Africa have dominated the debate for years — the companies have tended to speak softly if at all. Now business has begun talking back.

The main institutional defender of United States companies with South African operations is the American Chamber of Commerce in South Africa. It represents 275 companies with a total South African investment of some R3,6 billion.

"Our critics," says its executive director, Clark Else, "have become more vociferous, better organised, and

more emotional. Our new position is to let people know exactly what we're doing here."

The American Chamber of Commerce has put out a 20-page report outlining how business has improved the conditions of black workers. More than half of the 275 companies represented have signed the Sullivan code, a set of equal opportunity principles.

The chamber has set out to establish the efforts by American business to abide by the Sullivan principles. An amount of R85 million has been spent so far on, among other things, developing training programmes for blacks and improving the quality of workers' housing, schools, and recreation.

Other highlights of the report:

- Nearly all US companies now pay whites and blacks equal wages for the same work.

- US companies put up a large share of the funds to build a R7-million high school for 600 students in Soweto. Some 200 companies and individuals — about half of them American — underwrite most of the R2,000 annual tuition per student.

- Five automobile and tyre companies (Ford, GM, Volkswagen, Firestone, Goodyear) built a technical school in Port Elizabeth for training black workers in skilled trades.

The Fortune article explains that the chamber's objective is to influence American political decisions that affect member companies. The chamber hopes to reach minds in more than 25 states and cities which are considering withdrawing pension fund investments from companies with South African connections according to the article. So far Massachusetts, Connecticut and Philadelphia have already pulled out some R245 million.

The article deals with efforts by the American Chamber of Commerce in South Africa to fend off legislation which seeks to forbid US bank loans to the South African government, to ban the import of Krugerrands and make a Sullivan-like code mandatory.

The article says further that the chamber hopes President Ronald Reagan will veto the bill if it goes too far. — DDR

Xerox resolution on SA defeated

Star 19/5/84 The Star Bureau

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NEW YORK — A resolution calling on the Xerox company in South Africa to do more for its black workers was defeated at the company's annual shareholders meeting in New York by 59.9 million votes.

The resolution called on Xerox to adhere to a set of conditions for investment in South Africa written by Bishop Desmond Tutu, general secretary of the South African Council of Churches.

The conditions include: improving housing for black workers; recognising black labour unions; opposing influx control laws, which limit the mobility of blacks in South Africa; and investing in education for blacks.

However, Mr Andy Smith, of the American Baptist Home Mission Society, told the meeting that Xerox already met most of the conditions and needed only a small step to affirm and support them publicly.

Top programme to upgrade black teachers needs money

W/E ARGAS #9/5/84 (62)

Education Reporter

THE PRIVATE sector is being urged to sponsor an independent in-service programme aimed at upgrading most of the 60 000 under-qualified black primary school teachers during the next decade.

The Teacher Opportunity Programme (TOPS), the first of its kind aimed at improving education at a higher primary school level, is being organised on a national basis. The Western Cape branch was formed six months ago.

Initiated by an oil company, the project is now autonomous and has the full support of black teachers' associations and academics from many universities, who have been involved in the programme since its inception 18 months ago.

The organisers hope to get a total of R2 million a year for the next decade from all signatories to the Sullivan Code.

So far 1 200 teachers who have only standard eight and a



Professor Leonard

teaching diploma have enrolled in the programme, which aims to equip them with a matriculation certificate.

"This is the lowest acceptable qualification for a primary school teacher," said Professor Cecil Leonard, an associate professor at the University of the Western Cape and TOPS regional chairman.

He said unless pupils were given a solid grounding at higher primary school level remedial projects in black education

would always be necessary.

"The hundreds of thousands of rands spent by the private sector on black education in this country in recent years could have been better spent. Unlike many of these earlier projects, TOPS is not just doing cosmetic work. It is trying to nip the problem in the bud.

"By giving teachers better training the standard of education will rise."

He pointed to a recent study by Professor L. Schlemmer, of the Centre for Applied Social Sciences at the University of Natal, which showed there was a definite fall off in the quality of black education.

Of pupils interviewed, 60 percent believed teachers were the main factor hampering their progress at school, while 49 percent said if boycotts or demonstrations broke out the main cause would be dissatisfaction with teachers.

The De Lange Report on education predicted 200 000

new teachers would be needed by the turn of the century.

"Trying to meet this need and to solve the other numerous problems in black education is going to take most of the Government's funds and resources.

"There will be very little over for upgrading of teachers and that is why this project is so important," Professor Leonard said.

Teachers taking part in the TOPS programme are given notes to study at home; these are supplemented by regular tutorials conducted by paid professionals.

"The unique feature about TOPS is that it goes beyond mere academic upgrading and also concerns itself with the long term professional and personal development of the teacher," he said.

"Methodology and school management components are included to improve the total competence of the teacher."

AFFIRMATIVE ACTION

Sullivan at work 62

The Industry Support Unit of The Sullivan Code of Conduct on employment practices (followed by many American companies in SA) has released its report for 1983. While the employment practices of US companies participating in the survey continue to show measured improvement, a depressed SA economy has limited gains to less dramatic levels than in past years.

All 99 reporting signatories now have equal work/equal pay policies; and 98 have desegregated their corporate work facilities. Most have minimum wage levels at least 30% higher than subsistence standards as outlined by studies at Unisa and the University of Port Elizabeth.

Spending on education and training programmes increased to more than R16m, or about R250 per employee. However, funding for health and welfare aid and for black entrepreneurial projects declined by about 15%. The percentage of supervisory and management positions filled by blacks also dipped slightly, from 21,6% to 21,2%. In 1980, 72% of employees enrolled in supervisory training programmes were black. Last year that figure fell to 40%.

The number of signatories to the code decreased by almost 20% in 1983 — from 146 to 120. (There are more than 200 US businesses with SA operations.) Nonetheless, those firms adhering to the Sullivan princi-

ples represent almost three-quarters of total US investment in SA, and the percentage of signatories contributing to the detailed survey, conducted by the accounting firm Arthur D Little, rose slightly.

Compliance with the code, drawn up in 1977 by the Reverend Leon Sullivan, the first black director of General Motors Corp, is voluntary. The principles call for US companies to implement non-racial employment practices, to increase the number of blacks in supervisory and management positions, and to contribute to the improvement of employees' living standards outside of the work environment.

The US Congress has initiated legislation which would make the Sullivan Code mandatory for US companies. Although the proposal has been characterised as a more palatable political alternative to US-disinvestment, it is not likely to be approved in the near future.

Last year's setbacks can in part be attributed to generally poor economic conditions. "The recession has had a definite impact," says Karl Hofmeyr, an associate professor at Unisa's School of Business Leadership. "American companies here have had to do some belt-tightening, and, perhaps with more justification, they've been saying, 'Come on, give us a break, we want to get on with business.'"

But Hofmeyr and others continue to characterise the Sullivan programme as a success. Says Roger Crawford, an Ethnor executive and co-ordinator of the code's South African Task Force: "Over the past five years, we've seen a very definite shift in attitude among the signatory companies. A reluctance to implement the Sullivan principles has changed to a recognition that they represent basic management princi-



Sullivan ... another year, less success

Financial Mail June 1 1984

62 FM
1/6/84

ples. There is a growing desire, with greater enthusiasm, to put the code into practice."

Initially, change at Sullivan companies was more a case of window-dressing than of real progress towards non-racial practices. "Now they are taking a more realistic approach," says Jay Owen, a lecturer at Wits Business School and a former executive at Ford Motor. "Blacks are receiving proper training before assuming supervisory roles."

Although employees of Sullivan companies comprise less than 1% of SA's total labour force, Hofmeyr thinks the signatories are playing an important role as pacesetters: "SA is simply running out of whites to fill higher-level positions. American companies in SA have stuck their necks out and are showing us that blacks can be integrated fully into the workings of SA business."

Says Owen: "Partly as a result of the Sullivan initiative, SA companies are coming to realise that a policy of affirmative action is not merely commendable, but necessary."

RDM 2/6/84 (b2)

New York's mayor gets tough on SA investment

By RICHARD WALKER

NEW YORK. — The mayor of New York City, Mr Ed Koch, wants the city to boycott any firm active in South Africa that fails to subscribe to the Sullivan anti-discrimination code.

Under his proposal — to be studied by a special six-member panel — the city would neither invest in nor buy the products of firms that have not signed the Sullivan Code.

His sudden announcement signalled a sharp reversal of his past policy not to single out South Africa.

It surprised other city officials who have been working on similar proposals for months and enraged the city council president Ms Carol Bellamy, who was on the

point of announcing a much more radical proposal to sell off R2 000-million in city pension funds invested in 148 companies doing business with South Africa.

The Bellamy plan, backed by a city official Mr Harrison Goldin, and several union leaders, was in its final review when the Koch announcement "came out of the blue", she complained.

The South African issue has been under debate for more than a year and has badly divided city officials.

Mr Koch denied charges that he was trying to make "political hay" by upstaging the others with proposals that would at the same time limit the impact of sanctions.

He called his new thinking "a change for the good" and

called his plan "responsible, equitable and just".

City officials yesterday were also trying to reach a compromise with council members who want to cut off an annual R8-million subsidy to the American Museum of Natural History because South African fossils are included in "Ancestors" — its landmark exhibition tracing man's prehistoric origins.

So far, canned pineapple is the only product in the city's entire inventory of purchases that has been positively identified as South African in origin.

It was being served in schools and at a shelter for homeless men when a complaint was registered last month.



UNITED STATES INFORMATION SERVICE

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TEXT

SULLIVAN'S CODE CHANGING SOUTH AFRICA
By Neil Ulman

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In the old days, black workers at the vanadium mine here held jobs such as carrying a white man's toolbox. It was unthinkable that they might get the same wages. Recently, however, Jonas Mathobela qualified as a boilermaker, at full pay.

"Things started to change about six years ago" at this Union Carbide Corp. subsidiary, says Mr. Mathobela. "They announced the Sullivan Principles. We had a meeting. They equalized my pay with the white man."

In a housing area outside Cape Town segregated for South Africans of mixed race, carpenter Clarence Van Rensurgh is buying a modern three-bedroom town house for 6,800 dollars. The neighborhood and its community center, which stand out from their dreary surroundings, were financed by a 1.5 million dollar grant from Mobil corp., part of Mobil's commitment to the Sullivan Principles.

In Soweto, home to more than a million blacks outside the city of Johannesburg, Rex Pennington, headmaster of Pace Commercial College, shows off a sparkling new 6 million dollar high school for 600 students. It was financed mostly by 151 American companies, many acting on their commitment to the Sullivan Principles.

It is seven years since the Rev. Leon H. Sullivan, a Philadelphia Baptist preacher and a director of General Motors Corp., enunciated a code of conduct for U.S. companies doing business in South Africa. In that time, says the U.S. State Department, the Sullivan Principles, with their emphasis on bettering the lot of non-whites, have wrought "major change."

The Sullivan Principles dictate nonsegregation in work facilities, equal pay for equal work, fair-employment practices, training programs for blacks, those of mixed race and Asians, and improved facilities in housing, schooling and other quality-of-life areas.

Some South African businessmen and government officials ascribe that merely to coincidence. They say change was inevitable and the Sullivan Principles have had little to do with it.

Union leaders, insisting that they are the only ones who can bring meaningful change for workers, say the Sullivan Principles are merely cosmetic-slick public relations with little effect on fundamental problems.

Others call the Sullivan Principles paternalistic, or dismiss their impact as only a small drop in the large bucket of South Africa's social problems.

And some give grudging credit. "A lot of South African companies were changing things before Sullivan," says Gavin Relly, chairman of Anglo American Corp., South Africa's largest company. "But I do think the Sullivan Principles have... focused the mind on the issues." Renald Hofmeyr, director of industrial relations at Barlow Rand Ltd., a major South African conglomerate, goes further. "The American companies by and large have been the pace setters," he says.

Rev. Sullivan, a longtime civil rights leader, first got involved in 1976. He called initially for withdrawal from South Africa by all American companies as a protest against apartheid, the South African government's policy of racial segregation and discrimination.

Subsequent meetings with South African black leaders convinced Rev. Sullivan that American companies had the potential to do more good by staying than going, he says. As a result, he modified his stance to demand withdrawal by any company that didn't comply with a code of conduct that came to bear his name.

Of the estimated 286 American companies doing business in South Africa today, only 125 are signatories of the code. But they account for over 70 percent of American companies' 120,000 employees in South Africa. And they include the major players like Ford Motor Co., IBM Corp., General Electric Co., Du Pont Co., Gillette Co., Citicorp and the Rev. Sullivan's own GM.

All pay to have their compliance monitored by the independent Cambridge, Mass., consultant, Arthur D. Little Co. While many were recently dropped for failure to report or pay their dues, such major companies as Dresser Industries Inc. and Pepsico Inc. have just signed up for the first time. Urging by the U.S. State Department plus a bill in Congress that would make compliance with the Sullivan Principles mandatory have applied pressure.

When the Sullivan Principles appeared in 1977, say companies involved, the first task was desegregation. Standing in the way were racial antipathies and a South African law that still requires an employer to provide separate facilities for different races if employees demand it.

As Ford introduced integration, says Fred Ferreira, Director of Industrial Relations, "I talked to 100 employees individually and to many groups. I was hissed. We had employees and their relatives complain and threaten government action. But that's all in the past now."

For the most part, government turned a blind eye. "We went to the Labor Department and told them what we were going to do," recalls Louis Wilking, manager of GM's facilities in Port Elizabeth. "They said, 'Go ahead, we didn't hear you.'"

According to Arthur Little, all but one of the reporting companies has integrated all its facilities. At some companies, however, white holdouts still bring their lunches and eat at desks or workbenches, say employees.

As for equalization of pay, Union Carbide officials say they had no backlash from white employees until they appointed the first black artisans last year to jobs previously reserved for whites. "A couple of whites objected. They don't seem to resent blacks doing the same job, just that they get the same pay," says Hein Enslin, mine manager.

Companies also say they have run into some objections from black employees who wonder why management was spending millions on new locker rooms and cafeterias rather than raising salaries. And while most companies have equalized retirement pensions for blacks and whites they have puzzled over health insurance. Under South Africa's segregated medical system, blacks get very low cost public health care and cannot see paying employee contributions into company plans.

Most companies now look on integration as old business. "At GM our workers eat, wash and work together without any problem. The problem is the different worlds they go home to when they leave the plant," says Louis Wilking. Responding to Rev. Sullivan's call to improve the quality of employees' lives, American companies have "adopted" about 200 nonwhite schools and created programs aimed at upgrading housing for nonwhite employees. They concede their impact is small, but say they aim to show others what can be done.

At Port Elizabeth and in Cape Town, Ford and Mobil have provided backing for new housing in the black and mixed-race communities where their employees live. Ford's method has been to put up the initial money for site clearance and installation of utilities and in some cases to build the first houses for sale to blacks in areas where banks had previously refused to lend.

At its "Fordville" development, for example, it built an initial group of maisonettes and sold them. Then it guaranteed the loan by a local bank for a second group. Now local banks are going ahead on their own to develop the rest of the site, says Arthur Shipalana, a black community relations manager who has been watching over the project for Ford.

Critics complain that the 12,000-TO-15,000 dollar price for the maisonettes is far beyond the reach of most blacks. But Mr. Shipalana insists that with growing black wealth there are many living "in the horrible shacks" around Port Elizabeth who can afford good housing if someone will build it. Ford decided to "be a catalyst to upgrade the area," he says.

Integrating, equalizing pay, adopting schools and building community facilities are all part of what many Sullivan signatories are increasingly calling "Phase One." Early projects "took management into some deprived black areas and for some white managers it was the first time they had an opportunity to see the conditions under which their employees were housed and sent their children to school," says Roger Crawford, a Johnson & Johnson executive.

"We've done the basics. Now it's time for a rethink," says K.P. ("Pat") O'Malley, director of public affairs for Mobil South Africa. He criticizes some of the Sullivan activity as designed to score quick public relations points, thereby wasting resources and ending up in dead-end projects.

For example, says Mr. O'Malley, while adopting schools has been popular with companies it has mostly just saved the government money and helped it improve the status quo. Henceforth companies must sacrifice high-visibility public relations in favor of programs that attack

long-range fundamentals such as teacher training, he asserts.

Meanwhile, South Africa's growing black trade unions remain cool to the Sullivan Principles. "We had no part in drawing up the codes. They were drawn up by employers," says Joe Foster, general secretary of the largely black Federation of South African Trade Unions (FOSATU). "We don't need other people to come and tell us how to survive. We know what we need and we'll fight for it."

Mutual respect -- and annoyance -- continue to characterize the relationship of Rev. Sullivan and his corporate flock. The preacher goads them to do more, constantly "amplifying" his principles with new requirements. The companies for their part complain of Rev. Sullivan's unfamiliarity with South Africa, where he has paid but two brief visits.

Companies that have declined to sign the principles or have been dropped from the program for failure to report or been marked down on compliance often criticize the reporting process as too cumbersome much or more than the signatories, a claim generally rejected by Arthur D. Little as "talking through their hats."

Singer Co. for example, was dropped earlier this year for failure to report. It claims it adheres to the Sullivan Principles, but declined to allow a reporter to visit its facilities. So did Masonite Corp. which was marked down for paying low wages, and Pepsico which only signed last month.

Sowetan 15/16/84

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.

RBM 30/6/84 (62)

US group fights disinvestment

By RICHARD WALKER

NEW YORK. — Twenty-four top American companies have formed a secret committee to fight South African disinvestment, "Fortune" magazine reports.

Citing confidential documents it had obtained, the magazine said the companies were all on the Sullivan Code's approved list. It identified the Ford Motor Company's director of international affairs, Mr William Broderick, as the committee chairman.

Mr Broderick is said to support laws making a Sullivan passing grade the qualifier for American companies operating in South Africa.

But a Fortune investigation of the Sullivan system concluded it was "baffling", time-consuming, costly and arbitrary in application.

The code is a seven-year-old creation of the Rev Leon Sullivan, a black Baptist minister

and General Motors director. It aims at achieving equality and equal opportunity for all South Africans working for US companies.

The magazine reported that "stains in the system" were evident.

Firms that ascribed to it, paying an R8 750 annual fee, are scrutinised, and have to take a test in which standards are upgraded yearly.

Last year, Ford and 61 others were given passing grades. Firestone and Carnation were among the more prominent of the 34 failures. Most of the 350 US-owned firms in South Africa had not signed on with Sullivan, and last year, 27 dropped out. Only five newcomers have signed since.

According to the magazine, which spent months doing research, Sullivan companies had spent R97 500 000 on social programmes in pursuit of good grades, while administrative matters had sometimes cost as much as R125 000 a year.

The Sullivan code strikes hitches

Dividends for the firms who have signed it have not always come up to expectations reports
NEIL LURSSSEN of The Argus Foreign Service in Washington

THE Sullivan code of conduct for American firms operating in South Africa has turned into a bureaucratic quagmire, a Washington study has concluded.

Yet, the study says, the State Department is twisting arms to get US companies to sign the code -- in an effort to stop Congress from making adherence to it mandatory.

The code has created a controversial backlash with major foreign and domestic policy implications for the US, the report says.

In a report prepared for the Heritage Foundation, a Washington-based research organisation with close ties to the Reagan Administration, Mr Mark Huber writes that some US firms are refusing to adhere to the code, calling it "low-grade blackmail."

By 1983, he writes, 146 of the 350 US companies in South Africa had become Sullivan signatories and had spent more than R100-million in pursuit of the code's goals.

Participants have to deal with long questionnaires on their activities in the Republic, must submit to an annual audit and pay a stiff fee for the privilege.

"Many have done so, investing more than R180 000 in the paperwork alone, only to receive a failing grade from the auditors.



The Rev Leon Sullivan

Others have refused to invest the time and money. "As a result, 30 of the 146 signatories were dropped from the Sullivan list in 1983. For them, and for the signatory companies that received failing grades, life has become unpleasant," Mr Huber says.

The Sullivan ratings are well publicised and often cited by investor publications. Companies with failing grades

can be the targets of divestiture action — which depresses their market value — and there is a reflex action by the media to brand them racist, he says.

Mr Huber cites the case of a company that received a failing grade in 1982 for paying two employees 10-dollars below the minimum monthly wage set by the code (this minimum is 30 percent above the prevailing local minimum wage.)

The company explained that the employees were partially disabled people, virtually unemployable, whom it had acquired when it bought its South African subsidiary.

A Sullivan auditor visited the company's South African plant and agreed with the way in which the matter was handled — but the company still got a failing grade. The two employees now get the acceptable minimum wage.

The code was developed in 1977 by the Rev Leon Sullivan, a Baptist preacher and social activist who has a seat on the board of General Motors.

Its purpose is to establish fair employment practices in South Africa and to channel US business resources into activities that promote social and economic improvements for non-whites.

Among American government officials who have urged the companies to sign is Mr George Shultz, the Secretary of State.

ADM 1/9/84 (62) (17) (11) (11)

US Steel holds interests in asbestos dumps

By PHILLIP VAN NIEKERK

UNITED States Steel — one of the wealthiest and most powerful corporations in the world — holds investment interests in abandoned asbestos dumps which are polluting large areas of the North Eastern Transvaal and creating a health hazard to thousands of people, a Rand Daily Mail investigation has disclosed.

Also holding extensive land and mineral rights in the area is the British asbestos multinational, Turner and Newall.

The Mail has established that several farms in the area littered with asbestos dumps have been sold to the South African Development Trust in the past 18 months for incorporation into Lebowa.

At present sparsely populated, these contaminated farms are soon to be the scene of large-scale settlement by blacks.

The sales could be in contravention of a provision of the Atmospheric Pollution Prevention Act that a mine-owner cannot dispose of any asset of that mine unless he has taken the necessary steps to prevent dust pollution.

The Mail was the first to report the existence of numerous uncovered dumps in the area four weeks ago. Since then researchers have estimated that at least 200 000 people living there could be exposed to the pollution.

Only one tailing dump in the entire asbestos area running along the Strydberg mountains, which includes densely-populated sections of Lebowa, shows signs of attempts to cover it and prevent environmental contamination.

The main companies still owning land and mineral rights in the area are Associated Asbestos, Lagerdraai Asbestos, Dublin Consolidated Mines and Egnep, alongside numerous other small owners.

Dublin Consolidated is owned by Turner and Newall, while Egnep is owned by the Griqualand Exploration and Finance Company (Gefco), which is controlled by the mining giant Gencor.

Associated Asbestos and Lagerdraai Asbestos are wholly owned subsidiaries of Associated Ore and Steel which is controlled by Oresteel Investments in which U S Steel has a 49 % share and is the largest single shareholder.

An Italian company, Italiani Prodotti Minerali, also holds a substantial interest in Associated Ore.

Mr Robert Esperance, a director of Oresteel based at U S Steel's headquarters in Pittsburgh, Pennsylvania, told the Mail yesterday that he was "totally unaware" of the situation.

"We are minority shareholders," he said, adding: "I can't comment on the environmental situation, though U S Steel is very, very concerned about environment all over."

Three farms contaminated by asbestos dumps and in which U S Steel, through Associated Ore, holds a major shareholding have been sold in the past 18 months to the S A Development Trust.

They are Piezangsdraai, Lagerdraai and Beesthoek. On Lagerdraai there is an old mill and a tailing dump with a family living right on top of it.

Mr Guido Sacco, the chairman of Associated Ore and Steel, admitted that they had taken no steps to cover the dumps on their properties.

"We stopped mining asbestos a long time ago, about 15 years," he said. "We were a very, very small producer. At the time we did not know asbestos was injurious to the health."

According to company reports, there were mining operations on both Lagerdraai and Piezangdraai as recently as the early seventies.

The Turner and Newall-owned Dublin Consolidated — which has maintained substantial base mineral rights in the area — has been gradually selling off its farms with old mine dumps on them.

All the farms have been sold in the past five years, and the dumps show no signs of having been covered up.

At Bewaarkloof — which Egnep sold to the SA Development Trust in May for almost quarter of a million rand — vegetation has been planted on the dump but fibres have continued to spill into the road despite a wall being built around it.

Mr C Good, the group finance executive for Turner and Newall Holdings, said that as far as he knew the mines on Dublin property had been worked by tributors.

"To the best of my knowledge — and I must concede its scanty — the Government Mining Engineer's approval was granted for the sale of the properties."

However, according to an old newspaper report Dublin Consolidated employed 15 000 workers in 1968 working mines in the Bewaarkloof valley alone.

State scotched negotiations

~~23~~ ~~107~~ ~~110~~ ~~117~~ ~~62~~ ~~218~~
Last January, recognition negotiations between the National Union of Mineworkers (NUM) and Union Carbide covering the Ucar Minerals Mine in Bophuthatswana were at an advanced stage, writes Carolyn Dempster.

What should have been a relatively simple recognition procedure was, however, replaced by uncertainty and industrial unrest.

This was because of the Bophuthatswana Government's hostility towards the NUM and other South African-based unions.

About 450 NUM members at the mine went on strike on January 23 and 24 over recognition.

At the time, Union Carbide industrial relations manager Mr Cedric Robertson said the company was fully prepared to recognise and deal with the NUM.

But this was contrary to the policy of the Bophuthatswana authorities, who informed the NUM that it had "no standing nor would have any standing in the future in the homeland".

The company's efforts to secure a compromise between the union and

the authorities failed. *Star 3/18/82*

When Bophuthatswana passed its Industrial Conciliation Act, the door to negotiations between companies in the territory and the NUM was firmly shut.

Mr Robertson said much confusion had arisen from the uncertainty.

"The situation is clear now and labour relations at the mine are good.

"There is no doubt that we have to comply with the Bophuthatswana legislation.

"I don't think the NUM is very happy, but there is not much we can do about it."

New York fund to shed its SA-linked share investments

The Star's Foreign News Service

NEW YORK — The New York city employees' pension fund is to gradually withdraw its investments in companies doing business with or in South Africa.

It is the biggest public pension fund in the US to have decided to make such a move in protest over apartheid.

About \$665 million of the pension fund's assets of \$8.3 billion is invested in the stocks of companies which do business with or in South Africa.

Miss Carol Bellamy, president of the New York City Council and a trustee of the pension fund, said: "What we are doing by our action is sending a loud and clear message that business as usual in South Africa is not acceptable."

Another trustee, City Comptroller Mr Harrison J Goldin, said: "Companies which persist in promoting apartheid in South Africa are companies in which we do not care to have an investment."

The pension fund will initially divest itself of stocks of companies "which operate in a manner which directly supports apartheid" or which are not "promoting equal treatment and improving the lives of non-white workers", according to the disinvestment resolution which was passed unanimously by the fund's 11 trustees.

After five years the fund will be rid of all such stocks except those in companies that are of "substantial assistance" in fighting apartheid.

The Sullivan Principles will be among the criteria used in deciding whether to disinvest.

A voluntary code, the Sullivan Principles call for integration in the workplace, equal pay for people of all races, equal employment opportunities and increased training for blacks, coloureds and Indians in South Africa.

The timetable for disinvestment by the pension fund is:

- After 15 months: companies doing business with the SA military and police, providing financial services to the SA government or refusing to sign the Sullivan Principles.

- After two years: firms which have signed the principles, but which do not allow their actions to be monitored.

- After three years: companies which do not get the highest rating in complying with the Sullivan Principles.

- After five years: all companies except those whose actions "are deemed by the trustees to be of substantial assistance to efforts to eliminate apartheid".

Asked to comment, Mr Ulrich Ruch, South Africa's deputy consul-general in New York, said any comment should come from American firms involved.

"It is a matter of Americans deciding not to invest in American companies," he said.

Mr Philip Wetz, a spokesman for Exxon Corporation, told the Argus Foreign News Service: "Exxon feels that it can do more good by continuing its operations in South Africa than we can by pulling out.

"If we were forced to pull out it would have adverse economic consequences for South Africa, particularly for the non-white people."

and Shipping

Saan gives up AteX ownership

27/8/84
62 2 Post

ONE of the country's leading suppliers of electronic typesetting equipment, AteX Systems, has changed ownership and will, in future, operate independently in South Africa.

Effective ownership of AteX Systems changes from the Saan group to AteX Inc of Boston, Massachusetts, a Kodak-owned company.

The new arrangement, bringing the local operation into the Kodak group, has come about as a result of a change in shareholding whereby the entire Saan interest has been sold.

The AteX association will move more strongly into

the Kodak camp in South Africa, although the company will operate as a fully independent entity.

AteX Inc is recognised internationally as the pre-eminent supplier of text processing systems for the newspaper and magazine publishing industries.

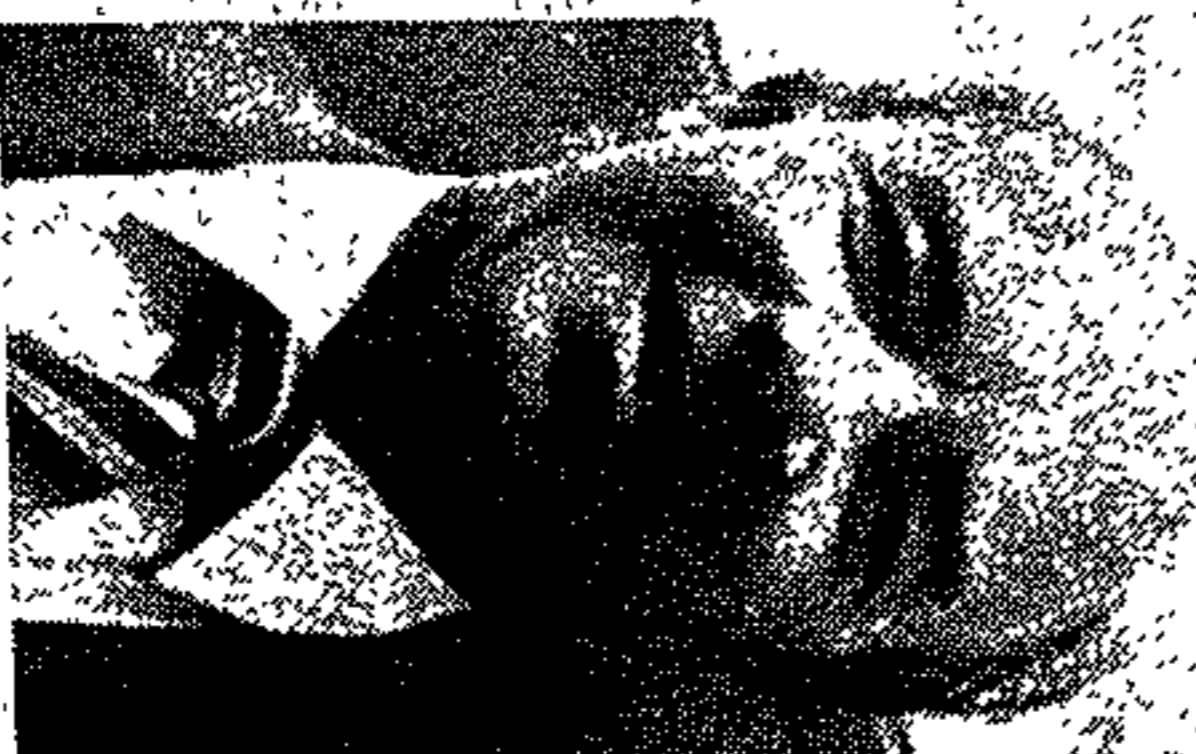
AteX Systems was the first of the major international groups to install electronic phototypesetting in this country.

Saan, Johannesburg, was the first major printing group to change to the AteX system and the system has been operating since 1977 with considerable success ever since.

AteX has installed similar systems at the Cape Times, The Argus and Nasionale Pers in Cape Town, the Natal Mercury in Durban, Evening Post, Eastern Province Herald and Oosterlig in Port Elizabeth and Beeld in Johannesburg, and will soon install a large system at the Pretoria News.

The company does not supply the newspaper industry exclusively, plants have been installed at Sparham and Nasionale Boekdrukkery, also in Cape Town.

MR BOB HAGGERTY has been appointed managing director of AteX Systems.



Computer news

Our weekly computer column is a service designed to help people in the computer business broadcast their news and views. If you have a story to tell please feel free to contact Louis Beckerling at ☎ 52 3480.

Technikon, where the AteX School for Journalists will be established.

It is the intention of AteX to expand its activities well beyond the primary area of newspaper installations in the future.

Mr Bob Haggerty, previously the company's marketing manager, has been appointed managing director and Mr Richard H Bowen, a vice-president of AteX Inc in the US, has been made chairman.

Other board members have been drawn from the Kodak and AteX groups.

Mr Haggerty has stressed that the new arrangement has been concluded with the closest cooperation of the Saan group and a strong association will be maintained with that organisation.

However, he stressed that a whole restructuring of AteX Systems in South

achieved by a new business package called Tetraplan. The integrated accounting package now gives businesses the chance of long-term planning for their software while allowing the comprehensive package to run on many different makes and sizes of computer.

"Companies installing computerised accounting systems must look well into the future to ensure that their software will not be overtaken by technology or better packages," says Mr Ed Callen, computer division sales manager of Anker Data Systems.

"Tetraplan is flexible enough to take care of a wide range of office computer functions and protect data and software investment well into the foreseeable future."

Tetraplan has been modified for usage in South Africa by Info-Key and is available to run on Perkin-Elmer's full range of powerful 32-bit superminicomputers.

It is produced in C-language, which radically simplifies the transporting of software from one computer to another under the Unix operating system.

"The ability to run software on computers from many manufacturers is a major consideration with the rapid changes in computer technology," says Mr Callan.

Perkin-Elmer, pioneer of the 32-bit superminicomputer and a major US supplier of sophisticated systems to business, industry, science, research and space-avionics, has its computer products distributed in South Africa by Anker Data Systems.

Club meeting

A SPECIAL general meeting of the PE Commodore Users Club will be held in the Linton Grange library on Wednesday, September 5.

The agenda includes ratification of the club's constitution and a demonstration and discussion on machine language programming.

Inquiries: Mr Dirk den Dunnen at ☎ 33 7125 (after hours), or Mr Reg Renbock, ☎ 33 6156 (after hours).

New package

PROTECTING investment in expensive software from early obsolescence is being

Africa is under way and this includes a substantial injection of new capital with a corresponding increase in staffing, the establishment of a new office in Cape Town and the development of a formidable inventory of equipment.

Rate Round-Up

MONEY MARKET	
B/A rate	22,10
Short/surp (R1 825m)	18,75
ASSET RATES (%)	
1-month	22,70
2-month	22,90
3-month	23,25
6-month	22,00
9-month	20,40
1-year NCD	20,10
CAPITAL MARKET	
2-year NCD	19,25
3-year NCD	18,75
RSA 14,5% 1987	17,47
RSA 11,0% 1997	—
RSA 13% 2005	15,94
Escom 156/	15,98
Escom 158/1994	—
Escom 143/1985	—

(Rates supplied at Saan today by National Acceptances, Port Elizabeth)

Maternity benefits deal for another Fosatu union

Staw (62) 14/11/84
27/7/84

By Carolyn Dempster,
Labour Reporter

Another maternity agreement has been negotiated by an affiliate of the Federation of South African Trade Unions (Fosatu).

This week the Sweet Food and Allied Workers' Union (SFAWU) concluded a maternity package for its female members at the Kellogg Company's Springs plant.

RETAINED

In terms of the agreement, which comes into effect on August 1;

- Female employees who have completed a year's service will be retained on the company books for an additional 12 months provided they indicate their intention to return to work.

- Women taking maternity leave will receive a lump sum payment equivalent to a month's wages and will continue

to get medical aid and pension benefits.

Mr Chris Dlamini, president of SFAWU, which is an affiliate of Fosatu, and chairman of the shop steward negotiating committee, expressed appreciation to the management of Kellogg for their "progressive thinking" on the issue of maternity leave.

IMPORTANCE

The agreement is the third such agreement signed by a Fosatu union within the past three months — an indication of the increasing importance the unions are beginning to place on maternity benefits.

To date the the most beneficial of the maternity benefits agreements signed by a Fosatu union has been the agreement between the Chemical Workers' Industrial Union and NCS Plastics of Pinetown.

Blacks advancing into management

E-Post 14/7/84

Weekend Post Reporters

THE East Cape motor plants showed this week how they have steadily increased the number of African and coloured employees filling managerial, supervisory and technical posts over the past five years.

Their disclosures followed publication of the University of South Africa Business School report saying blacks throughout the country resented the free enterprise system.

One of the report's recommendations was that companies pay greater attention to eradicating racial discrimination and increase the number of Africans and coloureds in higher-level positions.

Mr Fred Ferreira, director of industrial relations at Ford, said the first few blacks were appointed to supervisory positions at Ford before the mid-1970s.

By December 1, last year, 112 African and coloured employees — 17,4% of the total — held salaried supervisory positions at Ford.

He said this was a considerable increase compared with 1978 when only 5,5% held supervisory positions — a high percentage compared with prevailing employment trends at the time.

He said this was a result of the company's equalisation programme which aimed at creating "equal opportunities for people of equal merit", irrespective of race, religion or sex.

This had been prompted by the shortage of whites filling supervisory, managerial and technical positions and the company's commitment to creating equal opportunities.

But the company had not managed to upgrade as many blacks to higher level positions as they had hoped to. This was because they

had struggled to find suitably educated candidates and the company's own training programme was a long-term one, Mr Ferreira said.

"It's also not as easy to transfer black supervisors to Port Elizabeth because once you have overcome restrictions on their mobility you still face the housing backlog in the townships."

In 1977, Ford became a signatory to the Sullivan Principles, which aimed at improving the quality of life of black South Africans in and outside the workplace.

However, in 1979 Ford commissioned an investigation to assess the extent to which these principles were being adhered to within the company. One finding was that, in reality, black employees had to be better qualified than the white candidate to obtain a promotion.

Mr Ferreira said the company had found it difficult to eradicate prejudice overnight among their white staff, who were often responsible for making decisions about who would be promoted to work with them.

He said Ford was currently working on a five-year plan which aimed to increase the current figure of 17,4% of African and coloured employees in supervisory and managerial positions to 25%.

Mr Graham Hardy, press affairs manager of Volkswagen, said 51% of Volkswagen's 278 apprentice artisans were black.

The company had an employee advancement programme which aimed at training and uplifting people from within the ranks, irrespective of their racial groupings.

As a result of this and the shortage of skilled labour, many Africans and

coloureds had risen rapidly into skilled categories.

The company also had more than 100 black supervisors and foremen at present, some of whom supervised whites as well.

In 1981, there were only two qualified black artisans in the country, both of whom were from the Volkswagen apprentice school, while it had also produced the first three coloured die and press toolmakers in 1971.

In 1978, Africans and coloureds comprised only 20% of employees in the top four hourly-rated grades. Now they were 53% of employees in these grades.

Mr Peter Sullivan, General Motors' public relations manager, said the number of blacks in GM salaried positions had increased 75% since 1979 and now represented more than 10% of the plant's salaried workforce, compared with only 4% in 1977.

The positions occupied range from managerial and supervisory posts to jobs requiring specialist technical and professional skills and qualifications.

General Motors had conducted several programmes aimed specifically at orientating and developing high-potential black employees for advancement.

The company's pre-foreman and co-op technician programmes and the college-graduate-in-training programme were examples of programmes designed to orientate and train blacks in company operating practices.

Such programmes also identified individuals having the potential to progress to positions of greater responsibility and ultimately supervisory and management status.

At present, half of GM's total apprentice trainee complement was black and



Mr FRED FERREIRA
... 112 supervisors

during the past three years 13 black apprentices had qualified.

Further, since 1980, more than 800 black hourly-paid employees had benefited from formal training in welding, metal finishing and other skills development programmes, resulting in movement to higher work grade classifications as skills were acquired.

Recognising that education was also a key factor in employee development, GM operated several in-plant programmes to help employees further their education and to prepare themselves for advancement.

The company's tuition refund plan for employees provided funding in advance to black employees enrolling in part-time study courses.

To help black employees get a technical education, preparatory classes were conducted in the company's training centre after working hours by plant training instructors and personnel from a local technical school.

KOM 23/7/84 (62)

American investment in SA put at \$2,5bn

By PRISCILLA WHYTE

BETWEEN 350 and 450 American corporations have \$2,5bn invested in SA, despite the the disinvestment lobby in the US.

Mr Stephen Bisenius, newly appointed American Chamber of Commerce executive director, says: "We are trying to act as a catalyst for two-way trade and to achieve parity, which now favours the US."

US exports to SA amounted to \$2,9bn in 1981, \$2,4bn in 1982, and \$2,1bn in the first three quarters of 1983 compared to South African exports of \$2,4bn, \$2bn, and \$2bn.

Statistics for 1982 show \$111m worth of crude materials were exported to SA, \$276m of chemicals, \$411m of manufactured goods, \$1,3bn of manufactured transport goods, and food worth \$91m.

SA exported minerals worth \$218m, chemicals worth \$1,358bn and \$390m in gold coins.

Mr Bisenius sees technology transfer as the main area of thrust for future trade contact.

"South Africa will continue to import medical and computer technology, water conservation hardware and do-it-yourself equipment.

"Conversely, it has achieved enormous success with exports of the Kreepy Krauly pool cleaner, for example, and the sale of the rights to Sasol technology cannot be ruled out."

He says counter-trade may be the way to bypass the problem of the present imbalance between the dollar and the rand.

Although the SA market is small by international standards, it is viewed as a growth market, according to Mr Bisenius.

He acknowledges that the two countries have different vested interests.

"SA steel exports have been cut to 0,42% of total American consumption. On the other hand, some US electronic components are subject to up to 60% duties when imported into SA."

The American Chamber of Commerce has a membership of 300, of which a third are SA companies.

Mr Bisenius believes membership will reach 500 by the end of 1984.

62 3/6/84



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It's a matter of individual principles

The Sullivan Principles, enunciated seven years ago by Reverend Leon Sullivan, dictate non-segregation in work facilities, equal pay for equal work, fair employment practices, training programmes for blacks, those of mixed race and Asians, and improved facilities in housing, schooling and other quality-of-life areas.

Some South African businessmen and government officials ascribe any change merely to coincidence, saying it was inevitable and the Sullivan Principles have had little to do with it.

Union leaders insist that they are the only ones who can bring meaningful change to workers, as the Sullivan Principles are merely cosmetic-slick public relations with little effect on fundamental problems.

Others call the Sullivan Principles paternalistic, or dismiss their impact as only a small drop in the large bucket of South Africa's social problems.

And some give grudging credit. "A lot of South African companies were changing things before Sullivan," says Mr Gavin Rely, chairman of Anglo American Corporation, South Africa's largest company. "But I do think the Sullivan Principles have... focussed the mind on the issues."

Adds Mr Renald Hofmeyr, Director of Industrial Relations at Barlow Rand Ltd, a major South African conglomerate: "The American companies by and large have been the pace setters," he says. Rev Sullivan, a longtime civil rights leader, first got involved in 1976. He called initially for withdrawal from South Africa by all American companies as a protest against apartheid.

Subsequent meetings with black South African leaders convinced Rev Sullivan that American companies had the potential to do more good by staying than going, he says. As a result, he modified his stance to demand withdrawal by any company that didn't comply with a code of conduct that came to bear his name.

Of the estimated 286 American companies doing business in South Africa

It is seven years since the Reverend Leon H Sullivan, a Philadelphia Baptist preacher and a director of General Motors Corporation, enunciated a code of conduct for US companies doing business in South Africa. In that time, says the US State Department, the Sullivan Principles, with their emphasis on bettering the lot of non-whites, have wrought "major change". Some South African businessmen believe, however, that change has been incidental.

In this report, the WALL STREET JOURNAL looks at the influence of the Sullivan Principles on large corporations in this country.

today, only 125 are signatories of the code. But they account for more than 70 percent of American companies' 120 000 employees in South Africa. And they include the major players like Ford Motor Co, IBM Corp, General Electric Co, Du Pont Co, Gillette Co, Citicorp and the Rev Sullivan's own GM.

All pay to have their compliance monitored by the independent Cambridge, Massachusetts, consultant Arthur D Little Co. While many were recently dropped for failure to report or pay their dues, such major companies as Dresser Industries Inc and Pepsico Inc have just signed up for the first time. Pressure has been applied by urging from the US State Department plus a Bill in Congress that would make compliance with the Sullivan Principles mandatory.

When the Sullivan Principles appeared in 1977, say companies involved, the first task was de-segregation. Standing in the way were racial antipathies and a South African law that required, and still requires, an employer to provide separate facilities for different races if so demanded.

Mr Fred Ferreira, director of industrial relations for Ford, says of the introduction of integration: "I talked to 100 employees individually and to many groups. I was pissed. We had employees and their relatives complain and threaten Government



The Reverend Leon Sullivan

action. But that's all in the past now."

For the most part, the Government turned a blind eye. "We went to the Labour Department and told them what we were going to do," recalls Mr Louis Wilking, manager of G M's facilities in Port Elizabeth. "They said: 'Go ahead, we didn't hear you'."

According to Mr Arthur Little all but one of the reporting companies has integrated all its facilities. Employees say, however, that at some companies white holdouts still bring their lunches and eat at desks or workbenches. As for equalisation of pay, Union Carbide officials say they had no backlash from white employees until they appointed the first black artisans last year to jobs previously reserved for whites. "A couple of whites objected. They don't seem to resent blacks doing the same job, just that they get the same pay," says Mr Hein Enshin, mine manager.

Companies also say they have run into some objections from black employees who wonder why management was spending millions on new locker rooms and caterias rather than raising salaries. And while most companies have equalised retirement pensions for blacks and whites, they have puzzled over health insurance. Under South Africa's segregated medical system, blacks get very low-cost public health care and cannot see paying em-

ployee contributions into company plans.

Most companies now look on integration as old business. "At G M our workers eat, wash and work together without any problem. The problem is the different worlds they go home to when they leave the plant," says Louis Wilking. Responding to Rev Sullivan's call to improve the quality of employees' lives, American companies have "adopted" about 300 non-white employees. They concede their impact is small, but say they aim to show others what can be done.

At Port Elizabeth and in Cape Town, Ford and Mobil have provided backing for new housing in the black and mixed-race communities where their employees live. Ford's method has been to put up the initial money for site clearance and installation of utilities and in some cases to build the first houses for sale to blacks in areas where banks had previously refused to lend.

At its "Fordville" development, for example, it built an initial group of maisonettes and sold them. Then it guaranteed the loan by a local bank for a second group. Now local banks are going ahead on their own to develop the rest of the site, says Mr Arthur Shipalana, a black community relations manager who has been watching over the project for Ford.

Critics complain that the price for the maisonettes is far beyond the reach of most blacks, but Mr Shipalana insists that with growing black wealth there are many living "in the horrible shacks" around Port Elizabeth who can afford good housing if someone will build it. Ford decided to "be a catalyst to upgrade the area," he says.

Integrating, equalising pay, adopting schools and building community facilities are all part of what many Sullivan signatories are increasingly calling "Phase One". Early projects "took management into some deprived black areas and for some white managers it was the first time they had an opportunity to see the conditions under which their employees were housed and sent their children to school," says Mr Roger Crawford, a Johnson and

Johnson executive.

"We've done the basics. Now it's time for a rethink," says Mr K P ("Pat") O'Malley, Director of Public Affairs for Mobil South Africa. He criticises some of the Sullivan activity as designed to score quick public relations points, thereby wasting resources and ending up in dead-end projects.

For example, says Mr O'Malley, while adopting schools has been popular with companies, it has mostly just saved the Government money and helped it improve the status quo. Henceforth, companies must sacrifice high-visibility public relations in favour of programmes that attack long-range issues like teacher-training.

Meanwhile, South Africa's growing black trade unions remain cool to the Sullivan Principles. "We had no part in drawing up the codes. They were drawn up by employers," says Mr Joe Foster, general secretary of the largely black Federation of South African Trade Unions (FOSATU). "We don't need other people to come and tell us how to survive. We know what we need and we'll fight for it."

Mutual respect — and annoyance — continue to characterise the relationship of Rev Sullivan and his corporate flock. The preacher goads them to do more, constantly "amplifying" his principles with new requirements. The companies for their part complain of Rev Sullivan's unfamiliarity with South Africa, where he has paid but two brief visits.

Companies that have declined to sign the principles have been dropped from the programme for failure to report or have been marked down on compliance, often criticise the reporting processes too cumbersome — a claim generally rejected by Arthur D Little as "talking through their hats".

Singer Co, for example, was dropped earlier this year for failure to report. It claims it adheres to the Sullivan Principles but declines to allow a reporter to visit its facilities. So did Masonite Corp, which was marked down for paying low wages, and Pepsico which only signed last month. — *The Wall Street Journal*.

McCrory 26/9/84 (Pitt) 62

Ford denies speculation of South African pull-out

Motoring Reporter

FORD Motor Company managing director Brian Pitt denied speculation yesterday that the company might pull out of South Africa.

'No way,' said Mr Pitt. 'Ford are not leaving the country. We are here to stay.'

In August, Ford's Sierra was the third-best-selling car in South Africa behind Toyota's Corolla and Cres-

sida, with the Escort coming in fourth. The speculation has arisen out of discussions between Ford and Amcar Motor Holdings, formerly Sigma, on possibly co-operating in an effort to reduce future costs of bringing in new models.

It costs about R50 million to tool up for a new model in South Africa.

An official statement said: 'Amcar and Ford are exploring matters of mutual interest.'

Spokesmen of both companies stated that co-ordination of plans for complying with South African local content regulations appears to provide an opportunity to achieve greater economies of scale. 'Yes, we are talking,' said Mr Pitt. 'We want to see if there are any opportunities - and there could be.' Studies were exploring matters of mutual interest, but he would not comment on possibilities of the two giant companies getting together. 'Until the studies are complete, we will not know. They might conclude that it is not worth going ahead. I can't address anything until then. We are looking for economies of scale. If something works out, that's good. 'The talks are related to the local content and the costs of bringing in new models,' said Mr Pitt. On Monday, Amcar managing director Spenser Sterling said statements by the companies were vague, but it is difficult to be more specific at this stage. Mr Sterling dismissed ideas that Amcar might take over the Ford franchise in South Africa. 'To take over the Ford franchise, we would also have to take over Ford's assets. This is a time for consolidation, not expansion,' he said. Industry sources believe that, should negotiations between Ford and Amcar be successful, General Motors could attempt a link-up with Nissan. Meanwhile, only three manufacturers are operating at full capacity. Toyota S A continues to produce its maximum of 420 units a day, with both Volkswagens and Mercedes-Benz working five-day weeks. Amcar, which shut down its factory for a month at the beginning of September and announced that it would trim a further 10 days in October, has changed plans. A spokesman said the company would begin working a three-day week from today. Ford is working a four-day week and, two weeks ago, was shut for a week.

The great disinvestment debate... what blacks think about foreign

THE stakes were raised this year in the long-running war between American businessmen and state and city activists who are pushing an increasing number of local governments to pass laws banning the investment of public funds in corporations doing business with South Africa.

First it was Boston and then Newark, New Jersey, that joined the four states and over 20 cities which have so far passed some form of restrictive legislation.

Twenty-four states and cities considered divestment laws this year — 40 are expected to do so next year.

The Newark law, passed in early August, is the harshest yet.

GOOD YEAR

Not only does the city have to withdraw its stock in companies involved in South Africa and banks with loans to South Africa, but it is also prohibited from buying any products from those firms.

In addition, the Newark City Government, which is predominantly black, must withdraw all deposits from any bank which loans money to corporations for the purpose of investment in South Africa.

The law also prohibits the use of any public facility by entertainers or sports figures who have performed in South Africa, including the home-lands.

The Boston legislation, passed in July, requires the withdrawal of all pension funds invested in stocks of companies and banks doing business with South Africa.

Boston Mayor Raymond Flynn, armed with his new divestment ordinance, sent 100 letters at the end of July to mayors around the country seeking their support for similar legislation.

Blacks in U.S. firms more radical

SOUTH African black workers employed by United States companies, paradoxically, are more in favour of foreign disinvestment than those employed by local companies.

And, also ironic, is that black workers outside the US companies have a generally higher regard for their performance than those actually working for them.

The general impression from the findings seems to suggest that US company employees are more hardline

The U.S. divestment ball is rolling — how far is anyone's guess

By PATRICIA CHENEY: Washington

Positive responses were received from Chicago, Los Angeles, Seattle, Detroit, San Antonio, Honolulu, Oakland, California and Gary, Indiana.

Mayor Flynn has pledged to follow up on the issue when the full membership of the Conference of Mayors convenes in Washington next January.

Significantly, the Boston City Council has also had to submit a petition to the Massachusetts State Legislature to change a state law which allows the controllers of the Boston pension fund to invest in any stock lawfully available.

By restricting investment, the Boston Retirement Board would be in violation of the state law.

The law backers are confident that the petition will be granted because Massachusetts is one of the states to have passed divestment legislation.

PLESSEY
Plessey Communication Systems

Perhaps most important, because of the amount of money involved, is the battle being waged in the New York City Council over just how far its pending divestment bill should go.

In all, the New York City Council oversees \$21,000-million in public funds.

Of this, the employees' pension fund — the fund most directly threatened — ac-

counts for \$8,500-million.

At least \$665-million of that is invested in South Africa-related companies.

In all the city retirement fund has about \$2,000-million in equity holdings of firms doing business with South Africa.

HP HEWLETT PACKARD
8000 INDUSTRIAL 181079

In August, the trustees of the pension fund voted unanimously to drop stock in companies which were not signatories of the Sullivan Code of Fair Employment Practices from the fund's investment portfolio.

They are now awaiting reports on the legal and financial ramifications the policy will have on the fund.

The legislation pending in the council also lays down that to qualify for inclusion in the pension fund portfolio, Sullivan Code signatories must take active measures within three years to improve the lot of their black South African employees.

The council will also consider legislation similar to Newark's prohibiting the city government from buying the products of the corporations involved.

This would severely limit the purchase of cars, petrol, office supplies, electrical goods, computers and other business equipment.

Given the stature of New York City, opponents of the

divestment laws are concerned about the impact of the city's measures on similar pending legislation in other cities.

The legislation had little chance of passing the council while Mayor Edward Koch opposed it.

In this election year, however, Mr Koch is now a supporter. He has also formed a panel to study how New York could fight apartheid.

Up to this point, opponents of divestment legislation have done little to effectively oppose the new laws.

Now, however, with the promise of more to come, several groups are seriously addressing the issue.

A spokesman for a major American corporation said that a number of companies had formed a committee to "decide what to do".

Ford

He added that the increase in intensity in the divestment movement had raised the level of awareness of the issue among several trade and professional organisations which meant that a greater tide of opposition was also building up.

Over the past year several associations have come out in opposition to divestment.

They include the National Association of State Investment Officers, the National Association of State Treasurers, the American Legislative Exchange Council (Alec),



MAYOR EDWARD KOCH Supports divestment laws

and the President's Export Council.

This last group is actively opposing the anti-South Africa legislation attached to the Export Administration Act which severely limits American investment in South Africa.

In a letter to President Ronald Reagan, the council's chairman, Mr J Paul Lyet wrote: "While the business community applauds the objective of peaceful and fundamental change in the South African system of apartheid, measures that damage America's export interests and create further export disincentives are not appropriate means to achieve such change."

Significant opposition has also appeared in the federal government.

US trade representative William Brock wrote in a letter to Mrs Kathleen Teague, executive director of Alec: "I support the position that Alec has taken against state disin-

vestment in American companies doing business in or with the Republic of South Africa.

"State divestment laws are counter-productive. They undermine international trade and the positive climate for investment.

"Further, from the standpoint of social change, the facts clearly show that American firms operating in South Africa can do a great deal of good by stimulating economic activity and initiating change toward equal opportunity."

GM OPEL
THE WORLD'S NO. 1 VEHICLE MANUFACTURER

The US State Department has declared: "There is no doubt American corporations with subsidiaries and affiliates in South Africa have become an important force for change.

"A policy of divestment would undercut these important efforts and would reduce America's relevance to South Africa's future."

Both the US Agriculture and Commerce Departments have voiced opposition.

Officially the Justice Department has not commented on the legality of the state divestment measures which are considered by some to be unconstitutional.

Unofficially, however, the department feels the federal government would not be able to interfere in the state and city decisions, despite some "implied constitutional limitations on the activities of the state in the area of foreign affairs".

IBM

How far the divestment ball will roll is anyone's guess.

Backers are optimistic that their movement is gaining momentum and that it is only a matter of time before the whole country joins in what would ultimately amount to economic sanctions against South Africa.

Those opposing, however, feel that increased awareness in the business, investment and legal communities on the subject of divestment will lead to the discrediting of the whole idea of "socially responsible" investment decisions.

As one investment officer said: "You have to remember that 30 of the top 50 US corporations have ties with South Africa.

"When people see how harmful it is to move stock away from those blue chip companies, they'll think twice about making pension fund controllers invest elsewhere."

than average; this would square with their profile as generally better educated, more middle-class people, who tend to take more radical positions, according to the survey.

For example, US company employees were more favourably disposed to divestment than the average findings (29 percent vs 25 percent).

Also, US company employees were more cynical about who benefited from foreign investment.

They believed the South African Government and whites in general were the main beneficiaries, with blacks last on the list.

Image

The general response from blacks put the Government first, blacks second and whites third.

The notion that the image of US companies actually outstrips actual performance was reflected in a series of responses in which black

workers not employed by US companies consistently rated American corporations higher than blacks actually working in the multi-nationals.

Comments Professor Schlemmer: "Even among the US company employees, however, the employment image is consistently much more favourable than unfavourable.

"Given the outstanding reputation that US companies appear to enjoy among black production workers, it is not surprising

that so little support for divestment exists."

He also remarks that the findings suggest that employment codes have had a salutary effect on personnel policies in these companies.

Fewer

In the anger index, slightly fewer blacks employed by US companies felt the situation was getting worse — 53 percent as opposed to the 60 percent average.

Another two cities join disinvestment campaign in US

The Star's Foreign
News Service

NEW YORK — The US disinvestment movement is growing, with more cities and states restricting investments in South Africa.

Latest cities to join the movement are New York and Boston. Since July they have instituted disinvestment policies that will require sale or transfer of nearly \$700 million in stocks and bank deposits.

Having caught hold in the late 1970, the disinvestment campaign initially spread to about 12 centres — mostly college towns such as Cambridge, Massachusetts and Berkley, California.

Then in 1982 Philadelphia became the first big city to pass a disinvestment ordinance. Last year Washington followed.

So far five states, Connecticut, Maryland, Massachusetts, Michigan and Nebraska have also passed laws on disinvestment of South African holdings.

At the same time support for federal legislation on curtailing investment in South Africa, although opposed by the Reagan Administration, has been building in Congress, says the *New York Times*.

The House of Representatives passed measures early this year to halt all new corporate investment in South Africa and require US companies to institute fair labour practices and benefits for blacks in their South African operations.

The measures are now with the Senate.

Said Representative Mr Stephen Solarz, a sponsor of the House measure: "Even if our Bill should die, the effort to register our concern over conditions in South Africa will continue."

Direct investment by US companies in South Africa is estimated by the State Department to total \$2.3 billion, but that excludes bank loans and gold stocks.

Other estimates have put the total, including loans and gold stocks, at about \$14 billion.

Heading the disinvestment campaign in US cities and towns is the Mayor of Boston, Mr Raymond Flynn. He has written to



Mr Stephen Solarz... even if Bill dies efforts will continue.

100 mayors around the country, asking them to follow Boston's example in introducing tough disinvestment legislation.

South African corporations have paid for a 10-page advertisement in next month's issue of the respected business magazine, *Fortune*, showing concern over the disinvestment movement.

The advert acknowledges the "gathering momentum" for disinvestment and says that "a victory for US presidential candidate Walter Mondale in November could certainly see this campaign intensify."

Of the 350 American companies with branches in South Africa, 122 have signed the Sullivan Principles laying down equal employment practices, says Mr D. Reid Little, vice-president of the accounting firm which regularly monitors the performance of companies which have signed the Principles.

The latest study carried out by his firm showed that 66 per cent of the firms scored passing grades in a test of their employment practices.

He said that although American firms which conformed with the Sullivan Principles employed only 66 000 — representing less than one per cent of the South African labour force — their working conditions had improved greatly and other companies were imitating their fair labour practices.

"The influence is a positive one," he said.

PEOPLE

Argus 27/9/84 (162)

'Day-off neurosis' hits workaholic Japanese

Argus Foreign Service

TOKYO — The Japanese have contracted a new illness — day-off neurosis.

Faced with the prospect of a holiday, many workaholic Japanese literally become ill.

Most at risk are company employees in their 40s and 50s, at a time when Japanese business is beginning to move towards general adoption of the five-day working week.

After years of devoting themselves to work, and with no hobbies or involvement in sport, these senior employees find it simply painful to have to face a day away from the normal routine.

A recent report cited the example of the 45-year-old section head of a major firm who began to get day-off neurosis when his company switched to the five-day week three years ago.

He started to become irritable at weekends. Somehow he managed to stagger through Saturday, but a second day off in a row was simply too much to cope with.

At first, he used to take home extra work to occupy himself but family members objected.

So he began taking his work to the local library or coffee shops. Eventually, he began making the excuse of having forgotten something at the office and began going back there on Sundays.

His irritation increased. He began suffering from stomach pains and insomnia. In the end he sought help from a local psychiatrist.

Dr Tofu Sekiya, head of a psychiatric clinic in Tokyo, says this is a very typical example.

Isolated

"The number of men with day-off neurosis is increasing very rapidly. Their only interest is work and they feel increasingly isolated at home and in the office."

According to Dr Sekiya, some men turn to overeating to try to ward off the pangs of anxiety and guilt at being idle.

The Labour Ministry says about half the private firms in Japan have a five-day week.

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Second blast in US linked to disinvestment

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28/9/84

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NEW YORK — Urban terrorists struck here again on Wednesday night, less than 24 hours after bombing the South African consulate in central Manhattan.

This time, according to police, their target was a plant of the Union Carbide Corporation, a multinational company with mineral and mining interests throughout Africa.

What was described as "heavy damage" was caused to a silicon laboratory in the plant, but no injuries were reported as warning calls enabled police to evacuate the building before the blast.

In Tarrytown, about 45 km north of the city centre, a spokesman said police were first informed by a hotel telephone operator.

He said he had received a call from someone identifying himself with the United Freedom Front. The caller warned that dynamite at the Union Carbide building would go off at 9.10 pm.

Police evacuated 10 maintenance workers from the building before the explosion went off at 9.26 pm, causing extensive damage to the four-

storey structure, shattering windows and wrecking equipment.

The New York Daily News also received a warning call from an unidentified man who said 45 kg of dynamite would be detonated in the silicon laboratory at the Union Carbide building.

Police believe there is a direct link between the bombing of the South African consulate-general and the bombing of the Union Carbide plant.

They believe that though individual terrorists may claim to belong to different underground organisations, this is a ruse to try to create the impression through the media that there are many, rather than one single body carrying out the attacks.

The group that claimed responsibility for the attack on the South African consulate-general called itself the Guerilla Resistance but FBI authorities have no doubt that it is just another name for the underground coalition.

One aspect of Wednesday night's bombing being looked at yesterday was the link between the Union Carbide Corporation in the

United States and the company's business interests in South Africa.

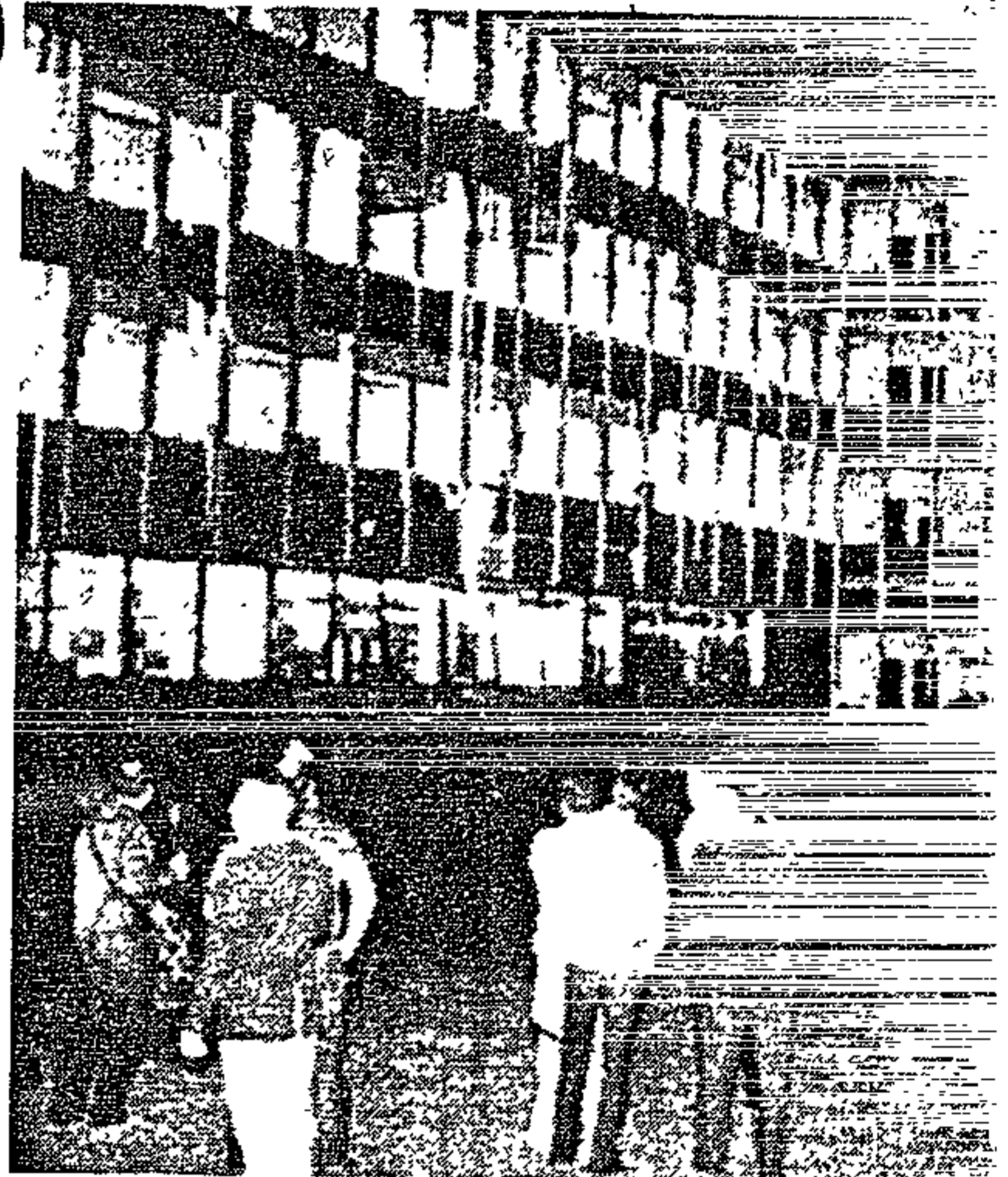
With the campaign for disinvestment from South Africa heating up throughout the United States, analysts are concerned that the terrorists may have initiated a campaign against companies that are South Africa-related.

A paper prepared for the influential, Washington-based Heritage Foundation says of the growth of urban terrorism in the United States:

"This terrorist underground maintains a nationwide system of above-ground support units, propaganda and political fronts and safe-houses. There are indications of links to the Middle East, Cuba, the Marxist states and movements of Southern Africa.

"Although several of its members have been incarcerated in the wake of the Brinks crimes (robberies and murders in October, 1981), the underground's principal leaders remain at large.

"It constitutes probably the single greatest terrorist threat within the United States," the paper says. — SAPA-RNS.



Police and newsmen view shattered windows after Carbide headquarters in T

The disinvestment survey

Prof Karl P Magyar of the University of Durban-Westville looks at American attitudes towards the response of South African blacks to disinvestment.

A matter mainly of economics — not morality

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THE RESPONSE by America's backers of disinvestment in South Africa to Professor Schlemmer's survey findings on black attitudes towards US investments is not at all surprising.

The survey revealed that fully 75 percent of working blacks were opposed to US companies withdrawing their investments. While some were perturbed by the implications of this poll, others argued that it only verified what had been suspected all along.

The difference in the findings stems from contrasting perceptions. Being ensconced in Washington's comfortable offices in this era of a strong US dollar and sound economic performance is hardly a vantage point from which to gain empathy for those suffering economic deprivation. South Africa represents to these activists only a moral dilemma with political overtones. But to those affected negatively by the apartheid system it is a moral, political, and also an economic problem.

For morality to be advanced, new political measures must be promoted. On this both sides agree. And this is the appropriate strategy for a short-term solution to the problems concerning the lack of black political rights. Should such rights be realised instantaneously via either legislating a one-man-one-vote

political system or via an equally unlikely ANC-led successful revolutionary overthrow of the existing system, black South Africans would begin the long road to true liberation.

In the end South Africa's blacks will judge fundamental change not so much by abstract notions of the right to participate in largely inconsequential electoral processes but by the measurable effects of such changes on their personal economic welfare. South Africa's blacks are, indeed, aware of the interplay of economic and political forces in the rest of Africa which have produced such devastating living conditions on the rest of this continent. They wish to have none of it.

The actual survey produced several findings which at first glance may appear to be somewhat contradictory, but is not necessarily so.

The massive support for foreign economic involvement in South Africa is appreciated because blacks realise, as do other communities in South Africa, that purely internal resources are limited.

Not surprising

Also, the support for free enterprise among the black masses is not surprising to students of South African affairs. Socialism and its continent-wide variations have very rarely — if ever — been put to electoral test in Africa. Rather, this doctrine remains the intellectual infatuation of the privileged élite but the price of which is borne by the masses.

But what can we conclude about the proclivity towards greater political activism and the impatience with the existing political order that this survey uncovered?

coloureds have hardly forced the Government into the recent constitutional changes. They, too, are indirect beneficiaries of the activities of the radicals.

The ANC is a political symbol, a bogymen, that may be used to change the system. The organisation serves the same purpose as does the Indian Congress for the Indian community; it symbolises the respect for those on the front lines. But despite evident verbal support, few will join its active ranks.

From this, South Africans would be mistaken if they were to conclude that the preference for investment and for more radical political measures are contradictory sentiments.

Pretoria should take a cue and realise that the only true base for a final settlement with the majority of the population rests not on constitutions, laws, concessions, or even on élite consensus. The fabled round-table discussion would produce nothing beyond a plethora of irreconcilable political demands.

Rather, this survey corroborates the view that whites (and their coloured and Indian allies) have little in common with blacks — except mutual reliance on predominantly economic matters.

Is this a cynical appraisal or even a depressingly negative assessment of South Africa's present state of affairs? Not at all.

The survey has shown that blacks have a clear understanding of the role of economic forces in their lives and that they wish to conserve the established economic system.

instructive — although the message may, perhaps, never penetrate. The foreigner concerned with South Africa should realise that the black worker is certainly aware of his desperate need to at least maintain but preferably to improve his economic status. The destruction of the economic apparatus will hardly further this need. Those foreigners who call for disinvestment will not be the ones to invest in South Africa once a radical régime has taken charge of the economic holocaust.

It is time for such short-term morally-opportunistic political advice to cease. Blacks deserve much greater respect than that which is demonstrated by such shallow political thinking. Moral posturing may solve immediately a guilt-ridden conscience, but society must advance the interests of all its members with long-range responsibilities.

cont ↓

First, while political change is desired, blacks prefer not to link it to a possible disruption of the economic process. Unions are not to be politicised.

Secondly, that the ANC and UDF may be viewed positively and that blacks express anger, impatience and unhappiness, this implies that political subjugation will not be tolerated for ever and that political emancipation may be achieved via revolutionary but also via evolutionary means. Natal's workers were decidedly on the side of Inkatha.

Major hero

Blacks may very well perceive that the ANC is the major hero as the radical Left, which is occupied today by only blacks, is in the end the instigator of change in that it has wrested whatever concessions have been coming from the whites. The ANC is a useful political tool, a symbol.

Even the homeland blacks may be beneficiaries of ANC activities as their increasingly disruptive activities will yield greater generosity by Pretoria in order to pacify at least those moderate blacks. Indians and

Alternatives

In itself, this will moderate the demand for radical political change. But whites will make a mistake if they believe that constitutional changes on the order of the new dispensation which may somehow include the majority of blacks as junior partners will suffice.

The coloured and Indian communities offered no substantial alternatives to the Nationalists' constitution — they merely rejected it. But the blacks offer a full array of alternatives from the radical Left to the moderate centre.

By starting with the lowest common denominator of agreement that this survey has elicited — the economy, any proposed political changes should build on this vital junction of agreement. Where blacks have expressed their approval of foreign investment, this should serve as a clear indication that the existing basic structure of South Africa's economy will be tolerated as well — as long as it expands and can cater to the rising expectations of the upward-striving blacks. Should this common thread falter, South Africa's future will be most tenuous.

For the foreign investor or disinvestor the results of this survey should be

Congress in shock move on SA loans

Room 3/10/84 (62) ~~304-212-58~~

By SIMON BARBER
Washington Bureau

WASHINGTON. — In a dramatic last-minute compromise, Congress yesterday agreed to ban new US bank loans to the South African Government and its parastatals, and to require all American firms in the Republic to report on their employment practices annually.

The agreement came after hours of negotiation between House and Senate conferees on the controversial Export Administration Act stretching late into Monday night.

The Reagan Administration flatly opposed the outcome and officials said they would urge the President to veto the legislation.

The compromise represents a considerably watered-down version of the so-called Solarz Amendments contained in Title III of the EAA. Their author, Mr Stephen Solarz, said he was deeply dissatisfied.

State Department officials called it "an ugly precedent" even though stiffer measures — including a ban on all new investment in the Republic and on further Kruger-rand imports into the US — were dropped.

The details of the agreement were still open to interpretation yesterday but, according to Congressional and State Department sources, the package was as follows:

- US banks and their subsidiaries may provide no further loans to the SA Government or its entities (IsCOR, EsCOM and SA Airways for example) under threat of legal and civil penalty. Existing contracts may still be honoured.
- Participation in the Sullivan-like Employment Code proposed by Mr Solarz remains voluntary.

- However, all US firms and their subsidiaries in South Africa with more than 20 employees must prepare annual reports of the employment practices for submission to the Secretary of State.

- While there is no penalty for not reporting, the Secretary of State shall in turn deliver an annual report to Congress in which non-compliers will be named.

- The Secretary of State shall also appoint a 12-man advisory panel made up of Americans and South Africans to consult on US employment practices. The panel will be chaired *ex officio* by the US Ambassador and is to include representatives of the US Chamber of Commerce in South Africa, trade unions that operate on a non-discriminatory basis, church groups and the academic community, and

- The US Embassy is to monitor US firms on a day-to-day basis.

The deal was struck between Mr Solarz and Senator John Heinz, the Pennsylvania Republican targeted by anti-apartheid lobbyists as the weak link in the Senate's opposition to Title III.

Reagan Administration officials were angry at Mr Heinz's concession. Said one: "He knows damned well we didn't approve."

Mr Solarz and the chairman of the House Africa Subcommittee Mr Howard Wolpe described the deal as "crumbs" and promised they would be "back for more" next year.

There was still doubt yesterday whether the agreement would become law because the House and Senate still remained deadlocked on other issues in the Export Administration Act which must be resolved before Congress recesses tomorrow.

US loans to the SA Government represent about 10% of total American lending to the Republic, or between R400-million and R1,000-million.

● US cities urged to boycott SA — Page 6

Boston mayor heads US boycott of SA

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Harvard keeps investments with SA-linked companies

From RICHARD WALKER

BOSTON. — America's 100 biggest cities are being called on to launch an economic boycott of South Africa by withdrawing hundreds of millions of dollars in investments from companies doing business with the Republic.

Spearheading the campaign is the mayor of Boston, Mr Raymond Flynn, who says he hopes the resulting financial pressure will help bring about an end to "the oppressive system of apartheid".

The direct target of Mr Flynn's lobbying efforts are about 350 US companies and financial institutions with ties to South Africa.

Faced with the loss of hundreds of millions of dollars in municipal and state pension funds invested in them, he hopes many companies will break their commercial links with South Africa.

The State Department estimates that the companies have direct investments in South Africa totalling R3 800 million while private estimates place the amount much higher.

"Apartheid is a repugnant and immoral way of life which no American should be party to," Mr

NEW YORK. — Harvard University has decided to retain its investments in South African-linked companies, in defiance of a recommendation from its own advisory panel.

It will instead urge American companies in the Republic to promote improved conditions for their black employees.

Universities should not try to press their political views on others, the president of Harvard, Mr Derek Bok, said in a 14-page statement.

Flynn says, "If even a handful of major cities pass divestiture ordinances, then a noticeable financial loss for South Africa would result."

Over the past two years four major cities and five states have passed laws restricting investments in companies that do business in or with South Africa.

Mr Flynn, whose city has passed the nation's toughest "disinvestment" law, said similar legislation by cities throughout the US "would send a clear message to the South African government" that apartheid is unacceptable and

The decision by the famed "Ivy League" university follows swiftly upon the findings of a US-funded survey that most blacks favour US investment.

As of June, Harvard had R510 million invested in 67 companies active in South Africa.

In May, an advisory committee urged Harvard to dispose of all its South African-linked stock, or at least set strict deadlines for companies to defy discriminatory laws.

Harvard's shareholder committee rejected the recommendations, saying it had not been proved that the companies' with-

drawal would help overcome apartheid.

The committee called disinvestment "a last resort that bespeaks the failure of dialogue."

Mr Bok, who in June called it "dangerous and inappropriate" for universities to use their "economic muscle," said in his statement: "We cannot expect individuals and organizations to respect our right to speak and write and choose our members as we think best if we insist on using institutional sanctions to try to impose on them those policies and opinions that we consider important."

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will not receive financial support from public funds.

Several small cities and universities passed laws requiring the divestiture of funds from firms with South African ties during the 1970s. But it was not until 1982 that the first major city, Philadelphia, passed such an ordinance.

Since then Washington DC, Boston and New York have followed suit, as have the states of Connecticut, Michigan, Nebraska, Maryland and Massachusetts.

Mr Flynn recently sent letters to the 100 big cities urging them to pass similar laws and said he

had received positive responses from Oakland (California), Los Angeles, Detroit, Chicago, Seattle and Gary (Indiana).

His campaign also received the endorsement of the executive committee of the US Conference of Mayors.

Most state and city disinvestment laws now on the books make exceptions for the 122 US companies that have agreed to uphold the Sullivan principles — guidelines devised by the Rev Leon Sullivan of Philadelphia in 1977 which require fair labour practices for blacks and de-segregated facilities.

However, the Boston

law prohibits investments in any company doing business in South Africa or any bank or institution extending credit to the South African government, without exception.

The ordinance forced the withdrawal of R16 million in city retirement funds invested in eight companies.

The Reagan administration opposes disinvestment, saying it could result in fewer jobs for blacks by hurting the South African economy. Most US companies have taken the same stand.

The president of Xerox, Mr David Kearns, says US companies can

do more good by working for change within South Africa. Xerox signed the Sullivan principles in 1978 and has received the highest rating from Arthur D Little Inc, which monitors compliance.

Mr Kearns has said he deplores apartheid and believes Xerox's efforts to follow anti-discriminatory policies in the workplace, as well as the housing, training and educational assistance programmes it has in place for blacks counteract the South African government's official policies.

The Xerox board of directors, which includes black activist Mr Vernon Jordan, has stated the company's withdrawal from South Africa "would be a symbolic act devoid of meaning or effect upon the South African government and would harm those very employees whom we want to aid".

The American Committee on Africa, a New York-based organization that lobbies for disinvestment, cites a 1978 Senate sub-committee report on South Africa which concluded that "the net effect of American investment has been to strengthen the economic and military self-sufficiency of South Africa's apartheid regime".

Boston city councillor Mr Charles Yancey, who sponsored the Boston ordinance, said apartheid is so reprehensible that it must not be supported in any way.

"Over the long term the economic impact of disinvestment will be felt... (the South African government) will have to respond to the international pressure," he said.

— Sapa-Reuter

Fosatu warns US firm in kwaZulu

By Carolyn Dempster,
Labour Reporter

An American subsidiary company operating in kwaZulu has been warned by the powerful Federation of South African Trade Unions (Fosatu) to get its house in order or get out of the country.

Fosatu has accused the company, Tidwell Housing (Pty) Ltd, of exploiting the homeland labour situation to pay poverty wages and effectively ignore sound employment practices.

Fosatu sent a detailed memorandum on the company's operations and employment practices to the kwaZulu Government, the American labour attache and major metal unions in the United States.

Fosatu focuses on the "gross injustices" allegedly perpetrated by Tidwell since it started operations in South Africa in February this year.

Tidwell, a manufacturer of light mobile homes, began operating in Danskraal, kwaZulu on February 27, employing

Fosatu has sent a memorandum to the kwaZulu Government, the US labour attache and major American metal unions alleging that a US firm in the homeland exploits workers, with wages and conditions well below accepted norms.

between 150 to 200 workers from the nearby Ezakheni township.

Fosatu alleges that the company pays a starting wage of R77 a month, 460 percent less than the minimum rate required by the Sullivan Code and R277 less than the supplemented living level calculated for Ladysmith in August.

The equivalent starting salary in Ladysmith, "over the border" in South Africa, is said to be R300 a month.

Fosatu also claims the company offers no sick pay cover, no lay-off benefits, no hourly rate of pay, no overtime rate and no service benefits.

It says that weekly hours of work are not fixed and, when employees endeavoured to establish what the rates for hours of work were,

they were peremptorily dismissed by the production manager, a Mr Wayne.

Requests by the Metal and Allied Workers' Union (Mawu), an affiliate of Fosatu, to hold recognition discussions with the Tidwell management had met no response.

When the employees took matters into their own hands, four of the five members of the union steering committee and one other worker were fired.

The remaining employees then refused to return to work and they too were dismissed, said the branch secretary for Mawu.

New applicants were rejected if they confessed to union membership and those who were employed were made to sign con-

tracts of employment containing 25 clauses, the breach of which would lead to instant dismissal, claims Fosatu.

Fosatu said it wished to highlight the massive benefits derived from the homelands situation by a growing number of foreign investors.

Mr I J Rheebone, managing director of Tidwell, said he could not comment on the allegations as he had been in the country for only three weeks and had taken over the position from his predecessor, a Mr Dye.

He referred *The Star* to the company's attorney, Mr C Botha.

Mr Botha told *The Star* the Tidwell workforce was a "happy labour force" and the "least said about the whole affair the soonest mended". He said he had no further comment on any of the allegations.

Mawu filed papers in the Natal Supreme Court this week suing the company for victimisation of union members under labour legislation which still applies in kwaZulu.

Inauguration at dev

The director of the University of the Witwatersrand's Academic Staff Development Centre (ASDEC), Professor T. Moelwyn-Hughes, will take a critical look at the professional development of academics in his inaugural lecture on Thursday, October 18.

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RANDSTRETCH

CORPORATE executives in America are mobilising their forces for combat.

Many, who have successfully resisted a decade-long struggle by anti-apartheid activists to bring about mass divestment from South Africa, are voicing serious concern about the growing number of state and city legislatures opting to sell off stock in companies operating in the Republic.

Although none was willing to speak on the record, it is known that businesses are moving from a more passive "wait-and-see" attitude to active lobbying around the country to defeat pending legislation.

According to the bipartisan Investor Responsibility Research Centre (IRRC), almost R750-million has been divested by the four states and two municipalities which have so far passed binding legislation.

They have pledged to sell off about R1 000-million worth of stock.

This amount is expected to be significantly boosted by legislation pending in the New York City Council which controls the biggest pension fund in the country — worth R30 000-million.

Of that, about R4 500-million is invested in stocks and bonds of companies in South Africa.

A further R225-million has been divested by universities.

South Africa-free portfolios are popular

One indicator of the growing public awareness on the issue is that several prominent investment firms have either devised or are developing "South Africa-free" portfolios.

"There's a real need for this kind of product," said Mr Wayne Wagner, the investment officer at Wilshire Associates who runs the South Africa-free account for the Washington City Council.

Two directions have been taken so far in revising investment portfolios.

One, known as "passive management," involves divesting the stock from the offending companies on the top 500 list and reinvesting in other stocks on the list, in the same industry sector.

About 200 companies on the Standard and Poor's top 500 list have holdings in South Africa.

Trinity Investment Management in Boston, which manages Michigan State University's portfolio, has opted for "active management" which concentrates investments in a smaller universe of more liquid stocks.

It claims the university portfolio has outperformed the Standard and Poor 500 since August 1982 when it picked up the account.

The effect of divestment thus far on US firms has been largely psychologi-

The quiet shift in America's blue chip boardrooms

By PATRICIA CHENEY: Washington

cal, because most of the stocks divested have been of high enough quality to be easily picked up by other buyers.

Executives fear, however, that if more than a handful of local legislatures adopt divestment measures, it might begin to have an adverse effect on their stock.

Many U.S. stocks could be hit

Total US investment in South Africa dropped from R4 000 million to R3 400 million between 1981 and 1983.

A Commerce Department official ascribed the drop to the slump in the South African economy and the dropping of

exchange control restrictions which allow foreign companies to repatriate their profits.

On a less dramatic scale, US firms are quietly modifying their corporate actions in South Africa to match the growing sentiment that American companies should work as an active force for change.

Many of these actions are the result of shareholder resolutions brought up each spring at shareholders' meetings.

In May, Dresser Industries agreed to sign the Sullivan Code of fair employment principles in response to a church-sponsored resolution.

The resolution received the support of 11.43 percent of the shares voted at the company's March meeting.

Even though this percentage was not

A final defeat for SA's arch foe

REPUBLICAN Stephen Solarz, South Africa's arch foe in the American House of Representatives, attempted a last-ditch stand this week to get a ban on all US bank loans to the South African Government attached to the briefly-revived Export Administration Act (EAA).

When the Senate, unwilling to let the Bill die, sent the House a Bill dropping the bank loan ban but strengthening a provision to

Sunday Times Reporter: Washington

monitor the employment practices of US firms in South Africa, Mr Solarz opted instead to appeal to the full House for approval of the bank loan ban.

In persuading the 435-member House to push the issue with the Senate, Mr Solarz said: "We've tried constructive engagement

high enough to force Dresser to sign, the company decided it was politic to go ahead and do so.

Mr E R Luter, Dresser's senior vice president for finance, told the IRRC, that "some people felt that if we went ahead and signed, it might take the heat off of some of the crazy divestment legislation that's being introduced."

Pepsico and Foster Wheeler also signed the Sullivan principles in response to shareholder resolutions raised during the 1984 proxy season.

Significantly, concerned shareholders are now beginning to pressure companies to go further than the Sullivan principles by subscribing to the "Tutu principles."

Firms more willing to come to terms

Bishop Desmond Tutu, head of the South African Council of Churches, called on US companies last year to take an active role in pressuring Pretoria to reform its apartheid policies.

Firms are also showing themselves more willing to come to some sort of agreement with shareholders before an anti-South African resolution comes up for the vote.

This year, church sponsors withdrew a resolution to General Motors asking GM to refrain from selling any products to the South African Police and military.

GM would not agree to a total ban on sales, but it did reaffirm its policy not to "manufacture or sell any equipment especially adapted for use by the South African Police and military", including, for the first time, its Bedford trucks used by the military worldwide.

The only company to actually force a sponsor to withdraw a resolution was Citicorp, which threatened to challenge the resolution, calling for the bank to withhold loans from the South African Government, at the Securities and Exchange Commission (SEC).

The future, however, of "socially responsible" shareholder resolutions is in jeopardy because of a new SEC rule, effective from the beginning of this year, which raised from three to five percent the amount of support a resolution must receive to be resubmitted.

This year, six South Africa resolutions that would have stayed alive under the old rule cannot be resubmitted next year.

and it didn't work. Now it's time for constructive engagement."

The House voted overwhelmingly to accept the bank loan ban as part of the EAA but when it returned the Bill to the Senate, Senator Jake Garn refused to allow it to go before the Senate for a final vote, thereby killing it.

Significantly, the entire 20-member black caucus in the House abstained from voting

US Congress drops plan for SA loans ban

By SIMON BARBER
Washington Bureau

WASHINGTON. — There will be no congressional ban on United States bank loans to the South African Government this year. The legislation that contained it died yesterday.

After five months of haggling, the Senate and the House of Representatives finally gave up trying to meld their versions of the Export Administration Act before the 98th Congress went into its final recess.

The House-Senate Conference, convened to work out a compromise, broke up for the last time on Thursday evening after an 11th-hour deal — which could have further softened the Bill's South Africa provisions — proved unacceptable to the top Senate negotiator Senator Jake Garn, Republican chairman of the Senate Banking Committee.

One of Mr Garn's advisers yesterday termed the so-called Solarz amendments, which contained the South Africa provisions, "pyrrhic" to the legislation's demise.

On Monday night, the conference agreed to prohibit US bank loans to the South African Government and to require US firms operating in the Republic to report annually to the Secretary of State on their employment prac-

tics. This was considerably less than the ban on new investments and compulsory compliance with the Sullivan Code that Congressmen Stephen Solarz and William Grey had originally sought.

But, according to congressional and State Department sources, it was still too much for both Mr Garn and the Reagan administration.

Mr Garn was meanwhile stonewalling on another, considerably more important aspect of the Bill whose chief intent was to authorise the President to control export for national security purposes.

On Thursday, he hinted that he might be willing to trade off his demand that technology export licences be vetted by the Pentagon if the House agreed to delay the South Africa loan ban.

But it was too little, too late. Indeed, according to some congressional sources, Mr Garn had already decided to kill the Bill, knowing that it would draw a White House veto whatever its final language on South Africa.

In the meantime, the President will continue to exercise export control, using emergency powers designed for use in wartime. Mr Solarz and his allies will be back again next year.

Cinema change

Mail Reporter

THE Vistarama cinema in Johannesburg, opposite the Carlton Centre, is to change hands next month.

Romay Films managing director, Mr Heinz Kallenbach, announced yesterday his company was selling the cinema to Captive Films with effect from November 1.

Vistarama will remain in being, though probably not as an "art house" featuring Continental films, with which Romay has made its reputation.

His own company, said Mr Kallenbach, would continue to distribute its product through Ster-Kinekor and independent outlets.

Asbestos company to lay off 537 staff

Mail Reporter

THE Griqualand Exploration and Finance Company (Gefco) is to cut back on production at their asbestos mines in the north-western Cape, resulting in a reduction of about 537 jobs.

Announcing this yesterday, Mr Pat Hart, the managing director of Gefco, said the company would do "everything possible" to find the

workers — 500 blacks and 37 whites — jobs elsewhere in the group.

Mr Hart said the 10% cut in production resulted from the failure of world demand for asbestos to improve.

"Latest indications are that the demand has remained static and the very high holding cost of fibre stocks has compelled us to make this cutback," he said.

Ethiopia gets European aid

ADDIS ABABA. — Ethiopia has signed an agreement with European aid donors under which it will receive

10 000 tons of wheat for drought-stricken regions in southern Ethiopia, government officials said yesterday.

NEW YORK. — The Australian Labour Party government has firmly allied itself with Africa on the issues of apartheid and independence for South West Africa.

The Australian view was given in a major address delivered before the 39th session of the United Nations General Assembly by Mr Bill Hayden, Minister of Foreign Affairs.

After his introductory remarks, South Africa was the very first country to which Mr Hayden turned his attention and South West Africa followed.

The UN, Mr Hayden noted, continued to expend much energy on Southern

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Africa and the poisonous the apartheid facade institutional fact made the Australian. Indeed, the citizens have this in the most way possible. Black South 70% of the have been all the alleged refo

Queen to meet 'King' at Sabi

By DAVID CAPEL

SUPERGROUP Queen aim to meet the King of Beasts in the African bush next week.

The four-man outfit who opened their sensational act at Sun City last night plan to spend a day in the elite, exclusive R167-a-day Sabi Sabi Game Reserve where lions abound.

A spokesman for the reserve, Ms Lesley Simpson, said "it was 90% certain" Queen would spend Thursday there.

The group will join a line of famous stars who have gone to Sabi Sabi for a taste of real Africa.

Ms Simpson said Queen would be treated to the exciting traditional African cuisine in the atmosphere of the Africa boma.

Their programme would begin at lunchtime on Thursday, after which the group would go on a game drive in open Land-Rovers.

Early on Friday morning — at 6.30 to be exact — Queen will go on another game drive to watering holes in the area.

MR/MRS HOLIDAYMAKER
SAVE MONEY

See the latest in Caravan, Camping and Outdoor Living Equipment at the

Caravan, Camping and Outdoor Living Show '84

MILNER PARK ARENA

Fri 5 — Sat 13 October

10h00 — 21h00 (CLOSED SUNDAYS)



The remains of a prehistoric Briton, frozen in time years ago and perfectly preserved after an apparent savage death were found in London this week.

Pete is

London Bureau

THE remains of an ancient Briton, frozen in time years ago and perfectly preserved after an apparent savage death were found in London this week.

The oldest human remains ever discovered in Britain were saved from

Sheraton Hotel sights on SA

By Alec Hogg

THE R5 000-million Sheraton Hotel group is coming to South Africa.

Jerry Morin, president of the Sheraton Management Corporation, told Business Times yesterday: "I can't say exactly when we will set up shop here, but there is no question that we will have a hotel in your country."

The group, which concentrates on development by region, is focusing its attention on Eastern and Southern Africa.

Next step

This is one of the last geographical areas in which the group does not have a strong presence. Since moving outside the US in 1970, Sheraton has developed hotel chains in Europe, the Middle East, North Africa, South-East Asia and Australasia.

A R135-million hotel and conference centre, the Harare Sheraton, will open in Zimbabwe next year and a R25-million development is well advanced in Mauritius. Future developments include hotels in Swaziland, Angola, Tanzania and Kenya.

Mr Morin said: "Johannesburg is the next logical step."

This is the first visit to SA by the Sheraton top brass and first impressions have been favourable.

Mr Morin said: "You could take Johannesburg and put it into the US and nobody would know the difference."

"It is a vibrant, growing city."



Jerry Morin ... we're on the way

Mr Morin realises that Johannesburg will be a tough market to break into. "The Sandton Sun is an excellent hotel and the service is exceptionally high for a hotel which is only eight months old."

"Give it a bit more time and I'm sure that the Sandton

Sun will be well worth a place on a list of the world's 25 best hotels. It's a cut above your standard luxury international hotel."

Mr Morin and his team were in Johannesburg to tie up a new arrangement with Surpa Repts which will handle marketing of Sheraton Hotels to travelling SA businessmen.

He said: "We see this as an important market. Our group sells about 20 000 room nights a year to SA travellers. We expect to increase this figure to 50 000 next year."

"The number of SA travellers staying in Sheraton hotels would fill a 140-room hotel every night of the year."

There are 465 Sheraton hotels, 130 of which are outside the US. The group is recognised for its quality service and conference facilities. It has become the permanent venue for the annual International Monetary Fund and World Bank conferences in Washington — one of the most competitive conference cities in the world.

By LOUIS BECKERLING
Business Editor

THE American and British owners of Port Elizabeth-based Carborundum Universal are due to sell their South African investment and withdraw from the country.

Kennecott Corporation, of the United States, and Fosco Minsep International, of the UK, have entered into an agreement with Murray & Roberts for the sale of the entire issued share capital of Carborundum (SA) Pty Ltd.

Mr Dave Brink, chief executive of Murray & Roberts Industrial, the division which will take Carborundum under its wing, said today the transaction "should be concluded within the next month".

He declined to give details of the offer price under discussion.

"If you want a very big ball park figure, you might say it's anything between R10 million and R40 million," he said.

The conclusion of the deal, he said, was "conditional upon certain outstanding issues — we must

US, British owners of firm in PE to sell up

62
E-Post
15/10/84

obtain the necessary exchange control approval, and from their side certain audit reports must yet be presented, but we foresee no problems arising".

No comment could be obtained from Carborundum on the disinvestment by its parent companies, since managing director Mr Peter Van der Merwe was out of town.

But Mr Brink said he envisaged no major management changes, or changes to the existing manufacturing operations of Carborundum. Since no

similar company existed within the Murray & Roberts Group, its latest proposed acquisition would be a "pillar standing entirely on its own".

Under the circumstances there was no proposal to consolidate the Port Elizabeth-based manufacture of bonded abrasives with the Reef-based operations of Carborundum, where coated abrasives were manufactured.

Management would be granted "maximum autonomy" and its new owners would restrict their in-

volvement to "perhaps helping Carborundum get further ahead than they have done in the past".

Mr Brink said he was aware of the increasing concern over Port Elizabeth's economic future, but Murray & Roberts already owned a number of companies in the area "so we don't see Port Elizabeth as any different from any other investment area".

Murray & Roberts did not expect the planned acquisition to make any material impact on its earnings during the current financial year.

20 July 1984 (62)

US says No to sanctions, against SA

From ANDREW WALKER
Argus Foreign Service

NEW YORK. — A call for United Nations sanctions against South Africa was greeted today with a pledge by the United States that it would not back down on constructive engagement or back disinvestment.

Responding to repeated criticism at the UN of the Reagan administration's policy towards South Africa, America's alternate ambassador to the world body, Mr. Alan Keyes, derided critics and lashed out at "self-righteous myopia."

His reaffirmation of the constructive engagement policy and refusal to bow to repeated calls for disinvestment came only hours after the UN Special Committee Against Apartheid had called on the Security Council to impose mandatory economic sanctions against South Africa.

"TRIVIAL"

Mr. Keyes rejected the notion that all South African blacks necessarily supported disinvestment, isolation and economic sanctions.

This attitude had been exemplified this week, he said, by a report submitted to the UN by the Anti-Apartheid Committee, listing all US companies doing business with South Africa and criticising them.

Calling it a "trivial listing" he said it made no attempt to "analyse and weigh the consequences, good or ill, for South African blacks or the struggle against apartheid."

"It shows no willingness at all to admit that a foreign corporate presence in South Africa can play a positive role in strengthening the ability of South African blacks to achieve changes in their lives."

ABHORS APARTHEID

Repeatedly saying that the United States abhorred apartheid, Mr. Keyes said, however, that surmise that all blacks reacted in the same way was itself a racist premise.

The "inexorable tide of change" in South Africa had its sources in the daily struggle of South Africans and the critical position of the black worker in the South African economy.

It showed an "increasing recognition within the business community that apartheid is incompatible with the requirements of sustaining a sophisticated modern economy."

SCHOLARSHIPS

He cited scholarships, training and business development programmes and drought relief provided to black South Africans by the United States.

Those who assumed that depriving blacks of jobs and opportunities weakened apartheid seemed to have lost sight of the daily reality.

Mr. Keyes said the Sullivan principles, laying out employment guidelines for US firms operating in the Republic, had accomplished more real good for ordinary men and women than all the "invective, lists and ritual diatribes" in the Anti-Apartheid Committee report.

Sullivan Code signatories had contributed \$78,540,000 (R141-million) over the past six years to programmes outside the workplace.

FRONT-LINE

"What if, instead of using UN influence to push for sterile strategies of isolation and disinvestment, efforts were made to devise a concrete approach aimed at putting pressure on investors in South Africa for changes that would make a difference in the lives of ordinary South Africans?"

● Reagan's foreign policy criticised — Page 3.

Dismissals: Fosatu to take court action

THE Federation of South African Trade Unions has filed papers in the Natal Supreme Court applying for an order declaring invalid the dismissal of workers employed by an American company operating in KwaZulu.

According to a spokesman for the Metal and Allied Workers' Union, which is affiliated to Fosatu, they applied for an order on the basis that the dismissal constituted an "unfair labour practice".

Fosatu has also sent a memorandum to the KwaZulu government, the United States labour attaché and major American metal unions, alleging that Tidwell Housing Company (Pty) Ltd, an American subsidiary operating in South Africa, was exploiting black workers.

In the memorandum Fosatu says the company was paying a starting wage of R77 a month, 460 percent less than the minimum rate required by the Sullivan Code.

Fosatu has also accused the company of exploiting the homeland labour situation by paying poverty wages and effectively ignoring sound employment practices.

Tidwell, a manufacturer of light mobile homes, started operating in KwaZulu in February this year and employed between 150 and 200 workers from the nearby Ezakheni township.

The union contends that requests to hold recognition discussions with the Tidwell management had met with no response. Employees took the matter up with management, but one of them was fired.

The remaining workers then refused to work and they too were sacked, according to a spokesman for the union.

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Firms paying 'starvation rates' to black workers

Labour Reporter

THE Fosatu-affiliated Metal and Allied Workers' Union yesterday accused certain British and American-owned companies in KwaZulu of paying black workers 'starvation wages' and refusing to recognise trade unions.

Mr Jeff Schreiner, branch secretary of MAWU, told a Press conference in Durban yesterday that the trade unions were powerless to take legal action against the companies because of the lack of effective labour legislation in KwaZulu.

'The South African Labour Relations Act does not apply in KwaZulu. In 1981, the KwaZulu Government passed an amendment to the LRA. However, whether this is legally valid is in considerable doubt.

Stoppages

For all practical purposes legislation may or may not apply in KwaZulu but in any event can-

not be enforced because no machinery exists, and to use the law as a union would require the formation of a separate union in KwaZulu,' he said.

Industrial action, including work stoppages, as a means of getting employers to accede to reasonable demands of workers often resulted in instant dismissal. Employers would then 'selectively' re-engage workers, leaving out union activists, he said.

He said attempts to get the KwaZulu Government to intervene also failed because, he alleged, the Government had given an undertaking to industrialists not to get involved in labour matters as one of the key incentives of attracting industrialists to KwaZulu.

Mr Schreiner said his union was having difficulty with the management of an American-owned Tidwell Housing (Pty) Ltd, based in a 'border industrial area' at Peters — outside Ladysmith and

falling under KwaZulu. The second company is Mintex S A (Pty) Ltd which is based at Isithebe.

Mr Richard Lyster, a labour lawyer attached to the Legal Resources Centre, said that 'a free for all' situation had been created in KwaZulu by the lack of basic conditions of employment.

'Employers reaped advantages without any form of minimum wage scales or conditions of employment, resulting in a grossly exploited, underpaid and overworked labourforce,' he said.

Higher wage

Mr Lyster said he was bringing an application before the Supreme Court against a company in KwaZulu for allegedly contravening the Wage Act on 'criminal grounds'.

Mr R J Rebone, managing director of Tidwell Housing, was not available for comment yesterday.

Mr J A Venter, managing director of Mintex Pty Ltd, said yesterday that his company paid its black workers a 'much higher wage than the lowest paid workers in the area'.

He denied that his company had refused to recognise trade unions, saying that the recognition talks broke down after an illegal strike. 'We are still prepared to talk to any union which has the support of more than 50 percent of the workers.'

Mr Venter said there had been no 'pact' between the KwaZulu Government and industrialists on non intervention in labour disputes.

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Wlany 62

Legal move against U S firm over pay

Mercury Reporter

LEGAL action is being taken against an American company, operating in Ladysmith, for allegedly contravening the Wage Act.

Labour lawyer Richard Lyster, who is attached to the Legal Resources Centre, said an application was being brought before the Supreme Court, Pietermaritzburg, against Tidwell Housing.

We allege that the company has contravened a clause of the Wage Act which prohibits a company from victimising people such as trade union activists.

Five people, all elected employee representatives on a steering committee of the Metal and Allied Workers Union, were dismissed in July this year, he said.

The union is supported by a majority of the workforce and it was

seeking recognition. The five people were dismissed under circumstances which overwhelmingly suggest victimisation for trade union activities.

Mr Lyster said the matter would probably come before the Court in about six weeks.

The union recently alleged that certain British and American companies operating in KwaZulu were taking advantage of the fact that the South African Labour Relations Act did not apply in KwaZulu.

No machinery existed for enforcing what little labour legislation there was in KwaZulu and unions were powerless to take action against companies.

The managing director of Tidwell Housing, Mr R.J. Rebone, would only say that the allegations against the company were untrue.

Sowetan 25/10/84 (62)

Fosatu 'backs workers' struggle'

By JOSHUA RABOROKO

THE Federation of South African Trade Unions (Fosatu) has condemned all employers, particularly multi-nationals and their allies, who continue to take full advantage of apartheid by paying "starvation wages."

In a statement to The SOWETAN, Fosatu says recently two multinational companies — Mintax (Britain) and Tidwell Housing (of USA) — refused to recognise its affiliate, Metal and Allied Workers' Union (Mawu) and dismissed all workers on strike and rehired workers at lower wages.

"Fosatu is fully committed to supporting workers in their struggle against oppression," the statement says, adding, "South African companies are taking full advantage of these horrors of apartheid. They dismiss workers and refuse to recognise, or negotiate with unions."

Fosatu's attack comes amid reports by the British Labour Party's research department which revealed that seven of the British companies in South Africa were paying wages below the minimum living level to at least 1 700 workers.

Anger

Another 39 companies named in the report paid wages lower than the recommended Commonwealth Market Level to 9 000 workers in a wide cross section of South Africa, according to the report.

In the statement Fosatu has noted with "concern and anger" the increased efforts to use the homelands policy to further exploit workers.

"Present policy is designed to destroy jobs in existing areas and move these jobs to decentralised areas in the homelands. These areas are designed to be union free zones.

"As Fosatu affiliates have started to organise in these areas they find that companies were promised that there would be no unions in these areas. They find that there is no legislation to protect workers and that homelands have been given power to pass separate legislation.

"This is designed to divide and weaken our existing unions. These policies are clearly designed to ensure the continued oppression and exploitation of South African workers and should be condemned," the statement says.

Unrest sparks bid to step up disinvestment

D. Despatch
26/10/84

From
SIMON BARBER

WASHINGTON — The latest wave of unrest in South Africa has prompted the Washington City Council to consider stiffening its seven-month old disinvestment law.

Councilman John Ray, author of the original legislation which prohibits the city from investing in firms that do business with the Republic, is now calling for those firms to be denied city contracts as well.

"There could be no more appropriate time ... to withhold this government's support from any company which continues to do business in South Africa," Mr Ray said yesterday.

His new bill requires local government agencies to penalise contract bidders that either have business dealings in South Africa directly, or have investments in other companies with South African ties.

The information is "relatively simple to obtain", Mr Ray said, because publicly held firms are required to list

their corporate holdings and business activities with the Securities and Exchange Commission.

Meanwhile, a row is brewing here over the application of the existing law, and what constitutes a relationship with South Africa.

Mr Ray is challenging the city's decision to entrust the launching of a R300-million bond issue to Salomon Bros Inc, charging that the New York based investment house has ties with the Republic.

Minorco, the Anglo American subsidiary, is a major stockholder in Phibro-Salomon, a publicly held international investment banking firm, which in turn controls Salomon Bros.

Meanwhile, Sapa-Reuter reports that the United States government has defended its policy of "constructive engagement" with South Africa and said calls to end investment there are fundamentally flawed.

"Will disinvestment, isolation and trade boycotts bring majority rule closer? Will it free Namibia? Will it bring about the change we want and the better life the peoples of Southern Africa need?" asked a US delegate to the United Nations, Mr Harvey Feldman.

Mr Feldman, speaking in a debate by the UN Fourth Committee which discusses issues related to decolonisation, said: "Those who support isolation, disinvestment and trade boycotts seem to believe that high-minded pronouncements will somehow compel constructive social and political change ... we are very sceptical of the soundness of such an approach."

He said the presence of American companies in South Africa operating in accordance with the Sullivan codes, which insist on minimum wages and training schemes for blacks, had proved a positive force for change. — SAPA-RNS.

SIMON BARBER

WASHINGTON. — The latest wave of unrest in South Africa has prompted the Washington City Council to consider stiffening its seven-month-old disinvestment law.

Councillor Mr John Ray, author of the original legislation which prohibits the city from investing in firms that do business with the Republic, is now calling for those firms to be denied city contracts as well.

"There could be no more appropriate time to withhold this government's support from any company which continues to do business in South Africa," Mr Ray said yesterday.

Mr Ray's planned legislation came as unrest continued yesterday in South Africa, reports Sapa.

There were incidents of violence in Soweto yesterday afternoon, according to a police spokesman in Pretoria, Lieutenant Johan Barnard, Lieutenant Johan Barnard, A Post Office vehicle was set alight by some 50 youths

Handwritten initials and a circled number '62'.

Unrest sparks new US disinvestment campaign

in Dhlamini, and the blaze had to be extinguished by the fire brigade.

Lt Barnard said police fired one rubber bullet when a group of youths started stoning a police vehicle.

However Sebokeng, Sharpeville and Botpatong, where 358 people were arrested earlier this week during a major crackdown, were reported to be quiet.

More than 80 people have died in the recent rioting, and over 100 000 pupils have been affected by school boycotts.

In Thokoza, two delivery vans were stoned and damaged, one by a group of some 40 youths who dispersed when police fired on them with rubber bullets and tear smoke, Lt Barnard

said.

At the Morris Isaacson Secondary School, rioters used a hammer to break the windscreen of a private vehicle. Another private vehicle's windscreen was smashed with an iron bar in an incident in Moroka North.

Mr Ray's new Bill requires local government agencies to penalise contract bidders that either have business dealings in South Africa directly or have investments in other companies with South African ties.

The information is "relatively simple to obtain", Mr Ray said, because publicly held firms are required to list their corporate holdings and business activities with the Securities and Ex-

change Commission.

Similar legislation is being hotly debated, and appears to the wave of disinvestment's future.

Statements criticising police action in the unrest situation were issued yesterday by the Black Sash and the Congress of South African Students (Cosas).

Cosas said that by sending the South African Defence Force and the police into the townships the Government had shown it had lost control of the situation.

Cosas also dismissed the "new moves" made by the Minister of Co-operation, Development and Education, Dr Gerrit Viljoen, toward "tightening" the education system as not being the solution to the fundamental problems of black

students.

The president of the Black Sash, Mrs Sheena Duncan, said in Durban last night the police were deliberately creating incidents of violence in townships because it was much easier to control than non-violent protest.

Addressing a meeting on violence, Mrs Duncan said a clear pattern of recent action in the townships had emerged throughout the country.

"There would be some form of outdoor protest, illegal in terms of the 1976 ban on outdoor meetings. The police would use this ban to order the crowd to disperse. Then, without giving them a chance to do so, the police would start throwing tear-gas," she

said.

The confusion as a result of the tear-gas would then escalate into the use of sjamboks, rubber bullets, stones and other weapons.

"There has been no violence in the communities until the police have intervened. My theory is the police deliberately create violence because it is easier to control," she said.

A spokesman for the police Public Relations division in Pretoria said last night the police actions were never intended to harass or intimidate people.

"Instead the function and duty of the police is to maintain law and order. He did not think Mrs Duncan's statements were worthy of further comment.

Sanitar 26/10/84 (62)

US companies in SA set for big loss

WASHINGTON — Outraged by this week's military and police operation in South African black townships, Washington DC city councillors yesterday introduced tough new legislation to punish American companies that do business with South Africa.

If it becomes law — and its promoters are confident it will — the companies stand to lose hundreds of millions of dollars worth of city business.

Earlier this year, Washington DC enacted a law that gave the city pension fund two years to get rid of millions of dollars worth of shares in companies that have South African ties. The law also ordered the city to close its accounts in banks that continue their loan transactions with South Africa.

Yesterday's proposal takes the sanctions fur-

ther. It will list demerits or points against US companies doing business in South Africa and these points will be taken into account when the companies bid for city contracts.

A city spokesman explained: "If, say, five companies bid for a city contract and two of them have South African connections, the chances are that the winner will be among the remaining three."

Money

The spokesman could not say exactly how much money was at stake but noted that Washington had a two-billion dollar annual budget and that hundreds of millions were spent on building construction, health and medical supplies, equipment such as cars, trucks

and electronic items, as well as food and services.

While many American cities and states have passed anti-South Africa resolutions and disinvestment measures, yesterday's proposal in Washington is believed to be the first of its kind anywhere in the country.

It was scheduled to be introduced early next year when the council begins a new session, but its sponsors filed it yesterday as a symbolic protest against recent events in South Africa.

Its chief sponsor, Councillor John Ray, said: "We are saying as loud and as clear as we can that we do not support apartheid. This bill is the next step in that process in this city."

The bill will expire automatically when the council session ends soon. But it will be introduced again early next year.

Its passage through the council's government operations committee and the full council by March or April is thought to be a certainty.

The only place where it could be stopped is the US House of Representatives, which has to approve the city's financial measures because of the large federal subsidy Washington receives.

But analysts here say that a Congressional veto seems unlikely since the House of Representatives approved the earlier disinvestment

measure and because the House Congressmen, Democrats as well as Republicans, have shown a growing willingness to support sanctions against South Africa.

A Reagan election landslide that brings more conservative Republicans into the congress could alter the picture, but few analysts here expect the Republicans to gain control of the House of Representatives.

The Senate, which is expected to stay in Republican hands and which has been the chief barrier against SA sanctions so far, plays no role in the city's financial affairs.

Companies with South African ties are expected to lobby against the new proposal — but their lobbying failed to stop the disinvestment law passed by Washington in May this year.

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C-Times 27/10/84

GM to expand investment in SA

IN spite of the campaign in certain American quarters against American investments in SA and the withdrawal thereof, General Motors once again reaffirmed that they are here to stay and to expand their investments annually.

Mr Paul Morgan-Smith, director of the company from head office in Port Elizabeth, gave this assurance to the Minister of Finance, Mr Barend du Plessis, in Pretoria.

Discussions

Mr Morgan-Smith had discussions with Mr Du Plessis in Pretoria. He was accompanied by Mr Apie le Roux, the chairman of Apie le Roux Motors, Kemp-tonpark, and Mr Pierrie le Roux, managing director of the company, one of the biggest private General Motors dealers in the Republic.

Mr Morgan-Smith said after the discussions that he was very impressed by the minister's financial policy for the current economic climate.

He said he believes the minister is heading in the right direction.

BY TONY KOENDERMAN
Financial Editor

IF YOU'VE been heartened by the successful averting of this year's round of anti-apartheid resolutions in the United States, think again.

The US sanctions campaign against South Africa is now in its third — and probably most dangerous — phase.

"The protagonists of disinvestment are not going to be diverted from their path until they get full participation for blacks in the political decision-making process in this country," said Mr Peter Sorour, director-general of the South Africa Foundation.

Softening

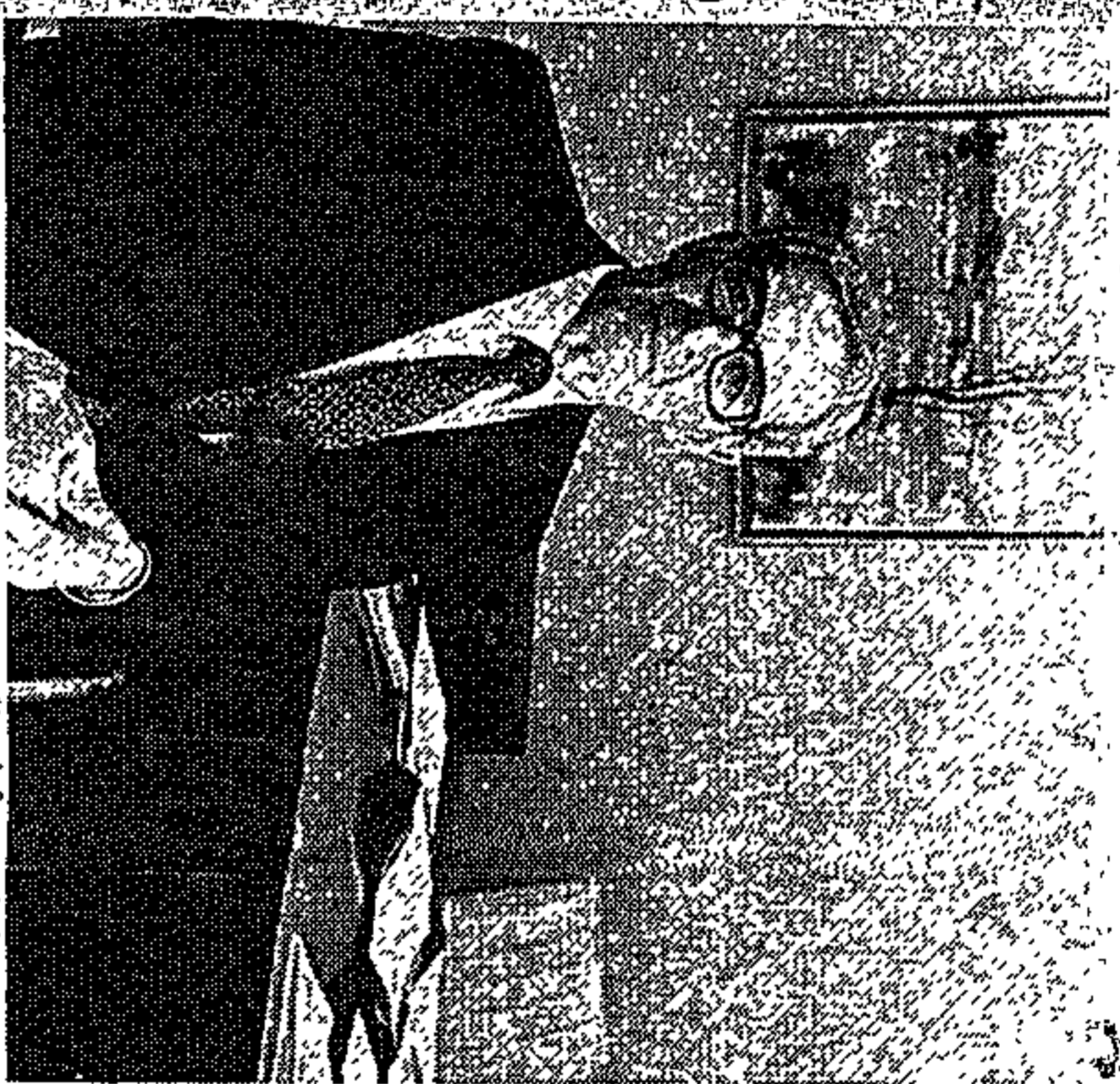
"The attitude in general is not softening, but getting harder. The average American is much more receptive to the idea that there should be pressure on South Africa — even to do away with apartheid — over if the term is not too clearly defined in his mind.

"I am not at all consoled by the fact that the proposed legislation did not go through. On balance the anti-SA lobby has made great strides. For the first time it has got a joint congressional agreement recommending a form of sanction on South Africa.

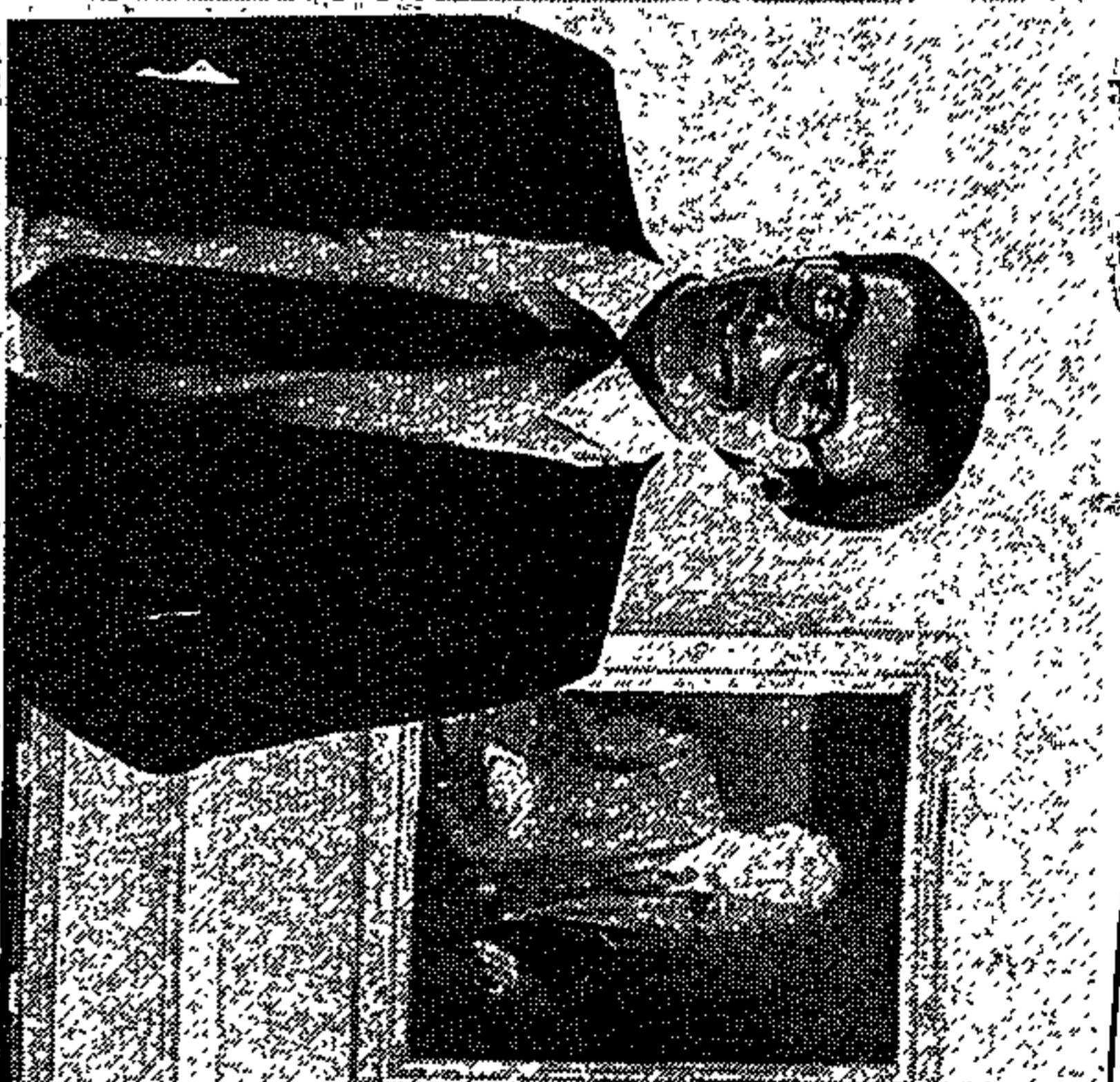
"It failed only because they did not agree on the Export Administration Act to which the SA amendment was attached. I expect the disinvestment lobby to be back in strength next year."

No let-up in US war against apartheid

ANTI-APARTHEID LOBBY MAKES BIG STRIDES AS SANCTIONS CAMPAIGN AGAINST SA ECONOMY ENTERS DANGEROUS PHASE



Mr Peter Sorour — attitudes hardening



Mr Michael Spicer — 'We're really in for it'

Mr Michael Spicer, deputy director of the SA Institute of International Affairs, agrees. "Respective of what happens in Southern Africa, the anti-apartheid movement continues to gain momentum," he said. "This indicates that certain people are operating on a moral level, and arguments about practicalities make no impression at all.

"We have been very lucky to avoid congressional action this year. But they will be back next year to re-introduce legislation, and we may not be so lucky again.

"Domestic developments could pull out the rug. Even the Nkomati accord can't counter-balance forced removals, black riots, chaos in black education... So we are really in for it. The first phase of anti-apartheid activism was the 'AGM' phase in the early and mid-Seventies, when activists attended the annual meetings of US corporations and embarrassed them with questions about their investments in South Africa. This achieved publicity — but little else.

The second phase was the university campus phase, in which students pressured their university boards to divest. This had some success, but the universities resisted the pressures because of the dangers this posed to the financial health of their trusts.

In the third phase, attention has been focused on pushing measures through federal, state and city administrations. While there has been only limited success in Congress so far, more has been achieved in state legislatures and city councils.

Mr Stephen Bisenius, executive director of the American Chamber of Commerce in South Africa, wrote recently that 68 pieces of anti-apartheid legislation had been introduced in state legislatures in the US in the past two years.

The real threat, indeed lies at these lower levels of government, where action can be taken without compromise. "When pressure failed at stockholder meetings, it switched tactics and started to zero in on municipal-

Quick fix

The American prediction for the 'quick fix' makes life difficult for moderation. "I was struck quite forcibly by the fact that there is a scoreboard mentality in the US," said Mr Spicer. "Expectations are high that policy decisions will have a swift effect."

"When (Chester) Crocker had to defend his record in the Senate, somebody as intelligent as (Paul) Tsongas criticised him strongly for having not achieved results.

"The failure to achieve a Namibian settlement, and the exclusion of blacks from the reform process, were seen as evidence that constructive engagement had failed.

"That is the checkpoint mentality: have a policy, implement it. It must produce results in a short time otherwise it is a failure. That is something that is very hard to argue against. "I can't see how things can get any better. I don't believe that if we get out of Namibia tomorrow it would halt. The key issue is what is happening in South Africa. The events of the past few months have not been good news," said Mr Spicer.

"One does not need to look for a conspiracy theory to explain these developments. If there are activists they are sowing their seeds on fertile ground."

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Article focuses on SA

US firms 'fear effects of drive for disinvestment'

(62)
Star
29/10/84

NEW YORK — Many of the 350 American companies operating in South Africa feel their long-term future could be threatened by the growing disinvestment campaign in America, says an article in *The New York Times*.

The campaign has alarmed the South African authorities to such an extent that people publicly advocating disinvestment can face charges under the country's catchall security laws, writes correspondent Alan Cowell.

Under the headline "Does withdrawing investment hurt apartheid?" the article quotes supporters of both sides.

It notes that American firms which follow the Sullivan Principles on employment practices have said they employ about 66 000 blacks, who would suffer if the firms were forced to withdraw.

Such firms believe they set an example to other companies through equal employment policies.

But those seeking disinvestment say the successes of the Sullivan Principles are limited because they affect only one percent of the labour force and do not directly attack the white

The Star Bureau

authorities' ideology of racial and tribal separation," says the article.

Supporters of disinvestment say blacks would suffer short-term disadvantage if the South African economy were seriously hurt.

The article quotes a recent South African Government statement saying: "Disinvestment cannot provide change at all, but it may well retard it for as Americans well know political progress goes hand in hand with socio-economic advance."

The statement challenged those advocating disinvestment to prove they had support in South Africa for their campaign.

The article says disinvestment advocates contend that the main impact of disinvestment will be on the running of the South African Government and its enormous security apparatus.

Mr Dumisani Kumalo, projects director of the New York-based American Committee on Africa, a principal disinvestment group, is quoted as saying: "Disinvestment would

hurt both black and white people.

"But because it will hurt everybody it will put pressure on the South African Government to make fundamental changes."

According to *The New York Times*, opponents of disinvestment say it has the potential for revolutionary violence, is unlikely to be effective and could hurt the livelihood of blacks.

Mr Michael Spicer, the director of the South African Institute of International Affairs, says in the article that the disinvestment lobby is not seeking incremental change, but change once and for all.

He says this far outstrips the white authorities' willingness to comply.

From the Afrikaner point of view it would be suicidal to abandon control because a destructive conflict would follow, he adds.

Those favouring disinvestment might argue that a new order would emerge from the conflict.

"But I am not one of those who believes a phoenix would arise from the ashes," says Mr Spicer.

RDM 2/11/84 (62) RAN

Campus votes on firm's SA ties

NEW YORK — Stanford University students voted yesterday on a referendum that would urge the college to sell 94,000 shares of Motorola Corporation stock because of the company's sales to the military and police in South Africa. The student's Commissioner of Elections, Mr. Chris Reid, said there had been a large turnout for the first of two days of voting on the Motorola issue, a variety of campus issues and a mock presidential ballot. The results will be available today.

A Motorola spokesman said last week from the company's Illinois headquarters that the electronics firm was opposed to South Africa's racial segregation policies.

Supporters of the Stanford referendum estimate that Motorola sold R1,500,000 in communications equipment to the South African Police in 1982.

If passed by a majority of the 13,300 students, the referendum would be an advisory to the university's Commission on Investment Responsibility and the Board of Trustees to sell the R6,100,000 worth of Motorola shares.

It would also encourage establishment of criteria for divestment from the university's portfolio of other companies doing business with South Africa.

Stanford owns more than R413-million worth of stock in 83 companies doing business in South Africa, according to the Stanford Coalition Against Apartheid. — Sapa/AP

Stanford University votes on disinvestment

STANFORD — Stanford University students voted yesterday on a referendum that would urge the university to sell 94 000 shares of Motorola Corporation stock because of the company's sales to the military and police in South Africa.

Turnout was heavy for the first of two days of voting on the Motorola question, a variety of campus issues and a mock presidential ballot, according to student's Commissioner of Elections, Mr Chris Reid. Results will be available tomorrow.

The referendum culminates years of campus protests against South African policies.

A Motorola spokesman said last week at the company's Schaumburg, Illinois, headquarters that the electronics firm was opposed to South Africa's racial segregation policies.

"Motorola's personnel policy and practices are incompatible with apartheid," the spokesman said.

Supporters of the Stanford

referendum estimate that Motorola sold 750 000 dollars in communications equipment to South African police in 1982.

If passed by a majority of the 13 300 students, the referendum would be an advice to the university's Commission on Investment Responsibility and the Board of Trustees to sell the nearly \$3.2 million (R6,1 million) worth of Motorola shares.

It would also encourage establishing criteria for divestment from the university's portfolio of other companies doing business with South Africa.

Stanford owns more than \$215 million (R413 million) worth of stock in 83 companies doing business in South Africa, according to the Stanford Coalition Against Apartheid.

The commission unanimously supported a shareholder resolution last year asking the company to end all sales to the South African military and police until apartheid was done away with. — Sapa.

Hepworth severs link with SA

The Star's Foreign
News Service

LONDON — George Davies, who has revolutionised high street shopping here with his chain of men's and women's wear shops, is severing his association with South Africa.

At present his Hepworth group buys about 5 percent of its goods, about R14 million worth a year, from Rex Truform.

"When our present contracts are completed we will buy no more from this source," Mr Davies said Tuesday.

He said that protests by anti-apartheid campaigners had had a minor influence on his decision, but added that he personally had had doubts about buying from South Africa.

That could boost Hepworth's own manufacturing division as manufacturing is the only side which has so far resisted the Davies magic touch.

GLC told to drop Barclays' account

The Star's Foreign
News Service

LONDON — The End Loans To Southern Africa (Eltsa) movement has called on the Greater London Council (GLC) to cut links with Barclays following reports that the left-wing council has more than R13 million invested in the bank.

The revelation comes as no surprise to Eltsa. Spokesman Mr Martin Rosenbaum said Tuesday:

"We did not know about this particular investment, but we do know that the GLC has substantial holdings in companies with strong South African connections. We understood the GLC was investigating ways of disinvesting."

A spokesman for the council confirmed that disinvestment was being "actively considered", but another GLC official defended the investment on the grounds that such investment

appeared to offer the best returns.

Mr Rosenbaum responded: "We certainly do not agree with that point of view. It is very doubtful whether it is true that they have to invest in Barclays to get the best return. There has been a lot of disinvestment in the United States, and most local authorities have found they're actually doing better after disinvesting than before."

"For the moment, anyhow, we are accepting the GLC's assurance that they are seeking ways of getting rid of their South African connections."

Not all councils which share the GLC's problems are proceeding with such caution.

Rochdale, controlled by a Tory-Liberal-SDP coalition is switching its account from Barclays to the National Westminster, even though it could cost the ratepayers R10 000 over three years.

~~ADUNA~~
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 *lojale 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. This, 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

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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."

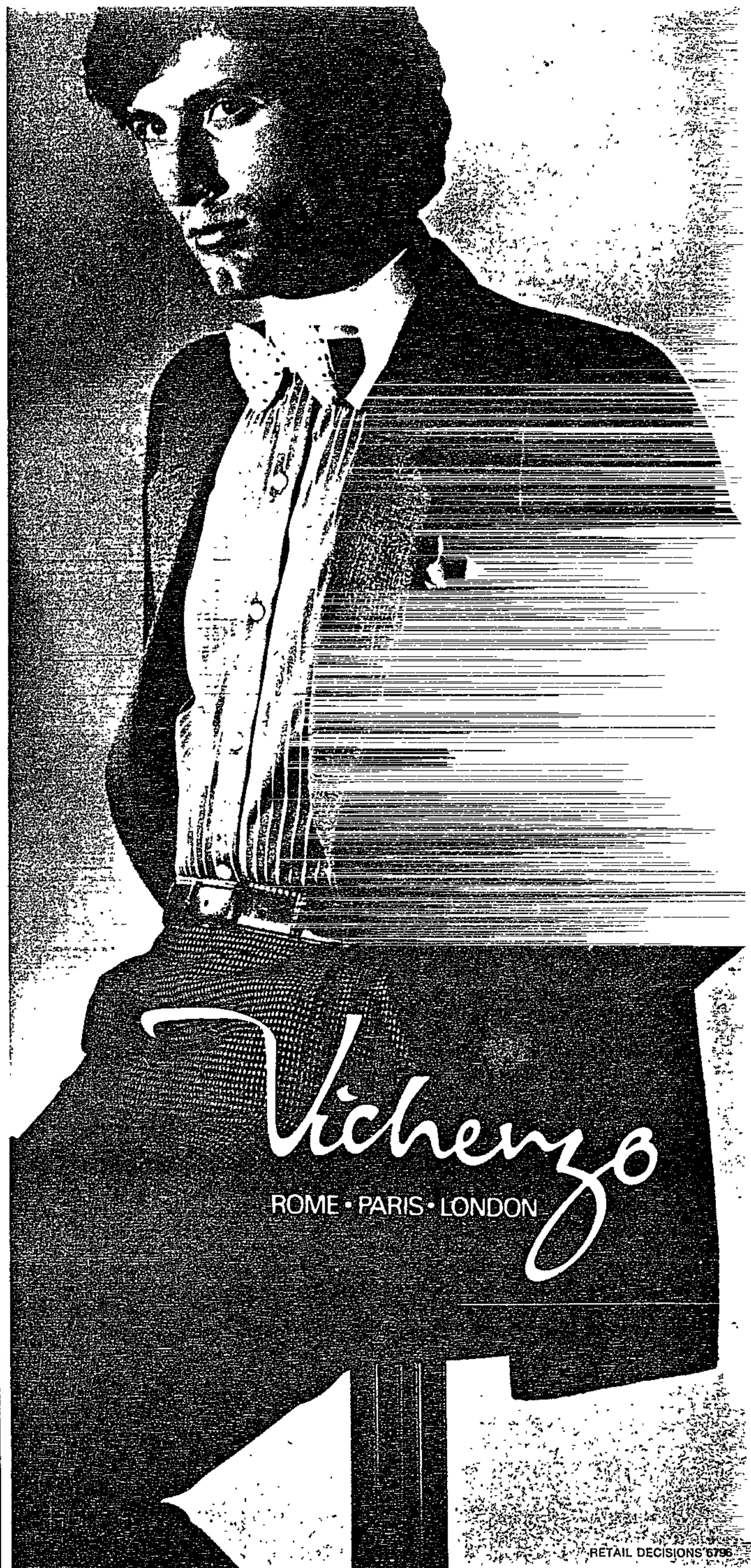
INDUSTRIAL RELATIONS Changes since 1979

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



Argus 9/11/84 (62)

Sullivan alters code on firms

Argus Foreign Service

WASHINGTON. — The Rev Leon Sullivan has outlined new provisions in his code of fair employment practices that would involve US companies more deeply in South Africa's political and social problems.

For the past eight years, US companies operating in South Africa have been asked to adhere to Sullivan Code principles that refer largely to work conditions and advancement opportunities for blacks.

Each year they are graded publicly on their performance.

The new provisions go much farther, attempting to involve the companies in an effort to have all apartheid laws rescinded.

Now, the US companies are being asked to:

- Use their influence to support the right of black businesses to operate in urban areas;
- Influence other companies to follow the standards of equal rights principles;
- Support freedom of mobility of black workers to seek jobs wherever they are;
- Support the abolition of all apartheid laws.

Mr Sullivan, a black Baptist preacher and social activist who is the main author of the code that

bears his name, announced the new provisions at a Press conference here when he presented the eighth annual report on the activities and gradings of US companies in the Republic.

He said the companies were being asked to address fundamental issues that would contribute toward social and political justice for blacks.

"It means that they will be lobbying and making presentations at seminars, they will take positions in public and in private, present articles in magazines and periodicals, do whatever they can."

He conceded that a way would have to be found to assess the performances of companies in these areas.

Mr Sullivan said there was a race against time to bring peace to South Africa.

Although the Sullivan principles were not the total solution, even if all US companies took part, they served as a model for all international companies, gave black workers a platform, and had created a revolution in industrial relations for blacks.

The report was the most encouraging so far, he said. Standards were set higher than before, more companies had achieved higher ratings, and this progress had been made in spite of South Africa's worst recession in 30 years.

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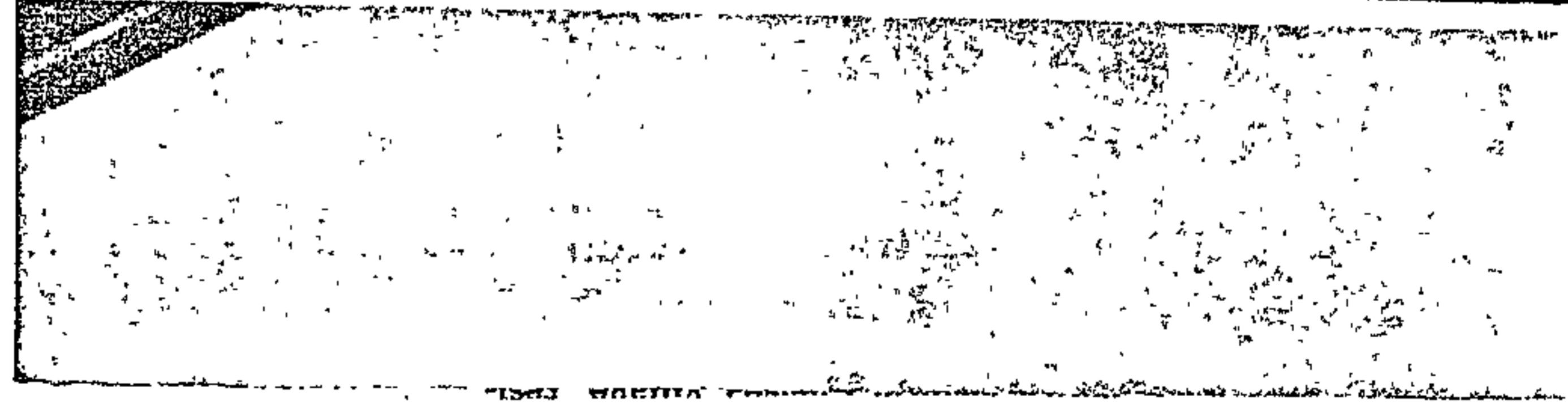
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Sullivan tightens rules for US firms

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9/11/84
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Washington

The Sullivan Principles, which lay down standards which American companies in South Africa are urged to follow, are to be tightened. The new provisions will attempt to involve the companies in an effort to have all apartheid laws rescinded.

The Rev Leon Sullivan today outlined new provisions in his code of fair employment practices which would involve American companies more deeply in South Africa's political and social problems.

For the past eight years, United States companies operating in South Africa have been asked to adhere to Sullivan Code principles. They refer mainly to work conditions and advancement opportunities for blacks.

Each year they are graded publicly on their performance.

Now the companies are being asked to:

- Use their influence to support the rights of black businesses to operate in urban areas.
- Influence other companies to follow the standards of equal rights principles.
- Support freedom of mobility of black workers to seek jobs wherever they exist.
- Support the rescinding of all apartheid laws.

Mr Sullivan, a black Baptist preacher and social activist who is the main author of the code, announced the new provisions at a Press conference in Washington today where he presented the eighth annual report on the activities and gradings of US companies.

He said the companies were being asked to address fundamental issues which would contribute toward social and political justice for blacks.

Mr Sullivan said the recent violence in South Africa corro-

By Neil Lurssen,
The Star Bureau

borated his view that there was a race against time to bring peace to the country.

Although the Sullivan principles were not the total solution even if all US companies participated, they served as a model for all international companies, gave black workers a platform, and had created a revolution in industrial relations for blacks.

He said all the reporting companies had stated that they were paying all races equal rates for equal work.

Mr Sullivan said US companies which failed to use their influence to help change the system should get out of South Africa, and he called on individuals and organisations in America to withdraw their resources from companies which declined to sign the code.

He warned that there would be violence in South Africa as long as freedom was restricted, as long as there were forced removals and relegation of blacks to no recognisable citizenship.

If apartheid laws were not rescinded, violence would develop and spread until it was uncontrollable, and the whole country would be in turmoil.

Disinvestment is still a threat to SA's euphoria over Reagan

THE South African government was plainly delighted when American voters re-elected President Ronald Reagan so overwhelmingly this week.

Enthusiastic chants of "four more years" from Reagan supporters in the United States were obviously echoed in the Union Buildings.

But four more years of what?

American pressure for change in South Africa, both from within the Reagan administration and outside it, is building up.

More important, American attitudes are not determined by President Reagan, by his Africa specialist Dr Chester Crocker, by Republican or Democratic politicians or even by the American public.

They are determined by the actions and utterances of President Botha and his cabinet and by the black reaction to events here. South Africa's relations with the American government, American banks and American businessmen and investors depend ultimately on decisions made in South Africa, not in America.

Without reform, genuine and far-reaching reform in the political, social and economic spheres, those relationships could go very sour long before Mr Reagan's four years are up.

Dr Crocker's policy of "constructive engagement" with South Africa has its advocates and its critics. Its proponents maintain that the only effective way to encourage evolutionary reform here is through quiet diplomacy rather than the public moralizing of President Carter's administration.

Its antagonists contend

62
1984

By
MICHAEL ACOTT

C. Times
10/11/84



President Ronald Reagan

that, whatever laudable objectives constructive engagement may have, it has been seized on by a grateful South African government and used to buy time for apartheid.

Dr Crocker is coming under increasing pressure in America to show the positive results of his approach. He replies that there have been "substantial accomplishments" but that quiet diplomacy by definition excludes public discussion of its successes.

Dr Crocker and his officials maintain that change in South Africa must be a step-by-step process as American-South African dialogue helps create a more favourable climate for change. But, behind the scenes, there must be some frustration that the policy has not been as successful as officials hoped when Dr Crocker took office in 1981.

SWA/Namibia is still not independent and, despite some reforms, there has been little sign of Nationalist willingness to exchange racism and oppression for a dialogue with genuine black leaders.

If constructive engagement is to have any continuing credibility, it will have to become more forceful.

South Africa must expect increasingly pointed reminders of the objectives of constructive engagement. These are not a mere amelioration of apartheid but, in the words of Dr Crocker and others, the replacement of legally entrenched racism with a system of government by the consent of the governed.

Then there is the mounting American campaign for disinvestment in companies which do business in

South Africa. The Reagan administration managed to block legislation this year which would have banned new US bank loans to the South African government and forced American firms to report annually on their South African employment practices.

The legislation, probably much tougher, will be resubmitted next year.

Whether or not it is blocked again, the campaign for disinvestment will continue to grow in American cities and states. This, and not the official American government attitude, is likely to be the major issue in the next four years.

Five American states and at least four major cities have already enacted legislation restricting or forcing the sale of investments in companies trading in South Africa. Similar legislation will come up in some 40 states and is being urged in 100 or more of America's biggest cities.

The campaign is massive and based on a repugnance of apartheid. Arguments that disinvestment will hurt the black workers it is meant to assist are countered by the contention that economic pressure will in the end be more effective a lever than Dr Crocker's political pressure.

There are those arguing for selective investment and forcing American companies to improve the pay and conditions of their black workers. There are others who state flatly that apartheid is immoral and so, therefore, is investment in South Africa.

The 1984 campaign might have been won by

President Reagan, but it also resulted in the increasing politicization of American black people by the would-be Democratic candidate Jesse Jackson. And black people do not want their cities or their states to "do business with apartheid".

It is no use South Africans arguing about double standards or telling Americans that their country is changing, that reform is taking place slowly but surely.

What America and the rest of the world sees on its TV screens are forced removals, policemen sjambokking opponents of the coloured and Indian elections and troops ringing black townships.

Another massive security crackdown and the banning of the UDF and related organizations would only add to the international image of a repressive, authoritarian state.

This is why the future of South Africa's relations with both American government and American business depends on what happens in South Africa itself.

Things will possibly improve after November 29, when the government stops trying to win conservative by-election votes by a display of internal *kragdadigheid*.

But, unless there is real evidence of progress away from apartheid towards genuine black political representation, there will be no change in the foreign perceptions of South Africa.

If euphoric Nationalists see four more years for President Reagan as four more years for apartheid, they will cost the whole country dearly in both political and economic terms.

RDN 14/11/84 (62)

US interest in SA economy tops R26,5bn — Ironside

By MIKE JENSEN

TOTAL US involvement in the South African economy amounts to about R26,5bn, according to the president of the Federated Chamber of Industries, Mr Rod Ironside.

He said yesterday there was a popular but inaccurate view that it was only about \$2bn to \$3bn.

Mr Ironside was speaking at a discussion on disinvestment organised by Barclay's Executive Women's Club in Johannesburg yesterday.

He said reliable sources indicated that the US Consulate in Johannesburg had found private US assets in SA to total R26,5bn, including \$4bn of US bank loans to SA and \$7,6bn of US-owned shares listed on the Johannesburg Stock Exchange.

The latter figure was about 60% of all foreign-owned holdings on the exchange.

At present, international business interests were active in SA to the tune of about R50bn "for the fundamental reason that investment provided attractive returns. Not necessarily as attractive as the years immediately after the Second World War, but still considerably better than many other areas."

Also, SA was regarded as a developed country, with unlimited re-



ROD IRONSIDE ... investment provides attractive returns.

sources to allocate to major socio-political reform along traditional democratic lines envisaged by some of its loquacious critics.

"There are also other reasons for foreign presence. The European Community and the Japanese are very subtle — trade is the overt reason but geo-politics play a substantial role in the background.

"Africa presents a huge dilemma — it is not, and is hardly likely to become, a continent which will embrace the Western concept of de-

mocracy.

"SA is seen as an anomaly on the continent of Africa. Conducting its economic activities in an orderly manner attracts the envy of some states and the opprobrium of much of the world, ostensibly because of apartheid but in reality for other, deeper reasons."

Mr Ironside said the success of disinvestment moves would suffer heavily not only in financial terms but also psychologically and the potential for mass unrest would escalate very rapidly.

Other foreign investors would most likely fill the gaps but that would take time that would not be available.

So a meaningful counteraction of these moves had to be supported by a meaningful reform action to achieve a socio-political modus operandi appropriate to South African cultural and ethnic realities.

"Foremost among the support actions must be economic recovery, industrial growth and lessened dependence on mineral resources revenue."

In any case, the US could not afford to alienate Southern Africa by disinvesting in South Africa — the region's economic powerhouse for the foreseeable future.

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Union accuses 3M of breaching Code

THE COMMERCIAL, Catering and Allied Workers' Union has accused an American company operating in South Africa, 3M, of not adhering to the Sullivan Code of conduct and refusing to bargain with them in "good faith."

The accusations follows a deadlock in wage negotiations reached between the union and management at a meeting which referred the matter for mediation yesterday. Cawusa's Pretoria branch secretary,

Mr Joseph Mokoena, told the SOWETAN yesterday that the American company had earlier told them that they were willing to pay the workers satisfactory wages. But, he continued, the union was surprised during the wage negotiations when 3M made it "impossible for us to believe their utterances," and also made them aware that they intended sacking workers.

Refuted

However, the company's PRO Ms D Jensen, has refuted claims that the company was refusing to bargain in good faith. She said the company has always believed in

for a wage increase of R150 per month for all workers who earn between R400 and R500; R100 increment for workers earning R501 and upwards or a R150 across the board increase.

She denied that the company was not adhering to the Sullivan Code and said: "the negotiations are continuing and we hope that the mediator will solve the matter soon."

But Mr Mokoena said that the company was willing to give workers a maximum increment of R99 and refused "to up" the offer. "We regard this as a sheer violation of bargaining in good faith with any trade union representing its workers."

the code because these overseas companies are making a lot of money in South Africa, yet they refuse to pay our members," he said.

"We have also suggested names of top lawyers to mediate in the deadlock, but the company has been reluctant to accept these names. We shall press for these demands until our members are satisfied," Mr Mokoena said.

He said that the union has asked

SAN Times 25/11/84 (62)

MANPOWER MIRROR

Sullivan tries the big stick

DISCIPLES of the Rev Leon Sullivan's employment code for American companies in South Africa are spreading the word.

The 128 signatories of the Sullivan Code have been urged by the Baptist preacher from Philadelphia to convert SA employers to his cause.

Roger Crawford, former co-ordinator of Sullivan activities in South Africa, says recent pleas by SA business leaders could have prompted the call for signatories to preach the message to corporate unbelievers.

He says: "With people like Tony Bloom and Zac de Beer condemning influx control and urging internal reform, it is possible that Sullivan wants US companies to exert more pressure."

Cosmetic

Mr Crawford, whom is still associated with spreading the Sullivan gospel, believes that some American detractors of SA have been persuaded that Sullivan signatories have taken a leading role in establishing fair employment practices.

Other American critics of SA say such activities are cosmetic and do little to combat apartheid.

Mr Crawford says: "We are now being urged, persuaded — and perhaps even forced — to behave in a way alien to business. That is to either individually or collectively attempt to bring to an end statutory discrimination."

With a work force of more than 80 000 and investment of about R20-billion, Sullivan signatories wield both economic and political clout in SA.

Principles

They include General Motors, IBM, Citicorp, Ford, Colgate-Palmolive, Coca-Cola, Johnson & Johnson and Union Carbide.

Code signatories

MOST Sullivan signatory subsidiaries are manufacturers of consumer goods.

Pharmaceuticals are second, followed by chemicals and industrial equipment and supplies.

There are nine Sullivan reporting units in the motor industry, eight in computers and electronics, five in the oil business, four in mining and quarrying, three in insurance, three in advertising and two in publishing.

With a spread of more than 15 industries, Sullivan signatories comprise one of the world's most diversified business pressure groups.

Dr Sullivan called on General Motors to pull out of the Eastern Cape after he was appointed to the multinational's US board in 1971. When told it was impractical, he devised a code of conduct for US companies operating in South Africa.

The six principles of the Sullivan Code are: desegregated facilities, common medical and pension plans, equal pay for equal or comparable work, training programmes for non-whites, increasing the number of non-whites in supervisory and managerial posts, and improving their quality of life outside the work place.

Signatories fill in questionnaires every year which are "audited" by a Boston management consultancy, Arthur D Little, and are rated on their achievements.

Failure

Like engineers who fail one subject and fail an entire examination, companies fail the Sullivan test unless they meet its nine basic requirements, which include freedom of association for workers, minimum pay levels, and making Sullivan ratings known to staff.

The minimum pay stipulation is that wages or salaries are at least 30% more than the University of South Africa's minimum living level for a family of five or six, or the University of Port Elizabeth's household subsistence level for a family of five or six.

Sullivan signatories, which

are holding companies in the US and not their SA subsidiaries, are bracketed in three broad rating categories.

Of 115 companies examined in 1983, 32 were said to be making good progress, 51 were making progress and 32 needed to become more active.

Three of the less active signatories did not pass the basic requirement, 19 had low point scores and 10 did not complete their questionnaires.

Trade unions

This year's report compiled by Arthur D Little is the eighth since the Sullivan code started in 1977.

All 116 signatories — representing 180 US subsidiaries in South Africa — that completed the 1984 questionnaires allow their workers to belong to registered or unregistered trade unions.

There is also a full-house for employers reporting equal pay scales.

Of the supervisory job openings in the year to October 25, 49% were filled by blacks, coloureds and Asians. But whites still hold 95% of managerial positions.

A major feature of the Sullivan principles is its eight task groups which cover employment practises, communications, education, health, manpower development, economic and community development, and housing.

Each group has a representative in SA and the US, and there is an overall co-ordinator in New York and Johannesburg.

STAR 26/11/84

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Firms with SA links on 'hit-list'

The Star Bureau

NEW YORK — About 20 major corporations with South African links have been warned by the Federal Bureau of Investigation that they were included on a "hit-list" compiled by a group of revolutionary bombers.

Five suspected members of the radical United Freedom Front (UFF) group have been arrested on charges of slaying a State Trooper in 1981. Documents seized by the FBI in its swoop on the group last month included a list of bombing targets.

FBI agents have warned companies in the New York area that some of the radicals are still at large.

The UFF is suspected of having been involved in 13 bombings in the New York area in the last four years.

These include the blasting of the South African Consulate on September 25 this year and the South African Airways office on Long Island on December 16, 1982.

CLAIMED RESPONSIBILITY

The FBI is also investigating connections between the radicals and two bombings at IBM offices over the last two years, as well as the blasting of the Union Carbide company in Westchester County two months ago.

United Freedom Front "communiques" to news organisations have claimed responsibility for attacking firms such as Union Carbide because of their links with South Africa.

Other targets included US armed forces recruiting offices.

The group is said to have aimed its attacks at big business, American "imperialism" and "apartheid collaborators".

The five arrested are being investigated on several charges of armed robbery, as well as the shooting of the State Trooper.

Firms on the "hit-list", which have not been publically named, include US defence contractors.

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TOP 20 US FIRMS ON HIT LIST — FBI

Israeli Aircraft Industries in Manhattan on April 5
Other targets in

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who have not been publicly named, include US Defence contractors — Foreign Service

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SOWETAN, Tuesday, November 27, 1984

Page 11

Judge overturns disinvestment decision in US

Post 6/12/84
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EUGENE, Oregon — A judge has overturned a 1977 decision by the Oregon State Board of Higher Education to sell investments in companies that do business in South Africa, saying the trustees of state funds are obliged to consider economic factors before political ones.

Lane County Circuit Judge George Woodrich ruled yesterday at the end of a four-day trial that the board's decision broke the "prudent investor" rule, which requires state agencies to consider the income and safety of investments before all other factors.

Judge Woodrich said he did not rule on broader constitutional issues raised by the trial, including whether the state of Oregon can intrude on US foreign policy, noting that such issues are generally left to the discretion of higher courts.

The decision would probably be appealed against, said Miss Julie Davis, president of the University of Oregon student body, one of several student and faculty groups that filed suit to force the state to carry out the higher education board's directive.

The board's divestiture resolution, adopted on November 18, 1977, as a protest against South Africa's apartheid policies, was not implemented after the Oregon Investment Council refused to carry out the directive.

The investment council oversees the investments of the endowment fund and other state higher education funds. — Sapa-AP

Post 7/12/84 (62) (1984)

GM's boss defends investments in SA

DETROIT — The current movement in the United States to force corporations to withdraw from South Africa in protest against apartheid was misguided, says the chairman of General Motors, Mr Roger Smith.

"I have to say I am concerned about the trend that you see now in this disinvestment," the chief executive of the world's largest car manufacturer said here this week.

He said he was concerned about the campaign because many opponents of apartheid failed to recognise efforts by companies working to improve the lot of South Africans who were not white.

"Some people don't distinguish between the companies that are trying to help down there in South Africa to improve the situation and the ones that aren't," he said. "I think

that's a mistake."

Anti-apartheid activists have recently stepped up efforts to curtail US investment in South Africa.

Mr Smith said his company had done "a good job in setting a good example" in offering opportunities to its black workers in South Africa "rather than (being) a sign-carrying lobbyist".

GM assembles cars and trucks in Port Elizabeth, employing about 4 600 people, all but 1 000 of them hourly workers.

● Two teenage children of the late US Senator Robert Kennedy were arrested yesterday after taking part in an anti-apartheid demonstration outside the South African Embassy in Washington.

Douglas Kennedy, 17, and his sister, Rory Kennedy, 15, were taken into custody, along with a third teenager, on charges of violating city codes for demonstrating

within 150 metres of an embassy.

What started on November 21 as a small demonstration march outside the embassy has mushroomed into a nationwide political issue involving lawmakers, big unions and civil rights leaders.

In all, 28 people, including nine members of the US Congress, have invited arrest on misdemeanor charges outside the embassy during almost-daily marches resembling the non-violent protests of the civil rights era 20 years ago.

"My whole family has been concerned with this issue for a long time," Douglas, a student at Georgetown Preparatory School, said at a news conference before their arrests.

Democratic Senator Gary Hart attended the Press conference and said

he was in full support of efforts to change the policy of the Administration of President Ronald Reagan toward South Africa.

Mr Hart did not court arrest.

In Chicago yesterday, Mrs Jacqueline Jackson, wife of the Rev Jesse Jackson, along with Illinois Congressman Gus Savage and Illinois state Senator Richard Newhouse, were arrested in a protest inside the SA Consulate.

They were released later when consulate officials refused to press charges.

Mr Jackson has been granted a visa to visit South Africa from January 4 to 14. The black civil rights leader plans to seek the release of 21 detained labour leaders there.

He said he would also press for the release of convicted ANC leader Nelson Mandela and other political prisoners.

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U. S. v. [unclear] 7/12/84 (b2)

Disinvestment illegal — judge

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Judge Woodrich said he did not rule on broader constitutional issues raised by the trial, including whether the state of Oregon can intrude on US foreign policy, noting that such issues are generally left to the discretion of higher courts. — SAPA-AP.

American corporations join forces to oppose sanction moves

US FIRMS FIGHT FOR SAILINKS

Wagner
8/12/54
(62)

Weekend Argus
Foreign Service

WASHINGTON — Big American companies have started to fight back to protect their \$450-million investment in South Africa after an unprecedented and furious assault here on the South African Government.

At an unpublished meeting here attended by representatives of several large corporations and business groups like the US Chamber of Commerce and the National Association of Manufacturers, the businessmen joined forces to fight economic sanction moves that go before the US Congress within weeks.

In the present climate the moves have never had a better chance of succeeding.

Twist arms

The businessmen will try to twist the arms of congressmen through intensive lobbying, arguing that

● The US needs to make all the foreign profits it can.

● If American companies cannot sell computers and other high-tech equipment to South Africa, then European and Far Eastern companies will move in.

● American companies have been a force for change in South Africa.

● If they are forced to quit the US will lose leverage and jobs.

● Many blacks will lose their jobs.

Defensive

The Reagan administration, too, is on the defensive — not only against anti-apartheid activists, but also against some of its own conservative congressmen who this week threatened to support sanctions.

But the real crunch for South Africa comes when Congress meets in January.

Sanction proposals will be put forward by the same people who almost had them approved this year. Only this time the proposers will be better organized.

● The Weekend Argus Correspondent reports from Johannesburg that while none of the more than 300 American firms operating here are known to be planning to quit South Africa, many are considering a policy of "constructive Disengagement."

Rand's weakness against dollar creates opportunities

By Bill Levitt

While the US dollar has been outmuscling the rand, it has also kicked open the door for American companies to move into South Africa and acquire financially-strapped firms at bargain prices.

SVP, a company that sells business information and also specialises in mergers and acquisitions, reports that a number of US companies have made inquiries while others have commissioned in-depth market surveys and analyses as preliminary steps to a takeover.

The reason is simple, says Mr Peter Goldberg, one of the firm's directors.

The rand has dropped

US firms see some bargains coming up

by more than 40 percent in value against the US dollar since September, 1983.

For a dollar, Americans get about R1,85.

"Firms buying in US dollars are effectively coming in at half the price and if they can afford to export and maintain cash flows, they can eventually collect tax rebates at the rate of about R2 for every rand spent if they qualify," Mr Goldberg said.

An example used was a

pharmaceutical company said to be one of the largest in the US. It has a subsidiary here solely to market prescription drugs, but the company wants to expand that division and get into the newly allowed generic drug trade.

Mr Goldberg said the company needs to expand its international sales base to pay the hefty research and development costs and the easiest way to achieve that would be to acquire established companies.

While South Africa's market is relatively small, Mr Goldberg says after-tax return on investment stands at 15 percent — well above the US average.

SVP has narrowed the field and negotiations are said to be under way.

OTHER FACTORS

Although the rand's continuing weakness appears to be the main stimulant for the takeover moves, there are other factors that have

contributed to it, said Mr Goldberg.

● Businessmen here have never had to worry about foreign exchange. Now they must cover forward and few understand the concept enough to apply it effectively.

● Banks have not yet acquired the expertise and have had difficulty offering timely advice.

● Businessmen have never really had to worry about cash flow management. Now that the prime rate has shot dramatically to 23,5 percent, it has become a crucial factor and many more insolvencies are unrelated to assets.

"The economy has changed to such a degree that many medium-sized companies cannot cope anymore."

Some labour-intensive industries have moved to the decentralised zones but there one faces other problems — including high turnovers from unskilled workers and low productivity.

One hurdle facing potential foreign investors will be tax laws which limit the borrowing capacity of foreign-controlled firms depending on the company's South African interest.

The more a company is controlled from outside SA, the less it can borrow against its share capital.

The object is to force foreign companies to bring in overseas financing and keep more of the profits in South Africa.

But given the favourable rand/dollar exchange and the growing sophistication of the South African economy, Goldberg says the time is ripe for foreign investors — especially in the services sector where monopolies are not a factor.

'Bitter tone' seen in divestment campaign

JOHANNESBURG — The divestment campaign against South Africa in the United States has accelerated "beyond expectations" in recent years and is now reaching dangerous proportions.

This is stated by Professor Carl Noffke, director of Rand Afrikaans University's Institute for American Studies.

In a special paper for SA Forum on the divestment campaign, Professor Noffke said: "The tone of the highly visible campaign has become bitter. The success of the small number of anti-South African activists in the US House of Representa-

tives to force their will on the majority is one of the most disturbing events in US-SA relations in the past two decades."

The American divestment campaign was masterminded out of New York and Washington by a small number of groups, "forming the spearhead of an increasingly well-funded and orchestrated movement to cripple the South African economy."

"The divestment campaign is centrally directed out of the offices of the American National Council of Churches and its Investor Responsibility Research Centre plays a key role," Professor Noffke said.

Resolutions passed at this year's Democratic convention in San Francisco and the British Labour Party Congress in Blackpool were clear indicators of the future course of the campaign.

"It is also being extended to Commonwealth countries and the aim is to restrict trade and contact with South Africa, on a point by point basis, until total isolation is finally achieved."

Divestment had become synonymous with anti-South African sentiments and the anti-South African lobby also reflected to a considerable degree those forces in the West

opposed to free enterprise and to Western military supremacy.

"Similarly, such forces oppose the efforts by the present US administration to assist pro-Western governments and parties in conflict areas."

"It is important to note that the proponents of divestiture are not in the least influenced by the political and economic changes in South Africa," Professor Noffke said.

"An effective boycott of South Africa would seriously harm, or even exclude, access by Western countries to the considerable natural resources of South Africa. Such a boycott would threaten the Cape sea route — one of the globe's key naval choke points — and would undermine the stability of the entire Southern African region."

Professor Noffke said the effects of divestment on Western economies "are awesome to contemplate".

A recent European study showed that divestment moves against South Africa would have

improve the quality of life of the South African black population and to expand political participation, but rather to undermine and finally destroy the South African economy.

What is actually at stake is the free enterprise system. Proponents of divestiture should be challenged firmly on these premises, thereby ensuring understanding of the actual issues involved.

Apart from the threat to the free enterprise system, Western security and military and economic interests are being threatened by these moves.

massive unpleasant financial and social repercussions among Western nations.

"South Africa's economic importance to the West is founded on its vast mineral reserves. Southern Africa is frequently called the Persian Gulf of minerals and South Africa its Saudi Arabia."

"A boycott of South Africa would cost Western countries 500 000 jobs including 250 000 in the United Kingdom. Almost 10 percent of all British overseas direct investment is in South Africa — add this to indirect investment, and 11-billion sterling would be at stake."

However, the Reagan administration remains firmly opposed to divestment, Professor Noffke said.

The divestment proponents resented the Reagan administration's policy of constructive engagement, contending that it assisted rather than challenged the South African Government.

"These groups ignore the three basic realities which underpin the Reagan administration's regional strategy for South Africa.

"The first reality is the recognition of the fact

that nearly 3,8-billion dollars, or about 60 percent of direct US investment in sub-Saharan Africa, is concentrated in the southern third of the continent.

"The second reality is that Southern Africa is an increasingly contested area in world politics. South Africa's role as a stabilizing force and as a catalyst for regional development has also been accepted."

Only a handful of US companies had withdrawn from South Africa in the past two decades, for economic reasons.

"Moreover, the avail-

able evidence suggests that the debate has not adversely affected business decisions to expand in South Africa. In the 15 years from 1966 to 1981, for example, the value of South African investments by US corporations is more than quintupled — a rate of growth exceeding that of total American global investments.

"However, South Africa is steadily losing the global propaganda and psychological battle in spite of the immense progress in the field of political, social and economic changes which has been achieved in recent years," Professor Noffke said.

Sapa

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Memory 11/12/84 (62) ~~2~~

U S campaign 'turns bitter'

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In a special paper for SA Forum on the divestment campaign, Dr Noffke says: 'The tone of the highly visible campaign has become bitter. The success of the small number of anti-South African activists in the U S House of Representatives to force their will on the majority is one of the most disturbing events in U S-A relations in the past two decades.'

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Important

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synonymous with anti-South African sentiments and the anti-South African lobby also reflected to a considerable degree those forces in the West opposed to free enterprise and to Western military supremacy.

'It is important to note that the proponents of divestiture are not in the least influenced by the political and economic changes in South Africa,' Prof Noffke says.

'A boycott of South Africa would cost Western countries 500 000 jobs including 250 000 in the United Kingdom. Almost 10 percent of all British overseas direct investment is in South Africa—add this to indirect investment, and 11 billion sterling would be at stake.' — (Sapa)

Mediator fails to solve Ccawusa dispute

By JOSHUA RABOROKO

A MEDIATOR has failed to settle a wage dispute between the Commercial, Catering and Allied Workers Union (Ccawusa) and an American company operating in South Africa, 3M.

A Ccawusa spokesman told The SOWETAN that the US parent company paid approximately R6 per hour and that the local subsidiary was taking "advantage of cheap labour" in South Africa.

The dispute, which involves about 280 workers, was referred for mediation when the parties were unable to reach an agreement on the matter.

Increase

3M has offered the bargaining unit an R80,50 per month across the board increase, effective from January 1 for a period of one year to January 1986. This represents a 20 percent increase for the lower paid workers.

The union is demanding an increase of R100 across the board, effective from January 1, 1985 for a period of one year.

The union's spokesman said that management was not prepared to meet their demands. The parties have been involved in wage negotiations since October.

Fighting

"We shall continue fighting for our members' rights in the plant and hope that the dispute will be settled soon," the spokesman added.

3M's public relations officer, Ms Deirie Jansen, confirmed that the mediator had been unsuccessful in settling the matter.

Meanwhile Ccawusa has declared a dispute with giant supermarket, Checkers. The issue was also referred to mediation which is due to begin next week.

CAT Traits 12/12/84
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US business 'a force for change'

WASHINGTON. — As the United States President, Mr Ronald Reagan, denounced South Africa's racial policies, American businessmen this week said anti-apartheid demonstrations in the United States had not changed their view that US investment could be used to promote racial equality in the Republic.

"We continue to think we are part of a constructive force for change in that country," said Mr Roland Williams, a spokesman for Ford Motor Company, in Dearborn, Michigan.

The business community generally agrees with the Reagan administration that US companies in South Africa can encourage change in South Africa.

Mr Reagan, meanwhile, denounced racial discrimination in South Africa and human-rights abuses throughout the world as "affronts to the human conscience".

In a speech commemorating International Human Rights Day, Mr Reagan urged "the government and the people of South Africa to move toward a more just society".

A Reagan administration official said the speech marked a slight deviation in Mr Reagan's policy of pursuing change in South Africa through quiet diplomacy.

At the same time, the administration appeared to give tacit support to the 1960s-style anti-apartheid demonstrations taking place around America.

Sympathy

Although several businessmen refused to comment directly on the protests, Mr Williams echoed many when he said Ford sympathized with the demonstrators insofar as they were "against apartheid and we're against apartheid".



Mr Ronald Reagan

He added: "We think our presence in South Africa is good for all South Africans."

While trying to encourage non-discrimination in the workplace, the business community is generally against any type of economic sanctions against South Africa.

Since November 21, demonstrations have occurred almost daily at the South African Embassy here, as well as at consulates around the United States. Altogether, more than 80 people have been arrested in acts of civil disobedience, including 13 members of Congress.

A group of Jewish leaders and 30 marchers supported the anti-apartheid movement yesterday.

"We have felt the lash of servitude against our backs that is now against the backs of blacks" in South Africa, said Rabbi Alexander Schindler, president of the Union of American Hebrew Congregations.

On Sunday, four ministers were among 23 people arrested at the South African Consulate in Seattle, Washington, where about 400 people marched against apartheid.

Most of the 150 or so US companies doing business in South Africa ad-

here to the voluntary Sullivan Principles that require firms to practise non-discrimination in training and pay scales, among other things.

'Window-dressing'

Businessmen contend that the principles have helped improve conditions for black employees in South Africa. "We have reasonable personnel practices," said Mr Al Rankin of the Marriott Corporation.

But critics, such as South African labour organizer Mr Mike Murphy, say the principles amount to "window-dressing".

American investment in South Africa totals roughly \$2.3-billion (R4.3-billion), about one percent of all US investment overseas, according to the National Association of Manufacturers.

The US Chamber of Commerce last year opposed a proposal passed by the House of Representatives that would have barred new US investment in South Africa. It may do the same next year.

Last week, according to spokesman for the NAM and the US Chamber of Commerce, business groups discussed the situation in South Africa at a meeting in Washington.

To some degree, the question of new investment was not a major issue, because very few companies had committed new resources to South Africa in the past few years, said the NAM's Mr Steve Cooney. One reason was that the "South African economic activity has been flat" for a couple of years.

Questions about South Africa's political future had also played a role in the slowdown of US capital movement into the Republic, said Mr Fred Stokeld of the US Chamber of Commerce. — Sapa-AP.

~~SECRET~~ (62)

SALDRU
SCHOOL OF ECONOMICS
U.C.T.

INTRODUCTORY REMARKS BY AMBASSADOR HERMAN W. NICKEL AT SENATOR EDWARD M. KENNEDY'S LUNCHEON MEETING WITH THE SOUTH AFRICAN AND AMERICAN BUSINESS COMMUNITY, IN JOHANNESBURG, JANUARY 8, 1985

EMBARGOED UNTIL DELIVERY -- CHECK TEXT AGAINST DELIVERY.

Senator Kennedy, Congressman Fowler, distinguished guests, ladies and gentlemen,

It is a great pleasure to be with you today and to play a small part in what promises to be a memorable occasion. It is significant in itself that this gathering has brought together, under the aegis of the American Chamber of Commerce, leading figures representing the full spectrum of the South African business community from the AHI, ASSOCOM, the FCI and NAFCOC.

The person whose visit to this country has provided the catalyst for this gathering is, of course, a distinguished fellow American, the senior Senator from the Commonwealth of Massachusetts, Edward Moore Kennedy. As bearer of a proud name that will forever be linked with the history of our country, Senator Kennedy is truly one of those people of whom one can say that he requires no introduction, and that is why I won't waste your time or mine recounting his remarkable public career.

Sir, as the representative of the President of the United States in this country, and on behalf of everyone here, let me just extend to you a very sincere welcome, and thank you for devoting time on your whirlwind tour to meet with the business community of this country and sharing your thinking with them. By your appearance here today you acknowledge the critical role which the business sector has to play in moving this country, peacefully, toward a more just and prosperous and --hence-- more stable society.

I am quite certain that this proposition is accepted by all the businessmen in this room. They know, as well as anyone, that the stark demographic realities of this country and this region make sustained economic growth an overriding imperative. This economy needs to create 250,000 new jobs a year if black unemployment, and all the misery and bitterness that go with it, are not to spin out of control. They know that without that growth, the awesome gaps in the fields of education and housing will not be closed, but will grow even wider.

All this gives an ominous meaning to the present bleak outlook for this economy. As you, Senator, have never failed to point out in the context of our own situation at home, it is the economically weak who are the most vulnerable to economic downturns. The difference in South Africa is that the weak lack effective representation and participation in national government. The notion that an economic squeeze, aggravated by foreign disinvestment and bans on new investment, will force the government to grant such participation and accept a radical transfer of power strikes me as thoroughly unrealistic. As a well-known critic of apartheid, Professor Hermann Giliomee, put it the other day, the more likely scenario would be that a white government would use its credit to prop up the declining living standards of its own constituents, leading to greater polarisation and more violence, both of the repressive and revolutionary variety. Clearly, this is not the scenario of peaceful change.

Correction

Add following two paragraphs after paragraph one of page two:

The notion that once the investment tap has been turned off, it can be turned on again at will after the political objectives have been reached requires more than a normal dose of economic naivete. And all the while, the demographic pressures will continue to rise mercilessly.

To adopt a policy that would quite coolly and deliberately reduce job opportunities seems an odd, not to say perverse, way of expressing solidarity and support for the tens of thousands who flocked to Crossroads in a desperate search for work.

But even if capital were not a problem, the healthy development of this economy, so critical to this entire region, will not take place without a massive effort to develop South Africa's human resources. Again, I believe that the business leaders of this country understand the role they have to play in this area. Without efforts to train blacks for responsible and skilled positions, the necessary growth of this economy simply cannot be sustained. I am pleased to say that the American business community, in the context of the voluntary Sullivan code of fair employment practices, has been in the forefront of this endeavour. To be sure, this is not just altruism, but a matter of enlightened self-interest. Employers who invest in the training of their employees also have an interest in a stable work force of permanent residents, as distinct from that hapless creature of apartheid orthodoxy, the "temporary sojourner". You saw some of the worst remnants of this area in a migrant workers' hostel on Sunday, and I completely share your indignation that such conditions are still allowed to persist. Business has every reason to demand that their employees be given the right to live near their place of work, and with their families. It is no accident that the Urban Foundation, which is supported and financed by the business community, has led the fight to open up the opportunities for black home ownership, and to replace influx control with a positive urbanization strategy. Underlying this activity is the realization that the free enterprise system will survive in this country only if the majority of this country can fully participate in it and reap its rewards. The plain fact is that racism is incompatible with both the ethic and the practical requirements of a free economy. Indeed, I would submit that perhaps the most significant single catalyst for change in this country has been the realization that a growing industrial society cannot function in the political straitjacket of an essentially pre-industrial political ideology. That is why measures whose effect it would be to retard this dynamic and to reduce the economic leverage of blacks, both as producers and consumers, strike me as a singularly wrong-headed way to fight apartheid.

As someone who joined the NAACP in 1948 and witnessed the dramatic integrating effect which industrial growth had in transforming the Old into the New South, I am surprised at the refusal of so many civil rights activists to accept the relevance of this lesson to the South African situation. It certainly impressed itself on Andrew Young, whose seat in the House is now held by Congressman Fowler.

I trust, Senator, that you believe me that I do not offer these observations in any spirit of partisanship, for they bear no partisan label. We Americans are used to a tradition of rigorous, often adversarial debate, and that is how it should be. But sometimes this tends to obscure--to ourselves and to people abroad -- a remarkable continuity and unity of purpose. I would submit that this is very much the case with our policy towards this part of the world. That is not unnatural: national interests do not change from one Administration to another. Like successive Administrations that preceded it, this Administration has an interest in the stability of Southern Africa -- and this includes the internal stability as it does stability in the relations between South Africa and her neighbors. But let me hasten to add that this interest in stability rules out support of a

status quo in which 73 percent of the population are excluded from the central processes of government on the basis of race. Such a system is not only incompatible with our interests in stability, it is also incompatible with our fundamental national values. By the same token this Administration, like its predecessors, remains committed to the concept of peaceful change, since the human, economic and political cost of an apocalyptic scenario would simply be too horrible to contemplate.

So, let us reaffirm our unity of purpose. Let everyone take note that there is no constituency for racism and apartheid in respectable American politics.

As we enter an intense debate about U.S. policy toward South Africa, it is as important for Americans as it is for South Africans to keep this fact in mind. I remember only too vividly a dark period in our not-too-distant past when anyone who did not conform with a particular brand of anti-communism ran the risk of being labeled -- and libeled -- as being "soft on communism". We do not need a repeat of this sordid chapter with respect to our policy towards South Africa. The real issue is not who is "soft on racism", but how the United States can best use its influence to advance the delicately interdependent process of peaceful change in South Africa itself, and peaceful change in the relations between South Africa and her neighbors. We are confident we are on the right track.

This is an issue on which women and men of conviction and integrity can differ. But let us conduct this debate with the seriousness which the subject deserves, remembering that indignation is no substitute for policy and that anger and self-righteousness are often poor counselors. Important as it is that South Africans, both black and white, clearly understand our American purposes, let us remember that the success of policy is not measured in decibels.

Let us learn from recent experience that to raise expectations on one side of the spectrum on which we then can't deliver, while provoking defiant resistance on the other, does not serve our common purpose. And let us conduct our debate with humility knowing that we are neither omnipotent nor omniscient. Simple nostrums do not solve complex problems. And let us be honest enough to acknowledge that the problem is full of moral ambiguities, with the result that no one can claim moral purity. How else can one explain that such implacable opponents of apartheid as Desmond Tutu and Gatsha Buthelezi, as Alan Paton and Donald Woods differ so profoundly on the moral and practical implications of economic sanctions and disinvestment? What is intended as a moral statement by some is seen by others as morally unacceptable in its practical consequences. Like so many things, policy towards South Africa involves agonizing trade-offs.

In this spirit of free and fair debate, it is my pleasure to ask you now to address this distinguished audience.

US auto union calls for SA disinvestment, protest

DETROIT — The United Auto Workers Union yesterday called for economic sanctions against South Africa and continued US civil disobedience against apartheid.

External pressure in the form of economic sanctions would signal to Pretoria and the rest of the world that we do not tolerate the perpetuation of apartheid," said a resolution adopted by the UAW's international executive board.

Sanctions endorsed by the board included a ban on further investments and loans to South Africa, a withdrawal of US landing rights for South African aircraft.

ban on the sale of Kruggerand coins in the United States and on the sale or transfer of nuclear technology to South Africa.

The board also said it supported a continuation of current anti-apartheid demonstrations at South Africa's 13 consulates in the United States, Sapa-Reuter reports.

In New York, Sapa-AP reports that 16 people, including the dean of the Columbia University Graduate School of Journalism, were arrested during an anti-apartheid demonstration outside the South African consulate here yesterday.

Dr. Osborn Elliott, the journalism school

dean and former editor-in-chief of Newsweek magazine, was among those summoned for disorderly conduct.

More than 90 people, including 15 members of the US Congress and prominent labour union officials, have been arrested in non-violent protests in New York, Washington, and other major cities since November 21.

No arrests were reported yesterday in Washington, where protests have been held almost daily at the South African Embassy.

● The New York office of the African

National Congress was smeared with a Klux Klan symbol and an official threatened recently, the Post's correspondent reports.

A swastika was splashed over the front door, along with the slogan "white power forever."

The incident coincided with a New York City Council decision to name an intersection after Nelson and Winnie Mandela and with a UN Budgetary Committee vote granting the ANC a R293 000 office subsidy.

Star 13/12/84 (62)

Sullivan talks of 'organised defiance'

The Star Bureau

NEW YORK — The Rev Leon Sullivan, who has sought to regulate the employment practices of US companies in South Africa, surprised reporters after a meeting with company executives in New York yesterday.

He claimed that US representatives of 128 American firms in South Africa had reached an agreement: "You can call it organised defiance of the system," he said.

"It is a new arena. It has never been done before."

Mr Sullivan, whose employment code is followed voluntarily by most US companies operating in South Africa, said a resolution to this effect proposed by him had been adopted at the

meeting with acclamation.

"I am encouraged and believe we have the unity and strength to create a tremendous impact," he added.

"There will be resistance by these corporations in South Africa once they realise what it entails."

Most of his lobbying efforts, such as pressing for integrated housing for black and white workers, would run counter to South African law.

Mr Sullivan, who is on the board of General Motors, also said that he planned to encourage US firms to support black workers seeking jobs in white areas.

The Sullivan principles have been adopted by 135 of about 350 US companies operating in South Africa.

SA blacks ^{Star} need our ^{13/12/80} cash, says ⁽⁶²⁾ US study

By Neil Lurssen,
The Star Bureau

WASHINGTON — A new study to be published next month has found that most blacks in South Africa do not want American firms to withdraw their investments.

Its author, Mr Richard Sincere of Washington's Ethics and Public Policy Centre, says the study shows that most blacks are unhappy about South Africa's race laws.

They hope that American and other foreign investors can help them to eliminate apartheid.

Mr Sincere's statement was immediately challenged by organisers of America's anti-apartheid demonstrations who claimed that blacks did not support disinvestment openly because it was an indictable offence in South Africa to do so.

In a sharp exchange during a programme on Washington TV Mr Sincere scored points over Mr Walter Fauntroy, co-chairman of the Free South Africa Movement which is behind the demonstrations and supports disinvestment.

Mr Fauntroy accused Mr Sincere of being part of a well-financed effort to influence American public opinion.

The study, he said, was bogus and lacked scientific verifiability.

But Mr Fauntroy, a member of Congress, had no reply when Mr Sincere said he could not have seen the study because it had not yet been published.

● Five more protesters have been arrested outside the South African Embassy in Washington, to bring the total to 45.

US Firms

CME Times 14/12/84

Plan new

movers on

apartheid

NEW YORK—More than a third of the United States companies doing business in South Africa have agreed to expand their efforts against apartheid by lobbying for social change in public and in meetings with South African officials.

Representatives of 119 of the 128 companies that subscribe to the Sullivan Principles, a code of conduct for companies doing business in South Africa, on Wednesday endorsed additions to the code that would expand their role in the fight against apartheid.

"This is the first time American companies have entered the political arena in South Africa and pushed for an end to apartheid," said the Rev. Leon Sullivan, a Pennsylvania clergyman who devised the code.

However, advocates of divestment—a total withdrawal of US businesses from South Africa—say such an economic threat is the only action that will force South Africa to abandon apartheid.

Miss Jennifer Davis, executive director of the American Committee on Africa, was critical of the companies' action as simply a public-relations ploy that would not put enough real pressure on the South African Government.

comes at a time when demonstrations in the United States have focused attention on the issue and put pressure on the Reagan administration to do more to influence South Africa.

Sixteen people, including the dean of the Columbia University Graduate School of Journalism and former editor-in-chief of Newsweek magazine, Dr Osborn Elliott, were arrested during an anti-apartheid demonstration outside the South African Consulate in New York on Wednesday.

C-1 14/12/84
A From page 1
62

of all apartheid laws."

In the past, the Sullivan Principles have been criticized for not going far enough in their resolve against apartheid. But Mr Sullivan, in a statement released after Wednesday's meeting, said the companies had now agreed to use both legal and illegal means to combat apartheid.

By illegal means, Mr Sullivan said, he meant setting up integrated housing projects and hiring black workers without inspecting their passes.

Mr Pieter Swanepoel, a spokesman for the South African Embassy in Washington, would not comment other than to say the embassy had notified its government of developments.

Meanwhile, South Africa's Ambassador to Washington, Mr Brand Fourie, told the USA Today magazine that disinvestment went against the basic premise of free enterprise and that if US companies abandoned their interests in South Africa, "many other countries will be quick to move in".

"South Africa has made great strides in providing social justice for blacks. Since 1975, South Africa has spent two billion dollars on new homes for blacks.

"Dramatic upgrading of black education has occurred. Higher wages and excellent health care have been a magnet, attracting nearly a million blacks from outside South Africa."

Support the freedom of mobility of black workers to seek employment opportunities wherever they exist, and make possible provisions for adequate housing for families of employees within the proximity of workers' employment.

Support the ending of apartheid laws."

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Star
By Neil Lurssen
The Star Bureau

4/12/82
WASHINGTON — An American partnership involving a construction company which has financial ties with Frankipile in South Africa yesterday won a \$26 million contract for work on Washington's metro rail system in spite of protests by Washington DC city councillors and anti-apartheid lobbyists.

The partnership, Harrison-Western Corporation and Franki-Denys Inc, was the lowest bidder for constructing twin tunnels to pass under a river as part of the city's ultra-modern commuter rail network.

The bid became controversial because of deep animosity here towards South Africa's racial policies.

The Washington DC city council enacted anti-South Africa disinvestment measures earlier this year and has plans to tighten them next year.

TYPICAL CASE

Although city councillors opposed the partnership's bid, the city's two delegates on the metro board of directors voted to award the contract because the board was obliged to accept the lowest bid and advance declaration of ties to SA was not a requirement in tenders.

One of the city delegates was

Disinvestment move fails in city council

Washington's metro rail to have SA tieup

Councillor Hilda Mason who last week was one of the protesters arrested outside the SA Embassy in Washington.

Metro chairman John Milliken said yesterday he had been advised that Frankipile in South Africa was committed to non-discriminatory employment.

The squabble over the metro contract offers a good example of the difficulties faced by American legislatures that seek to divorce themselves entirely from US enterprises having anything to do with South Africa.

A city official who investigated the SA connection in this case said Franki-Denys is half-owned by Franki Foundation, a US subsidiary of Franki International of Belgium.

Franki International's subsidiary in South Africa is Frankipile SA Investments, a holding company for three firms involved in building construction,

the official said.

"It takes time to unravel these things," the official noted.

Mr Milliken said after yesterday's board decision that his staff had concluded that the relationship between Franki-Denys and the South African companies was "very remote".

But not remote enough, apparently, to escape the ire of the Maryland Minority Contractors' Association which first brought the relationship to Mr Milliken's attention and which complained to Washington city councillor John Ray who is the prime mover of the city's disinvestment measures.

Mr Milliken said the metro board had met twice to consider this "difficult and complex" issue and had been assured by its lawyers that awarding the contract to the partnership would violate no local laws.

He said his staff had also established that Franki-Denys had non-discriminatory policies in the US and that the SA companies were committed to the Sullivan principles of fair employment.

Nevertheless, he ordered the metro staff to develop a policy about SA-connected companies for the future.

"This is an issue of great concern to the board and of utmost sensitivity to this community," Mr Milliken said.

The tunnels will be part of an extension of the metro rail system to southeast Washington which has a heavy concentration of black residents.

A spokesman for Councillor John Ray said last night that he was "disappointed" at the awarding of the contract and that many people had contacted his office to complain about it.

US firms silent on Sullivan campaign

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By Gary van Staden,
Political Reporter

Four of the biggest American-based multinational corporations operating in South Africa were not prepared to comment today on the latest salvo in the campaign by American Congressman Leon Sullivan to use big business to fight apartheid.

Mr Sullivan said yesterday that American representatives of 128 multinational corporations in South Africa had agreed to defy the apartheid system.

"You can call it organised defiance," he added.

But four of the biggest corporations operating in South Africa — General Motors, General Electric, Ford and IBM — were silent on the latest Sullivan plans.

ADOPTED

Mr Sullivan, whose employment code is followed voluntarily by most American companies operating in South Africa (including the above four), said that a resolution to defy apartheid laws such as the Group Areas Act and influx control had been proposed by him and adopted at a meeting of the 128 representatives in America.

"I believe we have the unity and strength to create a tremendous impact," he added. But, in South Africa, it was a different story.

The giant computer company IBM said that, as it had not had a chance to study the Sullivan statement, it could not comment at this stage.

A spokesman pointed out that IBM had a policy of respect for the individual and subscribed to the Sullivan Code.

A spokesman for General Electric said he was unaware of the development and was not prepared to comment.

Ford's head office in Port Elizabeth said there was not enough clarity on the issue to make any comment at the moment.

General Motors said the Sullivan statement would have to be examined before any comment could be made.

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MAIN SALE

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More US cities to disinvest

(62)

NEW YORK — Nearly a dozen US cities are following the example of colleges and universities that are protesting against South Africa's racial policies by selling millions of dollar in stock of firms doing business in the Republic.

Anti-apartheid college protests and investment boycotts have gone on for years. The university of Wisconsin, for example, hasn't owned stock in such companies since 1978.

But renewed student protests, the awarding of the Nobel Peace Prize to

Bishop Desmond Tutu and concern over political prisoners in South Africa have spurred more universities to re-evaluate investment policies.

Cornell University and the University of Illinois are among higher education bodies studying what divestment of stocks in companies with South African dealings would mean to their portfolios.

Stanford University is considering whether to act on an October 31 student referendum urging it to sell \$3,2 million worth of stock in the

Motorola Corporation electronics company because of its sales to the South African military and police.

Regents of the University of Texas, which has about \$600 million invested in such companies, are scheduled to discuss the issue today. Texas students rallied twice this year to protest against their university's holdings.

Now cities and municipal pension funds with multi-million dollar portfolios have joined universities in adopting or considering similar

disinvestment policies.

According to the Washington Office on Africa, an anti-apartheid lobby, 11 cities have recently adopted policies to divest some or all of their holdings in companies with South African operations.

The cities include Boston, Massachusetts; New York, Philadelphia, Pennsylvania; Wilmington, Delaware; Washington, Amherst, Massachusetts; Grand Rapids, Michigan; San Francisco, Berkeley, Davis and Santa Cruz, California. — SAPA-AP.

Facing up to facts ... as the threat of US disinvestment hangs over SA

Many South African Companies are becoming increasingly aware of the stark realities of possible US disinvestment, which would, among other things, severely restrict the supply of computers to this country. Some say the Sullivan code of conduct has been the driving force which has motivated businesses in South Africa to better the lot of the blacks, thus helping to appease SA's US critics. Others see the code's negative effect and claim such efforts would have been made anyway.

Despite President Reagan's recent favourable comments about the South African move towards equal pay and job opportunities for blacks, the threat of US disinvestment is increasing daily.

More than 20 American cities have so far passed some form of restrictive legislation, 24 states and cities considered disinvestment legislation this year, and 40 are expected to do so next year.

Such laws include a boycott of the supply of Krugerrands, a ban on exports to South Africa of arms and computer equipment, the discontinuing of South African Airways flights to the USA, and the withdrawal of all pension funds invested in stocks of companies and banks doing business with South Africa.

In New York it is estimated that more than US\$665-million of pension fund monies are invested in South African-related companies, and, in all, the city retirement fund has about \$2 000-million in equity holdings of firms currently doing business with South Africa.

In August this year the trustees of New York City's pension fund voted to disinvest from companies which are not signatories to the Sullivan code of conduct whereby US companies represented in South Africa are rated on their efforts to raise blacks economically, educationally and socially.

South African companies are becoming more and more aware of the stark realities of possible US disinvestment as, with or without the push of the Sullivan Code, they strive to better the lot of non-whites in this country.

IBM's managing director Jack Clarke said at this year's annual dinner of the Graduate School of Business at the University of Durban-Westville:

"The history of Africa has shown us that the black man won't just accept free enterprise at its face value, and why should he? So far we have excluded him from all the benefits, perks and privileges which are the rewards and incentives of free enterprise," he said.

Clarke urged that the laws affecting the right of a person to sell his labour must be abolished and that the laws restricting trading rights in central business districts must be eradicated.

"Laws which force a person working in a First World environment at the office to return to the deprivations of a Third World climate when he goes home

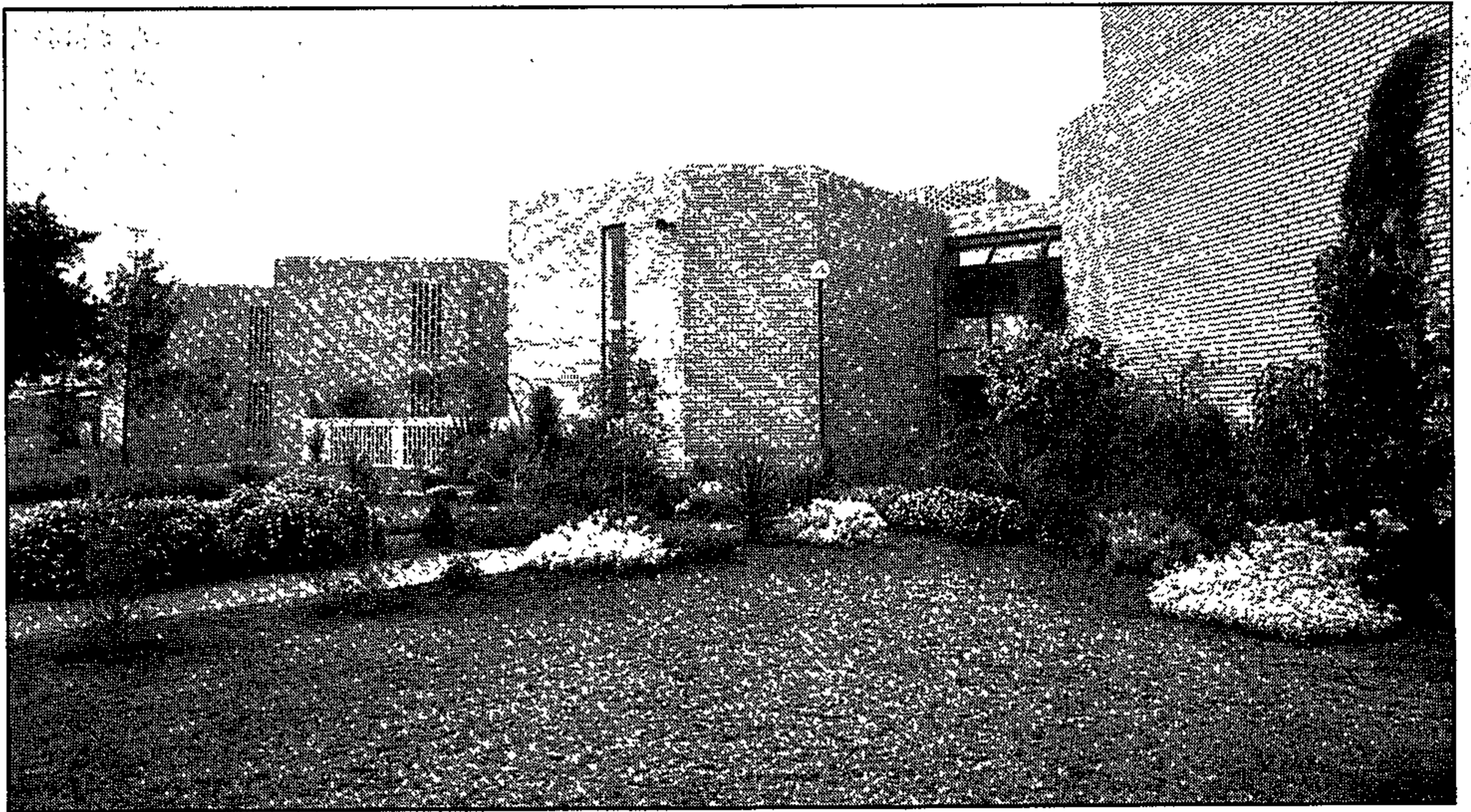
at night must be changed."

Several leading SA computer suppliers are signatories to the Sullivan principles, and between them spend millions of rands each year on projects which benefit the black community.

Such projects include a scheme whereby companies adopt schools in the black townships and, among other things, provide finance for increasing the level of training of black teachers. There are about 300 schools which have been adopted in this manner throughout South Africa and of these, the US business community supports about 150.

Sullivan signatories are not the only ones who are involved in such projects. Many SA companies have their own codes — written or otherwise. One such company is Barlows which, according to its director of personnel and industrial relations Reinald Hofmeyr, has spent several millions of rand on similar efforts.

"We formed our own code in 1978 because of the interest aroused by the Sullivan and EEC codes



The new R6-million Pace college in Soweto has been criticised in some quarters.

Just how effective is the Sullivan Code?

and, while we didn't agree with everything laid out in those codes, we like the underlying concepts," he said.

Among representatives of computer suppliers who were interviewed on the Sullivan issue, the general opinion is that while some companies would have become involved in such projects anyway, the Sullivan Code has acted as a catalyst in creating a sense of urgency and a need for constructive action.

On the negative side, some feel the minimum-wage limit set down by the

Sullivan Code has encouraged some companies to get rid of lower paid staff such as cleaners and messengers in favour of hiring contractors to do the job.

Others argue that raising minimum wages without demanding increased productivity in return encourages the "paternal syndrome" where the motive is one of conscience salving, which destroys the initiative to work hard.

The scoring of "Brownie points" is another issue which some Sullivan signatories feel strongly about. They claim

that in order to gain a decent rating, some companies have spent money without regard to the cost benefit to the community.

The criticism here is that a lot of money is put into bricks and mortar, because the US sees this as concrete proof that something is being done; but meanwhile bricks and mortar do not develop human beings.

One executive singled out the Pace project — a college built recently in Soweto, housing 600 pupils — as an example of this. While pointing out that he did not want to degenerate

the work done, he said that if the R6-million spent on the school had been used to improve the teaching skill of 600 black teachers, those teachers in turn could have taught 30 children each and that way 18 000 black children could have been reached.

Pride is possibly responsible for much of the criticism levelled at the Sullivan Code. As a representative of one of the hardware suppliers put it: "Being a chauvinistic South African I object to the fact that it took a black American preacher to get

us off our backsides."

In some cases there is considerable resentment over the enormous burden of administration involved in completing the stringent annual reports demanded from each of the 120 signatories.. And US-represented companies are having a hard time to resist mounting pressure from Sullivan himself to make the code mandatory.

When the black American preacher Leon Sullivan was elected to the board of General Motors in 1971 he astonished his

● To Page 11

Modems...

Multiplexers...

Data Analysers...

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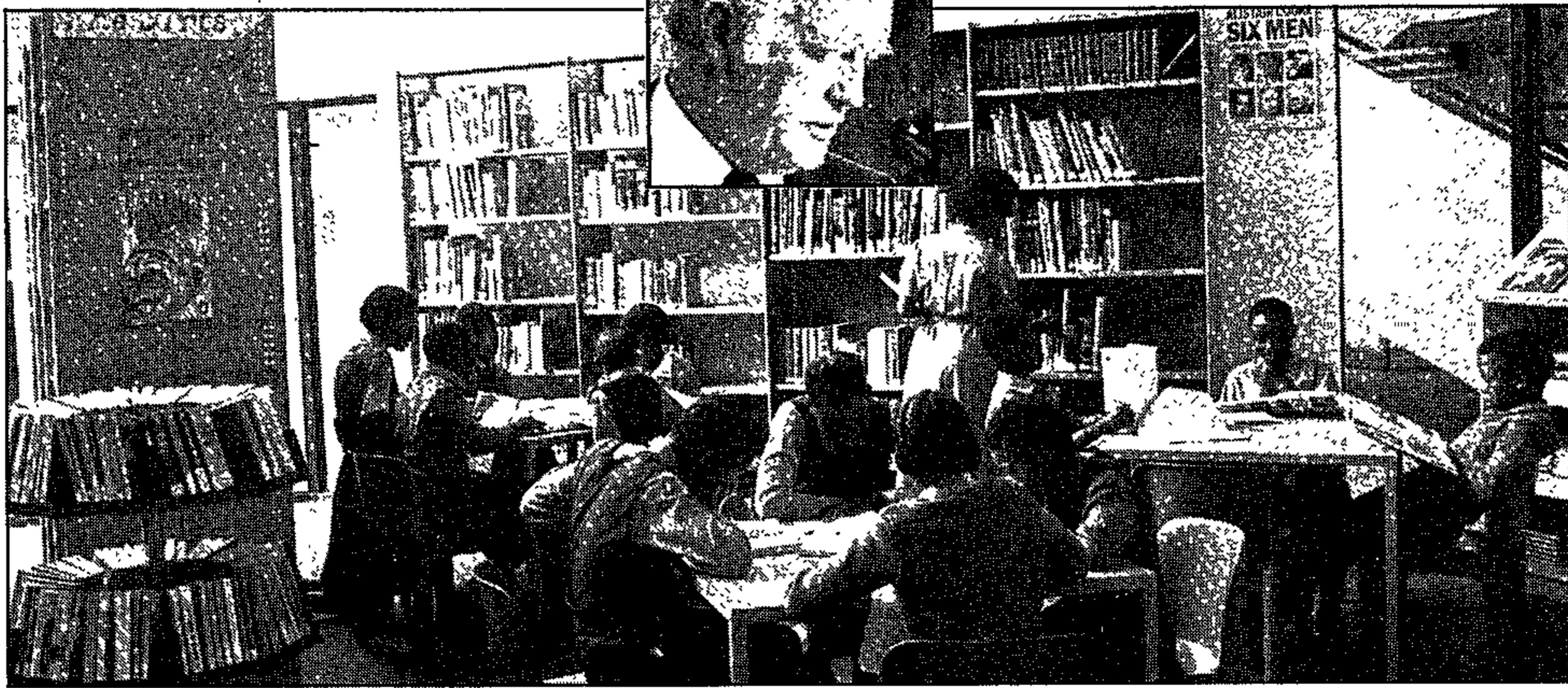
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Blacks will not just accept the free enterprise system at face value — and why should they?



A section of the Pace Commercial College library. Rex Pennington (inset) is headmaster of the college.

'Sullivan's code of conduct has given us a body to work within ... and get involved'

● From Page 10

fellow directors by proposing that GM should "get out of South Africa" in protest against the apartheid system.

Having been persuaded that withdrawal was not a practical possibility, Sullivan settled in 1977 for his second choice whereby US companies represented in South Africa should adhere to a stringent code of conduct, with the objective of improving the lot of black people in South Africa.

Burroughs, CDC, Hewlett-Packard, IBM, NCR and Sperry were among the first 12 to become signatories to the Sullivan code, and representatives of these companies often find themselves sitting around a table in a non-competitive spirit to discuss common problems.

As Burroughs' manager of employee relations Alen Beadle put it: "Learned, thinking men get together in a non-competitive spirit and projects are born from these round-the-table discussions."

Burroughs has adopted two schools, to which it has donated furniture, books and funds for teacher training. "And we actually get involved with management training and provide consultancy in ad-

ministrative matters." Eight task groups have been set up to deal with equal and fair employment practices and equal pay, communications, education, training, management and manpower development, health care, periodic reporting and economic and community development, and housing.

One project the health task group has become involved with is providing videos in the waiting rooms of hospitals and clinics so that patients can be educated in health matters while they are waiting. Companies can sponsor a video through an organization called Friends of Baragwanath.

As far as black employment opportunity within Burroughs itself is concerned, Peter Matshitse, Burroughs' manager for affirmative action programmes, said: "There is an increasing emphasis on black development, shifting from just having black employees to the encouraging of non-whites into more meaningful vocations."

He pointed out that the first time a black person and a white person come together is often when they are adults.

Beadle said this situa-

tion has presented a social problem in the past. For example, three to five years ago, when approached by a top-class black technician who had come to service his very expensive computer, the DP manager's perception of the black technician was in the role of "garden boy".

"Three or four years ago we would have worried to send out a black technician. It was a case of blacks in the workshop and whites seeing customers," Beadle said.

He reckons it takes 18 months to two years to close the performance gap for a black person from an impoverished background to enable him to be as productive as a white person.

CDC was a founder member of the adoptive-schools program. It adopted Scheen Primary School in Alexandra and became involved with St Anthony's Adult Learning Centre in Boksburg in a joint venture with three other companies.

The centre, which is multiracial, is located in a mixed coloured/Indian area and is run by a Franciscan order. CDC's communications manager Kevin Kevanny commented: "We supplied them with on-line terminals to Escom but have since converted

them to micros which are used, among other things, for keyboard and teacher training.

"Unisa students meet at the centre to have practical discussions, and a lot of experiments are pre-tested through the use of the Plato system." Kevanny estimates the total cost of this project is about R1,5-million.

Another project CDC is involved with is at the University of the Western Cape where students working on

The scoring of 'Brownie points' is a thorny issue ...

the Plato system have helped to enhance the product.

"We are happy to embark on projects where we will eventually see a profit from our efforts. We prefer long-term involvement rather than just giving things away."

Kevanny said the Sullivan principles are very much in line with the way his company does business anyway. "But what the Sullivan Code has done is

given us a body to work within. For example, without it we wouldn't have known about the adoptive-schools program and wouldn't have known how to get involved."

As far as the reporting requirements of the code are concerned, he said: "We found ourselves in a bit of a minefield and saw it as a point-scoring exercise, but now that we understand the rating system we are happier with it."

"The whole Sullivan effort is an evolutionary thing — responding to changes in the environment. What they are looking at is for companies to make the Government aware of the fact that we, as a group of American companies, are unable to carry out business because of red tape — such as when a man cannot work in a particular area or his wife cannot be with him."

In answer to the question of whether or not efforts would have been made to raise the level of blacks without the intervention of the Sullivan Code, Hewlett-Packard's managing director Marius Furst said:

"I think the answer is yes. A lot of companies like us were involved long before Sullivan became topical. But I think some

companies were pressurised into complying with the code whereas they might not have become involved otherwise.

"In the past we had to answer only to our conscience. Now we have to be seen to be doing that through the Sullivan audit."

One of the projects HP has been involved in is SHAP (Self Help African Paraplegics) which was started by a black paraplegic. The centre offers employment to more than 50 paraplegics.

An HP project leader discovered the centre when he was given the task of solving a problem with calculator repairs. Now, having trained the paraplegics how to do the work, the company sends its calculators to the centre for repair and pays a fair rate for the work. HP is now promoting the centre to other businesses, which could be the start of a country-wide set-up.

According to HP's senior personnel representative Irma Lightfoot, the company donated R180 000 to hospitals alone in the last Sullivan reporting year.

An entire intensive-care unit was donated to Baragwanath Hospital, nurses were taught how to operate it, and ongoing support will be provided. But Lightfoot stressed that these donations would have happened without the Sullivan Code. "Volunteers from within HP are active participants in the Junior Achievement program where they serve as councillors and, although cash donations are made, the accent is on providing management involvement, creating job opportunities, and donating equipment rather than just money."

NCR's personnel manager Peter Noble says that one of the positive points

about the Sullivan Code is that the US principals have realised they must spend more money in South Africa than in other countries.

"Most companies spend a percentage of profits on community activities, but by virtue of the Sullivan principles this is virtually doubled because it's regarded as an investment in their future in South Africa."

Noble said the Sullivan signatories tended until recently to do their own thing, being involved in splinter activities resulting in a dissipation of effort and expenditure.

"The move now is towards a spearhead attack on joint projects. Not only will those efforts be co-ordinated — resulting in higher visibility — but fewer projects will result in a greater benefit."

Among other things, NCR has concentrated its efforts on the education of non-whites through bursaries, education of its employees' children, donation of equipment to universities, local and overseas training of its employees, and sponsoring field engineers through the Business Equipment Training Scheme (BEATS).

According to Noble, the company offers equal job opportunities regardless of race.

"We have blacks, coloureds and Asians in all types of jobs, including senior positions."

Sperry adopted two schools last year and hopes to adopt another one in 1985, according to Margie Spicer, Sperry's employee-relations officer.

"We spend a lot of money on various electronic equipment and provide money to the READ (Reading Education and Advancement) organisation." KG/BH

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Twenty US 62 firms 'face terror' over SA links

S. Post
26/12/84

NEW YORK — The FBI yesterday warned 20 major American corporations with South African connections that they might be the target of terrorist attacks.

It is understood the firms' names appear on lists compiled by the underground United Freedom Front (UFF).

The UFF has been blamed for a number of bombings in the metropolitan area, including the blast at the South African consular office in New York on September 26.

The 20 corporations, whose names are being deliberately withheld by the FBI, all have dealings with South Africa or other countries whose policies are opposed by the radical UFF, or else hold large contracts with the US Department of Defence.

A report in the New York Daily News said yesterday: "Top FBI officials and members of the joint task force of the FBI and New York City police are expected to meet officials of the corporations soon to discuss a beef-up of their security."

A total of 17 bombings or attempted bombings in New York and Washington have been linked to the UFF. The bombings have done extensive damage to buildings but have not caused injuries.

Earlier this month, federal agents captured five suspected radicals in a raid in Ohio.

The agents found the target list among notes and floor diagrams of two corporate offices in New York — the General Electric Aerospace division in Melville, on Long Island, and the IBM office in Harrison.

Highly-placed sources said there was rising concern about the activities of the UFF radicals. — Sapa-AP

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Services

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Conferences

IRRC's clients also are eligible to attend conferences, briefings and roundtable discussions on a variety of issues. Recent meetings have included briefings by staff members on recent developments in South Africa, conferences and roundtable discussions on proxy voting, and a conference to discuss new issues in the area of corporate governance.

Consulting Services

IRRC analysts are available for contract research, tailored to the requirements of individual clients, in areas of IRRC's expertise.

IRRC is registered as an investment adviser with the Securities and Exchange Commission.

IRRC

In the last decade, as institutional shareholders increasingly have moved to make independent assessments of the policies of their portfolio companies, IRRC has provided the information these investors need. Since 1972, IRRC has provided timely, impartial reporting and analysis on economic and social issues that affect corporations and institutional investors. Much of the Center's research relates to issues raised in management and shareholder proposals.

IRRC makes no recommendations or judgments about the subjects it covers. The impartiality of the Center's reports enhances their value to institutional investors wishing to evaluate issues according to their own investment criteria or proxy voting guidelines.

IRRC is an independent, not-for-profit corporation. Its work is financed primarily by annual subscription fees paid by more than 170 investing institutions.

IRRC is governed by a 21-member board of directors who represent subscribing institutions. It has a staff of 15.

IRRC's reports are available by subscription—either directly from IRRC, or from one of several brokerage firms that have signed contracts to purchase the Center's research services for reissuance to their clients. Subscription rates, the names of these brokerage firms, and information on subscription procedures will be furnished on request.

Basic Service

IRRC's Basic Service provides research and analysis to the institutional investor interested in following shareholder resolutions that raise social responsibility issues. Many institutional investors vote on shareholder resolutions as a way of influencing corporate policies that have an impact on society. Other institutional investors view these shareholder resolutions as an early indicator of the public concerns that may eventually result in regulatory action with financial consequences for them or their portfolio companies.

Accordingly, the Basic Service not only provides early notification to subscribers of the shareholder resolutions that will be raised at their portfolio companies throughout the year, but provides clear, thoughtful analyses of the issues raised by these resolutions and of the regulatory and political climate in which they arise.

- *News for Investors*, a monthly newsletter, provides complete descriptions of all social responsibility shareholder resolutions submitted for inclusion in corporations' proxy statements. Beginning in February, a handy checklist—organized alphabetically by company and updated monthly—shows the subject and sponsor of each resolution and the date of the annual meeting, enabling the subscribing investor to establish a schedule for considering the proposals. Through the rest of the year, *News for Investors* reports on the status of these resolutions as they come to votes at corporations' annual meetings. It also reports on decisions by the Securities and Exchange Commission interpreting and applying the commission's rules governing shareholder access to corporations' proxy statements.

ments in that country, and coverage of the increasingly assertive black South African trade unions.

- Periodic special reports provide more in-depth coverage of issues concerning U.S. companies in South Africa. Recent reports have analyzed the South African government's strategy to modernize apartheid, assessed the growing black trade union movement, and examined the public pressures that have been directed against U.S. companies doing business in South Africa, including the campaigns for stockholder divestment from companies with South African ties.

- A directory of more than 260 U.S. companies in South Africa, which is updated regularly, shows the names, locations and principal business of the companies' subsidiaries or affiliates in South Africa, the sales and assets of each, and a breakdown of the work force by race. The directory also shows whether each parent company has signed the Sullivan principles. Beginning in 1984, the directory will include information on loans to South Africa by major U.S. financial institutions and a description of any bank policies that restrict such lending.

South Africa Review Service

Since shareholder activism began its dramatic rise in the early 1970s, one of the major social issues raised by shareholders has concerned the role of their portfolio companies in South Africa. Many institutional investors have questioned whether American corporate involvement in South Africa helps to maintain institutionalized racial discrimination there or serves as a force for progressive change. To assist these investors, IRRC's South Africa Review Service reviews the operations of U.S. companies in South Africa and the political and economic developments in that country. This service also covers developments in the United States, ranging from divestment campaigns to changes in government policy, that affect the activities of U.S. corporations and banks in South Africa. Much of the information is gathered by IRRC analysts who visit South Africa each year.

- Profiles of more than 50 U.S. companies in South Africa, updated periodically, describe in detail their operations, their role in the South African economy, their employment practices, and their community development and political lobbying efforts. Each profile also analyzes the strengths and weaknesses of the company's efforts. The information for these reports is drawn primarily from IRRC staff interviews with companies' management and workers in South Africa.

- The South Africa Review Service Reporter, a quarterly newsletter, provides updating of the status and activities of U.S. companies in South Africa, pertinent reports on social and political develop-

- Proxy Issues Reports, mailed to subscribers three weeks before each corporation's annual meeting, provide objective coverage of the issues raised in each social responsibility shareholder resolution. For each Proxy Issues Report, IRRC analysts interview the proponent of the shareholder resolution and a representative of the company at which it is pending. They also conduct independent research into topics having a direct bearing on each resolution. Using the Proxy Issues Reports, investors can make informed judgments about resolutions, both in reviewing the issues and in voting proxies.

- *How Institutions Voted*, published every fall, summarizes the results of IRRC's annual poll of voting by institutional investors on social responsibility shareholder resolutions during the year. This report shows individual institutions' votes, looks at trends, discusses in depth five or more shareholder issues that dominated the proxy season, and provides a final checklist of the resolutions brought to votes and the levels of support they received.

- Periodic studies analyze economic, social and political issues of concern to many investors. Recent studies have covered the debate about nuclear power, the future of coal and alternative energy sources, trends in corporate philanthropy, the nuclear weapons industry, the growing pressures on pension fund managers to use nontraditional criteria to make investments, and corporate advertising practices.

Corporate Governance Service

The last several years have witnessed a dramatic change in the role that institutional investors play as shareholders of major companies. Increasingly, institutions have discarded the passive investment approach dictated by the Wall Street Rule for a more active role in corporate governance, displaying a new willingness to vote independently on both management and shareholder proposals that may affect the value of corporate assets or the rights of shareholders.

IRRC's Corporate Governance Service was established in 1982 to provide information and analysis on a variety of corporate governance issues, including antitakeover proposals, executive compensation, and proxy contests for control.

- An annual-meeting calendar lists meeting dates and provides a summary of both management proposals and shareholder resolutions that will come to votes at annual meetings of major companies. Updated frequently, the calendar serves as a checklist and organizing tool during the spring proxy season and throughout the year.

- Background reports examine the key corporate governance issues that shareholders are likely to face. These reports, on antitakeover defenses, executive compensation policies, the role and composition of corporate boards, and other recurrent issues, provide an excellent basis for developing or reevaluating voting policies.

- Special reports analyze individual shareholder proposals or management proposals that may have important consequences regarding business policy, corporate structure, or shareholder rights. These reports, which are company-specific, assist clients in making voting decisions that may significantly affect the value of their investments.

- *Voting by Institutional Investors on Corporate Governance Questions*, an annual survey, reviews the voting policies of major institutions and how they voted on key corporate governance issues during the year. The survey also reports the results of votes on significant issues at individual companies.

- A quarterly newsletter, *Corporate Governance Bulletin*, provides continuous coverage of corporate activities, government actions, pressures from institutions and other items of interest to those concerned with corporate governance developments.