MANUFACTURING — FOOD

4 Jan. 1980 — 30 April 1980

Fish factory dispute settled

Argus 4/1/80

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ABOUT 700 people returned to work at the Sea Harvest fish factory in Saldanha today after a settlement reached late last night ended the three-week-old labour dispute

The managing director of Sea Harvest, Mr H E Kramer, said today the factory was working at full capacity with a full staff.

'More details of the settlement will only be made available later,' he said.

50 PERCENT

Mr Oscar Mpetha, an organiser of the Food and Canning Workers Union (FCWU) which acted on behalf of the striking workers, said however, that the firm had agreed to an average wage increase of more than 50 percent to all workers.

Wages had been increased from R17 to R25,30 for labourers, from R18,90 to R27,60 for grade three workers and from R19,90 to R32,06 for grade two workers.

Their Saldanha branch secretary of the union, Mrs Magrieta Wynand, said, however, that there were still many 'outstanding issues' to be settled at the factory. She said the workers demanded a fixed wage of R30 a week

HULETTS (186) FM 4/1/80

Taking in Hypack

In a further reshuffling of the sugar industry's investments in paper and packaging, S & T, the holding company of Huletts, has agreed to sell its 51% interest in Hypack to Huletts Investments, a wholly-owned subsidiary of Huletts Corporation, for R11,0m This move gives Huletts full control of the Durban-based Hypack, which operates a paper converter manufacturing paper sacks, balers and bags It also allows it to expand its existing paper interests, which last year contributed nearly 10% of group pre-tax earnings

The transaction will be satisfied by the allotment of 2,3m Huletts shares to S & T, valued at 480c, the market price on December 7 So S & T's current 50,0% holding in Huletts will be beefed up by more than 15% According to the directors, the move will have the effect of reducing Huletts' net worth based on historic cost principles by 5,2c to 310c If current replacement costing is used, the reduction is 42,6c to 615c However, the replacement costs of the fixed assets of Hypack exceed the historic value, so a revaluation of the assets will effectively minimise the inflation adjusted 42,6c net worth reduction

Huletts will enjoy the full benefits of a consolidated Hypack backdated to April 1 1979, except for an interim dividend of R276 000 for the financial year to March 31 1980, which will be repaid by Hypack to S&T when the sale goes through And judging from anticipated taxed earnings of R2,6m for Hypack this year, the incorporation should benefit the group in the long run According to the directors, consolidation will have little effect on the historically costed earnings

Jonathan Bader

Financial Mail January 4 1980

TABLE II

	WHITE		ASIAN		COLOURED		BLACK	
	Male	Female	Male	Female	Male	Female	Male	Female
Rheumatic Heart Diseases (390-398)	115 1.2%	121 1.5%	28 2.5%	15 1.9%	120 3.9%	139 4.4%	49 2.1%	56 2.9%
Hypertensive Diseases (400-404)	212 2.2%	389 4.9%	115 10.1%	127 15.8%	190 6.1%	276 8.8%	273 11.4%	212 11.0%
			537 47.3%	246 30.6%	845 27.1%	566 18.0%	148 6.2%	66 3.4%
			273 24.1%	239 29.7%	939 30.2%	1278 40.7%	772 32.3%	749 39.0%
			1135 100%	804 100%	3114 100%	3140 100%	2390 100%	1921 100%
Motor Vehicle Accidents (E810-E819)	750 38.0%	287 42.4%	122 36.6%	28 26.9%	572 26.3%	161 24.7%	282 15.1%	59 18.2%
Suicide (E950-E959, E979) *	485 24.6%	104 15.4%	42 12.6%	13 12.5%	84 3.9%	18 2.8%	76 4.1%	11 3.4%
Homicide (E960-E969)	59 3.0%	41 6.1%	41 12.3%	2 1.9%	680 31.3%	167 25.6%	806 43.1%	89 27.5%
Total Accidents, Poisoning and Violence (E800-E999)	1973 100%	677 100%	333 100%	104 100%	2175 100%	652 100%	1868 100%	324 100%

Saldanha strike settlement agreed

Staff Reporter

THE three-week-old strike by about 700 Sea Harvest workers at Saldanha ended yesterday — but only provisionally and may start again on Monday.

At a meeting lasting until late on Thursday night between officials of the strikers' Food and Canning Workers' Union and senior Sea Harvest personnel, a pay deal was provisionally agreed on but not signed.

This led to a 90 percent turn-out at the factory yesterday.

However, the local FCWU representative, Ms Magrieta Wynand — also a Sea Harvest employee — said last night that the managing director of Sea Harvest, Mr H Kramer, had refused to sign the new deal, with which workers were unhappy anyway, and only agreed yesterday to sign on Monday.

If he does not sign on Monday, the workers say, they will again go out on strike.

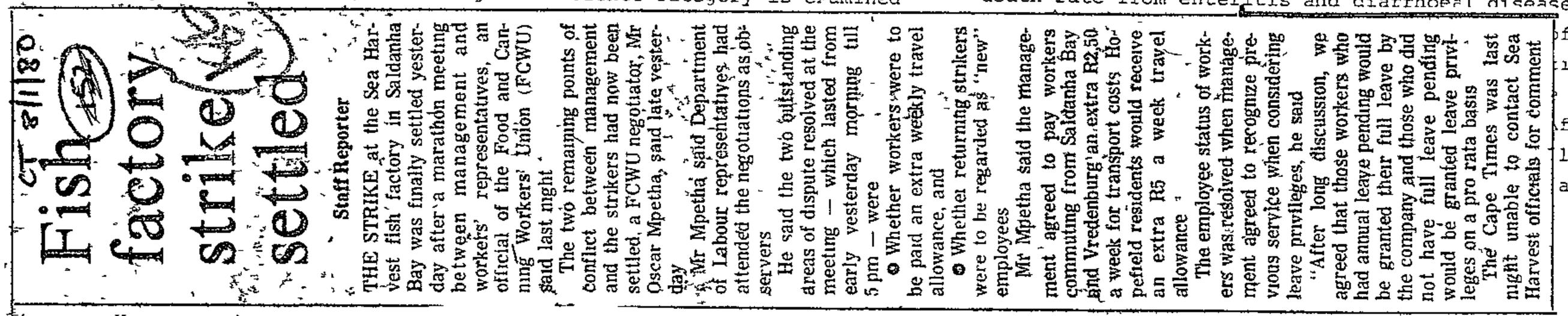
The workers also allege that some of them were "chased out of the factory" yesterday by their supervisors when they refused to sign papers, they say defined them as "new staff", as opposed to workers of long standing with the firm.

* E979 "Suicide and self inflicted poisoning by motor vehicle exhaust gas" is a code used in South Africa which does not appear in I.C.D. (8th revision). See Ref. 13.

Mortality rates greater than 5/1 000 appear in italics in Table I. For all of these major causes of mortality, the Asian and 'coloured' mortality rates exceed those of the whites.

However, in this context, what requires emphasis is that by using the major disease classification a certain amount of detail is lost. For example, despite the fact that the overall rates for diseases of the circulatory system are comparable for whites, Asians and 'coloureds', within this broad category the mortality rates for specific diseases vary markedly. Table II provides the proportional contribution of the major circulatory diseases for the whites, Asians, 'coloureds' and Africans Whilst Ischaemic Heart Disease is the major Circulatory Disease in the white and Asian communities, Cerebrovascular Diseases are the major cause of Circulatory Diseases in the 'coloured' and African communities.

Similarly, if the Accidents, Poisoning and Violence category is examined



Fish factory strike settled

Staff Reporter

THE STRIKE at the Sea Harvest fish factory in Saldanha Bay was finally settled yesterday after a marathon meeting between management and workers' representatives, an official of the Food and Canning Workers' Union (FCWU) said last night.

The two remaining points of conflict between management and the strikers had now been settled, a FCWU negotiator, Mr Oscar Mpetha, said late yesterday.

Mr Mpetha said Department of Labour representatives had attended the negotiations as observers.

He said the two outstanding areas of dispute resolved at the meeting — which lasted from early yesterday morning till 5 pm — were

- Whether workers were to be paid an extra weekly travel allowance, and
- Whether returning strikers were to be regarded as "new" employees.

Mr Mpetha said the management agreed to pay workers commuting from Saldanha Bay and Vredenburg an extra R2,50 a week for transport costs. Hopefield residents would receive an extra R5 a week travel allowance.

The employee status of workers was resolved when management agreed to recognize previous service when considering leave privileges, he said.

"After long discussion, we agreed that those workers who had annual leave pending would be granted their full leave by the company and those who did not have full leave pending would be granted leave pro rata basis leges on a pro rata basis.

The Cape Times was last night unable to contact Sea Harvest officials for comment

the South African population from all causes of death. The proportional contribution of the seventeen major disease categories of the International Classification of Disease (8th revision) to the overall mortality of the various communities is summarised in Fig. 5. The whites show a typical 'developed' country spectrum of mortality with Infectious and Parasitic Diseases being of minor importance (2,0%) and Neoplasms (15,6%) and Diseases of the Circulatory system (50,5%) being of major importance. For urban Africans and 'coloureds', Infectious and Parasitic Diseases make an important contribution to the overall mortality (19,5% and 23,5% respectively), with diseases of the respiratory system and certain causes of perinatal mortality also being of importance. Within the category of Infectious and Parasitic Diseases, diarrhoeal diseases and tuberculosis are the most important causes of mortality. The 'coloureds' experience an interesting combination of 'developed' and 'underdeveloped' mortality with a high death rate from enteritis and diarrhoeal diseases in the young and circu-

f interest is the relatively
ions, particularly in the
indication of the pro-
Africans in the urban areas.
lity intermediate between
and Africans, on the other

mortality data as propor-
information. Table I
in the form of cause
specific mortality rates for defined age groups by sex, in the white, Asian and 'coloured' communities.

ties. However, what is of interest is the ratios of the expectations of life for the three communities. At birth, the white Asian:'coloured' ratios are 1·0,91.0,76 for males and 1:0,88 0,77 for females, at the age of 45 these are 1·0,91:0,86 for males and 1:0,79:0,85 for females The 'coloureds' are less disadvantaged at e_{45} as compared to e_o for both males and females, a difference which is largely attributable to the high infant mortality rate in this community. It is also noteworthy that Asian females have the worst expectation of life at age 45 of the three communities, which is in marked distinction from both males and females at e_o and males at e_{45}. The fact that for the 65+ age group, Asian women have the highest mortality rates for respiratory, circulatory, digestive, genito-urinary and ill-defined causes of death (Table I) may contribute to this anomalous situation.

Fig. 7 summarises the percentage improvement in the expectation of life at birth subsequent to the total elimination of the mortality associated

If the mortality rates (Table I) are compared with the proportional mortalities for the seventeen major disease categories (Fig. 5), it will be noted that despite the relatively minor proportional contribution made by circulatory diseases in the 'coloured' community, the actual rates for these diseases are higher than those of the whites. The reason for this apparent inconsistency is that the mortality rates for Infectious and Parasitic Diseases are so high that they effectively swamp the proportional mortality of the Circulatory Diseases in the 'coloured' community. In the white community, the mortality rates for most causes of death are so low, the importance of the Circulatory diseases become disproportionately exaggerated.

HOT BUTTERSCOTCH SAUCE — Mary Snelling, Ridgeworth

1 T syrup
2 T brown sugar
squeeze lemon juice
1/2 oz butter/margarine
1/2 pt warm water
1 d custard powder mixed with 1 T water

Put butter, sugar, syrup into a pan and cook to a rich brown toffee, draw aside, add water carefully, then the lemon juice. Boil up sauce and pour onto custard powder, reboil till mixture thickens. Serve hot with ice-cream.

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to taste and chopped parsley.

---oOo---

Milkmen's strike East Rand deliveries delays

By Sieg Hanning
Labour Reporter

A three-hour strike by the 270 milk delivery men of Transvaal Dairies in Malvern East, Johannesburg, disrupted deliveries to much of the East Rand today.

Mr S B Lombard, a director, said work stopped from 7 to 10 am. Home deliveries were affected and businesses were getting their milk late in Edenvale, Hillbrow, Malvern, northern Germiston and parts of Kensington and Kempton Park.

Mr Lombard said there had been dissatisfaction with the works committee which had not conveyed workers' problems or had failed to convey them correctly.

A major problem, which was not conveyed until this morning, was a request for a pay increase.

The management would discuss matters with a new works committee, now being elected from 14 people nominated by the workers.

The election would be conducted by secret ballot, Mr Lombard said.

In another dispute in the north-western Cape, 200 semi-skilled mine workers have been placed at the Aggeneys lead, silver, zinc and copper mine after they demanded an across-the-board wage rise.

The weekend dispute was the first at this new mine owned by the Black Mountains Mineral Development Proprietory Limited.

A spokesman for the controlling Gold Fields Cementation Mining Company in Johannesburg said the men had been flown back to Umtata in the Transkei and replacements taken on.

"On Sunday night the men demanded an across-the-board rise, without going through the legal channels," he said. "They were told to get back to work or to leave."

Meanwhile in Umtata, the Transkei Development Corporation sacked 57 bus drivers, conductors and mechanics yesterday after a protest stoppage over overtime rates.

"We intend making direct representation to the Government on this matter," a spokesman for the group said.

BRANDY SAUCE — K.W.V. Paarl
(For Steamed Puddings)

Make a white sauce with 1/2 oz butter, 1 oz flour, 1/2 pt milk, add 1/2 oz sugar and 2 t brandy.

---oOo---

HOT CHOCOLATE SHERRY SAUCE — K.W.V. Paarl
(For Ice-Cream)

1 1/2 cups sugar
3 T butter
4 oz chocolate (melted)
1 cup cream
1/4 cup medium sherry
1 t vanilla

Mix sugar, butter, chocolate and cream in a saucepan. Stir until dissolved. Heat and boil for 7 minutes without stirring. Stir in sherry and vanilla. Remove from heat. Set pot over hot water until ready to serve.

---oOo---

HOT HONEY AND VAN DER HUM SAUCE — K.W.V. Paarl
(For Ice-Cream)

2 T honey
1/4 cup van der Hum
9 cherries finely chopped
4 walnuts finely chopped

Heat in a double boiler until very hot. Serve over ice-cream.

---oOo---

CAPE TIMES 9/1/80

Wage allegations denied

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Staff Reporter

A SENIOR official at the Sea Harvest fish factory near Saldanha, Mr H Kramer last night denied that workers at the factory — whose strike for better wages ended this week — had ever been paid R8 or R9 as had been alleged during the strike

'This is absolutely not true' Mr Kramer said

Turning to the strike settlement negotiated with the Food and Canning Workers Union, Mr Kramer said he was glad that the union "has finally come to accept that the settlement terms we had in mind all along are in the interests of the workers

is consistently worse than that of the whites. The 'coloureds' have higher mortality rates for all the major causes of death apart from cardiovascular diseases and neoplastic diseases in men over 65 years of age, neoplastic diseases in women in this group, and cardiovascular disease in men 45-64 years of age during 1960 and 1970. Clearly the rate of 5/1 000 which has been chosen is entirely arbitrary but a similar pattern of mortality emerges

ted.

cific mortality rates require emphasis.
the incidence of the diseases in question,
their fatality rates, for example, a
to Tuberculosis will not only be influenced
disease but also by improved prevention at
vels of intervention which will consequent-
therefore, the associated mortality.

l that although the calculation of rates is
since they take into consideration the
viders of health care the actual numbers
particularly true for those groups which
roportion to the total population, for
ars old. The different demographic pro-
951 are presented in Fig. I, and this pro-
tribution of whites and 'coloureds'.
hich occurred between 1941 and 1970 are,
tudy, of relative unimportance.

oureds' and whites are presented in Fig. 6.
or Africans[5], this is speculative and is
reliability to warrant inclusion. Two
e been included: (1) e_o - the expectation
e expectation of life at 45 years of age.
tter expectation of life than men, and
or both whites and 'coloureds'. In fact,
at e_{45} 'coloured' females have a better expectation of life than white males. What is perhaps of some concern is that the gap between the expectation of life for males and females is widening. This trend is apparent in both the whites and the 'coloured' communities, although it is particularly marked in the latter for whom Male:Female deficit of 1,0 years in 1941 at e_o has become 6,9 years in 1970. For whites a deficit of 3,5 years in 1929 has increased to 7,0 years in 1970.

SA can export more sugar

Cape Times 9/1/80

DURBAN — South Africa will be able to export more sugar this year than in 1979 which at current prices would mean an extra R33m

The International Sugar Organisation met in London last week and meets again on Thursday

According to Mr Peter Sale, general manager of the SA Sugar Association, the ISO agreed to a 10 percent increase in world sugar quotas

South Africa's quota in 1979 was 875 000 tons and following the rise in the sugar price this was lifted to 85 percent The new level will be 95 percent, equal to 831 250 tons

Mr Sale that the lifting of the quota level was immediate "This is good news for us as it will enable us to sell to other outlets But it will have the effect of damping down the price rise which has been steadily rising since last August"

South Africa will also be able to sell denatured sugar and molasses on world markets The recent increase in the molasses price will also help to put sugar back into the black

The decision to lift quotas means that producers will be able to sell an additional 1 300 000 tons this year The surplus is thought to be about 27m tons and this must be cut by about five million tons before the sugar price will start any real recovery

Both white and 'coloured' females have shown an increasing life expectancy at the age of 45, and although this has been small, it contrasts with the downward trend of both white and 'coloured' males.

Although it is apparent that the Expectation of Life at birth for the 'coloureds' has shown a marked improvement between 1941 and 1970, it is salutary to note that neither 'coloured' males nor females, at either e_o or e_{45}, have reached expectations of Life in 1970 which are as high as the whites were in 1929. What also gives some cause for concern is that although the expectation of Life cannot be expected to improve indefinitely, it would appear that the 'coloured' life expectancy is levelling off at a much lower age than has occurred in the white community.

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SUNDAY POST, January 13, 1980

Strikers' victory over 'starvation wages'

(186) (142)

A THREE-WEEK STRIKE ended in victory for 700 women when the management of a Saldanha Bay fish factory this week agreed to increase their wages.

"Starvation wages" of an average of R18 a week and very long working hours drove the women, all workers at the Sea Harvest fish factory, to strike on December 17.

Settlement was reached earlier this week after hours of negotiations between the union representing the workers, the Food and Canning Workers' Union, and factory management.

In terms of the agreement, women who have worked for less than six months will receive R27,50 a week while those with more than six months service will receive R29,80.

They will work 9½ hours, five days a week. This is in accordance with the 46-hour working week laid down by the Wage Determination Board for the white fish industry.

Workers interviewed by SUNDAY POST claimed that before the strike they frequently worked a 12-hour day, seven days a week, without getting overtime pay.

"We work from 7 am till 7 pm, for seven days a week when the fish come in. But when we get our wage packets, the money is so little that we don't know what we've been working for," said one of the workers, who did not wish to be named.

Many of the women who are the sole supporters of their families said they could not afford to feed their children properly out of the money they received.

"I must see that they eat from the wages I get but sometimes this is not possible. How can I send my children to bed with empty stomachs?" said another worker.

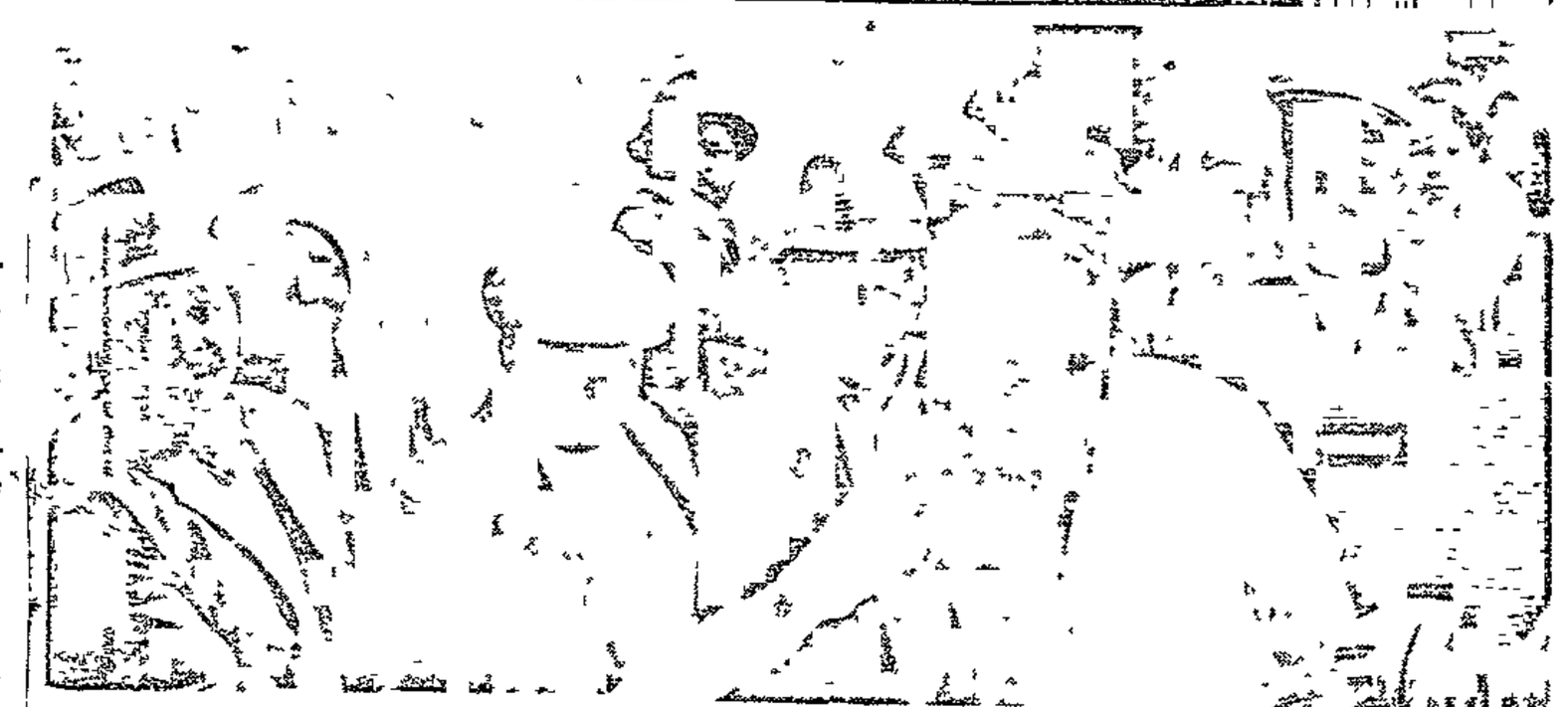
The managing director of the factory, Mr H Kramer, denied worker allegations that they were not paid extra for overtime work.

He also denied reports in local newspapers that some of his workers were paid R9 a week.

"Our company has at all times acted in accordance with the regulations laid down by the Wage Determination Board for our industry," he said.

However, Mr Oscar Mpetha an official of the Food and Canning Workers' Union — which was also involved in the recent Fattis and Monis dispute — said that his union had ignored wage determinations during negotiations because wage levels set down there were too low.

"The wage set for female workers in the white fish industry is R18. This is ridiculously low," he said. — SUNDAY POST Correspondent.



FLASHBACK: Fattis and Monis workers conclude their return-to-work agreement with management . . . the Food and Canning Workers' Union resolves another industrial dispute.

Post 17/6/80

Man victimised, insists Union

(186) 143

A BLACK trade union has refused to accept a large multi-national company's word that one of its former employees was not victimised and dismissed of his union connections.

The black Food Beverage Workers Union insists that Mr Paul Ntuli was victimised and wants him reinstated at the Boksburg plant of Unilever, where he was sacked on December 20

Mr Ntuli was the second of the Union's shop stewards to have been sacked from the plant, claimed Mr Skakes Sikhakhane, the Union's general secretary

"How can we get a strong membership in a company which treats union leaders like this?" he asked with reference to previous clashes over Unilever's insistence that it will not recognise a union which does not represent a majority of workers.

More than a year ago food workers union abroad held a week of protest action against Unilever over this matter

Mr Ntuli, a matriculant, claimed he was appointed as a trainee supervisor in June He had responded to an advertisement which promised professional training

After failing to get any professional training, he complained to his superiors Eventually he was given superiors became troubled and eventually he was given manual work of the kind performed by labourers

After Unilever had been informed of his position as a union shop steward, he was warned not to speak to other workers he claimed

Unilever said Mr Ntuli's dismissal had nothing to do with his union membership

He knew that he was a trainee operator because he had signed an engagement card clearly stating this

Mr Ntuli's interest and performance deteriorated from October He was given "a number of verbal

I & J vervang vloot teen R100 miljoen

FISHING (186)

RAPPORT 20/1/80

Deur ALPHONS DU TOIT

IRVIN & JOHNSON, die grootste vistreilermaatskappy in die Suidelike Halfrond, wil in die volgende tien jaar sy hele vloot teen 'n koste van sowat R100 miljoen vervang.

Mnr. Dennis Zipp, handelsdirekteur van I&J ('n filial van die Anglovaalgroep) het aan Sake-Rapport gesê: „Die eerste stap in hierdie groot vlootvervangingsprogram is reeds gedoen Ons het bestellings vir drie treilers ter waarde van R9 miljoen geplaas.

Twee van die treilers sal deur Dorbyl Beperk in Durban gebou word en die derde is 'n moderne, tweedehandse vistreiler wat in Frankryk gebou is."

I&J se besluit om sy hele vloot te vervang, is 'n regstreekse gevolg van die Regering se besluit in 1977 om Suid-Afrika se gebiedswaters tot 200 seemyl te rek.

Hierdie eksklusiewe ekonomiese sone (EEZ) het op 1 November 1977 in werking getree „Die gevolge," sê mnr. Zipp „was dramaties"

„Vistreilers van die buiteland, veral dié van Rusland, Oos-Duitsland en talle ander het feitlik oornag padgegee Sedertdien het die witvisgronde aan die Suid-Afrikaanse kus, wat byna uitgeroei was, vinnig begin herstel."

Voordat Suid-Afrika se gebiedwaters verander is, is die visgronde deur vreemde vistreilers feitlik gestroop In die begin van die jare sewentig het die vangste van die Suid-Afrikaanse vismaatskappye ernstig begin daal Maatskappye soos I&J het eenvoudig nie hul vloot vistreilers met nuwes vervang nie.

Weens die hoë koste van nuwe treilers is die oues met tweedehandse treilers vervang „Die lewe van 'n vistreiler," sê mnr. Zipp, „is nie soos in die geval van 'n visaanleg, feitlik onbeperk nie. Die vistreiler het wel 'n beperkte lewe. Ons het net nie kans gesien om nuwes te laat bou nie."

Maar nadat die Russe en andere wat nie 'n ooreenkoms met die Suid-Afrikaanse regering aangegaan het nie, die viswaters verlaat het, het die visgronde begin herstel.

Volgens mnr Zipp ondervind I&J 'n aanhoudende verbetering wat hul vangste van witvis betref. Treilers wat 'n paar jaar gelede byna leeg na die hawe teruggekeer het, kom nou met vol vragte aan wal

I&J was genoodsaak om die hele aangeleentheid van naby te bekyk Danksy die besliste oplewing in die witvisbedryf het dit weer uiters lewensvatbaar geword Die pessimisme van die vroeer jare sewentig is deur 'n nuwe gees van optimisme vervang.

„Ons denkwyse moes noodgedwonge drasties verander word," sê mnr. Zipp „Gevolglik is daar op die vlootvervangingsprogram besluit"

Maar die lewensvatbaarheid van die witvisbedryf is ook deur 'n ander faktor, die prys van brandstof, ernstig bedreig. Die saak is ingrypend ondersoek en die nuwe vistreilers van I&J is beplan met brandstofbesparing as 'n vernaame prioriteit.

„Die nuwe treilers wat vir ons gebou word, sal 'n mengsel van gewone diesel en swaarbrandolie (HFO) gebruik," sê mnr Zipp „Hierdie swaarbrandolie is nie net goekoper nie, dit is ook vryelik bekombaar. Ons vloot sal gevolglik op 'n baie meer ekonomiese grondslag bedryf kan word"

Die gebruik van die spesiale mengsel benodig ook spesiale enjins en dié word in Frankryk vervaardig „Die goeie samewerking wat ons op hierdie gebied ondervind,' sê mnr. Zipp, „is 'n verdere bewys van die goeie handelsverhoudinge tussen Frankryk en Suid-Afrika."

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XVI SYMPTOMS AND ILL-DEFINED CONDITIONS

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,51	0,54	2,10	1,24	7,00	6,86	19,69	19,83
1-4	0,04	0,04	0,21	0,35	0,75	0,77	2,58	2,48
5-24	0,01	0,01	0,09	0,06	0,08	0,03	0,21	0,23
25-44	0,05	0,05	0,28	0,17	0,42	0,31	0,72	0,78
45-64	0,44	0,18	1,73	1,04	1,73	1,02	3,80	3,64
65+	1,84	1,95	8,32	6,56	8,55	5,71	14,69	14,84
ALL	0,22	0,23	0,56	0,38	0,83	0,65	1,80	1,96
NO.	463	485	199	134	94	[illegible]	[illegible]	[illegible]

XVII ACCIDENTS, POISONINGS AND VIOLENCE

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,85	0,69	0,70	0,31	[illegible]	[illegible]	[illegible]	[illegible]
1-4	0,49	0,21	0,31	0,27	[illegible]	[illegible]	1,02	0,53
5-24	0,71	0,22	0,68	0,20	[illegible]	[illegible]	0,89	0,20
25-44	1,18	0,30	1,43	0,37	[illegible]	[illegible]	[illegible]	[illegible]
45-64	1,25	0,42	1,55	0,40	2,89	[illegible]	[illegible]	[illegible]
65+	1,26	0,71	1,34	0,91	2,19	0,90	1,02	0,53
ALL	0,95	0,33	0,95	0,29	1,91	0,56	0,89	0,20
NO.	1973	677	333	104	2175	652	1868	324

ALL CAUSES

Star 29/1/80 (186)

More than meats the eye

Fair Deal Reporter

What is the difference between a can of meat balls and spaghetti and a can of spaghetti and meat balls?

Believe it or not, there is a big difference

You can expect many more meatballs in a can labelled "meatballs and spaghetti" than in a can labelled spaghetti and meatballs"

By law, canned meat products, in which the meat product ingredient constitutes more than 10 percent of a can's total content are controlled in terms of a compulsory standard specication

This specification stipulates, for various types of canned meat products, the percentage of meat the product must contain

For example, meat balls in a product consisting of meat balls packed in gravy must form not less than 50 percent of the declared net mass of the contents of the container

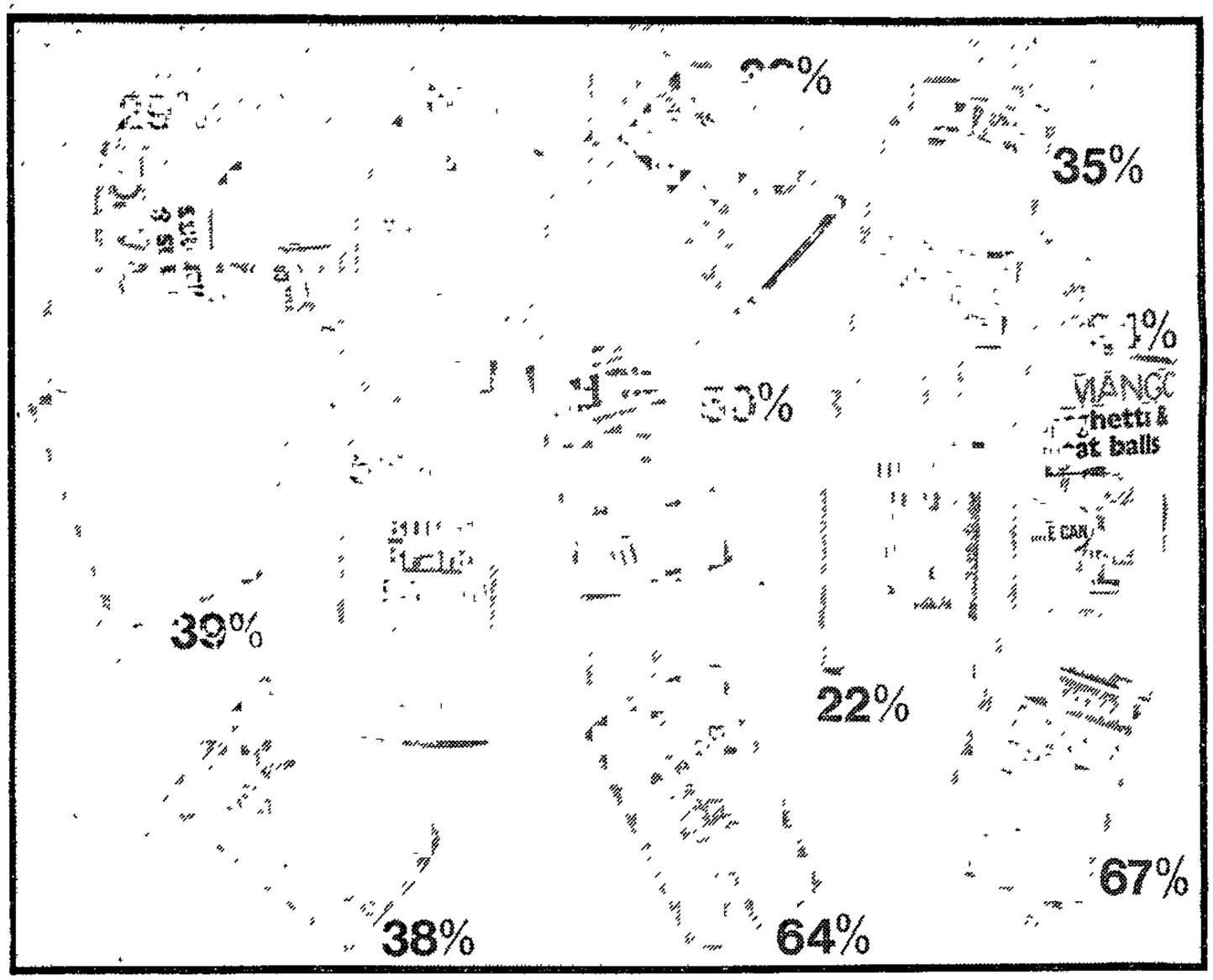
This means that if a manufacturers of a canned meat ball-in-gravy product states on the product's label that the net mass of the product is 400 g, then at least 200 g of the contents must be meat balls

Products consisting of other ingredients, such as vegetables or cereal as well as meat, may only carry a label on which meat content is listed first (such as "Viennas and Beans") if the meat content constitutes at least 25 percent of the total net contents of the container.

If the meat content is above 10 percent but less than 25 percent of the stated net mass then the other ingredients (beans, for example) must be listed first in the product's title (for example, "Beans and Viennas").

Fair Deal looked at samples of 12 canned meat products and found, on rough calculations, they all contained more meat than the minimum required by law

The Trade Inspections Branch of the Department of Commerce, Johannesburg, weighed the meat content of each sample for us and we calculated the percentage of the product's stated weight this meat content formed.



How much meat will you find in a canned meat product? The photograph above shows you the amount of meat-based product (as a percentage of the stated mass of the product) which Fair Deal found in samples of 12 different products All the products contained more meat than the minimum required by law.

(Note: the percentages we calculated are only approximate figures. Where the law stipulates the meat content required in products such as those surveyed, it refers to the "washed" mass of the meat, and it stipulates a special procedure for washing We separated the meat contents from other ingredients but did not wash them in this way)

This is what we found

- In a 400 g can of Bull Brand meat balls in rich gravy, meat balls formed about 56 percent of the declared net mass; in a 400 g can of Gants meat balls in rich gravy, 64 percent, in a 400 g can of Spekenam meat balls with gravy, 67 percent By law, the meat balls in such products must constitute at least 50 percent of the declared net mass
- The meat balls in a 425 g can of Spekenam meat balls and spaghetti in tomato sauce formed about 31 percent of the declared net mass — the legal minimum is 25 percent.
- The curried beef in a 400g can of Fray Bentos curried beef and rice formed about 36 percent of the declared net mass — the legal minimum is 25 percent.
- The mutton in a 400g can of Gold Dish mutton curry with kidney beans formed about 35 percent of the stated net mass In this product the mutton is packed on the bone The minimum meat content for such products allowed by law is 30 percent.
- The chicken plus bone in a 400g can of Gold Dish stewed savoury chicken with vegetables (another "on-the-bone" product) formed about 50 percent of the declared net mass. The legal minimum is 30 percent
- The other products listed their vegetable contents first in their titles Legally, in a product such as these, the meat content may constitute little as 10 percent of the declared net mass

The viennas in a 400 g can of Tomango beans and viennas formed about 29 percent of the stated net mass In a 400 g can of Gants beans and smoked vienna sausages, they formed about 39 percent of the stated net mass The frankfurters in a 425 g can of Bull Brand beans and frankfurters in tomato sauce formed about 22 percent of stated net mass. The meat balls in a 410 g can of Tomango spaghetti and meat balls in tomato sauce formed about 24 percent of stated net mass In a 400 g can of Gants spaghetti with meat balls in cheese and tomato sauce they formed about 38 percent of the declared mass.

PREMIER MILLING

Hardy evergreen

(RSA) FM 1/2/80

The JSE food sector has been a relatively sluggish performer in recent years, apparently based on investor views that earnings growth in this industry is less sensitive to changing economic cycles than in others. The mass of government controls on the food manufacturing industry supports these views, with the result that in the past three years the industrial market as a whole has grown three times faster than the food sector.

In the past three years while the *RDM 100* industrial index has increased 150% the food sector has risen only 52%. But as many analysts talk of an imminent decline in share prices it may be time to switch into the food sector where price performances are likely to be more stable. But if the market as a whole is set to turn down the food sector is unlikely to escape. And investors looking for a defensive stock may be best advised to consider heavyweights such as Premier Milling.

In the past year Premier's share has risen 29,5% to 725c, well ahead of the sector's 17,9% advance. However this performance should be viewed in the context of the industrial market which rose 54% as a whole in the same period.

Premier's better-than-average performance reflects management's ability to pull the group back up from last year's interim profit drop to its eleventh consecutive annual earnings improvement. This was followed by a 25% earnings rise in the first six months of the current year.

The group operates in diverse industries - ranging from milling to bookshops with something like 175 subsidiaries.

In its major markets Premier is a dominant force. However many are hamstrung by State imposed profitability controls. So the key to success is firm control on margins. "We have always placed strong emphasis on margins and production efficiencies in our business," says chairman Tony Bloom. "Our aim is always to beat the margins." He laughs at the idea that food is immune to economic cycles. "Food production is not a licence to print money. We are affected in a recession. Purchasing power shrinks and customers buy down, leaving certain areas less profitable."

Premier has however managed to control its margins. They narrowed last year but currently appear to be back in line. In the six months to end-September turnover rose 16% while pre-tax profit advanced 23,4% to R18m (R14,6m). This followed on the 7% earnings improvement last year after a 20% dip at the interim stage when pre-tax profit margins dropped to 4% (5,4%). Interim margins this year were 4,1%.

"Vertical integration has helped Premier tackle its margins," says Bloom. "This integration has been a very deliberate policy and gives us more control over

costs Nothing is wasted Many of the by-products of one division are used in others "

Milling is the group's largest profit contributor But Bloom points to the number of firms leaving the industry as proof of milling's slim margins "We think prospects are good, but we want realistic margins " There is over-capacity in the industry, but Premier is just coming to the end of a substantial capital investment programme This should pay off over the next few years in terms of improved efficiency, particularly as market conditions are showing signs of improvement

PROFITABLE MIX

Gross profit contributions

	Gross profit Year to end-March 1979 %
Milling and ginning — wheat, maize, sugar, cotton	49,7
Bakery and allied	4,9
Animal feeds, poultry	6,6
Edible oils, fats, margarine	20,4
Industrial feeding	2,7
Pharmaceuticals, bookshops	8,7
Other	7,0

But it will not necessarily be easy going Milling requires large stocks Of necessity these are financed by borrowings, with last year's debt equity ratio a high 99,6% However the interest bill was covered a comfortable 3,1 times by gross profit On the positive side, however, stock holding costs are financed by government There is also industry supply protection through the Control Boards which ensure the millers get the raw materials they want In theory the debt equity ratio could be lowered through a rights issue to raise permanent capital But raising funds that way could mean a commitment by UK-based Associated British Foods which holds 51% of Premier's equity

Premier's cotton ginning operation is the largest in the country This industry is subject to weather and crop conditions, and fortunes are tied to raw materials availability Bloom says this year's cotton crop will be smaller and competition is intense with large over-capacity around the country Thus this year profit from this source will probably slip

Farming-related industries, especially, are hampered by the difficulty of matching planned production with demand when a new operation comes on stream When Premier decided to enter the broiler industry annual consumption growth was over 20% By the time the group's expanded facilities came on the market, demand had dropped and prices were low Bloom says with Premier production of about 1 000 t of broilers a week, a 1c/kg retail price movement either way could change profits by more than R500 000 So again, the emphasis has to be on margins to ensure profits are acceptable Also Premier's egg division loses money, and near-term there appears little hope of a revival

Another problem area has been the animal feeds section Annual growth in the balanced feeds market has been falling for five years from a 38% peak in 1974 to a negative 2,2% in 1978-79 Lately there has been an improvement, with the division on a much sounder footing says Bloom

Milling . . market conditions showing signs of a lift

Starting as a maize and wheat milling company 66 years ago, some of the recent diversifications such as the move into bookselling, appear to have been done for diversification's sake Bloom, however, has no doubts about that move "Premier acquired Westdene Bookshops when it took over Propan which was previously listed in the pharmaceutical sector The returns were good so we expanded There

Tony Bloom . . watching the margins

THE FM's ERROR

In last week's article on building societies, "Whom do they serve?," their lending capacity was exaggerated Capital repayments of bonds over the past nine months were R811,7m (as stated in the table) and not R2 272,3 (as stated in the text), hence lending capacity was R2 000m and not R3 500m

These figures were inadvertently transposed when lending capacity was calculated We regret the error and are grateful to the Society of Building Societies for pointing this out

The societies' lending capacity after the R1 765,6m lent in the eight months to November — is not R1 700m but about R300m

The societies do, therefore, still have considerable sums to lend This is further illustrated by their financial position at the end of September Total assets were 17% higher than in the same period of the previous year, share investment rose 15% and shares and deposits 21% Yet mortgages were up only 12% although there was a 115% rise in loan commitments

was nothing unplanned about the move," he says This policy is paying off Books and pharmaceuticals contributed 8 7% (3,5%) of pre-tax profit last year, and a better figure should emerge for the year to end-March, particularly as further acquisitions have taken place

Other divisions included liquor retailing Premier owns nine bottle stores, including Civil Service and 50,1% of Benny Goldberg Whether the operation can be expanded remains to be seen There is still no clarity on how many liquor outlets Premier may own or control following last year's "rationalisation" of SA's beer, wine and liquor market

Investors have long regarded Premier as a blue chip Since 1964 pre-tax profit has increased tenfold to last year's R35,1m Turnover last year was R763m and should be up near R1 000m this year The tight control on costs should ensure a proportionate rise in earnings, with another dividend increase on the cards Currently the annual dividend stands at 35c A 37c total is well within reach, particularly as capex is tailing off This leaves the share on a prospective yield of 5 4% which reflects its longer-term attraction

Des Kilalea

(154) (206) (166) FM 1/2/80

APARTHEID

Start weeding at the roots

The SA statute book contains close on 1 200 pages of law devoted exclusively to the control and administration of blacks These laws, in turn, have spawned thousands more pages of administrative regulations — solely for blacks This implies discrimination on a scale almost too massive to contemplate To a lesser extent, but no less humiliating, the Statutes of the Republic discriminate against the black minorities — (coloureds and Asians)

> **QUOTE:** *We can be, and are, well on the way to achieving in my country equality for all people before the law and equal chances and opportunities*
>
> **Piet Koornhof in the US, June 1979.**

The two Bothas (Pik and PW) are committed to a programme of reform, a retreat from discrimination based on colour This means that the massive restrictive structure of laws, rules and regulations will have to be dismantled to fulfil their public undertakings And to do so would require the destruction of the fundamental pillars of apartheid

Not to do so would dash the expectations of millions and invite violent backlash Changes wrought by the Riekert and Wiehahn recommendations have not materially changed the quality of life for blacks The post-Wiehahn Industrial Conciliation Act is a major improvement on its predecessor, but it is still far from perfect and clearly has not won the confidence of most black workers

Riekert, on the other hand, favours phasing out the harsher aspects of the pass laws and influx control, but he proposes to replace it with far more subtle control machinery linking the presence of a black man in a prescribed area to the availability of a job and housing

"People who managed to get jobs illegally in the past just cannot get employment now because the new R500 fines which employers have to pay prevents them from employing unregistered staff," Sheena Duncan, of the Black Sash advice bureau, told the Institute of Race Relations conference in Cape Town last week

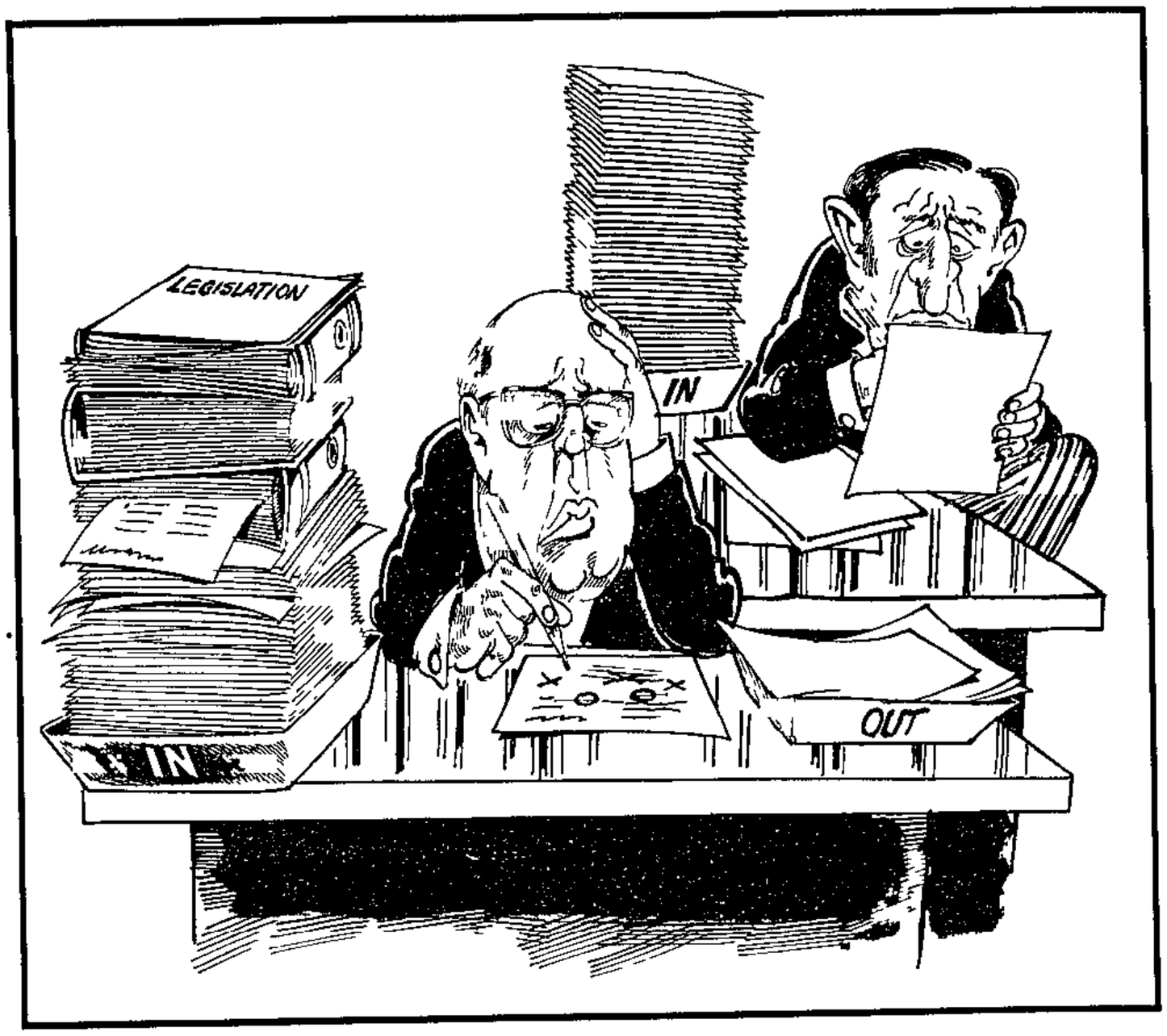
To catch up with the backlog, 63 000 houses a year will have to be provided between now and the end of the century for blacks in the main industrial areas

The new measures are more efficient, but they do not represent a retreat from discrimination At every turn, unless there is a radical decision to scrap the ideology of separate development the bureaucrats drafting the new "enlightened" laws are going to run into conflicts and contradictions between the political dictates of apartheid and the economic dictates of the free market

It is difficult to understand why a white school-leaver from, say, Eshowe can freely sell his labour in Durban, Johannesburg or Cape Town to the highest bidder, but a Zulu schoolboy wanting to do the same should run into a labyrinth of regulations excluding him, controlling him, restricting him

Professor P J van der Merwe, deputy chairman of the Manpower Commission, says the legislative framework of the country could be changed dramatically with a number of small Acts consolidated into three comprehensive Acts covering everything from employment and industrial relations to community affairs

The three new Acts would be the 1) Employment and Training Act, dealing with all employment and training matters on a non-discriminatory basis, 2) the Industrial Relations Act, embodying all relevant provisions of the IC Act (1956) and the Black Labour Relations Act (1953), and (3) the Black Community Development Act, a new Act incorporating some of the provisions of the Black Urban Areas



[illegible] unknowns could [illegible] move

[illegible] net profit figure [illegible] for the year to end March, particularly as further acquisitions have taken place.

Other divisions included liquor retailing. Premier owns nine bottle stores, including Civil Service, and 50,1% of Benny Gold- [illegible] here. Where the operation can be [illegible] last year's rationalisation of SA's good wine and liquor market.

Investors have long regarded Premier as a blue chip. Since 1961 pre-tax profit has increased tentold to last year's R35,1m. Turnover last year was R76,8m and should be up near R1 000m this year. [illegible] yield the annual dividend stands at 25c. A 27c total is well within reach, particularly as capex is falling off. This leaves the share on a prospective yield of 5,1 [illegible] which reflects its longer term attraction.

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186

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Sun TRIB 3/2/80

UNIONS: SUGAR MEN ACT

By JACK BRICKHILL

BLACK sugar mill workers are on the brink of deciding whether to form an industry-wide union to complement the present system of workers' committees in the mills.

Representatives speaking for 11 250 black workers from mills throughout Natal, met for three days this week at Mount Edgecombe to decide a course of action

The decision, which is expected to be told to the employers shortly, may set the future pattern not only for the sugar industry but for other industries in the country

The workers may opt for a single union for the industry or they may prefer to throw their lot in with existing unions such as the Sweet and General Workers unions

They can also decide to keep the present system of workers' liason committees in the mills and not register a union at all

The right of black workers (other than agricultural workers) to form unions was provided in amendments to the Industrial Conciliation Act At least one black union has already been registered in the Transvaal

The mill workers are likely to be among the first black workers to form a registered union in Natal and this move will no doubt be welcomed by employers who would not like to see a number of splinter unions, as in many British industries, which bedevil industrial relations

Indeed C. G Smith Sugar's managing director, Tony Norton speaking on behalf of employers, told workers representatives at Mount Edgecombe last year that they favoured one trade union for one industry.

"Furthermore if we are to see an end to racial discrimination we consider that this should be a multi-racial union, although we fully realise the difficulties in achieving this aim"

Norton favours a two-tier structure of consultation and collective bargaining Multi-racial committees at mill level supporting an industry-level structure which negotiates employment conditions through the Industrial Council

In the past black mill workers have sent representatives to Industrial Council meetings but they had little status other than to discuss business affecting them directly.

If they form a union they will have full membership and voting rights and can take part in drawing up a binding agreement

Norton has spelt out the employers' attitude

"We are not in any way opposed to our workers being represented by a trade union We support the views of the Wiehahn Commission that the employees must be free to decide for themselves whether they wish to be represented by a trade union"

Inyanga ngoku sele izakuphela a
eBellville South benogwayimbo
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kukuba bebengamalungu eTrade Un
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Abasemagunyeni kumbutho weUnior
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Ayanda amanani abantu abaziban
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Umbutho oyi Western Province
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Workers not paid claim

Cape Times 5/2/80

Staff Reporter

HELDERBERG Meat Products in Somerset West refused to pay 19 workers a week's wages after they refused to turn up for work at the company plant last week, according to the secretary of the Food and Canning Workers' Union, Mr Jan Theron

He said yesterday that the workers were told that this was because they had deserted The company had referred them to the Department of Labour

The workers refused to turn up for work last Wednesday It is understood a dispute between the workers and the firm has arisen over an increase in the price of meat available to workers and dissatisfaction over pay

Mr Theron said last week that many women at the plant were being paid R14,10 while men were getting as little as R17

Asked to confirm that the workers involved were not paid on Friday, a director of the firm, Mr A J Carstens replied "What will happen to you if you don't turn up to work?"

Those who failed to turn up for work without giving notice were not entitled to "anything", including leave The workers had "deserted"

He confirmed that the workers were referred to the Department of Labour in Somerset West as this was the proper procedure if they had a complaint

Mr Theron said last week that workers were not compensated for the increase in the price of the meat allowance and that the minimum wage was based on a determination more than a year old

Mr Carstens said last week that the price was increased because of increasing costs The company was not paying less than the minimum wage determination and that many were getting considerably more

He said last week that the workers who had failed to turn up for work had been refused re-employment

IRVIN & JOHNSON (188) FM 8/2/80

Cooler waters

Irvin & Johnson's recovery slowed in the six months to end-December as pre-tax profit increased by only 4,8% on an 18,5% turnover improvement But steps being taken to trim operating costs are expected to yield better results in the second half

Turnover for the period was R95,1m (R80,3m), while pre-tax profit was R4,5m (R4,4m) The interim tax rate was higher at 43,3% (36,6%) as previous losses were worked through in 1978 It appears this higher rate will apply for the rest of the year, though with a fairly major modernisation programme in hand for the trawling fleet, lower rates appear likely in 1981. Thus, at the attributable level, earnings per share were slightly down at 8,7c (9,5c).

Commercial director Dennis Zipp says the reduced gross profit margin of 4,8% (5,4%) reflects higher fuel bills in the fishing division as well as various cost increases in other group operations He says all divisions performed better and that export prices show signs of "firmness" Last year export volumes almost doubled, but weaker prices meant the profit contribution rose less quickly

Fleet expansion

I & J is in the throes of modernising its fleet Also, Zipp says the extension of the fishing limit to 320km has generated more confidence in the industry, and this has prompted I & J to order new rather than second-hand trawlers

Besides the vessels ordered from France, two new units are being built by Dorbyl in Durban for delivery in about 19 months This explains the R9,1m (R386 000) capital commitment in the interim report

Traditionally, the group does not pay an interim dividend Previously 9c (7c) was paid for the year and it would appear that this will at least be maintained Although cost increases are unlikely to abate, measures are being taken to contain the fishing division's fuel bill

So, second-half profitability is expected to improve and ongoing capex should not inhibit distribution from this cash-flush company In addition, there is always a chance of acquisitions after the Table Top negotiations fell through At 135c the share is up 29% in the past six months, and, on a 6,7% historic yield, rates a hold

Des Kilalea

the cost of raising the necessary funds has to be taken into account. The funds themselves are already justified by comparison with the alternative methods of provision, but there are additional costs involved in raising them: interest on loans, or administrative and incentive costs of raising taxation. These are normally insignificant for any given project, but may affect the overall amounts available for the health budget.

Where the methods of providing a given service use the same kinds of resources in different proportions, the decision-making can be simplified by means of Linear Programming, though health service choices cannot usually be presented in the simplified way required by this method.

2. CHOICE OF PROGRAMMES

So far, we have discussed methods of choosing means to obtain a given objective. But what tools are available to aid the choice of objectives themselves? Can anything be said on the question of the priority to be given to particular diseases or age groups, whether to allocate more to child welfare clinics or care of the aged?

Overall criteria are needed, and they have to be expressed in such a way that they can guide these detailed questions. Essentially, the problem is not only to relate resources used to objectives achieved, but to relate the various objectives to each other.

There are various means of doing this; but all of them require that expenditure be accounted for by the ends it is expected to achieve.

2.1 Programme Budgeting

Programme budgeting, also known as budgeting by objectives, involves the presentation of expenditure data according to the objectives to which it is directed. Thus, projects to combat TB would be grouped together, geriatric problems, sanitation programmes, etc.

This is necessary:

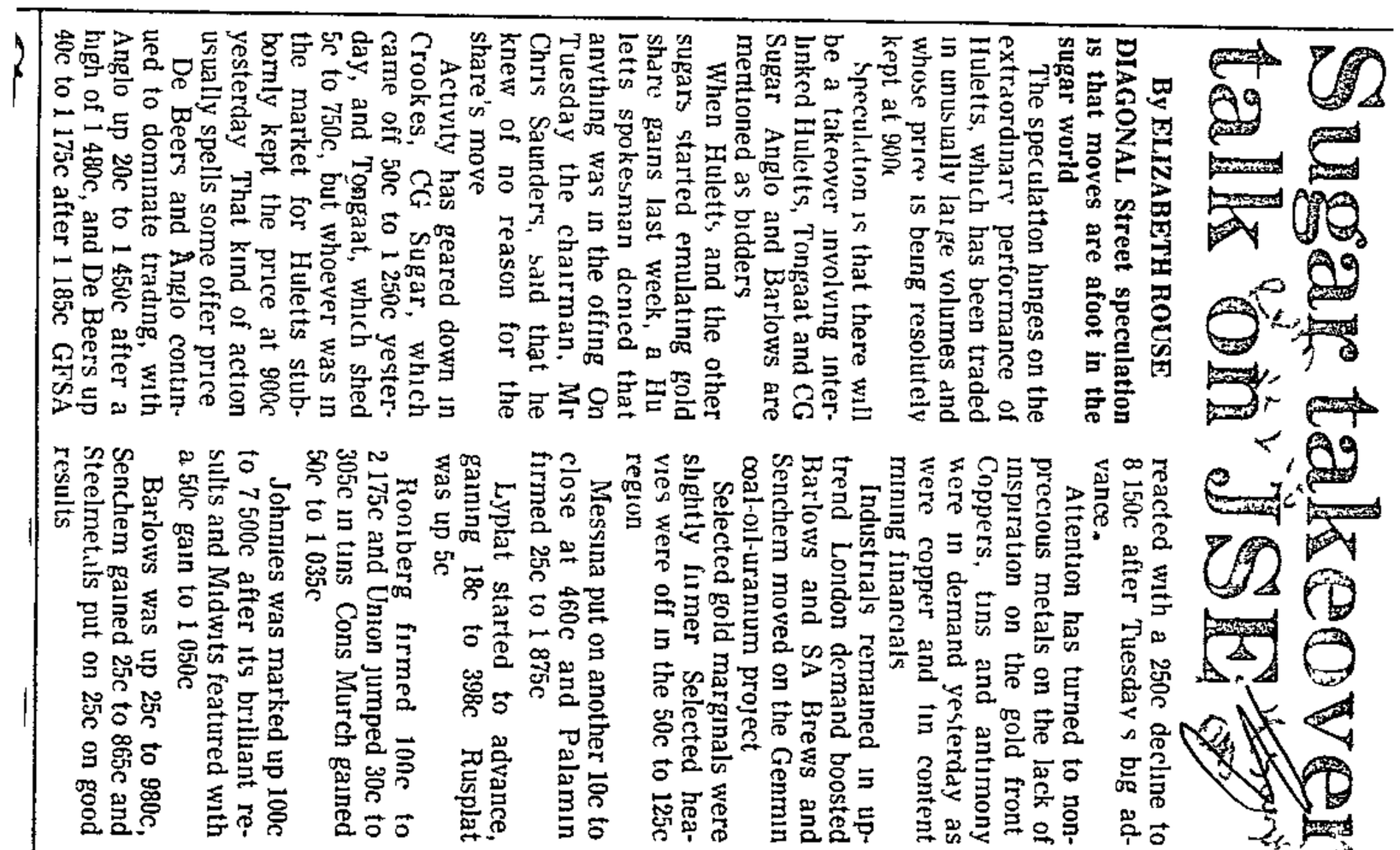
(a) to know the cost of pursuing each objective;

(b) to group together activities with the same objectives which can be compared by cost-effectiveness analysis;

(c) to know the effectiveness of a given amount of money when spent on different objectives, so that choices can be formulated in terms of the alternatives we might afford - so many geriatric day care centres, so many child welfare clinics, etc.

Financial statistics are not traditionally arranged on this basis but in categories such as 'salaries', 'transport', 'medicines', etc. A separation, e.g. between expenditure on different disease groups or age groups cannot be made.

The grouping of expenditure into programmes is an art. Pole, an econo-



Sugar talk on takeover JSE

By ELIZABETH ROUSE

DIAGONAL Street speculation is that moves are afoot in the sugar world

The speculation hinges on the extraordinary performance of Huletts, which has been traded in unusually large volumes and whose price is being resolutely kept at 900c

Speculation is that there will be a takeover involving interlinked Huletts, Tongaat and CG Sugar Anglo and Barlows are mentioned as bidders

When Huletts, and the other sugars started emulating gold share gains last week, a Huletts spokesman denied that anything was in the offing On Tuesday the chairman, Mr Chris Saunders, said that he knew of no reason for the share's move

Activity has geared down in Crookes, CG Sugar, which came off 50c to 1 250c yesterday, and Tongaat, which shed 5c to 750c, but whoever was in the market for Huletts stubbornly kept the price at 900c yesterday That kind of action usually spells some offer price

De Beers and Anglo continued to dominate trading, with Anglo up 20c to 1 450c after a high of 1 480c, and De Beers up 40c to 1 175c after 1 185c GFSA reacted with a 250c decline to 8 150c after Tuesday's big advance.

Attention has turned to non-precious metals on the lack of inspiration on the gold front Coppers, tins and antimony were in demand yesterday as were copper and tin content mining financials

Industrials remained in uptrend London demand boosted Barlows and SA Brews and Senchem moved on the Genmin coal-oil-uranium project

Selected gold marginals were slightly firmer Selected heavies were off in the 50c to 125c region

Messina put on another 10c to close at 460c and Palamin firmed 25c to 1 875c

Lyplat started to advance, gaining 18c to 398c Rusplat was up 5c

Rootberg firmed 100c to 2 175c and Union jumped 30c to 305c in tins Cons Murch gained 50c to 1 035c

Johnnies was marked up 100c to 7 500c after its brilliant results and Midwits featured with a 50c gain to 1 050c

Barlows was up 25c to 980c, Senchem gained 25c to 865c and Steelmetals put on 25c on good results

[illegible] requirements for [illegible] group? But community care originally became fashionable as a good thing in itself. The practitioners are very apt to muddle the medical and economic arguments when it suits them, and the politicians and administrators equally so when it suits them, but the economist's concern is to keep them separate". [9]

Programme budgeting, then, entails the attempt at this separation, sorting out from the multiplicity of decisions those which can be made on the basis of administrative or economic, together with medical-technical criteria, and those in which the role of the public through political

Modern miracle of micro-surgery

Severed hands saved by a stitch in time

By BRUCE STEPHENSON

MOST of the 30 people whose severed hands or fingers have been sewn on by the Johannesburg micro-surgery unit have returned to their original jobs within six months of the operation a member of this top surgical team said yesterday

The unit came into the news last week when it performed two operations within two days on Port Elizabeth men who each lost a hand in separate industrial accidents

Mr David Nkentshe 44, of Walmer Township had his left hand cut off by a dough-making machine in a Walmer bakery on Thursday morning and Mr Joseph van Vught 42, of Schauderville had his hand torn off when it became entagled in the chain-drive of a conveyer belt in a frozen-vegetable factory early on Saturday morning

Both men were rushed to Johannesburg by air — with their severed hands in buckets of ice beside them — so that they could receive the highly complicated precision-surgery that could soon see them back on the road to near-normal use of their hands

Five years ago they would have had no alternative but to leave hospital with a hook in place of a hand

The micro-surgery unit in Johannesburg, formed only two years ago to deal with the accidents that befall circular saw and machine-operators, has had a 80% success rate with its patients

The surgeon, whose identity may not be published for ethical reasons, said yesterday that Mr Nkutshu, who is at Crown Mines Hospital, had a "very good chance" of regaining 50% use of his left hand This is considered successful in replant operations

However he said, he was concerned about the success of the operation on Mr Van Vught, who is at the Johannesburg Hospital He was "in a satisfactory condition considering the circumstances", a hospital spokesman said yesterday

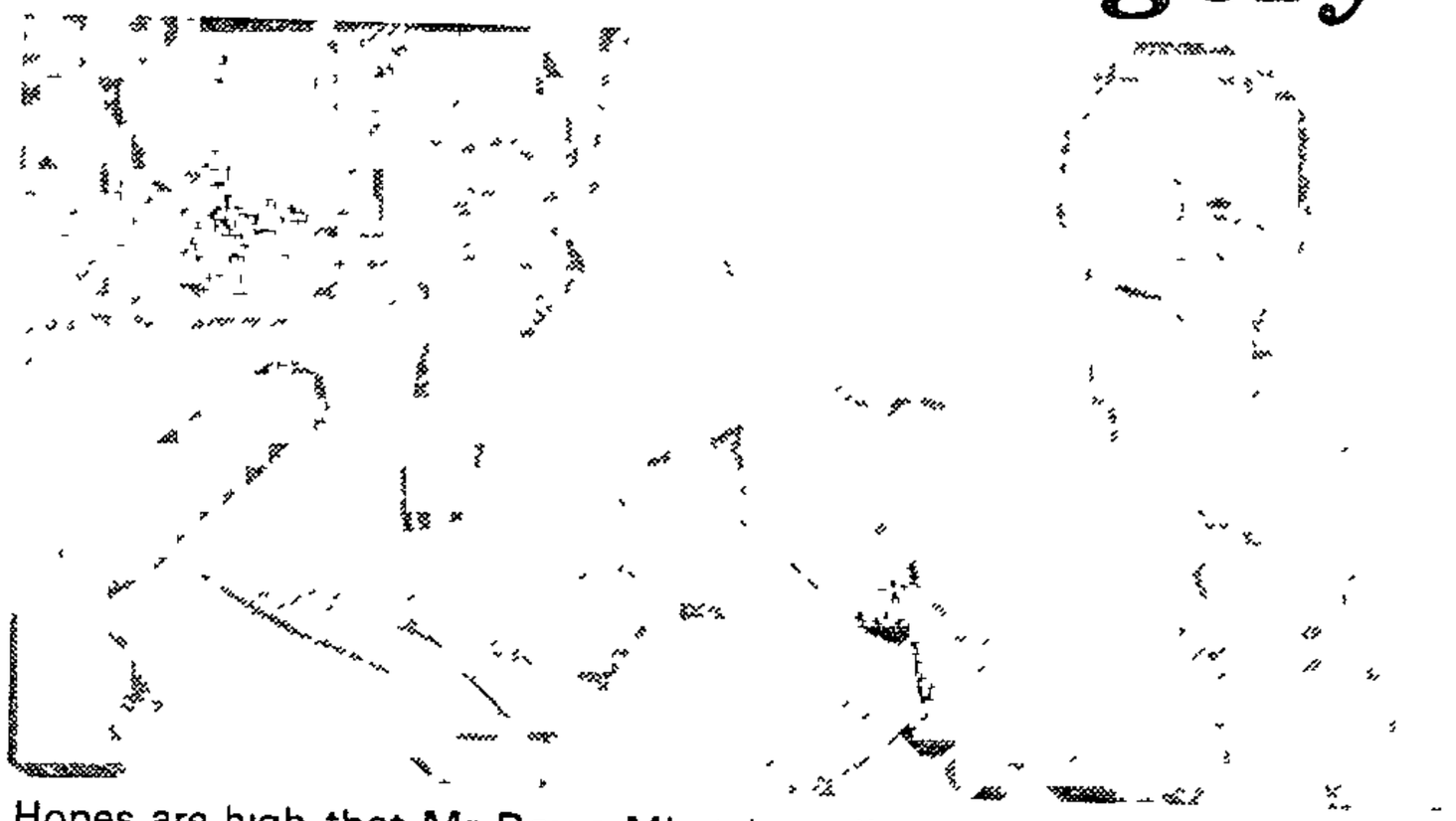
Mr Van Vught lost his right hand at about 2am on Saturday morning A doctor at Port Elizabeth's Livingstone Hospital decided that he should go to the micro-surgical unit and chartered a plane to Johannesburg By midday Mr Van Vught lay on the operating table

The operation, which took eight hours, was described in detail by the exhausted surgeon

What saved both men's hands for surgery, he said, was that they had been cleanly severed in the accidents and had been immediately packed in ice

As soon as possible after a limb is severed, the surgeon said it should be packed in ice — ordinary cube is perfect — and the victim rushed to hospital The doctor will then contact the micro-surgery unit at either Groote Schuur, Tygerberg or the Johannesburg Hospital

A severed limb normally has a "life" of six hours, but packed in ice it is suitable for surgery up to 18 hours later



Hopes are high that Mr Davis Mketshe will regain the use of his left hand and that Mr Joseph van Vught will be able to use his right hand

In the operation, the first thing the surgeons do is shorten the bone cut away all bruised flesh and then join the bone

"This is so that undamaged flesh can be joined to undamaged flesh which gives a better chance of the flesh healing"

Then the tendons, about 15 in all, which control finger and wrist movements are joined together

This the surgeon does with the naked eye, but for the next three steps of the operation he is working through a microscope at 10 amplifications to see the tiny vein and nerve ends The veins measure only one millimetre across

He joins the nerves, veins and arteries with sutures thinner than a human hair, sews up the flesh and skin — then prays for his patient's recovery

"This type of surgery is exceptionally demanding It requires speed in the beginning and then precision when it comes to joining the vessels

"One of the team said it very accurately 'The problem with this procedure is that the margin for error is minimal, if it is not perfect, the hand will die'" the surgeon said

The results of a replant operation have to be compared to the alternative — a hook which works well but lacks sensation

"A successfully replanted hand has limited movement of about 50% of normal, but it develops near-normal sensation

"The patient will have pinch movement, can grasp large objects such as a glass or handle and can hold and feel a coin But he would not be able to make a fist It is important that he can use his own hand to turn on a tap and get a glass of water and that he does not have to take off a hook when he goes to bed It is his own hand"

The first successful replant was performed by a Cape Town surgeon in 1975 After five years, the degree of success is such that most of the patients return to their jobs within six months of having their hand sewn back on

And the cost of such a difficult operation?

"In the provincial hospital the cost is R15 a day, the same as for any other surgical patient But if it was done privately, I doubt if he would get away with a bill of less than R5 000 — of which a fifth would be doctors' fees" he said

The unit provided by the province as a service, is on call 24 hours a day

Inyanga'ngoku sele izakuphela abasebenzi abangama - 88 bakwa Fattis & Monis efektri eBellville South benogwayimbo. Into ebangele ukuba bagwayimbe kukugxothwa kwabasebenzi

Printed by S.R.C. Press, U.C.T.

He carried severed hand in a box

Mercy dash from Port Elizabeth

As a South African Airways domestic flight from Port Elizabeth touched down at Jan Smuts Airport, Mr Davis Nkutshu (47) clutched an icebox on his lap Inside "on ice" was the hand he had severed a few hours earlier in an accident

Officials held passengers back to let Mr Nkutshu off the plane first He was flown by helicopter to the Johannesburg hospital

He was rushed to the operating theatre for micro-surgery and after a six-hour battle surgeons successfully sewed his hand back on

Thanks to the co-operation of doctors and staff in Port Elizabeth and Johannesburg, there is an 80 percent chance that Davis's hand will be saved

Mr Nkutshu flew all the way from Port Elizabeth with his severed hand and left arm in an icebox

The drama had started just after lunch in Port Elizabeth when Mr Nkutshu lost his hand in a machine at the bakery where he works

He was already on the operating table when doctors decided there was still a good chance his hand might be saved.

Davis Nkutshu (47) was flown to the Johannesburg Hospital from Port Elizabeth yesterday with his hand "on ice," and rushed to the operating theatre for emergency micro-surgery

Picture Graham Gainsford

Severed hand is sewn back

W Argus 16/2/80

Argus Bureau

PORT ELIZABETH — A baker whose hand was almost severed had it sewn back in Johannesburg General Hospital — after being flown from Port Elizabeth with it in a bucket of ice.

A spokesman for the bakery said today that Mr Davis Nkemtshe, 55, was working with a dough machine on Thursday when his foreman saw him staggering away, clutching his hand.

It was almost totally severed, but did not bleed very much, while Mr Nkemtshe remained calm.

He was taken to Livingston Hospital where it was decided to fly him to Johannesburg.

His hand was strapped to a piece of wood, wrapped in a plastic bag and placed in a bucket of ice on the flight up to Johannesburg.

His operation took six hours.

A plastic surgeon involved in the operation said it was a success and that Mr Nkemtshe would regain use of the hand within a year.

Mr Nkemtshe has a wife and four children living in Peddie.

the story?

Police alert as packers quit

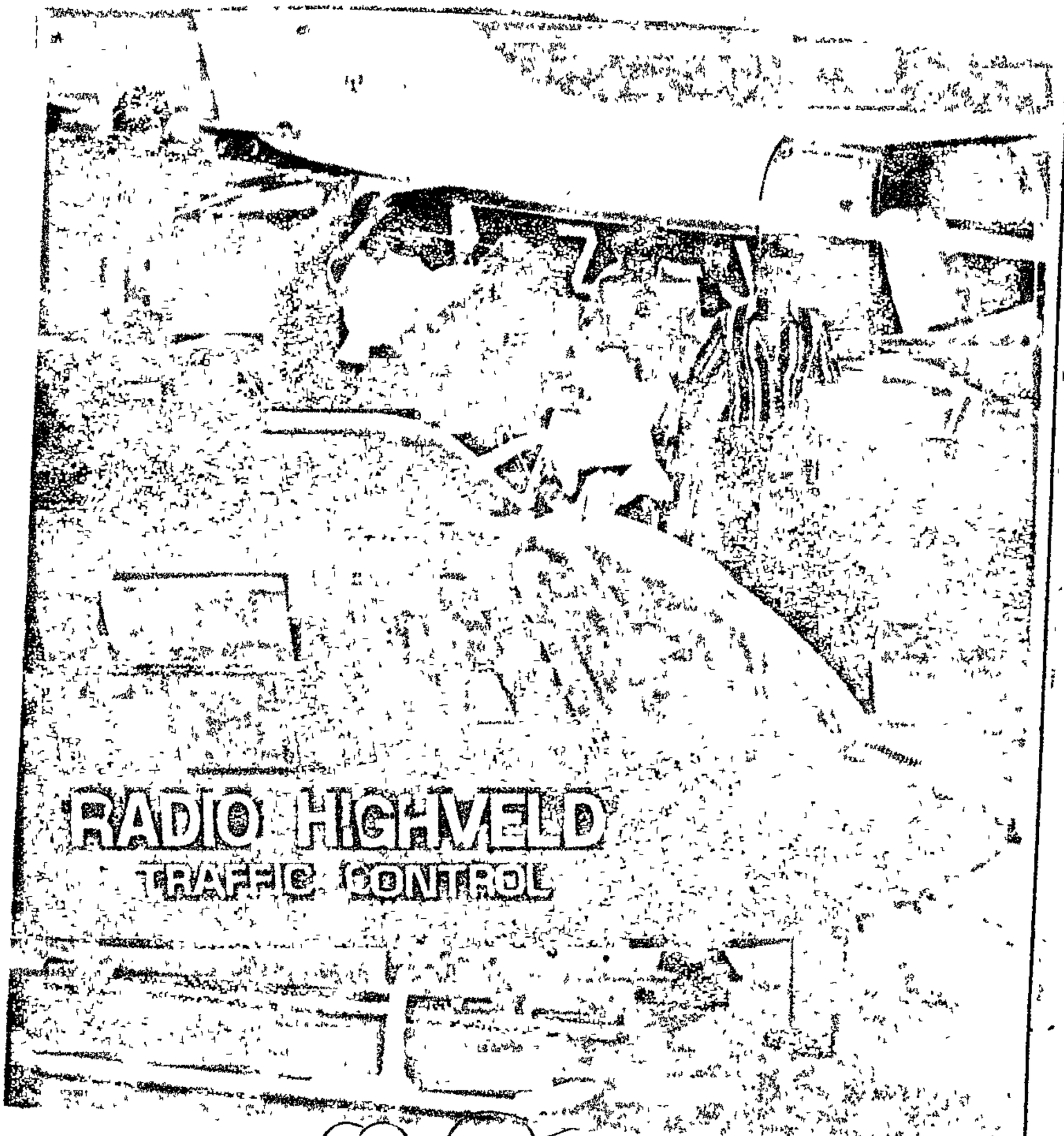
RIOT police stood by yesterday afternoon as more than 800 workers at the Ceres Fruit-growers Co-op Association brought vital seasonal fruit-packing to a halt over the threatened dismissal of a colleague.

The workers decided on strike action when they learnt that a colleague, Mr Klaas Markus, had been asked to retire and that his wages would not be guaranteed after Tuesday.

According to the secretary of the Food and Canning Workers' Union, Mr Jan Theron, the workers saw this as a 'revenge' because Mr Markus was a delegate at recent wage negotiations with the company's management.

In terms of the agreement wages at the factory are to be increased next week from R9 and R10 a week to R24 for women and R26 for men

Mr Theron said this jump would inevitably lead to mechanisation and resultant redundancies.



(186) (~~151~~) S. Times 17/2/80.

Surgeons save another hand

By DOREEN LEVIN

FOR the second time in 24 hours a Port Elizabeth doctor rushed a patient with his severed hand in an ice bucket to Johannesburg for an emergency operation.

This picture, taken at Rand Airport at noon yesterday, shows Mr Joseph van Vught, 41, being transferred from a light aircraft to Radio Highveld's helicopter where he was flown to the Johannesburg General Hospital.

Mr Van Vught was the second Port Elizabeth worker to have lost a hand in a machine accidents this weekend and had it sewn back within hours in dramatic rescue operations.

Earlier, Mr Davis Nkutshu, 47, had his hand severed by a dough-making machine in a Walmer bakery.

The victims are recovering at Crown Mines Hospital, Johannesburg.

Mr Van Vught, of Schauderville, had his hand was torn off when it was jammed in a conveyer belt in a frozen-vegetable factory.

The same Port Elizabeth doctor accompanied both men to Johannesburg, where they were met by Radio Highveld's traffic-control helicopter and flown to the new General Hospital. And there, the same two doctors in the micro-surgery unit sewed the hands back on.

N. McKaney

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February 18, 1980

The surgeons who stitch... and then pray

Mercury Correspondent

JOHANNESBURG — Most of the 30 people whose severed hands or fingers have been sewn on by the Johannesburg microsurgery unit return to their original jobs within six months of the operation, a member of this top surgical team said yesterday

The unit last week performed two operations within two days on two Port Elizabeth men who each lost a hand in separate industrial accidents

Mr David Nkentshe, 44, of Walmer township had his left hand cut off by a dough-making machine in a bakery on Thursday, and Mr Joseph van Vught, 42, of Schauderville had his hand torn off when it became tangled in the chain-drive of a conveyor belt in a frozen vegetable factory early on Saturday

Both men were rushed to Johannesburg by air — together with their severed hands in buckets of ice beside them — for the highly complicated precision-surgery that could soon see them back on the road to near-normal use of their hands.

Five years ago they would have had no alternative but to leave hospital with a hook in place of a hand

The microsurgery unit in Johannesburg, formed only two years ago to deal with the accidents that befall circular-saw and machine operators, has had an 80 percent success rate

The surgeon, who may not be named for ethical reasons, said yesterday that Mr Nkentshe, who is at Crown Mines Hospital, had a 'very good chance' of regaining 50 percent use of his left hand This is considered successful in replant operations.

However, he said he was concerned about the success of the operation on Mr van Vught, who is at the Johannesburg General Hospital. He was 'in a satisfactory condition considering the circumstances', a hospital spokesman said yesterday.

Mr van Vught lost his right hand about 2 a m. A doctor at Port Elizabeth's Livingstone Hospital decided he should go to the microsurgical unit and charfered a plane to Johannesburg.

The plane was met at Rand Central Airport by the Radio Highveld helicopter which flew him to the helipad at the Johannesburg General Hospital

By midday he lay on the operating table The operation took eight hours

What saved both men's hands for surgery, he said, was that they had been cleanly severed in the accidents and had been immediately packed in ice.

As soon as possible after a limb is severed, he said, it should be packed in ice — ordinary cubes are perfect — and the victim rushed to hospital The doctor will then contact the microsurgery unit at either Groote Schuur, Tygerberg or the Johannesburg General Hospital.

A severed limb normally has a 'life' of six hours, but packed in ice it is suitable for reattaching 18 hours later

In the operation the surgeons must shorten the bone, cut away bruised flesh and then join the bone.

This is so that undamaged flesh can be joined, giving a better chance of healing.

Then the tendons, — about 15 in all — which control finger and wrist movements, are joined.

This the surgeon does with the naked eye, but for the next three steps of the operation he works through a microscope at 10 amplifications to see the tiny vein and nerve ends. The veins measure only 1mm across

He joins the nerves, veins and arteris with sutures thinner than a human hair, sews up the flesh and skin — and then prays for his patient's recovery

'This type of surgery is exceptionally demanding It requires speed in the beginning and then precision when it comes to joining the vessels.

'One of the team said it very accurately "The problem with this procedure is that the margin for error is minimal" — if it is not perfect, the hand will die,' the surgeon said

The results of a replant operation have to be compared with the alternative — a hook which works well but lacks sensation.

'A successfully replanted hand has limited movement of about 50 percent of normal, but it develops near-normal sensation.

'The patient will have pinch movement, can grasp large objects such as a glass or handle, and can hold and feel a coin. But he would not be able to make a fist

'It is important that he can use his own hand to turn on a tap and get a glass of water and that he does not have to take off a hand when he goes to bed It is his own hand'

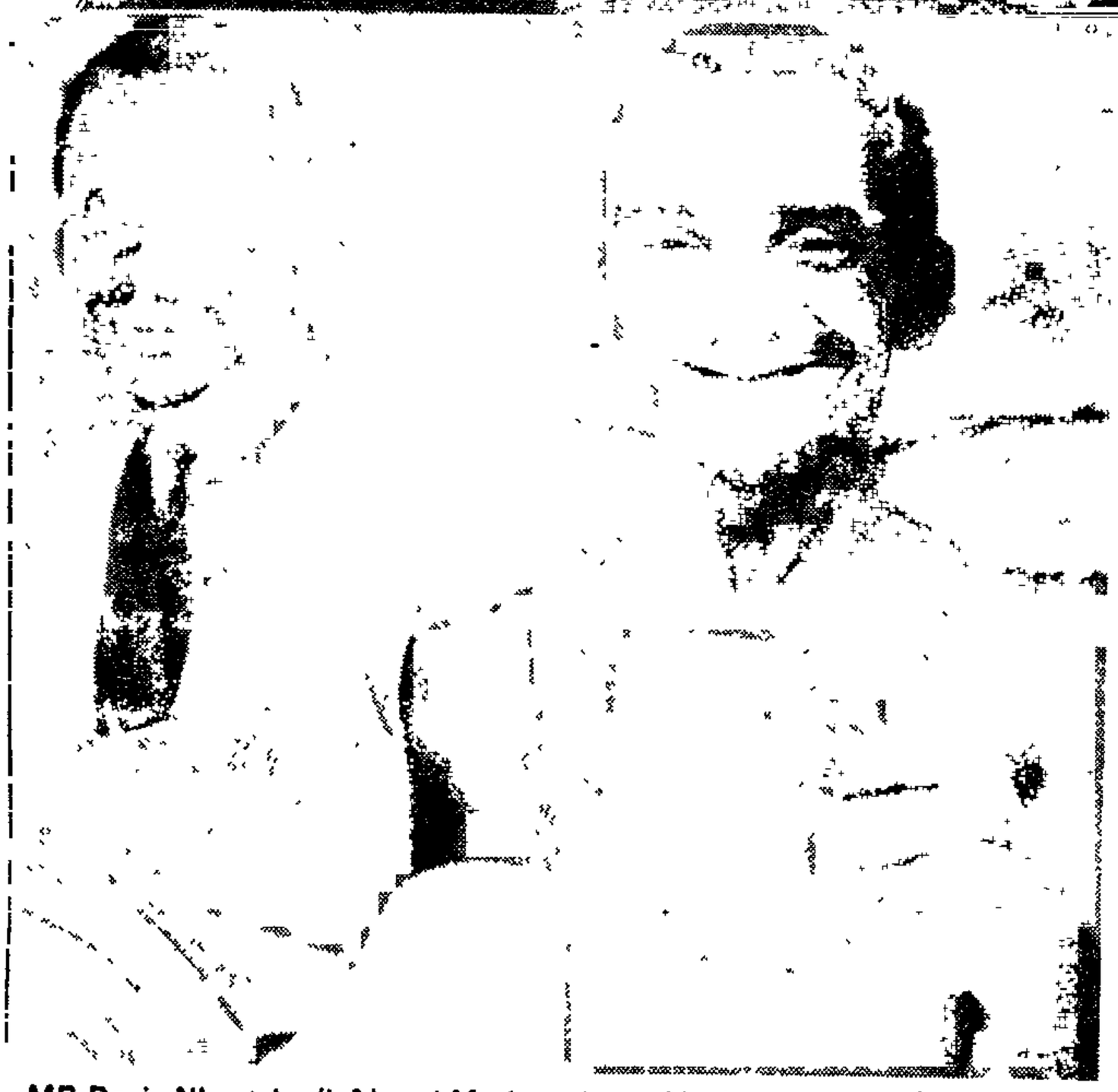
The first successful replant was performed by a Cape Town surgeon in 1975 In five years the degree of success is such that most patients return to their jobs within six months

And the cost?

'In the Provincial hospital the cost is R15 a day, the same as for any other surgical patient But if it was done privately I doubt if he would get away with a bill of less than R5 000 — of which a fifth would be doctors' fees.'

N. MERCURY 18/2/80

Doctors sew hands back on two men



MR Davis Nkentshe (left) and Mr Joseph van Vught sitting up after surgery to sew their hands back on.

Mercury Correspondent

PORT ELIZABETH — Another Port Elizabeth man was rushed to Johannesburg by air at the weekend with a severed hand.

The accident, involving Mr Joseph van Vught, 42, a supervisor at Landharvest, a frozen vegetable factory, was the second of its kind in 48 hours.

Mr van Vught's right hand was severed between the second and third fingers through the palm to the wrist He was flown on Saturday in a chartered plane for emergency surgery in Johannesburg.

Two days earlier a Walmer bakery employee, Mr Davis Nkentshe, had a hand severed in a dough machine Both men are now recovering in Johannesburg hospitals where they underwent eight-hour microsurgery after the flights in which the damaged hands were kept frozen in ice buckets.

The doctor who accompanied both patients on their emergency flights said in an interview yesterday these were rare accidents

'In 20 years I have attended only 10 cases where limbs were severed by machines. Now there were two in 48 hours.'

He said Saturday's accident was more critical. 'After eight hours of microsurgery in the newly opened hospital at Killarney, which has only a skeleton staff, Mr van Vught was only a 10 percent chance of regaining the use of his hand.'

After chartering a private two-seater aeroplane to save time, the Port Elizabeth doctor said he ran the risk of footing the R1 500 bill for the flight and other emergency services.

'The emergency flight was a gamble. I paid for it because the workman's compensation authorities could not have been contacted in time. In Mr Nkentshe's case, we obtained clearance before boarding a Boeing aircraft'

Mr Nkentshe, who was recovering in the Crown Mines Hospital, was already able to move his fingers, the doctor said

Witness

Mr van Vught's son, Pieter, 23, also a supervisor at the vegetable plant, witnessed the accident.

He described it as 15 minutes of agony for his father. He said his father, formerly a housing inspector and for the past three years a supervisor at the factory, was trying to retrieve a mealie from the machine works, when his hand was trapped.

'He knew from the outset that he was losing his hand and screamed for help. But it took 15 minutes to stop the machine and extricate his mangled hand.'

Mr van Vught, a father of seven schoolgoing children, is the family's only breadwinner.

● See also Page 2

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Umbutho oyi Western Province Traders Association awo ukuba angayithengi imveliso yeleFektri de bav

Umbutho oyi South African Council of Sports SACOS zonke izikolo ezinonxibelelwano kunye nabo ukuba phinde baqeshwe. Yaye akufuneki bayithenge imveli

Abanfundi base U.C.T. bayenzile eyabo intlanganis Bacele ukuba imveliso zakwe Fattis & Monis zinga

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Hand op recoveries

Staff Reporter

THE TWO Port Elizabeth men who each had a hand severed in factory accidents last week and were flown to Johannesburg for operations to have them sewn back on are recovering in Crown Mines Hospital

Hospital authorities say Mr Davis Nkentshe, is recovering well but there is some concern for the hand of Mr Joseph van Vucht

Mr Nkentshe 44 lost his left hand last Thursday when it was sliced off by a dough-making machine in the bakery where he works

Two days later Mr van Vucht, 42 a supervisor in a frozen vegetable plant, caught his right hand in the chain drive of a conveyor belt

If all goes well both men are expected to recover 50% use of their hands

750 Ceres strikers refuse to return

Staff Reporter

A SPOKESMAN for the Ceres Fruitgrowers Co op Association last night refused to comment on yesterday's strike by 750 workers who refused to return to work till they were given an assurance that a colleague would be re employed.

The decision to strike was made on Friday when the workers learned that Mr Klaas Markus had been asked to retire and was told his wages would not be guaranteed

Yesterday the workers were given three minutes in which to return to work but refused saying they would not resume work till they had been guaranteed that Mr Markus could go with them

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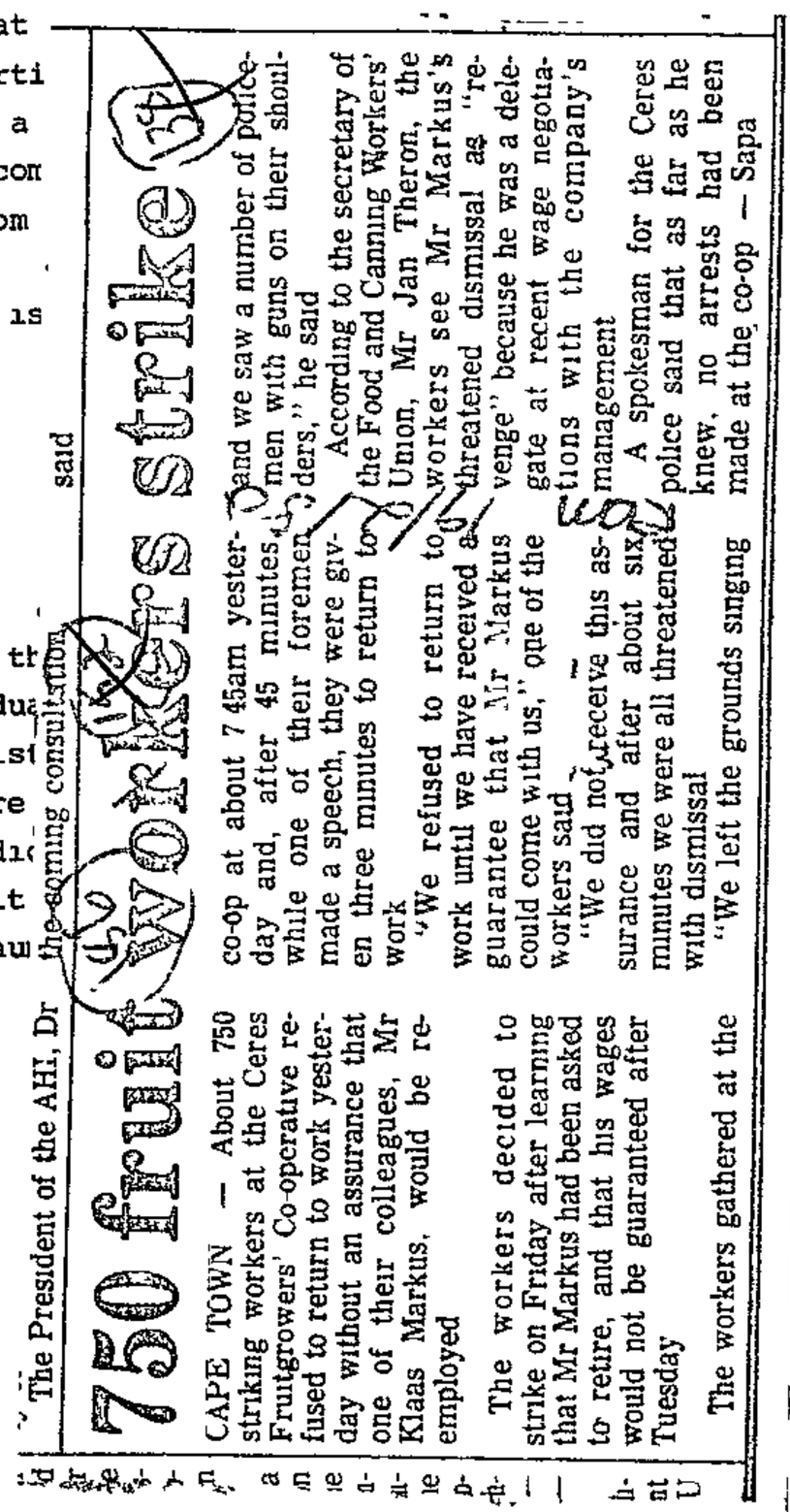
Difficulties in determining the level of demand for Health Care

It was said earlier that one of the major weaknesses of the market mechanism as a signalling device was that it does not issue signals that are concerned with the supply of goods that are not presently available. This shortcoming also applies, to a lesser extent, to political signalling devices, as it is very difficult for people to articulate their feelings for anything that



750 Fruit Workers Strike

CAPE TOWN — About 750 striking workers at the Ceres Fruitgrowers' Co-operative refused to return to work yesterday without an assurance that one of their colleagues, Mr Klaas Markus, would be re-employed

The workers decided to strike on Friday after learning that Mr Markus had been asked to retire, and that his wages would not be guaranteed after Tuesday

The workers gathered at the co-op at about 7 45am yesterday and, after 45 minutes, they were given three minutes to return to work

"We refused to return to work until we have received an guarantee that Mr Markus could come with us," one of the workers said

"We did not receive this assurance and after about six minutes we were all threatened with dismissal

"We left the grounds singing

According to the secretary of the Food and Canning Workers' Union, Mr Jan Theron, the workers see Mr Markus's threatened dismissal as "revenge" because he was a delegate at recent wage negotiations with the company's management

A spokesman for the Ceres police said that as far as he knew, no arrests had been made at the co-op — Sapa

The President of the AHI, Dr said the coming consultation

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These characteristics significantly increase the difficulties that are involved in marketing medical care in the manner that society would best like it. The difficulty in securing adequate marketability for a product or even a portion of a product, such as, for example, the uncertainty proportion[11] makes it very difficult for public health authorities to set a meaningful price upon their products, when assessing and ranking alternative projects in the health sector. These problems are compounded still further when one attempts to bring into these estimations the impact of the demand for future care, or the effects of an individual's demand for medical care for people other than himself.

A further problem is the poor quality of the information relating to the properties of particular treatments that flows from the suppliers, especially doctors and pharmaceutical manufacturers, to the individuals, who must express the demand in either money or political terms. Poor information may lead to the demand for excess care, such as is the case when the services of a specialist gynaecologist are demanded when those of a midwife would be adequate. On the other hand, poor information may lead to the generation of substantial additional costs to the community, that are not revealed for a period of time. This may occur, for example, in the case of a tuberculosis patient who does not know sufficient to realise that he should present himself for treatment and, in the course of the progress of the early stages of his disease, infects a number of other people.

In many areas, other institutional factors may cause the apparent market demand for health care to be distorted. Poverty is positively correlated with a need for health care, but its existence can cause distortion in the patterns of both the supply and demand for care. Poverty may cause a person to postpone his demand for a medical visit until his illness becomes critical, thus generating an apparent demand for sophisticated medical care when, in the absence of poverty, the condition may well be one that could adequately be treated at home. Poor transport facilities may have a similar impact. Alternatively, poverty leads to the neglect of certain less traumatic diseases, such as schistosomiasis. The degree of infection may be extremely high in some poor communities, but accepted as a way of life and consequently not translated into a demand for health care.

Many of the aspects, connected with difficulties in establishing the 'true' demand levels for the different types of health and medical care, stem from the difficulties involved in evaluating the benefits and costs related to such provision. To be relevant in any social sense, the evaluation should be undertaken with reference to the social goals of the community, conse-

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19/2/80

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'Revenge' strikers told: No guarantee

THE strike at the Ceres Fruitgrowers' Co-op Association today entered its fifth day with the management refusing to guarantee that all strikers would be re-employed.

Between five and 10 people are now in danger of not getting their jobs back, the secretary of the Food and Canning Workers' Union, Mr Jan Theron, said today.

The workers decided on strike action when, they learnt that one of their colleagues, Mr Klaas Markus, had been asked to retire

They saw this as 'revenge' over his role as a delegate at recent wage negotiations with the company.

'The management's refusal to guarantee full re-employment has engendered suspicion about whether it wants a real solution,' said Mr Theron.

'The workers feel that with the co-op employing about 800 people, the extra five or 10 shouldn't make such a difference'

More than 750 striking packers have brought vital seasonal fruit packing to a halt

Firm to re-employ

Cape Times 20/2/86

Staff Reporter

THE Ceres Fruit Growers Corporation, whose 750 employees were dismissed when they went on strike this week, said yesterday it was prepared to re-employ all but "five or 10" of the workers.

However, a spokesman for the workers' union, Mr Jan Theron said last night that although the workers were "more than willing" to return to work, they demanded that all be re-employed

The company's general manager, Mr Ben Ludik said last night a full statement would be released once the matter had been resolved

Anglo's firm foothold in Huletts' boardroom

By Jon Beverley

DURBAN — Anglo American Corporation has gained a firm foothold in the Huletts Corporation boardroom with the appointment last week of Mr Chris Griffiths who is an executive director of Anglo and heads Sigma and Anglo American Industrial Corporation

Mr Griffiths comes in as a Tongaat group nomination together with Mr D W Strachan vice chairman of Tongaat

Two new directors have been appointed by C G Smith and Company to Huletts They are Mr Warren Clewlow, executive director in Natal of Barlows, and Mr Bas Kardohl executive chairman of Nampack

C G Smith have a new board following last week end s acceptance of the offer to minority shareholders with Barlows holding an effective 84 percent stake

An Anglo American spokesman declined to comment yesterday on whether the corporation had now consolidated its holding in Huletts

Anglo has a 17,38 percent holding in Tongaat and a 33 percent holding in Huletts Tongaat through its holding in S and T Investments, has a holding in excess of 26 percent in Huletts, according to Anglo s annual report

The new board appointments were made on February 12 before the sudden rise to 900 cents of Huletts shares and the above normal volume of over 500 000 last week Yesterday The price was down to 750 cents and only a few thousand changed hands

Market talk is that Anglo views the sugar operations in Rhodesia where it has a mill as well together with the transport and aluminium operations, as worth sweeping under its wing and preventing Barlows from taking Huletts into the C G Smith empire

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Inyanga ngoku sele izakuphela abasebenzi abangama - 88 bakwa Fattis & Monis efektri eBellville South benogwayimbo. Into ebangele ukuba bagwayimbe kukugxothwa kwabasebenzi abahlanu ebebesebenza nabo. Bathi unobangela wokugxothwa kwaba basebenzi bahlanu, kukuba bebengamalungu eTrade Unions Le union ibe izama ukwenza uphando nothethwa thethwano lokuba kunyuswe imali ibeyi - R40 ngeveki yaye kusetyenzwe iyure ezisi - 8 ngemini, Umphathi wefektri leyo uthe ezizinto bazifunayo zingaphezu kwamandla yaye ziya kwenza uqushululu efemini.

Abasemagunyeni kumbutho weUnion onamalungu ayi, 10 000 (amawaka alishumi) obizwa ngokuba yi (Food and Canning Workers Union) bathi abo bagxothiweyo bebesayinile amaphepha anika iUnion igunya lokuba benze uthethathethwano ngemeko ezibetele ekunokuthi kusetyenzwe phantsi kwazo Ifektri leyo i'lalile oluthethathethwano neUnion. Ifektri ibalula into yokuba omatshini ekusetyenzwa ngabo bathathe indawo yabantu yiyo lento kunyanzeleke ukuba kuphungulwe abasebenzi.

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Ayanda amanani abantu abazibandakanyileyo nabasebenzi kwiveki ephilileyo kubekho abafundi base University nakwano Kolegi abangaphezu kwe - 500. Abafundi bavelu kwezi zikolo U.W.C., Hewat, Peninsula Training College ne Bellville Technical College. Abafundi bathe abasebenzi mabaphinde baqeshwe kungenjalo yonke imveliso yakwa Fattis & Monis ingathengwa.

Umbutho oyi Western Province Traders Association uthe uza kuxelela onke amalungu awo ukuba angayithengi imveliso yaleFektri de bavume uthethwathethwano.

Umbutho oyi South African Council of Sports SACOS ucele onke amalungu awo nazo zonke izikolo ezinonxibelelwane kunye nabo ukuba [illegible] yo de baphinde bageshwe. Yaye akufuneki bayithenge imve[illegible]

Abafundi base U.C.T. bayenzile eyabo int[illegible] ubunye nabasebenzi. Bacele ukuba imveliso zakwa Fattis & Moni[illegible] ingasetyenziswa.

Umbutho oyi Women for Peace Movement uce[illegible] phando nothethwathethwano kunye nabasebenzi.

Umbutho walapha eKapa oyi National Afric[illegible] Commerce ubhalile wakhupha istatement uxhasa abasebenzi ab[illegible]

UFattis & Monis uphikele ukuthi akukho ni[illegible] fektri. Kodwa ke lowo ungumphati wefem le uthi, ukhathazekile [illegible] bo mayingathengwa ngabamNyama njengoko inkxaso enkulu ivel[illegible] thi bale Fem baqashe abasebenzi abangabanye ukuba basebenze ei[illegible] eyo ukuze kubekho imveliso, kodwa imveliso yehlile

Ngubani uFattis & Monis? UFattis & Moni[illegible] zilandelayo: Record Self Raising Flour, Record Cake F[illegible], Record Sifted Flour, Record Unsifted Flour, Record Wheatie Tr[illegible] Flour; Koeberg Mille pack Mealie Meal, Fattis & Monis i[illegible] d cake cups, Fattis and Monis Macaroni, spagetti, she[illegible] atines, Princess macar ni, spagetti, shells, rin[illegible] Checkers, Pot Gold, Pick 'n Pay macaro[illegible] pons, shells, dilatines; Wrench Town F[illegible]ery, Observatory , Good H[illegible] ; Ultra Bakery, Somerset We[illegible]

Published , Comm ,Comm.
Printed b S.R.C. Press, U.C.T.

Ceres strike: Talks fail

THE management of the Ceres Fruitgrowers' Co-op Association failed to reach agreement with representatives of the striking packers and members of the Food and Canning Workers' Union at a meeting yesterday.

The management claimed it had employed about 250 new workers, but at least 70 of these were only temporary.

They said there would not be employment for more than the original five or 10 because they had taken on workers to replace the strikers.

Mr Theron said the management claimed it had employed about 250 new workers, but at least 70 of these were only temporary.

They said there would not be employment for more than the original five or 10 because they had taken on workers to replace the strikers.

Mr Jan Theron, said today, Mr Theron, secretary of the union, said the striking workers, the employment for all the could not guarantee re- repeated its stand that it

No one to blame for oil tank blast death

C. 24/2/80 (186)

Staff Reporter

NO ONE was responsible for the death of a worker who died from severe burns when an oil tank exploded at Epic Oil Mills, Maitland, on November 21 last year, a Bellville inquest magistrate, Mr F R Smit, found yesterday

Mr Mzwanelie Roxwana, 33, of NY 61-87, Guguletu, died in the Tygerberg Hospital intensive care unit from severe facial, chest and limb burns, and two other men were admitted to hospital, after a tank exploded

Mr Ralph Bellstedt works manager said "I was in the office at 10 45 am when I received a phone call from the office block informing me of the accident White fumes were emanating from the hydrogenation plant

"I tried to get inside but could not make out anything Roxwana emerged and his face and hands were covered in oil"

Mr Bellstedt said the accident was not caused by failure of any vessel or of the plant which could have been foreseen

Mr H F Brind, the workshop manager said that oil had leaked out of the hydrogenation vessel and caught alight due to spontaneous combustion

Mr I E James, the fitter with whom Mr Roxwana had worked said Mr Roxwana had been sitting in front of the outlet from which the oil had spurted

"I could hear him screaming for help but could not jump into the hot oil I was overcome by fumes and collapsed," Mr James said

Monis factory in Bellville Sout have
e fellow workers were dismissed. The
ve were members of a trade union.
ay and hours of work · P40 a week
actory says these demands are "out
lead to "disruption" in his firm.

& Canning Workers Union) say the
union rights to negotiate for better
te with the union. It says the men
t of a cut-back of staff.

than half the men on strike are
at of being endorsed back to the
with their 'Coloured' brothers and
om the Department of Labour tried to
gathered outside the factory. The
were all there for the same purpose.

are increasing. At a solidarity
college students from U.W.C., Hewat,
ical College called for workers to
be reinstated and for a boycott of Fattis & Monis products.

The Western Province Traders Association says it will instruct its members not to sell the factory's products unless there is negotiatiom.

The South African Council of Sport (SACOS) has called on all sports bodies and schools affiliated to SACOS to support the call for re-employment of the workers and a boycott of the factory's products.

At a meeting at U.C.T. over 500 students supported a call for a boycott of all Fattis & Monis products.

Fattis & Monis insist that there is no 'dispute'. However a director of the firm says he is worried about the calls for a boycott of the factory's products by blacks as much of the factory's trade is with blacks. The management have kept production going by employing scab workers in the place of the stiking workers. However production has been slowed down.

Who are Fattis & Moni's? Fattis and Monis is the factory which produces the following products: All Record flour products including self-raising flour, Cake flour, Bread flour, Sifted flour, Unsifted flour, Wjeatle Treat flour; All products with the Fattis & Monmis brand name including icecream cones, wafers, cake cups, macaroni, spagetti, large & small shells, ribbon noodles - broard, narrow, plain and green, rings and dilatines; All the above noodles and spagettis under the following brand names: Pick 'n Pay, Pot o' Gold, Princess, Checkers and Roma; Philadelphia flour and Koeberg Mille pack mealie meal. Fattis and Monis also control a number of Bakeries including Wrenck Town Bakery in Observatory, Good Hpe Bakery in Elsie River and Eltra Bakery in Somerset West.

Published by Comm Comm.
Printed by S.R.C. press, U.C.T.

Anglo's sweet tooth

RDM 20/2/80

Own Correspondent

DURBAN. — Anglo American Corporation has gained a firm foothold in the boardroom of the sugar group Huletts Corporation

Mr Chris Griffith, who is an executive director of Anglo and heads Sigma and Anglo American Industrial Corporation, has been appointed a director of Huletts.

Anglo has a 17,38% holding in Tongaat and 3,3% of Huletts Tongaat, through its holding in S & T Investments, has more than 26% of Huletts, according to Anglo's annual report.

See Page 14

(186)

Anglo gets Huletts foothold

(186)

RDM 20/2/80.

By JON BEVERLEY

DURBAN — Anglo American Corporation has gained a firm foothold in the Huletts Corporation boardroom with the appointment of Mr Chris Griffith who is an executive director of Anglo and heads Sigma and Anglo American Industrial Corporation.

Mr Griffith comes in as a Tongaat Group nomination together with Mr D W Strachan, vice-chairman of Tongaat.

Two new directors have been appointed by C G Smith & Company to Huletts. They are Mr Warren Clewlow, executive director in Natal of Barlows, and Mr Bas Kardohl, executive chairman of Nampak.

C G Smith has a new board following last weekend's acceptance of the offer to minority shareholders with Barlows holding an effective 84% stake.

An Anglo American spokesman declined to comment yesterday on whether the corporation had now consolidated its holding in Huletts.

Anglo has a 17,38% holding in Tongaat, and 3,3% of Huletts. Tongaat, through its holding in S & T Investments, has more than 26% of Huletts, according to Anglo's annual report.

The board appointments were made on February 12 before the sudden rise to 900c of Huletts shares and the above-average trading volume of more than 500 000 shares on the Johannesburg Stock Exchange last week. Yesterday Huletts price was down to 690c and only a few thousand shares changed hands.

Market talk is that Anglo views the sugar operations in Rhodesia where it has a mill as well, together with Huletts transport and aluminium operations as worth taking under its wing and also preventing Barlows from taking Huletts into the C G Smith empire.

Anglo move no secret

Star 22.2.80

Anglo's movement into Huletts was not the best-kept secret, as readers of last Saturday's Star are aware What is more, yesterday's 60c price tumble in the sugar share comes as no surprise

Anglo has a 17,3 percent stake in Tongaat, which through its holding in S & T Investments, has over 26 percent of Huletts as well as a 3,3 percent direct holding in Huletts

Executive director of Anglo, Chris Griffith, who also heads Sigma and Anglo American Industrial Corporation, will take his place at Huletts boardroom table, nominated together with D W Strachan, by Tongaat

C G Smith & Company have appointed Mr Warren Clewhow, executive director of Barlows in Natal, and Mr Bas Kardohl, executive chairman of Nampack, as Huletts directors.

The market was warned last Wednesday that something was afoot when the price of Huletts screeched ahead to 900c on a huge volume of over 122 000 shares

IV DISEASES OF BLOOD AND BLOOD-FORMING ORGANS

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,02	0,03	0,20	0,21	0,06	0,16	0,06	0,06
1-4	0,01	0,01	0,02	0,00	0,02	0,04	0,01	0,01
5-24	0,00	0,00	0,01	0,01	0,01	0,01	0,01	0,01
25-44	0,01	0,01	0,01	0,02	0,00	0,01	0,01	0,01
45-64	0,02	0,02	0,03	0,03	0,06	0,04	0,01	0,03
65+	0,11	0,11	0,13	0,15	0,13	0,15	0,03	0,03
ALL	0,01	0,02	0,02	0,02	0,02	0,03	0,01	0,01
NO.	30	34	7	7	21	31	23	21

VI DISEASES OF THE NERVOUS SYSTEM AND SENSE ORGANS

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,52	0,18	0,50	0,41	2,02	1,56	1,26	1,20
1-4	0,05	0,05	0,02	0,07	0,45	0,26	0,23	0,18
5-24	0,03	0,01	0,05	0,04	0,09	0,06	0,09	0,07
25-44	0,03	0,01	0,04	0,05	0,23	0,09	0,13	0,06
45-64	0,07	0,07	0,21	0,11	0,36	0,13	0,26	0,07
65+	0,18	0,13	0,00	0,15	0,47	0,18	0,44	0,15
ALL	0,06	0,04	0,07	0,06	0,25	0,14	0,17	0,12
NO.	128	85	26	23	289	164	366	187

VII DISEASES OF THE CIRCULATORY SYSTEM

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,51	0,33	1,10	0,21	1,80	1,59	0,13	0,10
1-4	0,05	0,06	0,02	0,10	0,15	0,17	0,02	0,04
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	14,76	10,70	10,33	8,25	4,61	5,01
65	42,19	32,93	55,30	47,72	43,12	40,90	13,55	14,21
ALL	4,70	3,81	3,22	2,25	2,74	2,69	1,14	1,20
NO.	9752	7926	1135	804	3114	3140	2390	1921

VIII DISEASES OF THE RESPIRATORY SYSTEM

R25 000 settlement in dairy dispute

A dairy believed it would be extremely dangerous to keep one of its employees on its staff, a Rand Supreme Court judge heard today.

This was said in a document during a dispute between Nels Dairies (Pty) Limited and 24 former employees. The dispute was settled with the company contributing R25 000 to the workers' costs.

The settlement was made an order of court.

According to the terms of settlement, the applicants unreservedly withdrew their application against Nels Dairies and the respondent undertook to pay them R25 000.

The action was brought by Mr Joseph Mobaso and 23 others against Nels Dairies and a director of the company, Mr Johannes Daniel Nel.

The applicants had asked the court to order the company that their dismissal from the employment of Nels Dairies should be declared null and void and that they were entitled to wages from July 12, 1979.

Mr Mobaso said in an affidavit he had been employed by the firm as a driver since 1953. On May 9, 1979, he and 23 other workers asked for a Rand Supreme Court order interdicting the company from dismissing them for participating on a works committee.

Mr Mobaso said that on May 10, a rule nisi was issued and the company undertook not to dismiss any of the applicants.

The next day Mr Nel told Mr Mobaso to take 24 days' leave.

On his return from leave, a security guard would not allow him on the premises.

Mr Nel said in an affidavit that he regarded it as undesirable that Mr Mobaso should be on the company premises while on leave. Later he belived it to be extremely dangerous to keep Mr Mobaso in his employ.

Post 22.2.80

Fired workers win R25 000

186

NELS DAIRY has agreed to pay R25 000 as an out of court settlement which was made final in the Rand Supreme Court yesterday following the dismissal of 23 workers.

The contempt of court case arose from a Supreme Court order made last year interdicting Nels Diary from dismissing Mr Joseph Mabaso and 23 of his colleagues who participated in the works committee.

According to the terms of the settlement, the 24 workers who were the applicants unreservedly withdrew their application against Nels Dairies following the settlement. The workers will receive R15 000 from the settlement and the remainder will pay the court costs.

The action was brought by Mr Mabaso who worked for the company for 25 years and 23 other workers against a director of the company, Mr Johannes Daniel Nel

Barlows sugar details

RDM 22/2/80. (186)

Financial Reporter

THE tie-up of the Barlows-CG Smith & Company deal, which involved Barlows offer to CGS shareholders who wished to sell out, has cost Barlows R25 400 000 cash and the issue of 3 378 897 shares

This gives Barlows 64,8% of the equity and 84% of the voting equity of CG Smith & Company (CGS) CG Sugar became a subsidiary of CGS in terms of the complicated deal, which involved the sale of Barlows 55 4% holding in Nampak in exchange for 169 508 CGS ordinary shares

Barlows bought an additional 7 683 CGS shares at R650 a share to provide GCS with funds to buy an additional 485 559 CG Sugar shares, to make that group a CGS subsidiary

Barlows then offered to acquire any CGS shares (other than those held by CG Sugar) that shareholders wished to sell for R323,50 cash plus the allotment of 43 Barlows for one CGS share

(146) FM 22/2/80

HULETTS

End of the road?

At the outset, the acquisition by Barlows of a minority interest in C G Smith was downplayed as "small investment with good return potential" In the end it turned out to be the first step in Barlows gaining control of Smith Subsequent events, such as the hiving off by S & T Investments of Hypak to Huletts, unusually large trading volumes and price movements in Huletts' shares, and the most recent restructuring of Huletts' board suggest that, again, more is afoot than meets the eye Perhaps even the dismemberment of Huletts between Anglo and Barlow

Last week the share opened 200c higher at 900c on Monday, the same day, incidentally, when raw sugar was quoted at the same rate as white, a then high of £260/t So there was some camouflage for all the action that was to follow During the rest of the week 533 000 shares changed hands, culminating with a "special bargain" of 3,5m shares on Friday

That appears to have clinched whatever was going on for the time being, for on Monday volumes dropped away and the share price plummeted, reaching 690c by the close on Wednesday

That something must eventually transpire is fairly obvious In terms of Huletts' board composition, it appears as if a stand-off has been reached between Anglo and Barlows And in terms of shareholdings, again it is stalemate

Bas Kardol for Barlows

Barlows can be seen to be firmly in control of C G Smith Investments (through a 44,6% stake in Smith, which in turn holds 66,3% of CGSI) Anglo, though, does not appear to be that entrenched in Tongaat, with 17,4% of the equity The key to the puzzle is that Tongaat and CGSI share control of S&T Investments, which itself now controls roughly 65% of Huletts

The latest board room changes at Huletts reflect that David Strachan, vice-chairman of Tongaat, and Anglo executive director Chris Griffith now carry the flag for Anglo As a counter-balance, Barlows has Warren Clewlow, Natal executive director for Barlows, and Bas Kardol, executive chairman of Nampak, as its representatives

But, far from appearing to be about to confront each other, the composition of the board seems to suggest that they are there to oversee, first an offer to minorities in Huletts, and then to the carving up of Huletts between Anglo and Barlows' or more directly between CGSI and Tongaat

It is highly unlikely that Barlows and Anglo could continue indefinitely with dual control of Huletts There are just too many conflicts of interests involved Despite the fact that Barlows and SA Breweries have worked together in the past, as in Barsab, that did not last for very long By and large, Barlows is known to prefer clean cut lines of control rather than to get bogged down in minority interests

Outright control of Huletts, however, does not seem to be that practical It would necessitate Tongaat agreeing to vote its half of S & T in favour of Barlows But, given the recent board changes, this appears to be just not on Otherwise Barlows would need to gain control of Tongaat This implies a sugar monopoly, which Barlows probably does not want — and Anglo is not prepared to concede

In the final analysis, the method in which Barlows gained control of CGSI — through the reverse takeover of Nampak — and the subsequent sale by S & T of Hypak to Huletts, suggests that Barlows and Anglo had a working relationship long before the first salvo was fired

But just what would interest Barlows? Apart from sugar and aluminium, the most plausible suggestion is Huletts' paper and timber interests On the surface, and judging by the Nampak/Premier Paper deal, Barlows is in the throes of creating a vertically integrated paper and packaging group Which could be the reason for the choice of Kardol

Together, the paper and timber divisions last year contributed 11% to Huletts' pre-tax profit of R40,4m In particular, the Ngoye paper mills last year increased the contribution from R1m to R3,9m, a 147% advance And more was forecast for this year As for timber, there are 7 200 ha in the Piet Retief area planted to pine and eucalyptus And more recently there has been the injection of Hypack

A counterbalance to Chris Griffith at Huletts

In January this year, S & T sold Hypack to Huletts for 2,3m Huletts shares, valued at R11m This brought S & T's stake up to roughly 65%, and could have been the prelude for S & T offering to take out minorities and proceed with the stripping operation

Could it be that the special bargain last week (market gossip has it that it was done through a Johannesburg broker for a Natal connection linked with Tongaat chairman Chris Saunders), was bought by S & T from Tongaat and Old Mutual? If so, S & T now holds more than 75% of Hulletts

John White

Sweet future for sugar industry

23/2/90

186

JSE Spotlight

JEAN MOON looks at the sugar scene after last week's whirlwind

Last week's sugar whirlwind is over Now that the dust has settled, share prices have moved back to more normal levels Shareholders in Huletts saw the price of their shares reach the dizzy level of 900c on enormous turnover, leading them to believe that something big was afoot

Disappointment was then expressed by some when the outcome of the movement turned out to be Anglo merely gaining a stronger footing in the company Anglo has a 3,3 percent direct holding in Huletts, and a 17,3 percent stake in Tongaat, which through its holding in unlisted S & T Investments, has over 26 percent of Huletts. Anglo executive director Chris Griffith has moved on to Huletts' board

NOT LISTED

The complicated interlocking shareholding makes it difficult to unravel precise holdings as the task is made more difficult by several vital links in the chain being companies not listed on the Johannesburg Stock Exchange

There is an unconfirmed report that 3,5m Huletts shares changed hands at the end of last week but this deal was not recorded by the JSE At this stage, it seems that it could have been done between institutions Until recently, it was only S & T Investments who had a large enough holding to be able to dispose of 12,7 percent of Huletts' share capital

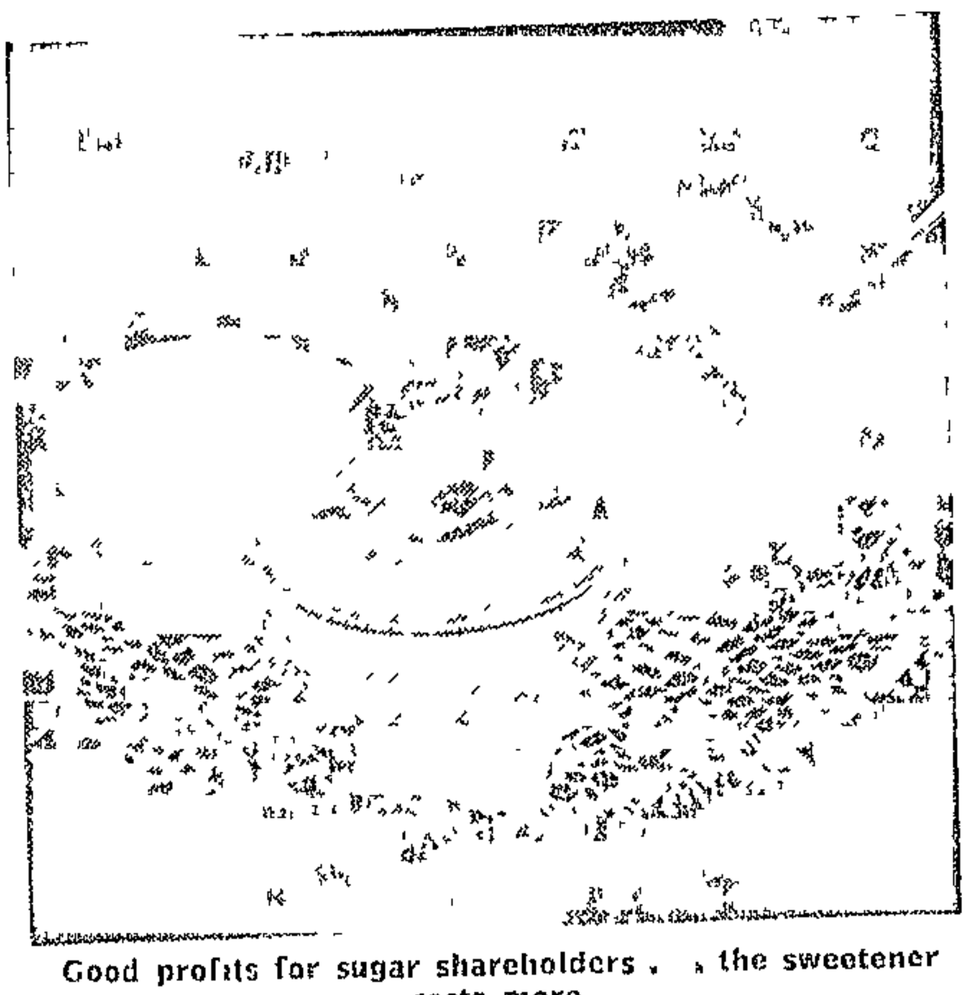
CONTROL

Tongaat had the second largest stake and Old Mutual the third The combined holding represents nearly 3,9m shares But it is S & T which actually exercises direct control with its 50 percent stake Three flurries last year in June, August and September could have put together a large enough holding

If Anglo were to gain control, it must work through Tongaat and S & T

For Barlows to gain control it would have to work through C G Smith and Company, C G Smith Investments and S & T

At the end of the excitement, the price of Huletts dropped to just below 700c which is a far more reasonable level when compared with its net asset value At its current price, the share now looks good for the long term



Good profits for sugar shareholders . . . the sweetener costs more

QUOTA UP

All sugar shares are likely to benefit from the complete turnaround in the world sugar situation Only a few months ago the world was awash with sugar, and stockpiles were alarmingly high Then came the Cuban crop failure and a 19 percent drop in Russia's sugar beet crop After the cutback quota in recent years which hit the stabilisation fund to such an extent that there was hardly anything left, South Africa's sugar quota has been raised by 10 percent It was announced this week that 81,590 tons raw value of the International Sugar Organisation's special stock had been released following the rise in the market price to the trigger level of 20c a pound The first release made on February 14 involved a total of 835 000 tons

The price of raw sugar has more than doubled in four months to its highest level for five years, partially swept along by heavy buying of commodities

There are no indications of a downturn yet

Things look good for the future of South Africa's sugar industry Tony Norton, chief executive of C G Smith and Company, put forward several positive pointers for the industry

Under normal weather conditions, he anticipates production of more than 2,6m tons Domestic consumption of 1,4m tons will leave 1,2m tons for export The price stabilisation fund could be in credit to the tune of tens of millions," but that is assuming that there is no major downward cycle in world prices He feels that more black growers will be able to operate in the industry on a more viable basis He sees bigger and better sugar mills employing better trained people as a result of the expansion of existing mills Industrial labour relations will be on a sound basis He anticipates that there will be increased worldwide acceptance of the South African industry and its international acclaim as a vital member of the sugar world

PROBLEMS

But for the decade, there are still some problems to be overcome Mr Norton feels that high on the list comes the eventual consolidation of kwaZulu which could disrupt sugar production by eroding confidence C G Smith is planning to expand two of its six mills at a cost of R12,7m and is also planning further major investment in the future growth of the industry

C G Smith's earnings for the half year to September rose 5c to 32c a share and the dividend was increased 2c to 22c a share C G Smith's dividend yield is the highest of the sector at 6 3 percent

Drought conditions on the Natal North Coast resulted in some mills experiencing shortfalls in production, but of its particular geographical spread, it benefited from the reallocation of these shortfalls thus increasing its share in the South African sugar production from 35,5 percent in the previous year to 39 6 percent

NOT ENTICING

Crookes Brothers estimated income for the six months to September rose from 26,4c in the corresponding period to 33 14c and the dividend raised 25 percent to 10c but at its current price, its dividend yield of 3 9 percent is not particularly enticing

Tongaat is about to take Hebotex into its fold Though not having any immediate effect on Tongaat, long term benefits are expected to flow from the combining of Hebotex with David Whitehead the textile manufacturer in the Tongaat stable

Target earnings for the full year have been set at 75c a share

Huletts is 'invulnerable'

186 Sugar

Tribune 24/2/80

By TONY HUDSON, Finance Editor

HULETTS SUGAR remains invulnerable to a takeover bid despite strong rumours that Anglo American is about to gobble the company up.

Early last week there were stories that Tongaat had disposed of nearly 4 000 000 Huletts shares, representing about 12 percent of issued capital, in an off-the-floor deal

However, Tongaat financial director Ted Garner told TRIBUNE FINANCE it had not sold either its direct or indirect holding in Huletts and, in the foreseeable future, would not be a seller.

In addition, market sources say the 3,9 million was in fact not the number of shares sold but was R3,9 million — the purchase price of a parcel of about 500 000 shares sold privately last Friday.

As Tongaat manages Huletts through S & T Holdings on a 50-50 basis with C G. Smith (although it only has a 33 percent stake in the company) Tongaat's statement means that Huletts will remain inviolate until such time as minds are changed.

Meanwhile, the mystery remains why Anglo (if it was them) went into the market in such a hurry to buy around R9 million worth of Huletts shares at R9 a share.

Current thinking in the sugar industry is that Anglo want to give itself extra muscle on the S & T board just in case Barlows (which, through C. G. Smith, has a 66 percent stake in S & T) decides to push its weight around.

According to the 1979 Anglo annual report, the company has a three percent direct stake in Huletts to which it has added a further two percent by recent buying However, there have been several flurries in Huletts counters this year so the figure could well be higher.

So, perhaps, the move could be to form a base for a raid sometime in the future

Workers win Nels Dairies dispute

186

152

S. Post 24/2/80

A MAJOR victory for workers was won this week when a court ordered that Nels Dairies pay R25 000 towards covering the workers' legal costs.

The settlement of the dispute was made an order of the Rand Supreme Court.

According to the terms of settlement, the workers unreservedly withdrew their application against Nels Dairies, who undertook to pay them R25 000.

The action was brought by Mr Joseph Mobaso and 23 others against Nels Dairies and a director of the company, Mr Johannes Daniel Nel.

The workers asked the court to order Nels Dairies to declare their dismissal from the employment of the company "null and void" and that they be entitled to wages from July 12, 1979.

Mr Mobaso said in an affidavit he had been employed by the firm as a driver since 1953. On May 9, 1979 he and 23 other workers asked for a Rand Supreme Court order interdicting the company from dismissing them for participating on a works committee.

Mr Mobaso said that on May 10 the company undertook not to dismiss any of the workers.

The next day Mr Nel told Mr Mobaso to take 24 days' leave. — SUNDAY POST Correspondent

(186) (152) Post 26.2.80

Getting it straight

IN LAST Friday's edition of POST, under the heading "Fired Workers win R25 000", it was incorrectly stated that Nel's Dairy has agreed to pay R25 000 as an out-of-court settlement which was made final by the Supreme Court following the dismissal of 23 workers.

The court record reads:

1 The applicants unreservedly withdraw the applications against the respondents.

2 By reason of the fact that —

(a) Respondents will necessarily incur costs in excess of the sum of R25 000 in the conduct of the above litigations; and

(b) in the event of respondents being successful, costs will not, by reason of the impecuniosity of the applicants, be recoverable,

Respondents agree to contribute the sum of R25 000 to the applicants' costs.

3 This deed of settlement constitutes a full and final settlement of all or any pending actions or other alleged causes of action by any of the applicants as also all the persons mentioned in the schedule hereunto annexed, marked "A", against the respondents or any of them, or any of their employees.

● POST takes this opportunity of apologising to Nels Dairy for any embarrassment and inconvenience caused by the incorrect report.

Post 27/2/80

350 WALLS ICE CREAM WORKERS TO LOSE JOBS

ABOUT 350 workers will be laid off when Walls Ice Cream closes down at the end of March.

This was said by Mr E V Corbishaly, vice chairman of Unilever group in Durban yesterday. Unilever owned the ice cream company of T Wall and Sons.

He said that owing to a long period of unprofitable results, the group will be withdrawing from the manufacture of ice cream and allied products in Boksburg and Cape Town

Mr Corbishaly said the other company's depots in Port Elizabeth, Bloemfontein and Durban will also close

He said "184 blacks, 96 whites, 42 coloureds and 21 Indians will be affected by the closure of the company througout the country But we will try and find jobs for laid off workers either within the group or with other companies

He said at the Boksburg factory, however, T Wall and Sons will continue to operate, supplying refrigerated warehousing and allied services to businessmen in the Transvaal. He said half of the black staff there will be retained

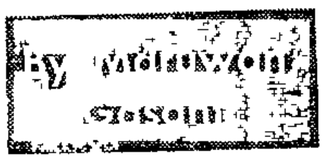
WE'RE NOT GOING TO BE TREATED AS SLAVES

1/3/80 Cape Herald (186) ~~152~~

IF you can face a row of riot police pointing guns at you and still take a step forward; if you can eat minced fat and potatoes for weeks; if you can live off your son's weekly earnings with a clear conscience; if you can stand in the sweltering heat with hundreds of other people for hours; if you can do all these things then you will realise that there is more to striking than staying away from work.

A young woman swaggers into a half completed church singing CFG se tyd is om,' and in unison, over 600 others already congregated in this building without a roof cheer and clap joyfully.

But something is wrong, these people are talking



about breaking the backbone of the largest factory in Ceres, the place that provides them all with work.

Why?

Have they all been affected by the sun, have they all gone mad?

'The time has come when the black man can no longer allow himself to be treated as a slave. We are fighting here for a lot more than the reinstatement of a worker or an extra few cents. We are fighting for our dignity.

CHEERS

The speaker is a woman of about 50 She is slim and small but makes herself heard very clearly and once again the crowds cheers.

A man standing on a drum raises his hand and there is silence

His wife is one of the 16 people still working at the factory. At the moment she is the only one earning money in the home. If she also stops work, like her husband, then there will be no income

He says she has been attacking him, ridiculing him and arguing with him since the strike started.

'STILL HERE'

'But I am still here, I will not let the problem between the two of us destroy the thing which we workers have struggled so long to build.

Someone cracks a joke about the couple and there is still time for laughter.

The young woman who made the singing entrance gets up to talk — and at the same time a man is asked to leave the meeting and return when he has finished his cigarette This, after all, is the house of God.

'Workers, this is the kind of thing you will have to face. This is the kind of thing you will have to prepare yourself for,' the young woman says.

'You will be bribed, you will be intimidated, they will try to trick you and they will tell you not to follow the man from the union because he gets a fat salary while you get nothing while striking.

But we must believe in the strength of the union. Unity is . . .

'Strength,' the crowd replies.

She tells them to look to the Fattis and Monis workers who for months carried out, what we are only beginning.

She tells them of women whose husbands were beginning to say: 'you stay a bloody union meetings; when do I get my food?'

The young woman says she has news for those husbands; they will have to wait for their meals, there is more than food at stake.

'And I have news for you,' she says sweeping her finger across the crowd,' it is only a man and his wife with backbone that will make this thing work.'

More people speak and a roll call is held and finally, before they realise it, the sun has set on another day of the strike, another day of self deprivation and self determination.

They walk from the meeting with the last words from the young woman ringing in their ears 'Power — amandla'.

● SOME of the 600-strong crowd of workers who filled a partly-constructed church hall to hear the latest news of the strike.

● MORE THAN 700 striking workers at Ceres' biggest fruit packing concern — Ceres Fruit Growers — gathered at the Pentecostal Church Hall in Bella Vista, Ceres last Thursday in an impressive display of solidarity in their week-long strike. At the end of the day they hadn't learned much new, but their spirits were as high as ever.

Doctors won't treat us, say strikers

MANY workers had things to say which gave an insight into the problems surrounding the Ceres strike. Some of the quotes from these people indicated that there was a fair amount of intimidation on people not connected with the factory.

Struggle to keep heads above water

● MR George Esterhuizen and his wife at their White City home.

By Anthony Doman

GEORGE ESTERHUIZEN is a man who will step down for no one. It was that unwillingness to become a yes-man, he believes, which cost him his job with Ceres Fruit Growers last month.

He doesn't believe in spending any time brooding over that, either. He can't, not with a family of nine to support. Although one of his sons works, he brings in only R17 a week. One of the daughters worked at CFG until last week's strike, so the family has to exist on that R17.

'With one child at high school and three others at primary school, it's a never-ending struggle to keep our heads above water,' he commented. 'We have to pay for some of their books, too,' his wife added.

HIGH SCHOOL

Their daughter at high school is really the only one of the younger children who understands a bit of what the strike is about. 'I used to give her money every week, but now I have to explain to her that I can't,' Mr Esterhuizen said. 'In a way she accepts it, but the other youngsters can't quite grasp what has happened.'

At least the Esterhuizens have some money coming in; worse off is another family we spoke to in Rietvallei, where CFG workers live in company houses

Both husband and wife, who are well into their 60s, have worked for the firm for almost 30 years. Two of their daughters also worked at CFG — but now they are all out on strike. They asked not to be identified for fear of victimisation.

FOUR WORK

'In summer it's not so bad here because all four of us work,' the wife said, 'but in winter (the off-season) the husband is the only one working and we have to struggle to afford firewood, paraffin, candles and so on.

'We can't even think of buying clothing in winter.'

In spite of all this hardship, they're certain about one thing: they're not going to give in. 'We will keep on,' they said. 'We've been through such hardship already that this is not hard on us. We are not thinking of ourselves; our time is almost past. It's the future and our chidren we're thinking of.'

● 'Doctors refuse to treat us when they learn we are strikers. We have to lie and say we are from other firms.'

● 'People living in shanties who had never been troubled before have been told that they will have to get out — while others, who don't work for the factory, have been left alone.'

● 'We fear that the next step will be to put us out of the houses built by Ceres Fruit Growers, although they stand on council property.'

● 'Workers brought in from other areas will be kept on and more of them will be brought in.'

NOTICE

● 'I have given notice and found myself a new job because I can't afford to strike — and I don't think I could have afforded to work on at Ceres Fruit Growers any more.'

● 'We are coerced into signing forms promising that when our children reach the age of 16 they will work for the factory, irrespective of what standard of education they have reached by this time.'

● 'Other people in Ceres are behind us. Even whites in the area have come to us asking: "Can't your bosses treat you properly?"'

● 'I'm going to buy a bag of mealie meal — and that's what we are going to eat until this thing is resolved.'

Cape Herald

186

1/5/80

Klaas says he was singled out

WHY would more than 700 workers go on strike because one man was fired? We asked the man himself, Mr Klaas Markus, grey-haired, soft spoken and about 1,5 metres tall.

Mr Markus was one of the men who worked to get workers to join the Food and Canning Workers' Union — and a few months ago he was part of a group which asked the management at Ceres Fruit Growers for higher wages.

'Now, after 30 years at the factory, they want to sack me because they say I am too old,' he said.

When workers heard he'd been fired, they walked out in support — and have been on strike since Friday February 15

'I am not an old man,' said Mr Markus outside the hall where over 600 of the workers met on Thursday.

SINGLED

He believed that he was being singled out because he was one of the organisers and is a union member of long standing.

'I felt good when all the workers stood by me and I know that I would do the same for them,' he said.

During his 30 years service he had done many jobs. He started with £1 9s 'in the old money' until recently when he earned R22 a week.

It angered him when an employee, who has been with the company for a short while, said: 'This will happen to all you old people, you will be declared redundant'

RESPECTED

Mr Markus is a respected man in the community and when people spoke of him at the meeting, it showed.

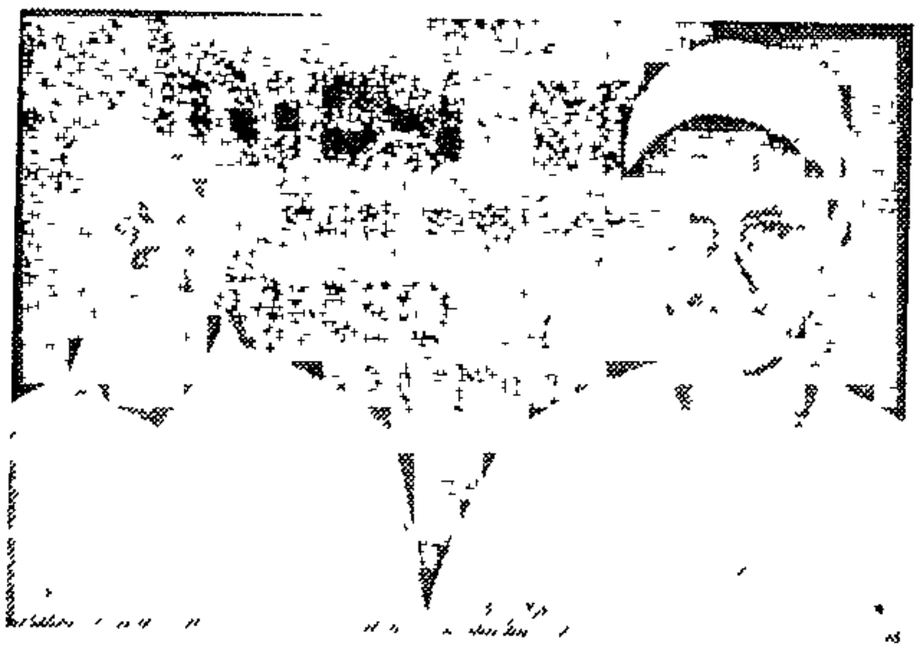
As one woman said, 'the old people put Ceres Fruit Growers where it is today. No one with a Standard 8 certificate came to work at the factory, it was the uneducated people who are old today Now the factory wants better educated people and they want to cast workers like Mr Markus aside. We will not let that happen'

When the police surged towards the crowd on the day the strike started the workers hid Mr Markus among them — and the dapper little man managed to evade the police

Not so lucky was Mrs Maria Abrahams, a forewoman who was arrested at the factory and later released She was warned to appear in court to face charges of incitement to strike and resisting arrest

Standing next to Mr Markus at the meeting last week, she said she had no regrets about going on strike in his support Union attorneys have laid complaints of assault against the police for the way in which they allegedly treated her.

Because of the pending court cases she was unable to say anything which could be used as evidence, but she made it very clear that no matter what the outcome, 'I will still be a union member'



● KLAAS MARKUS, left, and Mrs Maria Abrahams, who has been charged with incitement to strike and resisting arrest. She has laid a charge of assault against the police.

'WE DON'T RUN AN OLD AGE HOME'

No sweet life for sugar workers who earn only 65c a shift

Sun Exp 2/3/80

A SUGAR mill in the Eastern Transvaal — a Volkskas subsidiary which made R5,3-million profit last year — pays its oldest workers only 65c a day

There are 10 of them, all older than 60, and each of them has worked for Transvaalse Suikerkorporasie Beperk (TSB) since it took over the estate in 1966

Now, too old for a full day's work, they are paid a pathetic 65c a day for doing odd jobs — and receive no pension

But Mr J D Kritzinger, managing director of TSB, defended the low wages and lack of pension facilities

"We are not an old age home," he said "It's the task of every individual to prepare for his retirement Pension schemes for farm workers is a general problem"

The men earned 25c and received a 40c bonus a day The company explained the bonus entry was for administrative convenience and that it was easier keeping it than changing the bookkeeping system

Company secretary Leon van Rensburg said the company's action was humanitarian "We give them nominal work and pay them because it is illegal for them simply to stay on without employment If they went home they would starve"

SUNDAY EXPRESS EXCLUSIVE

By BARNEY MTHOMBOTHI and CRAIG TYSON

● Mr Kruger . manager

workers and the company is gradually extending this to farm workers," he said

"Factory workers are generally more removed from their tribal connections and need the pension scheme first Farm workers usually return to their tribal homes"

He said, however, that

and the association did not lay down minimums

According to Mr Van Rensburg cutters achieved between five and eight tons a day for between R4 and R5 in the cutting season Out of season they were paid 90c a day for piece jobs

He said TSB was "not behind" other mills in the Eastern Transvaal in its wage and employment practices

But the workers spoke openly about what they thought of the mill's employment practices

One of the employees who is too old to remember when he started work at the mill or how old he is, gets 65c a shift

"I can't complain They will kick me out of this place if I do and I have nowhere to go They don't care about us old people They only want you when you are strong and can work"

A cane cutter added "If we don't finish the work on one day we have to go back early the next morning and if we don't finish it we are not given a meal"

Porridge and beans are served twice a day and on Thursdays meat is also served A worker who missed a day's work stood to lose his meat ration unless he was obviously ill, a worker said

Mr Van Rensburg said recreation facilities for Whites included a golf club, bowls, tennis, cricket and rugby

TV, tennis, soccer, tennis, darts and a library were provided for Blacks There is also a community hall shared by White and Black workers

He pointed out that there were hostels for single men with hot and cold water, showers, toilets and cooking facilities "We are rather proud of this," he said

A new school, staffed with a principal and three teachers, had also been built for of employees' children, he said

● Workers on the sugar estate where old people earn only 65c a day

186
2/3/80

not to be "repatriated" to Malawi and Mozambique.

Mr Kritzinger said poor profits last year had forced the company to pay low wages "We only made a tiny profit last year and our shareholders have had very little return on their money"

He later amended this statement and said "Financially we made a profit last year but our shareholders have had a relatively small return on their investments over the last 12 years"

In 1977/78 the mill made a profit of R2,3-million

Mr Van Rensburg confirmed there was no contributory pension scheme for Black farm workers, although there was one for Whites

A non-contributory scheme for Black farm workers was begun "three to four years ago," said Mr Van Rensburg This entitled families to R500 on the death of a worker and a disabled worker to one year's salary after injury

"There is a contributory pension scheme for Black factory scheme "They don't pay anything while Whites have to contribute"

But workers told the the Sunday Express the service was a farce

"They don't believe us when we say we are sick If we can't walk to work we are loaded on a truck and taken to the fields

"And if we get sick on the fields we have to walk to the office, which is sometimes a long way."

Mr Van Rensburg disputed this. He said free transport was laid on for ill workers who were treated at the free clinic and if necessary taken to the Shongwe mission hospital 30km away "Nobody who is sick is asked to work"

The workers also told the Sunday Express the cane cutters — best-paid of the unskilled workers — worked twice as hard as the work rate set by the SA Cane Growers' Association

A spokesman for the association said the normal work rate was two to three tons a day Wages varied in different areas

STAR 11/3/80

Flour rises for second time in six months

186

Fair Deal Reporter

The price of flour goes up on Friday for the second time — bringing the total increase to 67 percent in six months.

And bread prices are almost certain to follow.

The price of wheat was increased from R136,18 a ton to R185 a ton for top-grade wheat on October 1 last year.

Millers and retailers say the price will go up R15 a ton for cake flour, R10 a ton for white-bread flour and R5 a ton for brown-bread flour.

This means the housewife will pay 2,5c more for 2,5 kg of white-bread flour, about 2c more for brown-bread flour and about 3c more for cake flour.

Mr Peter Wrighton, financial director of Premier Milling, said the flour price had been increased in an effort to offset wheat export losses.

Mr E. van Aarde, general manager of the Wheat Board, said the exportable surplus of wheat this year was 238 000 tons.

He said 136 000 tons had already been exported at a loss of R7,5-million. The remainder would probably be exported at a loss of only R3,5-million (or R30 to R35 a ton) extra, he said.

The apparent reason is a depressed world price after the United States refusal to supply Russia with wheat.

Mrs Joy Hurwitz, national president of the Housewives' League, said the increase was another crippling blow to the consumer, "especially those living in rural areas, who bake their own bread."

Prices of cakes and confectionery are certain to go up. Bakers are still deciding on final figures. Consumers must brace themselves for an increase in the price of bread.

Tiger more generous

RDM 13/3/80. 186

By ELIZABETH ROUSE

SALES of the Tiger Oats group and its associates in South Africa and Britain climbed by 25,5% to nearly R2 000-million in 1979, a fine achievement in the face of a slight downtrend in its fishing companies.

This turnover advance and the lift in consumer spending since the second half of last year and a decline in capital expenditure have prompted the board to be more generous about dividend payments

The final dividend has been raised to 39c from 33c, lifting total payment to 66c from 58c on a 15% increase in group earnings to 262c a share in the year to last December from 228c in 1978

Tiger's yearend results are better than could have been expected at the interim stage when the group had only a small earnings rise of 8,7% because of the static economy.

Second-half earnings rose by over 22%, amounting to 137c a share against 125c earned in the first half and growth at this faster rate seems likely for the next six months, according to Tiger's chairman, Mr Rudi Frankel.

The pharmaceutical subsidiary, Adcock-Ingram, has proved to be a profitable acquisition and is set to produce good results this year This could offset an expected decline in the fishing companies, which face troubled waters

More impressive is the advance by Tiger's associates — which include the 30% held Bibby in Britain and Metcash and King Food in South Africa Taking the undistributed profits of the associates into account the earnings rise is 20% to 321c a share from 269c

The associates' contribution to earnings is 59c a share, up 45% on 1978's 40c. Attributable earnings of the associates make up 18,1% of group earnings

Turnover of the associates started to pass that of the Tiger group last year and accounted for R998-million against Tiger's R913-million Their 1979 growth rate is larger at 33% compared with Tiger's 17,5% because these companies are not hedged in by so many price restrictions as the basic food producer

The food industry remains highly competitive and Tiger's margins were down from 4,68% to 4,3% Group trading profit amounted to R60 884 000 (R55 779 000 in 1978) and attributable taxed profit was R29 251 000 (R25 412 000) Seaswa's profits have been consolidated for the first time and 1978 figures have been adjusted accordingly

Capital commitments are well down at R6-million, but usually the group ends up spending more than its stated commitments in its continuous plant updating programme Mr Frankel says there is some spare capacity in the industry, but that it is fast being absorbed

Tiger remains a blue chip among food companies, as the dividend yield of 4,6% testifies

Outcry over flour price

RDM 13/3/80

(186)

Staff Reporters

THERE HAS been an angry consumer reaction to a steep rise in the price of flour which is certain to be gazetted in Pretoria tomorrow

Independent bakers and confectioners say they will definitely apply for an increased bread price to keep pace with rising costs

However, Mr Peter Wrighton, financial director of Premier Milling, which owns at least seven bakeries on the Rand, said he would wait to see whether the Government intended to absorb the flour price increase with an increased bread subsidy

The flour price rise makes it almost certain that an increase in the price of bread will be announced by the Minister of Finance in the Budget on March 26

Mrs Yvonne Foreshaw, the vice-president of the Housewive's League, said that she was staggered by the news "This means that people on the breadline will have to cut back on basics"

The general manager of the Wheat Board, Mr A van Aarde said the board had met in Pretoria and price increase recommendations had been forwarded to the Minister of Agriculture, Mr Hendrik Schoeman

If they are approved — and they are almost certain to be — it will be the second big price rise to affect the price of bread in six months

The last was last October when the price of wheat was raised by more than 35% — from R136,18 a ton to R185 a ton At the same time the price of white bread flour rose by 27,8% and brown bread meal by 27,4%

One reason for the probable price rise, Mr Van Aarde said, was the heavy losses being suffered on exports Others included the recent steep rise in railway rates and high costs of production

Mrs Foreshaw suggested that the Government establish a stabilisation fund so that consumers do not suffer because of export losses

This year 126 000 tons of wheat have been exported at a loss of R7,5-million

Schoeman rejects flour price rise

STAR 14/3/80

186

Fair Deal Reporter

The Minister of Agriculture, Mr Hendrik Schoeman, has rejected an appeal by millers and the Wheat Board for flour to go up in price, for the second time in six months

Millers were so confident of the hike that they had already informed retailers of the new prices.

White bread flour was to have cost an extra 2,5c for 2,5 kg. Brown bread flour would have risen two cents more for the same quantity and an equivalent pack of cake flour would have cost about three cents more.

Following a 36 percent price for topgrade wheat on October 1, last year, cake flour escalated 28,4 percent in price, white bread flour increased 27,8 percent and brown bread meal rose 27,4 percent in price.

Mr H van Aarde general manager of the Wheat Board, said the Minister had not given any reasons for his rejection of the proposed price rise.

ARGUS 25/3/80 (186) (195) (152)

Casuals employed by meat-strike farm

A FEW casual workers have been employed by Karoo Meat Exchange following the dismissal of 59 strikers at the company's Maitland abattoir factory yesterday

The general manager, Mr Johan Louw said the men stopped work because the company would not continue to employ an unregistered black

He said the firm faced a possible R500 fine, but would not say why it had chosen this time to dismiss the man

Production was not affected, said Mr Louw

He refused to say how many workers were on strike, but it is believed the factory employs about 80

The management of Karoo Meat is today meeting a committee representing the 59 dismissed workers

EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80

YEAR : 1

PAGE 1

STUID-9	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL		
13010	BACHELOR OF ARTS						
STUD NO							
162904R	[illegible]	SUZANNE [illegible]	146103	ECONOMICS I	F	(43)	
158955C	CANO	SALLY-ANN	107101	ENGLISH I (PRE-1980)	F	(40)	1
			116120	DRAMA I		(60)	
			114101	CULTURAL HISTORY OF W.E. I	2-	(54)	
162195Z	CHAIT	CHERYL	112101	AFRIKAANS	UP	(50)	
153945	CLARKE	PE FLONE JHL	142 2	SOCIAL ANTHROPOLOGY I (PRE-1980)		(44)	
157784K	COHEN	DAVID	100101	ANTHROPOLOGY I	2-	(62)	1
			110101	HISTORY I	F	(23)	
156503N	COLLIER	LINDSEY JEANNE	411101	MATHEMATICS I MIND	UP	(69)	
			413103	ANIMAL BIOLOGY (HALF COURSE)		(54)	
153992	COLLINS	JENNIFER ROSY G.	116121	GEOLOGY I	F		
153621F	COUCHER	ROBERT GEORGE RENESON	104101	PSYCHOLOGY I	UP	(56)	
138722X	COUSINE A/	SOLENTE	107101	(PRE-1980)	3-		
153796V	DAVIS	CASSANDRA ELAINE	110101	ENGLISH I (PRE-1980)	3NX		
140457	DELAHUNTY	ANNA TERESA	100101	GENERAL PHY I			
162384E	DOMAN	MICHAEL EDWARD	105112	ECONOMIC HISTORY I	F	(8)	
155931D	DU PLESSIS	ANGIA ELIZABETH	107101	ENGLISH I (PRE-1980)	3	(57)	
158914P	DUNCAN	ALPHEUS SYMON	104101	SOCIOLOGY I	F	(49)	
			111101	PSYCHOLOGY I		(47)	
159415R	ERASMUS	ANDRO JACQUES ERASMUS	200101	COMMERCIAL LAW A	F	(55)	
			200104	STATISTICS I (HALF CRSE)		(48)	
162310Z	EVANS	GAVIN MARK LEAH	111113	MFR LAW I (PRE-1980) (XHOSA)	3	(57)	
161480X	FARAK	GIULIETTA	107101	ENGLISH I (PRE-1980)	3NX		
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			112102	FRENCH I INTENSIVE	UP	(54)	
			115103	ITALIAN I INTENSIVE	UP	(54)	
159744L	FITZPATRICK	LUCINDA	214102	[illegible] I	UP	(56)	

DAY MARCH 26 1980

Strikers demand jobs back for all

ARGUS 26/3/80

STRIKING workers at the Karoo Meat Exchange in Maitland, who walked out on Monday over a dismissal, have refused to apply for re-employment without an assurance that all will be taken back.

At a meeting between management and representatives of the 59 workers yesterday, the company said it was not in a position to guarantee vacancies for all the workers.

Those who wished to apply for employment should do so on Friday to resume work next Monday, the general manager, Mr Johan Louw, said.

'AMICABLE'

The company undertook not to appoint any new employees on a permanent basis until those who wanted to apply for re-employment had done so

In spite of counter allegations, the company believes it has made every effort to resolve the issue through amicable dialogue,' Mr Louw said

A spokesman for the Western Province General Workers' Union said management's failure to consult the works committee on the dismissal of an unregistered worker caused the strike

The workers demanded the reinstatement of all 59 men and dicussion of the original dismissal

Union committees of other large meat factories are expected to meet today to discuss the matter

Housewives condemn rise in price of bread

Post 27/3/80 (186)

POST REPORTER

THE increase in the price of bread announced in the budget yesterday was condemned by Soweto housewives.

Mrs Sally Motlana, president of the Housewives' League, expressed shock and dismay when told of the increase She said "It is absolutely shocking

"In fact, it is immoral that prices of essential goods should go up while the pay does not increase by even a cent I am very angry," she said

Trade unionist, Mrs Lucy Mvubelo said "I think it is ridiculous that of all things bread should go up This is the staple food for blacks and the Government should have subsidised it"

Community leader, Mrs Zola Khumalo said the Government is not playing the game "They are dangling the carrot and playing for time, and that is dangerous"

Mrs Knumalo said the R5,50 added on the pittance received by pensioners was still not sufficient as nobody could live on less than R90 a month

The old people too were not impressed by the increase on their pension

The increase means pensioners will now get R48 after every two months They used to get R37

Blacks get their pension after every eight weeks while white, coloureds and Indians get theirs every month

Mrs Emily Temba (63) of 9846B Mzimhlophe, mother of three, said she was not at all happy with the increase She said she was struggling to keep the home fires burning since her husband died eight years ago

Dr Nthato Motlana, chairman of the Committee of Ten, said the money allocated for education did not seem to be enough "It is with deep regret that we note the Minister has refused to exceed to repeated requests to increase the subsidy and remove GST on basic foodstuffs It was unnecessary for bread to go up," he said

Mr S K Matseke, school inspector, said the Minister must be congratulated for his budget speech much as blacks were anticipating the time when the salary gap between black and white teachers will be narrowed

But the good points of the budget were also well received by blacks

EXAMINATION RESULTS - FACULTY ARTS

ST 1??

1.02C ?ANFELDR DF ARTS

YEAR : 2

AS AT 29 02 80

PAGE 2

CURSUS	BESKRYWING	SIMBOL					
114101	~~RELIGIOUS STUDIES I~~	~~3~~	~~(51)~~	~~1~~	~~1384~~	~~49V~~	
102201	AFRIKAANS EN NEDERLANDS II	F					
110201	AFRICAN HISTORY I	F		1	140639	U	
101105	AFRICAN LANG INTENSIVE (SOT2-		(66)	1	135499	H	
001303	COMPANY LAW	ABS		1	137501	H	
105104	LATIN I	F	(36)	1	139271	G	
105302	SOCIAL ANTHROPOLOGY II(PRE	2-	(60)	1	052092	K	
~~104202~~	~~AFRICAN LAW I~~	~~2-~~	~~(71)~~				
110303	AFRICAN HISTORY II	2-	(60)				
106202	ECONOMICS II	3	(53)	1	121461	Y	
107201	ENGLISH II	3	(57)	1	133333	C	
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114101	RELIGIOUS STUDIES I	F	(44)	1	137998	Y	
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103302	SOCIAL ANTHROPOLOGY II(PRE	ABS					
~~041101~~	~~PSYCHOLOGY I~~	~~2~~	~~(67)~~	~~1~~	~~11532~~	~~F~~	
101103	AFR LANG INTENSIVE (XHOSA)	F	(25)				
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102101	AFRIKAANS	ABS		3	121723	H	
110202	HISTORY II	3	(52)	1	102168	C	

---------- REGISTRAR (ACADEMIC)

Fedfood gets Table Top

(186)

RDM 27/3/80

Financial Reporter

THERE is no secret behind the suspension of Federale Food's shares on the Johannesburg Stock Exchange yesterday as Business Mail's correspondent in George picked up the news on Tuesday that the group had bought Table Top

Table Top Foods (Pty) was sold to Federale Volksbeleggings, the holding company of Fedfood, in a R15-million deal in London

This was revealed in George before suspension of the shares by Fedfood's managing director, Mr J D Louw, who will become the new chairman of Table Top

Negotiations started in London last Friday morning with Union International of London, a company belonging to the Vestey family, group owners of Table Top in South Africa

After 2½ days of negotiations, the deal was settled on Sunday afternoon shortly before Mr Louw and two other senior Fedfood executives were to fly back to South Africa

Included in the deal are the Table Top deep-freeze factory in George, a prepared food factory in Clayville between Johannesburg and Pretoria, and the network of distribution depots

The takeover follows an abortive bid for Table Top last November by Anglovaal, owners of the other frozen-food giant, Irvin & Johnson

Although Irvin & Johnson with its big fish interests is the larger of the two, Table Top is the leader in the frozen vegetable market

The George factory processes about 16 000 tons of frozen vegetables a year, about a quarter of which is exported.

Fedfood will take over Table Top on Tuesday

Mr Gert Schoonraad will continue to be managing director in Johannesburg of the group with Mr Louw as chairman Mr Bill Ewen will stay on as manager of the George factory

EVA - [illegible] LTD FACILITY [illegible]

YE P [illegible]

AS AT 29 02 80

PAGE 1

15016

SL	DESCRIPTION		SYMBUL				
[illegible]	[illegible]		[illegible]				
(59)	1	157745R	UP				
(58)	[illegible]	155502[illegible]	UP				
(57)	1	155551X	UP				
5	PLATINUM SULEDGE I		UP				
(56)	1	157[illegible]56	UP				
(55)	[illegible]	54[illegible]	UP				
	AFRICAN [illegible]		F				
(54)	1	155[illegible]23Y					
(53)	1	15[illegible]	UP				
(52)	1	[illegible]	F				
	LAND 1		UP				
(51)	1	03[illegible]76[illegible]	2-				
	EVERLIGHT I [illegible]		AS				
(50)	1	15[illegible]727K	UP				
(49)	7	[illegible]	F				
	PULTOCAL SCIE CE I		AES				
	LATIN LE [illegible]	16[illegible]					
(48)	1	157[illegible]	F				
	LATIN ELE ENTERY	155155X	ABS				
(47)	1	15[illegible]8Z	F				
	ARCHITECS	15[illegible]752X	UP				
(46)	1	[illegible]	F				
	ARCHITECS	154[illegible]	F				
(45)	1	[illegible]	UP				
	LATIN I	15[illegible]72[illegible]	UP				
(44)	1	[illegible]	F				
	[illegible]	[illegible]					

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 2

13030 BACHELOR OF ARTS YEAR : 3 13030

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
133100Z	VILJOEN	ADELE	116317	DRAMA III	2-	(63)	4	133100Z
113116C	WANNENBURG	MOIRA MARIA	908307	GEOGRAPHY IIIB (HALF COURSE	UP	(51)	4	113116C
096146G	WEIGROVE	CAROL TESSA	110301	HISTORY III	F	(45)	5	096146G
0965606	WILLIS-SMITH	GRANT	906205	GEOGRAPHY IIB (HALF COURSE)	ABS		4	0965606
103278J	WYNGAARD	GAIL ESTELLE	110301	HISTORY III	F	(43)	4	103278J
114463R	ZOELLER	CHRISTOPHER HANS	102101	AFRIKAANS	ABS		5	114463R

* TOTAL NUMBER OF STUDENTS 29

REGISTRAR (ACADEMIC)

'Bosses' union could spark protest

27/3/80 (186) 154

By STEVEN FRIEDMAN
Labour Reporter

A TRADE union whose critics say it has been formed by employers and is controlled by them has applied for Government registration

Another noteworthy aspect of the application is the fact that the union has apparently been granted Government permission to represent all races

The union is the Cadbury Incompany Union, which represents workers at the Port Elizabeth plant of British multinational Cadbury Schweppes The company denies that it controls the union

If the application is granted, it is likely to spark off sharp protest from a rival Fosatu-affiliated union which has been active at the plant

In-company unions are regarded with deep suspicion by trade unionists, who have labelled them "bosses' unions"

Unionists say that these unions are invariably started by employers in order to avoid dealing with representative unions

The Cadbury union has played a role in a long-running labour dispute at the Cadbury plant between management and the Eastern Province Sweet Food and Allied Workers Union, a registered trade union which is affiliated to Fosatu

Management has refused to deal with the EPSFAWU over worker grievances saying that it prefers to deal with the in-company union, which it claims is more representative

The EPSFAWU has denied this and alleges that the in-company union has been set up by management and does not represent workers adequately

According to Port Elizabeth sources worker discontent at Cadbury sparked off by management refusal to recognise EPSFAWU nearly spilled over into unrest at the time of last year's Port Elizabeth labour trouble

A Cadbury spokesman declined to comment on the application yesterday He referred enquiries to the in-company union, but said it would not be necessary for the EPSFAWU to speak to union representatives as all the details of the application are in the Government Gazette'

Another controversial aspect of the application is the fact that the in-company union represents white, coloured and black workers Racially mixed unions need Government permission to register

It is understood that this permission has been granted Thus decision could spark off union opposition if other unions are denied non-racial status

UCT

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 1

15036 B.A./LL.B. YEAR : 3 15036

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
101834P	HACK	BRYAN CECIL	602101	PUBLIC INTERNATIONAL LAW	ABS		4	101834P
1154740	HARPER	GREGORY MARK	602101	PUBLIC INTERNATIONAL LAW	2-	(67)	5	1154740
114338F	JACOBS	DENISE ELLEN	604201	ROMAN DUTCH LAW I	1	(76)	4	114338F
1030696	LEWIN	DIANE	603202	ROMAN LAW & JURISPRUDENCE I3		(53)	4	1030696
100344V	LOWE	BRIAN ANTHONY	603202	ROMAN LAW & JURISPRUDENCE IUP		(56)	5	100344V
094440C	MAYO	HENRY	603202	ROMAN LAW & JURISPRUDENCE IUP		(50)	4	094440C
102253V	WILLIAMS	MICHAEL DAVID	603202	ROMAN LAW & JURISPRUDENCE IUP		(50)	4	102253V

* TOTAL NUMBER OF STUDENTS 7

DEAN

REGISTRAR (ACADEMIC)

Meat dispute in the air as offer falls

Labour Reporter

A MEETING between the management of Karoo Meat Exchange Ltd and the committee representing 59 striking workers ended in conclusively today

The workers rejected a call by Mr John Louw, general manager of Karoo, that they fill in work application forms for consideration by the company

If Mr Louw wants us back, he must take us back without application forms, the workers said

ADJOURNED

Another said Mr Louw, who adjourned the meeting until Monday, was trying to play a cat and mouse game with the workers

A spokesman for the Western Province General Workers' Union said Mr Louw's failure to make a decision on re-engagement today was highly provocative in view of the anger among meat workers

'Management seems to be intent on provoking an industry-wide strike,' he said

INTERNAL MATTER

Mr Louw said after the meeting that his reason for delaying a decision until Monday was 'an internal matter to be explained to the committee'

The dispute at Karoo concerns alleged failure by management to discuss the dismissal of an unregistered employee with the recognised workers' committee

○ A general meeting of Cape Town meat workers is to be held in Langa tomorrow to receive a report from the Karoo workers.

8c more for Fedfood earnings

~~232~~ 186

RDM 28/3/80.

By ELIZABETH ROUSE

FEDERALE Foods confirmed yesterday that the group would buy Table Top for about R15-million cash from Union International Company of London.

The acquisition will be effective from April 1, 1980, and the final price will be subject to an audit of Table Top stocks.

Based on projected earnings for Table Top for the year to March 1981, the acquisition will add 8c to 10c a share to Fedfood's earnings

These figures do not take into account any rationalisation benefits arising from the amalgamation of interests Pending finality of permanent funding for this acquisition, Fedfood's net asset value will not be materially affected, says Fedfood

The addition of Table Top to the Fedfood stable will mean that the group will control more than 45% of the frozen-vegetable market in South Africa It also gives Fedfood the facility to move into both frozen fish and frozen confectionery

Table Top has cold storage facilities in Johannesburg, Clayville, Durban, Port Elizabeth, George and Cape Town The company has two factories — one for the preparation of frozen vegetables at George, plus related farming activities, and the other sited at Clayville, which handles the processing of prepared frozen foods

In addition, the entire Table Top distribution network and vehicle fleet plus trade mark are included in the purchase.

The story behind Fedfood's suspension on the Johannesburg Stock Exchange was reported yesterday by Business Mail's George correspondent.

STU13-9 EXAMI

13010 BACHELOR OF ARTS

STUD NO	SURNAME							
155146P	JERVIS							
156426D	JONES							
160764U	JONFS							
162323N	JOOSTE							
~~157009M~~	~~KATZ~~	~~MARCELLE FAYE~~	~~114101~~	~~RELIGIOUS STUDIES I~~	~~UP~~	~~(54)~~	~~1~~	~~157009M~~
157519R	KENYON	GERDA-MARIE	004101 107101	PSYCHOLOGY I ENGLISH I (PRE-1980)	UP 3NX	(58)	1	157519R
160448A	KOOY	CAROLYN MAY	110101	HISTORY I	UP	(57)	1	160448A
157025E	KOTZE	MONIQUF RUTH	102103	AFRIKAANS EN NEDERLANDS I	F		1	157025E
160168W	KRAMER	JANINE MARIETTA CAROLINE	107101 115101	ENGLISH I (PRE-1980) FRENCH I	3NX F	 (48)	1	160168W
~~137450L~~	~~LANCASTER~~	~~DEBORAH ANNE~~	~~103202~~	~~SOCIAL ANTHROPOLOGY I(PRE~~	~~1UP~~	~~(50)~~	~~1~~	~~137450L~~
159476W	LE ROUX	KAREN JEANETTE	908101	GEOGRAPHY I	ABS		1	159478W
~~156804P~~	~~LOUW~~	~~RIAAN~~	~~102103~~	~~AFRIKAANS EN NEDERLANDS I~~	~~UP~~	~~(50)~~	~~1~~	~~156804P~~
130847A	MAHOMED	RIYANI	004101 105104 ~~107101~~	PSYCHOLOGY I LATIN I ~~ENGLISH I (PRE-1980)~~	F F ~~ABS~~	(43) (46)	1	130847A
137330X	MALHERBE	VIVIENNE NORAH	102101 908101	AFRIKAANS GEOGRAPHY I	ABS ABS		7	137330X
159321A	MALHERBE	GODEON JOZUA	105103	GREEK & ROMAN LIT & PHIL	ABS		1	159321A
150182R	MARSHALL	JENNIFER MARY	106103	ECONOMICS IA	ABS		1	150182R
155800Y	MARTIN	JENNIFER ANN	004101 103202	PSYCHOLOGY I SOCIAL ANTHROPOLOGY I(PRE	UP 1UP	(52) (50)	1	155800Y
~~157772R~~	~~MARX~~	~~ADRIAN~~	~~601101~~	~~COMMERCIAL LAW A~~	~~ABS~~		~~7~~	~~157772R~~
158259W	MASSARI	RICCARDO EDWARD GREGORIO	115103	ITALIAN INTENSIVE	F	(45)	1	158259W
~~156326V~~	~~MATTHEE~~	~~SANDRA RACHEL~~	~~106103~~	~~ECONOMICS IA~~	~~ABS~~		~~1~~	~~156326V~~
157549Z	MC CRAE	CECILIA AGNES	107101	ENGLISH I (PRE-1980)	3NX		1	157549Z
~~159454V~~	~~MCCARTHY~~	~~MELISSA JANE~~	~~911101~~	~~MATHEMATICS I M102~~	~~F~~	~~(48)~~	~~1~~	~~159454V~~

UCT

FM 28/3/80 (186)

Tiger vs Premier?

Fundamental repositioning seems to be taking place in food and fishing

Hard on the heels of Premier Milling's confirmation that it has bought a substantial minority stake in the Ovenstone group (as disclosed in the *FM* last week) came announcements this week that

- Atlantic Trawling Pty, the country's third largest deep-sea trawler operator, has sold its white fish interests to Sea Harvest Corporation Pty, the number two trawler operator in which ICS has 40% Pescanova (Spanish interests) 40% and Southern Seas, of Saldanha Bay 20%
- Fedfood has acquired the frozen food interests of Table Top Pty formerly controlled by the Vestey group of the UK

As heavy turnover continued in OIL this week rumours persisted that Premier was going for control other presumptions were that Tiger was buying against such a possibility

The notion that Premier has bought into OIL in order to safeguard supplies of fishmeal in future is ill-conceived Domestic marketing of fishmeal is subject to contractual arrangements between the Fishmeal Producers Association and the buyers (the Balanced Feed Manufacturers Association), with government keeping close surveillance on all deals to ensure that no one corners the market

If, however, the existing marketing dispensation were to fall down then Tiger's stake in the Oceana group and Premier's OIL connection would make sense but no

one can see an end to the existing set-up

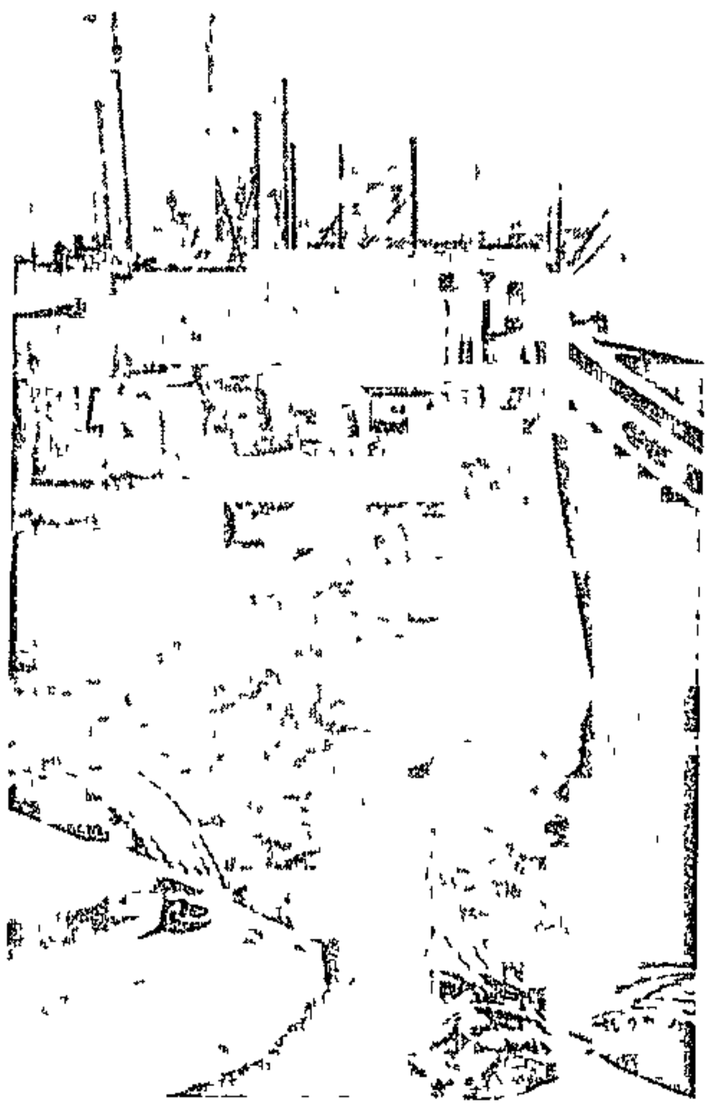
Not too much should be read into the fact that OIL's Walvis Bay operation has been closed down Dismantling of the cannery and the fishmeal reduction plant probably means that the equipment can be put to better use in the company's new Chile operation, in which it will pioneer fish canning in South America In any event, drastic rationalisation measures agreed to by shore-based companies in Walvis for the 1980 season will mean that only one canner, Marine Products Tunacor facility, will operate in SWA this year

If fishing conditions in SWA improve in the next couple of years, OIL will doubtless recommission its cannery and reduction plants, politics permitting

It is not difficult to identify the reason why Atlantic Trawling sold and Sea Harvest bought for an undisclosed amount the former's white fish interests

The deal clearly revolves around Atlantic's hake quota of about 15 000 t which, when added to Sea Harvest's existing allocation of 49 000 t brings SHC's permissible catch in line with that of its biggest rival, Irvin & Johnson (64 000 t) The remaining 7 000 t of the SA-hake quota is spread around a number of small operators who, as a result of the latest deal may now also be keen sellers

This highlights once again the ridiculous workings of government's company based



Fishing . quotas are worth big money

quota system in the fishing industry Although it may never be known what SHC paid for Atlantic, it's a racing certainty that the price was determined not by the latter's profitability, but by the massive goodwill consideration conferred by the government-granted licence to land 15 000 t of hake a year

It is one thing to limit catches of white fish by imposing a global quota, it is quite another to give fishing rights a massive cash value unrelated to the merits of companies by dividing up those rights on a tonnage volume basis

A far more equitable method would be to limit landings by imposing restrictions on effort by means of the so called boat limitation scheme (which is really a curb on horsepower inputs)

Fedfood's acquisition of Table Top was not unexpected The Vestey group had talks with I&J last year but walked away from the negotiating table at the last moment

The deal means that I&J the frozen food and vegetable market leader will face tougher competition than it has been accustomed to until now It has escaped no one's attention that Fedfood is hooked into Checkers or that the deal might represent some form of vertical integration by the food group It would indeed be extraordinary if the two groups were to become involved in the kind of struggle that led to the beer war between Remgro and SA Breweries with the protagonists buying retail outlets by the hundreds

Peter Patterson

FEDFOOD/TABLE TOP

A new direction

FM 28/3/80

Fedfood shares were suspended on the JSE this week in view of negotiations to "acquire a major asset" It appears the asset is the UK-controlled Table Top, which currently holds about 45% of the frozen vegetable market, and offers Fedfood further expansion opportunities into the frozen fish market

Irvin & Johnson had been interested in Table Top but after protracted negotiations late last year discussions were terminated

Though Fedfood will not divulge the price, market sources suggest the figure will be in the region of R15m and that the bulk of this will be paid in cash However, what the controlling company Union International intends doing with the funds and whether they will leave SA is not certain

On projected earnings for Table Top this year sources reckon Fedfood's own taxed profit could increase by as much as 8c to 10c a share Last year Fedfood earned 51,2c a share This does not take into account any rationalisation or expansion prospects in the acquisition

Table Top has six cold storage facilities in SA as well as two factories for frozen vegetables and frozen foods It also has a farming area near George and a nationwide distribution network

The entry of Fedfood into the frozen food market could spell an increase in competition for Anglovaal's Irvin & Johnson, especially if Table Top moves into the frozen fish market It would after all be a logical move bearing in mind Fedfood's fishing interests It also spells a change in direction for Fedfood which currently derives most of its income in the fishing and grain industries

On re-listing, if market talk is correct on the effect of the acquisition, Fedfood shares should advance strongly from the pre-suspension 450c

De Kalder

Meat men support strikers

Post 24/3/80 (18)

MORE than 100 representatives of meat workers employed by 11 major firms in the Cape Town industry are totally opposed to the behaviour of management at Karoo Meat Exchange in the present labour dispute there

At a meeting last night the representatives drafted a letter to the general manager of Karoo, Mr Johan Louw, objecting to the initial dismissal of an employee without the elected workers committee being consulted and management's refusal to re-engage all 59 workers on strike

"We support the Karoo workers absolutely in their non-negotiable demand that all the workers be re-engaged," they said

WORKERS

It was decided no workers employed at the 11 companies would work for Karoo meat exchange while the dispute continues

The representatives demand that Mr Louw explain to workers at each of the companies why management has refused to re-engage all the Karoo workers

A spokesman for the Western Province General Workers Union said yesterday the workers were determined the attitude of the Karoo management should not extend to the rest of the industry

He said the incident at Karoo had occurred at a time when, as management was aware, Cape Town meat workers were particularly bitter about working conditions and wages in the industry

The Karoo workers would report for work today but were adamant they would return to work only if all of them were re-engaged

They would report back to a mass meeting of meat workers in Langa tomorrow, the spokesman added.

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 3

13010 BACHELOR OF ARTS YEAR : 1 13010

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
~~160942M~~	~~FOLLETT~~	~~MARGARET JANE~~	~~103202~~	~~SOCIAL ANTHROPOLOGY I(PRE 13~~		~~(51)~~	~~1~~	~~160942M~~
157568V	FRIEDLANDER	RAE DEVORA	107101	ENGLISH I (PRE-1980)	3NX		1	157568V
~~150296Q~~	~~GARISCH~~	~~SONYA IRENE~~	~~115102~~	~~FRENCH INTENSIVE~~	~~F~~	~~(43)~~	~~1~~	~~150296Q~~
158290E	GARNETT	DIANNE SYBELLE	905101 911101	CHEMISTRY IA CH. 102 MATHEMATICS I M102	ABS ABS		1	158290E
154026V	GEFFEN	BENITA	109102	HEBREW INTENSIVE	F		1	154026V
154362K	GIANNAKAKIS	ASPASIA	115101	FRENCH I	UP	(55)	1	154362K
153981W	GILL	CHRISTEL KAROLA	117101	POLITICAL SCIENCE I	UP	(55)	1	153981W
155173R	GILL	JUDITH MARY	107101	ENGLISH I (PRE-1980)	3NX		1	155173R
159186D	GOSS	JOANNE ATHERSTONE	115101	FRENCH I	UP	(55)	1	159186D
158211U	GREEN	JANET FAY	004101	PSYCHOLOGY I	UP	(60)	1	158211U
153855J	GROSSE	KIRSTIN CHARLOTTE GERDA	106102	ECONOMIC HISTORY I	ABS		7	*153855J
162285X	HALLIER	SUZANNE COLLINGS	106103	ECONOMICS IA	UP	(50)	1	162285X
161662V	HANCOCK	EDWINA ANNE	107101	ENGLISH I (PRE-1980)	3NX		1	161662V
162109F	HARRIS	GWYNETH JULIA MARY	114101 ~~116120~~	RELIGIOUS STUDIES I ~~DRAMA I~~	F ~~UP~~	(49) ~~(50)~~	1	162109F
155641A	HART	TIMOTHY JAMES GRAHAM	004101 107101	PSYCHOLOGY I ENGLISH I (PRE-1980)	2- 3NX	(65)	1	155641A
				MATHEMATICS I M102	ABS		1	115954M
				AFRIKAANS	UP	(50)	1	159604H
				~~RELIGIOUS STUDIES I~~	~~UP~~	~~(65)~~		
				POLITICAL SCIENCE I	F	(48)	1	161491J
				~~FRENCH I~~	~~F~~	~~(57)~~	~~7~~	~~152126E~~
				FRENCH I	ABS		1	155720L
				~~DRAMA I~~	~~ABS~~		~~7~~	~~152889J~~
				PSYCHOLOGY I	3	(57)	1	155148P
				ENGLISH I (PRE-1980)	3	(59)		
				~~FRENCH I~~	~~3~~	~~(56)~~		

UCT

The Cape Times, Satur

Meat firm hedges on re-employment

29/3/80

Staff Reporter

A MASS MEETING of Cape Town's meat workers will be held in Langa today so that striking Karoo Meat Exchange workers can report back to an industry-wide gathering on the progress of the strike

And on the management side, Mr Frans Pieterse, the executive director of Asokor Beperk, the holding company of Karoo Meats, flew to Cape Town from Johannesburg last night to consult Karoo management about the strike

Asokor, one of the biggest meat firms in the country, is owned by Picardi Investments

The meetings follow a strike on Monday this week by 159 workers at Karoo Meats after one of their colleagues was allegedly dismissed without any prior consultation with the works' committee

Gathered at 7 am

The workers gathered at the firm's Matland factory at 7 am yesterday to apply for their jobs

Members of the works committee representing the workers were then told by the Karoo Meats general manager, Mr Johan Louw, that the workers should fill in application forms and the company would decide during the weekend which workers would be re-engaged

He said the workers would not be re-engaged in their original positions

The workers unanimously decided that they were not prepared to fill in the application forms.

"He must take us all back without conditions, not with application forms and not one by one," said one worker

Mr Louw refused to say whether he was prepared to re-engage all the workers He said the reasons for the delay in deciding whether all the workers were to be re-employed had been explained to the works' committee He said it was "an internal matter" and he was not prepared to repeat it to the press

Support strikers

Meat workers

Labour Reporter

OVERWHELMING support for the 59 striking workers from Karoo Meat Exchange Ltd was expressed at a meeting of about 250 meat workers in Langa today

Workers from 14 factories — almost the entire fresh meat industry in the Peninsula — attended the meeting

It was decided workers' committees would approach their managements on Monday to demand that an elected representative from each firm attend the 8 am meeting between Karoo management and the striking workers' committee.

REPORT BACK

Each representative would report back to his factory at lunchtime on the decision taken by Karoo general manager Mr Johan Louw

A general report-back meeting is to be held in Athlone on Monday night.

The Karoo workers walked out last Monday in protest at management's alleged failure to discuss with their committee the dismissal of 'unregistered worker'.

UCT

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 1

13030 BACHELOR OF ARTS YEAR : 3 13030

STUD NO	SUP	E	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL		
1025216	[illegible]		[illegible]	[illegible]	[illegible]		4 (57)	1025216
0720217	[illegible]		DAVID PHIL	107301	ENGLISH III	3	4 (56)	0720217
1011480	[illegible]		[illegible]	114161	[illegible]	LP	5 (54)	1011480
1018752	[illegible]		PETER GRAHAM	004301	PSYCHOLOGY III	3	4 (52)	1018752
1114941	[illegible]		[illegible]	[illegible]	[illegible]		4 (51)	1114941
1154106	[illegible]		DOLLE ADELE	101202	AFRICAN LANGUAGES XHOSA II UP		4 (50)	1154106
1114051	[illegible]		[illegible]	112 4	[illegible]	UP	4 (55)	1114051
1009976	FAREED		LESLEY SAYNOR	911103	MATHEMATICS 1B	F	5 (41)	1009976
0969976	[illegible]		[illegible]	[illegible]	[illegible]		4 (57)	0969976
1136128	[illegible]		EUSTATIUS JOHN	605301	HOW LAW II	UP	4 (63)	1136128
1014534	[illegible]		[illegible]	1 [illegible]	[illegible]		4 (50)	1014534
1023012	[illegible]		INGRID GERTLINDE	115103	ITALIAN INTENSIVE	UP	4 (60)	1023012
0979594	[illegible]		[illegible]	[illegible]	[illegible] (MALE CASE)	S	5 (63)	0979594
1011588	[illegible]		MILLEM DINAMT	105301	ECONOMICS III	ABS	5	1011588
0948956	[illegible]		[illegible]	[illegible]	[illegible]		4 (53)	0948956
1113314	PLOTKIN		NATIE BETTY	107301	ENGLISH III	ABS	5	1113314
1035194	[illegible]		[illegible]	117[illegible]	PHILOSOPHY III		4 (53)	1035194
1027196	[illegible]		AMANDA JANE	802131	HIST & APPRECIAT OF MUSIC IABS		5	1027196
1025172	[illegible]		COLLEEN JANE	105102	GREEK & LOW-AN LIT & PHIL	3	5 (52)	1025172
0379094	[illegible]		[illegible]	10[illegible]	AFRIKAANS EN NEDERLANDS III		5	0379094
1013[illegible]	[illegible]		[illegible]	[illegible]	[illegible]		4 (51)	1013[illegible]
1121050	[illegible]		[illegible]	112[illegible]	[illegible]	UP	4 (55)	1121050
1166064	VERIES		[illegible]	[illegible]	[illegible]		4	1166064
1331	[illegible]		[illegible]	[illegible]	[illegible]			
1025[illegible]	[illegible]		[illegible]	[illegible]	[illegible]		4	1025[illegible]
1035194	[illegible]		[illegible]	117[illegible]	PHILOSOPHY III	LP	4 (53)	1035194
1027196	[illegible]		AMANDA JANE	802131	HIST & APPRECIAT OF MUSIC IABS		5	1027196
1025172	[illegible]		COLLEEN JANE	105102	GREEK & LOW-AN LIT & PHIL	3	5 (52)	1025172
0379094	[illegible]		[illegible]	10[illegible]	AFRIKAANS EN NEDERLANDS III		5	0379094
1013[illegible]	[illegible]		[illegible]	[illegible]	[illegible]		4 (51)	1013[illegible]
1121050	[illegible]		[illegible]	112[illegible]	[illegible]	UP	4 (55)	1121050
1166064	VERIES		[illegible]	[illegible]	[illegible]		4	1166064
1331	[illegible]		[illegible]	[illegible]	[illegible]			

Fedfood-keuse net reg

RAPPORT 30/3/80

DIE oorname van Table Top deur Fedfood kom in 'n stadium waarin dié maatskappy hom regmaak om heelwat vinniger te groei

Volgens Table Top se besturende direkteur, mnr Gert Schoonraad, wissel die reele groei in die mark waarin die groep is nou met tussen 10 en 12 persent per jaar. Die produkontwikkeling en uitbreiding waarmee die maatskappy besig is, behoort daartoe te lei dat hierdie syfer ver oorskrei sal word Hy wil egter nie sê wat die uitbreiding presies sal behels nie

Die maatskappy se omset is nou R25 miljoen per jaar Hy het reeds 45 persent van die mark vir bevrore groente, 60 persent van die mark vir bevrore hamburgerkoekies as verpakking vir ander groepe by sy eie markaandeel getel word, 25 persent van die bevrore pasteimark, 8 tot 9 persent van die bevrore vismark en sowat 50 persent van die mark vir bevrore lemoensap as sy verspreiding van Minute Maid bygetel word

Sowat R3 miljoen van die omset word uit uitvoer na Brittanje en Europa verkry

Afgesien van die maatskappy se eie groei, behoort heelwat rasionalisasievoordele uit die oorname deur Fedfood verkry te word Dit is egter nog te vroeg om te sê watter rasionalisasie moontlik sal wees

Hoewel 'n nuwe direksie nou gekies sal word, bly die bestuur onveranderd

Irvin & Johnson, die maatskappy se grootste mededinger, het in November 'n mislukte poging aangewend om Table Top oor te neem Indien dit geslaag het, sou I & J nou 'n aandeel van 80 persent in die mark vir bevrore groente gehad het Sy enigste mededinger sou ICS gewees het wat 'n markaandeel van 20 persent het

~~232~~ 186

AS AT 29 02 80 PAGE 1

EXAMINATION RESULTS IN FACULTY ARTS

13100 PERFORMERS DIPLOMA IN SPEECH & DRAMA YEAR : N/A

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL
162321L	SIERA	JOCELYN NEILA	~~116117~~ 116117	~~PRACT SP~~ PRACT AC	~~1~~ 1

~~* TOTAL NUMBER OF STUDENTS 1~~

DEAN

Meat strikers to return

ARGUS 31/5/80

Labour reporter

STRIKING workers of Karoo Meat Exchange Ltd will return to their jobs in the factory tomorrow after negotiating a settlement of a dispute with management today.

The 59 workers downed tools a week ago after management dismissed an unregistered worker without consulting the workers' committee, as required by the committee's recognised constitution.

In nearly two hours of hard bargaining today, the workers won the right to return to their old jobs, with full pay for the time they have been out of work.

They were given the assurance that management would in future consult fully with the workers' elected committee.

EXCLUDED

Representatives of the Western Province General Workers' Union to which the meat workers belong were excluded from the negotiations.

So were representatives of nine other meat factories who arrived for today's talks in terms of a resolution taken by about 250 meat workers at a meeting in Langa on Saturday.

In a report to them after the dispute was settled, the chairman of the workers' committee, Mr Lennox Booi, said the workers had refused to apply for re-employment.

INSISTED

They had insisted on returning to their original positions although the factory had already taken on some other workers.

It was agreed the workers would be paid their wages for the last week on Thursday.

Mr Booi said the committee had refused to sign a document presented to them, saying they would abide by their existing constitution.

'We are a factory workers' committee, not a liaison or a works committee,' a member said.

UNITY

A spokesman for the Western Province General Workers' Union said the Karoo strike indicated the unity and determination of union members in all the other meat factories, as well as those in Karoo itself.

7, STU13-0 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 1

13030 BACHELOR OF ARTS YEAR : 3

	STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
1	102521H	[illegible]	PETER HARRY [illegible]	[illegible]	[illegible]	[illegible]	(57)	4	102521L
2	077201P	[illegible]	DAVID ADRIAN	107301	ENGLISH III	3	(56)	4	077201P
3	101148U	[illegible]	[illegible]	[illegible]	[illegible] STUDIES I	UP	(54)	5	101148U
4	101875J	[illegible]	PETER [illegible]	000301	PSYCHOLOGY III	3	(52)	4	101875J
5	114447T	[illegible]	[illegible]	[illegible]	[illegible] II (WITH CLASS) P	[illegible]	(51)	4	114447T
6	115418E	[illegible]	ODILE ASLE E	111602	AFRICAN LANGUAGES XHOSA II UP		(50)	4	115418E
7	114051T	[illegible]	[illegible]	[illegible]	[illegible] II (WITH CLASS)	UP	(55)	4	114051T
8	100997E	FARES	LESLEY SHARON	911103	MATHEMATICS IB	F	(41)	5	100997E
9	094497L	[illegible]	[illegible]	[illegible]	PSYCHOLOGY III	UP	(57)	4	094497L
10	113612X	[illegible]	[illegible]	[illegible]	[illegible]	UP	(65)	4	113612X
11	114453K	[illegible]	[illegible]	[illegible]	AFRICAN [illegible] I	UP	(50)	4	114453K
12	102381J	[illegible]	ELSTATIOS J H	600301	ROMAN LAW II	UP	(65)	4	102381J
13	097459H	[illegible]	[illegible]	[illegible]	[illegible] A (WITH CLASS)	2	(63)	5	097459H
14	101158E	[illegible]	INGRID GERTLINDE	115103	ITALIAN INTENSIVE	UP	(60)	4	101158E
15	105301	[illegible]	WILLETT [illegible]	105301	ECONOMICS III	ABS		5	105301
16	099456	[illegible]	[illegible]	[illegible]	[illegible]	UP	(53)	4	099456
17	107301	[illegible]	NADINE BETTY	107301	ENGLISH III	ABS		5	111331M
18	105194	[illegible]	[illegible]	[illegible]	POLITICAL STUDIES III	UP	(53)	4	105194

250 at meat strikers' meeting

CAPE TIMES 31/3/80 Staff Reporter

MORE THAN 250 workers from 15 Peninsula meat firms attended a report back meeting in Langa yesterday by the 59 striking Karoo Meat Exchange workers.

The meeting reaffirmed its support for the 59 workers, who went on strike a week ago today after a colleague had been dismissed without consultation with the registered workers' committee.

At 8 am today the Karoo workers will be told by their management whether all of them will be reinstated.

It was decided at the meeting that workers from each of the 15 firms should go to their respective managements when they start work at 7 am today and ask that an elected representative be sent to be present at the 8 am meeting between the Karoo workers and their management.

Striking men back at work

CAPE TOWN — Striking workers of Karoo Meat Exchange Ltd will return to their jobs today after negotiating a settlement of a dispute with management yesterday.

The 59 workers downed tools a week ago after management dismissed an unregistered worker without consulting the Workers' Committee as required by the committee's recognised constitution.

In nearly two hours of hard bargaining yesterday, the workers won the right to return to their old jobs, with full pay for the time they have been out of work

They were given the assurance that management would in future consult fully with the workers' elected committee

Representatives of the Western Province General Workers' Union to which the meatworkers belong were excluded from the negotiations

So were representatives of nine other meat factories who arrived for yesterday's talks in terms of a resolution taken by about 250 meatworkers at a meeting in Langa on Saturday

In a report to them after the dispute was settled the chairman of the Workers' Committee, Mr Lennox Booi, said the workers had refused to apply for re-employment

They had insisted on returning to their original positions although the factory had already taken on some other workers

It was agreed the workers would be paid their wages for the last week on Thursday

Mr Booi said the committee had refused to sign a document presented to them, saying they would abide by their existing constitution

"We are a factory workers' committee, not a liaison or a works committee," a member said

A spokesman for the Western Province General Workers Union said the Karoo strike indicated the unity and determination of union members in all the other meat factories, as well as those in Karoo itself

The spokesman added "The strike shows that the days when management could take decisions affecting the employment conditions of workers without prior consultation with the workers representatives are now over."

Mr Johan Louw, general manager of Karoo Meat Exchange was not available for comment

Cape Times 1/4/90 (186) (145) (152)

Karoo strike ends, workers reinstated

By LIZ McGREGOR

THE week-long strike by 59 Karoo Meat Exchange workers ended yesterday They will be reinstated in their former positions and given a week s pay

The workers began striking last Monday after management had allegedly dismissed a worker without first consulting the elected workers committee

Yesterday the workers were reinstated after a two-hour meeting with Karoo management from which the press and officials from the union representing the workers the Western Province General Workers Union, were excluded

Worker representatives from several other meat firms who had obtained permission from their firms to be present at the meeting between the Karoo workers and management were also excluded from the meeting

The chairman of the workers committee Mr Lennox Booi reported after the meeting that management had acceded to their demands that they should be unconditionally reinstated in their former positions and paid for the period they were on strike

He said this was agreed to after hard bargaining with the general manager of Karoo Meats Mr Johan Louw who wanted the workers to re-apply individually for their jobs and refused to guarantee they would be given the same jobs they had before the strike started

"He now agrees that he should consult with the committee first on any matter that concerns us Mr Booi said

However Mr Louw said the workers had been re-employed only after they had agreed to a statement accepting "the undisputed right of the employer to employ or discharge any employees who are not rendering satisfactory service"

He said the pay the workers would get was an ex-gratia payment made on "humanitarian grounds

NEL'S

186

In the article titled Nel's Dispute (*Current affairs* March 14) the *FM* quoted an ex-Nel's employee Isaac Khanye as saying he earned about R110 a month at Nel's.

According to a pay slip furnished by Nel's to the *FM* dated February 29 1980 Khanye's gross earnings amounted to R185.05 that month.

The *FM* regrets this error and apologises for any inconvenience it may have caused.

Nel's also says Khanye was employed from 1969 as opposed to Khanye's claim of 26 years service. This matter is still in dispute. However it has been pointed out to the *FM* that the company's pension fund was started in 1974 so clearly any fund benefits could only have been earned from that date.

It has also been put to the *FM* that the article infers that Nel's victimised the workers concerned. No such inference was intended by the *FM*.

less of the firm's fortunes. They agr
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lower than otherwise) return. The
bears more of the risks of the future
tuations in the net value of the pr
the relatively constant, assured cos
puts. The employer maintains the v
ployment by using fluctuation-sm
inventories of goods and borrowed
demand for products of the firm fa
(the o ner hopes), he retains those
at various, probably less-useful task
transiently high demand, the em
these arrangements have tacitly ag
part not to leave the firm for trans
wages that might be available else

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each would stay with the other, with
bearing the risks of those fluctuation
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demand for the firm's product He
tacit agreement with his "tenured,"
ployees Otherwise, he would increas
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normal conditions, because employee
so willingly work for contract violator

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fsetting fluctuations in the demand for its
us products can give more employment se-
by transferring employees from one prod-
ne to another.

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respectively derive incomes from taxes or
ments rather than from customer sales give
er security of employment for lower wages.
y government jobs with greater security
ess, as in the post office. But recent legisla-
equiring pay equal to that of private firms
eate an excessive demand for those jobs if
quality of pay is not offset by disadvantages
er features of the more secure job.

er resources employed by the firm, even the
capital, are hired on a similar variety of
though usually with more explicit con-
Firms hire (that is, borrow) capital funds
estments in plant and equipment. The
interest rate on longer-term loans is con-
ver a long period and the firm continues
oy the funds even during recessions when
on new loans is lower The firm also uses
rm loans, usually bank loans, of a few
duration at interest rates that are more
to short-term business conditions than
long-term borrowing rates These short-
ans are paid off ("laid-off" or "unem-
") when the firm reduces output in tran-
cessions

resource used in the firm is available
variety of risk-bearing, insuring arrange-
Labor seems to make risk sharing ar-
nts with the employer, probably because
igher costs (less security) for an em-

Baker's licence hitch

EAST LONDON — Mdantsane's only bakery which opened a few weeks ago did not open for business yesterday because the owner could not get a licence to operate it

The managing director of the Ciskei National Development Corporation (CNDC), Mr F Meisenholl, said Mr S Sende who ran the bakery had applied to them for a lease on their premises in the Lennox Sebe Building, Mdantsane.

"We made our position clear to him in writing," Mr Meisenholl said

"He moved into our premises without our permission and we put our position to him through a lawyer advising him to comply with certain requirements if he was to stay in the building"

Mr Meisenholl said Mr Sende had to have the necessary licence to operate a bakery. He did not have one

"He should have got this from the Ciskei Marketing Board and for some reason he did not get it "Mr Sende is an unrehabilitated insolvent In other words he is not allowed legally to run a business and the CNDC could not legally get into a lease contract with him until he is rehabilitated," he said

A spokesman for the Ciskei Marketing Board who was asked if Mr Sende had applied for a licence to run his bakery would not comment.

"We are continuing with our investigations into the matter," he said

Efforts to contact Mr Sende for comment yesterday were unsuccessful — DDR

SUGAR

Go-ahead for terminal

The South African Sugar Association has finally decided to go ahead with plans for a bulk sugar terminal at Germiston to supply bulk users of refined sugar in the PWV area

Capital cost is estimated at R5m and the scheme should be operational by mid-1981 Initial annual capacity of the Germiston depot will be 40 000 t

A conditioning plant — mainly to remove moisture — with a capacity of 60 000 t a year is to be built at the Huletts Durban refinery and the treated sugar will be railed from there to the Transvaal in 50 t trucks The scheme only became economical when the railways agreed to carry bulk sugar at a lower rate

Main advantage to the users will be lower handling and storage costs In the long term the scheme is designed to keep customers satisfied in the face of competition from alternative sweeteners

SUGAR INDUSTRY

Counting the costs

One of the most severe droughts in the sugar industry's history holds grim prospects for the new season which officially starts in May Among these prospects are

- A loss of over R100m in potential export proceeds,
- Black unemployment,
- Reduced sugar company profits, and
- Bankruptcy among canegrowers

SA Sugar Association chairman Ian Smeaton predicts a fall of at least 20% from this season's crop of 2 08 Mt If the drop is confined to 20% — some suggest it will be far worse — total output will be down to 1 6 Mt

The local market takes 1,1 Mt although higher consumer spending could boost the figure That leaves a mere 500 000 t for export

Fortunately for the industry, quotas under the International Sugar Agreement have been suspended But, nevertheless, a fall of 300 000 t at, say £200/t, represents a conservative loss of over R100m in potential export proceeds

One cannot compare this with the current season where average prices were lower, quotas applied, and sugar was sold in other forms Export manager David Hardy assures the *FM* that it will be possible to meet commitments With less cane in the fields less labour will be required

In Zululand this may cause severe hardship as the labour force has been swollen by black farmers driven to seek work when their own crops failed in the drought

For the sugar companies, the lower crop will mean less cane through the mills, and higher costs per unit In short, sugar profits are likely to take a pounding

Taking a longer-term view the outlook is not much better A dry season limited cane plantings last year and cane for the season after next should be planted now when conditions could scarcely be worse All in all it is a grim tale for the coming winter

Bakery wrangle affects R10 000 hospital contract

12/4/80 186 DD

EAST LONDON — The closure of Mdantsane's only bakery this week has affected a R10 000 contract for the bakery to supply bread to the Cecilia Makiwane Hospital, Mdantsane, during 1980.

Although Mr S. R Sende, one of the two directors of the bakery, would not comment on statements made yesterday by the managing director of the Ciskei National Development Corporation, Mr F S Meisenholl, it was learnt Mr Sende had made arrangements with another bakery to supply bread to the hospital until his bakery could operate.

The contract was awarded early this year and is for the supply of 60 000 loaves of brown bread and 7 300 loaves of white bread

It was also established yesterday that a licence (Licence No 3466) was issued to Mr Sende to operate a bakery in Mdantsane The licence was issued on March 17 and expires on December 31.

A check at the manager's office, yesterday revealed the owners of the bakery had not informed the office of the secretary to the township council about the issue of the licence

What appeared to have not been received by Mr A Z Tom and Mr Sende yet were licences from the Wheat Board and the Ciskei Marketing Board

It was established they had contacted the Wheat Board in 1978 and that the board had agreed to grant them registration under certain conditions — one of which was that baking operations should start not later than April 1, 1979 This condition was not fulfilled

Investigations revealed yesterday that the owners should have fulfilled five conditions in order to operate the bakery, apart from the requirement from the CNDC on the lease on premises.

The conditions are

Approval by the Mdantsane Township Council, which was obtained

Approval in principle by the Ciskei Department of the Interior, which the department gave

Provision of a registration certificate which does not seem to have been obtained from the Wheat Board

Authority for the issue of a licence, which the Ciskei Department of the Interior did issue

An authorising letter from the Wheat Board — not received yet

The matter between the owners of the bakery and the CNDC on the alleged illegal occupation of premises by the owners in the Lennox Sebe Building, Mdantsane, will come up before court next Friday with the CNDC calling on Mr Tom and Mr Sende to vacate the premises in the building.

All attempts to get Mr Tom and Mr Sende to comment on the matter failed They would not comment on a matter that was sub judice, they said — DDR

uction 203

8	[illegible]
9	27
10	21

* Anyone fishing from shore

1

six fish, two more than had he fished from shore like any of the others. The *social total* is two fish larger. But if another person joins him on the boat, the pair can catch a total of 16—10 more, so, with two crew members, the marginal product *on board* is 10 fish. Marginal products are graphed in Figure 9–1. Since the second person forsakes the four fish he would have caught fishing from shore, the social total increases by six fish with a second person. That is, with two on board the *social marginal* product is six fish; the social *total* is eight more than without the boat. Who gets the eight fish?

If the two people apportion the fish equally between themselves, each has four *more* fish than each shore fisherman No one else is affected Or the gain of eight fish could be divided among all 1000 people so everyone could have 4 008 fish. But whatever is done, at least a third person could profitably switch to the boat, as is indicated by Figure 9–1. That would increase the boat total by eight fish to 24 fish (the marginal product with three crewmen is eight fish) while forsaking only four more fish from the shore. The social total increases by four—the difference between the marginal product on the boat and the forsaken four-fish shore-marginal-product. A fourth crewman could transfer to the boat, since the marginal product *on the boat*, six, with four members is greater than the forsaken marginal product on shore, four—a net *social* marginal product of two. With four boatmen the total product on the boat is 30 (= 6 + 10 + 8 + 6), which, subtracting 16 forsaken fish from the shore (four from each person who shifted to the boat) yields a *social* gain of 14 fish. How the net social gain

Tiger Oats behoort minstens 300c te haal

TIGER OATS behoort in die nuwe boekjaar 'n verdienste van nie minder nie as 300c te toon. As hy sy vorige dividendbeleid handhaaf, behoort aandeelhouers sowat 75c hieruit te ontvang.

Dit sal 'n verdienstegroei van 15 persent en 'n dividendgroei van sowat 13,6 persent beteken. In die huidige tydperk van hoë inflasie is dit miskien nie besonder indrukwekkend nie, maar die groep se historiese bestendige groei is vir die langtermynbelegger byna 'n versekeringspolis teen onverwagse terugslae.

Ten minste wat dividendbetalings betref.

Die dividenddekking is sedert 1970 byna elke jaar verhoog en staan nou op 4 teenoor die destydse 1,8 keer.

Die voorspelling hierbo word nie deur die maatskappy gemaak nie, maar as 'n mens na die jaarverslag kyk wat pas gepubliseer is, kan dit kwalik ooroptimisties wees. Dit is waarskynlik té konserwatief.

Tiger se voorsitter, mnr. R.L. Frankel, sê in sy oorsig: „Ons sal te alle tye toesien dat ons in 'n goeie posisie verkeer om aan alle verwagte toenames in die vraag te voldoen na ons groot verskeidenheid van basiese voedselprodukte. En dit, op sy beurt, behoort ons in staat te stel om voort te bou op die bevredigende winsgekiedenis van die afgelope dekade."

In die afgelope dekade waarvan hy praat, het die groep se verdienste per aandeel van 35c tot verlede jaar se 262c gegroei, terwyl die dividend van 19c tot 66c verhoog is.

Indien die verdienste en dividend vanjaar tot onderskeidelik 300c en 75c per aandeel styg, sal dit 'n laer groei as die afgelope tien jaar se gemiddeld wees. Maar namate die groep groei, word dit vanselfsprekend moeiliker om 'n hoë groeikoers te handhaaf. Dit is veral waar vir die bedryf waarin die maatskappy is.

Die voedselbedryf toon selde groot sikliese skommelinge en daarom is dit onwaarskynlik dat 'n groep van hierdie grootte se winste skielike sprongetjies sal toon.

Verlede jaar se omset was immers reeds R941 miljoen, en die voorbelaste wins R61,2 miljoen.

Volgens mnr. Frankel is die stygende dividenddekking grootliks deur die laaste jare se stygende inflasiekoers veroorsaak. Die al hoe hoër koste van voorraad en kapitaal het hulle genoodsaak om meer geld terug te hou.

Hy sê daar is geen doel om hoë dividende te betaal en dan later weer die geld van aandeelhouers met regte-uitgiftes terug te vra om uitbreiding en voorraad te finansier nie.

Die dividenddekking behoort egter nie verder verhoog te word nie. As inflasie binne perke gehou word, is 'n liberaler dividendbeleid in die toekoms moontlik.

Al die maatskappy se afdelings het die afgelope boekjaar bevredigend gevaar. Met die uitsondering van die visbedryf, waar laer winste verwag word, word dieselfde vir vanjaar verwag. In die eierbedryf, wat verlede jaar swaar geleef het, word 'n betekenisvolle verbetering voorspel.

Teen die huidige prys van 1 430c staan die aandeel op 'n dividendopbrengs van 4,6 persent — dieselfde as Premier Milling, sy grootste mededinger. Die voedselafdeling se gemiddelde opbrengs is 5,5 persent.

● Mnr. Frankel is veral bekommerd oor 'n moontlike aansienlike verhoging in die prys van mielies. Hoewel hy glo dat die boer 'n aanvaarbare opbrengs op sy geld moet kry, kan 'n groot verhoging in die mielieprys 'n wesenlike inflasionêre gevolg hê. Dit sal veral diegene in die laer inkomstegroep swaar tref, want hulle het die minste in die jongste Begroting ontvang.

— Gert Marais

Waar die geld vandaan kom

Omset as % 1978	Omset as % 1979	Afdeling	Voorbelaste wins as % 1978	Voorbelaste wins as % 1979
27,3	32,6	Mielies, koring, hawer, gort en sorgum	16,8	19,0
28,6	21,1	Dierevoer en agri-sake	8,3	10,3
14,3	13,9	Spysolie en derivate, grondboontlisbotter en ander grondboontjieprodukte	16,8	14,3
15,8	17,5	Verspreiding, algemene handel massa-hantering en verskeping	13,7	11,9
8,0	7,4	Visvang	19,7	17,0
8,0	7,5	Farmaseutiese en verwante produkte	15,0	18,1
		Beleggings	9,7	9,4

Boraine hits at 'slave labour'

Labour Reporter

THE hours three samoosa makers claim they worked in a Woodstock factory showed that the days of 'slave labour' might not be over, the PFP spokesman on labour, Dr Alex Boraine, said.

Dr Boraine was reacting to disclosures that three women had worked a 76-hour week at the Colonial Halaal factory for R40 or R50 a month until they walked out at the beginning of March.

'FEUDAL'

The women, recruited from country areas, shared a small room with a fourth woman at the house of their employer, Mr M Ahmed

This feudal system can't be tolerated in a modern industrial society,' Dr Boraine said.

'No business should be allowed to exist at the expense of exploitation of the workers Either employers must pay a decent living wage for human working hours, or they must pay the consequences.

'This incident poses the question of how many other small businesses are exploiting their workers and whether workers have adequate protection from unscrupulous employers'

Dr Boraine urged the three samoosa makers to lodge their objections with he Department of Manpower Utilisation without delay

He added that Mr Ahmed should honour his signed agreement to pay the women a total of R906 irrespective of any determination the department might make

'If the employer enters into a contract with his ex employees, it has nothing to do with the department, he said

A spokesman for the 2 000-member Western Cape Traders' Association has condemned 'the merciless exploitation' of the three women.

'We understand local workers in the same factory are earning about R22 a week. Why were these girls from the country being paid so much less?'

The spokesman said customers of Colonial Halaal should be called upon to see to it that 'a gross injustice' was put right

(186) (~~139~~) DD 15/4/80

Trade union votes against registering

EAST LONDON — More than 800 members of the African Food and Canning Workers' Union and the South African Allied Workers Union have rejected the registration of black trade unions.

The decision was taken at a meeting held in Duncan Village, here, at the weekend.

The main reason for the refusal to register — released in a statement after the meeting — was that it was felt such registration would not be meaningful until the Pass Laws, influx control regulations, Group Areas Act, section three of the Factories Control Act Separate Amenities' Act, the migratory labour system the Industrial Conciliation Act of 1950 as amended, including the Wage Determination Act of 1957 and the liaison committee machinery were all repealed.

Also discussed at the meeting, after which the statement by the general secretary of the South African Allied Workers' Union, Mr S K Kikine, of Durban, and the secretary of the African Food and Canning Workers' Union, Mr B P Norushe, was issued, was the question of the future of workers in the homelands.

The workers rejected the Bantustan system claiming "the system automatically deprives black workers of their birthright when their white counterparts are not subjected to the same laws," the statement said.

Also criticised was a claim by the secretary of the Ciskei Central Intelligence Services, Col Charles Sebe, that workers in the Ciskei were looked after by the government.

The workers appealed to all churches and ministers of religion to make their church premises available for workers' meetings "with no strings attached" because the workers were responsible for maintaining the churches, the ministers and their families.

Meanwhile, unemployed workers are reporting in large numbers to register in black trade union offices here following a call by black trade unions that all unemployed workers must register at their offices in Duncan House, Terminus Street.

A report by a Johannesburg trade unionist at the meeting was that the campaign to register unemployed workers had received support from various organisations.

In a "right to work" demand the workers invited civic, political and welfare organisations to support the unemployed workers' campaign throughout the country.

COLONEL SEBE . . statement attacked

Simba and Riviera in link-up

JOHANNESBURG, [illegible] — Bedfood, [illegible] its [illegible] and military, Simba Quix, has acquired the confectionery operations of Riviera Foods.

Bedfood said in a statement, the merger of these two operations will create South Africa's largest snack food, biscuit and sweet manufacturing and distribution network.

Riviera's three shareholders will receive a payment of R[illegible]0 000 cash and a 25% equity stake in Simba valued at R4 500 000 based on conservative projections.

The combined Simba-Riviera operation should contribute between 15c and 19c to Bedfood earnings in the current year to March 31, 1991, the statement added. — Reuter

Tiger roars on, but margins still sluggish

STAR 15/4/80

(186)

By Jean Moon

Although Tiger Oats turnover is forging ahead at break-neck speed to reach R941m — out of which R32m came from newly-acquired subsidiaries — its profitability, measured by the pre-tax profits against sales, shows a further decline.

A pre-tax profit of R61,2m on a turnover of R941m gives a figure of 6,5 percent, which compares with last year's figure of 7,1 percent

From 5,6 percent in 1970, and a steadying off in 1972/73, profitability rose to 8,6 percent in 1976, and since then it has steadily declined

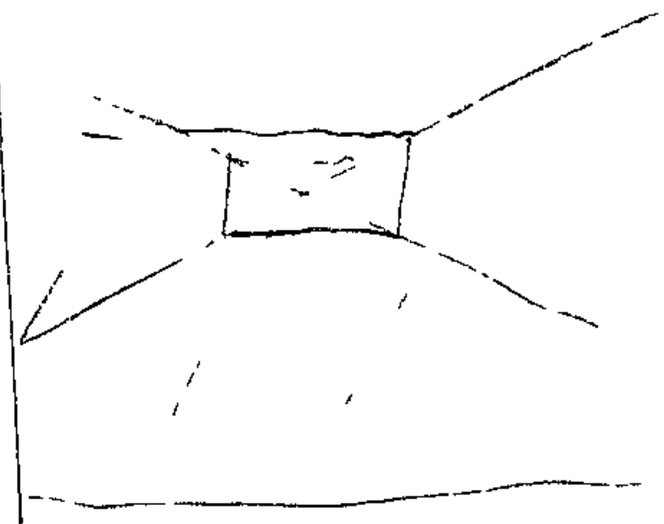
Inflationary factors were primarily responsible for the increase in the monetary value of group turnover, and although volume gains were registered, particularly in the second half, the improvement was only marginal in the case of certain products

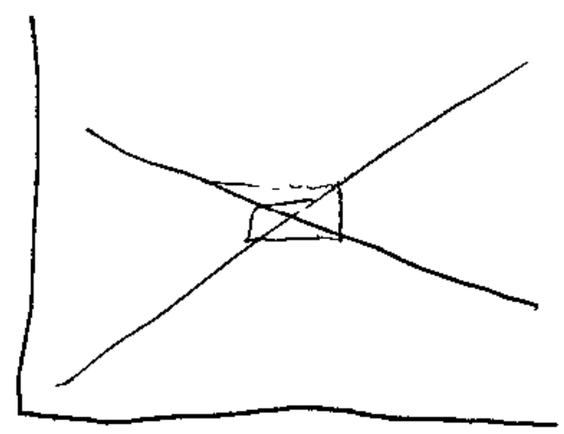
Following the trend of recent years, margins remained under pressure and taxed profits expressed as a percentage of sales declined from 4,6 percent in 1978 to 4,2 percent in 1979.

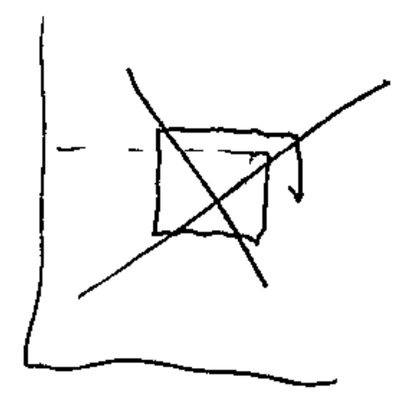
Stocks rose by 22 percent to R107m. with the value of raw materials rising nearly R20m to R66m, which in highly inflationary times makes good sense

Long-term liabilities increased from R38m to R45,7m Two long-term loans were raised in July 1979 and January 1980 of R10m each by placing at par 10m 11,25 percent unsecured debentures 1992/1996 of R1 each, and placing a similar number of 10,85 percent unsecured debentures 1994/1998 of R1 each

	After-tax profit (R000)	Pre-tax profit : sales (percent)	Earnings (cents)	Dividends (cents)
1979	39,7	6,5	262	66
1978	36,0	7,1	228	58
1977	26,0	7,7	202	52







Inflation fuels Tiger Oats sales

(186) RDM 15/4/80

By HAROLD FRIDJHON

INFLATIONARY factors were primarily responsible for the increase in the monetary value of the turnover of the Tiger Oats group in the year to December 1979, says Mr P. L. Frankel in his chairman's review.

Group turnover was R941-million, of which R32-million came from the sales of newly-acquired subsidiaries

Excluding the R32-million, sales of R909-million for the year were 17% higher than the previous year's R777 million

Volume gains — particularly in the second half of the year — were also registered although the improvement was only marginal in the case of grain products

Trading margins remained under pressure and taxed profit expressed as a percentage of sales dropped from 4,6% in 1978 to 4,2% in 1979 (In 1974 this percentage was at a peak of 5,6% from which it has steadily declined)

Mr Frankel says that since the close of the financial year intense competition has continued in the principal industries in which the group operates, but against this the improved demand which became evident in the second half of last year has been maintained

Should this trend continue, spare capacity should be rapidly absorbed by the expected increase in demand

The board intends maintaining the group's production facilities at a level sufficient to meet all foreseeable increases in demand, in spite of the high costs entailed in the erection of buildings and plant which generally do not become profitable for a considerable period of time

During the year, Tiger bought Bremmer Mills, a Free State [illegible] mill which also operates bakeries throughout South Africa. The cost of control — R5,8-million — was written off retained income

Problems associated with over-production dominated the table egg industry and adversely affected the egg division of Stein Bros

Production control is of paramount importance, says Mr Frankel, and while the world market for eggs remains oversupplied and depressed, the key objective must be to keep the surplus to a minimum.

The rise in farm prices caused by cost-inflation could result in South Africa being out-priced on export markets

Mr Frankel regards this as very serious, particularly in the case of processed agricultural products in which large amounts of capital have been invested and important avenues of employment created."

He says that years of concentrated effort have gone into establishing foreign markets in which continuity of supply is essential because territory lost might never be recovered

Mr Frankel urges the authorities to bear, either wholely or in part, losses incurred on export markets for processed agricultural products

Tiger's attributable group taxed profit for the year was R29,3 million (R25,4-million) equivalent to an earnings a share of 262c (228c), from which dividends totalling 68c (58c) were paid covered 4 times (3,9 times in 1978)

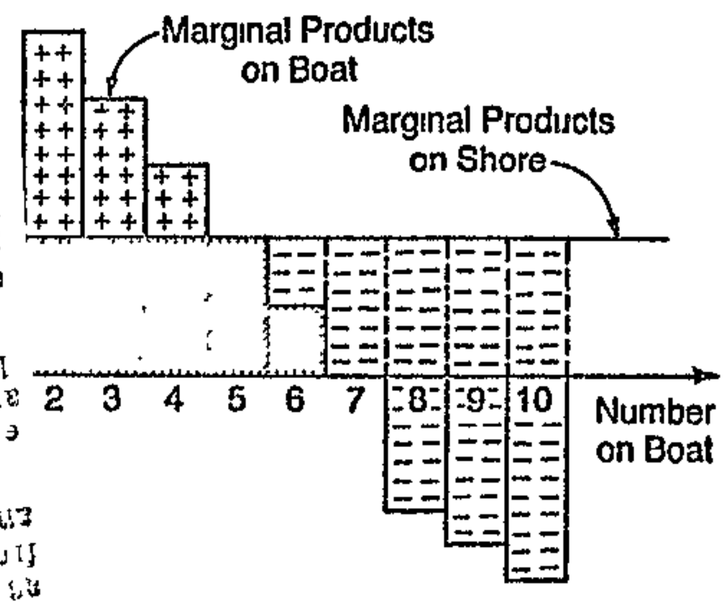
(Dividend cover has steadily increased over the years. In 1970 cover was 1,8 times, in 1972 it had gone up to 2,1 times to 3,4 times covered in 1976 and in 1977 to 3,9)

Alchian & Allen · Exchange and Firm

Joint, Team Production

We examined specialization in the chapter; now we examine another sour hanced output, teamwork People work v people or with other people's resources produce something Two of us, naviga pilot, operate an airplane. Two of us op steel mill, I as crane operator, you as rol controller Three of us operate a fishing helmsman, as engineer, and handler of t Four people perform surgery on a pat surgeon, anaesthetist, surgical aide, and ing nurse. Five lawyers work together on case jointly creating their strategy. The ma increased output from joint physical or n effort is taken as a fact that need not b plained here. (We need not explain, for exar why two people pushing a car can push it fa than one person could push it for twice as lo Instead we examine how people are guide teamwork, on a team that is known as a *busir firm*. We also inquire into what influences those firms are organized and internally c trolled, and how each member's reward (pay determined. We first examine a few control te niques, we assume temporarily that all possi participants are identical in ability.

In exploring these basic issues, we can igno features such as whether the enterprises a small or large, unionized or nonunionized, co glomerate or single-product, local or multina tional, new or old, retailing or manufacturing corporation or proprietorship We pass over administrative problems like how to select personnel, to plan production schedules; to arrange for



rginal Products on Boat

ars represent the marginal product (in fish) oat The horizontal line at 4 fish is the mar- units of fish) on the shore. The areas occu- ns denote the gain by having fishermen on the areas marked with minus signs are the too many people fish on the boat.

rage, keeping tax and accounting ersuade politicians on proposed gulation; and an incredible array that occupies a businessman's

ntials, assume that 1000 similar nunity do nothing but fish from ways catching four fish daily no people fish. A boat is found; out on the ocean. Everyone is how many fish are caught; or a boat is equally pleasant 9–1 summarizes the details. sole user of the boat catches

Black union votes against registration

RDM 16/4/80.

EAST LONDON — More than 800 members of the African Food and Canning Workers Union have rejected the registration of black trade unions.

They decided this at a meeting in East London at the weekend.

The main reason for refusing to register was that they felt it would not be meaningful until there was end to the pass laws, influx control, Group Areas Act, Section 3 of the Factories Control Act, migratory labour system, the amended Industrial Conciliation Act — including the Wage Determination Act of 1957 — and liaison committee machinery.

A statement was issued after the meeting by the general secretary of the South African Allied Workers Union, Mr S B Kikini of Durban and the secretary of the African Food and Canning Workers Union, Mr B P Norushe.

The meeting also discussed the question of the future of workers in the homelands.

The meeting rejected the bantustan system claiming it automatically deprives black workers of their birthright when their white counterparts are not subjected to the same laws.

Also criticised was a claim by the secretary of the Ciskei Central Intelligence Services, Colonel Charles Sebe, that workers in the Ciskei were looked after by the Government.

The workers appealed to all churches and ministers of religion to make their church premises available for workers' meetings "with no strings attached" because the workers were responsible for maintaining the churches, the ministers and their families.

Meanwhile after a call by unions, unemployed workers are reporting in large numbers at union offices in East London to register.

A Johannesburg trade unionist reported to the meeting that the campaign to register unemployed workers had received support from various organisations.

In a right to work demand workers invited civic, political and welfare organisations throughout South Africa to support the Unemployed Workers Campaign.

EXAMINATION RESULTS IN FACULTY OF COMMERCE

YEAR = 2

STUDENT NO	FIRST NAMES	SURNAME
102120A	HAROLD PHILIP	STOLTZMAN
133775H	THEODORUS	VAN VLAANDEREN
121480U	ANTONYS	
119139Z	WILLIAM PELHA	WILLIAMS
139402Z	ENRICO	ZAVERDINOS
	KIDON MICHAEL	

* TOTAL NUMBER OF STUDENTS 49

DEAN

17/4/80 Argus
2
~~81~~ 186

Samoosa women to get R906 back pay

Labour Reporter

THREE former employees of a Woodstock samoosa factory are to receive R906 in back pay agreed to by their employer.

Mr M Ahmed, owner of the Colonial Halaal factory, said he would honour the agreement he entered into with the women on March 6

ADVISED

First instalments were due on March 31, but Mr Ahmed did not pay. He claimed he had been advised by the Department of Manpower Utilisation against paying the women.

Yesterday Mr Ahmed said a cheque for R300 had been posted to the Food and Canning Workers' Union by registered mail on Monday.

The union received the cheque today

According to the agreement, Mr Ahmed is to pay R424 to Mrs Margaret Mentoor by the end of June, R196 to Miss Katrina Horing, and R286 to Miss Wilhehmina Jansen.

GENERAL NEWS

Union: We won't toe the race line

(151) (139) (186)

RDM 17/4/80

By STEVEN FRIEDMAN
Labour Reporter

TRADE unions which applied for registration under the new labour laws were accepting segregation, the Food and Canning Workers' Union said in a statement yesterday

The union was reacting to a statement at the weekend by the East London branch of the African Food and Canning Workers' Union, which has close links with it

About 800 East London food workers were reported to have rejected union registration at a weekend meeting

The reasons given at the East London meeting were that registration was meaningless until the pass laws, Group Areas Act and other legislation seen as discriminatory was removed

In its statement yesterday, Food and Canning emphasised that the East London meeting reflected the views of the African union's East London branch only

But it added that the union had "already stated our opposition to African union registration under the Industrial Conciliation Amendment Act"

It had done so because "at present the law only allows registration as a non-racial union by the grace of the Minister of Manpower Utilisation, and only where there are not sufficient workers to form a separate union.

"This is clearly not the case in the food and canning industry or any other where large numbers of coloured and African workers are employed"

According to the statement, unions which register can only do so "by accepting segregation or by registering only in areas where there are hardly any workers of a particular race group

"Either way, such registration means the creation of weak and divided unions," it said

A union spokesman added that the union was also concerned "about the increased state control in the new legislation"

The union's comments are seen as a reference to the Federation of South African Trade Unions, whose unions have applied for registration

The statement by East London workers was signed by Mr Samuel Kikine, general secretary of the SA Allied Workers' Union, who has been attempting to form a new trade union federation Observers speculated that links between the union and Saawu could be in the offing

But a union spokesman said yesterday that Mr Kikine had attended the meeting as a guest There were no formal links between the two unions, he said

FEDFOOD

Fleshing out

Fin 18/4/80 186 ~~232~~

Fedfood's expansion and diversification programme continues with the acquisition of Riviera for a R4,75m cash and share package, and with the purchase of a Cape-based fishing operation for R1,8m

The new fishing unit gives subsidiary Marine Products an additional quota of 2 500 t of white fish, as well as two boats, but the initial contribution to group earnings will be small The contribution to group earnings from the rationalisation of Riviera into Simba will be around 10c, while the group's previous acquisition, Table Top, will add a further 10c or so

Riviera, with a turnover forecast this year of about R20m, was bought relatively cheaply According to Fedfood MD Jan Louw, the price was based on a PE ratio of about 5, which would indicate a direct contribution from the snacks and biscuit manufacturer of around 5,6c to the group

These acquisitions have not been made without some strain on financial resources, especially as Table Top was purchased for R15m in cash As a result, says Louw, the company is considering a rights issue soon to provide funds to finance further purchases He adds that there are, in fact, no companies in line for acquisition right at the moment The same comment, however, was made when Riviera was bought and the action did not stop there

The effects of the recent diversifications are difficult to calculate in terms of group earnings, as the results for the year to end-March are not yet available However, it seems reasonable to assume that last year will have resulted in earnings of about 65c, indicating a 16,5c final following the 13c interim Dividend cover is being slowly raised in line with the group's shift into the food sector and its increasing finance requirements

Consolidation of Table Top and Riviera should push this year's earnings to 95c, assuming no further purchases With dividend cover indicated at about 2,5 times by the end of the year, total dividends should reach 38c, giving a yield of 7,9% on the relisting price of 480c this week

Scott Hauker

Fedfood's Simba new flavours from Riviera

FM 18/4/80

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Tiger Oats and National Milling Company, Limited

(Incorporated in the Republic of South Africa)

CHAIRMAN'S REVIEW

The following is the review by the chairman of Tiger Oats and National Milling Company Limited Mr R I Frankel which accompanies the annual financial statements of the company

I have pleasure in presenting my review of the group's activities for the year ended 31st December 1979

Financial Results

The group trading profit for the year, before taxation, amounted to R61 249 000 compared with the previous year s figure of R55 779 000 After deducting taxation and deferred taxation of R21 521 000 (R19 739 000) profits of R7 118 000 (R7 357 000) attributable to outside shareholders in subsidiaries and preference dividends totalling R3 344 000 (R3 271 000) the consolidated net profit of the company and its subsidiaries amounted to R29 266 000 (R25 412 000) These profits are equal to earnings of 262 cents (228 cents) per ordinary share

During the year under review our partly-owned subsidiary, Lamberts Bay Holdings Limited increased its holding in Sea Products (S W A) Limited to slightly in excess of 50% of the issued ordinary share capital of that company The above results accordingly incorporate for the first time the consolidated results of Sea Products (S W A) Limited

The foregoing figures do not embrace the operations of associated companies except to the extent of dividends received and credited in the income statement As will be seen from the relevant information contained on page 32 of this report the group s share of the taxed profits of associated companies in which at least 30% of the equity share capital is held, totalled according to the latest accounts of the companies concerned R8 585 000 compared with the previous year s figure of R5 618 000 whilst the dividends received from this source during the year under review amounted to R1 977 000, compared with R1 136 000 received in the previous year If the retained profits of these companies for their respective financial years are taken into account, the above group earnings of 262 cents per share would amount to 321 cents against 268 cents for 1978

The higher group earnings enabled your board to declare an increased interim dividend of 28 cents per share in August 1979 and an increased final dividend of 38 cents in March 1980, making a total distribution for the year of 66 cents per share (previous year 58 cents)

An amount of R2-million has been transferred to general reserve which has been increased from R35 million to R37-million whilst during the year, group capital (non distributable) reserves increased from R50 880 000 to R51 429 000 Details of the net increment of R549 000 in the capital reserves are given in the financial statements

Before leaving the subject of our financial results it is interesting to record that over the ten year period ended the 31st December 1979 group earnings after tax increased at an average annual compounded rate of 22%

Debenture Issues

On the 27th July 1979 and the 18th January 1980 the company raised two long-term loans of R10-million each by the placing at par of ten million 11 25% unsecured debentures 1992/1996 of R1 each and the placing of a similar number of 10 85% unsecured debentures 1994/1998 of R1 each The loans were placed for the purpose of re financing portion of the group s short and long term borrowings and to provide additional long term funds to finance expansion

Turnover and Market Conditions

Group turnover during the year under review totalled R941 million of which R32-million represented the sales of newly-acquired subsidiaries The turnover of the group excluding the latter sales accordingly totalled R909 million representing an increase of approximately 17% over the previous year s figure of R777 million These figures exclude the sales of associated companies totalling R999 million (previous year R760 million)

For the information of members an analysis of group turnover for the past financial year is contained in the directors' report

Once again inflationary factors were primarily responsible for the increase in the monetary value of the group turnover reported above Volume gains – particularly in the second half of the year were nevertheless also registered although the improvement was only marginal in the case of certain products Following the pattern set in recent years trading margins remained under pressure and taxed profits expressed as a percentage of sales again fell from 4 6% in 1978 to 4 2% in 1979

Since the close of the financial year intense competition has continued to prevail in the principle industries in which your group operates Against this however the improved demand which became evident in the latter half of last year has been maintained

Proprietary Lines

It is creditable that the group's wide range of branded grocery products have all maintained and in some cases improved their share of the market

Our flagship brands – Jungle and 'Tiger Oats" – continue to hold the major share of the market for hot breakfast foods while at the same time Black Cat Peanut Butter has retained its dominant position as the brand leader The group s well known brands of refined salad and cooking oils produced under the Black Cat', "Somol and Edib labels, continue to prosper and at the same time the Star' and Little Jay range of edible nut products enjoy a reputation for high quality and as such have achieved further entrenched consumer demand

With the completion of our heavy capital expenditure programmes of recent years and the acquisition of Bremer Mills (reference to which is made later in this review) we are now well poised to consolidate market share in respect of our nationally promoted brands Ace super maize meal, and 'Induna' special sifted maize meal, as also our 'Golden Cloud' and 'Silver Cloud" wheaten products

Sales of our textured vegetable protein products continue to make important headway Of particular interest was the launch during the year on a test market basis of frozen analog-type products in consumer packs under the brand names "Sossies and Burgers' Initial response to these products has been most encouraging and their distribution has now been extended on a national basis

The demand for canned petfoods manufactured by our associated company Petz Products (Pty) Limited, continues to be most gratifying Particularly noteworthy is the success achieved in the market place by "Pamper catfoods during the past year while this company s other well known brands such as Petz D Lite "Dogz Delight' Husky" 'Wag' and 'Catz D Lite' firmly establish it as the leading manufacturer of canned petfoods in the Republic

In the case of dry petfoods the effectiveness of the group s advertising and marketing approach is evidenced by the continually increasing popularity of our 'Dogmor and Catmor brands which hold a commendable share of that market

Growth in the market for yellow margarine gathered renewed momentum during the past year after having gone through a period of consolidation during the previous period The high quality of our Golden Spread and Sunshine margarines has ensured that these brands continue to hold an important share of a rapidly growing market

Sales of King Korn pre packed malt produced by another associate, King Food Corporation (Pty) Limited, reached an all time record during the year This brand is far and away the dominant sorghum-malt product in the market for home brewing and traditional beer

High quality Silverstream" canned mushroom products continued to achieve improved sales volumes Of significance also has been the growth in the demand for fresh mushrooms, of which market 'Silverstream has achieved a meaningful share

An interesting development during the year was the establishment of the Bakoven chain of retail shops specialising in high quality baked products and confectionery These outlets together with the 'De Vries confectionery shops purchased during the latter half of the year are serviced by the group s bakeries in various centres of the Republic and the accent is on the merchandising of high quality oven fresh confectionery and fancy breads

The group's range of proprietary dairy products – Skimco milk powder 'S B ' pre packed cheeses and the Tulip and Orangia range of choice grade butters – continue to enjoy an important share of the market while in the case of broiler chickens production and sales of the County Fair' brand both fresh and frozen, have increased substantially and are reputed for their quality image

Subsidiary and Associated Companies

In our interim report' released on the 21st August 1979, shareholders were informed that the company had acquired the entire issued share capital of Bremer Mills (Pty) Limited a company operating wheat and maize mills in Hennenman in the Orange Free State and numerous bakeries throughout the Republic The said company was acquired with effect from the 1st July 1979 and it is most pleasing to report that its activities have been fully rationalised within our wheat and maize milling divisions and that it is making a satisfactory contribution to overall profitability

Apart from the profit contribution referred to above obtaining control of the Bremer Group was of strategic importance to us in that it significantly increased our share of the country s wheat milling and baking industries and at the same time made available to our animal feed mills a valuable new source of supply of raw materials Furthermore in addition to Bremer s established bakeries the acquisition enabled us to erect on a viable basis two new bakeries one in Pietermaritzburg and the other at Umzinto in Natal both of which are operating successfully in terms of market share and profitability

In accordance with our long standing policy the cost of control of the Bremer Group amounting to R5 823 000 has been written off against retained income and is included in the extraordinary items totalling R5 804 000 net appearing in the parent company s income statement

In my last review, I mentioned that work had commenced on the erection of a new wheat mill on our Maitland site to replace the existing mill at Moorreesburg and that we were at the same time constructing new facilities for the production of our pearl barley and other soup mixes This project was completed during the third quarter of 1979 and a subsequent modernisation and rehabilitation programme in respect of the entire Maitland site has now reached an advanced stage It is anticipated that this work will be completed within the course of the next few months when the Moorreesburg plant will be closed down

Pursuant to the group s policy of increasing production facilities and capacity to meet the steady growth in the demand for our products bulk handling facilities for oil cakes were installed by Cape Oil Products Limited at Maitland These facilities complement similar facilities at our animal feeds plant in Paarl and have resulted in substantial economies being effected in the inter company exchange of the products concerned

At Randfontein the second and final stage of the major capital expenditure programme undertaken by S A Oil Mills (Pty) Limited was completed during the year Concommitantly and in conformity with the group s energy conservation objectives steam generators for electric power have also been installed by this subsidiary to utilise off peak steam production Additionally extensions have been made to the oil storage capacity and plastic bottle production facilities

During the year our maize mills at Bloemfontein and at Delmas were remodelled At the same time the maize milling capacity at Bloemfontein was increased and new silos were erected to service that mill These two mills are accordingly now able to offer their customers a full range of products and are assured of being able to maintain their respective market shares in the overall growth in consumption in these areas

The Group s bakery division which has expanded rapidly in recent years again incurred substantial capital expenditure as part of a continuous programme aimed at improving the production efficiency and the quality of the products of our numerous bakeries throughout the Republic As part of this programme, and to meet increased demand, West Rand Bakery (Pty) Limited in Randfontein commissioned a fully automated bread plant thereby making this unit one of the largest and most modern in the Republic

Problems associated with over production continued to dominate the activities of the table egg industry throughout the year and as a leading egg producer the operating results of the egg division of the Stein Bros group were again adversely affected

The egg industry has attracted considerable press comment in recent times as has Nepco the co-operative egg distribution society formed by approximately 70 producers about 18 months ago In a review of this nature it would be inappropriate to attempt to weigh up the arguments for and against the distribution of eggs through a voluntary co operative society particularly

as this whole subject is presently under review by the authorities In any event I regard the question of distribution channels to be of secondary importance as the fundamental consideration in the egg industry has always been and will undoubtedly continue to be the regulation of production in relation to consumer demand It is also not possible to refer in detail to the inherent physical problems associated with egg production but it is pertinent to mention that these problems are not unique to the Industry in the Republic and that most Western countries have found it necessary to adopt some form of production control either on a voluntary or mandatory basis In recent years the necessity of such control has become of even greater importance having regard to the world-wide egg surplus and the almost certain losses which must be sustained by those countries who are forced into the export market due to an imbalance between production and local consumption and which is frequently aggravated by seasonal producers who are active for only six to eight months of the year

Notwithstanding the egg industry s present difficulties, I nevertheless remain confident that the authorities who after all have had considerable experience in this field will take the necessary action and provide the required guidance to ensure a return to the orderly production and marketing of this most important and relatively inexpensive source of protein As stated above production control will continue to be of paramount importance and certainly as long as the world market for eggs remains over-supplied and depressed a key objective must be to keep the surplus at a minimum subject of course to the maintenance of the usual strategic reserve In the meantime, so far as your group's interests in the table-egg industry are concerned we will continue to strive towards greater efficiency with a view to making eggs available to the consumer at a competitive price and at the same time earn a reasonable return on our investment

I now turn to our interests in the inshore fishing industry held through the Oceana Group of Fishing Companies In the case of the Republic notwithstanding a continuous increase in costs and a reduced profit contribution from the Blue Continent Group as well as a 15% reduction in rock lobster quotas which became effective on the 1st November 1978 Lamberts Bay Holdings Limited has reported group earnings of 71 cents per share for 1979 compared with 75 cents made in 1978 The pelagic catch based on unchanged quotas was completed well before the end of the season and in most instances the fish were caught close to the factory which helped considerably to offset the higher fuel costs The reduced rock lobster quotas were also landed in good time and well before the season closed

As was the case in the previous year, the 1979 fishing season in South West Africa/Namibia again proved to be a most difficult one In pursuance of its conservation policy the Industry voluntarily ceased fishing for pilchards at the end of June 1979 and this inevitably affected cannery output Although the anchovy fishing pattern was reasonable during most of the season, bad weather conditions nevertheless affected fishing operations and the Industry's quota was only completed towards the end of August 1979 A feature of the catch was the good average oil yield, which contributed materially to profitability whilst rock lobster production at Luderitz was well above the previous year s level

Notwithstanding the difficult operating conditions referred to above in respect of the pelagic season in South West Africa/Namibia the good rock lobster catch at Luderitz, as well as a high level of opening stock of fishmeal held by an associated company enabled Sea Products (S W A) Limited to report earnings of 69 cents per ordinary share for 1979 compared with 64 cents made in the previous year

In line with the above good results South West Africa Fishing Industries (Pty) Limited – in which your group owns in excess of 20% of the issued share capital – reported earnings of 96 cents per share for 1979, against 85 cents made in 1978

Referring to the current season, rock lobster operations which commenced in the Cape Province on the 1st November 1979 have again proved to be successful In the case of pelagic fishing, the Industry's quota for the season which started on the 1st January 1980, remains unchanged but landings to date have been below those of recent years

In South West Africa/Namibia the new pelagic season will start even later this year – on the 7th April compared with the 19th March last year – and the total industry quota for species other than pilchards has been further reduced to 150 000 tonnes compared with 337 500 tonnes last year In the case of pilchards the quota for the current year has been fixed at a nominal level of approximately 10 000 tonnes which will result in the canning of 4 000 tonnes of product by the Industry Having regard, therefore to the further reduction in the pelagic quota and taking into account the fact that the rock lobster catch to date at Luderitz has been below that of the previous year the indications at the present time are that profitability in respect of both the pelagic and rock lobster sectors in South West Africa/Namibia is likely to be lower than last year

I refer now to our pharmaceutical interests and am pleased to report that the results of our quoted subsidiary, Adcock Ingram Limited in respect of the year ended 31st December 1979 were highly satisfactory Sales for the year at over R70 million showed an increase of almost 14% over the turnover of the previous year whilst equity earnings rose from 233 cents per share in 1978 to 295 cents in 1979 – an increase of almost 27%

In last year s review I referred to the commencement of the construction by Adcock-Ingram's Sabax subsidiary of a unique production facility at its Aeroton site This will provide for the manufacture under one roof of the most comprehensive range of the Republic s first ever locally produced medical grade plastics These materials and components are employed in the manufacture of specialised therapeutic medical care products for use in hospitals, clinics blood banks and laboratories The new facility was completed timeously and was formally opened last November by The Hon Dr S W van der Merwe Minister of Industries and of Commerce and Consumer Affairs Apart from its strategic value to our health services, this project is based primarily on the use of local raw materials and will result in a saving to the country of approximately R1-million in foreign exchange in the first operating year

During 1979 the activities of the Latex Products division of the Adcock-Ingram Group to which I referred in my previous review, were transferred to the new factory in Industria New plant and equipment was also installed and this subsidiary is now in the process of broadening its manufacturing base and increasing its market share

Although the Adcock-Ingram Group operates in a competitive environment – particularly in the case of certain areas such as the Home Products and the Wholesale and Retail Pharmaceutical divisions – its executive team is highly motivated and I confidently anticipate that the said group will enjoy its full share of the growth which is currently being forecast for the country as a whole

Almost without exception the latest results reported by our associated companies have been good and in certain instances exceptional Petz Products (Pty) Limited where together with the Country Fair Foods Group we are in partnership with the Reckitt & Colman organisation continued its unbroken growth pattern as did King Food Corporation (Pty) Limited W G Brown Investments Limited and Diamond Shamrock (Africa) (Pty) Limited In the case of the Country Fair Group the results of its broiler operations, conducted through Country Fair Foods (Pty) Limited showed a welcome turnaround during the year under review and in the light of the strenuous efforts presently being made to stabilise conditions in the table egg industry it is hoped that the same will shortly apply in respect of County Fair Egg Farms (Pty) Limited

With effect from the 1st April 1979 the capital of our wholly-owned subsidiary Maseru Roller Mills (Pty) Limited was sold to Lesotho Milling Company (Pty) Limited, in which we hold 50% of the equity The latter company operates a maize mill in Maputsoe Lesotho and intends to increase its milling capacity in that country

Turning to our quoted investments The Imperial Cold Storage & Supply Company Limited has maintained its position as the leading distributor of dairy meat and other perishable foods in the Republic The company continues to report increased turnovers and higher profits, notwithstanding the highly competitive environment and the low profit margins on which it operates

J Bibby & Sons Limited in the United Kingdom recently reported another excellent year and it is confidently anticipated that this momentum will be maintained during the current year As part of the consideration payable in respect of the acquisition of additional shares in an associated company, which has now become a subsidiary J Bibby & Sons Limited has allotted a further one million ordinary shares out of its unissued share capital We have accordingly acquired further shares in the said company to reinstate our 30% participation in its equity

Metro Cash & Carry Holdings Limited has reported good trading results, whilst the earnings of Frasers Limited has reflected a commendable improvement Both companies in which our shareholdings remain unchanged will undoubtedly benefit from the current upsurge in consumer spending power

In the United States of America our shareholding in the Colgate-Palmolive Company has also remained unchanged Although the latest earnings reported by this corporation have not come up to expectations – due in no small measure to substantial write offs in certain divisions – we remain hopeful that Colgate-Palmolive will regain its erstwhile market rating As members will be aware apart from our shareholding we act as the distributors of Tastic rice on behalf of the said corporation s South African subsidiary company and this arrangement continues to work extremely well

The elections in Zimbabwe are now behind us and all the indications are that that country will enjoy a strong government under which private enterprise will continue to exist and indeed be encouraged Certainly at this moment of time your board has been re-assured by the official pronouncements on the subject made in Zimbabwe and we are hopeful that National Foods Holdings Limited in which we hold approximately 16% of the equity will play a leading role in the economic revival which will undoubtedly take place In past reviews I paid tribute to the sterling work performed by the management and staff of all races in the National Foods Group These duties were carried out under the most difficult conditions and it is hoped that all concerned will now enjoy the fruits of the faith and dedication they exhibited over many trying years

General

Last season s winter crops in the Republic were excellent and it is anticipated that the yields in respect of the latest summer crops will also be extremely good Unfortunately however inflation in the Republic persisted at a high level throughout the year and this inevitably affected costs of production The farmers like everyone else will have to be compensated for these increased costs and apart therefore from the obvious concern regarding the prices of staple foods to the consumer, the Republic could and in all probability will find itself in the position of out pricing itself on export markets This could prove to be most serious particularly in respect of processed agricultural products In this sector substantial amounts of capital have been invested and important avenues of employment created Also, years of concentrated effort have gone into establishing overseas markets In this regard continuity of supply is essential and territory lost may never be recovered Therefore both in the interests of the consumer and to enable South African exporters to maintain their overseas outlets it may well be considered desirable for the authorities to bear either wholely or in part losses incurred on export markets for processed agricultural products

The authorities have up to now acted most responsibly and commendably in meeting the reasonable claims of producers whilst at the same time maintaining consumer prices at an acceptable level through the payment of subsidies Although it could be argued that in the long run the subsidisation of food prices cannot be justified I submit that at this stage of South Africa s development and having regard to the present level of unemployment - which fortunately however is showing signs of abating – it must be in the national interest to keep the prices of basic foodstuffs as low as possible Fortunately however the unprecedented rise in the value of our exports has placed the authorities in a position where they can meet the justifiable claims of our farming community and at the same time continue to keep basic food prices at an acceptable level, while the country tackles three of its most pressing problems, namely inflation unemployment and productivity In the latter connection the reports of the Riekert and of the Wiehahn Commissions will undoubtedly have a favourable impact on the Republic s manpower and industrial relations as will the accelerated implementation of technical training programmes In the meantime however I cannot think of anything more important from a national point of view than the necessity of keeping the cost of the staple foods consumed by our indigenous population as low as possible I accordingly feel confident that the Government will continue to give favourable consideration to the subsidisation of basic foods

After a fairly lengthy period of static or relatively poor growth the real growth rate in South Africa was about 3 7% during 1979 with indications that this rate will increase to at least 5% during 1980 Thanks primarily to the high price of gold and to the substantial increase in the volume of South Africa s metal and mineral exports an extremely healthy balance of payments coupled with a significant rise in the overall level of consumer spending should ensure that the long-awaited revival in the economy will be sustained with the shortage of skilled manpower as the only apparent inhibiting factor

The turnaround anticipated above will inevitably result in the creation of more work opportunities and the consequent reduction in unemployment which together with our growing population should ensure that

the improvement in the volume sales of our foodstuffs which became evident during the second-half of last year is maintained It follows therefore that the spare capacity existing in the industries in which your company operates should be rapidly absorbed by the anticipated increase in demand Accordingly, and in conformity with its long-standing policy your board intends maintaining the group's production facilities at a level sufficient to meet all foreseeable increases in demand notwithstanding the high cost entailed in the erection of buildings and plant which generally do not become profitable for a considerable period of time

Against the above background and provided the Republic continues to enjoy a stable socio-political environment there is every reason to be optimistic about the future prospects of your group We will at all times remain well placed to meet all foreseeable increases in the demand for our wide range of basic food products and this, in turn, should enable us to build on our satisfactory profit history of the past decade

Turning to the international scene, and leaving aside entirely the current world-wide political and economic instability it is a sobering thought that notwithstanding the unparalleled advances made in the scientific and technological fields especially since the last great war the spectre of hunger continues to hang over the world s poorest nations despite a record of bumper cereal harvests in the traditional food producing countries This is because of the international community s failure to establish a co ordinated system of reserve stocks to meet anticipated as well as unexpected food shortages A contributing factor has of course been and will continue to be in the foreseeable future transport difficulties and bottlenecks generally associated with the less developed countries In the case of Southern Africa itself, it therefore behoves us to look forward to the day when it will be possible to concentrate on common objectives such as these, rather than on points of difference, and when the Republic of South Africa will have so much to offer particularly in respect of agricultural technical services to the benefit of the entire sub-continent

In conclusion I should like to convey my appreciation to my colleagues on the board for their valued support and advice and they, in turn, join me in thanking our executives and employees throughout the group for all their hard work and dedication Inevitably our report and accounts concentrate on facts and figures but needless to say these are simply a reflection of the continuous efforts of all our employees who now number almost 20 000 persons Our thanks are due to them for the way in which they have tackled their respective tasks and we have every trust in them for the future I should also like to convey our thanks to the officials of the various control boards with which your group works and to the Railways Administration for their valued assistance and co operation

R L FRANKEL
Chairman

The annual general meeting of the company will be held at 44 Main Street Johannesburg on Friday 2nd May 1980 at 12h00

A 025

The Tongaat Group Limited

Profit and Dividend Announcement

The Board of Directors is pleased to announce that, subject to final audit, the Group's estimated taxed profits for the year ended 31 March 1980 amount to R16 950 000 This reflects an increase in total earnings over 1979 of 34,8 percent and an increase in earnings per ordinary share over the previous year of 31,8 percent These earnings were

	1980	1979
Profit after taxation		
Attributable to the Group (R'000)	16 950	12 567
Earnings per ordinary share	80,0c	60,7c

The Directors will recommend to shareholders at the annual general meeting to be held on 25 July 1980 that a final dividend of 21,0 cents per share (1979 — 16,0 cents) be paid on the ordinary shares This dividend, together with the interim dividend of 9,0 cents (1979 — 7,2 cents) represents a total distribution for the year of 30,0 cents (1979 — 23,2 cents)
The annual report and financial statements detailing the results and activities of the group will be forwarded to shareholders early in June together with the notice of the annual general meeting

D G AITKEN
Group Secretary

Maidstone, Natal
16 April 1980

clearer picture is available at the halfway stage

With consumer demand growing, and forecast by some economists to show stronger growth in the year ahead, Utico could improve on last year's growth Certainly Rankin appears confident that the upward trend in the group's earnings will be maintained However, income could be eaten up by capex which, Rankin warns, could become necessary to meet the demands of changing consumer tastes

Earnings of over 90c are possible, from which a four-times covered 22,5c dividend could be paid At 235c, the share, on 9,6% prospective yield, is attractive, though the market is justifiably cautious in view of the group's patchy record

Des Kilalea

... Thompson

FM 15/4/80 (158) (30)

UTICO

Offering more

Activities. *Holding company with interests in manufacturing and marketing tobacco products and snack foods BAT Central Africa, Carlton Cigarette, Willards Foods and Phoenix Foods are wholly-owned subsidiaries UK-based BAT Industries owns 72,7% of the equity*

Chairman. *A Rankin*

Capital structure· *6m ordinaries and 2m deferred ordinaries of R1, 300 000 8% cum prefs of R2, 500 000 second cum prefs of R2 Market capitalisation R18,8m*

Financial *15 months to December 31 1979 Borrowings long- and medium-term, R2,5m, net short-term, R4,8m Debt equity ratio 19,0% Current ratio 2,0 Group cash flow R7,2m Capital commitments R1,1m*

Share market *Price 235c, (1979-80 high, 255c, low, 103c, trading volume last quarter, 260 000 shares) Yields 23,7% on earnings, 5,8% on dividend Cover 4,1 PE ratio 4,2*

If more people are lighting up, Utico has yet to feel the effect The last period's 18,5% sales growth to an annualised R84,7m reflects record sales and profits achieved by Willards, improved performance by Rhodesian subsidiaries and low volume growth in SA tobacco sales

Tobacco sales improved largely as a result of the 11% price hike in the middle of last year However, the fact that volumes improved following increased prices suggests that demand could now be picking up after years of stagnation

	*'76	*'77	*'78	'79
Return on cap %	15 3	10 2	14 8	15 6
Turnover (Rm)	63 9	70 0	71 5	105 9
Pre tax profit (Rm)	3 8	2 8	5 7	9 4
Gross margin %	7 4	5 9	10 4	10 5
Earnings (c)	17 0	4 0	40 5	69 6
Dividends (c)	9	—	—	17
Net asset value (c)	399	374	404	455

* 12 months to September 30

The main feature of last year's results is the resumption of dividend payments A 14,5c dividend was declared for the year to end-September and a further 2,5c, in the form of a special dividend, was paid from the following three months' earnings Resumption of dividends coincided with a decline in short-term loans to R4,9m (R9,9m), and long-term loans to 2,5m (R4,6m)

With generally improved trading conditions, the snack division increased its sales by 33% The directors estimate that the snack market as a whole grew only 16%, suggesting that Willards and the other food subsidiaries increased their market share

The sales improvements also partly reflect higher prices Costs are forecast to increase this year, but sales should continue to increase, resulting in further profit improvements, say the directors

On the tobacco side, BAT Central Africa increased its taxed profit some 20% on 19% higher sales Carlton Cigarette, which exports most of its production to SA, registered a profit decline to Rh$682 000 (Rh$704 000) on an 11% sales increase

In SA, an improvement in cigarette sales, following the recent swing to mildness, was partly offset by a decline in tobacco sales, suggesting growth in black consumer demand has yet to be felt

The group's increased liquidity is the result of the Rhodesian operation's strong cash flow, which Utico, however, cannot use in SA Some of Rhodesia's R3,1m (R1,1m) cash holdings is earmarked for plant and machinery replacements in that country Nevertheless, the balance sheet shows a substantial improvement For example, the reduction in loans resulted in the debt equity ratio declining to 19,0% (41,7%)

The balance sheet also shows that creditors increased to R18,6m (R14,3m) which was partly financed by R11,5m (R9,3m) debtors Despite higher sales, tobacco leaf and raw material stocks remained almost unchanged at R35,9m (R35 6m), and finished products declined to R7,1m (R8,0m)

With uncertainty still surrounding the Rhodesian operation, chairman Enrique Rankin is reluctant to forecast earnings at this stage and prefers to wait until a

CADBURY SCHWEPPES

Earnings fizz

FM 18/4/80 (86)

Activities· *Manufactures chocolate, sugar confectionery and foods Has a 9,4% interest in Amalgamated Beverage Industries, which comprises the merged bottling and canning assets of Schweppes SA and Coca-Cola Export Corp Cadbury Schweppes (UK) holds 66% of the equity*

Chairman. *C Cilliers, managing director N C Bain*

Capital structure: *5,1m ordinaries of 50c Market capitalisation R17,9m*

Financial: *52 weeks to December 29 1979 Borrowings long- and medium-term, R4,4m, net short-term, R2,6m Debt equity ratio 42,7% Current ratio 1,5 Net cash flow R3,0m Capital commitments R437 000*

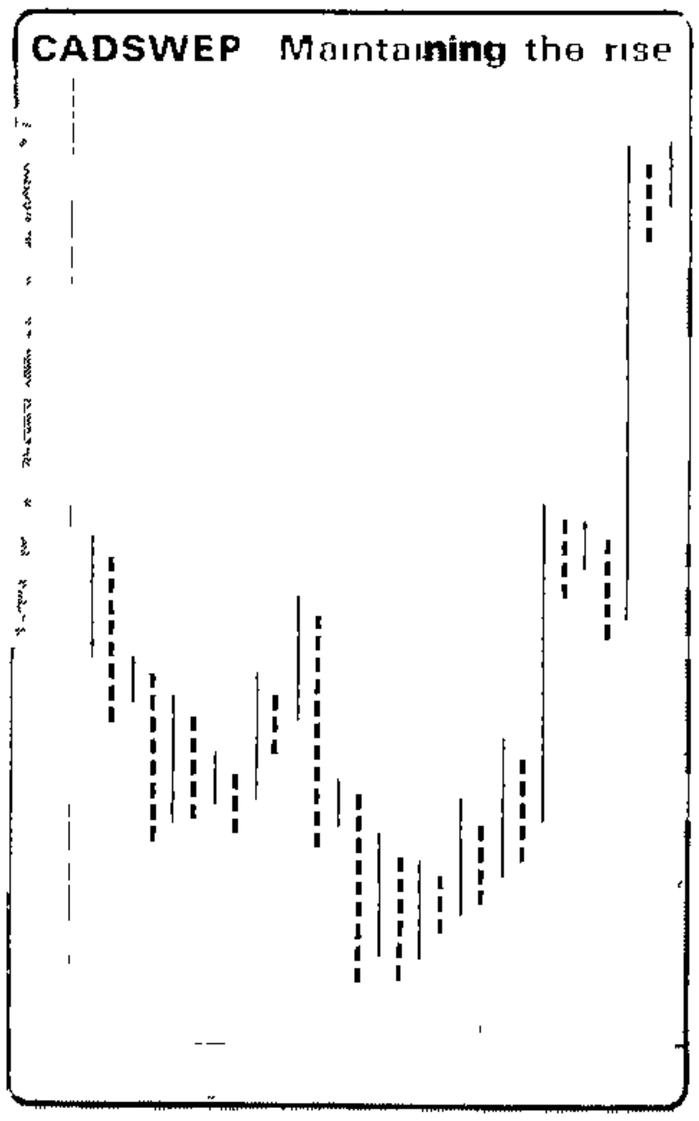
Share market. *350c (1979-80 high, 350c, low, 150c, trading volume last quarter, 157 000 shares) Yields 18,7% on earnings, 6,6% on dividend Cover 2,9 PE ratio 5,3*

	'76	'77	'78	'79
Return on cap %	11 8	15 1	16 7	24 2
Turnover (Rm)	41 7	26 1	31,5	36 6
Pre-tax profit (Rm)	1 5	2 3	2 7	4 8
Gross margin %	8 2	14 4	13 1	16 1
Earnings (c)	19	32	35 3	65 6
Dividends (c)	11 0	12 5	14,5	23 0
Net asset value (c)	282	230	260	331

Last year's results were excellent, both in terms of stock market performance and trading and profit improvements Over the year, the share rose by 86% to 335c, against the JSE Actuaries index rise of 67%, and the JSE Actuaries foods index gain of 31%

Trading results fully justified this increase On a turnover rise of 16,3%, pretax profit was up by 78% to yield 86% higher earnings of 65,6c

The improvements filtered through to the balance sheet, where all key ratios were bettered Significantly, in view of the company's recent history of high and costly gearing, the debt equity ratio declined to 42,7%, having topped 110% two years ago Interest charges were thus appreciably down, from R1,4m to under



R1,1m Return on capital improved dramatically, rising from 16,7% to 24,2%

The directors report that all sectors improved profits, with increased volume sales especially evident in the last quarter Operating profit from the confectionery side was up 75% to R3,2m, while the higher dividend of R828 000 (R497 000) from Amalgamated Beverage helped boost the soft drinks division's operating profit from R865 000 to R1,6m On top of the annual dividend from ABI, an additional R227 000 was paid from previous profits

On prospects, chairman Charl Cilliers is optimistic With buoyant trading conditions expected to continue, real growth is forecast with increased penetration of a growing market

Cilliers forecasts a dividend increase of "at least 20%" pointing to a payout of up to 30c Yielding a prospective 8,6%, the share looks cheap at its current 350c

Gillian Counihan

Premier Milling forging ahead

By JOHN SPIRA

PREMIER Milling will be releasing bumper profits next week The group's turnover, which should come within a whisker of breaching the R1 000-million mark, will confirm Premier's status as one of South Africa's largest industrial groups

These were the impressions I gleaned yesterday during an exclusive interview with Premier's chairman, Tony Bloom

Interim earnings for the six months to September 30, 1979, were 25% up at 44,5c a share The comparative 1978 half-year was, however, one of poor profitability, with the result that the high percentage improvement could have proved misleading

But, in retrospect, this will not prove to be the case For, says Mr Bloom, Premier's performance over the past six months has been extremely buoyant

Accordingly, as I assess the picture, the results for the full 12 months will not be too far off the percentage improvement reflected in the interim statement

Earnings in the region of 110c a share can accordingly be expected from Premier, accompanied by dividends for the 12 months totalling 40c — in line with the group's policy of a 2,7 times cover

A distribution of this magnitude would yield 5,2% at the ruling share price — a return which, in view of Premier's

To Page 3

Bull points for Premier Milling

From Page 1

acknowledged prime blue chip status, can be considered attractive

The yield takes on added lustre when assessed in the light of Mr Bloom's optimistic expectations for the 1980 81 financial year

He stresses that with the food industry traditionally lagging the business cycle by some 18 months, Premier is now entering a vigorous growth phase — one which should ensure that earnings for the current year reflect a further significant improvement

He draws attention to several other factors which will help boost profitability in 1980-81 These include

- The favourable Budget which, by putting more money into the pocket of the man in the street, will ensure that demand for Premier's products will grow at a faster rate than in the past
- The country's egg surplus has all but disappeared, with the result that Premier's egg operations are now breaking even after running at substantial losses towards the end of calendar 1979
- Premier will reap substantial benefits from its huge capital expenditure programme which spanned the past couple of years and which is now tailing off
- The group has sufficient capacity to cope with the anticipated increase in demand.

Mr Bloom concedes that 1980-81 will not be trouble-free He foresees two particular problems

The first is the increases which have taken place (and which are expected in the near future) in administered food prices This is a factor which, he feels, could result in a measure of consumer resistance

The second is the adverse effect which the hardening of the rand could have on exports However, with exports accounting for a relatively insignificant proportion of total group turnover, any decline in export earnings should have little more than a marginal impact on overall earnings

On balance, Mr Bloom is confident that the plus factors will far outweigh the negative ones

Mr Bloom also disclosed certain details regarding Premier's recent acquisition of joint control of Ovenstone Investments (OIL)

A holding company, Ovenstone Holdings Corporation, has been formed, which controls 50% of the voting shares in OIL Ownership of the holding company is on a 50/50 basis with the Ovenstone family

He adds "It is fundamental to the purchase of any new investment by Premier that the investment should be capable of reasonable growth and also that it should return a reasonable yield on assets.

"In acquiring joint control of the Ovenstone group, these fundamental objectives were major criteria

"OIL is regarded by Premier as an important strategic investment It has sound interests overseas, while about 70% of its income is from fishing and allied activities, with the remaining 30% being derived from construction and property development

"The fishing interests are, of course, closely related to the activities of the Premier group, while homebuilding and property are interesting diversifications, especially as the current boom in the domestic property market is expected to persist for a considerable time yet.

"The profit potential for the investment in OIL is, therefore, quite considerable"

First Name(s) GARY IAN SANTHORE

Date 17.10.78.

Degree/Diploma/Certificate for which you are registered (e g B A, B Sc) B.COMM

Subject ECONOMICS 1A
(to be copied from the heading on the Examination Pape

Paper No 1
(to be copied from the heading on the Examination Pap

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
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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
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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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Dearer, inferior maize fools public

(186)

STAR 24/4/80

The 20,4 percent maize price increase is an invitation to malnutrition and crime, a Soweto social worker said recently. Worse still, the majority of consumers, whose staple food is maize meal, buy the "superior," super-refined, less nutritional and more expensive mealie meal. Fair Deal reporter MAUD MOTANYANE investigates the reasons for this.

When it comes to maize meal, milling companies will produce what the consumer demands — but it is not often that people are well educated on what is good for them and producers seem to be benefiting from this ignorance

The whiter the mealie meal, the poorer its nutritional value, and the dearer the price — that is what a lot of people whose staple food is mealie meal believe is good for them Milling companies argue that, if super white mealie meal, stripped of all its nutritious elements, is what the people want, there is nothing they can do about it

"We are not going to produce products for which there is no demand," they told Fairdeal.

A Fair Deal investigation this week found that

- Almost all the nutritious elements of maize meal are stripped off when maize is refined On average, 37 percent of the nutritious elements were removed to make super refined maize meal, 20 percent for special and 10 percent for unsifted meal
- No supermarkets were found which kept the whole straight run unsifted maize meal Instead whole maize meal, with all its nutrients, was found in health shops selling at high prices A kilo of whole white or yellow maize meal sold for anything up to 50c,(R1 a 2,5 kg packet), in spite of the fact that whole maize meal should be the cheapest on the market
- Only one milling company was found which packed whole maize meal in 2 5 kg packets — Ruto (Pty) Ltd in Pretoria. Other milling companies sold it in bulk to industries such as the mining concerns
- As maize meal grades increase in refinement, they decrease in protein content, protein quality, vitamins and fibre and yet, the two top grades are called "Super" and "Special", terminology that is "woefully inadequate and even inaccurate," says a Housewives' League Newsletter published recently
- None of the nutritious elements was removed in the making of yellow mealie meal used mainly for feeding animals
- Milling companies told Fair Deal that they had carried out research, varying from interviewing members of their own staff to questioning agencies on the acceptability of whole white and yellow maize meal

However there had been no recent research or advertising concerning the two products

Lost value

Maize meal, even when whole, is not a complete meal that needs to be supplemented with vitamins and protein "but there is no denying that it loses a lot of its nutritional value when refined," says Mr Ben Powell, head of the technical services department of the South African Maize Board

What with spiralling prices affecting almost every basic commodity, nutritionists and medical doctors are worried that a lot of people will not be able to afford to supplement maize meal with other foodstuffs

With the Minister of Agriculture's announcement of a 20 percent increase in the price of maize the average black family is going to spend at least R12 a month on mealie meal — R2 more than previously

Nutritionists predict that there is bound to be an increase in incidence of deseases related to food deficiency, especially kwashiokor and pellagra

Even the newly-introduced fortified maize meal will be too expensive for the average black family

Fedfoods recently introduced A1 maize meal fortified with nicotinic acid and Riboflavin (some of the vitamin B group nutrients) to combat pellagra They told Fair Deal that although adding these elements had not cost them much money, they still put up the price of the new maize meal

'Dangerous'

"We were playing on dangerous ground," said Mr Corrie Rademeyer, public relations officer for the group

"We could not change people's eating trends, claim that we had come up with a better product and still ask for the same price," he said.

Fedfoods said sales of A1 fortified mealie meal, which had been campaigned for vigorously, had picked up tremendously Fedfoods is the only milling company which produces fortified maize meal Here again, milling companies are adopting a wait-and-see attitude, making sure of the market before going ahead with production

"We will make fortified mealie meal provided there is a demand for it," the chief executive of the milling division of Primier Milling told Fair Deal

Analysed

The two vitamins added to fortified maize meal are found in small quantities in unrefined maize In a paper presented to the South African Association for Food Science and Technology in 1975, Mr M J Pieterse of the Maize Board analysed South African maize in the following manner Thiamine 0,56 percent, plusvarious 0,16 percent, nicotinic acid 2 percent, folic acid percent, 0,56 plus various other vitamins

In addition to the above vitamins, yellow maize contained carotene which gave it its yellow colour and when fed to chickens determined the egg colour Yellow maize was superior to white maize in this respect

Milling companies are scornful of the "fuss" about whole maize meal They make the following points

- Mealie meal is not a complete food and needs to be supplemented anyway If it is supplemented, it would not matter whether it was refined or not because people would get their vitamins from other foods Even a handful of mincemeat or beans would be enough as a supplement, they say
- Blacks, whose staple food was mealie meal, would not eat whole maize meal or yellow mealie even if they produced it for human consumption
- Bran and germ removed from maize during refinement were used for making oil, from which people could get their missing vitamins
- Because of its high fat content, whole maize meal, had a very short shelf life It would go rancid after three or four weeks and therefore it was not economical to transport it for long distances

Contents

I asked the Maize Board for the scientific facts to back up the nutritionists' claim that maize lost of it "goodness" when refined It commended Fedfooods for being brave by introducing fortified maize meal, and hoped that other milling companies would emulate this company

The Maize Board gave me figures to show that maize loses lots of its nutrients during refinement, especially the super refined Baker's cones which many people prefer

The average content of protein in whole maize and 8,7 percent in super refined maize meal Fat was 4,4 percent in whole grain and 1,2 percent in super refined refined Fibre, which prevents constipation, comprised 2,2 percent of whole grain, and only 0,4 percent of refined maize meal Ash was 1,2 percent of whole grain and 0,4 percent in super refined maize meal

Starch made up 73,9 percent of whole grain, increasing to 86,2 percent in super refined maize meal

Riboflavin comprised 1,6 mg for every 100 g of whole grain, and 0,1 mg in every 100 g of super refined maize meal Nicotinic acid accounted for 2 mg of every 100 g of whole grain and 0,6 mg of every 100 g of super refined maize meal

Organisations like the Organic Soil Association are worried that the super refined maize meal is "glamourised" by advertising and made to look superior They believe that if similar advertising were put out for the more nutritious straight run white and yellow maize meal, people would buy them.

Two deliverymen unload a consignment of maize products outside a Soweto general dealer's store.

Monis 'set for growth'

(186)

RDM 24/4/82

IN SPITE of its poor performance last year, Moni & Fattis Industries is set for growth, the chairman, Mr John Moni, says in the annual report

There is excellent potential for the group to achieve a reasonable return on capital employed, and in spite of last year's poor performance, organisational changes together with the expected general upturn in the economy, will improve trading profitability in the second half of the current year with a full recovery ending in January 1982

The labour dispute in the Cape plants during 1979 affected productivity and damaged the group's image

Mr Moni says the dispute indicated to him the urgent necessity of improving employee relations, and apart from introducing more appropriate communication methods, an integrated training and development programme to improve industrial skills has been implemented throughout the group

The company made a 1980 pre tax profit of R252 759 (R496 985), earnings a share were 7,2c (13,4c) and dividends were an unchanged 12,5c — Reuter

Worker's stone buildings

CT 26/4/80

186

By PADDY ATTWELL

POLICE were called in to quell stone-throwing at a co-operative near Grabouw yesterday where about 700 seasonal workers stopped work following a labour dispute

The stone-throwing began after an attempt at talks between management and the workers broke down in the grounds of the the Kromrivier Apple Co-Operative Limited, about 4 km from Grabouw.

The general manager of the co-operative, Mr J H Engelbrecht, confirmed that about 700 workers stopped work, but believed that the majority had done so for fear of intimidation by a small group of "agitators"

"We don t know what their grievances are We tried to get some of them to come forward to tell us what their grievances are, but none did," Mr Engelbrecht said

Asked to comment on a report that the grievances involved pay, he said that this was 'an assumption" Some of the workers had held boards demanding that the minimum weekly wage be R40

When the attempt at talks failed, about 50 workers had started throwing stones The police were called in

When police arrived in camouflage uniforms, the workers dispersed, but continued throwing stones at police and at buildings

Policeman hit by a brick

Mr Engelbrecht said a policeman was hit by a brick, which grazed the side of his face, and another was hit on the body However, no forceful action was taken against the workers

He confirmed that the situation had calmed by noon Workers received their weekly pay early and were taken home Regular production was not disrupted as the co-operative had packed its weekly quota by Thursday night

Nobody had been fired and he expected the majority to return to work on Monday

o A police spokesman said from Pretoria last night that 50 women demanded a wage increase at about 8 am Before an agreement could be reached, they left and started stoning the building

Others joined in and their numbers swelled to about 1 000

The District Commandant at Stellenbosch and about 10 uniformed police arrived at the scene and intervened The women ran away

Nine people were arrested on a charge of public violence

The spokesman said that none of the workers, members of the staff or policemen was injured, except for the District Commandant of Stellenbosch, Lieutenant Colonel John Kirsten, who sustained a slight injury to his mouth

Several window panes, wooden crates and asbestos plates were damaged The damage was estimated at about R1 500

Strikers return

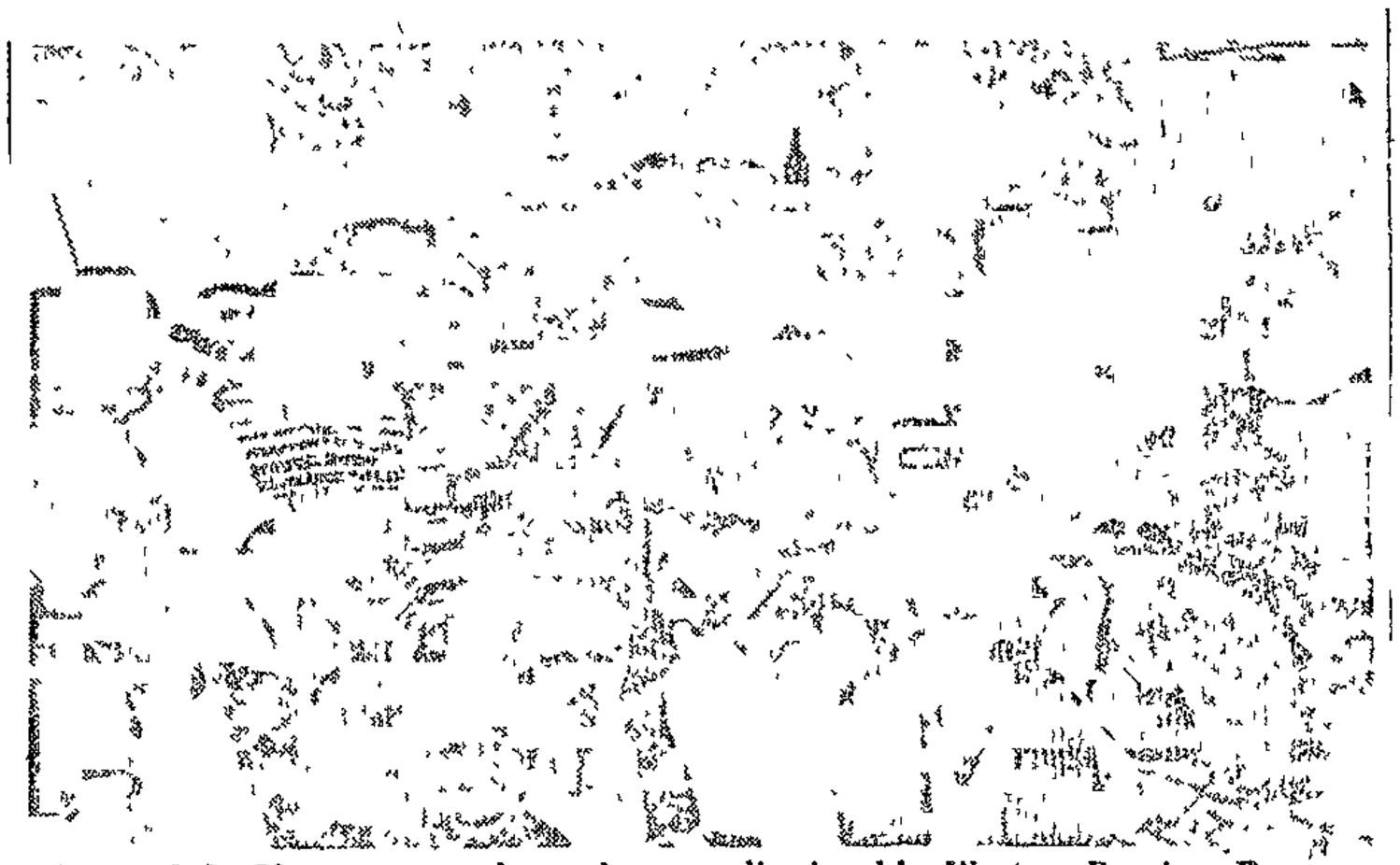
RDM 29/4/80.

GRABOUW — The situation at the Kromrivier Apple Co-operative in Grabouw, where labourers were involved in a dispute on Friday, was reported to be calm and back to normal yesterday

A senior police spokesman said no further incidents had been reported after Friday's stone-throwing.

The dispute apparently began after talks with the co-operative's management broke down. About 700 labourers stopped work and police were called in when workers began throwing stones

During the stone throwing, the District Commandant of Stellenbosch, Lieutenant-Colonel J F Kirsten, was slightly injured and buildings were damaged by the stones — Sapa



Some of the 33 cannery workers who were dismissed by Western Province Preservatives last week met yesterday at the offices of the African Food and Canning Workers' Union to discuss action against the firm

DD 29/4/80

Row as cannery fires 33 workers

(139) (186)

EAST LONDON — A decision by a local cannery to dismiss 33 workers has sparked off a confrontation with the workers' trade union

The controversy arose when Western Province Preserving Company retrenched a number of people involved in preparing pineapples for canning at their West Bank factory

The workers, some of whom claim to have worked for the firm for the past 20 years, claim they were retrenched "without reason"

One of the company directors, however, Mr B R Hanley, said the workers were employed on a seasonal basis, depending on the amount of fruit the cannery handled

"We hire a lot of women on a part-time basis to prepare the pineapples for canning," he said yesterday

"We are a seasonal industry and only have a few permanent workers such as lorry drivers"

He said the cannery was only in operation for about 150 days a year All the women who were retrenched were employed on a weekly basis and were on a week's notice

The secretary of the African Food and Canning Workers' Union, Mr B P Norushe, said it was "ridiculous" to say the workers knew they were only hired on a seasonal basis

"Mr Hanley is hiding behind a bush when he says these people were told they would only be hired when there was fruit," he said

He said Mr Hanley was wrong if he said none of the retrenched workers had served for 20 years

"It looks like these people have been dismissed because they are members of the trade union," he said

Mr Norushe said he was disturbed to hear from some of the workers that they were told by a Mr Louw to "run to their mama, the union" if they had any grievances

More than 650 of the cannery's black workers belong to the union, and they have arranged a meeting at the Duncan Village Community Centre on Sunday morning to discuss the retrenchment

"The workers will decide what to do," he said

Mr Hanley refused to disclose who Mr Louw was, although he said Mr Louw was "in contact with the workers" more than he was!

He was "curious" to know why there was a sudden interest in the company's policy of retrenchment of part-time labourers

"This is nothing new It has been happening since we started, and happens at most canneries," he said

More than 500 workers were retrenched before Christmas, and a number were dismissed in February

Mr Norushe said he spoke to Mr Hanley about the workers' grievances yesterday, but had merely been told that there was a liaison committee to deal with workers' grievances.

The union, which opened an office here in November last year, has more than 10 000 members in the Cape — DDR

Natal land body 'dominated by Broederbond'

STAR 29/X/80

(107) (261) (220) (186)

Own Correspondent

DURBAN — Mr Graham McIntosh, Natal leader of the Progressive Federal Party, has accused the South African Sugar Association and the Chamber of Commerce and Industry of "foisting a Broederbond-dominated land consolidation commission" on the province

The Natal Land Plan Commission sponsored by the two bodies at a cost of R65 000, includes academics from most of the Afrikaans universities

The chamber and SASA's move, revealed in an Afrikaans newspaper, seeks to find an alternative consolidation scheme for kwaZulu and Natal

"SASA and the chamber appear to have done a disservice to Natal by operating within the framework of Government policy and seeking a solution to consolidation which must per se produce a conflict between organised agriculture and kwaZulu," Mr McIntosh said

It is also astonishing that apart from one academic all the other commission members have only tenuous links with Natal and as most are Broederbonders they can be trusted to come to the commission with a hidden agenda"

NO BLACKS

Mr McIntosh said it was "mind-boggling" that there were no blacks on the commission

"It is also strange that the existence of this commission should come to light through the columns of an Afrikaans newspaper," he said "The public of Natal is entitled to know whether this commission was to be made public or not"

One feels that the recommendations of this commission could well be a rubber stamp of the undefined 'constellation of states' of the Prime Minister," he said

Mr McIntosh concluded by saying the R65 000 would have been better spent in supporting the multi-racial commission appointed by the kwaZulu leader, Chief Gatsha Buthelezi

Cigarettes up 2c, sugar to rise 16c

STAR 30/4/80 (186)

Fair Deal Reporter

The price of cigarettes jumps 2c for twenty from tomorrow and sugar is expected to rise 15 percent on Friday

Most cigarette brands will go up 1c for 10, but the luxury lengths and gold-tipped brands will rise by almost 2c for 10, a spokesman for the Rembrandt Tobacco Corporation said

Sugar increased by about 10c a 2,5 kg packet last year, and rose an additional 2c for a 2,5 kg packet on April 1, when the new rail tariffs were introduced

A 15 percent increase will push the price of a 2,5 kg packet of sugar from 99c (cost price, which many stores sell at) to R1,15

This will have a severe inflationary effect on prices of biscuits, jams, condensed milk, sweets and confectionery

Smokers can expect to pay 2c more for most brands of 20 cigarettes, and 3c more for a packet of 30s Luxury lengths and gold-tipped brands will cost about 4c more for a packet of 20s and about 6c more a packet of 30 cigarettes These prices include general sales tax. An average packet of 20 will cost about 52c from tomorrow, May 1, when the increase comes into effect

The price increase comes at a time when tobacco farmers are experiencing record crops. However, local consumption has been lagging and much of the crop — about 21 percent, has to be exported at a loss

Prem Mill shakes off lethargy

186

RDM

30/4/80

Financial Editor

PREMIER Milling, the food giant which slumbered in 1978-79, has confirmed its return to profit growth with earnings up by 22% for the year to March 31.

A final dividend of 22c (18c) has been declared to increase the total payment from 33c to 39c

Sales were up by 19% to R910-million from R763-million, the trading surplus by 16% to R72 500 000 and earnings a share from 90c to 110c.

The directors say that the record sales and profits can be regarded as satisfactory "particularly when viewed in the context of the group's highly competitive industries"

"The increased profitability is mainly attributable to the higher sales level, the development of export markets, better asset management and the results of a concerted cost containment drive"

Pre-tax profits, after depreciation and interest, rose by 23,5% to R43 400 000

Lower interest rate charges helped this to rise faster than the trading surplus

COMMENT: Premier Milling's 1978-79 results were hurt by a poor first half which gave the group's triple A image a knock

But the group recovered well in the second half and the results for the 1979-80 year show this trend continuing

However, a sales rise of 19% can hardly be called exciting with inflation running at 14%

But the directors point out that the egg business remains troubled and that many of the groups' products are subject to price control

They say, too, that profit margins are, therefore, extremely small and that net profit as a percentage of sales was virtually unchanged from that of the previous year at 3,2%.

Given those limitations the results can be regarded as satisfactory.

The directors say the improved economic climate in South Africa should lead to higher demand for the group's products and better trading conditions in most of the industries in which it is engaged.

Accordingly, they say, the outlook for the forthcoming year is good

At 785c, however, the shares offer only 5% on historic dividend and 14% on earnings.

There may not be much to go for outside of a general market rise

Old Mutual in Tiger, ICS talks

(186) RDM 30/4/80.

Financial Editor

MAJOR talks affecting food groups Tiger Oats and Imperial Cold Storage are in progress

They have been initiated by the Old Mutual which has a stake of about 17% in ICS and also holdings in Tiger Oats and some subdidiaries

Tiger in turn has approximately 14% of ICS

The shares of Tiger, ICS and Common Fund, which has a consequential 17% in ICS, have all been voluntarily suspended on the Johannesburg and London stock exchanges

Union Acceptances says the proposals being discussed "will have no effect on the business operations or independence of Tiger or ICS"

It said the Old Mutual had "initiated discussions between the boards of directors of Tiger Oats and ICS a with a view to restructuring Old Mutual's major interests in the food and related industries"

In 1979 Tiger had sales of R941-million and made a taxed attributable profit of R29-million

The chairman, Mr Rudi Frankel, said in his annual review, however, that trading margins remained under pressure and that taxed profit as a percentage of sales dropped to 4,2% against 4,6% in 1978

He said that Tiger — whose main direct rival is Premier Milling but which faces many smaller competitors in various areas — was finding "intense competition" in its principal activities

ICS will soon report for the year to February 28

It made R7 670 000 pre-tax in the half-year from sales of more than R500-million in the previous full year

Old Mutual bid to strengthen stake in Tiger and ICS

CT 30/4/80 (186)

BY PAUL DOLD
Financial Editor

THE Old Mutual has moved swiftly to thwart any possible bid by rival groups for control of the huge food giants Tiger Oats and ICS, and both shares were suspended yesterday pending the outcome of discussions between the Mutual and the respective boards

The talks are aimed at "the restructuring of Old Mutual's food and related interests" according to an announcement yesterday

As recent take-overs have shown, several of the large groups, including Fed Food, have been closely examining the food sector for expansion opportunities

Fed Food recently bought Table Top and Riviera Foods which underscored the emphasis the Federale Group was placing on growth in this sector Thus the talks now underway seem aimed at pre-empting any approaches from predator groups succeeding

Old Mutual managing director, Mr Frans Davin, last night declined to comment on the likely outcome of the talks but he did disclose that the Old Muutal wanted to strengthen its position as major shareholders in both Tiger and ICS "in our own interest and also those of a wide number of small shareholders "

The Old Mutual has had a long association with both companies but particularly ICS and

Old Mutual s Mr F J Davin safeguarding the Mutual's stake in Tiger, ICS

Davin himself has been linked with Imperial for some 21 years

I understand there will not be a merger of the two groups and their independence and separate managements will be maintained Market speculation earlier in the day was that Tiger might buy ICS

Tiger has some 11m shares in issue with a market value of R167,5m while ICS' share capital is R23,7m valued at R73,3m Both counters have firmed in recent weeks although actual turnover has been in line with the average over the past year However both stocks are favoured by institutions and large lines of stock could change hands in off-market deals

The listing of Common Fund which has a stake in ICS was also suspended yesterday

The Old Mutual owns some 4,8m shares in ICS, equivalent to 20 percent of the capital, which with Common Fund's 2,6m shares brings the stake to 7,4m The Mutual's stake in Tiger is believed to be 2,8m shares, equivalent to 21 percent

UAL, the merchant bank handling the deal, said in a statement yesterday "The listings of Tiger Oats, Imperial Cold Storage and Common Fund were suspended today, pending discussions on the restructuring of Old Mutual's food and related interests

"In this regard Old Mutual initiated discussions between the boards of Tiger Oats and Imperial Cold Storage The listing of Common Fund was also suspended as Common Fund's investment in ICS represents a material proportion of its assets

"The proposals will have no effect on the business operations or independence of Tiger or ICS "

Work has already begun on the deal and it is likely that further announcements will be made in the next 10 days

186

C.T. 20/4/86 (3) (S) (86)

Strike continues

THE STRIKE for higher wages by several hundred workers at a Grabouw apple co-operative continued yesterday.

About 1 000 workers at the Kromrivier Apple Co-op Ltd in Grabouw began picking on Friday. They gathered outside the factory gates displaying a placard demanding a minimum wage of R40 a week.

The general manager of Kromrivier, Mr Jan Engelbrecht, said that about 250 of the workers had returned to work. His company employed about 1 000 workers, most of them seasonal. About 100 of those employed were black contract workers.

Mr Engelbrecht said the striking workers had asked him to speak to their union, the Food and Canning Workers' Union.

In a separate incident involving the striking workers on Friday, 18 factory employees at the factory were charged in the Grabouw Magistrate's Court on Monday of public violence. The trial of 15 others was adjourned to May 22. All are on bail of R50.

MANUFACTURING — FOOD

1 MAY 1980 — 31 MAY 1980

85 workers sent back to Transkei

THE CONTRACTS of 85 migrant workers at a Grabouw apple co-operative were cancelled yesterday and they have been sent back to Transkei

A further 400 coloured workers from the Kromrivier Apple Co-op Ltd were turned out of a hostel in nearby Bot River on Tuesday night

This follows a strike for higher wages by about 1 000 Kromrivier workers which began last Friday

The co-operative employs hundreds of extra workers during the picking season Many from nearby towns are housed in the hostel during the week

The general manager of Kromrivier, Mr Jan Englebrecht, said last night the contracts of the black workers were cancelled "by mutual agreement with the workers

'We paid them their wages, took them to the magistrates' court where their contracts were cancelled and sent them back to the Transkei by bus at lunchtime yesterday," he said

He would not comment on workers claims that they were paid R15 a week He had paid off the 400 workers at the Bot River hostel on Tuesday night He told them to leave

'While I was paying them, I heard threats that there was going to be trouble so I called in the Stellenbosch police Some of them were taken to their homes in buses and others staved with friends and relatives in Bot River," he said

He denied workers claims that police had used force

A worker who declined to be named said workers came to her house on Tuesday evening to ask if they could leave their luggage there

Policemen had searched the house without a search warrant and put the luggage outside, she said

The Boland Divisional Commissioner of Police, Brigadier C Swart, said he ' was not aware of any police activity at Bot River on Tuesday night

Dairy strike over wages

RDM 1/5/86

By MIKE LOUW and STEVEN FRIEDMAN

FORTY-FIVE delivery men for Dominion Dairies in Turffontein went on strike yesterday — disrupting supplies to stores and cafes in the Johannesburg southern suburbs.

The managing director of Dominion Dairies, Mr Peter Henning, said the delivery men had "genuine grievances" and had "acted in the heat of the moment".

He said he had meetings with the strikers and they had agreed to return to work if their grievances were attended to. He would do his utmost to resolve the problem.

The strike at Dominion, which makes Dairy Delite products, was sparked by grievances.

The Government recently ordered an investigation by the Wage Board into the pay and work conditions in the Witwatersrand dairy industry. Legislation empowers it to do so if it finds unrest in an industry.

Yesterday store and cafe spokesmen confirmed that milk deliveries had been disrupted. Some said their supplies had arrived late, others that they did not arrive.

"We were able to stock milk only because we arranged to collect it from the dairy ourselves," said a spokesman for a major chain store.

A driver said at least 2 trucks loaded yesterday morning did not make deliveries.

Mr Henning said he was trying to arrange for cars to be used to begin operating in the townships, and he hoped to have a small fleet to be delivered shortly.

Drivers said a company official had a meeting with them yesterday after the strike. He asked them to choose representatives for a meeting with the management but the drivers said they wanted to be represented by their shop steward.

Yesterday morning Mr Henning told the Rand Daily Mail that there had not been a strike, and deliveries had been made as usual. Later Mr Henning confirmed the strike.

Dairy firms told the Mail the correct Pick a Pack price had recently dropped between Pick and Pick for Aero.

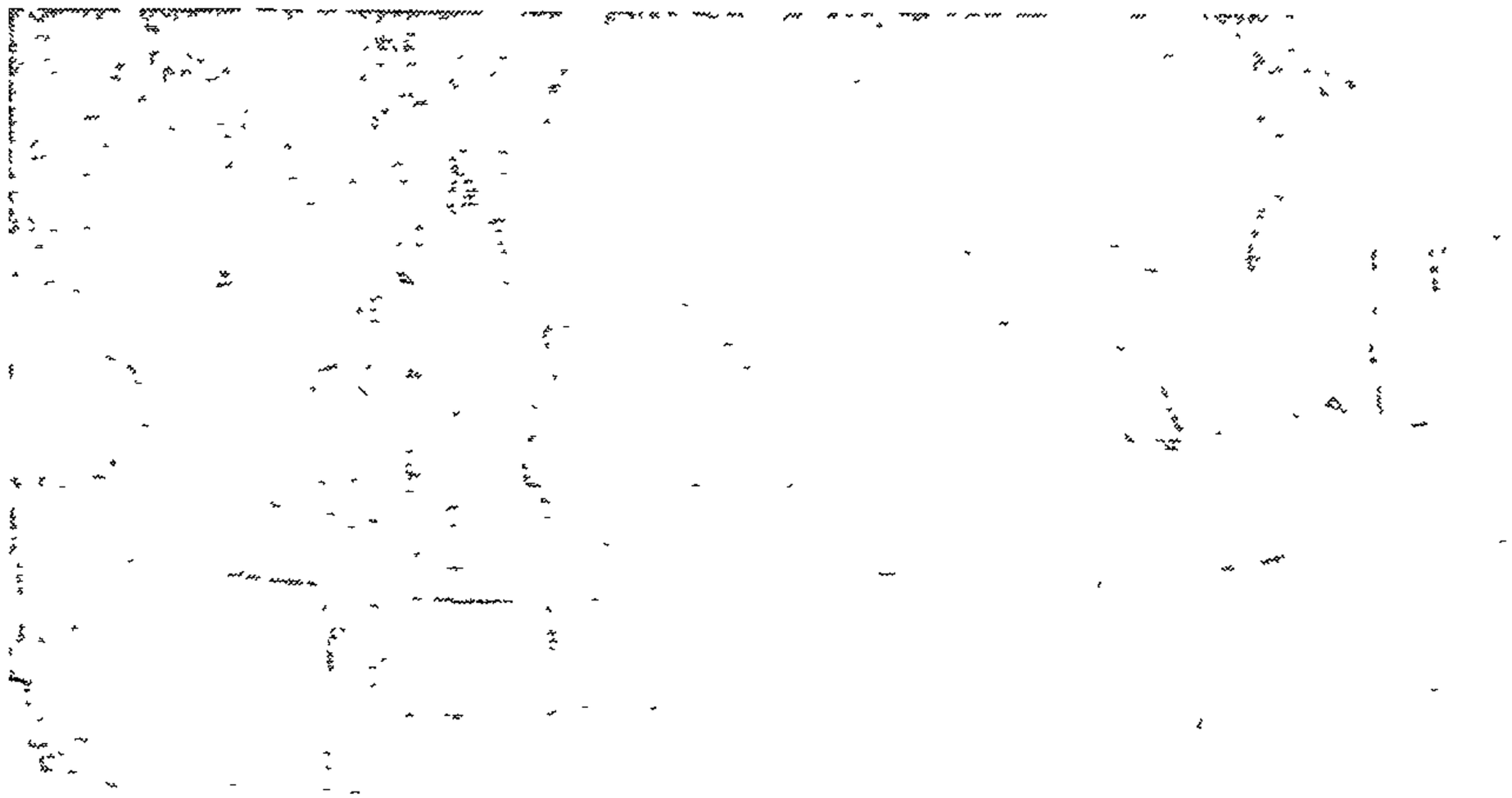
Some complaints that there were deductions from the pay when customers returned goods, and also when there were alleged cash shortages in stores, collected on delivery.

One driver said he earned R300 a month but has not paid last month's because he was told he owed the dairy R70.

Mr Henning said the company's problems were "gross" and were the immediate cause of the dispute. Men had asked for increases, and he had told them wages would be reviewed in July.

He said drivers and assistants who receive commission on sales had demanded a meeting to bring their pay into line with that of drivers.

The drivers had visited the farm. They were not available for comment. Mr Henning said he promised to do his utmost to solve the problem.



Men working and not much to do — so some of the truck assistants on strike at Dominion Dairies in Johannesburg yesterday, played soccer with a tennis ball in a street near the firm.

Picture: TREVOR SAMSON

Sugar soars on buying spree

STAR 2/5/80 (156)

By John Cavill
Financial Correspondent

LONDON — A cluster of buying orders from India Iran and Algeria pushed the world sugar price (for raws) up through £250 a ton in London yesterday

The London daily price (raws) was fixed at £254, up £13 in two days

Sugar traders said the price which had been sustained by nervousness about the international political situation, was now being taken up by "pure trading factors

These included buying tenders for white sugar from

- India — for 150 000 to 200 000 tons, with rumours that it may be seeking a total of 400 000 tons
- Algeria — 22 000 tons at between 600 and 618 dollars a ton CIF

In addition there are rumours that Venezuela is looking for 100 000 tons, Peru (normally a net exporter of 330 000 tons) 40 000 tons, and Uruguay up to 20 000 tons

Traders also report that Turkey (50 000 tons) and Uganda (40 000 tons) are also waiting in the wings to buy white sugar

A lot of stock is being taken up — although almost entirely in white sugar — and it now seems possible that the fall back in prices which we expected during the next couple of months will not happen," said C Czarnikow

The upsurge, which took 1981 contracts through the £300 level for the first time in three months, coincided with a bullish medium term forecast by traders F D and F Man

Man's third estimate of the current season (to the end of August) is that 1979 80 world production will be just under 84 million tons (raw value) 6.5 million tons down on the previous year

With consumption expected to exceed 91 million tons, stocks should fall from 30.5 million tons (August 1979) to 23.5 million tons (August 1980)

MONIS & FATTIS

2/5/80 FM 186

Pasta pasted

Activities *Principal subsidiary, United Macaroni, operates wheat and maize mills producing pasta and bread, and is diversified into chemicals and cosmetics manufacture Holds 1,3m ordinaries and 179 000 8% cum red prefs in SA Breweries The equity is controlled by Monis Bros (Pty)*

Chairman and managing director. *J J Moni*

Capital structure· *2,8m ordinaries of 50c, 60 000 6% cum red prefs of R2 Market capitalisation R7,6m*

Financial. *Year to January 31 1980 Borrowings long- and medium-term, R3,4m, net short-term, R4,4m Debt equity ratio 69,1% Current ratio 1,1 Net cash flow R1,1m Capital commitments R209 000*

Share market *Price 270c (1979-80 high, 270c, low, 150c, trading volume last quarter, 49 000 shares) Yields 3,5% on earnings, 4,6% on dividend Cover 0,8 PE ratio 28,1*

Last year was probably the group's worst since it was first listed The percentage fall in earnings, from 12,1c to 9,6c, has seldom been as great, and the group faced a seven-month dispute with the Food & Canteen Workers Union, which resulted in a widespread boycott of Monis & Fattis products and subsequent losses in the bakery division

	76	77	78	'79
Return on cap %	11 1	14 2	7 4	6 1
Turnover (Rm)	18 9	21 4	24 1	29 3
Pre tax profit* (R 000)	1 283	1 200	509	297
Gross margin %	11 1	6 6	5 8	4 7
Earnings (c)	29 9	26 5	12 1	9 6
Dividends (c)	12 5	12 5	12 5	12 5
Net asset value (c)	353	348	328	412

* Excludes non trading items

Chairman John Moni also took the step during the year of assessing the causes for the falling profitability in recent years, and has admitted the group suffered from among other things, a management problem However Moni is engaging a professional MD to pull the diverse operations into a paying unit, and with a re-definition of management objectives and corporate planning, he is optimistic Monis & Fattis can earn "a reasonable return" on capital employed

The main cause of the poor performance in 1979 was the loss in the bakery division Turnover increased 11%, but losses in the Cape, where the consumer boycott was most successful, plus a series of breakdowns in the Bellville plant, produced trading losses The directors suspect the continuous failures were due to sabotage The need for extensive repairs at Manna Bakery also affected profits, with significant repair bills and a four-week production loss However, this division is recovering since the boycott ended with the resolution of the labour dispute in November

Wheat-milling margins were squeezed during the year in line with a 32% hike in the wheat price and a lesser 28% rise in the selling price of flour However, during the year the Koster mill was returned to profitability Pasta turnover increased 22%, but margins were eroded with higher overheads and inefficient production Steps have been taken to improve productivity

OPERATING PROFITS

	1979 R'000	%	1980 R'000	%
Food	978	76,0	457	43,6
Chemicals, cosmetics and packaging	(40)	(3,1)	286	27,3
Associates	73	5,7	99	9,5
Investments	275	21,4	206	19,6
	1 286	100	1 049	100

Non-food operations contributed to group profits in 1980 This followed a good performance from the packaging arm and reduced losses in the chemicals division The new Tina children s toiletry range was launched during the year, and, since the introduction expenditure has been written off, profits should be earned in 1980

Though 1979 was probably the worst year ever for the group, financially it emerged stronger, with an improvement in gearing and cash flow Total borrowings fell to R8m (R8,3m) last year, despite higher stocks following the wheat price increase Most of the higher stocks of R5,8m (R3,9m) were financed by creditors of R4,1m (R2,3m) at end-January At the same time, cash on hand improved to R199 500 (R29 000)

This year should see an improvement in financial ratios, and perhaps give some justification of the previous year's dividends, which, judging from profitability, should not have been paid Though total borrowings fell, the gearing ratio is not comfortable, given the low return on capital employed Annual leasing and interest payments were covered only 1,3 times by gross profit, which makes earnings vulnerable to any problems encountered in group markets — particularly after the boycott

The financial leverage would have looked better but for the additional R188 000 depreciation charged last year, which had the effect of reducing earnings by 4,8c, and would have meant a gross profit cover on interest/leasing payments of 1,5 Other factors which reduced profit, and yet get no mention in the new-look and more-informative annual report, are a higher R159 000 (R82 000) bad debt write-off and a R163 000 (R49 000) leasing bill

During the year Monis & Fattis sold 443 500 of its SA Breweries shares to yield a profit of R750 000, which, with other non-trading items, produced an extraordinary profit of 18,2c a share This left the group with 1,3m (1,7m) SAB

The share is currently at a high of 270c to yield an historic 4,6% Relative to the food sector the yield is low and in view of the still unknown effects of last year's boycott, and until the management changes bear fruit, the share looks expensive

Des Kilalea

(186) 2/5/80

because of the improved economic climate and the higher level of demand to which this should lead

The share at 785c and yielding only 5% on historic dividends already discounts a fair measure of future growth but is not unreasonably priced given Premier's investment status

Jones

PREMIER MILLING

Fm 2/5/80 (186)

Better margins

As forecast at the interim stage, Premier Milling did not maintain its first half earnings growth rate of 25% and the September-March period saw this slip to 20% In other respects, however, results for the year to March 31 are pleasing turnover growth accelerated to 22% in the second six months from 16% in the first, while the improvement in pre-tax profits was maintained at around 24%

This indicates that margins continued to improve during the latter part of the year, although obviously not to the same extent as in the first half, when profits recovered from the abnormally low level of the corresponding 1978 period

The improvement in margins was attributable to a variety of factors the higher level of sales, better asset utilisation and management, and the development of export markets where group products are not subject to price control as is the case locally

Earnings per share, however, were affected by a slightly higher tax rate of 32,3% (30,7%) during the second half, which fully accounts for the slow-down in the growth rate during this period

Most divisions appear to have contributed to the improvement, even the much-troubled egg sector where the excessive surplus appears, for the time being at least, to have decreased significantly The directors comment, however, that this division is still a long way from providing an adequate return on capital

For the full year, earnings totalled 110c (90c), from which dividends of 39c (33c) are being paid — most of the increase coming from the 22c (18c) final Cover has been raised modestly from 2,7 to 2,8,

Premier's Tony Bloom . . . improving profits

probably a reflection of year-end capital commitments which have risen to R14,1m (R10,2m) However, the group still has considerable scope to finance acquisitions and the like, as internal cash flow after providing for dividends is in the region of R32m

As regards the future, management feels that 1980 will be another good year

SUGAR FM 21/5/89 (Bagin) (186)

Dearth of funds

The drought has put severe pressure on the SA Sugar Association's small cane growers' financial aid fund, and ways and means are being sought to place the fund on a sounder financial basis

Most of the fund's 7 500 borrowers are Zulu farmers In this, the second year of drought, some have lost all their cane while yields of others are down by as much as 30 % This affects their ability to repay and, moreover the increase in farming costs such as fertiliser has put further pressure on available funds

In the financial year just ended, loans amounted to about R8 2m and in the current season the fund expects to be able to supply only R2 3m of the R5m required for planned development in KwaZulu Some of the shortfall will be made up by Corporation for Economic Development funds in certain areas and by the KwaZulu Development Corporation but at the end of the day it seems likely some potential borrowers will have to be turned away

Richard Bates manager of the fund points out that the interest rates of 3% and 4% are still well below the cost of money, and that interest rates may have to be increased It has been shown in developing countries he says that interest rates are less important than the availability of finance at reasonable rates

The fund came into operation in May 1974 with R5m and the Sugar Association chipped in another R1m last season In addition Barclays Bank has lent the fund R500 000 for five years at 3%

Sugar is the one crop which can provide KwaZulu with a substantial cash income, and unless money can be found to help black farmers, development of the rural areas must be slowed down

Besides securing an adequate supply of loan funds the problem of crop insurance in KwaZulu has to be resolved For all practical purposes it is just not available, which naturally increases the risk of any institution lending to small farmers liable to be wiped out by crop failure through causes beyond their control

TIGER OATS

FM 2/5/86

Mutual interests

According to the official announcement, Tiger Oats and Imperial Cold Storage have been suspended because of discussions over the re-structuring of Old Mutual's food interests Which is all very well as far as it goes, but Old Mutual is

Tiger . . Mutual puts together a control package

worried that there are predators on the prowl after Tiger, and the "restructuring" of its food interests is at least partly calculated to place the food producer out of reach of other groups or institutions

Unlike, for example, its major competitor Sanlam, which has actively pursued a policy of acquiring controlling stakes in strategic investments, Old Mutual, in public, makes it clear that its major shareholdings are not used to exercise management control over companies On the other hand, it is not prepared to sit by if such an important holding as its 21,3% stake in Tiger be threatened by possible bids from competitors So while the Tiger directors hold an interest of less than 1,9% in the company, the task of making a possible bid unattractive to others falls to Old Mutual

Full details should be available within a couple of weeks, but at this stage it is possible to guess at the likely outcome Everything hinges on ICS, which is owned as to 20% by the Old Mutual, 16% by Tiger and 16,7% by Common Fund In turn, Old Mutual has 27,4% of Common Fund

In line with the Old Mutual's stated policy, it is improbable that it would want to see ICS disappear entirely through a bid from Tiger But let's assume for the moment that Old Mutual was to trade its ICS stake with Tiger for an issue of Tiger shares At the pre-suspension prices of Tiger (1 500c) and ICS (310c), that would mean an issue of almost 1m new Tiger shares to Old Mutual, giving it a 27,6% stake in the enlarged capital

That should be enough to make the Mutual feel safe, especially as the Tiger board would almost certainly vote its shares with the Mutual against any other take-over bids But if it is not a sufficiently wide margin of safety for the Mutual, however, there is the backstop of Common Fund's ICS stake If that was traded for new Tiger shares, based on pre-suspension prices that would mean the issue of a further 814 000 shares In that case, Old Mutual would be left with 25,9% of the enlarged group, with a further 6,3% in the safe hands of Common Fund

Through all this, of course, Tiger could end up with 36% of ICS and may have to make a comparable offer for the rest of the company's shares if the deal was seen as a change of control But simply making the offer unattractive would avoid the possible embarrassment of overwhelming acceptances

In any event, there are enough Tiger shares held by the Mutual's friends to block effectively any unwelcome bids Anglo, for example has 1,7% of Tiger's existing equity, while pension funds in the Anglo group have another 2,5%-odd

There are others in friendly hands, so merely by swapping its ICS holding for new Tiger shares, Old Mutual should have built its Tiger stake to a completely comfortable level

FM 2/5/80 (186)

PREMIER MILLING

(Incorporated in the Republic of South Africa)
Directors A H Bloom (Chairman), L Jaffee L K Japhet, J A Ros T H M Shaw (British) Dr S J P Smit J R S van Selm, G H Weston (Canadian) W Wolthers (Netherlands) P G A Wrighton A Yates

- **Sales up by 19 per cent**
- **Earnings rise by 23 per cent**
- **Dividends increased by 18 per cent**
- **Outlook buoyant**

THE PREMIER MILLING COMPANY LIMITED

The Directors have pleasure in announcing the audited profits of the Company and its subsidiaries for the year ended 31 March 1980.

		1980 R000's		1979 R000's
Turnover		909 536		762 935
Trading surplus		72 510		62 628
Depreciation	13 696		11 817	
Interest paid	15 444		15 701	
		29 140		27 518
Profit before tax		43 370		35 110
Taxation		14 468		11 424
Profit after tax		28 902		23 686
Minority interests & preference dividends		572		609
Earnings attributable to ordinary Shareholders		28 330		23 077
Ordinary shares in issue		25 727 545		25 673 545
Earnings per ordinary share		110 cents		90 cents
Dividends per ordinary share		39 cents		33 cents

COMMENT

1 The record sales and profits disclosed above can be regarded as satisfactory, particularly when viewed in the context of the Group's highly competitive industries The increased profits are mainly attributable to the higher sales level, the development of export markets, better asset management and the results of a concerted cost containment drive

2 As many of the Group's products are subject to price control profit margins are extremely small and net profit as a percentage of sales is virtually unchanged, compared with the previous year, at 3,2%

3 The total dividend for the year was increased to 39c (1979 - 33c) an increase of 18% This dividend is conservatively covered 2,8 times, a level considered to be prudent but adequate to meet the increasing cash requirements of expanding the Group's operations in times of high inflation

4 The profits set out above do not include capital profits of R2 million (1979 R1,4 million), details of which will appear in the Annual Accounts Amongst these is a substantial capital profit realised by the Group on the sale of its shareholding in the Australian company, Protea Pharmaceuticals (Pty) Limited

5 Conditions in the much troubled egg industry have improved but remain a long way from satisfactory The excessive surplus in the industry appears, on a short term basis, to have decreased significantly but an adequate return on capital is still not being achieved

6 Outstanding capital commitments amount to R14,1 million compared to R10,2 million as at March 31, 1979 These will be financed from existing facilities

7 The improved economic climate in South Africa should lead to higher demand for the Group's products and better trading conditions in most of the industries in which the Group is engaged Accordingly, the outlook for the forthcoming financial year is good

8 The annual report will be posted to shareholders on or about 30 May 1980

Declaration of Final Ordinary Dividend

Notice is hereby given that a final ordinary dividend for the year ended 31 March 1980 of 22 (twenty two) cents per share (1979 18 (eighteen) cents per share) has been declared payable on or about 25 July 1980 to shareholders registered in the books of the Company at the close of business on 27 June 1980 Non-resident shareholders tax will be deducted where applicable

This declaration together with the interim dividend paid in January 1980 makes a total distribution from the normal taxed profits for the year ended 31 March 1980 of 39 (thirty nine) cents per share The comparable distribution for the previous financial year was 33 (thirty three) cents per share

The transfer books and register of members will be closed from 28 June 1980 to 13 July 1980, both days inclusive

Transfer Secretaries
Hill Samuel Registrars (S.A) Ltd ,
Ground Floor, The Corner House,
63 Fox Street, Johannesburg, 2001
(P O Box 62318, Marshalltown 2107)

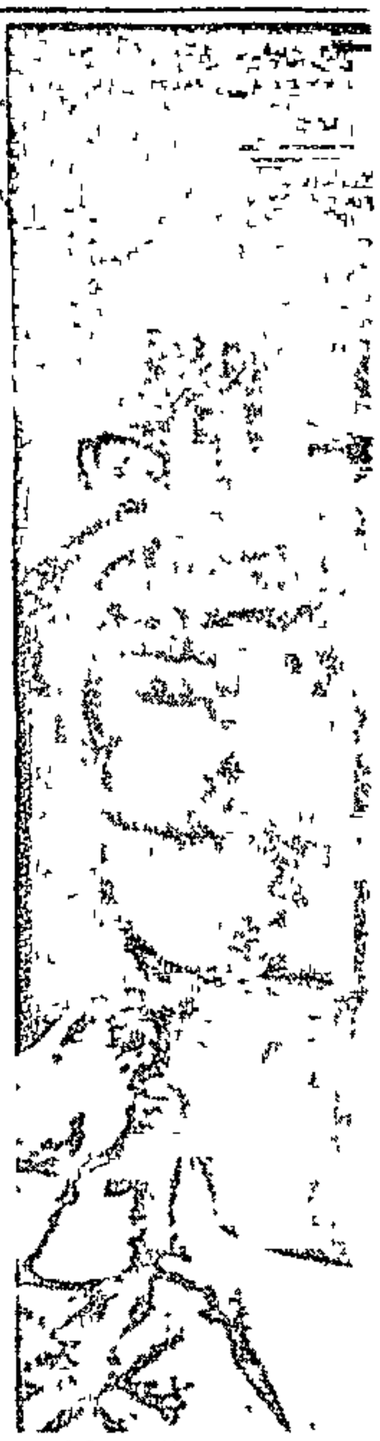
BY ORDER OF THE BOARD
A H Bloom
P G A Wrighton *Directors*

30 April 1980

Housewives shocked

Sugar is UP

By PHIL MTIMKULU



Mrs Ellen Kuzway

THE price of sugar goes up by 10 percent today.

And black housewives have reacted angrily to the announcement which comes just a month after bread and flour have gone up

The increase in the price of sugar was confirmed by the chairman of the South African Sugar Association, Mr I G B Smeaton

He said about three percent of the increase will be used to improve the margins for wholesalers and retailers and the rest will go to the sugar industry

The 10 percent increase means an increase of 10 cents on every R1 It also applies proportionally for sugar costing less than R1

Feel the pinch

Cold drinks, sweets, cakes and many other essentials will go up because of this increase in sugar

"I don't think anybody cares," was the comment of Mrs Ellen Kuzwayo, "mother of Soweto" She said things were being done in a very indiscriminate way "How many people are unemployed? Even those who are working are still feeling the pinch of inflation

"Everything is going up It would have been better if there were separate shops But everybody gets into the same shop, but the salaries are not the same

"And those who have money stock-up and leave the shelves empty," she said

Mrs Zola Khumalo, secretary of the Moroka Civic Association (MCA), could not believe the news that the price of sugar is going up

"It is disgusting," she said. "What happens to the poor people?" she asked

"Many people are asking less than R100. This

Strikers sent home

CAPE TOWN — The contracts of 85 migrant workers at a Grabouw apple co-operative were cancelled yesterday and they have been sent back to Transkei after they went on strike for higher wages

A further 400 Coloured workers from the co-operative, the Kromrivier Apple Co-op Ltd, were turned out of the hostel where they were housed in nearby Bot River on Tuesday night

This follows a strike for higher wages by about 1 000 Kromrivier workers which began on Friday last week

The co-operative employs hundreds of extra workers during the picking season Many of them come from surrounding towns and are housed in the hostel during the week

The general manager of the co-op, Mr Jan Engelbrecht, said last night the contracts of the black workers had been cancelled "by mutual agreement" between him and the workers

"We paid them their wages, took them to the magistrate's court where their contracts were cancelled and sent them back to Transkei by bus at lunchtime yesterday," he said

He said he was not prepared to comment on the workers' claims that they were paid wages of R15 a week

He said he had gone to the Bot River hostel on Tuesday night to pay off the 400 Coloured workers staying there

He told them to leave the hostel

"While I was paying them, I heard threats that there was going to be trouble so I called in the Stellenbosch police Some of them were taken to their homes in buses and others stayed with friends and relatives in Bot River," he said

He denied workers' claims that the police had used force to eject them from the hostel

"I didn't see a policeman touch anybody," he said

However, one of the workers who declined to be named said workers from the hostel came to her house in Bot River on Tuesday evening to ask if they could have their luggage there after they had been turned out of the hostel — DDC

3 Grabouw strikers acquitted

CT 2/5/80

Staff Reporter

THREE striking workers of the Kromrivier Apple Co-op in Grabouw were acquitted in the Grabouw Magistrate's Court yesterday on charges of malicious damage to property.

The workers are Mr Willie Hendriks, 21, Mr Piet Macriega, 18 and Mr Freddie Middleway, 22.

A fourth man, Mr Nicolaas Farao, 21, was found guilty on Monday on a similar charge.

He told the court that last Thursday, because he wanted more pay, he had slit the canvas on trucks used to transport workers to the hostels where they were staying.

He will be sentenced on June 2.

Late Sport Special ★ Late Sport Special

Bosses want them out of homes

THREAT TO EVICT US WORKERS

Herald 3/5/80

WORKERS striking for better pay at Grabouw's Kromrivier Apple Co-op claim that their bosses are threatening to kick them out of their homes if they don't go back to work.

Contract workers living at a company-owned hostel nearby Bot River say they were told on Monday night that they would have to get out Others living in houses on farms which are members of the Co-op say that farmers have warned them to return to work or find somewhere else to stay

Since the violence flared last Friday after management had rejected demands for a higher minimum wage — some earn as little as R13 a week, it is believed — about 600 to 700 of the total workforce of 1 000 have stayed out

POLICE

After police had been called in on Friday afternoon a number of people were arrested and on Monday, 18 were convicted of public violence Charges against eight others were withdrawn, and one person was acquitted

A further 15 will have to appear at the Grabouw Magistrate's Court on May 22 on similar charges.

According to the general manager of the Co-op Mr Jannie Engelbrecht, stone-throwing last Friday caused R1 500 damage to property

LETTER

The Secretary of the Food and Canning Workers' Union (representing about 500 of the workers), Mr Jan Theron, said that the Union had sent a letter to the firm last week asking to meet them this week, because they had been busy organising at the Co op

'We had to meet the management on Monday because of the trouble last Friday,' Mr Theron said, 'but they refused to negotiate at this stage'

He added, 'They also wanted details of our membership — names and so on — which we don't normally give to employers'

186

CT 3/5/80

Call to reinstate 800 strikers

(152) (135) (134) (114)

Staff Reporter.

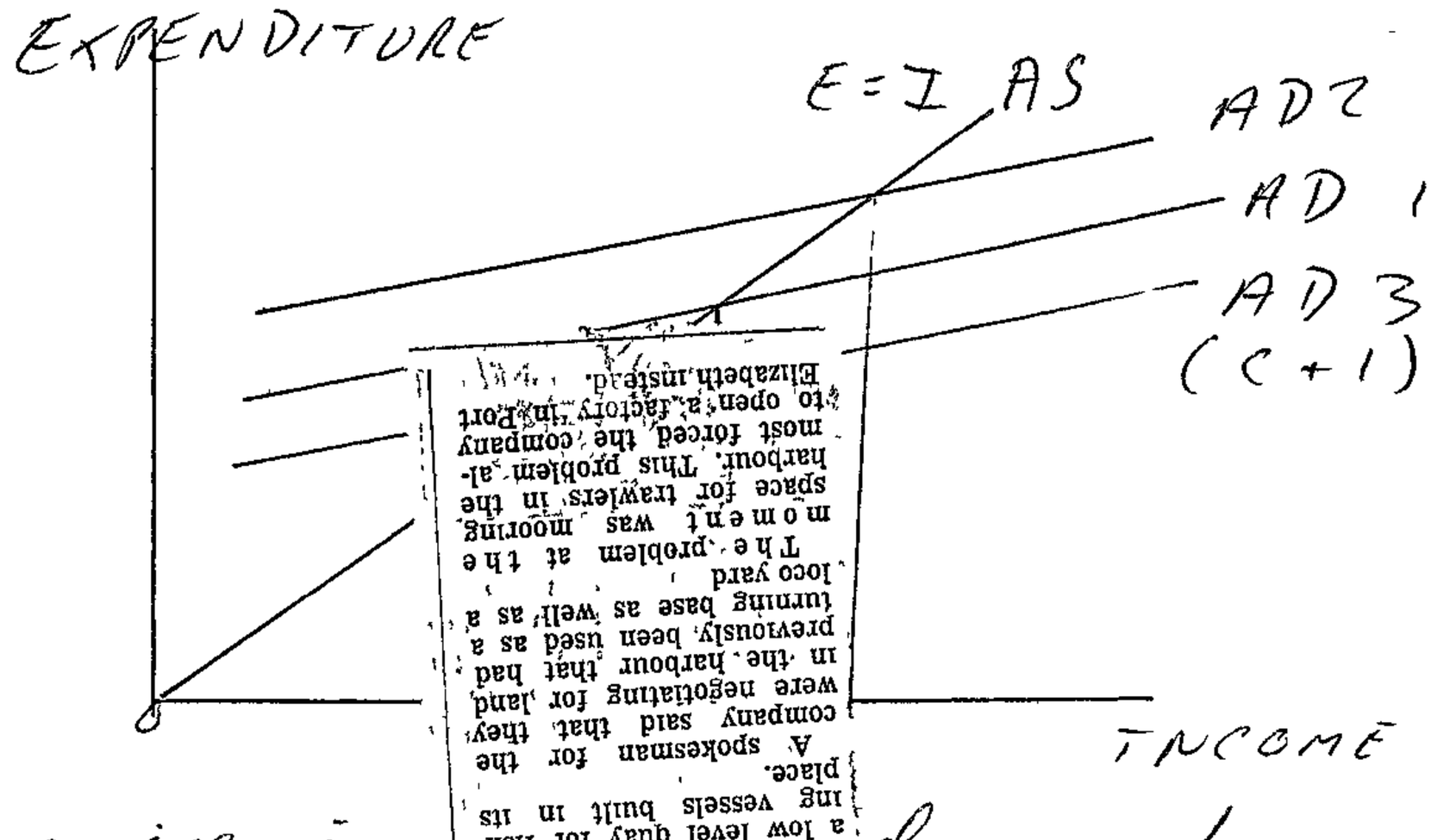
A MEETING on Thursday night of over 2 000 schoolchildren and members of the Grabouw community called on the management of the Kromrivier Apple Co-op (Kromco) to reinstate 800 workers striking for higher pay

They also called on Kromco management to accede to the workers' request for higher pay and allow workers who had been turned out of their hostels, to return to their

The meeting, held in Pineview township, Grabouw, was organized by the Labour Party in response to a call for help from the 800 Kromco workers who began striking for higher pay last Friday

One black worker told the meeting he was paid only R15 a week after working for Kromco for 25 years Other speakers warned if the workers were not reinstated a boycott of Kromco products would be organized

2 a) Both investment and consumption do have an effect on the level of economic activity. They are both components of the aggregate demand schedule, and a rise in one or both will shift the AD function upwards so as to cause a rise in the nominal value of GNP. A similar decrease in either investment or consumption will have the opposite effect of shifting the AD curve downwards so that it intersects Agg Supply at a lower level of Nat Income.



Thus a rise in demand, or a fall in it wo a rise and a fall in respec the level of GNP

While consumption and Investm then be seen to have on Nat Inc by virtue of th that they both

Jobs for 900 soon?

3/5/89

JOBS for 900 people will be created if Irvine and Johnson (I & J) go ahead with their plan to build their fish-meal factory in Mossel Bay.

The venture depends on the South African Railways because the old jetty has to be demolished and a low level quay for fishing vessels built in its place.

A spokesman for the company said that they were negotiating for land in the harbour that had previously been used as a turning base as well as a loco yard.

The problem at the moment was mooring space for trawlers in the harbour. This problem almost forced the company to open a factory in Port Elizabeth instead.

Industrial sugar boost for C G Smith

STAR 5/5/80 (186)

By Jean Moon

C G Smith Sugar increased its sugar production by 104 414 tons in the year to March and the group's industrial share rose from 35 2 percent in 1970 to 40,3 percent in 1980

Proceeds were again supplemented by a R25m medium term loan raised by the South African Sugar Association. Higher world and domestic sugar prices helped reduce the deficit in proceeds from R19,3m in 1978/79 to R3,1m in the season under review

But the severe drought means that the industrial production will be well below that of 1979/80, resulting in a sizeable deficit in proceeds on current forecasts. However, because of geographical locations of the group's cane supply areas, it has not been as badly affected as others so is expected to increase its share of industrial production in the coming season. It should be able to at least maintain its dividend.

For the year to March the trading profits rose R10,8m to R34,6m resulting in a net profit increase of R6m to R20,1m. Earnings improved from 95c to 135,5c a share and the final dividend of 63c puts the total distribution at 85c, compared with last year's figure of 70c a share.

AD 5/5/80

Trade union forced to cancel meeting

(186)

EAST LONDON — A trade union meeting scheduled to be held at the Duncan Village Community Centre had to be called off at the last moment yesterday morning

The secretary of the African Food and Canning Workers Union, Mr B P Norushe, explained to about 100 workers who had already gathered for the start of the meeting that it could not be held because permission to hold it in the hall had not been obtained

Mr Norushe said they had paid for the use of the hall but a letter which had to be sent to the board at least 48 hours before the meeting only reached the board on Friday afternoon and could not be entertained

Efforts were then made to get some other accommodation and the assistance of the chairman of the Community Council, Mr T Matuntuta, was sought

He said the only alternative would be to try to get a school but that had to have the approval of the school committee and not the community council.

Mr Matuntuta explained that the board had to inform the security police about meetings held in the township and that was why the written letter of application had to be received at least 48 hours before the meeting starts

Mr Norushe told the workers they would be advised of the next date and venue of their meeting.

He said they could not hold the meeting outside the community centre as they would infringe the Riotous Assemblies Act. — DDR

Strike at firm in Paarden Eiland

ARGUS 7/5/80

(186)

(145)

Labour Reporter

ABOUT 100 employees at Table Bay Cold Storage in Paarden Eiland refused to work today in protest at the firm's refusal to recognise their workers' committee.

Meat processing at the factory was brought to a halt and the workers have been told they will be paid off.

The Western Province General Workers' Union, to which the workers belong, called on managemet to recognise the committee of six people.

'LIAISON'

'Management has quibbled over the number on the committee and is now trying to force a liaison committee on the workers,' a spokesman for the union said.

The workers are not prepared to accept anything less than a democratically elected committee under their own control.

'Their demand is reasonable and has been made, in a responsible manner, over the past few weeks.'

The management had no comment.

Apple workers get more pay

ARGUS (186) 7/5/80

Labour Reporter

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

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

TRANSKEI

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

Contract workers sent back to Transkei would receive a payment equal to half their wages to mid July, when their contracts would have expired

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

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

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

ICS raises final

186

8/6/80

By ELIZABETH ROUSE

IMPERIAL Cold Storage improved on its steady profit and dividend growth record over the past year and improved margins in the face of higher distribution costs.

Earnings are up 28% to 55c a share in the year to last February from 1979's 43c The final dividend has been raised by 1c to 12c, bringing the total to 16c from 14,5c for the 1979 year

Dividend yield is 5,16% on the pre-suspension price of 310c

ICS's taxed profit of R13 090 000 compares with R10 110 000 in 1979 after higher minority interests of R2 060 000 (R1 320 000)

Turnover has risen at a faster rate of 17,3% to R587 950 000 compared with the previous year's increase of 12,3% to R501 100 000 and the pre-tax return on sales improved to 4,04% from 3,83%

ICS reduced its loan commitments in the 1978-1979 year and probably repaid some loans out of its bigger cash flow over the past year

ICS shares are suspended, together with Tiger Oats, which holds 17% of ICS, because of plans to restructure Old Mutual's interests in the food industry

Old Mutual has a 20% stake in ICS and a 21% holding in Tiger Common Fund, also suspended, has a 17% stake in ICS Intention is to clean up this holding structure and possibly to strengthen it to ward off bidders

ONE of the striking workers at Table Bay Cold Storage in Paarden Eiland was beaten and stabbed by fellow workers when he tried to return to work today Here he is roughly handled in the brief outbreak of violence.

8/05/80.

Violence in wake of city strike

ARGUS

186

Labour Reporter

VIOLENCE broke out today among striking workers of the Table Bay Cold Storage Company when one allegedly tried to return to his job

He was severely beaten by fellow workers near the factory gate, and stabbed in the left shoulder

About 80 workers reported to the factory at 7 45 am after downing tools yesterday in protest at management's alleged refusal to recognise the elected workers' committee

They again refused to work until their demand for recognition was met

According to a worker, the manager said he did not want anything to do with a 'union committee' He wanted a 'Labour Department liaison committee

Workers said that when they insisted they did not want a liaison committee, they were told to collect their wages and return to Transkei.

REFUSED

They said they refused to take their pay The workers left the premises en masse about 8 am. They were within 100 m of the gate when the fight started

After being frequently knocked to the ground, the injured man left with the others

He was later taken to hospital

The Western Province General Workers' Union, to which the men belong, deplored the incident

INDICATION

It said it indicated, however, the strength of the men's commitment to their demand for recognition

'The demand is a perfectly reasonable one, and we hold the management and the Department of Manpower Utilisation responsible for generating the labour unrest at the factory,' a spokesman said

He said the vast majority of workers in the Cape Town meat industry were members of the union

Committees similar to that demanded by the Table Bay workers were recognised by all the other major meat firms.

The manager of Table Bay Cold Storage, who refused to give his name, said he had no comment.

WD 9/5/80 (152)

Striker beaten in Cape factory row

(186)

CAPE TOWN — Violence broke out yesterday morning among striking workers of the Table Bay Cold Storage Company here when one man allegedly tried to return to his job He was severely beaten by fellow workers near the factory gate and stabbed in the shoulder

About 80 workers reported to the factory at 7,45 yesterday morning after downing tools in protest at management's alleged refusal to recognise the elected workers' committee.

They again refused to work until their demand for recognition was met.

According to a worker, the manager said he did not want anything to do with a "union committee" and he wanted a "labour department liaison committee".

Workers said when they insisted they did not want a liaison committee they were told to collect their wages and return to Transkei

They said they refused to take their pay and left the premises en masse at about 8.00 About 100 m from the gate a fight started and after being frequently knocked to the ground the injured man left with the others. He was later taken to hospital

The Western Province General Workers' Union, to which the men belong, said the incident indicated the strength of the men's commitment to their demand for recognition

A union spokesman said the majority of workers in the local meat industry were members of the union and committees similar to that demanded by the Table Bay workers were recognised by all the other major meat firms.

The manager of Table Bay Cold Storage would not comment on the incident. — SAPA

09/05/80 ARGUS (139) (156) (152)

Support for meat men

Labour Reporter

STRIKING workers at Table Bay Cold Storage Co Ltd have the support of workers at 14 Peninsula meat factories in their demand for recognition of their elected committee.

Representatives have sent a letter to the company's management, calling on it to explain to workers at the various factories why it has refused to recognise the committee

'At all our factories we have such committees and through them we have been able to take our grievances to the management in a peaceful way,' the representatives wrote

'The constitution of the Table Bay Cold Storage workers' committee is the same as constitutions in all the meat factories

'The Table Bay workers will return to work on Monday at 7 30 am We hope that you will agree to then demands'

Workers at the other factories would refuse to work at Table Bay Cold Storage if asked to do so, the representatives added

A meeting of meat workers will be held in Langa tomorrow

Sapa quotes the management of Table Bay Cold Storage as saying yesterday it was not prepared to re-employ any of the 75 black workers on strike and had made arrangements for bus tickets for the men to return to Transkei.

Surname [redacted]
(In block letters)

First Name(s) [redacted]

Date 17/10/76

Degree/Diploma/Certificate for which you are registered (e g B A , B Sc)

Subject B Russ Sci
(to be copied from the heading on the Examination Paper)

Paper No 1
(to be copied from the heading on the Examination Paper)

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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 oth rial may be brought into the examinati unless candidates are so instructed
2 Candidates are not to communicate wi candidates or with any person except t gilator
3 No part of an answer book is to be torn o
4 All answer books must be handed to tl missioner or to an invigilator before lea examination

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

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Strikers [illegible] heat up [illegible] follow [illegible] violence

CAPE TOWN — Violence broke out yesterday morning among striking workers of the Cable Bay Cold Storage Company when [illegible] the factory to [illegible] the [illegible] to ten h[illegible] follow[illegible] near the factory gate and [illegible] in the stands.

[illegible] reported to the [illegible] after [illegible] protest [illegible] heat up [illegible] the [illegible] workers commuter.

[illegible] refused to work until their demands for [illegible] were met.

According to a worker, [illegible] management had been [illegible] with a union commitee [illegible] about [illegible] treatment [illegible] union.

[illegible] said that when the [illegible] did not want a liaison committee the [illegible] told to collect their [illegible] and return to [illegible].

[illegible] refused to take their p[illegible] and left the premises at about 1 am.

Then within 100m of the gate the fight started. After being frequently hacked to the ground the injured man fell with the other. He was later taken to hospital.

[illegible] Western Province General Workers Union spokesman said a similar situation to that demanded by the Table Bay workers was accepted by all the other cold storage firms.

[illegible] of Cable Bay Cold Storage would not comment on the incident. — Sapa

AD

I

C

G.

K ZT/W

Black strikers win 50% pay increase

By STEVEN FRIEDMAN
Labour Reporter

A STRIKE by black and coloured workers at a Cape apple packing factory has ended with a remarkable settlement which raises wages and ensures that most will get their jobs back.

The strike at the Kromco factory in Grabouw was marked by fighting between strikers and police and the arrest of about 40 strikers.

That the strikers have won a settlement is seen as evidence of the growing power of workers in Cape rural areas who have usually had little bargaining power because they could be replaced so easily by employers.

The Kromco strike is the second in a Cape rural area in recent months. The first was at the Ceres Fruit Growers Co-op. It also ended with a settlement.

At Kromco, the settlement is more remarkable because the apple packing season is ending and employers will need fewer workers in coming months. This strengthened their bargaining position.

The strike began two weeks ago when 800 workers stopped work in protest over their wages. They are members of the Food and Canning Workers Union which claims that many earn R15 or less a week.

According to the union, the strike was also prompted by workers' fear that the management was planning to lay off union members.

Police arrived at the scene and there was fighting between them and strikers after police are alleged to have tried to arrest a striker. Riot police were called and about people arrested.

According to the union, the management tried to replace the strikers by bringing in workers from Ceres. About 100 were recruited in the area at a.

African workers at Kromco are employed on six month or one year contracts. Most take place in July and the six month contracts are renewed only in the next January.

Most observers expected the strike to end with management replacing workers rather than settling the dispute. However last week Kromco agreed to meet union representatives and after a lengthy meeting earlier this week the strike ended in a settlement.

Management agreed to increase wages — raising the minimum to about R[illegible] a week for men, and about R[illegible] a week for women. This is and an increase of more than 50%.

Kromco also agreed to take back all coloured workers involved in the strike. African contract workers will not be taken back before July but the company has agreed to pay them up to their pay from the time they would normally be.

Kromco also guaranteed African workers on one year contracts that they will be rehired in July and African on six month contracts will have an option on a contract in the new year.

However, the union says few of the six month workers will take up the offer as they will have to seek new jobs between now and January.

Mr Jan Theron, general secretary of the union, yesterday described the settlement as "satisfactory in the circumstances".

UNIVERSITY OF CAPE TOWN
EXAMINATION ANSWER BOOK

Cape strike could spread

By STEVEN FRIEDMAN
Labour Reporter

A STRIKE at a Cape Town cold storage plant is threatening to spread to other meat plants in the area.

All 55 workers at Table Bay Cold Storage, members of the Western Province General Workers Union, have been on strike since Wednesday demanding that the management recognise a workers' committee.

Worker representatives at 15 other meat factories have reported the strikers' demands, and there will be a mass meeting of meat workers today to discuss the Table Bay strike.

The Cape Town meat industry has been the scene of labour ferment for some months, and this is the second strike by meat workers in recent weeks.

A union spokesman said yesterday: "The situation throughout the industry is tense. If management take a hard line with Table Bay workers, we fear trouble in other factories."

The union [illegible] Table Bay is planning to send [illegible] to Cape Town.

The dispute at Table Bay began [illegible] workers left the company premises after management refused to recognise a six-man workers' committee [illegible] the proposed committee has the same constitution as committees [illegible] companies.

The union says the management told workers [illegible] that it would deal only with a four-man committee, and insisted that workers dissociate themselves from the union.

The management also demanded that the committee be constituted in terms of Labour Legislation [illegible] and walked out of the meeting.

On Wednesday, the workers returned to work until management agreed to meet the committee. A Department of Manpower Utilisation official intervened and he asked management to persuade workers to accept a [illegible] committee [illegible] the union, according to the Western Province.

Workers rejected this and [illegible] on strike on Thursday, a worker who [illegible] said yesterday.

Table Bay workers now plan to [illegible] at the company's premises [illegible] the union not the strikers will continue, they say.

The Table Bay company refused to comment yesterday, [illegible]

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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

SECTION B

(1)	Internal (2)	External (3)
4a	7	
Examiners' Initials		

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

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Strikers warn meat bosses

(186) DD 12/5/80 (172)

CAPE TOWN — Fears of a major labour confrontation in the meat industry here have risen after a mass meeting of meat workers at the weekend expressed "full support" for striking workers at Table Bay Cold Storage

The meeting of about 500 meat workers, in Langa, accused "meat bosses" of being "intent on provoking a dispute with the meat workers" and resolved to "defend" worker demands and that management negotiate with a worker committee

At the same meeting, the Table Bay strikers resolved to appear at their plant at 7 30 am today and demand that management recognise an elected worker committee They also resolved to continue their strike if the company refused

The Table Bay workers are striking in support of their demand that management recognise an unregistered (in terms of labour law) committee Workers say they are not prepared to accept a registered committee because these committees are restricted to black workers only

Table Bay workers are members of the non racial Western Province General Workers Union

The workers insist that they will only accept committees on which Coloured and black workers serve together

There are fears that management at Table Bay plans to dismiss all the strikers today, thus forcing them to return to Transkei

A union spokesman said yesterday "if that happens, we doubt whether we will be able to hold other factories back The situation is dangerously close to confrontation '

At the weekend's mass meeting, workers from 15 other meat factories decided to demand that their companies inform them at noon today of the decision of Table Bay management

They will meet tonight to decide how to respond to today's developments at Table Bay — DDC

Meat workers conflict grows

(145) (152) (157) UDN 12/5/80. (186)

By STEVEN FRIEDMAN
Labour Reporter

FEARS of a major labour confrontation in the Cape Town meat industry have risen after a mass meeting of meat workers at the weekend expressed "full support" for striking workers at Table Bay Cold Storage

The meeting of about 500 meat workers, held in Langa township, accused "meat bosses" of being "intent on provoking a dispute with the meat workers" and resolved to "defend" worker demands that management negotiate with a worker committee

At the same meeting, the Table Bay strikers decided to appear at their plant at 7 30am today and demand that management recognise an elected worker committee They also resolved to continue their strike if the company refused

In a further development, another meat employer, National Meat Supplies, refused to recognise an elected workers' committee because it refused to register in terms of labour law

The Table Bay workers are striking in support of their demand that management recognise an unregistered committee Workers say they are not prepared to accept a registered committee because these committees are restricted to black workers only.

Table Bay workers are members of the non-racial Western Province General Workers Union who said another cause of the strike was a management demand that workers distance themselves from the union

The workers insist they will only accept committees on which coloureds and blacks serve together

There are fears that management at Table Bay plans to dismiss all the strikers today, thus forcing them to return to Transkei They are all contract workers

A union spokesman said yesterday "If that happens, we doubt whether we will be able to hold other factories back The situation is dangerously close to confrontation"

At the weekend's mass meeting, workers from 15 other meat factories decided to demand that their companies inform them at noon today of the decision of Table Bay management

They will meet tonight to decide how to respond to Table Bay's developments.

In a statement issued by the WPGWU after the meeting, workers condemned the "provocative attitude" of employers

"Meat workers are not seeking confrontation, but nor are they prepared to sanction division between coloured and African workers or turn their back on their union These are reasonable decisions which will be defended by the meat workers," the statement said

12/05/80. ARGUS (186) (152)

City meat firm says 'No' to strikers

Labour Reporter

THE management of the Table Bay Cold Storage Company has refused to negotiate with workers who gathered at the company's premises today

'Those employees who took part in the refusal to work terminated their contracts of service by their own actions' managing director, Mr R L Selzer, said in a statement today

'For this reason Table Bay management was not prepared to meet this morning with the crowd that gathered outside its premises, as they were no longer employees'

WAGES

The 75 strikers were twice told through intermediaries to collect their wages but they have refused to do so

Police were on standby during the two hours that workers waited outside the factory Eventually six police vehicles and more than a dozen uniformed policemen gathered nearby

The workers dispersed after their committee said it was not satisfied with the management's answer to a demand for recognition of the committee

DENIAL

Mr Selzer denied in today's statement that the question of the committee's recognition was behind the refusal to work

Management in fact, on several occasions over the last six months offered the black workers the opportunity to form a committee of their choice without specifying that it be a works or liaison committee, he said

'There have been repeated calls from employees for the company to recognise the Western Province General Workers Union, but at no time prior to this action did the union approach the management as is usual in such cases

MEETING

If the action of the workers was intended to force Table Bay into recognising the union, Mr Selzer said, it would not succeed

'At a meeting of all the Cape Town employers in the meat industry held on Friday unanimous support for Table Bay Cold Storage was expressed and contingency plans for the future were discussed

'Alternative arrangements have enabled operations at Table Bay to continue unimpaired,' Mr Selzer said

COMMITTEE

The Western Province General Workers' Union has denied that the workers were offered a committee of their choice

A spokesman said workers in the meat industry were no longer prepared to accept a committee which constitutionally excluded coloured workers, as would a registered works committee

'Moreover prior to this Mr Selzer has insisted on a liaison committee which would not only have excluded coloured workers but also implies the presence of management representatives on the committee

'The workers themselves have requested recognition of an unregistered workers committee

'They have not requested that union officials attend meetings with management, so the question of union recognition in the formal sense does not arise'

W Cape awaits snoek bonanza

13/05/80 ARGUS

(186)

WESTERN CAPE commercial fishermen are anxiously awaiting their annual bonanza — the height of the snoek run which usually reaches a peak in June-July.

Sea Fisheries officials say that large concentrations of snoek have been reported in the St Helena Bay area, 'but it will require a good north-westerly wind for them to make an appearance nearer Hout Bay and Kalk Bay.'

Shoal spotting aircraft report the presence of plenty of anchovies and other bait fish off the Western Cape seaboard and it should only be a matter of time before boats start making good hauls of snoek.

Official records show that most of the 1,3-million snoek landed last year were boated towards the end of the season, which closes on July 31.

Records also show that the record catch of 4,6-million snoek was made after north-westerly gales had lashed the Western Cape in 1976.

New fears of meat workers' confrontation

By STEVEN FRIEDMAN
Labour Reporter

FEARS of confrontation between Cape Town meat employers and their workers continued yesterday as management at Table Bay Cold Storage refused to meet a delegation of striking workers and said the strikers were "no longer employees".

Worker representatives from 15 other meat factories were meeting last night to consider their response to Table Bay's decision There are fears that the decision could spark off confrontation at other plants

Workers at Table Bay say they are striking because management has refused to recognise an unregistered workers' committee and has demanded that workers distance themselves from the Western Province General Workers Union

Table Bay's managing director, Mr R L Selzer, has denied that management had refused to recognise a committee and made it clear that Table Bay was not prepared to meet the workers' demands

He said in a statement yesterday that a meeting of all Cape Town meat employers on Friday had backed Table Bay's stand and had discussed "contingency plans for the future" and that "alternative arrangements" had been made which "enabled operations at Table Bay to continue unimpaired"

Yesterday, Table Bay workers gathered at the company's Paarden Eiland factory, where a large contingent of police were waiting

A company employee told them that management would not see them and that those who wished to could sign off and collect their pay The workers then left without signing themselves off

According to a union spokesman, attempts by the union late yesterday to discuss a compromise with management were rebuffed

In his statement, Mr Selzer said the strike had not been caused by a refusal to recognise a committee "Management offered workers the committee of their choice on several occasions without specifying the format"

He added that "the fact that such a committee would have to be registered by law appeared to be unacceptable to the employees"

Mr Selzer claimed that there had been "repeated calls" by the workers for recognition of the union "but at no time did the union approach the management as is usual in such cases"

Management would expect the union to demonstrate that it was duly constituted, "managed their affairs in a businesslike manner" and was representative of workers before recognising it It would also want to know the union's position on current labour legislation,

He said the strikers had "terminated their services" by refusing to work and that management had refused to meet the worker delegation yesterday morning because they were "no longer employees"

In a statement issued yesterday, the union denied that workers had requested union recognition

The WPGWU statement adds that "Mr Selzer has regrettably not offered the workers a committee of their choice The workers have opted for an unregistered committee because they are no longer prepared to accept a committee which constitutionally excludes coloured workers"

The union claimed that management had insisted on a liaison committee which "not only excludes coloured workers but implies a management presence"

Trade union to see firm over racial remarks

DAILY DISP 13/5/80

186

EAST LONDON — The South African Allied Worker's Union is to complain to the managing director of a local wholesale merchant about the behaviour of a senior employee when he met two union representatives last week.

Three hundred members of the unregistered trade union decided at a meeting in Duncan Village at the weekend that the acting organiser of SAAWU, Mr B. P. Norushe, should send a letter of complaint to Milling and Trading (East London) Ltd

Mr Norushe said one of the company's managers, Mr I. Hempel, had insulted him and his secretary when they visited Milling and Trading last week, and used derogatory language

"Mr Hempel referred to his workers as 'kaffirs' and said they were too lazy to do any hard work,' Mr Norushe said.

"My secretary and I had to stand near the door as he refused to offer us a seat, and he was very abrupt

"Mr Hempel boasted that he could speak the 'kaffir' language, as he put it, and told us he had no time for trade unions

"He threatened to fire his workers if they went on strike, and even went as far as to say he would beat up any worker who came to see us."

Mr Norushe's secretary, Miss Zodwa Mapela, said they had left without putting their case, as Mr Hempel was "impossible" to talk to "

Mr Hempel, who is manager of the Meadow Feeds factory at Milling and Trading, refused to comment on Mr Norushe's allegations

"I wanted nothing to do with this guy,' he said

"He came to me when I was busy and there was no time to sit and talk."

Asked whether he could confirm or deny that he referred to his employees as "kaffirs" during his conversation with Mr Norushe, he replied: "I have no comment to make Mr Norushe can say what he likes "

He said his workers were 'well-treated" and did not need a trade union

The managing director of Milling and Trading, Mr Gordon Minkley, is touring the Northern Cape on business at the moment and was unavailable for comment

A management official, Mr Colin Kretzmann, said Mr Minkley would be back at work on Friday

After being fully briefed on the trade union's allegations, Mr Kretzmann said he would speak to Mr Hempel

Interviewed afterwards, he said Mr Hempel told him the claims were 'exaggerated", but Mr Kretzmann said he would prefer not to comment any further.

The two trade union representatives said they visited Milling and Trading as part of a campaign to introduce local firms to the union's views and aspirations

Mr Norushe said he had received a "favourable reception" from a number of other firms he visited last week

The union, which claims to have more than 15 000 members in East London, also claims to have support from 90 per cent of the black staff at Milling and Trading.

Mr Norushe has stated previously that the union would not register as a trade union until a number of discriminatory laws were repealed, such as the Group Areas Act, the influx control regulations and the pass laws — DDR

MACRO-E S

Question 1

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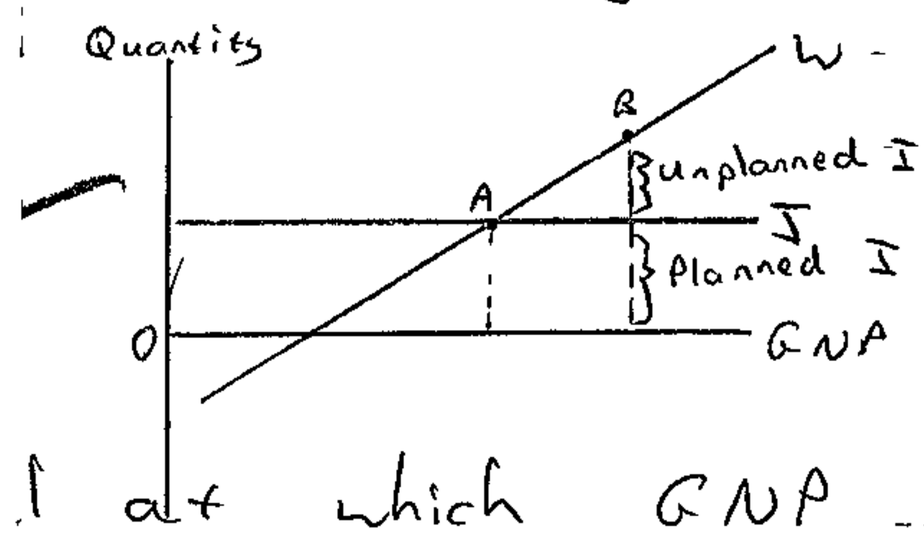

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13/05/80 ARMS

Meat workers write to 14 firms

Labour Reporter

ANGER is rising among workers in the Cape Town meat industry at what they see as the 'provocative behaviour' of the Table Bay Cold Storage Company in the labour dispute at the factory.

Representatives have warned in a letter to 14 firms today that the workers' anger will turn against their own managements if they continue to support such behaviour.

SUPPORT

This follows a Press statement by the managing director of Table Bay Cold Storage, Mr R L Selzer, in which he said the company had the 'unanimous support' of Cape Town employers in the meat industry

Workers at the factory have been on strike for nearly a week in protest at the alleged refusal of the management to recognise their democratically elected workers' committee.

MANAGEMENT VIEW

Management has refused to negotiate with the 75 men on the grounds that they broke their contracts by refusing to work and are no longer employees. It has repeatedly called on them to collect their outstanding wages and return to Transkei.

Worker representatives said in their letter that the demands of the Table Bay workers did not include recognition of the Western Province General Workers' Union, to which they belong.

Racial works committees registered with the Department of Manpower Utilisation were unacceptable to workers in the meat industry, the representatives said.

They added that if the demands of Table Bay workers were not met by the end of the week, a meeting of all meat industry workers on Saturday would decide on further steps.

Warning as meat strikers anger mounts

ANGER is rising among workers in the Cape Town meat industry at what they see as the "provocative behaviour" of the Table Bay Cold Storage Company in the labour dispute at the factory.

Representatives have warned in a letter to 14 firms yesterday that the workers' anger will turn against their own managements if they continue to support such behaviour.

This folows a Press statement by the managing director of Table Bay Cold Storage, Mr R L Selzer, in which he said the company had the 'unanimous support' of Cape Town employers in the meat industry.

Workers at the factory have been on [illegible] nearly a week in protest at alleged refusal of the management to recognise their democratically elected workers' committee.

Management has refused to negotiate with the men on the grounds that they [illegible] their contract by refusing to work and are no longer employees. It has repeatedly called on them to collect their outstanding wages and return to Transkei.

Worker representatives said in their letter that the demands of the Table Bay workers did not include recognition of the Western Province General Workers' Union, to which they belong.

"Racial works committees registered with the Department of Manpower Utilisation" were unacceptable to workers in the meat industry," the representatives said.

No talk on jobs back, meat workers told

Argus 14/5/86

Labour Reporter

THERE can be no question of discussing the return to work of 75 striking workers of the Table Bay Cold Storage Company, managing director, Mr R L Selzer, has said in a letter to managements of other firms in the Cape Town meat industry.

This follows a letter to managements from worker representatives at 11 firms calling for the demands of the Table Bay workers to be met by the end of the week.

They are demanding the recognition of what they say is a democratically elected workers' committee rather than a works or liaison committee.

WP UNION

In his letter, however, Mr Selzer said it was clear to management that the strike action was for recognition of the Western Province General Workers' Union.

The union now states that this is not the claim put forward by the Table Bay workers, although this is what the employees communicated to us.

'If this is so, then it would appear there is no dispute in existence.

'However, this company cannot condone the illegal strike action entered into by our ex-employees, which was in breach of their service contracts.

'The union and the workers themselves must bear the responsibility for the consequences of these actions,' Mr Selzer said.

UNION SPOKESMAN

A spokesman for the union said today it was absurd to claim that no dispute existed. It would end when the workers' committee was recognised and all the workers were reinstated.

The issue of the union arose when Mr Selzer attempted to force the workers to withdraw from it. This is not acceptable and the workers will require an assurance from Mr Selzer of their right to belong to the union, the spokesman said.

(186) FM 16/5/80

SA BREWERIES

Shaking the bag

All parties are maintaining a bland front after the bloodletting on the second level of command at SAB Says Colin Hall, the one-time heir-apparent to Dick Goss "My reasons for resigning are personal, and they are a closed book which I will not discuss with anyone"

Says group MD Dick Goss, "Mr Hall's decision to resign is entirely his affair and something I cannot comment on"

Hall's resignation as executive director has immediate effect, but he will stay on in a "consulting capacity" until the end of August to finish a number of projects he has begun He will also remain on the SAB board in a non-executive capacity On the morning of the first press announcement he was at home recovering from a stomach complaint

"I am delighted to be remaining on the board of SAB and I am delighted for those who have gained promotion to it I think the new organisation structure is both positive and appropriate to the needs of SAB," he says

Speculation is that Hall, who is known to have had his eye on Goss' job, had a fall-out with Goss over the proposed reorganisation which has coincided with his departure Neither he nor Goss will confirm this, although Goss says "We have been thinking about these changes for the last nine months, and I think the new set-up is a good way to face the Eighties It's not such a bad thing to shake the bag and change the existing order"

Hall . . . departing, but no plans for the future

Williams . . . key portfolio in new dispensation

Hall has had a lot of experience in wine, spirits and beer, and, before he left, was responsible for the group's interests in wine and spirits hotels and investments abroad With finance man Selwyn MacFarlane, he was SAB's representative on the board of Cape Wine Distributors, the company which now controls wine and spirit distribution in SA and in which SAB has a minority 30% stake

Hall's responsibilities have been carved up in a reshuffle which makes for a more logical organisation of the group's activities From now on all beverages fall under one command All retail stores have also been brought together and grouped with hotel operations Shoe and furniture manufacturing remain as a separate entity

Responsibilities of the two executive directors Hall left behind are enlarged and two new executive directors have been appointed Those gaining most from Hall's departure are Laurie van der Watt, who has rocketed from GM of the beer division executive director colleagues Ken Williams and David Lubner Williams, who used to oversee brewing, the OK Bazaars and property, discards OK and takes responsibility for the group's entire beverage interests which include wine and spirits, soft drinks and liquor retailing, as well Profits from liquor last year were R37,8m

Lubner, who used to look after Shoe Corp and Afcol, now takes responsibility Southern Sun and all retail operations which include OK and Amrel Last year these operations made R26,7m

Van der Watt steps into Lubner's shoes to head Shoe Corp and Afcol, which together last year made R8m

Selwyn MacFarlane also gets promotion in the reshuffle Although not a line manager he becomes the only head of a staff function to be placed on the level of executive director, and takes responsibility for benefit funds and group secretary in addition to his finance function

Goss himself will look after the group's investments abroad

Hall is as yet unsure about his future Says he 'I took my decision to leave without having made any plans because that is the way you make the best decision"

Another big question which is still unanswered is who will succeed Van der Watt in the important post of beer division GM Naturally SAB is mum on the matter, but talk is that regional managers George Topp and John Seton, and SABI director, Frank Moodie are strong contenders for the post

Van der Watt . . . is he new SAB crown prince?

186 [redacted] [redacted]

Minkley settles row with union

EAST LONDON — A misunderstanding between the South African Allied Workers' Union (SAAWU) and KSM Milling Company Ltd over remarks by an employee of the company was settled yesterday.

The managing director of the company, Mr G. A. (Gordon) Minkley, who was away when the misunderstanding occurred early this week, yesterday saw the acting organiser of SAAWU, Mr B. P. Norushe, and agreed that the man who had allegedly referred to workers affiliated to the union "kaffirs", should make a public apology to the union

In a statement issued after talking to Mr Norushe, Mr Minkley said: "It was explained that the sentiments expressed by this employee were his personal views and not those of the company.

"I expressed my regret and dissatisfaction that such distasteful remarks had been associated with our company as they are contrary to our policy," Mr Minkley said.

He said a personal written apology would be forthcoming from Mr I Hempel, a section manager in the company.

Mr Norushe confirmed the discussions he had with Mr Minkley — organised by Mr Minkley — had been cordial and amicable — DDR

'N LAND SE GESONDHEIDSDIENSTE BESTAAN UIT 'N VERSKEIDENHEID VAN SOMS VERWANTE EN SOMS LOSSTAANDE KOMPONENTE. IN SUID-AFRIKA IS DAAR VERSKILLENDE OWERHEDE WAT DIENSTE LEWER: DAAR IS VERSKILLENDE VAKKUNDIGE GROEPE BETROKKE EN DAAR IS VERSKILLENDE BEDRYWE IN DIE PRIVAATSEKTOR WAT 'N AANDEEL IN ONS GESONDHEIDSDIENSTE HET. VERDER NOG - ONS HET VERSKILLENDE BEHOEFTES - SOMMIGE HOOGS GESOFISTIKEERD, ANDER ONDERONTWIKKELEND EN SOMMIGE PRIMITIEF. DIE VERSKILLENDE GEMEENSKAPPE SE BEHOEFTES VERSKIL EN HULLE EISE VERSKIL.

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Firm's 'no' may lead to clash

(Mc Urwa 17/5/80 186)

THE Table Bay Cold Storage dispute, which flared up last week when the Paarden Eiland company refused to recognise a workers' committee, could lead to a head-on clash between meat industry workers and managements.

Meat workers in Paarden Eiland have drafted a letter to the Table Bay bosses demanding action after 75 workers who refused to work unless their committee was recognised, were effectively sacked.

They also called on the other firms in the area to persuade Table Bay to reconsider their hard-line attitude, and warned that if nothing was done by the end of this week they would decide on further action at a meeting over the weekend.

This could be taken to mean that workers may refuse to handle any meat going to or coming from Table Bay Cold Storage.

At the root of the problem is worker representation.

What it really boils down to, workers say, is the fact that they are faced with only two choices (under the Industrial Conciliation Act) when they choose a committee.

- The liaison committee is made up of representatives from workers and management but is little more than a round-table discussion group in most cases. Workers claim that these committees generally are toothless.
- The works committee is reserved for 'African' workers only and the Labour Department as with a liaison committee, obliged to enter it.

19/5/80

WESTERN PROVINCE GENERAL WORKERS UNION

SUPPORT THE WORKERS OF TABLE BAY COLD STORAGE

A struggle has been raging in the fresh meat industry of Cape Town for some time. The black workers in the industry, the majority of whom belong to the Western Province General Workers' Union, have been successfully pressing for their right to be represented by democratically elected non-racial workers' committees. Now the management of Table Bay Cold Storage, with the backing of the other meat bosses who already have been forced to accede to the democratic demands of their own workers, is attempting to deny the Table Bay workers the right to have a workers committee of their own choice.

One month ago the workers at Table Bay presented their management with the demand for an elected workers committee - a demand that has been continuously and unreasonably blocked. Last Wednesday, 86 (out of a total of 89) black unskilled workers refused to start work until their demands were answered. On Thursday morning the workers returned and they were only offered a liaison committee. They refused and met with the committees of the other factories in the fresh meat industry who expressed support and demanded from their own managements that pressure to be put on the Table Bay bosses to grant the workers what was already standard practice in the meat industry. On Saturday at a Union meeting attended by about 500 meat workers from all the major fresh meat factories in Cape Town, general support for Table Bay workers was vociferously expressed. The general mood of the workers was extremely angry at what they saw as not only an attack on the rights of Table Bay workers but also upon themselves. The workers demanded that the rights of the Table Bay workers be respected. On Monday morning the Table Bay workers, returning once again to hear if their demands were to be acceded to, were met with an overwhelming police presence clearly designed to intimidate them into submission. In the face of such intimidation on the part of the State, and in spite of being the most oppressed layer of the working class, contract workers, the Table Bay have stood firm. Their unity has been unshakeable.

The workers are not prepared to accept a government committee being foisted upon them by the bosses. They refuse to accept a liaison committee which requires management representatives on it. Nor are they willing to accept a works committee since it constitutionally excludes coloured workers, and the African workers in the meat industry will not turn their backs on their fellow coloured workers. Their Union, the Western Province General Workers Union, has not been prepared to register under the present Industrial Conciliation Act since it refuses to hand over the workers control over their own union to the State. It also refuses to divide the Union along racial lines.

Table Bay management, with the clear backing of the other meat bosses, is issuing a challenge to the meat workers - choose your own elected committee and Union or their works committee. The meat bosses are in effect attempting to force the meat workers to retreat from their already won workers committees. For if Table Bay management succeeds what is to stop the other meat bosses of Cape Town refusing to negotiate with the already democratically elected workers committees.

If the meat bosses carry on with this course of action then they are provocatively seeking confrontation with thousands of workers in Cape Town. If they refuse to turn back, the workers will be forced to defend their hard won committees. They will also require the large scale and mass support of workers, organised and unorganised; students, white and black; and the community at large. We call on you to express your solidarity with these workers, to express your displeasure with the high handed action of the meat bosses, and to give assistance to the workers in their struggle if it is required.

W.P.G.W.U.

RDM 17/5/80

Cape stevedores threaten sympathy strike

By STEVEN FRIEDMAN
Labour Reporter

STEVEDORES at Cape Town docks threatened yesterday to refuse to load Table Bay Cold Storage meat products if management replaced striking Table Bay workers.

The company produces meat for export and a boycott by stevedores would make it virtually impossible for Table Bay to market its products.

If the stevedores decide to boycott Table Bay meat products, it will be the first time in recent labour history that workers have taken action in support of striking workers in another industry.

Meanwhile, an industry-wide confrontation in the Cape Town meat industry loomed yesterday as the Table Bay dispute remained deadlocked.

Workers at other meat factories have planned a mass meeting today to discuss action in support of the Table Bay workers.

A statement issued yesterday by the workers' committee at the docks said: "It is our responsibility to load the meat which Table Bay sends to the docks and we will discuss this question with the workers who elected us.

"We will not be happy to load the meat if it is sent to us by such workers employed in the place of the striking Table Bay workers."

The Table Bay workers are striking in support of a demand that management recognise an unregistered workers' committee. Workers at other Cape Town meat factories have given Table Bay until today to accede to this demand.

But late yesterday, the company had not acceded to meat worker leaders at Table Bay and a escalation of the strike could result from today's worker meeting.

In a statement yesterday, the stevedores' committee said: "We would like to point out that we are represented by an unregistered, democratically elected committee which meets in a peaceful and regular way with our employers.

"This committee has enabled workers to take forward grievances in a peaceful way. We cannot understand why Table Bay refuses to recognise a workers' committee and instead call upon police to scare the workers."

Cape firms hit as meat workers go on strike

STAR 19/5/80

186

PAGES PIC X( ).

Own Correspondent

CAPE TOWN — Many factories in the Cape Town meat industry were today hit by a walkout of workers in support of striking workers of the Table Bay Cold Storage Company

About 450 workers are believed to be involved in the widespread action, according to a spokesman for the Western Province General Workers' Union, of which the men are members

Work at the Maitland abattoir was brought to a temporary halt when more than 250 workers left their factories

The Meat Board, the wholesalers and the offal factory were among the worst affected, the director of the abattoir, Dr J A Louw, said

However, he said the firms were "rallying" and helping one another Killing would continue, although at a slower pace

The walkout occurred after the committee representing Table Bay Cold Storage Works was turned away by management when they tried to discuss the dispute this morning

In accordance with a decision at a mass meeting of meatworkers on Saturday, representatives of workers at 12 other factories waited outside the Table Bay offices for the outcome

After the committee reported that management would not see it, the representatives returned to their factories

The spokesman for the Western Province General Workers' Union said workers at the other factories had decided to stop work for a day in protest at the Table Bay management's stand and the support given to them by the other meat bosses

19/05/80 ARGUS (186)

Meat strike

Labour Reporter

MANY factories in the Cape Town meat industry were today hit by a walk-out of workers in support of 75 striking workers of the Table Bay Cold Storage Company

Up to 450 workers could be involved in the widespread action.

Work at the Maitland abattoirs stopped temporarily when more than 250 workers left their factories.

The Meat Board, the wholesalers and the offal factory were among those worst affected, said the director of the abattoirs, Dr J A Louw.

The walkout occurred after a committee representing Table Bay Cold Storage workers was turned away by the management when members tried to discuss the dispute today

In accordance with a decision at a mass meeting of meat workers on Saturday, representatives of workers at 12 other factories waited outside

(Continued on Page 3, col 8)

19/05/80 ARGUS (186)

Meatmen

(Continued from Page 1)

the Table Bay offices for the outcome

After the committee members reported that the management would not see them, the representatives returned to their factories At most of them, workers had not started work when they reported this morning.

The Table Bay workers are demanding recognition for their committee

CONTRACTS

The management has refused to discuss the matter on the grounds that the workers broke their contracts and are no longer employees

The spokesman for the Western Province General Workers' Union said workers at the other factories had decided to stop work for a day in protest at the Table Bay management's stand and the support given to them by the other meat bosses.

'Irresponsible provocation' by employers was responsible for today's action, he said

'It's is time the meat employers realised their workers are determined to secure the right of representation of their own choice, he said

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Dit beteken dat … beleid oor die volgende vyf jaar te oorpraat.

As die volgende verkiesing net maar nog 'n apartheidsverkiesing is dan sal dit eintlik net so irrelevant wees as dié verkiesings wat Ian Smith in die laaste dae van UDI gehou het. So 'n verkiesing sal 'n bietjie tyd wen en uiteindelik baie bloed kos.

3/ ...

Bosses snub strikers

CAPE TOWN — The management of the Table Bay Cold Storage company here yesterday refused to see a committee representing 75 striking workers of the firm.

The workers have been on strike for nearly two weeks in protest against the company's refusal to recognise the unregistered workers committee.

A meeting of about 450 meat workers from 13 factories at the weekend condemned the "provocative attitude" of the Table Bay management and the support the firm had received from other employers in the meat industry.

In terms of a decision taken at the meeting, the striking workers committee and representatives of committees at several other factories gathered outside the Table Bay Cold storage office yesterday morning.

MANY FACTORIES

According to the representatives, workers at many of the factories were not working yesterday pending the outcome of the attempt to see the Table Bay management to settle the dispute.

The Table Bay Workers' Committee entered the offices, but emerged later saying management had refused to meet them.

The representatives then returned to their respective firms.

Workers at the nearby Meat Board premises immediately walked out in support of the Table Bay workers. — SAPA.

Star 20/5/80

20/05/80 ARGUS (186)

Strike yesterday [illegible]

Labour Reporter

HUNDREDS of Cape Town meat workers, who yesterday stopped work in support of strikers of the Table Bay Cold Storage Company, were turned away when they reported for work today.

Workers at the Maitland abattoir and the nearby National Meat Suppliers said they were told to consider themselves dismissed because of the walkout

Police vans containing dogs were parked near the gates and about a dozen uniformed police were on hand The workers left peacefully

More than 500 workers who first gathered in Langa after the lockout later walked to the Joseph Stone Auditorium in Athlone for a meeting

They were met by riot police in about 12 vans including a 'sneeze machine'

Police told workers they could not meet outside but withdrew to nearby Athlone police station after a union official said the meeting would be indoors

20 FACTORIES

The Western Province General Workers' Union (WPGWU) said nearly 20 factories, about the entire fresh-meat industry, turned workers away. The men included some who had worked past [illegible]

Most of the workers did not see the buses but were turned away by police the union said

The lockout appeared to be part of a concerted plan on the part of meat employers to break the strength of the union in the industry

Managers of the major firms however were not available for comment

'CRUDE TACTICS'

A spokesman for the WPGWU said the movement by black people to demand representation would not be halted by the crude tactics employed by the meat bosses

'They have embarked on a path designed to bring them into confrontation with the entire labour community

'In turbulent times such as these they are behaving in an extraordinarily irresponsible fashion

The spokesman said it was not too late however for the employers to change their minds The union was willing to negotiate

The director of the Maitland abattoir, Dr A J Lewis, said some coloured labour had been brought in to replace the blacks

20/05/80 Argus

No city butchers' crisis

(186)

BUTCHERS are hopeful that there will be no shortage of meat in Cape Town, because of the differences between workers and employers

A spokesman for Woolworth's butchery department said 'I have just come back from the abattoir and, although production by the new labour is a bit slower, it will probably improve

'Wholesalers may have difficulty in taking the meat away.

He added Prices normally do go up slightly at the month-end. But if everyone keeps cool I don't think the strike will affect prices'

Meat Board officials are confident there will be no shortage

Dr A J Louw, abattoir director said 'We took the precautions when there was talk of a strike

Long distance haulage of animals from South West Africa had been stopped and there was enough space to offload animals, he said

There was a shortage of porters to carry carcasses to trucks for delivery and this had caused a slow kill-rate

People who wished to opt would be replaced but it would take time to go back to normal

The secretary of the SPCA Mr H C V Dell said there were no animals standing at the abattoir yesterday

Tongaat gets H Lewis

186

RDM 21/5/80.

Financial Reporter

THE battle for H Lewis seems over with Tongaat the winner.

Finansbank said yesterday "Shareholders in the H Lewis food-processing and distribution company are being well rewarded for the long suspension of their shares

"Tongaat is offering 850c a share cash for 100% of H Lewis

"This is a 55% premium on the price of 550c on February 21, the date on which Lewis shares were first suspended pending takeover negotiations, and 126c a share higher than the 724c bid from an unnamed party (not Tongaat) "

Mr Natie Kirsh's Metro Cash & Carry group was reportedly the other party

The statement said· "This dispute has now been resolved, thus clearing the way for Tongaat's offer, which puts a price of R17 500 000 on Lewis

"Shareholders representing 75% of Lewis issued share capital have already accepted this offer and Lewis will be proposing schemes of arrangement to make the company a 100% subsidiary of Tongaat.

"This is Tongaat's third acquisition in the past two months On Monday, Tongaat gained 100% shareholder approval for its R13-million bid for 100% of Hebox Textiles, which is now only subject to Supreme Court approval

"Hebotex shareholders have until May 30 to decide whether to accept R275 cash or 40 Tongaat ordinary shares for each 100 Hebotex they hold

"In March, Tongaat bought the country's largest independent asparagus farm and cannery, near Krugersdorp, for cash "

Lewis is involved maize milling, cereal manufacture, oils, animal feeds, flour milling and cotton ginning

Tongaat also has interests in most of these areas so there would seem to b scope for rationalisation, assuming the deal goes through

22/5/80

156

WESTERN PROVINCE GENERAL WORKERS' UNION

SUPPORT THE MEAT WORKERS

The meat bosses of Cape Town have declared war on the meat workers, the majority of whom are the members of the Western Province General Workers Union. They are now using the police and locking the meat workers out of the factories to try and break the workers struggle for democratic representation. A demand that the whole oppressed community is also struggling for. In so doing the meat bosses are also declaring war upon the whole black community.

The workers at Table Bay Cold Storage have been struggling for a democratically elected workers committee in their factory. They have refused to accept a liason committee controlled by management representatives on it. They have not been willing to accept a works committee either, because their fellow coloured workers would not be represented on it. The African workers in the meat industry will not turn their backs on their fellow Coloured workers.Their union, theWestern Province General Workers Union, has not been prepared to register under the present Industrial Conciliation Act since it refuses to hand over workers control of their union to the State.It also refuses to divide the Union along racial lines.

Most of the workers in the meat industry have already forced their bosses to grant them democratic workers committees. Instead of talking to the Table Bay workers the bosses of Table Bay, with the backing of other meat bosses, called out the police and police dogs to try and frighten the workers into submission. But the Table Bay workers stood firm. The workers in the other meat factories have shown their total support for the Table Bay workers. They held two general meetings attended by over 500 workers expressing full support. They instructed their own workers committees to demand from their own meat bosses that the rights of the Table Bay workers be respected. They sent representatives to Table Bay to demand the the boss negotiate with the Table Bay committee. But the meat bosses have refused to listen.

The meat workers in the other factories know that if the bosses crush the Table Bay workers they will be next in the line.On Monday, when the bosses refused again to take note of the genuine anger of the meat workers, they all came out in a one day demonstration strike to show the meat bosses that they were united in their demands They brought the whole meat industry to a standstill.Having shown the bosses they would not be intimidated they returned to work on Tu esday.

The workers have been reasonable all along, but the bosses have been more and more provocative.Instead of ta king note of the workers wishes,they closed the abbatoirs, locked out the workers and called in the police to stop the workers returning to work.The bosses have shown what they want.They want to break the unity of the workers They want to destroy the workers democratic committees. They want to force them to abandon their commitment to their union. They are trying to intimidate the meat workers into giving up their workers organisation - their committees an d their union - which have been the workers only means of defence in their struggle against the bosses. The meat bosses have chosen to confront the meat workers and try an d teach thousands of workers in Cape Town a lesson.They are provocatively trying to force the oppressed workers to give up their struggle for democratic organisations of their own choice. They are moving against the tide of the black people throughout South Africa who are demanding and struggling for democratic representation in all aspects of their lives.
The meat workers will not be taught a bosses'lesson.They will not be frightened by such crude attempts to give up their demands.But they need the support of the rest of the black community who are also struggling for genuine representation.They need the solidarity of the organised and unorganised African and Coloured workersof Cape Town, of the black and white students, the parents and teachers.They need the large scale and mass support of the community at large to back their struggles, repeat their demands from all sides.Workers, parents,teachers,students , the Western Province General Workers Union will be calling meetings and asking for your support.Do not forget your brothers in the meat industry.

W.P.G.W.U.

Meeting is adjourned as meat boss stays away

CAPE TOWN — A meeting between traders, organisations and representatives of the Table Bay Cold Storage company adjourned inconclusively yesterday morning after the managing director of the firm, Mr R L Selzer, failed to attend.

Table Boy Cold Storage is the firm where the present dispute in the Cape Town meat industry originated two weeks ago

About 80 workers walked out in protest at management's alleged refusal to recognise an unregistered workers committee

Mr Dawood Khan, chairman of the Western Cape Traders Association, said he was hopeful the meeting would be reconvened soon, with Mr Selzer present

PERTURBED

Yesterday morning's meeting was attended by Mr Khan and Mr Cassiem Allie of the Traders' Association, Mr Thomas Mandla of the Western Province African Chamber of Commerce, and a director of Table Bay Cold Storage, Mr E Bettesworth

The Traders' Association said yesterday morning butchers were very perturbed at the widespread dispute in the meat industry and felt it was getting out of proportion

The dispute spread when workers throughout the Cape Town industry walked out on Monday in support of the Table Bay workers

They were turned away from their factories when they returned to work on Tuesday

GUARANTEE

At a meeting of more than 500 workers in Athlone on Tuesday it was decided no one would return to work without a guarantee of reinstatement for all Workers called for the support of the community and a boycott or red meat

Employers in the meat industry have been tight-lipped about the dispute. A spokesman for the meat board in Pretoria, however, said the workers had been dismissed on Tuesday because they walked out without stating any grievances or demands

"UNTRUE"

This was described as "completely untrue" by a spokesman for the Western Province General Workers Union to which the men belong

"The workers approached management at each factory several times, but no discussion was forthcoming They were clearly provoked into taking action," he said — Own Correspondent

Now Natal is hit by strikes

152 197 184 140A

RDM 23/5/80

By STEVEN FRIEDMAN
Labour Reporter

LABOUR unrest spread from Cape Town to Durban yesterday as more than 3 000 black textile workers went on strike at two factories in New Germany, outside Durban.

Strikers stoned passing buses and the car of a white security officer outside the factory until they were calmed by officials of the Federation of SA Trade Unions (Fosatu) and the National Union of Textile Workers.

In the Cape, the general work stoppage among black workers in the meat industry enters its fifth day today. Yesterday workers called for the formation of a committee to organise a boycott of red meat.

Another Cape Town strike, by 3 000 workers at a clothing factory, Rex Trueform, was settled yesterday.

Just as this week's student unrest is an echo of the 1976 Soweto unrest, yester day's Durban textile strike was an echo of the strike wave which hit Durban in 1973.

The two factories hit by strikes, Frametex and Nortex, are both owned by the Frame Group, as is a third factory, Seltex, to which Durban union sources believe the strike may spread.

Most of the Frame Group's factories were hit by the 1973 strikes and observers at the time claimed the unrest had been sparked by wages paid by the group.

This week's unrest follows a build-up in strike action over the past few months, particularly in the Western Cape.

The Cape meat industry has been hit by several strikes Stevedores at Table Bay docks went on strike earlier in the year and a number of construction and engineering firms have also been hit by strike action

Three strikes by West Cape farm workers have also occurred in recent months.

Last year, workers at several Port Elizabeth factories struck and there have been brief strikes this year in Durban and on the Reef.

Yesterday's strike follows a protracted wage dispute between workers and management at Frametex. Workers have been demanding an increase since November.

The strike was sparked off when management told its black liaison committee that it would consider a 10% wage increase in June.

Workers rejected this and walked out. They were followed soon after by Nortex workers and the afternoon shifts later joined the strike.

Fosatu's general secretary, Mr Alec Erwin, said last night that "tension has been building up" at the factory for some time Last week, workers staged a brief stoppage over a dispute about bonuses and last August the factory was hit by a strike in support of wage demands.

He added that the presence of police at the factories yesterday had been "provocative."

In Cape Town, the worker call for a boycott was reportedly eliciting support in Langa township and Cape sources described the situation in the townships as "tense."

Two Langa butcheries closed on Wednesday in response to community demands, but re-opened yesterday. However, butchers have threatened to join the boycott if talks between them and meat employers fail.

23/05/86 ARGUS (186)

Meat supply cut as strike goes on

SUPPLIERS of livestock to the Maitland abattoir have been asked to 'slow up' the flow of animals for slaughter as the strike by meat workers continues with little sign of slackening.

A spokesman for the Meat Board confirmed today that farmers had been asked to cut back deliveries.

But, he said, the situation was 'pretty average' in spite of the fact that most of the black work-force of the slaughtering companies has come out in solidarity with striking workers at Table Bay Cold Storage.

The strike, by about 1 000 workers, from 20 companies, has had no effect on the red-meat price. Beef and mutton prices this week were the same as last week's.

The strikers met in Athlone yesterday and called on the community to 'refrain from eating red-meat products until the workers are reinstated and their demands met'.

Most strikers are considered by their employers to have terminated their contracts.

The Western Province General Workers' Union said in a statement yesterday that its affiliates would not return to work unless they were all reinstated and the workers' committees at Table Bay Cold Storage and National Meat Suppliers were recognised

Cape Town meat industry employers and livestock agencies voiced their feelings in newspaper advertisements today.

A gathering of strikers at Athlone today resolved not to harass the smaller butchers, but to direct harassment towards large meat companies 'who are our enemies'

The secretary of the Western Province General Workers' Union, Mr Dave Lewis, said butchers in the townships had already acquired additional stock when the decision to call for a boycott was taken.

They should be allowed to sell this before they could be expected to participate in a general red-meat boycott.

'These butchers have joined the struggle and have agreed with the demands of workers and we should call on the community to allow them to keep their shops open.'

● Picture, Page 13. ●

access to their factories

On Tuesday workers called for a red meat boycott Indications are that coloured and African communities could well take it up

Cold Storage claims that two weeks ago workers asked for the recognition of the Western Province General Workers Union (WPGWU), and because it refused they struck According to a spokesman for the firm "The union has never approached the company Until such time as it does we can't say anything on recognition " He adds that, prior to the strike Cold Storage wrote to all African employees offering a registered works committee, as requested by the workers "The firm has no objection to worker representative committees," but government needs to be notified about African committees, he says

David Lewis of WPGWU says "This is absolute nonsense " He says that in April WPGWU wrote to the firm telling it that all Africans in the plant are members of the union, and asked management to call a general meeting on the recognition of an unregistered worker committee, which had been elected by the workers Says Lewis "They called a general meeting But management told workers that they could only have a liaison committee, and only if they withdrew their union membership " Lewis says workers tried to negotiate on this issue, but up until the day the workers struck, Cold Storage insisted on a liaison committee

Not policy

He adds that the workers have never asked for union recognition ' It is not the union's policy to ask for union recognition WPGWU believes that the union is not manifest in union officials and so it goes for recognition of worker committees And the workers see no reason why the Department of Labour should rubber-stamp their committees in terms of discriminatory legislation "

A labour lawyer tells the *FM* that government has to be notified about works committees only if they are being set up in terms of the Black Labour Relations Regulations Act There is nothing stopping Cold Storage from recognising an unregistered worker committee, she claims

Cold Storage appears to have the backing of all other firms in the meat industry including those which have recognised similar workers committees Lewis reckons "By locking out the strikers they are attempting to smash the union strength in the meat industry "

The spokesman for Cold Storage says "It is not a lock-out Employers can only lock out employees The strikers are no longer employees " He says the firm will not talk to the workers or a committee because they are no longer employees

In an attempt to break the deadlock the Western Cape Traders Association and the Western Province African Chamber of Commerce had a meeting with Cold Storage on Wednesday According to the WPGWU, the union did not request the traders to take up the issue

Reports from Cape Town say that there has been a cut-back in deliveries to butchers And in some cases, butchers received no deliveries on Wednesday

MEAT STRIKE FM 23/5/80 (186)

Bare platters

"Such attempts (by employers refusing to deal with worker organisations) are counter-productive, short-sighted and, indeed, stupid" — **Professor Nic Wichahn at the Afrikaanse Handelsinstituut's congress in PE two weeks ago**

A poignant remark indeed in the light of the strike in Cape Town's meat industry The strike, which involves about 18 meat factories in Cape Town, was sparked off, according to workers' claims, by a refusal by Table Bay Cold Storage to recognise an unregistered worker-elected committee Employers are now refusing the strikers

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186

2623/057 80 – ATC 1145 (186)

STRIKING meat workers give a standing ovation to speakers at a meeting held in Athlone today More than 1 000 meat workers are on strike for reinstatement of colleagues and recognition of workers' committees (Report on Page 1)

SENTRUM VIR INTERGROEPSTUDIES

CENTRE FOR INTERGROUP STUDIES

(Geregistreer as / Registered as The Abe Bailey Institute of Inter-Racial Studies Limited (Limited by Guarantee))

p/a UNIVERSITEIT VAN KAAPSTAD
RONDEBOSCH
REPUBLIEK VAN SUID-AFRIKA
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c/o UNIVERSITY OF CAPE TOWN
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Memo: PC/1/80.

16 January 1980.

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Desperate shortage of meat after sackings

186 152 24/5/80

BUTCHERS in Cape Town's black townships are desperately short of meat after deliveries stopped when over 500 meat industry workers were 'sacked' on Tuesday

The mass sackings were triggered off by the Table Bay Cold storage dispute, which began two weeks ago with 75 workers walking off the job because the management had refused to recognise their unregistered workers' committee (see report, leader page).

On Wednesday a deputation from the Western Cape Traders' Association and the Western Cape African Chamber of Commerce tried unsuccessfully to get the Table Bay management to end the dispute by reconsidering their hard-line stand.

LOCKED OUT

More than 800 workers found themselves locked out when they reported for duty on Tuesday morning because they had gone on strike the previous day in sympathy with the sacked Table Bay workers.

At a meeting in Athlone later on Tuesday (interrupted by the arrival of riot police, who later left) the workers decided that no one would return to work without a guarantee of reinstatement for all, and called on the community for support

Mr T W Mandla, the Chamber of Commerce president, said that the managing director of Table Bay, Mr R Selzer, had not been present at Wednesday's meeting.

Mr Mandla said that butcheries in the African areas (he himself has a butchery) were 'scraping the bottom of the barrel' because there had been no meat deliveries since Monday.

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Crisis looms for meat industry

By Anthony Doman

THE meat industry in Paarden Eiland, hit by strike action during recent months, is an accident looking for a place to happen; a tinderbox waiting for a single spark to set it ablaze.

The most recent development in the drawn-out wrangle between managements and workers, the strike at Table Bay Cold Storage could turn out to be that spark

To call the Table Bay dispute a strike would not be strictly correct as far as the bosses are concerned They now seem to regard the workers who had walked off the job as having terminated their contracts

And if that is the case, say workers from the other firms in the area, they will have to think seriously about doing any work for Table Bay Cold Storage.

DANGER

This is where, for the management, the danger lies The meat companies are closely linked in fact they're dependent on each other One firm transports, the other cuts up carcasses, and so on If there were to be a general call to boycott jobs for one firm the others would soon begin to feel the pinch

The cause of the dispute, in the light of the seriousness of its possible consequences, seems to be sheer stubbornness on the part of the bosses And this is not an isolated case either

It's all about worker representation The approximately 1 000 workers in the 15 to 20 meat companies have almost unanimously given the thumbs down to the two types of committee which the Labour Department is obliged by law to register

- The liaison committee, a round-table discussion group made up of management and workers. Toothless, say workers
- The work committee, for African workers only No dice workers say They don't want to be split into 'African' and 'coloured' camps but want instead one united workforce

The solution, an unregistered works committee, is accepted by many of the other companies Why, ask the workers, can't Table Bay accept it?

The company's side of the story differs somewhat. They say that the issue is membership and recognition of the Western Province General Workers' Union, which represents most of the workers in the industry On a number of occasions the Table Bay bosses have told workers 'We'll give you the committee you want IF you relinquish your ties with the union'

BOSSES

Why the bosses should want it this way is not quite clear, perhaps it has something to do with the way in which Karoo Meat Exchange publicly backed down to reinstate their own striking workers unconditionally a couple of months ago, perhaps it has something to do with events further back, such as the Landmark Cape Slaughtering case which gave the union its foot in the door (the company was the first to give in to workers' demands for their own works committee)

But the meat companies (and others) must, after all, realise that if they continue to pay the wages they do and if they continue to expect people to work in sub-zero temperatures without proper protective clothing there is bound to be a backlash It's not so easy, either, to fire dissenters and take on replacements. Word gets around The workers stand together

And up to now it has been the workers who have taken the lead

RIGHT

According to a GWU spokesman the Union doesn't insist on representation at negotiations. 'We just want workers to have the right to belong to the union if they so wish,' he said

But when the bosses see 'union' they read 'strike', 'industrial action', and 'financial loss' So naturally they are not too keen on the idea Unfortunately it does not seem to have penetrated to them that by using force on their workers they are acting against their own interests Fattis and Monis, Ceres Fruit Growers, Kiomco, and Karoo Meat Exchange can tell them all about it Without exception, it was when the bosses decided to bypass the union that trouble flared up

Elsewhere everything may not be coming up roses, but at least there seems to be a grudging acceptance of the fact that there are rights to which workers are entitled, whether they be the few entrenched in law or merely so-called 'basic human rights'

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Govt and meat leaders hold urgent talks

STAR 24/5/80

CAPE TOWN — The Department of Co-operation and Development and meat bosses held an urgent meeting yesterday — the fifth day of the strike by meat workers.

The Deputy-Minister of Co-operation and Development, Dr G de V Morrison, declined to disclose what had been said at the meeting.

And at another meeting yesterday, meat workers called on township residents not to put pressure on local butchers to close their shops.

"We express our gratitude for the progressive involvement of the black traders in this conflict. Any attempt to compel them to close their shops is directly contrary to our wishes," they said.

A total of 765 workers were yesterday each paid R15 by the Western Province General Workers' Union in lieu of lost wages.

According to a statement by the union, workers had reiterated their willingness to negotiate with their employers.

In Natal riot police yesterday used teargas to disperse a large crowd of stick-wielding black strikers on the outskirts of New Germany where they were on their way to the Framtex mill where they are employees. — Sapa.

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Old Mutual gets more of Tiger

232 186 RDM 29/5/80.

Financial Reporter

OLD MUTUAL has increased its stake in Tiger Oats from 21,3% to 28,9% and Tiger Oats has raised its stake in Adcock-Ingram from 59,1% to 67,2% as a result of talks between Old Mutual, Tiger Oats and Imperial Cold Storage

This was announced by UAL and Barclays National Merchant Bank in Johannesburg yesterday

Old Mutual has acquired additional shares in Tiger Oats at 1 750c a share by private negotiation and from Lamberts Bay, part of the Oceana group of fishing companies

These purchases, together with the issue of 178 356 new Tiger Oats shares to Old Mutual for 150 723 shares in Adcock-Ingram, will raise Old Mutual's holding in Tiger Oats from 21,3% to not less than 28,9%

Tiger Oats stake in Adcock-Ingram will rise from 59,1% to 67,2% This increase will not have a material affect on the earnings or net asset value of Tiger Oats

The restructuring did not go any further, the merchant banks say, as "the benefits from any complete restructuring of the investments of Old Mutual in Tiger Oats and ICS would not accrue in sufficient measure to all parties concerned"

But "management will continue to examine all available avenues to take advantage of the benefits that would flow from further closer co-operation between the two companies"

The banks said the companies would continue to operate independently in their traditional areas of business under their existing managements It was not Old Mutual's intention to use its holding in Tiger Oats to influence company policy or management decisions

Tiger Oats observers on the JSE speculate that the deal was designed to consolidate Old Mutual's effective control of Tiger, following moves on Tiger made recently by an unidentified preditor

The shares of Tiger, ICS and Common Fund will be relisted on Monday

SA meat permits: corruption ruled out

The Meat Board has emphasised that it is not involved in the investigation by a commission of inquiry into alleged irregularities in the SWA/Namibia meat industry.

The report of the commission will soon be presented to the South African State President and tabled in Parliament.

"We are completely independent of SWA." Dr Jan Lombard, general manager of the Meat Board said in response to a Fair Deal question.

An SABC radio report this week said the report had found the permit system had been abused with 10 farmers receiving a disproportionate number of permits.

Dr Lombard said the permit system had been designed to let the farmer have fair market access.

"Any system is open to problems. But we have certain mechanisms to try and outweigh the possibility of abuse or inefficiency in the issuing of permits."

Mr Flip du Toit, chairman of the Meat Board said he could give the assurance that "as far as the issuing of permits was concerned, there was no corruption whatsoever, in South Africa.

"We introduced the permit system to benefit the producer. Farmers must be registered to get a permit," he said.

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25/05/80 Sun

Now here's something for all you hard-working people to beef about

High meat prices to go higher

186

By DARYL BALFOUR

OUR meat is among the most expensive in the world — and prices are due to rocket even higher during the next three months.

These facts emerged following a Meat Board statement this week warning that prices would have to rise soon to keep beef and mutton producers in the market

But figures released by the Meat Board — intended to prove that local meat prices are the world's lowest — show the average South African has to work for almost two and a half hours to buy one kilogram of boned loin.

This compares unfavourably with people in Paris — who have to work two hours 10 minutes, Washington — one hour six minutes, Brussels — one hour 56 minutes, and Canberra — one hour 44 minutes.

Madrid lags behind, with the average worker having to toil for two hours 36 minutes, while in London three hours and five minutes of work is needed.

Only in Tokyo are meat prices way above ours — the average worker has to spend seven hours 20 minutes at work to buy his kilogram of meat... more than the six hours the average Johannesburg black needs to earn his meal.

The Meat Board said it took a South African earning R9 120 a year one hour to buy a kilogram of beef... but this salary is way above the national average of R3 780 a year (R315 a month), according to the Department of Statistics.

Dr Jan Lombard, general manager of the Meat Board, said unless prices rose and farmers were guaranteed a higher floor price — the guaranteed minimum they can get for their cattle or sheep at the major abattoirs — beef producers would stop production

He said the national beef herd had already decreased by 400 000 from 1978 to 1979.

"If this continues South Africa will end up with a dire shortage.

"If prices don't rise farmers will be forced to sell their breeding herds to pay their grocery bills," he warned.

He said he and the chairman of the Meat Board, Flip du Toit, would discuss a proposed floor price increase with the Minister of Agriculture. He added that any increase would not affect the current selling price as this was much higher than he expected the floor price to be set at.

Dr Lombard blamed the rise in beef prices on an increase in production costs and said a 10 percent increase in the price of maize gave an immediate increase of six percent in the cost of beef production.

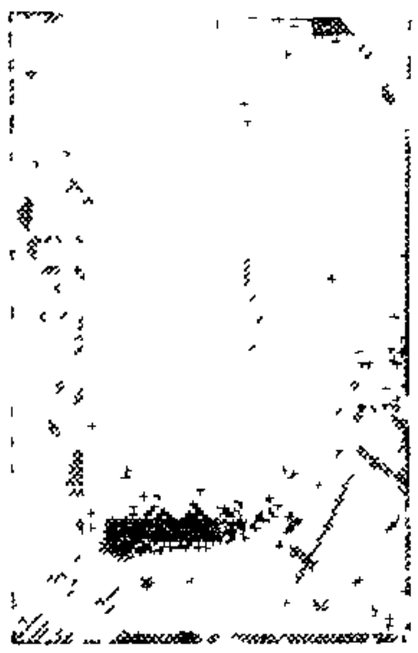
But a major beef breeder and producer, Gilbert Speedy of Vryburg, said production costs were not the major influence.

"Since December 1974 the price paid to the farmer and the price the consumer pays has continually widened.

"In 1975 I was getting 55 cents a kilogram for every animal I sold. Today I get 45 cents a kilogram . . . and that is despite the fact that I get more at the abattoir," he said.

Danie Scholtz, magazine editor blames rising prices on the Meat Board's marketing policies

Tribune reporter is runner-up for award



DARYL BALFOUR . . . runner-up

DARYL BALFOUR, of the Sunday Tribune, was runner-up for one of the national awards in the Stellenbosch Farmers' Winery competition for enterprising journalism.

The report by the chairman of the panel of judges, Joel Mervis said Balfour wrote with authority and responsibility in exposing a monopoly in the meat industry and drew attention to irregularities and allegations of corruption.

The winner of the category of investigative reporting, in which pressure played no part, was Stephen Wrottesley of the Cape Times who investigated pirate whaling and the South African connection.

Other journalists specially commended for their meritorious work in this category were Jean le May of the Sunday Express, Carole Charlewood of SABC, Thinus de Villiers of SABC and Malane Bosman of the Cape Times.

Mr Speedy said marketing costs had spiralled over the past five years.

"I got less for every kilogram of beef I produced last year than I got in 1975 and that's purely because the costs of marketing have gone up so much."

He said railage had increased 246 percent since 1975.

"Abattoir fees are up 317 percent, slaughter fees are up 132 percent. All of this is taken off after the sale of my cattle and this is what has eroded the farmers' profits — not production costs so much," he said.

Mr Speedy lashed out at the expense involved in building new abattoirs at City Deep (Johannesburg), Cato Ridge and Kimberley.

"The old Kimberley abattoir was fine and City Deep is just too far away from the major production areas. The Government goes ahead and builds these showpiece abattoirs and then we as producers have to foot the bill in higher abattoir and slaughter fees."

Danie Scholtz, editor of the independent meat industry magazine Vleis/Meat and South African representative of the International Organisation of Meat Producers (Opic), also blamed rising prices and the decline in productivity and producer profits on the Meat Board's marketing policies.

Another major beef producer, Wimpy Wethmar of Chalmar Beef near Kempton Park, warned that consumers had better brace themselves for massive price hikes later this year.

Mr Wethmar said that while production costs had risen by about 20 percent in the past year a lot of farmers had experienced problems with the drought and problems in gaining access to the markets.

Mr Wethmar said although he would like to see an increase in the floor price he would be against a floor price equal to production costs.

"There must be a margin to allow farmers to suffer a loss as well as make profits — that's part of business," he said.

He criticised the support price system introduced recently, and said although he had tried he had been unable to find out exactly how it operated.

186

25/5/80

More profits on the menu

Sunday Times (Bus) 25/5/80 (186)

By JOHN SPIRA

FEDERALE Foods has recorded appreciably better results for the year to March 31, 1980, compared with those achieved in the preceding 15-month period.

On an annualised basis, turnover was 57,2% higher at R318-million, while per share earnings rose 42,4% to 60,6c. If non-recurring items are included, the earnings figure is 64,9c (53,2c).

A final dividend of 16c has been declared, raising the total for the 12 months to 29c. In the preceding 15 months, dividends of 28c were paid.

The directors stress that the group's recent acquisitions — Table Top Food, Riviera Foods and Lusitania Fishing — were made subsequent to the financial year end and will therefore, only make a contribution to profits in the new financial year.

They are confident that these investments will "materially broaden group interests and that they will make a satisfactory contribution to group profits".

The preliminary report says that future prospects can be materially influenced by:

- The extent to which the 1980-81 economic upswing in South Africa materialises.
- The development of the group's new frozen food and snack markets.
- Prospects in the fishing industry — especially in SWA.
- The group's exploitation of export markets in agricultural products and manufactured goods.

The directors are nevertheless expecting "successful growth" in 1980-81.

Kirsh fighting for Tiger group

Sun Times (Bus. Times) 25/5/80

186

By STEPHEN ORPEN

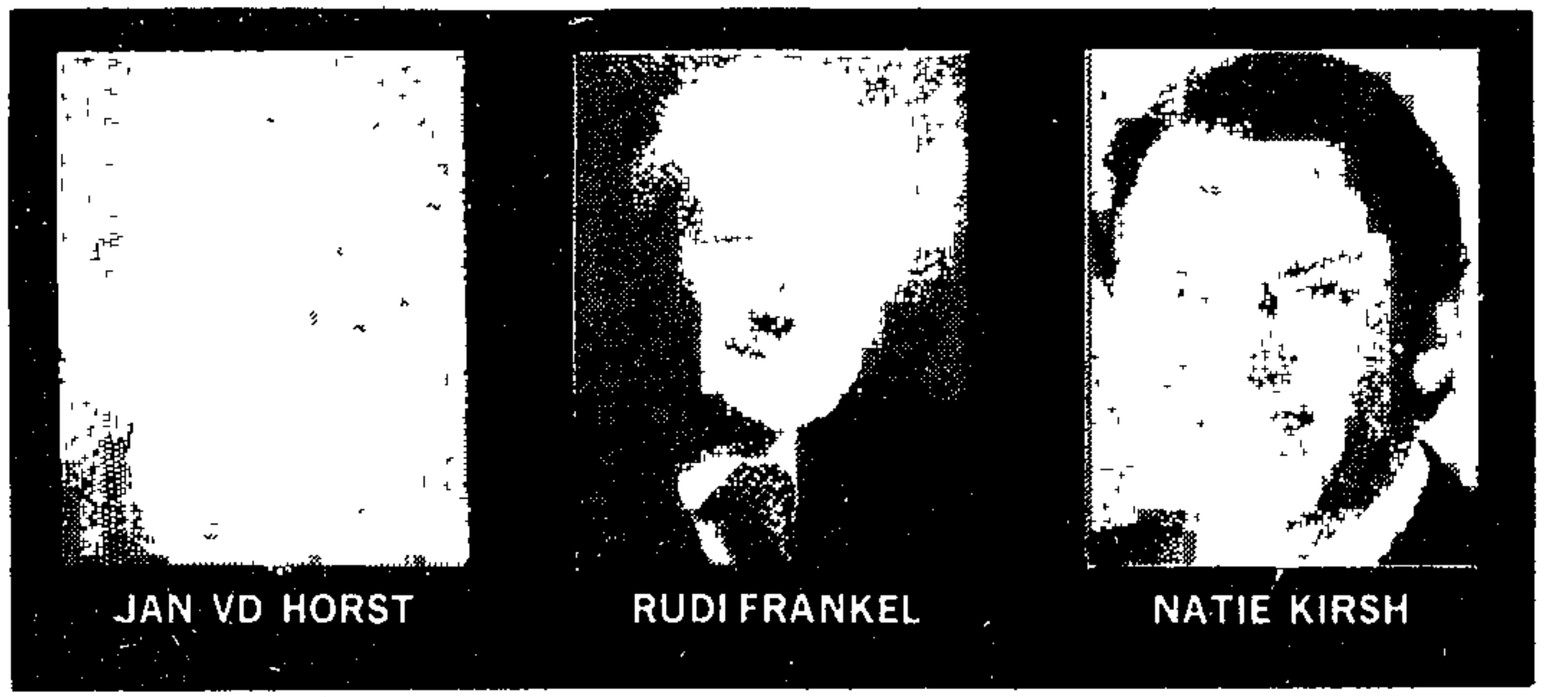
SEVERAL of the country's largest companies and other organisations are locked in a ferocious battle for control of South Africa's largest food empire, the Tiger Oats and National Milling group, with a turnover now nudging R1 000-million a year.

On one side entrepreneur Natie Kirsh has forged plans to launch a new corporate empire, including Tiger Oats, which would rank number three or four among the country's largest industrial groups

His group has been working to achieve this by spending as much as R150-million to restructure and acquire control of Tiger His aim is to inject the company into a new combine with Metro Cash, number one in Business Times' 100 Top Companies listing last year

Intended vehicle for the combine is the shell of the Alex Howden group, in which Mr Kirsh and various associates bought a 90% stake for some R8-million only this week

On the other side, it seems that South Africa's largest life assurance organisation, Old Mutual, has worked with various merchant banks, Imperial Cold Storage (ICS), Common Fund and others to block Mr Kirsh



JAN VD HORST RUDI FRANKEL NATIE KIRSH

The intention seems to be to maintain Tiger as an old-established family business — although the family, under septuagenarian Rudi Frankel, is now believed to hold only a relatively small number of shares

Companies and institutions involved on both sides in the struggle for control include Old Mutual, Tiger, ICS, the Adcock-Ingram group, Metro Cash, National Foods, United Oceana Sea Products SWA, Swafil, Lamberts Bay, Frasers, Common Fund, Kirsh Industries, the new Alexhow shell, Barclays Merchant Bank and Union Acceptances (UAL)

UAL announced late in April that the shares of Tiger, ICS and Common Fund were being suspended on the Johannesburg and London stock exchanges because Old Mutual had "initiated discussions between the boards of Tiger Oats and ICS with a view to restructuring Old Mutual's interests in the food and related industries"

In fact, analysts now suggest that Old Mutual's object is simply to acquire sufficient additional shares in Tiger to block any takeover bid — to which Tiger has become vulnerable

At no stage since the suspension of the shares have outside shareholders in Tiger, ICS or Common Fund been consulted at a general meeting about what arrangements were being negotiated between these companies and Old Mutual

These shareholders have still not been given a chance to make up their own minds about the Kirsh plans

According to sources close to all concerned, Mr Kirsh, planned to inject both Tiger and the R400-million turnover Metro Cash chain into the Alexhow shell to form a highly complementary new group

The Kirsh camp maintains that Tiger and its shareholders would have benefitted through much higher dividends from the vastly-improved cash flow of Metro — contrasting with Tiger's less favourable cash flow position

The Alexhow-Metro combine, which would have been renamed, would have benefitted from Tiger's huge asset base and its sources of produce and product of the kind sold through Metro's 109 outlets countrywide

According to a leading broker on the Johannesburg Stock Exchange "It seems the matter might have been treated differently by the London Stock Exchange

"All shareholders should have the opportunity to consider all the options"

Mr Kirsh is tight-lipped about the matter but does not deny that the sort of deal he is said to have put to the Old Mutual-Tiger interests was, in fact, presented

It is still possible that Mr Kirsh will try to reach agreement with Old Mutual for a deal beneficial to all concerned But the exercise has been made more difficult by the fact that, as far as I could determine as Business Times went to Press, Old Mutual has lifted its holding in Tiger from some 21 3% to 28.9%

I was told that this had been achieved by the sale by Old Mutual to Tiger of its share in Adingra, the holding company for the Adcock Ingram group, in exchange for 178 000 Tiger shares

A further 250 000 Tiger shares had been acquired from a Tiger subsidiary (my guess is Lamberts Bay), making a total of an additional 3,3% of Tiger's voting shares

The remaining additional 4,3% of Tiger shares had been acquired by private treaty

No doubt there are sound arguments on both sides There could be a case for further discussion between all parties

Mutual stake in Tiger rises

STAR (232) 26/5/86 (186)

By Jean Moon

The Old Mutual has extended its stake in Tiger Oats by 7,6 percent to 28,9 percent and Tiger has raised its stake in Adcock Ingram by 8,1 percent to 67,2 percent

Old Mutual paid 1 750c a share for Tiger in a private negotiation with Lamberts Bay

This, together with the issue of 178 356 new Tiger shares to Old Mutual in exchange for 150 723 Adcock Ingram shares raises its holding of Tiger to a minimum of 28,9 percent

But the restructuring of the holding will have no significant measure, but management will continue to examine all available avenues to take advantage of the benefits that would flow from further closer co-operation between the two companies They will continue to operate independently

The shares of the companies involved, Tiger, ICS and Common Fund came back on to the lists today

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Fedfood pushes up its profit

STAR 26/5/80 (186)

By Jean Moon

Fedfood has extended its pre-tax profit by 51,3 percent to R19,7m in the year to March. Operating income rose from R15,5m in the previous year to R23,4m and after allowing for interest and tax charges amounting to R3,7m and R6,5m respectively, taxed income rose 65,1 percent to nearly R13,3m.

On a slightly enlarged share capital earnings were 42,4 percent higher to 60,6c a share

A final dividend of 16c has been declared, bringing the year's distribution to 29c a share

A non-recurring profit of R764 000 from the sale of its 50 percent stake in Superkos animal feed operations added a further 4,3c to earnings.

OFFER

The group increased its market share in both maize and wheat milling and the extraction of oil from seed and maize at Nola Industries and Ruto Mills made significant contributions to profits

Subsequent to the year-end, the group has acquired Table Top Foods, Riviera Foods and Lusitania, a Cape Town fishing group

This year should be good for the group with income derived from the acquisitions and further exploitation of export markets.

Fedfood's shareholders will be offered the right to subscribe to 3,5m 50c ordinary shares at 420c each in the ratio of 20 shares for every 100 held.

The offer documents will be posted on or about June 13

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'No danger of Tiger takeover'

STAR 26/5/80 (186) (22)

By Jean Moon

There is "absolutely no danger whatsoever" of a takeover of Tiger Oats and National Milling by Natie Kirsh, said Rudi Frankel

But Natie Kirsh said he was "astonished" that Mr Frankel should make such a statement without consulting all his shareholders He intends to continue with his multi-million bid to secure control

"EMOTIONAL"

Mr Kirsh regards his approaches as "a boon, not a danger" to Tiger's shareholders and employees

A link-up of the groups would enhance the prospects of both and would lead to the building of a bigger and more powerful group, according to Mr Kirsh

'I intend to contact Mr Frankel again with a view to discussions with his board because I believe a merger between our group and his company can only be to the benefit of all his shareholders as well as mine," said Mr Kirsh

While admiring Mr Frankel for the way he had built up Tiger he felt that Mr Frankel was reacting "emotionally"

Following Friday's announcement by the Old Mutual of its increased stake in Tiger, Mr Frankel said he was satisfied that this would effectively block any takeover attempt by Mr Kirsh This should also reassure his 19 700 employees that their jobs were sure with his group

SITY OF WITWATERSRAND. XXII

CHAPTERS ON PHONETICS AND

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No red meat in townships

26/05/80 ARGUS

(186)

Meat

(152)

Labour Reporter

COMMUNITY pressure has stopped the sale of red meat by butchers in Cape Town's African townships, as the widespread strike by meat workers enters its second week.

'We were given an ultimatum by the community not to sell red meat,' said a butcher and executive member of the Western Province African Chamber of Commerce, Mr Stanley Vokwana.

'From today butchers will have to sell only chickens and eggs.'

Mr Vokwana said he hoped traders would soon be able to meet employers in the industry to 'sort this whole thing out'

MEETING

A spokesman for the wholesalers who supply the black butchers, Slabbert, Verster and Malherbe, said employers would meet today to decide on the proposed talks with traders.

The director of the Maitland abattoir, Dr A J Louw, said the abattoir was 'virtually back to normal capacity'

DIFFICULTIES

Wholesalers, however, were still having difficulties outloading and delivering meat, he said

The striking workers met in Athlone today. They are supporting the demand for unregistered elected committees by workers at Table Bay Cold Storage Company Ltd and National Meat Suppliers (Pty) Ltd.

Kirsh—Frankel: let shareholders take a vote on it

186

RDM 27/5/80

By HAROLD FRIDJHON

BID and counter-bid, evasive action to frustrate bids . . . are all part and parcel of the free enterprise society Mr Natie Kirsh was fully justified in trying to make a bid for Tiger Oats, just as Mr Rudi Frankel was equally justified in taking countervailing action.

With his entrepreneurial flair which has been manifest in most enterprises which he has touched, Mr Kirsh is justified in believing that he could do better with Tiger's assets than the present management

Mr Kirsh speaks with a record of brilliant successes, the latest of which is reported on this page today

On the other hand, Mr Frankel has, over the years, built Tiger into the multi-million group which it is by imaginative and highly innovative management Year by year Tiger's profits have grown with a solid and substantial growth of real assets

Tiger is today one of this country's bluest of blue chips enjoying considerable institutional support as is evinced by the willingness of the Old Mutual to participate in the defence of the company from a so-called predator A fair interpretation of the Old Mutual's support is that the insurance giant is very happy with the present management

Of course, Mr Kirsh sees advantages in a Tiger-Metro link up From his point of view such a joining of hands would have obvious benefits to both companies

For a manufacturing group to get most-favoured treatment from a major distributive outlet could be a stimulus to sales

And from Metro's point of view a direct link with a major supplier could mean additional facilities and marketing assistance which would ultimately reflect on the balance sheet

On the other hand, how would Tiger's other customers react if they felt that Metro was getting preferential treatment?

But one must ask whether such a tie-up would be in the public interest Both Tiger and Premier are the dominant companies in the food field It is the competition between the two which is in the consumer's ultimate benefit

In terms of the theory of countervailing power, it is essential that Tiger and Premier are independent to compete with each other.

ICS and Tiger have cross shareholdings, but these have never been allowed to get large enough to create what might be regarded as a monopolistic situation

One also questions whether a Metro-Tiger tie-up would meet with the approval of the new Competition Board, just as one would not expect the board to approve of, say, a Premier-Pick 'n Pay link-up

The Board could possibly determine that a producer-distributor weld was undesirable

But one should not try to anticipate the Board's attitude In any case Competition Board intervention is not currently an issue

What is material is that Mr Kirsh is, apparently, not taking the Frankel blocking move lying down One would not expect him to Mr Kirsh is a tireless, redoubtable fighter He believes that he has equity on his side and when Kirsh believes he is right, he will fight

He is reported as saying that his plans for Tiger would be in the shareholders' best intersts And I have no doubt that he believes it as firmly as Rudi Frankel believs that *his* management team can better serve Tiger shareholders

There is only one way that this can be determined and that is by asking shareholders what they think

In other words, let Natie Kirsh mount a proxy battle Let the shareholders in general meeting vote on the issue Let Kirsh outline his plans while Frankel presents his record And then put it to the vote

This is not an issue for takeover panels — even if we had one It is for the owners to decide and the owners are the shareholders

FINANCE

MERGER TO FORM GIANT MEAT GROUP

Argus 28/5/80 (186)

A GIANT meat farming and distribution company is to be formed through the merger of the meat interests of Picardi group's Karoo Meat Exchange and the farming group Kanhym Investments.

The two companies — with combined turnover of R300-million — were ideally suited to come together, Mr Jan Pickard, Karoo's chairman, said today

'They have the cattle, the farms and an abbatoir and we have the wholesale outlets'

The shares of Kanhym, Karoo and four other Picardi companies — Asokor, Picardi Finance Picardi Investments and Picardi Canners — were suspended today on the Johannesburg Stock Exchange

RATIONALISATION

Negotiations between Kanhym and Karoo for the rationalisation of their meat interests have started, says a JSE announcement A successful conclusion could affect the companies' share price

Kanhym, the first farming company to be listed on the JSE, runs a scientific farming operation in the Transvaal It raised its stock from 3 000 to 43 000 head of cattle and sells about 80 000 animals a year

Next year it plans to develop coal resources found in its farmlands

Turnover rose 22 percent to R48 million last year and taxed profit was R3,8-million

Karoo's turnover rose 19 percent to R275-million in the 12 months to September and taxed profit was also higher at R3,2-million

The latest half-year figures show turnover of R115 million and earnings of R495 000 Only about one-third of profits are normally earned in the first half-year, however

Tom Hood

Mitchells Plain self-financing housing project.

It is for the m government capital loaned at nine and a qu ic R 30 000 000 Besterecta contract (provi a third of the houses) was financed thi an from Senbank at thirteen per cent.

To cover the nea tra interest, a sum of R 1 000 to R 1 1 the selling prices of ten thousand hou ers of these houses are in effect paying in per cent, although on paper they are paying er per cent.

The capital cost - from sewerage to community centres - and o of the cost of schools are included in the houses.

To give an examp d house sells at R 9 145. R 5 195 goes to formal overheads amount to R 325. R 2 500 'site', to cover the capital costs, and R 1 provision for finance charges' - the e ed to in the second paragraph.

Because the tota self-financing, the individual home-owner is le paying his share of the total cost. Therefor s for his house is only provisional and ment. The extra expense of all the houses s ultimately be paid for by the purchasers of the

This system of fi other 'coloured' home ownership schemes ntry.

Compiled by M Nash
118 Second Avenue
Kenilworth 7700

May 1980

Cape Times 28/5/80

Boycott of meat spreads

(3 meat) (186) (152) (145)

THE DEADLOCK between employers and workers in the meat industry continued yesterday as the boycott of red meat products spread from the black townships to the Cape Flats

Mass meetings called by civic associations on Monday night appealed to their communities to boycott red meat until the workers are reinstated

The Western Cape branch of the National Union of Commercial Catering and Allied Workers last night expressed its full support for the striking meat workers and resolved to encourage its members to stop buying red meat products until all the striking workers were reinstated and their workers committees recognized by employers

No butchers in the black townships have sold red meat since Monday

The workers' trade union, the Western Province General Workers Union reported that it had received several hundreds of rand in donations from members of the community to help support the families of the strikers

The Director of the Maitland abattoir Dr A J Louw, said yesterday slaughtering at the abattoir was virtually back to normal However, the wholesale firms were still having problems in getting suitable labourers he said

THURSDAY MAY 29 1980

29/05/80 ARGUS

Butchers to press employers over strike

(186)

Labour Reporter

PRESSURE is mounting on employers in the meat industry to negotiate a settlement of the dispute with workers over unregistered committees.

Calls have been made at community meetings throughout the Cape Flats for a meat boycott, and there are indications that butchers there might soon follow those in the African townships in refusing to sell red meat

Against this background, an often postponed beeting between the employers and traders' organisations is scheduled to be held today.

A spokesman for the newly formed Cape Butchers' Association said he hoped a 'peaceful solution' to the dispute would be reached.

REINSTATEMENT

The association would press for the reinstatement of all dismissed workers he said

Representatives of the Western Cape Traders' Association and the Western Province African Chamber of Commerce will also attend the talks.

About 800 meat workers were turned away from their factories on Tuesday last week after a one day work stoppage in support of demands for recognition of workers' committees at Table Bay Cold Storage and National Meat Suppliers

29/05/80 ARGUS

Pricey meat blamed on big demand

(186) (3) ~~meat~~

HIGH meat prices this week are because of increased demand and not because of the industrial dispute a spokesman for the Cape Wholesale Butchers' Association said today

And a spokesman for the municipal abattoir at Maitland said 'The number of animals killed yesterday was back to normal

'The slaughter company seems to have enough staff and the wholesalers, who had difficulty with loading and with the handling of offal, seem to have sorted it out

'There is no further need for the Meat Board to have large quantities of meat sent from other centres to avoid a shortage here'

Butchers said they were shocked by a sudden rise in wholesale meat prices yesterday

The spokesman for the association said prices had risen at the abattoir auctions because of the law of supply and demand and because of panic buying by some butcher

'Prices would have risen this week in any case because it is the month-end and there is a public holiday on Saturday

'Demand has increased still more because all the hotels in the city are full for the test match'

Yesterday wholesale prices of the best quality super beef rose from R1,42 a kg on Monday to R1,86 a kg

Kirsh blocks Premier Mill

RDM 29/5/80. (86)

By HAROLD FRIDJHON

KIMET, the Natie Kirsh controlled company which is effectively the pyramid of Metro Cash & Carry, is to buy out for R3 570 000 the participation and voting rights attaching to its 9-million 11% preference shares

The reasons given for this move by the company are to prevent further erosion of its dividends to shareholders and to simplify the control of Kimet which is complicated by the blocking rights which these prefs enjoy when issues call for a vote They carry two votes for each pref share compared with one vote for each ordinary share

While the company stresses the cost of maintaining the participation rights of the preference shares – and they are costly because they are entitled to 16,34% of any dividend exceeding R1 200 000 as well as other shares in profits – I am strongly of the opinion that Mr Kirsh is more concerned with the voting rights which these shares enjoy

And bearing in mind who the holders of the prefs are one can sense Mr Kirsh's anxiety to strip the shares of their privileges and to pay the 11% fixed dividend and done with

When the Kimet issue was first discussed in the Press during October 1978 it was stated that the 9 million prefs were owned by Premier Milling and that they were issued to enable Kimet to get control of Metro

At that time it was suggested that the gearing which the pref shares gave was advantageous to the company But now Kimet is not happy about the gearing which really makes the point that the main purpose of the exercise appears to be to eliminate Premier's voting strength There are 16 400 000 Kimet shares on issue, of which about 11 million are held by Kirsh Industries This means that the total ordinary voting strength is 16 400 000 against the 18-million votes which Premier could exercise whenever it felt that its interests might be jeopardised by Mr Kirsh's acquisitiveness

For example the cold hand of Premier was probably responsible for Kimet's abortive bid for H Lewis This could have been either an embarrassment for Premier — or a competitive threat bearing in mind the Kirsh drive

By the same token, the distancing of Kimet from Premier leaves the company free to move in any direction it wishes in the food industries as well as giving Kirsh Industries the freedom to pounce on Tiger Oats, about which more later

It might be argued that R3 500 000 is a high price to pay for getting a free hand but it must be remembered that the preference shares are not only entitled to a percentage of the dividends which are paid to ordinary shareholders but they are also entitled to their 16 3% on "the total cash profits of Kimet received from any of its investments" This quote comes from the Kimet prospectus

So there are sound financial reasons for paying a premium for freedom I am given to understand that the company will raise the cash by temporary short-term funding which stage will later be converted into a long term loan

Back to Tiger Oats About a million Tigers have changed hands this week Yesterday's total was 229 000 The shares are being traded at 1 750c against 1 550c before the so-called restructuring at the talks with Old Mutual

Market sources suggest that the buying is probably coming from "the house" and the Old Mutual At 3 8% yield Tigers are not an attractive buy which appears to confirm that the buying is offensively defensive

Where is the stock coming from?

By the sheer volume it does not look like "little investor selling", although it is possible that many small investors see this as an opportunity to take a good profit It looks as if some institutions might be among the sellers Total Tiger ordinary shares in issue number slightly more than 11-million

Strike causes price increase

Times 2-4-5-180

Staff Reporter

THE Cape Butchers Association representing 180 Cape Town butcheries will meet meat wholesale firms this afternoon to discuss the industry-wide dispute between employers and workers.

The association was formed on Tuesday night after 160 butchers met to discuss the strike by 800 workers in the meat industry. Butchers said at the meeting that there had been a tremendous rise in the price of meat in the past two weeks because of the abnormal situation created at the abattoir.

The butchers resolved to send a deputation to the general manager of Karoo Meats, Mr Johan Louw, to ask him to arrange a meeting between the butchers and the meat wholesalers to discuss the dispute.

According to the association Mr Louw has arranged the meeting for this afternoon.

- An Orangezicht woman signing herself "Meat Eater" sent a letter to the Cape Times enclosing R50 for the meat strikers. The money was part of the what she would have spent on meat for the month.

"We as a big meat eating family have taken a vow not to buy or eat meat in restaurants till the meat workers have been reinstated," she wrote.

- Students at the University of Cape Town have organized a concert with jazz musicians Merton Barrow and Mark Ginsberg in the students union on Saturday night to raise money for the workers.

30/05/80 ARGUS

Detention provocative — union

(186) (145) (329)

Labour Reporter

THE Western Province General Workers' Union has described as provocative the detention by Security Police yesterday of two union organisers under Section 22 of the General Law Amendment Act

Miss Di Cooper was taken by police from the union's offices in Athlone about 4 pm

Mr David Lewis was detained as he left the docks about 4 45 pm after attending a meeting between the stevedores' committee and management

The union said today that removing union leaders would not end the dispute in the Cape Town meat industry, which involves about 800 members

'It will simply give rise to a leaderless mass of angry workers — a situation in which escalation of the conflict will be inevitable'

The detentions coincided with the failure of a meeting between butchers and employers to reach common ground on the two-week dispute

Employers stressed that they were not prepared to consider reinstatement of the 800 workers, dismissed after a one-day strike in support of demands for recognition of unregistered representative committees

The 120-member Cape Butchers' Association, formed this week in response to the crisis, said in a statement it now had no option but to implement a decision to stop selling red meat from Monday

Butchers in the African townships have this week been selling only chickens, under pressure from the community

The Western Province General Workers' Union called on the authorities to release Mr Lewis and Miss Cooper It renewed a call on the meat bosses to negotiate with workers

'The detentions are clearly an attempt by the State to intimidate the meat workers and their union into submission' it

FM 30/5/80

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WILLEM BARENDSZ

Dividend threat

Activities *Pelagic fishing operator processing in land-based factories at Walvis Bay. The directors beneficially own 4,4% of the equity. Own 16% of SWA Fishing Industries.*
Chairman *R Silverman*
Capital structure *9,4m ordinaries of 50c. Market capitalisation R6,1m.*
Financial *Year to December 31 1979. Borrowings long- and medium-term, R347 000. Net cash R3,9m. Debt equity ratio 4,7. Current ratio 5,8. Net cash flow R2,1m. Capital commitments Nil.*
Share market *Price 65c (1979-80 high 88c, low, 50c, trading volume last quarter 251 000 shares). Yields 18,6% on earnings 16,9% on dividend. Cover 1,1. PE ratio 5,4.*

This year's strict fishing quotas confirm that government is determined to halt the over-fishing in SWA waters. Because of this chairman Robert Silverman's statement that 'unless there is a dramatic improvement in government's conservation policy it is not expected that the company will attain the same profits this year' indicates a significant prospective earnings decline this year. And as uncertainty continues to surround the industry cash reserves are more likely to be retained than used to peg the dividend.

Last year's marginal turnover increase to R5,1m (R5m) was due mainly to a good run of anchovy with a high oil yield during the second half of the season. But earnings rise from 11,2c to 12,1c is not sufficient to reverse the downward trend from 19,1c in 1976. Fish catches so far this year are considered 'fair', with 50% falling into the non-quota category.

The company has, to a limited extent, tried to spread its risk. With the drop in its own production of canned pilchards it has expanded the marketing of pilchards from both Japan and South America.

	76	77	78	79
Return on cap %	38,9	43,4	30,3	31,2
Turnover (Rm)	11,2	8,8	5,0	5,1
Pre tax profit (Rm)	3,9	3,1	2,1	2,3
Gross margin %	34,8	36,8	44,0	46,8
Earnings (c)	19,1	15,6	11,2	12,1
Dividends (c)	15	15	11	11
Net asset value (c)	58	64	62	70

The balance sheet remains strong, with few long-term liabilities. This will enable the company to gear up fairly easily when it decides, as it must, to diversify outside the industry.

Despite these positive features the fate of this year's dividend is in the balance. Last year's maintaind 11c payment was covered only 1,1 times and with earnings expected to fall it is unlikely to remain pegged. Cash reserves will be needed to finance projects over the next few lean years.

Fiona Halse

DATES TO REMEMBER

Last day to register dividends
Friday June 6 Bonuskor 5c, Dubin 8,5c, Fedfood 16c, Harrowes 2,5c, ICS 5,5c, Nampak 21c, Pep 40c, Progress 4c, Sam Steele 2,5c, Searles 16c.
Meetings
Monday June 2 ABC Amaprop, Sorec.
Tuesday June 3 Nimian & Lester (Durban).
Wednesday June 4 Amgold, Nat Veneer (Alrode).
Thursday June 5 Sea Products (Windhoek), SWA Fishing (Windhoek), Willem Barendsz (Windhoek).
Friday June 6 Pep (Cape), Searles (Cape Town).

All meetings are in Johannesburg unless otherwise stated.

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FEDFOOD FM 30/5/80

Attractive rights (186)

As expected (*FM*, April 18) Fedfood's acquisition programme of the past few months has led to a rights issue. Shareholders are being asked to put up an additional R15m. Terms are 20 for-100 at 420c, involving the issue of 3.6m new shares.

At March 31, the end of fiscal 1980, the group had capital commitments exceeding R22m. Of this R15m, represented the purchase consideration for Table Top which together with the group's other new acquisition Riviera Food, is expected to add about 20c to earnings this year.

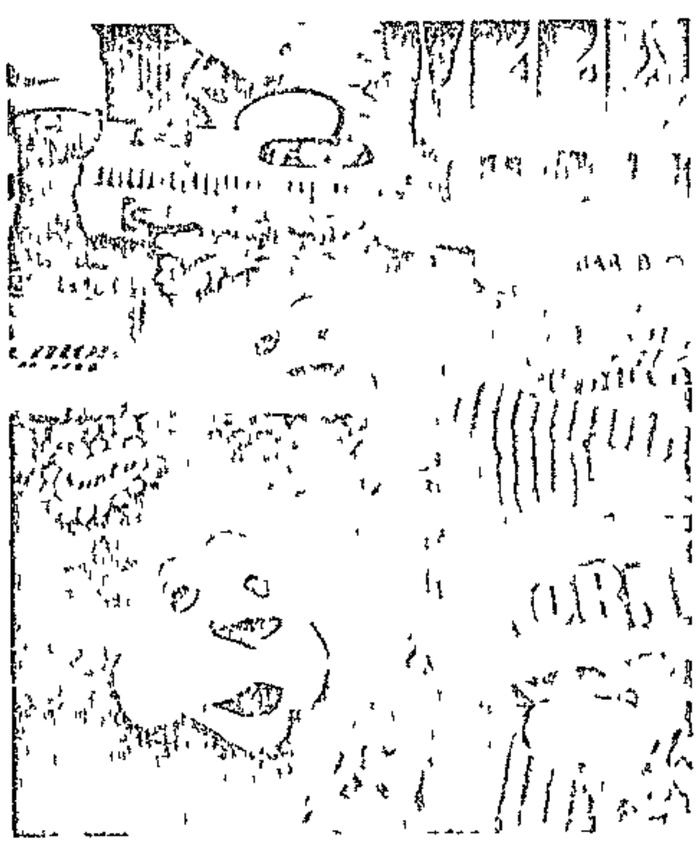
The issue promises to be a success. After a 42% earnings increase last year to 60.6c, compared with 1979's annualised figure of 12.6c, the directors are looking forward to successful growth in 1981. Aided by the two new group members, a further useful dividend increase can be expected which should make the issue attractive on a yield basis.

Dividends totalling 29c were declared last year, yielding 6.9% at the 420c issue price, which is at an 18% discount to the present market price of 51c. Even a modest growth rate this year should see earnings at 9c and, allowing for a planned increase in cover, a 38c dividend total could be paid. This would place the rights issue on a prospective yield of over 9%, which is difficult to match under present market conditions.

Results for the year to end-March show a 57% increase in turnover but with tighter margins, possibly due to an increased dependence on the milling industry. Operating income was up only 51%. However, there was a proportionately smaller increase in interest payments and the tax rate was slightly lower, with the result that attributable profits showed a 65% improvement. The smaller rise in earnings was due to an increase in the issued capital from 17m to 17.8m shares.

The group is optimistic about most sectors of its business, with the exception of fishing. Even here, however, it believes recent reports on the industry have exaggerated its negative aspect, although it is clear that this division is likely to have a retraining effect on overall results.

Bruce Thompson



Fedfood . a good tasting issue

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UNIVERSITY OF CAPE TOWN
EXAMINATION ANSWER BOOK

All answer books must be numbered

Number of books handed in	5
Number of this book	3

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

	Internal	External
(1)	(2)	(3)
9(b)	12	
(b)	10	
	12½	

N. MERCURY 30/5/80 (186)

Sugar mills to be expanded

Deputy Financial Editor

THREE sugar mills in the Smith Sugar group are to be expanded in a five-year scheme costing R32,9 million. Refining capacity is also to be boosted at a cost of R10 million.

Noodsberg mill at Wartburg is to be boosted from 235 to 280 tons of cane an hour, equal to a 19 percent increase, at a cost of R 2,5 million by August this year

It will cost Illovo mill R10,4 million to increase by 29 percent from the current 155 to 200 tons by May next year

Major expansion will be at Sezela, where capacity will be stepped up from 350 to 450 tons an hour (a 29 percent rise) at a cost of R 20 million, with the project started in October this year and planned for completion in 30 months

At Pongola and Gledhow the current capacity is considered sufficient, and earlier plans to boost Umzimkulu were over-optimistic and have fallen away

"The capital will be found in the group and no borrowing is envisaged and because the the projects are 'marginal in nature, the internal rates of return are most attractive for the group"

Plans to expand refining capacity are estimated to cost R10 million at current costs This scheme is at the planning stage.

Paper No
(to be copied from the heading on the Examination

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

pieces of paper or other mate-
ght into the examination room
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not to communicate with other
ith any person except the invi-
swer book is to be torn out
s must be handed to the com-
in invigilator before leaving the

Any dishonesty will render the candidate liable t possible exclusion from the Un

FM 30/5/80

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FEDFOOD

Fedfood Limited

Directors
Dr C J F Human (Chairman), J D Louw (Managing director) J H Bekker, J S de Villiers C G du Plessis, J W du Toit, F J H le Riche R Rutowitz F J van Zyl

Notice to shareholders

Change of name
A special resolution changing the company s name from Federale Voedsel Beperk and the translated name, Federale Foods Limited, to Fedfood Beperk and Fedfood Limited was passed at a general meeting held on Tuesday, 27 May 1980 This special resolution has been registered by the Registrar of Companies

Application has been granted by The Johannesburg Stock Exchange (the JSE) to reflect the listing of the shares under the new name of Fedfood Limited as from Monday 9 June 1980 The abbreviation of the company s name Fedfood and the listing of the company s shares under the Food section on the JSE listings remain unchanged

The existing share certificates bearing the name Federale Voedsel Beperk togetner with earlier share certificates bearing the company s name, Marine Products Limited are being recalled and will be replaced by new share certificates

Exchange of share certificates
Fedfood shareholders who hold either Federale Voedsel Beperk or Marine Products Limited share certificates (the old share certificates) should lodge their old share certificates as soon as possible with the company s transfer secretaries at the address given below for replacement with certificates bearing the new name of the company New certificates will be mailed by registered mail to shareholders not later than 7 (seven) business days after receipt of the old share certificates

Old share certificates will remain good for delivery in respect of deals concluded up to and including Friday, 6 June 1980 Delivery of Fedfood scrip in respect of deals concluded on or after Monday, 9 June 1980 must be in the form of new Fedfood share certificates

New share certificates will be available from 9 June 1980

F M Rossouw
Secretary

28 May 1980

Registered office
André Greyvensteyn Avenue
Isando
1600

Transfer secretaries
Central Registrars Limited
28 Harrison Street
Johannesburg
2001
(P O Box 61042
Marshalltown, 2107)

Premier boot on other foot

(186) 232 BDM 30/5/80

By HAROLD FRIDJHON

PREMIER Milling shareholders will make a useful profit out of their Kimet investment when the Natie Kirsh company pays out the R3 570 000 to the holders of the 9-million participating preference shares to compensate them for the loss of special voting rights and their participation in profits and dividends.

Premier obtained the pref shares when Mr Kirsh bought out the milling company's interest in Metro Cash & Carry For Premier that was a good deal, a participation in Kimet's profits as well as an 11% return on the nominal value of the shares No doubt on what Premier had originally paid for its holding in Metro the return was worthwhile

But Premier did not feel disposed to holding the 9-million shares so it sold 6-million to two banks This means that on the balance of 3-million pref shares, Premier will earn R1 190 000 on an outlay of R3-million over two years — a satisfactory return by any standard

That, however, is only part of the story, Premier is still getting its 11%

Mr Tony Bloom, chairman of Premier, said that he was satisfied with the deal but, commenting on the headline in yesterday's Business Mail, he added that it was not Kirsh blocking Premier Milling, rather was it Premier Milling unblocking Kirsh

By voluntarily surrendering its voting rights — for which Premier and the other pref shareholders were adequately compensated — Premier had given Mr Kirsh freedom of action, Mr Bloom said

120 butchers to stage boycott

Two union officials detained

CAPE TIMES 30/5/80

Staff Reporter

THE CRISIS in the meat industry came to a head yesterday with the detention of two key organizers of the workers' trade union and an announcement by 120 Cape butchers that they would not sell red meat from Monday.

According to a statement by the union, the Western Province General Workers' Union (WPGWU), Mr David Lewis and Ms Diane Cooper were detained by four security policemen yesterday afternoon Ms Cooper was taken from the union's Athlone offices by four security policemen at 4 pm yesterday Mr Lewis was detained at the Cape Town docks at 4 45 pm as he was leaving a meeting of the Stevedores Workers Committee and their employers

Both have been detained under Section 22 of the General Law Amendment Act

Mr Lewis and Ms Cooper have both addressed numerous community meetings since the start of the strike, in an attempt to raise money for the meat workers

Full support was given to the workers at all the meetings Hundreds of rands have been given by members of the community to support the striking workers, and the boycott of red meat in support of the workers demands has spread to all sectors of the community

The dispute in the meat industry has been simmering for nearly two weeks, since 800 workers went on strike in support of the demand by workers from Table Bay Cold Storage Company for management recognition of their elected workers' committee

All the workers belong to the WPGWU, which has been paying them each R15-a-week subsistence pay since the start of the strike

On Tuesday night 120 butchers from as far afield as Paarl decided that unless the workers were reinstated by the end of the week, they would not sell red meat from Monday The butchers formed an association called the Cape Butchers Association

'We have no alternative'

At a meeting yesterday afternoon representatives of Cape Town meat wholesale firms told a delegation from the butchers' association that the reinstatement of the workers was "not negotiable"

A spokesman for the butchers' association said last night that "we now have no alternative but to implement the decision taken at our meeting on Tuesday night" He said the decision had been taken "as a result of pressure from our communities"

From Monday, he said, the butchers, who between them own more than 180 butcheries, would sell only chicken

The Cape Town Meat Industry and Livestock Agencies confirmed in a statement last night that they had held a meeting with the Cape Butchers' Association

"The employers discussed with them the actions which led to the threatened boycott, but were unable to make any concessions with regard to the re-employment of the 800 former employees"

● The Western Cape Traders' Association, which represents more than 2 000 traders, last night expressed its 'full and unqualified support' for the Cape Butchers' Association's decision not to sell red meat from Monday

In a statement released last night the WCTA said the failure to reach a settlement at yesterday's meeting between the butchers' association and the meat wholesalers "leaves the butchers with no alternative but not to stock red meat"

Cape Times

30 | 5 | 80

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nation of voting rights of the prefs (all of which are owned by Premier Milling) which, as the announcement says, will simplify control of Kimet That could be an important factor if Kimet is in any way involved in a future bid situation

Brian Thompson

FEDFOOD FM 30/5/80

Attractive rights

186

As expected (*Fox*, April 18), Fedfood's acquisition programme of the past few months has led to a rights issue Shareholders are being asked to put up an additional R15m Terms are 20-for-100 at 420c, involving the issue of 3,6m new shares

At March 31, the end of fiscal 1980, the group had capital commitments exceeding R22m Of this R15m, represented the purchase consideration for Table Top which, together with the group's other new acquisition, Riviera Foods, is expected to add about 20c to earnings this year

The issue promises to be a success After a 42% earnings increase last year to 60,6c, compared with 1979's annualised figure of 42,6c, the directors are looking forward "to successful growth" in 1981 Aided by the two new group members, a further useful dividend increase can be expected which should make the issue attractive on a yield basis

Dividends totalling 29c were declared last year, yielding 6,9% at the 420c issue price, which is at an 18% discount to the present market price of 515c Even a modest growth rate this year should see earnings at 95c and, allowing for a planned increase in cover, a 38c dividend total could be paid This would place the rights issue on a prospective yield of over 9%, which is difficult to match under present market conditons

Results for the year to end-March show purchase of Pretoria-based Paper & Packaging Industries by what amounts to a 9-for-100 rights issue at 770c

Officially, the consideration is 2,45m Nampak shares, but the vendors of PPI — the Raimondo family — are renouncing their rights in favour of C G Smith & Co Smith in turn, is renouncing its rights (to the renounced rights of the Raimondos) in respect of 44,6% of the shares to be issued in favour of Nampak minorities

The effect, therefore, is of a rights issue underwritten by Smith, and if everyone follows their entitlements the shareholding structure of Nampak will remain unchanged But by the same token, if minorites do not take up the additional shares, Smith could increase its stake in Nampak to about 59% from the present 55,4%

Why the round-about way of raising the funds? For a number of reasons one is that the 770c issue price, which is the same as the price on April 30 when the deal was concluded, is probably higher than would have been possible through a "normal" rights issue which would consequently have had to be larger Even after the 80c share price rise to 850c since April, the 9,4% discount might be considered a little narrow

Secondly, Smith was prepared to put up the full R18,9m purchase consideration in exchange for new Nampak shares, but it was accepted that this would not be fair to minorities who have accordingly been given the opportunity of maintaining their proportionate interest in the company

Finally, there is a slight time advantage in this method compared with the normal schedule of a rights issue

An amusing side-line to the deal is that Nampak sold back a 44,2% interest in PPI to the Raimondo family in 1978 for R3,1m — the present purchase price is effective-

Fedfood . . . a good tasting issue

186

Cape Times 31/5/80

Butchers plan to end red meat sales

Staff Reporter

THE campaign against the fresh meat market begins in earnest on Monday when about 200 Western Cape butcheries will stop selling red meat

The butchers decided to implement the boycott after the breakdown of a meeting on Thursday with more than 20 representatives from meat wholesale firms to discuss the strike of 800 meat workers

A spokesman for the Cape Butchers' Association said one of the reasons for the butchers' boycott was that butchers were afraid their property would be damaged and business disrupted by members of the community, if they were to continue to sell red meat

"We felt that in the light of the current unrest in the country, and particularly in the Peninsula, as well as pressure from civic associations, parent-student bodies and students in general, we had to take this stand, the spokesman said

Approached for comment on the boycott, Mr J Maynard, branch manager of the Meat Board, said it was "the first he had heard of it"

At a general meeting yesterday, the meat workers called on the "people of Cape Town to support the progressive butchers by buying chickens and eggs from them"

The workers also called on the general traders of Cape Town to join the boycott of red meat products and not to sell chickens and eggs in competition with the butchers'

Meanwhile the boycott of schools continued yesterday with a complete stay-away at most schools The stay-away is believed to be in sympathy with the two people shot in Elsie's River earlier this week

Repressive policies

The recent detention of two Western Province General Workers Union Mr Dave Lewis and Ms Di Cooper, has been described as retrogression to the old style of repressive labour policies by the Federation of South African Trade Unions

The statement issued by FOSATU's general-secretary, Mrs Alec Erwin, read "FOSATU strongly condemns the detention of Dave Lewis and Di Cooper

"We believe that this is detrimental to the development of the trade union movement in South Africa and will reinforce the suspicions that black workers have about the new legislation

"It is time for management and government to fully abandon the agitator thesis and acknowledge that strike action at present is caused by fundamental grievences and iniquities experienced by black workers

"The organization of black workers is not agitation but absolutely necessary if we are to achieve a just and stable society"

Employers to be 'held responsible'

Staff Reporter

THE meat employers would be held responsible for any unrest or damage which may follow the red meat boycott which comes into effect on Monday, the chairman of the Western Province Traders' Association, Mr Dawood Khan, said yesterday

"We will hold the (meat worker) employers responsible if anything goes out of hand on Monday We have tried everything in our power to come to an agreement and we have discussed with the secretary of Manpower Utilization, Mr Jaap Cillier, the seriousness of the situation but have got nowhere, Mr Khan said

"We would also like to make our last and earnest appeal to the meat bosses that we are prepared to meet them to discuss a settlement"

Mr Khan said he had noted the call by striking meat workers to all general traders not to compete in the sale of chickens and eggs with butchers who decided to join the boycott of red meat and would sell only chickens and eggs from Monday

Mr Khan said he would call an urgent meeting of all general traders within the next few days to consider the appeal from the workers for general traders not to compete with the butchers in the sale of chickens and eggs

We have given our unqualified support to the striking meat workers, Mr Khan said

31/03/80 ARGUS (186)

Call to back hutchers' meat ban

Labour Reporter

SEVERAL hundred meat workers at a meeting in Athlone yesterday called on the people of Cape Town to support butchers who have decided not to sell red meat products from Monday

They asked people to buy chickens and eggs only from these butchers, and called on general traders not to sell chickens in competition with the butchers

The workers condemned the detention on Thursday of union organisers Mr David Lewis and Miss Di Cooper under Section 22 of the General Law Amendment Act

It was resolved to continue the fight — led by the workers themselves — for democratic workers' committees

MANUFACTURING — FOOD

2 JUNE 1980 — 30 SEPT 1980

The union behind the meat workers

CAPE TIMES 2/6/80 (1876)

By LIZ McGREGOR

BARE wooden benches and a couple of rickety desks furnish the two small, cluttered offices the walls are covered with duty rosters hastily drawn up on large strips of newsprint, photographs of previous organizers and newspaper cuttings

In one of the rooms, a woman with a baby strapped to her back talks on the telephone in rapid Xhosa while an old man offers cups of hot, strong tea In the next room a bearded young man offers advice to a worker on how to get compensation for injuries he received at work

This is a mid-morning glimpse of a typical day in the Athlone offices of the Western Province General Workers Union — the union to which the 800 meat workers locked in a struggle with their employers over representation belong

The union runs a workers' advice bureau and advises workers in the milling, textile, construction, stevedoring, engineering and metal industries Each union member, whose average wage is R35 a week, contributes 80 cents a month towards running the union

It is the bank account built up by this contribution, combined with an additional R1 a month which the workers in the union have agreed to contribute while the strike is on, as well as money collected from the community, which is enabling the union to pay the striking meat workers R15 a week to keep themselves and their families until the strike is over

Cornerstone

Most workers affiliated to the union are black Some are contract workers while others have the right to live permanently in Cape Town However, a large number of members are coloured, and union officials emphasize that unity of workers, whatever their colour, is one of the cornerstones of their practice

The WPGWU employs six full-time organizers, but the workers themselves control the union s affairs The controlling committee, which makes all decisions concerning staff and finances, as well as union policy, consists of representatives from each of the worker committees in factories organized by the union

The WPGWU's practice is to establish an elected workers' committee in each factory which will represent the workers in disputes with their employers

In a paper published in the South African Labour Bulletin, the union outlined its position "It is never the function of the union secretariat or bureaucracy to substitute itself for the workers Rather, the function of the union officials is to ensure that the workers possess the necessary 'skills' and self-confidence to face the management themselves "

And this policy is evident in the current meat strike Eight hundred black men, accustomed all their lives to taking orders, are now setting the pace They have addressed community meetings of several hundred people in an attempt to raise the money to pay the R11 000 a week bill that the strike is costing the union

Daily meeting

A "meat committee" consisting of one representative from each factory involved in the strike takes decisions, but every decision is referred for approval to the daily meeting of all 800 workers at the Joseph Stone Auditorium in Athlone

The workers have announced that any activities undertaken by other people in their support must first be approved by the workers

The WPGWU recently took the controversial decision not to register with the Department of Manpower Utilization in terms of the Industrial Conciliation Act The reason for this is that the union organizes workers in different industries, which is not allowed in terms of the Act

Also, the union was opposed to the "racial principle embodied in the Industrial Conciliation Act", as workers of different race groups will be able to belong to the same union only by special exemption from the department

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2 Candidates are not to communicate with other candidates or with any person except the invigilator
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Butchers asked not to sell meat

C. T. 2/6/80 (186)

Staff Reporter

CAPE TOWN's 800 striking meat workers yesterday called on communities throughout the Peninsula to support the decision of the Cape Flats butchers not to sell red meat from today

We are sure that this move by progressive butchers who align themselves with the workers will rapidly make its effects felt on the meat bosses says a statement issued by the workers and their union

They requested that communities who join the move refrain from using violence against any of their own butchers who continue to sell meat Instead workers have called on the community to note the butchers who do not support the workers cause

Expressions of violence against butchers can only play into the hands of those who wish to accuse the community and the workers of irresponsibility and lack of discipline, the statement reads

Workers believe that such accusations will lead to further action against communities and their organizations which will only harm the long-term aims of building up democratic workers organizations

Full support for the cause of the meat workers came last week from the International Federation of Transport Workers

In a telegram sent on behalf of transport unions the federation expressed support for workers in the present dispute over representation

Premier's case for dearer bread

(186)

RDM 2/6/80.

By SIMON WILLSON
Industrial Reporter

APRIL'S bread price increases, which followed the effective subsidy reduction in the Budget, were both justified and reasonable, says Mr Tony Bloom, chairman of Premier Milling, in the company's annual report.

He says the higher bread price will undoubtedly hurt consumers at the bottom end of the wage scale, but looked at objectively, the increase was unavoidable

"There cannot be many other consumer products where the Government subsidy was practically equal to the consumer price, and where the consumer price had been held firm for over two years despite large increases in the raw material and manufacturing costs applicable to such a product," Mr Bloom says

The price of a loaf of white bread went up from 25c to 30c and a brown loaf rose from 16c to 20c, including 1c general sales tax for each

This was the result of the R141-million bread subsidy announced in the Budget, a R51-million increase on the previous year's figures

But in real terms the subsidy increase meant a 5c drop in the subsidy for each white loaf and a 4c subsidy drop for each brown loaf

A total of 1 200-million loaves are sold annually in South Africa The value of brown bread sales is R126-million — 70% of the total — and white bread sales are worth R43 200 000

"Generally speaking, subsidies are an undesirable part of any economy, but with South Africa's unique socio-economic structure and problems, subsidies form an inevitable and necessary part of our economic planning," Mr Bloom says

"This is particularly true of food subsidies It is an extremely difficult task to find the appropriate level for such subsidies and it is against this background that the recent increase in the price of bread must be viewed"

None of the extra revenue from the increase in price will find its way into increased profit margins for millers or bakers He predicts that bread producers are likely to experience short-term pressures as the higher prices will lead to reduced demand

"Nevertheless, taking all factors into account, I believe that the increase was both justified and reasonable

"In future, to reduce the psychological impact of large adjustments in price, consideration could perhaps be given to more frequent, but smaller, adjustments"

Premier Milling's report says both sales and profits reached record levels in the year to March, 1980

Group sales, at R910-million, were 19% higher than last year and the pre-tax and pre-interest trading surplus totalled R58 800 000 compared with R50 800 000 in fiscal 1978

After-tax profit attributable to ordinary shareholders reached R28 300 000 — R5 300 000 higher than in the previous year and an increase of 23%.

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2/6/80 ARGUS

Red meat sales ban

Labour Reporter

A DECISION not to buy or sell red meat is being put into effect from today by about 180 butchers belonging to the Cape Butchers' Association

This follows the failure of talks with meat industry employers last week to produce any agreement on the labour dispute in the industry, involving about 800 workers

A spokesman for the butchers' association said the position would be assessed from day to day.

3/6/80 ARGUS (186)

Butchers' action is applauded

Meat

Labour Reporter

CAPE TOWN meat workers have expressed their gratitude to butchers on the Cape Flats who are supporting the workers' cause by refusing to sell red meat.

'In taking this historic decision the butchers are liable to suffer considerable financial loss,' the workers' committee said in a statement yesterday.

'The fact that they are willing to do so is a profound indication of the immense anger of all sections of the community at the meat bosses' refusal to accede to the reasonable demands of the workers.'

About 800 meat workers were dismissed two weeks ago after a one-day walkout in support of demands for recognition of their committees at Table Bay Cold Storage and National Meat Suppliers.

They have been assured in a telegram from the International Confederation of Free Trade Unions (ICFTU) that the whole free trade union movement is behind them in their struggle.

The ICFTU expressed dismay at the detention last week of Mr Dave Lewis and Miss Di Cooper, two organisers of the Western Province General Workers' Union to which the meat workers belong.

Mr Norman Daniels, Western Cape leader of the Trade Union Council of South Africa (Tucsa), said the union organisers and all other detainees should be charged or released immediately.

Red meat shelves were bare

CAPE TIMES 3/6/80

(186)

Staff Reporter

THE red meat shelves of most Cape Flats butcheries were bare and a number of butcheries were closed altogether yesterday, the first day of the butchers' boycott of red meat in support of the demands of 800 striking meat workers

Over 180 butchers resolved at a meeting of the Cape Butchers Association on Sunday night to carry out a decision taken last week not to sell red meat until the workers were re-instated

A spokesman for the association said yesterday that he had heard of only two black butchers in Cape Town who were still selling red meat yesterday The others were either selling only chicken or had closed completely

"What we are all hoping for now is negotiation between the meat employers and the workers The sooner things return to normal, the happier we will be," he said

Meanwhile, the International Confederation of Free Trade Unions yesterday sent a telegram to the workers' trade union, the Western Province General Workers Union, "deploring" the meat employers 'intransigence"

The ICFTU said they "fully supported the workers' action in pursuance of normal trade union rights "

"We assure you that the whole international free trade union movement is behind you in the struggle for the application of nationally recognized labour standards," concluded the telegram

At a general meeting yesterday, the striking workers expressed "their gratitude to the butchers of the Cape Flats for refusing to sell red meat and red meat products in support of our cause

"In taking this historic decision, the butchers are likely to suffer considerable financial loss," according to a statement released by the workers' committee after the meeting

"The fact that they are willing to do so is a profound indication of the immense anger of all sections of the community at the meat bosses' refusal to accede to the reasonable demands of the meat workers for democratic workers' committees in the meat factories "

The ghost returns

A wave of labour unrest has once again hit South Africa, raising new doubts about the ability of employers and the Government to meet black worker aspirations. Labour Reporter **STEVEN FRIEDMAN** analyses the present strike wave.

IN the past few weeks the ghost of 1973 has returned to haunt South Africa.

In 1973 employers and the Government were jolted by a wave of strikes in Durban which prompted much agonising about the treatment of black workers

Now a spate of strikes, which has been building up since last year, has culminated in major factory-floor unrest in Durban and Cape Town

The Durban strikes were uncannily similar to their 1973 counterpart They occurred in the same Frame Group factories where the earlier unrest had begun Once again, they were prompted by low wages

But many of the strikes have been different to those in 1973 Worker demands have been more sophisticated and the strikes have lasted longer and been more successful They point to growing black worker militancy and effectiveness.

Last year's Wiehahn Commission report prompted talk of a new labour era But the key question raised by 1973 is just as pressing today

Are employers and the Government prepared to meet black worker aspirations and thus prevent major waves of unrest?

The answer then was no Seven years later, much has changed But the answer has not.

labour unrest in the past.

Another feature of the strikes has been the failure of negotiations with the group's liaison committee

These committees, introduced in the wake of the 1973 unrest, comprise equal numbers of elected black worker and management representatives

Unions have long argued that they are weak, ineffective and regarded by black workers as "stooge" bodies They also argue that they were introduced to squeeze out trade unions.

The black union movement believes workers should be represented in the factory by union shop stewards (workers elected by their fellow union members on the shop-floor) who enjoy the backing of inde-

Meat workers in Cape Town have been on strike for nearly three weeks. They staged a one-day sympathy strike with workers at Table Bay Cold Storage, but were then prevented from returning by employers who argued that they had broken their contracts by striking

The strike follows a spate of Cape strikes this year which have affected the docks, engineering, construction and meat companies — even a number of fruit factories in the rural areas, where strikes are extremely rare

None have concerned pay. They have hinged around alleged unfair dismissals and worker demands for union-backed committees.

Significantly, almost all of

Cilliers, warning that people who did not use the bargaining channels provided by the Government could face action

The strike continues and has become a "battle to the death" between employers and a union whose support and effectiveness has grown dramatically

If the employers win, they will have stopped the worker advance in the Cape in its tracks If they lose, they will have to brace themselves for new and more effective worker demands

Even if the employers do win, however, it is difficult to see how they can end worker militancy They would, no doubt, quieten it for a while But it would return — inevitably in a stronger form

The recent unrest has indicated that neither the Govern-

ment nor employers are getting to grips with worker demands Employers have generally met workers with a refusal to negotiate and dismissals The Government has made threats and detained leaders

Some argue that it has proved the Government's new dispensation is inadequate — that it has been overtaken already by worker militancy

But those who support the Wiehahn deal argue that this criticism is unfair, that the Government is not introducing the reforms quickly enough and that once they are introduced, adequate channels for black workers will exist.

It is by no means certain that the reforms will ever be fully introduced But, even if they are, many observers believe they will be rendered irrelevant

because they are inadequate to meet black worker demands

The system proposed by Wiehahn is complex But one of its chief implications is that the committee system which has been rejected of late will remain in force

Employers will be encouraged to establish non-racial "works councils" which will have much the same structure and role as the liaison committees

Trade unions will be expected to operate at an industry-wide rather than a factory level by joining industrial councils, industry-wide bodies which black unions believe are overburdened with red tape

Most employers confidently expect this system to put paid to black worker demands for shop-floor representation One Cape employer remarked recently that it would "completely stymie" the WPGWU because it would enable employers to set up alternative committees to those the union's members are demanding.

The system could do this But it is likely to do more to cause strikes than to prevent them

One of the most important characteristics of a succesful labour relations system is speed If workers are to be dissuaded from striking, they must have quick and effective channels for redress If the channels are too slow or too cumbersome, they are likely to be ignored

Present labour law, of which the industrial councils are an integral part, is riddled with cumbersome procedures If workers have a pressing grievance, they may well simply ignore them.

A prominent white unionist acknowledged privately some time ago 'It takes far too long to go through the legal channels If our people have a serious grievance, they strike first and ask questions afterwards"

This is not a general view among white unionists Their members have been protected by formal and informal job reservation and have enjoyed far more privileges than black workers

They have had few pressing grievances which required speedy solutions, and, like the Government they believe the system ensures industrial peace

But that is not the view of black unionists Their members are usually not well-paid and have pressing problems which white workers do not — the constant danger of dismissal for union activities, inadequate safety precautions, even the absence of adequate uniforms could spark a strike

This is why black unions have insisted on remaining in touch with their membership and have demanded a strong union presence on the factory floor

Employers, the Government, and the established unions prefer the old system. Many of them are unwilling and unready to adjust to the system black unions are demanding — and this unreadiness means that they are ill-equipped to deal with conflict

In a recent speech, Mr Loet Douwes-Dekker, a prominent former trade unionist, now an academic, warned against incorporating black workers "into the same goals and strategies which established unions have followed or been forced to adopt over the past thirty years"

Independent black unions had "identified the place of work as the area of action", he said, and urged employers to come to terms with this trend

He made no bones about the fact that he believed they were not doing this. He quoted examples which indicated that employers were attempting to freeze out independent black unions and replace them with "parallel" unions which accepted the committee system

Employers were also placing obstacles in the way of trade union recognition and attempting to deal only with weak, ineffective unions They were denying unions access to the factory

This attitude, he said, stemmed from the "determined belief by managers that they hold sacred rights to the property of a company.' But, he warned, the greater the attempt by managers to keep unions out "the greater will be the attack on the concept of company property rights in the future'

As labour unrest continues to simmer, those words have an ever-greater ring of truth

changes which have occurred appear to have passed the Frame Group by completely

The textile empire founded by the late Mr Phillip Frame was built on the use of plentiful and cheap black labour. Wage rates remained low because black workers had no channels through which to demand increases

Eventually workers used the only channel they could find — they struck, focussing widespread attention on the group's wages. Indirectly, they prompted significant improvements in most employers' wages But they have had little effect on Frame wages

Last week, Frame joint managing director Mr Selwyn Lurie said he did not know the group's actual wage rates but added "They are at a good level now"

Frame workers, who *do* know what their rates are, disagree Many say they receive R23 a week, just over half the Household Subsistence Level for Durban

The HSL is calculated as the minimum a family of 5 need to live on — and it allows only for bare necessities like food and rent

Minimum wage rates are now R23 a week for men, R18 for women In 1974, they were R13 and R10,40 But, when inflation is taken into account, the current minima work out as R11,95 and R9,61 at 1974 prices The buying power of Frame workers has actually decreased over the past six years

Workers also allege they are getting substantially less than other workers doing the same job at neighbouring textile factories not owned by the group

Wages at the Frame factories are not set by negotiations between employers and workers, but by a legally binding wage order enacted by the Government

The Government makes its order on the basis of employer recommendations, and thus orders the employer to pay what he feels he wants to pay Obviously, employers tend to welcome this arrangement, their workers to resent it

The strike was sparked by pay grievances. A short work stoppage in August prompted management to bring the annual 10% increase forward, but that meant that workers missed their annual January increase.

The company's black liaison committee had been negotiating for an increase since last November and the strike occurred after management told the committee it would only offer workers another 10% this July

The strikes are thus an indictment of the wage order system which, although not widespread, affects some occupations, such as stevedoring, which have been affected by

7/6/80 (86)

'The greater the attempt by managers to keep unions out, the greater will be the attack on the concept of company property rights in the future.'

pendent union officials who are not employed by management and cannot be victimised by it.

The Frame Group, however, has never been willing to recognise a union and the National Union of Textile Workers has had to fall back on a widespread tactic among black unions — to urge shop stewards to stand in liaison committee elections and, in this way, to gain control of the committee

This is precisely what happened at Frame Worker representatives on the committee were mostly union shop stewards

Mr Lurie believes that the committee acted in "bad faith" and implies that it had some part in sparking the strike But the union insists that worker representatives battled to keep negotiations going — to such an extent that workers had become impatient and were rejecting the committee

The result was the strike, violence in Clermont township and the arrest and subsequent dismissal of committee members

This experience, says Mr Alec Erwin, general secretary of Fosatu, has "finally sounded the death-knell of liaison committees."

Both the authorities and the Frame Group have enthusiastically pressed this system on black workers. "But when we reluctantly use it, the committee is ignored by management, arrested by the police and then fired after a strike which they did everything they could to avoid"

The strike has, then, focussed attention not only on wages but on the representation of black workers at the work place. The protracted struggle in Cape Town's meat industry focussed directly on this issue

settlements which contained worker gains

The meat workers are members of the Western Province General Workers Union, whose members have been involved in several of this year's Cape strikes.

Although the union has alleged that pay and general working conditions in the industry are "appalling", the chief demand of workers has been that management recognise worker committees and deal with them

In most cases, employers are only too happy to recognise committees — as long as they are liaison or works committees registered with the Government.

But, as in Durban, the Cape strikers reject these committees, both because they believe they are hamstrung by Government controls and because they are for blacks only and the union has significant coloured membership

They have demanded unregistered committees outside the control of the authorities, and it is this demand which has sparked off the present strike

The strike has led to a Cape red meat boycott backed by all but two black, coloured and Asian butchers It has been compared with last year's Fattis and Monis strike, in which a consumer boycott was instrumental in persuading management to reinstate strikers seven months after the dispute began

Once again, the black community has rallied around the strikers and a labour issue has become a broader community issue — a growing trend

The employers were legally within their rights to lock the strikers out In South African law, workers who strike — even if the strike conforms with the cumbersome procedures laid down by the law — are no longer employees

But employers are not forced to fire strikers If they do, it is because they believe it will help achieve their aims And the aim of the meat employers is the destruction — or at least the weakening — of the WPGWU

Employer sources argue that the union is too "militant", has won too many victories, is a threat A hard line will cause worker disillusionment and reduce the union's influence, if not destroy it altogether, they argue

The authorities appear to agree They detained three WPGWU organisers, the first action against union leaders since 1977 when about 30 were banned.

The union believes they have been detained because police believe that removing them will weaken or destroy the union

It points to a recent statement by the director-general of Manpower Utilisation, Mr Jaap

Jabula healthy

BDT 5/6/80

(186)

BECAUSE OF Jabula Foods continued policy of diversification and new product development, the company is on a sound basis and acquisitions will be sought in the coming year, say the directors in the annual report.

The financial structure is strong and this will enable it to grow from within and ensure that capital required for extensions to plant and equipment is available from its own resources.

Negotiations with the Transkeian authorities are far advanced with a view to building a plant in Umtata to improve penetration in that market — Reuter

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Meat industry, govt agree to end strike

CAPE TIMES 5/6/80 (186)

Political Correspondent

HOUSE OF ASSEMBLY — The government has agreed with meat industry representatives on action to end Cape Town's meat workers strike, but will not say what the action is

The Deputy Minister of Co-operation and Development, Dr George Morrison said yesterday that talks had been held recently with representatives of the Cape Town meat industry and livestock agencies at their request

Replying to a question from Dr Alex Boraine (PFP Pinelands), he said the meeting was to discuss the labour unrest in their industries

"The matter was discussed in full and a line of action has been decided upon"

Asked further by Dr Boraine to indicate what the action was and how soon the strike would be ended, Dr Morrison said a reply to that question at this stage would not be in the interests of the representatives or of the people concerned

Police question meat workers union organizer

CAPE TIMES 5/6/80

Staff Reporter

A WESTERN Province General Workers' Union organizer, the Rev H S Marawu, was detained by the police for three hours yesterday and three striking meat workers were detained on their way to a workers' meeting

Four security policemen also visited the Athlone offices of the union at 11 am yesterday

According to a statement released by the WPGWU yesterday, Mr Marawu was stopped by the police while on union business in Maitland yesterday afternoon and was asked to accompany them to the Maitland police station Two members of the security police were called to Maitland

The WPGWU is the union to which the 800 striking meat workers belong

"The union's lawyers, on requesting information, were told that no such person was there This conversation was overheard by Mr Marawu himself," the statement said

"At the same time three meat workers were stopped in Langa while on their way to a meat workers' meeting, and bundled into a police van They were also taken to Maitland police station The Maitland police have thus far only acknowledged the presence of two workers who are being questioned by the security police "

Sergeant Van Wyk of the Maitland police station said last night that neither the workers nor Mr Marawu had been held at the police station yesterday

o The striking meat workers have received telegrams of support from the Federation of South African Trade Unions (Fosatu), the International Union of Foodworkers (IUF) and the Dutch Trade Union Movement (known in Holland as FNV)

The IUF said they had sent "protest telegrams" to the management of Table Bay Cold Storage Company, to the Minister of Manpower Utilization and to the Prime Minister, expressing their support for the workers' demand for recognition of their committee and "normal trade union rights"

FM 6/6/80 (186)

C G SUGAR

Near-term doubts

Activities: *The largest sugar producer in SA with interests ranging from cane growing to sugar milling and refining. Group annual production in excess of 800 000t Owns 14% of Crookes and 63% of SA Sugar Distributors Is a subsidiary of Barlow Rand*

Chairman: *F R Jones*

Capital structure: *14,9m ordinaries of R1 Market capitalisation R163,9*

Financial: *Year to March 31 1980 Borrowings long- and medium-term, R11m Net cash R17m Debt equity ratio 4,4% Current ratio 1,4 Group cash flow R29,1m Capital commitments R28,8m*

Share market: *Price 1 100c (1979-80 high, 1 350c, low, 500c, trading volume last quarter, 131 000 shares) Yields 12,4% on earnings, 7,7% on dividend Cover 1,6 PE ratio 8,1*

	'77	'78	'79	'80
Return on cap %	16 1	15,0	13,5	14 0
Turnover (Rm)	111	186	192	249
Gross profit (Rm)	21 6	25,8	28 3	39 0
Gross margin %	19,5	13 9	14 7	16 3
Earnings (c)	102	98	93	136
Dividends (c)	75	75	70	85
Net asset value (c)	957	1 042	1 245	1 751

Last year the sugar sector increased 116% while C G Sugar, which is, perhaps, less diversified than other majors, doubled before settling at 72% above the year ago level The strong advance was related to firming world sugar prices and diversification within the industry, and in C G Sugar's case by an increasing share of industry total production

As a result of increased contributions from all profit centres the company earned a record pre-tax profit of R37m (R25,9m) However, chairman Frank Jones says the major factor in this advance was the rising share of the total industry production This occurred as C G Sugar's cane supply areas were not as badly affected by the drought in certain parts of Natal and as additional tonnages were delivered from new lands Group production last year was 837 897t (733 483t), representing 40,3% (35,2%) of total industry figures and this year there is scope for a further increase in the group's share as the drought appears to be hitting other production areas more severely than those used by the C G Sugar mills

C G Sugar . . . loading less cane this year

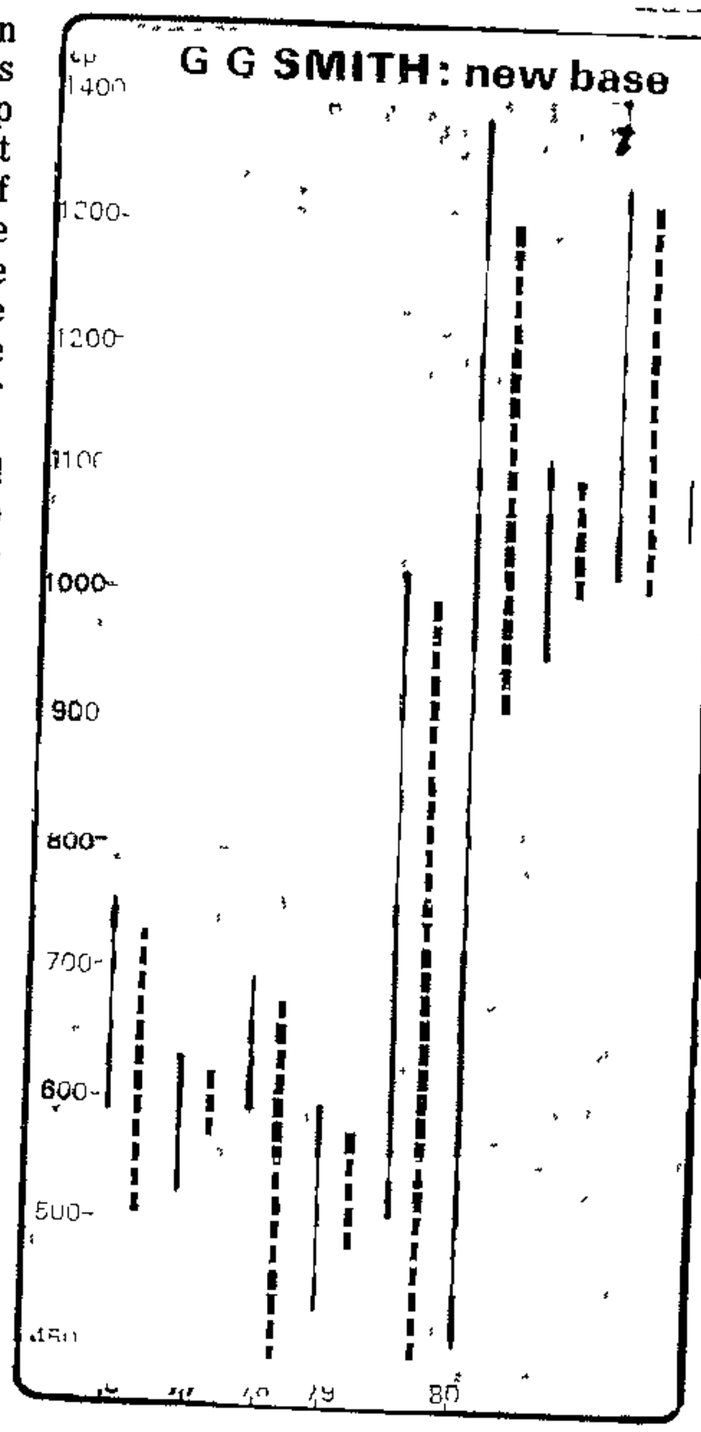
The sugar industry is expected to record a production fall this year of about 15% to some 1,8Mt (2,1Mt) because of the drought This points to the worst production season in some 10 years C G Sugar expects its production will amount to 723 000t of sugar — 41,3% of the industry total

But with lower production elsewhere as well as in SA the outlook for sugar prices is much improved The London raws prices rose over £100 to £287 in the first two months of 1980 before moving strongly to over £300 a ton — through all the ISA trigger points The result was the industry Special Stocks under the ISA fell from 112 800t to 24 000t Total industry proceeds last year amounted to R518m which fell short of production costs and the returns allowed to producers by R28,1m of which R25m was financed through a loan to the SA Sugar Association The R3,1m resultant deficit was absorbed by millers and growers

While near-term prices look reasonably good and C G Sugar is expected to increase its share of national production, total industrial proceeds are more important The crop shortfall this year could mean that the industry will have to finance a deficit for the third consecutive year However with expected production of 723 000t and increased income from other sources C G Sugar expects to at least maintain its dividend This is despite some heavy capex to expand milling capacity over the next five year

Jones says though the industry has the capability to produce more than 2Mt sugar annually, the time has come when production should be expanded, bearing in mind the lag before new cane growing areas can make a contribution The group has embarked on a major expansion programme focusing mainly on Sezela where milling capacity is to be increased by some 29% over the 2-3 years Sizeable increases are also planned at Noodsberg and Illovo The total cost of the expansion will be about R33m which will be financed internally A further R10m could be earmarked for expanded refining capacity

Other profit centres should continue to prosper The Smithchem chemical-from-bagasse operation increased earnings to R844 000 (R397 000) last year With new products and the start up of the furfural alcohol plant in May, higher earnings are on the cards The Illovo syrup range reported a 22% sales increase last year



and pre-tax profit of R412 000 (R198 000) Further growth is expected this year

Investment income is derived from the 14% interest in Crookes and 23% held in the unlisted C G Smith, through which Barlows exercises its control of C G Sugar Last year investment income amounted to R2,4m (R2,2m)

C G Sugar's dividend policy is based on cash needs rather than the declaration of a fixed percentage of earnings Capital commitments amount to R28,8m, which is to be financed internally The group avoids borrowings, having a low debt equity ratio of 4,4% and total borrowings of R11,4m (R10,1m) Last year the R9,4m prefs were redeemed ahead of time

The share, at 1 100c, stands at a 37% discount to assets and yields an historic 7,7% Given that the dividend should at least be maintained and the group is financially sound, the price appears somewhat low One of C G Sugar's corporate goals is to apply funds to diversification in related fields, which adds further to the attraction of the country's largest sugar producer

FM 6/6/80 (186) 3 fishing

PREMIER MILLING

New growth phase

Activities· *Diversified food group with main interests in the processing of wheat, maize and oil seeds Jointly controls the Ovenstone Investments fishing group A 51%-owned subsidiary of Associated British Foods (UK)*

Chairman and managing director· *A H Bloom*

Capital structure *25,7m ordinaries of 50c, 621 100 5 5% prefs of R2 Market capitalisation R218,7m*

Financial *Year to March 31 1980 Borrowings long- and medium-term, R69 8m, net short-term, R72m Debt equity ratio 82,3% Current ratio 1,4 Net cash flow R32,1m Capital commitments R17,3m*

Share market. *Price 850c (1979-80 high, 865c, low, 535c trading volume last quarter 181 000 shares) Yields 13 1% on earnings 4 6% on dividend Cover 2,9 PE ratio 7,7*

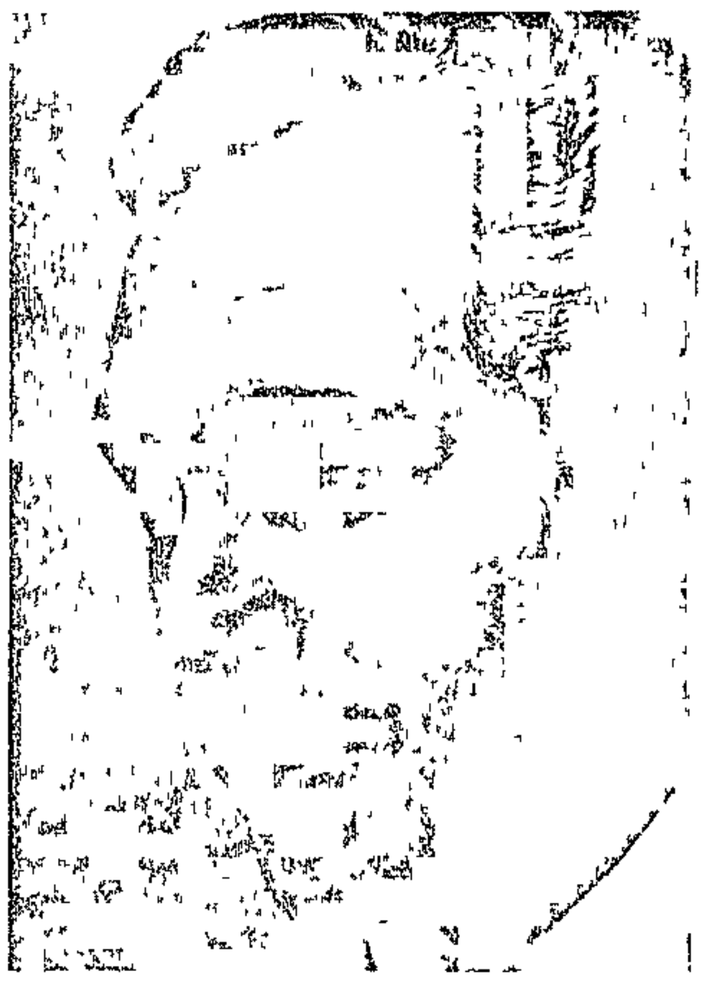
	'77	'78	'79	'80
Return on cap %	20 3	17 9	16 7	17 4
Turnover (Rm)	566	682	763	910
Pre tax profit (Rm)	34 1	34 5	35 1	43 4
Gross margin %	7 5	6 7	6 7	6 5
Earnings (c)	82	84	90	111
Dividends (c)	32	32 5	33	39
Net asset value (c)	442	488	565	659

After two years of nearly static earnings, last year saw Premier Milling once more firing on all cylinders The 23% improvement in earnings and 18% increase in dividends represents the best growth shareholders have seen since 1975, and was in marked contrast to the performance in 1978 and 1979, when distributions were increased by only 1c over the two-year period

The improved trading climate also gave the group the opportunity to strengthen itself financially, providing, as chief executive Tony Bloom says, a base for aggressive expansion and growth in future years

The latest accounts show improvements in most key balance sheet and profit ratios An 11% increase in the total asset base was financed without resorting to additional borrowings on any material scale, with the result that the debt equity ratio declined to 82% (97%) Also, the current and acid test ratios were marginally improved

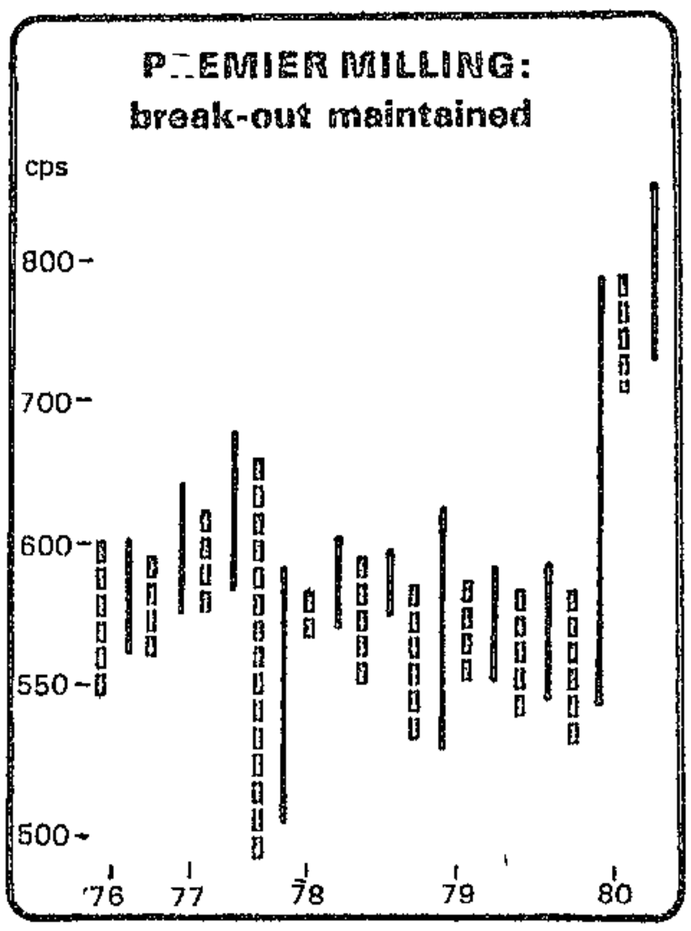
As far as profitability is concerned, the gross return on capital employed (pre-tax and -interest) improved for the first time in five years and pre-tax margins on sales were also slightly better at 4,8% (4,6%) The latter, however, was due entirely to a lower interest charge as the group switched to short-term borrowings to take



Premier's Bloom . . preparing for further acquisitions?

advantage of soft rates at this end of the market The competitive nature of the industry is more accurately reflected in the further decline in the gross margin, calculated before tax and interest, to 6 5% (6,7%)

A feature of the results is that the profit growth was mainly organic There was little activity on the acquisition front and the main thrust came from improved capacity use, aided by the continuing programme to upgrade plant and improve its



efficiency — both factors which helped in the control of overhead costs

The main acquisitions last year included joint control of Ovenstone Investments through a company formed in partnership with the Ovenstone family This R4m investment, coupled with existing holdings in the fishing industry, guarantees supplies of strategic raw materials should present buying arrangements change Premier also acquired the outside 50% shareholding in Superkos, a balanced animal feed manufacturer, and a half-share in Fisher Veterinary Group, which fits in with its other pharmaceutical interests

Against these, the 42% investment in Protea Pharmaceuticals, of Australia, was sold at a capital profit of R2,4m Since the year end the group has also decided to accept Tongaat's offer for its 24% interest in H Lewis (capital profit R4m) and, as announced last week, will receive R3,65m from Kimet as compensation for the cancellation of the voting and participation rights on the pref shares held in that company It is odds-on that the group will now sell the shares themselves, as the 11% coupon under present market conditions suggest that it will be able to do so at another capital profit

As to the current year Bloom sees profits continuing to improve under the impetus of a buoyant economy It is also likely that the group will be more active as regards takeovers than was the case last year, and growth is therefore likely to remain well ahead of the rate of inflation

There are, however, some uncertainties particularly with regard to the substantial increases taking place in the administered prices of such products as maize, wheat and bread Apart from the effect on working capital requirements, in most cases it is too early to predict the full impact on consumer spending patterns

Nevertheless, the group looks good for an increase of at least 25% in earnings and dividends, which would take the latter to 48c (39c) to yield a prospective 5,7% at the present 850c market price This is probably as much as one percentage point more than the prospective yield on rival food giant Tiger Oats, suggesting that Premier is somewhat undervalued

Butcheries begin to sell red meat again

CAPE TIMES 6/6/80

186

ABOUT 100 BUTCHERIES began selling red meat again yesterday after a decision to do so was taken at a meeting on Wednesday night

However at least one butchery was forced to close again yesterday as a result of intimidation by students A butchery in Wynberg was surrounded by students who demanded that the owner take the red meat off the shelves or they would damage his shop

About 30 butchers voted against the decision at Wednesday s meeting to resume sales of red meat and continued to sell only chickens yesterday

At a meeting yesterday meatworkers called on "the people of Cape Town to intensify the boycott of red meat " in the light of the butchers decision to sell red meat again "

Meanwhile the workers' trade union — the Western Province General Workers Union — has condemned state intervention in the meat strike saying that the only action by the state has been to detain two of the union s organizers, Mr Dave Lewis and Ms Di Cooper, and to raise the floor price of meat

In a statement yesterday the WPGWU said that the meat industry had requested a rise in the floor price of meat on May 22 this year On May 23 they had met the Deputy Minister of Co-operation and Development, Dr G Morrison. On June 2 the floor price of meat was increased

We are concerned that the state, under pressure from the meat bosses, has agreed to subsidise the meat bosses present intransigence out of taxpayers money," said the WPGWU Such an intervention would hardly be in the interests of the general community It appears rather in the interests of the meat bosses by allowing them the financial means to hold out against the meat strikers

FM 6/6/80 (186)

Preliminary profit announcement and declaration of final dividend

FEDFOOD

Directors CJF Human (Chairman) JD Louw (Managing) JH Bekker JS de Villiers CG du Plessis JW du Toit FJH le Riche R Rutowitz FJ van Zyl

GROUP PROFIT

The audited financial results for the Group for the 12 months ended 31 March 1980, the 15 months to 31 March 1979, and the percentage increase based on an annualised 1979 result, are as follows

	% Increase 1980/1979	R'000 12 Months ended 31/3/80	R'000 15 Months ended 31/3/79
Turnover	57,2	318 248	252 983
Operating income	51,3	23 451	19 374
Interest	18,1	3 697	3 913
Net income before taxation	59,7	19 754	15 461
Taxation	49,6	6 457	5 394
Net income after taxation	65,1	13 297	10 067
Income attributable to outside shareholders of subsidiary companies	205,0	2 486	1 019
Net income attributable to shareholders of the Group	49 4	10 811	9 048
Non recurring profit on sale of investment	–	764	–
Issued shares ('000)	4 9	17 833	17 000
Earnings per share (cents)			
– Including non recurring item	52,5	64,9	53,2
– Excluding non recurring item	42 4	60 6	53 2

FINANCIAL STATUS

	31/3/1980 %	31/3/1980 R'MILLION	31/3/1979 %	31/3/1979 R'MILLION
Share capital	5,3	8,9	6,3	8,5
Reserves	32,0	53,4	33,3	45,1
Ordinary shareholders interest	37,3	62,3	39,6	53,6
Outside shareholders interest	10,1	16,8	7,6	10,3
Deferred taxation	1,6	2,7	1,5	2 1
Loans and current liabilities	49,0	81,8	48,7	66,0
TOTAL ASSETS	51,0	85,0	51,3	69,4
	100,0	166,8	100,0	135,4

CAPITAL COMMITMENTS

The Group has capital commitments in respect of

	R'000 31/3/80	R'000 31/3/79
– Contracts concluded	4 852	1 406
– Contracts not concluded but authorised by the Directors	2 535	3 750
– Commitment in respect of the acquisition of the TABLE TOP FOOD GROUP	*15 000	–
	22 387	5 156

*Subject to final audit

Funds to finance these commitments will be provided from own resources and from a rights issue of ordinary shares

NEW ACQUISITIONS

The Group recently acquired

- the net assets, business operations and trade marks of the TABLE TOP FOOD GROUP
- the net assets, business operations and trade marks of the RIVIERA FOODS GROUP
- the full white fish quota of the LUSITANIA FISHING GROUP and two multiple purpose fishing vessels

Details concerning the abovementioned acquisitions were released to the press at the time of the events All the above acquisitions were made subsequent to the financial year end 31 March 1980 and will therefore only make a contribution to Group profits in the new financial year The Directors are confident that the above investments will materially broaden group interests and that they will make a satisfactory contribution to Group profits

The Group sold its 50% interest in the animal feed operation trading as SUPERKOS, in Vryburg

ANNUAL REVIEW

The Group results reported for the interim period 30 September 1979, reflected exceptional growth and exceeded the expectations of the Directors The concerted efforts of management in the second half of the financial year resulted in a continuation of this trend with the result that the Group attained its goals for the financial year

Grain Processing Industry

The Group increased its market share in both the maize and wheat milling industries The extraction of oil from seed and maize at NOLA INDUSTRIES, Randfontein and RUTO MILLS, Pretoria made a major contribution to Group profits, despite the softening of the price of crude vegetable oil and defatted germ on the export markets

The bakery divisions, FEDBAKE and BOERSTRAS as well as the FEDPRO division which is primarily involved in maize milling, increased their profitability considerably

Snacks

The increased profitability from SIMBA has been maintained in the second half of the year The last quarter of the financial year has seen a substantial increase in turnover resulting from both a general growth of the market sector and a regained market share

With the addition of the RIVIERA GROUP, as from 1 May 1980, the SIMBA GROUP is operating on a much broader base and it is expected that an innovative and much wider range of SIMBA products will be launched within the near future

Fishing Industry

Considerable press coverage has been given to the state of the fishing industry of late The Directors feel that, to some extent, some of these reports have been exaggerated, and consider the outlook for this industry as less pessimistic Although fish catches in the Republic, for the first quarter of 1980, have been very slow in comparison with previous years, recent catches have raised the expectations that the quotas will be filled Despite the drastic reduction in South West Africa quotas, a very promising start has been made to the season with regard to the catch of other species, some of which do not fall within the quota arrangements

The newly built fishing vessel of the MARINE PRODUCTS GROUP, named 'Kanbib', was recently launched and should commence fishing activities in early June The addition of the LUSITANIA white fish quota and two white fish trawlers will complement the activities of this vessel during the second half of this year

PROSPECTS

Future prospects can be materially influenced by the following

- the extent to which the forecasted 1980/81 economic upswing in the RSA will materialise
- the development of the new basis of the Group in the frozen food and snack markets
- the prospects in the fishing industry, especially in SWA
- the Group's exploitation of export markets in agricultural products and manufactured goods

Your Directors are looking forward to successful growth in the ensuing financial year

DIVIDENDS

Dividends in comparison with the previous financial period, are as follows

Date declared	Nature	Dividend (Cents)	In respect of period
1 Sept. 1978	Interim	8	30/3/78
9 Feb 1979	Interim (Special)	8	31/12/78
30 May 1979	Final	12	31/3/79
27 Nov 1979	Interim	13	30/9/79
23 May 1980	Final	16	31/3/80

Shareholders should note that two interim dividends were paid during 1978 and 1979 as a result of the 15 month period, and that the dividend policy is now being amended to again comprise one interim and a final

DIVIDEND DECLARATION

NOTICE IS HEREBY GIVEN that a final dividend of 16 cents per share is declared for the 12 months ended 31 March 1980 This dividend will be payable to shareholders registered as such on 6 June 1980 Dividend cheques will be posted around 11 July 1980 In terms of the provisions of the Income Tax Act of the Republic, foreign shareholders' tax at the rate of 15% will be deducted from the dividends payable to shareholders with a registered address outside the Republic

ON BEHALF OF THE BOARD

C J F HUMAN, Chairman

J D LOUW, Managing Director

DATE. 23 May 1980

REGISTERED ADDRESS
FEDERALE FOODS LIMITED
Andre Greyvensteyn Avenue, ISANDO 1600

TRANSFER SECRETARIES
CENTRAL REGISTRARS LIMITED
PO Box 61042, MARSHALLTOWN 2107

SECTION B

UNIVERSITY OF CAPE TOWN
EXAMINATION ANSWER BOOK

EVERY CANDIDATE MUST enter in column (1) the number of each question answered in the order in which it has [illegible] (2) and

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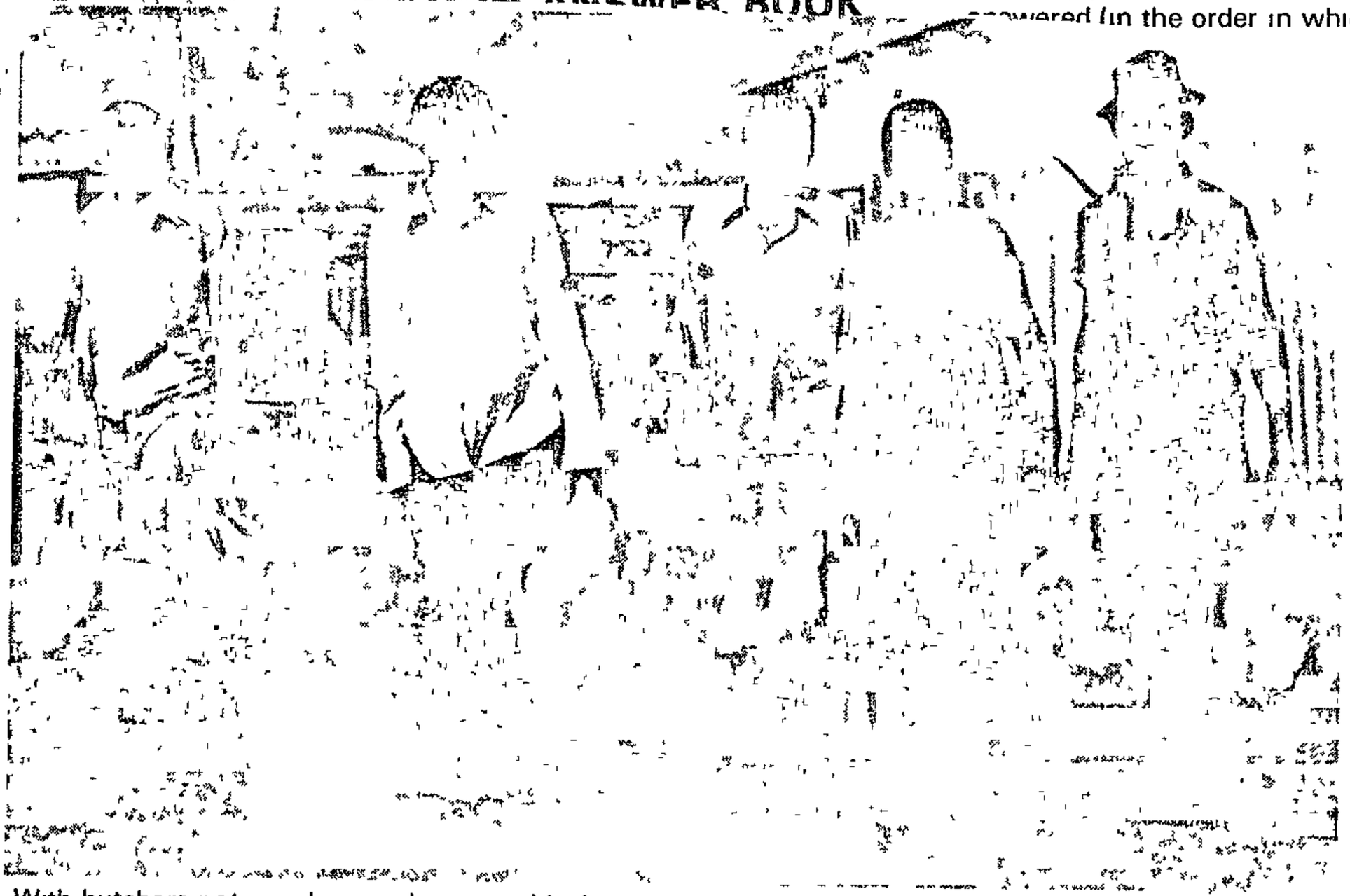

With butchers not supplying red meat in black areas because of the boycott, scores of people are buying chickens instead In Guguletu yesterday, these youngsters carry live chickens home for the weekend

Cape Times 7/6/80 (186) (152)

Meatworkers' claim rejected

Staff Reporter

A REPRESENTATIVE of the meat industry yesterday rejected a claim by the meat workers' trade union that the State was allowing employers the financial means to hold out against the meat strikers by raising the floor price of meat

The representative, who declined to be identified, said that meat wholesalers had met the Deputy Minister of Co-operation and Development, Dr G de V Morrison, and not the Department of Agriculture — the department responsible for increasing the floor price of meat

He said a national meat wholesalers' organization had made representations that the floor price should not be "substantially increased"

The floor price of meat was an agreed price between the producers and the Meat Control Board The traders had to buy their supplies from the auction

"The floor price has nothing to do with the margin of profits So the allegation that the government is supporting the strike by raising the floor price of meat doesn't make sense at all," said the representative.

● For the second time since the strike began, 800 striking meatworkers were yesterday paid R15 each by the Western Province General Workers' Union to support their families in the absence of their weekly wages

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

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

Made in South Africa TRIO RAND/S P C T PSL/UPD 100 000 1978 PD UCT AM7a Vervaardig in Suid Afrika

Old Mutual has over 40% of Tiger

C Times 7/6/80

... in a diagram.

By DAVID CARTE

WITH some heavy buying last week, Old Mutual — South Africa's biggest stock-market investor — has built up its stake in Tiger Oats to "more than 40 percent"

The word is that Mutual bought between 1 500 000 and 2 m Tiger shares at 1 750c for most of last week out of a sense of "moral duty"

It did this instead of extending an offer of 1 750c to all minorities, following its purchase of shares off the market at this price while Tiger was suspended after a bid by Mr Natie Kirsh for control of Tiger

At the time of Mr Kirsh's first offer to the Mutual for control of Tiger Oats, the Mutual had about 21 percent of Tiger, by far the largest single stake The Mutual's response to the bid was to suspend the share and then to buy shares off the market from Lamberts Bay and other Tiger associates, increasing its stake to 29 percent For these shares, Old Mutual paid 1 750c compared with the pre-suspension price of 1 550c

After the relisting, trading in Tiger Oats was extremely heavy at 1 750c and higher More than 1 500 000 shares traded last week

Old Mutual now admits having been a heavy buyer since the relisting of the share and says its stake now "exceeds 40 percent" Old Mutual has apparently stopped buying and the Tiger share price has dropped back

Some critics are not satisfied with the Mutual's gesture They believe there should have been an announcement and that the offer should have stood for at least two weeks

Market observers in Johannesburg speculate that the Mutual was inundated with stock while it was buying and that its holdings could exceed 50 percent

Mr Kirsh is not entirely a loser Before his bid, he is believed to have built up a significant stake in Tiger Rumour has it that he sold this to Old Mutual at a healthy profit

Rand firms

JOHANNESBURG — The rand closed firmer at $1,2836/46 compared with the previous $1 2830/40 close and the 1,2835/45 opening in fairly quiet end-week trading

Dealers noted a couple of export orders in spot trading but overall activity was subdued with operators maintaining long rand, short dollar positions over the weekend Forward trading was negligible

The Reserve bank's indicated rand/dollar spot rate rose 11 points at the opening to 1,2836/56 and thereafter held steady, while forward discount rates were adjusted up 0,25 pct across the board

Other closing rates were Stg 181 7540/7510 Dmk 2 2760/80, Str 2,1090/110, Dfl 2,4990/5010, Ftr 5,2950/90, yen 282,40/60 — Reuter

Withdrawals Injection

If... we fall level... Y for some and Savg withdrawal

x ; Imports
re ; Investment

the equilibrium withdrawal function ed.. (eg: Taxes) Savings that the

ie: ($W_1 \rightarrow W_2$) with the result.. that it... will have a new.. equilibrium position Y_2. ∴ The NI has increased from $Y - Y_2$.

Similarly if we find ourselves at equilibrium Y_2.. an increase in the withdrawal function... means that.. it moves from $W_2 \rightarrow W_1$. ∴ We have a new equilibrium point Y_1... The shift from $Y_2 - Y_1$... is an indication... that NI and Employment has also decreased.

why?

Prediction Summary: An Increase in the withdrawal function... lowers the level of NI while a decrease... increases the level

how much?

R19 000 is collected for strikers

CAPE TIMES 9/6/80

186

Staff Reporter

ABOUT R19 000 has been donated over the past 10 days by members of the community to support the striking meat workers

In a statement yesterday, the Western Province General Workers' Union said the number of workers on strike had remained constant at 804 and the WPGWU had for the third time on Friday — and not the second time, as was reported at the weekend — paid out R12 000 in relief for the workers and their families

'Surviving on R15 a week'

"Despite the fact that they are only surviving on R15 a week, the meat workers have clearly shown that they will continue to stay out until their demands are met," the statement said

The demands included the reinstatement of all workers and recognition of the "democratically-elected workers' committees of Table Bay Cold Storage and National Meat Suppliers"

The community of Cape Town had shown their support for the meat workers by their boycott of red meat and their donations to the workers' families, the union said

Donations total R19 000

"The amount of money donated from a broad spectrum of people ranging from Hanover Park to Guguletu to Bishopscourt and Constantia stands at about R19 000," the statement added

The union had been approached by individuals and organizations elsewhere in South Africa who wanted to "extend community support to the cause of the meat workers".

In view of this, the meat workers had called for a national boycott of red meat and red meat products

Daily Dispatch 9/6/80 186

Meat workers backed

EAST LONDON — Members of two unions decided here yesterday to support the red meat boycott

A statement released to the press after a well-attended public meeting of the joint South African Allied Workers Union and African Food and Canning Workers Union held at Duncan village Community Centre yesterday, said the unions were going to support the Western Province General Workers' Union boycott

The statement said the boycott would go on until all members of the Table Bay Cold Storage factory had been taken back in their jobs

They said the boycott would also include sausages and bacon

The workers would buy from butchers which were not selling red meat Butchers were urged to stock poultry only Workers also agreed not to buy fish or poultry from supermarkets in town They were urged to buy from their own townships

The two unions would send donations to the Western Province General Workers' Union

The Ciskei Transport Corporation was also discussed The workers demanded that buses be tidy windows be repaired, tickets be sold at half price for pensioners and scholars there be no expiry date on clip cards shelters be established wherever there was a bus stop the urgent improvement of the main bus terminus at Mdantsane and a timetable at all bus stops

The meeting decided to launch a workers civic organisation

We uphold that the workers grievances don t end at the factory floor, but extend beyond the boundaries of the factory, to the ghettos where they stay under squalid conditions the president of the South African Allied Workers Union in East London Mr Thozamile Gqwetha said

The meeting decided that all workers were to complete lists of people without housing and then approach employers to assist in providing subsidies for their workers

The meeting also decided a conference for unemployed workers be held at Duncan Village Community Centre from 10 am to 6 pm on June 29 to highlight the plight of unemployed blacks and to prepare demands that the government expand and extend existing industries so that more jobs were created

The president of the African Food and Canning Workers Union Mr Welile Mzozoyana criticised personnel officers for not identifying themselves with the workers Not a single one of them attends workers meetings whereas they regard themselves as a link between workers and management Their jobs he said were secured by the workers DDR

9/6/80 ARGUS

Gangs search trains for meat

(186)

YOUNG meat boycott enforcement gangs picketed trains, public assembly points and stations at the weekend searching passengers and parcels for red meat which they took and threw away, The Argus was told toay

A woman said others in her coach during rush hour on Friday evening had their bags and parcels searched by a group of young men who, when they found red meat, threw the parcels out of the train window.

She said the victims were mainly coloured women who appeared not to know about the boycott Africans on the train had been warned this might happen and few were involved in these incidents

However, a woman from Guguletu, said gangs roamed the streets as people returned home and whenever they found meat in parcels during their street search, it was thrown into the dirt.

Both said it hurt them to see expensive meat wasted.

The Argus has also received reports of gangs controlling 'taxis,' both official and unofficial, commandeering cars and ordering drivers to ferry passengers who would normally travel to work in buses at specific prices

Reports that drivers who try to charge more and are reported to the enforcement gangs are beaten up, cannot be confirmed by the police

'The only report of intimidation we had today was from Nyanga station

'When we investigated it, it was simply a case of people trying to crowd on to already full trains and not being allowed to board,' the Divisional Commissioner of the Western Cape, Brigadier J F Rossouw, said.

He added, there had been no other intimidation reported to the police

● SEE PAGES 7 and 9.

No sign of city boycott after milk price increase

MANY housewives bought extra milk on Saturday before the price went up but sales were slightly lower than usual yesterday, the managing director of a Cape Town dairy said today.

But there is no sign of a boycott as a result of the 4,5c-a-litre rise in the price of delivered milk

Supermarket spokesmen said it was too early to tell if there was any significant change in milk buying patterns, but there had been no sign yesterday of a boycott

Mr L R Whitfield, managing director of Van Riebeeck Dairies said 'There is always a drop in sales when the price goes up, but they return to normal after a few days

'I would like to emphasise that the dairies, as distributors, are getting less than one-third of this increase — the rest goes to the farmers — and our share will all go in pay increases which some dairies have already given and others are about to give'

A spokesman for Royal Dairy Ltd said 'I think the public is reasonable and understands that our costs and those of the farmers have gone up since the last increase a year ago

'People have grown accustomed now to the price of everything going up'

A spokesman for Pick 'n Pay said 'I cannot foresee that people will stop buying milk It is a necessity, especially for families with children'

The prices of butter and cheese have not yet been increased in supermarkets and some other outlets, although the wholesale price rose by 15 percent on Monday, because retailers had stocked up at the old price

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First Name(s) [redacted]

Date 17/10/78

Degree/Diploma/Certificate for which you are registered (e g B A , B.Sc). B.SOC.SCI

Subject ECONOMICS 1A.
(to be copied from the heading on the Examination Paper)

Paper No E34
(to be copied from the heading on the Examination Paper)

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Made in South Africa TRIO RAND/S P C T PSL/UPD 100 000 1978 PD UCT AM7a Vervaardig in Suid Afrika

Butchers 'worried' over meat boycott

CAPE TIMES 10/6/80 (186)

Staff Reporter

BUTCHERY SALES had dropped by 40 percent at the weekend and butcheries were "abnormally quiet" yesterday, according to a spokesman for the Cape Butchers Association

He said he had received calls from a number of butchers yesterday who were "very worried that things would become worse because many customers were continuing to boycott red meat"

● The Western Province General Workers Union, to which all 800 striking workers belong, yesterday received two telegrams of support from overseas unions

The general secretary of the International Transport Workers Federation, Mr Harold Lewis, said in a telegram that they had cabled the Prime Minister, Mr P W Botha, to protest against the arrest of two union officials

'Be assured of our complete solidarity in these difficult times" the telegram read

Mr Len Murray of the British Trade Union Congress called in a telegram for the release of the two union officials

'We deplore the arrest of Dave Lewis and Dianne Cooper and other repressive action against your union for engaging in legitimate industrial action at Table Bay Cold Storage," said the telegram "We hope for a satisfactory settlement and would like to know how we can help '

10/6/80

East London workers strike over liaison committee

By OWEN VANQA

ALMOST the entire workforce of an East London cannery, Western Province Preserving Company, downed their tools on Friday morning when management refused to disband the liaison committee.

A spokesman for the strikers said they had long voiced their disatisfaction with liaison committees at the factory because the committees do not represent the interest of the workers. They see committee members as puppets who serve the interests of the management.

The spokesman said they had called on Mr Hanley, the factory's director, last week to disband the liason committee, but he had refused.

"When we told him we wanted him to address us on the issue he said he could not listen to any grievances and the workers should go through the liaison committee," the spokesman said.

The workers then decided to walk out of the factory.

Over 700 of the factory's 1 000 workers are members of the African Food and Canning Workers' Union.

Two shop stewards, Mr Gideon Zwakala and Mr Dan Mavume, were picked up by the police on their way to the city, according to their colleagues.

A spokesman for the Border Security Police referred enquiries to the Directorate of Public Relations.

The Border organising secretary of the union, Mr B P Norushe, said it was high time that employers listened to the voice of the workers.

"Dummy institutions like liaison committees have been proved to be no answer," he said.

"The Government should warn the employers that liaison committees cannot solve labour disputes. In my view it is the employers who are causing industrial unrest and not the workers

"In my last meeting with the factory director, I told him the committees did not truely represent the wishes of the people, but he said I was introducing politics."

Mr Norushe said he would try and see him to negotiate for the workers, but all attempts by the union and SUNDAY POST to contact Mr Hanley have failed

Union pair still held as meat dispute continues

(180) RDM 12/6/80.

By STEVEN FRIEDMAN
Labour Reporter

TWO trade union organisers detained two weeks ago under the General Laws Amendment Act are now being held under Section 10 of the Internal Security Act

They are Mr David Lewis and Miss Diane Cooper of the Western Province General Workers' Union, whose members in the meat trade have been staging an industry-wide strike for the past three weeks

They were originally held under Section 22 of the General Laws Amendment Act which provides for 14 days detention That period expired yesterday

Police have informed their lawyers that they are now being held under Section 10, the "preventive detention clause" of the Internal Security Act, which provides for indefinite detention

Unlike other detention-without-trial clauses, Section 10 does not require the police to suspect detainees have committed a crime or were witnesses to one

This is the first time Section 10 has been used against trade unionists — presumably in an effort to end the meat dispute

In a statement last night, the WPGWU condemned their continued detention and said it would not eliminate meat workers' demands

Meanwhile, the red meat boycott in support of the strikers appears to be having a significant effect A spokesman for the Cape Butchers' Association said this week that demand in black areas had dropped by 60%

12/6/80 ARGUS

Meat ban: 'No effect' on abattoir

THE meat boycott has had 'no noticeable effect' on killings at the Maitland abattoir and quotas have continued to be met

The acting director of the abattoir, Dr W W van Heerden, said today the boycott, which is into its third week, had had no effect on slaughtering at the abattoir

He said farmers were still sending livestock for slaughtering and the flow was influenced only by price. The daily quota of 5 000 animals was still being met

The branch manager of the Meat Board in Cape Town said he also had not seen any change in the turnover of meat during the boycott

'As far as I can see it is having no effect at all The abattoir is killing as normal and farmers are still sending their animals for slaughter at the same rate'

The red meat boycott is in support of 800 striking meat industry workers.

12/6/80 Argus (186)

Meat men refused bail

FORTY-TWO Guguletu meat strikers who are involved in a labour dispute with a Cape Town meat packaging firm appeared in Langa Commissioner's Court today on allegations of being in the Peninsula illegally

The workers, who were arrested by Administration Board officials at the Table Bay Cold Storage hostel in Guguletu early today, appeared on charges under section 10 (4) of the Urban Areas Consolidation Act.

All applied for bail This was refused, and their trials were postponed to June 18

One, Mr Wiseman Neibisana, 52 told the court during the bail hearing that he had been dismissed on May 7 following strike action

He told he was Transkeian [illegible] himself as being illegal in the Peninsula [illegible] turn to his [illegible] the dispute was settled

'I'm not involved in the intimidation of other workers or people.'

Captain Gerrie Strydom told the court there had been intimidation of workers employed in place of the strikers.

It had also been alleged that dismissed workers were going from house to house 'and throwing out the meat people had in pots.'

Mr Lee Bozalek, for all the accused, said it was not possible to attribute the intimidation or any future intimidation to the workers in court, because 800 other workers were involved

The magistrate, Mr J Fourie, said the police must have had a good reason to oppose the bail applications and therefore he had to refuse them.

Mr J J Fourie appeared for the State

12/6/80 ARGUS

Minister orders meat talks

Parliamentary Staff

MR Hendrik Schoeman, Minister of Agriculture, has called a meeting for next month to hear complaints against the meat industry

Speaking during the third reading of the Budget debate in Parliament, Mr Schoeman said all major meat retailers and associated bodies were being invited to the meeting, as well as organisations such as the Consumer Council

Referring to many calls made for a commission of inquiry into the meat industry, Mr Schoeman said he could not appoint a commission because he did not know what complaints there were.

This was why he was calling a meeting on July 15.

SWA INDUSTRY

The situation could not be compared with the meat industry in South West Africa, which had nothing to do with the South African industry

He accused Mr Rupert Lorimer, Progressive Federal Party spokesman on agriculture, of saying the South African meat industry was guilty of the same offences as the SWA industry

42 Guguletu men appear in court

Cape Times 13/6/80 Staff Reporter

FORTY-TWO Guguletu contract workers appeared in the Langa Commissioner's Court yesterday charged with being in the area illegally under Section 10 (4) of the Urban Areas Consolidation Act

The charges follow a strike by the workers at Table Bay Cold Storage in Paarden Eiland The workers were dismissed and contracts for the migrant labourers were terminated

Forty-two were arrested yesterday at 4 00 am at the Table Bay Cold Storage hostel in Guguletu

One of the workers who appeared Mr Wiseman Dikizana, pleaded not guilty to the charge He said he did not regard his contract as being terminated and did not consider himself as being illegally in the area

If the labour dispute can be settled, I am prepared to take my job again, he told the court

A Cape Town police officer, Captain Gerry Strydom, told the court that if the men were released, they would intimidate people now employed in their places

The commissioner, Mr W Fourie, said the evidence given by the police officer could not be disputed He remanded the men till June 18

Mr J J Fourie prosecuted Mr Lee Bozalek appeared for the men

UNIVERSITY OF CAPE TOWN
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No bail for meat workers

Post 13/6/80 186

ABOUT 42 Guguletu meat strikers who are involved in a labour dispute with a Cape Town meat packaging firm, appeared in the Langa Commissioners Court yesterday for being in the Peninsula illegally.

The workers, who were arrested by Administration Board officials at the Table Bay Cold Storage hostel in Guguletu early yesterday, appeared on charges under Section 10(4) of the Urban Areas Consolidation Act

Bail applications by all workers were refused and their trials were postponed to June 18.

One worker, Mr Wiseman Neibisana (52), giving evidence during the bail hearing, told the court he was dismissed by his firm on May 7 following a strike action

He said he was a Transkeian but regarded himself as being legally in the Peninsula and would return to his job as soon as the labour dispute was settled

INTIMIDATION

"I'm not involved in the intimidation of other workers" he said

Captain Gerrie Strydom of the police, giving evidence for the State which opposed the bail application, told the court there had been a number of cases of intimidation of workers who had been employed in the place of the strikers.

He said there were also allegations by the public that the dismissed meat workers were going from house to house "and throwing out the meat that people had in pots."

Mr Lee Bozalek, appearing for the accused, said it was not possible to attribute cases of intimidation or future cases of intimidation to the workers in court

The magistrate, Mr J Fourie, said the police must have had a good reason to oppose the bail applications and therefore he must refuse them

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FM 13/6/80 (186)

Huletts Corporation Limited

(Incorporated in the Republic of South Africa)

PRELIMINARY REPORT TO SHAREHOLDERS AND FINAL DIVIDEND ANNOUNCEMENT

The Group consolidated audited income for the financial year ended 31st March 1980 was.

	Year ended 31 March 1980 R	Year ended 31 March 1979 R	% Increase on 1979
Turnover	413 161 000	333 468 000	24
Income in South Africa before taxation	49 992 000	38 282 000	31
Less taxation	18 486 000	12 807 000	44
Income in South Africa after taxation	31 506 000	25 475 000	24
Less preference dividend	836 000	858 000	
Less interest of outside shareholders	4 314 000	3 094 000	39
Attributable income in South Africa on historic cost basis	26 356 000	21 523 000	22
Less additional depreciation arising from asset revaluations and LIFO adjustment to stock valuation	8 055 000	6 629 000	22
Attributable income in South Africa on replacement value basis	18 301 000	14 894 000	23
Foreign income received	2 159 000	1 245 000	73
Total attributable income on replacement value basis	20 460 000	16 139 000	27
Extraordinary items	2 197 000	2 072 000	
Surplus after extraordinary items	22 657 000	18 211 000	24
Number of ordinary shares issued	32 900 000	30 600 000	
Net income per ordinary share based on			
Replacement value basis	62,2 cents	52,7 cents	
Historic cost basis	86,7 cents	74,4 cents	
Dividends per ordinary share	44,0 cents	37,0 cents	

Note.
The Huletts Group has used a form of inflation accounting for some years In order to obtain comparability with those companies which base their results on historic costs only, Huletts' earnings per share have been shown above on both a replacement value and historic cost basis

The reasons for major changes between 1979 and 1980 are detailed in the annual report which will be posted to shareholders within the next three weeks

Declaration of Final Dividend
(Dividend No 106)
The directors have declared a final dividend of 32 cents per share on the Ordinary share capital of R32 900 000, payable in August 1980

This dividend, together with the interim dividend of 12 cents per share paid in February 1980, brings the total distribution for the year to 44 cents per share (1979 37 cents per share)

The dividend is payable to Ordinary shareholders registered as such in the books of the Company on 4th July 1980 and will be paid on or about 4th August 1980 The transfer books and register of Ordinary members will be closed from 5th July 1980 to 20th July 1980, both days inclusive

The dividend is declared in South African currency Shareholders whose dividends are paid from the office of the United Kingdom transfer secretaries will be paid in British currency at the rate of exchange ruling at the close of business on 4th July 1980 Non-resident Shareholders' Tax will be deducted from dividends where applicable

Signed on behalf of the Board

C J SAUNDERS
Chairman

C VAN DER POL
Managing Director

Registered Office
1001 Umhlanga Rocks Drive,
LA LUCIA, DURBAN
4051

4th June, 1980

HUL 071

42 Cape meat strikers arrested

ADM 13/6/86

By STEVEN FRIEDMAN
Labour Reporter

FORTY two black workers who are on strike at Table Bay Cold Storage in Cape Town were arrested yesterday and have been charged with being in the area illegally

The workers were arrested in a 4am raid on Table Bay's hostel in Guguletu township and are being held without the option of bail

They appeared in court yesterday morning and are due to appear again on Wednesday, according to the Western Province General Workers' Union

The union fears that police plan to arrest all contract workers taking part in the Peninsula's general meat strike — about 200 of the 800 strikers

The general strike, which was sparked by one at Table Bay over a demand that management recognise a worker committee, has also led to a boycott of red meat in the Cape Town area

Earlier this week, police told the union's lawyers that two union organisers, Mr David Lewis and Miss Diane Cooper, were now being detained under Section 10, the 'preventive detention' clause, of the Internal Security Act They had previously been held under Section 29 of the General Laws Amendment Act

The arrest of the strikers drew strong reaction from the International Confederation of Free Trade Unions, which represents unions in most parts of the Western world

The ICFTU said it viewed the arrests "in a serious light" and would take "whatever action it sees fit" to support the striking meat workers, according to a cable sent to the WPGWU yesterday

The union issued a statement yesterday in which it alleged that the management at Table Bay was 'fully aware' of the police action and had "sanctioned it"

A spokesman for the office of Mr R L Selzer, Table Bay's managing director, said yesterday that Mr Selzer was no longer prepared to accept calls from the Press and was not prepared to comment

RDM 14/6/80.

Two more union leaders detained

329 145 152 186

By RIAAN DE VILLIERS
Labour Correspondent

THE POLICE crackdown on the Western Province General Workers' Union continued yesterday with the detention of two more union organisers

The two men, Mr Mike Morris and Mr John Frankish, were detained yesterday morning under Section 22 of the General Laws Amendment Act

The latest detentions were condemned yesterday by both the union and the Federation of South African Trade Unions (Fosatu)

In a statement, the union warned that the move could increase anger among workers and the situation in Cape Town could become "more explosive"

The detentions are also expected to fuel mounting protests by the international labour movement over Government action against unregistered unions

Two other WPGU organisers, Mr David Lewis and Miss Diane Cooper, were detained under the same Act over two weeks ago

Earlier this week, union lawyers were told they were being held under Section 10 of the Internal Security Act

In a statement issued yesterday, the WPGWU deplored the action against the union organisers

It pointed out that the detentions followed the arrests of 42 striking meat workers earlier this week for pass offences

The statement said "The detentions and the arrests of the 42 workers shows how oppressive laws are being used to maintain an undemocratic society"

It warned that the "provocative action" by the State against workers and their leaders could only increase anger and bitterness among workers and therefore make the situation in Cape Town "more explosive"

650 walk out at factory

C. Times 14/6/80

EAST LONDON. — More than 650 workers walked out of the Western Province Preserving Company's factory here yesterday over an alleged refusal by the management to recognize their trade union representatives

But a director of the company, Mr B P Hanley, denied any refusal by the management to recognize the trade union

Workers said trouble started last Friday when three members of the factory's branch of the African Food and Canning Workers Union told Mr Hanley about a decision by the workers to disband the factory liaison committee

Two of the company's employees who were involved in the walkout yesterday are believed to have been detained

The head of the local security police Colonel A P van der Merwe, could not confirm the detentions yesterday afternoon

50 walk out of EL factory

Daily Dispatch 14/6/80 (186)

EAST LONDON — More than 650 workers — 120 of whom are men — walked out of the Western Province Preserving factory here yesterday after management allegedly refused to recognise their trade union representatives

But a director of the company, Mr B R Hanley, denied any refusal to recognise the trade union

Workers said trouble started last Friday when three members of the factory's branch of the African Food and Canning Workers' Union saw Mr Hanley about a decision by the workers to inform management they had disbanded the liaison committee

"It appeared management was not interested in working with trade union officials even after the employees had made it clear they did not want to be represented by the liason committee," a worker who has been with the company for 22 years and trade union committee member, Mr J Mpevushe, said

He said at the meeting with Mr Hanley on June 6 they had not been given a definite answer This was confirmed by Mr Hanley yesterday

But Mr Hanley said they did not ask him when he would reply to what they had put to him

Mr Hanley also denied he had said he would work with the liaison committee which would in turn report to the workers and the trade union committee

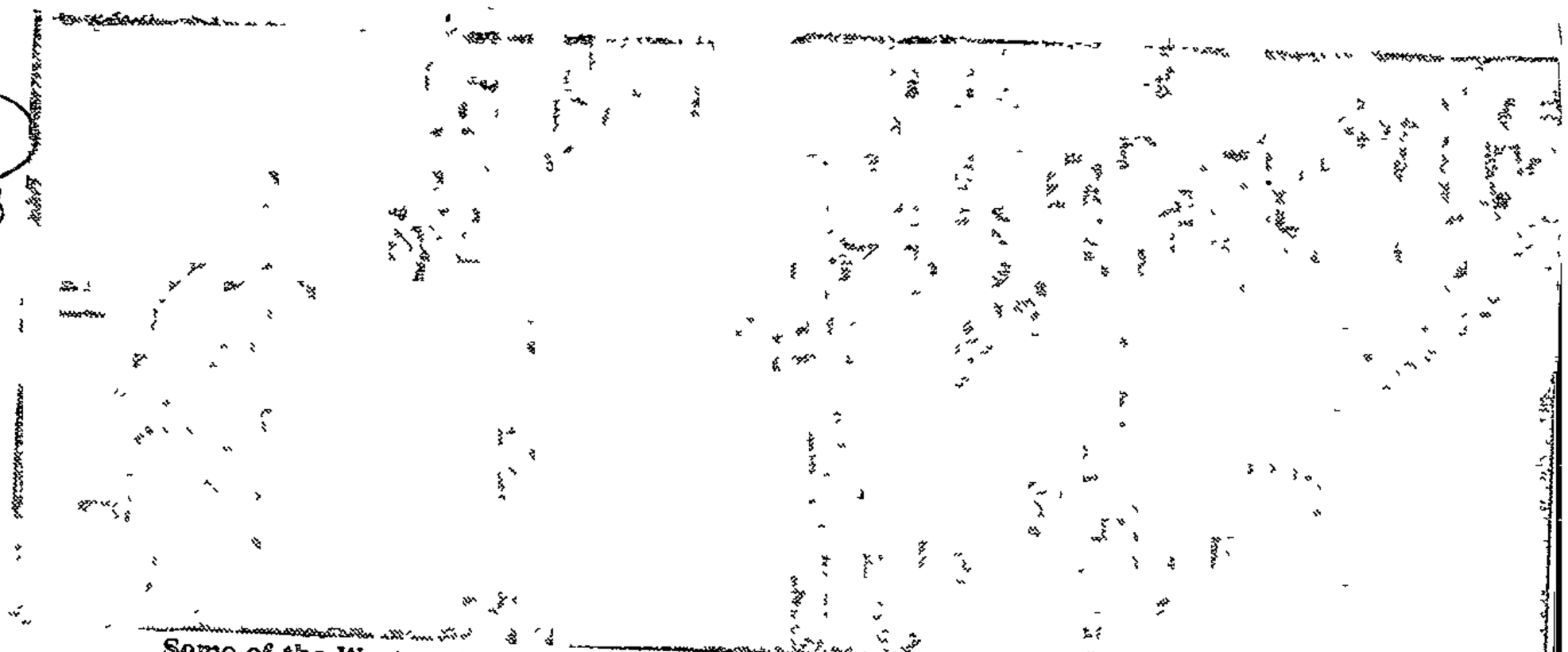
He said the liaison committee had not disbanded in spite of the claims by workers that they had disbanded it and replaced it with a trade union committee

Workers said they decided not to return to work after the 10 am tea break and asked Mr Hanley to address them on the premises but he had refused and sent his chief foreman, Mr S O'Neil, to tell them to return to their jobs and then send their representatives to talk to him

Mr Hanley confirmed he had said this through an interpreter but received no response

He said his problem was that he had no one to talk to to try to find a solution to the problem

"What can we do? We have not been approached," he said —DDR



Some of the Western Province Preserving company workers at Duncan Village yesterday after the factory walkout.

Three believed held

EAST LONDON — Two Western Province Preserving company employees who were involved in the walkout yesterday are believed to have been detained by the security police here

Mr Gideon Zwakala and Mr Dan Mavume were believed to have been picked up by plain clothes police near the Kadalie Hall, Pefferville, after the workers had made an unsuccessful attempt to hold a meeting in the Duncan Village Community Centre

The head of the security police here, Col. A. P van der Merwe, could not confirm the detention yesterday afternoon

He said he had no knowledge if the men were detained or just held for questioning

But a trade union organiser, Mr B P Norushe, said he had learnt through their lawyers that the men had been detained and a decision on whether they would be charged or not would be taken on Monday. — DDR.

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Police: don't disrupt workers

Sowetan 14/6/80

EAST LONDON — The Divisional Commissioner of Police for the Border, Brigadier J H du Plessis, issued a warning here yesterday against intimidators who try to disrupt workers

"We are going to deal very severely with these people," he said

Brigadier Du Plessis said "No worker has to fear molestations by these people if he goes to work If anybody tries anything I can assure them we will be there in force"

Brigadier Du Plessis said special patrols would be sent out in anticipation of any trouble and there will also be observation patrols — DDR

Arrest of meat workers

ARGUS 16/6/80

186

THE Administration Board was not responsible for the arrest of 42 meat workers at their Guguletu hostel last week, the chief director of the board, Mr A A Louw, has pointed out.

The workers were arrested by police in a pre-dawn raid on the Table Bay Cold Storage hostel.

They were refused bail when they appeared in the Langa Commissioner's Court. They are to appear again on Wednesday.

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19/6/80 ARGUS

Solve meat dispute quickly, MP urges

186

Labour Reorter

THE parties in the Cape Town meat-industry dispute must be prepared to reconsider the position and attempt to find a fair solution, Mr Philip Myburgh, MP for Wynberg, said today.

'The state of unrest' in the Western Cape places a special responsibility on all decision-makers to do everything possible to help defuse the situation,' he said

Mr Myburgh was one of a Progressive Federal Party delegation who met some employers last week

He said 'They insist that they are more than prepared to negotiate with a properly elected workers' committee.

VIEWPOINT

'According to them, therefore, the dispute does not focus on the issue of the recognition of workers' committees, as is maintained by the workers

'Management is, however, not prepared to negotiate the return of the workers who went on strike'

He urged management to rethink and to re-engage workers, many of whom had worked in the various companies for many years.

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Gallo offered 265c by Prem Mill

(186)

RDM 19/6/80.

Financial Reporter

PREMIER Milling has confirmed that it is the bidder for Gallo at 265c a share. The takeover will not, however, be 100%.

Premier is to acquire 55% of the shares of the controlling shareholders — Mr E G Gallo, Mr A G McGrath and Mr P A Gallo — and is extending the bid to 55% of the shares of minority holders

The present controlling shareholders have agreed to sell additional shares should any shortfall from minorities need topping up to make Premier's stake 55%

A statement issued by Barclays National Merchant Bank on behalf of Premier and Gallo says "Gallo has, subject to shareholders' approval, agreed to acquire from Premier its bookshop division, the consideration for which will be the issue to Premier of approximately 1 683 000 new ordinary shares in Gallo

"The bookshop division includes 15 retail outlets throughout the Republic, a specialist subscription agency for technical journals and publications, a wholesale distribution operation and printing and publishing

"The directors of Gallo estimate that the earnings of the company for the year ended June 30 will be not less than 50c a share, before adjusting for any convertible preference shares converted into ordinary shares in terms of the company's executive share incentive scheme

"There will be no material effect on the net asset value of Premier, but the acquisition would have resulted in an increase in Premier's earnings for the year ended March 31 of approximately 3c a share"

COMMENT: Gallo makes and distributes records and tapes, consumer electonic products and audio-visual equipment.

Under the direction of Mr Gerald McGrath, the company last year returned a record-breaking profit after three miserable years before.

Premier Milling is, of course, a large and diversified food group which last year reported a solid profit rise after two previous disappointing years.

The cost of the 55% stake will be around R7-million.

19/6/80 ARGUS

42 told: Go to homelands

FORTY-TWO of the 800 Table Bay Cold Storage meat strikers charged with being in the Peninsula illegally were cautioned and told to return to their homelands when they appeared before a Langa Commissioner's Court yesterday

One of the accused, Mr Fumbathile Maguzu, told the court that the labour dispute had started when workers had not been allowed to elect a workers' committee

'LOCKED'

Mr Maguzu said on the morning of May 6 more than 800 workers were ordered by a Mr Sells, a senior employer at the firm, to leave the premises

However, he said the following morning all workers reported for duty but found the doors locked

He denied that they were expelled from work

FM 20/6/80

CANNED FRUIT EXPORTS

Can they last?

Despite unremitting problems in traditional markets (non-tariff barriers, production subsidies and adverse exchange rate movements), SA fruit and vegetable canners look set to match last year's gross foreign earnings of about R150m But the long-term outlook for SA canners is uncertain

Encouraged by massive production aids paid to EEC canners in terms of internal arrangements under the Common Agricultural Policy (CAP), new plantings of peaches and pears in Italy and France have reached staggering proportions, although EEC farm experts refuse to disclose details to southern hemisphere competitors

It could mean that Europe is fast heading for self-sufficiency, if one includes the production of Greece, Spain and Portugal — all of which will become full members of the Common Market in five years' time When this happens tariff and non-tariff barriers will do their job more effectively

At present, the EEC Common External Tariff (CET) against third country offerings of canned fruit amount to 22% to 24%, to which must be added a sugar levy of 6%, giving a total hindrance of 30%

In addition, Italian canners are favoured by a system of production aids which are so high that they effectively cover the cost of the raw fruit (in SA canners pay farmers about R100 a ton for raw peaches)

A second adverse development in the UK and European markets is that a watershed has been reached in respect of quality and price

Marketing men say quality is becoming a doubtful advantage compared with price Quality offerings from SA and Australia have until now carried the day for southern hemisphere canners But where Greek and Spanish canned goods come on to UK shelves at five or six pence a can cheaper than those of their southern rivals, then quality means less to an increasing number of buyers

Quality market

In fact, it has been observed that there are two kinds of markets for canned fruit in Europe a quality market (which is essentially small) and a cheap market, snidely known as the *griechenwaren* market, which in Germany means a price difference of 90 to 130 pfennigs per can

SA fruit growers and canners will have to sit down and plan their own version of a total strategy to offset developments in Europe, for as soon as northern quality standards improve and production vol-

umes rise to the point of self-sufficiency — maybe no more than five years from now — we will be in trouble

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Doubts over drought

Fm 20/6/80 3(SUGAR) (186)

"**Critical fundamental factors** with increased investment and speculative demand will drive the sugar price to record highs in the region of £750/t this year," says London commodity trader Wallace Brothers After five years of lacklustre international prices, the recent firmness in the sugar market is welcome relief to the local industry, but ironically the severe drought in the Natal canelands may offset most of this boom

SA ranks as the seventh largest sugar exporter in the world As such, the revenue of the industry is largely determined by the London sugar price This price peaked at over £650 in November 1974, allowing the industry to build up a R94,5m kitty in the form of the Price Stabilisation Fund But from then until September 1979, the trend was down

By end-1977 the sugar price had bottomed at around £85/t and it did not recover from a £95-£105 range until weather conditions and the general speculative boom of 1979-80 lit the fuse Within three months, the London price had jumped from £110 to £175, and four months later reached a five-year high of £360 Now sugar is trading around £280 But all the signs point to a big improvement before the year end, and forecasts such as that of Wallace Brothers may not be improbable, particularly in view of a forecast drop in world production to 84,6Mt (90,9Mt)

The decline in prices from the 1974 peak followed rising international production and an increasing world surplus Efforts to re-introduce an International Sugar Agreement (ISA) to create a more stable market were major factors in halting the decline But until the US ratified the agreement in 1979, combined with rising consumption, the weather and an increasing production deficit, prices stayed low

When the US ratified the ISA the market began moving At the same time, news of a poor 1980-81 season started filtering through to a speculation conscious market For example, the largest sugar exporter, Cuba, suffered from cane rust and smaller deliveries saw increased Soviet buying elsewhere Some suggest Russia may have bought up to 300 000 t in April

Other bullish factors were Thailand's drought and its recent declaration of *force majeure* on exports of 55 000 t. There was also speculation that Thailand (the fifth largest exporter) might have to suspend deliveries of another 150 000 t India, Pakistan and Peru added to the price rise and speculative fever when they turned importers, and market talk suggests Brazil is over-committed on exports.

... will see the first time consolidation of Hypak, acquired from S & T

The strength of Tongaat's diversification strategy is underlined by the drought's impact on the sugar crop In the year to end-March, the rainfall in Tongaat's area was 65% of the long-term average, but the group managed an increase in market share to 10,4% (10,1%) with a further increase expected this year For shareholders the benefits will come from non-sugar activities Last year, sugar contributed 30,8% (34,3%) of earnings while building materials added 28,3% (20,4%), reflecting the effect of the booming economy on subsidiary Toncoro, which is looking for another earnings rise, and there will be benefits from the Hebox and H Lewis acquisitions Finance director Ted Garner says textiles and food will play a much bigger part in group's results this year Tongaat has forecast earnings growth of 25% to 100c, and an annual 25% for the period to 1983.

CG Sugar has also given a clear indication of this year's prospects by forecasting at least the same dividend The group is flush with cash so it would take a significant earnings knock to have any impact on dividends The group is looking for another increase in market share to around 41,3% (40,3%) because of the drought, and is expanding production at its Noodsberg and Sezela mills On further expansion, Norton says "Trying to beat the average becomes more difficult when you are the average So we would not pay a premium for a new mill to be reimbursed at the average"

Prospects for 1980-81 and the following season are discouraging, with drought continuing But the large millers are not pessimistic Cane growers in Zululand and areas on the north coast are in trouble, but the granting of the government aid to allow replanting, and consideration being given to expanding the national cane base, mean supply should not present serious problems in future

Diversification within the industry is likely to continue but with little if any chance of ethanol production in the near future "At present the numbers do not make economic sense, and the current drought highlights the problem of availability of cane supply"

Des Kilalea

XL

The SA sugar industry is tightly controlled by government, the SA Sugar Association and the ISA — when it operates. Production is restricted to the amounts required to satisfy the domestic market and the export quota granted when the ISA operates during a sugar price range of US12c-22c. Returns to growers, millers and refiners are calculated in terms of a rigid cost/return formula.

In terms of this formula, the cane growers are allowed a 7,5% return on the historical book value of capital, while millers get 14%. The scheme allows for a full recovery of costs, though for the past four years 20% of cost increases have been absorbed in an effort to curtail inflation.

The formula, when applied to the season's crop and production, offsets total proceeds against total costs and the laid down returns. This decides whether any money is credited to the Price Stabilisation Fund or borrowings are raised. In the past two seasons the industry has raised loans of R50m to finance the deficit. This compares with the R95m surplus of 1974. The current drought means another deficit is virtually certain. In 1979-80 the industry had to bear some R3m of the deficit itself which actually meant a shortfall on the returns allowed on capital employed.

Generally, the industry grumbles that permitted return is insufficient. Certainly, it does not justify new mills, which would suffer on the average remuneration basis. CG Sugar MD Tony Norton says the return formula "is the reason why cost effectiveness is the name of the game."

Cost competitive

"Though it is price controlled the industry is viciously competitive in holding down costs. Building a new mill at this stage on shareholders' money is not viable. Rather we take the industry to its logical conclusion — the marginal business which is the most profitable."

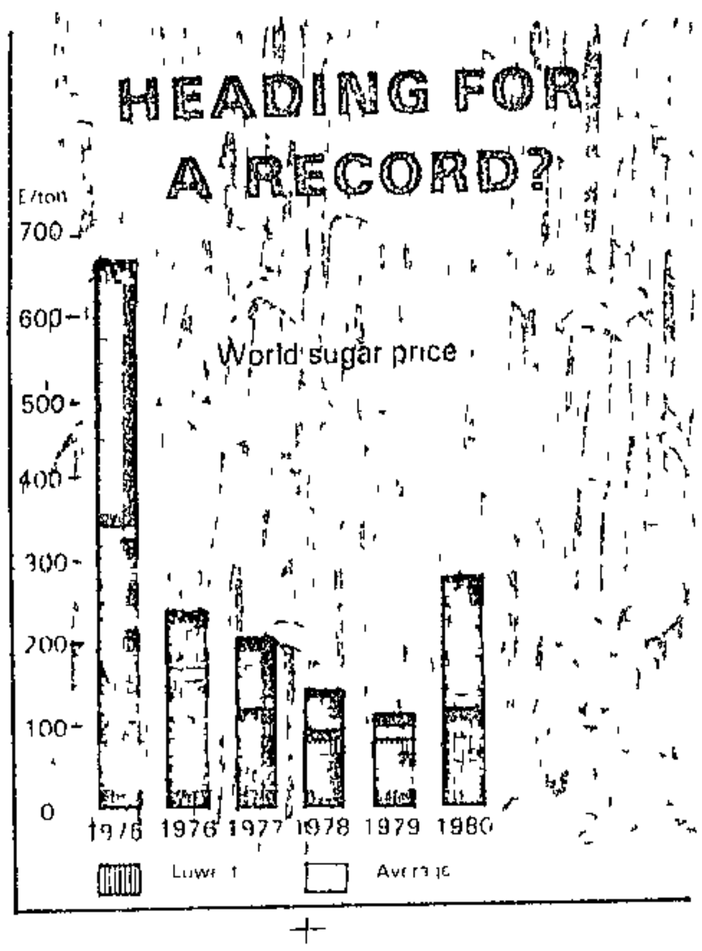
The Board of Trade stated a similar view in 1976 when it recommended a return of 19,9% on book value of capital or 12% on replacement values. And this was four years ago.

This is why the drought is so serious. With high fixed costs a reduction in throughput means a more than proportionate rise in unit costs. Thus those with mills in the worst affected areas suffer the most as their unit costs will almost certainly gallop ahead while earnings will be squeezed by the remuneration package.

On this basis Huletts' sugar operations look set to suffer the most. The group, jointly controlled through S & T Investments by Tongaat and the Smith (Barlows) group, operates five mills — all of them in the north coast/Zululand area which has been pummelled by poor weather conditions for two seasons.

SA Cane Growers Association general manager Ernest Morrison says about 250 000 ha of the total 410 000 ha under cane have been affected by the drought. From Durban north to Hluhluwe about 261 of the 890 white farmers and 1 012 of the 1 661 Indian and coloured farmers have lost more than 40% of their crop. This situation led the Cane Growers Association to approach government for some loan assistance to enable farmers, particularly the smaller growers in Zululand, to survive the drought and have the funds to replant. Without these funds the national crop could suffer for some years. This week government responded by granting loan assistance along the basis originally suggested.

The original estimate of national sugar production was 1,75 Mt — a 17% fall over the previous season's 2,1 Mt. However, SA Sugar Association GM Peter Sale says a figure around 1,65 Mt is now possible, which would make 1980-81 the worst season since 1970-71, when 1,4 Mt was produced. Last year the local market con-



sumed 1,1 Mt of sugar and some 5% growth is expected this year, he says. This would leave only 500 000 t available for exports. When the ISA was in force last year SA had a basic quota of 844 000 t and exported over 1 Mt, including non-quota products. On the basis of at least £300/t this would mean a loss in export revenue of some R150m. In fact the figure will be larger as a big proportion of this year's export crop has been sold forward at prices lower than those presently ruling.

However, while SA would not be able to take advantage of the lifting of ISA restrictions it would certainly be able to supply the minimum contractual commitments to major buyers in Japan and Canada, Sale adds.

It has, in fact been suggested that the 1,65 Mt estimated total sugar production this season is optimistic. But even at 1,65 Mt the deficit which will have to be financed to meet industrial requirements for cost recoveries and the returns allowed could approach some R50m this year, says Sale. Tongaat chairman Chris Saunders says some 400 000 t of this season's export production has been sold forward at prices pertaining early in the year — which appeared attractive and prudent at that time but were below current levels. Normally hedging is considered a sound economic principle, though this year with the strength in the sugar price, the industry will suffer.

Marginally profitable

The recent 11% local price increase will only help to the extent of keeping the local market on a marginally profitable basis. Only some 7% of the increase was allocated to the industry, the rest went to higher trade margins, says Sale.

A normal crop would enable us to repay our R50m loans this season and put some back in the kitty. The rapid elimination of the Price Stabilisation Fund from its 1974 peak arose out of declining export prices at a time when the local market was being subsidised. From 1967 to 1975 there was no local price increase, and in fact there were two reductions. At one stage the domestic price was half production cost, which meant SA consumers were subsidised to the tune of R250m by the industry over a five year period, says Sale.

Tongaat expects lower earnings from its sugar operations but its diversification will more than offset the shortfall. The largest miller, C G Smith Sugar, is not widely diversified but has given a clear signal in its annual report (*Companies*, June 6) that the dividend will be at least maintained this year. The reason for optimism is that the group has only one mill, its sacrificial lamb, in the drought stricken area. The rest are on the south coast, the Natal Midlands and the Eastern Transvaal.

Huletts MD Dr Kees Van Der Pol says he cannot visualise the national production falling below 1,6 Mt. But even at the original 1,7 Mt estimate Huletts expected a lower market share. Last year the group's share of the market fell to around 31% and this year could be less than 30%. Van der Pol says Huletts considered closing down one of its mills "from a quantum point of view" but decided rather to keep it running. "This provides some employment for the blacks in the hard hit areas whose own crops have been devastated."

On the world price, Van der Pol says "if the average for the year is less than £300, I would be very disappointed." He adds that the position would have to deteriorate significantly before the group dividend was affected. No major capex is planned on the mills in the near future, though some thought is being given to consolidating the Felixton and Empangeni mills. Non-sugar interests continue to prosper, with Hulamin yielding good returns. This

[illegible] if the sells are extra unit. The other profit about price discrim.

STAR 20/6/80

Bread men get a rise

(186)

Own Correspondent

DURBAN — Employees in the baking industry have been given a special across the board 10 percent wage increase because of the escalating cost of living.

The increase will take effect from Sunday June 29.

FCWU condemns detention

CAPE TIMES 20/6/80

Staff Reporter

THE Food and Canning Workers Union yesterday issued a statement of the strongest protest at the detention of the branch secretary of the East London branch of the African Food and Canning Workers Union, Mr B P Norushe

Mr Norushe was detained at the weekend under Section 22 of the General Law Amendment Act The chairman of the branch Mr Wehle Mzozoyane, a member of the executive committee Mr Sincere Bishoti, and a typist at the office, Mr Zodwa Mapela were also detained but have since been released

Three shop stewards from Western Province Preserving Company (Pty) Ltd were arrested last Friday Two of them are expected to appear in court today The third, Ms Marlene Fraser, has been released

MP urges employers to re-think

Cape Times 20/6/80

186

Staff Reporter

THE Progressive Federal Party MP for Wynberg, Mr Philip Myburgh, who met employers from the meat industry last week to discuss the strike by 800 workers, yesterday urged the employers to re-engage their workers.

Mr Myburgh said he and other members of the PFP had met "several key members of management of the meat industry who had said they were not prepared to negotiate the return of the workers who went on strike".

"They insist that they are more than prepared to negotiate with a properly elected workers' committee. According to them, therefore, the dispute does not focus on the issue of the recognition of workers' committees, as is maintained by the workers," Mr Myburgh's statement said

Firms paralysed

EL workers strike then return

UITENHAGE — The Eastern Cape's economic backbone, the motor industry, was severely hit yesterday when labour unrest spread here.

A combined 7 000-strong striking workforce has paralysed seven factories here and observers view it as the worst labour unrest to hit South Africa since the Durban strikes in 1973

In East London nearly 800 workers at the Langeberg Ko-op downed tools yesterday

They alleged management failed to deal with their trade union

However, the workers returned to work five hours after the stoppage when management discussed the issue with representatives of the African Food and Canning Workers' Union

The manager of Langeberg, Mr J R Burg, said the problem had been "sorted out" and the company had agreed to fly up a senior personnel officer from Cape Town to meet the union executive

"The workers downed tools during the morning tea-break because they wanted to know our attitude towards their union," Mr Burg said yesterday

"We discussed the matter with them and answered their questions, as well as talking to the executive members of the AFCWU

"Everything was sorted out and the people were back at work by about 3 15 "

The general secretary of the union, Mr Jan Theron, said the workers had only gone back on condition the union executive could meet the senior personnel officer from Cape Town

Mr Theron said they had also been "angered" by security police presence at the factory

Mr Burg disputed the claim that the company was ignoring the union

"We have been dealing with the AFCWU since February so I don t see how they can say we are ignoring them," he said

The head of the security police here, Col A P van der Merwe, confirmed his officers were at the factory and had discussed the situation with the trade union officials

Goodyear is the latest Uitenhage plant to be hit It has been shut until Monday after fruitless wage negotiations with 600 workers

A management spokesman said production was stopped at 9 30 am and a mass meeting was held where workers were invited to elect five representatives to put forward wage proposals But they decided to negotiate en masse

They demanded a minimum starting rate of R3 an hour instead of the present R1,10 Management rejected this and when no agreement was reached by 12 30, management asked workers to leave

The other new Uitenhage plants hit were National-Standard, a steel wire firm, Gubb and Inggs, a wool washing plant, and Guestro Industries, the fourth motor component plant to be affected

Developments at other Uitenhage plants were

A spokesman for Hella, the motor vehicle light fitting firm, said workers had returned and production was normal But Ford announced their Cortina plant would shut until Monday because of the shortage of parts normally supplied by Hella

A spokesman for Volkswagen, where the strike broke out on Monday, said discussions with unions were still in progress but the situation was unchanged

In other developments around South Africa yesterday

The work stoppage at Steel Pipe Industries in Elandsfontein, Johannesburg, continued after management told workers to accept the dismissal of their works committee chairman and return to work or be paid off,

The strike by Cape Town meat workers continued, and

A brief work stoppage took place at the Coca-Cola plant in Port Elizabeth — DDC

Union protests, page 2.

STRIKE CRISIS AS RIOTING SUBSIDES

(152) (226) (192) (186) (55)

RDM 26/6/80.

POLITICAL STAFF

LABOUR unrest spread in the Eastern Cape yesterday, but relative calm returned to the Western Cape after five days of violence which left a trail of death, injury and damage.

In Uitenhage, focal point of the strike ferment, at least two people were wounded by birdshot yesterday.

Police said they twice had to shoot their way through barricades in the black townships during a day marked by stone-throwing incidents.

Teargas was also used in four police actions in the townships and once in the industrial area, which police declared a "problem area"

In what observers view as the worst wave of labour unrest since 1973, workers at four more factories in Uitenhage went on strike, further disrupting production in the motor industry and bringing the number of strikers to 7 000

Stoppages also occurred at individual factories in Port Elizabeth, East London, and Elandsfontein on the East Rand

The strike by Cape Town meat workers continued

The Western Cape was relatively calm yesterday, but spo-

20/6/80 RDM

Elsies River, where a number of cars were reportedly stoned

Late yesterday afternoon, traffic police closed a part of Muddersdam Road near Cape Town's D F Malan Airport because of stoning

But the Cape death and injury toll is still unclear.

The Minister of Police, Mr Louis le Grange, said in a statement last night that 30 people had died since Monday

Of these, 28 died in the Western Province, he said, one in the Boland and one in the Free State

However, the Rand Daily Mail's sister newspaper, the Cape Times, last night stood by its figure, calculated from information from hospital sources, of at least 42 deaths in the Western Cape

Lifting the police clampdown on details of the unrest toll, Mr Le Grange said 174 people had been injured — 100 of them victims of knifings and stone-throwing incidents

It was not yet known what the main causes of death were, "but this will be determined during post-mortem examinations which are presently being held"

The majority — 144 — had been injured in the Western Cape, 14 in the Free State, 14 in Soweto and two in the Boland, he said

Meanwhile in Durban, the Director of Indian Education, Mr Gabriel Krog, announced that the estimated 10 000 Indian pupils suspended from school would be allowed unconditionally to return to classes.

The announcement was widely welcomed by Indian political, teachers' and parents' groups in Natal

And in Cape Town, it was announced that Dr Erika Theron, who headed the Theron Commission of Inquiry into coloured affairs, would lead a six-member group to see the Prime Minister today for talks on means of easing the present tension in the Cape Flats

Others in the group are Ds Dawid Botha, Professor Richard van der Ross, rector of the University of the Western Cape, Mr A J Arendse, Director of Education in the Department of Coloured Affairs, Dr Frank Quint, senior inspector of schools, and Dr I D du Plessis, noted writer

In Johannesburg, police were called to Lenasia's Trinity High School, where there was an angry confrontation between staff members and parents when 600 boycotting pupils arrived as examinations began

Police said parents and pupils dispersed without any action being taken

In the Western Cape, there was an almost total boycott of classes by coloured pupils on the last day of term yesterday

Principals had little hope of a return to normal next term

• A majority of University of Natal medical students had resolved to continue boycotting lectures until the end of the year, a Student Representative Council member said yesterday

• See Page 2

Over 7 000 on strike as labour unrest spreads to more firms

(186) RDM 20/6/80

By RIAAN DE VILLIERS
Labour Correspondent

LABOUR unrest in Uitenhage spread to four more factories yesterday bringing the total of black and coloured workers out on strike to over 7 000, and severely hampering production throughout the motor industry

Work stoppages started or continued in several other centres

New plants in Uitenhage hit by labour unrest include the Goodyear tyre factory, which has been shut down until Monday after fruitless wage negotiations yesterday

Workers also went on strike at National-Standard, a steel wire firm, Gubb and Inggs, a wool-washing plant, and Guesro Industries, the fourth motor component plant to be affected

In other developments yesterday

- A short work stoppage occurred at the Koo factory in East London against a background of growing worker dissatisfaction in the area with the liaison committee system,
- A work stoppage at Steel Pipe Industries in Elandsfontein near Johannesburg, continued after management told workers to accept the dismissal of their works committee chairman and return to work, or be paid off,
- The strike by Cape Town meat workers continued,
- A brief work stoppage took place at the Coca-Cola plant in Port Elizabeth,
- Ford shut down its Cortina plant due to a shortage of components until Monday
- UCM Milling another Uitenhage firm yesterday dismissed its entire black workforce of 250 and a company spokesman said it had begun to employ new workers

However, the management at Hella, one of the strike-hit component firms in Uitenhage, said yesterday that staff had returned to work and production was back to normal

A spokesman for Goodyear said 300 black and coloured workers on night shift requested a meeting about pay when they came off duty yesterday morning

Management agreed to a request for the morning shift to join the talks and production was stopped at 9 30am

Workers demanded a minimum starting rate of R3 an hour instead of the present R1 10 Management rejected this and when no agreement was reached by 12 30pm asked the workers to leave

The plant would be closed until Monday morning when workers who did not return to work would be subject to "normal disciplinary procedures — which could include dismissal a management representative said

Production at National-Standard was brought to a standstill when workers walked out after negotiations with management during which they demanded an minimum starting rate of R2 an hour

A management spokesman said the company would not dismiss workers but was available to negotiate with the workers committee until a settlement was reached

A spokesman for Borg-Warner in Uitenhage said shop stewards agreed to ask workers to return at a meeting yesterday morning after the firm offered to implement immediately wage increases due in terms of the steel and engineering industrial agreement on July 1

He added We are fairly confident the workers will return

During talks with worker representatives SKF management agreed to postpone its deadline for workers to return from today until Monday

Workers are demanding a minimum wage rate of R2 an hour while management has offered a minimum of R1 40 and an average of R1 82 The current minimum rate is R1 15

A spokesman for Volkswagen where the strike broke out on Monday said discussions with unions were still in progress but the situation was unchanged

Link Construction said its strike-affected plants would remain closed until workers specified their demands

'Meeting ban action'

RDM 20/6/80

By STEVEN FRIEDMAN
Labour Reporter

A BAN on a union meeting over the weekend triggered off "long-standing frustrations over wages" and led to the strike wave in Uitenhage, a key East Cape unionist said yesterday

In an interview yesterday, Mr Fred Sauls, general secretary of the National Union of Motor Assembly and Rubber Workers, said wages in the area were "not enough to live on — even if they do conform with poverty datum levels."

He also rejected suggestions that political organisations were behind the strike wave

Mr Sauls, an advisor to the United Auto Workers Union, which has members in most of the strike-hit plants, has been trying to negotiate a settlement.

Most minimum wage levels in the area are above the various poverty datum lines drawn up by researchers and this has led some observers to suggest that wage grievances are not behind the strikes.

Mr Sauls said yesterday that some local employers did not pay above these levels But he added: "Many employers regard the pdls as some sort of bible Their magic figure is R1 an hour and if they're above that they think they're paying very well

He said that the ban on a union report-back meeting over the weekend "set off the chain reaction we are seeing." Workers in the area worked near each other and they all lived in the same townships. Frustration at Volkswagen spread to other workers

"I am 90% sure there would have been no strikes if the meeting had not been banned Workers simply lost patience with negotiation after this happened and the Volkswagen action convinced others to do the same," he said

Mr Sauls confirmed that at le[illegible] factories were out on strike and negotiations at most factories were being conducted by worker committees

These committees, he said, were all attached to the United Auto Workers Union or other Fosatu-affiliated unions in the area

DAILY DISPATCH, SATURDAY, JUNE 21, 1980

Two companies Recognise union

(186)

ST LONDON — The managements of Langeberg Ko-op and Western Province Preserving here have accepted workers' committees from the African Food and Canning Workers' Union as representatives of their workers

Management officials from the firms met union officials here yesterday to hash out the union's position at their factories following recent walkouts

At Langeberg, union officials discussed the issue with the firm's group personnel manager, Mr M[illegible]hd, yesterday and presented their requests to management

Two of these requests were accepted, according to the production manager at Langeberg, Mr Chris Phillips

The same requests were met by management at Western Province Preserving, according to a company director, Mr Bruce Hanley

Both managements agreed to accept the union committees as representatives of the workers who were able to negotiate on their behalf

They also agreed to disband their liaison committees, which had been rejected by the workers

However, they postponed a decision on a third request that the union representatives be allowed to hold meetings with the workers on factory premises

Mr Phillips said this was because his company wished to adopt a "uniform policy" and would have to discuss the issue at board level before any decision could be made

He said the company had agreed to accept the unregistered union "because the feeling was that the union had the support of our workers"

"We held a mass meeting and got the impression the workers did not want the liaison committee to carry on functioning," he said

"Rather, they wanted the union to speak on their behalf"

He said management had to communicate with their workers and the union seemed the best body to act as a voice

Mr Hanley said his firm had "sorted out" their problems with the union and the workers and had agreed to disband their liaison committee because they did not enjoy the workers' support

A spokesman for the AFCWU said it was "a big day" for the union and he was pleased that the management at the two factories were prepared to consider their workers' feelings — DDR

Another two black union officials held

RDM 26/6/80

By STEVEN FRIEDMAN
Labour Reporter

TWO "more officials" of the Western Province General Workers Union, Mr Wilson Sidina and Miss Zora Mehlomakulu, were detained yesterday under Section 22 of the General Laws Amendment Act as the fifth week of the Cape meat strike ended

Four union organisers are in detention at present — two under Section 22, and two under Section 10, the "preventive detention" clause of the Internal Security Act

Meanwhile, Bishop Desmond Tutu, general secretary of the SA Council of Churches, has offered to mediate in the meat strike Most strikers are WPGWU members

The detention of the WPGWU officials, and the detention and arrests of seven officials of the Food and Canning Workers Union in East London, marks the biggest police crackdown on the black trade union movement since 1976, when about 30 unionists were banned

Both unionshave refused to register under the new labour dispensation

In a statement, the WPGWU said the spate of detentions had begun after meat employers met the Deputy Minister of Co-operation and Development, Dr George Morrison, about two weeks ago

Dr Morrison later said in Parliament that he and the employers had agreed on a course of action but he declined to say what they had decided

The WPGWU claimed "the Government and the meat bosses are trying to undermine the strength of the workers and their union"

It also revealed that Bishop Tutu met Mr Andrew Levy, an adviser to the meat employers, earlier this week and offered his services as a mediator

But it said employers "are still not showing any signs of being prepared to start negotiations"

Representatives of the Progressive Federal Party have also met representatives of the meat employers

They were apparently told employers were only prepared to recognise works committees in their plants, rather than the unregistered committees the workers are demanding

Employers also told the PFP they were not prepared to recognise the union, although the union's statement repeats its earlier claim that workers had never demanded recognition of their union It added, workers were also not prepared to resign from the union

The union has called for a nationwide boycott of red meat and it is understood that moves are afoot to begin a boycott in the Transvaal The WPGWU statement repeats this call

CAPE TIMES, 21/6/80.

Two meat union officials held

(186)

TWO MORE organizers of the Western Province General Workers Union were detained yesterday by security police

A union spokesman said that Mr Wilson Sidina and Mrs Zora Mehlwamakulu were detained in Guguletu about 5 30 am under Section 22 of the General Laws Amendment Act

Six union organizers and supporters have now been detained since the strike and lockout of about 800 meat workers five weeks ago after a dispute at the Table Bay Cold Storage Company The other detained officials are Mr David Lewis, Ms Diane Cooper, Mr Michael Morris and Dr John Frankish

The spokesman said the management of the company was still refusing to meet the 75 striking workers Management could not be contacted for comment yesterday

The detentions of the two organizers were confirmed by Colonel Hennie Kotze, chief of the security police in the Western Cape

He also confirmed the detention of Mr Norman Jantjies, a BA student at the University of the Western Cape Family members said Mr Jantjies was taken from Bonteheuwel on Thursday

The detention of an Elsie s River High School pupil, Trevor Francis, could not be confirmed, but information received from his family indicated that he was being held at Caledon Square under Section 22 of the General Laws Amendment Act

According to information received yesterday from the Police Directorate of Public Relations in Pretoria, Muavia Galie and Ebrahiem Patel are being held under Section 22

S Post 22/6/80 (186) (285) (152)

Strikers sent to homelands: unionists held

From Page 1

ment refused to disband the liaison committee. And this week workers at the Koo factory in East London downed tools for a few hours over the same issue They returned to work after AFCWU committee members told the strikers negotiations with management had started.

The 17 meat firms in Cape Town affected by the strike refuse to meet worker representatives, arguing that the strikers are no longer emloyees.

But the workers, who have been on strike for two months, say they "stand firm in their demands and will not be stopped by police."

The workers are demanding that Table Bay Cold Storage, where the strike began, and National Meat Supplies recognise worker-elected committees and that all of them are reinstated.

Cape Town University's SRC has set up a Meat Workers Support Committee to collect money for the strikers by selling stickers. A committee spokesman said· "People can pay what they like for a sticker"

In a show of solidarity with the strikers, the Cape Town coloured and African community is supporting a red meat boycott The strikers have also called for a national boycott of red meat and red meat products. Johannesburg organisations supporting the boycott include the Soweto Civic Association, Azapo, the Transvaal Council on Sport and the Soweto Traders Association.

A union spokesman said around R20 000 has been received from people all over the country. The strike is costing the union R11 000 a week. The strikers are supporting themselves and their families on a mere R15 a week.

And in Durban churchgoers will today be asked from pulpits to aid workers fired from the Frame Group's textile mills in New Germany, Natal, after the recent strikes there

A strongly-worded statement from the Christian agency Diakonia to its eight member churches in the greater Durban area, calls the dismissal of about 180 men and women from the mills "a very clear example of victimisation of those who struggle for justice".

Many of the axed workers lost their hostel accommodation when they lost their jobs and must now return to labour bureaux in their homelands to find work.

Those who were fired after they returned to work were mostly union shop stewards, members of the workers liaison committee, and union members. The Frame Group does not recognise unions

Strikers sent to homelands

SUNDAY POST 22/6/80

Labour Correspondent

(186)

FORTY-TWO of the Cape Town meat strikers have been "deported" to their homelands, according to reports received by SUNDAY POST.

A spokesman for the Western Province General Workers' Union (WPGWU), to which the strikers belong, says they believe they have been taken to Worcester, and from there to the homelands They were arrested last week, charged under the pass laws and refused bail About 200 of the 800 strikers are contract workers. The union believes the authorities "are setting an example by 'deporting' the 42 strikers"

And on Friday two more WPGWU organisers were detained They are Miss Zora Mehlomakulu and Mr Wilson Sidina This brings to six the number of people linked to WPGWU who have been detained

A statement released on Friday from WPGWU said "The workers were shocked to learn that the labour dispute has been handed over to the police The workers also deplore the detention of the organisers who had nothing to do with the workers' dispute

Meanwhile seven East London branch officials of the African Food and Canning Workers Union (AFCWU) have been arrested or detained after a strike in the area last week.

Last week's strike was at Western Province Preserving Company Over 700 workers walked out because manage-

To Page 2

Support for meat workers

CAPE TIMES 24/6/80

(156)

Staff Reporter

THE Archbishop of Cape Town the Most Rev Bill Burnett said yesterday he felt it would not be improper for Christians to support financially the striking meat workers.

After being approached by the Anglican Board of Social Responsibility in connection with financially supporting the meat workers, Archbishop Burnett issued the following statement:

I have no hesitation in saying that I have in a small way financially supported the strikers and that it is obvious I do not believe it would be improper for Christians to do the same.

The meat workers, who struck in support of the demands of 75 Table Bay Cold Storage Company workers for management recognition of their elected workers committee are being paid R15 a week by the Western Province General Workers Union.

The R15 a-week relief totals more than R12 000 and since the start of the strike the money which has been collected from organizations and individuals throughout the Peninsula, has been paid to the workers every Friday.

Every week the WPGWU faces the huge task of gathering the R12 000 relief.

Archbishop backs strike pay

186

FINANCIAL support for the 800 striking meat workers has received the approval of the Archbishop of Cape Town, the Most Rev Bill Burnett.

In a statement yesterday the archbishop said he had supported the strikers financially in a small way himself He did not believe it would be improper for Christians to do the same

'It seems to me that what we are witnessing is an instance of the misuse of economic power by management,' Archbishop Burnett said

The Centre at St George's Cathedral has published a leaflet entitled At such a time as this' which deals with the meat workers' strike among other recent events

'IGNORED'

'Several attempts by Christian ministers to bring the parties in the dispute to the negotiating table have been ignored by management,' it says

'The reasonable request of meat workers for recognition of a democratically elected representative committee was frustrated to the point where no other option was open but to strike

'Their dismissal by management brought sympathetic strike action from others in the meat industry, and backing from many in the wider community who have not only boycotted red meat but also contributed towards financial assistance for the 800 odd workers'

'STRONG-ARM'

The leaflet says management sought the 'strong-arm assistance of government in trying to crush this movement' Leaders were harassed and detained and striking workers arrested for being in the Peninsula without contracts of employment.

In collections taken at churches of various denominations at the weekend more than R500 was collected for the meat workers and their families

The money will help' the Western Province General Workers' Union to meet its weekly bill of about R12 000 to pay R15 in relief to each worker.

All the strikers except the 42 contract workers arrested were again paid by the union on Friday

Meat boycott endorsed in Transvaal

RDM 25/6/80.

By STEVEN FRIEDMAN
Labour Reporter

IN A move which could add new impetus to the Cape meat dispute, influential black organisations, including a key traders' association, have endorsed a boycott of red meat in the Transvaal

However, in most cases boycott plans have not yet been implemented

The boycott is designed to support striking meat workers in Cape Town, who have called for a nationwide red meat boycott in support of their demands A boycott is in force in Cape black and coloured areas

Organisations which confirmed yesterday that they are supporting the boycott are Azapo, Dr Nthato Motlana's Soweto Civic Association and the Soweto Traders' Association

Three black trade unions — the Commercial, Catering and Allied Workers' Union, the Food, Beverage and Allied Workers' Union and the Laundry Workers Association, have also endorsed the boycott In addition, pamphlets have been distributed in Lenasia and other black areas calling for a boycott

Azapo's publicity secretary, Mr George Wauchope, confirmed yesterday that Azapo had backed the boycott and added "We have instructed our branches to implement it"

Most other organisation, however, have not yet implemented the boycott

The chairman of the Soweto Traders' Association, Mr Vela Kraai, confirmed that his organisation had endorsed a boycott, but added "We don't believe it would be effective unless the Black Housewives League joined it

"If the League comes in, we will implement a boycott fully," he added

Mrs Sally Motlana, president of the Black Housewives League said that her organisation had not yet decided to join the boycott but would discuss it at an executive meeting on Sunday

A traders' boycott of red meat would have a significant effect on meat sales in black areas and substantially escalate the five-week old meat dispute

Dr Nthato Motlana confirmed that the Soweto Civic Association was "100% behind the boycott" He added that specific measures to support the Cape meat workers would be put to a meeting of Soweto residents early next month

Several other organisations have been approached to join the boycott, but have not yet reached a decision They include the Transvaal Council on Sport, the Black Social Workers Association and the YWCA

TRACOS s chairman, Mr Reggie Feldman, said his organisation was "sympathetic" to the boycott but had not yet formally decided to join it

He added "We definitely support the Cape meat workers"

It is understood that there is substantial support for a boycott in Lenasia but that some residents fear that local butchers would suffer from such a move

Cape Times 25/6/80

Workers leave Cape

Staff Reporter

FORTY-TWO meat workers who appeared in the Langa Commissioner's Court last week left the Peninsula under police escort last Thursday

They were some of the 800 meat workers who went on strike last month More than 150 of the workers are contract workers from the homelands

The 42 workers were arrested for being in the Peninsula illegally On passing sentence, the commissioner, Mr W Fourie, said the men should be sent back the homelands

A spokesman for the Western Province General Workers Union said the workers who had been sent back to the homelands would be called back if the meat dispute could be settled

E Cape strikers reject pay offer

CAPE TIMES 26/6/80

186 ~~152~~ ~~172~~ ~~150A~~

Own Correspondent

PORT ELIZABETH. — Port Elizabeth motor industry workers last night rejected their employers' compromise offer of a minimum wage of R1,40 an hour.

At a stormy meeting in Gelvandale, hundreds of Ford and General Motors workers expressed solidarity with the 3 500 Volkswagen employees who have been on strike for nine days

Unionists will meet Volkswagen workers today at a rally on the plant premises to discuss the compromise offer which was made by the Eastern Province Automobile Manufacturers' Association at a meeting of the Industrial Council for the Automobile Industry on Tuesday

In terms of the offer, which applies also to Volkswagen, workers would receive a minimum wage of R1,40 an hour from July 1, rising to R1,50 in January 1981, R1,80 in July 1981 and finally R2 by January 1982

Several speakers last night said that workers should down tools today if their demand for a R2 an hour minimum wage was not met

However, officials of the National Union of Automobile and Rubber Workers persuaded workers to allow them to take the matter back to the Industrial Council on July 4

'Unacceptable'

The meeting decided that if employers did not then meet their demands for what they called 'a decent living wage'

Other Uitenhage industries previously affected by the labour unrest reported that production was back to normal yesterday

Link Construction, which paid off 700 workers on Monday after they had downed tools, began rehiring workers yesterday

A spokesman for SKF ball-bearings said that 130 strikers returned to work yesterday Workers had demanded R2,05 an hour, and SKF made a compromise offer of R1,40 an hour, excluding bonuses

Gubb and Inggs reported normal production yesterday after 700 strikers returned to work on Tuesday A union spokesman said textile workers wanted R1,50 an hour

Guestro Industries, a manufacturer of motor components, said all 650 strikers were back at work

National Standard wire manufacturers, where 120 workers downed tools last week, reported normal production with all 120 workers back

SUGAR INDUSTRY (186) FM 27/6/80

Is enough enough?

The sugar industry is at odds over expansion — the millers are in favour and the growers are against. These differences surfaced in annual reviews presented in the past 10 days.

The millers' tale, as told by its chairman Frank Jones, is that the domestic market consumes 1,1m tons of sugar a year and will, by conservative expectations, be requiring at least another 200 000t within the next five years. During this period there is no reason why we should not be able to increase our exports by a corresponding figure.

Jones argues further that there has never been any difficulty in disposing of export sugar. In times of quota restrictions the industry has been able to sell non-quota sugars and as a last resort "we have a bulk terminal capable of storing several hundred thousand tons to tide up over periods when we might have surplus export sugar," he says.

The growers' chairman Tony Ardington is against expansion because it means that an unstable world market will have to take half the industry's output. He contends that productivity increases at 1,6% or more per annum. "This almost keeps pace with increased local market offtake so that by 1985 the industry could still be exporting 47% of its average production without bringing any more land under cane," he says.

Ardington also doubts that the industry will maintain its position in the local market in competition with alternative sweeteners.

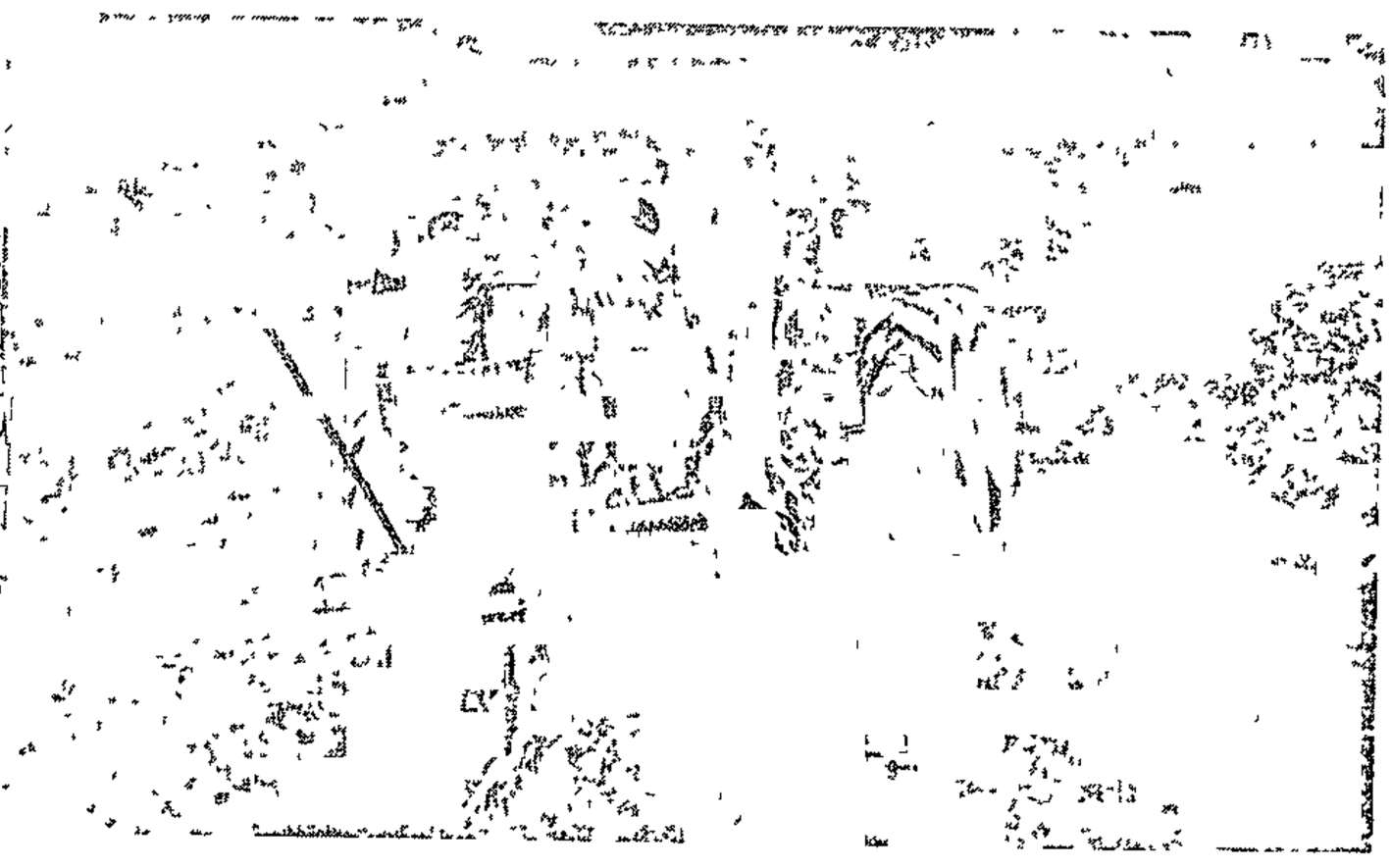
Cane transport recovery costs is another controversial subject at present and the growers' vice-chairman John Chance maintains that some producers can beat the allowed formula and thus make a profit. In such cases there is no incentive to improve efficiency, he says. "There are cases where the building of new roads would considerably shorten the distance vehicles have to travel from the mills. In some cases the savings would pay in one year for the capital costs involved in this road construction."

He argues that in any new expansion programme high transport costs due to planting cane far from the mills should be carefully considered. Indirectly Jones counters this by pointing out that capacity of existing mills can be increased, "at infinitely less cost than establishing new mills with all the necessary infrastructure, like employee housing."

Another sore point in the industry concerns molasses. Ardington contends that had the government raised the price from R18,50/t to R40/t as requested "the industry would have received its full requirements this season and would have been able to repay the R50m borrowed in full over four years." As it happened an increase to only R28,50 was allowed.

Other sugar news is:

- A black trade union called the National Union of Sugar Manufacturing and Refining Employees is in the course of being registered and will replace the existing works and liaison committees.
- Growers bore the brunt of last season's R3m deficit and absorbed R1,7m. The millers carried the balance.
- Direct consumption of sugar increased by 2,6% last season.
- The price for cane this season containing 13% sucrose should be about R19/t.



Canefields keeping transport costs down

FM 27/6/80 (186)

STRIKES

Deadlock remains

Labour disputes continue to add fuel to the general unrest situation in the Western Cape

The deadlock between 750 workers and employers in the meat industry remains unbroken despite attempts at mediation by various groups. Workers maintain that the issue is management recognition of unregistered non-racial workers committees at Table Bay Cold Storage and National Meat Suppliers.

They appear to be still determined that none of them will return to work until all 800 are reinstated and the committees recognised.

Employers say the workers dismissed themselves by walking out in support of Table Bay workers over four weeks ago on May 20. They say they are taking a stand in support of the principle of talk don't walk. They deny that the question of committees is at stake but insist that they cannot have the situation where workers resort to wildcat strike action.

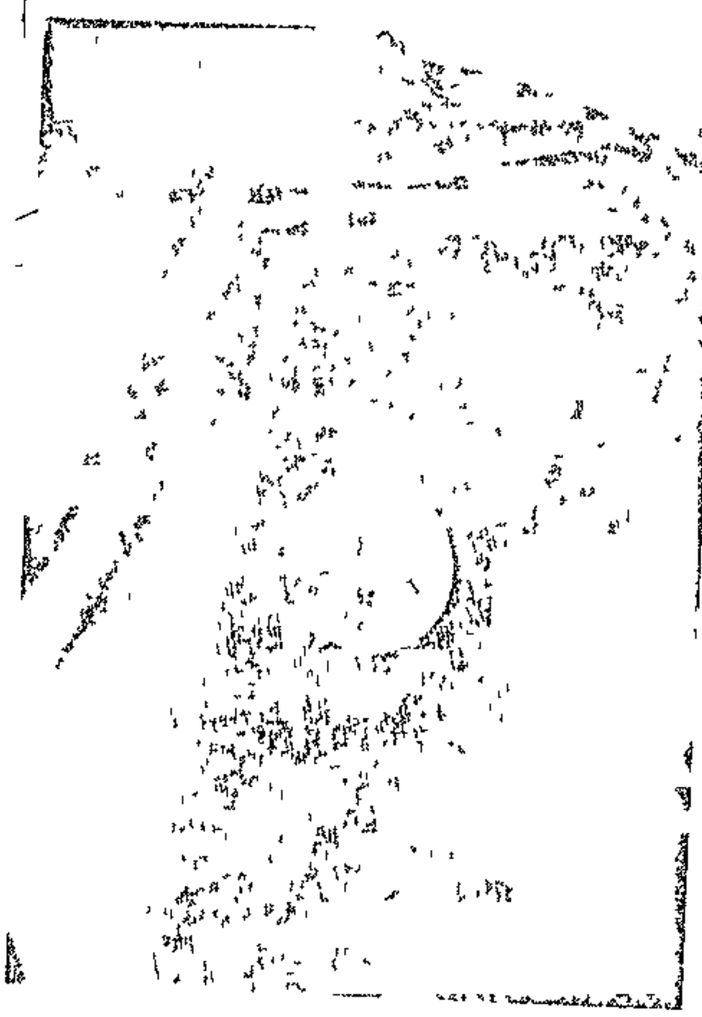
Attempts by the Progressive Federal Party, Bishop Desmond Tutu of the South African Council of Churches, and the Cape Butchers Association to bring the employers to the negotiation table have proved fruitless.

Meanwhile, the boycott of red meat in support of the workers has spread to the Reef where organisations, including Azapo and the Soweto Traders' Association have called for a community boycott.

Cape Flats butchers have reported a 40% drop in red meat sales while butchers in the three black townships have stocked no red meat since the first boycott call over three weeks ago.

The heightened political militancy in the Western Cape has greatly increased community support for the workers, as is evidenced by the amount of money collected by the workers union, the unregistered Western Province General Workers Union.

Over R20 000 has been collected from educational institutions, churches and community meetings in areas ranging from the affluent southern suburbs to the working class black townships. This is being used to pay the workers R15 a week subsistence pay — a massive R12 000 a week bill for the union.



Boycott slogan — mediation attempts failed

A notable feature of this strike has been the series of detentions of WPGWU organisers. And last week 42 contract workers from Table Bay Cold Storage were found guilty of being in the area illegally and sent back to Transkei.

The construction industry in Cape Town has also been hit by a series of strikes over the past couple of weeks. On June 3 360 LTA Construction (Cape) workers at a water purification plant in Blackheath went on a two day strike for higher wages.

On June 5 over 200 Dura Construction workers downed tools at a site in Diep River and on June 10 about 800 workers at the Mitchells Plain business centre went on strike. Confusion surrounds the nature of their grievances but it appeared to have hinged around dissatisfaction with an industrial council agreement.

The workers — employees of R H Morris, Model-Morris, Roy Beamish Contractors and Murray and Roberts (Cape) — returned to work after two days with a management promise that they would raise the matter at industrial council level.

Employers urged to accept unions

(186)

RDM 27/6/80

Labour Reporter

TWO industrial relations consultants yesterday urged employers to accept the existence of representative trade unions and to deal with them.

Mr Dennis Keenan-Smith, group personnel consultant for the Plate Glass Group, and Mr Andrew Levy, managing director of Andrew Levy Associates, were adressing yesterday's NDMF seminar in Johannesburg

Mr Levy has been advising Cape Town meat employers in their dispute with meat workers which has now entered its sixth week.

Mr Keenan-Smith said it was a union's responsibility to organise labour He advised employers not to intrdouce practices which hinder the natural development of responsible employee representative bodies

Certain managements preferred "non-existent or weak unions — regarding unions in general as troublesome and at best of nuisance value"

However, "enlightened management will voice a preference for well-organised (strong) unions with reasonable, rational and responsible leadership"

The principle of freedom to associate in unions should be recognised as well as the freedom not to associate, which was contradicted by the existence of closed shops

A major bone of contention between unions and employers was the question of union structures and shopfloor committees

Unions, for example, had shown considerable opposition to "the very existence" of plant-level bargaining committees and "few unions accept the notion that these committees must be seen to be complementary and not competing with the external union structure".

The optimum system for employers was one in which "all supervised employees are adequately represented within a single industry" — the "industrial union"

It was necessary, however for employer organisations and unions to jointly develop an appropriate union structure for their industries

Mr Levy argued that trade unionism in its broadest form — a "collectivity of workers bargaining with employers" was necessary and inevitable in South Africa, although it might be possible to "minimise" the traditional concept of unionism

Managements who believed they could do without unionism were looking for "a collective worker boot in management's backside"

Some managers drew comfort from the decline of unionism in America, but ignored the fact that where unions had declined, management was "as constrained as it has ever been, if not more so"

Some managers expressed a preference for responsible unionism, but this invariably meant "unions which behave in the way management feel they should" However, "a union which loses touch with its membership is doomed to extinction"

Employers should thus accept the inevitability of collective bargaining by worker representatives and decide "how we can deal with this constructively"

CAPE TIMES 28/6/80

PFP urges govt to free union officials

DR ALEX BORAINE, PFP MP for Pinelands, yesterday urged the government to release immediately detained officials of the Western Province General Workers Union so that they could play their rightful role in ending the deadlock which was hurting all parties concerned

In a statement Dr Boraine, opposition spokesman on labour, said that the meat workers' strike and the meat boycott was no closer to a solution Locking up labour leaders served only to inflame opinion and harden attitudes

"Whilst it is true that neither state nor management can encourage illegal strike action, I nevertheless appeal to management to give workers an opportunity to return to their jobs," he said. "In separate discussions with management and workers, it is clear that there is considerable difference of opinion as to the basic causes of the dispute

"The sensible solution is for management and labour representatives to get together without delay to iron out their differences and seek a middle way of reconciliation to end the present conflict, which is helping no one and is, in fact, a contributing factor to the current unrest

"Both parties in the industry must be big enough to start again, but the initiative lies with the management"

Eight hundred meat workers went on strike in mid-May in support of the demand by 75 workers at the Table Bay Cold Storage Company for management recognition of their elected worker committee

Forty-one meat workers were arrested at the Guguletu hostel of Table Bay Cold Storage Company and later convicted of staying illegally in the Peninsula They were sent back to Transkei

The secretary of the Western Province General Workers' Union said yesterday that management had not come forward with suggestions or alternatives to settle the dispute.

Propan twinned with Twins

RDM 28/6/80 186

Financial Reporter

PROPAN, a wholly owned subsidiary of Premier Milling had been merged with Twins Pharmaceutical Holdings, Premier Milling's chairman, Mr Tony Bloom told shareholders at the annual meeting in Johannesburg yesterday.

Premier holds 50,1% of the combined group and Krok Brothers Holdings (Pty) holds 49,9% Mr S Krok and Mr A Krok will be responsible for management of the new group

The price of the acquisition of the Twins assets was based on the identical price offered to the minorities by Krok Brothers Holdings in February.

Mr Bloom said the new group should be able to effect substantial rationalisation-benefits and represent an impressive and aggressive force in the pharnaceutical industry.

Referring to Premier Milling, Mr Bloom said that trading conditions had been as buoyant as expected

Twins minorities were offered 225c a share by the Krok brothers in February. This placed a value of R14-milion on the assets originally in the quoted Twins group.

Subsequently the Krok brothers bought the assets from Twins at this value and sold the shell to W & A Investment Corporation. The name of this company was changed to Waicor when it became the pyramid company of W & A

The assets bought by the Krok brothers were put into one of their companies, which was renamed Twins Pharmaceutical Holdings.

BOYCOTTS CAUSE SPLIT IN COMPRA

Sun Times (Extra) 29/6/80

(186)

THE RECENT meat and bus boycotts evoked solidarity in the Peninsula's black townships, but in Mitchells Plain it was part of the reason for a split in Compra, the umbrella residents' organisation there.

By SYLVIA VOLLENHOVEN

Representatives from Westridge and Portlands, the largest faction of the Combined Mitchells Plain Residents' Association (Compra), staged a dramatic walk-out at a recent meeting

According to them, it was mainly because civic matters were being neglected in favour of "political issues"

Mr Chris Stevens the Compra chairman, who is also head of the breakaway faction of ratepayers, led the walk-out

Demands

According to Mr Stevens, the people of Westridge and Portlands came out in full support of the recent education protest, but when the bus and meat boycotts arose people felt too many demands were being made on them

According to sources in Mitchells Plain, neither of these community actions were well supported in the area as a whole, although there was unprecedented solidarity on the education protest

"Westridge and Portlands (the oldest sections of the Plain) came into being to tackle day-to-day civic issues

"Compra became involved in various matters which rankled some of my executive and a number of other members

"We feel the meat and bus boycotts were not within Compra's terms of reference" Mr Stevens said in an exclusive statement released this week

According to him, another reason for the split was executive-level infighting in the residents body

After the walk-out, the remaining Compra delegates passed a vote of no confidence in Mr Stevens

Separate arm

Mr Stevens said there was a need for an organisation like Compra, but that the organisation should be 're-structured'

"They should have a separate political arm An attempt should be made to separate civics and politics, although I know it is difficult in South Africa," Mr Stevens said

The break-away contingent was Compra's strongest group of residents

Meanwhile, a recently-appointed public relations officer in Portlands has announced plans to split with Westridge and he claims he has the support of 500 residents

Sowetans urged to boycott meat

The proposed red-meat boycott in Soweto, following a Cape labour dispute, may be largely a failure.

This is because few black families can usually afford to buy meat, says Mrs Sally Motlana, wife of Dr Nthatho Motlana of the Soweto Civic Association.

The labour dispute began when the management of the Table Bay Cold Storage Company refused to recognise a non-racial workers' committee.

A one-day walkout was staged by 800 workers from meat processing factories in sympathy with their colleagues. When they returned to work the following day they were sent home.

Despite a denial by the Meat Board that the dispute in the Cape had any effect on sales there, it had to buy more than 200 carcasses during the first week of June, when the boycott was in full swing.

The success of the Soweto boycott hangs in the balance while many organisations consider pledging their support.

Red meat on sale again in Cape's townships

STAR 1/7/80

(186)

Own Correspondent

CAPE TOWN — Red meat was again on sale in Cape Town's African townships today, five weeks after butchers stopped selling it under community pressure to support the 800 striking meatworkers

A spokesman for the Western Province General Workers' union said the meatworkers were "very disappointed" at the decision of the butchers and had called on the community to continue the boycott of red meat.

The selling of red meat follows a decision yesterday by the Western Province African Chamber of Commerce, to which the butchers belong.

"We stopped selling meat in sympathy with what had happened to the workers But it wasn't meant that we would carry on indefinitely," said Mr Thomas Mandla, president of the Chamber.

The South African Council of Churches gave support last night to a nation-wide boycott of red meat following rejection by employers of its offer to mediate in the Cape Town meat industry dispute

The SACC general secretary, Bishop Desmond Tutu, said employers seemed "bent on starving out the workers"

"This action is suggested most reluctantly because of the uncooperative attitude of the employers," he said

Mrs Joyce Harris, national president of the Black Sash, said today the organisation endorsed the recent statement by the Institute of Race Relations on the strike

The statement said the demand of the workers for democratic non-racial representation was frustrated to the point where they had little option but to strike

Red meat on sale in townships

ARGUS 1/7/80

SIXTEEN butcheries in Langa, Guguletu, and Nyanga, who have been boycotting meat for the past six weeks in support of the 800 striking Table Bay Cold Storage meat workers, started selling red meat again today.

Mr Thomas Mandla, president of the Western Province African Chamber of Commerce, told The Argus today that the decision to sell red meat was made by members of the chamber after realising that the boycott was counter-productive

It was realised that some members of the chamber were unable to meet their overheads because of the meat boycott,' said Mr Mandla

ADVANCEMENT

Mr Mandla said it was the policy of the chamber that anything that affected members of the chamber in the advancement of their business should be done away with

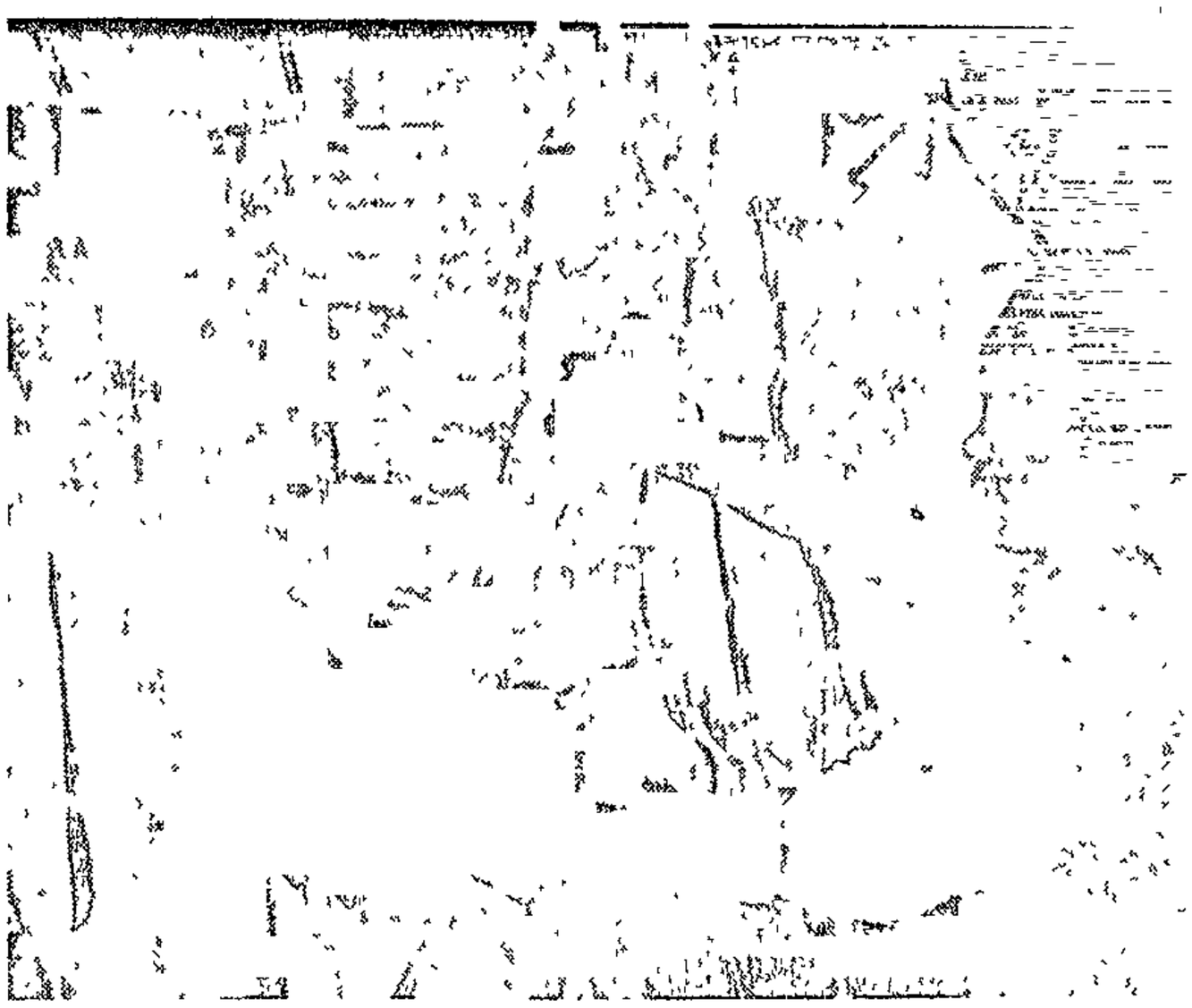
Asked whether the reselling of red meat would not cause antagonism between the bucheries and the community of the townships he said We had assessed the situation before taking the decision and we arrived at the conclusion that the people appreciate the fact that we had been loyal to the boycott of the meat workers for six weeks, and the people themselves are tired of the boycott'

INEFFECTIVE

Mr Mandla said the chamber had also pointed out to the Western Province General Workers' Union — the body behind the meat boycott — that the boycott was ineffective because of the withdrawal of the Cape Peninsula Butcheries Association which has 180 members The association boycotted red meat for three days only

'However, our withdrawal from the boycott should not be seen as condoning the action of the employers of Table Bay Cold Storage We fully support the stand of the striking meat workers,' Mr Mandla said

A spokesman for the Western Province General Workers' Union said the meat workers were 'very disappointed' at the butchers' decision and had called on the community to continue the boycott of red meat



MR THOMAS MANDLA back at using his big knives at his butch again after a six weeks meat boycott by 16 butcheries in Langa, Gu letu and Nyanga in support of the 800 Table Bay Cold Storage workers

Post 3/7/80 (186)

Calls to support red meat boycott

By JOE THLOLOE

BISHOP Desmond Tutu is to ask church leaders to consider joining the snowballing boycott of red meat in support of striking workers in the Western Cape.

And the local branch of the African Canning Workers Union has joined the call for a Transvaal boycott, which was initiated two weeks ago.

In a statement yesterday the union said "We call on all workers in the Transvaal to support their fellow workers as they did in the Fattis and Monis dispute which resulted in an historic victory for all workers by boycotting red meat in the townships in order to compel the meat employers to see reason and negotiate with the strikers."

Bishop Tutu yesterday said he believed labour unrest would become endemic to South Africa and "we want to be part of the process of reconciliation".

He said the SACC had offered to mediate in the Cape meat industry dispute but this had been rejected by a management representative.

He pointed out that the council of churches had mediated successfully in the Fattis and Monis dispute last year.

"While remaining unbiased, we believe labour dispute must be seen within the oppressive and unjust socio-political dispensation in this country."

The labour consultant who had met Bishop Tutu on behalf of the managements, Mr Andrew Levy, yesterday said he had been instructed by his clients to meet Bishop Tutu.

The Transvaal branch of the African Food and Canning Workers Union

- Condemned the Government for "intervening in the dispute by sending riot police to prevent the workers returning to the factories, detaining union officials and deporting striking workers to their 'homelands'",
- Appealed to "progressive butchers in the townships to stop selling red meat and to sell chicken and fish only", and
- Said the detention of African Food and Canning Workers Union and Western Province General Workers Union officials was "direct violation of the principle of freedom of association which underlies the Wiehahn Commission's report".

Trade Unionists on the Reef said that although they had not been allowed to hold meetings to discuss the boycott of red meat, it was gaining support.

Among the organisations that have pledged support for the boycott are Azapo, the Committee of Ten, the Commercial Catering and Allied Workers Union, the Food Beverages and Allied Workers Union, the Laundry and Allied Workers Union and the Soweto Teachers Association.

A meeting that was planned for the St Francis of Assisi Anglican Church in Rockville on Sunday to discuss the boycott has been called off because of the ban on meetings.

The Housewives' League is trying to meet other women's organisations before taking a decision on the boycott, according to the president, Mrs Sally Motlana.

Calls to renew meat boycott

CAPE TOWN — Cape Town's striking meat workers have called on the community to renew the boycott of red meat, with the strike in the meat industry now in its 11th week.

The call is in accordance with a decision taken two weeks ago to suspend the boycott until this week, to give employers an opportumty to "rethink and review" the situation and reinstate the workers.

"The 787 meat workers are still out of work," their committee said in a statement.

APPEAL

"An appeal has been made to all communities, trade unions, and all democratic organisations to boycott red meat.

"The meat boycott was suspended to give the meat industry managements a chance to open their doors for the discussion and settlement of the dispute."

The statement continued:

"It was clearly stated that the boycott would be on again from July 28 on a national basis.

STUDYING THE RELATIONSHIPS BETWEEN MEMBERS OF THE ORGANIZATION

The second factor of organizational structure is the relationships existing among members of the organization When one deals with a relationship between two members of the organization, one can consider *a required relationship* between the two facilitating the execution of operations conducive to the carrying out of the organizational targets, such as

The purpose of studying the actions within the framework of the study of the organizational structure is to establish the effectiveness of each member of the organization and all of them together, that is to say the economic effectiveness of the organization as a whole For this purpose, one establishes standards for measuring the effectiveness of individual members of the organization and/or of the organization as a whole The actions and the results of the actions of members of the organization are compared with these standards and on the basis of these comparisons one can establish the effectiveness of the individual and of the whole.

actions, but also *measure* them.

members of the organization, even if one deals only with the management and workers.

In most industrial organizations nowadays, people from the fields of business administration, industrial and management engineering and operations research have replaced their colleagues from the field of organization New quantitative techniques have been developed to serve these experts in order that they could not only describe the performed

How to study an organizational structure

5 union workers still held

ARGUS 3/7/80

Labour Reporter

THE detention of an organiser of the Western Province General Workers' Union, Mr Wilson Sidina, is now under section 10 of the Internal Security Act.

Mr Sidina was detained under section 22 of the General Law Amendment Act two weeks ago.

He is one of five detained officials of the union, to which the striking meat workers belong.

OTHERS

The others are organisers Mr Dave Lewis and Miss Di Cooper and voluntary organisers Mr Mike Morris and Dr John Frankish.

Miss Esme Fillmore, of Claremont, a student at the South African College for Higher Education, was released this week after being detained for several weeks.

Cape Times 4/7/80

Red meat boycott continues, says union

Staff Reporter

IN SPITE OF the decision of butchers in Langa, Guguletu and Nyanga to resume the selling of red meat this week, the boycott of red meat and its products continues, according to the Western Province General Workers Union to which the 800 striking workers belong

In a statement issued by the union yesterday, the workers said the butchers' decision meant that one of the pillars supporting the boycott had fallen away and that the responsibility now fell on to the community

The butchers ended their five-week-long boycott in support of the meat workers on Monday in accordance with an earlier decision of the African Chamber of Commerce, to which the butchers belong, not to boycott indefinitely

According to the statement, the union has met with Bishop Desmond Tutu, members of the Progressive Federal Party, the Cape Butchers Association and the African Chamber of Commerce to urge them to persuade the meat bosses to start negotiations

"The workers want to settle the dispute After more than six weeks, they are still waiting for the bosses to start talking" the statement reads

"In the face of the unity of the meat workers and community support, the meat bosses can surely not hold out much longer"

The workers need community support the statement says

Most jobs now filled —meat firm

ARGUS 4/7/80

Labour Reporter

ABOUT 13 striking meat workers from the livestock agency Slabbert, Verster and Malherbe have collected money owing to them and applied to return to work, a spokesman for the firm said yesterday.

The spokesman said only two of the 59 strikers from the firm might be considered for re-employment

'My business is now fully staffed I haven't been able to operate properly without staff in the last seven weeks The staff I have are improving every day,' he said

DEMANDS

About 800 workers in the Cape Town meat industry held a one-day walkout on May 19 in support of demands by workers at Table Bay Cold Storage Company and National Meat Suppliers for recognition of democratically elected workers' committees

They were turned away from their factories when they reported for work the next day and have been out of work since then

A spokesman for Table Bay Cold Storage, where the dispute began, said negotiation of a settlement had been taken out of the firm's hands and were 'in the hands of the Government.'

Employers in the industry have turned down offers of mediation made by local butchers and more recently by the South African Council of Churches.

Bishop Desmond Tutu, general secretary of the SACC, this week urged Christians to support the red meat boycott 'to ensure justice is done.'

'This action is suggested most reluctantly because of the unco-operative attitude of the employers,' he said.

The boycott in Cape Town received a blow this week with the decision of butchers in the black townships to return to selling red meat.

The meat workers, however, have called on the community to continue the meat boycott

HULETTS

Industrial boom

Activities: *Diversified sugar group controlled jointly by Tongaat and C G Smith Other interests include 60,8% of Huletts Aluminium and holdings in paper, packaging, transport, engineering and property*

Chairman: *32,9m ordinaries of R1, 2,2m 6,5% red prefs of R1, 5,3m variable rate prefs of R2 Market capitalisation R213,9m*

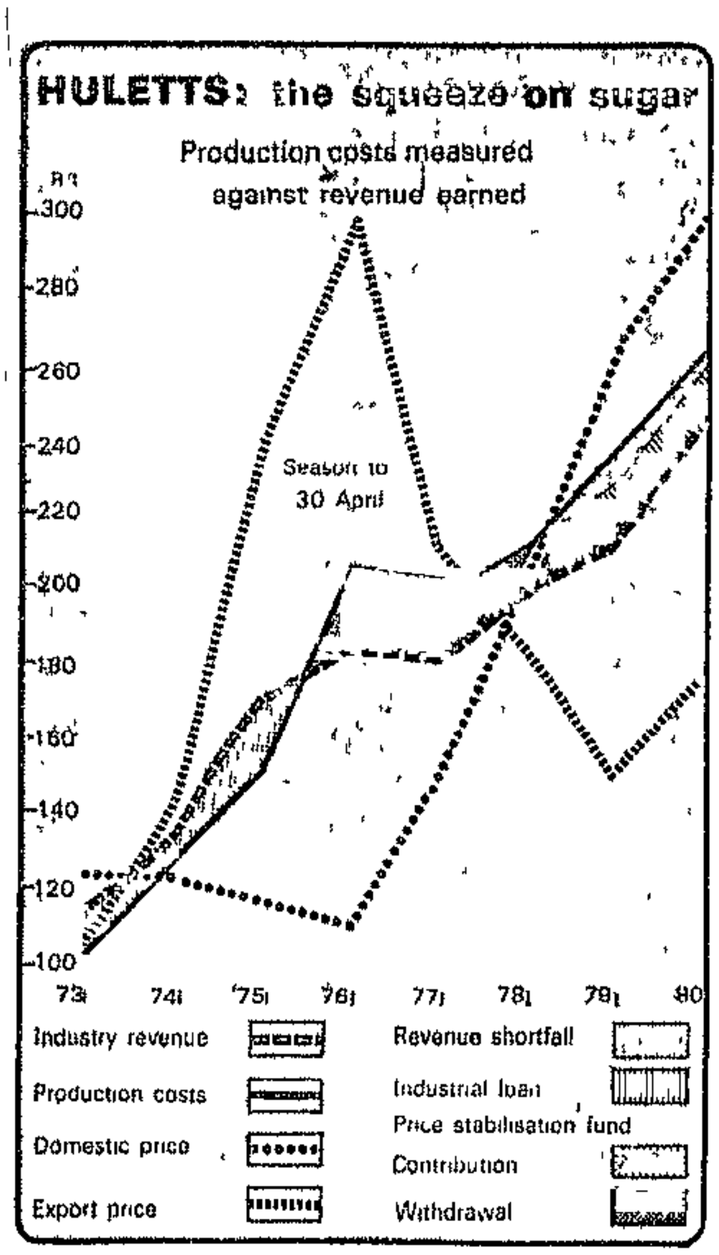
Financial: *Year to March 31 1980 Borrowings long- and medium-term, R50,3m net short-term, R10,0m Debt equity radio 24,6% Current ratio 1,7 Group cash flow R44,8m Capital commitments R17,1m*

Share market: *Price 650c (1979-80 high, 900c, low, 218c, trading volume last quarter, 390 000 shares) Yields 9,9% on earnings, 6,8% on dividend Cover 1,5 PE ratio 10,2*

	'77	'78	'79	'80
Return on cap %	11,2	11,8	14 0	16 2
Turnover (Rm)	288	300	333	413
Pre-tax profit (Rm)	22,7	27 7	38 8	50 4
Gross margin %	10 1	11 5	13 4	13 1
Earnings (c)	45 6	42 6	54,2	63 6
Dividends (c)	31	28	37	44
Net asset value (c)	521	548	658	637

Hulett's diversification programme showed its real worth last year when the group was able to show a 27% improvement in profits despite a reduced contribution from its sugar activities

Of the R4,3m increase in attributable profits, after allowing for additional depreciation on revalued assets and a Lifo stock valuation adjustment, R2,5m was accounted for by new acquisitions, while a further R1,8m represented a change in accounting policy in the sugar division This means, in effect, that the rest of the group did no more than balance the 27% decline in net sugar earnings before the accounting policy change



This fall reduced the proportion of gross profits (before tax and interest) attributable to sugar from 61,5% to 43,7% However, after taking into account minority holdings in some of the key industrial subsidiaries, this division was still responsible for slightly more than half the net profits attributable to shareholders

By way of contrast, with the acquisition of the remaining 50% of Hypack and the consolidation of this company for the first time, the group's paper and packaging interests have been considerably expanded and now account for almost 25% of gross profits against only 11% previously And if the broadly related activities of Huletts Aluminium are included in this sector, the total increases to 47% of gross profits, topping the contribution from sugar

This pattern is likely to extend in the current year Prospects for the entire sugar industry are clouded by expectations of a substantial fall in output as a result of the drought in the sugar belt First estimates of industrial production for the 1980-81 season which ends next April, were put at 1,75 Mt, down 16% from the 2,1 Mt of the season just completed But the SA Sugar Association has since predicted that even this looks optimistic and that national output is not likely to total more than 1,65 Mt — a 21% reduction

The outlook for Huletts is even worse Firstly the drought in the areas from which it draws its cane has been more severe than in the rest of the industry And secondly, the group continues to be affected by the incidence of Eldana borer, a pest which eats the core of the cane

Huletts consequently expects its share of industry output to fall further to about 27% compared with 30,3% last year and its normal quota of around 34% Output this year could, therefore, drop by between 25% and 37%, depending on which of the two industry forecasts proves the more accurate

So, while chairman Chris Saunders expects profits in the industrial division to continue to boom, with turnover and distributable earnings increases of at least 50%, he warns that this will largely be absorbed by the decline in the sugar division This implies that sugar earnings could drop by almost half if the drought persists, in which case the contribution to group earnings would probably fall to below 30%

At this stage Saunders is not prepared to go any further than to say that he hopes the present 44c dividend total will be maintained It should be noted however, that he made basically the same forecast a year ago, which proved very conservative The balance sheet remains strong and there can be little doubt that the group will continue to be on the lookout for suitable acquisitions in the industrial field which it sees as offering the best opportunities for long-term growth

The present uncertainties are reflected in a historic dividend yield of 6,8% which, although not particularly high for the sugar sector, is some two percentage points more than the industrial market average The share could prove cheap at 650c if the group again manages to exceed its expectations

Brian Thompson

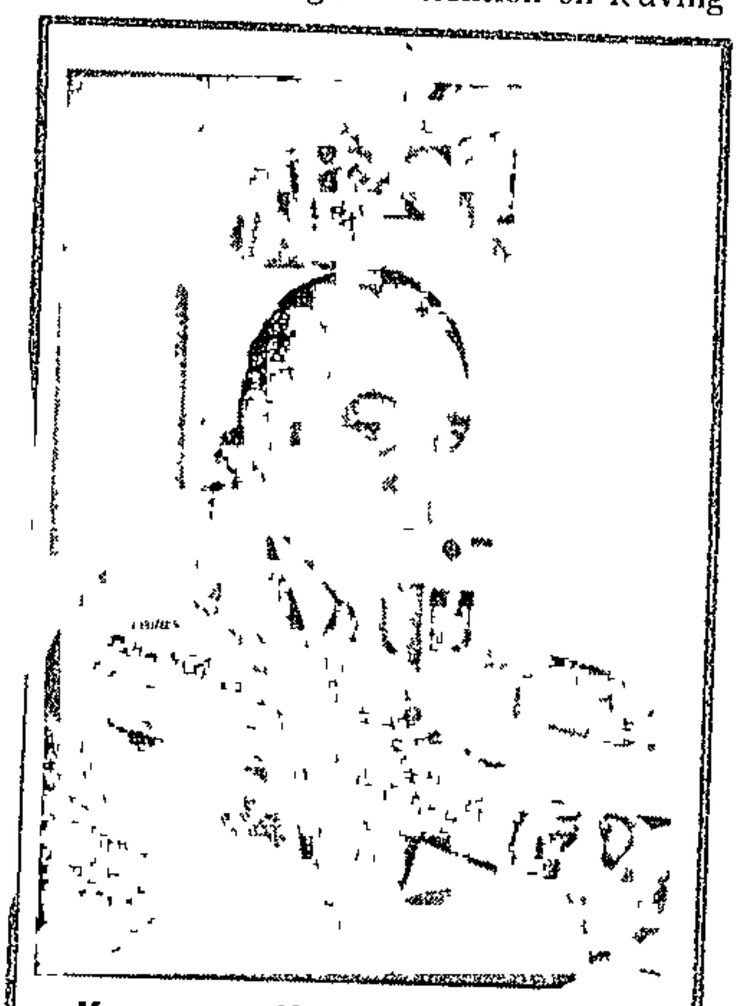
FM 11/7/80 (186)

HAROLD KRAMER

Lesson from the land

Simply put, Harold Kramer, 41-year-old MD of Kanhym Investments is an ambitious man That's why he waited 37 years before marrying "Not being tied down gave me the mobility I required to dedicate my life to the company " This dedication has not gone unrewarded He has transformed Kanhym from a family business into a public company with assets of R130m and a projected yearly turnover of R400m

His uncles were "men of the land" — crop farmers in Middelburg — and even as a child, the rustic life appealed to Kramer His original intention on leaving



Kramer . . I've always relied on intuition

school was to study agriculture However, employing the foresight which has been the hallmark of his career, he studied accountancy at Wits "I realised that, increasingly, farming was becoming a business enterprise and that any business knowledge I could acquire would be invaluable in the future '

So, in 1961, with his newly acquired professional stints he joined his uncles, Jack and Julius Kahn, on their Middelburg farm Then started an eight-year apprenticeship Working 15 hours a day he absorbed all his uncles could teach him "I learned the hard way, but the knowledge my uncles passed on to me was more valuable then anything I could have picked up in agricultural college '

Until 1969, Kanhym was a profitable producer of potatoes and maize ' The company was doing well, but we did not want to realise our assets So we decided to go public In 1969, we became SA's first farming company to obtain a listing on the stock exchange '

With this came a new era in the company s history 'I ve always relied on intuition I have the ability to size up the market conditions and trends before they actually materialise This gives me direction and guidance Kramer perceived two things it was risky relying solely on potatoes and maize for income, and while SA was a meat-eating country there were not enough cattle feeding off natural grazing to meet the country's needs Between 1970 and 1974, I visited America to study their feedlot system which we are now utilising In the next 10 years, the feedlots developed from a stock of 3 000 to 43 000 head of cattle

With this shift towards cattle farming, came Kramer s concept of vertical integration — Kanhym producing the beef and selling it through its own outlets "Again I wanted to reduce our risk factor With vertical integration, if one operation fails, the other is usually a success For example, if the price of beef falls, consumer demand will increase and our retail outlets will thrive To help achieve this aim, Kanhym acquired an abattoir at Balfour and retail outlets in the OK stores and Hyperama s

Today, Kramer is employed in an advisory capacity, relying on his past experience and intuition to guide company policy ' I am trying to pass on to our managers my 20 years experience I believe that a business is only as strong as its managers and so I delegate as much as possible A person only gets the feel of business when he is forced to make important decisions '

Even now, he is married and has a family, Kramer s first responsibility is the business 'If I'm going to be successful, that s the way it must be '

Which leaves only the weekends for his family and the occasional jog or game of tennis But Kramer has no regrets "It s been an incredible experience and, in future, I aim to put back into farming what I've got out

Negotiation needed in meat dispute

CAPE TIMES 7/7/80

186

From Mrs MARIE MAUD, chairwoman, Women's Movement for Peace (Claremont):

IN view of the widespread unrest pervading South Africa it might be expected that responsible bodies, including government and industrial management, would do everything possible to reduce friction However, government response has been widespread detentions and prolongation of the ban on meetings, and in the Cape it has given strong-arm support to management in the meat dispute

In these circumstances silence does not indicate consent Opposition persists, fear, suspicion and resentment make for greater polarization in society, a moderate organization like Women's Movement for Peace is frustrated in its attempts to work for reconciliation and peaceful change in our country and we fear that government support causes management in the meat industry to feel absolved of responsibility to negotiate on lines prescribed by common sense and justice

We call on government and management to recognize the moderate nature of the demand of workers at Table Bay Cold Storage and National Meat Suppliers to choose their own representatives, the moderate stand of meat workers in other firms in seeking settlement through negotiation before undertaking a one-day strike, the sustained moderation of meat workers and of the Western Province General Workers' Union in pressing for negotiation through six weeks in which 800 breadwinners have been unemployed, and we call on management to negotiate in its own interest and as a step toward reduction of national tensions.

Meat strike 'is over' but the 'strikers' carry on

By LIZ McGREGOR

"THERE is just enough money to keep us alive. We eat only the cheapest food, like mealie rice. And we also eat much less — I know that if I have breakfast, I cannot have lunch But I just keep tightening my belt. If you are fighting for something, you have got to sacrifice."

Mr X, one of Cape Town's meat workers, who has been on strike for almost two months, yesterday described how he and his family have lived on the R15-a-week strike pay he receives from the Western Province General Workers' Union.

"When the strike first started, I spoke to my mother who lives with my wife and five children in the Ciskei and said they will now get very little money from me. My mother replied that I mustn't worry, she was getting her pension of R49 every two months and that would help to keep the family going," he went on.

"We no longer pay rent. They will have to turn us out on to the street if they want to, there is nothing we can do Every month I pay R27 to a clothing shop where I bought my children's school uniforms but I explained to them I would not be able to pay until the strike is over and they knew about the strike and said it was alright."

It is now almost eight weeks since workers from 17 Cape Town meat firms went on strike on May 20 after elected workers' committees at two of the firms, Table Bay Cold Storage Company and National Meat Suppliers, were refused management recognition

Management of all the firms reacted to the strike in unison, announcing that all 800 workers involved had dismissed themselves by striking and would no longer be regarded as employees.

They said they were taking a stand against "irresponsible and illegal strike action". Attempts by bodies such as the Progressive Federal Party, the Cape Butchers' Association and Bishop Desmond Tutu of the South African Council of Churches to persuade them to negotiate with the workers have been unsuccessful.

For several weeks, the workers maintained a united front, publicly stating their willingness to negotiate the dispute with management

However, over the past couple of weeks, cracks in the workers' unity have begun to appear. The workers' trade union, the Western Province General Workers' Union, reports that although "the majority" of workers remain determined to hold out, about 30 workers from one of the firms, Slabbert, Verster and Malherbe (Pty) Ltd, have asked to be taken back.

A spokesman for the company said yesterday that two of the workers had been taken back as casual workers and the firm was "considering" re-employing them on a permanent basis.

He said the rest were told they would not be taken back and had accepted wages and holiday pay owing to them.

"If I were to take them back, it would mean firing 30 of the workers I have hired to replace them and I couldn't do that," he said.

The managing director of Table Bay Cold Storage, Mr R L Selzer, said yesterday he had replaced his entire work-force with workers from Crossroads. They had received three weeks of training and production had been "back to normal" for some time

"You can take it from me — this strike is over," he said.

Massive financial support from the community — over R61 000 has been raised for the meat workers since the start of the strike — has enabled the union to continue paying the strikers R15-a-week strike pay

In another attempt to help the workers, a scheme has been started whereby individual donors have each "adopted" a meat strikers' family to whom they supply a weekly food hamper.

The boycott of red meat by the community in support of the workers continues in spite of last week's decision by 17 butchers from the black townships to start selling red meat again.

However, the demand for red meat is now only about 20 percent lower than normal, according to a spokesman for the Cape Butchers' Association, which represents butchers from the Cape Flats and Retreat areas.

Now, eight weeks since the workers first walked out, the deadlock remains with no sign of it being broken.

Members of Mr Wilson Fundani's family gather for a meal in the kitchen of his home Mr Fundani supports himself and 11 other members of his family on his R15-a-week strike pay

CAPE TIMES 10/7/80

Union proposes committee to end impasse in meat industry

(186)

Staff Reporter

IN an attempt to end the two-month-old impasse in the meat industry labour dispute, the strikers' trade union yesterday proposed the establishment of a central "meat committee", representing all workers and management

The dispute began when 800 meat workers throughout the industry walked out when management in two of the firms, Table Bay Cold Storage Company and National Meat Suppliers, refused to recognize committees elected by the workers

In a statement yesterday, the Western Province General Workers' Union said a central committee "could provide a guarantee against any further disruption in the meat industry"

"Such a committee should have regularized mechanisms for negotiation and settlement of disputes," said the statement

The union said their suggestion was made in the light of a recent speech by Mr Andrew Levy, adviser to the meat employers in the dispute, in which he said "effective bargaining channels between workers and employers" were essential

Mr Levy was not available yesterday to comment on the union's proposal

The statement referred to a strike by 600 stevedores in December last year, which "also arose out of the stevedore bosses' refusal to recognise non-racial, democratic committees A central stevedores' committee was set up and recognized by the management

"This committee, which has regularized channels for negotiation and settlement of disputes has led to the establishment of sound labour relations in the stevedoring industry in Cape Town

"The union calls on the meat bosses to take note of the policy adopted by the stevedoring bosses and start negotiations with the meat workers for a similar system in the meat industry," concluded the statement

Candidates must use in

FEDFOOD (FM 11/7/80) (156)

Record in sight

Activities: *Diversified food group with main interests in milling, fishing, snacks (Simba and Riviera Foods), frozen foods (Table Top) and industrial and edible oils*
Chairman: *Dr D J F Human, managing director J D Louw*
Capital structure: *17,8m ordinaries of 50c Market capitalisation R106,8*
Financial: *Year to March 31 1980 Borrowings long- and medium-term, R17,5m, net short-term, R24,6m Debt equity ratio 53,7% Current ratio 1,3 Group cash flow R19,6m Capital commitments R38m (including R30,6m in respect of acquisitions)*
Share market *Price 600c (1979-80 high, 600c, low, 265c, trading volume last quarter, 199 000 shares) Yields 9,7% on earnings, 4,4% on dividend Cover 2,0 PE ratio 10,3*

	'77	'78	*'79	'80
Return on cap %	32 2	22,6	14,5†	17 9
Turnover (Rm)	55	116	253†	318
Pre tax profit (Rm)	11 8	10 8	12 1†	19 4
Gross margin %	21 7	10 2	6 1	7 3
Earnings (c)	61 1	49 1	40 9†	58 0
Dividends (c)	35	26	22 4†	29
Net asset value (c)	262	298	330	368

* 15 months to March 31 1979 † annualised

Fedfood is set to show record profits and earnings per share this year However, with a more conservative dividend policy, it is doubtful whether the payout will top the 39c of 1974 and 1975

Last year saw a marked improvement in the group's fortunes after the 41% earnings slide of the previous two years But on the company's calculation of its earnings at 60,6c there was still a 16% shortfall compared with the 72,3c peak of 1975 This was before the takeover of Bechmalt which marked the start of the group's diversification, from its fishing origins

This year, however, it seems that the group's latest acquisitions, Table Top and Riviera Foods, coupled with even moderate real growth from existing operations, could boost earnings to over 90c That is notwithstanding the 20% increase in issued share capital as a result of the rights offer which closed last week

The annual report does not expand on forecasts made at the time of the acquisitions But the original announcements stated that in each case an earnings increase of up to 10c a share could be expected, before taking into account any rationalisation benefits This, in itself, would improve eps by about one-third, while normal growth should provide at least another 12c Total earnings on this basis, therefore would probably amount to around 92c up 53% on last year's figure

Despite what MD Johan Louw calls certain impeding factors, such as possible consumer resistance to the recent 20% rise in the maize price and the doubtful prospects of the Namibian fishing industry, he is optimistic that the group will be able to maintain satisfactory real organic growth in profits this year

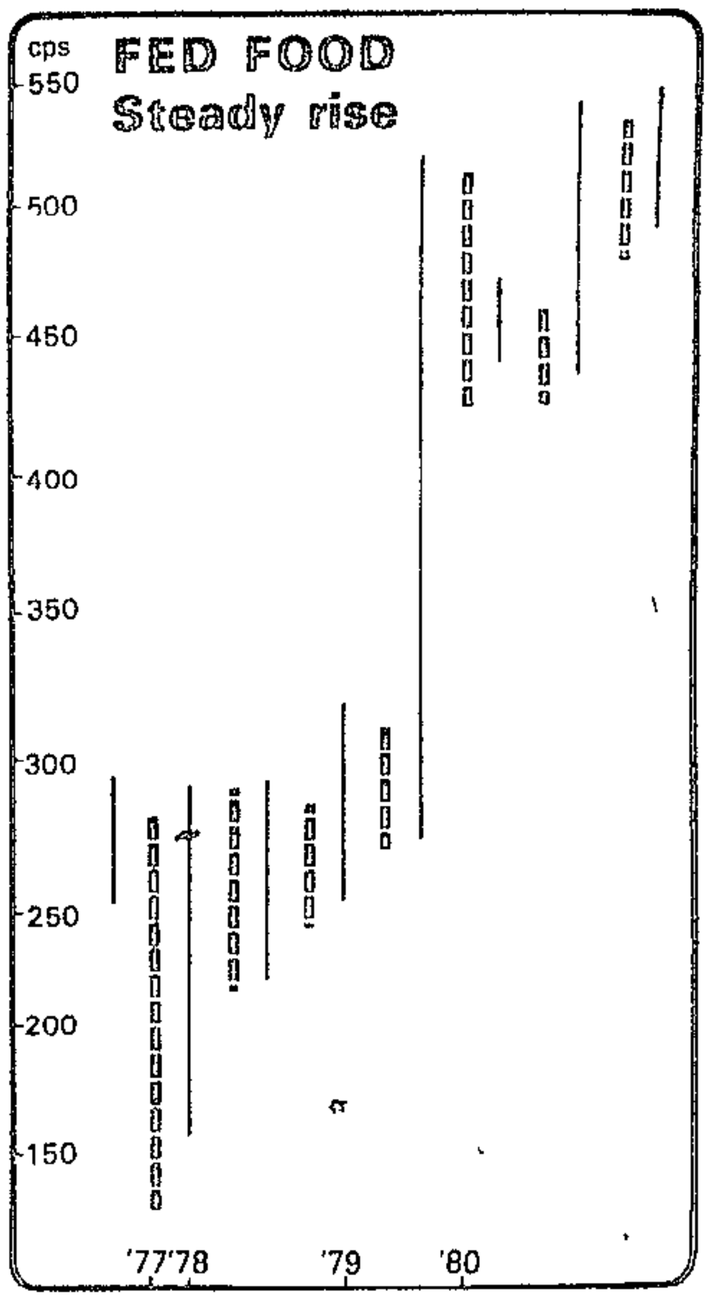
EARNINGS BREAKDOWN
Estimated contributions to equity profits*

	1979*	1980
	R'000	
Fishing	2 606	2 378
Milling	2 316	5 081
Snacks	869	1 622
Wholesale	796	865
Industrial Oil	434	541
Other	217	324
Total	7 238	10 811

* 15 months annualised

Plus factors include the wider range of goods which the group now has to offer, the possibility of new products following an expansion of the research and development division, and the export potential of both agricultural and manufactured products which the group hopes to develop further Management will also no doubt continue to concentrate on improving the performance of unsatisfactory areas such as the bakeries adjacent to homelands where low profitability and surplus capacity is causing concern, and the Cashmart wholesale operation in Natal

Fedfood's Louw optimistic on growth



Financially, the group is sound and seems to have adequate gearing capacity to expand operations where necessary The year-end debt equity ratio was a modest 54% compared with 56% in 1979 and could drop even further to around 45% after taking into account the R15m raised through the rights issue This could be considered a little conservative especially as gross returns on capital employed should improve from last year's 18% with the maiden contributions from Table Top and Riviera However, management may well prefer the more conservative approach in recognition of the fact that almost half group earnings are attributable to the milling industry, where returns are low

On the basis of an earnings total of 92c for the current year, the group may be able to increase dividends to 37c while at the same time improving the cover to 2,5 times (2,0) This would put the share at 600c on a prospective yield of 6 2% which is about average for the industrial market But in relation to companies such as Tiger Oats and Premier Milling, the price is probably a little cheap

Brian Thompson

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6 Geen bladsye mag uit hierdie eksamenskrif geskeur word nie.

(186) 11/7/80

Union accuses govt

CAPE TIMES 11/7/80 (186)

JOHANNESBURG — The government has been accused of supporting Cape Town meat employers' refusal to negotiate with striking workers

A memorandum released this week by the Western Province General Workers Union said that "many believe that the government wants to smash progressive worker organizations"

It partly based its claim on a statement by a meat employer who reportedly said earlier this month that a settlement to the dispute was "now in the hands of the government"

Meat workers have been striking for about eight weeks in support of demands that management at two companies recognize unregistered worker committees

The WPGWU and the strikers have called for employers to negotiate an end to the strike, but employers have so far refused, arguing that the workers have terminated their contracts by striking

BOYCOTTS FM 11/7/80 (12) 186

Beefing up

Black community backing for a national red meat boycott in support of 800 black meat workers in the Cape is being canvassed

Its success will depend on effective national co-ordination and organisation, presently hindered by government's ban on political meetings, and indications are that it will have great difficulty in getting off the ground

The boycott call was initially restricted to Cape Town, where it is said to enjoy considerable black and white community support African and coloured butchers support for the boycott has, however, now ended, and they have resumed sales of red meat — but sales are still down about 50% in black areas, according to a report

According to a Cape meat industry spokesman, the boycott has had no impact whatsoever It was "extremely difficult to boycott a basic foodstuff like red meat,' he added

In the Transvaal, a number of organisations — from the Azanian People's Organisation (Azapo) to trade unions — have declared their support for the boycott

Azapo publicist George Wauchope says the organisation s 20-odd branches nationwide have been told to spread word of the boycott among members and the black populace Adds Wauchope "Blacks are increasingly realising their economic power '

Among the trade unions to support the boycott are three falling under the Consultative Committee of Black Trade Unions The three have a combined membership of about 6 000 Other consultative unions are expected to follow suit

General Secretary of the Federation of South African Trade Unions (Fosatu) Alec Erwin says the organisation sympathises with the meat workers and support could be forthcoming from the organisation or its individual unions in the near future

Among those to declare their support is South African Council of Churches general secretary Bishop Desmond Tutu His declaration came after his unsuccessful intervention with Cape meat managements on the workers behalf

Dr Nthato Motlana s Soweto Civic Association and the Soweto Traders Association under Veli Kraai are also believed to support the boycott

Meanwhile, the SA Institute of Race Relations has called on 'the public to respond to the severe financial hardships facing the workers and to consider in what ways support can be given to the democratic demands of these workers '

At present the 750 workers in the Cape are receiving about R15 a week financed mainly by donations, and a system of food parcels for about 50 of the workers each week has been instituted

Financial Mail July 11 1980

(186) 11/7/80

CAPE TIMES 11/7/80

Application for plant approved

(186)

Staff Reporter

THE Divisional Council Medical Officer of Health, Dr L R Tibbit, yesterday gave conditional approval to an application for a fish-smoking and processing factory at Hout Bay

The approval, which was tabled at a meeting of the Health Committee, will come before the next meeting of the council for ratification

No objections were received when the application was advertised as required by the regulations

In his report to the Health Committee, Dr Tibbit said the application had been made by Irvin and Johnson to conduct 'the offensive trade of smoking and processing of fish' on Yorke Point, Hout Bay, in a factory previously occupied by Amalgamated Fisheries

Approval was subject to

- Any requirements which may be stipulated by the Engineer, Inspector of Factories and Medical Officer of Health
- Suitable arrangements being made for the disposal of liquid and solid wastes
- Smoke emitted by the smokeboxes being kept to within an acceptable limit

Mr Len Pothier, chairman of the Hout Bay and Llandudno Ratepayers Association, said yesterday the smoking and processing of fish had been previously carried on in the same buildings by Amalgamated Fisheries

This application is simply a continuation of the same business and has nothing to do with the fishmeal factory which most people see as a major nuisance in Hout Bay Provided the business is run in an acceptable manner the association has no objection," Mr Pothier said

SUNDAY POST, July 13, 1980

'Don't eat red meat'

More called on to support Cape Town workers

SUNDAY POST Reporter

WHILE the red meat boycott appears to be crumbling in Cape Town, increasing numbers of organisations are rallying behind the 800 meat strikers.

Early last month the strikers called for a national meat boycott. The boycott had already been going for over two weeks in Cape Town, where, according to reports, meat sales dropped by as much as 40 percent to 60 percent in the black and coloured communities.

After pressure from the community, butchers in Caep Town stopped selling red meat But, after a week, only the African butchers continued to support the boycott. However, on Monday they reopened. And now, according to the Western Province General Workers' Union (WPGWU), meat sales are down by only 20 percent

Says a WPGWU spokesman: "The people are confused. They think the opening of the African butchers has meant an end to the boycott But it is not over, and the meat workers want the people to continue supporting the boycott."

More organisations have come forward pledging their support for the strikers and the meat boycott

The Black Lawyers Association, the Black Housewives' League's executive and the YWCA have [illegible] the Transvaal branch of African Food and Canning Workers Union

The Soweto Traders Association has also pledged support for the boycott, but said it would only implement the boycott fully if the Black Housewives' League supported it.

Mrs Sally Motlana, the Black Housewives' League's president, said: "I support the boycott wholeheartedly So does the the league's executive The executive has now gone to the branches to get an answer from them"

Mrs Joyce Serake of the YWCA said: "We are sending circulars to our members asking them not to eat red meat. I think the best thing to do is pressurise those who sell meat in the townships"

So far the workers have received R65 000 in donations from the community. The strike has cost the WPGWU, to which the strikers belong, R95 000.

Meat support committees have been set up by the SRCs at Cape Town, Witwatersrand and Durban universities. And there is talk of similar committees in Port Elizabeth and Pietermaritzburg.

Others that could come out in support of the strikers are the Transvaal Council of Sport (Tracos), the Consultative Committee of Black Trade Unions and the Federation of South African Trade Unions (Fosatu)

A spokesman for Nafcoc said: "N[illegible] doesn't

Flashback to the beginning of the strike — meat workers walk out.

13/7/80 Sunday Post

joined a number of other organisations already supporting the red meat boycott.

These include the South African Council of Churches, the Soweto Civic Association, Azapo, and three trade unions, the Food, Beverage and Allied Workers Union, the Commercial Catering and Allied Workers Union and

banning of meetings with ten and more people has hindered the boycott. Early this month some of the organisations planned a mass meeting "to enlist popular support," But the ban put a stop to that According to Dr Nthato Motlana, "a very small group will be meeting today to discuss what to do."

plan to take a decision on this."

The workers are striking for the establishment of non-racial and democratically elected worker committees. But the 18 or so meat firms refuse to negotiate with them, saying they are no longer meat employees since they broke their contracts by striking.

Boycott of meat 'not going so well'

14/7/80

186

THE Western Province General Workers' Union is struggling to keep the meat boycott alive in the Peninsula, according to union worker Mr Barnett Ntsodo.

Mr Ntsodo said the union was distributing pamphlets throughout the townships encouraging people to boycott meat, but the community was confused because the meat workers from the Table Bay Cold Storage company had ended their strike.

'The people think that if the strike is ended there is no longer a need for a meat boycott,' Mr Ntsodo said

Butchers ended their meat boycott about three weeks ago because they could not afford to continue 'Now we are relying on the community, but it is difficult and not going so well,' Mr Ntsodo said.

17/07/80 ARGUS

Break in meat boycott for 'employer rethink'

(186)

THE six-week boycott of red meat in solidarity with striking workers has been suspended till July 27 to give employers a chance to 're-think' the demand for a democratically elected workers' committee.

A statement by the Western Province General Workers Union said that if the workers were not reinstated the boycott would be resumed on a larger scale throughout the country.

The statement said: "The suspension of the boycott is aimed at giving employers an opportunity to remedy the situation by meeting the workers' demands.

'We will give them a chance until July 27.'

A spokesman for the Table Bay Cold Storage said he was 'sick and tired' of the meat strike issue.

'The matter as far as we are concerned is settled. The workers have been fired.'

He said other workers had already been employed and would move in at the hostels as soon as the strikers moved out.

Meat boycott ends for 2 weeks

THE boycott of red meat in support of the 800 striking meat workers has been suspended for two weeks

A spokesman for the workers' trade union, the Western Province General Workers' Union, said yesterday that the boycott had been suspended till July 27 "to give the meat employers an opportunity to meet the workers' demands".

The spokesman said that if the workers were not reinstated by July 27 and the elected workers' committees of Table Bay Cold Storage Company and National Meat Suppliers recognized by the management, the boycott would be resumed on a national scale

The spokesman emphasized that the workers were still on strike in spite of the suspension of the boycott.

The boycott, which has been supported by a wide cross-section of the community, began more than six weeks ago in response to a call by the meat workers

● The management of all firms hit by strikes have said that all 800 meat workers had dismissed themselves by striking. New workers have since been employed to replace the striking workers.

18/7/80 ARGUS

New plea for talks over meat boycott

THE suspension of the red meat boycott yesterday has resulted in a renewed appeal to employers to meet the workers 'halfway' and settle the three-month labour dispute

The appeal to employers to be 'big enough to start again' came from Bishop Desmond Tutu, Dr Alex Boraine and the South African Institute of Race Relations.

They were responding to a statement by the Western Province General Workers' Union, representing the striking workers

'The suspension is aimed at giving the employers an opportunity to remedy the situation by meeting the workers' demands for a democratically-elected workers' committee,' the statement said

JULY 27

It stated that if workers were not reinstated by July 27 the boycott would be resumed on a larger scale throughout the country.

Bishop Tutu, general secretary of the South African Council of Churches, said he hoped the conciliatory approach by the workers was met in a 'similar spirit' by employers

'I appeal to the employers to reach an understanding with the strikers and to negotiate with them to resolve the dispute,' he said

A SOLUTION

Dr Alex Boraine, the Opposition spokesman on labour matters, said a sensible and constructive solution would be for management and labour to meet without delay to resolve differences.

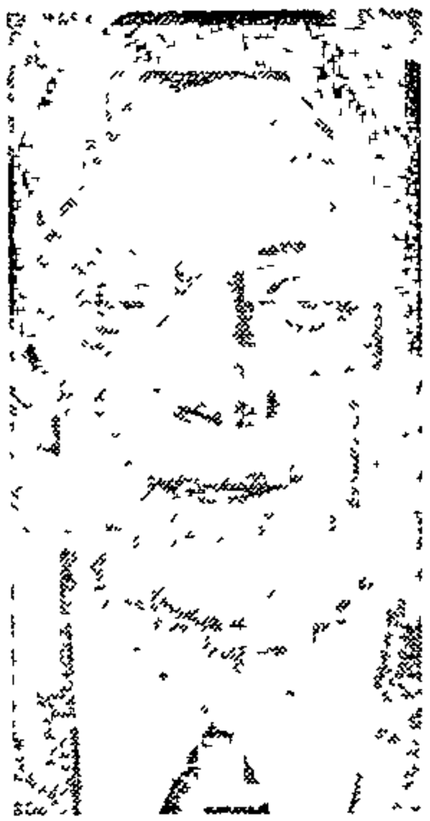
He said the initiative now rested with employers

Dr Boraine condemned the detention of union officials and said they should be released immediately to play a role in resolving the dispute.

Mrs Daphne Wilson, the Western Cape regional chairman of the Institute of Race Relations, said employers should realise what responsibility rested with them, not only because of the workers' hardships but because of 'estranged views and feelings' among blacks.

18/7/80 ARGUS

FINANCE



MR RUSSELL Spencer-Young has been appointed general manager marketing of the SA Druggists group

Maize Board plans to boost exports

186

A HIGHER than expected carry-over of maize from the 1979-80 crop will be used to help the Maize Board increase exports, Reuter reports from Pretoria.

The Maize Board was originally planning to export 3 830 000 tons but this figure has now been revised to 4 050 000 tons.

Although the latest estimate of the 1979-80 crop puts it at 10 320 000 tons, down 230 000 tons from the previous estimate, the opening stock position at May 1 has been revised upwards from 1 140 000 tons to 1 370 000 tons

In 1978-79 8 240 000 tons of maize were produced

The Maize Board says 154 000 tons of yellow maize were exported in June at an average price of R109 50 a ton, while 252 tons were exported in May at R104,37 a ton

In April maize exports amounted to 219 957 tons

At current export prices exports in the 12 months ending next April could bring South Africa more than R400-million in foreign earnings

But with the export price below the domestic price of R122,40 a ton, the public is subsidising part of these exports

MRS LYNNE POCOCK, left has been appointed manager of the Cape Town branch of the Kelly Personnel group and Miss Lyn Holloway, manageress of the new branch in The Link, Claremont

Cape Times 19/7/80 (186)

Meat strike impasse

By MAVIS MAKELENI, of the Western Province General Workers' Union

THE recent wave of strikes by black workers all over the country has revealed once again the inadequacies of South African industrial legislation

Workers from Putco in Johannesburg, Kromco in Grabouw Langeberg Ko-op and Western Province Preserving in East London and workers from many firms in Uitenhage have been on strike

These strikes have exposed the inadequacies of the existing procedures for settling disputes and the workers total rejection of the works and liaison committee systems

As with the meat strike in Cape Town, several of these strikes arose as a result of the bosses refusal to recognize the organizations of the workers choice

The government has promised a new approach to labour but the government has not responded to these strikes in a new way The government has again used a show of force — riot police, tear gas, baton charges arrests of worker leaders and even birdshot — to intimidate the workers into giving up their demands

However, it is only in the meat strike that the government has taken on the full responsibility for dealing with the strike

The meat workers demand for the recognition of democratically elected workers' committees is a simple one and is a matter that should be settled between the workers and the bosses In the other strikes where the government didn t take on the full responsibility for dealing with the strikes, negotiations between the workers and the bosses were started almost immediately and settlements were reached

In the East London, Kromco and Putco strikes the settlements even included the recognition of the unregistered unions involved in the disputes But after two months the meat bosses are still refusing to talk to the workers The union believes that the government has taken complete control of the strike in order to stop the bosses and the workers from talking to each other

The bosses of Table Bay and National Meat Suppliers wanted the workers to form liaison or works committees The meat workers reject liaison committees because they are controlled by the bosses They reject works committees because they are for Africans only At first the bosses talked to the workers, but didn t listen to them, and later they refused even to talk to the workers So the workers were forced to strike

During the strike the meat workers have been struggling to survive on the R15 a week relief money The workers can barely buy enough food, let alone pay the rent and buy other things But the workers have been willing to make these sacrifices because of their strong commitment to the demands they are fighting for

The support for the meat workers has been fantastic Over R85 000 has been donated to the workers by communities all over South Africa The boycott of red meat and red meat products spread from Cape Town to other parts of South Africa Support committees have been set up in Durban, Maritzburg and Johannesburg In the past couple of weeks several individuals and organizations have made strong statements in support of the meat workers and urging the meat bosses to start negotiations

In spite of the overwhelming financial support for the workers from the community, the pressure on the meat bosses through the boycott, the many statements urging the bosses to start negotiations and the fact that production is still not back to normal, the meat bosses have refused to start negotiations

The union believes that the meat bosses could only behave in this way if their attitude was supported by the government While apparently not putting pressure on the meat bosses, the government has attempted many things to undermine the strength of the workers and the union

Detained

Three union organizers and two people who had been helping the union have been detained, several union pamphlets have been banned, 42 striking workers have been endorsed out of Cape Town under police escort and meetings at which strikes or boycotts are discussed have been banned

On July 4, a spokesman for Table Bay Cold Storage Company, where the dispute began, said that negotiations of a settlement had been taken out of the firms' hands and were "in the hands of the government" The union believes that the government has done this because it wishes to ensure that negotiations between the workers and the bosses do not take place

The government finds the growing worker support for truly democratic organizations very threatening So the government seems prepared to prolong the crisis in the meat industry and provoke the anger and bitterness of the black community because it wishes to crush progressive democratic workers' organization

The WPGWU organizes the workers to elect democratic workers' committees in each factory The committees never make decisions without referring them to a meeting of all the workers at their factories for approval This policy can be seen in the meat strike as well

All along the meat workers themselves have been making the decisions about the strike The union's policy is that the workers should face the bosses themselves — union officials should not negotiate for the workers In line with this policy the meat workers have never demanded formal recognition of the WPGWU Neither have they insisted that union officials be present at their meetings with the bosses The meat workers are fighting for democratic organization in the factories The attacks by the government on the meat workers are no different from the broader attacks made on the demands of the black community for the right to democratic representation of their choice

The meat strike has taken place in an explosive political climate in Cape Town and the government, rather than responding by listening to the grievances of the people as stated by the real leaders, is clearly attempting to smash the progressive worker and community organizations But the workers will continue to reject any unacceptable organizations that the bosses and the government try to force on to them Only the recognition of organizations of the workers choice can bring about sound labour relations in South Africa

The union believes that the workers won the support of the community not only because the workers' demands are reasonable but also because the government s acts against the workers and the union have turned the workers' simple demand for non-racial workers committees into a major issue

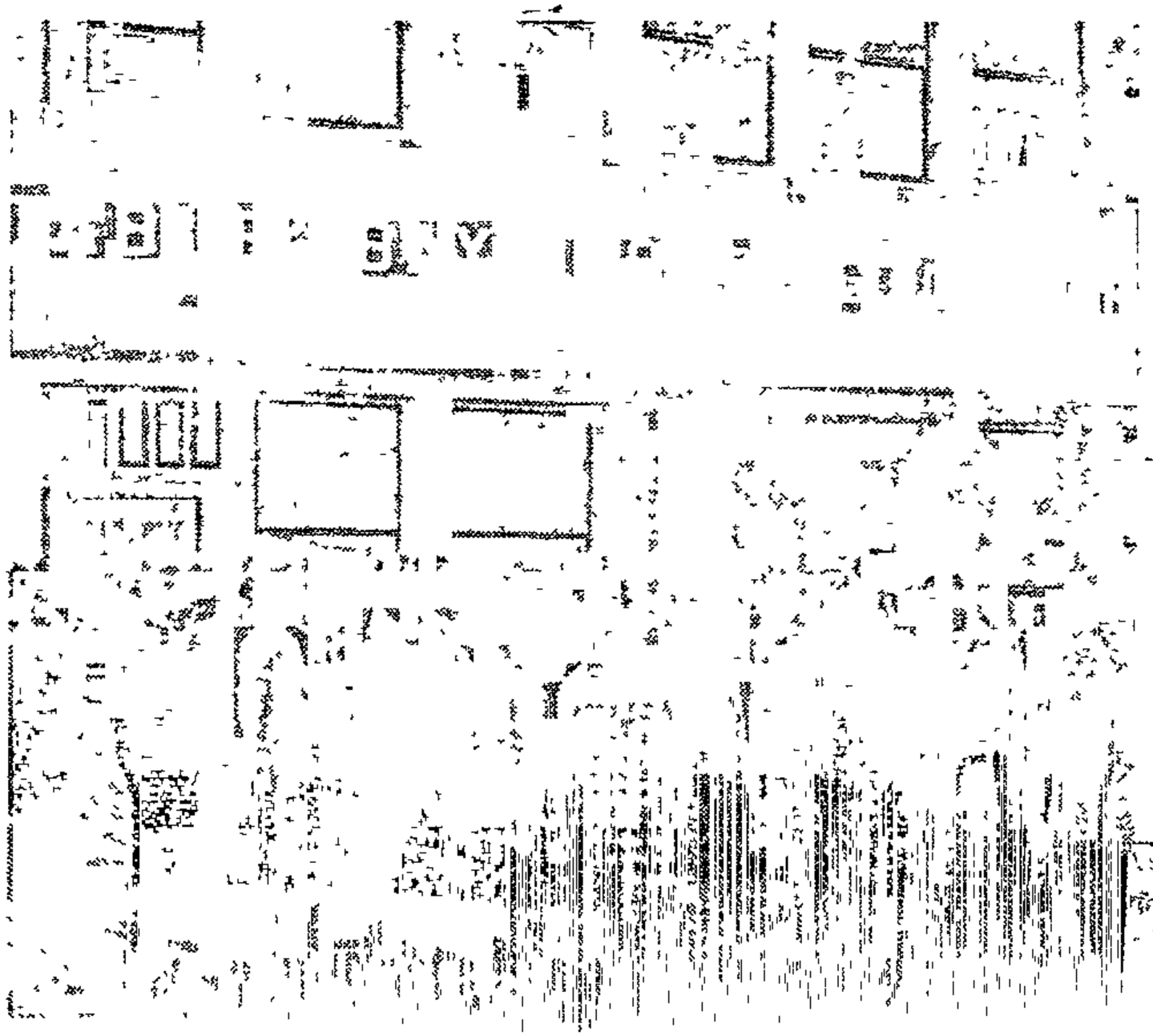
The meat workers have always been and remain willing to discuss the issue and negotiate a settlement with the meat bosses

Written by Mavis Makeleni 1st floor Benbow Building Beverley Street Athlone

MEAT BOYCOTT SUSPENDED

19/7/80 C. Herald

Chance to 'review the situation'



MEAT workers have decided to suspend the boycott of red meat until July 27 to give employers a chance to 're-think and review' the situation.

This decision was taken at a meeting of the meat workers on Tuesday.

In a statement issued exclusively to Cape Herald, the strikers said they were giving the bosses until July 27 to reinstate all the workers

If the workers were not reinstated, the boycott could be resumed on a larger scale throughout the country

The full statement reads 'The aim of the meat boycott was to make the employers recognise workers' rights to fair and democratic representation in their work situation.

'Such a goal has not been achieved and still, apart from 41 contract workers sent back to Transkei before the end of their contracts and

By RYLAND FISHER

like to remind the entire South African community in general, that our position of victimisation, when we stand up for our rights, is characteristic and typical of the worker/employer relationship in South Africa

RIGHT

'We, as workers are relentlessly standing up for what we believe is right and just, that is to elect our own representatives to mediate between the worker and employers.

'The suspension of the boycott is aimed at giving the employers an opportunity to remedy the situation by meeting the workers' demands.

'We are giving them yet another chance while we review the situation until July 27.

SUSPENDED

highlight this course.

'We are calling upon people of all faiths to ask themselves the right questions—namely if you don't help a downtrodden man, what will happen to that man, as opposed to asking if you help such a man, what will happen to you.'

● LIVING on R15 a week strike pay Page 5.

SHBACK to the start of the dispute — workers of the Table d Storage Company outside the firm's offices after a walkout.

faulted, there are still 737 workers who are without their jobs

'We, the workers involved in this plight, would

'In the meantime we are calling upon all communities in the Peninsula to support our butchers in the townships and refrain from buying red meat from supermarkets outside the black areas.

'We are appealing to the community to refrain from buying from meat stands in the townships. They sell meat illegally and at a great health risk

'These people have sold us out Some of them have been pointing out workers at random to police for allegedly damaging their meat stands

SPIRIT

'We wish to register our appreciation to the township butchers in general and to those of Langa and Guguletu in particular for the spirit in which they demonstrated solidarity with our cause.

'We, however, did not agree to the butchers reopening, but we understand their position.

'We thank the community for their support. We are calling for all butchers all over the country to observe a symbolic total red meat boycott from July 28 to August 3.

'Thereafter, the general community should refrain from eating red meat to

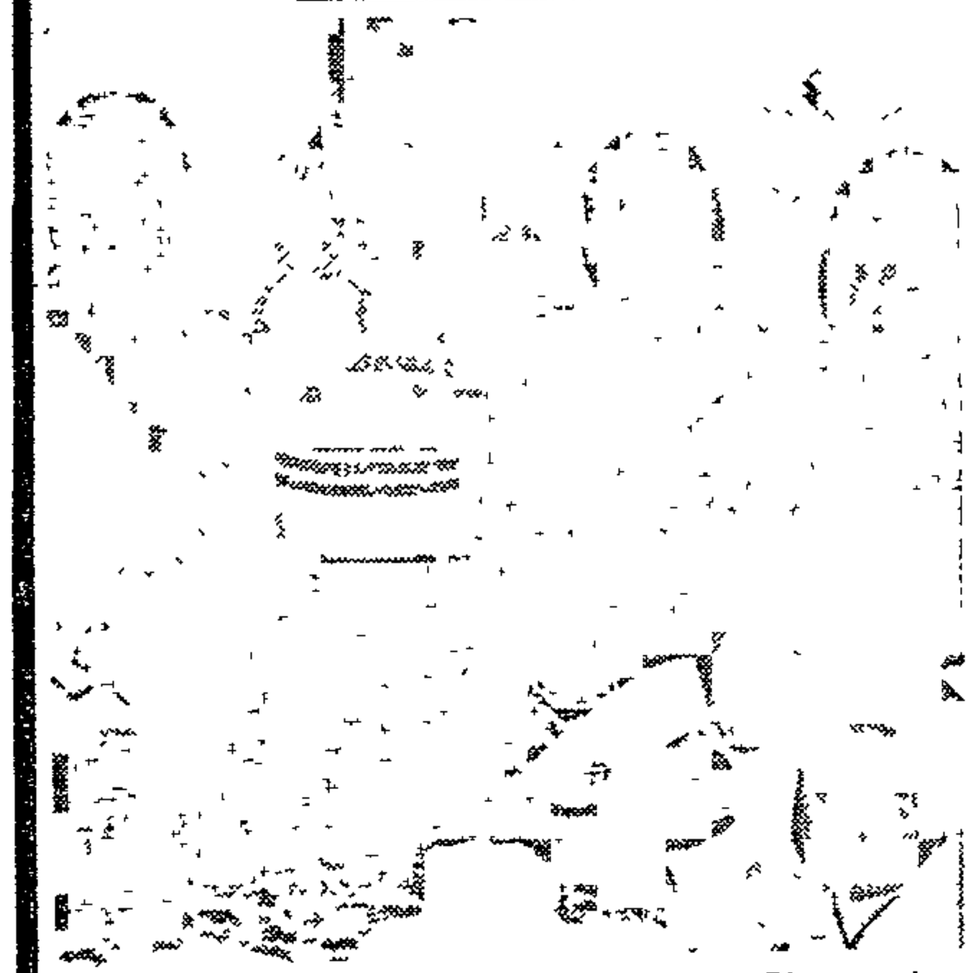
19/7/80

C. Herald

(MFOM) (ISO) (NAD)

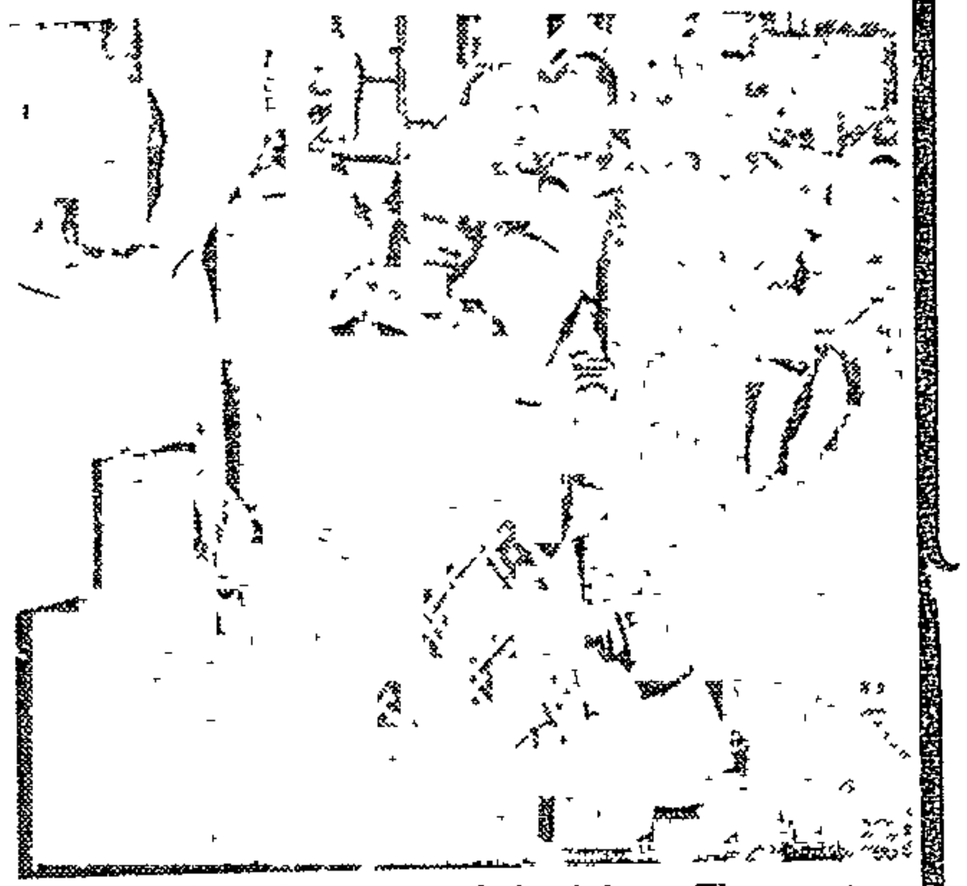
Cape Herald 19/7/80

Plight of Cape meatworkers highlighted



EMPTY plates and a half a loaf of bread That is what comes out of the weekly R15 pay packet which Mr Kenneth Jodwana (second from left) brings home since he was dismissed by the meat bosses

FEEDING A FAMILY ON R15 A WEEK



THIS is only part of Mr Wilson Fundani's family They have to live on R15 a week since their breadwinner was dismissed by the meat bosses

TO many people R15 a week is 'pocket money' to see them through a weekend. Money for luxuries which make life comfortable. For orhers, like the families of the 800 meatworkers, it is the only money that stands between them and utter starvation and destitution.

Every week for the last eight weeks, those meatworkers who were dismissed from their jobs because the bosses at two factories would not recognise their elected non-

Mr Fundani's daughter Monica, Aspidistra's mother, paints a gloomy picture of life and survival in their household

We cannot afford to pay for

question when the money in the house can barely cover the cost of our weekly meals,' Mr Jodwana said

But his spirit is strong and he hasn't wavered one bit since mid-May when he and all the others stood up to their bosses for a fair wage

'It is important for us to stand together The bosses can oppress us much easier if we are divided' he said

His three sisters Gillian

behind him The spirit is strong even though Gillian has a hard time caring for her three-year-old daughter

GLAD

Mr Jodwana is glad about one thing 'This public support for us has been fantastic but it should not slack now

In the homes of other meatworkers the story is much the same Each week they hope that the General Workers Union has raised that R12 000

have been receiving the R15 from their union — the General Workers' Union

It has meant an uphill battle and hardship for most of the men but for the sake of their principles they have stood their ground even though they have large families to provide for

Take three-month-old Aspidistra She is the grandchild of Mr Wilson Fundani one of the striking meatworkers who depend on that R15

She is part of a family that includes Mr Fundani's wife Eunice, his sister Wendy, his mother-in-law, Mrs Minah Tsheni, and his children, four of whom are still at school

'That's a lot of mouths to feed

our daily diet consists almost exclusively of samp, bread and mealiemeal,' she says

'My grandmother receives a pension every two months but even with that it hardly improves matters'

In the Jodwana home it is a similar story of stretching that R15 every week to keep the hunger pangs away

There are eight stomachs that have to be satisfied from that R15 which 23 year-old Kenneth Jodwana is given by the General Workers' Union and he admits readily that that money is 'far from enough'.

MONEY

'I don't even think of buying something for myself It is out of the

Louise (17) and brother Tennyson (14) are right

that R15 which will feed them for the next week

19/7/80
Cape Herald

Tutu plea to meat bosses

RDM 17/7/80

(186)

CAPE TOWN — The suspension of the red meat boycott in Cape Town yesterday had resulted in a renewed appeal to meat bosses to meet the striking meat workers "half way" to settle the three-month labour dispute

The appeal to employers came from Bishop Desmond Tutu, Dr Alex Borraine and the South African Institute of Race Relations

They were responding to a statement by the Western Province General Workers Union, representing the striking workers, which said the boycott was called off to give employers an "opportunity to remedy the situation"

It further stated that if workers were not reinstated by July 27 the boycott would be resumed on a large scale throughout the country

Bishop Tutu, general secretary of the South African Council of Churches, said he hoped the approach by workers was met in a similar spirit by employers — Sapa

24/7/80 ARGUS

Hostel bar on strikers

STRIKING workers of the Table Bay Cold Storage Company have been ordered to move out of the firm's Guguletu hostel

The Western Cape Administration Board's chief superintendent of housing, Mr P U Schelhase, said the workers had been given until today to vacate.

Table Bay Cold Storage required the accommodation in order to bring in new contract workers, he said

A spokesman for the Western Province General Workers' Union said 44 workers had still been staying in the hostel.

Last month, 42 contract workers were arrested there by police in an early morning raid and endorsed out of the Peninsula

The managing director of Table Bay Cold Storage, Mr R L Selzer, was not available for comment.

The strike began more than two months ago.

Factory workers wait for pay

186

RDM 28/7/80.

Staff Reporter

WORKERS at a potato chip factory in Troyville, who were laid off because the factory was sold, were not given their pay in lieu of notice.

The factory was apparently sold about two weeks ago and workers were told to collect their pay last Friday. But when the 25 workers went to the factory, King Midas in Verwey Street, it was closed.

Workers claimed they had been working for the company for more than a year, but they had not been registered. Only one worker has found another job.

The factory owner, Mr Mike Clingman, who also owns another factory, Big Top in Von Brandis Street, referred the "Mail" to his lawyer.

His lawyer was not available for comment last night.

Star 30/7/86

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Meat men say: keep boycotting

Own Correspondent

CAPE TOWN — Cape Town's meat workers, on strike for 10 weeks, have called on the community to renew the boycott of red meat

The call is made in accordance with a decision taken two weeks ago to suspend the boycott until this week, to give employers an opportunity to "rethink and review" the situation and reinstate the workers

"The 787 meat workers are still out of work," their committee said in a statement.

"An appeal has been made to all the communities, trade unions, and all democratic organisations to boycott red meat

NEGOTIATIONS

"The meat boycott was suspended to give the meat industry managements a chance to open their doors for the discussion and settlement of the dispute"

The statement added: "It was clearly stated that the boycott would be on again from July 28 on a national basis

"The decision of the workers to continue with the boycott of red meat does not interfere with any negotiations pending

"The meat workers are appealing to all to boycott red meat until the demands of the workers are met"

Car thief wounded

Crime Reporter

A suspected car thief was shot in the back and an arm after being seen tampering with a car by Constable J J M Kruger of Hillbrow. He fired two shots as the man fled He is in a satisfactory condition in hospital

30/7/80 ARGUS

Meat men call for renewed boycott

(186)

CAPE TOWN'S striking meat workers have called on the community to renew the boycott of red meat, with the strike now in its 11th week.

The call is in accordance with a decision taken two weeks ago to suspend the boycott until this week, to give employers an opportunity to 're-think and review' the situation and reinstate the workers.

'The 787 meat workers are still out of work,' their committee said in a statement.

'An appeal has been made to all the communities, trade unions, and all democratic organisations to boycott red meat.

'The meat boycott was suspended to give the meat industry managements a chance to open their doors for the discussion and settlement of the dispute.

JULY 28

'It was clearly stated that the boycott would be on again from July 28 on a national basis.

'The decision of the workers to continue with the boycott of red meat does not interfere with any negotiations pending.

'The meat workers are appealing to all to boycott red meat until the demands of the workers are met,' the statement said.

30/7/80 ARGUS

Big drop in sugar output hits Huletts

(3) SUGAR

(186)

A 'DEVASTATING' drop in sugar production will mean lower earnings for Huletts Corporation, says the chairman, Mr Chris Saunders.

Additional earnings from non-sugar business could compensate for the reduction in profits from raw sugar operations

The group's estimate for the current season is only 437 000 tons of sugar, which is 26 percent of total production and down from 30 percent last year and 34 percent in 1978

Huletts will have the shortest crushing season ever recorded.

The directors have decided against any reduction in staff as this would impose serious financial hardship on many employees.

● Reduced tax liability and improved cash flow enabled the **Sterns Diamond Organisation** to distribute more of its profits, says the chairman, Mr S F J Barnett.

Dividends of 15c were up by 36 percent in the year to February after a R59 000 rise in taxed profit to R814 000

Turnover for the first four months of the current year is 48 percent above a year ago.

● **African Eagle Life's** premium income has exceeded R100-million for the first time in 75 years. Total group income increased 12 percent to R191-million in its latest year.

● **LTA (Ciskei)** had a net profit of R2 273 for its first full year compared with a R20,8 million loss last year Turnover was almost R7-million and a 10c dividend is being paid

The accumulated loss at the March year-end was reduced to R18,5-million from R20,8-million

Kruger rand

KRUGER RAND today: Reserve Bank, buy R490,03 (R487,95), Cape Gold Coin Exchange, sell R660 (R660), buy R645 (R650).

Lombard's Natal plan to be released today

CAPE TIMES 31/7/80

(186)

Own Correspondent

DURBAN — The controversial Lombard plan for multi-racial government in Natal will be released by Professor Jan Lombard, head of the department of economics at Pretoria University, at a press conference in Pretoria today

This is 12 days ahead of the release date intended

The report, which was "leaked" to the press last week, was commissioned by the SA Sugar Association after it became clear that the consolidation of Kwazulu would have disastrous consequences for the sugar industry in the area.

Senator Owen Horwood, leader of the National Party in Natal, has stated that any policy decisions affecting any part of South Africa would be taken by the government alone

Mr Frank Martin, senior MEC in Natal, yesterday hit back at Senator Horwood, warning that it was about time the government accepted that Natal was different and should be treated differently from the other provinces

He added that the people of Natal and Kwazulu would not allow themselves to be "led to disaster like a bunch of tame sheep"

Organizations representing commerce, industry, and agriculture, as well as the Kwazulu Government and representatives of the majority of the white voters of Natal, had consistently pointed out, he said, that the government's policies could only lead to the destruction of the economic base of Natal and political confrontation

Mr Martin averred that the people of Natal were reaching the end of their tether and would not continue to accept unrealistic decrees from the government

Senator Horwood seemed to be at odds with the Prime Minister when he said the "government alone" would decide

The Prime Minister had twice consulted business leaders asking for their assistance in dealing with the many problems which faced the country, he said

Senator Horwood was ignoring the opinions of the business leaders of the province, he added

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Call to resume meat boycott

Staff Reporter

STRIKING meat workers have called for 'the community, trade unions and all democratic organizations' to resume the boycott of red meat "until the demands of the workers have been met"

The workers went on strike nearly three months ago in support of the demands of workers at two of the factories, Table Bay Cold Storage Company and National Meat Suppliers for management representation of their elected workers' committees

The workers are now demanding reinstatement of all the workers who went on strike as well as recognition of the committees

In a statement yesterday, the meat committee' which consists of worker representatives from each of the factories involved in the strike, said that 787 meat workers were still out of work

"The meat boycott was suspended until July 27, 1980, to give the meat industry managements a chance to open their doors for the discussion and settlement of the dispute," the statement read

'It was clearly stated that the boycott would be on again on March 28 on a national scale The decision of the workers to continue with the boycott of red meat does not interfere with any negotiations pending but the meat workers are appealing to all to boycott red meat until the demands of the workers are met," the statement said

SUGAR FM 1/8/80

Who's buying?

(186)

What's going on at Umfolosi? In the midst of one of Natal's worst droughts, there is growing speculation that over the past few weeks a Johannesburg estate agent has been acting as a front in taking out options to purchase a number of cane farms in the Umfolosi region The options expired on Wednesday and results were unknown at the time the *FM* went to press But it is believed that the prices being offered for the farms were high, considering the drought conditions, and ranged between R50/t and R70/t of normal cane capacity One farm apparently was sold

Speculation is that Lonsugar is attempting to buy up sufficient farms in the region to gain control of the Umfolosi mill The three major sugar producers in the region, Huletts, Smith and Tongaat, all deny involvement, so suspicion has fallen on the Lonrho subsidiary, which already owns a small mill at Glendale, near Noodsberg, as well as its interests in Swaziland, Mauritius and Malawi

Crookes also denies any knowledge of the deals, despite its proclaimed policy of buying up new farms This deal could, however, be a little too big for the company And Volkskas subsidiary Transvaalse Suikerkorporasie is emphatic that it is not moving into Natal at this stage

Lonsugar also denies any interest, though the logic is there If it is indeed trying to buy up the farms, sugar industry experts believe that the operation, including the ultimate purchase of the mill, will cost somewhere in the region of R65m In 1979, Huletts made an offer for the mill itself of around R25m, but this was rejected by the co-op members

If Lonsugar does emerge as the buyer it would not necessarily have a significant impact on the local industry, as any expansion of production from the region would be subject to the approval of the SA Sugar Association

At the same time, Huletts has announced plans of its own regarding future mill capacity It has decided to spend R120m on a new mill at Felixton Where the money comes from, says Huletts Sugar MD Dick Ridgway, depends on "certain matters being satisfactorily negotiated with government" It seems that payment for the mill could be worked out with government subsidies in exchange for the creation of new jobs

The new mill will be built in two sections, each capable of crushing 300 t of cane an hour, compared with the 215 t at Empangeni and 185 t at the present Felixton operation The first phase of the new mill is expected to be brought on stream from April 1983 and the existing mills will be closed down in stages *Scott Haulter*

King William's Town factory scores a sweet success

DD -186

KING WILLIAM'S TOWN — Wilcox Sweets here, previously shunned by big retailers, is now looking forward to a R3 million increased slice of the R315 million a year confectionary trade with a new top range of dual-flavour sweets

Wilcox managing director, Mr Andre Hendricks, enthusiastically describes his new range as "so incredibly different to the normal" and says the range is having a major impact on top-line retailers.

Until recently, Wilcox has been content to stick to its market of young black customers, and has been unable to penetrate the larger market through big chain supermarkets and hypermarkets.

But now the factory on Buffalo Road in King William's Town has put in sophisticated equipment which not only manufactures high quality sweets, but makes sweets that are being welcomed by the big retail chains

Mr Hendricks describes his new machinery as a "process breakthrough It has infinite possibilities for diversification"

When fully complete, the new process will represent an investment of just over R1 million for Wilcox, but Mr Hendricks claims that, when in full production, his new line will add R3 million to his company's annual turnover.

The company has already started turning out its "Toffeetouches" under a "Regency" trademark, and has just launched the product in the Transvaal.

"The Transvaal has already taken all we can produce on 24-hour shift until the end of the year," said Mr Hendricks, "and it is a startling success story.

"The product is so new and different, it has never been seen before, and no one else can make them, because no one else has the machinery"

The product is a dual-flavour sweet with a toffee or caramel coating and a flavoured centre, but the process allows a virtually unlimited variety of coatings and centres, all of which are slow cooled so that much of the original molecular structure is not destroyed

Mr Hendricks says the extensions to Wilcox will create 60 new job opportunities

The effect of the new top range of sweets has also had a slipstream effect on other Wilcox ranges as the company is now becoming established with major marketeers

"It has opened new doors to customers we have not been able to deal with before, and we are increasing turnover in our other ranges," he said

BUSINESS

Barlows gets R58,6m cash injection

Now that Barlow Rand has restructured its sugar interests through the sale of its holdings in Huletts Corporation, can it be that long before Anglo American restructures its sugar interests held via Tongaat and Huletts?

By Colin Campbell, Deputy Financial Editor

The nub of one of the major financial deals for some time which was unveiled by Barlow Rand and Anglo American last night is

- Barlow Rand sells its 50 percent joint control of Huletts to Anglo for R97,6m cash.
- Barlows via the Smith group, buys from Huletts its interests in Hypack Products (Pty) and Containem Manufacturing for R39m.

The effect is to give Barlows a net cash injection of around R58,6m — money which the group will be able to use to invest in what it describes as "further profitable areas"

STAKE

Barlows, via Smiths, will still have a rough 40 percent stake in the SA sugar industry, Anglo via Huletts will have an estimated 30 percent stake in the SA sugar industry, which swells somewhat when Anglo's stake in Tongaat is taken into account.

The rationale for the reshuffle is that Barlow Rand was not fully in control of its sugar empire And as it is Barlow style to be able to control and manage its major interests the deal was born

One of the major plus factors for the Barlow Rand outside of the handsome cash injection is that the deal strengthens further its Nampak interests. With Hypack and Containem now under the Barlow umbrella, the competition between these interests and Nampak interests is eliminated.

EARNINGS

The listed C G Smith Sugar is effectively buying out its holding company C G Smith & Co and C G Smith Investments, which is also listed The result is that C G Smith Investments will be delisted from the Stock Exchange

The quoted vehicle for the existing Smith interests will be C G Smith Limited formerly C G Smith Sugar — which will hold 55 percent of Romatex, 100 percent of group sugar interests, and 56 percent of Nampak

Its earnings are expected to increase by about 30c a share to 166c a share, while the net asset value will decrease by about 530c to 1 220c a share. Because of the restructure the dividend paying capacity of C G Smith should be increased

IMPACT

The whole deal is effective October 1, so the financial impact will only be evident to Barlow Rand shareholders in the 1981 financial year.

The end result to Barlow Rand is the elimination of cross holdings and the fact that it puts Barlow firmly in control of everything it owns. The one exception is the gold mines — these are just managed, but this is a business situation with which Barlows has been content to live with since it inherited the gold mines with Rand Mines

The interesting question now is What will Barlows do with the net cash inflow of nearly R60m. The group is hardly short of cash in its own right, so it is again in a very powerful position to move again

Anglo gets major share of Huletts

Financial Editor

IN A R136 million deal, Anglo American has bought a major shareholding in Huletts Corporation

As part of the complicated deal, Barlows, which controls Smith Sugar and have a stake in Huletts, have sold their holding in Huletts to Anglo American for R97,6 million.

Huletts in turn will sell their packaging interests of Hypack and Containem to Smiths for R39 million.

Huletts are also to give Smiths an option to buy Triangle, the Zimbabwe sugar operation, by March 31. Smiths will be able to buy 35 percent interest.

Huletts will also sell by 1986 half of the sucrose quota of the Mt Edgecombe mill No figure for this transaction or the sale of the interest in Triangle has been set.

Barlows have also announced a reorganisation of the C G Smith Group, which will see the delisting of C G Smith Investments on the Johannesburg Stock Exchange.

The deal means that Huletts will be able to find the cash for its R120 million plan to build a new sugar mill at Felixton and gives Anglo American a firm foothold in the sugar industry

Anglo already has a sizeable shareholding in the Tongaat Group

Barlows will be able to use the cash to finance the R43 million expansion plan for its five sugar mills in Natal.

The envisaged changes are not likely to change the control of the sugar industry in practical terms The current men at the top of the growers' and millers' associations are the best men to run the industry.

What is likely to happen, apart from Anglo American interest in the group as an investment, is the availability of capital to embark on long-term expansion plans that could include the manufacture of ethanol

The Smith Group, with several thousand employees and wide interests throughout Natal, is a complex web of three main interlocking companies with the unlisted C G Smith Company at the top

Smithsugar is worth, in stock market terms, R185 million and Smiths Investments R221 million.

Smithcompany is probably worth at least

Huletts sugar deal

R175 million, based on Barlows offer for a major stake earlier this year Since then Nampack (now 55 percent owned) and Premier Paper have entered into the picture and pushed up the value

Smithcompany holds two-thirds of Smiths Investments, which in turn holds a majority stake in Huletts (indirectly with Tongaat), Romatex (55 percent), Smithsugar (31 percent) and the McCarthy Group (3 percent)

There is a majority holding in Natal Cane By-products and an indirect stake in top exporter Smithchem.

But Smithsugar holds 42 percent of Smithcompany and a 14 percent stake in Crookes Brothers.

The sugar company has five sugar mills (Umzimkulu, Sezela, Illovo, Noodsberg, Gledhow and Pongola) in addition to extensive cane-lands It is busy with a R43 million plan to expand the milling and refining capacities of these mills

Five companies in major sugar industry shake-up

By DAVID CARTE

JOHANNESBURG. — In a major sugar industry shake-up, Barlows has agreed to sell its joint control of Huletts Corporation to Anglo American Corporation for R97 600 000.

Joint control of Huletts will pass through the sale of 50 (percent) of S & T Investments to Anglo by Barlows subsidiaries, C G Smith and Co and C G Smith Investments.

After the complicated deal, involving four large listed and one unlisted company, Anglo American will share control of Huletts, through S & T Investments, with Tongaat

The deal was consummated at the weekend and announced last night by Barlows, Anglo American, the three C G Smith companies and Standard Merchant Bank

Another major implication of the deal is that all the C G Smith interests, apart from S & T Investments, are to be put together in a reconstituted C G Smith Sugar

Following an offer to C G Smith Investments and C G Smith and Co minorities, this company will end up owning 100 percent of C G Smith Investments, 100 percent of C G Smith and Co, 55 percent of Nampak, 55 percent of Romatex, all of Hypack Products and Containem, R60-million in cash and all C G Smith sugar's other interests

In addition, C G Smith Sugar has been given the right to acquire from Huletts sucrose equal to 50 percent of the quota of the Mount Edgecombe mill for a price still to be negotiated

Before the deal, Barlows held 65 percent of unlisted C G Smith and Co, which held 67 percent of C G Smith Investments C G Smith Investments, held, among other Interests, 50 percent of S & T Investments, which shared control with Tongaat of Huletts

This now goes to Anglo

Anglo to share control

After buying 1-million Huletts shares last year, Anglo held just over 2-million Huletts shares at its last year end This was equivalent to 6 percent of the equity but because S & T, with 53,5 percent of the equity, is the controller of Huletts, Anglo will have to share control with Tongaat even though it has the bigger total stake

Anglo owns 18 percent of Tongaat, so there is unlikely to be disagreement between Anglo and Tongaat on Huletts' future direction

C G Smith Investments' minorities are to be offered 55 shares in the reconstituted C G Smith Sugar, or 770c in cash This is a 10 percent premium on the share price of 700c before suspension yesterday

Minorities in the unlisted C G Smith and Co, mainly individuals in Natal, are being offered R840 cash per share

The deal will increase earnings of all the C G Smith companies

Reconstituted C G Smith Sugar's earnings will rise 30c per share to 166c Earnings of C G Smith Investments will rise 16c to 92c, while those of C G Smith and Co will rise R6 to R100 per share

Following reconstitution and asset revaluations, C G Sugar's asset value will decline 530c to 1 220c per share The net asset value of C G Smith Investments will rise 12c to 676C, while that of C G Smith and Co will decline by R26 per share

Huletts sells packaging

Huletts will sell its packaging interests Hypack and Containem to the Smith Group for R39-million and has given the reconstituted C G Smith Sugar company the option to acquire 35 percent of Huletts interest in Triangle Ltd of Zimbabwe

Mr Warren Clewlow, a director of Barlow Rand and chief executive of the Smith Group, said Barlows had sold out of Huletts as it felt there was "not much point in joint control"

Barlows' policy was to control and manage its subsidiaries It was "not Barlows' style" to be batting on the same Huletts pitch as the other sugar majors

Even after the deal, C G Smith retained 45 percent of the sugar industry, he said Mr Clewlow said C G Smith Sugar had not decided what to do with the R60-million of cash it would have after the deal

That's Progress

DURBAN — Progress Industries appears to be gathering the fruits of its rigourous pruning plan in which property and operating companies were sold The company has recorded an operating profit of R433 800 for the half-year compared with R293 100 for the same period in 1979

Turnover was up 19,4 percent with the managing director, Mr P D Jacobson, reporting that the 48 percent improvement in pre-tax profits reflects the improved trading conditions in the industry and he anticipates that this improved trend will continue for the rest of the year

An interim dividend of four cents has been declared

Cadswep turns on that schweppervescence

(1892) (186) RDM 5/8/80

By HAROLD FRIDJHON

MEASURED against last year's first half performance, Cadbury Schweppes has turned in a spectacular performance for the 24 weeks ended June 14, 1980 with earnings 252% higher and the interim doubled from 5c to 10c.

In their interim report, the directors say the dividend was raised "to recognise the improved results and the directors' intention to reduce the disparity between the interim and final dividends"

Turnover for the half year rose from R13-million to R18-million, a 38,4% improvement but operating profit went up from R627 000 to R2 300 000, which is a leap of 278%

Taxed profit was R1 480 000 compared with R587 000 which made earnings of 29,2c a share against 11,6c

COMMENT The potential for the full current year can best be gauged by comparing this first half's results with last year's second half.

Turnover last half year was R23 500 000 — and this included the Christmas trade — making R36 600 000 for the full year.

Pre-tax profit in the second half was R4-million, with R4,8m for the full year and earnings a share were 54c against 65,6c for the full year.

If one were to gross up the earnings for last year's second half with this year's first half — and this would be a gross under stating of the outlook because the directors expect favourable trading conditions to continue through the current year and the second half is the big earner — the least earnings a share one could expect for 1980 would be 83,2c.

Last year earnings were 65,6c from which dividends amounting to 23c were paid. This means that the least the final this year should be is about 20c, making 30c for the year.

It will probably be more, which means that that 5c raise in the interim as an increase and a reduction in the disparity between interim and final looks as if the directors are either over-cautious or somewhat niggardly

7/8/80 ARGUS

City meat workers end strike, quit jobs

CAPE TOWN'S 800 striking meat workers have decided to call off their three-month strike and the consumer boycott of red meat.

Workers from the 17 firms affected are to sign off from work and collect money due to them on Monday. They will look for other employment

This follows the failure of behind-the-scenes attempts in recent weeks to negotiate a settlement of the dispute, culminating in a meeting on Monday between representatives of the workers and wholesale companies.

The Western Province General Workers' Union said in a statement that the meeting had shown that the employers were not prepared to satisfy 'even the smallest demands of the workers'

'After a 12-week strike and boycott it is clear that the meat bosses, with the support of the Government, are not prepared to give in to the reasonable demands for the reinstatement of the striking workers and the recognition of democratic workers' committees,' he said

Dr Alex Boraine, the Opposition spokesman on labour matters, said today it was tragic that the situation had been allowed to deteriorate to the extent that a final breakdown had come

ONE-DAY STRIKE

About 800 workers first went on strike for one day on May 19 in protest at the refusal of managements at Table Bay Cold Storage Company and National Meat Suppliers to recognise non-racial, democratically - elected workers' committees They were locked out on their return to work the following day.

The workers received

(Continued on Page 3, col)

Strike off

(Continued from Page 1)

widespread public support for a boycott of red meat, and money poured in to help the union to meet a weekly bill of about R12 000 to pay workers relief of R15 a week.

But the interest waned in recent weeks The boycott was suspended three weeks ago to give employers a chance to 'rethink and review' the situation.

Financial support dropped off and the union has been unable to pay workers the full R15 in the past few weeks.

In its statement, the union said the workers hoped the community would continue their financial support for the difficult period of time during which the workers would be seeking employment.

Meat strike, boycott over

By YAZEED FAKIER

THE three-month strike by the 800 meat workers in Cape Town's meat industry has ended and the boycott of red meat has been called off

In a statement last night, the workers' trade union, the Western Province General Workers Union said a meeting between the 'bosses and some of the workers on Monday had shown that they were not prepared "to satisfy even the smallest demands of the workers'

The workers had therefore decided to end the strike and boycott, sign off from work and collect the pay due to them

The union stressed that this "setback would not deter "workers in general" from "their attempts to build up organization in the future"

Although the strike had been called off, the struggle for the rights and for democratic non-racial organization and representation would continue, the statement concluded

A union spokesman said last night that representatives of eight meat firms had met a committee comprising employees of wholesale firms on Monday

The spokesman said the workers would collect their pay from their employers on Monday, but could not say how much was due to them as this varied from worker to worker

This decision was contained in a statement released last night by the Western Province General Workers Union, representing the striking workers, in conjunction with the meat strike support committee

The strike, which came to a head in May this year with the lock-out of 800 workers, was followed by a call by the workers for a general consumer boycott of red meat

The union said the decision to end the boycott and strike had been taken on Tuesday

'After a 12-week strike and boycott it is clear that the meat bosses, with the support of the government, are not prepared to give in to the reasonable demands for the reinstatement of the striking workers and the recognition of democratic workers committees," the statement said

Direct contact

The workers managed to have direct contact with some of the bosses on Monday after three weeks of mediation by a third party, the statement said

The bosses gave no reason at all to believe that they are prepared to satisfy even the smallest demands of the workers

The dispute was triggered off at the beginning of May when about 100 workers employed at Table Bay Cold Storage Company in Paarden Eiland refused to work in protest against the firm's refusal to recognize their elected workers committee

Industry reacts to Lombard report

DURBAN — The Lombard Report had provided constructive alternatives to the consolidation of Kwazulu and did not have adverse economic implications for the sugar industry, according to a statement issued here yesterday by the South African Sugar Association.

Reacting to the report by Professor Jan Lombard and leading academics, sponsored by the Sugar Association and other business interests in Natal, the statement said they were pleased with the "depth and thoroughness with which the whole report has been researched and compiled."

The association agreed with Professor Lombard's view that "land transfers cannot serve as the main currency of political bargaining and that there is not enough of this commodity to satisfy the conflicting demands."

"With regard to the specific proposals contained in the report, the political configurations suggested are examples of alternatives which must be considered by organized commerce and industry, and by the public," the statement said. — Sapa

SUGAR (186) FM 8/8/80

More changes to come?

It is widely accepted that the break-up of the partnership between C G Smith and Tongaat, whereby they exercised joint control of Huletts, was inevitable ever since Barlows entered the sugar arena It is thus probably fair comment that Barlows is responsible for one of the biggest shake-ups in the history of the SA sugar industry And, given the circumstances, it is reasonable to assume that the changes announced this week are by no means the end of the story

Up to now, the industry — on the surface at least — has exhibited a strongly unified front And the extent to which this went beyond mere co-operation is, perhaps, aptly illustrated by the concept of S&T Investments, formed jointly by Smith and Tongaat in 1963 to control Huletts

Such an arrangement would hardly have survived so long had there been any serious rivalry between the majors who, between them, controlled roughly 80% of total SA sugar output

In the future, the industry will no doubt continue to put up a unified front Indeed, it has little option, given that the entire industry is controlled by the SA Sugar Association But if, as seems likely, steps are now taken to merge the sugar interests of Tongaat and Huletts, the position below the surface could well be more competitive as Barlows (the holding company of Smith) and Anglo (the largest single shareholder in Tongaat) come face-to-face on yet another front The same 80% of output is involved, but this time it will be fairly evenly split between two forces which do not have the same historical ties as previously existed in the sugar industry

Although the negotiations leading up to this week's announcement were complex due to the number of parties involved, the deal finally worked out is both logical and straightforward The main elements are Anglo's purchase of Smith's stake in S & T Investments for R97,6m, which carries with it the right to two-thirds of the assets and income attributable to S&T's 53,5% holding in Huletts Anglo already has a small direct stake in Huletts and also owns about 22% of Tongaat, which holds the balance of S&T

Huletts, meanwhile, is selling its packaging interests to Smith for R39m, which reduces the net cash inflow to the Barlows group to R58,6m

Barlows is also taking the opportunity to restructure the Smith group but this, together with other minor points in the agreement, has no major significance in the macro picture as far as it affects the sugar industry

In general, reaction within the industry has been favourable Sources point out that Smith under Barlows was an uneasy partner in the S & T set-up, while others suggested that Huletts' relatively poor

P.T.O

showing on the sugar front in recent years may, in part, have been a reflection of the company having to serve three masters — Smith, Tongaat and Anglo

Another point mentioned is that with the industry effectively controlled by two major mining/industrial groups, it will be easier to find capital for new mills and the development of canelands Certainly, in this context the R39m which Huletts receives for its packaging interests will be useful in funding the new R120m mill announced last week

As far as the individual companies are concerned, the effects of the deal are best viewed on a separate basis because of their different interests

Barlows For this group both the sale of Huletts and the restructuring of Smith must be seen as a continuation of the Smith takeover. Regarding Huletts, one of the deciding factors behind the sale, according to chairman Mike Rosholt, was that it would have been unacceptable for one group to control over 70% of the sugar industry, as would have been the case if Huletts had been absorbed into the Barlows stable

As it is, Barlows comes out reasonably well with R58,6m cash plus Huletts' packaging interests, which can now be merged with Nampak It would probably also have liked to get Huletts Aluminium but Anglo was apparently adamant on this one Barlows will, however, market aluminium foil produced by Hulamin

An interesting aspect as far as Barlows is concerned is that the R58,6m now coming into the group is well in excess of the cash it put up in the Smith acquisition. This takeover was financed with R34m cash, 3,4m Barlows shares (with a net worth of about R19m) and the transfer to Smith of the group's 55% interest in Nampak (an unquantifiable "cost" as ultimate control of the company did not change)

The restructuring of Smith is also of considerable significance to Barlows as it appears there will be a further improvement in the dividend flow from the Smith group This was already higher than the income attributable to Nampak It is estimated that Barlows will end up with about 16,5m Smith Sugar shares which, if dividends were to move in line with the higher earnings expected after the restructure, could yield 103c in a full year This would give Barlows a total dividend income from Smith of R17m, double the amount receivable from the group in its present form

Smith The restructuring proposals envisage the creation of a single listed company to hold all the Smith group interests This would derive between 30% and 40% of its income from sugar Smith Sugar has been chosen as the vehicle, and both C G Smith & Co (the present holding company) and Smith Investments will accordingly become wholly-owned subsidiaries Although shareholders will have the choice of receiving either Smith Sugar

shares or cash (or a mixture) It is reasonably certain that the majority will elect to take the paper as this represents the best value

Assuming no shareholders accept cash, the company's issued capital will increase from the present 14,85m ordinary shares to around 32m, of which Barlows would hold about 51,5%

The main effect on the group is that, through the elimination of cross holdings, earnings will be materially enhanced and could be expected to increase 22% from the 136c actually achieved in the year to end-March to 166c A net return on equity funds of under 14%, however, suggests that Barlows still has room to improve the performance of its newest division

Tongaat/Huletts Neither company has indicated what the future might hold but it seems logical that, as part of the greater Anglo empire, some sort of tie-up could be beneficially arranged This could even involve the disappearance of Huletts as a listed company if Tongaat was to make share offers both to Anglo, for its stake in S&T, and to Huletts minorities

In any event, prospects of a merger on the sugar side seem to be reinforced by Smith having obtained the right to half the sugar quota of Huletts' Mount Edgecombe mill This is seen within the industry as an indication that the mill will be closed, in which case the balance could be absorbed into a combined Tongaat/Huletts operation

Meat strike State move was 'crucial'

C.T. 4/8/80

Staff Reporter

STATE INTERVENTION in the three-month dispute between the managements of Cape meat firms and about 800 striking workers had been "a crucial factor" in the workers' decision to call off their strike on Tuesday, an organizer of the Western Province General Workers Union (WPGWU) Ms Diane Cooper, said yesterday

Ms Cooper was released from detention last weekend after being held in solitary confinement for more than two months under section 10 of the Internal Security Act Two other WPGWU organizers Mr Dave Lewis and Mr Wilson Sedina, and two part-time union officials, Mr Mike Morris and Dr John Frankish, are still being held

On June 19 42 of the striking workers were convicted of being in Cape Town illegally after they had been dismissed Information sheets issued by the union have been banned and the striking workers were prohibited from meeting by the Riotous Assemblies Act and the extended ban on all meetings of a political nature

Ms Cooper said that after government intervention, the workers realized that they 'could not win at this stage They accepted the realities of the moment and called off the strike This is only a setback for the moment and won t deter the workers from continuing to fight for democratic representation"

The employers had been "absolutely unreasonable", and a meeting between eight meat firms and some of the workers on Monday had shown that the employers 'are not prepared to satisfy even the smallest demands of the workers

Ms Cooper added that the union had been unable to continue paying the R15 weekly allowance to the striking workers in spite of considerable financial support from communities throughout South Africa

The workers will sign off on Monday and collect wages due to them Most companies have already filled the positions vacated by the strikers

'Move on strikers creates threat'

(186) RDM 8/8/80.

By PATRICK LAURENCE
Southern Africa Editor

THE "deportation" of striking black workers to the homelands would raise the level of frustration there and turn the homelands into fruitful catchment areas for the banned African National Congress, Mr Robert Lambert, of the University of Natal, said this week

Mr Lambert, a lecturer in industrial sociology, was commenting on the Johannesburg City Council's "deportation" of about 1 200 striking municipal workers to Transkei and Venda last week

Noting that the strikers had been partially unionised and politicised by their role in the short but intensive strike by 10 000 municipal workers, Mr Lambert foresaw two alternative consequences of their return to the homelands

The first was that they would try to organise workers in these territories into trade unions

The second was that they would be unable to do so, but that their presence would raise the level of frustration and thereby the number of potential recruits to insurgency

Mr Lambert doubted whether the first alternative would materialise Not only were the homeland governments hostile to trade unions, but the large number of unemployed people would make it difficult to organise them into viable worker movements

Of the second alternative, Mr Lambert said 'It is difficult to quantify, but I doubt whether the returning strikers will find work and this will raise the level of frustration and make the homelands more profitable as recruiting areas for the African National Congress "

Professor David Welsh, professor of African government at the University of Cape Town, endorsed Mr Lambert's view

He said the city council had handled the strike with ' colossal ineptitude" and its actions would rebound to create problems for white authority in the future

Describing the homelands as "client states of South Africa", Prof Welsh said "repatriation" of unionised workers was not to solve the problem but merely to export it, for the homeland governments to deal with

Existing suspicion toward homeland governments for their purported "collaboration" with Pretoria would be heightened by their acquiescence in recruitment by the city council of replacement labour in the homelands, he added

Describing deportation as an ' embittering experience," Prof Welsh said "It is likely to accentuate the climate in which recruitment for insurgency takes place "

Leaders of the independent homelands of Transkei, BophuthaTswana and Venda are known to have grave reservations about the need for trade unions in their territories, seeing them as inimical to the priority task of economic development and the creation of work opportunities

President Kaiser Matanzima of Transkei has been most forthright in his opposition to trade unions as "obstructors ' of national growth and productivity

If trade unions were ever allowed in Transkei, their powers would be "carefully circumscribed,' he has said

A Pyrrhic victory for management in Cape meat strike

(186)

RDM 8/8/80.

The 12-week long strike by Cape meat workers has ended in a victory for employers — but only at great cost. Labour Reporter STEVEN FRIEDMAN spells out the implications.

A meat striker receives his strike pay from a member of the workers' committe... workers have cashed in, but for how long?

YOU can't win 'em all, goes the old American saying, and the same thought may have occurred to black workers this week

After a surge in black labour militancy, in which workers won unprecedented successes from most strikes, Cape meat workers have had to join Johannesburg municipal workers in admitting defeat and have agreed to give up their strike without winning a settlement

Although it did not receive the publicity that the Johannesburg strike attracted, the Cape meat strike, which ended yesterday after a 12-week stay-away, was perhaps more significant

It followed a period of intense strike activity in the Cape which first heralded the worker militancy in other parts of the country

Most workers were members of the Western Province General Workers Union, a growing force in Cape labour relations

After a period of ferment in the Cape meat industry, workers staged a general one-day strike in May Employers refused to allow them back to work

A "red meat boycott" was called by the strikers to support their demand that management reinstate them and recognise unregistered worker committees in two factories

The boycott call was strongly influenced by a similar boycott — during a seven-month long strike at Fattis and Monis — which played a major part in pressuring the company to agree to worker demands for reinstatement

The strike and boycott call drew widespread support among black and coloured communities in the West Cape and black students were said to have taken meat out of parents' refrigerators and hurled it into the rubbish bin

But attempts to call a national boycott did not meet with much success.

The strike was seen as a new test of black worker muscle But it was especially significant because about 200 of the 800 strikers were contract workers, who have always been assumed to have a weak bargaining position

Management took a tough line and simply refused to negotiate Employer sources said the workers and the union struck first and asked questions later and said that the time had come to clip the union's wings

The workers and the union responded by saying that the strike had only occurred after repeated attempts to get employers to recognise worker representatives and added that employers were determined to break the union because they were not prepared to tolerate genuine black worker representation

Several attempts by third parties to mediate ended in failure, the workers saying that employers were too arrogant to talk and employer sources saying that all the mediators leaned toward the union's view of events

So too did worker calls for negotiation

The workers, faced with a management which simply refused to talk, finally had to admit defeat

One crucial reason for the worker defeat cited by the union was the intervention of the Government on the side of the employers

Throughout most of the strike, the workers and the union faced a Government onslaught unprecedented in recent labour disputes

Six union officials and sympathisers were detained by police One, Miss Zora Mehlomakulu, was released after only a few days but the rest were detained for long periods, first under the General Law Amendment Act and then under Section 10 the Internal Security Act

Only one of the five, Miss Diane Cooper, has been released and then only in the past few days

Section 10 is a "preventive" measure and detainees held under it are not presumed to have committed an offence It was clear that the unionists were being held because workers were on strike, not because they were suspected of committing a crime

In another move, 42 of the contract workers among the strikers were arrested under the pass laws and "endorsed out" of the Peninsula

The Publications Board also banned a series of meat boycott pamphlets and other leaflets issued by the union .

The Government's ban on meetings of more than nine people, although obviously not inspired by the strike alone, crippled attempts to hold meetings of strikers to discuss developments and thwarted boycott attempts, particularly in the Transvaal

The meat workers and their union believe they are the victims of a co-ordinated attempt by the Government and employers to smash the strike

They point to a meeting between the Deputy Minister of Co-operation and Development, Dr George Morrison, and meat employers shortly after the strike began Suspicions were also strengthened by a statement by Dr Morrison in Parliament that he and the employers had agreed on a "common approach".

Shortly after the meeting, the detentions began and the workers are convinced that employers and the Government agreed on a tough "no negotiations" line which they applied after that meeting

Employer sources deny that the meat industry had anything to do with the Government action. But they do say that the meeting with Dr Morrison was called to ask the Government for protection against "intimidation" of workers, and claim that the Government gave no undertaking to act.

What is clear, however, is that the Government remained anything but neutral and that employers no doubt felt strengthened in their refusal to negotiate

But that is not the only reason for the failure of the strike

For one thing, the red meat boycott, although it had a spectacular success at first, could not be sustained. It was not the effective weapon it had been in the Fattis and Monis strike

This does not mean that consumer boycotts in support of striking workers are a thing of the past But boycotts are easy to enforce if supporters have a ready alternative to the product under attack

The most successful boycott thus far has been directed against a potato chip company over an issue involving racial sport. There was an easily recognisable competitor and consumers simply changed from one brand to another.

The Fattis and Monis boycott wasn't that easy, but if supporters of the strikers didn't want to eat Fattis bread, they could nevertheless continue to eat someone else's

The meat boycott called on supporters to refrain from eating a staple altogether

An earlier boycott of Eveready batteries failed because other batteries were not readily available. And meat is much more of a necessity than batteries

In the last analysis, however, the strike ended in a worker defeat simply because the combined might of employers and the Government was too strong

One official in the industry said shortly after the strike began that "we are prepared to lose production and money for two or three months if that's what it takes to get rid of the union"

That is precisely what employers did They recruited workers from the second day of the strike and appeared never to seriously consider negotiations

Although there was initially strong community resistance to "scabs" — workers who took the strikers' jobs — this faded in time as the issue declined in most peoples' minds and the pressure of black unemployment took its toll

And although many of the meat workers occupied skilled jobs which took a good deal of training, employers appear to have simply shrugged off the expense involved and begun training new workers

Although employer claims that production was back to normal after two weeks are exaggerated, union sources concede it was almost normal by this week

The strike certainly showed, then, that there are limits to black worker militancy at present and if employers really want to crush a strike, they can

Of course, the meat employers had one advantage which some others do not They are not multinational companies who have to worry about the glare of publicity in their home countries when they are faced with worker militancy

So the strike has confirmed what most observers knew already — that the balance of power in South African labour disputes remains with the employers

With Government backing for employers certain in most cases, with black unemployment running at well over one million and with a host of influx control and other laws favouring the employer, that is hardly surprising

The result has been something of a blow for the union's strategy It has not been as cautious as unions affiliated to, say, Fosatu or the Consultative Committee of Black Trade Unions

The Western Province General Workers Union has relied far more on the power of its members than the others, who have been far more concerned to ensure that they only fight battles they believe they can win and have been accused of forcing caution on their own members at times

While it has not called for strikes, the WPGWU has been far more prepared to allow worker militancy its head

The meat strike is thus something of a vindication for the more cautious approach and WPGWU officials, while not committing themselves to specific courses of action, concede that they will have to "reassess" their strategy

But the defeat of the strike holds little comfort for employers.

A short few years ago, the idea of black strikers holding out for three months would have been laughed at by virtually all labour experts

But the meat strikers did hold out, and only 13 of the 800-odd workers asked for their jobs back during the strike The obstacles facing black worker action are so great that that is, in a sense, as important a development as the strike's defeat.

And employers did not break the strike without a great deal of cost The outlays on training, the boycott, and the considerable time they had to wait until they had a satisfactory work force again took its toll

If the strike proved that militant worker action can be defeated, it equally proved this can only be done at great cost to the employer

The meat employers must have learned that strikes can now only be crushed at great expense to the employer

The days when employers could react to black worker strikes simply by dismissing workers and ordering a new batch from the local Administration Board office are over.

Other employers, such as those in the Eastern Cape motor industry who negotiated an end to their strike, or Putco, which agreed after only a day to meet a number of striker demands, although it did not give in on the workers' wage demand, may feel that there is a far easier way of solving the problem.

So too might Fattis and Monis, which faced a seven-month strike and a widespread consumer boycott before agreeing to settle

Shortly after that strike ended, the company's managing director was asked his view of the strike He said " We have learned an important lesson And that is that it is no longer possible to ignore organised labour."

Cape meat strike and boycott over

(186)

DM 8/8/80.

Own Correspondent

CAPE TOWN. — The three-month strike by the 800 meat workers in Cape Town's meat industry has ended and the boycott of red meat has been called off

This decision was contained in a statement released last night by the Western Province General Workers Union, representing the striking workers, in conjunction with the meat strike support committee

The strike, which came to a head in May this year with the lock-out of 800 workers, was followed by a call by the workers for a general consumer boycott of red meat

The union said the decision to end the boycott and strike had been taken on Tuesday

"After a 12-week strike and boycott it is clear that the meat bosses, with the support of the Government, are not prepared to give in to the reasonable demands for the reinstatement of the striking workers and the recognition of democratic workers committees," the statement said

The workers managed to have direct contact with some of the bosses on Monday after three weeks of mediation by a third party, the statement said

"The bosses gave no reason at all to believe that they are prepared to satisfy even the smallest demands of the workers"

The workers had therefore taken the step of deciding to end the strike and boycott, sign off from work and collect the pay due to them

The workers thanked the community for their support and solidarity during the strike and boycott

"We hope that the community will continue their financial support for the difficult period of time during which the workers will be seeking new employment

"In recent months we have noted the high-handed and repressive manner in which the bosses and the Government have intervened in labour disputes The Government has treated community struggles in a likewise manner"

Even in view of the recent setback, workers in general would not "give up in their attempts to build up organisation in the future".

Although the strike had been called off, the struggle for the rights and for democratic non-racial organisation and representation would continue, the statement concluded

A union spokesman said last night that representatives of eight meat firms had met a committee comprising employees of wholesale firm on Monday

However, striking employees of slaughtering firms had never at any time met with their employers since the start of the strike This was because the employers would not agree to a meeting

The spokesman said the workers would collect their pay from their employers on Monday, but could not give an assessment of the amounts due to them as "this varies from worker to worker"

Since the beginning of the strike the workers have been paid R15 a week subsistence pay by the union and collections were made throughout the Peninsula to enable the union to meet the weekly bill of R11 000

Meat strike end 'victory for no one'

8/8/80 ARGUS

(152) (186)

THE three-month strike in the Cape Town meat industry, which has ended in defeat for the 800 workers involved, was not a victory for anyone

This is the view of Mrs Kate Jowell, assistant director of the UCT Graduate School of Business and a member of the National Manpower Commission

'If the parties had come to some kind of agreement, then at least we would know that something had been learnt about the art of negotiation and compromise — rather than the damaging game of who wields the biggest stick

'Confrontation has no value in industrial relations, not even in the short term,' she said

'It gives the authorities an excuse for stepping into what should be a private affair between the two parties.

'Unions and managers both have a responsibility to see that they avoid confrontation and that they settle their disputes by the time-honoured means of collective bargaining

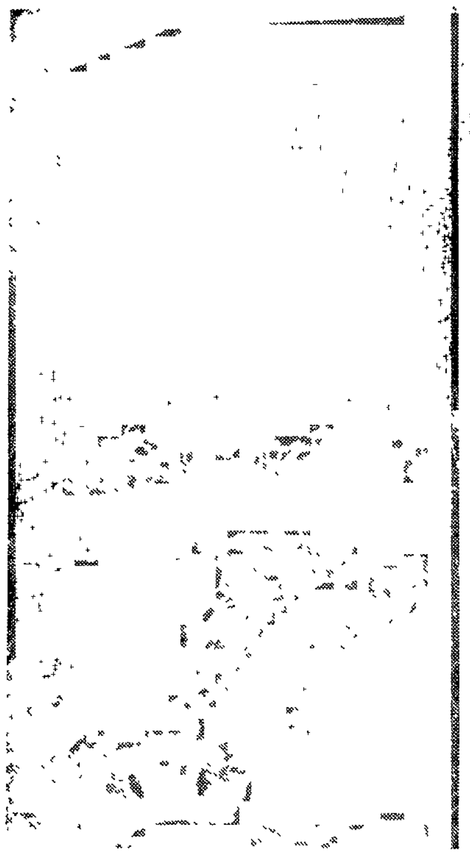
'They should not look to outside intervention, whether it's in the form of police action or consumer boycotts, or whatever'

A blow

Mr Johann Maree, a lecturer in industrial sociology at UCT, said the meat industry employers had dealt a blow to the workers and the Western Province General Workers' Union But they had done nothing to advance industrial relations in South Africa.

He said the Government's role in assisting the employers to break the strike was contrary to its espoused principles of minimal State intervention and freedom of association

'I hope the Government won't play this role in future, but will allow negotiations to take place between employers and workers without partisan intervention by the State'

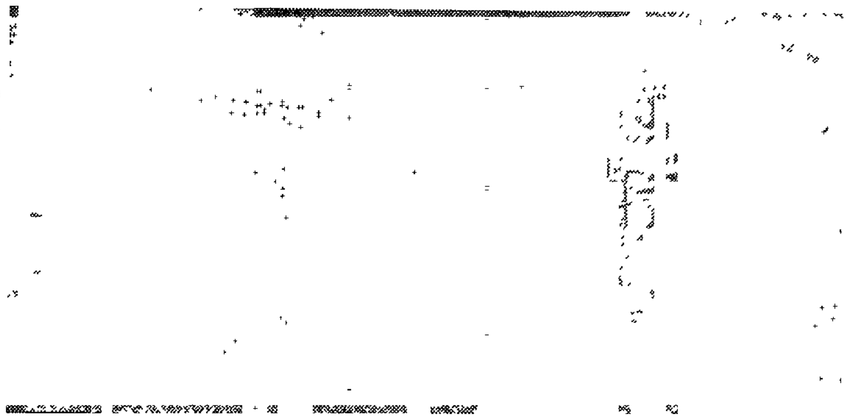


Effluent pours from the stormwater outlet near the abattoir

Blood River

10/8/80 ARGUS SUN TIMES, STORY 186

"Our cattle are dying because they can't drink the water." Mr Joal Miya on the banks of the Umsindusi River. The abattoir at Cato Ridge is blamed for the pollution



That's what they call the Umsindusi as effluent from Cato Ridge abattoir fouls the water for people and cattle

By CONNAL VICKERS

BLOOD RIVER is the name angry locals have given the Umsindusi River since the new Cato Ridge abattoir started polluting it with effluent.

It is the only water supply for thousands of drought-stricken people and cattle living in the valley near Nagle Dam — just outside Durban — and a Sunday Tribune investigation this week showed that effluent from the abattoir is pumped through a stormwater outlet into a stream that flows into the Umsindusi.

A chemical analysis of the water — made at an independent laboratory — revealed horrifying facts on the water contents.

- The organic content of the water, such as blood and dung — measured arbitrarily by the permanganite value — was five times higher than regulation standards laid down under the Water Act.
- A measure of excess unnatural organic content — the chemical oxygen demand — was also five times greater than the regulation standard for effluent.

The river gives off a pungent smell and flecks of white foam are caught on twigs and rocks all along its course.

"The situation is desperate here Our cattle are dying because they can't drink the water," said Mr Joal Miya, an old resident of the valley.

The people in the district have to walk far every day to fetch water from the uncontaminated stretches upstream.

"They carry the water in five-litre containers and the women have to make five or six trips a day to provide enough for their families," Mr Miya said.

On the banks parched cattle stand uninterested in the water flowing just metres away.

"Cattle will not drink water that has even a trace of blood in it. Even if an animal is lying dead in the water half a kilometre upstream, they won't go near it to drink," Mr Miya said.

The managing director of the Abattoir Corporation, Mr Ben Kruger, said he was unaware of pollution in the river.

"We must treat all water that comes from the abattoir before it goes into the stream and we have a very expensive effluent treatment plant to do this It is one of the most sophisticated of its kind and, as far as we know, it is all right

"We test the effluent every day and the Department of Water Affairs also watches it closely. We must act responsibly to all people in the community and if there is any truth in the claim that our water is polluted we will immediately take steps to rectify the situation."

Mr Kruger said the effluent consisted of treated sewage, dung, blood and cleansing materials from the abattoir floor.

Mr Fred Munro, circle engineer of the Department of Water Affairs in Durban, said they were keeping a check.

"We know it has been bad in the past, but we are watching it and it is improving. The plant is under duress to rectify the situation," he said.

Mr Tim Condon, of the anti-pollution organisation SACCAP, said the pollution was highly irresponsible

"They have shirked their community responsibility All rivers are low in this terrible drought and the abattoir is complicating the situation by polluting the little water we have left," he said

He would make immediate representations to the Minister of Water Affairs to have the pollution stopped.

The KwaZulu Government, which controls the area, has taken samples of the water and sent them to Edendale Hospital in Pietermaritzburg for testing.

Sugar industry to get its first black union

17/8/80 SUN TIMES

By JACK BRICKHILL (FIN)

SUGAR millers are in for a bumpy ride with Natal's first registered black trade union

The final nod from the Registrar of Trade Unions is expected next week, but Selby Nsibande, secretary general of the National Union of Sugar Manufacturing and Refining Employees, is wasting no time throwing down the gauntlet to the employers

His main concern is the continuation of discriminatory practices in a white-dominated industry "They say jobs are evaluated without regard to race, but show me one black mill manager foreman, chemist or fitter Blacks are only advanced as maintenance workers," he says

The country is facing a manpower shortage but efforts to train blacks are ineffective Even when workers have been to training centres little use is made by white managers to develop the new skills

Other bones of contention include wages, housing and leave conditions The free housing and food perks have limited appeal to workers who need money to send back home to their families Nsibande is looking for substantial pay increases in the industrial agreement which will be re-negotiated soon

Another grievance is the use of coal stoves which make living conditions unbearable in summer, especially for late shift workers who have to sleep in the morning Bonuses for blacks are pegged at 7.5 percent from December, while whites receive 10 percent. Leave for blacks is only two or three weeks while higher grades, occupied by whites, receive four weeks

"We are now well organised to face this abominable discrimination in the industry," says Nsibande, who has 4 200 members or about half the mill workers

Glyn Taylor, chairman of the Sugar Manufacturing and Refining Employers' Association, says Nsibande as leader of a delegation from the industry's works and liaison committees has been a willing partner to the existing conditions laid down in the last two industrial agreements "Negotiations in the Industrial Council expected to start soon are the time and place for Mr Nsibande to put forward his views and contentions," he says

The official registration of the union will change the industrial arrangement from a gentlemen's agreement to a legally-binding agreement and could well lead to a hardening of workers' demands

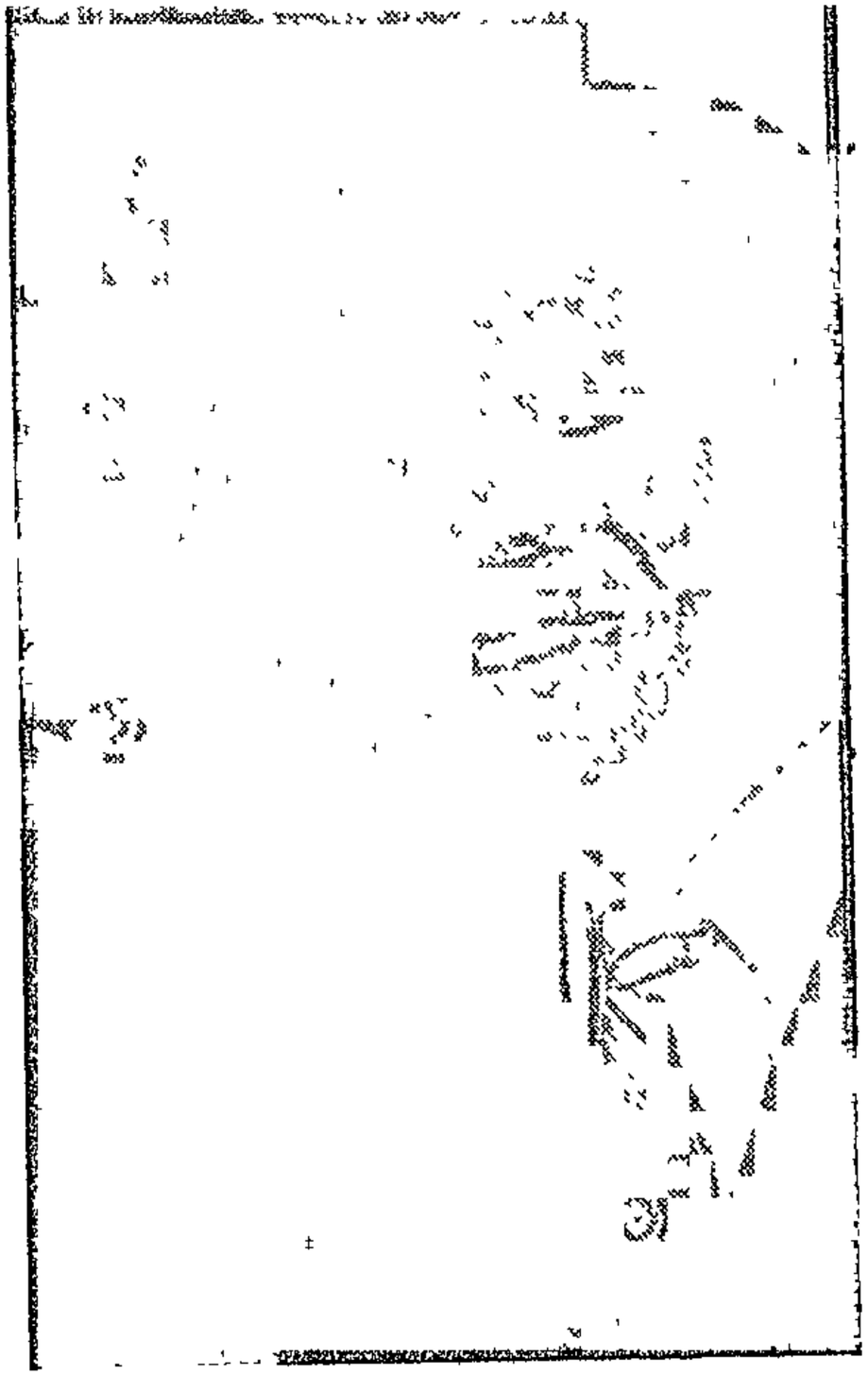
Brick workers in Natal are also known to be interested in organising themselves along similar lines A sugar industry source says much of the dissatisfaction over black advancement is attributable to job reservation But a combination of enhanced trade union rights and relaxation of labour laws should bring significant changes

Only six weeks ago the first five blacks were apprenticed in the sugar industry and the process is bound to accelerate Previously blacks could only be apprenticed in the homelands So far eight black unions have registered with the Department of Manpower Utilisation and another 10 are in the pipeline

17/8/80

Sun Tribune.

186



Selby Nsibande, who leads the first registered black union in Natal, is throwing down the gauntlet to the employers. His prime concern is the elimination of discriminatory practices in the sugar mills. His union is likely to be the forerunner of many other similarly organised unions unions in Natal

19/8/80 ARGUS (186)

Boost for fishing industry

Staff Reporter

IF the recommendations of a Government appointed Commission of Inquiry into certain aspects of the fishing industry are accepted it will spell the end of the historic monopoly of the R200-million-a-year industry.

The commission's findings, published in Pretoria yesterday, propose that a greater percentage of crayfish and perlemoen be made available to the local market At present only 10 percent of the crayfish quota and no perlemoen are sold locally.

The pelagic fishing industry, second most important of the country's annual fishing paypacket, is to have its quota system drastically revised if the recommendations of the commission are accepted.

The main area of change will be that the global quota system be done away with and replaced by a quota system for individual factories.

This will mean that private boat owners will no longer be tied to one factory quota holder. Private boat owners will now be able to apply for their own quotas.

The pelagic fishing industry amasses R47-million of the R200-million-a-year industry.

The commission also recommends that quotas be awarded on a seven-year basis with an annual 'motivated application.'

Quotas will also be transferable for their duration with permission from the relevant Minister.

Apart from a recommendation which would compel the quota holders to sell 25 percent of their crayfish and 50 percent of their perlemoen harvest on the local market, it has also suggested that new entrepreneurs be allowed into the industry.

The commission recommends that an education programme be started which will eventually see the entire perlemoen and crayfish catch consumed locally — an industry independent of overseas markets.

Quotas for stockfish at present awarded to foreign fishing fleets may have to be withdrawn because of overfishing of demersal species in South Africa's 200-mile fishing limit

The 'new deal' for the fishing industry will see the appointment of a Deputy Director General of Fisheries with his headquarters in Cape Town This new directorate will operate on the same level as other directorates within the Department of Agriculture.

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Some boycotts achieved their goals

Contributed

NATION

186

23/8/80

SIR, — Some boycotts have achieved their goal.

So far, the school boycott has achieved something. At most schools the buildings have been repaired and more textbooks have been issued.

As far as inferior education is concerned, if it is not thrown out in five years time we could consider further action. And this time it will be even worse.

The meat boycott could have been a success if the workers had stood together. The community supported this boycott, and some gave monetary donations. But there were those who did not care about their fellow workers.

BAN

I think it all went wrong when the Government placed a ban on all meetings. This meant things could not be discussed the way they should have been.

It's time the bus boycott ended. What's the point of one group boycotting? Nothing effective can be achieved this way. It's like one guy complain-

best solution
ate their behavior
elements yet

Sugar bosses are funding union

ONE of the fastest growing black trade unions in the country, the National Union of Sugar Manufacturing and Refining Employees, has been funded to the tune of R10 000 by the South African Sugar Association.

The union has, however, rejected suggestions that it is a management-promoted trade union organisation.

Mr Selby Ntsibande, secretary-general and organiser of the new union, told **SUNDAY POST** in an interview that there was no truth whatsoever in claims that his union was initiated and started by the sugar industry.

"Those who are making the claims don't know what they are talking about. All that happened was that the Sugar Association had given us an interest-free loan of R10 000 for five years, because we did not have any money," Mr Ntsibande said.

Mr Ntsibande, a former chairman of the works committee at the Amtikulu Sugar Mill on the Natal North Coast, said that the union was initiated after 15 worker representatives from different sugar mills held a meeting in October last year.

The union was formally launched in the first week of January this year. Within six months it had a membership of more than 4 200 and had become the fastest growing black trade union in the country.

It rents offices in the plush 320 West Building in Durban and has two organisers, an office secretary and a messenger.

It also boasts some of the finest furniture and is perhaps the first black trade union in the country to start off on such a high note.

Mr Ntsibande said he was confident that the union would soon be able to sign up the rest of the sugar industry's 10 000 black employees.

He initially experienced problems with managements because they accused him of introducing politics when he addressed workers at their mills, he said.

He said that his union would be registered by the Department of Manpower Utilisation in the next few weeks.

R100 000

backing for strikers

21/8/80

(186)

Labour Reporter

FINANCIAL support from the community for Cape Town's meat workers who recently called off their three month strike, has amounted to more than R100 000.

The community has clearly shown its support for the democratic representation sought by the meat workers, said Western Province General Workers' Union and in a statement to

THE RESULT

"This is the outstanding lesson of the meat strike. The interests of the workers and the broad community are what are one. They will take shoulder to shoulder to realisation of these basic demands.

"The union and the dispute in the meat industry had ended in a humiliating retreat by the employer, and a short term victory for the employers and the state which backed them so ruthlessly."

Most of the 500 workers involved in the strike have not yet found employment, two weeks after they signed off from the meat firms.

400 fired after cannery dispute

C Times 25/8/80 (186)

Own Correspondent

JOHANNESBURG — About 400 workers at an East London cannery — the entire workforce — were fired yesterday after a brief work stoppage

The stoppage — at Collondale Cannery — occurred when workers gathered in the company's canteen to demand an explanation for the retrenchment of six of their colleagues, including the chairman of a committee recently elected under the auspices of the African Food and Canning Workers Union

Workers have said they want their jobs back — but will only return if the retrenched men are reinstated

Management comment was not available yesterday, but workers are due to meet a company official today to attempt to resolve the dispute An official of the Department of Manpower Utilisation will also attend this meeting

A union spokesman said yesterday that the African Food and Canning Workers Union, an unregistered black union had been active in the company for some time and had asked for recognition there

A worker committee had also been elected at the cannery

Last week, however, six workers, including the committee's chairman, were informed that they were being retrenched and were scheduled to leave the company tomorrow

Workers then decided to send the newly-elected committee to management to demand the reinstatement of the men Management told them they would only deal with its liaison committee

Yesterday, workers gathered in the company's canteen at midday

A company official arrived and asked why they were not at work They replied that they wanted an explanation for the retrenchments

28/8/80 STAR (185)

Walk-out at cannery

By Sieg Hannig,
Labour Editor

The black staff of about 400 at an East London cannery left the factory today after refusing to allow the Department of Manpower Utilisation to represent them in talks to settle a strike

The workers left after Security Police had given them five minutes to resume work or go home and collect their pay tomorrow, said a union spokesman

400 stop work at East London cannery

DD 28/8/83

EAST LONDON — About 400 workers at a cannery here stopped work yesterday

The manager of Collondale Cannery, Mr G Cianforlini, confirmed last night that staff at the cannery had downed tools after lunch They had not been fired and "everything will be okay tomorrow

He confirmed management would be meeting the workers today Asked whether the work stoppage was the result of six workers being retrenched, Mr Cianforlini said "We have too many people and had to put some off."

According to a spokesman for the African Food and Canning Workers' Union the stoppage occurred when workers gathered in the company's canteen to demand an explanation for the retrenchment of six of their colleagues, including the chairman of a committee recently elected under the auspices of the union

The spokesman said the African Food and Canning Workers' Union, an unregistered black union, had been active in the company for some time and had asked for recognition there

A worker committee had also been elected at the cannery

Last week, however six workers, including the committee's chairman, were informed that they were being retrenched and were scheduled to leave the company tomorrow, he said

Workers then decided to send the newly elected committee to management to demand the reinstatement of the men. However, he said, management told them that it would only deal with its liaison committee

The spokesman said workers gathered in the company's canteen at midday and sent a member of the liaison committee to see management

A company official then arrived in the canteen and asked workers why they had gathered and were not at work They replied that they wanted an explanation for the retrenchments

The official then told workers that the men had been retrenched because work at the company was slack Workers denied this, claiming that truckloads of fruit were being delivered to the company to be canned

They also complained that some of the retrenched workers had enjoyed long service at the company

The union alleges the official then replied that those who did not want to work would be retrenched "This angered the workers and they said they would not leave the canteen until the matter had been resolved," the spokesman said

He said that management had then told workers to return to work or take off their work clothes and leave the company He said they could collect their pay tomorrow — DDR-DDC

AY AUGUST 29 1980

(186) Argus 29/8/80

East London workers in deadlock

Labour Reporter

THE dispute involving about 400 workers in an East London canning factory remained deadlocked today, with the workers and their union unable to find common ground with management

Workers downed tools at the Collondale Cannery on Wednesday They demanded an explanation of the retrenchment of six colleagues, including the chairman of a workers' committee elected under the auspices of the African Food and Canning Workers' Union, on August 9

A union spokesman said workers were unable to discuss the issue directly with management yesterday and no agreement could be reached at a later meeting between union and management representatives.

He said management insisted workers returned to work today or face dismissal If they returned, management would continue discussions with the liaison committee elected a year ago.

'Workers say the liaison committee is defunct They have a union committee which can speak for them'

The spokesman said 354 of the 400 workers at the factory were union members.

Mr G Clamforlim, manager of Collondale Cannery, was not available for comment

400 cannery workers still out on strike

EAST LONDON — All but one of the 400 workers at the Collondale Cannery here were still out yesterday following a strike over the recognition of a trade union committee the previous day.

Workers gathered outside the factory premises yesterday with police and Department of Manpower Utilisation officials standing by.

The workers said they asked to see the factory's management for discussions to resolve the impasse.

"But we were told to go and work while the officials of the Department of Labour sorted the matter out with management, which we refused to do," a spokesman for the workers said

A security police spokesman said police had told the workers to go home when they would not enter the premises to work

"They were told to come back tomorrow either to work or to come and collect their pay if they will not work," the spokesman said

Efforts to get comment from the manager of the cannery, Mr G Cianforlini, were unsuccessful yesterday.

All calls to the factory were met with: "Who's calling?" and "I am afraid he is not available to talk to anybody about the strike today" — DDR

Fired by own action, strikers told

146 Weekend Argus 30/8/80

Labour Reporter

THE 400 striking workers of the Collondale pineapple canning factory at East London were yesterday told by management they had dismissed themselves — but the workers refused to collect their pay

The deadlocked dispute, triggered by retrenchment of six workers, including a recently elected leader, has again focused attention on the issue of worker representation

The management has insisted that any negotiations should be through a liaison committee, which workers have rejected in favour of a union committee.

'NO ARGUMENT'

The chairman of the East London branch of the African Food and Canning Workers' Union, Mr Welile Mzozanyana, condemned management's attitude

'It is no argument that the union is unregistered, since the Industrial Court has shown that recognition can be given to unregistered unions,' he said.

'These dismissals were not necessary and we interpret them as an act of intimidation

'If we are to have industrial peace, management must learn to negotiate with its workers'

DOWNED TOOLS

The entire workforce at Collondale Cannery, mostly union members, downed tools this week Workers were told yesterday they could apply for re-employment on September 8

Workers belonging to the African Food and Canning Workers' Union won recognition of democratically elected committees in disputes at two other East London canning factories in June.

Worker representation issue in the three-month dispute in the Cape Town meat industry which recently ended in defeat for the 800 workers

DD 30/8/80

DAILY DIS

186

400 striking workers refuse to be paid off

EAST LONDON — Four hundred cannery workers here refused to be paid off yesterday after management called them to collect their pay packets

A spokesman for the African Food and Canning Workers Union, Mr Jan Theron, said the workers regarded themselves as employees and wanted their jobs back

The workers went on strike on Wednesday after six workers were retrenched

Mr Theron said the workers were told to collect their pay at 2 pm yesterday and to enter the factory in groups of 10

After an impromptu meeting near the factory gate, the workers moved across and were addressed by the managing director, Mr Corder Tilney

Mr Theron said the workers decided not to accept their pay and left the area

"They regard themselves as employees and want their jobs back," Mr Theron said

"They are asking that all workers be allowed to go back, including the six who were retrenched"

Workers felt management was victimising union members, Mr Theron said, as some of the retrenched men were union members

"Management said they were prepared to speak to the liaison committee, but the workers said their liaison committee was defunct

"They had no wish to be represented by the liaison committee because they had the union to do it for them.

They requested management to restore the status quo and to start anew with worker - management relationships, he said

The branch chairman of the AFCWU, Mr Wellile Mzozoyana, issued a statement on behalf of the branch condemning management's attitude.

"They have no argument if they say the union is unregistered," Mr Mzozoyana said

"The Industrial Court has recently recorded that recognition can be given to unregistered unions

"The dismissals at Collondale Cannery were unneccessary, in our opinion".

If there was to be industrial peace, he said, "those in the higher echelons of management must adopt an attitude of willingness to negotiate"

A Daily Dispatch reporter and photographer were ordered to leave the factory premises yesterday afternoon after a security guard allowed them in

When a reporter asked which of the men standing with Security Police officers was the manager, Mr G Cianforlini, a man came out of a nearby building and ordered him to leave the premises

"We are busy with negotiations and do not need the press here," the man said

He refused to identify himself and said management would issue a statement later

After the workers dispersed from the gate, a Security Police vehicle patrolled outside the factory

Workers said they were told to stand in line and behave themselves until buses arrived to take them into town. The first bus left about 10 minutes after the group left the factory

Later, Mr Tilney issued a statement explaining management's attitude towards the workers

He said "On Friday, August 5, a total of 22 employees were given one week's notice as a start to our retrenchment programme following a policy decision by the directors because of the drought conditions causing a falling off in the delivery of fruit for canning

"On Wednesday August 27, all employees came to work as usual after lunch The women employees went back into the cannery but the men refused to go to work Three male employees then called on all female employees to stop work, which they did

"Management were told that the workers made it a pre-condition to their return to work that the five retrenched employees were re-employed

"Management has been prepared right through to discuss matters with works or liaison committees or other representatives of the employees provided they are satisfied that the trade union represents the workers and provided no pre-conditions are made that the retrenched employees must first be re-employed

"The decision of management to implement the policy of the company by retrenchment was effected normally and with no ulterior motive The employees in question were retrenched for reasons outside their activities in any trade union.

"Under the circumstances the employment of all employees has been terminated Those who wish to be re-employed may apply on Monday, September 8

"Management is aware of the fact that a certain amount of intimidation has been taking place and employees have been warned that if there is any further intimidation action will be taken by the authorities" — DDR

Sugar industry expansion urged

Argus 30/8/80 (186)

Argus Correspondent

DURBAN. — It was clearly time for the sugar industry to plan further major expansion, Mr Warren Clewlow, executive director of Barlow Rand — which now controls the C G Smith sugar empire — said in Durban.

He told the annual dinner of the local branch of the Institute of Chartered Secretaries and Administrators, there was already potential to increase cane supplies to existing mills on an economic basis.

But, with local consumption likely to increase between 1,1-million tons and 1,3-million tons by 1985 the industry would have to consider opening new mills and new cane areas.

Expansion of this type would ensure that exports, and important foreign exchange earnings, were not jeopardised. It would also create jobs for many more people.

Strikers want jobs back

30/5/86

Own Correspondent

EAST LONDON — Four hundred cannery workers here refused to be paid off yesterday after management called them to collect their pay packets.

A spokesman for the African Food and Canning Workers Union Mr Ian Theron said the workers regarded themselves as employees and wanted their jobs back.

The workers went on strike on Wednesday after six workers were retrenched. Mr Theron said the workers were told to collect their pay at 2pm yesterday and to enter the factory in groups of 100.

After an impromptu meeting near the factory gate, the workers moved across and were addressed by the managing director Mr Corder Tilney.

"They regard themselves as employees and want their jobs back." Mr Theron said. "They are asking that all workers be allowed to go back, including the six who were retrenched."

Workers felt management was victimising union members, Mr Theron said, as some of the retrenched men were union members.

increases, as the particle penetrates deeper into the medium. The density of energy deposited ($-dE/dx$) is therefore highest at the end of the range (fig. 25).

Relatively heavy particles such as the p or α are not significantly deflected [illegible] particles or gamma rays. Thus the secondary particles resulting from neutron interactions in matter are often charged particles and these particles then interact with the matter as described in (a). Hydrogenous media such as wax, water or plastic are of particular interest because a neutron can lose any fraction (0-100%) of its kinetic energy in a single elastic collision with a proton. The maximum nuclear recoil energy E_{max} resulting from elastic scattering of neutrons (of mass m_n and energy E) on a nucleus of mass m_N is given by

$$E_{max} = 4m_n m_N E/(m_n+m_N)^2 \qquad \ldots\ldots (34)$$

Thus E_{max}/E is much smaller for heavy nuclei than for hydrogen.

(c) Gamma rays

The three most important effects in the interaction of gamma rays with matter are the photoelectric effect (described in section 2.1), the Compton effect (section 2.1,p.5) and pair production (section 2.3,p.8). Energy is transferred from the incident gamma photon to a photoelectron, a Compton electron or an electron-positron pair respectively. These charged secondary particles then interact with the medium as described in (a). As in the case of neutrons, the interaction of gammas with matter is a statistical process and is governed by an exponential absorption law of the form given by eq.(33) but with α representing the gamma ray absorption coefficient. This coefficient can, in turn be considered as the sum of components α_{PE}, α_C and α_{PP}, corresponding to the photo-, Compton and pair effects. Thus

$$\alpha = \alpha_{PE} + \alpha_C + \alpha_{PP} \qquad \ldots\ldots\ldots (35)$$

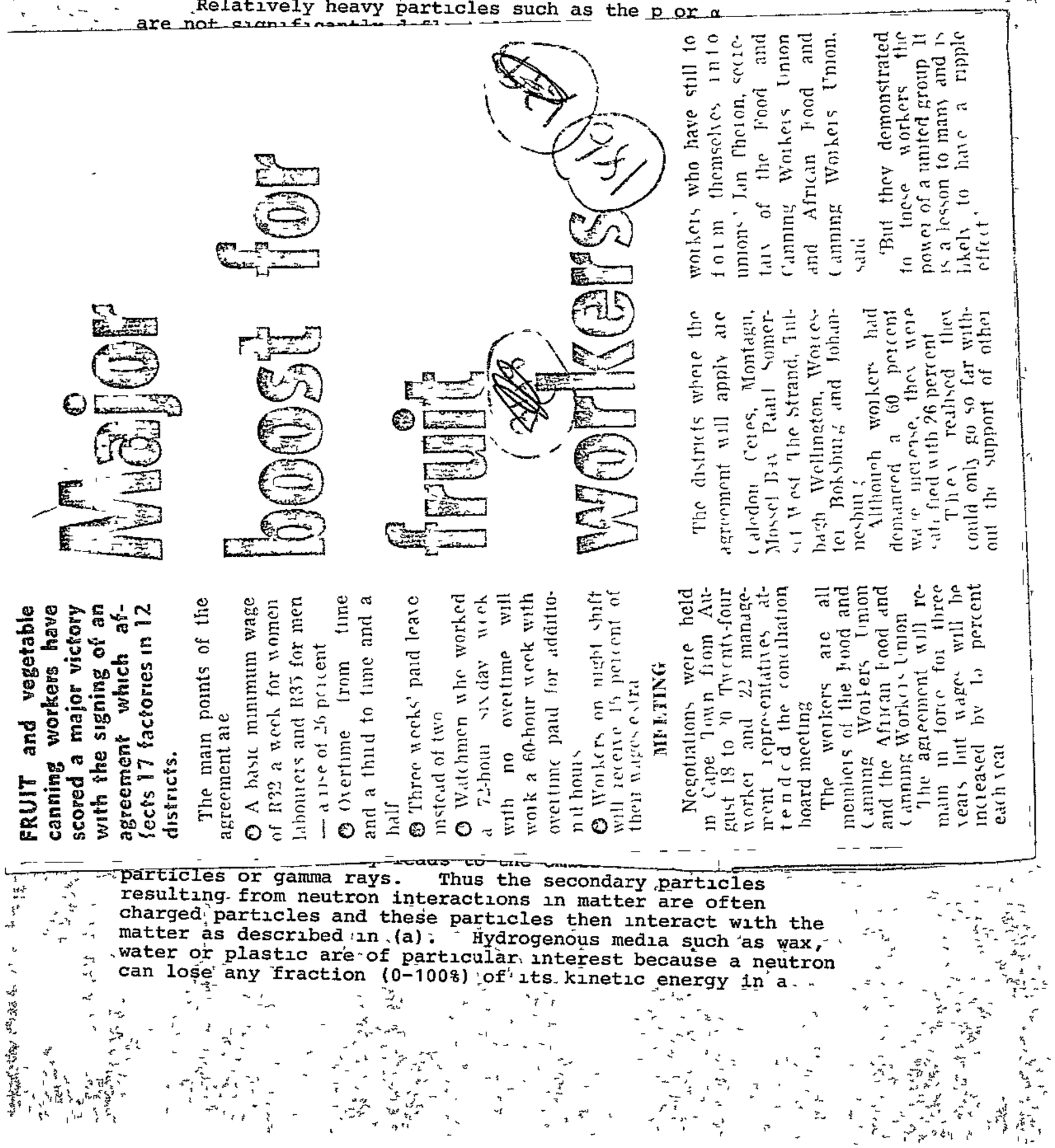
The absorption coefficients are largest for the heaviest elements (e.g. lead) and α_{PE} usually dominates for gamma energies below 0.5 MeV, α_{PP} for energies above ∿ 10 MeV and α_C for energies around 1 MeV.

A convenient measure for gamma interaction calculations is the half-thickness, analogous to the half-life in radioactivity. This is defined as the thickness $x_{\frac{1}{2}}$ of the particular medium required to reduce the fraction N/N_o (eq.(33)) to one half for a particular gamma energy.

Thus $N/N_o = \frac{1}{2} = \exp(-\alpha x_{\frac{1}{2}})$ $\qquad \ldots\ldots\ldots (36)$

Some values of $x_{\frac{1}{2}}$ are given below (in mm)

Energy	Lead	Concrete
1 MeV	9.0	47.0
5 MeV	14.5	100.0



Major boost for fruit workers

FRUIT and vegetable canning workers have scored a major victory with the signing of an agreement which affects 17 factories in 12 districts.

The main points of the agreement are

- A basic minimum wage of R32 a week for women labourers and R35 for men — a rise of 26 percent
- Overtime from time and a third to time and a half
- Three weeks' paid leave instead of two
- Watchmen who worked a 72-hour six-day week with no overtime will work a 60-hour week with overtime paid for additional hours
- Workers on night shift will receive 15 percent of their wages extra

MEETING

Negotiations were held in Cape Town from August 18 to 20. Twenty-four worker and 22 management representatives attended the conciliation board meeting.

The workers are all members of the Food and Canning Workers Union and the African Food and Canning Workers Union.

The agreement will remain in force for three years but wages will be increased by 15 percent each year.

The districts where the agreement will apply are Caledon, Ceres, Montagu, Mossel Bay, Paarl, Somerset West, The Strand, Tulbagh, Wellington, Worcester, Robertson and Johannesburg.

Although workers had demanded a 60 percent wage increase, they were satisfied with 26 percent.

They realised they could only go so far without the support of other workers who have still to form themselves into unions. Jan Theron, secretary of the Food and Canning Workers Union and African Food and Canning Workers Union, said:

"But they demonstrated to these workers the power of a united group. It is a lesson to many and is likely to have a ripple effect."

Cape Times 3/9/80

Bursaries for engineering

Staff Reporter

TO promote education in the metal and engineering industries, the Steel and Engineering Industries Federation of South Africa is making bursaries available at three black universities

The bursaries, each for R1 500 a year will be available in the second year of the two-year preliminary engineering course at the universities of the North Zululand and Fort Hare

Application forms for 1981 can be obtained from The Head, Education and Training Division Box 1338 Johannesburg 2 000 Applications close on September 30

(186)

Fosatu treads on union corns

By Sieg Eisig

The predominantly black Federation of South African Trade Unions (Fosatu) has lost one of its potentially most powerful allies abroad, Mr Herman Rebhan, general secretary of the 14-million-strong International Metalworkers' Federation.

This appears from a strongly worded letter in which Mr Rebhan takes Fosatu's general secretary, Mr Alex Erwin, to task for an article in Fosatu Worker News.

Copies of the letter have been widely disseminated, apparently on Mr Rebhan's instructions.

Mr Rebhan attacks the article for failing to mention "one word" of the assistance given by the IMF and the German Metalworkers' Union in the settlement of the recent Volkswagen strike at Uitenhage

"You have the gall to present this important victory of two IMF affiliates as if your organisation had anything to do with it," he writes

"I know for a fact that you showed your face at the strike and were told to get the hell out of there.

"It is typical of those intellectuals who tend to use the labour movement to appropriate the credit for the efforts that were made by genuine trade unionists who worked with their hands"

Mr Erwin told The Star today that Fosatu's executive viewed the tone of the letter in a serious light and felt it totally uncalled for.

He said Mr Rebhan had "done a considerable disservice, not only to his affiliates but to Fosatu and the unregistered labour movement".

Fosatu had not intended to take credit for the outcome of the Volkswagen strike and Mr Rebhan had resorted to absurd accusations over a quite minor issue, Mr Erwin said.

East London workers vote to stay out

rom

5/9/86

By STEVEN FRIEDMAN
Labour Reporter

MORE than 2 000 workers from three strike-hit East London factories resolved this week not to return to work until the companies had recognised their unions

The unions are the South African Allied Workers Union and the African Food and Canning Workers Union

At a mass meeting they also demanded that the companies recognise worker committees elected under the auspices of these two unions

The workers were drawn from three factories where recent stoppages have not yet been settled They are Ray-Lite Batteries, Collondale Cannery and National Converter Industries

The meeting is further evidence of the rapid growth of worker militancy in East London, which is fast becoming an important centre of black worker action

There have been several strikes in the area in recent months and both unions report a "dramatic" growth in union membership Their claims of substantial worker support have been confirmed by employer sources

Most of the strikes in the area have been caused by employer refusal to recognise the SAAWU or AFCWU and worker rejection of the Government s liaison committee system Some strikes have followed allegations that worker leaders have been dismissed by employers

According to a SAAWU spokesman, Mr Thozamile Gqweta, most of the workers have been reinstated following union intervention He will meet management today to take up the case of those workers who had not been re-hired

This week s mass meeting, the first to be called by the two unions since the Government s ban on public meetings expired, is a sequel to the strikes at the three factories

Management at the three plants have said that the strikers have been replaced and that production is almost back to normal

Yesterday, however, Mr Gqweta disputed this He conceded that there was "desparately serious unemployment" in the area, which enabled management to replace strikers

But he claimed that many of the dismissed strikers were skilled workers who could not be easily replaced and said that the three factories had not managed to replace the striking workers

The growing union movement in East London has also attracted considerable attention from the authorities

Mr Gqweta and four workers who belong to SAAWU are facing trial on charges under the Riotous Assemblies Act and Mr B P Norushe, an official of the AFCWU, is in detention under security legislation

Several other union members have also been detained briefly and then released Recently 128 National Converter Industries workers were convicted under the Riotous Assemblies Act The union is appealing against this verdict

This week, a small company, manufacturers' agents Turner Brothers, became the latest to be affected by strike action

All 27 of the company's black workers downed tools after the chairman of their worker committee had been dismissed They allege he was fired after he was delegated by workers to discuss an increase in overtime with management

Workers want unions recognized

Own Correspondent

JOHANNESBURG — A mass meeting of over 2 000 workers from three strike-hit East London factories resolved this week not to return to work until the companies had recognized their unions the South African Allied Workers Union and the African Food and Canning Workers Union

They also demanded that the companies recognize worker committees elected under the auspices of these two unions

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The R50m slide in sugar

7/9/80 SUN TIMES (FIN)

186

Finance Reporter

THE sugar industry, already R50-million in the red from previous seasons, is sinking deeper into debt every day

The industry is looking for loans of up to R50 million to cover the expected shortfall for this season, bringing the total debt to more than R100 million

The industry will have to absorb some of the shortfall from this year's drought-stricken crop This will make a dent in the profits of millers and growers and take some gilt off sugar shares on the stock exchange

The agreed return on capital employed, based on historical values, is 14 percent for millers and seven percent for growers

The returns this year from a crop which may not reach 1,6 million tons (1979/80· 2,1 million tons) will fall far short of the accepted level. The Sugar Association is negotiating the size of loans which the Government is prepared to guarantee.

An Association spokesman says a decision must be made soon on the size of the loans although final results for the crop will not be known until February or March.

The industry borrowed R50 million in the previous two seasons and absorbed a R22 million shortfall on the return on capital employed.

In the current season, much of the crop was sold forward at prices for below the levels now being quoted.

Although forward prices for the next season are much higher, the impact of the drought will be felt for a long time

Even if the weather is more kind next season, the cane fields have been badly damaged and large areas require replanting With cane taking 18 months to grow, the size of next year's crop will also be affected Fortunately for growers export prices look like holding above the £300 a ton level.

Sugar forecasters estimate that 1980/81 world sugar production will be 87,4 million tons and that consumption in the same period will be 92,5 million tons.

Although this will keep prices at a relatively high level, market resistence can be expected and consumption may fall back.

New workers in cannery jobs — strikers

186

DAILY DISP 9/9/80

EAST LONDON — Management at Collondale Cannery here hired a number of new workers yesterday to replace the 400 labourers who went on strike two weeks ago, some of the workers said yesterday

The managing director of the cannery, Mr Corder Tilney, was not available to speak to the press, according to the switchboard operator there.

Workers at the cannery told a Daily Dispatch reporter the firm had hired several new workers yesterday and would do so again today.

Several of the strikers had returned, they said

The cannery was closed for more than a week after a walkout over the retrenchment of six workers.

On August 29, management offered to pay off the workers but they refused, claiming they were still employees and they wanted their jobs back.

The branch chairman of the African Food and Canning Workers Union, Mr Welile Mzozoyana, said only six of the strikers had returned

"We believe these six workers were bribed," Mr Mzozoyana said

"We have heard complaints from workers that they were offered all sorts of bribes in order to get them to break the strike."

Mr Mzozoyana said the six workers who returned, two men and four women, were strong union members and would not have returned to work "normally".

He also said Mr Tilney told union members he had replaced strikers with 250 workers from a Kidd's Beach cannery which closed earlier this year

"That is incorrect," Mr Mzozoyana said.

"The new people are all unskilled people who live near the cannery and need work. It is going to take ages to train them properly."

Mr Mzozoyana said he had also been unable to contact Mr Tilney yesterday

"The workers say they will continue to stay away until management rehires the men who were unfairly dismissed," he said

Last night Mr Mzozoyana pledged that as soon as management came to the negotiating table, industrial peace would be restored — DDR

Cannery men still on strike

9/9/80 Argus (186)

Labour Reporter

MOST of the 400 workers of the Collondale Cannery near East London were still on strike today, two weeks after they downed tools in a dispute over the retrenchment of six workers

All but six of the workers ignored a management call to apply for re employment yesterday, a spokesman for the Food and Canning Workers' Union said

Workers refused to accept their dismissal by management at the end of August and consider themselves still employed by the firm

They see the retrenchments including that of the chairman of a recently-elected union committee, as an attempt by management to force liaison committee representation upon workers

Members of the union committee and local union officials were expected to meet the firm's managing director, Mr Corder Tilney, today

Neither Mr Tilney nor manager Mr G Ciamforlini was available for comment

Cannery and union fail to end dispute

Daily Dispatch 10/9/80

EAST LONDON — The African Food and Canning Workers Union (AFCWU) has been unable to resolve a dispute with management after a walkout at Collondale Cannery here

The dispute centred around the retrenchment of five men two weeks ago, some of whom are union members

Management has refused to rehire the men and union members feel they are being victimised

The acting secretary of the AFCWU, Mr Thozamile Gqweta, met with the managing director of Collondale Canneries, Mr Corder Tilney, on Mr Tilney's farm near here yesterday

Mr Gqweta said they had "frank discussions" but could not come up with a "constructive resolution"

Mr Tilney was not available for comment

"The only actual point of deadlock is the reinstatement of the workers," Mr Gqweta told the Daily Dispatch last night.

"Mr Tilney said he had already employed new people and could not dismiss them to take on all the old staff"

Mr Tilney told them the five men in question had been dismissed because the firm was cutting staff — the recent drought had greatly affected the number of pineapples they were handling

Workers took the dismissals as union victimisation," Mr Gqweta said

"They said Mr Tilney failed to explain why the men were dismissed"

Mr Tilney admitted he had "learnt a lot" and in future he would be more open to discussion with workers' committees, according to Mr Gqweta

However, he had stopped short of actually recognising AFCWU as the workers' representatives

"He will allow the union to collect subs on factory premises and to hold meetings, and if the workers indicate they want the union to act as their representatives, he will acknowledge this," Mr Gqweta said

He was told there were about 250 people working at the cannery now, which was enough to cope with the supply of pines

Thirty-five new workers were apparently hired yesterday, he said

Mr Gqweta said the union had loaned more than R2 000 to the former cannery workers who had refused to be paid off on August 29

Mr Gqweta said Mr Tilney told him that if workers went back today, he was prepared to rehire some of them

"But after we told the workers this, they repeated that they would not return until the retrenched men were taken back" — DDR

S. POST 11/9/80 (166)

Lucy was behind employer loan to 'stooge' sugar industry union

SUNDAY POST Correspondent

CONTROVERSIAL Johannesburg trade unionist, Mrs Lucy Mvubelo, had recommended that the newly-established National Union of Sugar Manufacturing and Refining Employees should approach the sugar industry employers for a loan to meet preliminary expenses.

This was disclosed in a statement to SUNDAY POST by Mr Glyn Taylor, chairman of the Sugar Manufacturing and Refining Employers Association.

Mr Taylor was asked to respond to criticism that the new union was management-initiated and controlled, because the sugar industry had granted it an interest free-loan of R10 000.

Mr Taylor strongly denied that the new union had any relationship with management and defended the sugar industry's right to grant the loan to the union.

He said the union had to start somewhere and that it was entitled to seek a loan from anyone to meet preliminary expenses, such as for recruitment, printing of its manifesto and constitution, the appointment of legal and financial advisers, and the renting and furnishing of offices.

"I believe it was at the suggestion of Mrs Mvubelo that the embryo union approached the employers organisation for a loan."

However, the general secretary of the Federation of South African Trade Unions (Fosatu), Mr Alec Erwin, says the new union is management controlled, and as such would not represent the true wishes of its members.

He said at no time in the history of trade unionism did management grant loans or initiate trade unions for members working in their industries.

"No amount of ducking and diving will whitewash the fact that management has something to do with this union.

"I am sure the membership of the union is soaring because management is pushing its workers to join. It seems the workers have no choice."

Mvubelo

Asserts Mr Taylor: "No strings are attached to the loan and it is repayable when the union becomes financially viable."

Sketching the background to the formation of the union, Mr Taylor said when legislation was changed last year, the sugar industry's works and liaison committees began to expolre various options open to them for the formation of trade union membership.

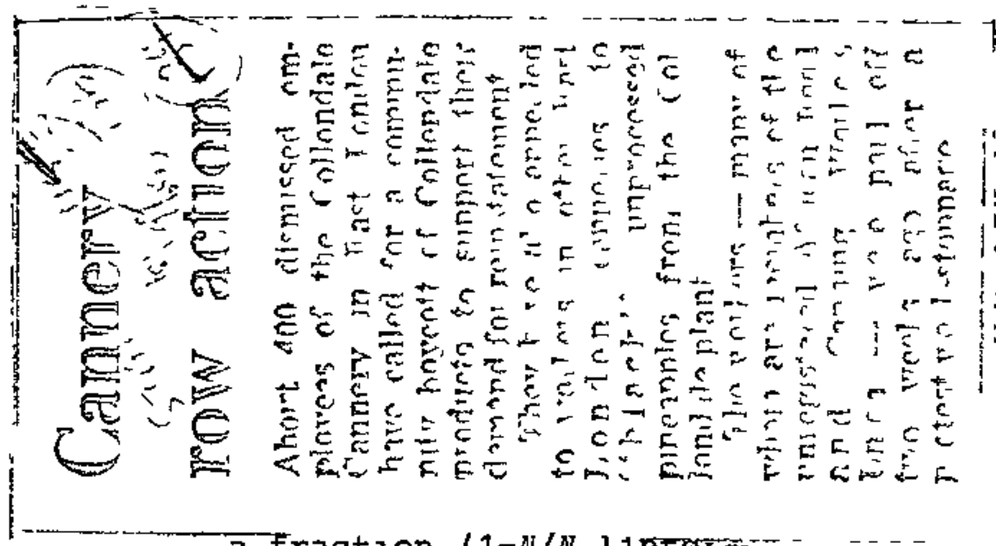
"After a three-day conference, which was addressed by Mrs Mvubelo and Mr Wells Ntuli, and at which no employer representative were present, the decision was made to form a trade union.

"As events would have it, the union has attracted substantial support from factory workers in the suger industry. The union has now secured full registration and has made an application for membership of the industrial council.

"From the employers standpoint, we believe representative trade unions make a major contribution to the preservation of industrial peace."

increases, as the particle penetrates deeper into the medium . The density of energy deposited ($-dE/dx$) is therefore highest at the end of the range (fig. 25).

Relatively heavy particles such as the p or α are not significantly deflected in their collisions with the much lighter electrons in matter and the maximum energy lost per collision is only a tiny fraction of the p or α energy. These heavy particles therefore retain their original directions throughout the slowing down process and their ranges are well defined - do not vary much from one particle to another of the same energy (fig. 24(a)). Incident electrons, however, can scatter through large angles in their collisions with atomic electrons (of similar mass) and can lose a large fraction of their energy in a single collision, therefore their detailed trajectories vary a great deal from one electron to another and their ranges are not well defined (fig. 24 (b)).


Cannery Row Action

Abort 400 dismissed em-
ployees of the Collondale
Cannery in East London
have called for a commi-
tment of Collondale
products to support their
demand for reinstatement

of 1 MeV protons in
nt media (in mm)

	luminium	Lead
	.0126	0.0106

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ocess. If we place

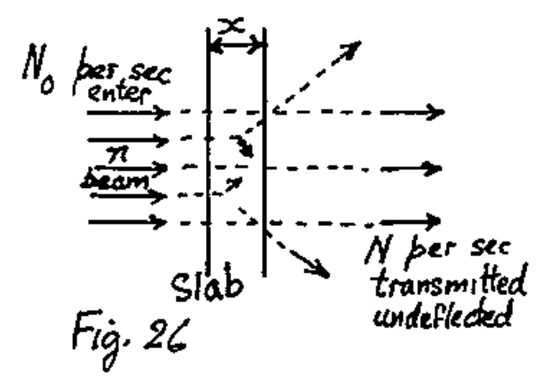


Fig. 26

a fraction $(1-N/N_0)$ interacts
nuclei in the slab. The number N of neutrons emerging per second is given by

$$N = N_0 \exp(-\alpha x) \quad \ldots\ldots\ldots\ldots\ldots (33)$$

where α is the neutron interaction coefficient of the slab and depends on neutron energy and on the species and density of nuclei in the slab.

The neutron-nucleus interaction is either a nuclear scattering process, in which the neutron transfers some of its energy to the resulting (charged) recoil nucleus, or a nuclear reaction which usually leads to the emission of charged particles or gamma rays. Thus the secondary particles resulting from neutron interactions in matter are often charged particles and these particles then interact with the matter as described in (a). Hydrogenous media such as wax, water or plastic are of particular interest because a neutron can lose any fraction (0-100%) of its kinetic energy in a

single elastic collision with a proton. The maximum nuclear recoil energy E_{max} resulting from elastic scattering of neutrons (of mass m_n and energy E) on a nucleus of mass m_N is given by

$$E_{max} = 4m_n m_N E/(m_n+m_N)^2 \quad \ldots\ldots\ldots (34)$$

Thus E_{max}/E is much smaller for heavy nuclei than for hydrogen.

(c) Gamma rays

The three most important effects in the interaction of gamma rays with matter are the photoelectric effect (described in section 2.1), the Compton effect (section 2.1,p.5) and pair production (section 2.3,p.8). Energy is transferred from the incident gamma photon to a photoelectron, a Compton electron or an electron-positron pair respectively. These charged secondary particles then interact with the medium as described in (a). As in the case of neutrons, the interaction of gammas with matter is a statistical process and is governed by an exponential absorption law of the form given by eq.(33) but with α representing the gamma ray absorption coefficient. This coefficient can, in turn be considered as the sum of components α_{PE}, α_C and α_{PP}, corresponding to the photo-, Compton and pair effects. Thus

$$\alpha = \alpha_{PE} + \alpha_C + \alpha_{PP} \quad \ldots\ldots\ldots (35)$$

The absorption coefficients are largest for the heaviest elements (e.g. lead) and α_{PE} usually dominates for gamma energies below 0.5 MeV, α_{PP} for energies above ∿ 10 MeV and α_C for energies around 1 MeV.

A convenient measure for gamma interaction calculations is the half-thickness, analogous to the half-life in radioactivity. This is defined as the thickness $x_{\frac{1}{2}}$ of the particular medium required to reduce the fraction N/N_0 (eq.(33)) to one half for a particular gamma energy.

Thus $N/N_0 = \frac{1}{2} = \exp(-\alpha x_{\frac{1}{2}}) \quad \ldots\ldots\ldots (36)$

Some values of $x_{\frac{1}{2}}$ are given below (in mm)

Energy	Lead	Concrete
1 MeV	9.0	47.0
5 MeV	14.5	100.0

18/9/80 ARGUS

Prices lower at city abattoir, demand rises

(186)

Consumer Reporter

PRICES at Cape Town abattoir auctions are well below the record levels they reached at the beginning of the month.

And, instead of encountering the consumer resistance reported on the Rand, some Cape Town butchers say demand has risen because people are stocking up freezers for fear of higher prices later.

'There is no shortage of meat' Sea Point butcher Mr Chris Joubert said in an interview today. 'And if demand were normal I believe prices would continue to fall and would stabilise

'But there is a terrific demand, and this is keeping them up A lot of people are stocking up their freezers for Christmas now for fear of a shortage later'

Mr Joubert said he deplored recent statements by the Agricultural Union officials that prices were likely to rise even higher He said this led to panic buying, which would keep prices high

The price of super beef at Cape Town abattoir auctions yesterday ranged from R1,98 to R1,96 a kg compared with R2 to R1,90 on Tuesday

Prime beef ranged from R1,88 to R1,84 a kg yesterday compared with R1,84 to R1,80 on Tuesday.

Super lamb ranged from R2,07 to R2,02 a kg yesterday compared with R2,02 to R2,01 on Tuesday

Prices at the beginning of the month reached R2,70 a kg for super beef and R2,49 a kg for super lamb.

A Meat Board spokesman said that Cape Town received most of its beef from South West Africa and adequate suppplies were coming in regularly.

Supplies would be plentiful tomorrow because the abattoir was again slaughtering to its full capacity of 5 500 sheep and 850 cattle, as it had almost every working day this month

● From Johannesburg our correspondent reports that consumers have supported the Housewives' League boycott call against high meat prices — beef sales dropped 731 tons on the Witwatersrand last week and lamb, sheep and goat sales dropped 195 tons, compared with sales at the same time last year.

● Meat crisis — Page 23

Cannery strikers call for support

19/9/80

ARGUS (186)

Labour Reporter

FOOD and canning workers in East London have called for a boycott of products from Golldondale Cannery in support of demands by the factory's 400 striking workers for reinstatement.

The strike, in its fourth week, began on August 27 after management retrenched workers who includede the recently elected workers' committee man, Mr Lordner Njozela.

'Workers took it that the retrenchment was a disguised form of victimisation,' the Food and Canning Workers' Union says in a memorandum on the dispute.

Mr Njozela had a responsible job and eight years' service, and the five workers were retrenched at the start of the pineapple season when all workers were needed.

DISMISSED

The memorandum claims management acted in a high-handed fashion, failing to negotiate with the workers. It insisted on talking only to the liaison committee, which the workers rejected.

Management told workers on August 29 that they were dismissed and could reapply for work on September 8. Workers have refused to collect their pay and have not accepted dismissal.

'The workers decided they would not apply for re-employment, if that meant management picking and choosing from among them,' the memorandum says.

Noting that R2 000 had already been paid out to workers from union funds, it called for 'solidarity and support on any level.'

Council jobs open to women

NM 20/9/80

End inequality, says mayor

Mercury Reporter

THE Durban City Council has opened all positions above the level of labourer and semi-skilled worker to both sexes, regardless of race. All appointees will enjoy 'full parity of pay and conditions'.

Durban's mayor, Mrs Sybil Hotz, made this statement in an address to the annual conference of the Garment Workers' Union Consultative Committee at the James Bolton Hall yesterday. Mrs Hotz declared that all jobs would be awarded on merit

'The Council started intense negotiations to iron out difficulties in the way of achieving complete equality of conditions of service and opportunity for all persons who have the qualifications,' she said.

'This was done in accordance with the council's recommendations to the 1977 Wiehahn Commission and what we have achieved is quite something'

The conference, representative of allied unions from all over the country, greeted the news with enthusiasm

Mrs Hotz emphasised the need for trade unions and their importance

She said the time had come for all people, at all levels, to get the same education in the interests of the future

'We must achieve equality at all levels of education,' she said 'We must not limit our sights to schools which have been in the limelight lately, but look to equality on every level so that the person who is one step away from the labour market is on an equal footing.'

She said the only reason women were discriminated against was because they were a threat to men.

'I believe the garment industry is known as the "ladies industry" So I emphasise here that because women comprise 50 percent of South Africa's work force, they should be afforded their due regard and not discouraged by undue discrimination on the base of sex,' she said

She called for creches to be established to aid working women and for pregnancy lay-offs to be reassessed and not regarded as a handicap to a woman seeking employment.

The conference decided that the committee should extend a welcome to the presidium of the International Garment Textile and Leatherworks Federation to visit South Africa at the earliest opportunity to study local industry, as much was misunderstood.

The matter of equal education was referred to the Trade Union Council of South Africa conference next week.

Meanwhile it was revealed yesterday that the Natal Baking Industry Employees' Union has successfully applied for permission to enrol black employees of the baking industry as members

Cannery strikers call for boycott

(1786) (NM) S. POST 21/9/80

By OWEN VANQA

THE East London branch of the African Food and Canning Workers' Union has called for a boycott of products of the Collondale Canneries in the city.

This follows the dismissal of the workers at the cannery last month. Workers downed their tools when some of their colleagues were retrenched, including one after very long service

The management dismissed the strikers and told them to reapply, but few reapplied.

Now the head office of the African Food and Canning Workers' Union is busy informing the community and organisations about the condition of workers at Collondale.

"Workers themselves passed the resolution calling for the launching of a boycott, demanding the reinstatement of the dismissed workers and appealing for the support of other canning workers in East London, so that they do not handle Collondale products," a unionist said.

The union held its 40th conference in Paarl at the weekend. It received greetings from unions throughout the country and the world

"They have offered us support in the struggle for union rights for workers and better working conditions. We will notify these unions of the conditions at Collondale," the unionist said

Management at Collondale is said to be feeling the pinch and is said to be approaching individuals asking them to reapply. The scab labour that replaced the workers has been locked out of their houses by farmers at Kidds Beach and told to find accommodation somewhere else, since they are employed.

United Oceana profit fall

RDM 21/9/80 (186)

Financial Reporter

BECAUSE of the poor results of Lamberts Bay and Sea Products (SWA), the figures of United Oceana Holdings for the half year to June are disappointing.

With net income before tax cut from R8 882 000 to R5 129 000, net attributable profit was almost halved to R1 593 000

Earnings a share fell to 16c against 30c for the first half in 1979 The directors forecast earnings of 26c for 1980 compared with 44c a share last year

Lamberts Bay's earnings dropped from 49c in June 1979 to 27c but the interim dividend is unchanged at 10c.

The directors forecast earnings for the year to December 1980 should be about 43c compared with 72c last year They emphasise, however, that the final figure could differ from the estimate because of the difficulty in forecasting fishing results

Sea Products (SWA) show earnings of 18c for the half-year to June 1980, compared with 39c last year The interim dividend, however, is unchanged at 15c

The directors estimate that earnings for the full year should be about 80c compared with 70c last year

The group reports that the demand for fish meal and body oil remains firm Apart from nominal quantities of fish meal being exported, the production of fishmeal and oil will be absorbed by the local market

The demand for frozen rock lobster tails has remained steady but at lower prices The appreciation of the rand against the dollar has also had an adverse effect on net realisation prices

Canned fish production in SWA/Namibia declined to a nominal level in the current season because of the sharp reduction in the pilchard catch As a result the market is now wholly dependent on overseas supplies to satisfy local market requirements

Food industry landmark for Isipingo

21/9/80 (PROP) Property Reporter (186) (43) SUN TRB

THE Avoca wholesalers group has established a new landmark at Isipingo Rail — a 4 000 square metres wholesale food operation at a total cost of R5,3 million.

The development costs include lifts, cold rooms and the main building

The group is owned by the Kadodia family and is operated by four brothers who run branches at North Coast Road, Avoca, and Pietermaritzburg.

A spokesman for the group, Gora Kadodia, who was in charge of the construction of the new development which was built by the Kadodias' own construction company, said this week the group had been wholesalers since 1919

They have named the development Avoca Airport '80 and it comprises nearly 4 000 square metres of wholesale food in six-metre-high racks. All goods are on palletts and are handled by electric-powered forklift trucks. The stock operation is computer controlled.

Building began in March this year and despite water seepage problems which made piling necessary, the building was completed and stocked by September 12

The building effort was a case of records all round as the project managers prepared and submitted the drawings in just four weeks.

Parking has not been ignored and there is space for 135 vehicles.

Tiger takes bigger bite as growth reaches 23%

186

RDM 21/9/80.

By DAVID CARTE
Deputy Financial Editor

POOR fishing profits, the stable nature of the food business and Tiger Oats and National Milling's huge size and market penetration could not prevent earnings growth of 23% in the six months to end-June

Today's interim report shows Tiger in a good position to beat the billion-rand sales figure this year, with half-time turnover 25% ahead at R522-million

Pre-tax profit in the period improved 22% at R35 878 000

Less than proportionate rises in taxation, minorities and the pref dividend saw taxed attributable profit 24% ahead at R17 317 000

Earnings per share were 23% better at 154c (1979 125c)

Dividend cover was slightly reduced and the interim dividend received a 25% hitt to 35c (28c) Cover at more than four times was still substantial

Tiger points out that had associates such as 30%-owned Bibby of the UK, 30%-owned Metrocash, 17%-owned National Food Holdings of Zimbabwe and 17%-held ICS been equity-accounted, earnings would have been 186c (149c)

This means earnings of associates grew 33% from 24c to 32c

Chairman, Mr Rudi Frankel, told me he was highly satisfied with these results

'In good times people may not eat a lot more, so one does not get the astronomical profit growth in food that we have seen in other sectors

'But in food we don't get severe hills and valleys and are very happy with 23% growth "

Last year-end Tiger's annual compound earnings growth rate was 22% over the previous 10 years

The latest results show the group ahead of trend

The biggest contributor to these profits, said Mr Frankel, was wheat, maize, oats and barley milling which brought in 19% of taxed profit — the same as in 1979

Edible oils and derivatives contributed 16,5% (14,5% last year-end) while animal feeds and agri-business such as poultry, eggs and mushrooms contributed 13% (10%)

Pharmaceuticals brought in 19,5% (18%) and distribution and trading 14% (12%) Fishing's constribution fell from 17% to less than 8%

So fishing did worse and animal feeds and agri-business best during the first half

Mr Frankel said Tiger's exports were rendered less competitive on overseas markets by much higher raw material prices and a stronger rand

Although higher raw material costs and increased sales volumes meant higher working capital needs he said, Tiger's balance sheet was in good shape

Tiger traditionally does more business in its second half and expects to better first-half profits in the second half

Asked if past growth trends could be maintained, and improved in the future, Mr Frankel said he was confident they could, provided inflation and unemployment could be contained

People had to eat, he said, and the South African population was growing at 2,8% a year

Also, Tiger was pioneering new markets such as it had in pet food

It was currently excited about possibilities in vegetable proteins as meat replacements There was also room for further market penetration

Tiger was investing and reinvesting R20-million a year and this continued to bear fruit

Tiger's holdings in Metro, Bibby and National Food are in the books at cost of less than R12-million, compared to present market value of R63 million and subsidiaries such as Adcock Ingram Lamberts Bay and Seaswa are similarly understated in net assets

COMMENT. There seems little doubt earnings and dividends will be about 25% ahead at the year end, suggesting total earnings of 327c and a dividend of 82,5c With the share on 1 650c, this suggests a prospective yield of 5%

Superficially, this may may look thin but hidden earnings and assets, the low earnings multiple and Tiger's superlative track record through thick and thin justify the low yield

Especially if, as this interim dividend seems to indicate, purse strings in the future are to be looser

'Winner' for black union

STAR 24/9/80

186

The fledgling black trade-union federation, Cusa, made a significant step forward today with the signing of a formal recognition agreement between one of its affiliates and a subsidiary of the powerful Premier Milling group.

The agreement — concluded between the unregistered Food Beverage Worker's Union (FBWU) and the Springs-based Premier Biscuit Company is among the first to be negotiated by a Cusa member.

It follows a year-long struggle for influence within the company between the FBWU and the Fosatu-affiliated Sweet, Food and Allied Workers' Union.

According to FBWU secretary, Mr Leonard "Shakes" Sikhakane, the agreement comprises stop-order facilities for the deduction of union dues, the right of access to company premises and formal recognition of the union's branch executive.

The latter would not have wage-negotiating rights, since the biscuit industry is governed by agreement, he said.

Black union breakthrough in big firm

RDM 24/9/80

186

By STEVEN FRIEDMAN
Labour Reporter

THE independent black trade union movement won another important breakthrough yesterday when a subsidiary of the giant Premier Milling Group recognised an unregistered black union

The union is the Food, Beverage and Allied Workers' Union, an affiliate of the Council of Unions of South Africa (Cusa)

It has been recognised by Premier Biscuit, a Premier subsidiary on the East Rand which employs about 400 black workers

Premier's decision to recognise the union comes shortly after another major locally-owned company, AECI, recognised an independent black union, the SA Chemical Workers' Union, at one of its subsidiaries

In a joint statement issued yesterday the two parties say the agreement "signifies very clearly to the company that the recognition of employee representation over union registration can meaningfully be achieved within the present-day labour situation"

Although the union has applied for registration — this was one of the conditions of the agreement — it has not yet been registered

The union's general secretary, Mr Skakes Sikhakhane, said the agreement had been greeted with "jubilation" by Premier workers

Premier recognised the union after independent third parties verified its membership claims and found that it represented a majority of workers

Two other unions, one affiliated to the Trade Union Council of SA and the other to the Federation of SA Trade Unions, also claimed support in the plant and were invited to take part in the verification exercise

Premier agreed to recognise the union with most support

However, the other two unions decided to withdraw from the exercise

The decision to recognise the union which demonstrated most support is seen as important because many employers are faced with conflicting claims for recognition by unions and have been accused of dealing with "tame" unions which do not enjoy support

According to yesterday's joint statement, the agreement contains access for the union to company premises, recognition of the union's branch executive committee, "stop order" facilities and grievance and disciplinary procedures

Both sides have agreed to accept and recognise the wage minima and other conditions laid down in the biscuit industry's industrial agreement

In terms of the agreement, the company will recognise the branch executive of the union at Premier Biscuit The branch executive will take the place of a works committee at the company

Mr Sikhakhane said this was a unique feature of the agreement

"While other agreements entail recognition of a shop stewards' committee only, we have organised all our members in the company into a branch, and it is their executive which will negotiate with management This will give the representatives a broader base to speak from "

He stressed, however, that union members would continue to elect shop stewards in each department

The joint statement says the agreement follows months of "fruitful discussion"

In it, both parties stress that their relationship "is not governed by this agreement, but rather by their mutual commitment to the well-being of the company's employees and the company's profitability"

IRVIN & JOHNSON FM 26/9/80

Better margins

(186)

Activities: *Fish and food processor and distributor. Operates own trawling fleet off SA coast South Atlantic holds 58% of the share capital, and Anglovaal is the ultimate holding company*
Chairman: *B E Hersov; managing director J J Williams*
Capital structure: *28m ordinaries of 50c; 350 000 6,5% red cum prefs of R2*

Market capitalisation R39,2m
Financial: *Year to June 30 1980 Borrowings long- and medium-term, R2,4m, net short-term, R2,7m Debt equity ratio 14,9% Capital commitments R10,9m*
Share market: *Price 140c (1979-80 high, 165c, low, 80c, trading volume last quarter, 514 000 shares) Yields 15,8% on earnings, 7,9% on dividend Cover 2 PE ratio 6,3*

	'77	'78	'79	'80
Return on cap %	7 6	14 7	16 9	17 4
Turnover (Rm)	143	157	164	200
Pre-tax profit (Rm)	3 3	7,2	8 8	10 0
Gross margin %	2 9	5 3	6,0	5 6
Earnings (c)	3,8	14 8	18 3	22 1
Dividends (c)	2 5	7	9	11
Net asset value (c)	150	152	162	173

During fiscal 1980, production facilities at a number of factories were expanded to cope with increased demand for group products In addition, conversion of the trawling fleet to the use of cheaper fuels was accelerated So the current year should see a substantial turnover increase as well as a reduction in operating costs Chairman Basil Hersov confirms this view, anticipating that, under present trading conditions, "profits in the current year will improve at a greater rate than in the previous year "

Last year's 11% earnings improvement on a 21,7% rise in turnover was a result of fast-rising costs, particularly fuel expenses in the trawler fleet Margins were also put under pressure by low profitability in some divisions and, consequently, production of canned vegetables was discontinued during March But the R3,8m unutilised assessed loss indicates that at least one other subsidiary is not performing satisfactorily

Sales from the fishing division to the local market continued to improve during the year But although export prices showed a recovery after the drop the previous year, and export volumes were marginally higher, some of these benefits were eroded by the stronger rand Demand and prices for rock lobsters declined in the US and this division is likely to remain unprofitable until recession in that country eases

The group's other major division, processed foods, fell below budgeted performance because of inadequate production facilities However, the major capex programme to modernise, restructure and increase capacity at the Springs and Marble Hall factories should alleviate bottlenecks in the current year

This year's sales are expected to be even higher, and stocks have accordingly been increased by R7,4m to meet anticipated demand The cost of these additional stocks has been funded largely by a R6m rise in creditors and R2,5m in acceptance credits The balance sheet consequently looks stronger than the previous year with the debt equity ratio down to 14,9% (17,6%) Cash holdings, however, fell R5,4m to R2,1m

So despite the group's fairly pedestrian performance last year, it looks set to achieve substantial profit growth in fiscal 1981 The trend already seemed to be starting in the second half of last year when pre-tax margins improved to 5,3% from 4,8% in the first six months Assuming a 20% earnings growth for the year, on 27c (22c) the group could pay 13c (11c) On a prospective 9,3% yield, the share price could well move up

Fiona Halse

T W BECKETT (186)

Underrated

FM 26/9/80

Activities: *Packer and distributor of tea, coffee and associated products to both retail and non-retail outlets Brand names include Five Roses, Koffiehuis, Ellis Brown and Game. South Atlantic holds 69% of share capital, and the ultimate holding company is Anglovaal*

Chairman: *C D Gray, managing director T L Gawith*

Capital structure: *6m ordinaries of 50c, 125 000 6% cum prefs of R2 Market capitalisation R25,2m*

Financial: *Year to June 30 1980 Borrowings. long- and medium-term, R84 000, net short-term, R5,8m. Debt equity ratio. 39,6% Current ratio. 1,5. Net cash flow R6,6m Capital commitments. R4,7m*

Share market. *Price. 420c. (1979-80. high, 470c, low, 175c, trading volume last quarter, 6 000 shares). Yields· 15,8% on earnings, 7,4% on dividend Cover· 2,1 PE ratio. 6,3.*

	'77	'78	'79	'80
Return on cap %	21,4	19 4	26,7	30,3
Turnover (Rm)	48 4	54,2	56,1	66,4
Pre-tax profit (Rm)	4,5	3,5	4,9	6,8
Gross margin %	11,4	9,5	10,6	11 8
Earnings (c)	44,4	36,4	48,9	66,3
Dividends (c)	14	15	23	31
Net asset value (c)	203	225	251	286

The 35% dividend hike, in line with a similar growth in earnings for the year to end-June, has put the share on an abnormally high historic yield of 7,4%. This rating may reflect the group's dependence on fluctuating tea and coffee prices but could also be a function of limited marketability, with 4,5m of the 6m shares tightly held However, the profit improvement predicted for this year should cause a reassessment of the yield

Many of the factors which contributed towards last year's earnings growth look like continuing for some time. Most important were greater consumer purchasing power, particularly among the lower income groups, the ability of the beverage industry to maintain reasonably stable selling prices, gains in market share and better plant utilisation.

There were also positive moves within the tea industry to bring planters and packers together and thereby control planting programmes.

Under present government regulations, packers are required to buy a certain percentage of locally grown tea This is set at a substantial premium to the world market price to encourage local planters, and there are fears that a similar position will be forced on to packers with regard to locally grown coffee.

Raw material costs this year will obviously depend on availability. Rooibos tea continues to be in short supply following drought and disease in the growing area. There has been a compensating 9,6% growth in leaf tea sales but this may not be sustained once Rooibos becomes more freely available again

On the production side, the instant coffee plant is to be expanded and the group's first coffee creamer manufacturing plant will come on line early in 1981, leading to production cost savings as well as improved product quality.

Capex of R4,7m will be financed from internal sources as well as borrowings This is not likely to affect the 1981 payout, however Although dividend cover has been steadily reduced over the last few years, from over three times in 1977 to last year's 2,1 times, the debt.equity ratio is also down to under 40% against 43,4% previously

Assuming that many of the factors which contributed towards last year's profit growth continue during fiscal-1981, a possible increase in earnings to 79c (66c) would allow the group to pay a dividend of around 37c (31c) Yielding a prospective 8,8% on this basis, the share looks attractive

Fiona Halse

29/9/80 (Cape Times) (186) (B.A)

Big future forecast for poultry industry

A FUTURE of substantial growth and increasing importance is predicted for South Africa's poultry industry by the Cape poultry business Cape King Foods (Pty).

The managing director, Mr Jeremy Owen, based his forecast on the improvement taking place in the living standards of all population groups, the increasing spending power of the black communities, and the rising cost of other protein foods.

'Poultry, I am convinced, is going to play a role of much greater importance in the future in the feeding of South Africans.'

Cape King Foods, had embarked on its R650 000 expansion programme at its Stikland plant because of the company's confidence in the future of the poultry industry and of the South African economy in general.

POTENTIAL

'But, apart from the increasing consumer demand which we expect, we also see, as a company, a substantial potential in the development of new processed poultry and other meat products for the convenience foods market'

This has been demonstrated by the growth in the company's turnover, which rose rapidly when it moved in this direction three years ago, concentrating on fresh rather than frozen chicken and on the production of portions rather than whole chickens.

'We have since come out with a lot of new ideas,' Mr Owen said 'At one stage we were pushing out a new product every month The response was tremendous. Our sales rocketed.'

COMBINATION

The new product lines, marketed under the company's Westcape label, included a variety of combination packs — four drumsticks and four breasts, four thighs and four wings, four drumsticks and four thighs, a casserole pack, an oven-ready chicken stuffed with sage and onion, a ready-to-cook curried chicken, a party pack of chicken quarters, a braai pack, and a braai pack of marinated chicken.

Other factors had also played a part in the company's successful growth since 1972, Mr Owen said

'We have, right from the start, given unremitting attention to quality and hygiene Our factory was the first built under the new Government regulations for poultry abattoirs and the latest developments in hygiene were

'We are under constant surveillance — and we welcome it. Our whole policy is geared to the production of quality poultry for the consumer.

'We also have our own kitchen for the testing of our products after cooking and we also work up recipes there for in store cooking demonstrations. The consumer's reaction to our products is of the utmost importance and our kitchen staff help us to meet this challenge.'

LABORATORY

The extensions to the company's plant will include a larger laboratory and kitchen, he said

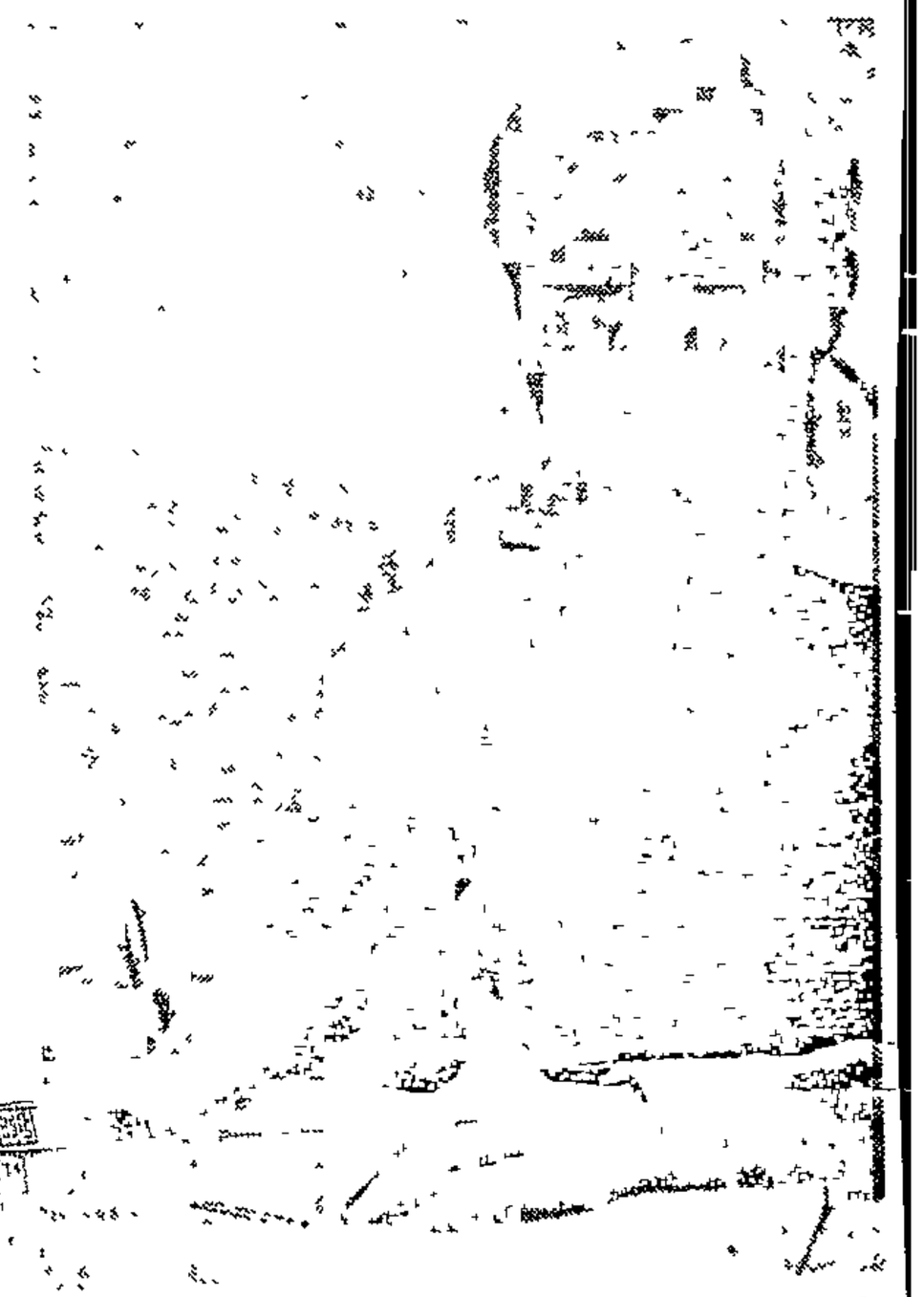
Mr Owen also believes the company's success is due in part to the fact that it is a family business.

'Although we have outside financial backing, we are an independent group and we are not tied up in any way to any of the large milling companies. We are all totally involved in it — our top management's wives as well.'

CONTRIBUTION

Mr Owen also praised the contribution made to the company's growth by the staff, the majority of whom are coloured

'Our general manager, Mr Ron Jowett, has trained our coloured women and men to levels of management that I haven't seen in any other factory



MR Jeremy Owen, managing director of Cape King Foods, the producers of Westcape chicken products.

Magda Booysen is in charge of our fresh production in the factory, a position of high responsibility

work — not because of the top management but because of the quality of our middle management

'Because our staff have

CLEANLINESS

'An independent vet visits our factory every day to inspect our premises, equipment, birds, and staff to ensure that the highest standards of cleanliness and hygiene are maintained

Mr Enoch Ponwane, a black man, is an illustration of this He is the manager of our largest farm and has been a great success in that position He has control over a staff of 30 and more than 250 000 birds

'A coloured woman, Mrs

ments will indicate, we have given our staff a large measure of responsibilty Our reward has been a high standard of productivity, loyalty, and support in our striving to produce quality poultry

'The result is our factory runs like clock-

stayed with us, their increasing experience has become an asset of great importance to us'

The company breeds its chickens in the old-fashioned way — not in controlled - environment houses or in cages — and

(Continued on Page 5)

LOTS OF SUNLIGHT

(Contd from Page 4)

believes that this has also contributed to the success it is enjoying with the consumer

'Our chickens are grown in open-type housing with lots of sunlight and plenty of good food. They grow up naturally and this has paid dividends We believe we give the customer a high-quality bird as a result

The company, Mr Owen said, gave continuing attention to ways and means of improving the taste of its poultry products

'We have set up tasting panels and carried out tasting tests at regular intervals, spending large sums of money in the process, to ensure that the consumer will find our products appetising

'We also condition our birds before they are processed to ensure that they are not tough or stringy, and we put a date on every pack for the guidance of the consumer so that she can buy her chicken fresh and preferably use it within three days of that date'

27/9/80

27/9/80

Chicken firm plans major expansion

A MAJOR expansion programme which will mean an investment of more than R650 000 was announced today by the Cape poultry business, Cape King Foods (Pty), based in Stikland Industria.

The expansion programme will include extensions and improvements to the company's existing factory which will cost R250 000, a new factory to be built on an adjoining site at a cost of R300 000, and additional equipment, most of it for the new factory which will cost a further R100 000

Work has already started on the new factory which is scheduled to go into production towards the end of the year

Making the announcement, the managing director, Mr Jeremy Owen, disclosed that the company is also planning to extend its range of products which are marketed under the company's Westcape label.

IN 1972

Cape King Foods was started in 1972 by Mr Owen, a chartered accountant with previous experience in the poultry industry, in co-operation with a partner and it is still a private company with 50 percent of the shares held by private individuals and the balance by a financial group

From an output of 10 000 birds a week production has grown to 40 000 a week now and turnover is running at R300 000 a month

The new factory and the extensions will place the company in a position to increase its output and turnover substantially.

'Our aim is to double our sales within the next few years,' Mr Owen said.

FOUR FARMS

In addition to the processing plant at Stikland Industria, the company operates four poultry farms with an estimated 500 000 birds and has a staff of nearly 200

'The new factory will mean the creation of new job opportunities and we expect we will need to take on another 40 men and women'

The first of the new products — chicken on a stick — has just been launched under the trade name of Chiccles The chicken meat, moulded to sticks for easy eating, is crumbed and spiced

The product has been developed to meet the increasing consumer demand for convenience foods. Each pack contains six sticks

The company sees its chicken-on-a-stick as ideal for TV watching, picnics, school lunches, and in-between snacks.

'This is a totally new concept,' Mr Owen said. 'And we believe the price is very reasonable compared with what the consumer is paying for sausage rolls and pies. It works out at under 20c a stick'

The other new products the company is developing are still under wraps but they will be introduced to the Cape food market in stages in the near future.

They will not all take the form of processed chicken, Mr Owen said.

MEAT LINES

'We think there is a potential for other meat lines as well and we intend to add to our chicken products when our new plant goes into production We have already brought out and test-marketed a cooked beef product'

But poultry will remain the company's main interest

The extensions and improvements to the existing factory, which was built in 1972 at a cost of R750 000, will give the firm more working space, better staff facilities, and an improved laboratory service

The main object of the extensions, however, will be to give the company scope for further development in processed convenience food products.

Chicken portions already represent 60 percent of the market and the company expects this trend in consumer preference to continue

The general manager is Mr Ron Jowett, who has 35 years of experience in the poultry industry, in Britain as well as South Africa

TRIBUTE

In a tribute to Mr Jowett, Mr Owen said 'He brought to the company ideas he had been formulating over many years in charge of poultry plants and persuaded us to move away from the conventional poultry business we had previously operated to portion production

'He has also been outstandingly successful in the training of unskilled coloured and black staff to positions of responsibility.

'The result is that today we have a loyal and experienced team'

Pineapple strike: call for boycott

Herald 27/7/80

Phatudi in tribal burial wrangle

THE Chief Minister of Lebowa, Dr Cedric Phatudi, 'wrongfully and unlawfully' took possession of the corpse of a tribal chief, it is alleged in the Pretoria Supreme Court

Dr Phatudi is being sued by Leobu Harrison Mphahlele, the eldest son and heir of a tribal chief, and by Sekgolo Selina Mphahlele, the widow of the chief, for R2 500 each

It is the body of this chief that Dr Phatudi allegedly took possession of 'against the instructions' of the son and widow to whom he allegedly refused to deliver it and buried it 'contrary to the wishes' of the two of them

In papers before the court, it is alleged that Avbob held the corpse on behalf of the widow and son and that Dr Phatudi had no right to remove the body from their possession or from Avbob, or to bury the corpse

The widow and son claim that as a result of all this 'their rights were aggrieved and their dignities impaired'

Dr Phatudi, through his counsel Mr I W Schwartzman, states that the son is a minor and therefore has no legal standing to bring the claim.

According to expert testimony set out in the papers, 'it would have been contrary to custom and a disgrace and a scandal for the tribal inner circle to hand over control of the body and the responsibility for arranging the funeral' to the son and widow

STRIKING workers at an East London pineapple factory have called for an international boycott of the company's products.

By ANEEZ SALIE

Four hundred members of the African Food and Canning Workers' Union have been on strike at the Collondale Canning Factory since August 27 following the retrenchment of five colleagues

The boycott has been called after the factory refused to negotiate with the strikers

Collondale, which exports extensively to Europe, produces under the labels Western Pride, John West and Sainsburys

The strikers have also asked workers at other factories not to process Collondale Cannery's products

Since the strike started each worker has been paid R15 by the East London branch of the union

SUPPORT

A memorandum from the union calls on workers to support 'the struggle of the Collondale workers of E Londo An injury to

viewed as victimisation as it was the start of the pineapple season and all workers were needed

He said the management had responded to the strike in a high-handed fashion and had insisted on negotiating with a liaison committee which the workers had rejected

DISMISSED

Two days after the strike began the workers were told that they had been dismissed and could re apply in 10 days

The workers refused to collect their pay and to accept their dismissal — and decided not to reapply as this would allow management to be selective On September 8, when workers were due to reapply, riot police were stationed outside the fac-

planned to go to the factory to negotiate, but did not do so

Management hired other workers and claimed the factory was back to normal'

Only six strikers reapplied, with the remainder continuing to demand the return of all — including the five retrenched — or none at all

one is an injury to all'

One of the orkers retrenched, Mr Lordner Njozela, had recently been elected chairman of the union committee at the factory He had a responsible job after eight years' service

The secretary of the union, Mr Jan Theron, said the sackings were

$$N = N_0 \exp(-\mu x) \quad \ldots\ldots\ldots (33)$$

Fig 26

(1) *neutrons* interact only with the nuclei in atoms and their interaction is a statistical process. If we place a slab of matter of thickness x at right angles to beam of N_0 neutrons per second (as in fig 26) a fraction N/N_0 of the beam is transmitted without interaction and a fraction $(1-N/N_0)$ interacts with nuclei in the slab. The number N of neutrons emerging per second is given by

some range data are listed below:

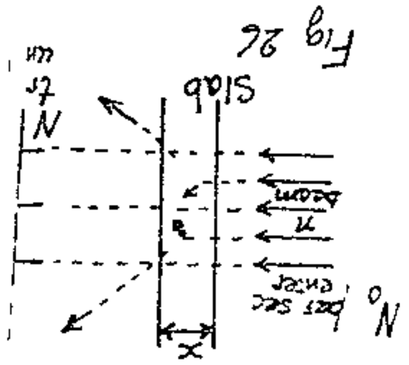
Range in aluminium (in mm)			
Energy	α	p	e
1 MeV	0 0036	0.0126	1 56
10 MeV	0 0600	0 611	19 6

Range of 1 MeV protons in different media (in mm)		
Air	Aluminium	Lead
30 0	0 0126	0 0106

(2) *neutrons* interact only with the nuclei in atoms and their interaction is a statistical process. If we place a slab of matter of thickness x at right angles to beam of N_0 neutrons per second (as in fig 26) a fraction N/N_0 of the beam is transmitted without interaction and a fraction $(1-N/N_0)$ interacts with nuclei in the slab. The number N of neutrons emerging per second is given by

$$N = N_0 \exp(-\mu x) \quad \ldots\ldots\ldots (33)$$

Fig 26



in a single collision, therefore, ... one electron to another and their ranges are not well defined (fig. 24 (b))

vary a great deal from one ...

... 25) .

the

... (34)

... h a proton. The maximum resulting from elastic scattering energy E) on a nucleus of mass m_N

$$\ldots\ldots (35)$$

... ts are largest for the heaviest α_{PE} usually dominates for gamma ... for energies above ~ 10 MeV and

... for heavy nuclei than for hydrogen.

... ects in the interaction of gamma ... otoelectric effect (described in ... effect (section 2.1,p 5) and 3,p.8) Energy is transferred ... ction to a photoelectron, a ... ction-position pair respectively ... rticles then interact with the ... As in the case of neutrons, with matter is a statistical process ... onetial absorption law of the form ... This coefficient can, in turn be ... a representing the gamma ray components α_{PE}, α_C and α_{pp}, ... o-, Compton and pair effects. Thus

Kanhym beefs up payment

RDM 3/6/80, 232 186

By ELIZABETH ROUSE

KANHYM Investments had excellent results in the first half of the year and its interim results add to interest in the proposed rationalisation of its meat interests with those of the Picard group's Karoo company.

Earnings a share for the six months to last March are 37c on a larger share capital — up 27,6% on the 1979 half-year's 29c The earnings rise and good prospects have prompted the board to increase the interim dividend to 13c from 9c

The chairman, Mr J Kahn, has revised his 12-month earnings forecast Because of a successful farming season and good performance of all other divisions, earnings will now be above the previous estimate of 70c

Earnings could exceed 75c on an annual basis and reach 90c for the 15-month accounting period If cover is kept just above 2, the dividend total could be over 40c

The interim results place Kanhym in a good bargaining position in a deal with Karoo.

Kanhym's taxed profit for the first half advanced 33,5% to R2 276.000 from the 1979 half-year's R1 705 000 on strong demand for low-grade beef, increased meat exports and a good performance by the crop production division

The maize crop will provide eedlot requirements, the pota- o crop has been most success- ul and demand is strong

But the largest proportion of anhym's profits come from s meat production and sales utlets and the news is encour- ging The size of the feedlot is eing increased and is expected process at least 10% more gh grade cattle Costs have een kept in control and higher roughput has resulted in fur- er economies

The company moved into the d meat wholesale market th a small initial venture, which yielded benefits in the past six months Now R2 400 000 has been set aside for a large-scale wholesale facility serving Reef markets. It should be in operation by April 1981, say the directors

There is no news on the coal division's profit contribution Coal makes a relatively minor contribution to profits (13% last year), but the proposed development with BP of the southern coal block holds promise

Market speculation is that General Mining Union Corporation, which owns 52,4% of Kanhym, is hiving off the meat interests to concentrate on the coal side

Kanhym directors say the coal project viability study is being examined in depth According to previous reports, development was scheduled to start at the beginning of next year

be in the region of 83c, of which 40c would probably be distributed Last year s total was 30c

Brian Thompson

Kanhym . putting beef into earnings

Certainly, the report does not suggest that the company is in any way disenchanted with its main activities — cattle farming and meat trading which together last year accounted for 87% of pre tax profits

At the same time, full development of the group's coal resources, which are jointly owned with BP, will require a lot of capital And, while the annual report did not anticipate any difficulties in raising Kanhym's share of the finance, conditions could have changed since December, when the report was released

Interim results were well ahead of expectations, the 28% increase in earnings from 28,8c to 37c for the six months to end-March being more than three times the growth rate forecast by the company for the full year The improvement apparently came about through unexpectedly favourable conditions in the crop division, with indications that the company's maize crop will be more than sufficient to provide the total requirements of the cattle feedlot

The size of the feedlot is being increased to process at least 10% more high grade cattle than last year On the meat trading side, the group abattoir has already fully utilised the additional capacity commissioned last year and a decision has been taken to move into the red meat wholesale field Capex of R2,4m has been approved for this venture, which is expected to become operational in April next year

The improvement is obviously expected to continue The interim dividend has been raised from 9c to 13c which, the company says, is in keeping with its expectations If the growth rate in interim earnings is maintained, the full year's figure should

KANHYM FM 6/6/80 (186)

Meaty matters

This week's interim report throws little light on which way Kanhym's negotiations with the Picardi group are likely to go Is the company planning to sell some or all of its meat interests so that it can concentrate on coal mining, or will the reverse happen with Kanhym taking over some of the meat distribution activities from Jan Pickard's group?

R50m expansion drive by ICS

RDM 17/6/80. (186)

By DAVID CARTE
Deputy Financial Editor

IMPERIAL COLD Storage, the giant R588-million-a-year fresh food distributor, is to spend R50-million during the next three to four years, says the chairman, Mr WH Neate, in his annual report

The money will be spent primarily on a modern complex for dairy products in the Transvaal, new cold storage facilities at City Deep, Johannesburg and at Cape Town and a pig abattoir at Clayville

In the year to February 29, ICS increased turnover 17% to R588-million, pre-tax profit 23% to R23 795 000 and, thanks to a lower tax rate, taxed attributable profit 29% to R13 087 000 Earnings per share rose 27% to 55c (1979 43c) but the dividend was raised only 10% to 16c (14,5c)

Mr Neate points out in his review that ICS's pre-tax trading profit margin was less than 4% and complains that "these returns are indeed modest when regard is had to the fact that the products handled are highly perishable foods, requiring costly processing, storage and distribution "

Landmarks during the year were the taking out of the 45% minority stake in Federated SA Meat Industries, ICS's major Natal distributor, and the launching of Tswana Foods, a joint venture with the BophuthaTswana National Development Corporation

Mr Neate reports that beef availability increased 7%, largely because farmers were slaughtering to reduce herds, with beef production costs currently exceeding prices

The national herd, he says, decreased by 5% Long term, this could cause severe beef shortages, Mr Neate warns

ICS's modern new meat packing plant at City Deep came into full operation during the year, significantly enhancing efficiency

The cost of fuel is a major worry to ICS's nation-wide distribution organisation and to the Sea Harvest fishing fleet

Due to technical problems, poultry profits were "marginally down", despite some revival in demand for broilers toward the end of the accounting period

The industrial dairy division achieved "satisfactory" results Milk supplies increased 16%, thanks to favourable climatic conditions

Domestic butter consumption dropped, while cheese sales rose only marginally, resulting in an oversupply of dairy products

It was, therefore, necessary for the Dairy Board to "discount" 6 000 tons of butter and cheese Surpluses and shortages were the result of weather conditions and Dairy Board pricing policies

Thanks largely to milk by-products and fresh juice sales, the fresh milk division's profits were satisfactory, despite higher costs and supply shortages during autumn

Ice cream sales were buoyant but price competition was sharp Ice cream had become a shopping list item, rather than an impulse purchase and this posed a new marketing challenge

Thanks partly to declining sales of butter, margarine sales rose 11% Combined sales of butter and margarine rose significantly

Harvestime frozen vegetables and Renown beefburger made significant progress during the year

Sea Harvest, in which ICS has a substantial interest, also performed satisfactorily, with a further improvement in catch rates Returns remain unsatisfactory and fishing quotas are expected to be increased only gradually. Since the year end, Sea Harvest has acquired Atlantic Trawlers, with its fleet of deep sea trawlers, among them, the country's biggest This places the company in a leading position in deep sea fishing Fuel, maintenance and capital replacement costs remain a matter for concern

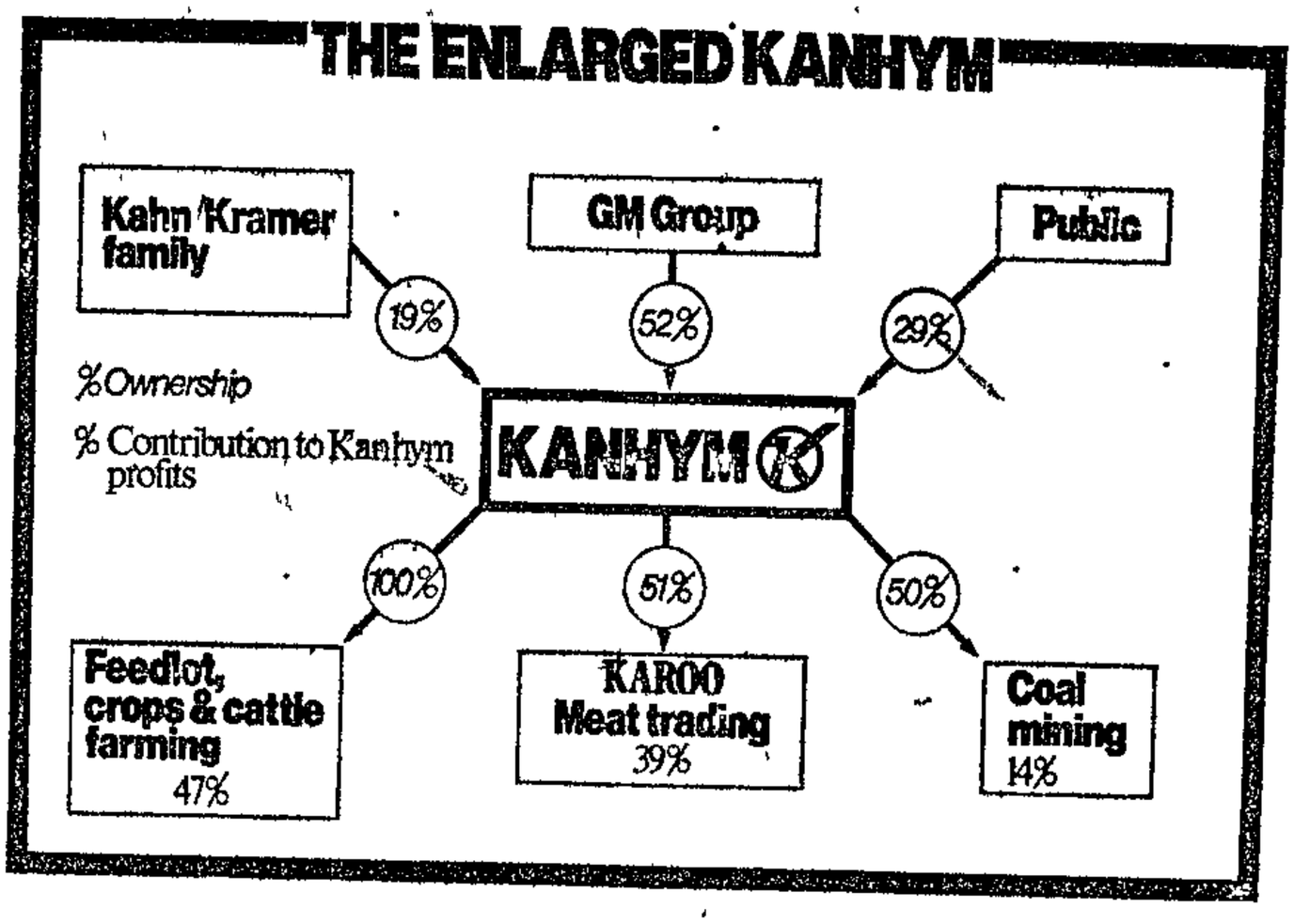
Nuanetsi Ranch in Zimbabwe was war plagued but steps are now being taken to restore the cattle herd Ranching results in South West Africa were satisfactory. Industrial catering results were also satisfactory

Last year's results were significantly better than those for the previous three years but, compared to those of other industrial companies, was hardly scintillating

Pre-interest, pre-tax return on total capital employed was only 14% (13%), despite fairly heavy creditor funding, while the taxed return for shareholders was only 16,1% (14%)

Total net borrowings rose R4-million to R37 168 000 but the balance sheet was easy with debt/equity down from 42% to 41% and the creditors-laden current ratio more or less constant at 1,4 Stocks rose 30%, presumably partly because of the bigger stake in Federated SA Meat, but stock/turnover was still quick at 13,3 (14,8)

ICS is well run but operates in an unfortunate area of the economy With food such an important component in the consumer price index, price control in this area will always be tight and returns disappointing It's a solid, but rather stodgy bet, yielding 4,9% on the new dividend



Kanhym buys Karoo in major meat reshuffle

STAR 18/6/80 (186)

By Jean Moon

A major reshuffle involving General Mining's meat-producing company, Kanhym, and the Picardi meat producers will result in Kanhym emerging as the major beef producer in South Africa.

In order to fund the move, together with development of its coal reserves, Kanhym has announced a one-for-two rights issue at 700c a share which will raise R22,2m.

PAYMENT

Karoo Meat Exchange will become a 51 percent subsidiary of Kanhym, moving it out of the Picard stable of which it has been a member since 1967. At the same time, Asokor is to sell its meat-trading interests and assets to Karoo

Kanhym retains its beef feedlot and general farming activities but will sell its wholesale and retail meat operations and produce agencies to Karoo

Payment will be in the form of about 7,9m ordinary new shares in Karoo

Karoo's payment to Asokor will be made in the form of about 3m new Karoo shares.

Kanhym will then buy enough Karoo shares from Asokor to bring its stake in the new enlarged Karoo to 51 percent.

On the basis of 22c earnings and a 13c dividend for Karoo, the price will be 200c a share. At this level Kanhym will be paying R8,5m cash to Asokor The price will increase, if Karoo's earnings top 22c.

Kanhym will extend a similar bid to minority shareholders.

LISTING

It is intended to retain Karoo's listing and to continue to develop it as a major meat trading company.

Dr Wim de Villiers will become chairman of both Kanhym and Karoo. Jack Kahn becomes joint deputy chairman along with Basil Landau.

Tjol Lategan will continue as managing director of Karoo assisted by Frans Pieterse. Jan Pickard will stay on the board of Karoo and his Asokor company will appoint one further director. Kanhym will appoint a further five nominees to the Karoo board

Kanhym deal will boost Picardi group's liquidity

Cape Times, 19/6/80

By PAUL DOLD
Financial Editor

THE Picard group will be substantially increasing liquidity and boosting net asset value through two deals The first is the sale of Karoo to Kanhym — Assokor will retain 38 percent in the new Karoo which will be enlarged, and the second is the pending sale of 50 percent of Picfin's shareholding in Piccan to a financial institution

Talks on the sale of the half share in Piccan for some R4,3 m are still in progress but if these negotiations are successful effective control of Piccan will remain vested in Picfin The complicated deal with Kanhym will lead to an inflow of around R15 m.

On balance the deal is fair for both Kanhym and Asokor Asokor is continuing to maintain a significant stake in a Karoo which should have an impressive growth pattern while overall liquidity is being increased Kanhym in turn is set to achieve sharply higher earnings with Karoo consolidated and now within the General Mining orbit

In the first part of the rationalization of meat interests, Karoo will buy Assokor's meat interests for some R6,3 m and in return Assokor will receive not less than 3,15 m shares in Karoo

Step Two is for Karoo to buy Kanhym's meat interests, excluding the feed lots, for some R15,75 m and Kanhym will receive 7,875 m shares in Karoo

Step three is for Asokor to sell sufficient Karoo shares to Kanhym to increase Kanhym's stake in Karoo to 51 percent This should lead to a cash inflow into Assokor of some R8,5 m

Kanhym will extend a similar offer to minority shareholders in terms of the JSE regulations The price is likely to be around 200 c But Kanhym says it intends retaining Karoo's listing

Giving shareholders the reasons for the deal, Asokor's board says it was guided by the benefits which are certain to flow from the new enlarged Karoo organization and its General Mining — Union Corporation association to the extent that it believes its reduced interest will have a greater value than its existing controlling interest

Asokor will also be receiving additional cash from the redemption of the 1,6 m Karoo prefs it holds and the repayment of certain loan accounts totalling some R5 m This will make the total inflow around R15 m

The price of the new Karoo shares to be issued to Asokor depends on Karoo earnings reaching 22c a share for this year, which will place a value of R2 on each share Should Karoo's earnings be more than 22c the value will be raised

Asokor's net asset value will rise from R2,13 to R5 after the deal Overall Asokor will have cash and marketable securities (valued at R2 a share) of some R5 per Asokor share, totalling more than R28 m and limited financial commitments

Clearly earnings outlook will hinge on how Asokor invests the cash but the board says that for the foreseeable future, earnings and dividends will at least be maintained at current levels

The deal will lead to substantial liquidity and gearing benefits to Picfin and Picbel as the holding and top holding companies of Asokor Net asset value will increase by R2,90 for Picfin and R1,60 in Picbel

The deal will establish Kanhym as the major producer of beef in South Africa

Kanhym which is 52 percent owned by the General Mining-Union Corporation group, will end up with 51 per cent of Karro

Kanhym has announced a one-for-two rights issue at 700c a share to raise R22,2m Kanhym says this money will be sufficient to fund the meat industry restructuring and its intended coal project are available at this stage

After completion of the deal and rights issue, Kanhym will control gross assets totalling R130 m and earnings per share will (on a weighted average, annualized basis) be up by 36 percent over the record 64,3 c earned last year

Under stock exchange regulations Kanhym will extend a bid at the same price to minority shareholders It is however, Kanhym's intention to retain karoo's listing, and to continue to develop it as a major meat trading company operating throughout South Africa

Karoo will further unscramble its involvement with Asokor by repaying over the next 12 months all its loans and by redeeming after five years its 1,6m pref shares, all of which are held by Asokor

Karoo emerges as the R400m-a-year meat trading arm of Kanhym, owning manufacturing operations and 130 retail outlets, 90 of them in supermarkets The deals boost both earnings and net asset value per share by 15 percent, after taking into account the increase in its issued share capital from 12,3m to 23,4m shares

Flowing from all these transactions, the boards of Kanhym and Karoo are to be restructured Dr Wim de Villiers, executive chairman of Genmin becomes chairman of both Kanhym and Karoo

Mr Jack Kahn, chairman of Kanhym since the company's listing on 1969, becomes joint deputy chairman along with Mr Basil Landau, who is the executive director of Union Corp with responsibility for industrial investments

At Karoo, Mr Tjol Lategan continues as managing director, and will continue to be assisted by Mr Frans Pieterse

Mr Jan Pickard stays on the board, and his Asokor company will be able to appoint one further director, while Kanhym will appoint a further five nominees to the Karoo board

participation in the development of coal reserves that lie under some of its farms No further details about the

R130m giant born of multiple meat marriage

(186) RDM 19/6/80.

By DAVID CARTE

Deputy Financial Editor

SOUTH AFRICA'S biggest integrated beef company, with assets of R130-million, and turnover of more than R400-million-a-year, was created yesterday with the marriage of Kanhym, Union Corporation's 52%-owned beef and coal interest, and Karoo, the meat trading company previously controlled by Mr Jan Pickard's Asokor.

Simultaneously, Kanhym has announced a 1-for-2 rights issue at 700c a share to raise R22 200 000 to fund both this restructuring of its meat interests and Kanhym's coal operation

In terms of the complex deal, Kanhym will assume control of Karoo from Asokor, the holding company in the Pickard Group, at an effective price of 200c a share, a price that is conditional on Karoo's earning 22c and paying a dividend of 13c in the year to the end of June

The 200c, which is to be offered to minorities, is a 33% premium on the 150c obtaining before Karoo was suspended

The mechanics of the deal are Kanhym will obtain 51% of Karoo from Asokor, retaining its farming and feedlots, but selling its wholesale and retail meat operations to Karoo for 7 900 000 Karoo shares

At the same time, Asokor is selling its meat interests to Karoo for about 3 150 000 Karoo shares

Kanhym will buy for cash enough Karoo shares from Asokor to bring its stake in the enlarged Karoo up to 51% At 200c, Kanhym will be paying about R8 500 000 cash to Asokor

A statement released by General Mining Union Corporation forecasts that on completion of the deal, Kanhym's earnings a share on a weighted average basis will be up 36% on the record 64,3c of last year

Karoo emerges from the deal as a R400-million-a-year meat trading arm of Kanhym It will have manufacturing operations and 130 outlets, 90 of them in supermarkets Earnings and net asset value are increased by 15% after taking into account the increase in share capital from 12 300 000 to 23 400 000 shares

The deal reduces Asokor's stake in Karoo from 78% to 50% Apart from its stake in Karoo, Asokor will have R15 100 000 in cash and loans after the deal

Kanhymn retains its beef feedlot operations, its general farming activities, its 50% holding in the coal-mining operation and gets 51% of the enlarged Karoo

Dr Wim de Villiers, chairman of General Mining Union Corporation, becomes chairman of both Kanhym and Karoo, and Mr Jack Kahn, chairman of Kanhym since 1969, becomes joint deputy chairman alongside Mr Basil Landau, who heads Union Corp's industrial interests At Karoo, Mr Tjol Lategan continues as managing director, assisted by Mr Frans Pieterse Mr Jan Pickard stays on the board

COMMENT· The deal appears favourable to all affected parties

Union Corporation's interest in meat, previously trivial, is now more substantial

Kanhym obtains a national spread of outlets and better utilisation of its feedlots — something it could never have obtained for the R25-million this deal has cost

Karoo, previously heavily geared, gets the financial muscle of Union Corporation, not to mention access to Kanhym's cattle, management and markets More important, the deal has unlocked the value that has been latent in Karoo for years — value that has been unrecognised by the JSE.

Together, Kanhym and Karoo emerge as much more serious contenders in the meat business alongside the previously much bigger ICS and Vleissentraal

In a low margin business such as beef, the fixed cost savings from rationalisation and vertical integration, not to mention much bigger volumes, will be a major plus factor for Kanhym.

Mr Jan Pickard, Pickard Beleggings and Asokor are probably the biggest beneficiaries of the deal. All the suspended shares should rise on relisting and it will be surprising if many Karoo minorities accept the 200c being offered

Kanhym is now full of beef

STAR 23/6/80 (150) 282

Farming Correspondent

Farming circles regard the Kanhym Karoo merger as the final coming of age of the Kanhym interests

In 1979, the Kanhym meat trading activities already contributed 42 percent to group profits Still, the expansion of its integrated operations was limited by the potential of its own outlets, varied as they may be

Now the inclusion of Karoo means

- The addition of a team of well established agents,
- A strengthening of its retail arm,
- The extension of its operations to SWA Namibia where Karoo owns its own abattoir,
- The lowering of costs, and increase in profits, that goes with fullest use of capacity

For Kanhym's farming side, the merger means that over a period of three or four years it will be able to expand its feedlot business to some 200 000 cattle unnaully, or roughly half the total feedlot output in South Africa

Another salient marketing point will be its dominant position in the meat supply to supermarkets

COMPETITION

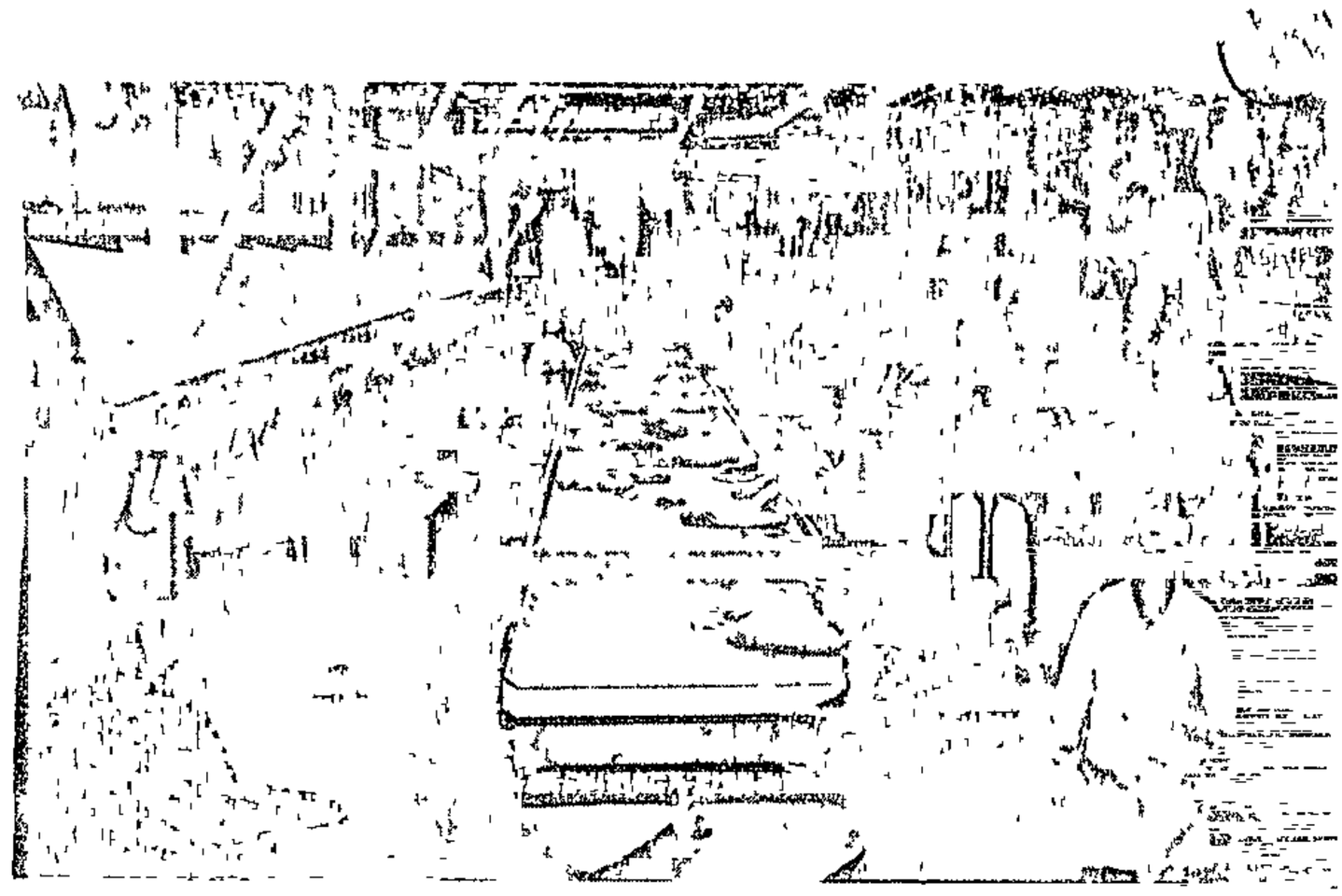
Kanhym may find that its new ambitions will require a massive strengthening of its cattle buying and farmer relations activities

In a period of stagnating overall meat supply, the merger must lead to fierce competition with Vleissentraal and Imperial Cold Storage, which may add substantially to rising meat prices

Karoo's competitive position may also become more dependent on the meat boards permit policy

With Kanhym now joining the big league Pickard Beleggings and Asokor have bowed out of meat graciously They get 3 150 000 Karoo shares worth 200c before the merger, and will be sitting on some R15m in cash and loans after this deal

A golden handshake has effectively put Jan Pickard out in the paddock with the greenest grass in summer



ICS . . . packing more beef into earnings

IMPERIAL COLD STORAGE

FM 4/7/80 (86) (186)

Consistent record

Activities: *Holding company with subsidiaries in the food industry, notably red meat, meat products, poultry, dairy products, margarine, fish and frozen vegetables Has ranching interests in SA, Zimbabwe and SWA/Namibia*

Chairman and managing director: *W H Neate*

Capital structure: *23,7m ordinaries of 25c, 500 000 5,5% cumulative prefs of R2 Market capitalisation R80,6m*

Financial: *Year to February 29 1980 Borrowings long- and medium-term, R22,5m, net short-term, R10,4m Debt equity ratio 41,2% Current ratio 1,4 Net cash flow R19,9m Capital commitments R17,3m*

Share market: *Price 340c (1979-80 high, 355c, low, 200c, trading volume last quarter, 182 000 shares) Yields 16,5% on earnings, 4,7% on dividend Cover 3,5 PE ratio 6,1*

	'77	'78	'79	'80
Return on cap %	17 9	18,8	18 8	18 9
Turnover (Rm)	397	446	501	588
Gross profit (Rm)	18 9	21 7	23 3	26 7
Gross margin %	4 8	4 9	4 7	4,5
Earnings (c)	35 1	40 9	47 1	56 1
Dividends (c)	12 0	13 0	14,5	16
Net asset value (c)	263	293	332	388

Though chairman William Neate forbears to forecast earnings or turnover for the current year, ICS's past record indicates that its steady progress of the past years will continue

Turnover, which rose from R50m to R588m last year, should be boosted further over the next three to four years by a R50m capex programme which will add to dairy production facilities in the Transvaal, cold storage in Johannesburg and in Cape Town, as well as a pig abattoir in Clayville At the same time, the group's meat packing plant at City Deep will be working at full pace for the second year, while the processed meats facility in Johannesburg is being modernised

The group has also strengthened its foothold in the ice-cream market by buying most of the assets of Walls which closed operations in SA recently

Neate says that "significant progress" was made during the year in marketing the group's frozen vegetable range, while the purchase, since the year-end, of Atlantic Trawling puts subsidiary Sea Harvest in the leading position in the trawl fishing industry He warns, however, that near-term growth in fish landings will be curtailed because of the need to protect the resource

Neate claims that the group's margarine brands increased their market shares last year, despite tough competition, as total sales of margarine increased by 11% Part of this rise, he points out, was due to the fall in sales of butter which now has only 15% of the spreadable fats market

There are some major problem areas, however, and Neate is especially concerned about rising costs of raw materials and of fuel and other distribution factors Trawling is seriously affected by this, though Neate does point out that the distribution operations improved performance last year Even so, operating margins continue to be squeezed

Another area for concern is the fact that the national cattle herd dropped by almost 5% last year — the first decline in more than ten years, while the average mass of carcasses has slipped by more than 4% These factors, Neate warns, could affect the availability of red meat, with resultant price rises The Meat Board, he adds, is reviewing the floor price system in an attempt to protect the producer

The group is adequately geared with a virtually unchanged debt equity ratio of 41% Borrowings increased only marginally last year But though there is room for increased gearing, emphasis will continue to be placed on internal funding of operations

Over the past year the share has climbed steadily to its present 340c On past performance, a dividend increase to 18c could be on the cards for a reasonably attractive 5 3% prospective yield

Scott Hawker

Complaints still rife on meat price

There are many murmurings of dissatisfaction in the meat industry. What has caused this dissatisfaction and why has the Government not acted? CHARLENE BELTRAMO of Fair Deal reports. STAR 10/7/80 (186)

Late last year Mr Hendrik Schoeman, Minister of Agriculture, said that he would investigate the meat industry if he received "a single well-motivated request from an agricultural union, or a group, or from a single farmer"

Since then the South African Agricultural Union, the Meat Board and Parliament have heard complaints from farmers So have newspapers and consumer organisations

The Housewives League has asked for an investigation into various aspects of the meat industry.

An extensive investigation by the Sunday Tribune revealed widespread dissatisfaction among farmers, allegations of corruption and indications of a monopolistic situation

First reports from the SWA/Namibian commission of inquiry into the meat industry revealed widespread corruption, particularly in the issuing of permits.

Despite all this Mr Schoeman still refuses to initiate an investigation into the meat industry

Last October the Meat Board threatened to sue the Sunday Tribune for libel after the first of its articles on the meat industry.

Ultimately the board lodged a complaint with the Press Council.

After reading the Sunday Tribune's supporting affidavits and statements, the Press Council dismissed the complaint.

Dr J H Lombard, general manager of the Meat Board, asks in the latest issue of the board's publication, Focus "Should (the Minister) order an inquiry if he has reasonable suspicion that something is amiss, or should he do so if he knows everything is in order?"

The furore that has surrounded the meat industry during the past few months seems to indicate that the board and the Minister stand almost alone in their belief that nothing is amiss in the meat industry

Even the traditionally conservative SAAU has privately voiced its discomfiture about the widespread dissatisfaction

Butchers are incessantly making complaints to Fair Deal about the current pricing and marketing structure

Complaints about the present system include

- the premise that meat prices are up 17 percent so far this year and are expected to rise at least another 20 percent before the end of the year,
- "the susceptibility of the present marketing system to manipulation"

The quota system was abolished through most of South Africa as a means of marketing livestock to the abattoirs after widespread reports of maladministration, which the Meat Board confirms

It was replaced with the permit system. According to the Meat Board, "It was alleged that agents were not impartial in the allocation of quotas (amount of livestock a farmer is allowed to market at a given time)

"Agents could give quotas to favoured producers or to farmers who had a financial arrangement with them."

But almost the only difference between the quota and permit system is that the Meat Board controls the latter.

A senior Meat Board official, Pieter Abraham Broodryk, was recently jailed for two years on charges of corruption in the allocation of permits

He admitted receiving R27 200 from two agencies, G G Walker and Woodhouse, for illegally allowing the agencies to slaughter cattle above the amount specified by the Meat Board.

- The Housewives League has expressed dissatisfaction with the method of determining prices at which carcasses are to be sold — the Dutch Auction Clock system

The system is operated by a clock mechanism, which starts at a high figure and ticks down to a low one which cannot be lower than the support price The support price is another bone of contention.

The three big groups which control the meat industry have substantial interests in farming, agencies, wholesaling and retailing.

Two of them, Vleissentraal and Imperial Cold Storage, have a combined control of 80 percent of cattle and 88 percent of sheep handled by the abattoir agencies, according to the companies' reports

Vleissentraal alone has an annual turnover of more than R750-million

The two groups have interests in 70 percent of departmental store butcheries and almost 40 percent of conventional butcheries

In a recent multi-million-rand merger Kanhym and Picardi threw in their lot to become the major beef producers

Included in the new group are established giants, Karoo and Asokor. Already 39 percent of Kanhym's profits come from meat trading, with another 47 percent coming from feedlot, crops and cattle farming

The biggest beef producers in the country are among the largest maize farmers, according to the Meat Board

Maize forms 65 percent of pig feed, 80 percent of chicken feed and about 70 percent of cattle and sheep feed

It is the highest input cost in livestock farming During the past two years the price of maize has risen more than 40 percent. Significantly there has not been a whimper of protest from the livestock producers.

The only investigation in recent years into the meat industry was an 18-month R30 000 effort by the National Marketing Council

Its most significant findings and recommendations were pigeon holed after objections from the Meat Board, the SAAU and the Master Butchers Association

It affirmed the necessity for wider price fluctuations and advocated the lifting of the floor price (that guaranteed to farmers) in most major centres

At 1978 prices the lifting of the floor price, the council said, would have meant a saving of at least R260 000 in the eight major controlled areas

The council called for the scrapping of the support price system At the time of the report being tabled, the support price had not been in operation for two years

Less than two years after the report was issued, in March this year, the Meat Board reintroduced the support price system

The support price is calculated on average prices for three weeks and is higher than the floor price It has an ultimate inflationary effect on the consumer price.

If prices do drop to the support price the Meat Board buys in carcasses.

These are either sold on tender, usually in such a way that only the large retailer can buy, or exported at a loss of about 10c a kilogram

The carcasses sold on tender are usually sold at prices well below the prevailing floor price

"Who would best" inform the accusers that nothing is wrong?" Dr Lombard asks

He says there are "mechanisms built into the system to trigger the alarm on deviations." These alarms obviously did not ring loud enough in SWA/Namibia, where widespread corruption has been revealed, and only after a senior Meat Board official in Johannesburg had accumulated R27 200 in bribes.

The alarm mechanisms according to Dr Lombard are:

- "All board members are appointed by the Minister,
- "All decisions of control boards are subject to ministerial approval;
- "When a control board cannot decide on a matter because members' personal interests are involved, the matter is referred to an independent body, namely the Agricultural Reference Board,
- "All board decisions are evaluated by the independent Marketing Council, which then advises the Minister" — who, as we have seen, can choose to ignore its advice

Butchers beef as exports send Cape prices soaring

30/8/80

By YAZEED FAKIER

ROCKETING meat prices in the Cape have led to an outcry from retail butcheries who claim that wholesalers are sending meat to other centres in the Republic while the local demand is not being met

Butchers claim that the transportation of meat to other centres is the cause of the local beef-price spiral ID has caused a local price increase of 20-40 cents a kilogram

Several butchers said that the transportation of beef out of Cape Town would be to the detriment of the local market There could be a shortage here, they said They were angry that abattoirs were not slaughtering more than the quota needed for local consumption

From this quota — an average of 800 oxen and 5 000 lambs are slaughtered daily for local consumption — meat is being sent to other centres, which include Johannesburg, Bloemfontein Pretoria, Durban and Port Elizabeth

'Just enough'

Mr Ebrahim Kaskar, manager of the Eskay chain of butcheries, said if meat was taken from the quota used up by the local wholesale market "one would imagine that slaughtering would increase, but this is not being done"

He differed with the views of meat wholesale representatives that Cape Town had enough meat to enable the transportation of meat elsewhere

"If there was surplus meat we would have known because the Meat Board would have bought it at the floor price However, the Meat Board has not bought any meat because the present supply is just enough to provide for the local market," he said

A spokesman for a meat wholesale firm confirmed that the price of meat in the Cape had risen because meat was being sent to other controlled centres

He initially said in an interview "I suppose the demand is more than the supply," but later added that "meat is more pricey in Johannesburg and other centres "

Meat transportation out of Cape Town was done with the knowledge of the Meat Board, the spokesman said He added that the shuttling of cattle was "all above board as long it is sent from one controlled area to another controlled area "

According to the spokesman first-grade beef which sold for between R1,23 and R1,25 a kg on July 16 now cost up to R1,62 a kg

Second-grade beef which sold for between R1,20 and R1,25 a kg as at July 16, now costs up to R1,50 a kg Third-grade beef cost R1,10 a kg previously and now sold for R1,50 a kg

Super-grade beef previously costing between R1,43 and R1,44 a kg, now cost R1,78 a kg — a 34-cent increase

Prime-grade beef which cost R1,35 a kg a month ago now cost R1,75 a kg

Generally the increases represented a percentage-increase of between 10 and 20 percent, he said

This increase, he conceded, was "substantial"

'Full supply'

Mr A Heyns, manager of the retail, wholesale and export section of Karoo Meat Exchange, said Cape Town was the only centre with a full supply

"Profits are not the reason why meat is being sent to other centres It's just that other centres are suffering a shortage, Cape Town is meeting its demand and there is meat available to send away," Mr Heyns said

Mr Kaskar said less than a month ago first-grade beef cost R1,25 a kg Now it was costing R1,65 — an increase of 40 cents

"The only reason I can see for this is that the wholesalers are taking advantage of the high prices the meat fetches upcountry, especially in Johannesburg where beef prices are higher "

Third-grade beef, for example, cost R1,60 a kg in Johannesburg while in Cape Town it cost R1,40 a kg About a month ago third-grade beef cost R1,10 a kg in Cape Town

"Beef fetching low prices locally are being sold to other centres at higher prices

"This in turn creates a shortage in Cape Town and forces a price increase," Mr Kaskar said

He added that if the shuttling of beef to other centres were halted the present prices would drop by between 30 and 40 cents

Mr Ernesto Garcez, manager of Ken Higgins Butcheries, said the increase was hitting the poorer population "very hard" because third-grade beef, the cheapest grade, was now costing about R1,50 a kg

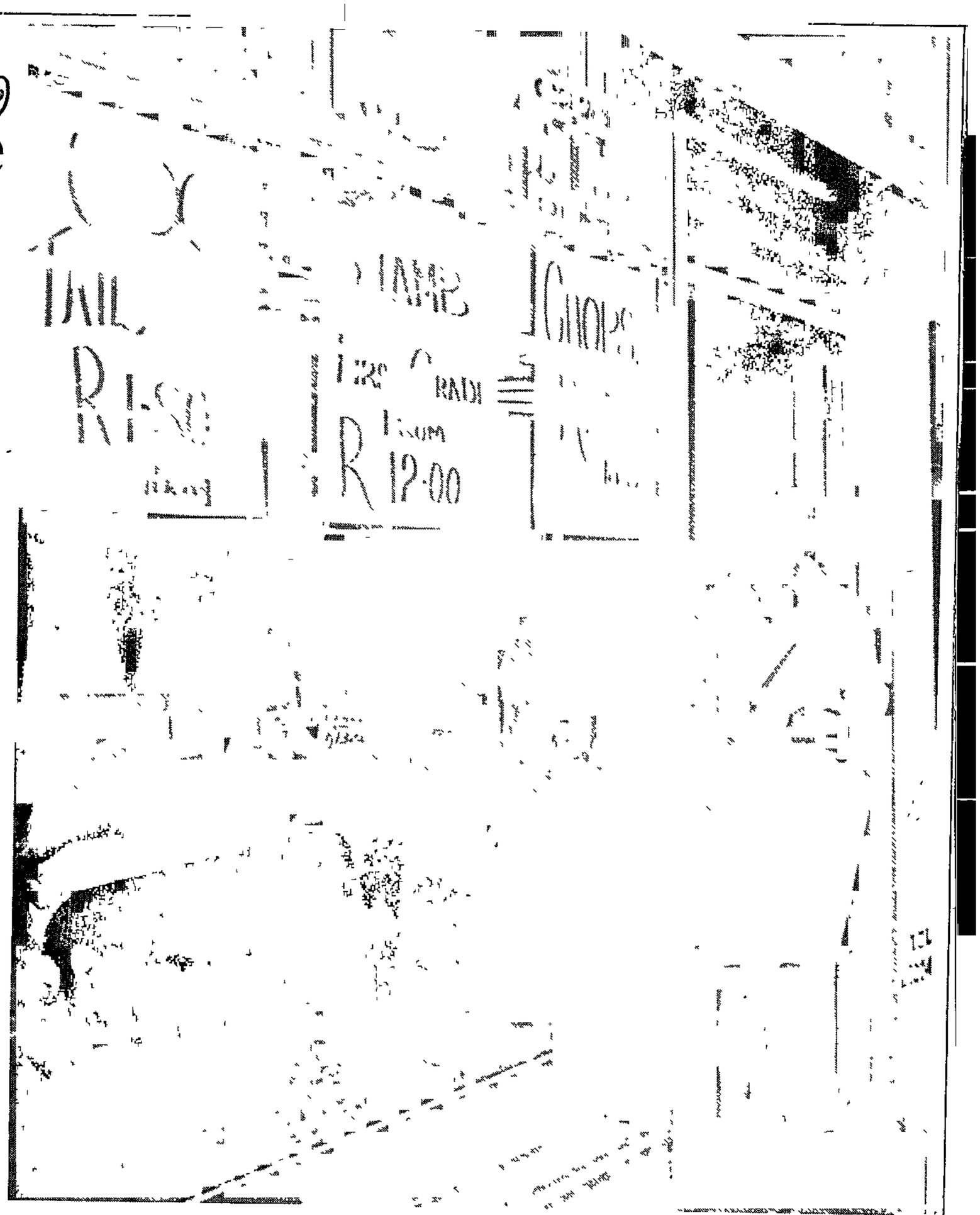
"I can't see the sense in still exporting meat when there is a shortage in the Republic Prices are spiralling — heaven knows what the prices will be at Christmas," he said

He said it was not the wholesalers, but the retail butcheries, who were carrying the brunt of the increases "At these ridiculous prices we can't even cover our own expenses "

A Meat Board spokesman in Cape Town, Mr J Mynhardt, said Cape Town was receiving meat from SWA/Namibia to supplement the transportation of meat to Johannesburg and other centres

"We are sending a very small amount out of Cape Town," he said

In his opinion the meat price-rise in Cape Town compared "favourably" with those of the rest of the country



Mr Ismail Parker, a butcher in Long Street, Cape Town, is up in arms over the latest wave of meat price increases Cape Town consumers are paying between 20 and 40 cents more a kilogram of beef than they did a month ago

We'll take frozen surplus meat at right price — Housewives' League

(186)

Consumer Reporter

MANY housewives would welcome the opportunity to buy beef 'bought in' by the Meat Control Board in times of over-supply and frozen for release later according to Mrs Peggy Borckenhagen, chairman of the Cape branch of the Housewives' League

The board 'buys in' meat which fails to reach the support price — six percent below the average for the previous week

Some is chilled and sent to areas of shortage and the rest is either sold to manufacturers by tender or frozen and exported

A Meat Board spokesman — and some butchers — said the South African housewife would not be interested in buying meat that had been frozen because its appearance and colour would be different.

Peggy Borckenhagen

But Mrs Borckenhagen said 'Women buy frozen fish and vegetables I am sure they would be glad of the opportunity to buy frozen meat at a lower price in times of shortage

'In Britain a lot of the meat is imported frozen and the housewife thinks nothing of it

'I would not hesitate to buy frozen meat'

Mr Koos Blignaut, public relations officer for the Meat Control Board, said. 'It would not be so easy to re-sell meat that had been frozen to the South African consumer because she likes to buy it fresh, even if she is going to put it into a freezer herself

'Once meat has been frozen it is not easy to establish the quality, and the colour is different'

A senior Meat Board official said. 'The South African housewife has always been used to buying fresh meat and I think it would take her some time to get used to buying it frozen'

Sea Point butcher Mr Chris Joubert said: 'South African housewives are not orientated to buying frozen meat'

He said that most of the meat 'bought in' by the board was not wanted by the trade because the carcasses were too big, too fat or the wrong quality for local consumers.

Mr Joubert said that most South African housewives were interested in cuts from small, super-grade carcasses.

CUSTOM

A butcher would not buy a big, prime-grade carcass 'because the housewife here does not want a huge three kg T-bone steak'

Mr Joubert said that this was why there was sometimes said to be a shortage of meat even when there were enough carcasses, because they were not of the required quality.

Mr Blignaut said that South Africa had been forced to look for export markets in the past two years because there was an over-supply of meat. Special abattoirs had been built for export meat, in addition to the meat 'bought in' at auctions

He said that no meat at all had been exported for the past month, because of the shortage in some parts of this country.

A Meat Board official said that mutton 'bought in' by the board was never exported but was always sent, chilled, to other centres because there was never a surplus of it in this country

LITTLE TRADE

The Argus understands that the board has not 'bought in' much meat at Cape Town abattoir since the middle of August, when on one day it bought a large number of carcasses which were not of high quality.

Apart from that, only small quantities of 15 or 20 over-fat or bruised carcasses have been 'bought in' during the past two months.

City butcher urges consumers to fight meat prices

4/9/80 ARGUS

(186)

CONSUMER resistance was the best way to bring down the 'ridiculously high' meat prices, a Sea Point butcher advised

Mr Chris Joubert said housewives should avoid the more expensive cuts, and should resist any temptation to 'panic buy' to stock up their freezers for fear that prices would rise still further

Another butcher advised the public to boycott red meat until prices came down

'SO COLOSSAL'

'The wholesale price increases are so colossal at the moment that butchers cannot possibly pass them on to the public and the small butcher will soon be forced out of business if this goes on'

He said second grade beef cost between R1,48 and R1,50 a kg last Friday Yesterday the price had shot up to R2,10 a kg

He said closing prices at Cape Town abattoir auctions yesterday were R2,40 a kg for super lamb, R2,22 a kg for super beef and R2,04 a kg for second grade beef

Butchers had to pay a delivery price on top of this, which meant that second grade beef would now cost him from R2,10 to R2,12 a kg.

Mr Joubert said he did not think boycotts were an effective solution But he was sure prices would come down if there were consumer resistance to buying large quantities of meat or the most expensive cuts

His own firm had held its prices steady for as long as possible, but had been forced to raise them by five percent at the beginning of this week He feared they would have to rise again by the end of the week

BUILDING UP

Mr Joubert said he had heard that a shortage was being caused because a big wholesale firm was buying meat for export

A spokesman for Woolworths Ltd said his firm had been forced to raise prices because of the 'dramatic rise' in the past two weeks but hoped to hold them steady to prevent consumer resistance from building up

'I hope sanity will return to the market before high prices create consumer resistance,' he said

'We expected prices to rise because farmers were not getting a profitable return But we did not expect them to go up so much or so quickly

'Unless they stop going up they will soon be nearing European prices, which are on the R3 a kg mark'

A SHORTAGE

A spokesman for Cape Town abattoir said there had recently been a shortage of sheep But nearly 6 000 were killed yesterday and he hoped this would cause auction prices to drop today

It was hoped that 6 000 sheep would be slaughtered daily at the abattoir from now on. In addition, the abattoir had been slaughtering its full capacity of cattle and calves

In view of this, it was difficult to understand why auction prices had been so high.

'It is possible,' he said, 'that someone is buying meat to send to the Rand, where prices are even higher than here'

5/9/80

ARGUS

(186)

High meat prices in city

MEAT prices at Cape Town abattoir auctions were higher than in any other city in the country yesterday.

Though supplies were plentiful, super beef reached a maximum price of R2,21 a kg compared with R2,19 on Wednesday.

But super lamb, which reached R2,38 a kg yesterday, was slightly cheaper than on Wednesday when it reached R2,47 a kg.

In Johannesburg yesterday, super beef reached R1,97 a kg and in Pretoria R2,02 a kg.

SURPRISED

The high prices in Cape Town surprised Meat Board officials, who had hoped they would fall because more animals had been slaughtered.

The daily quota of sheep slaughtered at the abattoir has been increased this week from 5 000 to 6 000. The abattoir has been slaughtering its full capacity of cattle and calves every day but Monday, which was a public holiday.

A Meat Board spokesman said: 'We are puzzled by these continuing high prices.

'We thought they had risen only because a public holiday, with a short working week, coincided with the end of the month when demand is always greater and prices rise.'

RUMOURS

The fact that prices on the Rand were lower than in Cape Town disproved rumours that meat merchants were transporting meat from Cape Town to sell in Johannesburg at a higher profit.

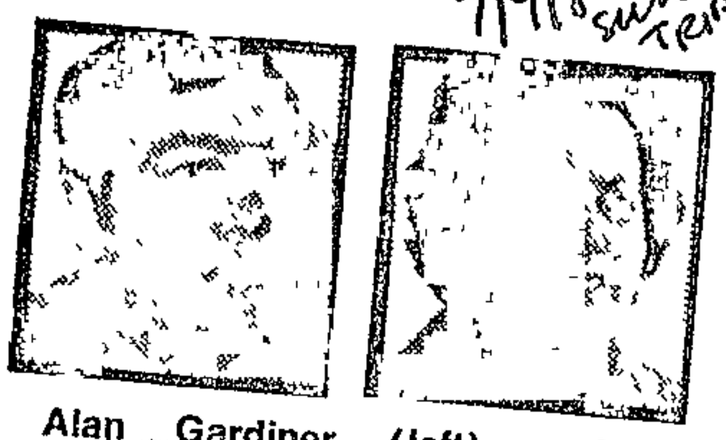
'We can only think that prices are high because people have more money in their pockets and this has increased demand in Cape Town,' he said.

'People should not buy in panic, thinking that prices will rise even higher. It is not sensible to stock up a freezer when prices are at this level.

'They will fall when the demand eases.'

HYPER CHAIN'S RED MEAT PRICE FREEZE PROTEST

7/9/80 Sun Times



Alan Gardiner (left) regional manager of Pick 'n Pay, and Mrs Joy Hurwitz, president of the Housewives' League

By DARYL BALFOUR

PICK 'n Pay has frozen the price of all counter cuts of fresh beef lamb and pork for two weeks in protest against the massive price spiral over recent weeks

Regional manager Alan Gardiner said in Durban this week that the chain had "watched with trepidation as the meat went absolutely mad over the past six weeks

"To us it is incredible that the price of meat can virtually double in the space of two months and there is so much apathy about it

"Now we've taken this decision on a national basis All our prices for red meat will be frozen — although for obvious reasons we can't do this with bulk sales like hindquarters or whole sheep as dealers would cash in on it," Mr Gardiner said.

'One hell of a profit'

He said he hoped this action would cause "the Meat Board or the Minister of Agriculture to sit up and do something to stop this price spiral"

"If red meat prices go through the roof as they are doing it will only leave a gap for white meat such as chicken

"I can already see it coming In a week or two we'll have massive increases in the price of chicken and eggs," he ned.

"Now I would like to make a call for a full investigation at Government level. It seems strange that the same people who were selling meat at price X six weeks ago can sell today for price X plus

plus 60-70 percent Somebody is making one hell of a profit somewhere along the line," he said.

Mr Gardiner said Pick 'n Pay would welcome other retail outlets joining in the "price freeze" to let it be known that the consumer orientated retail sector views very seriously the apparently out of hand spiralling cost of red meat and the possible ripple effect to other commodities such as chicken and eggs.

Urgent telegram sent

The president of the Housewives' League, Mrs Joy Hurwitz, said she was very pleased to hear of the freeze and that the chain "can afford to subsidise the consumer like this" But she pointed out that many small independent butchers had been holding prices for some time purely to remain in business

Mrs Hurwitz said the league had sent an urgent telegram to Mr Hendrik Schoeman, Minister of Agriculture, calling on him to abolish the support price system in use at the major abattoirs.

"I find these rapid increases in the red meat price incredible when there is no shortage. If this is not the time for an investigation of the meat industry then when will it be," she asked

"It is up to the Meat Board and Mr Schoeman to explain to the housewives of South Africa why this has come about We would like to know why prices have escalated so much since the introduction of the support price — which the Minister once promised he would never use again," Mrs Hurwitz said

In Bloemfontein this week, at the Free State congress of the National Party, several delegates called on the Government to investigate the large profits taken by "middlemen" in the meat industry

One delegate complained that 47 percent of what the consumer paid for meat went to middlemen

Despite many calls for a full-scale investigation of the meat industry, the Minister of Agriculture, Mr Hendrik Schoeman, has steadfastly refused to appoint a commission.

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7/8/80

Meat prices could stabilise — Schoeman

Political Correspondent

THE Minister of Agriculture, Mr Hendrik Schoeman, said today that red meat prices could start stabilising within the next few weeks, but he did not expect them to fall as low as last year

Commenting on the recent sharp increases in the price of red meat, Mr Schoeman said prices had in the past not been high enough to stimulate production

The higher prices along with good rains could encourage farmers to produce more red meat, but this would be a long process.

The Minister said he would meet representatives of Meat Control Boards next week to discuss the present situation.

Salary increases to many people and increases in the price of chicken and fish had also led to an increased demand for red meat.

As a result of low prices in the past many farmers had not produced all-out.

The new high prices could encourage them to do so.

Mr Schoeman said he hoped that the meat prices had now reached a peak and that they would start stabilising

Last week super beef went up to R2,22 a kg.

He did not, however, expect that prices could again go down to a low of 141c reached at one stage last year.

Mr Schoeman said the high prices of the past week had not been brought about artificially, as meat was sold by auction. The higher the demand for meat, the higher prices were.

He also denied that meat was being exported on a large scale and that this was affecting prices.

9/9/80 ARGUS

Prices of lamb and mutton ease

(186)

Consumer Reporter

AVERAGE prices for mutton and lamb at Cape Town abattoir auctions were slightly lower yesterday than last Friday

But there was a slight increase in prices for super beef

A spokesman for the Meat Board said he hoped prices of both beef and lamb would drop further today because supplies should be plentiful

There was a shortage of sheep and lambs on Friday, resulting in just over 3 000 being slaughtered instead of the full quota of 5 000

But 5 000 sheep and lambs were slaughtered yesterday and the full quota of cattle

DELIBERATE FORCING

By noon yesterday, the average price for super beef at the auction ranged from R2,41 to R2,55 per kg. Although this was lower than the maximum price of R2,70 reached on Friday, it was slightly above the average price on that day

The average price for super lamb ranged from R2,18 to R2,25 by noon yesterday This was about 25 percent lower than on Friday

A spokesman for the Muslim Butchers' Association said he suspected the wholesalers were deliberately forcing up meat prices by offering high bids at the auctions

He said some wholesalers had farming interests or acted as agents for farmers on a commission basis and would benefit from high prices

Meat price rises likely to jump even higher

16/9/80 ARGUS

meat

(186)

meat

Consumer Reporter

MEAT PRICES at Cape Town abattoir auctions increased in June by 15 percent above the May prices, in July by 25 percent above the May price and in August by 41 percent above the May price. The increase for September is expected to be even higher.

An Argus investigation disclosed that the extra money is going to the farmers, who are currently receiving 24 percent more than their production costs.

But the chairman of the Cape Retail Butchers' Association, Mr Chris Joubert, and the public relations officer for the Meat Control Board, Mr Koos Blignaut, said they did not think this profit was excessive because farmers had been forced to sell at a loss for six months until prices began to rise in May.

GROWING DEMAND

Mr Blignaut and Mr Joubert were convinced that the steep rise in prices was due to a tremendous increase in demand for meat, because there was more money about, and that prices would fall only when the demand lessened.

Mr Joubert said no one was getting rich from the current high prices, since the farmers were only recouping their losses. Some small butchers might be forced out of business.

He said that of every R1 spent in a retail butcher's shop, 65c went to the farmer. But the farmer's costs were high.

Mr Joubert explained that butchers normally worked on a 28 percent mark-up which gave them a three percent profit.

But with the 'ridiculous high' prices prevailing for the past three weeks, butchers were unable to do this because customers would not buy if the full increase were passed on to them.

Mr Joubert said the wholesalers worked on a small commission — there are no middlemen making huge profits, as has been suggested.

STABILITY

'I am satisfied that no one is making excessive profits at the moment,' Mr Joubert said. 'The farmers have had a difficult time and now some of them are getting their money back.'

'I believe the price of meat is so high because the demand is still so terrific. When the demand drops, the price will fall too.

'But I believe it will never return to quite the low levels that existed before. I think super beef will stabilise at about R1,80 kg and super lamb at just above R2 a kg.

Mr Joubert said that 30 percent of a carcass bought by a butcher was waste, mainly bone and sinew which had to be removed. 'So that if a butcher buys an ox at R2,50 a kg, the actual meat costs him at least R3 a kg,' he said.

'About 100 cuts are obtained from a carcass and in normal times a butcher must work out the prices for individual cuts to give him his 3 percent profit.'

TAKE A RISK

A spokesman for a leading wholesale firm pointed out that the wholesaler had the risk and expense of carrying butchers' ac-

'An ox can cost R500 or R600 and butchers sometimes take from two to six weeks to pay for it,' he said.

'Butchers go bankrupt fairly often and the signs are that a number of small men will go under as a result of the current high prices.'

Mr Blignaut said the demand for meat was still at a level which was keeping auction prices high. Increased demand from black and coloured consumers, who were now earning enough to buy more meat, was a factor in this.

CAPE TIMES 10/9/80

Workers won't go back, says union

Own Correspondent

JOHANNESBURG — Striking workers at an East London pineapple canning factory have rejected a management invitation to return to work and would remain on strike till their grievances were dealt with a spokesman for the African Food and Canning Workers Union said yesterday

However a spokesman for the company, Collondale Cannery claimed yesterday that production at the factory had returned to normal

He said that many of the strikers had returned to work and the others had been replaced by unemployed workers in the area

Labour unrest has increased sharply in East London and several companies have been affected by strikes In a number of strikes, workers have demanded recognition of trade unions and have rejected the government's liaison committee system

Trade unions in the area report a rapid growth in membership

Last month, about 400 workers at the cannery, its entire black workforce, stopped work The stoppage was sparked by the retrenchment of five workers, including a leading member of the AFCWU

The company said that the workers were laid off because there was insufficient work at the plant The union disputed this and said that workers believed the retrenchments were a "subtle form of intimidation

As a result of the brief stoppage, all 400 workers were fired The company later said that all the dismissed workers, with the exception of the five who were retrenched, could reapply for their jobs on Monday

Workers said that they were prepared to do this if the company agreed to reinstate the retrenched workers According to the union only a small number of workers re-applied for their jobs on Monday

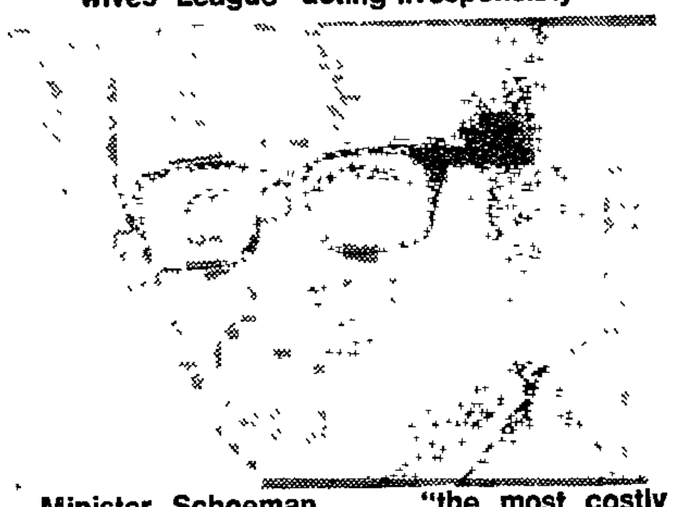
Cut it out!

(186) 19/9/80 SM GIRLS

With the price of beef "virtually doubling in two months" and the South African consumer already burdened with record increases in the price of nearly every basic foodstuff this year, there have been calls for meat boycotts, investigations, inquiries and stricter price control. The Housewives' League has called for a consumer boycott of red meat and asked housewives to cut consumption.

Shopping for meat . . : becoming more painful to the pocket!

Meat Board chairman Du Toit . . . Housewives' League "acting irresponsibly"



Minister Schoeman . . . "the most costly minister the consumer has ever had"

Board buys the meat and offers it for sale again at a later date. It is usually sold at a loss.

But earlier this year, because prices were considerably higher than the statutory floor price, the meat board and the Minister of Agriculture, Mr Hendrik Schoeman, introduced the support price to offer beef producers further protection in the market place.

The support price is a supplementary floor price calculated on the average prices over a three-week period. This price is generally much higher than the floor price.

Prices on the abattoir sales are then not allowed to drop more than three percent below the support price. Once prices drop to this level the Meat Board buys the meat — and once again usually resells it at a loss at a later date.

The National Marketing Council recommended several years ago that the support price system be scrapped. And more recently the Minister of Agriculture promised members of the Housewives' League that the support price would not be used again — to no avail, apparently.

The call for an inquiry into the marketing of meat and the abolition of the support price was backed by the chairman of the powerful Witwatersrand Master Butchers Association Mr Eddie Bielovich, and the ombudsman of the South African Council of Churches, Mr Eugene Roelofse.

Mr Bielovich said butchers were not happy with the support price system and felt it should be scrapped. He said profit margins in the retail sector had declined because butchers had tried to absorb some of the price increases to keep their customers.

Consumer watchdog Eugene Roelofse said the real problem at present "is not with meat but with the Meat Board and the wholesalers".

"I have no objection to businessmen making a profit. But I do object to them making a killing," he said.

"Now is the time for the Minister of Agriculture to either appoint an inquiry into the Meat Board or give us good reasons why he should be allowed to remain in that portfolio," Mr Roelofse said.

He said this call applied to the new Minister of Agriculture, Mr Pietie du Plessis, who assumes office in October, as much as it did to Mr Schoeman. He said he hoped Mr du Plessis would use his financial background to good advantage in the Depar-

In the Witwatersrand area — a controlled area — all meat has to be bought from the City Deep abattoir.

In Durban all meat must be bought from the new R47-million Cato Ridge abattoir.

Farmers, butchers and consumers have complained frequently in the past that the huge new abattoirs at City Deep and Cato Ridge built at a cost of more than R80-million had caused increases in the price of meat.

SOUTH African meat prices soared by 70 percent to an all-time high last week in a series of increases unprecedented in the history of the industry.

By DARYL BALFOUR

With the price of beef "virtually doubling in two months" according to one major retailer and the South African consumer already burdened with record increases in the price of nearly every basic foodstuff this year, there have been calls for meat boycotts, investigations, inquiries and stricter price control.

The Housewives' League, which has led the struggle against the rocketing cost of basic foodstuffs, has called for a consumer boycott of red meat and asked housewives to cut consumption of fresh meat to two meals a week.

Initial reports from retail butchers in the hardest-hit areas — the Meat Board's "controlled areas" — indicated that sales of meat were decreasing. Whether this was as a result of the boycott call or because meat was becoming too expensive for the average housewife has yet to be proved.

But the facts are — and a Sunday Tribune survey of butchers throughout the country proved it — that South African whites, among the world's biggest meat eaters, are cutting down on quality and eating more of the less expensive grades and cuts.

"I'm selling very few fillets, roasts and steak and a lot of mince, chuck, neck, shin and other cheaper cuts," one large Johannesburg retailer said.

"People are also asking for grade one rather than prime or super beef in an effort to keep within their budgets and continue to give their families meat. But there is definitely a new trend in meat buying. People are eating stews and casseroles rather than steak and roasts," he said.

And while the "boycott" continued through the week, sales and prices dropped off slightly at the City Deep abattoir, indicating perhaps that the consumer does have some power, however little, when it comes to fighting inflation.

Meat Board chairman, Mr P. R. du Toit, issued a statement however, slamming the boycott calls and warning that the Housewives' League was "acting irresponsibly".

A boycott of red meat could have an adverse effect in the long run and force farmers to cut back production, resulting in a shortage and eventual need to import inferior and expensive meat, Mr du Toit warned.

But yesterday the national vice-president of the Housewives' League, Mrs Yvonne Forshaw, slammed his "threats" and asked how it could be irresponsible for the consumer not to buy a product if the price is too high.

"It's not our duty to buy meat. Anybody has a right to stop buying something if the price is too high and a call for a boycott would not work if the consumer felt the prices were reasonable," she said.

Mrs Forshaw said there should be an investigation to see whether it would not serve the producer and consumer better for the price of meat to be fixed.

"There's a fixed price for maize, wheat, milk, butter, cheese and a lot of other produce and that hasn't stopped the farmers. Why can't they do that for meat too then"

Mrs Forshaw said the Meat Board's prime concern appeared to be to ensure that the farmer, who sees high prices at the abattoir and decides to cash in his cattle quickly, doesn't lose out if prices have dropped back to normal by the time his cattle arrive.

"So what if the farmer out to make a quick profit doesn't quite catch the market at its best. Other farmers seem happy enough to sell at normal prices and the floor price is there to prevent the price dropping to 'uneconomic' levels too.

"That is why we've been calling for the abolition of the support price. We've asked Minister Schoeman (the Minister of Agriculture) to remove the support price on many occasions. There is just no purpose it can serve when we already have a guaranteed floor price and a permit system," she said.

Mrs Forshaw's comments were echoed by a major Reef butcher who claimed: "There is no way the meat price can come down by itself.It is manipulated all the way. The support price is the biggest monster ever created.

"The support price is in effect just another floor price to give the farmer an artificially high guaranteed price for his cattle," the butcher, who did not want to be named, said.

The floor price is a guaranteed price set annually. The beef producer knows before he sends his cattle to the abattoir that he can get no less than the floor price for his product.

If the price ever drops — due to lack of demand or a surplus — the Meat

19/9/80

ment of Agriculture — Mr du Plessis is the current Deputy Minister of Finance.

"Mr Hendrik Schoeman is the most costly minister the consumer has ever had in this this country.

"The continuous pressure for price rises by agriculture in South Africa can be attributed to the encouragement Mr Schoeman has given them.

"Mr Schoeman and the Meat Board seem to have a grossly exaggerated idea of the affluence of the South African consumer. Furthermore, they also appear to be unaware of the wide extent of malnutrition in this country," Mr Roelofse said.

Mr Roelofse said he found it odd that while prices were astronomical in South Africa, on a recent visit to Zimbabwe he had been able to buy fillet steak for R2,50 a kilogram.

And a Sunday Tribune inquiry at butchers out of the major Meat Board controlled areas this week also found prices up to 50 percent lower than in the controlled areas.

For example, while rump steak was being advertised in Johannesburg at R5,69/kg, in an uncontrolled area such as Sasolburg it was available at R3,50/kg.

Topside roasts, selling at R4,40 in Johannesburg, could be bought for R3,00 in the uncontrolled area, topside at R4,30 sold at R2 out of the control areas.

The Meat Board does not have any say in uncontrolled markets and prices are determined according to normal principles of supply and demand. Butchers in the uncontrolled area said they had no difficulty obtaining supplies from their local abattoirs.

Several studies have also indicated that the policy of building large, centralised abattoirs should be scrapped and smaller slaughterhouses should be erected in the actual production areas.

It has been pointed out that it is far cheaper and more convenient to transport carcasses rather than live animals.

These are the reasons why people in the industry want it investigated by a commission of inquiry — besides the widespread allegations of corruption and manipulation of the trade.

So far Minister Schoeman has refused, saying he wants sworn affidavits detailing corruption before he will appoint an inquiry.

But sources in the industry have pointed out that the findings of the commission of inquiry into the South West African meat industry should be good enough. There the commission, appointed to investigate "alleged irregularities", had found evidence a of large-scale corruption and several important South African connections were involved.

Others say the inquiry need not be looking for corruption but merely to investigate the widespread dissatisfaction with the present system of marketing meat. They feel however that evidence of "manipulation" and even corruption would be found.

Already one senior Meat Board official has been jailed for corruption and other allegations of bribery and corruption in the trade are pending.

Is that not enough to suggest an urgent need to investigate the meat industry, people are asking.

Farmers still lose out

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14/9/80

WHILE housewives are paying record prices for meat, the man who should be smiling — the producer — is still beefing.

For while prices have rocketed during the past two months, few farmers have actually gained any real benefit and many claim it is the middlemen — the agents and particularly the meat wholesalers — who are getting the tenderest cut.

And figures given to the Sunday Tribune by an economist at the South African Agriculture Union, Miss Anna Kruger, prove that the farmer is getting a raw deal in the big beef carve-up.

Miss Kruger said research by SAAU economists had found the producer, who cares for his cattle for up to three years, gets only about 55 percent of the retail price of meat.

The rest goes to the Meat Board, the Abattoir Corporation, livestock agents, meat wholesalers and the retailer.

One large beef breeder in the Vryburg district, Gilbert Speedy, said his figures indicated that for the 1980 tax year his marketing costs were 17,18 percent of what he received for each carcass. These costs included a 1,26 percent slaughter fee, 3,08 percent abattoir fee, four percent Abattoir Commission, 3,1 percent abattoir levy, 0,44 percent Meat Board insurance fee, 0,32 percent agent's insurance fee, 3,18 percent rail transport costs, 1,49 percent road transport costs and 0,3 percent on sundry costs.

Another farmer, George Rautenbach of Waterpoort, said it cost him R56 for every head of cattle he sent to be slaughtered.

Mr Rautenbach said he found it strange that while the price paid to farmers at the abattoirs had risen by about 50 cents a kilogram the consumer was having to pay almost R2 a kilogram more.

He said there was urgent need for the Government to appoint an inquiry to investigate marketing practices in the meat industry.

The chairman of the Witwatersrand Master Butchers' Association, Eddie Bielovich, said the retailer had to pay the wholesaler about 10 percent on to the abattoir sale price of meat for the small amount of work the wholesaler actually had to do.

On a carcass selling for R400 at the abattoir the wholesaler would make about R40. A small butcher buying, say five carcasses a week, would in effect be paying one of the wholesalers R200 a week in "delivery and handling" fees.

Mrs Yvonne Forshaw, national vice-president of the Housewives League, slammed the wholesalers' cut of the meat prices and said they received far too much for what they did.

"There should be a set fee. Say R5 or R10 a carcass. Not a percentage based on the cost. Why should they make more money buying and delivering a carcass this week when prices are high than they did a month ago when prices were down?

"And their claim that they charge a percentage as 'interest' because most of the small retailers are on credit is hooey . . . nearly every wholesaler in any business field works on a credit basis with the retailers. It's part of normal business practice," she said.

Mrs Forshaw also slammed the fact that the big three in the meat trade — the giant Vleissentraal Co-operative, Imperial Cold Storage and the Pickard Group's Karoo-Kanhym syndicate — were involved in all aspects of the trade.

Last year, a SUNDAY TRIBUNE investigation found the big three were involved in meat production, as livestock agents, as wholesalers and as retailers.

"They're in a perfect position to manipulate the market and it shouldn't be allowed," Mrs Forshaw said.

"Wholesalers should have never been allowed to be licensed as retailers. There should be a concerted effort to remove them from the retail sector now," she said.

(186) 14/9/80

'Disgusting' price of exporting meat

Agriculture Minister Hendrik Schoeman . . . Call for an explanation why South Africans must pay to send cheap meat abroad

THE R6M BEEF BOOB

14/9/80 SUN TRIB

(186)

By DARYL BALFOUR

THE South African Meat Board exported meat at a staggering loss of R6,5 million last year, according to figures

"We have demanded an inquiry into the whole industry, including the activities of the Meat Board and the distribution system

'This only reinforces our demands

obtained by the **Sunday Tribune** this week.

As evidence of the big beef bungle came to light this week consumer bodies and economics experts slammed the Meat Board and outgoing Agriculture Minister Hendrik Schoeman for their "poor administration" of the R6 000-million-a-year meat industry

While meat prices throughout the country soared to unprecedented levels in a dramatic leap of almost 75 percent over a two-month period, calls for a full-scale investigation poured in from all aspects of the trade

And at the height of the storm this week a South African Agricultural Union official predicted that meat prices could rise to between R8 and R10 a kilogram by the end of the year — the fault he said, of "irresponsible consumers"

The **Sunday Tribune** can disclose that, according to audited accounts, the Meat Board lost R6 521 153 on exports during the financial year ending last June 30

R5 085 123 of that loss was on beef alone while the remainder was made up subsidising the export of pork

The loss on beef was made up of "contributions" to exports of both canned and fresh or frozen beef

Slamming the export loss consumer watchdog Eugene Roelofse ombudsman of the South African Council of Churches, said he had no objection to the export of foodstuffs

"But it is adding insult to injury if these exports are at a loss and lead to local increases in prices," he said

"When meat is exported at a loss it means not only that the volume exported increases local prices but that also in the long run the South African consumers are subsidising cheap food for other countries"

Mr Harry Schwarz, PFP spokesman on finance and consumer affairs said losses such as this "only accentuate the anger of the South African consumer"

"People in South Africa are getting very angry with the whole handling of the meat situation.

for this action," Mr Schwarz said

The export loss figures, which have shocked consumer bodies everywhere, are contained in the report of the Auditor-General on the accounts of the Meat Board

Also included in the report are figures which show that the Meat Board spent almost R1-million on publicity — a fact that has been slammed by the Housewives' League

"The housewife doesn't need to be told to eat meat — she needs it to be sold at a price she can afford," Mrs Yvonne Forshaw, vice-president of the league, said

The national president of the league, Mrs Joy Hurwitz, also criticised the export losses and said the Department of Agriculture had been asked repeatedly that no basic foodstuff be exported at a loss until all "our own people have been fed"

"Here we have record high prices for meat and then we learn that the Meat Board is using our money to subsidise exports at a loss We'd like an explanation for this," she said

Mr Roelofse said the Meat Board and the Minister of Agriculture appeared to be "unaware of the wide extent of malnutrition in this country"

He said the export loss was "disgusting"

Mr Chris Celliers director of the South African Agricultural Union, said this week that irresponsible consumers who make a fuss about current increases are partly to blame for the high meat price

Addressing the Free State branch of the Agricultural Writers' Association, he said meat could cost between R8 and R10 a kilogram by December.

What really raised his blood-pressure, he said, were "fat tannies" who ate themselves "dik" and then spent millions every year on cosmetics

Meat prices would climb through the roof, he said However, within five to seven years prices would drop again as a result of increased production.

A spokesman for the Meat Board, Mr Koos Blignaut, told the **Sunday Tribune** that in the past South Africa had been in an over-supply situation and the Meat Board had had to embark on an export programme.

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Meat price puzzle for butchers

16/9/80 ARGUS (186)

Consumer Reporter

A MEAT BOARD statement that prices of top cuts could reach R8 or R10 by Christmas has dismayed and puzzled the executive committee of the Cape Butchers' Association, which discussed the matter at a meeting last night

Its chairman, Mr Chris Joubert, who is in business in Sea Point, told The Argus he believed prices would, in fact, come down and stabilise at between R1,80 and R1,90 a kg for super beef and about R2 a kg for super lamb

'I hope the Meat Board will clarify its statement' he said. 'If they mean they expect cuts like fillet to cost R8 to R10 a kg retail then prices will be around the level they are in Europe and consumers will have to think more in terms of cheaper cuts'

Mr Joubert said that so far there was no sign in Cape Town of consumer resistance to high meat prices

SLIGHT FALL

Prices fell slightly at the abattoir auctions yesterday, but retail butchers — who are still selling meat bought last week — have not yet felt the benefit of this

The Argus Johannesburg Correspondent reports that consumers have become the target of sideswipes from Government and organised agriculture as the battle over rising meat prices rages on

The Government-financed SA Co-ordinating Consumer Council has sided with the Government and sharply attacked the Housewives' League for their calls for a partial meat boycott

LEAGUE CALL

The league has called on consumers to eat red meat only twice a week until the support price is abolished, prices come down and an independent investigation into the meat industry is launched

The Minister of Agriculture, Mr Hendrik Schoeman, has criticised consumers who complained about high meat prices, but bought luxury cars or spent large amounts of money on alcohol

Mr Chris Cilliers, director of the SA Agricultural Union, spoke of 'fat tannies who ate themselves dik and then spent millions every year on cosmetics'

Farmers still lose out

WHILE housewives are paying record prices for meat, the man who should be smiling — the producer — is still beefing.

For while prices have rocketed during the past two months, few farmers have actually gained any real benefit and many claim it is the middlemen — the agents and particularly the meat wholesalers — who are getting the tenderest cut.

And figures given to the Sunday Tribune by an economist at the South African Agriculture Union, Miss Anna Kruger, prove that the farmer is getting a raw deal in the big beef carve-up.

Miss Kruger said research by SAAU economists had found the producer, who cares for his cattle for up to three years, gets only about 55 percent of the retail price of meat.

The rest goes to the Meat Board, the Abattoir Corporation, livestock agents, meat wholesalers and the retailer.

One large beef breeder in the Vryburg district, Gilbert Speedy, said his figures indicated that for the 1980 tax year his marketing costs were 17,18 percent of what he received for each carcass. These costs included a 1,26 percent slaughter fee, 3,08 percent abattoir fee, four percent Abattoir Commission, 3,1 percent abattoir levy, 0,44 percent Meat Board insurance fee, 0,32 percent agent's insurance fee, 3,18 percent rail transport costs, 1,49 percent road transport costs and 0,3 percent on sundry costs.

Another farmer, George Rautenbach of Waterpoort, said it cost him R56 for every head of cattle he sent to be slaughtered.

Mr Rautenbach said he found it strange that while the price paid to farmers at the abattoirs had risen by about 50 cents a kilogram the consumer was having to pay almost R2 a kilogram more.

He said there was urgent need for the Government to appoint an inquiry to investigate marketing practices in the meat industry.

The chairman of the Witwatersrand Master Butchers' Association, Eddie Bielovich, said the retailer had to pay the wholesaler about 10 percent on to the abattoir sale price of meat for the small amount of work the wholesaler actually had to do.

On a carcass selling for R400 at the abattoir the wholesaler would make about R40. A small butcher buying, say five carcasses a week, would in effect be paying one of the wholesalers R200 a week in "delivery and handling" fees.

Mrs Yvonne Forshaw, national vice-president of the Housewives League, slammed the wholesalers' cut of the meat prices and said they received far too much for what they did.

"There should be a set fee. Say R5 or R10 a carcass. Not a percentage based on the cost. Why should they make more money buying and delivering a carcass this week when prices are high than they did a month ago when prices were down?

"And their claim that they charge a percentage as 'interest' because most of the small retailers are on credit is hooey . . . nearly every wholesaler in any business field works on a credit basis with the retailers. It's part of normal business practice," she said.

Mrs Forshaw also slammed the fact that the big three in the meat trade — the giant Vleissentraal Co-operative, Imperial Cold Storage and the Pickard Group's Karoo-Kanhym syndicate — were involved in all aspects of the trade.

Last year, a SUNDAY TRIBUNE investigation found the big three were involved in meat production, as livestock agents, as wholesalers and as retailers.

"They're in a perfect position to manipulate the market and it shouldn't be allowed," Mrs Forshaw said.

"Wholesalers should have never been allowed to be licensed as retailers. There should be a concerted effort to remove them from the retail sector now," she said.

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14/9/80

Cheap meat price honeymoon is over

14/9/80 SUN. TIM (186)

By BEVIS FAIRBROTHER

HOUSEWIVES must accept that the days of cheap meat are over.

That's the opinion of the South African Meat Board

"No matter how they carry on, they won't change anything," said a board spokesman

He was reacting to a call from the Housewives' League of South Africa for a nationwide boycott of meat

Yesterday the director of the South African Agricultural Union, Mr Chris Celliers, said meat could cost as much as R10 a kg by December

Addressing the first dinner of the Free State branch of the Agricultural Writers' Union, he claimed that irresponsible consumers were partly to blame for high meat prices because of the fuss they made about increases.

He said that what raised his blood pressure was "fat tannies" who ate themselves "dik" and then spent millions every year on cosmetics

Meat prices would climb through the roof, he added, but would probably drop within five to seven years as a result of increased production

Meanwhile, the Housewives' League wants to force an inquiry into meat prices, which have increased by as much as 50 per cent in some areas

Some of the main questions the league wants answered are:

- Why are prices so high?
- Is there a shortage of meat?
- If there is a shortage, why have some farmers — who have telephoned the league — not been granted permits (some for as long as three years) to market their meat?
- If there is not a shortage, are prices being deliberately pushed up because of greed and profit?
- Is a more than 40 per cent mark-up from the producer's price to the consumer realistic?

The Meat Board spokesman said the price of meat was determined by supply and demand Meat was sold at open auction at the abattoir.

He said the present "terribly high" prices would even out — but warned that they would then steadily increase for the rest of the year

For the first time in several years, some farmers were making a profit — for some, about 24 per cent

"But up until May this year, many lost out altogether"

Figures showed that there was a tremendous increase in demand for meat this year.

In July last year, 39 630 tons were sold, compared with 44 582 tons for July this year

The Meat Board spokesman explained the increase in demand thus "There is lots of money available

"South Africans are meat eaters, and the figures show the high priority we place on meat as part of our diet."

There was definitely no meat shortage The board was presently working out a 27 per cent surplus of beef brought on by farmers liquidating last year because of poor prices

"As regards to the permit situation, it has never been so good

"It is 100 per cent in some areas. In others, we can't let the market be flooded"

The spokesman confirmed that there was about a 50 per cent difference between farmers' prices and what the customer paid. But this was normal.

"Remember, the middlemen also have to pay employees Meat isn't produced at the push of a button"

He warned housewives that they would bear the brunt if they carried on with their boycott

"If they achieve what they want from the boycott there will be a shortage of meat"

Boycott meat now! There is no other solution, says the Housewives' League

It has called for every housewife to limit her family to two meat meals a week

"This should be sufficient to bring action It's probably all most families can afford now anyway," said Mrs Yvonne Forshaw, of the league

"Some cuts have doubled in price in two months Must we sit back and take it?"

In a statement this week, the league said it had asked for many months for an investigation of the meat situation — from producer to consumer — because it was clear that the present meat scheme was open to abuse

"The whole price structure can be altered merely by the opening bidding being pitched excessively high by the big buyers, who control the bulk of the purchasing on the markets, or with the clock system — the clock being stopped at an artificially high level"

Board blamed for meat price

17/9/80 Argus

(244)

(186)

Consumer Reporter

MISMANAGEMENT by the Meat Control Board was causing the soaring price of meat, the Opposition spokesman for Consumer Affairs, Mr Rupert Lorimer, said today.

Mr Lorimer told The Argus there should be an independent inquiry into the meat industry.

The best way to ensure reasonable meat prices in future would be to do away with the board and allow a free market in which prices would find their own level.

Mr Lorimer said the export of meat, which he believed was going to Greece, Israel and countries in the Middle East, was contributing the shortage of supplies which had pushed up meat prices.

IMPORTANT

But, an important reason was that many farmers had given up beef and mutton production in the past two years This was because they lost money in the system which allowed them to send animals to market only if they obtained a Meat Board permit

The system under which permits were issued was 'shrouded in secrecy' It was never explained why a permit was granted or refused

OBLIGED

It had been noticeable in the past that meat wholesalers had been able to obtain permits when farmers could not As a result, some farmers were obliged to sell to wholesalers instead of sending animals to the abattoir themselves.

This meant that a middleman's cut was added to the price.

Mr Lorimer criticised the Meat Board for selling frozen meat — which it had 'bought in' at abattoir auctions when it fell to the floor price — in lots too big for individual butchers to buy.

PRICES

The price of super beef ranged between R1,90 and R2 a kg at Cape Town abattoir auctions yesterday At the beginning of the month it reached a maximum price of R2,70 a kg

The price of prime beef showed a slight drop since Monday. It ranged from R1,80 to R1,84 a kg yesterday, compared with R1,89 a kg on Monday.

The price of super lamb also dropped slightly. It ranged from R1,90 to R1,98 a kg yesterday, compared with R2,01 to R2,02 a kg on Monday

A Meat Board spokesman said 'We are slaughtering to full capacity again today — 5 500 sheep and 850 cattle, so supplies should be plentiful again tomorrow'

Meat crisis follows farmers' lean years

(186) 18/9/80 ARGUS

Consumer Reporter

TODAY'S high meat rices follow two lean ears in which supply xceeded demand and hany farmers received ich poor returns that hey went out of busiess or reduced their erds and concenated on growing rops instead

Drought at the beginng of this year further duced the number of tle and sheep being ied for meat

Many animals died and ers were sent to market ore they were ready ause of the lack of zing

EXPORT

ow the public has e money to spend and demand for meat, as as for other consumer ds, has risen But the herds and flocks of p are depleted

nd there is a strong icion, voiced by Mr eit Lorimer, Progress- Federal Party spokes- for consumer affairs, ng other people, that the sitution is being aggravated by the export of meat which is creating an 'artificial shortage'.

Some members of the Cape Town Muslim Butchers' Association believe that wholesalers are keeping demand, and the price, up by buying meat to keep in cold storage in the hope of yet higher prices towards Christmas

This has been denied by wholesalers A spokesman for one of the biggest firms said 'Anyone buying for the future at today's high prices would be taking a big risk And cold storage is expensive'

But statements by a spokesman for the South African Agricultural Union yesterday that meat would become 'even more of a luxury item' with prices for top cuts reaching R8 or R10 a kg, lend credence to the butchers' suspicions

The whole meat situation, and particularly the permit system under which the Meat Control Board limits the number of animals sent for slaughter each day, is clouded with secrecy and suspicions of corruption or inefficiency

Mr Lorimer blames mismanagement by the Meat Board for the present situation and thinks more farmers would have stayed in meat production if it had not been for the permit system

He believes that farmers would have preferred to send animals to market when they were ready, even when prices were low because of over-supply, than be forced to keep and feed them because a permit was refused

QUOTA

He cited the case of one farmer who had been sending 1 200 lambs for slaughter each quarter, whose quota was suddenly reduced to 60 a quarter

A farmer cannot afford to keep all these animals on his farm eating their heads off,' said Mr Lorimer 'His overheads are tremendous.

'I know that a lot of farmers went out of business, or changed to other forms of agriculture, for this reason There should be a free market, where prices would find their own level'

He said the issue of permits was 'shrouded in secrecy' Reasons for granting or refusing them were never given But it was noticeable that wholesalers were often able to get permits when they were denied to a farmer

The farmer then had to sell to the wholesaler, which added a middleman's profit to the transaction

Mr Lorimer pointed out that some wholesale firms had farming and feed-producing interests and, since they were the main buyers at the abattoir auctions, were in a position to manipulate the market

MISTAKE

He said he thought the system of animals being sent to big central abattoirs such as Cape Town and Johannesburg, instead of being slaughtered at small regional abattoirs and being sent to the cities as meat was a mistake

It increased transport costs and also encouraged the formation of buying rings at the abattoirs, where the small man was sequeezed out

But Mr Koos Blignaut, public relations officer for the Meat Control Board, said the permit system was necessary to prevent chaos if too many animals were sent to an abattoir at the same time

Mr Blignaut admitted that he hoped prices would not fall from their present high levels, through consumer resistance, until more farmers had a chace to recoup losses whic he said they had suffered in the past two years

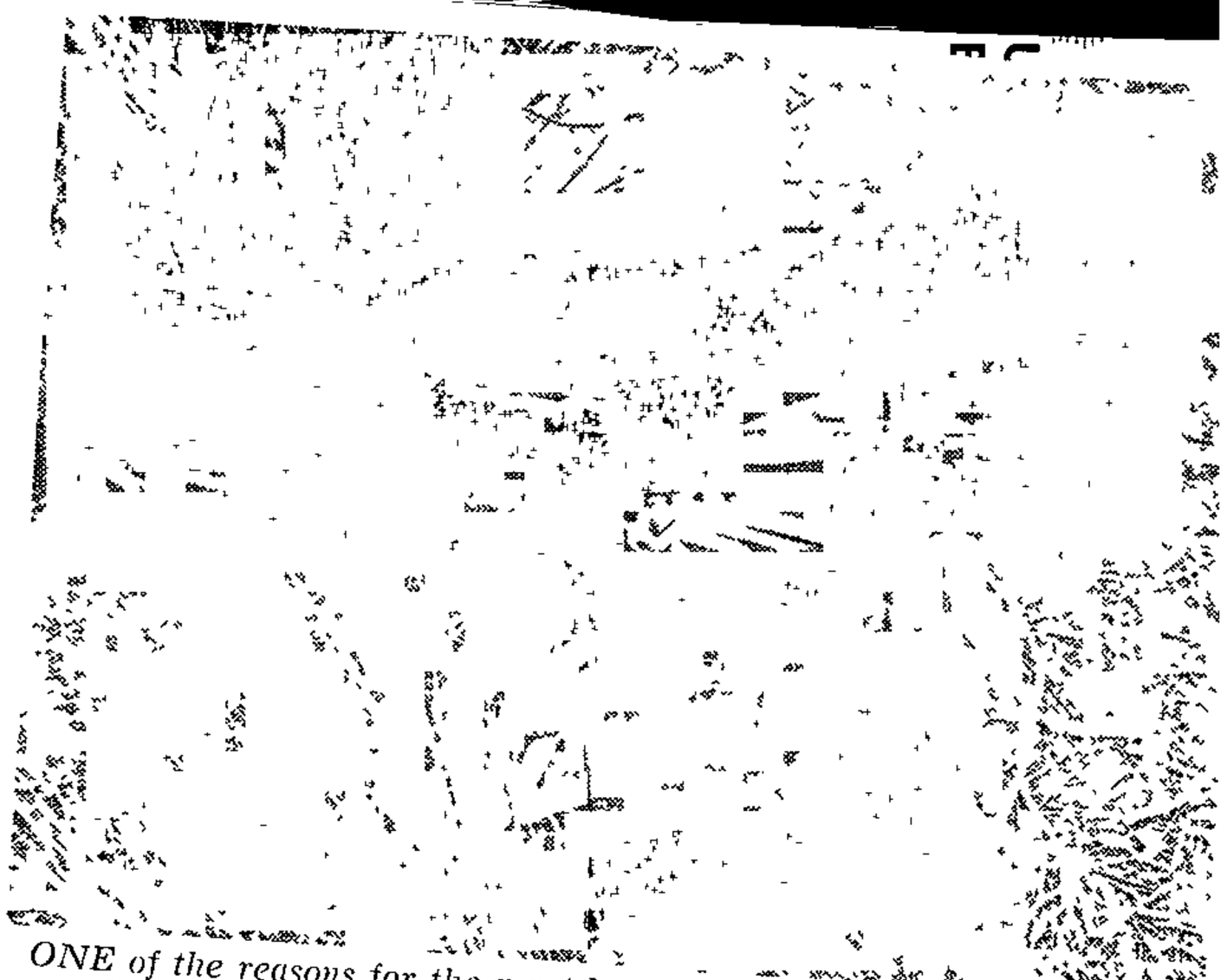
Mr Blignat pointed out that animals for meat could not be produced at a press of a button'

He said took from four to six years to produce an animal and get it ready for market High prices now would encourage more faners to return to beef production

However, he said he hoped the present high prices would not cause farmers to 'go haywire' and produce too many animals, so that a surplus situation was again created

Mr Blignaut said the Meat Board hoped to persuade farmers to increase production by a steady five percent a year, to allow for the normal expansion of the market.

He



ONE of the reasons for the meat hortage in some parts of the country —drought killed off some animls and caused others to be sent to market befor they were ready

from which South Africa had just emerged was to blame for the farmers' past difficulties. They had increased production during the boom, expecting demand to continue to grow.

Then came the recession, during which most families had to cut back on their food budgets.

DEMAND

Now the economy had recovered and demand had suddenly increased. The cumulative effect of salary increases and tax concessions has given the white consumer 23 percent more buying power, he said.

The buying power of the black market — which consumes 50 percent of all the beef in South Africa — has increased even more because their wages are increasing faster than those of the white people.

But the production of lower grades of meat alone has decreased by 16 percent between May and August this year, compared with the same period last year.

HERDS

He said the number of animals in beef herds had fallen by six percent between January and July this year, compared with the same period last year, although more beasts had been slaughtered.

Meanwhile, Cape Town abattoir has been slaughtering to full capacity on most working days this month. Almost every day 5 500 sheep are slaughtered — 500 more than last month — and 850 cattle.

PRICES

Prices at the abattoir auctions are dropping slightly. Super beef, which reached a peak of R2,70 a kg at the auction on September 5, sold at between R1,90 and R2 a kg this week.

Su[illegible] lamb, which reached [illegible] R2,49 [illegible] per [illegible] and [illegible] nged [illegible] has [illegible] week.

One supermarket firm has already reduced its local prices as a result of this fall.

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8/9/88
Argus

'PANIC BUYING' — MEAT PRICES SOAR

19/9/80 ARGUS

(186)

Don't stockpile - plea to housewives

Consumer Reporter

PRICES at Cape Town abattoir, which had begun to drop, shot up again today because of increased demand which a wholesaler ascribed to panic buying.

By early today the price of super beef had reached R2,15 a kg — 16c more than yesterday — and the price of super lamb ranged from R2,27 to R2 23 a kg

Earlier this week the price of super lamb was R2,01

A leading Cape Town meat wholesaler blamed the rise on panic buying resulting from 'absurd' forecasts by South African Agricultural Union officials

Unfortunate

He appealed to housewives today not to lay in stocks of meat until the price came down This would happen when demand returned to normal

The wholesaler said it was unfortunate that statements by union officials, giving the public the impression that a meat shortage and higher prices were on the way, had created panic buying

Describing some of these statements as 'absurd' he said they were

(Continued from Page 1)

Pay butcheries, said he had never seen the meat counters so busy

'Something is certainly pushing up demand — and the price,' he said

The South African Co-Ordinating Consumer Council has announced that it will collect any information or evidence indicating that there is a need for an inquiry into the running of the meat industry

If it finds sufficient evidence recommendations will be made to the Minister with all expediency'

The director of the Consumer Council Mr Jan Cronje, appealed to the public to submit 'any verbal or written evidence of price manipulation' to the council

Panic buying

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Its telephone number at Pretoria is 012 48-3512 and its address PO Box 3800, Pretoria 0001

In a statement today Mr Cronje said the council disapproved of calls for a meat boycott.

If meat production were made unprofitable it would lead to scarcity and still higher prices.

A shortage of beef and lamb pushed up prices in Johannesburg today Super beef prices there were expected to reach R3 a kg at abattoir auctions Mutton and lamb prices were expected to be higher

Half the usual numbers

Argus 19/9/80

of cattle and sheep were available for slaughter at City Deep abattoir, Johannesburg, today

Butchers accused farmers of holding back animals to keep prices artificially high

The Argus understands that wholesalers are buying lamb at Cape Town abattoir to send to Johannesburg where it will fetch a higher price

A Goodwood butcher said this was helping to push up prices in Cape Town

But a wholesaler said it helped to stabilise prices nationally if meat was sent to alleviate a shortage in another area

'It works both ways,' he said. 'In times of shortage in Cape Town meat is moved here from other centres'

● See Pages 4 and 9

when in fact the situation had improved and prices were beginning to come down.

'There is no shortage of meat in Cape Town,' the wholesaler assured The Argus.

Regret

'Those who stock up their freezers now may regret it, because they are probably paying more for their meat than they would if they waited longer'.

The sudden price rise had been caused by the combination of a public holiday, the end of the month and shortages in some parts of the country affected by drought.

The new support price introduced to Cape Town by the Meat Board a few weeks ago prevented any rapid fall in prices — because they could not now come down by more than six percent below the average for the previous week.

See-saw

Agreeing that 'ridiculous statements' by agricultural officials had sent prices up again when they were beginning to stabilise, the head of a supermarket butchery chain said 'I have never seen the market prices see-saw in the way they have been doing.

'I have just been round the country and the situation is different in every city!'

He did not believe meat prices would reach R8 or R10 a kg by Christmas as had been forecast by some union officials.

'They represent the interests of the farmers, and it is in the farmers' short-term interests to keep meat prices up,' he said.

'I am in favour of the farmers getting a fair crack of the whip, but there should be a ceiling price as well as a floor price.'

Mr Malcolm Simpson, area manager of Pick 'n

(Continued on Page 3, col 4)

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17/9/80

ARGUS

Exports hit Cape consumers

20/9/80 Argus

MEAT DEALS AS PRICES RISE

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By Audrey D'Angelo and Geoff Dekenah

WHILE meat prices soar in the Cape and consumer resistance grows, a Mafeking consortium has exported 80 tons of lamb at half price — and in Cape Town wholesalers are buying meat to send to the Johannesburg market.

And in another development in the raging meat-price controversy the managing director of a stockfeed company has lashed out at boycotting consumers and the Press, accusing them of 'sabotaging' the industry

Wholesalers have countered butchers' accusations of pushing the prices up in buying for the hungry Reef market by saying it was in the interests of local consumers for them to do so

The Reef shortage and higher prices would cause local suppliers to send their cattle there to take advantage of the prices and create a local shortage, they claimed

Cape Town super beef prices, which dropped from the R2,70/kg peak at the start of the month to R1,90/kg during the week, jumped back to R2,20/kg yesterday

Super lamb prices dropped from a peak of R2,49 per kg to R2,01 per kg this week, but climbed back to a R2,30 level

The Meat Board said that in spite of sufficient permits to keep the market supplied, supplies were below the expected level

Butchers accused Agricultural Union officials of 'irresposible statements' which created panic-buy and forced prices up

In Pretoria, the managing director of a stockfeed company lashed out at boycotting consumers and the Press, accusing the former of 'sabotage', and the latter of 'fanning the fires of discontent among consumers

Dr Gerrit Louw said it was 'grossly unfair to discriminate against farmers' who were making a profit 'for the first time in the past five years

In Port Elizabeth, a consignment of 5 119 super lamb carcasses was discovered on board a cargo vessel, the Jody

The consignment, from a Mafeking meat consortium, is bound for Pireaus in Greece

The export value of the meat which was loaded in Cape Town is R122 160, and the average cost, including transport costs, is about R1,40 a kg

On the Port Elizabeth market, super lamb is selling at R2,93/kg and super beef at R2,59 to R2 68/kg

The Cape Town abattoir slaughtered 26 700 sheep this week The normal weekly average is 24 500 During the week, 5 500 sheep and 850 cattle were slaughtered daily, but yesterday this dropped to 4 700 and 590 as farmers withheld supplies

A Meat Board spokesman said the expected supplies from the south-western Cape had not materialised

'We don't know why,' he said

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Super lamb down — beef still dear

Consumer Reporter

CAPE TOWN abattoir is slaughtering to full capacity again today and super lamb prices were lower than on Friday

Prices for super beef were still high

Butchers said that panic buying in fear of higher prices towards Christmas and buying by wholesalers who are sending meat to Johannesburg were keeping prices up

The auction price for super beef ranged from R2,10 to R2,29 at the abattoir early today compared with R1,90 a kg at the beginning of last week and R2 20 a kg on Friday

The auction price for super lamb ranged from R2,04 to R2,14 a kg compared with R2 01 at the beginning of last week and R2,30 on Friday.

Retail butchers said people were stocking their freezers in spite of advice to wait until prices dropped

Sea Point butcher Mr Chris Joubert said I have never known anything like it — I am taking orders a month ahead from people who insist on stocking their freezers now although I advise them to wait until demand, and prices, drop

'My advice to people is to wait and spread the demand over a longer period Prices at the auction are governed by supply and demand'

NOT LONG

Discussing reports that farmers were holding back supplies to keep the price up — there was a shortage of sheep and cattle at Cape Town abattoir on Thursday and the gigantic City Deep abattoir in Johannesburg killed only half its normal quota of animals on Friday — Mr Joubert said "They cannot do that for long

A farmer can hold back an animal for only a few days after it is ready for market Otherwise it goes out of condition or grows too big to be graded as super

He was indignant at the continuing export of meat Commenting on the export of 80 tons of lamb to Greece by a Mafeking consortium last week, he said I think that is shocking when demand is so great here and there are shortages in some places'

Mr Malcolm Simpson area manager of Blue Riband butcheries, said 'I think it is terrible that they should export meat at a time like this, when prices are out of all proportion'

The Meat Control Board should look after the home market first'

A Meat Board spokesman said that 5 500 lambs and sheep and at least 800 cattle would be slaughtered at Cape Town abattoir today

29/9/80

Farmers urged to back meat probe

(186)

Consumer Reporter

FARMERS should join consumers in calling for an independent inquiry into the meat industry to clear up suspicions that prices are being manipulated, Mr Philip Myburgh, MP for Wynberg and Opposition spokesman for agriculture, said today

Mr Myburgh said in an interview he was astonished to hear on SABC-TV last night, a spokesman for the South African Agricultural Union refuse an offer by the Minister of Agriculture, Mr Hendrik Schoeman, to appoint a judge or chief magistrate to carry out an inquiry

'Mr Schoeman offered to do this if the union asked him,' Mr Myburgh said.

'RIDICULOUS'

'The union said they would agree to such an inquiry only after misconduct had been proven

'That is a ridiculous statement If this country's legal system were run like that, nobody would ever be brought to trial because everyone is presumed innocent until proved guilty!'

Mr Myburgh said he thought Mr Schoeman should go ahead with the inquiry in spite of the union's reaction.

'There is a dispute about the reason for this sudden rise in prices and people are unhappy about it,' he said

HELD BACK

He wondered whether meat bought by wholesalers at a time of low prices and kept in cold storage had been fed into the butchers' shops now that prices were inflated

'It would be possible for wholesalers who had large quantities of such meat in storage to force up prices at abattoir auctions — even when supplies were plentiful — by bidding high'

Mr Myburgh said he was not in favour of 'farmer-bashing' It was easy in times of shortage or high prices to blame the primary producer, even though other people might be receiving R1,50 for every R1 received by the farmer.

Not every farmer had benefitted from high prices Meat was sent to the abattoir by permit, issued by the Meat Control Board

Shortage of super beef boosts price

Consumer Reporter

ALTHOUGH Cape Town abattoir slaughtered to its full capacity of 850 cattle and 5 500 sheep yesterday, there was a shortage of super beef at today's auction which sent prices up

A Meat Control Board spokesman said this was because most of the beef on offer came from South West Africa, which is usually of a lower grade than grain-fed local beef

When the auction began this morning, only seven of the carcasses on offer were super grade and they fetched R2,39 a kg compared with between R2 09 and R2,36 yesterday

KANHYM/KAROO/ASOKOR

Bigger benefits

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FM 26/9/80

Judging by the changes in the terms of the Kanhym/Asokor/Karoo deal, whereby Kanhym is getting control of the Pickard group's meat trading interests, there has been quite a bit of horse-trading in the three months since the first announcement (*Fox,* June 20). The important point, however, is that all three companies appear to come out of the revised deal better than originally anticipated, although only in the case of Kanhym is this readily quantifiable.

Most of the changes stem from a reassessment of the value of Asokor's meat interests in the light of results for the year to end-June, which were not available when the terms were first worked out The result is that Karoo is now issuing just over 6m new shares to pur-

chase these assets, instead of only 3,15m as originally contemplated.

A further change is that Karoo is also buying certain properties from its one-time holding-company for a cash payment of R1,2m, but this does not materially affect the deal except to the extent that it enhances the cash inflow to Asokor

As far as Kanhym is concerned, it will now receive 8,1m Karoo shares (instead of 7,9m) in exchange for its meat trading operations and, due to the larger-than-expected Karoo capital, will have to purchase 5,6m (instead of about 4m) additional Karoo shares from Asokor so as to increase its holding to 51% This, again, improves Asokor's cash inflow

But more important from Kanhym's point of view is the effect that the deal is now expected to have on future earnings In June it forecast annualised earnings for the current 15-month accounting period to end-December of 87,5c, of which roughly 4c was expected to stem from the expansion of its activities. Now, however, earn- 700c, which would have yielded 5,7% on the estimated 40c dividend — roughly in line with the prospective industrial market average On a 47c dividend, however, the yield improves a full percentage point

From Asokor's point of view, the revised terms mean a total cash inflow of nearly R20m (once certain loans to Karoo are repaid and its holding of Karoo prefs is redeemed over the next five years), compared with about R15m under the original terms This means that the company could discharge its own loan obligations and still end up with around R15m clear for reinvestment It is, therefore, largely a cash shell, with its only other asset of any consequence a 38,8% holding in Karoo

Pending a decision on how these funds are reinvested, there is no way of assessing the company's long-term future However, on the basis that the cash is in the meantime invested in relatively low-yielding stock, it estimates 1981 earnings at 36c While this is materially lower than says of the 1981 financial year that the company will pay a dividend of "not less than 40% of after-tax earnings" which implies an increase in dividend cover to around 2,5 times

On this basis the above earnings would probably yield a dividend of 15c — an increase of only 2c (15%) on the payout for the year to end-June *Brian Thompson*

Kanhym . . . profits on the march

Gigantic cartel controls SA meat

Consumer Mail

By VITA PALESTRANT AND PAT SIDLEY

A CONSUMER MAIL investigation has shown that the South African meat industry — worth R2 000-million and the largest in the country after gold — is controlled by a vast "monopoly" whose tentacles spread from ranching to supermarkets.

The investigation showed that:

- Three large organisations, whose interests are intertwined, control 75% of the industry,
- Their interests begin on the farms, and their network and influence spreads to the centre of the meat industry — the Meat Board,
- They own feedlots, agents, abattoirs, wholesalers, supermarket meat counters, meat processing factories, hide and skin tanneries, and even have the greatest takings of offal,
- Their financial muscle and influence leaves little room for the diminishing independents who try to enter the industry

The Housewives League — the organisation behind the recent meat boycott — said the probe left no doubt that there was urgent need for an investigation of the industry

The League's president, Mrs Joy Hurwitz, said "It is important that the man in the street understands the meat industry We have been investigating it for seven years to find out what is going on"

The League's vice-president, Mrs Yvonne Forshaw, said "We are surprised that the Minister of Agriculture, Mr Hendrik Schoeman, has been reluctant to investigate the industry, when earlier this year he acted with alacrity against Nepco, the egg cartel

'Big three' buy half the meat sold on Rand

Staff Reporter

THE "big three" in the meat industry — Vleissentraal, Imperial Cold Storage, and Kanhym — buy 49% of the meat auctioned on Witwatersrand markets, according to a spokesman for the Meat Board

Smaller butchers buying independently at the auctions accounted for 36% of the sales, proving that "independents" were able to bypass wholesalers, the spokesman claimed

Other sources in the industry have said independent butchers have neither the time nor the resources to do their own buying

The spokesman said the balance of the meat at the auctions was bought for the mines

A total of 265 wholesalers and 5 948 retailers throughout South Africa were registered with the Meat Board. Retailers could "cut out the middleman" by buying direct from the abattoirs, he said

Mr Eddie Bielovich, chairman of the Master Butchers' Association, said consumers in South Africa had been "spoilt" and would have to adjust to eating the more economical cuts At present many consumers still ate expensive hindquarter cuts, leaving the cheaper forequarter cuts to the lower income group

"We must bear in mind that the ox is not made out of rump steak," he said

Mr Bielovich said butchers were battling to adjust to a drop in sales because of the meat-price increases — between 30% and 40% in two months

"Similarly, protests from grocery manufacturers were enough for the Government to institute an inquiry by the Competition Board into the monopolistic buying power of giant supermarkets

"Why is the Minister so reluctant to institute an investigation into the meat industry"

She said the meat marketing scheme had defeated its orignal purpose getting meat from producer to consumer at reasonable prices in the most efficient way

Meat needed to be within the grasp of all South Africans — not only the financially privileged, said Mrs Forshaw

The "Mail" probe showed that the major agencies, who would be expected to act in the sole interest of the farmer, often belonged to the same organisation as the wholesalers She asked in whose interests they were really acting

Her other questions were.

- Why was there such a discrepancy between prices in the controlled areas — and in the decontrolled areas, where middlemen operated less?
- Was it in the interest of the farmer to have a marketing system whereby he had to compete in the market with the wholesalers to whom he was selling, and who were also supplying the market with cattle?
- Could the farmer always be sure of an allocation of permits when the wholesalers were represented on the Meat Board through producer interests?
- Could the farmer be sure of a fair price at the auctions in the controlled areas, when wholesalers could pay high prices for their own cattle?

Mr Schoeman was not available for comment

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(186) **Mercury Correspondent**
Johannesburg
NM 30/9/80

A VAST organisation of many interlinking parts controls South Africa's meat industry.

Shocked consumers, whose minds boggle at high beef prices, will be surprised to know that three organisations control most of it. Between them they are said to control 75 percent of the R2 000-million a year meat industry, and their powerful influence spreads through the industry from the farm to the diningroom table.

The meat industry is the second largest industry in the country next to gold.

According to a recent university study, these benefactors automatically get half of what you pay - and the more you pay the more they make.

Every inch of the way, the middle men benefit and their power reaches into the inner circles of politics and big business.

The Big Three

The Big Three are Vleissentraal, a giant co-operative with lucrative commercial and manufacturing interests, Kanhym - whose controlling company is General Mining - and Imperial Cold Storage (ICS)

For decades arguments about shortages have been used to justify meat price increases with warnings that unless the consumer pays farmers' a 'realistic' price farmers will abandon their farms

During the past year the price of beef - which makes up the bulk of red meat - rose by nearly 40 percent, resulting in a consumer boycott and further allegations that the market was being manipulated to push up prices.

Annual reports of the Big Three claim they are not making super profits at the expense of the consumer or the farmer, while boasting increased profits.

Increasing profits

'The meat merchant does not walk away with super profits at the expense of the consumer or the producer', says Karoo's annual report for 1979.

During the slump, when beef prices were low and farmers were forced off their land, Karoo made increasing profits in 1977 they made R1 400 000, in 1978 R1 700 000 and last year R2 500 000 ICS made R9 881 000 in 1978 and R15 197 000 in 1980, according the profit-after-tax figures in their annual reports

The Meat Board has in recent months hotly denied that there is any manipulation by the Big Three and produced figures to show that middle men don't get as much as 50 percent

But the people with the most representation and clout on the board are undoubtedly the Big Three

It is also the Meat Board which sets the rules and regulations controlling the meat industry, from farmers' permits to the issuing of licences for butchers and meat factories.

This powerful trio own, or partly own, most of the feedlots, livestock agents, auctioneers, a few abattoirs, wholesalers, meat-processing plants and canneries, hide and skin distributors, tanneries, retail and supermarket crease of cattle being slaughtered from feedlots.

'It has a two-fold effect of pushing consumer prices up because of the higher costs involved and squeezing the farmer, who is unable to get permits for the more profitable controlled areas, out of the market,' says Mrs Yvonne Forshaw, vice-president of the league.

The auctions

At every stage, farmers are in the hands of the Big Three - because every time they enter the cattle auctions the self-same agents derive 6,5 percent commission.

And every time they enter an abattoir they pay agents about 5 percent of their sales

Each of the Big Three has its own private abattoir. For example: the abattoir at Balfour is owned by Kanhym And in Krugersorp, ICS and Vleissentraal own the Bull Brand abattoir

Permits control the flow of the major portion of beef marketed in the nine controlled areas

According to the league, meat prices in the controlled areas are double that in the decontrolled areas

Topside in a decontrolled area last week cost R2,28 a kg while at Pick 'n Pay, Johannesburg, it cost R4,48 a kg

'There is less middleman activity in the rural areas, which keeps prices down These discrepancies alone highlight the need for an inquiry,' says Mrs Forshaw.

Of the 12 major agents at the City Deep abattoir, half belong to Vleissentraal, two to ICS and one to Kanhym. Of the three independent agents, two are involved in joint ventures with the Big Three.

The activities of the Big Three at wholesale level leave scant room for those with less financial muscle

Floor and support prices

At the 'public' auction the free movement of prices is hindered by two devices set by the Meat Board. the floor price and the support price, both serving to maintain current high prices.

The Meat Board sets the floor price which is a minimum price paid to the farmer and the starting point for retail prices. Anything not sold at this minimum price is bought by the Meat Board.

Actual auction prices, however, are also controlled by a device called the support system which was introduced at City Deep in March this year and in the other controlled areas in September when prices started to rocket.

The support price serves to prevent prices dropping more than 6 percent a week.

The higher these wholesalers bid 'against' one another the more there is for their coffers

For instance, the two ICS wholesalers will bid against each other, with the resulting high price at which both bought going eventually to the one company

Although the auction is supposed to be open to the public, stringent hygiene requirements put the meat out of reach of the adventurous housewife, who would also be mystified by the coded sales catalogue. Add to that the fact that single carcasses are seldom sold at auctions.

And consumers in controlled areas who think they can nip across into the decontrolled areas for cheaper meat are going to be equally frustrated

In order to transport more than 21kg they need a permit from the Meat Board

With a R35 000 refrigerated truck, and financial guarantees, if not cash, the small butcher may just make it

The majority of butchers are therefore forced to buy from the wholesaling operations of the Big Three

The farmer who will gain approximately R37 for his animal's offal and hides and skins will find these gains wanting as his costs for transport, agents and slaughtering fees will have amounted to about R40

The mark-ups

The wholesaler mark-up to the butcher is said to be 7 percent but it is alleged to be as high as 15 percent By the time it reaches the consumer it is been marked up by between 17 percent and 30 percent - a total of not less than 24 percent

Supermarkets, champions of the consumers, who never fail to criticise price hikes, are also caught up in the tentacles

Kanhym and ICS control meat counters in most supermarket chains They pay rent to the store which is linked to their turnover - said to be around 7 percent The higher the turnover, the bigger the cut to the supermarket

Pick 'n Pay, however, owns half a wholesale butchery, Blue Ribbon, together with ICS

But the difficulty of supermarkets to get butchers' licences - issued by the Meat Board - has contributed to their dealings with the Big Three

The wholesalers' tentacles also spread to meat manufacturers - the bulk of whom are tied up with the big three - like Renown, Enterprise, Eskort, Bull Brand, Supremacy and Franke

They will all get a proportionate share of the offal sales Hides and skins are also channeled to the wholesale agents through whom the stock is sent to the abattoirs These products were said to be worth R93-million last year.

Interestingly, Mr Fanie van Rensburg, chairman of the Hide and Skin Curers' Federation, is also general manager of Vleissentraal and vice-chairman of the Meat Board. And the chairman of the Meat Board is Mr Flip du Toit - a board member of Vleissentraal

'Dark dealings'

Calls for an investigation, by consumers and farmers alike, into the meat industry has met with threats from the Meat Board.

Dr Jan Lombard, general manager of the board, who has repeatedly denied there are any 'dark dealings' in the industry, has also threatened to take legal action against those whose allegations are not proved

Although the Minister of Agriculture, Mr Hendrik Schoeman, at first agreed to an investigation late last year, he later retracted that offer

In an interview at the time, he stated there was enough competition in the industry - although he agreed that the Big Three controlled 75 percent of it and admitted that the majority of members on the Meat Board were from Vleissentraal

'I am a member of Vleissentraal and I wouldn't market my cattle through anyone else', he said

butcheries.

They are also interlinked with shared business interests.

Shared abattoirs

These interlinking elements operate in shared abattoirs, meat processing factories and canneries and hide and skin plants

For example, the massive Bull Brand company, with an abattoir in Krugersorp and one of the largest meat canneries, is jointly owned by Vleissentraal and ICS.

Together they also control the Baynesfield abattoir.

Even independent agents like livestock agents W L Ochse are connected to ICS in hide and skin operations.

Similarly livestock agents, Klopper and Gluckman, are connected with Vleissentraal in South West Africa.

ICS, Kanhym and its recent acquisition, Karoo, are public companies forced to disclose their interests - unlike Vleissentraal which as a co-operative is not compelled to do so, and will not.

This week Vleissentraal, which represents about a third of the entire industry, refused to release its annual report "because of the present climate".

Our correspondent was told that only the general manager of Vleissentraal could talk to the Press and he was unavailable.

Calls for an investigation into the monopolistic conditions of the meat industry have regularly been countered by the claim that the three organisations compete fiercely with each other.

But their shared business ventures make a mockery of this

Offal and hides

Through their powerful wholesalers they buy up the major portion of offal and hides on the abattoir which are dispatched to institutions like the mines at discounted prices, and to their tanneries.

Although 'The Three' may jockey with each other for a larger share of the meat market, they rapidly close ranks when independent newcomers try to break into the circle

One farmer said the Big Three's activities in breeding and farming were minimal because of the enormous costs and risks involved - 'they leave it to the suckers'.

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On the farm

Their tentacles first begin on the farm where their agents or auctioneers market farmers' cattle, deriving a 6,5 percent commission on the sale.

For some it begins even earlier with Vleissentraal, whose turnover is said to be R750-million, acting as a banker charging an annual 15(percent) interest on its loans. The Co-Op wins, even at this early stage, having access to cheap Land Bank loans at exceptionally low interest rates.

It also has the advantage of tax benefits - being a co-op

The good calves marketed are sold to feedlots owned predominantly by the Big Three to be fattened for six months into super and prime grades

Feedlot grades

At least half the meat on the City Deep Market, one of the country's largest abattoirs, is from these feedlots - which predominantly produce these grades.

They are also the grades that fetch the highest price.

According to a Meat Board publication the number of feedlot cattle in January this year was 467 720, increasing to 811 252 in May, - an increase of 343 532

It means it will be the feedlot owners who will benefit from the recent price spiral and not the farmers.

Last year 78 000 head of cattle went through Kanhym's feedlots, producing 90 percent super beef and 10 percent prime.

In the same year it made R3 824 000 - and 45 percent of its profits were derived through it feedlots, cattle farming and crops.

The Meat Board says 25 percent to 30 percent of cattle marketed come from feedlots.

The Housewives League is concerned about the in-