1975 - 1976

26/2/75

VW Blacks

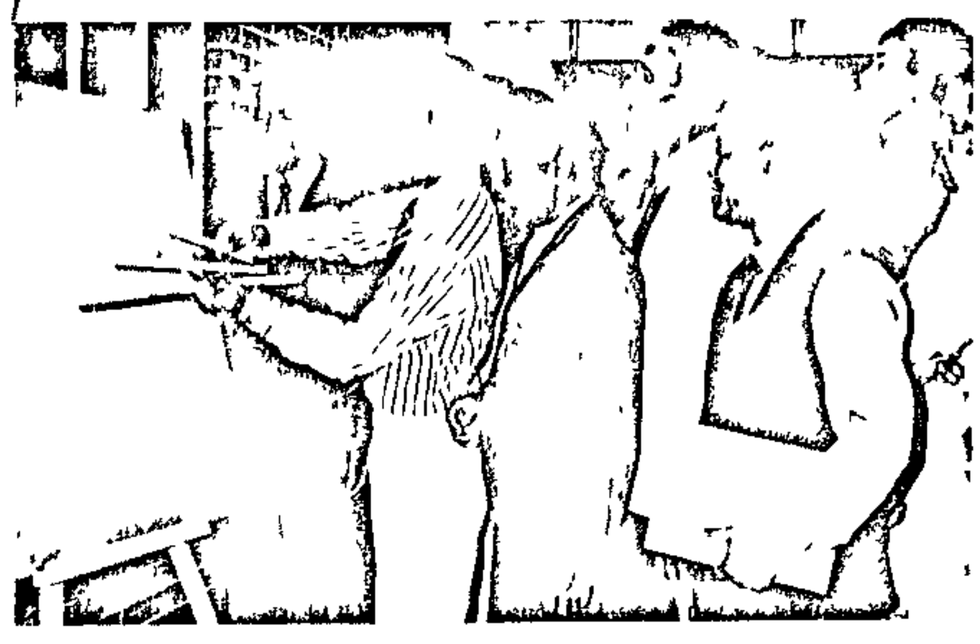
In an effort to overcome communication problems caused by illiteracy among Blacks, Volkswagen of South Africa has launched an extensive instruction programme

A recent survey showed that more than 200 of the Black labour force at the VW plant at Uitenhage were completely illiterate The assistance of two South African pioneers in the field of language instruction, Lionel Arnold and Alice Varty of Natal University, was enlisted

These educationists, who have achieved fame with their "English-through-activity" technique, visited the VW plant early last year and trained 10 African employees (most of them former teachers) as language instructors

The result Groups of Black VW employees are now getting their first taste of "school" in lecture rooms at the VW plant

The course comprises 200 45-minute lessons and lasts approximately eight months Although it is impossible to transform an illiterate person into a fluent English speaker in such a short time, it is at least possible to impart a speaking vocabulary of 1 200 words, a reading vocabulary of close to 500 words, and the ability to read and write figures up to 1 000.



Teaching illiterate Black workers the rudiments of the English language at Volkswagen's Uitenhage plant

HANSARD 4 Q column 287.

25 February 1975.

1. ~~246~~

2. ~~189~~

3. 192

Effect of increased steel price

118 Mr T ARONSON asked the Minister of Economic Affairs

Whether the Department of Industry has made any calculations in respect of the effect of the increased steel price on the price of (a) light, (b) medium and (c) large motor vehicle, if so, (i) what will be the price increase calculated on a steel price increase of 9,8 per cent in respect of each type of vehicle and (ii) on what basis are the calculations made

The MINISTER OF ECONOMIC AFFAIRS

The selling prices of motor-cars are not controlled and it is not possible to say whether, and if so, to what extent prices for motor-cars will be adjusted as a result of the increase in steel price The following is, however, an indication of the additional cost of steel for three categories of cars:

	Category	Mass of car	Steel cost increase per car
(a)	light	585 kg	R9-37
(b)	medium	885 kg	R14-18
(c)	large	1 195 kg	R19-14

Daily Dispatch 23/4/75 (192)

Car workers strike over new wage grading system

EAST LONDON — More than 1 000 workers — almost the entire labour force of Car Distributors Assembly plant here, went on strike yesterday over a wage grading system introduced recently.

Trouble started at 7 30 a m when workers in the A plant, which assembles motor cars, did not enter the factory and demanded the scrapping of the new wage system whereby workers are graded and are paid accordingly

The strike flared to other departments and by 10 a.m almost all workers were on strike.

From interviews with workers it appeared the main complaint arose from the fact that the new wage structure did not take length of service into consideration and it appeared many workers with long service with the company stood to receive lower wages than workers with fewer years' service

Police went to the factory in two vans and there were also plain clothes police in cars but there were no incidents and workers dispersed while members of the firm's liaison committee talked to the management for about three hours.

They returned at about 1.10 p.m and told the workers the management had to follow the new system as it was used in the motor assembly trade throughout the country.

Dissatisfied with this, the workers left for their homes.

One worker who joined the firm last May said his wages had gone up from R27 to R42 a week but another man who worked in the same department with him had a rise of only R1,50 although he had been with the firm for more than three years.

Another worker gave an example of a spotter whose wages was R45 although he had been with the firm for only three months.

"People who taught him how to do the work are actually getting far less than what he is being paid," one worker said

One worker at the engine plant said they had asked a senior foreman on Monday to explain the new system to them and this had been done to the satisfaction of most workers. As a result, the engine plant only joined the strike after 10 a.m. yesterday.

There were men who claimed they had been with the firm for many years and had certificates as engine assemblers. They could not understand why people who were checkers were paid better than people doing the highly skilled work of assembling engines, the worker said

The managing director of CDA, Mr Leo Borman, said all black workers had received a 15 per cent increase in July 1974 and a further ten per cent increase in mid-January, 1975.

"At the beginning of April all hourly-paid workers in the company were graded into 12 skilled grades and rates of pay were established for each grade. These rates would be reviewed on a regular basis. Most of the employees were well above these rates but the few who were not, were adjusted up to these levels.

"The principle of the grading system has for the last two months been discussed with the liaison committee for communication to the other workers," he said.

The liaison committee had requested that the large majority who did not receive adjustments because they were well above these rates, should also receive increases; and that the grading system should be scrapped and anniversary increases applied irrespective of job grades.

"The company advised the black liaison committee that this would be a retrograde step to revert back from the grading system and advised all workers to be back at work at 7 30 a m. tomorrow," he said.

The lowest grade at CDA has a minimum starting rate of R23,40 per week.

This was the second strike in the factory in ten months Last July 1 200 workers went on strike over pay and returned after a week when a general increase in all wages was offered. — DDR.

HANSARD 3 Q column 202-203

21 February 1975.

192

MANUFACTURING

MOTOR.

Local content programme in manufacture of motor-cars

*3 Mr G H WADDELL asked the Minister of Economic Affairs

Whether representations were made by the National Association of Motor Manufacturers in connection with the local content programme in the manufacture of motor cars; if so (a) what was the nature of the representations and (b) what (i) was his reply and (ii) were the reasons for it

The MINISTER OF ECONOMIC AFFAIRS

Yes

(a) The Association made representations for advancing the standstill period by two years after having reached a 62 % local content level, and to amend the agreed Phase III rules in certain minor respects

(b) (i) My predecessor replied that he could not accede to the request

(ii) The reasons for not acceding to the request to advance the standstill period were that certain motor car manufacturers had already equipped themselves to meet with the requirements of Phase III of the local content programme and were producing various models at a much higher local content level than prescribed for 1974

That three of the manufacturers and the association of component manufacturers had opposed the application, that it would not have been in the interest of the future development and much needed rationalization of the industry, and the fact that motor-car sales were expected to remain at a satisfactory level The amendment of the Phase III rules and the excise rebate provision sought by the Association were not supported by the Board of Trade and Industries and my predecessor could not justify such amendments at this advanced stage of Phase III for the purpose of affording retrospective relief to two individual cases of hardship arising from supplier letdown

BMW to raise capital

RDM 21/4/75

Financial Reporter

BMW South Africa is to triple its share capital in preparation for an injection of money from its parent company, Bayerische Motorn Werke, of Munich.

Mr H. Schoenbeck, a director of the parent company, said at the weekend that the share capital of the South African operation would be raised from R1 400 000 to R5-million.

"This underlines our commitment to remain involved in the South African motor industry."

He said that a further R4-million of finance had been arranged "to support a higher level of sales."

Half of the R4-million has been provided by the parent company in Germany while the other half has been provided by a South African finance house.

"The injection of funds means that hire purchase and leasing facilities will be more freely available," said Mr Schoenbeck.

Mr SCHOENBECK . . we are still involved

These moves come shortly after the company has spent R9-million rebuilding its assembly plant at Rosslyn, Pretoria.

"BMW expects to sell 4 000 cars this year in South Africa which would put its turnover at R20-million," he said.

"It is the demands of the already rising sales figures plus the projections of the sales boost that should come from the new 528 that have led to the tripling of the share capital."

Wheeling downhill

FM. 18/4/75

192

The entire motor industry is in trouble as costs squeeze it breathless. The man in the street is also feeling the pinch

That SA enjoys an economic growth rate among the highest in the world — as Senator Horwood defensively pointed out to Parliament during the Budget debate this week — is all the more remarkable when one looks at one of the country's most important industries — motor vehicles. For it shows no growth at all.

Last year, when the industry bore the brunt of the petrol crisis, car sales were actually down some 1,2% on the previous year. Commercial sales, on the other hand, were around 2 000 more than in 1973

On the face of it, not a bad performance compared with the rest of the world, where motor plants suffered sales declines as high as 50% But sales here were, in effect, artificially inflated Many were bought with retail discounts reaching 16% in some cases Dealers gave away everything but the kitchen sink in their efforts to move models off their floors. The result was a severe drop in profits for plants and dealers alike The quality of turnover this year shows no improvement.

New car sales in March are 2,73% down on the same month last year and 2,36% below March 1973 And first quarter car sales (see next page) show an increase on last year of 0,45%.

On the other hand, commercials are holding up and sales in March were the best ever, topping the previous record March (in 1971) by 2,71%.

This is not unexpected. While there is consumer resistance to buying new cars and a severe shortage of credit finance for the private buyer, the present rate of industrial expansion in other sectors, coupled with heavy spending on infrastructural projects, has considerably increased demand for trucks

It's just as well Commercial vehicle sales spell profits for the motor manufacturers They attract no duty, sales tax, or credit restrictions They're the jam on the manufacturers' rather stale bread.

That's all very well. But around 120 000 commercial sales a year isn't all that *much* jam And it's in the manufacture of cars that the capital of the industry is invested, regulated as it is under government's local content programme

LEADING COMMERCIALS

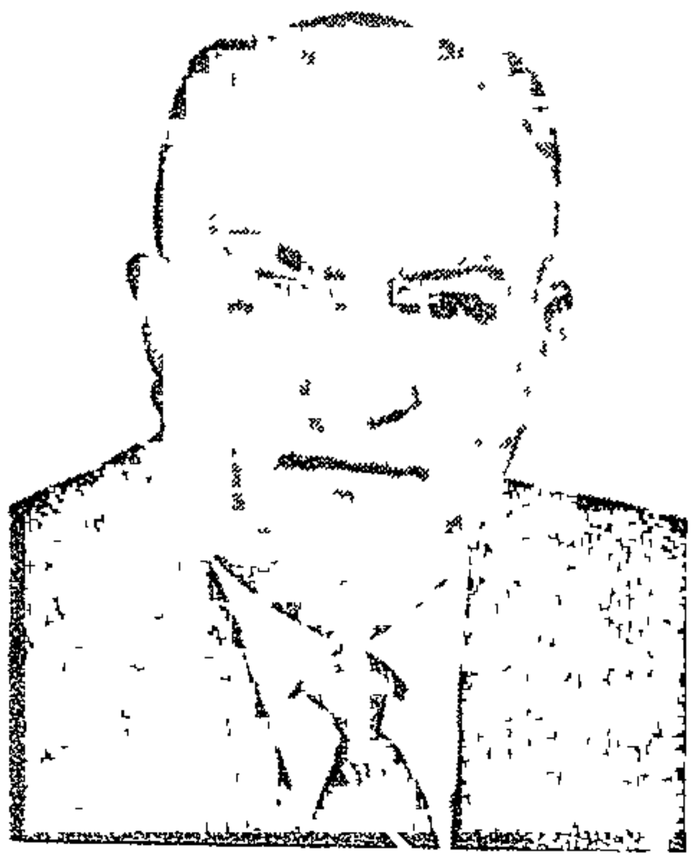
	1975 Jan-March	% of market	1974 Jan-March	% change	March sales	% of market
Toyota	6 191	21 15	5 114	+0 85	2 467	23 88
Ford	4 810	16,43	4 794	—2,60	1 483	14 35
Datsun	3 695	12 62	2 057	+4 46	1 322	12,80
GM	3 663	12 51	4 162	—4 01	1 281	12 40
VW	3 270	11 17	2 743	+0 28	1 134	10,97
Mazda	2 796	9,55	1 966	+1 75	883	8,54
Leyland	1 348	4 60	1 206	—0 19	591	5 72
Mercedes-Benz	1 142	3 90	1 040	—0 23	376	3,64
Peugeot	841	2,87	773	—0 20	290	2 80
Chrysler	639	2 18	611	—0 25	219	2 12
Int Havester	415	1 41	278	+0,31	127	1 22
TOTAL	**29 259**		**25 193**	+12 17	**10 328**	

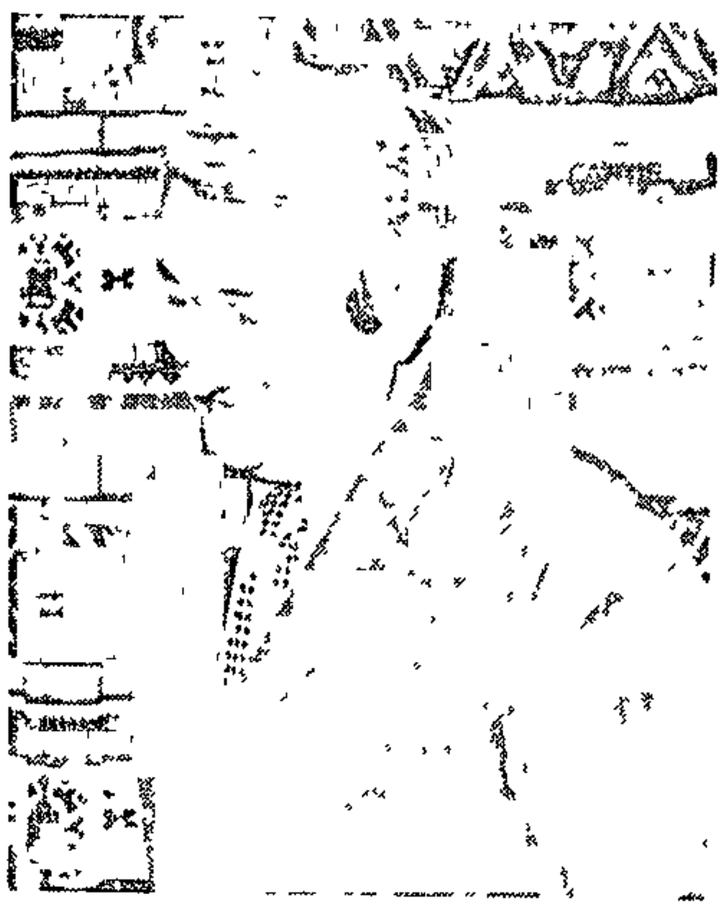
Government statistics put total investment in motor plants at R450m, with another R160m in the components industry (and another R450m in the repair service industry) To reach Phase 3 of the programme, cars must have a local content of 66% by the end of next year And to achieve this manufacturers must invest many more million of rands.

At this critical point the industry faces other daunting hurdles Labour, raw material and component (local and imported) costs are soaring and are reflected in constantly rising car prices. Sales tax, levelled at the manufacturing end, bites harder each time plants put up their prices So do duty and excise taxes as fob prices of imported parts rise.

The combined effect puts the consumer's back up. Already he's disenchanted by speed and fuel restrictions; alarmed by high interest rates (an effective 21½ pa on HP), and bludgeoned by soaring running costs as repair bills climb and the petrol price increases inexorably

This year the consumer is faced with a new drain on his already limited discretionary spending power — television There is little doubt in the minds of most economists that spending on TV sets will be at the expense of other consumer durables, such as furniture, electrical





Ford's Kitterman and GM's Mott murder out in the street

FIRST QUARTER NEW CAR SALES

	1975 Jan-March	% of market	1974 Jan-March	% change	March sales	% of market
VW	8 800	16 93	7 924	+1 61	3 001	16 89
Datsun	6 594	12 69	5 232	+2 58	2 336	13 15
Ford	6 147	11 82	7 383	—2 45	2 002	11 27
GM	6 070	11 68	7 587	—2 99	2 005	11 28
Peugeot	3 623	6 97	3 328	+0 54	1 080	6 08
Toyota	3 523	6 78	3 418	+0,17	1 384	7 79
Leyland	3 520	6 77	3 288	+0 41	1 347	7,58
Chrysler	3 163	6 08	3 789	—1 25	1 092	6 14
Mazda	2 331	4 48	2 116	+0 39	643	3 62
Mercedes-Benz	2 311	4 44	1 992	+0 59	847	4 76
Fiat	1 862	3 58	2 002	—0 29	649	3 65
Alfa Romeo	1 187	2 28	780	+0 77	379	2 13
Citroen	966	1 85	1 354	—0 77	337	1 89
BMW	903	1 73	479	+0 80	335	1 88
Volvo	591	1 13	476	+0 21	192	1 08
Hornet	279	0 53	277	—0 01	101	0 56
Renault	71	0 13	268	—0 39	23	0 12
Jeep	1	—	—	—	—	—
Other Makes (all Lancia)	20	0 03	35	—0 04	9	0 05
TOTAL	**51 962**		**51 728**	**+0,45**	**17 762**	

appliances and motor cars.

The availability of credit for TV sets is no problem Government has seen fit to pump R210m into the credit supply through the IDC for this very purpose But this doesn't mean that the family man who commits himself to a monthly outlay of more than R60 for TV won't decide that the new fridge or the new car will therefore have to wait another year, or longer

On this issue the motor manufacturers put up a pretty bold front Many assert that TV sales will but marginally affect car sales Ford's MD, Doug Kitterman, reckons the impact will only be felt in 1976, for example But car dealers the *FM* talked to are less optimistic And one Johannesburg retailer is offering to finance TV sets through a furniture chain for new car customers

Meanwhile the motor industry has attempted to get relief from government in two ways Last year the National Association of Automobile Manufacturers (Naamsa) approached Senator Owen Horwood (then Minister of Economic Affairs) for an immediate temporary halt to the local content programme, and thus a halt to further crippling investment

But three manufacturers, Chrysler, General Motors and Datsun, resisted the move and Horwood, seizing this opportunity, said no If some manufacturers, he chided, were well ahead with their local content programmes the others had better keep up

That, complained the rest of the industry, was a lot of nonsense, since there are no incentives for being *ahead* of the rules. And if some plants decided to do so, for whatever reason, that was their affair Why should those sticking to the rules be considered out of step, they asked?

But Horwood was adamant Naamsa's next step was just before the Budget It then approached him as Minister of Finance for a reduction in sales tax to help bring down car prices which, they argued quite reasonably, were inflationary

The industry, alas, didn't get its tax relief either — in fact the Minister didn't even mention it in his Budget speech Instead he announced another increase in the petrol tax — and the motor moguls groaned in despair

Next move, perhaps, is to try the "halt local content" appeal again, this time on new Economic Affairs Minister Chris Heunis

Meanwhile, what does the industry think of prospects for the rest of the year? A few comments

Doug Kitterman "The increased petrol tax has put an end to the hope of growth in the second quarter" Everybody in the industry, he says, is cutting costs Ford's own cutting programme has been "fierce", adding: "We really don't see any changes in the increases we expected in vehicle prices, namely 20% from October last year to the end of 1975 Probably about 12% of the 20% has been reached"

As for competition for sales Kitterman remarks "It's murder out in the street and no one is making big money. Profit levels are very low and return on investments ridiculous"

General Motors' Bill Mott: "Competition is very, very hard." But Mott is still optimistic about the rest of the year. "Even though petrol and other costs are up, the possibilities of making a good purchase are still there." And the stiff competition, he argues, will be conducive to an increased total market.

Fiat's Brian Moorhead: "Probably 3% down on last year's total market. People are hesitating, and we're competing with other consumer durables TV must hit us if set sales take off this year, though I don't see signs of this happening just yet"

Toyota's Colin Adcock: "Sales will take off around July/August and we'll finish the year slightly up on last year. People are still trying to work out how to buy both a TV set and a new car."

Mercedes' Morris Schenker: "The industry has lost all its potential for absorbing costs and is just having to pass them on And these are really being aggravated by the declining value of the rand against other currencies"

In other words, the consumer is going to be lumbered with the lot There's just no more fat among the manufacturers.

So there you have it The industry itself is being squeezed until its stays pop The consumer is experiencing price increases of some 20% a year And in the middle the retailer is in trouble with his turnover and profit margins being pared while his overheads continue to rise

It's obvious that the entire motor industry policy needs a thorough overhaul Yet government seems to be sidestepping the issue, and this is all the more puzzling from a government which is pledged to fight inflation, and to champion the man in the street.

(192)

Fast-growing Oshkosh claims 60 pc local content

Sun Times 18/5/75

A LOCAL content of more than 60 per cent is being achieved in some models produced at the new Oshkosh assembly plant at Paarl, in the Cape The average of local content over the entire Oshkosh range is 50 per cent.

For the first time, all truck manufacturing and assembly operations are now under one roof at the Paarl plant, and new head offices are expected to be completed by the end of this month

This is just another step in the continuing expansion programme of Oshkosh, which doubled its production facilities as recently as 1971 as part of a R2,9-million investment

There is a steadily growing demand for Oshkosh trucks — they now have 17 per cent of the market for really big vehicles such as workhorses and truck tractors, and 7 per cent of the big trucks-market

But production is still low enough to allow for precision and skill to be kept at their maximum and quality control to be of a high standard

Strict control is observed at seven main checkpoints: Frame, axles, propeller shaft, cab, cab assembly on to chassis, finishing, including lubrication and tuning, and final testing in at least 80 km of road work ensures that every Oshkosh truck is fully efficient before it goes out of the dealers. Although originally designed in the US, the Oshkosh truck sold in South Africa has been improved and adapted to suit South African conditions by the original team of local experts, who first saw the potential for this truck in South Africa They claim the Oshkosh is now a fully fledged South African truck, probably the first of its kind.

To date, Oshkosh trucks have been marketed throughout South Africa by Barlow Rand tractor division, but the Oshkosh operation has grown so much that a new company — Oshkosh Truck Supply Co (Pty) — wholly owned by Barlow Rand, has been formed to take over the dealer responsibilities for Oshkosh trucks and Hyster trailers.

This company is already established in the Transvaal, and the Natal and Cape operations will be taken over within the next few months.

New service facilities have been built in Durban, and completely new truck facilities are planned for the Cape and Transvaal.

A further development is that a range of Cummins engines will be engineered into Oshkosh trucks This will provide extra flexibility for the range

To date, the popular Caterpillar engine has been used in the trucks

Pat Patterson, manager of Oshkosh Truck Supply Co, says. "We see a bright future in the trucking industry, and expect demand to accelerate from about the third quarter of 1975

"At present, we are basically in two truck categories from 12 500 to 15 000 kg and the over-20 000 kg range.

"The lessons Barlow Rand has learned over the years in the earthmoving business have been applied to the Oshkosh division"

The Oshkosh gets its name from a town in Wisconsin, USA, which in turn took its name from an Indian chief

The parent company was formed in 1917 at a time when there were 37 truck companies in Wisconsin alone. Today, it is one of only 15 truck manufacturers surviving in America

Oshkosh entered the South African market when Barlows decided to import a few for its own use. Barlows was so impressed it decided to market the trucks in South Africa

In 1963, Barlows imported the first completely assembled R Series Oshkosh trucks. The move proved highly successful, and in 1967, Barlows acquired the engineering firm of W. Voigt, in Paarl, and imported kits in unit form for assembly.

This has led to the present local manufacture content of 50 per cent

In the past three years, the labour force has doubled to the present total of 309.

Although business has been slow for the past two months, Mr Patterson is confident of the future. He says: "The long rainy season has played havoc with many things, but we believe demand will pick up about now.

"We are optimistic about the second half of the year, and our improved new assembly plant at Paarl should put us in a strong position."

R2-m Iscor award to GM

(192) Sun Times (B.T.) 18/5/75

A R2-MILLION contract to supply Iscor with six 150-ton Terex rear-dump trucks has been awarded to General Motors SA.

The trucks will be used on the Grootgeluk coal project 200 km north of Johannesburg.

They are diesel-powered and develop a gross output of 1 194 kW at 1 900 rpm. The independent front suspension, based on a kingpin and ride strut arrangement, complements a high-strength, low-alloy frame with two rigid section beams with three torque tube stiffeners to form a robust unit.

The cab is of heavy-duty steel, and comfort has not been forgotten, for it is fully sound insulated.

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Deutz in search of partner

Sun Times 18/5/75

DEUTZ MAGIRUS SA, the German-owned diesel engine, truck and tractor manufacturer, is looking for a South African partner

"We do not want to send all our profits back to Germany We want this to be a South African company, with South Africans sharing in the benefits while we provide the expertise," says Mike Proudfoot, managing director.

The parent company is Klockner- Humboldt-Deutz, of West Germany, which has invested R1,5-million in a diesel engine plant at Maritzburg

KHD had a world-wide turnover of about R1-milliard last year.

The South African subsidiary was established in 1939

In that year it had a turnover of only R103 360, but the company has grown almost every year since then and this year its target is R19 284 000. Turnover last year was R11 136 000

The Deutz engine assembly plant turns out engines from 14,9 kW to 373 kW, and Deutz tractor and Magirus Deutz truck production is incorporated to give better use of the plant.

About 220 employees are based at Maritzburg out of a total company payroll of 360 They will turn out 3 300 engines this year, and it is estimated that this total could be doubled during the next five years.

HANSARD 14 Q. 938

13 May 1975.

(1) Manpower - Apprentices

(2) 192

Skilled manpower in motor industry

*2 Mr. C. W. EGLIN asked the Minister of Labour:

(1) How many apprentices in the motor industry passed the trade tests in 1973 and 1974, respectively;

(2) whether there is any shortage of skilled manpower in the motor industry, if so, what steps (a) have been taken since 1970 and (b) are contemplated, in order to overcome such shortage

The MINISTER OF LABOUR:

(1) During 1973 a total of 1 597 apprentices completed their contracts, of whom 979 did so by passing the prescribed trade test The figures for 1974 are 1 613 and 1 094, respectively

(2) According to information supplied by the Motor Industries' Federation of South Africa, there is at present no shortage of skilled manpower in the industry The records of my Department reveal that 41 skilled workers in the motor industry were registered as unemployed at the end of March 1975

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Toyota plan to extend new plant

Sun T. (B.T.) 18/5/75

SOUTH AFRICA's biggest sellers of commercial vehicles, Toyota, which settled into its new R2-million assembly plant at Durban only last August, is already planning the next step in its ambitious expansion programme.

In the first four months of this year, the 126 m assembly line — claimed to be the longest in South Africa — was turning out 28 units a day. By June, this figure is expected to have risen to 45 a day and in five years from now to 70 a day.

Motor Assemblies, the firm which assembles the Japanese-built Toyota and Hino range, has one of the few plants in South Africa designed and built as a heavy truck plant.

It employs 220 Africans, 25 Whites and 15 Indians. When the plant reaches its next target of 60 vehicles a day these figures will have risen to 300 Africans, 30 Whites and 48 Indians

Bert Wessels, truck plant manager, said "We put a lot into planning this new plant We have mechanised throughout, and put in the latest equipment. Its concept is very modern.

"It was built specifically for the models which are being turned out right now. It is big enough to turn out 60 vehicles a day and there is room for expansion when it is needed. We hope eventually to turn out 80 a day.

"On the heavy truck side we are turning out only about 10 or 11 a day at the moment, but we have a capability of about 20 a day

"It is in the light commercial vehicles that our volume lies, and this gives us our bread and butter, but we are still looking at the possibility of bringing in new heavy models."

Motor Assemblies' Black work force earned praise from Ralph Broadley, manufacturing manager. He said: "They are good workers and they turn up for work regularly.

"Their wages have gone up dramatically — two and a half years ago they earned 22c an hour and now they get 52c an hour — but the rises have created a lot of stability in our work force.

"They are not as flexible as some other workers, and they like to stay at one job, but once the African gets the rhythm of the job he does it very well.

"We find that with the wage rises, production has also gone up dramatically. A lot of the increases the workers have got have been paid for by increased productivity, so that the public has benefited. But this sort of thing cannot go on indefinitely and future wage rises may have to be passed on to the public

"We are reaching a point where productivity increases can only come

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LEYLAND S.A. STRONG AND GROWING

Financial Editor. Natal Mercury 7/6/78

LEYLAND South Africa Ltd. is strong and well. Its future development and growth has been financed and underwritten, in spite of the problems that have beset its British parent, and the South African company's R35 million four-year expansion programme is well under way.

This is the message that Mr. Basil Landau, managing director of Leyland South Africa, spelt out to 50 motoring and financial journalists in Johannesburg yesterday in an address which lasted more than 90 minutes.

Mr. Landau said the South African company was assured of the continued support of British Leyland.

"Our company has the vehicles and products to satisfy the market. Our supply situation has been normalised and our quality is of a high standard."

Mr. Landau told the meeting that his company had decided to call the Press together because of the speculation which had taken place since the United Kingdon's huge financial rescue operation to save British Leyland.

Following the investigation by Sir Donald Ryder and the submission of the Ryder Report, the U.K. Government had undertaken to provide a large capital sum during the next eight years.

PROGRAMME

A comprehensive programme had been devised to make British Leyland a viable and competitive vehicle producer.

According to the Ryder Report the investment programme is expected to cost £2 090 million (R3 386 million) at inflated price terms over the next eight years.

Working capital required will be about £260 million which amounts to £750 million at inflated price terms.

Mr. Landau said the most significant part of the new arrangements for British Leyland after the financial assistance and reconstruction of the group, was the emphasis being given to exports.

"This will have beneficial results for Leyland South Africa."

Meanwhile, work had begun on the extension to the company's existed itself to the South African local content programme.

However, the local content programme had to be kept in perspective. Mr. Landau believed that it should not go higher than 66 percent.

Mr. Landau gave the following answers to questions put to him after his address:

● Had any guarantee been received that there would be no British interference with Leyland South Africa?

No, but the parent company will not risk losing one third of its export business.

● Will the Jaguar be phased out during the next few years?

I believe it will continue with slight modifications.

● Has there been any restraint on the company's South African labour from Britain?

No. We have submitted our wage scales and there have been no further questions.

END OF DECADE

● What will Leyland's position be at the end of the decade when the expected rationalisation in the motor industry takes place?

There is a need in South Africa for a big motor combine responsible for manufacturing. I cannot speculate what will happen but the rationalisation moves could begin overseas and Leyland is in a good position.

● What effect will the 15 percent increase in steel prices have on the motor industry?

Prices will go up by 12 to 15 percent in the next 12 months.

● Why has there been a shortage of spares and when can the position be expected to improve?

The supply position is now normal, although the company has experienced some difficulties.

● What are the prospects for the South African car market?

South Africa is fortunate in being able to afford oil imports and fuel is available for

LEYLAND TO EXPAND AT CAPE PLANT

192

ARGUS 11/6/75

KEITH MACFARLANE, Motoring Editor

THERE will be more jobs available in the motor industry in the Western Cape following Leyland's decision to manufacture their Red Line heavy vehicles, the Boxer and Terrier, in their Elsie's River plant in the first expansion in the industry here since Chrysler pulled out four years ago.

Discussing the move, Basil Landau, managing director of Leyland South Africa, told me this week that the Red Line had now been made here for the past month.

'We have an initial target of 10 a day,' he said. 'We will obviously have to take on more staff but as yet we have not decided how many. We now have a dual line with the heavy vehicles at Mobeni and here, both of which come under the control of Graham Garde. We had surplus capacity at this plant where we are also making Land Rovers and Daihatsu lorries. When we decided to do this we were influenced in our thinking by the saving of freight rates as it is cheaper to ship the CKD components to Cape Town from Britain rather than to Durban and we have found that it is cheapest to get the vehicles to the Reef on rubber — we drive them up.

'This is the first expansion in the Western Cape in the motor industry for the last three years. And it will obviously promise additional job opportunities. We are also of course increasing by 60 percent our floor space in our engine plant at Blackheath which, when it is finished, will be the biggest engine plant in South Africa. This is being done to accommodate the new machine tools coming from Leyland Australia and others we are bringing in from Britain.

'Following discussions with British Leyland — and its new management — I think that the shortage of Land Rovers is over. They will become available as we have now been given a much bigger allocation and they should be able to be bought off the floor. The Land Rover of course has fairly high local content at the moment standing at 46 percent. The chassis is completely local and there are body panels as well as other items made here.'

Blacks due to get pay rise

Natal Mercury 10/9/75

Mercury Correspondent

PRETORIA — Thousands of Black workers in the motor industry earning on or below breadline wages are expected to get increases before the end of the year, it was learnt here yesterday.

This, it is claimed, will not be a breach of the Prime Minister's request for wage and salary restraints — a cornerstone of the Government's fight against inflation

In fact it will be in accord with the instructions given to one of the six appeal committees appointed to report to the Minister of Economic Affairs on wages and prices.

This was that the Prime Minister's appeal did not relate to those workers earning below poverty datum line wages.

The decision on higher earnings for lowly paid Blacks in the motor industry is likely to be taken at a series of conferences due to be held in Port Elizabeth from October 13 to October 18.

During this period the three trade unions in the motor industry — Motor Industry's Employees' Union (White mechanics), Motor Industry Staff Association (White clerks) and the Motor Industry Combined Workers' Union (Coloureds and Asians) — will meet to discuss earnings.

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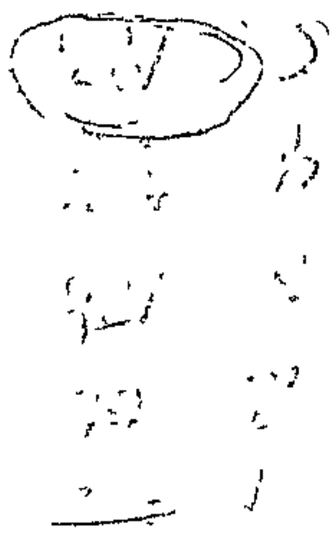

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Motor trade takes a knock

STAR 13/6/75

The South African motor industry — haltered by slackening sales and ballooning costs — is unhappy with last month's sales figures for new vehicles.

The industry lost its healthy face soon after fuel restrictions came into effect at the end of 1973. Later price tags on motor vehicles showed higher prices—causing many consumers to shy away from buying new vehicles as often as they were used to.

Many sectors of the motor industry are disappointed at last month's new-car sale figures — down 5,41 percent on the 19 288 sold during May last year.

Disappointment rests mainly on the fact that many consumers still have to make up their minds whether they should buy a car or a television set.

APPEAL

Logically, as prices on new vehicles moved up consumers should normally have made their way to a second-hand motor vehicle dealer

But this has not been happening

Something which could push the motor industry deeper into the doldrums are increases in motor vehicle licence premiums.

Some sections of the motor industry believe new commercial vehicle sales last month is an indication that the industry is moving towards sounder ground. Sales in May were the second highest for any month in the industry's history.

Sun Times (Bus Times) 15/6/75

GM goes along with platinum

By ADAM PAYNE
Mining Editor

GENERAL MOTORS has come out with a full-scale defence and recommendation of platinum-palladium exhaust converters using metal supplied by Impala Platinum

Their action follows the setback to confidence in these converters — a possible deathblow which failed — caused by the Environmental Protection Agency's research finding that the converters emitted sulphuric acid fumes

GM from its headquarters in Detroit says The catalytic converter is doing an excellent job of emission control reducing hydrocarbons by 90 per cent and carbon monoxide by 83 per cent compared with older cars that do not have emission controls

GM believes these reductions — coupled with a reduction of nearly 40 per cent in nitrogen oxide — are sufficient to ensure that new cars are not a significant source of air pollution

GM has no plans to abandon the catalytic converter Its engineers believe it is still the best technology available to meet emission requirements and at the same time improve fuel economy and driveability

There are few family-size cars being sold in the United States that do not have a catalytic converter

If emission requirements become more stringent even the few larger cars along with the very small cars with so-called pollution-free engines will probably have to turn to catalyst technology says GM

The criticism of the catalytic converter came as no surprise to GM It was expected in view of the converter's newness as part of GM's 1975 emission control and 'maximum meet emission requirements' companies criticised the converter partly because it resented having to market unleaded petrol

Additionally the petroleum industry apparently wants to avoid taking the sulphur out of petrol should that become necessary says GM

The corporation recalls that the EPA report, which caused all the furore estimated the sulphur emissions from converter-equipped cars might pose a health hazard by 1978

'However recently the EPA released another report which substantially modified these views on sulphate emissions indicating sulphur would be less than half of their previous predictions and that converters would not pose a health problem in two or three years

The EPA agrees that for at least the next decade the emissions reducing benefits of the converter outweight any possible disadvantage because of sulphate emissions

At present cars are responsible for less than 1 per cent of the sulphur oxides in the atmosphere the other 99 per cent comes from other sources, mostly coal-fired boilers'

The significance of this statement from the world's largest motor manufacturer is obvious

The chairman of Impala Platinum Ian Greig, told me this week that the EPA statement on relaxing 1978 standards affecting nitrogen oxide emissions (NOX) would not affect the present catalytic converter technology which stands

The main thing for our business now is for the United States car industry to sell more cars," he said

The predictions are that the present sale of about 8 million cars could increase to 9 5-million next year

President Ford has announced proposed emission control standards which differ from those given by Russel Train the head of the EPA This has caused confusion

As to the sulphates, we shall not know the full position until tests have been carried out with about 400 cars by GM and Chrysler

We in the platinum industry are fully confident on the continued use of platinum-palladium converters

The technology is now established and I believe

● Continued on Back Page

Shine on platinum

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Sun Times (Bus Times) 15/6/75

● Continued from Page 1

it has at least a five-year life

"Millions of dollars were spent researching it, since when production plants and changes in car design, have called for the investment of far larger sums."

According to the American publication Metals Week, the Ford Motor Company, which buys its platinum from Rustenburg Plats, equipped 85 per cent of its cars with catalytic converters this year and is expected to increase this to 100 per cent next year.

GM, which has equipped 100 per cent with converters this year, is expected to fit between 95 per cent and 100 per cent in 1975 and Chrysler is expected to drop from 85-90 per cent to 75-80 per cent

Chrysler has always opposed the use of converters to meet the clean air regulations

A Ford spokesman said his company would go all the way with converters on 1976 models, because of the competitive need for fuel economy.

Fitting the converter allows engine design to be more efficient.

Comment: The use of platinum and palladium in cars is not a matter of life and death for the platinum mining industry

However, platinum jewellery in Japan and platinum for car converters have underpinned the demand, which fell heavily in the main area of sales — the industrial sector — when the Western recession intensified.

According to J. Aron, the large American precious metals firm, the United States automobile industry is expected to use more than 250 000 oz of platinum and about 90 000 oz of palladium in 1975 model cars

This is likely to increase 10 per cent to 15 per cent in the 1976 model year which begins in October this year, assuming increased vehicle sales.

A bull point for the industry is the fact that old cars are being scrapped at a vastly greater rate than new production.

Platinum is now being consumed by motor manufacturers in lower quantities than originally contracted

The expected greater sales to the manufacturers will thus provide a much-needed stimulus to the mines.

Impala's production is now running at about 600 000 oz of platinum a year and Rustenburg's at about 900 000 oz.

Sun Times
SUNDAY TIMES, April 27, 1975

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Secret plan for Leyland SA

By JOHN CAVILL

ONDON. — The existence of a secret plan for ie future of Leyland lotors South Africa was vealed this week as part the British Government's R3 200-million scue plan for the retalisation of British Leyand.

It emerged at the Press nference held by the Minister for Trade and Industry, ony Wedgwood Benn, when e Labour Government's an for a R98-million takeer of British Leyland plus massive injection of capital R1 440-million in the next ree years — was published.

The Government has acpted the recommendations the Ryder Committee rert which embody:

A) A State take-over comned with the huge iounts of money needed to equip British Leyland to ake it viable as a mass oducer of motor vehicles

B) A much greater say in e running of British Leyad by the trade unions and

C) A drastic slimming wn of the variety of mod- made by the R2,5-million ear company.

The Ryder report, accepd in only three weeks by Government, earmarked 8-million for capital exnditure in the next three ars by Leyland's internatal division which will in- Leyland Motors South rica. This compares with yland South Africa's plans, eady announced, for instment of R35-million. the following four years 1982, R90-million will be vested in the international vision.

Sir Don Ryder, head of committee and former irman of Reed Internatnal paper group which has rge interests in South Afca, was asked by USINESS TIMES how his port's recommendations would affect the operation of Leyland's South African operation.

He replied: "It is recognised that it is very necessary to the implementation of British Leyland's marketing to maintain its overseas facilities. No changes in the running of the South African operation as a result of the recommendations in the report on trade union participation and so on is envisaged."

But after the Press conference, Bob Clark, deputy chairman of Hill, Samuel, merchant bankers, who was a member of the Ryder Committee, revealed that the unpublished parts of the report contained specific plans for South Africa.

Asked by BUSINESS TIMES whether Sir Don's "no change" answer meant the committee was satisfied with the way Leyland was run in South Africa, Mr Clark said: "I cannot say. We were not satisfied with any aspect of British Leyland's activities.

"Recommendations about the South African operation have been made, partly concerning the relationship between it and the parent company. But I cannot be specific as they are part of the report which has not been published for commercial reasons"

Mr Clark personally visited Leyland Motors South Africa during the committee's investigation of its ailing parent company—which, without State support would be insolvent.

The fact that British Leyland would have gone to the wall if left to its own devices was one of the most shattering aspects of the Ryder report.

Premier Harold Wilson's statement to the House of Commons on the Ryder report made it clear why a Government take-over was inevitable: a million jobs in more than 20 000 firms were at stake.

And given that it will, on Ryder's estimates, be years before British Leyland will be paying dividends, the likelihood of the capital market putting up the astronomical sums needed to modernise the corporation into an internationally competitive motor manufacturer, was remote

As Minister Benn admitted, the choices facing the Government were:

To let British Leyland go bankrupt, which would, at best, have demoralised a big section of the engineering industry as well as ruining vital export markets;

Leave survival to the company, involving unacceptable cutbacks in production, employment and exports;

Nationalise it by a liamentary Bill which, ta around 18 months, was prolonged a process.

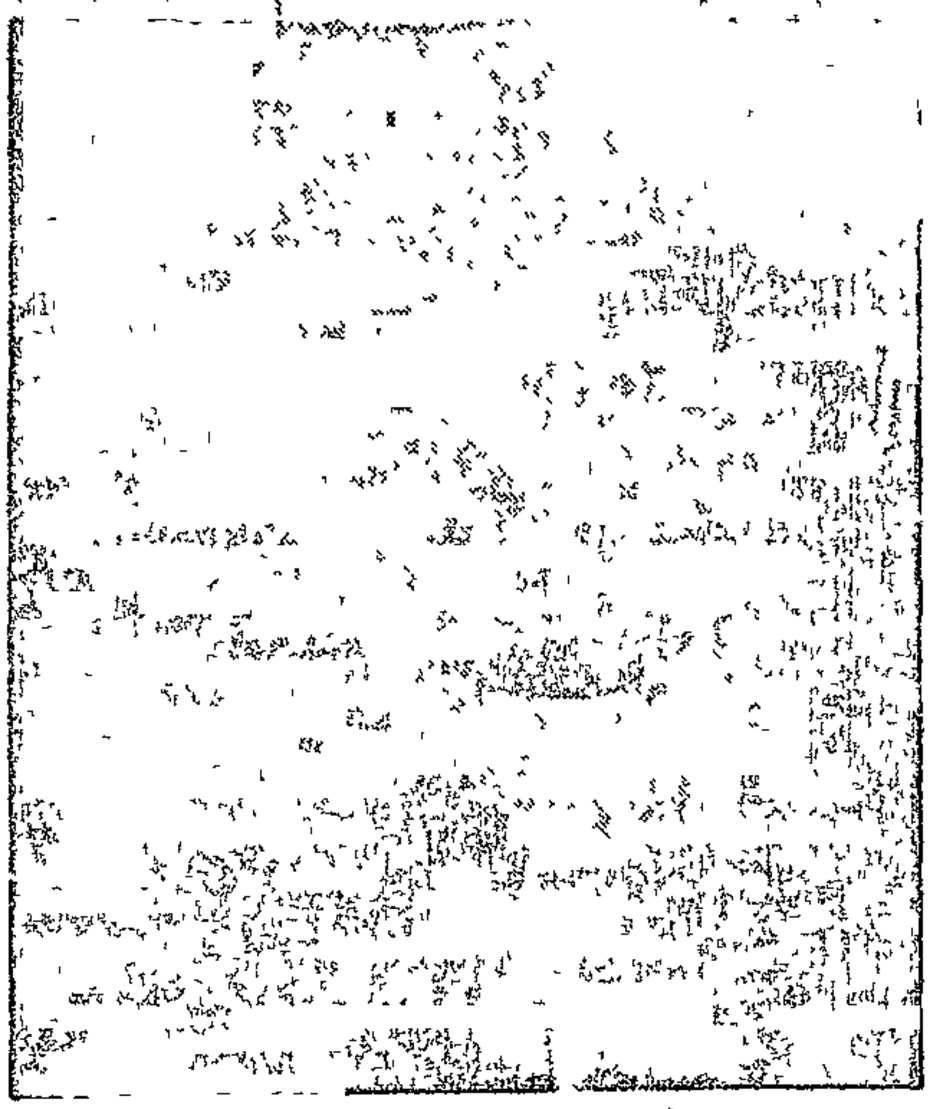
Thus an unprecede bid, at 16 cents each s against the 9,4 cents at w British Leyland closed fore suspension on the don Stock Exchange, we quickest answer.

Affirmation of the Go ment's speed in acce the Ryder recommenda was provided immedi by the unemployment fig showing a 137,000 jum 939 000 while British land's share of a shrin car market flopped to than 30 per cent as for imports grabbed a recor per cent of sales this m

But while Sir Don R maintains his revolutio recommendations, with management shake-up departure of managing ector John Barber and elevation to impotence chairman Lord Stokes) have little effect on South African subsidiar is doubtful whether Landau's management egy will be left untou

The introduction of ernment and trade u voices into the runnin British Leyland is cert produce changes, espec in the light of trade u plans revealed in BUSIN TIMES in February.

While Leyland Moto too important to ditc South Africa accounts f per cent of British Leyl exports of R776-millio it is equally too impo to be ignored.



Sir Don Ryder . . . his committee's report was quickly accepted.

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Motor industry needs R540-m in five years

Sunday Times (B.T.) 15/5/75

THE MOTOR vehicle and parts industry — a heavy consumer of metals — will require fixed capital to the tune of R540-million between 1974-79 to maintain steady growth.

Most of this will be needed for new tools and machines for the production of new models and for replacement.

Extra investment will have to be made to match the demands of Phase 3 of the local content programme

The motor industry has been one of the fastest growing sectors of the economy and its physical volume of production increased by the high rate of 13,8 per cent between 1961-73.

This growth coincided with the strong economic growth rate as well as the introduction of Phase 2 of the local content scheme.

But since 1969 production has remained stagnant, largely because of the downturn in the overall rate of economic expansion — further aggravated by stringent official policy measures to curb private expenditure.

The passenger car manufacturing sector has meanwhile had to contend with substantial inroads into its market by light delivery vans — mainly because of lower excise and sales duties.

Discriminating conditions of sale and the higher production costs of cars owing to local content have also contributed

This development has caused considerable concern among motor manufacturers, especially since the introduction of Phase 3 in January 1971, devised to increase local content of passenger cars from 52 per cent to 66 per cent in 1977.

The energy crisis has been another adverse factor.

No growth is foreseen for total vehicle sales during 1974-75.

Government planners say the manufacture and assembly of motor vehicles should increase at 6,5 per cent annually but that parts and accessory production should grow at 10,8 per cent.

FM 4/7/75 (192)

[illegible] notably [illegible] opposed to any content [illegible]

Now GM boss, John Rhame, seems to have put the cat among the pigeons with the announcement that his company will come on the market late this year with a utility car which will have 8[illegible]% local content.

That GM has been working on a SA designed general purpose vehicle is no secret. The *FM* reported the vehicle (codeword "Pug") a year and a half ago. But GM has been reluctant to say much about the project. Now that Rhame has announced definite plans for its introduction (in a TV interview, no less), it's going [illegible] a two year [illegible]

[illegible] Chris [illegible] more [illegible] than was [illegible] look any further than [illegible]

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ARGUS 8/7/75 (192)

PORT ELIZABETH. — Consumers will soon be hit by another twist to the inflationary spiral as the recent 4.7 percent devaluation of the rand will add R60 to the cost of producing a small car and up to R120 for a bigger model.

This is the estimate given by motor authorities in Port Elizabeth who point out that they are referring to production costs and not increased retail prices which have still to be worked out.

Mr Peter Searle, sales director of Volkswagen South Africa, said that in addition to the increased costs on [illegible] the effect on light commercial vehicles would vary from R100 to R150.

These increased costs would take effect within a couple of months, said Mr Searle. They come on top of the steel price hike of 15 percent which it is estimated will have an impact of R25 for a small car or R25 for a large one.

HOW MUCH

No decision had yet been taken by Volkswagen South Africa as to how much retail prices will be increased as a result of these higher costs.

Mr Colin Adcock, managing director of Toyota said the rand devaluation would lead to increases of about R60 to [illegible] price of smaller cars and R400 to R500 in the price of heavy trucks.

The local content programme would prevent the price of cars rising to the same extent as those of trucks which relied heavily on imported parts for their assembly in South Africa.

It has been pointed out by truck dealers that the prices of some heavy trucks have been increased [illegible] R800 because of the steel hike and other increased costs.

East Cape car plant in full production

ARGUS 9/7/75

(142)

The Argus Correspondent

PORT ELIZABETH. — Eastern Cape motor plants are in full production and anticipate reasonably buoyant figures when the sales of new cars and trucks for June are announced later this week by the National Association of Automobile Manufacturers.

Spokesmen for the Eastern Cape plants said today no production cuts were planned for their factories

However, at Durban, Motor Assemblies stopped production on Friday and again yesterday, putting 2,000 workers on short pay.

The plant assembles Toyota, Mazda, Hornet and Renault vehicles and produces 280 cars and trucks a day

A policy of periodic shutdown is to be followed 'until production falls in line with demand,' but the plant's managing director, Mr G R. Graves, said he was unable to forecast when that would be.

He said production had got too far ahead of demand and so Motor Assemblies decided to shut the production side of the factory at intervals until this was adjusted.

Although Eastern Cape plants are not planning production cuts, they are undergoing 'routine' inventory shutdowns.

Argus 9/7/75

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BETTER PAY FOR PE CAR WORKERS

The Argus Bureau

PORT ELIZABETH. — More than 5 000 hourly paid workers at South Africa's big three motor assembly plants have already received, or will receive next month, wage increases which will make their pay 10 percent higher than it was last year.

The increases, part of a new industrial council agreement worked out last year will be paid by General Motors, Ford and Volkswagen. In most cases it will be the second increase for unskilled workers this year.

At General Motors the increases applied from last week while at the other two plants they will apply from the first of next month.

The grade one wage has been increased from 60 to 63 cents an hour; grade two from 61 to 64 cents an hour, and grade three from 62 to 65 cents an hour.

This means the lowest rate for an unskilled worker working a 45-hour week will be R28,35, an increase of R5,40 a week.

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Harvey Thomas, Motor Editor STAR 16/7/75

A major row is brewing between two of the most important motor organisations in South Africa — the Automobile Association and the Motor Industries Federation.

Each today issued a particularly heated statement that attacked the other.

The row began when the federation's director, Mr R G Du Plessis, said in its magazine, Automobile that the AA and the Co-ordinating Consumer Council had reverted to "consumer terrorism" in attacks on the motor trade.

Today Mr du Plessis said: "The AA are constantly condemnatory of the motor industry.

"And when it has been proved to them that they are in error, they do not even apologise.

"The Consumer Council has been similarly irresponsible."

The federation was particularly upset, added Mr Du Plessis, over the AA's strong reaction to a report by the National Productivity Institute about productivity in the motor repair trade.

The AA, Mr Du Plessis said, "seized upon the report as a reason for high repair costs."

But, he added, they did not point out that the report made clear that productivity in the motor repair trade was no worse than in many other industries.

The AA has retorted: "This association strongly resents the implication and the allegations made by Mr du Plessis when he accused the AA of consumer terrorism.

"The AA points out that it is the function and duty of the association, as the largest motoring organisation in Southern Africa, to protect and further the interests of its members and to make representations on their behalf

ABOVE CRITICISM

"To label such action and intervention as terrorism is tantamount to saying that the motor trade is above criticism and that the motorist must be content regardless of any legitimate complaint he may have.

"It would appear that the motor Industries Federation is resentful of the fact that there is such a responsible body as the AA which is fully prepared to take up the cudgels on behalf of the private motorist."

Mr Du Plessis has emphasised that he stands by his charge of consumer terrorism

He added: "I have every reason to believe that today far greater injustice is being done by skilled consumer terrorists than by dishonest or inef-

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Consumers accused of 'terrorism'

Cape Times 11/7/79

A CHARGE of "consumer terrorism" has been levelled against consumer movements by Mr R G du Plessis, director of the Motor Industries Federation.

'Motor trade handled with velvet gloves'

A FORMER director of the National Co-ordinating Consumer Council, Mr Eugene Roelofse, said yesterday that the motor trade had been handled with velvet gloves by consumers and the authorities — "but this will not necessarily be the case in the future".

He was commenting on allegations of "consumer terrorism" made by Mr R G du Plessis, director of the Motor Industries Federation.

Mr Roelofse said he would have preferred Mr Du Plessis to have devoted his editorial to the profits being made on motor spares and to explaining the reason for the proliferation of car models "which bring about the proliferation of spares to be carried and to the writing off of millions of rands of obsolete spares which are paid for in the final analysis by the consumer.

"Generally speaking, the motor trade has been handled with velvet gloves by consumers and the authorities, but this will not necessarily be the case in future," Mr Roelofse said.

"CROOKED DEALERS"

He cited a case where a minor repair but costing about R5 had been "unavailable" and the customer had been forced to buy a complete new unit costing R300.

The fact that some dealers were honest and others not was beside the point. "The crux of the matter is: What are the honest dealers doing about the crooked dealers? Have they, for instance, ever objected to trade licences being granted to these crooked garage dealers?"

Mr W A Oberholzer, assistant director-general of the AA, said he took exception to Mr Du Plessis's remarks on consumer terrorism.

"We are not self-appointed critics of motor traders," he said. "We represent 500 000 private motorists." As a result of years of dealing with complaints by motorists the AA was in a position to speak with authority on the problems of motorists.

The Automobile Association and the Co-ordinating Consumer Council are specifically mentioned in the accusation, printed in the latest edition of "Automobile", an MIF publication.

In a lined editorial, Mr Du Plessis said these organizations and the Press had [illegible] notwithstanding their often irresponsible and ill-founded allegations against the motor trade".

A senior AA spokesman said he took exception to Mr Du Plessis's charge of consumer terrorism and Mr Eugene Roelofse, former director of the Consumer Council, said the charge was laughable.

"So far", said Mr Roelofse, "the consumers and the authorities have handled the motor trade with velvet gloves".

Mr Du Plessis said consumer terrorism had become big business and no sector of the economy had suffered more at the hands of these denigrating crusaders than the motor industry.

He said that Mr Ralph Nader, "the high priest of (American) consumer protectionists", had selected the motor industry as the prime target for his assault but all the safety measures built into vehicles as a result had not reduced road accidents.

"In South Africa the self-appointed mouthpieces of the motorists and critics of the motor trade have large audiences notwithstanding their often irresponsible and ill-founded allegations against the motor trade."

Mr Du Plessis said there were a few traders whose actions would not bear close scrutiny, "but this surely does not [illegible] the accusations of inefficiency and dishonesty that are consistently levelled at the motor trade.

"We fully recognize the right of the consumer to be protected against any form of exploitation. In those sections of the economy where there have free and unrestricted competition — as in the motor trade — we believe that the opportunities for ex-

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Motor man sticks to his guns

Cape Times 17/7/75

THE DIRECTOR of the Motor Industries Federation, Mr R G du Plessis, said yesterday that "consumer terrorism" occurred when organizations representing the consumer used pressure on private firms.

He was not prepared to retract one word of his attack this week on the consumer movement in which he accused the Automobile Association and in some cases, the National Co-ordinating Consumer Council, of terrorism.

Most of the complaints against motor traders, he said, came from people who could not afford to pay their bill. Asked to explain what he meant by consumer terrorism, Mr Du Plessis said there was consumer terrorism "when you have an organization that speaks on behalf of the consumer and uses pressure on private firms.

"When people cannot afford to pay their bills they threaten firms that they are going to report them to the Consumer Council or the consumer services of newspapers.

"NO MONOPOLY

He said he did not wish to fight with Mr Eugene Roelofse, former director of the Consumer Council, but "I don't think he knows the first thing about the motor trade."

He said the Consumer Council was a monopoly and "I am anti-monopoly."

Sun Tribune 20/7/75

(192)

Financial Editor

McCARTHY Chrysler, one of the companies in the McCarthy Rodway group, has capitalised on a motor industry agreement which allows Africans to perform relatively sophisticated mechanical work.

When Africans were allowed to be upgraded to Repair Shop Assistants (RSAs) Safmot, the holding company of McCarthey Chrysler, has set up a specialised training school which so far has produced [illegible]

"We found the [illegible]," says Pat Ogram, managing director of Safmot, "and we immediately set about training prospective candidates."

[illegible] trained are all Safmot can absorb at this [illegible] for the number of [illegible] and journeymen [illegible] has found Safmot has been able to [illegible] the rapidly rising costs [illegible] rising [illegible] the full [illegible] extent.

Maurice Schell, group [illegible] manager, [illegible] this new function has given its African staff [illegible]

"We are now able to pay the African labour [illegible] labour [illegible] once they [illegible] Jewell [illegible]

Joe Molalose, for example, started with Safmot in 1[illegible] as a labourer. In 1965 he earned R12,90 a week. In 1969 he became a stripper — forerunner of the RSA — and drew R17,30.

This year he attended the RSA course, and although he didn't fare very well in the theoretical tests — he is illiterate — he achieved [illegible] percent in the practical test. Joe now earns R1[illegible] a week.

This is the incentive our African labour finds attractive, says Ogram, "and what we find so attractive is that some of the more elementary stripping and assembling operations can now be done by these RSAs rather than the [illegible] and journeymen."

Safmot has taken a lead in the training of RSAs and other companies in the group have now approached Pat Ogram to use his facilities for their training programmes.

Joe Molalose . . . doing more, earning more.

Proud story of a dynamic company on the move

AN AWFUL lot has happened in the less than 400 days that Clarke Datsun has been in existence.

It started with twin acquisitions — the John B. Clarke Motor Company and the Datsun-Nissan franchise in Johannesburg, Randburg and Sandton on July 1, last year.

First move was from the John B. Clarke offices and showroom at 36 Eloff Street to much more spacious premises at 24 Eloff Street.

"This was an immediate move. The old showroom could accommodate four cars — the new one 35," Mr Fritz Borsuk, general manager and a director of Clarke Datsun, said.

This allows a full range of Datsun products to be displayed and makes for easier access. And the new building has the added advantage of having the entire operation, from sales to finance, under one roof.

Then came a computer The young company's growth and expected development was such that it had to gear to cope with its success, and a computer was employed to speed up the administration.

At this stage Clarke Datsun comprised the Eloff Street headquarters, sales and service centres at Randburg, Sandton and Orange Grove, plus the giant central service station at 3 End Street.

On December 1, last year, the flourishing concern moved southwards and opened a branch in Main Street, Rosettenville, and at the same time moved its Randburg office to new premises.

"But it still was not enough. We realised a need for further expansion", Mr Borsuk said.

"It is our policy to go out to the customer, rather than expect him to come to us So, in the populous areas, we search for prestigious premises that will reflect our quality image, and take our franchise there"

Things tend to move rapidly at Clarke Datsun Talks with developers were concluded on June 1, this year, and on July 1 Clarke Datsun moved into three additional outlets at Auckland Park, Benrose and Malvern.

Apart from the Rosettenville and Malvern outlets, which are within easy reach of the modern servicing complex at End Street, each of the other branches has its own service facilities

The one at Benrose, in an industrial area, caters mainly for straight-forward servicing, rather than major repairs

"We did this to satisfy a need in the area where people could leave their cars for servicing and pick them up that afternoon on their way home from work"

But the bulk of servicing and repairs is carried out at End Street, where 6 000 square metres of workshop and parts stand ready to cope with any mechanical demands.

"It is fully equipped and is manned by factory-trained personnel We can attend to more than 80 cars a day. It is definitely among the finest centres of its kind in South Africa," says Mr Borsuk.

The parts division is also linked to the company computer, which automatically re-orders parts as they are used, resulting in the theoretically happy situation where there will never be any part out of stock. The Clarke Datsun people say the system is "the closest to perfection".

But Clarke Datsun's story does not stop here. At the current rate, its progress seems inexorable. Although nothing has been finalised, company scouts are probing the developing areas and additional Clarke Datsun outlets can be expected in the new south and the western areas.

The company at present runs a total of 11 outlets and employs a staff of about 350.

Which is not exactly a poor showing for a history of less than 400 days

RDM (192) 30/7/75

A flexible lease helps when those fleet costs must be trimmed

THE FLEET owner is constantly searching for ways to trim costs to meet forever tightening budgets, and the only way to achieve this is to obtain greater efficiency and more selective buying, which means the right and most economical vehicle possible.

Freedom

Clarke Datsun have a Flexible Lease with Maintenance Scheme which, they say, allows you, the fleet owner, freedom from costly administration, fixed repair and maintenance charges, wherever their cars may be in the Republic of South Africa, and lets them set their own leasing periods and alter them at will without penalty.

This scheme allows the fleet owner, to budget ahead with complete accuracy and provides fixed cost motoring.

Estimate

This is how Clarke Datsun explain their Flexible Lease with Maintenance Scheme:

the provisional lease period, includes all service and maintenance costs.

● If a car completes the 64 000 km in less than the estimated lease period, it is returned at that stage and the lease charges are adjusted retrospectively to those applicable to the actual lease period.

In the same way, if you under-estimated the period of the lease and it expires before the car has run up the agreed mileage, then the lease period is extended and again the charges are adjusted retrospectively.

Assured

Either way, you are assured of a guaranteed rate of depreciation — another great budgeting aid and economy, which you are not able to enjoy with other leasing schemes.

The only firm stipulations are that the lease must be for a minimum of 12 months and a maximum of 36 months.

price increases that may occur during the duration of your lease.

● The scheme is applicable only to fleet owners, but it is realised that economics would normally dictate the supply of vehicles, either on a replacement basis or to accommodate a natural increase in the size of your fleet.

With a carefully selected fleet and a well-constructed flexible scheme, there is no doubt that leasing is the absolute answer to today's problems of fleet ownership. But — and this proviso is a critically important one say Clarke Datsun — the fleet must be constructed with as much skill and experience as the leasing scheme itself.

RDM (192) 30/7/75

● The assumed distance the car will travel under lease is 64 000 km (40 000 miles). You estimate for each individual car how many months it should take to clock up those 64 000 km. You do this, of course, bearing in mind the territory it covers, the distances and so on. Your estimate then becomes the provisional lease period for each separate car, starting from a minimum of 12 months to a maximum of 36 months.

● The monthly lease charge, which is based on

Damage

● When it is said that all servicing and maintenance costs are included, that is just what is meant. Unless accidental damage is sustained, or there is a clear case of wilful negligence, the administrators assume full responsibility for the cost of service and maintenance of your cars, even if this should involve major repair work. The fleet owner has only one account to settle each month.

● The amount you pay will not be affected by any

Clarke Datsun's Auckland Park home.

Clarke—prestige and quality for 50 years

WHEN the giant Atkinson-Oates group took over the John B. Clarke Motor Company, it was wisely decided to retain the Clarke name in the newly-formed Clarke Datsun concern.

"John B. Clarke is synonymous with prestige and quality, and has been so for just on 50 years. We have every intention of carrying on our business with exactly the same amount of dignity under the Clarke Datsun banner," Mr Fritz Borsuk, director of Clarke Datsun, said.

Mr John Clarke started his business in Johannesburg 47 years ago, repairing motorcycles. Later, as his prowess became better known, he moved to bigger and better premises and acquired various franchises, among them Hudson and Essex, and later Jaguar and Wolseley.

And all the time he managed to envelope his business in an aura of superiority. He built up a fine reputation as a motor dealer of the highest integrity.

And now he has lent his respected name to the new company.

"We will keep it as high as ever," is Mr Borsuk's promise.

RDM Wednesday 30 July 1975

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6/8/75

Wage change

The Argus Bureau

PORT ELIZABETH. — Ford South Africa has announced its second wage adjustment for this year for 3 700 hourly paid employees.

It involves an average increase of four percent effective from last Sunday and follows a 3,5 percent hike paid earlier this year, said Mr Dirk Pieterse, labour relations manager of the company.

192

Car firm to fight rising costs

Cape Times 7/8/75

M2

By BRIAN GROBBLER, Motoring Editor

RECOMMENDATIONS by the National Productivity Institute on how to cut motoring costs will be implemented by Volkswagen South Africa and its more than 200 dealers throughout the Republic.

Announcing this at a motoring press conference in Cape Town, Mr Noel Philips, managing director of Volkswagen, one of the country's major manufacturers of motor vehicles, said his company had accepted in full the 112-page report of the National Productivity Institute. It intended implementing the recommendations for greater workshop efficiency as part of a programme to combat increasing costs.

Mr Phillips said: "Improvement in management procedures and systems can considerably boost the efficiency and productivity of our dealer workshops and thereby arrest the increasing costs of service with obvious benefits to the customer."

Mr Phillips said the first step would be to extend the warranty on all new VW vehicles from six to 12 months, irrespective of distance covered.

PARTS

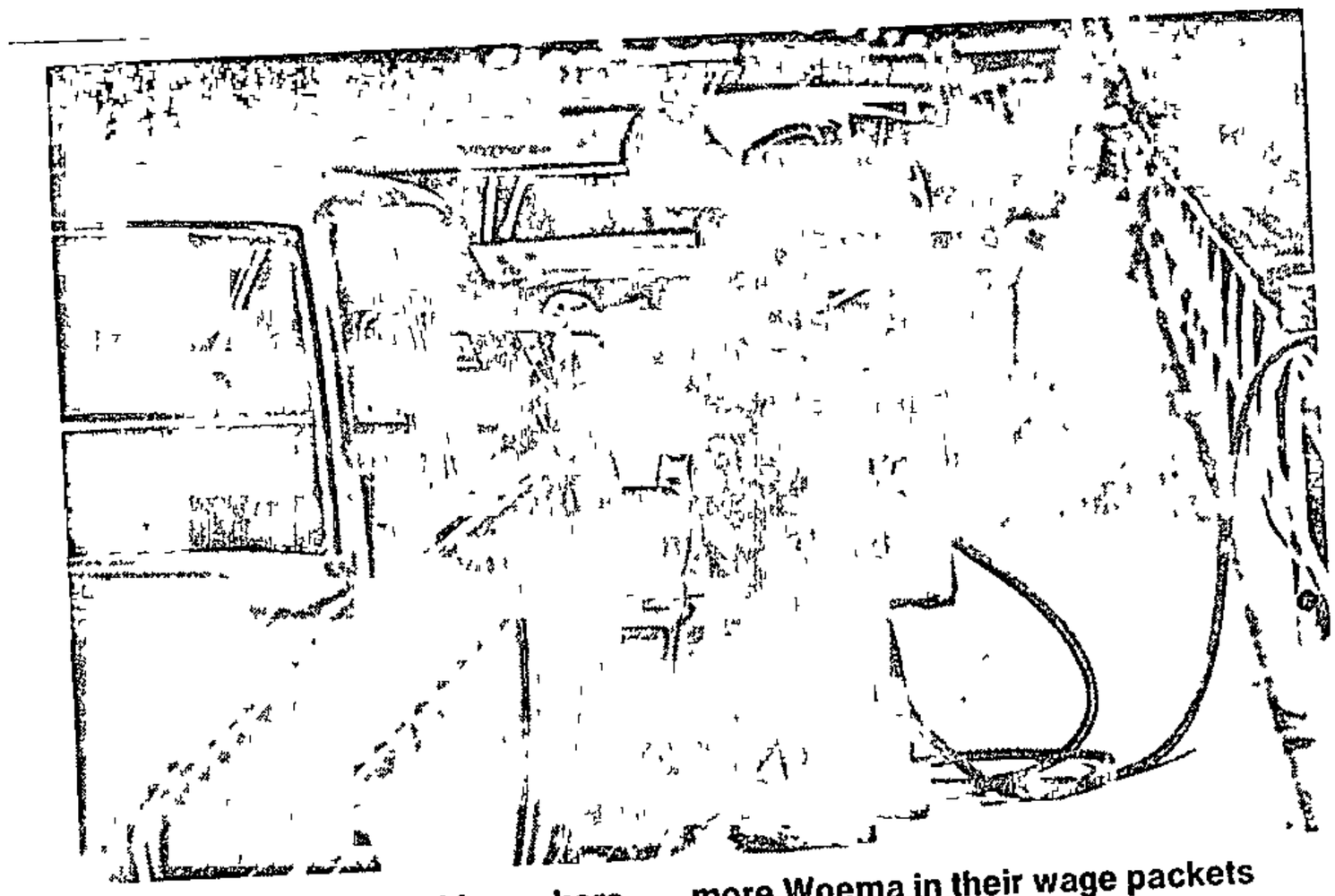
VW's sales director, Mr Peter Searle said the programme will also see the introduction early next year of a less expensive line of replacement parts. "Indications are that these parts will be on average 15 percent less than those currently obtained from Germany."

Volkswagen also operates a reconditioned parts exchange system and Mr Searle said this operation will be stepped up.

More important will be the stepping up of workshop productivity on the lines recommended by the NPI. "At the VW dealership where the NPI's recommendations have been on trial over the past nine months, both productivity and customer satisfaction have increased measurably."

Experts in their field

192



Black motor assembly workers . . . more Woema in their wage packets

MOTOR WORKERS

FM 15/8/75

Another 4%

(1) 192 (2) 326

The three major motor plants in the Eastern Cape — Ford, General Motors and Volkswagen — this week announced an average 4% wage increase effective immediately. The Ford increase affects all 3 700 hourly-paid workers It follows two earlier increases, bringing the total average increase for the year to 13%

In terms of the increase, Grade I labourers' wages are raised 3c to 63c/h, Grade II, 3c to 64c/h, and Grade III, 3c to 65c/h. Identical scales are introduced at General Motors

The wage increase for all Volkswagen's hourly-paid workers affects more than 4 200 White and Black employees It, too, follows an increase earlier this year. The combined effect is to raise wages of hourly-paid workers by 10% in most cases However, the minimum rate at Volkswagen is now 60c/h, compared with Ford and GM's 63c/h

Based on the motor industry's usual week of 45 hours, the increases mean the lowest gross earnings are now R27/week

Outside the Eastern Province motor industry wages are lower, but rising Toyota granted a 9% increase to 3 500 workers at Durban and the parts warehouse in Johannesburg on July 1 This followed an earlier 12% increase Toyota's minimum is now 57c/h

Chrysler, which does not operate under an industrial council agreement, granted a straight across-the-board 5c rise to its 1 515 hourly workers on June 1. This also followed a similar rise in January and brings its minimum to 51c/h

Do wages buy productivity

Ivan Philip

The Prime Minister has called for a halt to the wages and prices spirals. Ivan Philip looks at the motor industry — a fairly typical example of how both have risen in tandem.

Wages of assembly line workers in South Africa's motor industry have been rising steadily in the past three years in response to the rising cost of living and, perhaps, also to mounting pressure for better pay and living conditions for the Black people.

Parallel with the rise in basic wages have been fringe benefits ranging from three-course lunches at 8c to subsidised general education and even housing schemes.

Again, consultation between labour and management, through liaison committees, has increased enormously.

The question remains — have these benefits fed back to the manufacturers and, through them, to the consumer in terms of increased productivity?

And the answer the manufacturers give is a guarded yes. Guarded because just increasing wages does not automatically boost productivity without intensive training to make it possible for a worker to produce more — and guarded because a strong initial improvement appears to have tailed off.

Mr Bob Devlin, industrial relations manager of Motor Assemblies in Durban, told of a campaign to lift basic wages in line with increasing living costs that began in July 1972 and has succeeded in bringing these two factors into line.

The minimum wage for an unskilled recruit at the bottom end of the scale was 22c an hour at the beginning of the campaign. Now it is 57c.

But what happened to productivity? For 18 months, till the end of 1973, it rose steadily, nearly keeping up with wages, Then it levelled off and is now trailing far behind the steeply climbing wage line.

General Motors in Port Elizabeth felt that they have had good response from their mostly Coloured workers.

Director of personnel, Mr R J Ironside, said their policy was equal pay for equal work, and equal opportunity for all The company has boosted the minimum wage to 63c an hour.

Then, significantly, he said "We had our best year ever on productivity and quality in 1963."

It seems 1963 was the magic year Things peaked out then. And it is hard to avoid the conclusion that, from that point on,

the South African motorist has been paying the bill for each wage hike.

But then it is hard to push productivity beyond a certain point in the South African industry because of a relatively low level of automation.

This apparent b ness does not in flect on the t prowess of the loc try, but is rather tion of economic re

Automation in tor industry is eno costly and can justified by long tion runs geared massive market. Africa has shor geared to a mode ket. We also have different models — is what the Gove keeps saying.

It is beginning as though South motorists will h come to terms wi inevitable.

If they want choice of models a wages for the in workers they are g have to pay mo their cars than people do in other tries where the ma bigger.

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Move after urgent meeting of Cabinet

Govt acts on car prices

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25/9/75

Cape Times Correspondent

JOHANNESBURG. — The Minister of Economic Affairs, Mr Chris Heunis, yesterday effectively froze the prices of motor vehicles and spares to pre-devaluation levels.

Those manufacturers who have already increased their prices to compensate for the 17,9 percent rand/dollar adjustment were told they must revert to the price levels ruling on September 19, pending clearance of higher prices by the Price Controller.

It is not yet clear whether the authorities intend to extend this price-freeze to other products

The price freeze decision was apparently made at an urgently-convened Cabinet meeting

In his statement yesterday, Mr Heunis said, "In view of the statements made by various motor manufacturers on price increases of motor vehicles and spare parts after the devaluation of the Rand, and in the light of numerous complaints and inquiries received by the Price Controller, the Government has requested motor manufacturers not to raise any price before they have been fully motivated and cleared with the Prince Controller.

"Those undertakings which have already increased their prices after devaluation have been requested to restore their prices to the levels ruling before September 19, and to clear the increases with the Price Controller first"

'Direct order'

Motor manufacturers approached for comment yesterday see this "request" as a direct order

(1) 12
(2) 246
(3) 192

Rises in prices under attack

SUNDAY TIMES Reporter

MANY OF THE price increases proposed by commerce and industry following the 17,9 per cent devaluation of the rand cannot be justified, according to Mr Gerald Browne, Secretary for Finance.

He feels that many firms are exploiting unfairly the effects of devaluation, and that the figure of 17,9 per cent is not always a fair basis for price adjustment.

Mr Browne, who returned to South Africa this week from an extended visit overseas, pointed out to the SUNDAY TIMES that earlier in the year, when the rand rose strongly with the dollar on world currency markets — the opposite of devaluation — commerce and industry made no moves to pass the advantage on to the public.

In some cases the rand rose as much as 10 per cent against other currencies as the dollar strengthened on foreign exchange markets, but he knew of no firm which reduced its prices to reflect the trends.

Mr Browne added that in the past few days the rand, which was still linked to the dollar, had risen on foreign exchange markets, thus recovering some of the devaluation loss.

"However, numerous companies which import from the European Economic Community and Britain, where currencies have fallen against the dollar — and therefore against the rand since we devalued — have continued to quote the figure of 17,9 per cent as a basis for price increases."

Questions

Mr Seep van der Walt, chairman of the motor chamber of the Afrikaanse Handelsinstituut, mentioned in an interview with the SUNDAY TIMES yesterday the importance of the motor industry to the South African economy.

He asked why the authorities had not in the past established a commission of inquiry to investigate the industry's affairs, particularly as it was affected by the load of legislation and taxes under which the industry had been labouring for years.

He asked also why the authorities did not themselves establish the truth of the cost of local content by using their powers to investigate the internal cost structures of each manufacturer as it existed at present, and as it would exist under circumstances of increased local content.

"Since the recent devaluation there has been talk hat, had the local content programme been set at a higher level, the price increases applicable to motor vehicles after devaluation would not have been so severe.

"At best, this statement is a distortion, and at worst untrue.

"Firstly, the cost premiums on local content at levels higher than 66 per cent, say 85 per cent, would have dwarfed the effect of the present devaluation.

"Notwithstanding this aspect, the point previously made as to why higher levels of local content are not entered into voluntarily, is even more true now since the devaluation than before, because, relatively speaking, it will be cheaper now to enter into a voluntary programme than previously."

Exploitation, says Browne

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SUN. TIMES (B T.) 27/7/75

By JOHN CAVILL

LONDON — Two years of frustration lay behind Basil Landau's decision to quit as deputy chairman and managing director of Leyland South Africa, according to sources close to British Leyland's international division in London this week.

"He never got enough products to sell because of the failure of British Leyland to deliver," BUSINESS TIMES was told.

While British Leyland's official comment on Mr Landau's resignation was strictly correct — "You should ask him why he is leaving" — its statement made it clear he was not pushed out of the job.

British Leyland's statement said the boards of the British and South African companies "have agreed to accede" to his expressed desire to diversify his business interests, and it points out that the move "has been initiated by Mr Landau".

Sources close to the corporation, however, pointed out that the South African operation, one of its most successful overseas businesses, had "taken a large part of the stick as the result of the parent's failure to deliver the goods over the past couple of years.

In addition, because Leyland South Africa had been "very much a Jack Plane style of business," there may have been a "greater degree of intervention from the United Kingdom than before."

Mr Landau's going follows closely on the Ryder report for the UK Government and the impending nationalisation of British Leyland.

But the nationalisation moves are seen as the trigger rather than the cause of his move.

"Mr Landau had a close reporting responsibility to Lord Stokes, who was chairman of the South African company.

"With Lord Stokes going he probably felt it was appropriate to leave now rather than become involved in the reorganisation which is taking place and then resign.

"The problems of the last two years produced a certain amount of tension between South Africa and British Leyland's head office, and Mr Landau's resignation essentially stems from these," said the sources

David Pincus writes from Johannesburg. Leyland South Africa's new managing director, Peter Murrough, said yesterday he will set out on a policy of increasing Leyland's share of the South African market.

At present it supplies 6,1 per cent of all passenger vehicles sold in the country, 5,1 per cent of all light commercial vehicles and 8,7 per cent of all heavy-duty commercial vehicles

"We are presently the sixth biggest supplier of motor vehicles in South Africa. My immediate aim is to move up a notch into fifth position, possibly in to fourth position, in 12 months," he said.

"This is perfectly feasible. We are appointing another 60 dealers throughout South Africa and South West Africa, and we are enlarging our range of both passenger and commercial vehicles.

"We intend to capture a bigger share of the market gradually and continuously. We are not embarking on a crash programme to achieve this"

Mr Murrough said that Leyland South Africa no longer has any supply constraint problems from the UK It can maintain inventory levels and continuous supply to dealers and the public for the next six months, "even if they do have shipping and labour problems in the UK"

He admitted frankly that Leyland South Africa went through a period of "quality problems" but added that "drastic action to cure this was taken 12 months ago by Basil Landau"

"I must pay tribute to Basil Landau for the way he set quality as a continuing objective, as we reached one standard we set another standard We are already competitive and aim to become super-competitive as far as quality is concerned"

Mr Murrough said that apart from increasing the company's market share he intends to create a happier work situation in the company

SUN TIMES. 27/7/75

By PETER MASON

MAJOR CHANGES in the top management structure of Leyland South Africa are expected following the shock resignation last week of Basil Landau from his R100 000 a year job as chief executive of the multi-million rand company

This was disclosed this week by Mr Landau's successor, Mr Peter Murrough, who takes up his appointment as managing director of the company on Friday

Mr Murrough, who joined the company three years ago and has been director of sales and marketing for the past year, has so far been appointed to only one of Mr Landau's two portfolios — that of managing director

The job of deputy chairman — a post which Mr Landau also holds with Leyland South Africa until his departure on July 31 — has yet to be confirmed

Chairman

This means that at least two new senior posts, and not one as was previously thought, will have to be filled by the company as a direct result of Mr Landau's resignation

A new man will have to take Mr Murrough's present job while a new deputy chairman, probably non-executive must be appointed

In addition, the company could also find itself with a new chairman as a result of the major shake-up in British Leyland and the Leyland International Organisation following the recommended British Government takeover of the parent company

Peter Murrough the new boss

Mr Murrough reaffirmed, however, that neither the proposed changes in the structure of British Leyland nor the resignation of Mr Landau would affect the running of Leyland in South Africa

"We're here, and we're here to stay," he said. "Our investment programme worth R35-million over four years), will go ahead as planned, and the four main objectives which Basil Landau set for the company will continue to be pursued"

He named these four objectives as the continual aim to maintain profitability, improve product quality, improve productivity and continue rationalising the company's range of products

Mr Landau is keeping quiet about his plans.

(1) 192
(2) 315

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200 car workers to lose jobs

3/10/75

The Argus Correspondent

DURBAN. — The Motors Assemblies Ltd plant at Prospecton, near Durban, the biggest vehicle assembler in South Africa, is to retrench 200 workers, five percent of its work force, a spokesman announced here.

The retrenchments come as a result of the economic climate and a forecast slump in the vehicle market expected in the wake of the 18 percent devaluation of the rand

Mr Bob Devlin, industrial relations manager for Motor Assemblies, gave no date for the start of laying-off.

Mr Devlin said that devaluation was expected to have a serious effect on car sales in the first half of 1976.

'There will have to be staff adjustments,' he said.

Do not write in this margin

The more efficiently he works the less damage to your pocket

FM 3/10/75

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PRODUCTIVITY

VW sets the pace

A's 16 largest Volkswagen dealers are introduce the National Productivity institute's programme for increased oductivity in their workshops

The programme is based on the experience of the pilot project at Volkswagen aler Lindsay Sakers, Johannesburg, nich claims to have achieved a productivity increase of 25% during the past ar In the most advanced workshop ction, the increase has been as high as %

Lindsay Saker MD Kurt Hipper cribes success to

- Improved repair quality through better ult diagnosis,
- Increased productivity of the labour rce at all levels,
- Better utilisation of workshop facilities through better planning

Since the system started, Lindsay Saker has kept labour charges constant, despite wage increases of 27% It will shortly introduce an incentive pay scheme related to output

Kenneth Glassby of the NPI explains that the productivity rise is due mainly to improving the way parts are supplied to the mechanic The new system provides all parts which may be required before work is begun

The NPI investigation was made at the request of the Motor Industries Federation, which represents most of the country's dealers and workshops (*FM* April 4 1975)

The standards and procedures issued by Volkswagen in West Germany are described by one dealer as 'excellent but not necessarily geared to local conditions' The problem of motivating the work force to achieve world wide standards falls squarely on local management

CAR BOSSES LAY-OFFS

JMN

(192) 192

Weekend Argus Bureau 4/10/75

PORT ELIZABETH.—The big three Eastern Cape motor assembly plants do not foresee any retrenchment of staff as a result of production cut-backs in the face of devaluation.

Spokesmen for the three companies said today gloomy predictions of heavy production cuts following devaluation were unwarranted.

They were asked to comment on views expressed this week by Mr Colin Adcock, managing director of Toyota Mr Adcock said he expected a cut-back of 20 percent on this year's projected output of 235 000 vehicles. He also predicted that 4 000 motor workers would lose their jobs.

The predictions have upset Motortown because they were made by only one manufacturer.

The majority of Eastern Cape workers of all races are employed by the motor industry.

UNCHANGED

Mr Noel Phillips, managing director of Volkswagen in Uitenhage, said today his company's schedule production would go ahead unchanged.

It was difficult to predict what would happen next year but he expected the company to cope with any fluctuations in production without having to lay off staff.

The director of personnel at General Motors South Africa Mr R J Ironsides said that although South Africa's economy was somewhat subdued his company believed this would be merely short-term.

'Towards the middle of next year we will see a resurgence of business activity.' He believed next year's sales would be as high as this year's.

CLOUDED

Mr John Roberts, Ford South Africa's public affairs manager, said there was nothing to substantiate Mr Adcock's views

The medium and long-range prospects were clouded

'Ford expects the market will be down five to 10 percent next year compared with 1975 levels

'We do not expect that this will materially affect our employment situation but should this become necessary we will let normal attrition solve the situation,' he added

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Many in car industry may lose jobs

The Argus Correspondent

JOHANNESBURG. — As many as 4 000 employees of the South African motor industry may lose their jobs within the next few months as companies take steps to counter the effects of lower sales.

Motor industry executives are now planning far lower volumes for 1976 with some estimates of total new car sales down from 235 000 to fewer than 200 000. What this means is that they will need smaller staffs to build fewer cars.

Worried industry spokesmen have also pointed out that if the Government does not take drastic steps to obviate increasing cost pressures, the price of new cars could jump by as much as 20 percent by June next year.

And they point out that with the accelerated effect of television the motor industry now has strong competition for the consumer's rand

BODY BLOW

The industry men say that devaluation was a body blow and that 'when you put this and other cost factors into a hat you get the shock of your life when you see what comes out.'

The lay-offs will have a ripple effect in that the component industry will also suffer from a slackening demand Senior motor men estimate that about 2 500 people directly employed by manufacturing plants plus about 1 500 from the component industry could lose their jobs.

TRUCK MARKET

The new truck market will also be hit Before devaluation it was estimated at 130 000 for 1976. Now industry men believe it may drop to as low as 109 000.

One manufacturer has already taken steps to counter the effects of a depressed market. It is expected that the manufacturing plant shut-down period will be extended while the daily number of vehicles built in the plant will be reduced About 10 men are needed to build each unit.

The motor industry is hoping that the Government will take urgent action to assist it If the sales tax was reduced and if the local content programme was abandoned, say the majority of industry executives, the cost of selling cars would be far less.

Too many makes and models—AA

Cape Times 192 9/10/75

JOHANNESBURG. — The expected slowdown in the local production of cars as a result of the recent rand devaluation and the high rate of inflation underlined once more the need for rationalization in the car manufacturing industry, the Automobile Association said in a statement here yesterday.

The AA was commenting on press reports that motor industry executives throughout the Republic were planning for much lower volumes of car sales during 1976 than previously been anticipated and that thousands of employees directly employed in the car manufacturing and components industries would have to be laid off

The statement said that the AA had over a considerable number of years repeatedly drawn attention to the need for restricting the number of makes and models in order that full advantage of the economics of volumes could be obtained. In spite of its pleas, little if anything had been done to regularize the position.

The possibility that individual plants as well as component manufacturers would now be obliged to reduce their production volumes because of the expected fall-off in demand, might well result in a substantial increase in the cost per unit, over and above any increase which was likely to result from the devaluation of the rand.

The AA said that in the present climate of economic uncertainty and with the prospects of an increased rate of inflation, the country could ill afford the luxury of the present high degree of proliferation of makes and models Not only was it unfair to the motorist, who in the end would be called upon to pay more for his new car, it was equally unfair to the manufacturing and components industries in their efforts to keep costs down.

A fall-off in demand, in itself, was unlikely to result in a meaningful degree of rationalization in the car production industry because of the large capital investments already made by the individual plants and the fact that the different plants would endeavour to retain their share of the market, however small it might be, with the prospects of increasing it when conditions returned to normal, the AA said — Sapa

(192)

WEEKEND ARGUS, OCTOBER 18 1975

CAR INDUSTRY PAY FREEZE DECISION

(1) 192
(2) ~~504~~
(3) ~~326~~
(4) 334

Weekend Argus Bureau

PORT ELIZABETH. — One of South Africa's biggest trade unions — the powerful Motor Industry Employees' Union — has agreed here not to press for a new wage agreement until after the six-month period of the anti-inflation manifesto.

The National Industrial Council for the Motor Industry meeting which followed the annual congress of the Motor Industries Federation was adjourned late yesterday after the union and the employers' association had agreed to a deferment of six months on wage talks

However, the employers' association agreed to an immediate 15 percent pay rise to labourers and some operatives in the trade

This increase for lower paid workers follows hard on the heels of a 3c an hour increase which came into effect on September 1 It means that the workers will be getting nearly 25 percent more in pay

The increase will come into effect as soon as it can be gazetted, probably in six weeks' time

In an interview, the president of the employers' association, Mr E J. Keevil, and the president of the employees' union, Mr Clive Pinnock, said both sides had agreed that it would be in the best interests of the motor trade and the country as a whole to wait six months before negotiating a new agreement

'At the same time we felt that those who are really feeling the pinch, living close to the breadline, should be given another increase,' said Mr Keevil

(1) 246
(2) 192

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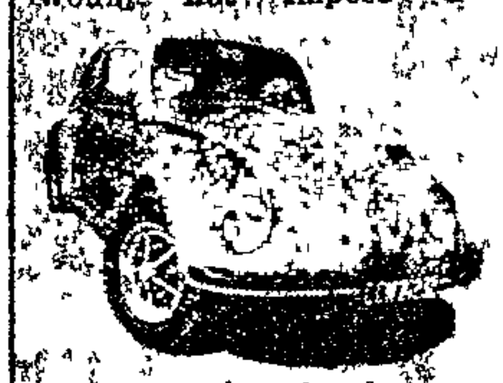
Car prices up by 10 to 12 pc

Cape Times 18/10/75

PRETORIA. — The prices of new motor vehicles have been increased immediately by 10 to 12 per-cent, the Minister of Economic Affairs, Mr J C Heunis, said last night.

The Government has also increased from R3 050 to R3 475 the neutral value to which the 7,5 per-cent sales duty on new cars is applicable.

Mr Heunis said this was to ensure that the price increases approved for vehicle manufacturers would not impose a substantial extra burden on buyers in the form of additional sales duty on certain models.



Volkswagen Beetle: Was R2 555, could now cost R2 810.

Mr Heunis's statement said that after the recent devaluation of the rand, certain motor manufacturers immediately announced increases in the prices of their new motor vehicles.

"The Cabinet accordingly decided on September 24 that all motor manufactuers should be asked not to increase the prices of their new vehicles above the pre-devaluation levels before they had fully motivated such price increases to the Price Controller and had obtained the Government's approval for their proposed increases."

Peugeot 404: Was R3 993, could now cost R4 385.

Prices of new vehicles were not controlled by the Government. But all motor manufacturers complied with the Government's request and submitted details of price increases they intended to introduce as well as reasons.

"I myself have, during the past day or two, had extensive discussions with each of the motor vehicle manufacturers separately after I had personally acquainted myself with the reasons for their proposed price increases, as well as their respective financial positions."

Manufacturers had for some time been confronted with cost increases resulting from the previous devaluation of the rand, the most recent steel price increase, increases in ocean freight rates on materials imported for manufacturing and price increases by foreign suppliers on these materials and increases in wages and salaries. Moreover, manufacturers would in various degrees, be confronted also with cost increases resulting from the recent devaluation.

Mercedes 350SE: Was R14 431, could now cost R15 830.

"I am glad to be able to say that I have now reached agreement with each of the motor vehicle manufacturers separately on the maximum percentage price increases to be introduced by them."

Mr Heunis said the price increases he had approved for individual manufacturers were in all cases considerably lower than the increases for which they had applied to the Price Controller and which were justified by the facts placed before the controller.

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Car prices on their way up

Cape Times 21/10/75

TWO of South Africa's major motor manufacturers, Volkswagen and Chrysler, yesterday announced increased prices — Volkswagen by five percent with a promise of a further rise before the year's end and Chrysler by the 10 percent announced by the government last week.

Launching its 1976 passenger cars, Volkswagen of South Africa said that the prices were about five percent more than on the relevant 1975 models The company also announced price increases of about 10 percent in respect of its 1976 light commercial range of vehicles which will be available soon.

Prices of the commercial vehicle range of Chrysler South Africa also go up by an average of 10 percent In addition the price of the Dodge Colt two-door hardtop is being increased by 11 percent.

Big profits for the motor men

15/10/75

192

Mercury Reporter 15/10/75

THE SOUTH African motor trade is making record profits at a time when other manufacturers and retailers are struggling to attain last year's figures.

Newly released figures have countered gloomy predictions made by motor men that 1975 would be a difficult year.

Released by the Department of Statistics in Pretoria, they show that the motor trade's profits for the first three months of the year were more than R2-million higher than for the corresponding period last year — an increase of 36 per cent.

Indications are that the motor trade is continuing with a growth pattern.

The annual report of the McCarthy Group Limited which was sent to shareholders this month showed that the company profits had increased during the 1974/75 financial year by 26 percent, an increase of over R600 000.

Mr. John Roberts, public affairs manager for the Ford Motor Company for SA said this month that September had proved to be an exceptionally good month for the sales of motor vehicles.

The annual report of Capital Cars Motor Holdings shows that the group increased its profits by 19,7 percent during the year ending in June. This was achieved on a turnover increase of 13 percent.

The chairman, Mr. A. M. Joss, explains this increase in profitability as a reflection of efficiencies and cost controls in a year in which inflationary pressures were strong."

According to the latest figures available new saloon car sales have kept pace with last year's figures while there was a marked improvement in the sales of commercial vehicles which reached a record of over 12 000 units in July — 3 000 more than July last year.

Meanwhile representatives of the motor industry have approached the Government to get an undertaking for an orderly [illegible] prices.

They also [illegible] necessary [illegible] the record [illegible] of the trade.

(192)

(2) 192

Toyota hike car prices

Cape Times 27/10/75

JOHANNESBURG. — Toyota will raise vehicle prices to its dealers by between four percent and seven percent from today.

Mr Adcock, managing director of Toyota, said that Toyota dealers thought the country had reasonable stocks of vehicles at old prices and had been requested to co-operate with the Government in its anti-inflation campaign by ensuring that such stocks were sold at prices ruling last week

"This stockholding will vary in individual areas from two to four weeks and, of course, the new prices on certain models will come into force earlier than other models, depending on the individual dealer stock situation," he added.

The Toyota price increases were specifically to cover steel price increases and other cost rises which became effective earlier in the year. To a relatively small extent they were designed to recover some devaluation losses as well.

"We will hold these prices for as long as possible," said Mr Adcock, "but it is only fair to state that there will be further increases as the company finds it necessary to recover additional losses directly connected with the recent devaluation of the rand."

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New car prices roll in

STAR 21/10/75

Five of the major motor manufacturers have announced their new car prices following a decision by the Price Controller to allow a 10 percent increase

The increase in the retail prices of motor cars were granted to the manufacturers to help compensate for the cost increases resulting from the devaluation on September 19.

Price rises have been announced by Alfa Romeo, Mazda, Volvo, Volkswagen/Audi and the commercial range of Chrysler.

Not all the manufacturers have increased their prices by the maximum of 10 percent, and those who have not said that their present increases do not take into account the full effects of the devaluation, and more increases are likely in the future

Following on the agreement between the manufacturers and the Government, the 10 percent maximum increase is effective until the middle of next year, and the manufacturers have undertaken to absorb up to 30 percent of the cost increases.

FULL IMPACT

Statements made by some of the manufacturers have said that they will not be passing on the full impact of the losses brought about by the devaluation to the consumer, but will assist the Government in all its anti-inflationary measures.

Some manufacturers have been reluctant to announce their price increases, and are waiting to see what the general trend in increases is going to be. It is expected, however, that by the end of the month they will have announced their increases.

Mazda and Volkswagen further stated that the price increases would only affect the 1976 models in the case of Volkswagen, and the new stock in the case of Mazda.

Motor men hit out at critics

Cape Times 27/10/75

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PORT ELIZABETH. — Leading motor industry spokesmen have reacted sharply to charges that too little had been done to reduce the number of car models on the market.

They said the motor industry had in many respects set others an example in rationalizing its model range, which had been nearly halved over the last six years.

Reducing options further could hurt consumes and reduce production runs, they said.

The spokesmen were reacting to a call made in Port Elizabeth by the chairman of the SA Motor Industries Employees' Union, Mr F C Pinnock, and to a recent Press statement by the Automobile Associatin.

The AA says that in spite of its pleas over the years, "little if anything had been done. . . to restrict the number of makes and models to take full advantage of the economies of volumes".

The director of the National Association of Automobile Manufacturers of South Africa (NAAMSA) said in an interview that at the beginning of 1970 there were 77 models available.

By the end of 1972 these had dropped to 53 and last month there were only 47 models on offer.

Among them were 37 "manufactured" models which met the 64 percent local content requirement of phase three of the local content programme.

Mr Lock said Mr Pinnock's demand that each manufacturer be allowed to produce only one light, medium and large model car had already been met in one important respect:

"None of the manufacturers now has more than three manufactured models except Toyta, which will soon be down to three," said Mr Lock.

THREE SHELLS

For example, the General Motors range was based on three body shells (sometimes called wheelbase units), one for the Chevrolet 1300-1900 range, one for the 2500-3800-4100 range and one for the Kommando - Constantia range.

And Ford offered three models — the Escort, Cortina and Granada.

Similarly the three Volkswagen models were the Beetle, Passat and Audi.

On the large number of options offered in each model — there are 13 major variants of the Cortina and 12 of the Chevrolet 2500-2800-4100 series — spokesmen for the companies said these engine and transmission options were less expensive to produce than people thought and actually increased the production runs of each basic model.

OPTIONS

The manufacturing director of General Motors, Mr H D Carr, said: "The commonality in a model range is quite high.

"These options have a large number of body panels in common, with often identical engines, transmissions and drive lines.

"The choice of manual or automatic transmission, sedan or station wagon is not a consumer luxury but a need.

"We have to give customers the vehicle they need for particular applicatons.

"Curtailing opinions will not give great economies," he said.

The manufacturing director of the Ford Motor Company, Mr Neville Cohen, was in agreement

"There is a tremendous diffeence between models say an Escort and Cortina.

"If we offerd only one model with no options, costs would be lower. But the consumer dictates what he wants and he wants a choice."

Mr Cohen said there was some injustice in pointing fingers at the motor industry

"We have made a considerable reduction in car lines over the last few years

"The people who are criticizing us could have done their homework more thoroughly and looked at the facts again."

Many of those interviewed said economic forces would further reduce the number of models — and possibly of manufacturers — when the next phase of the local content programme started in 1977

"But giving the buyer a large number of options in a model range is not all that significant in terms of costing.

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R40-m loss is predicted for car firms

29/10/75 The Argus Financial Editor

IN an attempt to hold down car prices, the motor industry will sacrifice some R40-m in unrecovered cost increases during the next six to eight months, Mr Noel Phillips, managing director of Volkswagen of South Africa, said in Uitenhage today.

The motor manufacturing industry has agreed to play a significant part in the Government's anti-inflation campaign, he said.

This was in spite of the industry's totally unsatisfactory profit position — current return on investments being less than one percent — and the fact that in terms of the Government's anti-inflation manifesto it could justifiably pass on all cost increases.

If Volkswagen were to recover its total losses resulting from devaluation and pass on all its other cost increases, it would have had to raise its car prices by some 16 percent and light commercial vehicle prices by more than 20 percent.

DEALERS

The fact that the industry had limited its price increases to between 10 percent and 12 percent showed the sacrifices it was making in the national interest.

In addition to the R40-million in increased costs which the manufacturers would absorb during the next six to eight months, franchise dealers would sacrifice some R6-m over the same period.

Mr Phillips estimated that new car sales this year could reach the 230 000 mark while sales of commercial vehicles could reach 135 000, making a total of 365 000 vehicles sold.

LOWER LEVEL

At this stage, however, he did not believe the sales in 1976 would equal the 1975 figures.

Because of the recent forward buying of vehicles ahead of the expected price rises and the lower level of economic activity foreseen for the beginning of next year, new-car sales in the first half of 1976 could amount to between only 90 000 and 95 000 vehicles, Mr Phillips said.

But he expected until

MOTOR MEN RATIONALISE OR ELSE...

SUN. TRIB (FIN) 2/11/75

TOO MANY MODELS AND VARIANTS CONFUSING THE CUSTOMERS

By PETER MASON

CARS are in danger of being priced out of the market unless the industry takes urgent and drastic steps to rationalise its confusing proliferation of makes and models, experts warned this week.

And unless the Government steps in to enforce a higher degree of standardisation among motor manufacturers, the country's multi-million rand vehicle components industry faces a crisis which could see dozens of manufacturers going to the wall.

The warnings come from three separate quarters.

- The Automobile Association, which claims a large number of car models and variants on the market makes for poor economics of scale, forcing car prices still higher
- The components manufacturers, who claim rationalisation of both makes and models would make possible an increasing standardisation of parts, leading to longer production runs and therefore lower component prices
- The retail sector, which claims the present proliferation of makes and models is both confusing to the consumer and difficult for them to back-up in terms of parts and accessories supply and service support

The warnings — sounded by AA chief Eric Turk, the president of the Federation of Components Manufacturers Associations, John Senior, and Joe Emanuel of Key Chevrolet — come at a bad time for the motor industry

It is already reeling from the effect of massive price rises introduced during the past month in the wake of devaluation, and with inflationary and other pressures likely to be exerted in the year ahead, it faces the grim prospect of still higher prices resulting in a sales slump, production cutbacks and a further erosion of profits

One senior AA man described the present makes and models situation, which has resulted in no fewer than 17 manufacturers producing a staggering 222 different models and variants for the comparatively small South African market, as "providing a model for every citizen"

And AA director general Eric Turk said the present proliferation of makes and models — with sales of only 230 000 units a year the most oversubscribed car market in the world — as "a luxury we simply cannot afford"

He called for an immediate 50 percent reduction in the number of models and variants currently manufactured and a fresh look at the conditions under which motor manufacturers were allowd to set up shop

And, he warned "Unless the manufacturers do something about rationalisation themselves, the Government will be forced to step in and do it for them"

Joe Emanuel describes the situation as ludicrous He compares the South African car market of around 5 million people being supplied by 17 manufactures with 54 basic models with countries like Germany with a population of 60 million being supplied by eight manufacturers with 24 basic models

Models

In Italy there are three manufactures with 15 models supplying 56 million people and in France four manufacturers with 15 models supplying 52 million

Even in Britain where there are five manufacturers with 45 models supplying 54 million the position is better than in South Africa

At the most he feel there should be sev manufacturers in t country

"I believe the decis (to allow a proliferation m manufacturers) w politically influenced an the Government took int account the fact that sell, for example a lot m sugar to Japan and that, a the time, we were buying a lot of arms from Fran ce," he says

He calls for an im mediate decision to limit the number of manufac turers and to limit the number of models produced.

"This might sound like a radical and severe action but the motor industry employs some 200 000 peo ple and is responsible for 7 percent of the gross domestic product and believe the action is urgently necessary to put this important industrial sector on to a sound a solid footing"

P. D. 18/4/75

(1) 192

Motor industry shake-up soon

EAST LONDON — A major rationalisation of the South African motor manufacturing industry is likely to be announced soon. Involving at least Chrysler and Volvo, it will come about not through repeated requests from motoring organisations and various hints from the Government, but from the force of pure economics

Illings Mazda (Pty) Ltd, a subsidiary of Anglo American Corporation's Amic, has confirmed that talks have taken place with Lawsons Motors Distributors (Pty) Ltd, holders of the South African franchise for Volvo. A representative of Volvo has also confirmed that "purely preliminary" talks had taken place.

But neither company would comment on a report that Illings, keen to utilise further the capacity of its Durban assembly plant, wants to take over the Volvo franchise from the ailing Lawsons.

It is also understood that Illings is interested in buying Chrysler's South African factory at Pretoria, but an Illings spokesman said his company was not in a position to make any comment upon this

Chrysler (United States), which has suffered heavy trading losses over the past year or so, seems to be anxious to shed its overseas commitments.

It has been reported from London that representatives of a group of powerful Japanese industrialists are considering making an offer for part of the stricken Chrysler group in Britain if the American-owned company goes through with its threat to pull out of the United Kingdom

The move could save part of the 25 000 work force threatened with redundancy.

No decision has yet been made, but talks have been going on between the Tokyo and London offices of Japanese businessmen thought to represent motor manufacturing interests

A plant in Britain would give the Japanese direct access to Europe and the Common Market, which they regard as their most lucrative outlet, and would also go some way to removing any resentment towards "foreign" cars.

Under normal circumstances, opposition to such a move would be sure to come from the Left wing of the Labour Party, but with the possibility of the Japanese saving some of the threatened jobs, little criticism is expected.

In South Africa the set-up would be somewhat different. Should Anglo American, via Illings, take over Chrysler, it would be to assemble its vehicles under licence This would probably lead to the closing down of the Illings Durban assembly plant, with all its vehicles then being assembled at Chrysler Park.

At present Illings produces only Mazdas in the passenger car range, with its main source of income arising from Mazda and Mack trucks Volvo car sales are minimal, and should the talks between Illings and Volvo come to nothing, it is probable that Volvo cars will disappear from the South African market

—BUSINESS EDITOR

Black service station workers to get pay rise

JOHANNESBURG — Negotiations between the Motor Industry Federation and the Trade Unions and Bantu Wage Board will bring wage increases for 100 000 black workers in service stations, the component and body [illegible]

It is [illegible] that the increases will range from [illegible] lowest [illegible] now getting [illegible] per week plus [illegible] for [illegible] to workers on lower scales.

Though a new agreement is due in the industry, this has been shelved till April, allowing for the Prime Minister's six month period inflation austerity to run its course.

Mr Hackner said employers in the industry, which does not include assembly plants, were satisfied there had to be an uprating of the lower paid workers because of the rising costs of living.

The decision for the rise has still to be ratified by a full council of the MIF, he said.

Dr H Ringrose, the MIF's national secretary, gave a breakdown of the racial consituation of the industry's 155 000 workers.

There are 48 000 whites, 81 000 blacks, 17 500 Coloureds and 5 200 Asians. He said an estimated 100 000 workers would get increases.

Mr R. Webb, general secretary of the Motor Industry combined Workers' Union said the employers had agreed to raise the lowest current rate of R16,10 to R19,32, an increase of nearly 20 per cent.

The two lowest rates in the industry, which include labourers and garage petrol attendants were raised in September from R14,03 to R15,41 and from R14,72 to R16,10.

Operation in the component industry have a starting rate of R16,10 a week rising to R18,40 after one year.

Mr Webb said details of how the increases would be applied through the lowest rates in the industry had still to be decided.

The government had pegged R125 pm as the wage level below which the programme to fight inflation would not apply. He said it was expected that increases would apply to all earnings below that rate.

The Bantu Labour Board appealed to the MIF to ensure that lowest paid workers were earning in the R18 to R25 a week range. — DDC

More jobs for Indians urged

Mercury 8/11/75.

Mercury Reporter

MR. J. N. REDDY, executive chairman of the South African Indian Council, yesterday called on the Government to make more jobs available to Indians.

Speaking on inflation at the SAIC's session in Durban yesterday, he said that optimum use of all manpower should be made to overcome the problem.

He said that for a start Indians should be given more posts in the Railways Administration in Durban.

Jobs in the motor industry, which were previously reserved for Whites, were now open to Indians. "But I would like to see more Indians becoming mechanics in view of the shortage of White mechanics."

He said that discrimination in pay and working conditions would not, however, be tolerated. Indians should be given due recognition for the work they are doing, he said.

Mr. S. Abraham-Mayet, a Benoni member of the Council, said that the country was going through a period of severe economic strain and the Government should take part of the blame for this.

He called on the Council to persuade the Government to abolish job reservation and insist on workers being paid the rate for the job.

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(2) 116
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PS 23.9.1975

R2m spent on workers' benefits— motor chief

By BRIAN GROBBLER
Motoring Editor

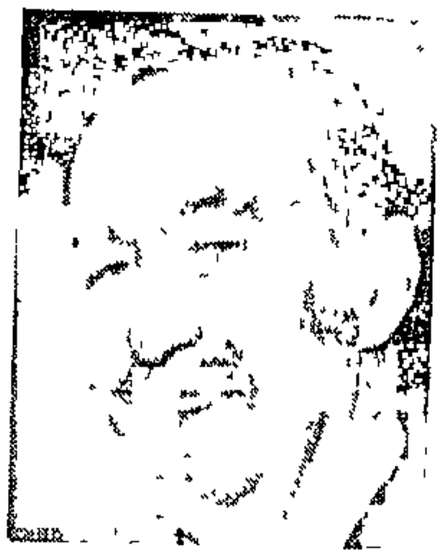
GENERAL MOTORS the world's biggest motor manufacturer, was leading the way in South Africa with its programme of equal pay for all races, the president of General Motors, Mr Elliott Estes, said at a press conference in Cape Town yesterday

He is on a one week tour of the Republic and is accompanied by Mr H W Gage, vice-president and general manager of the overseas operation of the multi-national company

Asked what had impressed him most on this visit Mr Estes said "I am most pleased at the social changes which have taken place since I was here in 1971

"In that year GM started a programme of equal pay for all races and supported Coloured housing and recreation schemes The programme has progressed so much that today GM is leading the way in South Africa"

Mr Estes said that GM has spent more than R2-m on social services for all its employees and that it has appointed 106 Black supervisors, 61 of whom are on the salaried staff



Mr Elliott Estes

Cape Times 12/12/75

R10m for new cars

The Motoring Editor

ADDITIONAL investment of R10m to introduce new car models to South Africa is to be made by BMW of Munich, the chairman of the company Mr Eberhard von Keunheim, said in Bellville last night

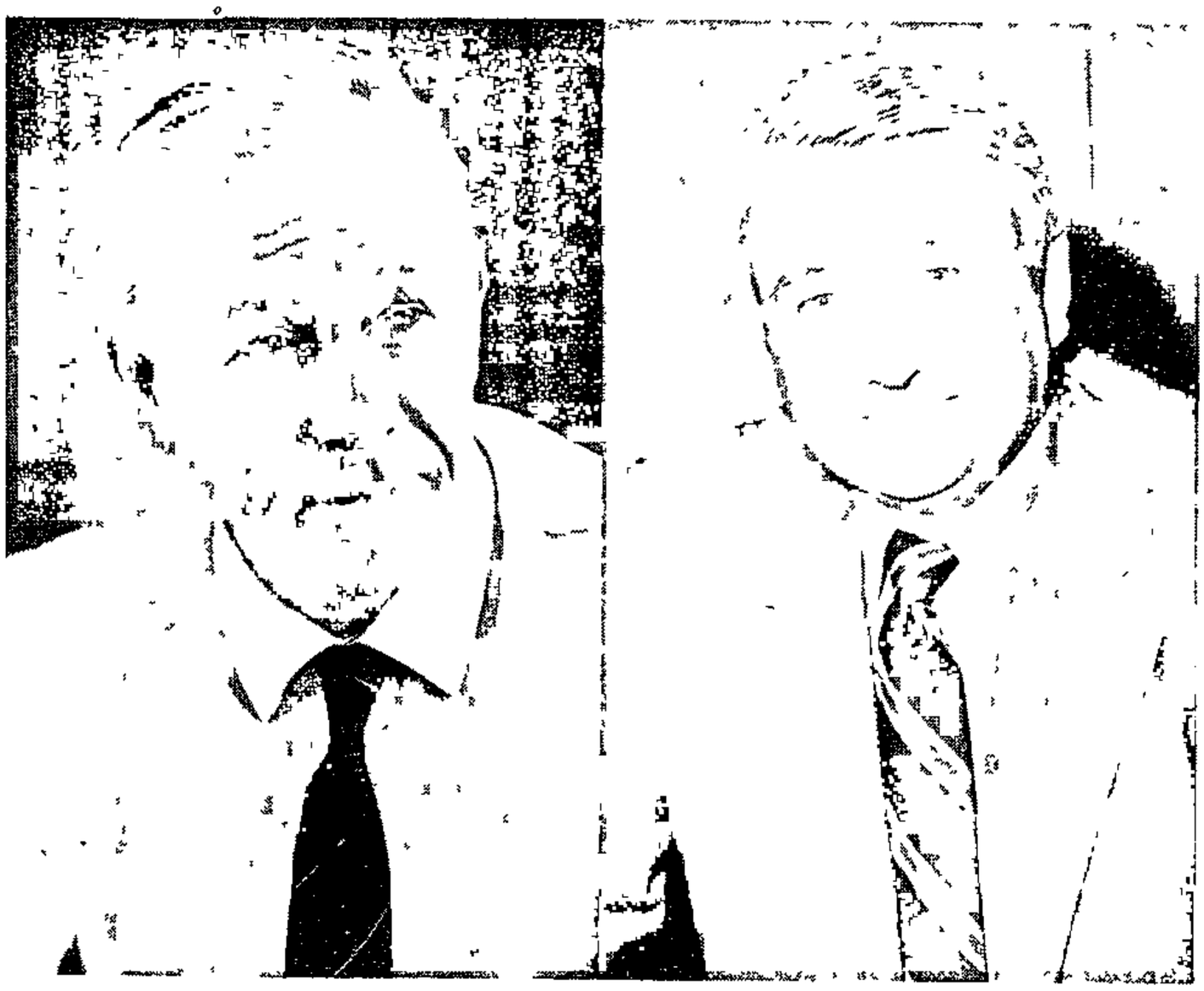
Opening a new branch of Porter BMW, he said that this year BMW increased its sales by 99,8 percent — probably the biggest increase notched up by any South African motor manufacturer

13. General comment

12. Should there be more or fewer tests; Essays and tutorial exercises?

Have you found staff and tutors. Comment

Financial Mail 7/11/75 (192)



Datsun's Wilson, GM's Mott . . . not content with local content

Driving a bargain

The biggest single issue in the motor industry is still whether government should do away with, or increase, local content

On this decision hangs the future of many manufacturers, those operating at a loss, even those grinding along at marginal profitability The decision will also dictate the shape of things to come for the components industry, suppliers of raw and processed materials, the livelihood of thousands of workers, and the price the man in the street pays for his new car.

Government's task is not easy. Its advisers — the Department of Industries and the Board of Trade — must listen to a divided industry. Two major manufacturers, General Motors and Datsun, advocate pushing up local content above the present level (by December 31) of 64% by weight; others want to call a halt. Within the ranks of the Motor Industries Federation, the components manufacturers, naturally, want more local content; the dealers, fearful of increased prices stimulating further consumer resistance, tend to side with the enough-local-content manufacturers

Why should government interfere at all in this most competitive of industries? There are no monopolies, no price rings or cartels — the largest market share held by any one company is barely more than 13% in unit sales and less than that in money (see tables)

Government started the policy rolling in 1960 with a strictly controlled programme for cars, under which high excise and import duties are rebated in relation to the percentage of local components Under the present Phase 111 this must reach 66% by the end of next year There will then be a standstill period of two years before embarking on Phase IV.

The standstill period is to give manufacturers a chance to consolidate. But it is either too short for some (particularly those who want a total standstill) or too long for others (like GM and Datsun).

The counter-arguments are relatively simple. GM and Datsun say that they can increase, quite considerably, local content without incurring impossibly high capital costs, thus pushing up prices to inflated levels. They point out they have already achieved a higher percentage of local content than required by the end of 1976.

Those in the opposing camp insist that they cannot afford the necessary investment, under current circumstances, without pushing unit costs and prices (or sales) out the window Their cry, echoed by the Afrikaanse Handelsinstituut, is that anyone who reckons he can should go ahead — but that this should not be compulsory, either by legislation or by punitive taxation against anyone who does not go beyond 66%

However no one, not even GM or Datsun, could increase local content unless there were incentives Rebates do increase under the present rules beyond 66% (to 71%) But government and the pro-local content plants have been talking of an increase to 80%, 85% — even 90%. So there still has to be a carrot with a fair amount of juice

If GM and Datsun can convince government that the price for greater local content need not be too high, Economic Affairs Minister Chris Heunis may side with them — since the more immediate benefits of higher content (stimulating components manufacture, providing more jobs and skills) are politically attractive.

If the anti-local content faction, which boasts such muscle as Ford, VW, Toyota, Leyland and Mercedes, can persuade him that the price is too high, he might seek alternatives. The industry suggests these could help components manufacturers without crippling the motor plants They include the much-vaunted introduction of a mild local content programme for light commercials and standardisation of components (SA, for example, has more tyre shapes and sizes than almost anywhere else in the world, including the US), thus giving longer runs and lower unit costs.

Another step could be to stop the importation of "pirate" spare parts, which components manufacturers complain rob them of a lot of business. Or, going a bit further, Heunis might insist that car manufacturers place orders for replacement parts locally and stop importing them, as many apparently do (the local content programme applies to original equipment, not spares).

These palliatives wouldn't upset GM or Datsun, but neither would be satisfied. Both GM's MD Bill Mott and Datsun chief Bill Wilson want the Big Jump up the local content ladder.

Mott tells the *FM* that to get a GM model up to 80% local content would mean a cost premium (at wholesale level) of no more than 1%-2% Wilson says attaining 85% local content would mean price increases of 3,7% for a big car, 4,1% for a medium car, and 5,5% for a small one.

Devaluation was, of course, a great bull point for those who advocate a greater local content Import costs rose over 20% Conversely, those who oppose more local content argue that devaluation is yet another reason, through its additional cost burden on an already ailing industry, for giving the motor plants a long breather

Naamsa President Leo Borman says that in August a survey by the Association revealed that the average return on investments of manufacturers in their vehicle manufacturing and spares distribution, before interest and taxes, was a mere 5,96%

"When you're in this sort of position," says Morris Shenker, chairman of United Car & Diesel (Mercedes manufacturers), "you don't increase your investment You look for ways to prune overheads, cut capital costs, improve cash flow — anything, until times improve and you start making reasonable profits again"

Borman points out that devaluation losses were either suffered immediately, or liabilities incurred by various motor manufacturers, in one or more of the following circumstances

- Because of the long period between the time a manufacturer places an order for imported material and the time he is able to sell the vehicles made from that material, coupled with volumes and unit cost, "the amount of money involved in financing a vehicle manufacturing operation is astronomical" Much of this financing is done with foreign loans and to the extent that these loans are without a fixed terminal period, no forward cover was obtainable,
- Loans for periods in excess of 12 months to cover items of a capital nature could also not be covered forward,
- Forward cover was not available in respect of repayments of accrued or annual interest liabilities on foreign loans

The Naamsa information was given to Chris Heunis following government's "price freeze" on motor vehicles after devaluation Since then government has allowed manufacturers to increase prices up to a 10% average over the period to June 1 This means that they will have to absorb *some* cost increases (they have not only been hit by devaluation, but by increased prices of local components and materials, including the ripple effects of the last steel price hike, from improvements in new models (planned on the basis that extra costs would be recovered by price adjustments), and from higher wages

An interesting indication of just how competitive the industry is, and one that Heunis should take note of, is that only Datsun has dared even clutch at the average 10% price increase generously allowed by government — price increases in the past few weeks have been at 5% 6%

Not so vulnerable

Borman goes on to point out that losses suffered on devaluation amounted, in aggregate, to many times more than the profit made by the entire industry on its vehicle manufacturing and spares operations in 1974

This revelation does tend to strengthen the hand of the pro content men More local content means fewer imports, less foreign exchange, lower vulnerability to source plant "hiccups" - - as Bill Mott describes annoying and costly overseas design changes

At the same time, however, tooling up for local content involves a very large and expensive percentage of imported tools, whose prices have rocketed with devaluation, and local component prices are already climbing, since many are made with imported raw materials

Is a compromise possible? The *FM* believes there is a solution, without increasing the existing tax structure, thus enabling companies to move forward in local content on a voluntary basis

The total excise duty levied on the mass of every vehicle is 42c/kg There is a basic rebate of 11c/kg, the tax is then rebated on a sliding scale depending on percentage of local content At 66%-67%, for example, rebate is a total of 32,95c/kg (leaving outstanding duty to be paid of 9,05c/kg) At the current maximum under Phase III rules, 71% or higher, total rebate is 37,15c/kg — so government still has 4 85c/kg which is not rebated but which could be, as the local content percentage increases

Secondly there is sales tax which, so far, government has resisted touching This is assessed on a neutral" value, approximately two thirds of the retail price

Up to a neutral value of R3 475 sales tax is 7,5%, over R3 475 it's 12,5% This represents around 5% for cars up to approximately R5 200 retail and 8,3% for cars above this price, since sales tax is passed on by manufacturers to dealers and customers on a net basis i e sales tax

THE MOTOR LEAGUE

Total estimated turnover (passenger cars and commercial vehicles)* January to June

Make	Turnover Rm	% share rand turn	Turnover units	% share unit turn
Ford	90 9	12 6	22 915	13 6
Mercedes Benz	90 2	12 5	7 557	4 5
General Motors	89 7	12 5	21 016	12 4
Volkswagen	83 4	11 6	24 032	14 2
Datsun	75 3	10 5	22 673	13 4
Toyota	74 5	10 4	20 722	12 3
Leyland	43 7	6 1	10 165	6 0
Peugeot	37 4	5 2	9 178	5 4
Chrysler	32 3	4 5	8 240	4 9
Mazda	25 8	3 6	9 491	5 6
BMW	13 1	1 8	2 013	1 2
Fiat	12 0	1 7	3 745	2 2
Alfa Romeo	11 2	1 6	2 787	1 7
International	9 7	1 3	741	0 4
Volvo	8 4	1 2	1 210	0 7
Citroen	6 9	1 0	1 880	1 1
Mack	3 4	0 5	105	0 1
MAN/Bussing	3 3	0 5	175	0 1
Foden	2 5	0 3	90	0 1
Oshkosh	2 4	0 3	87	0 1
Scania	1 2	0 2	45	
Magirus Deutz	1 0	0 1	57	—
ERF	0 7	0 1	27	–
Renault	0 4	–	121	0 1
Lancia	0 2	--	39	–
Saviem/others	0 1	—	7	—
Total	**719 7**		**169 118**	

**Passenger cars all sales excluding special imports and govt sales commercial vehicles less 5 000 kg all sales over 5 001 kg retail sales only*

Commercial vehicles, January to June*

Make	Turnover Rm	% share rand turn	Turnover units	% share unit turn
Toyota	45 9	16 1	13 417	21 5
Mercedes Benz	45 4	15 9	2 590	4 2
Ford	38 9	13 6	9 537	15 3
General Motors	30 9	10 8	7 323	11 8
Datsun	28 6	10 0	8 630	13 9
Volkswagen	26 6	9 3	6 891	11 1
Leyland	19 2	6 7	3 631	5 8
Mazda	12 3	4 3	5 335	8 6
International	9 7	3 4	741	1 2
Peugeot	6 1	2 2	1 916	3 1
Chrysler	4 4	1 6	1 508	2 4
Mack	3 4	1 2	105	0 2
MAN	3 3	1 2	175	0 3
Foden	2 5	0 9	90	0 1
Oshkosh	2 4	0 8	87	0 1
Volvo	1 8	0 6	70	0 1
Scania	1 2	0 4	45	0 1
Magirus Deutz	1 0	0 3	57	0 1
Fiat	0 9	0 3	132	0 2
ERF	0 7	0 2	27	
Saviem/others	0 1		7	
Total	**285 2**		**62 314**	

**[illegible] kg (all sales) Money value turnovers have been calculated on retail prices published in the Naamsa sales return of July 18 Over 5 001 kg (retail chassis cab sales only included government/single unit sales excluded) The retail prices as available on July 1 used*

Passenger cars, January to June*

Make	Turnover Rm	% share rand turn	Turnover units	% share unit turn
General Motors	58 81	13 54	13 693	12 82
Volkswagen	56 78	13 08	17 141	16 05
Ford	51 97	11 97	13 378	12 53
Datsun	46 70	10 76	14 043	13 15
Mercedes Benz	44 81	10 32	4 967	4 65
Peugeot	31 28	7 20	7 262	6 80
Toyota	28 57	6 58	7 305	6 84
Chrysler	27 88	6 42	6 732	6 30
Leyland	24 49	5 64	6 534	6 12
Mazda	13 47	3 10	4 156	3 89
BMW	13 09	3 02	2 013	1 88
Alfa Romeo	11 18	2 58	2 787	2 61
Fiat	11 07	2 55	3 613	3 38
Citroen	6 87	1 58	1 880	1 76
Volvo	6 56	1 51	1 140	1 07
Renault	0 39	0 09	121	0 11
Lancia	0 21	0 05	39	0 04
Total	**434 19**		**106 804**	

**Money value turnovers calculated in terms of the retail prices which were published in the Naamsa sales return July 17 Imported models have not been included in the calculations of money value turnover*

is *not* included in the mark-up

So a car weighing 1 000 kg and retailing at R4 000 would, at a local content level of 66%, carry total excise and sales tax of around 7,5%.

One can assume then that a minimum of 7% is available for rebate incentives (excise and sales tax) over 66% local content, without increasing the existing tax structure

And, if Datsun's figures are correct, Pretoria need go no higher than the 5,5% which Bill Wilson says is the cost premium for a popular light car To be fair, each manufacturer's costs would have to be assessed individually, but government still need not accept a cost premium of more than the 7% it has in hand under the present tax systems

Like most compromises, our suggestion won't make everybody happy But at least it doesn't mean a total standstill. Nor does it require that government increases taxation to enable it to give greater incentives — a step which would be so inflationary that Pretoria would be loath to consider it

FOR RELEASE : 19H00

(1) 28
(2) 192

PRESS STATEMENT ISSUED BY THE MINISTER OF ECONOMIC AFFAIRS

RESTRUCTURING OF THE PRICES OF MOTOR VEHICLE SPARE PARTS

As a result of numerous and consistent complaints received by the Price Controller from motorists about allegedly excessive prices of motor vehicle spare parts, an exten= sive investigation was instituted by him into the costs and prices of such spares.

The Price Controller's report clearly revealed that, where= as the motor manufacturing companies were not realising excessive profits on their total operations or in respect of the manufacture of new vehicles, the profit margins taken by them in the case of motor vehicle spares were, in many instances, excessive.

This, in fact, meant that the owners of used vehicles who normally are the largest buyers of spares for repair work on their vehicles were to an important extent subsidising the prices of new vehicles and, therefore, also the buyers of these vehicles which was a situation that could no longer be condoned by the Government.

It was obvious, therefore, that a restructuring of the spare parts prices of the different motor vehicle manu= facturers was essential in order to ensure that spare part prices would be reduced and maintained at reasonable levels.

In considering the matter the Price Controller inevitably

has had to take due cognisance of the fact that it is generally expected of motor manufacturers that they should keep in stock adequate supplies of a full range of spare parts for a variety of models of the different motor vehicles available on the local market for a period of at least 10 years, (i.e. the normal life of vehicles) and that their obligation to do so greatly contributes towards the relatively high costs of inventories and of ob= solescence in respect of spare parts.

The Price Controller has accordingly been confronted with the difficult task of striking a reasonable balance between what would normally be acceptable to the motorist as fair prices for vehicles spare parts, and the actual cost to the motor manufacturers of stocking and supplying such spares, including the allowance of a reasonable profit margin to them on this sector of their operations which would enable the motor manufacturers to maintain the supply of spare parts on an economical basis.

With a view to achieving the objective of such a reasonable balance between the aforementioned considerations the Price Controller has had extensive negotiations with the motor manufacturers and has now entered into a firm arrangement with them which would eventually have the effect of reducing the prices of certain spare parts and keeping such prices at reasonable levels. The position will henceforth be reviewed by the Price Controller on an annual basis in order to ensure that the principles and requirements of the arrangement he has concluded with the motor manufacturers are being fully implemented by them.

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conjunction with the aforementioned private sector organisa= tion, was using all the most important communication media to assist it in the implementation of its particular part of the programme.

Representatives of the Committee had visited various parts of the country to explain the objectives of the Programme and had set up a number of regional committees to assist it with the execution of the educational, publicity and information campaign.

As far as the second main component of the Programme was con= cerned, namely, the expansion of production and the improve= ment of productivity, with particular reference to the more effective training and utilisation of labour, Mr. Heunis said that action under this heading involved the introduction of various short term, medium term and long term measures. The public and private sector organisations concerned were actively engaged in the implementation of the specific com= mitments in these particular fields which they had assumed in terms of the Programme.

Sections C and D of the Programme refer to Government action in connection with fiscal, financial and other fields of policy, as well as legislation and regulations which have, or may have an inflationary effect. Mr. Heunis said that, as far as the matters referred to under these sections of the Programme were concerned, letters had been addressed by the Secretary for Commerce to all the Government Departments involved and that assurances had been received from them that effect would be given to the relevant provisions of the Programme.

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The Minister added that the last principal component of the Programme provided for the application of the utmost restraint in increases in wages, salaries and prices. In this connection Mr. Heunis pointed out that reports which the Continuation Committee had received from the private sector, had indicated that employer and employee organisations were adhering faith= fully to the commitments which they had undertaken in this respect. No increases in salaries and wages in the public sector were, of course, being considered for the time being.

In conclusion the Minister stated that all the public and private sector organisations participating in the Programme had recently been requested by the Secretary for Commerce to prepare individual press statements giving full details of how they were progressing with the implementation of their particular commitments under the Programme. These press state= ments would be released for general information as they become available, and a further meeting of the Continuation Committee would be held early in February to review the progress made with the implementation of the Programme.

The Minister added that, quite apart from the press statements released from time to time by the individual participants in the Programme to advise the public of the action they were taking in terms of the Programme, he himself would also issue covering press statements on this subject at regular intervals.

ISSUED BY THE DEPARTMENT OF INFORMATION AT THE REQUEST OF THE MINISTRY OF ECONOMIC AFFAIRS

PRETORIA 5 December 1975

Motor men will not cut prices

Mercury Correspondent

JOHANNESBURG—Few, if any, motor spares prices will be reduced. In fact, most prices will be increased early next year, South Africa's major motor manufacturers said yesterday.

Then comments follow this week's announcement by the Minister of Economic Affairs, Mr Chris Heunis, that agreement had been reached with the industry on a motor spares price clamp down

But spokesman for the four major manufacturers, Volkswagen, Ford, General Motors and Leyland, said yesterday it would be wrong for the public to expect general price reductions They agreed that, in fact, prices would have to be increased early next year but admitted that the increase would be less than they had planned in view of the agreement with Mr Heunis

Volkswagen said the existing prices for motor spares fell within the guidelines laid down in the agreement and there would be no price reductions

According to Leyland the prices of pistons and liners had been found to be outside the agreement and would be reduced next month Most other items were within the guidelines

(J.P.)

(tutorials)

Spares prices down 'in months'

Star 11/12/75.

(1, 28)
(2, 247)
(3, 192)

you feel should be added to the course?

Harvey Thomas, Motor Editor

The Government has set the motor industry a time limit to adjust its profit margin on spare parts. This means that in the next few months the price of some parts will come down.

The Minister of Economic Affairs, Mr Chris Heunis, announced last night that the Government had clamped down on motor spares prices and car repair costs. This followed meetings with the motor manufacturers and an investigation by the Price Controller, Mr Joep Steyn, into the profit margins on motor repair parts

4 atisfied with your present tutor? Yes/no

I understand that Mr Steyn told manufacturers that he knew of instances where certain manufacturers were making profits of about 400 percent on what the trade calls "captive parts" — parts that only a manufacturer can suply for his vehicle

Included in this category are items such as body panels

5. your opinion should the aim of

Today a spokesman for the Price Controller's office in Pretoria said the Government's plan to clamp down on spares prices and car repair costs was a complicated exercise that would be difficult to explain to the public. He said that he was unable to elaborate on how the plan was to be implemented as it would involve a vast amount of detail.

feel these goals were achieved during the

"The Minister did not wish to burden the public with all the details but the end result will be a reduc-

To Page 3, Col 1

(192)

VW chief warns on local content

Motoring Editor

FURTHER increases in the local content required in South African-manufactured cars would merely lead to further cost premiums, which neither the motor industry nor the public could afford, Mr Noel Phillips, managing director of Volkswagen of South Africa, said in Uitenhage yesterday

He was announcing that all three of the company's car ranges had reached the present target of 66 per cent local content, required by the end of 1976, a year ahead of the Government's deadline.

This achievement should be seen in the light of VW's oft-stated support for the aims of the local content programme, he said.

The programme had achieved most of its objectives establishment of a local industry to develop skilled labour, boosting of employment and making a substantial contribution to the country's economic development

Expanding the programme further, in the comparatively small South African market, would place an unnecessary burden on the country's financial and skilled manpower resources This would undo the good achieved so far

Increasing the local content required would not lead to economies of scale in manufacturing South Africa had more than 40 makes competing in a market of 230 000 cars a year, while in the United States, for instance, two manufacturers held 76 per cent of a 10-million-vehicle market

F.M. 23/1/76 (192)

Slow ahead for car makers

Adcock, Searle and Woods hear, see, speak no optimism

Car sales are stalled below their 1973 level. Until they start moving again manufacturers will find it increasingly difficult to service their growing investments

The motor vehicle producers did not achieve their hoped-for record car sales in 1975 They missed it by a short radiator Final total was 229 031 compared with the target 230 000

The industry says it's disappointed, but not surprised In the prevailing economic and political circumstances it has no obvious reason to be either

Sales were 1% up on 1974's 226 776 units in a year which brought sharp price increases due to devaluation, a substantial diversion of consumer purchasing power to TV, and a recession in the general economy

With the apparent exception of Rolls-Royce, no motor car producer anywhere in the world did particularly well last year

Trouble is that the record 229 442 figure for sales in 1973 was not exceeded either This prompts the disturbing conclusion that the market in new cars may have reached a fairly long-term plateau (see chart) If so, then there could be some extremely painful adjustments awaiting the industry

Stagnant sales figures have a particularly dangerous significance for the car makers in terms of the increased capital employed compared with 1973, and the new capital required in the next few years to meet local content requirements

In the words of Naamsa president Leo Borman "Vehicle manufacturers are finding themselves in an increasingly difficult position due to the increased investment made in terms of the local content programme and other costs which they are unable to recover through improved sales"

So in view of the stagnation in car sales and the threat it poses to future profitability, it's fortunate for the industry that commercial vehicles did so well in 1975

Sales of these soared to 134 574 units, an increase of nearly 17% on the 115 151 total for 1974 As Borman points out, this does seem to indicate an underlying strength in the economy

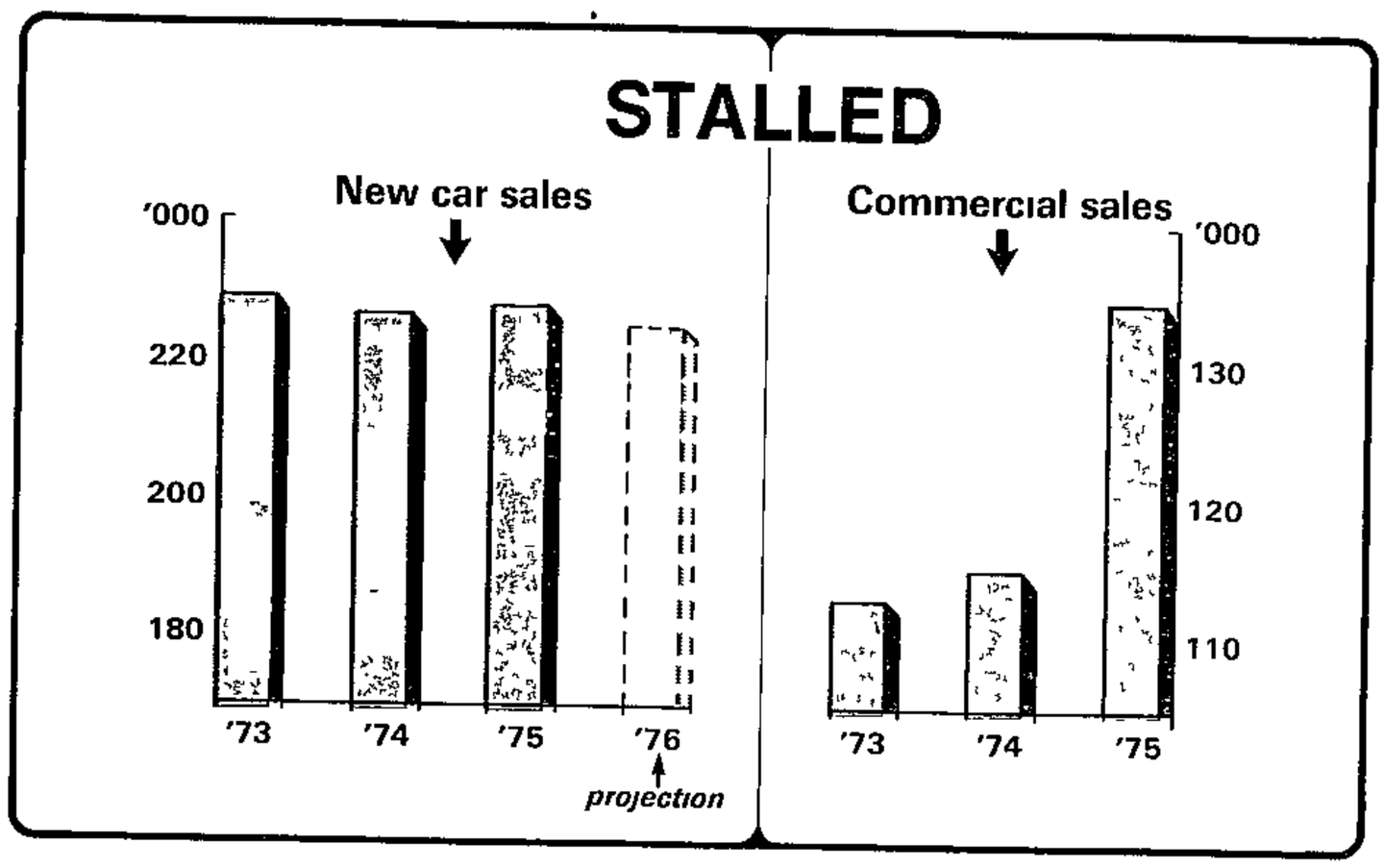
But if that is meant to imply cars could soon follow commercial vehicles up the sales charts, then this year might bring even greater disappointments than last

At present nobody in the industry seems to expect 1976 to show any improvement in car sales That would mean four years nudging an annual 230 000, and prospects for improvement, agree the motor-car men, depend to a large extent on political and economic developments in southern Africa and particularly Angola

Borman's forecast is that in the short term new car sales will continue on the relatively low level of December (down 7,36% on the previous month), while commercial vehicles should continue to match the gradually increasing sales tempo of 1975 He's "reasonably confident" that 1976 new vehicle sales will not be "much below" last year's

If that sounds pretty cheerless, Ford's MD Doug Kitterman is even less optimistic "In 1976 we expect car sales to decrease by about 7% to 220 000, and commercial vehicles to remain more or less at 1975 levels"

Kitterman says the future of the SA motor industry in 1976 will depend largely on the ability of the West to combat inflation and maintain the world balance of power, but that assuming a reasonable degree of success in these



Car plant will cut production

Natal Mercury 19/2/76

(1) 315
(2) 97
(3) 192

Industrial Reporter

SOUTH AFRICA'S biggest car factory, the Motor Assemblies plant in Durban, which employs about 3 000 workers, will close for one day on Monday as a result of the slump in car sales.

It is likely that the plant will close for one day every two weeks until the demand for new cars increases

This decision comes close on the recent retrenchment of more than 170 workers at the plant shortly after it re-opened in January following the holiday shut-down.

In spite of the recession and diversion of cash to TV purchases, car dealers had a surprisingly good year for most of 1975 But the crunch came in November and December, when sales were down by more than 10 percent on the same months for 1974

The Motor Assemblies plant, which is part of the Wesco Group, had laid off about 100 workers in October, but this proved to be not enough

(Cuttings 2 192)

R15 MILLION INVESTMENT

THE LARGEST motor vehicle production plant in South Africa, Motor Assemblies, has pride of place in Prospecton occupying more than 44 hectares of the industrial suburb, which has a production capacity of 370 units per day, was one of the first industries to move south of Louis Botha Airport to Prospecton.

The company also rates as one of the largest employers in the area with more than 3 500 staff of all races on its computerised payroll. Staff is the most important asset of Motor Assemblies, according to managing director, Mr. Geoff Graves, and it is for this reason that a number of staff benefit schemes have been introduced.

Amongst these are a subsidised cafeteria for office staff and feeding schemes for factory workers, full training in all aspects of the company's business, a grading system which ensures greater opportunities for factory staff and a subsidised bussing programme.

In addition Mr. Graves added that the company had specifically selected a group of Black staff for the development of their skills and talents. He said that on joining the company, assembly-line staff were given aptitude tests and those that required it were put through a literacy training course In addition, all new employees were given a two-day induction course before actually starting work.

The factory has two engine lines — one of which is believed to be unique as it can handle three different engines at the same time whilst the other line handles the manufacture of one make of engine.

The factory produces popular motor car, light and heavy trucks

At present the local content of all cars coming off the company's assembly line, is 64 percent and this will reach the 66 percent target set by the Government for the end of this year.

Each vehicle takes about three days to build and before the engine is even started, it travels more than 2,5km through the plant.

The company's parts holding totals more than 40 000 line items.

Discussing future trends in motoring, Mr. Graves said he expects a very strong future for the medium sized car in the two-litre range, although it was difficult to forecast the trends accurately because of fuel saving considerations and popular opinion.

"We do foresee big changes in the era of engines regarding fuel economy but as a whole future trends of the motor industry are very uncertain," Mr Ralph Broadley, general manufacturing manager of Motor Assemblies plant, said.

In present circumstances, he said, to start manufacturing a completely new model would require a tooling investment of more than R15 million — as much as the initial cost of setting up the entire Motor Assemblies plant.

Motor Assemblies was originally registered in September, 1941, when it purchased land in Jacobs. At the end of the War, it started manufacturing Plymouth, Dodge, De Soto and Chrysler vehicles, and since then has manufactured almost every make of car on South Africa's roads.

On December 31, 1964, the company was sold to Dr. Albert Wessels and in 1969 a full-time project team was formed to start initial planning for the Prospecton plant which was becoming vitally necessary because of the company's growth.

Building commenced in May, 1970, and the first vehicle from the new plant rolled off the assembly line at the end of May, 1971.

Chrysler shuts for a week

1/3/76 STAR.

Pretoria Bureau

Chrysler SA has closed down its R40-million factory at Silverton near Pretoria for a week because of a slump in demand for its cars. Star 1/3/76

The step follows the R190-million rescue operation by the British Labour Government of the Chrysler operation in the United Kingdom.

The South Africa company, faced with a decline in market penetration over two years, recently sent a three-man delegation to Tokyo to negotiate a further deal with Mitsubishi

DECLINE

The company's shares of the South African market has fallen from 8,21 percent in 1973 to 7,33 percent in 1974 and 5,58 percent last year

All weekly paid employees at the 3 500-man Chrysler factory were laid off for the week.

A spokesman said those laid off would not lose financially because Chrysler operated a special fund for this type of contingency

"We're merely balancing inventories," he said. "Running down stocks because they are a bit high. We'll be open for business again next Monday."

Chrysler was producing 80 units a day before the shut-down — well below capacity

The spokesman said there was nothing alarming about the close-down It was a device used throughout the industry to balance output with demand

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ONE-DAY HALT

Further evidence of a declining market in motor vehicles (there were 16 080 new-car sales in January compared with 16 631 in December and 17 032 in January last year), was the one-day stoppage by Motor Assemblies on Monday last week

Motor Assemblies, which produces Toyota, Renault and Mazda, said the stoppage would mean a loss of 260 vehicles

LEYLAND TO INVEST R19-M IN SA

ARGUS 19/3/76

LONDON. — British Leyland is to invest an estimated R19-million in South Africa to produce a local version of the new Rover SD-1 saloon, the Guardian reports here today.

(1) 66
(2) Manufacturing - Motor

About 30 percent of the money will be spent with Japanese machine - tool manufacturers, it is understood. The machine - tool contract has been won against competition from Leyland Cars, another part of the British group.

The decision to invest heavily in South Africa was taken by British Leyland International, the operating company responsible for all overseas involvement.

The SD-1, due to be launched in Britain this year, is expected to replace the Triumph family saloon in the lucrative South African market, says the Guardian.

SUBSIDIARY

The major part of the SD-1 investment will be in machine tools, which in Britain are largely supplied by BL's own machine-tool facility within Leyland Cars, the main operating subsidiary.

More than R90-million has been spent on developing the new car and its production facilities at Birmingham.

Following reorganisation of the Leyland corporate structure, however, orders affecting different subsidiaries, such as that in South Africa, have to be put out to tender.

JAPANESE TENDER

British Leyland International thus invited Leyland Cars as well as an unnamed Japanese company to bid for the supply of machine tools for South Africa.

'The decision to accept the Japanese tender was based on sound commercial judgment,' British Leyland International said.

'While we would have liked very much to have given our colleagues the business, it was not right to do so on this occasion.'

MANUFACTURY - Motor

4-DAY WEEK FOR GM WORKERS

ARGUS 23/3/76

The Argus Bureau

PORT ELIZABETH.—The vehicle assembly plant of General Motors (SA), Port Elizabeth, is working a four-day week because of economic conditions — an arrangement which the company hopes will be only temporary.

The other Eastern Cape plants, Ford and Volkswagen, are working normally and say they have no intention at present of going on short time

Generally speaking GM's assembly workers are working a four-day week from Tuesday to Friday

'Our penetration of the total market has improved in both January and February as we expected it to do during the month of March,' the managing director of GM, Mr Bill Mott, said today

'However, in the light of the current down-trend in the total vehicle market, which has been noticeable since last November, we have been compelled to adjust our production to a realistic level'

FORECAST

'Our original volume forecast for the calendar year of 1976 totalled 350 000 units made up of 225 000 passenger cars and of 125 000 commercial vehicles and trucks'

Mr Mott said that since these market estimates there has been several political and economic changes affecting the outlook

The most serious were restrictions on the availability of capital of consumers and businesses.

'As a result, GM (SA) has assessed the 1976 market outlook at 210 000 cars and 120 000 commercial vehicles for a total of 330 000 units,' Mr Mott said.

'To soften the effect of reduced proportion levels GM (SA) has adopted a pattern of shorter working hours, maintaining full employment as far as possible and ensuring that the economic penalty to employees is kept to a minimum

'Short time working is a facet of the motoring manufacturing industry which is weighted very carefully in the light of overall conditions'

CAPE TIMES 23/3/76

GM to work 4-day week

Manufacturing - Motor.

Own Correspondent

PORT ELIZABETH. — General Motors assembly workers were from this week working a four-day week, Mr Bill Mott, GMSA's managing director said yesterday. Mr Mott blamed the short production measure on "political and economic changes" which had forced the company to adjust production to a more realistic level. Ford and Volkswagen yesterday said they had no intention of working short-time in the foreseeable future.

Manufacturing - Motor

RDM 7/4/76

Car makers 'lose R2-million a week'

PORT ELIZABETH — The inability to recover higher costs on manufacturing and spares was involving car manufacturers collectively in losses of about R2-million a week, the president of the National Association of Automobile Manufacturers of South Africa (Naamsa), Mr Leo Borman, said in Port Elizabeth yesterday

Mr Borman was commenting on a Press report which he said implied that vehicle prices were now not only higher than they would have been, but that manufacturers were also making higher profits as a result of the agreement last October between the Minister of Economic Affairs and manufacturers not to increase prices by more than a fixed percentage

Naamsa had undertaken a survey among its members during the second half of last month, Mr Borman said. It showed that up to the end of February, 1976, costs of manufacturing vehicles had risen by far more than the price increases authorised in October.

"The same survey showed that during 1975 vehicle manufacturers made a return on investments, before deductions for interest and tax, of a mere 6,77 per cent Although not all manufacturers made losses during 1975, collectively the industry made a net loss on their combined vehicle manufacturing and spares operations of R11,4-million

"Not one manufacturer made the 15 per cent return on investments mentioned in the anti-inflation manifesto as the dividing line below which increased costs can be recovered in full"

Mr Borman said the loss to vehicle manufacturers of R2-million a week would increase when the full impact of the budgeting measures were felt

Since every manufacturer agreed with the philosophy that the car-buying public would be better served if price control on motor vehicles were to be removed, the association had accordingly made urgent representation to the Minister of Economic Affairs to this effect, Mr Borman said — Sapa

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New car prices go up again

STAR 29/4/76.

Harvey Thomas, Motor Editor

New car prices are going up — again — and there could be two more price boosts later this year.

Today one motor company increased prices by up to R170 while on Monday another will add as much as R1 000 to the price of their cars.

And, according to motor industry sources, there will be more increases later in the year — possibly two more.

A managing director, Mr John Loubser, estimates that cars will have gone up "by a conservative 15 percent" by the end of the year when compared with their prices on January 1.

The Government recently withdrew its motor price restraint policies but — almost at the same time — effectively pushed up the cost of new cars by about 2,5 percent by announcing higher sales taxes in the Budget

Last year the industry collectively agreed to hold increases to an average of 10 percent after the Price Controller intervened

According to motor executives the industry will be under strong pressure to push prices even higher in 1976.

The present increases involve Datsun and Alfa Romeo with Chrysler expected to put up their prices soon. Others will follow within weeks

Some companies, such as Illings Mazda, are holding their present price levels — "But we don't know for how long."

Ford's managing director, Mr Doug Kitterman, said that without price restraints the rate of increases would be lower because of the intensely competitive nature of the South African car market.

But other industry bosses say that, irrespective of competition, they will be forced to charge more for their products to offset their higher manufacturing costs this year.

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Shock State move on car models

2/5/76 S Times.

Mr Chris Heunis
. . . Getting tough

THE GOVERNMENT is planning tough measures to compel motor manufacturers to reduce the number of car models on the market.

I understand the recent appeal to carmakers by Economic Affairs Minister Chris Heunis to cut their ranges is to be followed up by new rules which could have the effect of reducing the number of models by a quarter within a few years.

Radical

So urgently does the Department of Industries view the need to curb rising prices by this means that the new plan is to be implemented without waiting for the outcome of the Board of Trade investigation into the industry.

This suggests a radical departure from official thinking up to now, which has been that the rationalisation of the industry should be achieved by allowing market pressures to take their course within the framework of the local content programme

The failure of this approach has been

By TONY KOENDERMAN

demonstrated by the fact that Phase III of the local content programme has failed to reduce significantly the number of models available

Currently there are 38 models (and four new launches planned) and more than 200 derivatives or variants

The object of the Board of Trade investigation is to provide a complete reassessment of the local content programme

The Government blames the proliferation of models for the high cost structure of the industry, arguing that economies of large scale production will bring down the unit cost of cars.

It's a claim that deserves closer analysis.

Economies of scale clearly are tremendous when one compares the unit costs of a car rolling off the production line at a rate of 6 000 a year and one produced at a rate of 100 000 a year, as in the big markets of Europe, Japan and America

But to achieve such economies here, the number of models would have to be trimmed to two or three — which would be unacceptable to the buying public.

The arithmetic is totally different in our small market, where the most popular model achieved a sale of only 18 000 last year, and only 13 models sold more than 6 000

Fiat marketing director Brian Moorhead calculates that by eliminating assembled models from the line-up, the price of last year's biggest-selling model — the Chevrolet 2500 3800 and 4100 series — would be reduced by little more than 1 per cent

But this would be achieved at the cost of substantial dislocation of the industry

Tooling costs present the biggest potential for scale economies In simple terms, if it costs R10-million to tool up for a new model which sells 10 000 units in its life, the cost per vehicle, which must be covered in the selling price, is R1 000

But if that model sells 100 000 units, the tooling cost per vehicle comes to only R100, which means each car can sell for R900 less.

Proportion

In South Africa, the potential saving is much less exciting Mr Moorhead reckons the average tooling cost per model here is about R4-million Ralph Broadley, general manufacturing manager of Motor Assemblies (which produces Toyota and Renault vehicles), puts the figure at R6-million, and points out that with interest the tooling cost comes to more like R10-million over the four- to six-year life of a model

Either way, if you were arbitrarily to cut in half the number of models on the market, eliminating the bottom 19 sellers, and then redistribute those unit sales among the others models in proportion to their share of the market, the economies of scale would be small

Taking March sales figures as a base, and assuming a tooling cost of R10-million, and a model life of six years, the average saving in cost per car on the market works out at R44

This is not the whole picture Higher production levels usually bring in their wake improved efficiencies

Another car firm puts up its prices

(192)

CAPE TIMES 4/5/76

Own Correspondent

PORT ELIZABETH. — Ford yesterday became the first Eastern Cape motor company to increase prices after the Government's recent decision to lift the price freeze on new motor vehicles.

Datsun announced price rises last week and Volkswagen is expected to announce higher prices today

Ford's public affairs manager, Mr John Roberts, said yesterday

"Beginning today, we are increasing prices progressively through May, in line with the average pricing in the industry

"Ford's increases range from 3,4 to 7 percent. On an Escort two-door, for example, the increase is 6,8 percent or R200, on a Cortina XLE 3,4 percent or R155 Pricing on the Granada will be decided later this month."

Volkswagen officials discussed higher prices for most of yesterday but by the time the factory closed no final decision had been taken It is expected to come today

Meanwhile, our Johannesburg correspondent reports, that a 15 percent rise in the price of steel is virtually certain to be announced by the Minister of Economic Affairs, Mr Heunis, on Friday.

This will be followed inevitably by increased consumer prices for a wide range of products, including household equipment like fridges and stoves, as well as further pressure in vehicle prices and building costs

Other price shocks.

● The price of coffee will probably rise by 40 percent within the next week, a spokesman for a coffee-importing company said yesterday.

Political upheavals and crop failures had almost halved the world's coffee production, he said

● In Johannesburg yesterday, Checkers announced the new prices for key ranges of maize food stuffs A 5kg bag of maize meal (mealie meal) has gone up by 12c — from 63c to 75c (19 percent) while 2,5 kg bags of samp and mealie rice have risen 17 percent, from 35c to 41c

Pick 'n Pay yesterday announced its rises for the same packs as follows The 5kg mealie meal bag has risen 3c from 55c to 58c (5,5 percent) while the 2,5kg bag of samp and mealie rice has risen from 35c to 38c (8,6 percent)

FM. 9/4/76

Volvo goes into reverse

Swedish car manufacturer Volvo is withdrawing from the SA market, according to its local representative. An operation will be set up to provide continuity of spares and service for the 20 000-30 000 Volvo owners in the country.

The move follows the breakdown of negotiations between A B Volvo and Anglo's motor trading subsidiary Illings. And although Illings Mazda deputy chairman John Loubser says "the door's still open", it doesn't look like the Swedes will re-open talks.

New MD of Lawson Motors, the former franchise holder for Volvo, David Ras, is looking after Volvo's interests here. One of his prime tasks, he says, is to ensure that the interests of Volvo owners are protected. He envisages the operation he'll set up as providing service and spares for a minimum of 12 years.

At present Volvos from the 12 dealers still actively selling the marque carry a "spares and service" guarantee of five years. Ras reckons there are only around 300 models left in SA. These, he says, will have been sold in about four months. "It'll mean the end of Volvo in a manufacturing sense. And there'll be no imports."

Another task for Ras is to dispose of R4,5m worth of Volvo tooling currently at VW's assembly plant in Uitenhage. These would have been taken over by Illings had the deal with Volvo gone through. Now Ras can either sell the tools here (for scrap?) or see if he can sell them to Volvo assemblers in other countries.

Illings had hoped to get a foothold in the prestige car market through Volvo. Says Loubser: "We would have amalgamated Volvo's marketing with Mazda's which meant no additional overheads. We looked for pleasantly good profits."

Volvo and Illings had earlier reached agreement on Lower prices of Volvo CKD (completely knocked down) kits enabling Illings to compete against other prestige cars. This would have meant a very significant reduction in retail prices.

Market talk has long had it that Volvo's CKD pricing to Lawsons was too high. It was even rumoured that every Volvo with the exception of one model sold by Lawsons was sold at a loss. Ras, however, says this is nonsense. "Prices were perfectly reasonable."

A price maintenance clause acceptable to Illings was suggested by Volvo. In price negotiations from time to time the pricing of models against which Volvo was competing would be taken into consideration.

Matthew Lawson: new fields to conquer?

Lawson's tooling debt to Volvo would be amortized over 46 100 car units by Illings.

But the negotiations fell down when Volvo demanded a guarantee on fixed

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VW GIVES WAGE RISES

NM 17/6/76.

UITENHAGE—Volkswagen South Africa yesterday announced wage increases for all hourly-paid employees, to take effect on July 1.

"The increases average 6 percent and are the second wage adjustment granted by Volkswagen this year," said Mr A. O. Rademeyer, industrial relations manager.

Mr. Rademeyer explained that in terms of an undertaking given to the trade union who were parties to the Industrial Council for the automobile manufacturing industry for the East Cape, the company reviewed wages in January and July each year. The January increase this year was also approximately 6 percent.

Some 4 200 Volkswagen employees of all races would be affected by this wage review.—(Sapa.)

(1) ~~150~~
(2) 192
(3) ~~67~~
(4) ~~303~~

Hungry workers down tools

STAR 22/6/86

Pretoria Bureau

Production at Pretoria's Chrysler Park car factory stopped today when about 1 000 hungry Black workers refused to return to work after the 9 am tea-break.

The managing director of Chrysler South Africa, Mr W K McPherson, said "Workers at our plant near Mamelodi arrived at work hungry and restless because of the conditions in the township

"At 9 am every day we provide tea and brad for our Black workers. Today, for unknown reasons, the bread did not arrive"

On hearing that no bread was available the workers refused to go back to work and milled around the canteen area

Mr McPherson said they were not at all aggressive, just "confused, worried about their homes and hungry"

He also said he had decided to close the plant for today, but production would resume as usual tomorrow

The police were called to the plant but stayed only a few minutes before leaving.

(i) 192

(2) ~~67~~

Ford ups rate by 2c an hour

RDM 24/6/76

PORT ELIZABETH. — The wages of the 3 500 hourly-paid workers of Ford Motor Company will be increased by between four per cent and seven per cent next month. The company will also increase its minimum hourly pay rate to 67 cents — a rise of 2 cents. The increases follow a four per cent rise in February. Salary rises are also under review. — Sapa.

(192)

E.

SPEECH BY SENATOR OWEN HORWOOD, MINISTER OF FINANCE, ON THE OCCASION OF THE 50TH ANNIVERSARY BANQUET OF GENERAL MOTORS SOUTH AFRICAN ON FRIDAY, 23 JULY 1976 IN DURBAN

FOR RELEASE : 20h00 on 23 July 1976

Mr. Mott, distinguished guests, gentlemen,

I thank you for the kind invitation to be your guest on this very special occasion and congratulate General Motors South African on achieving their 50th anniversary.

Before commenting on this significant milestone in the history of your company I feel it would not be amiss if

I ..... 2/.

I refer briefly to the important role your industry plays in our country. It is indeed true that the motor industry in South Africa, as in most countries of the free world, is vital to the economy of the country. As illustration I can mention that with the exception of the amount spent on foodstuffs, private expenditure on personal transport equipment represents the biggest component of expenditure by private individuals in South Africa. Private consumption expenditure on personal transport equipment alone in 1961 amounted to R102 million which represented 2,9 per cent of total private consumption expenditure. In 1975 the corresponding figures were

R704 million .... 3/.

R704 million and 4,7 per cent respectively. What it amounts to is that 2,7 per cent of total gross domestic expenditure in 1975 was spent on personal transport equipment. Over the same period the number of registered motor vehicles increased from 1 106 851 in 1961 to 2 117 044 in 1975, i.e. by an average annual rate of 4,7 per cent - twice the rate of the population's growth.

The estimated capital investment of motor manufacturers alone is in the vicinity of R500 million; the Rand turnover in 1975 was R2 298 million compared with R1 873 million in 1974 (an increase of 23 per cent). The value of new vehicle sales by the manufacturers was

R919 million ..... 4/.

R919 million in 1975 as against R762 million in 1974. The manufacturers alone employ around 30 000 people of all races and last year paid out R121 million in salaries and wages. From these statistics one can clearly see that the South African motor industry is formidably large and truly one of the most important in our economy.

You will therefore understand how honoured I am to be called on to offer congratulations to a leading member of such an industry on such an auspicious occasion as this.

You ..... 5/.

You will realise that in the time available to me it would be impossible to give anything but a brief summary of your Company's history tonight. The reason for this is quite simple: when you deal with the story of GM's first half century in South Africa, you are involved in a subject encompassing many thousands of people; many different products; and a constantly changing pattern of development and achievement. I will thus mention some only of the highlights of the past 50 years.

The story of General Motors South African reflects the courage of its founders, and their confidence in the development potential of this country. These were

determined ..... 6/.

determined people and they were responsible for the growth of the Company into one of the largest private manufacturing and assembly enterprises in the Republic. It is a dramatic story.

Even before the formation of the South African company, products of the General Motors Corporation of America were already in use on the roads of South Africa and I understand that from time to time the overseas sector of the Corporation would send out representatives to far-off Africa to make contact with the owners of their cars and see that they were satisfied with their performance.

One ..... 7/.

One of these representatives - Nathaniel Currier Tuxbury - was in 1925 sent to Port Elizabeth to start the first GM factory in South Africa, and to guide the new company through nearly all of its early life.

Because the motoring industry in South Africa, even in those early days, was a tough and competitive one, Mr. Tuxbury had to carry out most of his negotiations under conditions of great secrecy. He succeeded so admirably in avoiding publicity that the signing of the original company papers of General Motors South African Limited in Port Elizabeth on February 17th, 1926, and the subse= quent registration of the Company on February 20th in Cape Town took place without a line of press coverage.

The ..... 8/.

The latter date, the actual birth of the Company, was the result of the prerequisite of the Companies' Act of that time that all companies should be registered in Cape Town.

At that stage Mr. Tuxbury had already located and rented a wool store in Port Elizabeth, as the site for the first assembly plant, and most of the machinery was already installed. The first Chevrolets to be assembled in South Africa were completed in April the same year and only then did the secret come out. The pace in those early days was quite incredible: one thousand vehicles had been assembled by October of that first year and the

5 000th ..... 9/.

5 000th Chevrolet was built just 49 years ago on May 28th, 1927.

The Depression which the company had to weather so early in its life did put a dampener on the sheer pace of development - but never did it shake the confidence of those in charge of either General Motors South African or the international GM Corporation in the ultimate long-term success of their venture: on September 29th, 1928, the young local company purchased 36,03 hectares of land abutting Kempston Road in Port Elizabeth and one year and a month later - the same month as the Wall Street crash - the new factory was officially opened and went into production.

With ..... 10/.

With the Depression over, the Second World War was soon to follow and stop all domestic production by 1942. Instead, General Motors put its already considerable resources at the disposal of the country for the production of war supplies. The factory really showed its versatility then by producing such diverse articles as canvas camp chairs, kitchen chairs with built-in ladders, metal typists' chairs, fireside seats, floor cushions, ironing boards and even coffin handles.

It is interesting to note that a Government statement from that time shows that a total of 32 000 vehicles

ready ..... 11/.

ready for active service were produced during the course of hostilities. The statement goes on to say that of this total only 4 000 were standard factory models. The balance of the special purpose vehicles were all equipped with bodies built in South Africa. In all, a total of 80 different types of vehicles were built.

Not even this world conflagration - and the complete disruption of the flow of production - prevented the planners from looking ahead, however, and soon after production was resumed in 1946 the Company was already in the throes of building another bigger and better factory at Kempston Road which commenced production in 1948.

This ..... 12/.

This development heralded a period of rapid growth both in terms of production capacity and sales, as well as in the sheer number of people employed by the Company. There was also considerable diversification, and the commencement of the company's policy of sourcing locally as many of the components of their vehicles as possible. The new plant was almost immediately converted from a simple "assembly" function to the more complex "manufac= turing" factory.

GM next commenced with the manufacture of motor batteries, and by 1950 they were also making truck cabs and

refrigerators ... 13/.

refrigerators; leaf springs and exhaust mufflers were being made in 1951, as well as stoves; and in 1954 the Company was making its own exhaust tail pipes.

Distribution of all GM products (vehicles and other) was handled by more than 400 dealers who employed altogether around 7 300 people and whose capital investment totalled almost R23 million.

The development pace in the second quarter century of the Company's history, i.e. after 1951, was even more rapid - both in its production capacity as the motor industry neared the boom years of the early sixties and in the establishment of ancillary services to back up

their ..... 14/.

their increased share in the industry's marketplace.

A Technical Training Centre was opened in Pretoria in 1958 to help in the training of dealers' staff and the main Technical Training Centre and Service Centre was opened at the Port Elizabeth plant in 1961. To take service-training to the dealer in the field, the company began operating a sophisticated mobile training unit - a facility which is still actively employed today.

A major development in the Company's constant aim to increase the local content of its vehicles was the

opening ..... 15/.

opening of the Engine Manufacturing Plant at Aloes, near Port Elizabeth, during 1965 at a cost of R20 million.

In the following year, the Company was able to announce the production of their 750 000th vehicle in South Africa while the millionth GM vehicle was to come off the production lines only six years later, in 1972.

In 1967 a further significant step in the evolution of GMSA into an entirely self-sufficient motor manufacturing plant was the opening of another facility: the Engineering Technical Centre. This was to become the development hub of pure South African projects, some of which have become topsellers in recent years.

A ..... 16/.

A much more recent example of the versatility and capability of the South African company was the release in February this year of a model which has been engineered and designed from the ground up at the Technical Centre. This specific model has also the unique distinction of having a local content of components of almost 90 per cent - the highest, I understand, in the entire motoring industry in the Republic.

Another highly significant development was the fairly recent decision by General Motors South African to

commence ..... 17/.

commence the manufacture and assembly of diesel electric locomotives at a specially constructed plant on their Aloes property. I know, because I have driven one of these fine denizens of the tracks! The opening ceremony was performed at the new plant on November 15th, 1974, and the 100th locomotive was produced from that facility on August 12th, 1975. During June 1976 the 200th diesel locomotive unit was delivered to the South African Railways.

With this stature of capability it is difficult to associate those small, quiet beginnings of 50 years ago with the giant organisation which is the General Motors South African that we know today.

When ..... 18/.

When the company opened its first factory the staff totalled 400, and initially 11 cars a day were produced at the wool store factory in Darling Street. Today it employs an aggregate of 6 000 people in a plant area covering 918 hectares with 17 hectares under roof. Fifty years ago only cars and trucks were assembled - today a wide range of motor vehicles (and other items such as the locomotives I have just mentioned) with a high rate of local content are manufactured - on five times the scale achieved in 1926 as far as cars are concerned. I am told that GM has provided transport for more than one-fifth of the Republic's motorised public.

Whichever ..... 19/.

Whichever way one looks at it, General Motors South African is a BIG concern. What I was particularly interested to learn was that in the last five years the company had paid the South African Government more than R100 million in terms of income tax and sales and import duties!

You will, I am sure, be interested to hear that GMSA have loaned the Bantu Administration Board more than R1 million to provide new homes and a school near Port Elizabeth. In 1973 they made available about half that amount for Coloured residential improvements and addi= tional houses and are now busy providing sporting facilities and similar amenities both for Coloureds and

Africans ..... 20/.

Africans. On a national basis the company contributes substantial amounts annually to university institutions and other bodies and, I am told, makes grants and contributions to no less than 73 educational, industrial, welfare and charitable organisations of all population groups each year.

In a sport-loving country like South Africa GMSA are well-known for their sponsorship of many sports events. Golf, soccer football, body-building, athletics and motoring are but some of the fields in which they are active.

As ..... 21/.

As I said at the outset, I can convey to you only a fraction of the overall activity and progress of General Motors both today and through their 50 years in South Africa. I hope, though, that I have been able to put across to you something of the magnitude and the versatility of their achievement.

Of course, no dynamic organisation can afford to rest on its laurels or live in the past. In almost all fields of human endeavour one has continually to look to the future and consider the ever changing prospects, for we are living in rapidly changing times - times in which decisions have to be taken not only quickly but

correctly ..... 22/.

correctly. To achieve sound business results it is equally essential intelligently to anticipate circum= stances that will prevail in the future, both over the short and the longer term.

The oil crisis of 1973 brought the motor industry all over the world, especially in the oil-importing countries, before the biggest challenge the industry has faced since the development of the internal combustion engine. The oil crisis has finally terminated the era of cheap energy, and the good old days when we paid less than ten or even twenty cents a litre for petrol, belong

irretrievably ... 23/.

irretrievably to the past.

In these circumstances it seems to me that the develop= ment of efficient alternative forms of energy supply for the future substitution of inter alia motor fuel should not only be regarded as the responsibility of the petroleum industry; the motor industry, with its rich experience in mechanical technology, is in a position to make a most useful contribution to this problem. Time is short, as I understand that internationally proven oil reserves are only adequate to satisfy the demand for a further thirty years or so at present levels of consumption - a circumstance which seems bound to see the price of oil continue its recent upward

trend ..... 24/.

trend in the future. Consequently the sooner efficient substitutes can be developed the higher the attendant economic advantages will be, especially if the pro= duction of these substitutes can be based on domestic resources.

Likewise, it seems to me that increasing emphasis must be given in the design of motor vehicles to economy of fuel consumption and also, in general, to less luxury, though not inferior quality. Not only will this suit the pockets of a large part of our population, but it should be seen as part of the essential drive to keep

within ..... 25/.

within reasonable limits the self-defeating striving for ever-increasing standards of living unrelated to increased productivity. In other words, it will help us to live within our means.

If one takes into account the developments that have taken place in the motor industry, especially during the post-war period, I am confident that the challenges that I have just referred to, and which of course are only some of the problems with which your industry is confronted, will be successfully met. I would also wish your company, as one of the pioneers in the South African motor industry, well for the future.

Gentlemen ..... 26/.

Gentlemen, I am sure that you share my best wishes and I therefore now ask you to rise and drink a toast to General Motors on their 50th anniversary. To the next 50 years.

ISSUED BY THE DEPARTMENT OF INFORMATION
AT THE REQUEST OF THE MINISTRY OF FINANCE.

PRETORIA. 23 July 1976.

Will government heed Naamsa's plea to keep the handcuffs off the motor industry? FM. 21/5/76

Model prisoner

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The motor industry has come too far too fast, Leo Borman, president of the National Association of Automobile Manufacturers (Naamsa), told the Afrikaanse Handelsinstituut congress this week And he appealed to government to make a realistic assessment of the causes of the industry's present distressed state "and apply the remedies on a completely objective basis"

The industry's ailments are caused by a number of factors, spelled out by Borman

- Virtually nil passenger car sales growth Sales in 1974 and 1975 are slightly below 1973 (the year of the oil crisis) and 1976 sales are fairly certain to be lower still,
- Cost increases. In recent months these include freight, rail rates, steel, rubber, plastic, paint, other raw materials, wages and sales duty. The latter is part of the,
- Taxation burden. Passenger cars are subjected to sales duty, excise tax and customs duty. The total can vary from R500 on a small car to over R2 000 on higher-priced vehicles. These figures are reduced by an excise tax rebate, says Borman, but he claims they are offset by the premium on local content;
- The local content programme The industry, says Borman, is over-invested in terms of the total passenger car market, which will have to grow by at least three times its present size before a reasonable return is made on what has already been invested (last year total investment, including current assets, was over R873m). Investments in the main have been made with disregard to market size and growth rate;

A combination of these factors has led to.

- Lack of profitability A recent survey showed that while some manufacturers made small profits in 1975, they collectively made a loss of R11,4m on their vehicle manufacturing and spares distribution operations combined Net profits in 1974 showed a return on investment of less than 0,5%

That the motor industry is in dire straits is no secret Why Borman has taken the trouble to detail the reasons appears to be an attempt to take the heat off, to give it breathing space For this year two vital government decisions hang over the industry's already bowed head

One is whether Pretoria will demand further investment in the local content programme, the other is whether it will attempt to force manufacturers to reduce the present number of models

Phase III of the local content programme closes at the end of this year, by which date manufactured models must have a local content of not less than 66% Thereafter comes a two-year standstill It's what happens after 1978 that has most manufacturers (though not all) worried A majority of Naamsa members has recommended against any further compulsory increase in excess of 66% until a stage in the market is reached where such an increase is proven to be economically justified In any event, they want the standstill period extended

Naamsa's Borman .. steering the right way?

(196)

Dunlop profits and sales up

Cape Times 5/8/76

Own Correspondent

DURBAN. — Dunlop South Africa improved its sale, during the six months ended June 1976 compared with the same months in 1975 and profit, after tax, was up.

Sales rose from R39 469-000 to R41 226 000 and the profit attributable to shareholders from R1 578 000 to R2 027 000

This improvement was due to a reduction of the losses on flooring, the elimination of losses at Dunlopillo and economies in overhead costs

On the [illegible] the constraints [illegible] campaign against [illegible] and the declining [illegible] in line with the [illegible] down-turn, have [illegible] ding profits to less [illegible] the 15 percent on capital which is regarded as [illegible] by the anti-inflation [illegible]

The directors [illegible] believe the group will earn enough in the second half of the year to yield profits for the full year at about the same levels as in 1975

An interim of 6c has been declared

(142)

Cars are in gear for import price rise

27/7/76 Nm.

Mercury Correspondent

PORT ELIZABETH – Car prices are going up soon because of the 20 percent import deposit scheme being introduced next month.

Two firms have already estimated the likely increases on their vehicles.

Volkswagen is thinking in terms of R50 while Datsun expects a boost of between R30 and R35.

General Motors and Ford said price rises on their products seemed inevitable.

The timing of the increases could lead to another cat-and-mouse game among motor plants, each watching the other before introducing price rises

Volkswagen's sales director, Mr Peter Searle, yesterday said it was difficult to say when VW prices would be raised.

Volkswagen estimated it would have to lay out about R10 million to pay the deposit, which would be refunded to importers after six months.

"However, the interest on the money we will have to borrow will, for my company alone, come to about R1,5 million and this will not be refundable," Mr. Searle said.

He estimated that on lower-priced VWs, the increases would be about R35 and on the top-priced range about R60.

Datsun's financial director, Mr N. du Toit, said his company would also have to lay out R10 million to meet the deposit.

The motor industry would be hit to the extent of R100 million, he said.

Mr. du Toit said Datsun prices would probably have to go up by about R30 to R35, but he could not say when.

General Motors treasurer Mr. D. B. Sneesby said the increased costs would have to be passed on to the consumer

A Ford spokesman said the possibility of a price increase for Fords could not be excluded.

3281
192.

2 000 hit by change to four-day week

DD
2/11/76

PORT ELIZABETH – The vehicle and manufacturing plants of General Motors will join Ford and Volkswagen in working a four day week from today.

Ford and Volkswagen have been working a shorter working week for some time.

"During November and December we shall be adopting a pattern of part week working within the vehicle and manufacturing plant areas," Mr Ron Ironside, Director of Personnel said.

"Market conditions must, however dictate possible changes to this procedure. About 2 000 workers of all race groups are affected.

"No firm decisions have yet been taken about the possible adjustments of salaried staff, but again these circumstances will be governed by the status of the market."

Since the beginning of the year the company has retrenched more than 350 workers.

The number of unemployed in the Eastern Province last month [illegible] the highest [illegible] were first [illegible] 1960.

According to statistics released [illegible] were unemployed [illegible] end of October [illegible] with 1 156 [illegible] the same time [illegible] SAPA

(1) 192
(2) 328

GM lay off 75 workers

DD. 4/8/76

PORT ELIZABETH — The first salaried staff in the motor industry to be laid off as a result of the current market decline have been given notice by General Motors here

A total of 25 office workers are being released on September 1, while the company also dismissed 50 hourly-paid workers yesterday

A spokesman said "Because of the further softening of the market pace we shall, as intimated a few days ago, find it necessary to trim our production force. As an immediate move we shall be releasing approximately 50 hourly-paid workers.

"It is also necessary to realign certain salaried employees which will result in 25 personnel being released with effect from September 1" — SAPA

(1192)

(2, 328

ARGUS 8/9/76

Ford to lay off staff

PORT ELIZABETH. — Ford Motor Company has decided to lay off all its hourly-paid workers from September 27 to October 1 in an effort to cut back on production, a notice circulated to the company's wage earners here said

The company has also decided to continue working a four-day week at all its plants in Port Elizabeth until the end of the year

The notice added that these measures were decided to avoid the need for retrenching staff

A Ford spokesman said absenteeism last month was 3 percent, the lowest recorded for some time

LOSING JOBS

Workers in the struggling motor industry appeared to be taking no chances on losing jobs. Another reason for the low absenteeism could be the fact that workers were already earning only four days pay a week instead of five and consequently cannot afford to lose more pay, he said

Volkswagen repeated that it had no further plans for production cutbacks apart from the four-and-a half day week the Uitenhage plant was now working. General Motors so far has retrenched about 250 workers this year, but has not cut production — Sapa.

(1) (192)
(2) 328

3 car firms to shut: 6 000 off work

25/9/76

Weekend Argus Correspondent

DURBAN — Production workers at three big motor companies will be off work next week as plants shut down because of the crisis in the motor industry.

About 6 000 workers will be affected by the shutdowns, which company spokesmen blamed on the slow demand for cars.

The companies are Rowen of Durban, manufacturers of motorcar parts; Ford of Port Elizabeth, and Motor Assemblies of Durban, producers of Toyota, Renault and Mazda.

General Motors last week closed their Port Elizabeth plant for a week, giving 3 000 workers a week's leave. Volkswagen's production plant at Uitenhage has been put on a four-day week

SHORT TIME

At least 10 000 workers have been affected by the continuing slowdown in the motor trade, although companies are doing their utmost to minimise the effects on staff.

The firms have all decided to put workers on short time rather than reduce the work force.

However, Motor Assemblies, SA's largest motor plant, has been forced to retrench about 500 workers since January.

A Volkswagen spokesman said the company had started planning in October last year to deal with an expected slump in the motor trade

Ford has also been on a four-day week.

Chrysler last month slashed prices nationwide on several models to stimulate sales.

The general picture is one of gloom, with production cutbacks by the large producers affecting smaller firms producing components for the industry and all sectors having to take increasingly severe measures to balance production with demand

August vehicle sales showed a 25 percent drop on last year, and the gloom is deepened by predictions of petrol sales restrictions and price increases

(1) 192.
(2) 328

6000 workers hit as car assemblies cut production

26/9/76
Sun Trib

Tribune Reporter

PRODUCTION workers at three large car companies will be off work next week as a result of plant shutdowns due to the crisis in the motor industry

About 6 000 workers will be affected by the shutdowns, which company spokesmen blame on the slow demand for cars.

The companies affected are

- Rowen of Durban, manufacturers of car parts
- Ford of Port Elizabeth
- Motor Assemblies of Durban, producers of Toyota, Renault and Mazda

General Motors last week closed their Port Elizabeth plant for a week, giving 3 000 workers a week's leave, while Volkswagen's production plant at Uitenhage has been put on a four-day week

Altogether at least 10 000 workers have been affected by the continuing slowdown in the motor trade, although companies are doing their utmost to minimise the effects on staff.

They have all taken the decision to ease production by putting workers on short time rather than reduce work forces — a move generally supported by workers.

However, Motor Assemblies, the country's largest motor plant, has been forced to retrench about 500 workers since January.

A Volkswagen spokesman said the company started planning last October to deal with an expected slump in the motor trade.

"The situation has turned out to be worse than we anticipated, but we have made no cutbacks in staff," he said.

"We have been reviewing the manpower situation regularly and have not been automatically replacing staff as they leave and we did not replace some workers who failed to return after our annual break in December."

Ford, which is closing its Port Elizabeth plant for a week, has also been on a four-day week to keep production in line with demand.

A Rowen spokesman said virtually all the hourly paid staff — about 550 workers — will be off next week, due to a slowdown in production

And Chrysler last month slashed prices nationwide on several models in a bid to stimulate sales.

The general picture is one of gloom, with production cutbacks by the large producers affecting smaller component firms. All sectors have taken increasingly severe measures to balance production with demand.

August vehicle sales showed a 25 percent drop on last year, and the gloom is deepened by predictions of petrol sales restrictions and price increases.

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CAPE TIMES 6/10/76

R500 000 involved in MIF probe

By GORDON KLING

FUNDS EXCEEDING R50 000 are involved in current investigations by the Motor Industries Federation (MIF) into misinvestments

This was disclosed to the Cape Times yesterday by a reliable source within the MIF. The source said at least one resignation was possible in the federation's finance committee as a result of the handling of the investigation, which has been in progress for more than a year

I understand that the major losses are in the Motor Industries Development Fund, which is collected through the Motor Industrial Council

Auditor sources in Johannesburg said the matter is likely to be brought before the Public Accountants and Auditors Board, after which criminal prosecutions were possible

The deputy director of the 6 000 member federation, Mr S D Vermooten, recently confirmed that investment losses in a number of funds, involving several people, were under investigation. The MIF administers 15 funds.

(1) 192
(2) 328

VW: Week's shutdown

Cape Times 8/10/76

Own Correspondent

PORT ELIZABETH — Volkswagen has decided to bring forward another week of its usual three-week shutdown at the end of the year because of the depressed state of the motor industry, according to a company announcement yesterday.

The factory will shut down between October 18 and 21 The next day October 22, a Friday, would in any event not be a working day as Volkswagen is at present on a four-day week.

Early in July the first week of the year-end shut down was taken in advance

A spokesman for Ford said yesterday that Ford would observe its usual annual shutdown between December 16 and January 7 Until then all four Ford plants in Port Elizabeth were likely to continue on a four-day week.

A General Motors spokesman said the company's manufacturing plant would close for two weeks at the end of the year.

(192)

ARGUS 14/10/76

DECLINE IN SA CAR SALES CONTINUES

PORT ELIZABETH — New car sales in South Africa slipped at a faster rate last month than in August, with a total of 13 860 cars sold in September compared with 15 361 in August.

In contrast to this decline of 2 501 units, sales in 1975 rose by 1 626 units between August's 20 638 and September's 22 264

Sales last month are 37,7 percent below the level of September 1975 They are the lowest monthly figure since March 1972, and the lowest September figure since 1968.

The nine months' cumulative total for this year is 142 988 new cars on the road, compared with 17 002 for the same period last year This represents a decline of 16,5 percent.

The commercial market in September was 9 637 pick-ups, vans and trucks of various makes and sizes, compared with 10 266 in August — a decline of only 629 units. But the decline from September last year is 3 665 units

CUMULATIVE

The cumulative total for the nine months is 89 675 this year, compared with 102 072 last year, a decline that has grown to 12 percent

Among individual car manufacturers, in September, Volkswagen retained its market lead with sales of 2 252 units — 21 more cars than in August and representing a market penetration of 16,2 percent.

Ford kept its second place, with 2 087, or 85 units fewer than last month, and Datsun reasserted its third place with 1 847 after being virtually dead-heated with General Motors in August.

FIFTH PLACE

Toyota retained its fifth place although with sales almost 200 units below August, and Chrysler continued its climb, gaining another place to sixth

There was some jostling among leaders in the commercial vehicle market, with Toyota taking top spot by slightly improving on its August performance to 1 853 units, while Datsun declined by 109 units to 1 795 to take second place — Sapa.

Future for car-makers is bleak

The Argus Bureau

PORT ELIZABETH. — A bleak picture of the South African motoring industry has been painted by motor plant executives here following the September sales figures released today — the lowest sales for any month since April 1972.

A spoeksman for Ford (South Africa) commented 'The motor industry and dealers simply cannot survive with the volume experienced last month'

The president of the National Association of Automobile Manufacturers of South Africa, Mr Leo Borman, said that the industry found itself 'facing an extremely critical period.'

'This can be best emphasised by looking at car sales for the year as a whole which are not expected to exceed 190 000 and which are at present running at more than 16 percent below the comparative 1975 figure'

NO GROWTH

He said 1975 was the third successive 'no growth' year for the car industry

Mr Borman said that sales of commercial vehicles also gave cause for concern

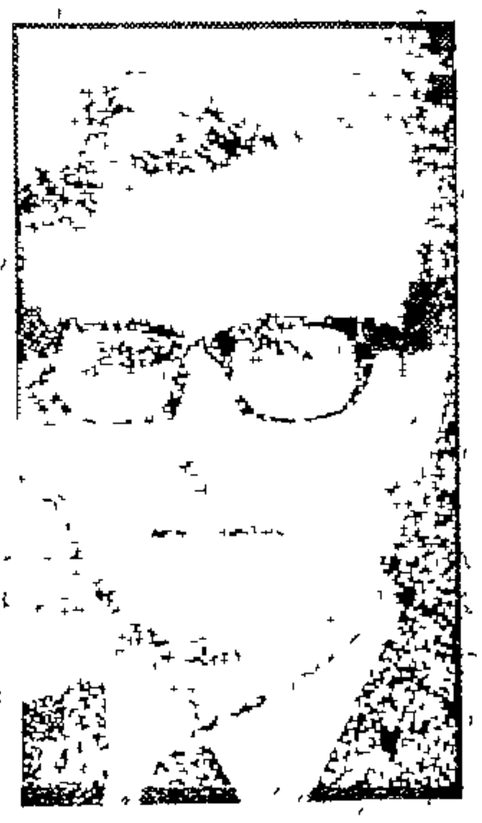
Mr John Hall, sales and marketing manager of Ford said 'We are decidedly concerned about the strong general downward trend of the market

'From a combined car and truck sales figure of 35 500 for September last year sales have plummetted to almost 23 500 this September — a drop of some 34 percent

'This is most disturbing and with the impending fuel restrictions we are becoming even more alarmed

'The motor industry and dealers simply cannot survive with the volume experienced last month and something most be done to improve matters'

He said one encouraging aspect of the market



MR Peter Searle . . turning to more economical cars

as far as dealers were concerned was that the used car business remained healthy

Mr Peter Searle, sales director of Volkswagen, said. 'Inflation, the general economic slowdown, the price of petrol and the official fuel-saving measures have caused new car buyers to turn to more economical cars to the extent that an expected 80 percent of all new cars to be sold this year will be four cylinder vehicles'

A spokesman for General Motors said the company's sales were slightly disappointing in September

'The lower September car sales were mainly due to lack of full availability at plant level of certain of our car lines,' he said

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ARGUS 19/10/76

Low sales force GM to close five days

The Argus Bureau

PORT ELIZABETH. — A strong measure to overcome the effects of falling car sales has been taken by one of the three Eastern Cape plant General Motors is to close for five days starting tomorrow as part of a short-time working pattern.

Ford and Volkswagen are already working a four-day week.

A GM spokesman said: 'The significant decline in vehicle sales has made it necessary to introduce a pattern of short-time working

'The first measure will be implemented by the closing of the vehicle assembly, engine, truck and manufacturing plant areas for five working days starting tomorrow

'This means these areas will be closed on Wednesday, Thursday, Friday, Monday and Tuesday

'More than 2 000 White, Coloured and Black workers will be affected by the five-day closure

'Until the sales tempo increases and the overall condition has improved, we shall use the pattern of shortened work weeks in an endeavour to avoid any further retrenchments However, market conditions must remain the governing factor'

GM, which has retrenched more than 350 workers since the beginning of the year, informed the unions about the short-time working pattern yesterday afternoon

Motor trade's bleak holiday

About 37 000 workers in motor-assembly factories have lost about 4.8-million man-hours by the end of this year, and most of them are in for a lean Christmas.

Star 12/11/76

'Nearly all workers will go on four weeks' leave over Christmas but most will be paid for only 2½ to three weeks,' said Mr Fred Sauls, secretary of the National Union of Motor Assembly and Rubber Workers, in Port Elizabeth

The three big assembly plants in Port Elizabeth—General Motors Ford and Volkswagen—were on a four-day week which meant workers were getting only four fifths of normal pay

"Jobs are so scare that people are reluctant to leave their jobs in spite of the reduced pay" Mr Sauls said

He estimated that factories had two months stock on hand compared with about one week's stock in more prosperous times

Associated industries were also suffering. Feltex which produced carpet for the car industry was also on a four-day week Mr Sauls said

REDUCTION

Elsewhere assemblers including Chrysler, Datsun Motor Assemblies and Leyland are also on a four day week or short time

Fiat near Alberton, and Mercedes East London, are among exceptions but Mercedes has worked a four-day week at various times in recent months

The National Association of Automobile Manufacturers estimates that 4,8-million man-hours will have been lost by the end of this year

This does not include production lost as a result of the 4 000 reduction in the industry's work force, from 41 030 in September 1976 to 36 978 last September

A spokesman said the 4,8-million lost man-hours represented lost pay to the workers

● Motor industry now running on its wheel rims — Page 18.

(192)

Fiat to put R10-m more into SA

JOHANNESBURG. — The Italian motor giant, Fiat, is to inject R10-million into its South African subsidiary in a bid to improve its share of the local new car market.

'For the past few years South Africa has been a critical area for us,' said Dr Adolfo Morelli, deputy export director of Fiat Automobiles, Turin. 'We had to take the decision whether to stay in this country or to get out We have decided to stay.

'We sent a study group to South Africa to find out what was wrong and we make no mystery about the fact that the group's findings clearly reveal that if Fiat continued at the existing pace it would find itself out of the market'

Dr Morelli was speaking in Johannesburg last week.

He announced a crash programme to improve Fiat's position in South Africa.

- The injection of capital over a measured period of time
- A major management restructure with a 'task force' brought in from various Fiat operations around the world 'These are all men who have proved themselves in difficult situations.'
- A new model which will be announced next year.
- A commitment principle to a far greater participation in motor sport, both racing and rally. 'Our problem is that our cars lack an image,' said Dr Morelli
- The importation in limited quantities of the Fiat's X1/9 sports car. This will be an assembled model and the company hope that it will boost Fiat's ailing image in South Africa.

'Our study has substantiated our faith in the future of the South African market and has strengthened our resolve to remain in this country,' said Dr Morelli. 'We have the conviction, we have the product and we have the resources. All that has to be done is to use them correctly and to their maximum effect We have seen our penetration drop to the benefit of our competitors We are now firmly determined to reverse this trend'

(A2)

...ecial nameplate on the car. Specially built in SA for the car is Sonhild Kelly-Patterson

Picture RICHARD BELL

CAPE TIMES 20/10/76

Car firms go on short time as sales drop

PORT ELIZABETH. — Volkswagen is in the middle of a four-day closure and today General Motors starts a five-day shutdown.

The action by the two Eastern Cape car plants reflects the state of the motor industry following last month's plunging car sales, the lowest for any month since March, 1972.

The closure by General Motors will affect the pay packets of about 2 000 hourly-paid workers of all races. They will take home a two-day pay packet next week — the plant will reopen on Wednesday after being closed today, tomorrow and on Friday and on Monday and Tuesday next week.

Unlike Volkswagen in Uitenhage and Ford in Port Elizabeth, both of which have been working a four-day week for some time, GM has till now worked a five-day week on a slowed production line.

The managing director, Mr Bill Mott, said the shutdown is intended to align production with falling sales and to try to avoid further retrenchments. More than 100 workers of all races have been retrenched in the past fortnight. This brings the total to about 350 since the beginning of the year. Some of those retrenched were paid off yesterday.

The partial shutdown will at least enable workers to take home something. This way there will at least be part of a pay packet which is better than they would get from unemployment benefit, Mr Mott said.

Disastrous month

He said September had been a disastrous month and prospects for this month were little better.

A GM spokesman said yesterday that the significant decline in vehicle sales had made it necessary to introduce a pattern of short-time working. From today, the first measure would be implemented by closing the vehicle, assembly, engine, truck and manufacturing plant areas for five days.

About 2 000 workers of all races would be affected by the closure. Those who were not eligible for additional paid leave would be off for five out of 10 working days without pay.

(192

Recovery in motor industry predicted

DD - 27/11/76

PORT ELIZABETH — Car sales should again be on the upswing by September next year, Mr L. Swift, president of the Midland Chamber of Industries, said yesterday

Addressing the South African Institute of Personnel Management here, Mr Swift said television had obviously affected car sales because consumers used their buying power on TV sets.

A large proportion of TV sets would start falling in the paid-up category by mid 1977. "South Africans always have been conscious of owning a late model car and therefore it is expected that from September sales should once again improve," he said.

This would rejuvenate the Eastern Cape economy where, apart from the three major motor plants, at least 50 per cent of all the other manufacturers are directly or indirectly dependent on the output and fortunes of the motor companies

From 1979 it was expected that the Government would implement a new programme which could result in a further increase in the local content programme. "If such a programme is introduced, it is expected that the motor industry in the Eastern Cape will create further job opportunities so that the economy of this area can expect steady growth

"The growth in the motor industry will be supported further by the increased buying power of South Africa's black population "

Mr Swift repeated his call for the aboliton of job reservation which he made at the Midland Chamber of Industries meeting here this week. — DDC.

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F M. 17/12/76

REGIONAL

The first in a series of articles on how SA's regions are coping in the current economic climate

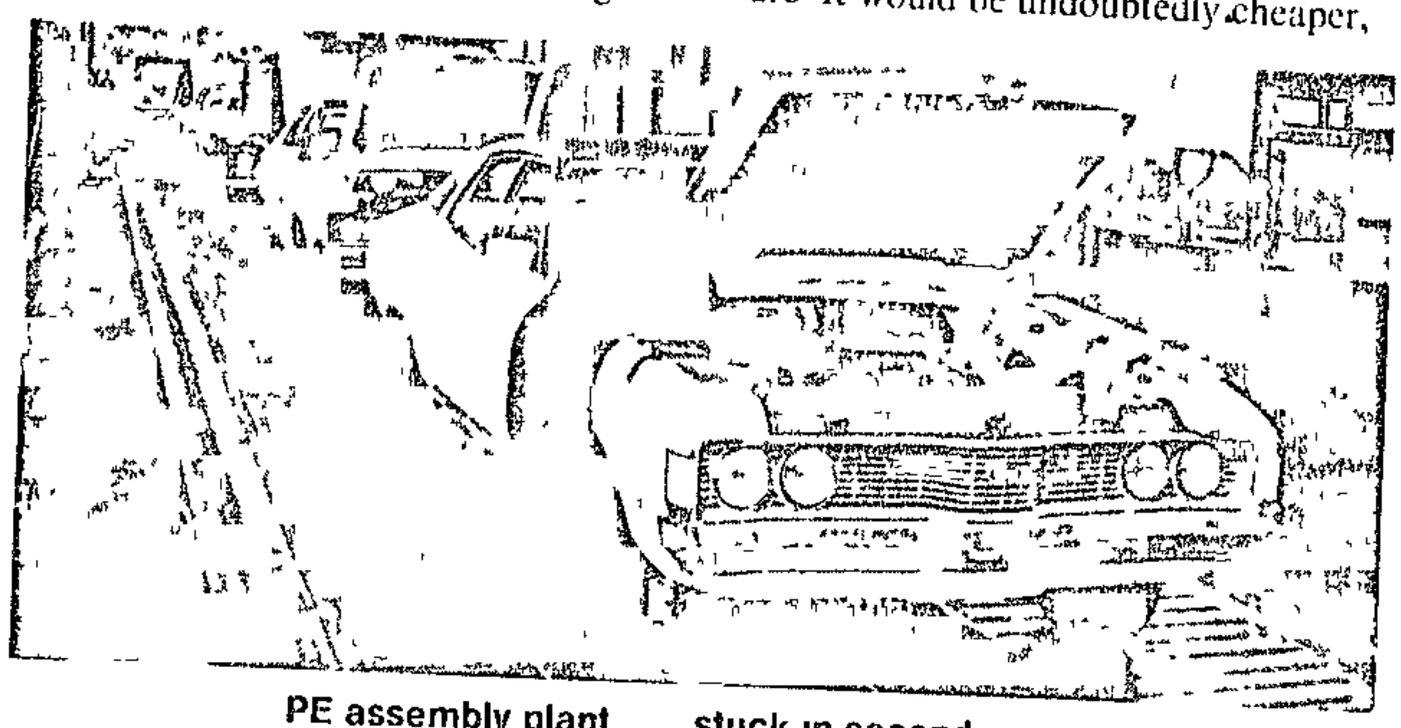
Industry smoulders in the Eastern Cape

It's going to be a far from Merry Christmas for automobile workers in the Eastern Cape And for the many out of work due to the recession in the motor industry, prospects are bleak The Department of Labour's divisional inspector, E A Cilliers, estimates that there are at least 15 000 in the area on short time Most are in motor plants and most are Coloured

Total unemployed at the end of October is over 11 000 2 516 White, Coloured and Asian men and women (compared with 1 456 in October last year) and 8 651 Black men and women (7 640)

According to a recent report by the National Association of Automobile Manufacturers (Naamsa), since July the number of workers in the three Eastern Cape plants of Ford, General Motors and Volkswagen has dropped by 1 100 to 14 800 Most of the remaining workforce is on short time

Ford and Volkswagen have been working a four-day week since August



PE assembly plant stuck in second gear

Ford has 3 400 hourly-paid workers, all on short time VW has 2 500 hourly paid men also all on short time GM has 3 400 of which 50% are on a four day week General Motors explains that it is able to keep 50% of its workers on a five day week because of its diversification (such as diesel electric locos) and because it does a lot of its own components manufacture, where the work load can be spread

There are no available figures for the motor components industry, but obviously this has been hit hard as plants cut production Only those components makers who have good export orders are managing to keep production at reasonable levels," says a spokesman

The three motor plants have closed for about a month, Ford from December 10 January 10, GM from December 7 January 5, VW from December 8 January 4 Many hourly paid workers who were forced to take a week's paid leave earlier this year, when the plants cut back production to shift inventories, will now only have two weeks' paid holiday over Christmas However, three paid public holidays should help — plus annual bonuses

The recession naturally enough goes further than the car plants Retailers report slacker business due to short time, unemployment, and to people's fear they'll lose their jobs and the consequent cut back on spending

Further unemployment is certainly a possibility A protracted four-day week is in many ways a humane measure It would be undoubtedly cheaper, as GM's MD Bill Mott admits, to cut the workforce and continue to run the plants five days a week The motor manufacturers are trying their best to stave off any such decision, but sales prospects for next year are even gloomier than this year's disastrous results (see *Inside Industry*) How long can the plants hold out?

Meanwhile the building industry is also in recession In the first 10 months builders have been awarded contracts worth about R6m compared with R40m in the same period last year As a result some 1 400 Blacks have lost their jobs The number of unemployed skilled Coloured artisans has risen to 169 compared with 90 in October last year

"The PE industry needs R40m of work a year to keep abreast of its commitments," says Dennis Scarr, president of the local Master Builders & Allied Trades Association With work still expected, the 1976 total is estimated at R14m And a survey undertaken by the Association shows that in the first six months of next year about R6m will be offered in 15 contracts One saving grace, however, will be the R15m worth of work being put out to tender by the Department of Public Works in PE between now and the end of January

The Department of Labour says that many more women are looking for work A recent advertisement by a firm of architects for a "Girl Friday" drew an estimated 130 applicants.

Cilliers says that the number of unemployed in the Eastern Province in October "is the highest we have had since records were first kept in 1960.

No doubt that figure would be much higher were it not for other more buoyant sectors and areas "Many people forget that the PE area has a number of other industries besides motors and that many of these are doing exceptionally well," says Brian Matthew, assistant director of the Midland Chamber of Industries These include furniture, heavy electrical equipment, paper products, metal containers, textiles, clothing, footwear, glass and pharmaceuticals

Again things are brighter in the East London area where business is being attracted by the new Iscor steel distribution centre, industrial development at Berlin and Wilsonia, and the city's closeness to Transkei

Nevertheless the Eastern Province is still too dependent on motors, and the car and truck slump has hit hard "You can feel the depression and the anxiety," says one motor chief "You can also sense the frustration and the anger," he adds, "and that is very worrying One wonders whether we're sitting on a powder keg

Other business leaders echo his fears As one succinctly puts it "It's one thing to experience and control politically motivated unrest such as we've had But hunger inspired violence is quite another matter"

MANUFACTURING — MOTOR INDUSTRY

OCT. 1976 — OCT 1977

(1) 161

(2) 192

(3) 139

Fin. Mail 29/10/76

LEYLAND DEPUTATION

Coming or not?

The right hand of Leyland does not appear to know what the left hand is doing Confusion reigns over British Leyland's proposed deputation to SA to examine the company's labour policies, in particular the recognition of the unregistered Metal and Allied Workers Union (MAWU) (*FM* last week)

Leyland SA claims it knows of no deputation "We would obviously be the first to know if they were coming,' says PRO Arne Pitlo, "and we have heard nothing The only visit expected in the next few weeks is that of the group's international personnel director, who visits SA periodically to review Leyland's labour policies"

Leyland UK, however, tells the *FM*'s London man that a deputation will indeed visit SA No definite date has been set, but it will be before Christmas — probably in November The deputation, say Leyland men in the UK, will probably "confirm existing policies" — in other words, recommend continued refusal to talk to African unions.

It will keep a low profile. "It's mainly for our own information," say Leyland executives in the UK They readily concede that the deputation is the result of pressure by the British TUC, which has threatened action against the firm if MAWU is not recognised.

Spokesmen for MAWU remain unimpressed. "What can this deputation achieve if it is not even going to announce its date of arrival, as seems likely", asks the union "We still hope that the deputation will see us and discuss our point of view on the issue"

Meanwhile, MAWU still feels strongly about Leyland's decision to close down its Mobeni plant and move to Elsie's River. "We know that Leyland has found the Mobeni plant inconvenient to run," says general secretary Alpheus Mthethwa, "but this problem has been with them for some time." The union says Leyland was originally planning to build a new plant at Pinetown, but changed its mind

The date for the Mobeni plant's close down has been set at December 15, but rumour is rife among workers in Durban that the move will actually be made before then Leyland denies this

Leyland SA also denies that its decision to move to the Cape was prompted by anything but normal economic reasons Nor did Leyland ever consider a Pinetown plant. "One of the many advantages of moving to the Cape is that we will not have to rely on two ports and will not duplicate many of our manufacturing activities. This would hardly be achieved by moving to Pinetown", says Pitlo

State cuts hit motor industry

Star 17/11/77

(192)

Major cuts in vehicle purchases involving millions of rands and thousands of vehicles will be made this year by government departments and semi-government enterprises.

The cuts are expected to worsen the position of the motor industry which is already reeling after one of its worst years and which is expecting things to be even tougher this year.

The Secretary for Transport, Mr A B Eksteen, told The Star that purchases for Government departments alone were being cut by 1 300 vehicles for an estimated saving of about R5-million.

He said the cuts involved all types of vehicles — cars, trucks and buses.

"Our budget has been cut tremendously," he said. "and because of the economic climate we are pruning wherever we can."

RAILWAYS

A Railways spokesman said capital expenditure, including expenditure on vehicles, was being slashed by 40 percent and that although present contracts would be honoured no more would be signed.

By agreement with suppliers, he said, vehicle deliveries originally scheduled for the next two years would be spread over three years.

It is estimated that the cuts in Railways purchases will amount to at least R7,2-million this year and possibly considerably more Total capital expenditure is being cut by R30-million

Railways is a key customer of the motor industry with large annual purchases of cars, trucks, buses, trailers and tractors

Motor manufacturers contacted today would not comment on the cuts.

A spokesman for General Motors said his company could not "discuss customers' affairs" while the general manager of Datsun Nissan said he had no indications of any cutback

(192)

Car sales for 1976 fell by 43 899 units

14/1/77 Star

Harvey Thomas, Motor Editor

In spite of a minor improvement in December, the South African new car market dropped by 43 899 units in 1976 and the figures show that there is a strong move towards lighter and smaller cars.

For the first time in South African motoring history, a locally-owned motor manufacturer, Datsun, has emerged as number one seller of vehicles in a calender year

The Rosslyn-based company sold 1 386 more cars and bakkies than its nearest rival, Ford

In December, as buyers anticipated the big petrol price increase, Datsun sold one out of every five new vehicles in South Africa

The total December new car sales of 14 983 brought the new car market in 1976 to 185 132 Motor industry analysts expect only a marginal improvement this year

They believe that the trend towards smaller and more economical cars will be accentuated The 1976 charts appear to bear out this prediction

HEAVIER

The top selling cars in December were Datsun 120Y/140Y, 1 406 units, the new General Motors Chevair, 1 210 units, Volkswagen 1300/1600 Beetle, 866 units

The heavier cars took a hammering with Valiant managing only 73 sales and the GM Kommando-Constatia range not much better at 92

The luxury car market is holding its strength in South Africa with BMW ahead of Mercedes-Benz by a slim eight units Mercedes claims that they are in short stock supply as the company is preparing for a new model

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Mercury Correspondent

JOHANNESBURG—The process of integrating non-White semi-skilled workers into the motor industry with the concurrence of the White trade unions was continuing, the director of the Motor Industries Federation, Mr. J. van Huysteen, said yesterday.

The dilution of White labour had helped industry cope with an explosion of work during the past three or four years.

Mr. van Huysteen was commenting on a study of the Institute of Labour Relations of the University of South Africa which claimed that White motor mechanics could cope with only half their work load, and that non-Whites were still barred from the industry.

He said increasing numbers of semi-skilled African repair shop assistants were being trained at recently established in-service training centres.

The agreement between employers and the trade unions laid down a maximum of one repair assistant to two White skilled mechanics.

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Mixing in the motor industry

RDM 24/1/77

Staff Reporter

THE process of integrating Black semi-skilled workers into the motor industry, with the agreement of White trade unions, is continuing

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Manufacturing

Natal Mercury 19/1/76

Atkinson slump worse than McCarthy's

PRE-TAX profits for Atkinson Oates Motors for the half-year to December 31 have slumped even further than those of its holding company, the McCarthy group.

At R1 166 000, they are 26 9 per cent of the R4 339 000 achieved in the equivalent 1975 period, representing a fall of 73,1 per cent

Tax is less than a third of the previous level, minority interests are down, and group attributable profit is 75,6 per cent down at R580 000

After deduction of preference dividends, R468 000 is left for ordinary shareholders, compared with R2 266 000 in December, 1975 Last week, the McCarthy group reported attributable profits down from R2 620 000 to R892 000

As with McCarthy, Atkinson Oates says the total dealer market was 29 per cent lower than in the equivalent period of 1975

* * *

THE UNSETTLED conditions among the Black and Coloured populations restricted increased turnover for B & S Steel Furniture in the six months to December 31, say the directors in their interim report

Taxed profits were down from R249 500 to R203 500, although sales improved by 9 per cent on the 1975 period

The directors say the company was also confronted with severe increases in labour and material costs, but because of the Anti-Inflation Manifesto a large percentage of these increases was absorbed

The interim dividend has been maintained at 3c

* * *

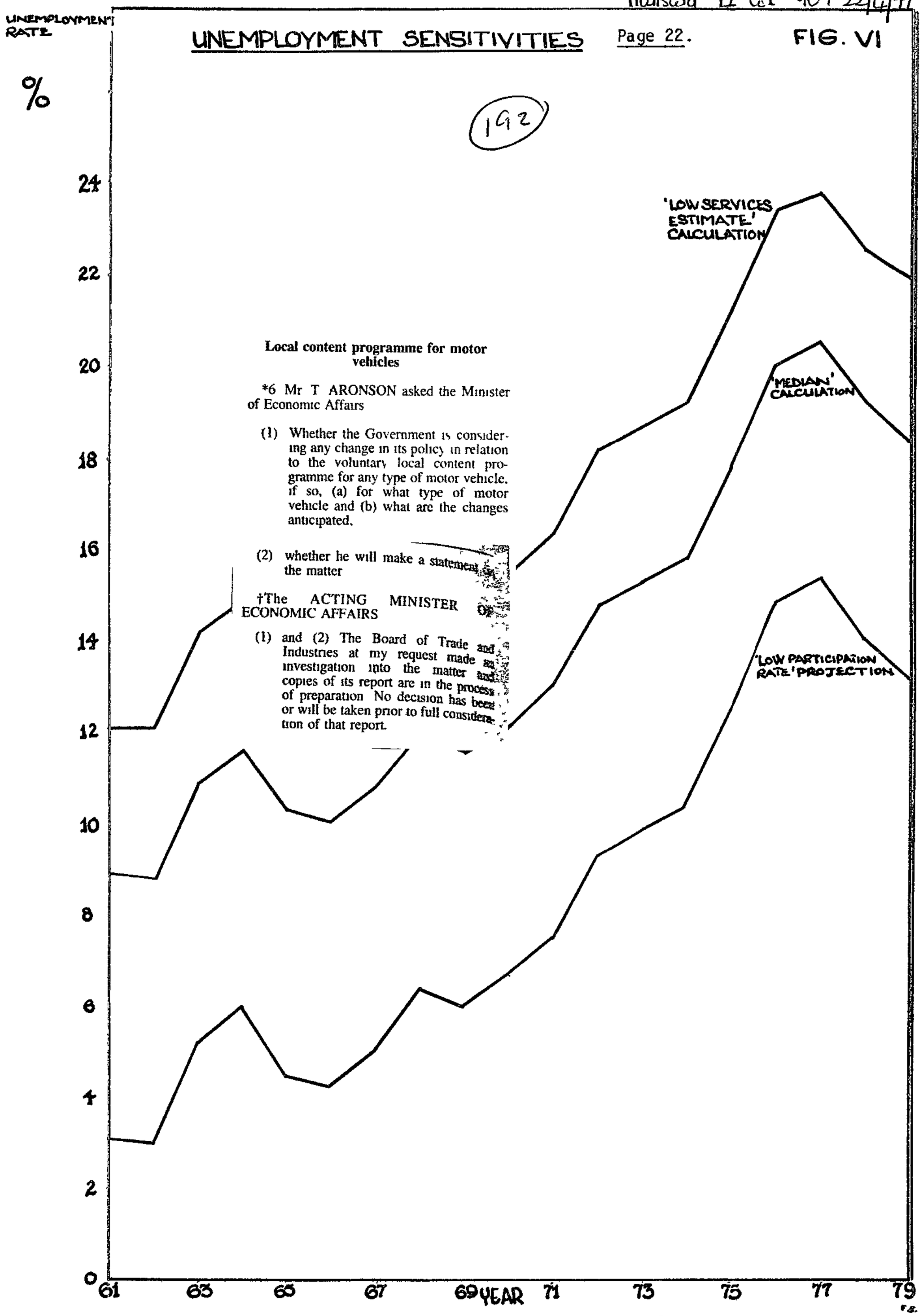
MONTAYS the Cape Town-based furniture chain in the Coloured and Black market — Trump has acquired control of the group — showed slightly improved results for the half-year to December.

Group pre-tax profits were 5,74 per cent ahead at R736 990 on a 2,5 per cent sales rise

Taxed profits totalled R419 894, against R410 831

Earnings a share were 14c (13,69c) The dividend has not been declared yet

Hansard 12 col 907 22/4/77



Local content programme for motor vehicles

*6 Mr T ARONSON asked the Minister of Economic Affairs

(1) Whether the Government is considering any change in its policy in relation to the voluntary local content programme for any type of motor vehicle, if so, (a) for what type of motor vehicle and (b) what are the changes anticipated,

(2) whether he will make a statement on the matter

†The ACTING MINISTER OF ECONOMIC AFFAIRS

(1) and (2) The Board of Trade and Industries at my request made an investigation into the matter and copies of its report are in the process of preparation No decision has been or will be taken prior to full consideration of that report.

ARGUS 30/5/77

5

7 000 laid off in motor industry

The Argus Correspondent

JOHANNESBURG. — About 7 000 motor Assembly workers have been laid off since March last year, the National Automobile Manufacturers' Association disclosed today.

Employment at the end of March this year stood at 33 219, says Naamsa's secretary, Mr B E Wynter.

In March last year 40 303 assembly men had jobs in the industry.

Figures for the first quarter of this year show about 2 000 men have been put out of work because of the tight economic climate.

In December last year 35 140 people were employed, showing a steady decline since the beginning of the current year.

Short time is also widespread in the industry. Mr Wynter said that in the quarter January to March this year lightly over 1,1-million man hours of short-time had been worked.

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"The only alternative is to compel the Natives to reside permanently on the High Veldt", but this, however, "is, from the motives of humanity, not desirable" (46). In addition, it is clear that the Bill not only failed to appease the landowning interests but also did not satisfy white farmers either. "I am quite convinced", wrote one correspondent from Nylstroom to the Minister of Native Affairs "... that the general dissatisfaction at present ... l in no way be abated or dimin o provision made against d the low annual rent of £1 pe

Und were crucial in the governme the Bill (48).

However, of an overall "native policy" t bade the passing of any impor e going to influence in any si ips in South Africa.

Motor company cuts down on work week

Cape Times 1/6/77

Own Correspondent

PORT ELIZABETH — Volkswagen, yesterday announced that its assembly plant would go on to a four-day week in June and July.

The decision will affect about 2 000 hourly paid workers in the assembly section, which returned to a five-day week last month after working a four-and-a-half day week in April.

Volkswagen's public relations officer, Mr Pierre de la Rey, announced also that the VW plant would close early today and tomorrow. The plant was closed on Monday and because of its four-day week would not work on Friday. This means the plant will be closed throughout this week.

Mr De la Rey said the decision was made in order to bring production in line with current market levels. The position would be revised before the end of July.

Ford has three of its plants on a five-day week and General Motors has a four-day week on some sections.

Richard Solomon, for example, wrote to Smuts:

> Will you tell General Botha, since I wrote to him about the two Native Bills (the native taxation and Occupation of Lands Bills), I have had sent to me the official memorandum accompanying the Bills when sent to the Landowners Association. I fully see the reasons for their introduction but if I may be allowed to say so I would urge caution on Native legislation pending unification ... can't you propitiate the landowners by making the tax on each family resident on a farm much smaller. What I am afraid of and I tell you in all earnestness (is) that if the effect of the Act is that the Natives cultivating land on private farms are ejected and get no other land, you will be blamed with having done this to force them to labour. I would sincerely like to avoid this for you know it would make a very bad impression. I do hope therefore you will all seriously consider the views of the Landowners Association in connection with the Bill (49)

/These .....

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Taxes too heavy say motormen

10/3/77 Star

Grant Rogerson

A strong plea for rationalisation and standardisation within South Africa's troubled motor industry was made at the Afrikaanse Handelsinstituut's (AHI) annual congress which opened in Cape Town today.

In what may become one of the most controversial congresses held by the AHI, items such as the extraordinary tax burden of the industry and unrealistic petrol hours came under scrutiny

Mr Hennie Klerck, an executive member of the Instituut and a former managing director of Toyota, led the discussion of the sectional motor congress by highlighting current pressures on the industry in the form of heavy direct and indirect taxes

He said the belief that the car was still a luxury item, and therefore subject to continuous taxes was an unfair reflection on the industry, which played an important role in stimulating other sectors of the economy including the chemical, textile and the rubber industries

Turning to the low rate of growth in recent years, Mr Klerck said it was to be hoped that the goose which laid the golden egg would not be strangled to the point where it could no longer make a contribution to the economy.

Generally, it was recommended that:

- Measures should be taken to make the industry less dependent on imports
- The motor trade be taken out of the same category as cigarettes, liquor and non-essential luxury items when it came to taxation.
- A local content programme be introduced as soon as possible for commercial vehicles — and there must be no further increase in the local content programme for passenger vehicles for the time being.

In asking the Government for more realistic petrol sale hours, it was suggested they be extended to 18h00 on Fridays and to 11h00 on Saturdays

Also discussed were requirements for the standardisation of licensing procedures of vehicles (such as uniformity in the four provinces and earlier renewal notices) and the increase in takeovers of filling stations by oil companies to rationalise the sale of petrol.

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Discount 'king' and his bargains

JOHANNESBURG'S controversial discount king, Mr Tony Factor, opened his 'bargain basement' new car showroom in Johannesburg today, offering up to 35 percent off normal retail prices. Mr Factor is seen in his showroom before the doors opened today with salesgirls Vanessa Swift, Janette Schellings and Avis Zimmelman.

Tony I rags-

The Argus Correspondent

JOHANNESBURG. — An unusual . . campaigner for low prices is Tony Factor — the man who has deeply angered South Africa's motor industry with his plans to sell cut-price cars.

In fact he is unusual even among self-made millionaires, and they are a breed rich in eccentrics.

As a type, the Factors of this world are more common in America than here They are those who claw their way to wealth and power from underprivileged backgrounds

Like many of the rags-to-riches brigade, Tony Factor has done menial jobs He has cleaned windows, worke sold things and, finally tune with and an energy

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FIN MAIL 3/6/77 (192)

End of term report

On Tuesday, Naamsa meets in Johannesburg to discuss BTI *Report 1777 — Inquiry into the Local Manufacture of Motor Vehicles and Components*. The motor market will never be the same again

FM 3/6/77

Almost without exception, motormen are banking on the vast majority of the BTI's recommendations being accepted by Minister of Economic Affairs Chris Heunis.

These are: an inevitable emphasis on local content, a decided swing towards smaller cars, a greater acceptance of cheaper company fleet cars, and an end to the limit on the number of models a company may market

Question is, how many concessions can the National Association of Automobile Manufacturers (Naamsa) win for its members at next Tuesday's meeting?

Broadly, the key issues are split between the motor manufacturers themselves and their component suppliers In the trend towards more local content the component suppliers, quite naturally, see the promise of more work for themselves They, therefore, want Heunis to use some stick and *force* the manufacturers into a greater degree of local content

Representing a capital investment of some R250m, the component supply sector argues that the level of local content could be increased to, say, 70% (from the current 66% by weight) without any significant further investment.

Further, it's beaten the manufacturers to the punch by meeting Heunis last week and presenting its case

The manufacturers, representing a capital investment of around R1 000m, often argue that the component suppliers are over-optimistic in their assessments of own capacities Among others, it's for this reason that they'd prefer Heunis to go along with the BTI recommendations and use the carrot approach on local content.

However, within that framework of general industry agreement, some manufacturers are going to be hit harder than others

Clearly, the manufacturer who has concentrated on smaller cars, passenger car based light commercials and cheaper unit costs, has a decided advantage On the other hand, those with big, expensive cars (such as the Mercedes) and "unique" commercials (such as the Volkswagen micro bus) are likely to be on the thin end of things after January 1 1979 when the BTI's recommendations are likely to be implemented

On Tuesday, therefore, one can expect the volume of protest from individual manufacturers to be in direct proportion to their prospective financial penalties On that score, it's fair bet that Naamsa will oblige them to paddle their own canoe and not intervene at association level

Even then they're likely to get short shrift from the Minister Heunis would hardly take the chance of setting too many precedents and providing for many exceptions to the rule

Meantime, there *are* areas of common ground For example, what's thought to irk Naamsa more than anything is the seemingly total lack of flexibility in the BTI's recommendations

That's particularly true on questions of "local supplier let-down" If a manufacturer is on the 66% local content borderline, and his local component supplier lets him down for *any* reason, he will have to buy from his overseas source plant That, under the definition, means falling below the local content "floor" percentage and incurring financial penalties That, in turn, either means persuading Heunis to be more flexible or it means building a local content "safety margin" into any one model

Similarly, definitions of "unformed and unworked" are contentious. No longer will it be good enough to import, say, a cylinder block and machine it locally All the work will have to be done here

That will not only worry those who feel that local component suppliers can't cope anyway, but it will hassle those who have chosen to emphasise other car components in achieving their local contents by weight

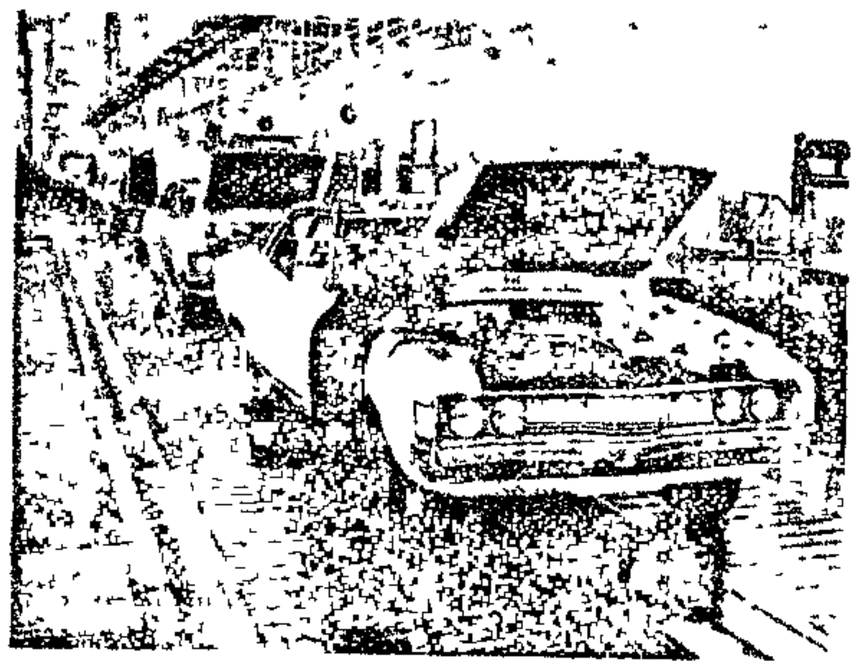
Equally bothered will be the producers of light commercial vehicles Such models don't have to comply with local content limits, nor are they currently liable for excise duty or sales tax If that situation changes, and it's almost bound to, that sector of the market will shrink considerably

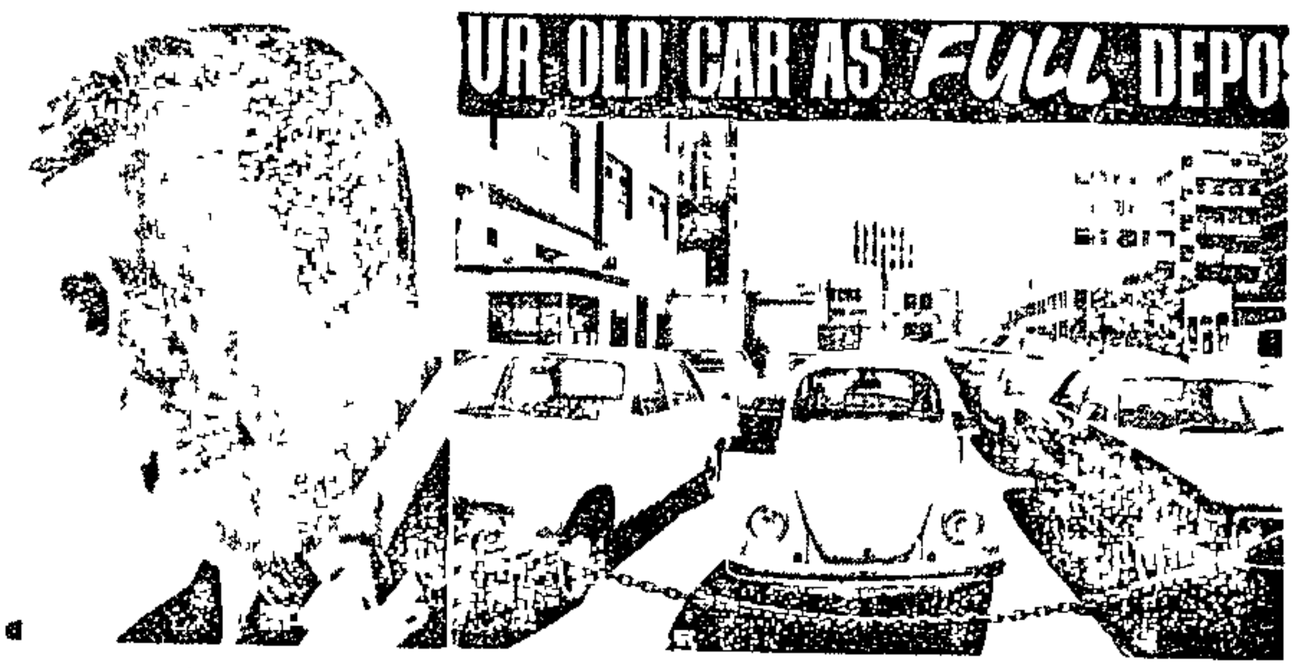
Only those producing LCVs derived from passenger cars (such as Ford's Cortina) will hardly notice the difference. That's because such cars are already hitting local content limits and such LCVs are already tooled up

In short, the consumer will be allowed to buy exactly what he likes, imported or otherwise — provided he's prepared to pay the price

What the BTI is urging is that he buy a cheap, light passenger car or saloon car-derived LCV Chances are, too, that his pocket will give him little real choice as the price of expensive, heavy cars will go through the roof

One thing's for sure: the motor market will never be the same again.





Chris Heunis . . . the man in the middle

FM 3/6/77

Cape Town factory to make stainless steel double-edged razor blades branded as Lion Stainless

The marketing and sales force has been restructured to handle the products of both groups and is known as Wilkinson Lion Sales — a division of Lion Match It's handling such items as blades, branded scissors, matches, lighters and new products "Although the match market is quiet," says MD Bob Harker, "this new arrangement is already bringing benefits on the shaving products side "Nothing, however, has yet been done about the Wilkinson subsidiary, Graviner, which deals in safety and fire protection equipment

As a trial run, Lion Match carried advertisements for United Tobacco on all matchboxes turned out in March "It is something which people had been suggesting for years," says Harker "Matchboxes get into every home in the country and it has been argued that they therefore have a tremendous advertising potential We decided we'd have a trial run, but as the boxes were only distributed during April it's too early to assess results If successful, it would naturally be another source of revenue "

Commenting on Lion Match's factories in Maputo, Blantyre and Salisbury, Harker says "These all had good years and in fact gave us much of our improved results in the past year."

Maputo actually managed to break even last year but production is still at a very low ebb Profits from this concern are retained in Mozambique

Star motoring

Thursday June 2 1977

In a market where sales are falling...

Leyland boosts share

Star Motoring 2 June 77

Harvey Thomas

Leyland South Africa has re-established itself as one of the top truck and bus suppliers in South Africa. In an overall vehicle market where sales are dropping, Leyland has been showing very encouraging results in the "heavies" area where the company has boosted its penetration by five percent.

Managing director, Peter Murrough, also made these points in an interview:

● A new 1 300 cc Marina will be launched at the weekend to cater to buyers who are looking for a family-sized package with small-engine economy. Murrough reckons the car goes remarkably well for its capacity.

● Jaguar is going great guns and improved its sales by 100 percent in April. A new, more luxurious Jaguar Executive was recently introduced

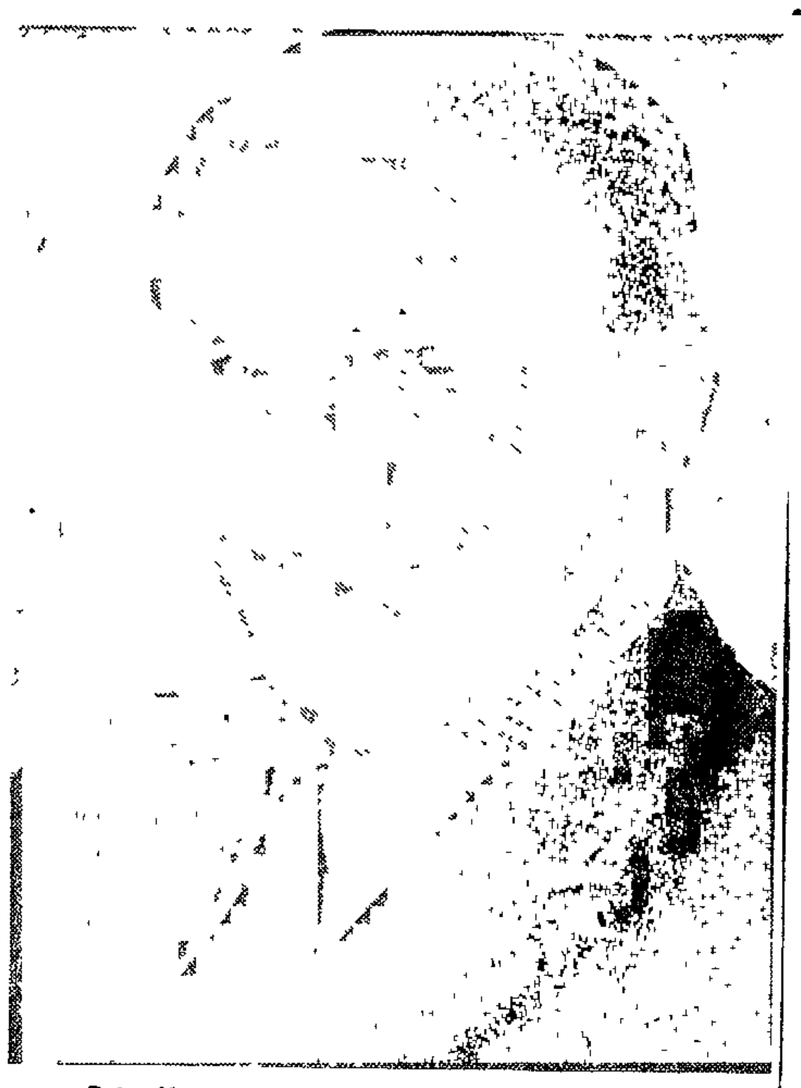
● Against a "critical path" the new Rover was proceeding almost on schedule Tooling from Japan was now arriving in South Africa, prototypes were under both short-term and long-term evaluation and the car would make its public appearance in South Africa in the second quarter of 1978.

● Murrough was understandably reluctant to give away too much detail about the Rover — winner of Europe's "Car of the Year" award — but he allowed that there would be various models, that about R11 000-R12 000 at today's economics would be the top price and that Leyland was doing everything to make sure that this would be a true quality car.

With the development of local content for the Rover, it will come in at more than 66 percent — "it has evolved into an even more exciting car than we envisaged when we signed the programme off"

● Leyland had great confidence in the new 1300 Marina which "fits what, we consider to be the bill at the present moment" The company was looking at around a R3 500 price.

● Leyland had recently achieved its highest penetration in the truck and bus division since 1973. Murrough reckons that this is due to a combination of factors — the company had weathered a 'difficult patch' when, in 1972, it commenced a range rationalisation to reduce the makes and models and yet still give adequate market coverage; then it ran into the effects of the three-day work-week and it was only towards the end of 1975, early 1976, that the original aim was accomplished



Peter Murrough — making out with the 'heavies'.

In spite of a market drop of about 30 percent, Leyland had improved its share by five percent to a healthy 14 percent for a third position overall.

● The company was the biggest bus supplier in South Africa. For the first four months of 1977, Leyland's share of the bus market was 58 percent. Two new bus models were soon to be introduced

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MOTOR WAGES FIN MAIL 1/7/77

Applying the brakes

192

Hard-pressed car manufacturers can relax It's unlikely that motor assembly workers will use the 20% wage hike granted to motor repair and component workers last week as a lever in their own negotiations

Port Elizabeth's "Big Three" motor firms -- Ford, GM and Volkswagen — are due to begin wage negotiations in August. But neither employers nor the trade unions involved see the repair industry agreement as a precedent

"We see the repair and components industries as totally separate from ours They'll have no bearing on our agreement," says Alan Young, secretary of the FP Motor Manufacturers Association

Young points out that last week's agreement isn't the only one covering the components industry The Seifsa agreement does as well "The unions may use last week's agreement in their arguments But we might just as well use the Seifsa agreement"

Hopefully the issue won't arise, since the unions won't be using the agreement as a precedent "The components agreement won't be a factor in our negotiations", says Fred Sauls, general secretary of the National Union of Motor Assembly and Rubber Workers

He adds that his union hasn't started drawing up its demands and isn't in a hurry to do so "Our agreement only expires on December 31 and the industry might pick up if we wait a while."

He adds that his lower-paid men are getting much more than those in the components industry "We'd only lose by comparing our wages with those in components", he observes.

Even in the components industry, it now seems likely that higher paid men won't get the full benefit of last week's hike in minima

Normally, rises in the minima rub off on rates higher up the scale.

Not necessarily this time, says deputy director of the Motor Industries Federation Denzil Vermooten. "It's simply a matter of supply and demand. Men in the higher grades aren't in a position to ask for much more if they're getting above the minimum

"The only people who will benefit fully are the lower-paid Africans, whose pay is near the minima But, while that might make a big difference to them, the 20% won't matter much to employers in cash terms."

If the men in the garages won't be getting the full benefit of the 20%, it's unlikely that their comrades in the factories can look forward to any big hikes.

7700

June 1977.

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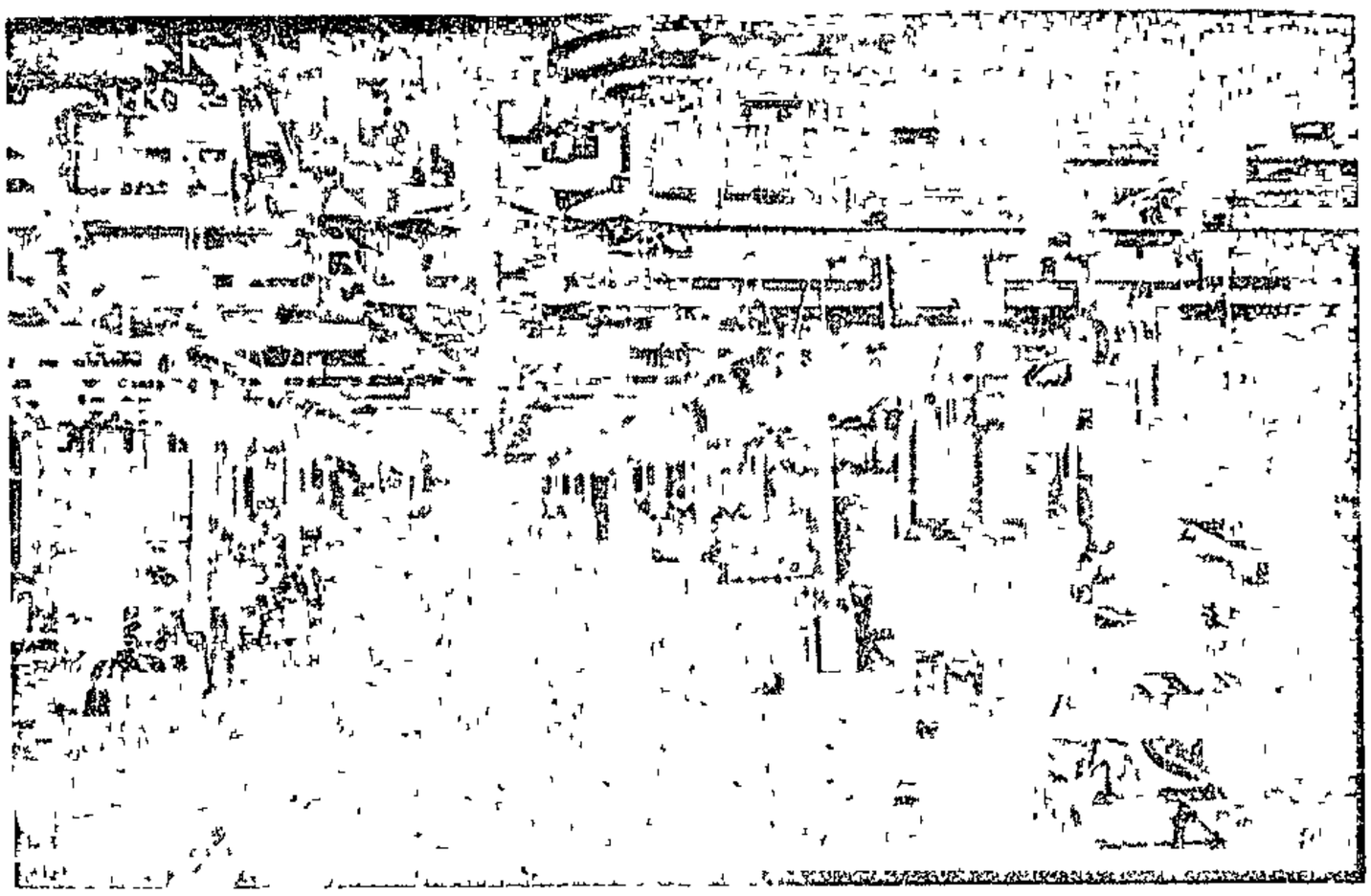

Assembly workers no bonanza this time

192

18. We define an inferior good as one with

    1. An inelastic supply curve.
    2. A negative cross elasticity of demand.
    3. A positive income elasticity of demand.
    4. An elasticity of d[illegible] one.
    5. None of the above.

19. Income rises by 10%. [illegible]nd for cups is income inelastic. One woul[illegible]

    1. A fall in the dem[illegible]
    2. A fall in the dem[illegible]
    3. A rise in demand [illegible]han 10%.
    4. A rise in demand [illegible]s than 10%.
    5. A fall in demand [illegible] saucers.

20. If the price elastici[illegible] cabbage is 1,3, would a rise in output due to [illegible]er conditions cause farmers to

    1. Make more money t[illegible]herwise have done.
    2. Make less money t[illegible]herwise have done.
    3. Plant different c[illegible]ps next year.
    4. Demand a higher price per cabbage.
    5. None of the above.

2/7/77 RDM

Ford begins 3-day week

328

192

PORT ELIZABETH. — Ford's Neave Township Assembly Plant will go on a three-day week for this month as part of the firm's short production time plan for July. A four-day week will be worked at Ford's engine and assembly plants at Struandale and at its truck plant at Deal Party Estate.

The company, along with other motor plants in the Eastern Cape, cuts its working week regularly because of the slump in the motor market.

21. Assume that the supply of maize is perfectly elastic. A decrease (shift to the left) in demand will

    1. Cause the price of maize to rise.
    2. Cause farmers' incomes to fall.
    3. Cause farmers' incomes to rise.
    4. Lead to a reduction in the supply of wheat.
    5. None of the above.

22. Consider the following statements :

    (A) The cobweb model is based on the assumption that price in year t determines quantity supplied in year t+1.

    (B) The supply curve of agricultural products is likely to be elastic in the short run.

    1. A is correct because B is correct.
    2. B is correct because A is correct.
    3. Both A and B are correct but there is no casual relationship.
    4. Neither A nor B is correct.
    5. A is correct but B is incorrect.

23. One reason why the quantity demanded of a good tends to fall as its price rises is

    1. The increase in price shifts the supply curve upwards.
    2. The increase in price shifts the demand curve downwards.
    3. At higher prices suppliers are willing to supply less.
    4. People feel poorer and cut down on their use of the good.
    5. Demand has to fall to restore equilibrium after a price rise.

STAR 5/7/77 (P2)

Naamsa counts motor losses at almost R32m

Michael Chester, Financial Editor Star 5/7/77

The savageness of the recession in the motor business is revealed by a new survey showing that combined losses of the manufacturing companies swelled to R31,9m last year.

The shock disclosure is bound to cause a new wave of speculation on what mergers may be forced on the 12 main companies to find shelter under the umbrella of rationalisation

Since car sales in the first five months of this year lagged as much as 23 percent behind performance a year ago, and commercial vehicles sales were 24 percent down, the indications are that 1977 will prove even worse

Most, if not all of the big companies have cut their labour forces and wielded the economy axe, but it is now virtually certain that a number of weaker competitors will have to seek mergers of assembly operations

The survey, compiled by the National Association of Automobile Manufacturers, traces the tumble of combined profits before tax and interest payments from R40,7m in 1974 sliding to R36,1m in 1975 and on down to R15,3m in 1976

Meantime, the amount invested in the motor industry rose from R682m to over R1 100m — with the bill for interest charges sweeping higher from R25,4m to R41,8m

The tax profit of 1974 of R3m sank last year to a loss of R31,9m — even worse than had been forecast

The Board of Trade has already sent to Mr Chris Heunis, Minister of Economic Affairs, a full report on the motor industry and recommendations on how it should be steered in the future

Naamsa is now preparing its own comment in preparation for negotiations for a new blueprint on such key issues as next steps with the local content programme

BANK REVIEW

The release of the Naamsa survey coincides with the publication of the July issue of the Standard Bank Review which estimates production volumes in the majority of key manufacturing industries is running about 5 percent lower than a year ago

Taking the manufacturing sector as a whole, the amount of unused capacity is now put as high as 23 percent

Overall retail sales, adjusted to take inflation into account, were down as much as 12 percent in the first four months compared with early 1976

Nor does the Standard Bank see an easy solution ahead

"It is, of course, possible for the government to resort to either broad or selective stimulation for political and social reasons," it notes

"In fact, the strength of the recent current account has made a switch

"The absence of a sound foreign reserve base and serious doubts concerning the strength of economic growth abroad imply, though, that without fortuitous factors such as a take-off in the gold price, resulting growth would be neither meaningful nor sustainable for any length of time."

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SUNDAY TIMES, Business Times, July 3, 1977.

Datsun shrugs off Sigma

Sunday Times 3 July 77

By TONY KOENDERMAN

MD Whitfield answers 'room for only four' claim

THERE'S NO way, barring politically motivated decisions, that the South African motor industry will rationalise down to four manufacturers, says Datsun-Nissan managing director Peter Whitfield.

And the chances today of any manufacturer grabbing a 25 per cent share of the market are slim, he adds

So Mr Whitfield is not too worried about the challenge from Sigma Motor Corporation, which is making a direct attack on market segments dominated by Datsun with the intention of increasing market penetration from its present 9 per cent to 20 per cent within two years

Sigma chairman Chris Griffith says there is only room for four manufacturers here, and Sigma is going to be one of them

"But I don't see anybody being pushed out of the market," says Mr Whitfield "There may be some mergers, but I don't expect any makes to disappear"

He doesn't believe one manufacturer will be able to get a clear lead over the others But four or five manufacturers are capable of taking the Number One spot, and the lead is likely to change hands at intervals

Mr Whitfield forecasts a market of 160 000 cars and 95 000 commercial vehicles this year, a decline of 15 per cent from the 300 000 vehicles sold last year

He expects Datsun to retain its 15 per cent share of the combined market, which gave it overall market leadership last year

"We can hold the number one position easily enough, but staying there is not the be-all and end-all of our marketing strategy

"Our objective is to make profits, and being number one can be a costly business."

Mr Whitfield says he thinks the car market is now "bumping along the bottom" of its trough, and he thinks it should rise to 300 000 units next year

Peter Whitfield . . . "Nobody will sink".

The Star Wednesday July 6 1977

Projected motor sales 100 000 down from peak

Michael Chester, Financial Editor

Still darker clouds gathered over the motor industry today with a bleak forecast by Mr Noel Phillips, president of the National Association of Automobile Manufacturers, that combined losses in 1977 will be even worse than last year's R39,1m.

Trends in the first six months, he added, point to a 100 000 slide in total sales — passenger cars and commercial vehicles — from the 1975 peak of 360 000 to only 260 000 this year.

This is the lowest ebb since the 1960s.

Mr Phillips sketched the dismal outlook in a statement in the wake of a Naamsa survey, released exclusively in The Star yesterday, showing the sharp plunge from profit to loss.

The combined R31,9m loss related to the manufacture of vehicles and components, plus spares operations, but left aside finance operations and products such as tractors and locomotives.

Mr Phillips, also managing director of Volkswagen SA, went on to make an urgent appeal to the Government not only to avoid any further moves to the prejudice of production volume but in fact to consider "any means at its disposal" to provide some stimulus to reversing the plunge in demand

He declined to elaborate, but it is believed government action will be discussed when Naamsa holds discussions with Mr Chris Heunis, Minister of Economic Affairs, due soon.

The crux of the problem is that motor manufacturing is essentially a volume orientated business

Mr Phillips makes the point "Not only is profitability dependent on adequate volume, but the unit cost of vehicles is also very much dependent on volume Low value markets mean that unit cost pressures and the need to increase prices are considerably greater"

Fewer people are either able or willing to buy new vehicles in the current recession, he says.

Also dampening demand were the various petrol control regulations while higher wages and rising prices of materials help push up costs

It leaves prospects for industry "considerably worse" than in 1976 and Naamsa feels the situation is disquieting from many angles because of the chain reaction on the retail trade, the supplier industries and the thousands of jobs at stake

Mr Phillips adds that the situation provides "somewhat unfortunate circumstances" in which to consider the new Board of Trade proposals for the future development of the motor industry — "especially to the extent that these proposals require further investments"

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you by Professor van der Merwe, who showed ... his work in the Southern Sahara where he is looking at human adaptation to a changing environment. Dr. Smith elaborated on this theme in terms of South Africa, where he is questioning the origin of the Hottentots. He has also been collaborating with Professor Parkington on work in the Karoo and the Roggeveld.

I thought it was appropriate to save our last visitor to the end, particularly as this is almost the end of the summary of the research, and that is

VETSAK BREEK DEUR

Sake-Rapport 10/7/77

(1920)

VETSAK het die volle agentskap vir Fiat se handelsvoertuie, hoofsaaklike busse en groot vragmotors, in Suid-Afrika verkry. Dit word op 1 September vanjaar van krag en is die eerste stap om die hoogs moontlike plaaslike inhoud vir Fiat-trekkers en vragmotors te bereik.

Vetsak neem die agentskap oor van Fiat Suid-Afrika en daardeur word Fiat se motorbedrywighede ook hier van sy ander bedrywighede geskei. Dit is 'n voortsetting van 'n beleid wat reeds sedert 1975 in Europa aan die gang is

In 'n gesamentlike verklaring het dr G. Battista Salvai, vise-direkteur van Fiat-Veicoli Industriali in Turyn, mnr. Piet de Jager, hoofbestuurder van Vetsak, en dr. Gian-Carlo Barsotti, besturende direkteur van Fiat Suid-Afrika, in Johannesburg gesê dat hierdie stap gemik is op die rasionalisering van Fiat se bedrywighede tot die grootste moontlike voordeel vir Fiat en vir Suid-Afrika in die besonder

Die besluit tot hierdie rasionalisasie volg regstreeks op die onlangse besoek van twee hooggeplaaste kooperatiewe feitesendings aan Fiat Italie en samesprekinge en ondersoeke oor die afgelope jaar deur die partye

Mnr De Jager het aan Sake-RAPPORT gesê dat hierdie 'n eerste stap is om Vetsak stewig op die weg tot die plaaslike vervaardiging van die Fiat-trekker te plaas. Die uitruilbaarheid van enjins tussen Fiat-vragmotors en -trekkers saam met ander gebruiksmoontlikhede kan die volume bied wat die vervaardiging van Fiat-trekkers in Suid-Afrika ekonomies moontlik kan maak.

Fiat verleen volgens dr Salvai die hoogste prioriteit aan die plaaslike vervaardiging en plaaslike inhoud van sy produkte in Suid-Afrika wat hy as die toekomstige werkwinkel van Afrika beskou Om hierby in te skakel en die maksimum-voordeel vir Suid-Afrika te verkry, het Vetsak hom daartoe verbind om die plaaslike inhoud van Fiat se vragmotors, busse en voorhakers tot die hoogs moontlike ekonomiese peil te voer.

Met die oog hieron sal handelsvoertuie deur die gevestigde handelskanale te doen en verder deur die bestaande kooperatiewe bestel 'n landwye handels- en diensnetwerk skep

Die Suid-Afrikaanse boer sal met die verkryging van 'n kooperatiewe belang in Fiat se handelsvoertuie voortaan in staat wees om sy boerdery nog meer om Vetsak te bou Sy motor, bakkie, trekker, waterpomp, stroper en vragmotor sal in baie gevalle met enerse enjins kan loop Onderdele en diens sal ook kooperatief aan hom beskikbaar wees

'n Span Italiaanse tegnici van Fiat sal so lank as wat nodig is in Suid-Afrika aanbly om hulp en advies met die uitvoering van die rasionalisasieprogram te verleen. Hierbenewens sal daar voortgegaan word met die tegniese opleiding van werktuigkundiges in die moderne opleidingsentrum in Alberton

in die onderdelevervaardigingsektor soek Vetsak beskou dit trouens as een van kooperasiewese se groot verantwoordelikhede teenoor die land om teen die regte prys en gehalte die tegniese vermoe en vermoe waaroor die Republiek reeds beskik, tot die maksimum te benut

Fiat Suid-Afrika, wat tot nog toe die invoer en verspreiding van handelsvoertuie gedoen het, sal voortgaan om die montering daarvan van volledig afgetakelde vlak af vir Vetsak in sy moderne monteerfabriek op Rosslyn te doen en hom verder uitsluitend toespits op die motormark waarin hy sy markaandeel oor die afgelope jaar van 1 persent tot 3,7 persent in April opgestoot het.

Vetsak sal voortgaan om die bemarking van Fiat se

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seemed, at first sight, to be a plug so to speak for the practical sciences or as somebody in our group put it, for things which were productive in the immediate sense. It was obvious that all these things - population increase, squatters, unemployment, migrant labour, health - were actually symptoms of the disease in the society, not

Sake-Rapport 10/7/77

Ons Sê (192)

DIE invoer van trekkers en handelsvoertuie waarby natuurlik ook vragmotors ingesluit is, plaas baie swaar druk op die land se betalingsbalans Dit is aan die ander kant ook geen luukse nie en goedere waarsonder die land se produksieproses net nie kan klaarkom nie

Die planne wat Vetsak en Fiat het om op hierdie gebied in 'n rigting te ontwikkel waar daar tot die grootste moontlike plaaslike inhoud gestreef gaan word, verdien lof en steun

Hierdie voorneme kom sonder dat daar reeds van owerheidswee 'n verpligte program daarvoor is Vetsak tree op in belang van die boer en sien hierin moontlikhede om die boer se koste te verlaag of minstens in toom te hou

Maar dan moet 'n mens byvoeg dat daar vertrou word dat sulke planne op baie deeglike beplanning sal berus sodat daar nie later sulke taai probleme opduik as dié waarmee die land se motorbedryf in sy plaaslike inhoudsprogram nou worstel nie

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might be submitted. Our group considered this particularly important in view of the lack of manpower and resources that a country of the size of South Africa can command.

As far as communicating with the public was concerned: there seemed to be few vehicles for communication - there are no respectable semi-academic journals like Listener, Spectator and so on - and research only occasionally got off the campus. Our group thought that perhaps the museum or other bodies of this kind might help to disseminate information. Perhaps such bodies could take over, for instance, some of the work done at the present moment by the Extra-Mural Studies Board, which of course does very good work but is largely confined to the campus.

Then, as far as the executive authorities are concerned we felt that in the English-speaking universities much of the findings of research went no further, but it was pointed out to us that in fact the Afrikaans universities were not really better off than we were, for instance the Stellenbosch contribution to the Theron Commission had received no greater respect from the government than various information passed on to it from UCT.

Motor makers' hopes of slow upturn rise

192 RDM 15/7/77

By CHRIS CAIRNCROSS
Industrial Editor

THE improvement in motor sales in June has eased despondency in the motor industry

The main reaction from manufacturers is that the upturn, which in combined sales amounted to about 8% on May, could be an indication that the slump has bottomed out

There is hope of a continued gradual upturn in the market over the remainder of the year The operative word is gradual, however, say several manufacturers

Mr Peter Searle, sales director of Volkswagen, says the June returns mean that forecasts of total sales this year at about 260 000 units may have to be revised upwards, but only marginally

On the other hand, Mr Peter Whitfield, managing director of Datsun, places his bet on the original forecast of 260 000 to 270 000 units

He says it should be borne in mind that there were more selling days in June than in May and this would have had an impact on sales

Another feature that should be considered is that at least two new models entered the field in June — the Cortina and the Mazda 323 Ford's Cortina sales in June were 2 052, placing the company in the front spot of the market

Sigma's Mazda 323 had sales of 512 in June, in spite of the fact that dealers had only six selling days for it in the month, according to a spokesman

Manufacturers conceded that Downtown's Tony Factor, entering the market with discount cars, provided some stimulus in that he attracted a lot of attention

But they believed it might also have had a negative effect, with potential buyers holding off in the hope that they could take advantage of the price war that was expected to develop — but did not materialise

They did not expect that stimulus of this kind would have much staying power

However, Mr Whitfield suggested that the Factor episode would probably force increased open competition among motor retailers

He had never believed in the principles of retail price maintenance and would never attempt to impose it on any of Datsun's franchised dealers

Mr Whitfield, however, did not believe that greater price competition would bring about significant drops in prices, or that it would deteriorate into a price war

Basically, dealers had slim margins to play with, he said

Although motor manufacturers have said, hopefully, that Mr Factor's entry into the motor trade will be short-lived, he appears to be determined to prove them wrong.

He told me that Downtown had significantly broadened its range of models and was shifting cars at a satisfactory rate

Mr Factor said that but for the industry's intransigence in not giving him the spread of models he wanted, forcing him to get many of them "through the back door", he would have been operating on a national scale

He claimed that but for this obstacle, he could have boosted June's car sales by another 7 000 Car sales last month were 14 282 units

The motor industry is, of course, still deep in the woods Sales are 21% down on the comparable period last year and losses to the industry, which estimated a deficit of about R39-million in 1976, are bound to grow worse

MOTOR TRADE DEMANDS ACTION OVER FACTOR'S TAPES

R3-m talk: Express disclosures start top-level probe

192

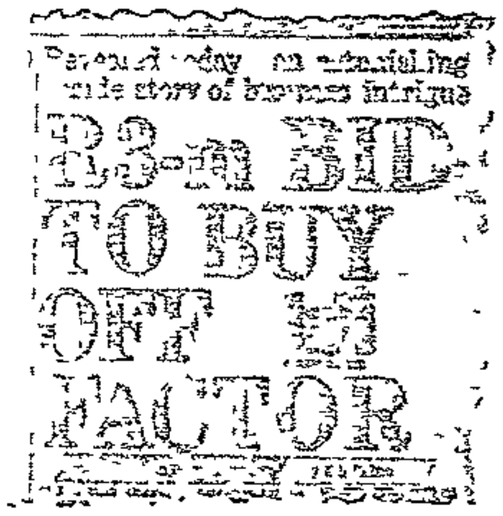
By KITT KATZIN

THE two motormen involved in the R3-million Factor payoff attempt disclosed exclusively by the Express last week could be heavily fined and expelled from the Motor Industry Conciliation and the National Automobile Dealers' Association.

NADA is still concerned about the fact that it was involved in the deal and is regarding the issue seriously.

The Express disclosed how Pretoria Fiat agent, Mr Dave Kopping and his partner, Mr Maidwyn Zimmerman of Durban, chairman and managing director, Combined Motor Holdings, discussed paying off Mr Factor in the form of cars or money to the tune of R3-million.

The report, which also gave details of how the two men planned to do the deal, such as getting Mr Factor to admit publicly that he had burnt his fingers, rocked the motor industry this week.



○ The story that started it all.

Several dealers, angered by the disclosures and the unfavourable image the motor industry would suffer as a result demanded an immediate inquiry — and action from NADA.

One dealer, who said he had been in the trade for 20 years, said he was shocked to read that NADA may have become involved in a private deal between two independent retail outlets.

In the telephone discussion — which was tape recorded — Mr Kopping said Mr Factor was prepared to "call it a day" for R3-million in cash, but Mr Zimmerman dismissed the prospect of any such settlement.

Instead, he agreed to the possibility of supplying Mr Factor with a "spread of vehicles" worth R3-million.

Mr Zimmerman agreed to meet Mr Factor in disguise — wearing a false moustache — and warned it would be Mr Factor's "final burst".

This week the chairman of NADA, Mr Theo Swart, said he accepted the accuracy of the Express report.

"But NADA," he said, "is not empowered to negotiate on behalf of private dealers — and Mr Zimmerman had no right to refer to the association."

Neither he nor any other NADA officials were aware of the discussion — "and I can assure you we would never have become involved".

"However, I regard the matter seriously and I cannot understand why NADA was drawn into the issue."

The two men, he said, would appear soon before a disciplinary committee.

"Though I cannot forecast the outcome, I can say they run the risk of being heavily fined and expelled from the MIE and NADA."

The matter would be thoroughly investigated, Mr Swart said.

Maidwyn Zimmerman (left) and Dave Kopping — in trouble with dealers.

1975 Fords recalled

D.D. 15/2/77

(192)

WASHINGTON — The Environmental Protection Agency yesterday ordered the Ford Motor Company to recall 220 000 of its 1975 models because they are violating air pollution standards.

The agency said the order affects almost all 1975 Fords with 315 cubic inch engines It said the recall is to fix a defective valve in the exhaust system and Ford will have to pay for any repairs. — SAPA-RNS.

D.D. 22/7/77

Spares: No price rise

192

JOHANNESBURG — The price of the local content of motor vehicles would not be increased despite the appeal by spare part manufacturers.

This assurance was given yesterday by the managing director of General Motors in Port Elizabeth, Mr L Wilking

Mr Wilking said following the sharp recession in the motor car market the price of local content of cars would not be increased at this stage. He said the costs involved in such a step were of great concern to his company and the industry as a whole.

He was commenting on the appeal by part manufacturers that the Government introduce a compulsory programme to increase the price of local content of vehicles — SAPA

192

Peugeot launch their diesel cars on to the SA market

MOTORING by Reg Williams

Hard-bitten South African motoring journalists burst into a spontaneous round of applause in Cape Town on Friday evening when the first diesel-powered passenger car aimed at the average-income motorist was unveiled at a Peugeot press conference

It was the new 404, and before the applause had a chance to die down, another diesel model was driven into the conference room and pulled up right alonside me — it was a 504

They are not good cars .. they are excellent, exciting cars, and the price differential is such that little more than "another annoying car tax increase" is involved.

We all had an opportunity on Saturday to drive each of the models in a rally-type launch which included every type of road surface likely to be encountered in the Republic (or adjoining countries as well, come to that)

During the rally there were "fast stages" over which no speed limit was applicable (kind permission of the Cape Provincial traffic department), when our (two to a car) 404 was hitting more than 130kmh

There was also an economy run included in it, but not one in which drivers could "crawl" in order to try to conserve fuel

It resembled, rather, normal driving conditions and speeds applicable to every-day motorists The distance was 108,6 kilometres, which had to be covered in no more than 90 minutes — which meant an AVERAGE speed of 72,6kmh. And with a number of long sections of the road restricted to 60kmh (good for consumption figures, but not for time) it meant that 90kmh became the "norm" whenever possible in order to make up the time lag

We arrived at the check point with 11 seconds to spare for a final consumption of 6,19 litres, which gives a reading of 5,69 litres per 100km (nearly 50mpg)! And that in the 504

The winner in the 504 class returned 5,43 per 100km (52mpg), while the winner in the 404 class had a consumption of 5 03 litres per 100km (56mpg)!

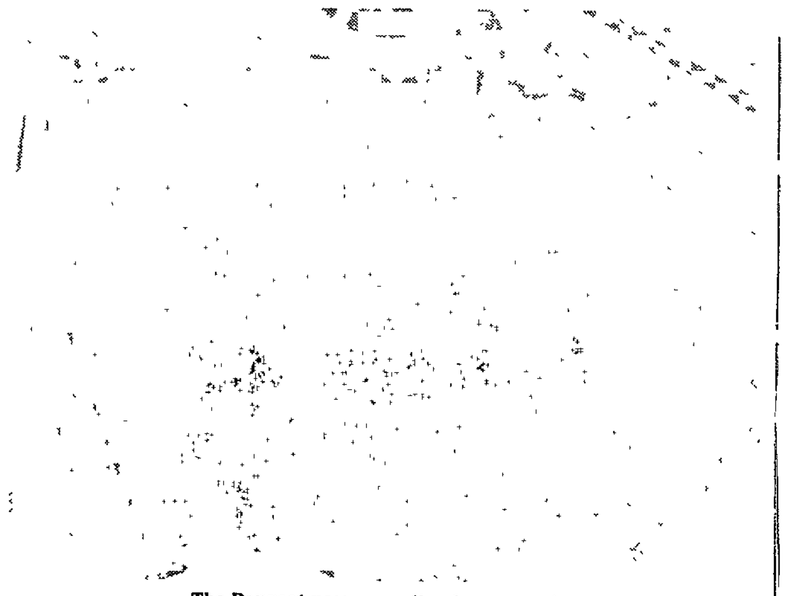
And when it is remembered that the existing fuel restrictions do NOT apply to diesel sales, Peugeot have given motorists the pleasures of week-end driving once more

Additionally, many companies in South Africa employ representatives who are out on the road all week. A large number of them, because of petrol restrictions, now return to base on Thursdays, thus losing 20 per cent sales production time

When those companies change their fleets to Peugeot diesels their representatives will once again be able to do a full week's work. What is more, with low consumption figures their travels will prove less expensive, thus giving the companies a dual benefit.

For the average motorist, who uses his car to go to and from the office, and to take the family out at week-ends and on holiday, again this is a great saver Covering only 4 000km a year, a motorist can save R300 on fuel alone

This means that in two years he has saved almost the extra cost of the diesel Should he change his car every two years, he will still benefit from a higher resale value and, what is more, maintenance costs are considerably lower than for petrol models.



The Peugeot passenger diesel power unit.

Add this to the convenience of fuel "when you like" and the diesel has everything going for it — including support from the anti-pollution brigade

The 404 diesel is nothing new, except in South Africa For nearly 18 years it has enjoyed amazing sales in many parts of the world It is virtually the only choice for Paris taxi operators, large fleet owners and farmers in France, other parts of Africa, and South America .. and all those millions of Frenchmen can't be wrong

The 404 diesel is priced at R5 620, and the luxury 504 at R6 985 I will deal with the specifications and other finer details in another article at a later date. But if you want one get your name down quickly . they will be in short supply

(192)

Leyland reduces prices of cars

N. Mercury 4/8/77

Motoring Editor

LEYLAND South Africa yesterday announced hefty price cuts on two of its middle range cars, the Triumph and the Marina.

The cuts vary between R786 for the Triumph Overdrive and R271 on the manual Marina 1750. They take effect nationally today.

Managing director of Leyland, Mr. Peter Murrough, said that the reductions would apply until the introduction of the 1978 models and estimated they would mean a saving to the consumer of some R2 000 000 over the next five months.

Mr. Murrough said he hoped the move would help Leyland's Cape plant back to a normal working week sooner than anticipated.

"I am optimistic enough to believe that a price reduction will stimulate sales," he said.

He pointed out that the reduced price would affect the amount of sales duty and deposit buyers paid under hire purchase agreements, while finance charges would also drop.

In Durban, price cuts on the Triumph and Marina have been greater than those announced by Mr. Murrough yesterday. During the current price war, the cars have been advertised by the agents McCarthy Leyland at prices as much as R1 046 and R944 under list.

These discounts will now fall away and will be replaced by the factory's new price structure.

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MOTORING Mercury

Peugeot on the diesel route

192 5/8/77

THE ERA of the diesel-engined passenger car came two steps closer this week with the unveiling of diesel-engined versions of the Peugeot 404 and 504.

The two new cars bring diesel motoring within reach of the average income South African for the first time — and are only the first of several diesel-engined models on their way to the South African market

Both cars were shown to motoring journalists from all parts of South Africa in Cape Town and we had the opportunity of driving them for 500 km on a route laid out through the winelands of the peninsula

The diesels are virtually indistinguishable from their petrol-engined sisters — the only external distinguishing mark in both cases is a restrained "Diesel" label on the rear

Internally, the 404 has a cut-off control next to the "ignition" switch on the right of the steering column and on the left, a glow-plug warning light and pull-out control for the starter

On the 504 there aren't even those clues to the car's changed powerplant, starting and stopping are controlled by the key in the normal way

Starting from cold requires a 20-30 second wait while the flow-plugs in the pressed-in Ricardo combustion chambers heat up, but once this has been completed the car starts normally. In the 404 a lot of fiddling with the equipment is required, in the 504 it all happens at the twist of the key

The engines used are both well-established Peugeot designs, the 404 using the XD 4,88 with a displacement of 1 943 cm³ — the same engine used in the diesel pick-up — and the 504 with the "quiet" XD 2 of 2 043 cm³ announced in France last year.

In fact, the ready-to-roll weight is only 80 kg more than the petrol and although this has meant stiffened suspension the effect on ride and handling is minimal

Joe Mulraney

In fact, the 504 felt improved, particularly on the dirt where its behaviour was exemplary

More sound insulation is built into both cars to contain the higher noise levels of the engine and once rolling it would be difficult to tell there is a diesel up front This is more so the case with the 504 where freeway travel is very quiet

The introduction of the 404 Diesel underlines once again Peugeot's oft-declared intention of NOT dropping the 404 in this country.

The car is dated with its old style Pininfarina body, odd handbrake and even odder column gearchange, but it still is a considerable force in the market and more particularly in the fleet market

Mechanically it is identical to the petrol engined 404, with one major exception Drum brakes are used at the front, owing to the fact that no vacuum is available from the engine, thus no power assistance can be provided for the greater pedal pressures required by discs

On the 504 however, a vacuum pump is driven by the engine, and the normal discs-all-round set-up is used.

Notable about the 504's XD 2 engine is the absence of Peugeot's traditional loose-sleeves To achieve the 2,3-litre capacity bores have been stretched to the maximum and hardened "dry" sleeves are fitted

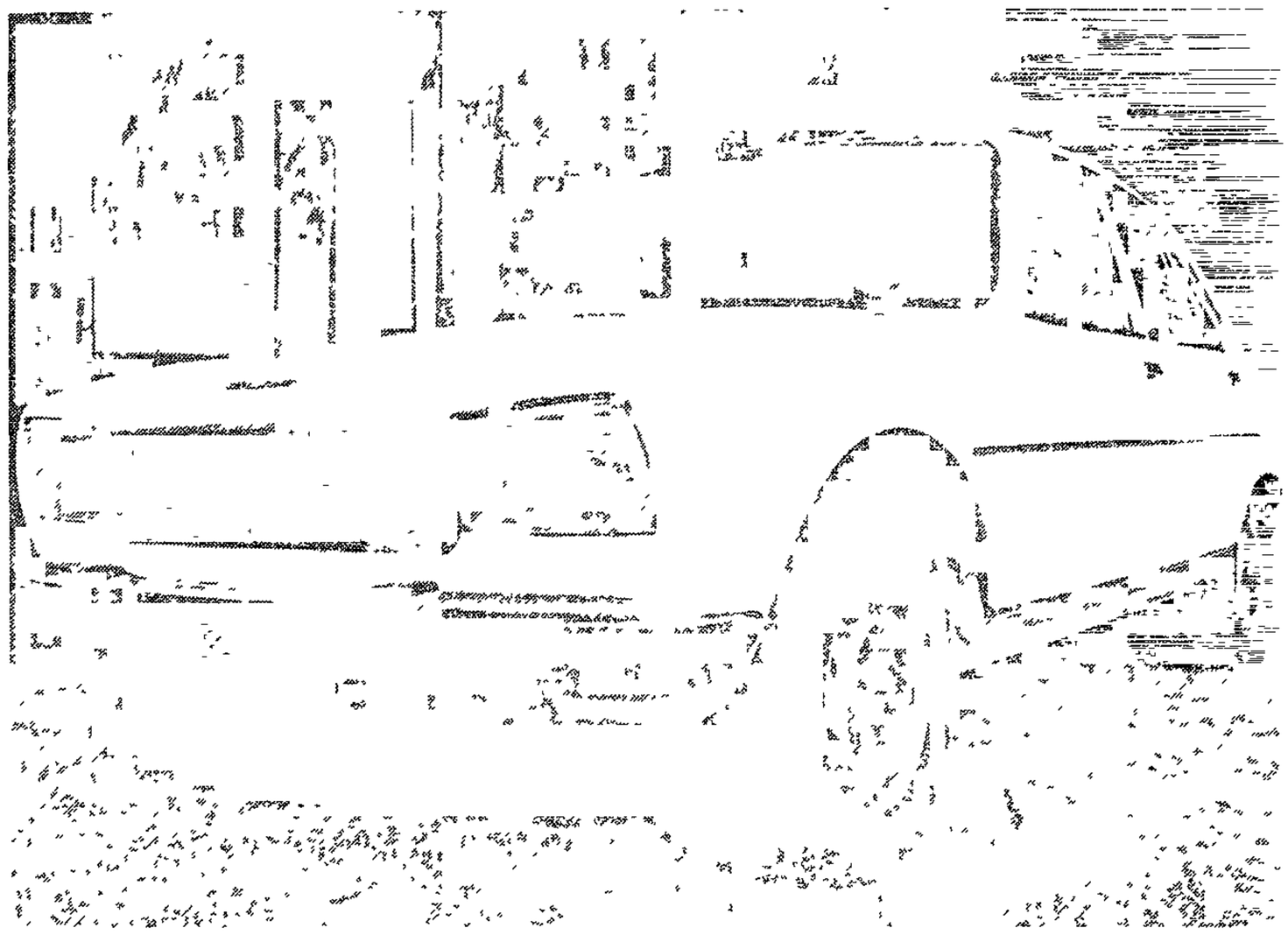
The 504 Diesel is built to the GL specifications, that is independent rear suspension, discs all round, high quality trim and improved equipment It fits happily into the luxury class as far as comfort is concerned, and provides large car interior space with all the advantages of a diesel

These advantages are now well-known but bear repeating Better fuel economy which can be as much as 25 percent better than the equivalent performance petrol engine, slightly lower priced fuel, longer life expectancy for the engine, no restrictions on carrying spare fuel and freedom to purchase diesel at all times

Part of the introductory run was a fuel test, and figures as low as 6 litres/100 km were achieved

Performance, on the other hand, is hardly sparkling, but it certainly is adequate The run from nought to 100 takes 26 seconds in the 404, 20,6 in the 504 Maximum speed is more than adequate for today's limits, the 404 peaking at 128 km/h, the 504 at 141 km/h.

The price of the 404 Diesel is R5 620, the 504 Diesel is R6 985



THE 504 Diesel looks the same from the outside, but under the bonnet (top) the view is very different, with diesel pump, injectors and a special vacuum pump and nary a spark plug to be seen

Trail-blazers

HARD on the heels of sparkling new DT 250 D and DT 400 D street scramblers, Yamaha have now launched two new trail bikes in the popular small capacity class.

They are the Yamaha DT 125 E and the DT 175 E, both with Yamaha's exclusive mono-shock De Carbon rear suspension

The two new machines feature engineering and styling similar to the bigger DT bikes, which in turn drew heavily on Yamaha's world wide moto-cross experience

Extensive use of resilient plastic is made in the two new bikes, including engine covers, the mudguards and the indicators which are rubber mounted to springback after a tumble

Both bikes have revised cylinder head design as well as improved porting and combustion chamber shape for increased efficiency.

The front suspension geometry has been completely revised and the steering head angle has been changed to improve dirt handling and stability on rough surfaces.

Greater fork travel has been built into the front suspension — 180 mm on both machines — while the nitrogen gas filled rear suspension has a much improved travel of 145 mm

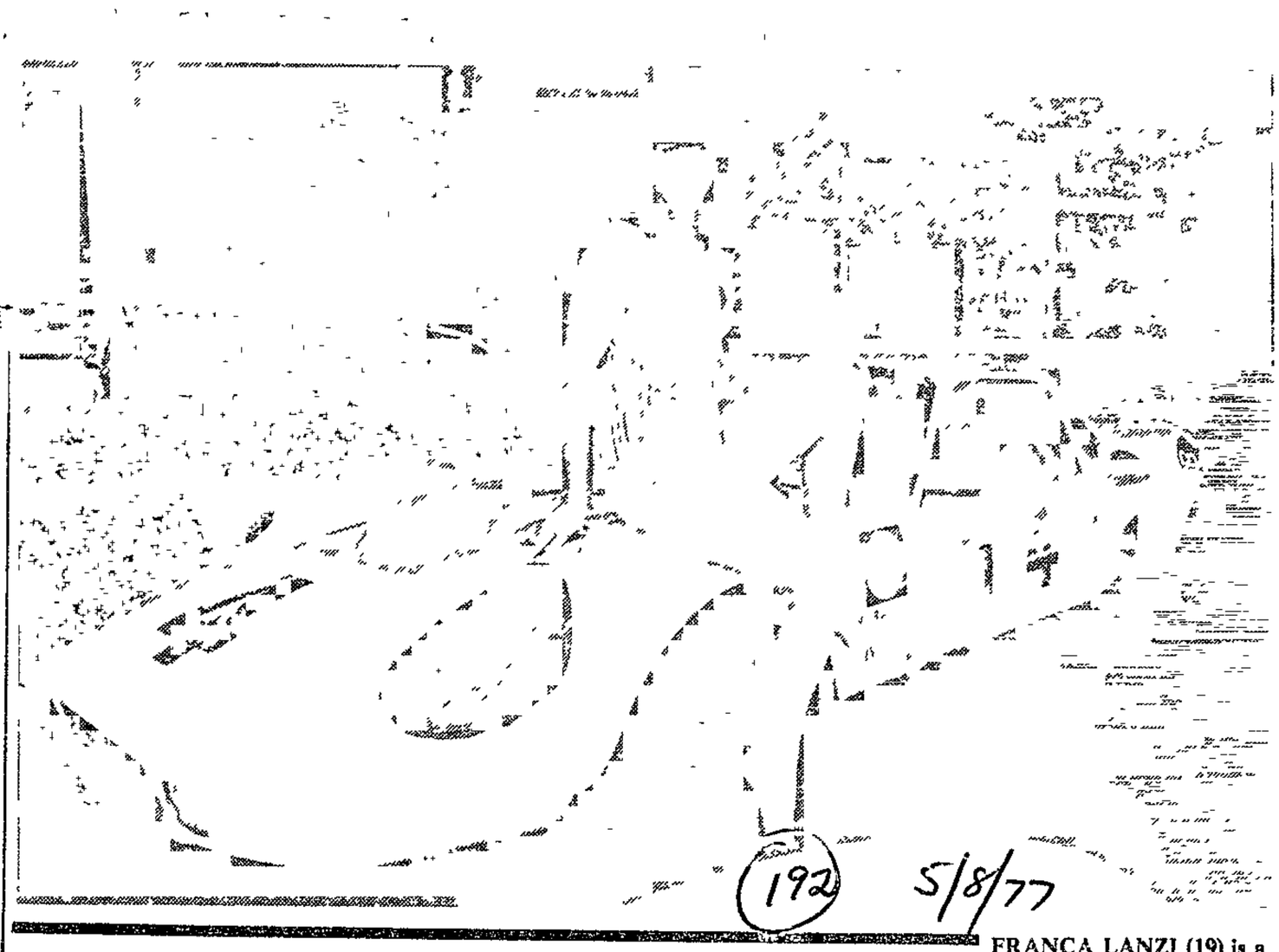
The mono-shock system has the advantage of being adjustable to suit a wide range of rider weights and road surfaces

The DT 125 E retains magneto ignition while its bigger sister has gone over to breakerless capacitor discharge ignition.

The two new bikes replace the DT 125 C and 175 C and are available Yamaha dealers now

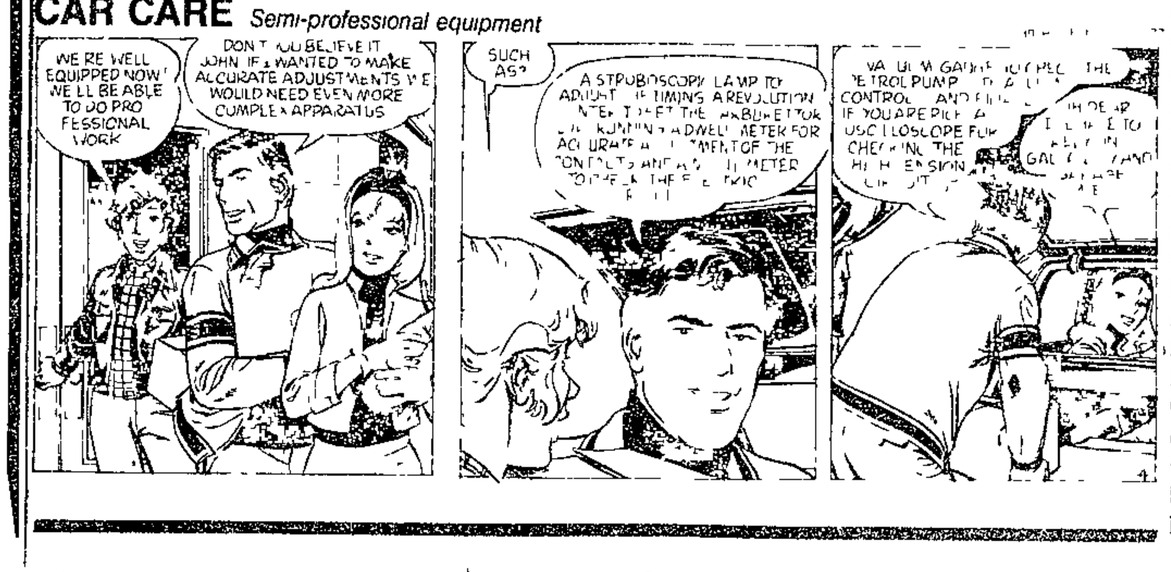
Bouncing BMW...

The weight penalty of going diesel is not great, considering the beefier engine needed, the larger radiator required for the higher operating temperatures of the diesel and the heavy duty battery alternator and starter needed to swing the engine over against a compression of more than 21 1



192 5/8/77

CAR CARE *Semi-professional equipment*



FRANCA LANZI (19) is a trampoline champion so she's used to being the centre of attention. But this week she shared the limelight in Forsdicks BMW showroom with Denzil Schultz's Chevron BMW racing sports car. The car was fresh from the last meeting at Roy Hesketh where it is putting in some sterling work in the hands of former champion Dave Charlton The Chevron is powered by a two-litre BMW engine, but weighing less than half the big BMW's, is still a whole lot faster

Govt money curbs take hold in car industry

Sun. Times Business 7/8/77

By Stephen Mulligan

CONDITIONS in the car industry in recent months offer clear signs that the Government's tight control of the money supply is producing results

As will be remembered, when the economy entered its decline the car manufacturers laid off staff, shortened work weeks and sold out of inventories At the same time prices of cars rose

Car prices rose in part because of government action and imported inflation including currency movements However, more recently there has been sharp discounting of car prices throughout the country and this week Leyland, which may, admittedly, have special problems, dropped its prices on Triumphs and Marinas by up to 15,6 per cent

What appears to have happened bears out an assumption made in monetarist thinking which is that there is a delay between cause and effect on prices when money supply growth is curbed This is based on the fact that although business conditions tighten up, the expectation of inflation is so deeply ingrained that prices continue to rise while people are laid off and sales fall

Now we are seeing the later effects, an actual drop in prices, taking place. Such trends can be expected in other areas of the economy provided the government maintains its grip on state spending and thus holds the money supply in check. Only in this way can inflation expectations be changed

If the policy is followed through, there is bound to be a sharp drop in the inflation rate which could be well down into simple figures at the start of 1978

N. Merc. 5/8/77

Snappy Piranha

(192)

MOTORING Mercury

THE BUSIEST part of your motor car ıgine is the distributor.

Under that moulded- kelite cap pulses of ..ity as high as 25 or ı000 volts are triggered, ..es at speeds as high 200 pulses a second

The hard-working ıbutor is also charged ..ı timing the pulses of ..-voltage to an accuracy one 7 000th of a second ..ı distributing the pulses to .. spark plugs in the correct ..ıg order

Heart of the little .. erhouse are the points, ..e make-and-break switch ..ıch kicks the coil into life .. produces the stream of ..athed lightning This ..stem has been around for .. ..st as long as the motor .. itself, and all things ..nsidered, it is still doing a .. job

But, with increasing .. phasis worldwide on ..eater and greater ..ciencies from less and .. fuel, the shortcomings of ..e mechanical points ..stem are becoming more ..d more obvious .. ticularly in the United ..ates

Briefly, the main ..isadvantages of the ..ntact-breaker system are .. gives its healthiest spark at ..ow speeds, it grows ..ogressively weaker as ..es climb, at very high ..vs "points-bounce" can ..ause misfiring and timing ..scatter" causing misfiring .. fuel wastage

Perhaps most important .. all, points need regular ..tion to maintain their

Joe Mulraney

contact surfaces and the gap between them, both of which are important in making fat sparks at all times

Because of this electronic ıgnition systems are becoming more and more common Chrysler s Valiant showing the way among normal cars four years ago

A new system on the market is the well-known British Piranha solid-state electronic ıgnition, for which Durban man M.r Rob van der Linde has been appointed the agent for South Africa

"In the Piranha system the points and condenser are eliminated entirely — in fact you remove them from the distributor altogether," says Mr van der Linde

"In their place, a plastic disc clips onto the distributor shaft Notches in its circumference interrupt an infra-red light beam, thus triggering the solid state electronic circuit

"There are no moving or touching parts so there can be no wear — once set and tuned the system remains in tune for good"

Besides the changes within the distributor a small black plastic box the size of a 30-pack of cigarettes is mounted on the car near the distributor Wires are connected to the distributor

"The entire conversion takes about 20 minutes and can easily be done by a competent d-ı-y man," says Mr van der Linde

Motoring Mercury put Piranha to the test, with the assistance of Datsun's regional representatives who loaned us a 180 U saloon for the test, and Durban's leading electronic diagnosticians, Motor Check.

We also used our new fuel consumption tester for tests of fuel consumption on the road and on Motor Check's rolling road dynomometer.

The table shows the results we achieved. On the road, running at steady speeds of 60, 80 and 100 km/h (indicated), the Piranha gave benefits of just over or under one percent, and in the case of 80, resulted in a rise in consumption

However, pulling hard up a long hill, the improvement was dramatic, giving a gain of 13,95 percent

On Motor Check's dynomometer at steady speeds of 60 and 80, improvements were obtained as well, but best increases came in the amount of power delivered to the rear wheels

With the points in place power was 49 bhp, with the Piranha electronic system in place and tuned to best advantage the power jumped to 55 bhp

On the road this showed up in the better time for the standing start 400 metres

In addition to the material benefits, the car also felt much smoother and more responsive A hesitation which we had noted when we first drove the car, disappeared when the Piranha was installed, then returned when the points were replaced Starting too, seemed snappier

The price of the Piranha kit will be between R80 and R90.

This is high for something which apparently gives returns measurable only on a stop watch and consumption tester — until you remember that it will also save in eliminating ıgnition tune-ups and the replacement of points and condensers.

Putting the Piranha ıgnition system to the test, using Motoring Mercury's fuel tester The tester gives an accurate check on the amount of fuel used while running at a steady speed

Piranha director Mr Rob van der Linde installs the Piranha equipment in the Datsun's distributor The points are replaced by a black plastic disc with notched circumference, through which a beam of infra-red light sensitive transistor

The Datsun runs up to 80 km/h without moving an inch. It's on the Motor Check rolling road in this picture and Mr Rob van der Linde (left) checks consumption on the MM tester.

	Standard	Piranha	Gain %
60 km/h	6,35 ℓ/100	6,28ℓ/100	+ 1,02
80	6,90 ℓ/100	6,99ℓ/100	- 1,3
100	8,03 ℓ/100	8,00ℓ/100	+ 0,37
Uphill	12,9 ℓ100	11,1ℓ/100	+ 13,95
0 — 400m	18,9 Secs.	18,75 Secs.	+ 0,79
BHP	49	55	+ 12,24
60 km/h (Dyno)	5,68ℓ/100	5,62ℓ/100	+ 1,06
80 km/h (Dyno)	6,76ℓ/100	6,25ℓ/100	+ 7,54

They'll give you a right belting

NATAL'S Mr. Safeway, Mr C. D Harris (right) watches Mr. Tommy Moodley show Mr. Morris Chapman at the wheel how the Safeway belts are fitted.

NATAL S first official "Mr Safeway seat belt fitting centre has been appointed It is Durban Panel Beaters in Sydney Road, where foreman trimmer Mr Tommy Moodley has received special training in the correct fitting of Safeway belts, baby seats and child harnesses

The appointment was announced this week by Mr C D Harris, the Mr Safeway for Natal who said also that centres for Pinetown and the other larger centres in Natal would be announced shortly

"The correct fitting of safety belts and in particular the correct installation of the automatic inertia reel type is very important," said Mr Harris

"For this reason whenever a fitting centre is appointed one of their staff is sent to Johannesburg for training in the correct fitting of the belts"

Mr Moodley, in charge of Durban Panel Beaters' belt fitting operation, stressed the importance of fitting the automatic reel properly

"It must be fitted at the right angle If the angle is not absolutely correct the automatic belt will never work the way it was designed to"

If the angle at which the reel was installed was not right then the belt would not rewind properly and it would lock prematurely making it difficult to don, he said

If this happened, then all the advantages of the automatic reel belt were lost, including the ability to move around freely while wearing the belt

The Safeway range of belts comprises different sets of brackets and seat belt lengths for each car on the market while the semi-rigid stalks which make one-handed fastening possible also vary from car to car

According to Mr Morris Chapman owner of Durban Panel Beaters, fitting of the belts takes about an hour on average for which the labour charge was R10 a pair.

The price of the automatic belt is about R40 each, while the baby-seat (which is secured by belts to the structure of the car and not to the seats) costs about the same

A child s harness for children between the ages of eight and 12 cost R18,50.

Who's windy at the Indy?

Eoin S. Young COLUMN

WITH the Cosworth turbocharged DFX V8 getting into a winning groove on the USAC scene and a turbo-Porsche Indy car on the way for 1978 there is the

(192) M.Mer. 5/8/77

Star-studded line-up

LOCAL motorsport will all be taking place at the Roy Hesketh circuit, Pietermaritzburg, this week end with an Azalea All Stars Day tomorrow and a moto-cross on Sunday.

The Natal Motorcycle and Car Club and the Maritzburg Motor Cycle and Car Club join forces again tomorrow to stage another of the popular All Stars Days that come strictly under the heading of fun for all.

Following the pattern of the previous and very successfull occasion there will be five separate events all of which can be competed in for the modest overall entry fee of R2.

Entries have already opened and will be accepted up to one hour before the start of each event.

The five events and the starting times are combined hillclimb and speedburst (10.00 hrs.), Coupe des Hesketh (13.00 hrs.), autocross / gymkhana (14.30 hrs.), treasure hunt (16.00 hrs.) social rally (16.00 hrs.).

The Coupe des Hesketh needs no introduction and this time the more cunning crews will come up with neat solutions to make the task of draining 500ml of engine oil and replacing it while avoiding total loss of the oil and burnt fingers.

The other tests are interchanging right and front wheels, interchanging two spark plugs, a driving test and removing the battery, carrying round the car and replacing it securely.

Competition licences are required only for the Coupes des Hesketh and the social rally, but indemnities will have to be signed for the other events.

Pit Stop's Sports Log

THE moto-cross organised by the M.M.C. and C.C. will be held on a new redesigned 1,2km track.

Practice starts at 11.00 a.m. and racing at 12.30 p.m.

There will be two ten minute plus one lap heats for each class, followed by scratch races for graded senior riders, the Grade A Senior race will be known as the Terramove Challenge.

MM was told that more than 100 entries have been received for the meeting, which is a regional non-provincial championship meeting.

The 'Toti Round the Houses kart meeting scheduled for August 21, has been cancelled.

The meeting will now take the form of a national/social event to be held at the Ster-Umhlanga.

The Natal Karting Association hope that a few "foreign" drivers will come along to add a bit of spice to the meeting.

ghost of a rumour starting to circulate that "foreign" engines could be banned at Indianapolis to protect what has been the most All-American of all American forms of motor-sport.

If such a rumour has foundation, one wonders how the ruling would be enforced Would the Cosworth be banned when the company has established a base in California?

Might the McLaren and Parnelli Jones teams argue with some cause that "their" Cosworths carry the Northampton company's name, but that the amount of development and modification carried out by the respective American teams has turned the power units into "American" engines

The arguments should be great, if nothing else!

The prospect of the Porsche coming to Indianapolis as well as the Cosworth, spells the demise of the incredibly old-fashioned four-banger Offenhauser just as surely as the turbine did when it first made an appearance

And what happened? The turbine was legislated out of contention Nobody said it couldn't run, just that if someone brought a turbine to the Brickyard these days the limitations imposed would render it uncompetitive

The same thing could happen with the turbocharger in grand prix racing

Right now the Renault is having its teething troubles but the signs are that it will be a front-runner by mid-season next year

So? So if the turbofrog V6 turns into a pacemaker it means other teams will *have* to go the turbocharging route as well Porsche protest that they have only the mildest intentions of perhaps getting involved in USAC racing and whoever said anything about Porsche in Formula 1?

Preposterous, they say But what was the turbocharged 1,5 litre Porsche flat-6 in the back of the 935 driven by Jacky Ickx at the Norisring a fortnight back, if it wasn't a try-out for a formula 1 motor?

Grand Prix racing 1977-style is very cosy for those taking part and the racing has been full of surprises The next "surprise" could be a move to limit the effectiveness of turbocharging in Formula 1 on the grounds that the turbos will bring sky-rocketing costs into what is already a friendishly expensive business

JOSEPH SCHNITZER, the engineer who carried out the turbocharged conversions of the BMW racing engines, has left to join his brother Albert at Toyota Germany

A new Toyota competitions base is being established at Cologne, rally boss Ove Anderson is moving there from Brussels, and the first official turbo-Toyota racing saloon will make its debut in the touring car race which supports the German Grand Prix at Hockenheim on July, 31

to year. The number of bags harvested ranged from 3 to 50 bags in a good

D.D. 4/8/77 (192)

Insurance jump ahead

Motorists be warned ... vehicle insurance premiums are likely to be raised again, by 20 to 25 per cent, before the end of the year Despite stringent petrol restrictions, it would appear that the number of claims has not dropped.

MOTORING by Reg Williams

In itself that would not be so bad, but while the claims level has stayed about the same, the cost per claim has risen considerably

A colleague on another publication writes that it is about time insurance companies paid more attention to the repair quotations they receive It is widely accepted, he says, that many garages and panel beating firms — too many, it seems — have two price structures

The higher one is when an insurance company is paying, and the lower is for the vehicle owner paying himself

A Johannesburg insurance broker maintains there are too many fiddles going on between insurance company assessors and garages, and that's one reason why insurance companies pay unnecessarily high costs for repairs.

The high cost of spares is another aspect of repair costs and this is being investigated by the insurance industry The industry feels a monopolistic situation has developed, and that this is keeping prices artificially high The Board of Trade is conducting a similar investigation, and the results of the insurance industry's inquiry will be submitted to the Board

Which brings me to yet another point regarding spares

Renault's super-charged Formula One racing car, which has made its debut in international events this year, but so far without success. A Renault last won a Grand Prix event — the French — in 1906.

According to the Federation of Component Manufacturers' Association, at least 13 000 new jobs would be created in South Africa by raising local content in motor manufacturing from 66 to 85 per cent And that the inclusion of light delivery vehicles in an equivalent compulsory local content programme could create work opportunities for a further 13 000 people

That sounds fine, but what of the cost to the motoring public! Already there is a monopolistic situation developing in the local components industry, and if this was extended the situation would only worsen

If there was no motor industry in South Africa, and all vehicles were imported fully assembled, it would be considerably cheaper for the motorist — although it would certainlyplay Hell with our balance of payments

A 100 per cent South African car would be the most useless and inordinately expensive vehicle in the world today, as there just is not the local know-how or facility to produce one that would be acceptable

In the main, it is the local content that pushes up car prices in South Africa, and now the component manufacturers wish to increase their share Why do they not admit that the main reason is to increase their slice of the "cake", so why do they try to sound ultra-patriotic with their noises about increased job opportunities At this stage of the economic rat race we cannot afford them even if we heed the call to buy South African

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a "normal" harvest

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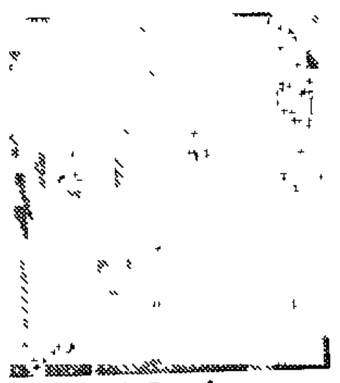
36. See M. Lipton (1976), pp. 4-5 for the importance of including or excluding this measure.

ERF is to head up an export drive



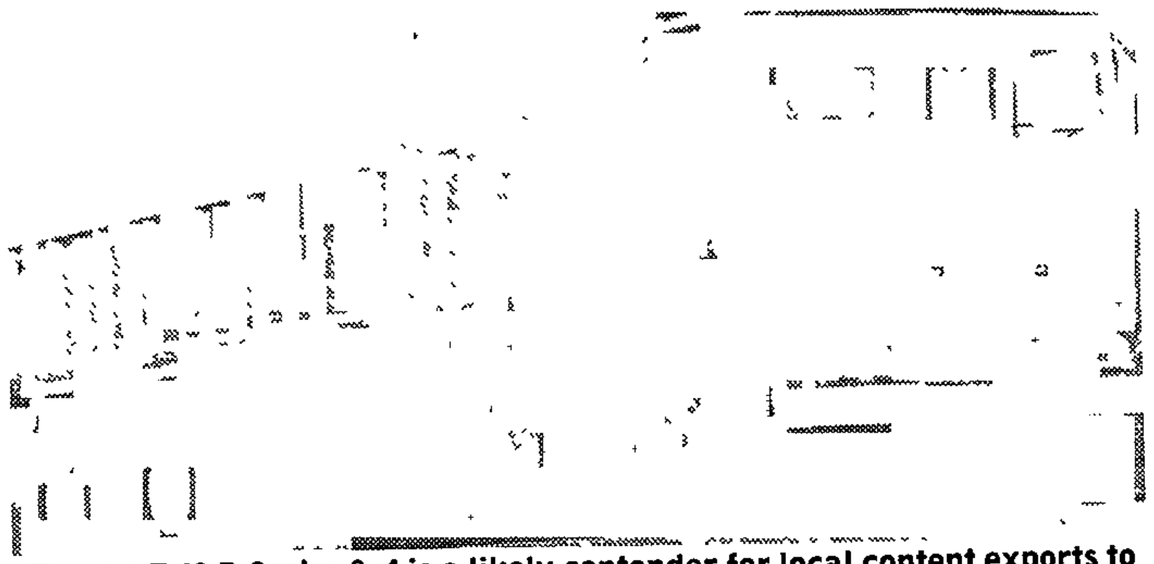
Dai Davies

)UTH AFRICA is to ecome the source ountry for all ERF eavy duty trucks sold the southern emisphere, says Dai avies, managing irector of the local ompany, following a ip to Australia and ew Zealand.

'You will see a total ange of ERF's image in e next 12 months, and we pect to be exporting the rst locally-produced South frican components within months," said Mr Davies

"We have always been oncerned about getting the ght quality of locally-oduced components, and is development makes me en more anxious to bring me to industry what local ntent really means

"To consider a Cummins, ardner or a Rolls Royce ngine, or a Fuller transmision, as being local content absolute hogwash How an you consider a Rolls oyce engine to be local con-nt when it has 'Made in Shrewsbury, England' stamped on the block?



The ERF 68 B Series 8x4 is a likely contender for local content exports to Australia and New Zealand.

"We feel that the Government is wrong in allowing this type of componentry to be classed as local content

"Local content means just that — made locally To consider and admit foreign components as being 'local' is just a way of hoodwinking the politicians

"There is a limit to what can be made locally But the local industry can go for fuel tanks, springs, cabs, propshafts and glass and rubber mountings In fact, we here are already making rubber mountings for gearboxes and radiators, and exporting them to Britain," said Mr Davies

Wheels and tyres are made locally and ERF would like to buy chassis rails in SA providing they are of the correct specification

"We have a large export potential ahead of us, but we are not going to make it by boasting 80 per cent local content for foreign-sourced componentry

The decision to source the southern hemisphere from South Africa is based on design compatability "We have certain aspects that have yet to be brought into line, but basically Australia and New Zealand need a truck that is very different from the European one Their needs are virtually the same as ours

"ERF has, in fact, topped sales in the 20 000 kg plus category in New Zealand for the past four years

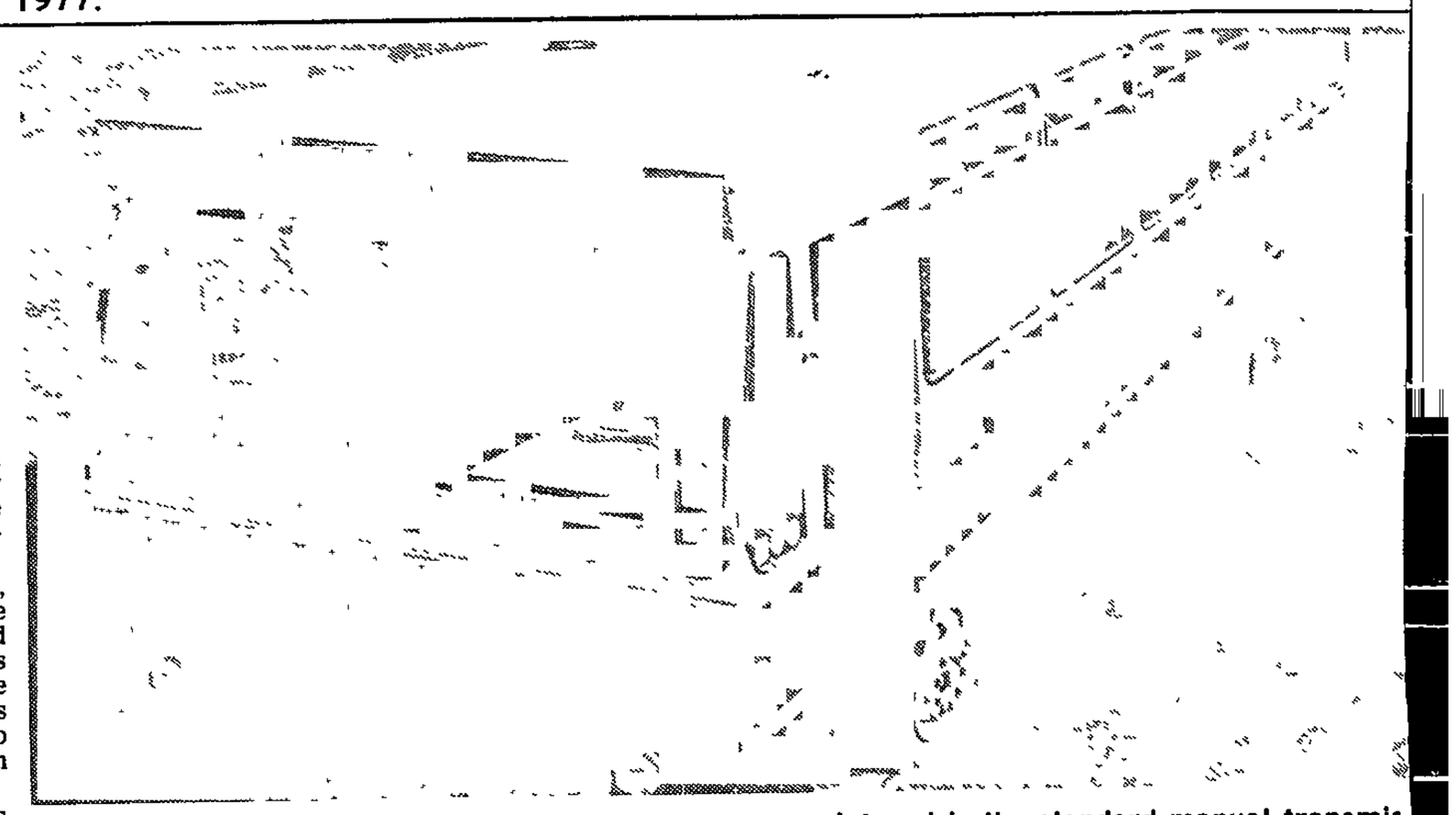
"The market is not as big as it is here — we are only selling between 80 and 100 trucks a year These are sourced in the UK and we will be starting the South African content by fitting locally-produced cabs Over 90 per cent of our SA vehi- there are only 11 containers a month going to Australia," said Mr Davies

"Once we have got the specifications for the trucks matched, it will then be a matter for the UK to make allocations for Australia and New Zealand via South Africa In time you will find that the local ERF truck is very different from the UK model

"We want bigger engines, more axles on the road and cheaper maintenance Our vehicles are three-axle trucks while theirs are two-axles

"We fit Cummins, Gardner and Rolls Royce engines between 171 kW and 260 kW Production area is about to be doubled when we start moving out the spares and service organisation to another plant not far away in Alrode next week

"This will be developed as a spares and service organisation in the fullest sense," said Mr Davies



TOYOTA's BY Hino bus, first put into the field on trials in October last year, is now coming off the production line for trial by municipalities. The one pictured is the standard manual transmission model, but the BY has an optional self-changing automatic box.

Wheels prick local content bubble

HE NEED for standardisa-ion of wheel and rim pecifications is assuming ritical importance as the rive for local content athers impetus

Special steps are being aken to remedy design eatures which it is believed re adversely affecting tyre ife and performance

The experiences of lyster, producers of lowbed ooseneck trailers hauling p to 84 tons, is cited as be-ng typical

Stan Meadows, trailer sales manager, first highlighted the defects when Hyster switched from the imported cast spoke wheel of the demountable type

"These are heavy duty wheels and we changed over to local ones because of our plans for local content It is not possible to get the cast spoke wheel locally so we went for the conventional dish-type wheel We wanted spherical seats but could could only get cone seats We had to make our own tooling to correct this

"We then ran into problems when the rims started to split in service, we found that the industry as a whole was being supplied with a rim that is something less than heavy duty

"We have recently had these rims changed and they are being manufactured with heavier materials for true heavy-duty application," said Mr Meadows

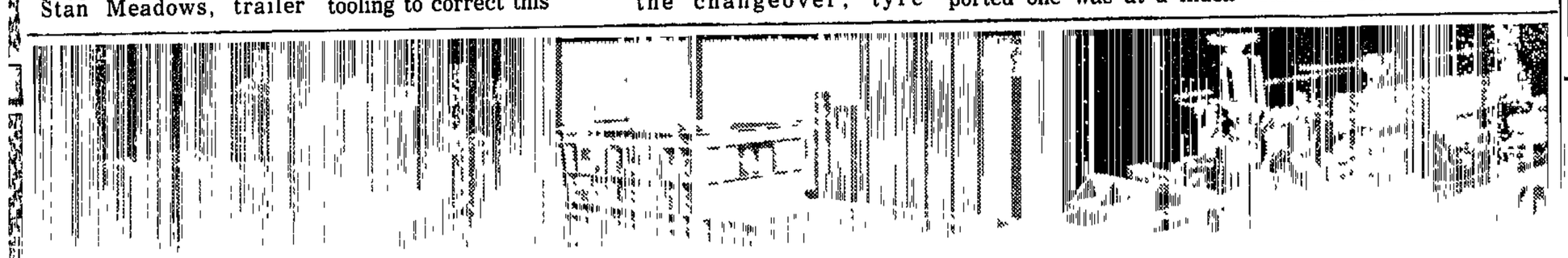
An additional problem loomed at about the time of the changeover, tyre manufacturers began talking to Hyster about the actual shape of the rim where the tyre sits on the wheel

"The tyre producers told us that they were experiencing tyre bursts around the country and they felt that this was due to the shape of the rim The tyre tended to slide out of the rim, causing the bead to part and the tyre to burst

"We compared our local rims with imported ones and found that the lip on the imported one was at a much sharper angle to the rim

"This was pointed out to the manufacturers and we are awaiting new deliveries to see if this difficulty has been put right It should be stated that the new heavy duty rim is a vast improvement on the older one

"We changed to locally produced wheels two or three years ago, but the heavy-duty ones only really came in two or three months ago This was the first time they were made locally," said Mr Meadows



Sigma bucks trend with used trucks

SIGMA'S equipment and truck division hopes to transform the Cinderella of the trucking industry — used truck sales — into a profitable business.

"For too long now trade-ins and used truck sales have been seen as a necessary evil in the industry," says Ludwig Steiner, general manager for truck marketing

"Some companies will not even accept trade-ins — the salesman has to find an outside buyer for the customer before he can deliver the new vehicle

"We are taking a positive attitude towards used trucks and are establishing a self-supporting used truck division We will not only facilitate our trade-in procedures for sales of new Mack trucks, but will also aggressively market all makes of high-quality used vehicles "

Although based in Isando, Philip de Villiers, recently appointed manager of the new operation, will have a hand in the acquisition and resale of the division's used trucks throughout the country

A 58-point questionnaire will be completed on every trade-in truck offered The trade-in price for the vehicle will be based on its "score"

"It will not take the market long to realise that our trade-in prices are realistic," says Mr De Villiers

Before resale all vehicles acquired by the used truck division will be roadworthied at the branches — major overhauls, if necessary, will be done at Isando

Mr Steiner sees a definite market for used trucks in the present financial climate

"A three-year-old 170 kW mechanical horse can be purchased for about 40 per cent of its current retail price Even if the engine, gearbox and differential had to be replaced, the total cost of the almost-new vehicle would only be about R16 000 This represents a capital saving of R10 000 on the price of a new truck "

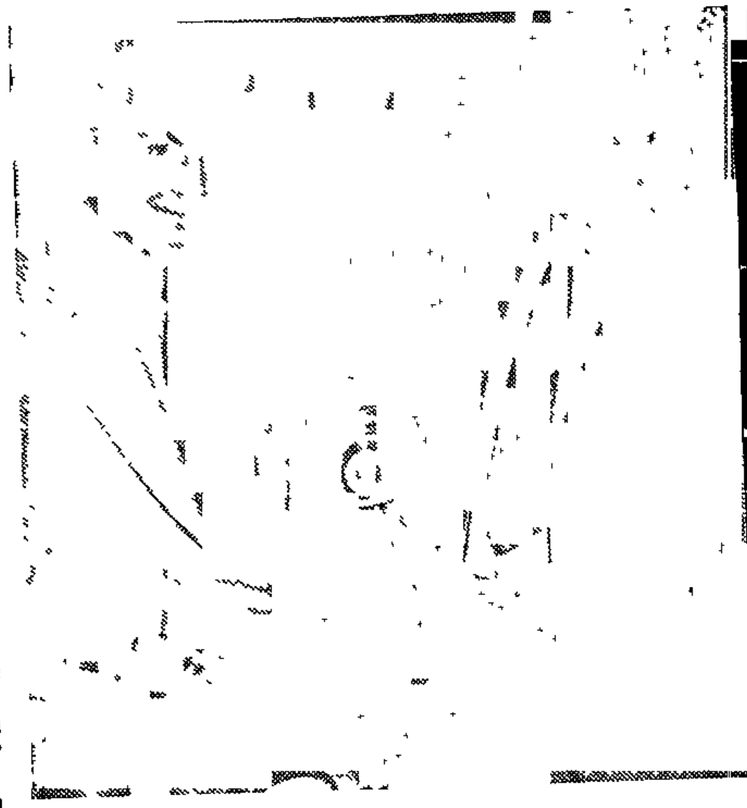
There are no statistics available but it is estimated that the used truck market is in the region of 7 500 units a year And about 5 000 new truck sales each year involve a trade-in unit which must be resold

Sigma used truck division hopes to have up to 50 vehicles of all makes on offer within a short time

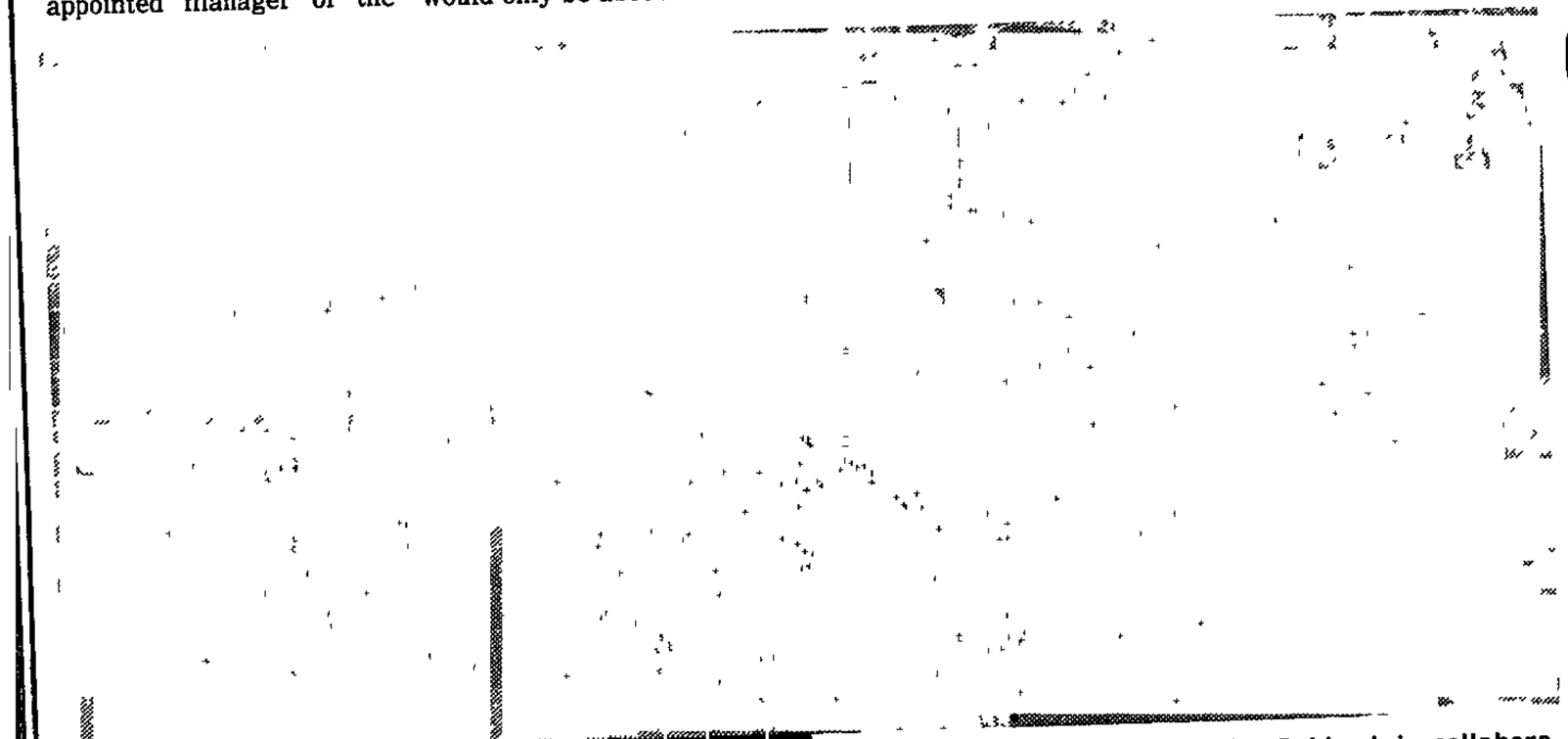
"Initially we will concentrate on vehicles in the over 20 000 kg class because most of our early stock will be trade-ins on Mack trucks But we hope to expand the selection to include all well-known makes above 5 000 kilograms gvm," said Mr De Villiers

Will Sigma break with tradition and offer guarantees on used trucks?

"We will certainly pass on guarantees on overhauled or new components but cannot on the truck as a whole Our main guarantee is the Sigma name," says Steiner



Ludwig Steiner (left), general manager of Sigma truck marketing and Phillip de Villiers, used truck manager for the equipment and truck division.



Six more Oshkosh tankers for Caltex

SIX road tankers, designed by Oshkosh in collaboration with the oil industry, are to be delivered to Caltex next month.

The E 1244 tanker (above) has a capacity of 16 000 litres and, depending on operating conditions, may haul trailers of up to 16 000 litres capacity.

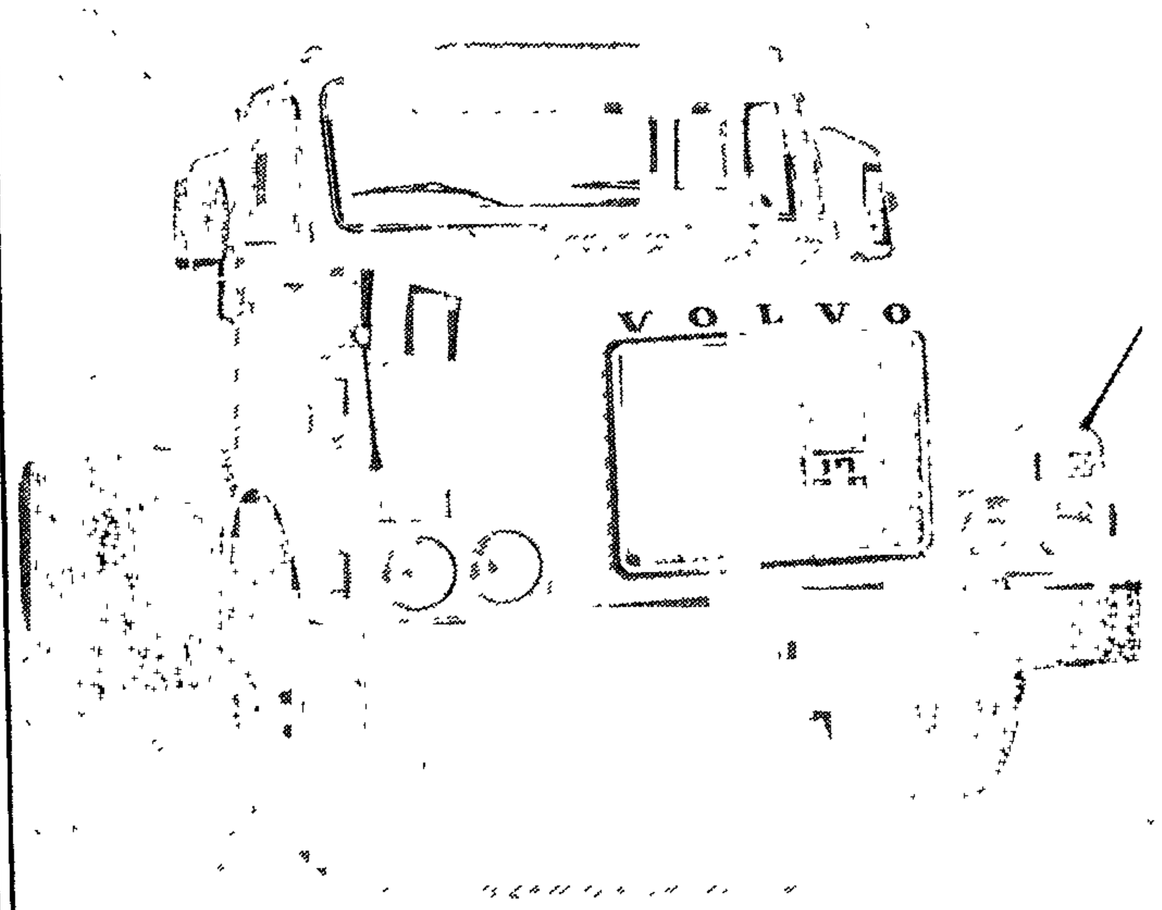
Govt report gives all the figures

TRUCK MANUFACTURERS will no doubt welcome the publication of a report giving figures relating to vehicle population in South Africa up to the end of June, last year

The Department of Statistics has reacted

Volvo is making a fighting comeback

David Ras ... man behind the revival.



The N1025 Turbo 6 which is expected to become a popular model in the new VSA line-up after pilot assembly starts next month.

VSA Motor Distributors, the newly-structured company previously known as Lawson Motor Distributors, this week entered the second major phase in the development of its Volvo truck distribution operation.

The first of the Volvo N10 series will be arriving in South Africa next month, and the company says that it will also be offering the popular F series Both are making their first appearance in South Africa, but represent up-dated versions of types which have been marketed here for some years

David Ras, managing director of the troubled Lawson Motor group, which he is presently phasing out, explained the Volvo move as a continuation of past marketing activity by an organisation which, although reorganised, has never been liquidated

"We have had no legal liquidation of any company in the Lawson Motor group The group is a holding company for 30 different companies operating in transport, property, plastics and a host of other things.

"The trucking side was handled by two of the 30 companies, one being Lawson Motor Distributors and the other Lawson Motor Retail

"Both companies are still operating, the second one is now known merely as Motor Retail," he said

"So far as the rest of the companies in the group are concerned, something different is being done with each one But, I repeat there have been no liquidations "

He was particularly concerned about reports in the Press that other truck manufacturers had criticised the Government for allowing permits for Volvo trucks to be imported

"Reference was made to the fact that Volvo had already gone off the market and, should permits be granted, would be re-entering the market I have not seen the report, but what has been communicated to me makes it quite clear that sembly on a trial basis to see what kind of problems might arise and, assuming that all goes well, we shall be signing up a contract with an assembler (see page 6)

"The second very relevant fact is that Volvo stopped assembly operations some time ago That was merely because of an overstocked position — a very common phenomenon in the motor industry Volvo has at no time discontinued its marketing activity, and has retained an active presence within the industry It is hoped that the arrival of the new generation trucks, previous versions of which we have sold in the past, will increase our market share," said Mr Ras

The new Volvo operation will perform three main functions Apart from selling trucks it will market industrial engines and sell and service parts for cars, trucks and industrial engines

VSA Distributors will be starting largely from scratch on the industrial engine side, it has only a small share of this market at the moment Industrial engines should account for about 5 per cent of VSA turnover next year while trucks will take up 40 per cent, and spares and maintenance 55 per cent

"VSA is in a break-even position right now We do not need to look for more sales to keep going This means that we are able to concentrate on giving the kind of service the industry needs for existing Volvo users They are our top priority We are going out into the field and making sure that the Volvo name for quality, reliability and spares availability is maintained

"We have heard stories of Volvo trucks being sold very in future to pay for those they have been holding in stock in recent times

"On the other hand, every truck we sell from now will be a contribution to profit Remember, also, that Volvo has never had a large market penetration so that it is not going to take all that long for us to recover our market position, and improve upon it

"We are making maximum use of this market lull We will begin to see results only when the new N and F series reach the market There will basically be only these two series, the F line being the cab-over models which update the old G series we have sold here in some numbers, while the N series is the one which was launched in Europe in 1973 and is a successor to our previous N series This is the bonneted version

There will be both rigids and mechanical horses for both types, the N series comprising the N7, N10 and N12 with engines ranging in power from 155 kW to 243 kW The F series will have while others are interested Mr Ras confirmed that it was company policy to bring this distribution arrangement into being

"Here again there is continuity We have had to maintain a low profile in the past few months But we are definitely getting our second wind and moving into a stronger position for stepped-up activity

Referring to past political relationships between various countries and South Africa, Mr Ras said, "Some would say that Sweden, where Volvo operates, has not exactly been the most favoured nation here There are those who would not buy a Swedish truck in the old days We have noticed a reversal in this unfavourable standpoint which has been working against Volvo trucks This image has, in our view, always been a mistaken one but we realise that it had consequences for us

"Accepting this, we wonder how much the straining of relations will develop between America, Britain and South Africa If this hap-

The bonneted N10 comes in a range of sizes. Here is the N1020 mechanical horse with a milk tanker special body, a familiar sight since the N10 was launched in 1973.

GM warranty upped in new service scheme

GENERAL Motors SA have increased their warranty on trucks above 10 000 kg to 50 000 km or six months, whichever is reached first

Trucks bought from April 1977 qualify for the new warranty

Before the announcement the warranty period stood at 0 000 km or six months

The announcement coincides with the launch of GM's truck plus service programme this week

Norman Bird, GM's service manager, said the new programme contained many advantages for truck owners The most important was that it was designed to ensure that vehicles remain on the roads for longer periods without breakdowns

Under the new scheme wearing parts will be replaced prior to failure This will prevent expensive repairs before serious damage is inflicted on related parts, and ensure maximum operational performance at the lowest possible cost

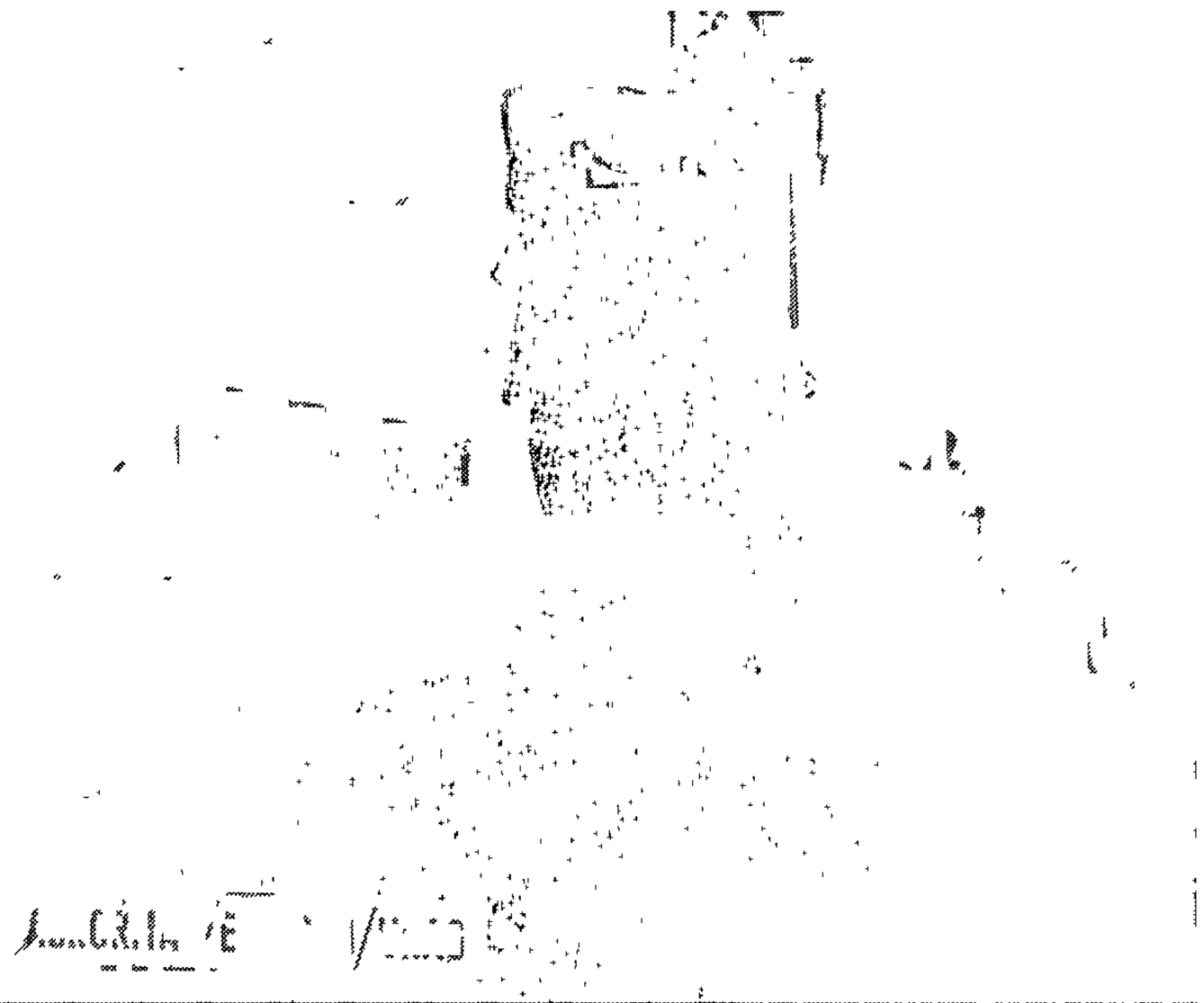
There will be fewer breakdowns, says GM, and smaller repairs will result in less vehicle downtime Accurate control records will help sales staff to review vehicle operating records with a potential new customer and to determine the most suitable models to use under varying conditions

"Operators will be able to budget their servicing costs better," said Mr Bird

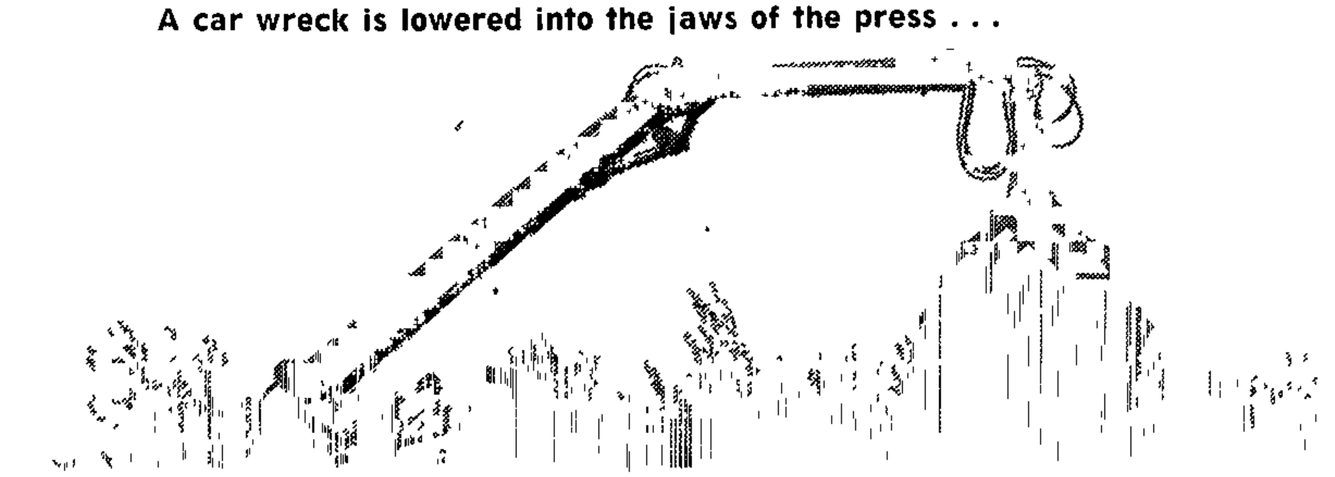
"The new truck programme is divided into three categories The A service comprises 31 operations including checks adjustments and maintenance, the B service 45 operations, and the C service, 46 "

Mr Bird said these services should be carried out every three months or 5 000 km

"I am very enthusiastic and confident that this new service programme is going to be one of the most beneficial and rewarding programmes we have ever introduced " he said



A car wreck is lowered into the jaws of the press . . .



Putting squeeze on scrap

ONE of the world's biggest mobile car-baling presses, costing R259 000, has been mounted on a Foden 6AC6/75, powered by a 239 kW Cummins engine driving through a Fuller axle

Gross combination mass of the rig is 57 tons The unit is intended to tour Reef municipal dumping grounds, reducing scrap cars to a tiny cube of compressed metal.

When the side jaws close on a car, it compacts with a force of 22 tons until all that is left is a 1 cubic metre bale of metal weighing about 1 ton

they were prompted mainly by fear of Volvo competition

"The relative facts are that the Volvo truck has been sold in South Africa continuously for the past 22 years We have run down stocks, certainly, but there has been no question of discontinuity of supply We have trucks now that are awaiting delivery

"It is true that our problem at the moment is shortage of stock, but we are awaiting the arrival of the first consignment of the new series next month These will be going into local as- ... tributors. But they are making a big mistake We have lost some custom to competition, but this has by no means reached crisis proportions," said Mr Ras

There had, in any case, been a substantial drop in demand for trucks and this had helped VSA It would have been a much more difficult task to bring about company restructuring in an active market, says Mr Ras, but in the circumstances everything had worked in the new company's favour

"There are many companies who will need to sell a substantial volume of trucks ... stresses the advantages of commonality of spares shared by the N and F trucks

"The fact that the N and F ranges share a wide range of components cannot be stressed too much when you study the importance of spares availability, back-up and cost of servicing in the field," said Mr Ras

VSA's main distribution points are Johannesburg and Durban The company is investigating the possibility of tying in the Volvo car distribution network — 50 outlets — so that they can handle the new truck ranges

Some have already agreed ... in these countries?

"I am reluctant to base market expectations on such political judgments because we have first hand experience of its disproportionate and illogical influence on the correct selection of a truck

"There is, however, a third factor which would definitely give Volvo a boost The Swedish economy at the moment is fairly weak and there is a possibility of a fairly substantial devaluation which would undoubtedly put Volvo in a strong price position here"

On the technical side there has been an increase in the amount of exchange visits of personnel between South Africa and Sweden VSA has maintained a stable staff situation throughout the trauma of its redevelopment Senior staff have been with the company for some years

Attention to the needs of customers has paid off in terms of economical operation of Volvo trucks, as has the maintenance of spares volumes and inventories against the detailed needs of users, says Mr Ras

"We have R1,8-million of spares here in Johannesburg and Durban has at least R200 000 worth To this should be added two or three large dealers carrying stocks in different parts of the country, plus a number of larger operators holding substantial stocks of their own

"We are in the process of increasing fast-moving spares by 50 per cent to ensure ready availability While we believe in keeping inventories at fairly low levels in order to keep costs down, we feel that there has to be adequate total cover so that spares are always available

"We were caught once or twice last month, during the European summer holidays, and had to resort to special freight arrangements," said Mr Ras

Transport associations move towards unity

• From Page 6

the Government

"A question which was underscored repeatedly in the course of the Commission's inquiry, both in the Press and in evidence before it, was that of the so-called 'empty-leg traffic,' ie, the 'empty' return trips of goods vehicles

"The Commission is satisfied that the claims that statutory provisions are chiefly responsible for the high percentage of 'empty' return trips (claimed to constitute between 15 per cent and 45 per cent of all traffic) are exaggerated to a degree

"It is, however, clear beyond all doubt that a considerable number of 'empty' trips take place owing to lack of co-ordination within the road transportation industry itself

"Unfortunately, as is usually the case, little or no statistics are available on this matter In the interests of the national economy, and especially in view of the international fuel position, it would save the South African economy several millions of rands annually if greater co-ordination were to be secured," says the report

It then goes on to say that it is a moot point whether it is the responsibility of the Government or of the industry itself to effect co-ordination, and continues "The road transportation industry consists of a large number of individual units and smaller organisations

"Although all the evidence points to a need for greater co-ordination, it is at present considered unlikely that the industry can achieve the necessary co-operation on its own"

Tomorrow's meeting could prove the report to be wrong

A reference to South African Railways provokes a similar observation "There is nobody representative of the road transportation industry with which the Railways can negotiate at a responsible level"

The establishment of a representative body was also dealt with by the Van Breda report in a series of questions which pointed to the need for a study to be made of the functions of a national association of carriers

How was such an organisation to be constituted, and what functions would it have?

What would be its powers and who would be allowed to join? What advantages would membership offer? How would the development of monopolies be controlled or avoided? How should transport authorisations be adapted and worked by road transportation boards within the framework of such an organisation? And how would tariffs be formed?

The answers will have to be provided by whatever body emerges from current negotiations, but it is obviously intended that it should also take on responsibility for keeping statistics

"The Commission was struck by the fact that the statistics available on road transportation are minimal," states the report

"For example, it is consistently claimed that the annual bankruptcy rate in the transportation industry is about 20 per cent to 22 per cent There are, however, no statistics to support this claim

"A central organisation would obviously be much better equipped than the Department to keep statistics of all types," the report said

Spotlight on the Acts

NEXT MONTH, the University of South Africa is to hold a two-day conference on transport (September 21-22) It will be opened by the Minister of Transport

The conference is being organised by Prof V Potgieter, of the Economics Department, who describes its function as a "familiarisation with the implementation stages" of the Urban Transport Act and Road Transport Act

"We want to see what these involve in practice and the conference is directed to the practical aspects from the planning stages, onwards"

Speakers will include Prof P R Stophen, of Northwestern University, Illinois, who is currently assisting the CSIR with transport planning in South Africa

There will also be a traffic consultant from Britain, Mr H J Wootton, and Dr C F Scheepers will be talking about large capital projects, with special reference to roads

Other speakers include Prof P J Welgemoed, of Rand Afrikaans University Mr J C Brand, Mr R I Jackson, Mr C K Potgieter and Mr Jack Webster

The Secretary for Transport, Mr A B Eksteen, will be delivering an opening address on the implementation of the Urban Transport Act

mat on anc the resu t s a .1 page report dealing with practically everything on wheels

It records the number of vehicles — classified by type — registered between 1970 and 1976 and also deals with ownership, regional distribution, make, year of manufacture and number of registrations according to mass and tare

In the section on commercial vehicles, the total registered between 1970 and 1976 numbered 761 253 Toyota topped this list with 154 883 Ford was next in line with 129 905 and General Motors was third with 124 557

Oldest

The only other make to exceed 100 000 was Datsun-Nissan, with 108 224

The oldest commericals on the road — those dating back before 1956 — were those of General Motors, which had over 4 000 registered in June, last year Next oldest were Fords — just short of 2 000

The analysis of bus registrations makes interesting reading There are 18 044 on the roads and Leyland accounts for 8 391 of the total

Mercedes Benz is well behind in second place with a total of 2 992, followed by Toyota with 2 237 Ford hold fourth place with 1 670

The breakdown by year of manufacture tells the real story, however Leyland reached its peak in 1972 with 822 registrations, while Mercedes and Toyota topped out in 1975 with 566 and 538, respectively

Buses

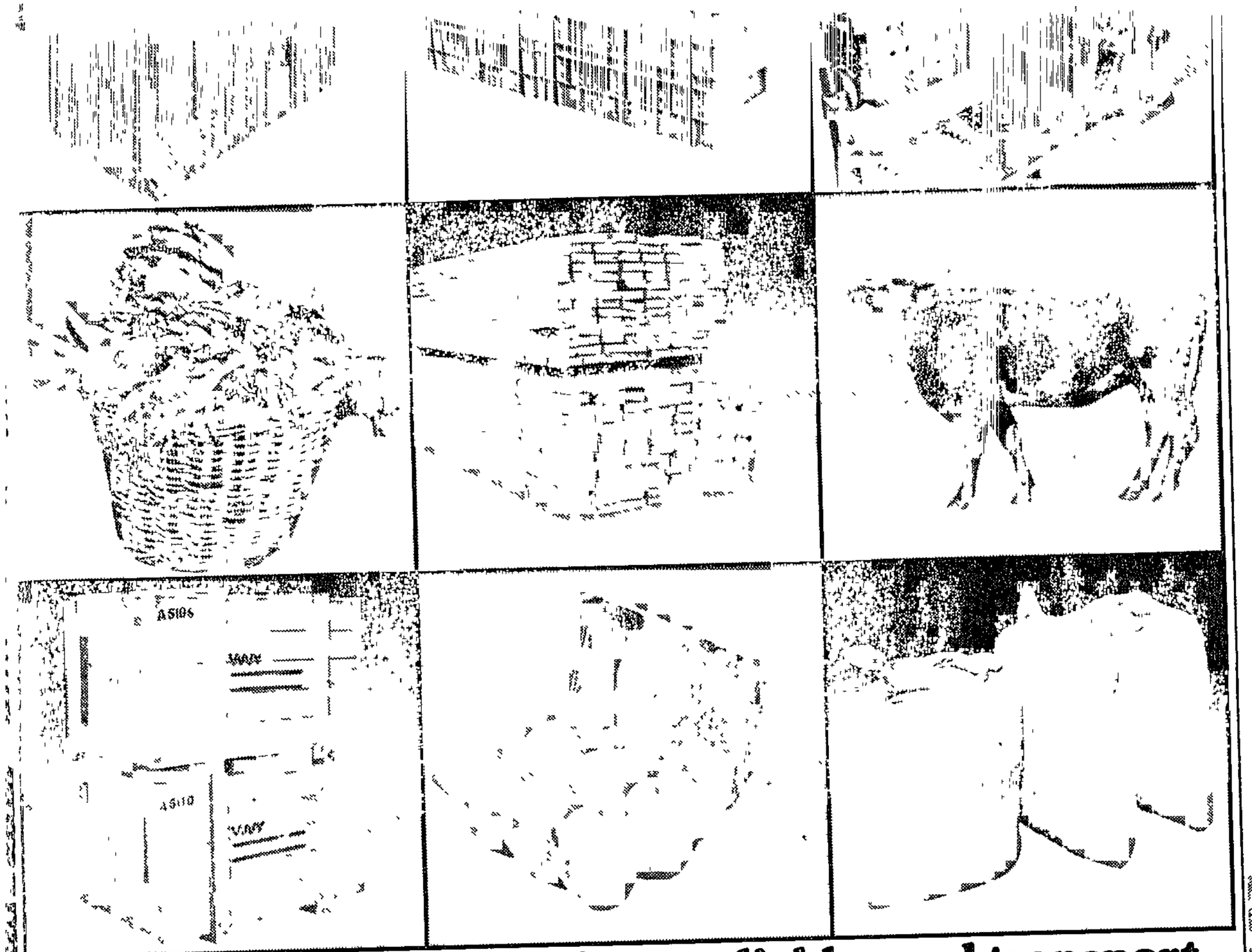
Mercedes had the highest number of 1976 bus registrations with 336 — Leyland by then had dropped back to 223 buses

Toyota, last year, had 187 units and Datsun-Nissan took its biggest market share with 102 buses

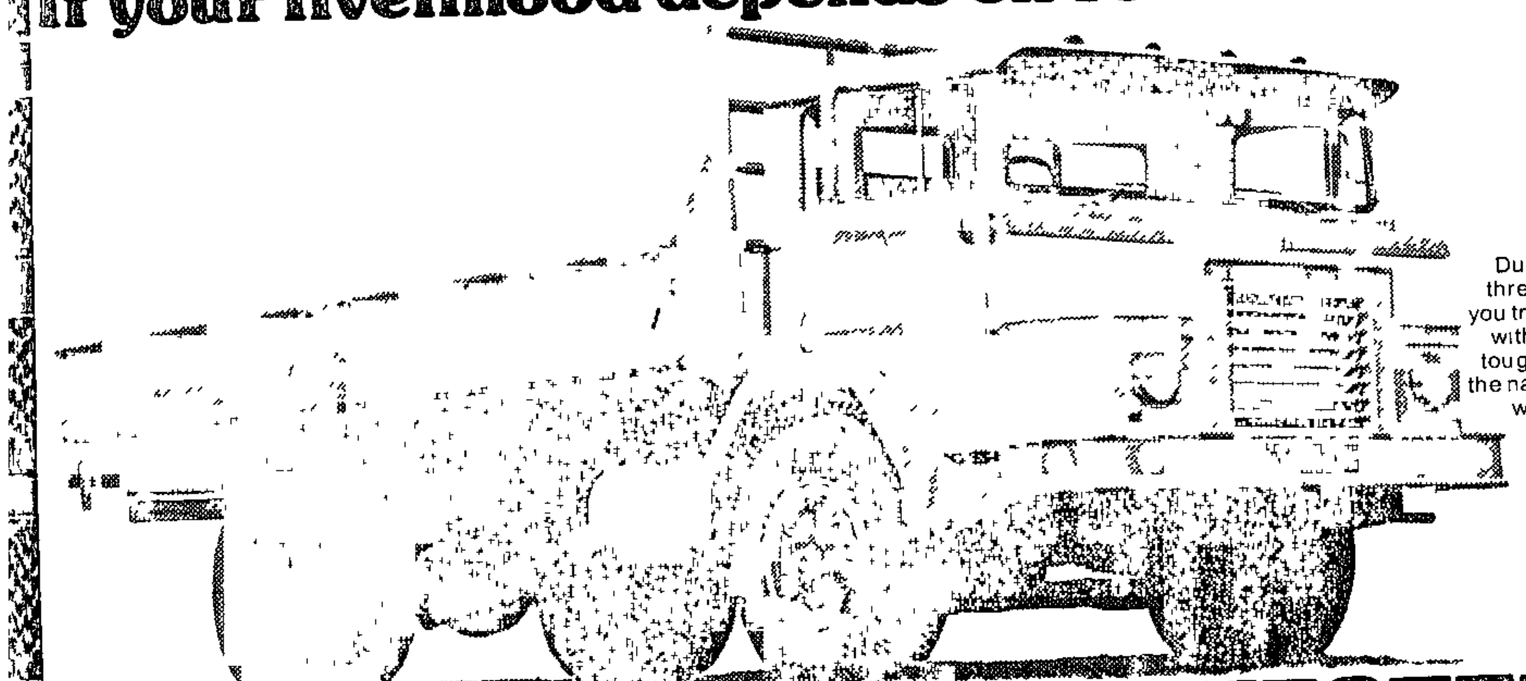
Buses manufactured in or before 1956 were predominently Leyland, accounting for 303 out of 455.

The summary suggests that Leyland will have to battle hard to cope with the challenge from Mercedes, Toyota and Datsun-Nissan

The report number is 12-03-05, and at R2 is well worth it



If your livelihood depends on reliable road transport... this is your truck.



ACCO

Durability Reliability Economy The big three are riding with you all the way when you truck with INTERNATIONAL ACCO And with more than 60% local content in every tough-moving ACCO that takes to the road, the name of the game is profit-plus A word which goes a long way with ACCO – now backed by Computerised INTERPART Service

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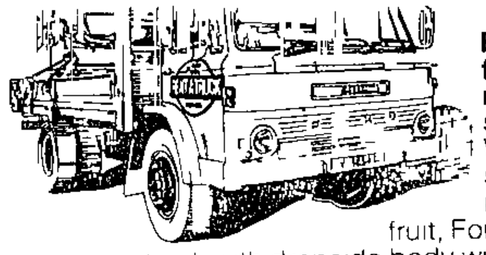
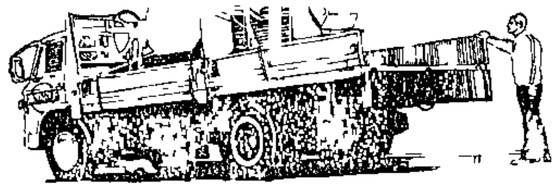


Ford D0910 A versatile forward control truck ideally suited to short-haul cartage

Whether you're moving scaffolding and cement mixers or vegetables and fruit, Ford's D0910 forward control truck with dropside body will take your load off your mind Efficiently and economically

The 5 9 litre 6 cylinder diesel engine delivers a generous 76,6 kW of power with diesel economy Its long wheelbase (3,96 m) and forward control cab means much more load space and the maximum payload the law allows — up to 6 010 kg gross depending on the body It will take a body up to 5,5 m long



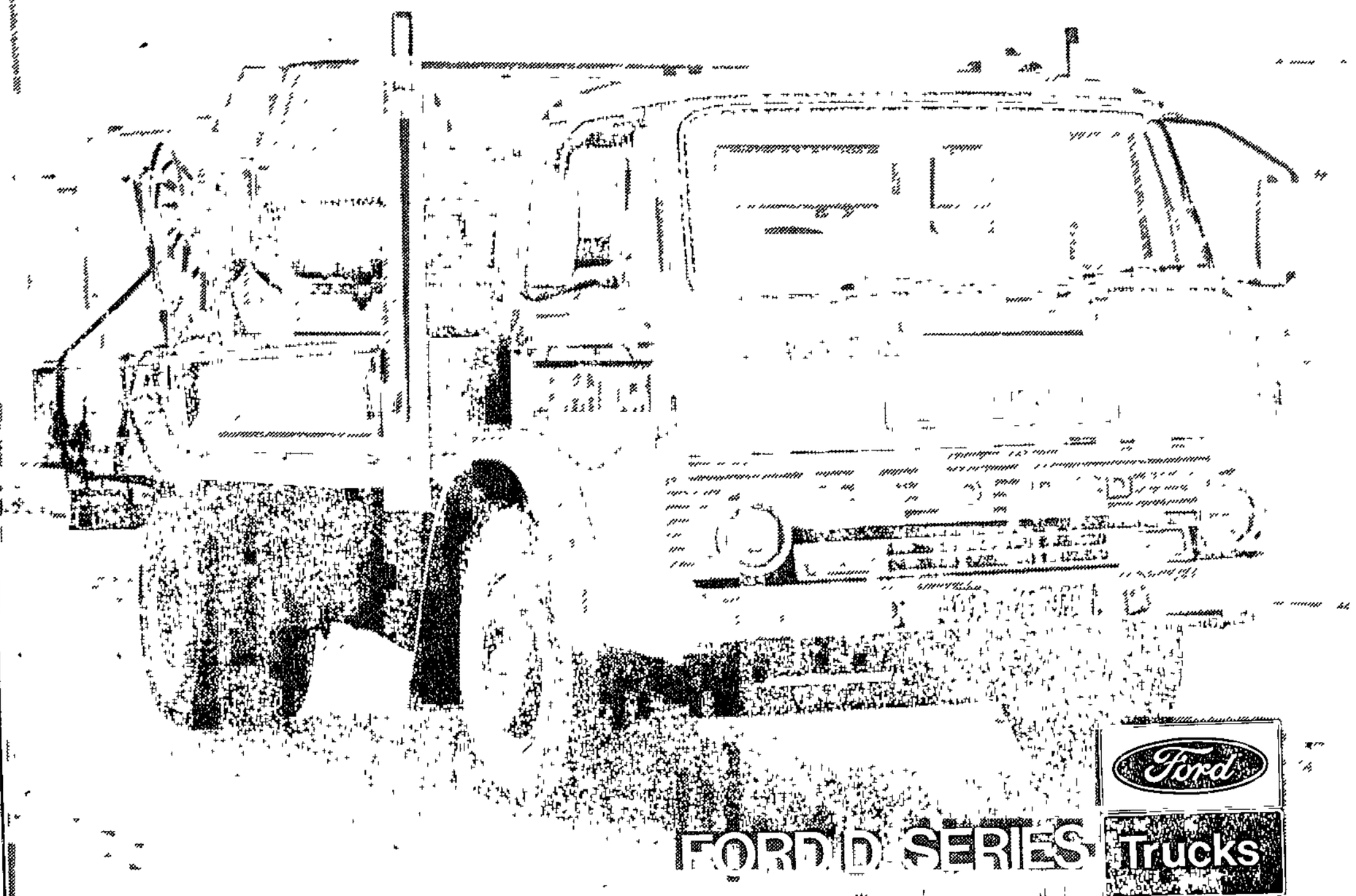
The cab tilts forward for easy access to the engine and gearbox and is custom designed to give a high level of driver comfort and control

The simple basic design of this D-Series Ford means easy inexpensive maintenance and ensures maximum roadtime minimum downtime

With its proven record of reliability durability and economy — gained from over 10 years of owner experience in South Africa — the Ford D0910 is the truck that helps the short-haul operator build up his profits on a strong foundation

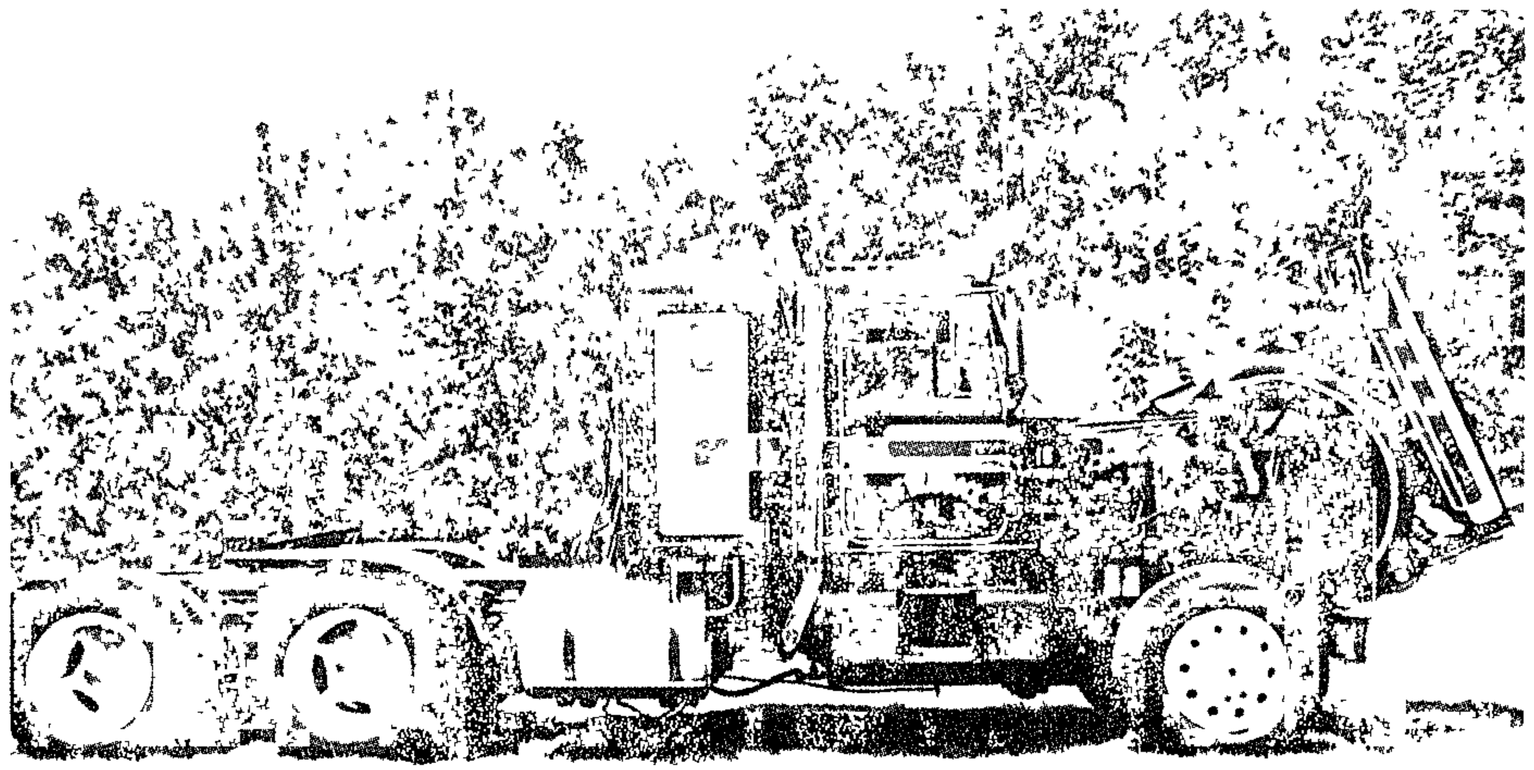
Check D0910 specs with your Ford dealer today Your investment will soon bear fruit

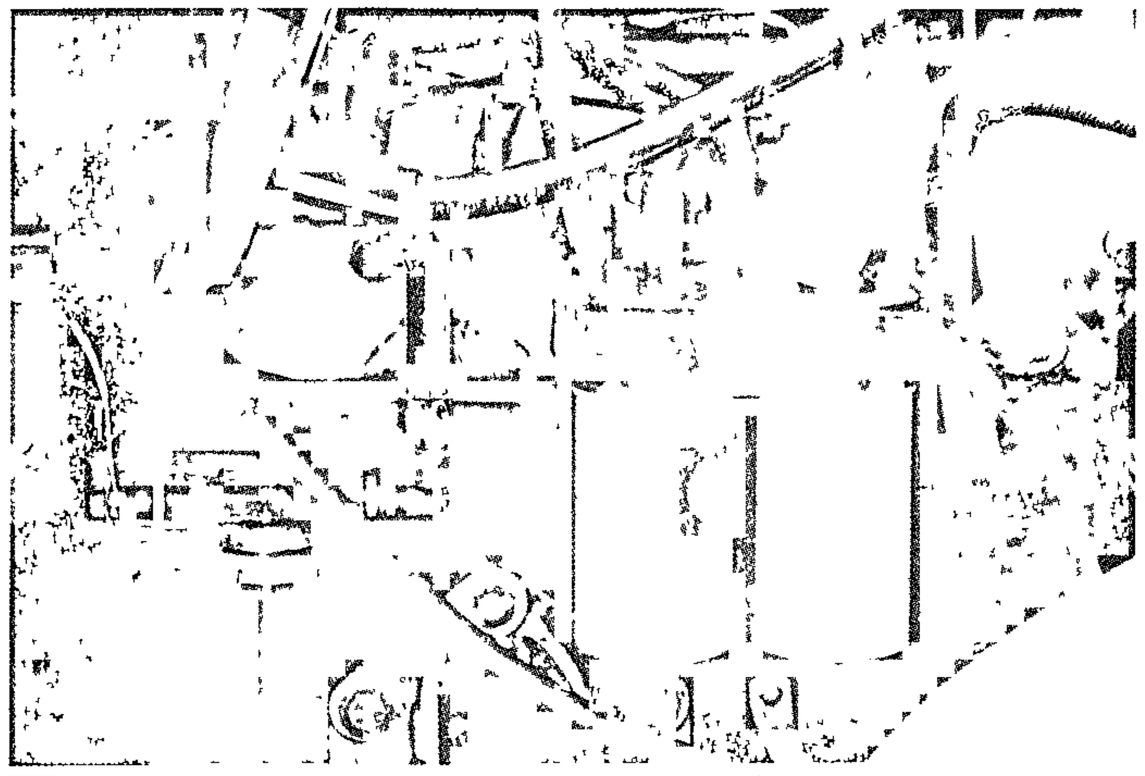
The ideal short-hauler
FORD D0910



FORD D SERIES Ford Trucks

deBeers 800/166/1E





RESULTS obtained in America using a South African-designed and produced fuel filter have led to negotiations for an exclusive nationwide distribution agreement in the States

Local company behind the filter is Alphen Trading company of Pretoria

Under the proposed agreement, Korody Colyer Corp, of Wilmington, California, will produce between 100 000 and 300 000 filters in the first year

In tests on a rebuilt 1693 T Caterpillar engine in a 1973 Kenworth standard truck (see pictures), the filter gave over 60 000 km of service.

Choice of vehicles is not easy and will affect profits

By IAN PIETERSE, Nissan Heavy Vehicles

THERE IS no more vexing question in truck evaluation exercises than the one posing the choice between a truck/tractor with semi-trailer, and frieght carrier with full trailer.

The answer is seldom clear cut and invariably lies in the amount of flexibility needed in handling the loads, the type of load to be carried, and the ratio of split loads

Sometimes it is a straightforward case of the mass of the load not being legal on a freight carrier with full trailer.

As always, operating costs are vitally important in establishing a transport operation that is viable This is not, unfortunately, the only consideration

An evaluation of the alternatives for a given operation is shown in the accompanying table.

From this it can be seen that when taking costs alone into account, there is no definite indicator to the choice between the two combinations.

How then does one decide between the two? One must turn to the factors involved in the day-to-day usage of the vehicle, specifically those basic reasons which favour combinations over rigid freight carriers, or vice versa

These include·

- Facility of loading/off loading.
- Legality of load on a rigid
- Downtime during loading/unloading.
- Turnaround time on round trips.
- Delivery to two or more points and/or split loads
- Flexibility in load size (favouring combination).

When operating costs of the two alternatives cannot give any direct guidance to the ultimate choice, the operator has to determine what his needs are within these broad, general headings

	Truck/tractor with semi-trailer	Rigid with full trailer
Capital outlay	100	103
Fixed costs	100	102
Running costs	100	106
TOTAL COSTS	100	103

The facility of delivery to two or more points, for instance, means that one trailer can be dropped for unloading and collected on the return trip. The same applies to a container.

Load flexibility will invariably favour the combination when it comes to sheer size

So the operator must decide what type of load he must transport, how his deliveries need to be scheduled, and the degree of flexibility he will need.

Very few operators are alike and what applies to one will vary by degree with another A simplified form of approach, which should only be taken where an operator is thoroughly familiar with his needs and has an established relationship with his truck dealer, is to answer the basic questions of whether the deliveries are to be split, the load sizes are inconsistent, or the loads and deliveries are irregular

The danger is to oversimplify conditions which indicate the use of rigid with a full trailer. The final choice must be intended to cut operating costs to the minimum.

This can only be achieved if the application is correct and maximum use obtained from the vehicle.

So, beware the pitfalls in drawing the correct conclusion The right choice might be a marginal one, but it will contribute substantially to whether the operation will be profitable or not

Clampdown will be on brakes

B/Times 28/8/77

REGULATIONS governing the braking of commercial vehicles will not become part of road-traffic legislation

Instead, specifications, which will be published in the Government Gazette, some time before the end of the year, are expected to become mandatory for all manufacturers The specifications have been compiled by the South African Bureau of Standards

So far as traffic legislation is concerned, the authorities will only implement that part of the SABS specifications which govern the basic requirements of performance

The Institute of Road Transport Engineers has appointed four committees to assist with the introduction of the SABS specification.

The first committee will study the SABS specification in detail and establish uniform interpretation of complex clauses, acting also as liaison with the SABS

Committee number two will assist manufacturers and suppliers of engined vehicles and the third the trailer industry The fourth will recommend to provincial authorities which parts should be incorporated in the road-traffic legislation.

TRUCKS and TRUCKING
edited by geoffrey berridge
AUGUST 28 1977

Now transport men can make a fist

THE promulgation of the Road Transportation Act and the Urban Transport Act has led to moves which could bring about the virtual restructuring of South Africa's road transport negotiating bodies.

Already the Transport Consultative Committee is being revitalised with a 12-member body representing all sectors of industry, commerce and transportation

They include the Afrikaanse Handelsinstituut, Associated Chambers of Commerce, Building Industries Federation of South Africa, the Chamber of Mines, Federated Chamber of Industries, Federation of Civil Engineering Contractors, Federation of Road Transport Associations, Professional Hauliers Association of South Africa, South African Furniture Removers and Warehousemen's Association, South African Road Federation, Steel and Engineering Industries Federation of South Africa, and the Urban Passenger Transport Association

Running parallel with this development of liaison is an extension of the National Association of Road Hauliers (NARH) which is now inviting, for the first time, private transport operators to join the body

A meeting to discuss the proposal takes place tomorrow when it will be suggested that a new association, representing 68 per cent of the road transport industry and including such big names as Coca Cola, South African Breweries, and Premier Milling, be formed

The proposed name for the new body is the National Association of Private Transport Operators (NAPTO) If the suggestion is endorsed, then the new body will elect two members on to the National Association of Road Hauliers

At present, NARH only represents the interests of the Professional Hauliers Association (PHA), Motor Transport Owners' Association and the South African Furniture Removers and Warehousemen's Association, each of which have two members on the central committee

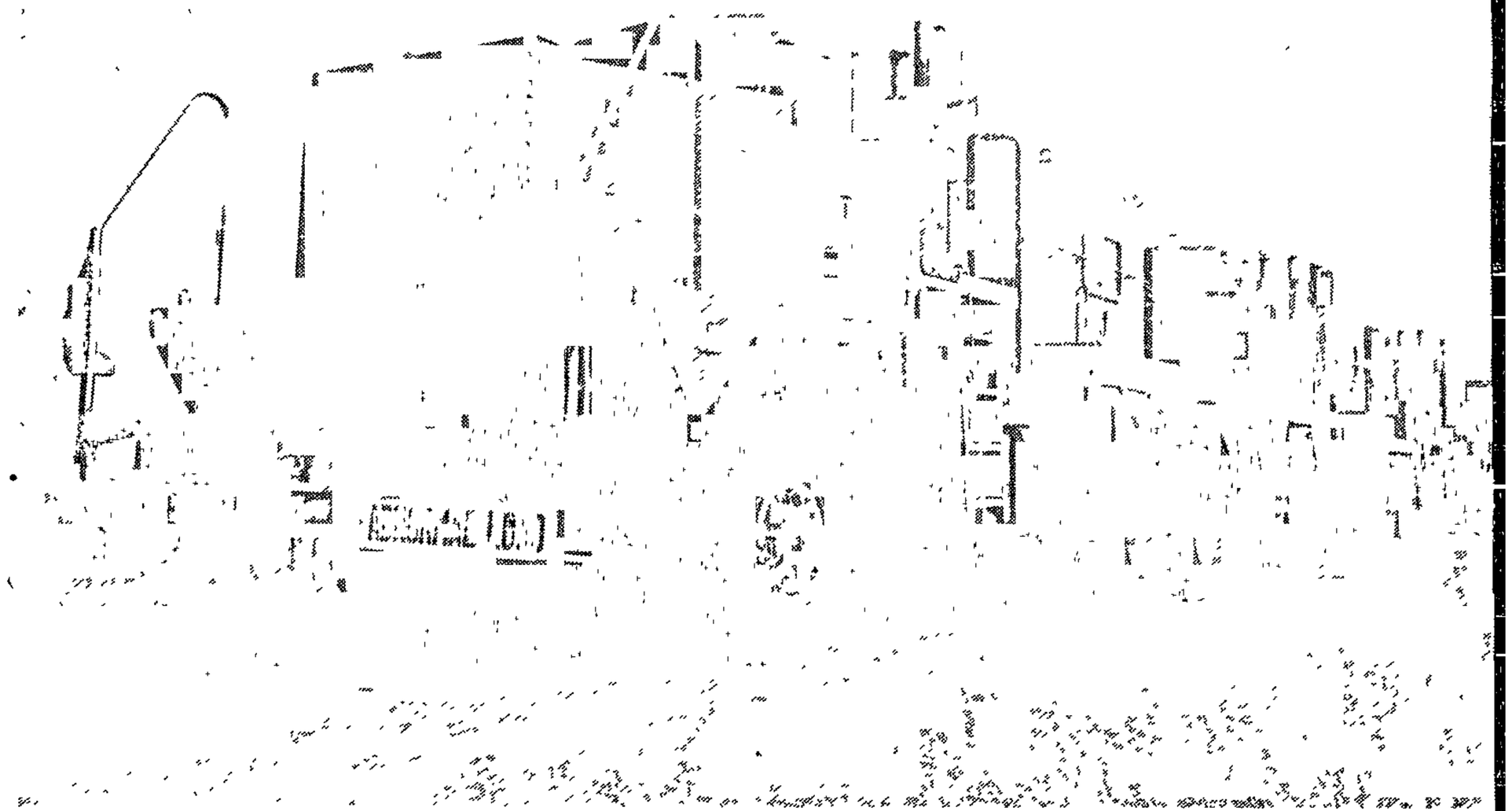
Assuming that NAPTO is formed, the transport industry will, for the first time, be able to present a unified front for negotiations with Government bodies through NARH and the Transport Consultative Committee Both will operate independently, and it is not intended that the consolidation of interests within NARH will in any way minimise the effectiveness, or threaten the individual identity, of its constitutent members

Reasons for the development were made clear in the Van Breda report which forms the basis of the new Road Transportation Act

The report clearly implies that official action should be taken to form negotiating bodies unless something is done by the private sector to achieve meaningful rationalisation

Says the report "There is a distinct need for better co-ordination between primary transportation interests and

• To Page 12



INTERNATIONAL Harvester has nearly completed delivery of the five "super" Pacifics ordered by South African Railways. The new versions are powered by 596 kW engines and are designed to haul payloads of up to 400 tons. The SAR Pacific fleet will then number 15 after completion of the order. Meanwhile, Fluor is awaiting delivery of the first of its eight Pacifics for the Sasol 2 project. They will be shipped early next month. See page 13.

Big changes slated for vehicle tests

B/Times 28/8/77

PROPOSALS being considered by municipalities, provincial authorities and one of the country's leading hauliers' associations could result in the abolishing of compulsory roadworthy tests for motor cars at change of ownership

Instead, it is suggested that a more meaningful testing programme for goods vehicles (public and private), buses and taxis be implemented

The plan is far-reaching and has so far found favour in principle with most who have studied it Schemes for introducing the testing of commercial vehicles in the past have met with failure because municipal testing stations have been so busy

Now, for the first time, the figures at Johannesburg's testing station have been analysed to see what goes on there

Checks were divided into three types roadworthy tests at change of ownership Certificates of Fitness, required in respect of Public Motor Vehicles every six months, and checks undertaken by a traffic officer who brings a suspect vehicle into the testing station

In the period from January last year to April this year, inclusive, it was found that 77,5 per cent of tests were roadworthies (126 969), 13,9 per cent were Certificates of Fitness (22 698) and only 8,6 per cent were actual traffic checks

The question then asked was "What are we achieving by checking a vehicle for roadworthiness merely because it is changing owners?" It has now been agreed by the majority of those who have studied the report that the answer must be "nothing"

Executive director of the PHA (Professional Hauliers Association), Jack Webster, observes that if the roadworthy tests could be disposed of it would be possible to use the facilities for something more definite and useful

"Anyone buying a secondhand car will always have the right to ask the seller for a roadworthy certificate

"Responsibilities between buyer and seller would not be interfered with in any way But how much more sensible it would be if we could do something about getting a proper testing programme started for all classes of vehicles This is what the testing stations should really be doing," he said

Under the outline suggestions, public and private goods vehicles would have their first test before initial registration, followed by a second test two years later After the third test, when the vehicle is five years old, tests would be carried out every year

Buses and taxis (public and private) would have their first test before registration and thereafter, yearly

Motor cycles and cars, it is suggested, would have their first test four years after first registration, second test three years later (seven years old), subsequent tests every two years until the vehicle is 15 years old, and thereafter annually

Volvo finds a factory home

INTERNATIONAL HARVESTER has signed a letter of intent whereby it will assemble Volvo trucks at its Pietermaritzburg plant.

The news ends speculation as to where Volvo would find a home for the trucks which will spearhead its new drive into the South African market. IH cautiously adds, however, that there are further working details to be finalised before the agreement is finalised

Says Dwain Treadwell, IH managing director "Our situation at the assembly plant in Pietermaritzburg is one where we have greater capacity than we need for our medium and heavy duty trucks

"We have had talks with various people to undertake contract assembly for them but we have not yet finally signed up with anybody

Transport probe begins

THE Director of Urban Transport, Ray Smit, has invited the National Institute of Transport and Road Research to investigate the state of the urban transportation industry

The programme comprises two part and involves both passenger and fleet transport operating within urban areas

The first aspect will be covered by a bus standardisation liaison group. The group is already moving towards a greater degree of standardisation, without interfering with manufactueres' specifications

This involves examining road traffic legislation regarding buses and recommending to the provincial authorities any need for change

The second stage of the programme involves asking fleet operators using urban roads a number of questions which are designed to establish the main points of complaint and reasons for satisfaction Road users will also be given an opportunity to put forward suggestions aimed at improving urban road networks in the short and long-term

B/Times 28/8/77

IH is still chasing that 15pc share

INTERNATIONAL Harvester enjoys just less than 8 per cent of the market for medium and heavy trucks in South Africa — some 7 per cent below the minimum target set by management some years ago.

Dwain Treadwell, who took over as managing director last month from Jim Hatos, now retired, says that the 15 per cent is hoped to be reached by the end of next year

"We have set our sights on doubling our share by the end of next year However, I am not prepared to say at this stage whether we will reach this objective, because we are about to start operations under two newly-structured divisions," said Mr Treadwell

International decided in November last year to change its company structure in an attempt to improve its market position throughout the world

The company is in the process of reorganising itself into independent operating groups based on the various product lines

"The truck group will be responsible for its own activities worldwide from the beginning of next year Agriculture and construction will likewise be autonomous," said Mr Treadwell

"We are planning a much more specialised and aggressive approach to marketing in each of these two product areas and they will become operational at the marketing level in 1978 We will then have a structure based on a dealer network reporting to a director of operations, in each product line," said Mr Treadwell

International recently reviewed its truck line-up and decided to pursue vigorously the development of the local Acco range Local content will be increased as far as possible

"Our emphasis in the heavier trucks will be divided into two main sources of supply, namely, our bonneted vehicles from the IH plant in America, and our cab-over-engine trucks from our affiliate company DAF

"These three programmes are the basic force of our marketing effort in South Africa for the forseeable future There will be no major changes," said Mr Treadwell

Dwain Treadwell ... "more aggressive approach".

IH will lean heavily on the development work done by the local engineering department in the field of economical operation, especially fuel consumption

"This activity has led to the successful launch of the EEV truck (energy effective vehicle) We are also studying component rationalisation in the DAF line of trucks to ensure that these are operated within the guidelines set by the EEV truck," said Mr Treadwell

International Harvester South Africa will remain a wholly-owned but autonomous company, deciding the course of its own operation and the types of equipment it brings into the country

"We have access not only to US resources, but also to our European affiliates for product assistance, technical back-up and, if necessary, administrative help

"From a product point of view, one of the interesting things is that we have been suppliers to the Government since the company began operating here 50 years ago

"We have also worked closely with the Railways for years in developing its transportation system Three years ago we introduced the Pacific trucks for them Pacific is one of our specialist affiliate companies in Vancouver, Canada, where specialised trucks for on and off-highway use are turned out

"To our knowledge, these Pacifics are the biggest trucks ever used in South Africa for hauling material along the highways We are in the process of completing an order for another five for SAR and these will be the new 596 kW engines engineered to haul payloads of up to 400 tons This will bring the SAR Pacific fleet up to 15

"Fluor has also ordered eight Pacifics for Sasol 2 and these are in the final stages of assembly Two of them will be shipped early next month, with the remainder following shortly after," said Mr Treadwell

"Under our new structure, it might well be that there are new dealership possibilities for one line or the other

Asked if IH might find itself too far down the international line in times of product shortage, to supply local demand, Mr Treadwell said "One of the objectives of the new worldwide reorganisation is to fight the problem of being unble to get products when the market moves upwards

"It is our intention to increase penetration without increasing inventory This will speed up the velocity of the same inventory levels giving us the higher turnovers we are seeking

"Our overall inventory position is the lowest it has been for the past three years We will increase this to previously established levels," he said

The IH structure throughout the country will remain virtually unchanged There are three parts depots at Durban, Cape Town and Isando (Transvaal)

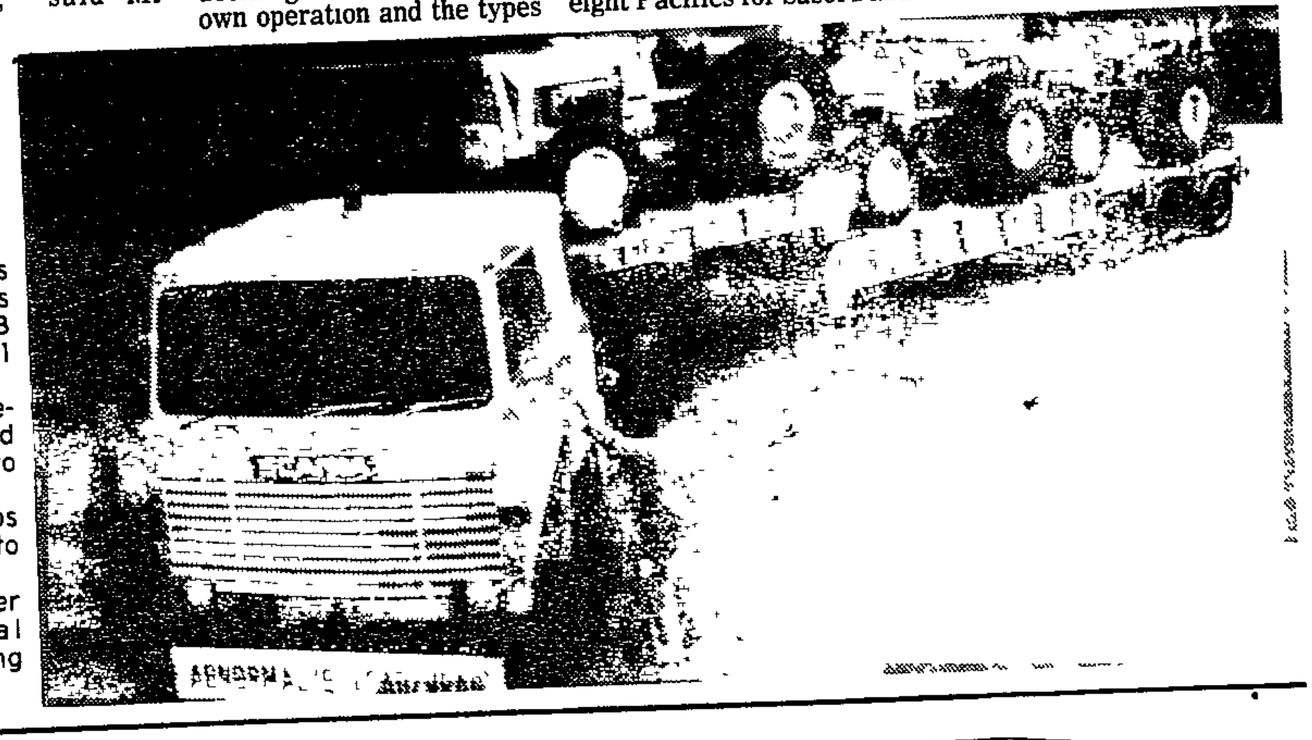
Scanias may get local cab

LOCAL content of Scania heavy trucks will increase if a SA-made cab (such as the one shown here) is used for the LB 111, LBS 111, LBT 111 and LBT 141 series

The prototype is scheduled for completion next month when it will be assessed by Swedish technicians before going into production

If Scania decides to manufacture cabs locally, the local content will rise to between 35 per cent and 40 per cent

The cab will be fitted with two sleeper bunks with safety nets, special soundproofing, forward or rear opening roof hatch, and provision for radio



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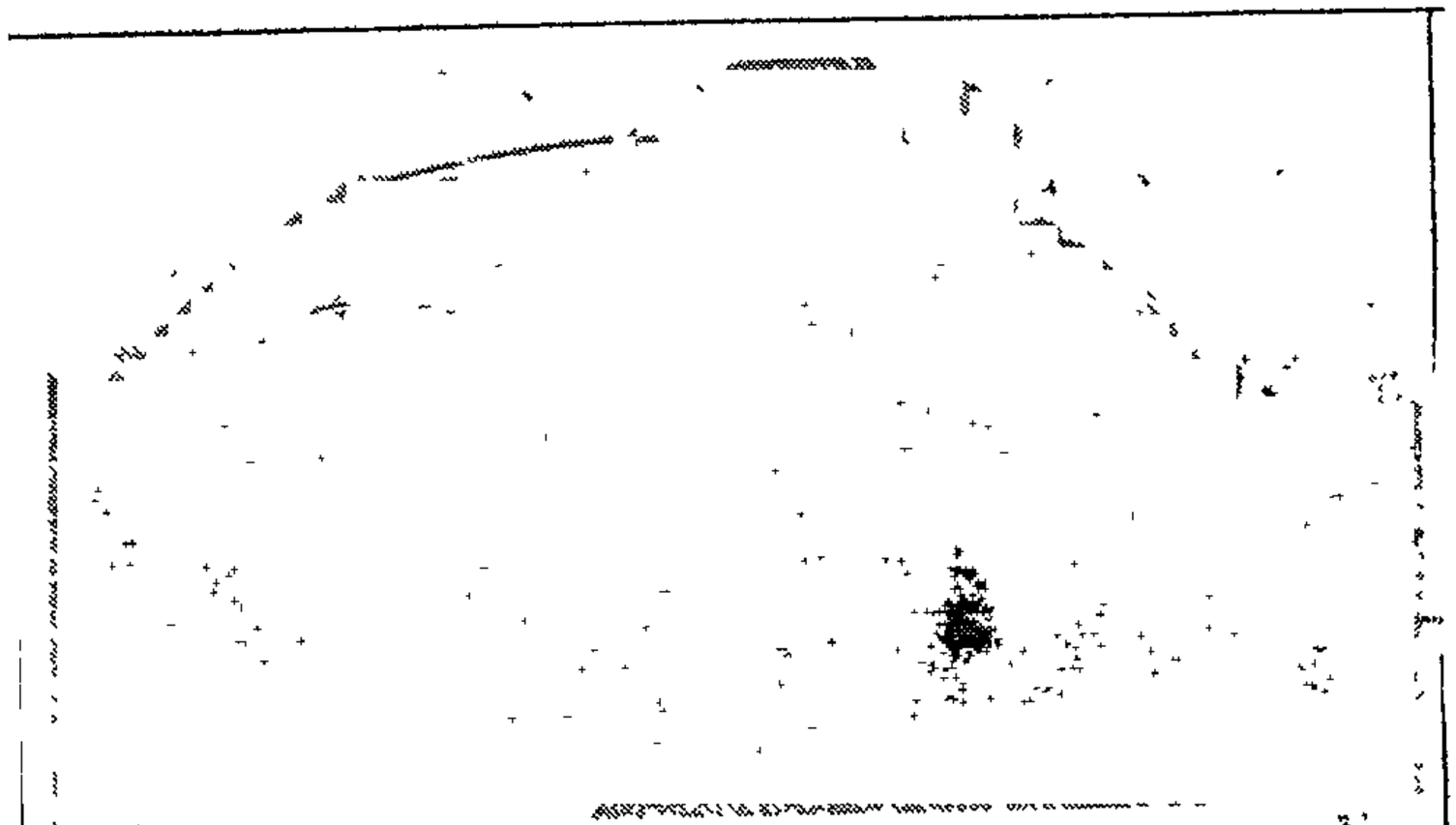


Volkswagen of South Africa has produced its 600 000th vehicle: this Audi 80 GLS Estate, built nearly 30 years after the first vehicle was assembled in the Uitenhage plant.

D.D. 30/8/77

Volkswagen produce 600 000th vehicle

Volkswagen of South Africa has produced its 600 000th vehicle — a production milestone reached nearly 30 years after the first vehicle was assembled in the Uitenhage plant. Two and a half years ago production reached the half-a-million mark

The 600 000th vehicle — a bright, coral red Audi 80 GLS Estate — has been fitted with a brass plaque on the dashboard commemorating this event. The car will be shipped to Johannesburg as part of a normal consignment to one of Volkswagen's dealerships.

"It is rather significant that our 600 000th vehicle happens to be an Audi", Volkswagen's managing director, Mr N Phillips, said in Uitenhage. "The Audi 80, which was first launched in Europe five years ago, and in South Africa more recently typifies the "new generation" of Volkswagen - Audi products These new cars — the result of years of purposeful research and development work at VW and Audi test centres — have not only been responsible for the VW group's phenomenal international progress the past few years, they have also played a major part in securing for Volkswagen of South Africa the largest share of all manufacturers of the local car market

"The completion of our 600 000th vehicle is not just an achievement in itself, it also means that over a 30-year period this company has grown into a giant undertaking with a large investment in South Africa, a work force of more than 4 000 people, and a retail network comprising some 230 dealerships nationwide.

"This production milestone was made possible by dedicated employees, efficient and successful dealerships, and a fine range of motor vehicles"

Cut-price cars draw crowds on Rand

(192) (8)

Mr Tony Factor

The Argus Correspondent

JOHANNESBURG — The controversial discount king Mr Tony Factor today threw open the doors of his store to the motoring public — offering more than 30 cars at price cuts of between 13 and 35 percent.

About a hundred would-be buyers and curious onlookers jammed his President Street store when the doors opened at 8 am and a beaming Mr Factor rated his operation a 'total success'

He had stocks worth almost R1-million which had been bought through a third party from official franchise dealers Buyers were able to obtain the cars for hire-purchase or on cash terms

He had eight makes up for sale — Chrysler, Valiant, Datsun, Fiat, Volkswagen, Chevrolet, Chevair and Minis

Mr Factor has been criticised by some manufacturers and others in the motor trade but, he said, he will accept trade-ins, have the cars pre-sale serviced, and provide his own personal guarantee in addition to the full manufacturer's guarantee.

CAR SALES

'We sold 17 vehicles in the first seven minutes of the store being opened,' Mr Factor said

Salesmen attending prospective customers were more conservative

'We've sold four that I know of,' said one after the store had been open almost an hour 'It's difficult to be precise because there's so much confusion and so many questions being asked'

Mr Factor said the manufacturers could not stop the supply. 'The dealers can't compete with me. I'll get as many cars as the people of Johannesburg want,' he said

Mr Factor said 'We've got a lot of cars in a warehouse My staff know where it is and they've arranged to have it guarded with police dogs'

● Mr Factor took part in lively debate on the TV programme Midweek last night in which he clashed vigorously with Mr Theo Swart, chairman of the

(Continued on Page 3, col 5)

Argus 21/6/77

ARGI

'Could there factor the industry taken into acc

Reaction to cut-price cars

(Continued from Page 1)

Automobile Dealers' Association of South Africa

A spokesman for General Motors South Africa said it was known that Mr Factor had obtained 20 Chevairs from a Johannesburg dealer at a fleet discount of 15 percent

'This dealer was not supported by us in this and we will not support similar deals by other dealers,' the spokesman said

'As Mr Factor obtained a 15 percent discount, why is he not offering more than 8,76 percent?'

The spokesman said a difficulty would arise with the car warranty because this was given to the original dealer and could not be transferred to other companies

NO COMMENT

Mr John Roberts, public affairs director of Ford South Africa, said 'How Mr Factor conducts his business is his own affair For our part we supply vehicles only to accredited dealers'

A spokesman for Volkswagen said no comment was available from the company

Mr Factor claimed that he could offer the public a Volkswagen Beetle for R3 750 The price of a new Beetle ranges from R3 180 to R3 715

Steering a tortuous course

Some time next month motor chiefs will meet Economics Minister Chris Heunis and start a round of talks aimed at hammering out the future of this beleagured industry

Discussions will primarily centre around the Board of Trade recommendations (contained in its *Report 1 777 — Inquiry into the local manufacture of motor vehicles and components)* and, of more immediate concern, what government can do now to help reverse falling demand for new vehicles (see table)

The industry is in a sorry state Consolidation of the 1976 results of motor manufacturers, submitted to the National Association of Automobile Manufacturers, shows an after tax loss of R31,9m on assets employed of around R1 100m Comments Naamsa president Noel Phillips "This most unsatisfactory situation must be seen in the context that motor manufacturing is essentially a volume orientated business The higher the degree of manufacture and of corresponding fixed cost structure the greater this sensitivity "

The fact that the total vehicle market dropped to 300 000 units in 1976 (from 342 000 in 1974 and 364 000 in 1975) is directly relevant to the industry's 1976 loss figure

Prospects for 1977 are even more gloomy and the industry is likely to end the year with total unit sales of little more than 260 000

It's against this background that the motor manufacturers will meet Heunis

Further, the problem of rising unemployment and short-time work is particularly worrying Most car plants are currently on a four day week, but it'd make more sense for the plants to cut their labour force and put the remainder on a five-day week This they're reluctant to do — but how long can they hold out? As it is, thousands have been laid off in the past year.

Unfortunate circumstances

This situation, as Phillips says, "provides somewhat unfortunate circumstances in which to consider the Board of Trade's proposals for the future development of the industry — especially to the extent that these proposals require further investment "

Unfortunately, Naamsa is unable to quantify this investment The exercise is made extremely difficult since plants have gone along different paths to local manufacture (some big in body pressings, other into engine manufacture, and so on) The BTI does not call for increased local manufacture of passenger cars — but the "new rules" it suggests would mean, if adopted, quite considerable extra investment It does recommend a local content programme for light commercial vehicles which, if brought in at 66% (from scratch) would require many millions of rands

Some examples of the "new rules" and their possible effects are

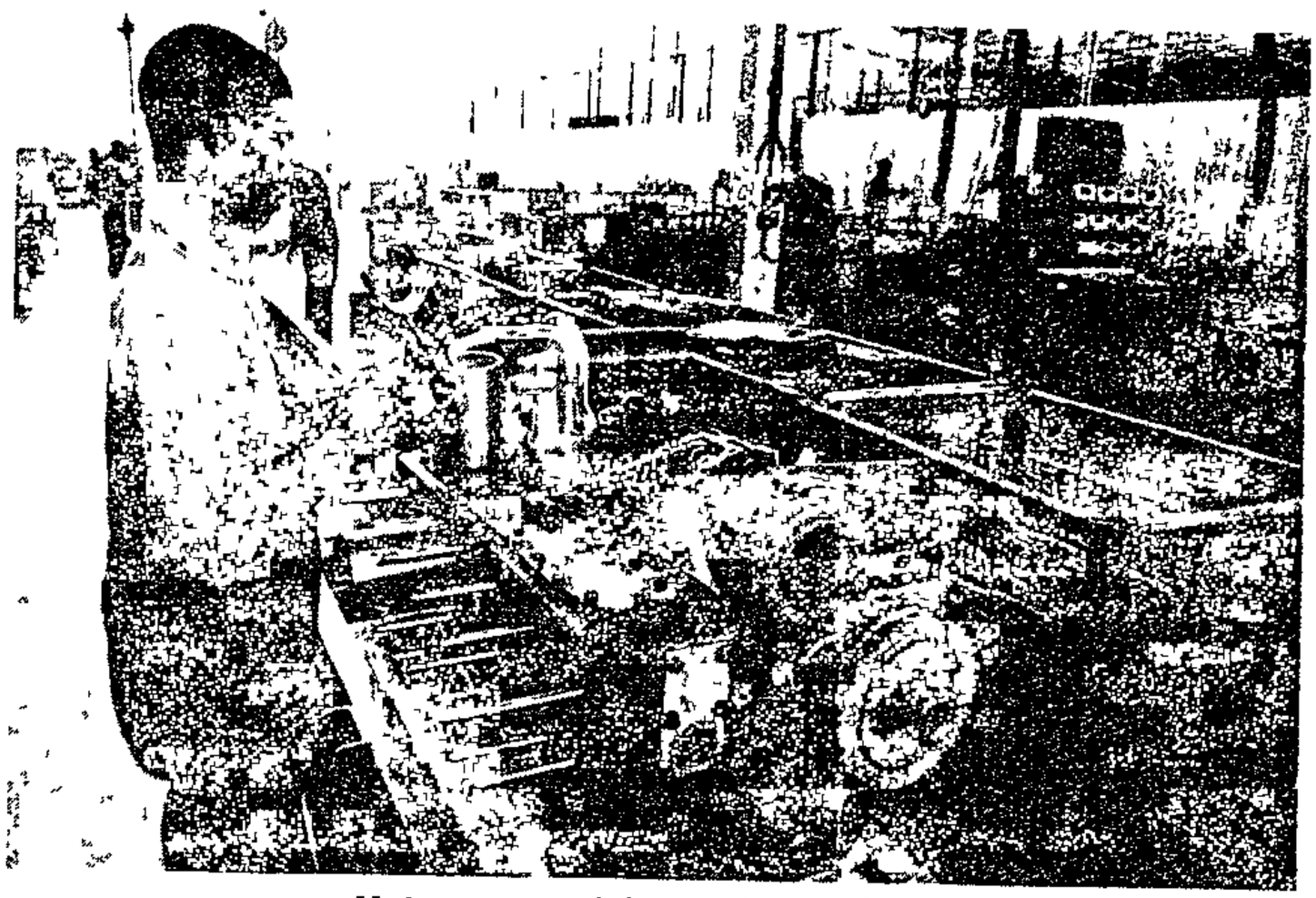
- Cars in a model range are currently measured on a weighted average for local content rebates. For instance, if the manual model of a range achieves 68% local content the automatic model in the same range (auto transmissions are imported) need only make 64% for the manufacturer to have achieved the required 66% minimum for the range Under the new rules there would be no averaging, so the plant would theoretically have to make the investment to bring the lower percentage car up to 66%, while at the same time gaining no advantage on the 68% model
- Under the present rules if a supplier lets down a manufacturer and he has to import components, thus falling below the local content line, there is a facility which "accepts" this temporary misfortune and he loses excise rebates only of a minor nature Under the new rules there's no such facility. Drop below 66% and the manufacturers loses the full 50% excise duty rebate That is "sudden death", as the motor men put it, and can mean a penalty of a couple of hundred rands per unit

The suggestion is then that the plants must *per se* increase the local content percentage on all models to a degree wherein they build in a safety factor (say up to 70%) which would act as a buffer in the event of a supplier failing to meet his commitments. This means still further investment.

- What the industry calls "cycling time" would be scrapped. This is the system by which a manufacturer is given a period (not more than two years) to bring a new model up to 66% local content Under the new rules the model would have to come onto the market only when it has achieved the minimum requirement of 66%.
- While there is some doubt about definitions, it appears that the BTI is recommending that engine blocks imported and then machined here would not count as local content. This would mean quite considerable investment (in patents, designs, dies etc) for plants without engine block facilities who would thus have to have them made locally either by Ferrovorm or Messina, the two local manufacturers.
- A local content programme for light commercials would be expensive for those plants whose bakkies are not derivatives of passenger cars. Naamsa says some 80% of bakkies now on the market are in this category

These then are some of the issues which manufacturers and government have to thrash out on the industry's development.

As to more immediate relief, there are a number of steps government could take to stimulate consumer demand for new



Motormen . . . firing on three cylinders

COLD COMFORT

Six-month vehicle sales totals illustrate what a sorry plight the industry is in. For example, the end-June total of 78 775 for passenger car units is almost 20 000 (98 664) down on last year. And even then the 78 775 total appears to have been artificially boosted by two model launches.

For one, Sigma's launch of its Mazda 323 has been moderately successful, but nothing like as dramatic as Ford's Cortina. June's Cortina sales total of 2 052 gives the range a 14,4% penetration in the passenger car market.

That is, says Ford's John Roberts, the highest single range penetration since the mid-60s, and certainly since the introduction of the local content programme. Again, Ford's car market share of 20,44% for June is the first time any one company has topped 20%, says Roberts, since March 1971.

Meantime, on the commercial side of things business is relatively quiet. Industry watchers have, it seems, noted a discernable trend towards the medium (2,5t-3t) diesel truck and towards the light (0,5t) bakkie such as the Datsun 120Y.

Even so, few in the industry reckon that total commercial sales will top 93 000-95 000 units by the end of the year.

Over the six months, though, top commercial seller has been Datsun with 9 896, with Toyota (9 647) in second place. Top car seller is Ford (12 910) followed by VW (12 255) and Datsun (9 686). Combined total leader is Datsun with 19 582, followed by Ford (18 135) and Toyota (16 654).

Prospects for the rest of the year seem gloomy. Even allowing for a seasonal year-end sales boost passenger car sales will struggle to top 163 000 or so by the end of December. That is, in line with the *FM*'s earlier prediction of a *total* year-end vehicle sales total of around 260 000.

JUNE CAR SALES

	June	% of Market	May	% of Market	June 76	% of Market
Ford	2 918	20,44	2 460	19,22	2 295	15,22
VW	1 768	12,38	1 814	14,17	2 327	15.44
Datsun	1 630	11,42	1 587	12,40	1 872	12,41
GM	1 523	10,66	1 393	10,89	1 591	10,55
Sigma	1 445	10,12	977	7,63	1 130	7,49
Toyota/Renault	1 297	9,08	1 095	8,56	1 615	10,71
Peugeot/Citroen	989	6,92	937	7,32	1 178	7,81
United Car	733	5,13	752	5,88	822	5,45
Leyland	607	4,25	532	4,16	961	6,37
BMW	548	3,84	504	3,94	526	3,49
Fiat	440	3,08	472	3,69	339	2,25
Alfa Romeo	372	2,60	265	2,07	380	2,52
Other	12	0,08	9	0,07	9	0,06
			(plus 35 Volvo sales last year)			0,23
June Total	14 282	(5,29% down on 15 080 last year)				
Jan-June	78 775	(20,16% down on 98 664 last year)				
May	12 797	(June 11,6% up)				

LEADING COMMERCIALS

	June	% of Market	May	% of Market	June 76	% of Market
Datsun	1 646	20,70	1 655	21,62	1 832	18,03
Toyota	1 521	19,13	1 584	20,68	1 768	17,41
Ford	1 017	12,79	861	11,25	1 474	14,51
GM	918	11,54	848	11,08	1 445	14,23
Sigma	867	10,91	920	12,01	873	8,59
VW	701	8,82	590	7,71	1 136	11,18
Leyland	626	7,88	454	5,93	705	6,94
Peugeot/Citroën	271	3,41	276	3,61	292	2,87
United Car	193	2,43	258	3,37	379	3,73
Int Harvester	69	0,86	76	0,99	121	1,19
Man	25	0,31	20	0,26	16	0,16
Magirus-Deutz	18	0,23	13	0,17	16	0,16
ERF	15	0,19	15	0,20	—	—
Fiat	15	0,19	31	0,40	33	0,32
Oshkosh	15	0,19	36	0,47	27	0,27
Fodens	14	0,18	3	0,04	—	—
Malcomess-Scania	8	0,10	6	0,08	1	0,01
Lawsons	1	0,01	Nil	—	3	0,03
Other	10	0,13	10	0,13	37	0,37
June Total	7 949	(21,75% down on 10 158 last year)				
Jan-June	46 161	(23,31% down on 60 195 last year)				
May	7 656	(June 3,83% up)				

vehicles. It could

- Relax hire purchase and leasing regulations,
- Reduce sales tax, which the industry describes as a "crushing burden";
- Ease up on petrol restrictions.

None of these suggestions will hold much attraction for Chris Heunis; nor will they appeal to his colleague at the Treasury, Senator Horwood. And in any case a foot off the brake now is unlikely to make much difference to the industry this year. But as Noel Phillips sighs. "Every little would help" — and the industry at its meeting with Heunis next month will be looking for some sign that government both understands and is sympathetic to its plight.

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FM 12/8/77 (192)

Stalling for time

As the amputee lies comatose, the surgeon tells anyone who'll listen that his patient will be running a four minute mile within weeks. The surgeon smiles. He can afford to. He also manufacturers wooden legs.

So it is that the R250m motor components manufacturing industry proposes that the R1 100m automobile industry should extend its current local content programme (66% by mass) to 85% by 1985. Years ago the car men might have taken such comments in their stride. However, passenger car sales have slumped progressively to an end year projection of around 163 000.

Likewise, commercial sales have fallen in tandem to such an extent that the car producers are talking in terms of *total* year end vehicle sales of something like 260 000, compared with well over 340 000 two years ago.

Moreover, the industry has retrenched 7 600 or so workers in the past year and made combined losses of R31m plus.

Yet an independent report prepared by Professor Nieuwenhuizen and commissioned by the Federation of Component Manufacturers Associations (FCMA) proposes, among other things, an extension of the local content programme. The report is worthy of comment if only because it's now regarded as being the official policy of the FCMA.

Wholesale cuts

The component manufacturers are also known to be in favour of pruning the existing 12 motor manufacturers to, say, six and cutting the number of available models to 18 (say three each). Today, there are 41 models spanning upwards of 200 variants.

Reasons given by the component men for such rationalisation include the creation of 12 000 or so jobs, the attendant economies of manufacturing scale and, clearly as important as anything, the creation of more work for the component manufacturers themselves.

What irks the motor manufacturers more than anything, though, is that the FCMA seems to favour the big stick approach rather than the carrot of financial incentives proposed by the recent report of the Board of Trade & Industries. And that's at a time when the industry as a whole should be seen to be pulling together rather than commissioning separate reports.

Few argue that an increase in local content wouldn't necessarily mean more jobs for designers and so on. However, with 7 600 recent lay offs, motor plants working well under capacity and the component manufacturers talking in terms of a current 200%-300% under utilisation, a net gain of 12 000 jobs hardly seems credible.

Further, few doubt that a rationalisation of the motor manufacturers will come about, but how? For their part, the component men seem to favour the idea of putting the 12 existing manufacturers into a room with a loaded six gun and see who comes out. They won't be drawn on a more practical solution.

The car men, on the other hand, reckon that (with minor adjustments to supplier let-down clauses, cycling time allowances and so on) the BTI report is valid. Most suggest that few, if any, makes will actually leave the marketplace and it will be more a question of joint manufacturing ventures.

Otherwise, there's little doubt that Minister of Economic Affairs Chris Heunis will go along with the BTI recommendations. It's simply a question of just how many concessions the motor men can wring out of him.

Heunis must know that low motor sales aside (see box) the complete application of the BTI recommendations would have too many political repercussions. Overseas principals would be decidedly unhappy about being forced off the manufacturing scene.

And that's at a time, incidentally, when Professor Nieuwenhuizen is proposing that they inject a further R180m to fund an extension of the local content programme.

Meantime, the motor men are set to meet with Heunis in Pretoria on Wednesday, and to discuss the outcome in Johannesburg the following day. Chances are, too, that they'll be even more scathing about the Nieuwenhuizen

JULY CAR SALES

	July	% of Market	June	% of Market	July 1976	% of Market
Ford	2 164	15,53	2 918	20,44	2 344	15 53
VW	1 891	13,58	1 768	12,38	2 303	15,25
Sigma	1 761	12,64	1 445	10,12	1 214	8,00
Datsun	1 501	10,77	1 630	11,42	1 950	12,91
GM	1 360	9,76	1 523	10,66	1 758	11,64
Toyota/Renault	1 344	9,65	1 297	9,08	1 552	10,30
Peugeot/Citroen	919	6,60	989	6,92	1 073	7 10
Fiat	881	6,32	440	3,08	344	2,28
United Car	724	5,20	733	5,13	850	5,63
Leyland	642	4,61	607	4,25	768	5,09
BMW	450	3,23	548	3,84	504	3,34
Alfa Romeo	286	2,05	372	2,60	382	2,53
Other	9	0,06	12	0,08	17	0,11
			(plus 44 Volvo sales last year)			0,29
July total	13 932	(7,75% down on 15 103 last year)				
Jan July	92 707	(18,51% down on 113 767 last year)				
June	14 282	(July 2,45% down)				

COMMERCIALS SALES

	July	% of Market	June	% of Market	July '76	% of Market
Toyota	1 525	20,91	1 521	19,13	1 771	18,49
Datsun	1 399	19,18	1 646	20,70	1 774	18,53
Ford	1 013	13,89	1 017	12,79	1 179	12,31
GM	827	11,34	918	11,54	1 478	15,41
Sigma	764	10,47	867	10,91	817	8 53
Leyland	575	7,88	626	7,88	873	9 12
VW	556	7,62	701	8,82	866	9,04
P/Cit	285	3,91	271	3,41	218	2 28
United Car	186	2,55	193	2,43	359	3,75
Int Harv	53	0,73	68	0,86	110	1,15
Man	33	0,45	25	0,31	16	0,17
Fiat	18	0,25	15	0,19	29	0,30
Erf	16	0,22	15	0,19	18	0,19
Fodens	15	0,21	14	0,18	nil	—
Oshkosh	9	0,12	15	0,19	11	0,11
Other	9	0,12	10	0,13	26	0,27
Magirus-Deutz	8	0,11	18	0,23	27	0,28
Lawsons	3	0,04	1	0,01	2	0,02
M-S	—	—	8	0,10	5	0,05
July total	7 294	(23,84% down on 9 577 last year)				
Jan-July	53 455	(23,39% down on 69 772 last year)				
June	7 949	(July 8,24% down)				

Cutting corners

(192) FM 29/7/77

If government wants fewer car manufacturers, it must find a shorter route than a tougher local content programme

The current situation in the textiles industry, which faces overproduction of polyester polymer because of the decision of both the Frame group and SA Nylon Spinners to build plants, evoked a grumble or two from Economics Affairs Minister Chris Heunis this week

Opening the SANS plant at Bellville in the Cape (page 413) Heunis pointedly remarked that his Department of Industries discourages the duplication of production facilities which lead to substantial excess capacity "Some screening is necessary for the reason that we cannot continue to use scarce capital resources in a wasteful way"

Heunis posed the question once again whether government should not go further than moral suasion in order to rationalise production His answer "On balance, I think, we should avoid legislation aimed at forcing the will of the authorities in this respect on entrepreneurs"

On the face of it, his statement is welcome news to businessmen who are increasingly worried about government encroachment on the independent decision making of the private sector, the so called "creeping socialism" referred to by some alarmed industrialists

But whether this is a definite policy objective is another matter Government's track record is littered with examples of interference, controls and rulings, some good others bad, concerning private sector undertakings

The television industry is one In this case government arbitrarily restricted set manufacturers to six It had no real authority to do so no effective legislative muscle to back up its decision But Heunis countered protests along these lines with the implied threat that government could very quickly pass such legislation should it need to

A complex rationalisation problem

Another example is the basic chemicals industry where government decided five years ago that SA's most recent ammonia plant would be built by AECI, and that Fedmis, which also wanted to put one up, would have to wait Today, government is worried about the dominant position AECI's partner Triomf could have in the fertiliser field, to the disadvantage of rival Fedmis, through ammonia supplies

The country's most complex rationalisation problem today lies in the motor manufacturing industry, the subject of a recent Board of Trade report Due to falling demand and rising costs the industry is showing a negative return on total assets employed Some 7 000 workers have lost their jobs since March last year

The major reason for the industry's plight, and this was the case even when the market was relatively bouyant, is that there are too many manufacturers in too small a market Total vehicle sales last year were 300 248 - divided between no less than 12 manufacturers By comparison in the US there are three major manufacturers and one relatively smaller one, in Europe about six in all, in Japan two main manufacturers and a couple of small fry

So SA has really no alternative, if it is eventually to produce vehicles at prices which prevail in major industrialised

Minister Heunis . persuasion is not enough

countries, to come down to a similar number of manufacturers Say three or four

This would reduce the number of car models available, thus giving both vehicle and component manufacturers longer production runs and economies of scale which should, hopefully, hold down costs

The problem facing the industry, and which government is currently considering, is the age-old one of how to achieve it

The original idea behind the local content programme has failed -- that, as investment demands increased through the various phases of local content demand (under today's Phase III a car must have achieved a minimum of 66%), market forces would push the weaker plants out of the game The industry still has 12 manufacturers making 41 models

There are a number of reasons why car makers losing money through low market penetration have held on -- for prestige, in the hopes that the market will pick up or that the black market will boom, as a contribution to overseas plant production and profit, and, in cases where they would like to pull out, because of capital locked into fixed assets which they couldn't realise

The local content programme is a mixture of stick and carrot The new proposals made by the Board of Trade (*FM* last week) would toughen the rules on passenger cars and would introduce a programme for light commercials And it's possible they might prove, if implemented, such a hurdle that some manufacturers would throw in the towel

Restriction by decree

But if this does not happen, and after all it hasn't worked before, what will be government's next step? The only alternative would appear to be a decision to restrict manufacturers by decree (like television) But it's one thing to do this before an industry is set up — quite another when it's been going for more than a decade and is the country's largest manufacturing sector with total assets employed of R1 100m

And such a draconian step hardly fits in with Heunis's statement this week that government should avoid forcing its will on entrepreneurs.

What government might do (and may well have in mind) is to provide those who would like to leave with an "out". It could set up a fund to buy these manufacturers' investment in fixed assets such as buildings, plant and tooling

On the basis that total fixed assets in the motor industry stand at around R300m (and assuming that the very large manufacturers will stay, come hell or high water), some R100m might be needed to compensate the drop-outs This could be provided by a levy per unit sold — R100, R150 depending on the number of manufacturers prepared to get out and on the total sum required, over a number of years There would be no contribution from taxpayers

The levy would have to be paid by the remaining manufacturers, who, after all, expect to benefit from a resulting larger share of the market — and not by the consumer

But if the Board of Trade is correct in suggesting that if approximately 30% of manufacturers left the industry and the remaining volume was spread over the balance the reduction in cost would be about R170 a unit, then surely such an exercise is worth considering?

It's certainly better than the big stick

CAPE TIMES 18/8/77

(192)

l heir standard is perfect cars

D you like to visit our car plant? is the favourite invitation of any manufacturer to any visiting motoring journalist.

past few years I have virtually every ing plant in South ing on occasions ers in the process ner days under even n conditions I have assembly plants in y, France Sweden, States and Japan I he Japanese are more their approach in that k bises to take you their extensive ing layouts

seeing all these ing and assembly the world you come lusion and that is that the same Once you n you have seen the ou cannot possibly host by showing t est

ur plant"

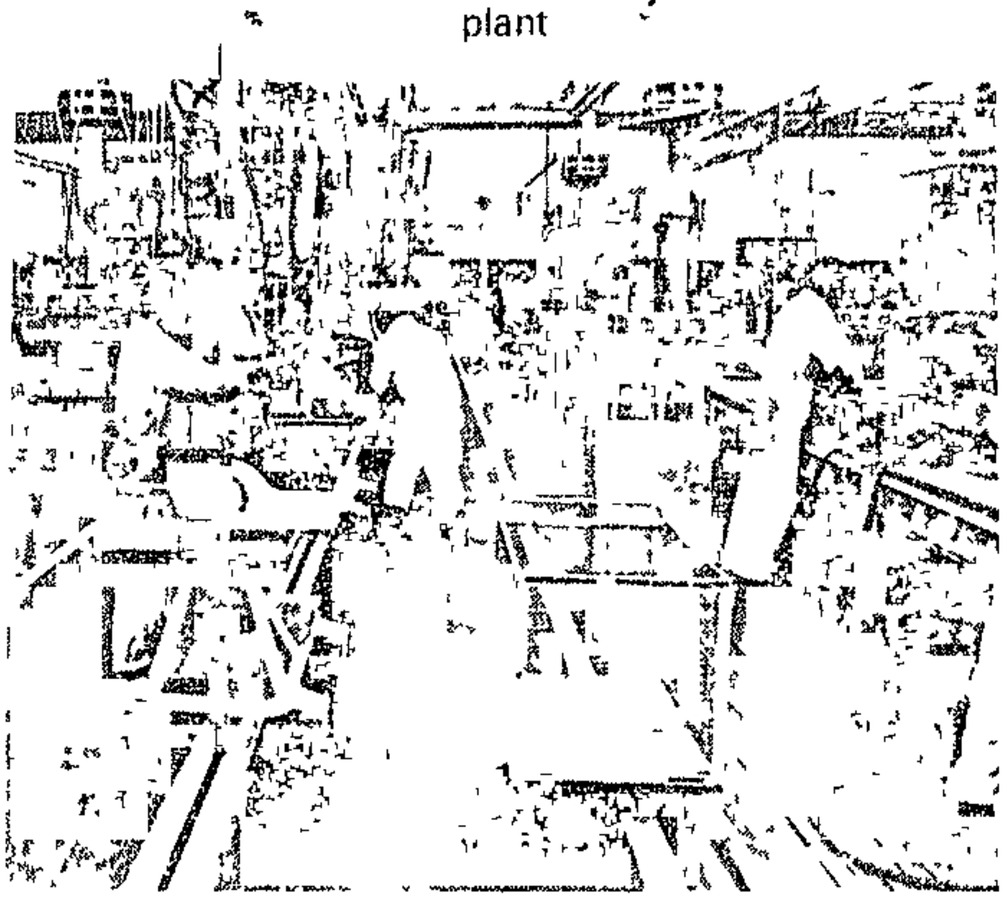
you have not seen Mr Nic Booyzen of Car and Diesel Pretoria, said when me to the Car and Assembly plant don where Mercedes are manufactured in y It was quite true is the one country sed out on over the had never been to the on operation even is my former home

s on a bright, winter we arrived at the az plant and were to the Mr Leo anaging director of e the war virtually of car except Ford, ots and Volkswagen, made at East London went exclusively az car and truck in 960's

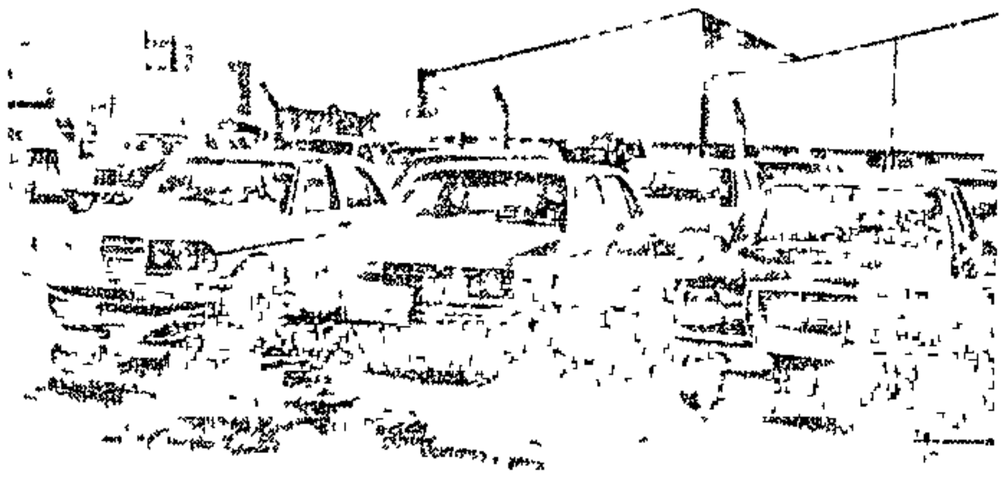
erfection

rt of the plant tour it much the same with upon thousands of s being unpacked packing cases and being fed onto the assembly line Mercedes Benz is already at 66 percent by weight local content and the body pressing done by VW at Uitenhage are made from Iscor steel Then comes the welding process and the car begins to take shape

● South Africa's most expensive production car, the Mercedes-Benz 450 SL, takes shape at the East London plant



● Mercedes-Benz are well advanced on engine, including diesel, assembly at East London They are the only manufacturer producing a diesel engine locally



● The finished product ready with special high speed plates for the road and water tests

Mr Borman introduced us to one of the supervisors from Daimler Benz in Germany and he took over the tour showing us how more attention to detail is given at their plant than at other plants

After an hour I could see they certainly set a high standard of manufacture and commented on this

Ve only haf one standard and that is perfection!"

Rust???

"So you make your cars as good as they make them in Germany?"

"Ve make them better," he said with typical German superiority

On to the paint shop and we were shown how the bare metal bodies are first prepared with an undercoat and then spray painted The underbody gets up to 3 mm of rubberized paint to prevent stone damage and before the assembly starts every weld line is rubber sealed to prevent dust or water from getting into the interior

"I take it you have no problems with rust?" I ventured

"Rust?" he asked, with a horried look on his face "Wot is rust on a Mercedes Benz car?" I was sorry I made the point

Genuine

Further down the line they start fitting the mechanical components, the electrical system and the interior In previous road tests I have mentioned that some Mercedes-Benz models come with genuine leather upholstery and some readers have argued about this, saying it is just a high grade vinyl Well, Mr Leo Borman actually showed us the hides which are tanned at Silverton near Pretoria At the plant they are hand-cut and stitched and the owner genuinely gets leather seats You can actually smell the leather when you open the car door

At this stage we met Mr Brian Joplin (no relation to Scott) who turned out to be an old school

classmate of mine He had also got involved in the motor industry and some of the Mercedes-Benz pride of craftsmanship has rubbed off on him

43 cars

"Our daily production figure is 43 cars"

"No more no less?" I asked him

"Forty three cars," he said emphatically So no matter how you rant and rave with your local M-B dealer you are not going to get that 350 SE any quicker. It takes six days from when we start a particular unit until it rolls off the line and they claim every car is sold and being set up with the right finish and interior colour for a customer And — even in these days of mass production they are not going to hurry it along

As each car comes off the assembly line it is fully checked and the there is a final 15 km road test

Of course we do our road tests backwards," Brian Joplin joked.

The final test is half an hour in the water spray to check for leaks — if water cannot get in dust cannot either — and then the car is on its way to the waiting owner

I must say that the visit to the M-B plant was enlightening. They really do strive for perfection and the end result is the world's most prestigious car made right here in South Africa to the highest Daimler Benz specification It speaks volumes for the standard of the country's motor manufacturing industry

eggs

but tall, long-legged, fairly well-built men with smallish bottoms" seem to be the most popular — "although they are hard to come by and often dont have the personality to match the

was historically part of Israel and was liberated" and not occupied in the 1967 war

The United States has viewed such settlements as contrary to international-

elections came mainly from conservative students who questioned why only three candidates were elected to the 12 national top representative positions

Bleak outlook for the heavies

Continued from previous page

10, CK 20 and CW 40 models In the heavy bus market Nissan has again notched up successes, the CB 20 bus chassis proving highly acceptable, particularly in the Transkei and Ciskei

Toyota, too, have figured well in the sales returns in spite of the depressed state of the market. Their penetration in the first six months of the year increased 2,4 percent, while in July in the light market Toyota's share dropped only 4,8 percent by comparison with a total market drop of 22,2 percent

In the heavy market Toyota's drop was not as severe as that of the rest of the market, their penetration falling 27,7 percent as against the overall market's 34,8 percent decline

Commenting on these figures, the managing director of Toyota, Mr Colin Adcock, said "Toyota expect to improve penetration further in the July to December period

"However, total vehicle sales are not expected to improve significantly in this period and trading conditions will remain extremely difficult"

General Motors' spokesman Mr Fry, shared the view of Mr Adcock

"In view of the fact that we do not anticipate a marked upturn in economic activity to commence until some time in 1978 we expect the commercial and truck market to remain at current levels for some six to nine months"

Mr Jack Visser, general manager of the truck and bus division of Leyland South Africa, is equally certain of no improvement until next year

"The commercial market 5 000kg upwards has not once this year exceeded 1 200 units and there is nothing in the industry which indicates a short-term improvement

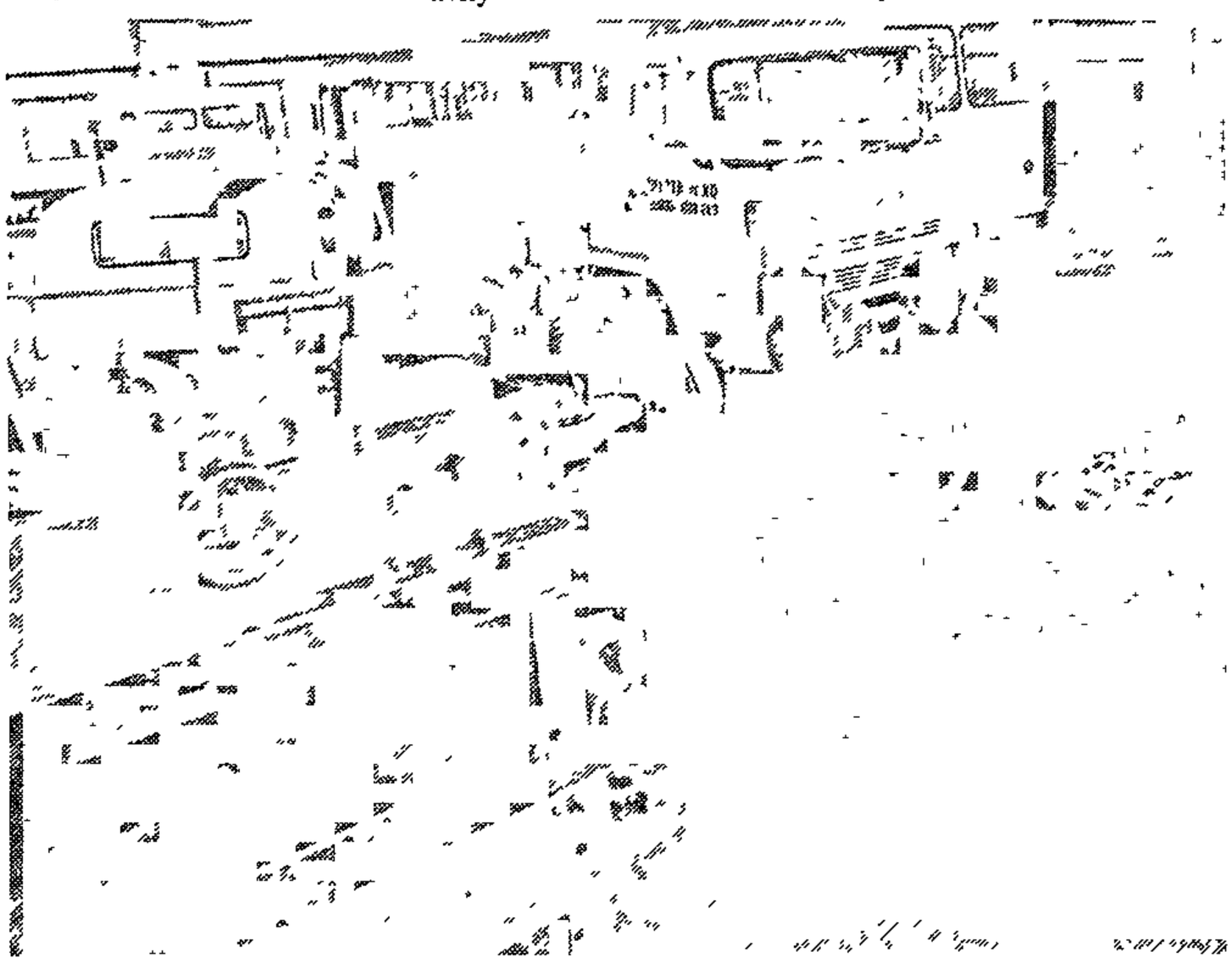
Mr Visser predicted this section of the market would end up at 13 500 units for the year, 30 percent down on last year, but that 1978 would bring an improvement to 15 500 units

"Recovery will be slow," said Mr. Visser, "as we believe that stimulation of the economy will not be vigorous and will be directed towards labour intensive activity"

Ford's Mr Killeen expect an overall truck market for the year of 97 000, a considerable drop on last year's 115 000

"And there will be little growth until the general economy gets into an upswing," he added

General Motors' Mr Fry struck an optimistic note "We believe that the South African economy is inherently strong and that the commercial and truck industry will exhibit a healthy growth rate as the level of domestic economic activity improves"



The new workshops in Shepstone Road, New Germany

Three under one roof at New Germany

Park for heavies

ONE of the newest heavy commercial vehicle facilities in the Durban area has recently opened under the name of New Germany Truck Centre.

A member of the McCarthy Group, the new company combines the franchise for Toyota, Hino and Magirus Deutz with full sales, service and parts operations for all three under the one roof The premises in Shepstone Road include 560 square metres of workshop space and a 205 square metres spares department

"We handle the full range of heavy trucks and mechanical horses" says manager Mr Taffy Williams, "from 5 tonnes to 30 tonnes"

He sees the ranges as complementing each other

"The Magirus is at the upper end of the price range but is the best all-wheel drive vehicle in the world — in fact it is a favourite with most armies because of its ruggedness and reliability"

The Toyota and Hino are in the lower price bracket and are "equally good value for money" in their category.

Taffy Williams points out that there has been a marked improvement in the Durban heavy vehicle market in recent months.

Earthmoving concessions

THE civil engineering industry has called on the Government to scrap job reservation applying to truck drivers and the operators of earth moving equipment.

An article in the latest issue of Contractor, the federation's official journal, says it is becoming increasingly difficult to attract Whites into this field of employment because of harsh conditions on site, the remote areas in which they work and the nomadic way of life

Under the existing legislation employers are entitled to hire non-Whites for this work if it can be established that there are no Whites available

"Because working conditions in other industries are more attractive, job reservation in these fields has virtually been a dead letter, states the article

The increased sophistication and standard of civil engineering contracts has called for more supervision and Whites are being upgraded to junior management posts

"The appointment of non-Whites to senior operator posts therefore, has in no way endangered the position of White operators but has in fact assisted them by releasing them for promotion

"Furthermore, with the closing of the wage gap the old argument that contractors use Black operators and drivers for economical reasons has proved to be fallacious"

OSHKOSH Africa Ltd have designed a new deluxe cab which is so comfortable you can drive your girlfriend to Cape Town in it

The first eight Oshkosh trucks fitted with the new cab and sleeper have just been delivered to Stuttafords Van Lines for their countrywide fleet

To improve comfort and eliminate factors that could cause driver fatigue, such as noise, vibration, cold, humidity and fumes, the cab has been specially insulated and fitted with a heater

ON A site off Stanger Street in Durban is the Pantechnicon Park — a seemingly unimportant area to the tens of thousands of motorists who pass it daily.

But this park is known to heavy duty drivers throughout Southern Africa and 200 companies use it regularly either as a nite stop or a resting-up area on long-distance hauls

Mr H Lawson-Brown, director of the park has, during the past four years, built up a series of essential services for long distance drivers including facilities for minor repairs, a 24-hour diesel service — and has provided sleeping, toilet and cooking facilities

The area of about one hectare has been fenced and night guards are employed

For refrigerated transport three-phase plug points have been installed to ensure continuous refrigeration for loads

"The park," he said, "is the only truck park in Durban We have regular callers from Zambia and Rhodesia and from all over South Africa Many of the trucks bring in goods for export and wait in the park until the ships are ready for their loads"

Additional to the export cargoes the park is used regularly by furniture removal pantechnicons On average we provide harbouring facilities for about twenty trucks each night

"Although sleeping facilities are not particularly necessary as most modern long-distance trucks have built-in bunks I am planning to have better sleeping quarters and food arrangements At present facilities exist only for cooking food

The Pantechnicon Park offers free parking facilities during the day "That is important," said Mr Lawson Brown, "as parking vehicles in excess of 20 metres in length is not permitted in the streets

British Leyland faces new crisis

(192) STAR 26/8/77

The Star Bureau

LONDON — British Leyland has plunged into a major new crisis

Ignoring warnings that the future of the giant car firm is at stake, 20 000 manual workers at the Longbridge, Birmingham, plant have voted to strike indefinitely from today.

They are demanding a R47 a week pay rise Their action threatens to stop nearly all car production at the various plants

For as well as almost 1 000 mini and Allegro cars turned out daily at Longbridge, the plant produces engines and gearboxes for the Marina Princess and Maxi cars, which are made at Oxford

In a head-on confrontation with the Government's pay policy the strikers are demanding an increase of about 47 percent.

The move threatens to wreck Leyland's survival plan, which envisages giving pay rises in stages linked to increased productivity, with a target of about R30 a week more by January

Leyland want this to take the form of one pay deal to cover all of their 36 separate factories, but shop stewards at Longbridge have resisted bitterly, partly because it would take away their power, which is largely based on individual plant-wage bargaining

The short-term effects of the Longbridge walkout will be cushioned by the slack holiday period.

But if it continues late into September — with the company refusing to negotiate and the Government insisting on its pay rise limits — the future of the new Mini will be in jeopardy, along with thousands of jobs

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One third of motor works idle

STAR 25/8/77

Michael Chester, Financial Editor

The amount of production capacity now at a standstill in the motor industry has spread as far as 34 percent in the big slow down of car sales.

The extent of the recession in the motor business is revealed today in a survey released by the Department of Statistics and is bound to stir renewed speculation on how much longer weaker competitors can survive.

Estimates by the National Association of Automobile Manufacturers have put losses suffered by the industry at over R31-million last year — with forecasts of worse to come in 1977.

AXED

Several thousand workers have had to be axed from the labour force and there are still large pockets of short-time work schedules.

The motor producers are due to hold talks with Mr Chris Heunis, Minister for Economic Affairs, in the next few weeks on the future of the industry.

The new Department of Statistics survey shows that the amount of actual production capacity now standing idle is more than twice the national average for the manufacturing sector as a whole, now at 16,2 percent as the economy trudges in recession.

Cheerful signs from two motor firms

RDM 24/8/77

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Financial Reporter

TWO signs emerged yesterday that the slump in the motor industry may be bottoming out

Volkswagen today cancelled a weeklong shutdown at its Port Elizabeth plant because of strong demand for its new Audi 100 model range

And Fiat announced that it is working overtime and employing extra staff to cope with the upsurge in demand

Fiat's July performance stood out among an otherwise gloomy situation recorded by the official passenger car sales figures issued by Naamsa

Total sales by all manufacturers at 13 932 units were 2,5% lower than the June figure of 14 282

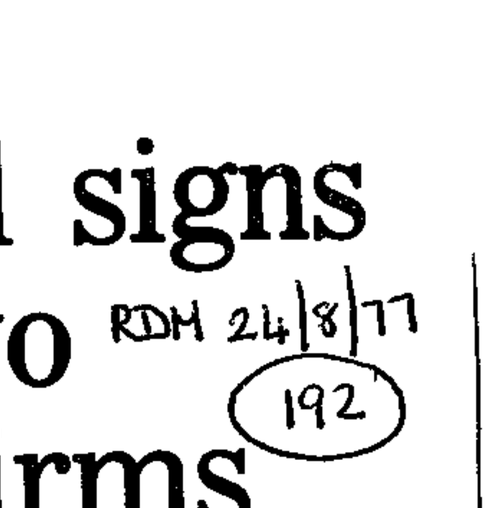
Fiat, however, notched up a 100% increase in sales compared with the previous month Its 881 sales total achieved a market penetration of 6,32% — a four-year record for Fiat in this country

Success of the Fiat marketing strategy was shown in June when, with sales of 440, overtime payments were R40 000

To cope with the additional demand in July, Fiat employed an additional 91 staff and is still into extensive overtime with the machining facility working a double shift

According to marketing director, Dr Mario Barbieri, the July success is in line with the rationalisation programme implemented by Fiat last year

"Last year, when our head office in Turin decided to continue with the South African operation and to inject an additional R10-million into this country, we set about a model range rationalisation — which is now



DR BARBIERI

about half complete — and a marketing strategy which we expected would give us around 6% of the market by the end of this year

"We have achieved our target six months earlier than planned"

The Volkswagen shutdown was planned for the end of this month The company spokesman said yesterday it had been cancelled because of a spate of orders for the new Audi 100 range

Among them was an order for 64 cars by a big car rental firm

Volkswagen has invested R15-million, mainly in tooling for bodywork components, to be able to manufacture the new car in South Africa, the spokesman said

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CAR TROUBLE!

Sun Trib. 21/8/77 finance + prop.

Motor manufacturing industry in for a rough, tough ride

By ESMOND FRANK

THE HEAVILY over-capitalised South African motor manufacturing industry is going through a period of unprecedented turmoil With R1 100-million invested in plant and facilities that are currently under-utilised by at least 50 percent, the immediate future for most of the 12 assembly plants is at best bleak.

While the industry licks its 1976 wounds — last year's losses are estimated at around R31-million — car sales continue to plummet.

Toyota directors, who saw their after-tax profits slashed by a dramatic 80 percent, from R1,62 million during the first six months of 1976 to R341 000 during the first half of this year, say the total car market this year has contracted by 21 percent.

Latest Naamsa figures show that total car sales last month were 7,7 percent lower than in July last year. The sales drop was, however, held to 2,45 percent between June and July this year.

But dealers in Johannesburg discount as "over-optimistic" views that the slower rate of turnover decline last month means that the sales slump has bottomed out. The July figure, they say, was at least partially boosted by Tony Factor's highly publicised entry into car discounting.

The ailing motor industry has also been buffeted by increasingly fierce competition as manufacturers fight to maintain their holds on a diminishing market, and the constantly spiralling cost of production, aggravated by the declining value of the rand in relation to the German mark, the Japanese yen and the British pound.

And car sales, which traditionally climb during the second half of the year, are unlikely to be stimulated by threats of a new round of price hikes

After recent price increases by Toyota, Mercedes, Renault, VW and Datsun, Ford this week announced its decision to bump up its car prices by four percent and Silvano Grimaldi, national sales manager of Fiat, says car prices could escalate by as much as 10 percent before the end of the year. General Motors acknowledges the possibility of a three to 3,5 percent price increase.

Meanwhile, Johannesburg dealers say that Leyland's recent decision to slash prices by between six and 16 percent must not be seen as the opening barrage in a price-cutting war.

The Leyland move, they believe, is merely a marketing measure to clear showrooms of old models before introducing new ones.

The motor industry is also facing increasing competition from the burgeoning motorcycle industry, which so far this year has seen its sales rocket by about 26 percent.

Car manufacturers were shattered this week by the Federation of Component Manufacturers' Association's recommendation that the 66 percent by mass local content of cars be increased to 85 percent by 1985.

The report, prepared by Professor P. J. Nieuwenhuizen of the Rand Afrikaans University for FCMA, says the higher level of local content will rationalise the industry by weeding out weaker manufacturers and reducing the number of assembly plants from 12 to about six

The 12 local assembly plants, according to the report, produce 200 variants of 41 different models.

While the 12 South African plants have a combined production capacity of 230 000 units, five plants in the United States can produce 10 million vehicles Japan's four plants manufacture 4,5 million units; Germany's three plants produce 2,4 million and Britain's three plants produce 1,75 million.

But motor manufacturers argue that the closure or merging of plants will lead to further redundancies in an industry that has already been forced to axe 7 600 workers over the past 12 months.

They also point out that the local content programme has so far not yet managed to squeeze out the weaker manufacturers, who continue to hope for a dramatic improvement in the potentially lucrative black car market and who, in any event, cannot realise the capital they have tied up in fixed assets.

Sun Trib fin + property 7/12/87

'Financial suicide'

192

By Alan Peat

MAJOR CAR manufacturers have angrily dismissed the component makers demands that they step up local content to 85 percent, and one has described the proposal as forcing car men to "commit financial suicide".

This week Fred Polacsek, a divisonal chairman of the Motor Industry Manufacturers Association, said in a series of articles in a daily newspaper that such a move would boost the components industry and create 13 000 new jobs.

However, say the manufacturers the argument is "simplistic" and the costs "simply enormous"

Phil Porter, acting managing director of Toyota agreed that such a move would be financial disaster for the assembly plants and said. "The figures that Polacsek has mentioned are nowhere near the right amount He is talking about an amount of capitalisation of about R140 million for the whole industry to up its local content However by my reckoning it would take us R8 R10 million to tool up for each model in our range."

Sigma chief Chris Griffiths agrees

He said "He simply hasn't done his arithmetic correctly Even at the moment under - recovery of fixed costs is running at about R500 to R600 a unit If we had to go for 85 percent this figure would be even greater

"I don't think they (the component makers) are interested in the long-term future of the industry as a whole. I think it is a small section of the industry playing a tune of its own It's very much a case of the tail wagging the dog."

A spokesman for Leyland dismissed the whole idea as 'unjustified, especially at the height of a recession,' while another industry source said 'It is the consensus of the industry as a whole that the move would be extremely costly, and this would have to be passed on to the consumer

"I don't think that they would accept that at the moment, and it would be difficult for us as manufacturers to justify it logically"

According to Porter, another argument is the difficulty in getting qualified staff

He said "If we had to increase local content I don't know where we would be supposed to get the qualified staff from We are struggling to find enough engineers and the like even during this recession"

Griffiths summed up a viewpoint held by a number of the manufacturers when he said "It seems to me that this is a campaign by component manufacturers to fill their surplus capacity caused by the downturn But I have serious doubts whether the would ever be able to cope with demand once the upswing begins

"I know their investments in capital in no way match the amounts we expend, but they would have to find a lot of capital to expand their output to match our needs in a time of better sales figures"

He added that he did not think the proposal was in the spirit of the free enterprise system

He said "It's wrong in a climate of supposed free enterprise and open competition to go running to the Government with demands for protection just because your capacities are down"

Meanwhile Namsa the manufacturers representative body has agreed not to comment on anything to do with the local content issue until the Niewenhuizen Report of the Board of Trade on local content goes before the Government

NEW PLANS TO MARKET USED CARS

(192.)

Motoring Editor N. Mercury 19/8/77

THE LARGEST used-car operation in South Africa is now being planned for Durban. Two giant lots, each more than 5 500m² are to open in the city before the end of the year.

To be known as Supermac, the new operation will be backed by the McCarthy Group, South Africa's largest motor retailer.

It will be created by pooling the used-car operations in Durban of four of the principal companies in the McCarthy Group; Olympic Motors, Parcs, Forsdicks and McCarthy-Leyland.

Managing director of the Supermac operation is Mr. Terry Christie, hitherto general manager of Forsdicks BMW.

"We will be incorporating all the latest concepts in convenience and customer service," says Mr. Christie. "This will be one of the most exciting developments in motor retailing for a long time."

Several hundred used light commercial and passenger vehicles will be on sale at all times.

RDM 19/8/77 (192)

Car slump hits McCarthy

By MICHAEL COULSON

NO DOUBT because of continued adverse conditions in the motor industry, McCarthy Group, could not achieve the second-half recovery hoped for in the interim report, published in mid-February

At that stage, six-month earnings were 5,2c a share (1975 15,4c) and the interim dividend was cut by only 1c, to 2½c The preliminary report discloses annual earnings of only 8,8c a share (1976 23,6c), and the final dividend is down a further 1½c to 3½c (5c), making a total of 6c (8½c)

The prelim says that unit sales fell in each consecutive quarter and margins were eroded because the industry was over-stocked

Although the interim report does not spell it out, a major adverse factor was that some companies in the group recorded losses which could not be offset against profits elsewhere for tax purposes

As a result, while pretax profit fell from R11 780 000 to R7 236 000, the tax charge actually increased, to R4 097 000 (R3 922 000) or more than 50% of pretax profit

In the circumstances, a surprisingly modest decline of 39% at the pretax level thus became a precipitous 63% at the net level

But even apart from this, pretax profit was R1 100 000 less in the second half than in the first.

COMMENT **In the second six months earnings were only 3,6c a share, an annual rate of 7,2c, which if maintained would inevitably call for a further reduction in dividends this year**

However, McCarthy will not be the only motor group to be embarrassed if there is no recovery in vehicle sales before mid-1978.

The share price has actually edged up this week, ahead of the results, from 52c last Friday to 55c last night. In relation to the latest results, this seems to be looking some way towards a future recovery in earnings.

Gold steady

LONDON. — Gold was fixed at $143,75 yesterday morning and fell to $143,55 in the afternoon. It was fixed at $143,70 on Wednesday afternoon

(192)

Sun. Expr. 14/

Meet Honey Bee

DATSUN-NISSAN, fighting to maintain its position as the top seller of passenger cars in South Africa, is launching a new price-leading model in limited volumes into its top-selling Y range of cars — the Datsun 120Y Honey Bee

With a honeybee emblem on the front fender and with distinctive white paintwork and blue interior trim, the Honey Bee will be easily recognisable on South African roads

The Honey Bee tag was picked up in the United States where the car has made its mark as a reliable and economic low-price passenger vehicle

Basically the same as the standard 120Y de Luxe, one of the most popular cars in South Africa, the Honey Bee will retail for only R3 485 — a price that will appeal to cost-conscious South African motorists

To bring the price down, standard equipment has obviously been pared away but the Honey Bee, with 66 per cent local content, will be powered by the same reliable 1,2-litre motor used on the standard 120Y

Although standard equipment has been whittled down the Honey Bee still caters for a high level of comfort and equipment includes temperature gauge, fuel gauge, oil and beam indicators, lighter, dual-speed windscreen wipers, windscreen washer, flow-through ventilation, glove box, package tray, oddments tray, three-point safety belts, reclining front seats, carpets and a lockable fuel filler

• The Datsun 120Y Honey Bee

Express Motoring

The baby of the Datsun family will also incorporate the Unitary Body Construction (UBC) system developed by DatsunNissan in Japan

The chassis and sub-frame are welded into a single rigid unit with the front and rear ends specially designed to collapse under impact to absorb shock

The fuel tank is situated in a "crash protected" position over the rear axle while the spare wheel is mounted under the floor between the fuel tank and rear bumper to act as an additional shock absorber

With the introduction of the Honey Bee, a car that should find wide appeal in this country, the Datsun Y range now comprises nine models incorporating four-door sedans with manual and automatic transmission, coupes, a station wagon, bakkie and panel van

Express Motoring hopes to do a full road test on the Honey Bee in the near future

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Dean, Faculty of Arts

Toyota talks topple

Sun Times **Finance Reporter** 14/8/77

THE six-month long negotiations between Toyota and four other motor manufacturers to find alternative customers for the company's Motor Assemblies plant in Durban have broken down, says Toyota chief Colin Adcock

Toyota are looking for other manufacturers to share the plant when Mazda production stops late next year.

Says Adcock: "We are naturally disappointed that we have failed in these negotiations The idea of sharing for rationalisation made excellent sense not only for us, but for the smaller manufacturers we approached They have tremendous economy of scale savings to be made in moving in with us."

Adcock will not divulge the names of the four participants in the talks, but it is believed that none of the major assembly companies was involved.

According to Adcock, the recession in sales and in production has reduced output at Motor Assemblies to 63 percent of capacity, but failure of the talks will leave the company "no worse off next year than this"

"However, I firmly believe that the ideal form of rationalisation should see the larger plants in full operation Sharing is the answer, and would also benefit the smaller manufacturer."

Toyota is still hoping to find alternative production lines, and, says Adcock, plans are already underway to do this.

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For the information prepared by the Faculty Officer

PREFER ENCE / OPTIONS	1							POINTS
1	9							99
2	4							106
3	5							87
4	11							163
5	4							88
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A full minute of the proceedings will be circulated to all members in due course.

5 August 1977

(Prof.) A.H.R.E. PAAP
Dean, Faculty of Arts

Motor slump may have bottomed out

(192) RDM 12/8/77

INDUSTRIAL EDITOR

MOTOR vehicle sales in July almost maintained the slight recovery levels experienced in June

The trend has obviously been sufficient to inject a greater degree of optimism into the minds of manufacturers

For instance, Ford is showing a beaming countenance, to the extent that its acting vehicle sales and marketing manager, Mr Dave Marshall, comments "The results indicate that the industry is holding its own in today's trying times and there is some light at the end of the tunnel"

But then the company is looking at conditions from a position of some dominance, taking the pole position as market leader once again in combined passenger and commercial vehicle sales

It must again attribute this success to the new Cortina range, which recorded sales of 1 356 units last month, giving this single model a 9,7% hold of the passenger vehicle market

Ford's total passenger sales amounted to 2 164 units giving it a market penetration of 15,5%

Total passenger sales for July were 13 932 units This represents a 7,7% decline on the same month last year but only a little more than 2% on June this year

As seasonal trade always tends to be somewhat higher in the latter half of the year, a similar if not improved performance is hoped for in the remaining months of 1977

Second spot on the passenger vehicle lists is held by Volkswagen (1 891), followed by Sigma (1 761), Datsun (1 501) and General Motors (1 360)

Commercial vehicle sales were also slightly down on the previous month to 7 294 units (9 577 in July 1976)

Toyota led the field in commercials with 1 525 units sold in July, followed by Datsun (1 399), and Ford (1 013)

Total sales of both commercial and passenger vehicles amounted to 21 226 with Ford, as mentioned above, taking the market lead with 3 177 units, followed by Datsun (2 900), Toyota (2 869) and Sigma (2 525)

Although combined sales reflect a slight dip on the previous month (22 231), when activity was temporarily stimulated both by new model launches and the Tony Factor discount furore, the continued strength tends to confirm hopes that the slump in the motor trade has finally bottomed out

However, it still remains at unsatisfactorily low levels — about 20% down on 1976 — that can hardly be sufficient to sustain an industry so heavily overcapitalised

Only two of the 12 manufacturers are reported to be making a profit, with the rest heavily in the red

1977. Sunday Times (Business News) 14/8/77 (2)192

Wars on wheels ... Tony Koenderman reports

Germans locked in heavyweight car market battle

...Japanese square up in welter division

THE LUXURY end of the South African car market is showing extraordinary resilience against the damaging effects of the worst slump in the industry's history.

And it's here that one of the most interesting market battles is taking place as BMW continues to narrow the gap between itself and chief rival, Mercedes-Benz

Though dealer sales of luxury cars as a whole are down by 26 per cent, compared with 22 per cent in the industry as a whole, BMW is one of only four manufacturers which increased their penetration in the first seven months of the year

The others are Fiat, Ford and Peugeot/Citroen

And while Mercedes trailed behind BMW in sales in the first three months of the year, two new models have put it back on top — its penetration in the last four months has exceeded last year's

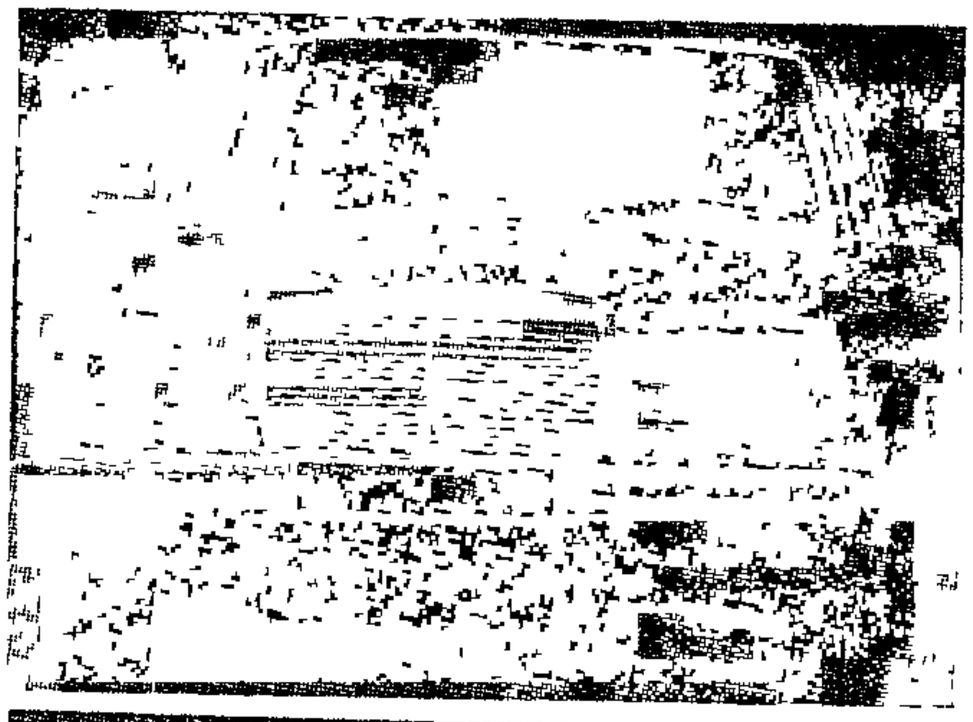
BMW's penetration for the first seven months of the year was 3,91 per cent (3,26 per cent for the whole of 1976), and Mercedes' was 4,65 per cent (4,95 per cent)

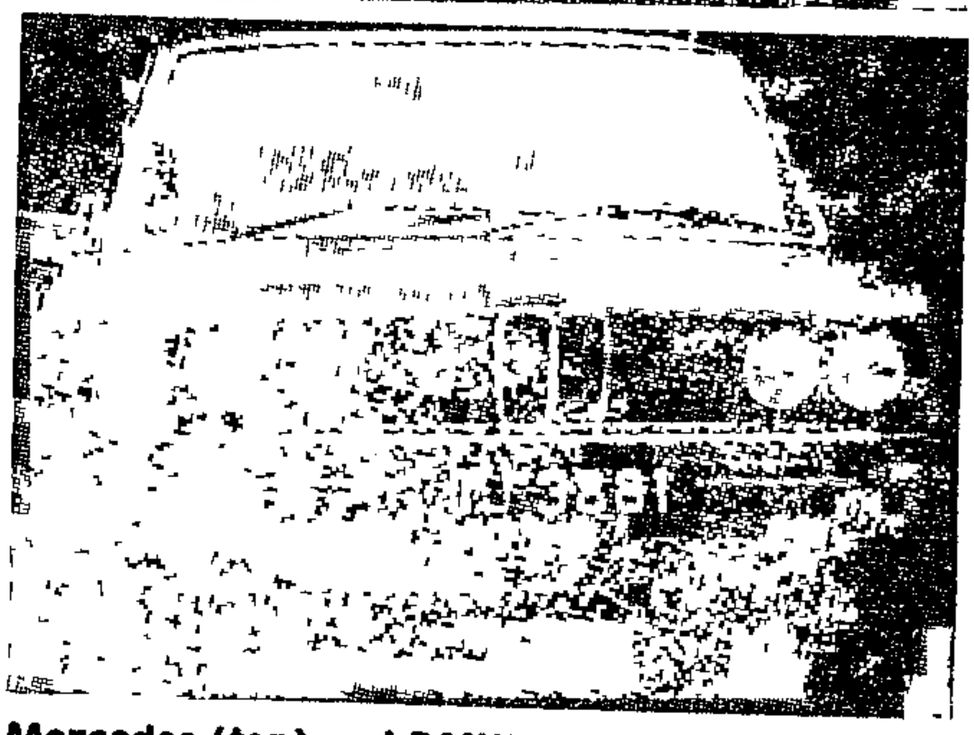
Other leading contenders at the top end of the market, such as Leyland's Jaguar, have fallen back significantly.

But Mercedes' imported 450SL, with a price tag of just under R30 000, is selling at a rate of more than 60 a month, indicating that as far as the very rich are concerned the recession is no more than a minor irritation

One cannot say the same for the foreign exchange reserves, which are losing nearly R2-million a month for the purchase of these cars

The intense competitiveness of the industry has been good news for the advertising profession, which has seen increases in budgets despite falling sales in the past two years.





Mercedes (top) and BMW . . . meeting head-on.

The result is that the average advertising outlay per car sold rose from R20 in 1974 to R29 last year

In the luxury market, the total advertising and promotion cost per car probably exceeds R100 And according to Ronnie Meatcham, head of BMW marketing, the company's advertising budget has been doubled for the 1977-78 financial year

For the first time, BMW and Mercedes have been genteelly and subtly tilting at each other in their advertising

An internationally honoured campaign prepared by BMW's ad agency, Grey-Phillips, Bunton, Mundel & Blake, proclaims for example, "If your car is built to survive an accident" — Mercedes' well-known boast — "it should also be built to avoid one" — meaning, of course, the BMW

This direct, if subtle, dig at Mercedes brought a cool answer from the target company through its agency, Adverto "Aggressiveness is no match for supremacy"

The ad went on, "Some cars make it hard for their drivers to be civilised Their makers have solved the problem of reaching 180 kilometres an hour in the shortest possible time, but not the problem of how to arrive calm and fresh after six hours' driving"

Snooty it may be, but there is also an acknowledgement that Mercedes DOES have a competitor — and that's something Mercedes is not in the habit of conceding.

TOYOTA Marketing this week hit back at claims by Sigma Motor Corporation that its recent South African launch, the Mazda 323 small car, has shot to the top of the sales chart in Japan

When the 323 was launched in June, only six months after its launch in Japan, Sigma claimed it had ousted the Toyota Corolla as top seller there within two months

The Mazda is made by Toyo Kogyo, Japan's third biggest carmaker

But statistics which local Toyota managing director, Colin Adcock, has obtained from Japan show that the claim was somewhat exaggerated

In no month has the 323 overhauled Toyota according to the figures, published in Toyota's Auto News magazine, and its cumulative sales to June give a penetration of 3 per cent, compared with the Corolla's 6,8 per cent

The 323, marketed in Japan as the Familia, does not even figure in June's top ten sellers, which were, in order, the Corolla, Datsun Sunny, Datsun 160, Toyota Mark 2, Mitsubishi Galant, Datsun 180, Toyota Corona, Datsun Skyline, Toyota Sprinter and Datsun Laurel.

For the first five months of the year, manufacturer sales were Toyota 1 114 000, Datsun 880 000, Toyo Kogyo 326 000, Mitsubishi 284 000.

The 323 came closest to the Corolla's sales in the month of February, when it sold 12 000 compared with 17 000 for the Corolla

However, it has taken off with a bang in South Africa. July sales figures make the 323 the country's second biggest seller, with 1 030 units as against the Cortina's 1 356 and the Datsun 120Y/140Y's 919

As a result, Sigma was in third place with a penetration of nearly 13 per cent, trailing Ford and Volkswagen

afsa Association for French Studies in Southern Af

ARGUS 10/8/77 (192) 9

CAR FIRMS MAY HAVE TO MERGE

The Argus Correspondent

PRETORIA. — Some motorcar manufacturers were running at a loss of up to R1-million a month and would be forced to merge with other companies, Mr Brian Wegner, sales director of Datsun-Nissan said in Pretoria last night

Speaking at an Institute of Marketing Management seminar Mr Wegner said that some companies would probably be forced to withdraw from South Africa if their sales continued to drop

'Some manufacturers are losing up to R1-million a month This just cannot carry on,' he said.

The numbers of manufacturers in South Africa would drop and there will be companies merging by the end of next year,' he predicted

Mr Wegner said although some companies would fall by the way the South African motor trade had 'a bright future.'

'We believe that the market is going to increase from 265 000 cars to sales of 385 000 vehicles by 1986,' he said.

It is essential er of the cover of your answer-book number of your tutorial (or, fr uage tutor).

BULLETIN COTISATION

Make sure that over of your answer-book.

Ce bulletin es ud 20 minutes to You have 45 min the first quest

I. EITHER (a) S Briefly assess the value of thr of language.

OR (b) Succi ranslates generde désire dev ative grammar

AFRIQUE AUSTR

*Je désire ren (25 marks)

2. Answer all

(a) Explain the assimilation (underlined) in the Standard English pronunciation of the word "raspberry". .....

NOM ET PRENOM: .....

ADRESSE: .....(5 marks)

(b) Write down and divide into its morphemes the word sculptresses. .....

(4 marks)

.....

(c) Provide a constituent diagram for the sentence: We drove slowly down steep streets.

OCCUPATION: .....(10 marks)

(d) In terms of first immediate-constituent division, explain the two meanings of pretty new dresses

*Je joins ma cotisation [illegible] l'année civile 197....

*Je suis étudiant inscrit à l'Université de .....(6 marks)
en vue du diplôme de ..... et joins ma cotisation de R2,50 valable pour l'année civile 197... (Il est à noter que seuls les étudiants n'ayant pas encore dépassé le niveau du B.A. Honours pourront bénéficier de cette réduction.) (Total: 50 marks)

*Rayer la mention inutile.

PRIERE D'AJOUTER AU DOS DU CHEQUE OU DU MANDAT POSTAL LA MENTION "COTISATION AFSSA" SUIVIE DU NUMERO DE L'ANNEE POUR LAQUELLE EST EFFECTUE LE VERSEMENT (PAR EXEMPLE: "COTISATION AFSSA 1977").
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RDM 9/8/77

Motors: two ways ahead

(192)

By CHRIS CAIRNCROSS
Industrial Editor

CARROT or stick? This is the choice facing the Government in deciding whether it will act on the recommendations submitted by the Board of Trade or Prof P J Nieuwenhuizen, of Rand Afrikaans University, on the future of the motor manufacturing industry

Prof Nieuwenhuizen's report, the results of an independent investigation carried out on behalf of the Federation of Component Manufacturers' Association, was officially released yesterday

Like the BoT Report, he concludes that a consolidation or rationalisation of the industry is necessary, both to promote its viability and in the national interest

He also maintains that the means of achieving this is through the further promotion of the local content programme

Where Professor Nieuwenhuizen differs from the BoT is that he suggests a compulsory increase in local content by weight to a level of 85% to be achieved by 1985 at least

He believes this, together with certain other factors, would result in the present 12 manufacturers being cut down to six, with each producing a maximum of three passenger models

Professor Nieuwenhuizen maintained that, providing the above consolidation occurred, the effect of the continued local content programme would lead to car price increases of only about 3% to 4%

At the same time it would stimulate the South African component manufacturing industry, which would require additional investment of only about R180-million to achieve 85% local content.

It would also provide 12 000 new jobs by 1985, says Professor Nieuwenhuizen In saying this he ignores the likely redundancies that are certain to occur through the consolidation of motor manufacturers

In comparing the two reports it should be borne in mind that the Board of Trade, in formulating its recommendations, apparently took full account of the contents [illegible] conclusions drawn by necessary, particularly since it might involve the risk that some of the capital outlays might have been financed by inflationary methods

Instead of the stick, the BoT has offered the carrot in the form of excise duty rebates to those manufacturers increasing local content to 71% and above at their own pace The present level is 66%

In the light of the more comprehensive nature of the BoT report, it should feature more strongly in any decisions the Government takes on the local content question

In spite of them, the BoT concluded that while there is still considerable scope for achieveing further local content, this can only be hoped for on a voluntary basis

It concluded that neither the industry nor the economy as a whole can afford the enforced programme of investment

Component makers eye the bakkie market

(192) ROM 5/8/77

JAN DE BEER, financial editor of the Eastern Province Herald in Port Elizabeth, takes a look at the component manufacturers' view of the motor industry. This is the third of four articles.

THE motor component industry believes it can contribute all the parts needed to increase local content in light commercial vehicles from a present average of 20% to 85% by weights — even more easily than for car manufacturing where the required local content is 66%.

The divisional chairman of the Motor Industry Manufacturers' Association, Mr G C H Polacsek, says the light commercial vehicle market (bakkies) is probably about half the size of the new-car market

"The market for bakkies, in addition, is growing all the time But the component industry is not getting an increasing income from this growth simply because we are not given the chance to make the parts needed for assembly "

The components industry would easily be able to provide parts to increase the local content for light commercial vehicles to 85% by weight

"Many of the parts are interchangeable between cars and bakkies The relatively few models in the bakkie range will make our task so much easier than for cars "

On average about 20% of the weight of commercial vehicles assembled in South Africa comes from the local component industry

Mr Polacsek says light commercial vehicle sales are likely to increase because more motorists are interested in canopy-covered bakkies as family vehicles because of a favourable anomaly in tax which increases the relative price of cars

"We also want to emphasise that when the economy improves, sales of light commercial vehicles to industry and commerce and the public sector will rocket Surely it will be a tragedy if the majority of the assembly parts are then still bought overseas? We could save all that foreign currency."

A compulsory local content of 85% for light commercial vehicles would benefit South Africa by providing as many new jobs as the 13 000 job opportunities that would come from increasing the local content for cars from 66% to 85% by weight The importance of the benefit to the South African economy cannot be sufficiently emphasised, says Mr Polacsek

The components industry would like the Government to do more than implement the Board of Trade and Industries' suggestion that the local content in light commercials should be 66% by weight from 1979

"We want it to be 85% It can be done," he says

The components manufacturers want the Government to see if more locally made parts can be used in the tractor market

"A few days ago we saw that an Eastern Cape plant had to import 500 tractors Surely efforts should be made to avoid such foreign spending?"

The heavy-truck market is too diversified to justify compulsory higher local content says Mr Polacsek "It wouldn't be in the national interest"

The components manufacturers claim that military vehicles are being made in South Africa with 100% local content

"This proves that general higher local content is possible," says Mr Polacsek

Comment.

III.

Textus.

Business Mail

Component makers say:

We can supply the parts

(192) RDM 4/8/77

735

JAN DE Beer, financial editor of the Eastern Province Herald in Port Elizabeth, takes a look at the component manufacturers' view of the motor industry. This is the second of four articles.

LACK of confidence in the South African component manufacturing industry by motor assembly plants — and subsequently also by the Government — is preventing the component manufacturers from playing a bigger role to aid the economy.

This is the view of Mr G C H Polacsek, divisional chairman of the Motor Industry Manufacturer's Association, The Federation of Component Manufacturers, of which Mima is a constituent, hopes to persuade the Government to raise local content in motor vehicle manufacturing from 66% to 85%

Mr Polacsek says 85% by weight represents about 51% in value

"And I can assure motor assembly plants and the Government that there is absolutely no reason to doubt whether the component industry can supply sufficient locally made parts to match this requirement"

This has been substantiated by an extensive survey of the component manufacturing industry

Mr Polacsek says a lack of confidence in the component industry by manufacturers has been a constant feature in the motor industry

He claims there is a tendency by the motor assembly plants to support their own companies overseas because they consider manufacturing from imported completely knocked down packs will ensure that both quality and delivery requirements are met.

"There is, for example, the case of my company. It exports wire harnesses to a plant in Germany which has complete confidence in our product The South African motor plants import the same harness from overseas

"The component manufacturing industry has been accused of not being able to supply parts on time

But nearly always if this does happen, it is because we are not given enough time to prepare for the orders Then the news goes to the Government that we appear to be badly organised"

Mr Polacsek says that with the industry generally in a slump motor plants have "starved" component manufacturers by increasing their in-plant manufacturing of parts

"The component manufacturing industry needs time and volume and we will easily match an 85% local content demand Extra investment required will benefit South Africa in that the larger portion of this investment will come from overseas"

Mr Polacsek says the association hopes that the facts of the Niewenhuizen Report commissioned at R30 000 will persuade the Government to increase local content

It was found that the Australian motor industry, for example, was outspoken about the need for the South African industry to progress as soon as possible to a point where components were ordered by catalogue

This point would be reached at 85% by weight or 51% by value

The component manufacturers would like to have the manufacture of vehicle steeel stampings, chassis, transmission and suspension sub-assemblies entrusted to their factories instead of overseas component makers as is the case at present The plant capacity and skill are available, he says

The steel stampings will be important because of the weight factor which will help attainment of the 85% local content target

It will also be in the national interest to use as much South African raw material and resources as available

Other components which could be made in South Africa for all passenger and light commercial vehicles are prop shafts, rear axles and differentials, to name only three

Additional capacity and skills exist to meet the increased demands for similar parts used for light commercial vehicles

Business Mail

192

Component makers put their case for 85%

JAN DE Beer, financial editor of the Eastern Province Herald in Port Elizabeth, takes a look at the component manufacturers' view of the motor industry. This is the first of four articles.

AT LEAST 13 000 jobs would be created by raising local content in motor manufacturing from 66% to 85%. The inclusion of light delivery vehicles in an equivalent compulsory local content programme could create work opprotunities for a further 13 000 people.

This claim, supported by an extensive report on the motor industry, has been submitted to the Government by the Federation of Component Manufacturers' Association

Mr G C H Polacsek, divisional chairman of the Motor Industry Manufacturers' Association, says that Professor P J Nieuwenhuizen, of the Department of Economics at the Rand Afrikaans University, with the assistance of two other research panel members, compiled a report on the motor industry at the request of FCMA of which the Motor Industry Manufacturers' Association is a constituent

The main reason for asking for the report was to try to persuade the Government to continue with its original plan of 85% local content for cars, and to include the previously excluded light delivery vehicles

Mr Polacsek says "We, the component manufacturers, can with relative ease meet the demands of such a stipulation

"The benefits for the country would be enormous For a start, about 13 000 new jobs would be created which would not only help ease unemployment but also the political and social problems at present inevitably linked with it.

"What is more, I would conservatively estimate that these new job opportunities would bring about R40-million extra spending money into circulation to help the economy. It would also reduce the need for foreign exchange by many times this figure, giving considerable assistance to the country's balance of payments."

The present 66% local content requirement for car manufacture is calculated on weight Component manufacturers say the equivalent in value is only 38%

"It is undesirable that 62% of the value of cars built in South Africa goes into the coffers of overseas suppliers," says Mr Polacsek

A compulsory 85% local content for cars and light commercial vehicles would mean that about 50% would be paid to overseas parts suppliers

The component manufacturers would like the local content programme to include commercial vehicles

What are the other benefits component makers see in 85% local content?

Self-sufficiency Mr Polacsek's association quotes the example of Ford, at present struggling to overcome possible short supply of Cortina parts from Britain because of a strike at the Dagenham plant

"The more parts we make here, the less dependent the South African motor industry will be on overseas events, such as strikes and currency changes"

A boost for the "buy South African" campaign "Why are the motor component manufacturers' efforts not supported in this respect? These manufacturers are of the opinion that their products are as much South African as anything else," he says

Timely preparation for the time when the car market reaches substantial proportions "This day is not far off and the motor industry, including the component side, needs to be able to meet the demands of much higher sales without having to rely on overseas suppliers"

Mr Polacsek says the Board of Trade and Industries report on the motor industry has highlighted the undesirability of "cycling time" allowed manufacturers on new models

"We hope that the Government will consequently drop this concession where manufacturers with new models can slip back to 40% local content for the first year of any new model Far too many models are being introduced in any event, and this concession provides a loophole for vehicle assemblers to dodge the local content requirements"

The Board of Trade's proposal for a voluntary increase in local content to qualify for excise rebates is also seen as inadequate by the motor component manufacturing industry

"It will serve no purpose if the local content requirements are not made compulsory"

Unless this is done, the practice of importing will continue to the detriment of the South African component manufacturer and his ability to save foreign exchange

Above all, the component makers believe that a higher local content will help provide the technilogical base to help develop secondary industry

"We know that this is what the Department of Industries is seeking, and we are confident that our request will be given a sympathetic hearing", says Mr Polacsek

Five-day week at Ford plants

192

D.D. 6/9/77

The Ford Motor Company has reverted to a full five-day week at its two passenger car plants and at its engine plant Only the company's truck plant now remains on four days

This heartening news was disclosed by the company's new managing director, Mr Brian Pitt, who said the revised work pattern would be maintained through September and, "provided there is no interruption in supply, we plan to continue on five days through to the year end" Some 2 000 employees will benefit from the move

Mr Pitt explained that growing demand for the company's products, and a concurrent improvement in supply from their major source countries, had allowed Ford to increase production

"While the market is indeed showing signs of gradual strengthening, our performance in that market has demonstrated a dramatic improvement," said Mr Pitt.

"Our penetration has climbed to more than 16 per cent, mainly as a result of our new Cortina, and with demand high, we have been doing everything possible to generate better supply to our dealers

"We are particularly secure 1 500 more Cortinas, and thus we are able to go back to full time production

We are particularly pleased that we have been able to do this, for our employees' sake Many of them have been on short time for almost a year, and we have all been very impressed by their loyalty through these difficult times

"Although we realise that the difficult times are not necessarily over, the signs for this company, anyway, are encouraging, to say the least," said Mr Brian Pitt

ɔromelas - Eragrostis gummiflua co-dominant

ıted by plots 119, 64 and 124

Eragrostis chloromelas dominant community in

lition of Eragrostis gummiflua as a dominant.

ı major disturbance factor, usually past

being a sandy form, provides a situation

Flua to become established. Plots 124 and 64

e probably not ideal for Eragrostis gummiflua

ts were taken close to a boundary between

nd there is possibly some sandy influence on

er.

ccompanying species include Eragrostis plana, Trichoneura grandiglumis,

s lehmanniana, Aristida congesta, Elionurus argenteus and Heteropogon

i.

e photo image pattern for this type is stippled, similar to the Elionurus

; pattern, but in a purple-grey (Pgy) hue. If interpretation were on hue

would be possible to confuse Eragrostis gummiflua with Elionurus

argenteus on some of the darker prints but experience, coupled with site and soil relationships, prevents this.

5.3.3 (x) Eragrostis plana - Eragrostis chloromelas - Eragrostis lehmanniana co-dominant grassland community as represented by plots 44, 76, 42, 39, 26, 14, 15 and 16

Eragrostis plana is an indicator of high clay fractions and of disturbance in the form of heavy selective grazing and trampling. Dependent on the site and history of landuse of the particular area, a number of different Eragrostis plana communities may be recognised.

The unifying feature in the above-mentioned plots is the high basal cover value of Eragrostis plana. This vegetation community is predominantly associated with Estcourt form soils, the exception being in plot 44 where an Avalon soil form is mapped. Estcourt form soils are associated with waterways and Eragrostis plana in turn is associated with this soil form.

Components men seek bigger slice of cake

D.D 30/8/77

The South African motor industry should consolidate, smaller manufacturers withdraw, and larger plants standardise to limit the number of different models, according to Prof P. J Nieuwenhuizen of the Randse Afrikaanse University

Speaking at a Press conference he announced the publication of a detailed report on the automotive component industry He and a panel had been commissioned by the Federation of Component Manufacturers (FCMA) to carry out a study of the industry and to report back

He stated it was regarded as absolutely essential to consolidate the automobile industry in South Africa The best way to achieve this would be to have a compulsory increase of local content by mass to a level of 85 per cent in the next six to eight years

Such a step would require relatively little additional investment The automotive component manufacturing industry had already developed a surplus capacity

He and his panel believed such programme — a compulsory raising of the local content of motor vehicle from 66 to 85 per cent by the end of 1985 — would inevitably result in some of the smaller vehicle manufacturers withdrawing from the South African market

The remaining plants would be forced to standardise and limit the number of different models that they produced presently

He and his parel believed the programme would result in an increase in car prices, but by no more than three or four per cent

Light commercial vehicles should be included in a compulsory local content programme similar to that at present applying to passenger cars

The component industry was relatively well tooled, with multi-purpose equipment of modern design It had spare machine capacity, technical expertise, and labour which could be put to use if the local content programme was extended as suggested

Any consolidation of the manufacture of passenger cars and, to a lesser extent, commercial vehicles, would release substantial planning and supervisory manpower, both of which were scarce in South Africa

The increasing viability of the South African passenger car industry would tend to attract unemployed skilled labour from industrial countries abroad

About 12 000 new job opportunities would be created by 1985 by the suggested programme if one bore in mind the degree of technical complexity that would be involved in increasing the local content by 19 per cent, and that more than half of that would involve the processing of sheet metal

The capital investment required to cope with the extended programme was unlikely to exceed R180 million.

The bulk of the capital required for the industry as a whole to become more viable would be furnished by the foreign parent companies of local subsidiaries dominating the manufacturing scene

The period of seven years proposed for the extension programme (1979-1985) must be regarded as the absolute maximum time to be allowed to extend the local content to the 85 per cent level

That's all very well for the components industry, which commissioned Prof Nieuwenhuizen, and which required such a report from him

What MUST be remembered is that the Government, originally, asked the motor manufacturers to set up in SA, and "dangled carrots" before them to attract them here

Because of Government policy the SA motor industry is now facing difficult times, and to force them to increase local content would not only push up prices — by much more than the professor's "thumb suck" of three or four per cent — but would restrict the choice of cars for the motoring public

And if local content extended to commercial vehicles, the extra costs would hike the cost of living once more

D.D. 6/9/77 (192)

SA motor industry becomes independent for castings

South Africa's motor industry now has its own full automated casting centre, at Birts, in the Transvaal known as Autocast

The industry is at a major turning point in its history, as it looks towards an active policy of increased local content Thus the need for a modern and fully automated foundry is obvious

Demands for a local content programme of up to 85 per cent by weight is gaining ground Such a policy would offer employment to an additional 12 000 people, and the saving in foreign exchange would be considerable The stimulation to the local component industry would ensure economic growth

The establishment of Autocast fills the need for the supply of grey iron castings for the motor industry The foundry has the production capacity to supply the needs of the local motor manufacturing industry, which would lead to a saving of foreign currency to the value of R10 million per annum

Autocast is the result of a 50-50 partnership between The Messina (Transvaal) Development Co Limited and Birmid Qualcast Limited, the largest independent foundry group in Europe, extending at one time as far afield as Australia, and catering for that country's automotive requirements

The similarity of the industrial development in Australia to that of South Africa has been to South Africa's advantage, in that the experience gained there is being applied here in Autocast.

The final cost of the project will be in the region of R14,5 million, and is made up of R4 million for land and buildings, R8 million for plant and machinery, with R2,5 million to cover pre-production expenses and working capital requirements.

On a single shift, Autocast has the capacity to produce approximately 14 000 tons of castings a year This can be increased to 25 000 tons on double shift operations, with a moderate increase in capital expenditure to extend the melting plant as required to meet increased demands

The plant has been designed so that extensions can be added when necessary within the lead time required for any new moulding facilities to be built and delivered to the site.

The Hansberg moulding line will be able to produce moulds up to a dimension of 600 x 900 x 540 mm at an average rate of 120 boxes an hour.

The Disamatic moulding line will cast small parts, where the dimensions fit a sand mould not exceeding 480 x 600 x 300 mm at an average rate of 280 boxes an hour

Both lines can cast more than one casting per mould where the dimensions allow.

DD 6/9/77

development but these two plots were taken close t Avalon and Estcourt soil forms and there is possibly the latter.

Accompanying species include Eragrostis plar Eragrostis lehmanniana, Aristida congesta, Elionuru contortus.

The photo image pattern for this type is stipp argenteus pattern, but in a purple-grey (Pgy) hue. alone it would be possible to confuse Eragrostis gur argenteus on some of the darker prints but experien soil relationships, prevents this.

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MOTORING Mercury

Mercury 9/9/77 (192)

IT'S A SCOOP! at a price

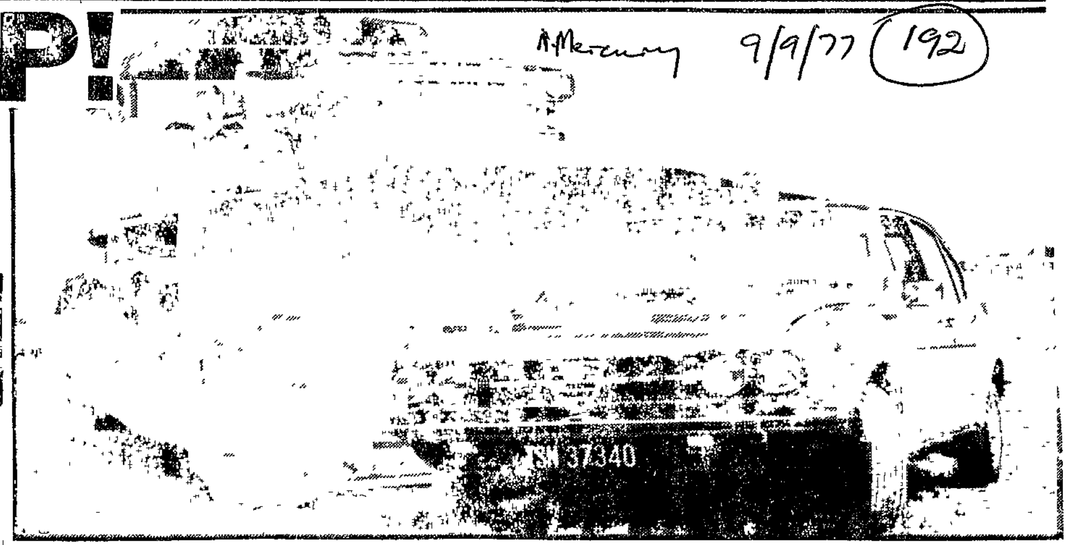
IT HANDLES like an Alfa, it stops like an Alfa, it sounds like an Alfa and it's got the price tag of an Alfa; now, thank goodness, it's beginning to go more like an Alfa.

MOTORING Mercury
ROAD REPORT
by Joe Mulraney

It's the latest version of Alfa Romeo's bouncing little Alfasud baby, now fitted with a 1.3-litre version of the flat-four engine which churns out 8 percent more power and nearly 15 percent more torque than the old 1 186 cm³ engine.

While the capacity of the engine has only been increased by 100 cm³ — achieved by increasing the stroke from 59 to 64 mm — the effect on the power and torque curves has given the car a new personality.

From being a gutless wonder, the Alfasud now can hold its head up among its peers. Glancing back through Motoring Mercury files and comparing acceleration times with others in its class the new 1300 Alfasud turns out quickest on both the nought to 80 run



and also the standing 400 metres.

Notwithstanding a clutch whose bite was not altogether crisp and clean, the Alfasud reaches 80 in 9,3 seconds, and covered the 400 metres in 18,8

For comparison the Fiat 1300 Rally did 10,2 and 19,3; the Mazda 323 was 9,8 and 19,4; the VW Beetle was 10,7 and 19,1 and the Renault 5 GTL scored 11,0 and 20,8.

But the improved performance of the 1300 Alfasud is only part of the story. Like all Alfas, the little Alfasud achieves a union with the driver which is incomparable. Car and driver become one, the machine responding to the man as if linked directly to his nerves and muscles.

Responsible for this is the very high level of engineering built into suspension, steering and brakes.

The Alfasud scores exceptionally well in each department. With front wheel drive, advanced front suspension and a rigid rear axle located by longitudinal Watts linkage and transverse Panhard rod, the roadholding is uncannily good. Not only does it get around corners fast, it gets around them seemingly without effort.

Steering is by rack and pinion and is in the same class — quick and precisely accurate

Braking is by discs all round and they haul the little car to a halt in less than three seconds from 80 time after time after time. We found hardly any fade even after eight hard stops.

Combine these virtues with compact overall size, a five-speed gearbox which can be shifted with the rapidity of a motorcycle, and the Alfasud becomes a delight in traffic and on the open road.

Make no mistake, however, this is a driver's car and even although overall mass at 830 kg is fairly low, gearing is high and the gearbox must be used continually to get the best out of the car. It will pull smoothly in fourth from as low as 40 km/h, but this is not to be recommended and the rate of progress is very low.

The low mass, good aerodynamics and high gearing are also responsible for the Alfasud's remarkable economy.

Travelling at a steady 60 km/h on the flat, the car consumes fuel at the rate of 5.49 litres per 100 km; at 80 it is only 6,3 litres/100 km while even climbing a steep hill with the engine working hard to hold 80 km/h in fifth, consumption was only 8.04 litres/100 km.

The overall figures we obtained, the average of four tests in varying circumstances using MM's fuel tester, was 6,74 litres/100 km which I feel could reasonably be expected by the average user.

This compares well with the fuel consumption of the old 1 200 five speed Alfasud; according to Car magazine the smaller car used 6,2 litres per 100 km. The fuel tank of the 1300 is unchanged at 50 litres capacity, which gives the 1300 a very useful range of about 750 km.

The two main instruments are well placed for legibility, speedo left and the 8 000 r/min tach on the right. A central cluster of warning lights separate the two, while temperature and oil pressure gauges share a central position on the fascia with a clock.

The steering wheel is adjustable for height.

I have saved for last my only complaint about the Alfasud; its price.

At R5 195 for the Special GL 1300, I feel the car has been over-priced. In effect it has put a small car right into the medium-sized bracket and near the top of the middle bracket at that.

For example, Audi's 80 GLS is precisely the same price, while the Chevair GL, Cortina 2000 GL, Datsun 180 U SSS and others are cheaper.

Nevertheless, the Alfasud 1300 has an appeal of its own as a neat, compact, economical sportster capable of carrying four people in comfort.

MINUTES OF THE COU AY, 3RD OCTOBER, 1977
AT THE F T 7.00 P.M.

October 13, 1977 27

'SHAKE-OUT' FOR MOTOR INDUSTRY

N Mercury (192)

PORT ELIZABETH — A big "shake-out" is coming for the South African motor industry, Mr Adam Jacobs, chief economist of the Afrikaans Handelsinstituut, said here yesterday.

"I cannot share the optimism of the motor industry that was expressed recently with the improved sales figures for August," he told a seminar on Vital Statistics, organised by the National Development and Management Foundation.

"The consumer durable industries are experiencing the hardships of the downturn in the business cycle much more severely than the non-durable sectors.

"It is a matter of great concern that for a number of years the motor industry has been absorbing cost increases and that it has not been passing on the full impact of these increases to the consumer.

"I believe a big shake-out is coming for this sector." — (Sapa)

1. CALL TO ORDER: 7.10 p.m.

2. ATTENDANCE: E. Stenton, K. mp, D. Thornberry, C. Lord, A. Slevin, B. M. Fowler, A. Fowler, D. Hartmann, A. V. Jones, S. Sa

3. APOLOGIES: C. Beckford.

4. ACCEPTANCE OF AGENDA: Accept

5. MINUTES OF THE MEETING HELD C

   5.1. Verification: Accepted - D. Hartmann.

   5.2. Matters arising: None.

6. PRESIDENT'S REPORT: E. Stent

   6.1. Distributed job descrip uncil.

   6.2. Informed that a united d by the Council to the Chapter and all controve scussed at Council meetings.

   6.3. Attended première of "Mu the Baxter Theatre on 13-9-77. Congratulatio ecial word of thanks to S. Ackerman.

   6.4. Attended Awards Banquet on 17-9-77. Congratulations to Christine Matthysen a

   6.5. Attended Sea Point's Awards Banquet on 24-9-77. Newlands received a cup from Sea Point for the chapter that had contributed the most to the Western Cape Region.

   6.6. Council attended the Chapter Officers' Training day at the President Hotel on 1-10-77.

   6.7. Chapter goal set at Chapter of the Year for Jaycee South Africa.

   6.8. Year calendar being brought into effect.

7. SECRETARY'S REPORT: G. Hamer

   7.1. All mail has been distributed.

   7.2. Subcon forms still available.

   7.3. Requested written reports from each Vice-President after G.B.M. meetings.

   7.4. President advised Secretary to confirm venue and seating arrangements for all meetings.

   7.5. President advised that copy system should be put into effect re Regional, National.

   7.6. President asked that a list of Council members' names and addresses be drawn up for distribution to Chapter Presidents within the region at Subcon. Same list to be sent to S. Froise, Secretary General.

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N Mercury 11/10/77 (192)

Motor trade expanding

Financial Editor

IN SPITE of the depressed state of the motor industry, manufacturers are preparing for the upturn in the South African economy by allocating huge sums for expansion.

Datsun-Nissan has announced that it proposes to invest R40 million in its South African operation during the next five years.

The money will be spent on general expansion, the building of a new paintshop, tooling up for a programme of new model introductions and on increasing the local content of passenger and commercial vehicles.

Meanwhile, Leyland South Africa has stated that it will spend R1 million during the next few months on expanding its Mini assembly facilities at its Blackheath assembly plant.

The aims of this expansion are to improve the quality of the company's cars, advance the local content programme and step up the production of small cars.

On xeric overgrazed slopes the physiognomy changes from grass to a dwarf shrubland. Aster filifolius is the principal invading species and the grass cover is reduced from a normal 4,0 per cent basal cover to 1,2 per cent basal cover. Selective grazing has led to a reduction in the more palatable species and an increase in unpalatable ones such as Eragrostis lehmanniana, Aristida congesta, Trichoneura grandiglumis and the introduction of undesirable species not usually present in sandy situations such as Aristida diffusa.

This physiognomic type and therefore different community, is readily recognisable on the aerial photos by its stippled texture and its greyey-yellow (gyy) hue, which may be attributed to the soil colour rather than a brown colour which is associated with a higher grass cover.

5.3.2 The communities of the talus slopes

The talus slopes are very steep and aspect plays a major role in the vegetation type. The xeric north and north-west slopes have a scrub vegetation (Fosberg, 1961), while many of the mesic situations support a limited tree vegetation type. The shrubs and trees common here are Cussonia paniculata, Rhus divaricata, Kiggelaria africana, Rhus dentata, Myrsine africana, Clutia pulchella, Buddleia salviifolia, Euclea lanceolata, Rhamnus prinoides and Halleria lucida.

FOR F

COMMERCIAL VEHICLES

Slowly but surely

Mentioning bright spots in the auto industry raises smiles like the brass plates on coffin lids yet one sector extra avy vehicles shows all the indica tions of long term money spinning

Despite the present plight of vehicle makers (see tables) preliminary investigation by Marplan researcher Des Chaskelson reveals that the heavies including buses are most likely to break out of the sales slump first

Small comfort for the 17 commercial vehicle manufacturers with 61 830 unit sales for the first eight months of this year down 23% on 1976 But says Chaskelson, the estimated R200m a year market still shows signs of positive growth

His initial probing reveals that in the 1972 76 period 15 000 kg to 15 000 kg vehicles had a 5% annual growth rate and the 20 000 plus kg vehicles were selling 11% more units each year

At the same time, commercials under 10 000 kg had a 1% annual drop in unit sales while those in the 15 000 kg to 20 000 kg category suffered an alarming 11% yearly slump

Why the middleweights and heavyweights should gain at the expense of lightweights and cruiserweights is not explained in Marplan's preliminary findings Chaskelson adds that there are many more subtle shifts likely to influence future commercial vehicle buyers

'For example, financing arrangements were not a great inducement to big commercial buyers a couple of years ago Now financing is among the most important considerations he says

Preliminary findings of Marplan's *Truck Industry in SA* report also show that what manufacturers believe are their strongest selling points vary widely with what potential and established customers want

It's hard to believe that certain international vehicle makers can be so far out but Chaskelson affirms that the gap is there after only the first few interviews in a survey that will eventually canvass 250 public and private transport operators

First indications also show a trend towards keeping vehicles longer In these times that is predictable but the extra hanging on time will, if it proves correct come as a shock In 1958 the average life of a commercial vehicle – including bakkies – was eight years In 1972 it had dropped to six years 'Now it's heading for 10 years says Chaskelson

Marplan's full report will be published in November at about R2 500 a copy

(192) FM 16/9/77

MINUTES OF A MEETING OF THE PARISH COUNCIL OF ST. FRANCIS OF ASSISI, SIMONSTOWN, HELD ON TUESDAY, 9TH AUGUST 1977 IN CHURCH

Present: Canon D.C. Rogers ... Chairman
Mr P. Lord ... ... Churchwarden
Miss J. Cartwright ... Churchwarden
Mr J. Merand
Mrs de Villiers
Mrs Tredree
Mrs Luxton
Mrs Taylor. Mr. P.S.Fouche.. Actg. Hon. Secr.

Apologies: Mr J. Cartwright
Miss M. Cartwright Chapelwarden, St. Andrews
Mr J. Hulse

1. Opening

The meeting was opened at 8 p.m. with scripture reading and prayer.

2. Minutes

Minutes of the meeting held on 12th July 1977, having been printed and circulated, Mrs Taylor proposed and Mrs Tredree seconded that these be taken as read and accepted subject to 18th on page 2 be amended to read 25th. Carried.

3. Matters Arising

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b. R[illegible]

c. H[illegible]
C[illegible]
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d. N[illegible]
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Daily Dispo 20/8/77

New car may be big petrol saver

(193)

CAPE TOWN — A Cape Town-based company is to produce a "petrol-electric" car which, it claims, will be able to do 100 km on 1,9 litres of petrol.

The car runs on a petrol-generated battery which is automatically charged when required, said a director of the company, Mr Ernest Ford, yesterday

Called the Microdot, the car has a ten litre tank with a range of 500 km. Its cruising speed is 65 km/h and its optimum speed is 80 km/h.

"This car is not an old model with an electric engine put in. It was designed and built from the ground up. The designer, Mr William Towns, designed the Aston Martin DBS and has spent about two years designing this one," Mr Ford said.

Mr Ford said his company bought the rights to produce the car in the southern hemisphere. The car was designed in Britain, and certain modifications were being made to suit South Africa.

He refused to comment on the likely reaction of the motor industry. "But the effect on the motor industry and the public should be interesting."

The first Microdots should be on the road by the middle of next year. Mr Ford said its price will be competitive with other small cars on the market. — DDC.

Crowd, n., batho ba bangata ba teteaneng; v, *to be crowded*, ho teteana, penyana, patisana, petahana, petetsana; *to crowd (press) together*, ho patisana, bōkanya.
Crown, n, mofapahloho, moqhaka, v., ho roesa morena mofapahloho.
Crucifix, n., setšoantšo sa sefapano.
Crucifixion, n., thakhiso sefapanong
Crucify, v, ho thakhisa sefapanong
Cruel, adj, e ratang ho utloisa bohloko, e sehlōhō
Cruelty, n, sehlōhō, ho utloisa bohloko
Crumb, n, lekumane, mafōfōra, leratha
Crumble, v, ho etsa makumane; ho fetoha makumane, kumeha.
Crumbling, adj, e thelehang
Crush, v., ho pshatla, timetsa, felisa, pitla, pitlakanya, khōbella, thuha, petlenya, buretsa
Crust, n, bohoho, lehoho, sekhoho
Crutch, n, lere la seritsa
Cry, v, ho lla, hoa, hoeletsa, *the child is crying*, ngoana oa lla, *I am coming, he cried*, a hoeletsa a re kea tla, *he cries to God*, oa rapela, o ithapella ho Molimo.
Cry, n, sello, mohoo, mohoeletso.
Crystal, n, mofuta o hloekileng oa galase
Cub, n, lelinyane la phoofolo tse ling.
Cuckoo, n, buba
Cudgel, n, molamu, koto.
Cuff, n, *blow*, kotlo, tjabèlo, v., ho jabèla, otla
Culpability, n, molatō
Culprit, n., ea molatō
Cultivate, v, ho lema
Cultivator, n, molemi; *a good cultivator*, sehoai
Culture, n tsebo kapa thuto ea ho lema
Cumbersome, adj., e tsietsang ka bohōlō.
Cunning, adj., e hlalefileng, tletseng mano; *a cunning fellow*, seqoele-qoele; n, mano, thetso, lonya, bohlale, leqebo, bocholocholo, mahlale-hlale
Cup, n, komiki, mohope, senoelo, letōbōla.
Cupboard, n, lekese la ho boloka liphahlo.
Cupidity, n., takatso ea ho rua, takatso
Cur, n, ntja e mpe; motho e mobe.
Curable, adj., e ka folisoang, thusoang.
Curate, n, moruti oa Kereke ea England.
Curb, v., ho tšoara, ho phōka mothō joaleka ha ho etsoa pèrè ka tōmo
Curdle, v, ho hoama, retha, hloèba
Cure, v, ho folisa, n, pholo, phoiso
Curiosity, n., kakamelo, makatso.
Curious, adj, e akamelang, makatsang; *to be curious*, ho akamela, lohothela.
Curl, n, lesosuoa, lengètsè
Current, n., matla a metsi a nōka; *the current is very strong*, nōka e matha ka matla.
Curse, v., ho rōhaka, tšela ka hlapa, hlapaola; n., thōhako, hlapa, tsuo
Curtain, n., lesela le sireletsang.
Curve, v., ho koba; n., kobamo.
Cushion, n, mosamo
Custom, n., mokhoa, tšoanelo.
Customs, n, plur., makhètho a ntho tsa khoèbo, tolo
Cut, v, ho khaola, sèha, hōma, ratha, *to cut grass*, ho hèla; *to cut wood*, ho bata patsi; *to cut a tree*, ho rèma, *to cut off*, ho arohanya; *to cut up*, ho retla, khèkhètha; *to cut out*, ho tlosa, *to cut short*, ho khutsufatsa, pōma haufi

D

Dabble, v, ho bapala metsing, ho kolobisa ka ho qopetsa hangata
Dagger, n, thipa ea ho hlaba.
Daily, adv, ea matsatsi 'ohle

Dainty, n., sejo se hlabōsehang, adj., e hlabōsehang; v., *to be dainty*, ho ipoula
Dairy, n, ntlo eo mabese a bōlōkoang le ho rekisoa teng.
Dam, n., tutulu e hahetsoeng ho thibela metsi, letamo; v., ho hahela metsi tutulu, thibela.
Damage, n., kotsi, tšenyo, tšenyehelo, thèko ea se sentsoeng; v, ho ntša kotsi, senya.
Damn, v, ho tsoa, rōhaka.
Damnation, n., kahlōlo, tsuo, thōhako.
Damp, adj., e mongobo, e metsi; n., mongobo, lesoe; v, ho kolobisa; ho felisa pelo, fokolisa, *he damped their spirits*, a ba felisa pelo.
Dampness, n., lesoe, lengalu, mongobo
Damsel, n, moroetsana.
Dance, v, ho hōbèla, tlala, etsa chao, suhla, tapa, tjeka; n., mohōbèlo, chao, mosuhlo, setapo, motjeko.
Dandle, v., ho setaka, ho bapalisa ngoana, koetsa.
Dandy, n, lekaakō, ea ratang ho apaia ka bokaakō
Dandyism, n, mabela.
Danger, n, tsietsi, lekaqabetsi, kotsi.
Dangerous, adj, e tšabisang; *we are in a dangerous place*, re mothuleng.
Dangle, v., ho lepèlla.
Dapper, adj, e nyenyane, e hlaha, mafote-folo, chatsi.
Dare, v, ho tiea pelo, beta pelo, se tšabe.
Daring, adj., e sa tšabeng letho.
Dark, adj, e lefifi, e ntšo, e sephiri, e lekunutu, e fifetseng, *to be dark*, ho re tšo! *to get dark*, ho phirima, fifala; *to be in the dark, (ignore)*, ho se tsebe.
Darken, v, ho fifatsa, silafatsa
Darkness, lefifi, botšo, sephiri, lekunutu, *a great darkness*, lefifi la nkho, la bonkantjana, lefifi la 'mōtō.
Darling, adj, e ratehang, n moratuoa, thatohatse, 'nake.
Darn, v, ho topa.
Dart, n, motsu; v., ho akhèla ka matla le ka potlako, fula, betsa, phosa; *to dart forward*, ho tlōlela pele
Dash, v., ho thulanva, hasa, *to the ground*, ho lahlela fatše, *to dash to pieces*, ho pshatla.
Dastard, n., lekoala, ea tšabang kotsi.
Dastardly, adv., ka bokoala.
Date, n., nako, letsatsi leo taba e hlahang ka lona; v, ho ngola letsatsi la ketso eo u e etsang.

Defying the doldrums

Sunday Times (Johannesburg) 25/9/77

By TONY KOENDERMAN

WHILE many sectors of the plant hire industry are languishing in the doldrums, the Richard Goldman group is going on a R4-million spending spree which it hopes will make it one of the biggest companies in the industry

The group has expanded its light plant division (concrete mixers and dumpers) by taking over a fleet of 19 machines from Sambron, an importing company which has got out of the hire business

And it is planning to buy another 200 tipper trucks over the next three years

Mr Goldman says the group is kept busy by concentrating on neighbouring countries and homelands, where there is a lot of infrastructure development taking place

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Deadly, adj., e bolaeang, shoesang.
Deaf, adj., tsèbè-tutu, ea thiba-neng litsèbè
Deafen, v., ho thiba e mong litsebè.
Deafness, n., ho ba tsèbè-tutu, ho thibana litsèbè
Deal, n., sekoto, karōlo, bongata; v., ho arōla, etsa, sebetsa; *I have a great deal of work to do*, ke na le mosebetsi o mongata hahōlō; *he dealt well by me*, a nketsa hantle
Dear, adj, *expensive*, e thèko e thata, ea bohlokoa, e hlokoang; *beloved*, e ratoang, n, *my dear*, 'nake, ntšo'eso

Falling car sales dampener on recovery hopes

RDM. 14/10/77

(192)

By CHRIS CAIRNCROSS
Industrial Editor

NEW car sales in September slumped more than 8% on the previous month's performance, dashing motor manufacturers' hopes that the marked improvement in August's sales indicated that a recovery was on the way.

The downturn brought renewed warnings that irreparable harm could be done to the motor industry if the Government did not take steps to provide some stimulation to the sector

Attendant with this is that more employees within the industry may have to face the axe before the end of the year

The slide in September vehicle sales does not offer much support to those optimistic forecasters who have been predicting that a mild all-round recovery is likely in the latter months of the year

At best the performance can only suggest that the economy may have halted its slide and is bumping along the bottom

September's new car sales were 14 400 compared with 13 860 in September 1976, but considerably lower than August's total of 15 361

Commercial vehicle sales in September totalled 7 219, against 8 327 in August and 9 637 in September last year

This means that car sales so far this year total 122 767, a drop of more than 14% on 1976

Commercials have faired even worse, with this year's total of 69 046 showing a drop of 23% on the equivalent period last year

Combined passenger and commercial vehicles sales for the year, at 191 813, are the lowest for any nine-month period since 1969

Mr Theo Swart chairman of the National Automobile Dealers Association, commented that both investments and jobs in the country's motor industry are in serious danger unless the Government provides some assistance

He said yesterday "Because of the motor industry's important role in providing employment, and also because it acts as a catalyst for so many other industries, the danger now exists that unless the Government stimulates the industry, irreparable harm could be done to existing investments The jobs of both whites and blacks in the industry could be threatened"

Mr Swart said the September downturn in sales was disappointing and confirmed his association's prediction that August's upswing was probably entirely due to the introduction of new models and not to any real recovery

Volkswagen overhauled Ford to take top billing for new cars With Audis at 1 012 outselling both Passats and beetles, VW's sales totalled 2 621 Ford's sales totalled 2 429

Sigma was third with 1 822, folowed by Datsun (1 569), General Motors (1 389) and Peugeot-Citroen (1 104)

Datsun again topped commercial vehicle sales with 1 432, followed by Toyota (1 370), Ford (1 175) and Sigma (951)

Ford remained at the top of the combined car and commercial sales with 3 604, followed by Volkswagen (3 142), Datsun (3 001), Sigma (2 773), Toyota (2 139) and GM (2 065)

Govt urged to stimulate industry

Threat looms to car trade jobs

Bus. N Mercury 14/10/77

(192)

JOHANNESBURG — Investments and jobs in South Africa's motor industry will be threatened unless the Government takes steps to stimulate the industry Mr. Theo Swart, chairman of the National Automobile Dealers' Association (Nada), said yesterday.

Mr Swart was commenting on the latest motor vehicle sales figures. A total of 14 400 passenger cars was sold in September this year — a drop of 8,1 percent compared with August, although 3,9 percent higher than with September last year.

Commercial vehicles reflected unit sales of 7 219 A drop of 13,8 percent from August and 25,1 percent lower than September 1976

Year-to-date passenger car sales are 122 767, a drop of 14,1 percent against the equivalent period last year, while commercial vehicle year-to-date sales of 69 046 reflect a drop of 23 percent over the equivalent period last year.

The combined passenger and commercial vehicle sales for the period January to September (191 893) are the lowest for any nine-month period since 1969, when combined sales for the equivalent period were 184 581

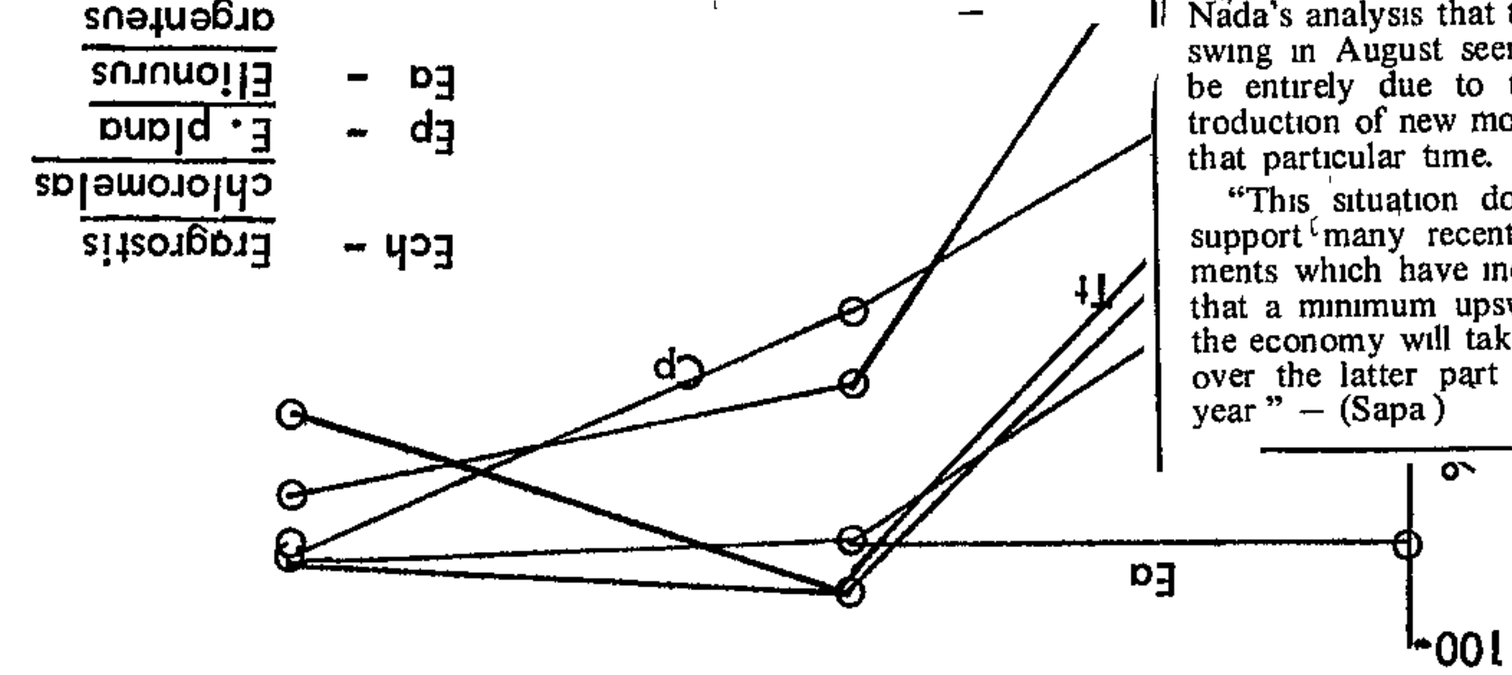
"Because of the motor industry's important role in providing employment and also because it acts as a catalyst for so many other industries, the danger now exists that unless Government sees fit to stimulate the industry, irreparable harm could be done to existing investments and the jobs of both Whites and non-Whites in the industry could be threatened," said Mr. Swart

Suggestions

"Vehicle manufacturers and dealers are aware of this situation and certain appropriate suggestions have already jointly been made to Government to assist in some way to alleviate the position in the interests of both the motor industry and the country as a whole.

"The downturn of sales in September was most disappointing but does confirm Nada's analysis that the upswing in August seemed to be entirely due to the introduction of new models at that particular time.

"This situation does not support many recent statements which have indicated that a minimum upswing in the economy will take place over the latter part of this year" — (Sapa)



HEAVIES TAKE A MIGHTY KNOCK

Natal Mercury 29/8/77 (192)

Motoring Editor

cial port

THE YEAR 1977 is one which the commercial vehicle trade is not going to forget. For during the first six months of 1977 the commercial vehicle market, particularly in the heavy truck and bus sector, has wound back eight years to 1969.

That is how far back one has to go to find similar sales results as those recorded by the market between January and July this year.

According to the latest sales charts put out by the National Association of Automobile Manufacturers of S.A. (NAAMSA) only 53 455 sales were made in the first seven months of 1977, nearly 23 percent down on the sales recorded during the similar period of last year.

the state of the market are not difficult to find

"Primarily the poor results can be attributed to the economic downturn which has resulted in very low levels of industrial activity in the country and the uncertain political conditions which have contributed to a low level of confidence in the business sector," says Mr Jim Fry, director of vehicle sales and service for General Motors South Africa

Ford has found a small ray of light in the current agricultural boom however "Demand for heavy trucks from the agricultural sector has increase

[illegible]

small [illegible] found [illegible] "[illegible] general" [illegible] now based [illegible] commercial vehicle [illegible] [illegible] general [illegible] [illegible] some [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

"There is some hope, though," says John Moss, executive director of Intertruck Group. "During the period April to June there was a slight upward trend but it is too early to assess whether it will continue.

"In 1976 we had a similar upward trend but from July there was a dramatic downward swing in line with the economy."

Popular

Sales [illegible] overall in 1976 [illegible]

Motor industry men meet for vital discussions

D.D 24/10/77 (192)

Today sees the start of a week's deliberations by delegates to the annual congress of the Motor Industries Federation and the South African Motor Industry Employers' Association here.

With the motor industry being, probably, the worst hit in South Africa by the present depression, obviously the talks will be in a serious vein and probably most markedly lacking in humour. And who can blame them?

The motor manufacturing industry came to South Africa at the plea of the then Government of the country, in order to reduce imports and, more important, to provide vital employment.

The industry carried out their part of the bargain, but the Government — ever anxious to seek ways of finding more cash to spend on its own projects and ideologies — can hardly be said to have played the game with the industry.

Instead of giving major tax concessions (admittedly some concessions were made according to local content) they have hammered the manufacturers — and through them the dealers and components' manufacturers and dealers — with ever increasing taxes on the finished products, thus putting motor vehicles further and further out of the financial reach of the man in the street.

And it has extended even beyond that with the disproportionately high, and ever increasing cost of motor fuel — not all of which can be attributed to the overseas oil producers. Much of that increase has gone, and continues to go into Government coffers.

This and the following two pages by the Daily Dispatch Motoring Editor, Reg Williams, is a tribute to the Motor Industries Federation and the SA Motor Industry Employers' Association, who start their week-long annual congress here today.

Billions of rands have been invested in the South African motor industry in one form or another, the return on which is frighteningly poor No blame could be attached to any branch of the motor industry in this country if it closed down and invested what little monies it might have left in safe, low interest investments — even building societies' daily savings accounts would bring them a better return!

One way of easing the situation would be for the Government to withdraw all forms of taxation and customs duties from motor industry products Even if the fuel price remained as high as it is, at least more new cars would appear on our roads, and fewer dangerous "old crocks", which would also be a positive factor in the ever present and necessary road safety campaign

Whatever criticism is levelled at the Government during this week's congress will be warranted, and it is to be hoped that delegates will not pull their punches, but lay the blame where it truly belongs — at the feet of our economically short-sighted Government

What they will be talking about all this week

In a press statement, Mr J H van Huyssteen, director of the Motor Industries Federation and general secretary of South African Motor Industry Employers' Association, said that, with a background of one of the worst industry recessions in memory, top motor trade executives and employers will gather in East London this week for the annual conferences of the Motor Industries Federation and the South African Motor Industry Employers' Association

Major industry subjects which will be examined include

1 The continuation of the fuel restriction measures, with particular reference to the selling hours of petrol,

2 Consumerism, with particular reference to the image of the industry in the eyes of the motorist,

3 The proposed introduction of the "turnover tax" and how this will affect the motor trade,

4 The general state of the economy, and the effect that this is having on the motor trade, both now and in the future,

5 The approaches being made to Government to ask for a relaxation of the conditions of hire purchase and private leasing of motor vehicles,

6 The possibility of the scrapping of resale price maintenance on such industry items as tyres,

7 The trade's approach to merchandising to the motorist, in the light of the dramatic changes which have been taking place in the market

Subjects to do with the employer-employee relationship in the industry include

a The training of both white and non-white to meet the new needs of the industry,

b The responsibilities of the motor trade employer in these recessionary times, with particular reference to the rise in unemployment,

c The recent commissions which have been studying labour matters,

d A proposal for the introduction of a training levy to assist in the education of motor apprentices

On the first day of congress week today the eight constituent bodies of the Motor Industries Federation will hold their annual meeting

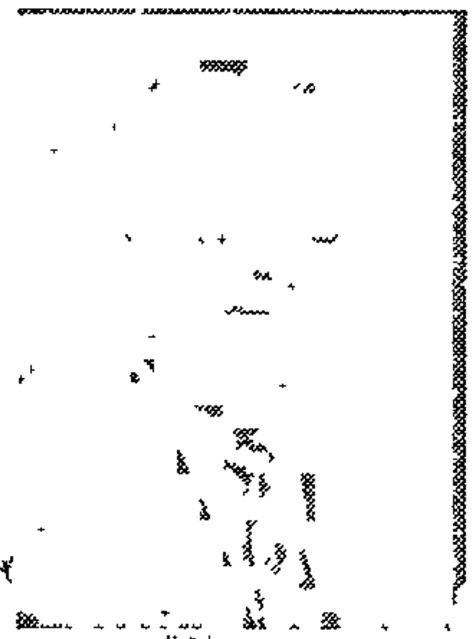
The official opening of the joint congress of the MIF and SAMIEA takes place tomorrow at 11 a m, and will be performed by Mr Noel Phillips, president of the National Association of Automobile Manufacturers of South Africa (NAAMSA), who is also managing director of Volkswagen of South Africa

On the same occasion the presidential reports will be delivered by Mr George Hall, president of the MIF, and Mr Ernie Keevill, president of SAMIEA

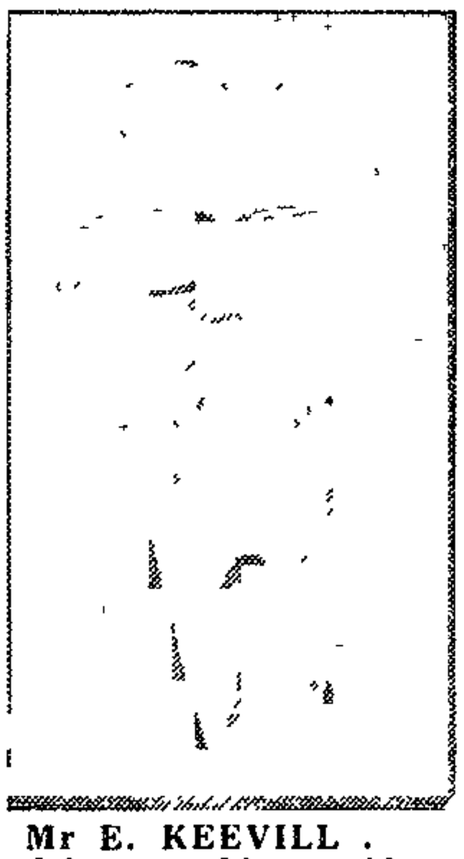
Tomorrow afternoon sees the start of the joint meeting of the national executives of both those bodies

The second half of the congress week is devoted mainly to meetings of the employer body, SAMIEA, and discussions between them and the trade unions, and a sitting of the national industrial council for the motor industry.

A social highlight of the week will be the annual MIF-SAMIEA banquet, to be held tomorrow evening Guest speaker at this function will be Rhodesia's Minister of Manpower and Social Welfare, Mr Rowan Cronje



MR NOEL PHILLIPS . . performing the opening



Mr E. KEEVILL . delivering his presidential address.

Mine host

With the annual congress being held in East London, the burden of responsibility for its organisation falls upon the shoulders of the chairman of the joint divisional executive committee of the Motor Industries Federation and South African Motor Industry Employers' Association (Border division), Mr E. G. Grenfell, who for the whole of this week could be called "Mine host".

Mr Grenfell, who was born and bred in East London, is a member of an old local family, which has been here for the past 100 years — he is third generation.

He was educated at Cambridge High School, and worked for the Mobil Oil Company for many years, eventually on the retail service station side of the business.

About ten years ago he took the plunge and entered the business on his own account by opening his own service station.

He immediately joined the MIF, and become involved in its committee activities about five years ago. Because of the small size of the division (as far as numbers are concerned) the two organisations come under the one committee, and Mr Grenfell is now in his second year as chairman.

Border's first national president

The Border's first and only (so far) national president of the MIF (then the South African Motor Trade Association) was East London's Mr R S Barnes, for the year 1936-37

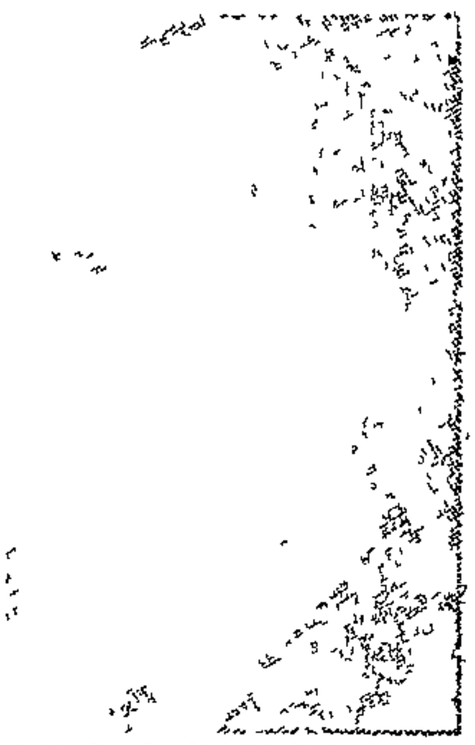
An East Londoner born and bred, he was then manager of Barnes's Garage, and had been a member of the East London and Border division executive for more than 17 years prior to his election

He was chairman of that executive eight times up to 1936 and in 1928-29 had been elected vice-president of the national body He would normally have been expected to assume the office of president following this, but was unable to do so for business reasons, until 1936

It is interesting to note that at the end of his year of office, Mr Barnes was able to say in his presidential report to the annual congress

"The year has been the most successful in the history of the motor trade and in the history of our Association.

"Business has boomed to an extent which it is possible not only for you who have your businesses in Johannesburg and on the Reef to fully appreciate but also throughout the country there has been a substantial revival of business during the past two or three years, which has placed the country trader in a much better position than he has ever been.



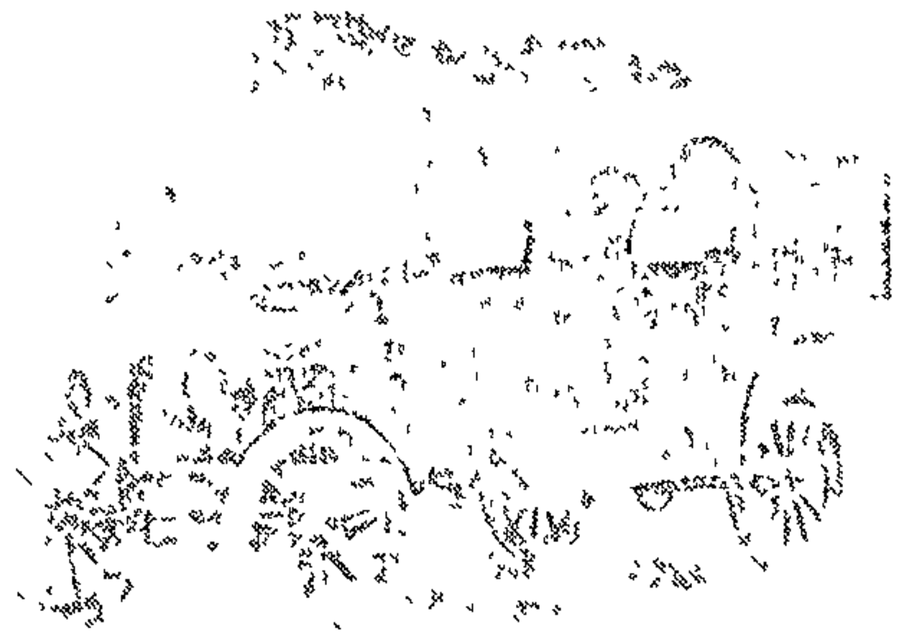
MR R S BARNES . . . as president in 1936.

"Reading through the Budget speech delivered by the Minister of Finance last week we realise how valuable the motor business is to this country. Mr Havenga several times during his speech referred to the considerable increase in Customs duties derived from the motor trade In all branches imports were up and you get some idea of the value of our business to the Government when you reflect that it was the Minister's statement that the reduction of a penny on duty on petrol meant a loss to the Treasury of half a million pounds.

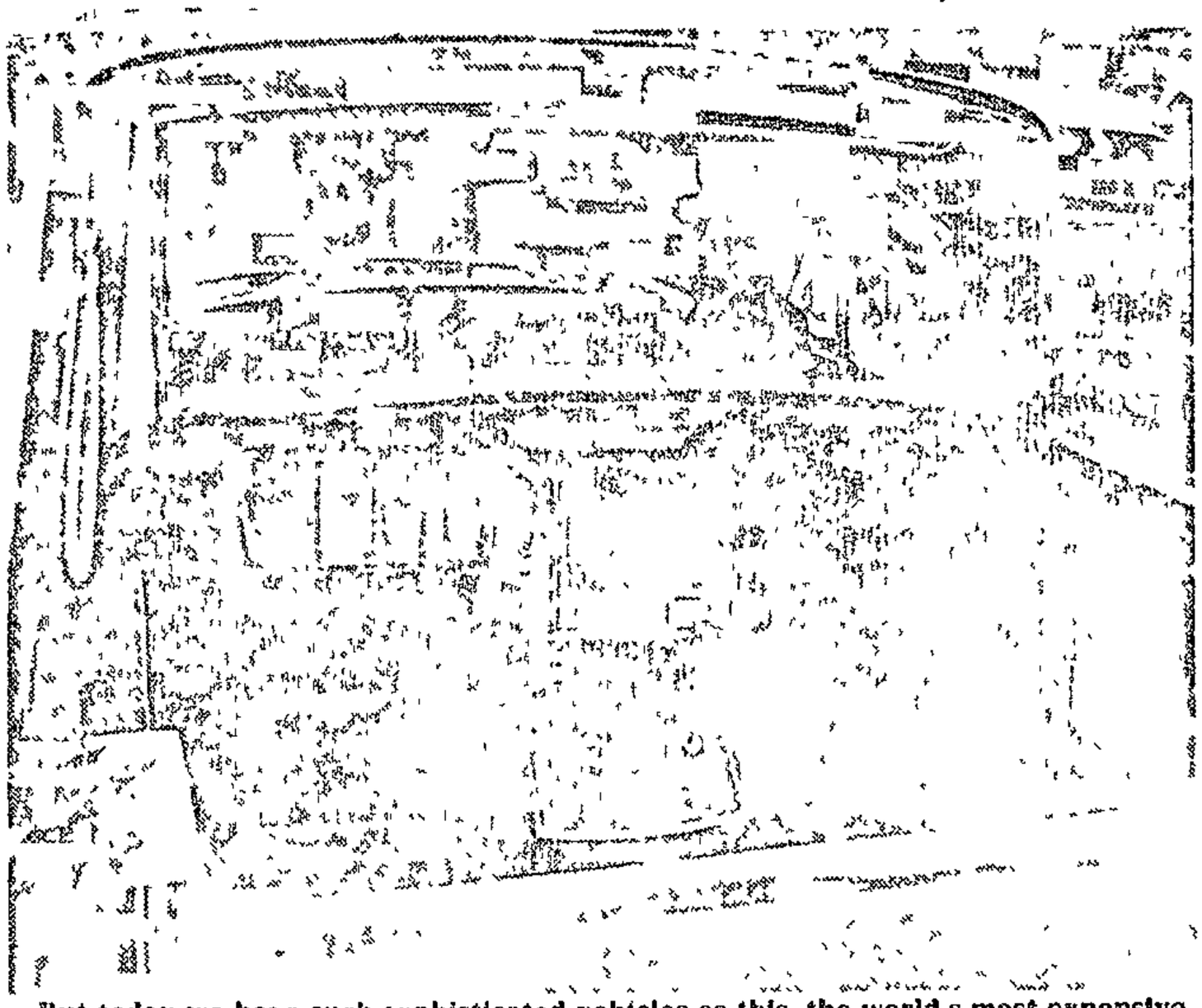
"... the sales of cars, commercial vehicles and motor cycles for 1936 reached the astonishing total of [illegible] which is nearly [illegible] greater than for 1935 and 17 000 more than the total for 1934 "

And in 1936 the imports of petrol and crude oil totalled 196,5 million gallons — practically double the 1934 figure

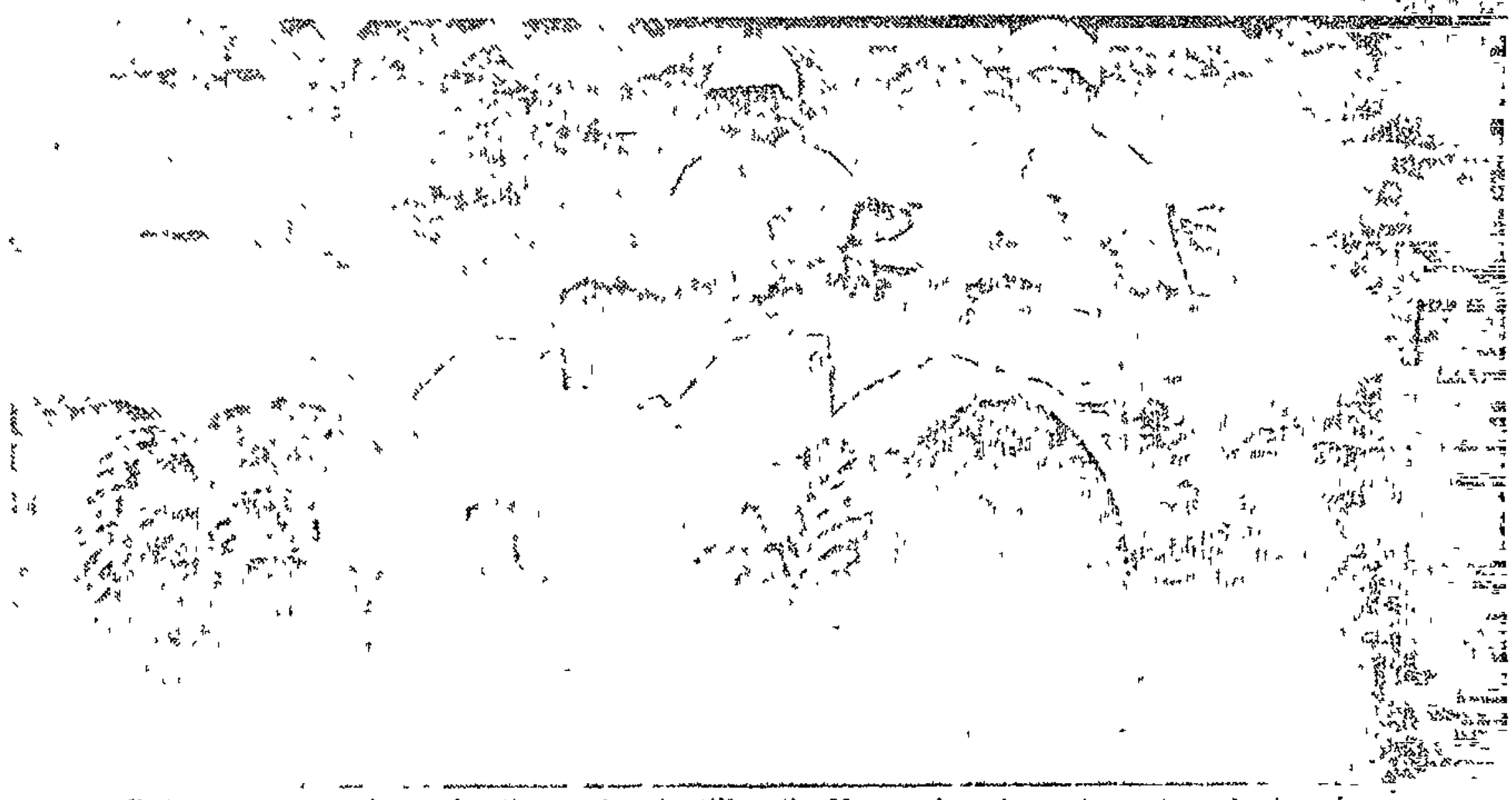
What a pity the congress cannot hear a similar story at this week's meetings in East London.



Were it not for Henry Ford, the masses would have had to wait much longer to become enthusiastic motorists, such as these three in their "any colour, as long as it is black" Model-T, taken in East London before the MIF was formed



But today we have such sophisticated vehicles as this, the world's most expensive Rolls Royce, complete with television, stereophonic radio-tape player, cocktail cabinet, in fact all mod cons — for a mere R125 000! And unlike the Fords, this is still hand made.



But cars are not only earthly things This is still on the Moon, where it was taken to and ridden by American astronauts A far cry from the Model T . . . but what comes next?

Motor industry joins pleas for boost by State

(192) ~~(228)~~

Star 25/10/77

Michael Chester, Financial Editor

The motor trade today formally joined the queue of business sectors seeking priority in Government measures to stimulate the economy.

Mr George Hall, president of the Motor Industries Federation, urged Mr Chris Heunis, Minister for Economic Affairs, to set the motor business behind only the building and construction industries in the selection of spheres intended to form a spearhead into recovery

He told the MIF annual conference in East London that the decline in new vehicle sales between mid-1976 and mid-1977 had been a drastic 24 percent

And he added warning that motor traders had no chance of relying on government protection from the fierce price competition promoted by the manufacturers and now sharpened by the entry of discount stores into the sales battle

Mr Hall said there were now signposts that price controls would be abolished as soon as the economy picked up, leaving it entirely to free market forces to regulate price levels

To aggravate the problems, total sales of vehicle replacement parts had slumped more than one-third, due to a combination of less travelling because of fuel restrictions and less wear because of speed restrictions

Moreover, the do-it-yourself motorists were increasing in numbers by leaps and bounds Often at the expense of service stations, about 30 percent of all South African motorists now carried out their own oil changes

UNEMPLOYMENT

Here, he had been alarmed to discover that nearly one-third of all the smaller filling stations had closed down in West Germany as supermarkets moved in on the sale of motor oil Did it indicate a trend?

The appeal for government action with economic stimulants was supported by Mr E J Keevill, president of the SA Motor Industry Employers Association

There was little doubt that unemployment had been a contributor to recent black unrest and it was vital to tackle labour-intensive projects with speed

Latest estimates of population growth indicated that as many as 9,3 million new jobs — 75 percent of them for black workers — needed to be created by the year 2000

Mr George Hall, president of the Motor Industries Federation . falling sales in cars and spares. Small garages may be driven to the wall.

DEGREE

e.g. (1) = first period, 8.30 - 9.15 a.m.

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Geology II (5)

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New deal for motor trade on the way

WHILE car manufacturers are reeling from September personal car sales figures and slightly improved figures for the early months of 1977, Government is sitting on a proposed blueprint which could radically alter the manufacturing base in the country.

Any moment now Mr Chris Heunis, Minister for Economic Affairs, is due to unveil a new set of guidelines intended to steer the whole motor industry on to a new route.

A new map is vital. The National Association of Automobile Manufacturers has calculated that the big 12 motor companies showed a combined loss of R31,9 million as the recession took real bite last year.

Noel Phillips, President of NAAMSA, fears that there may well be worse to come in the 1977 balance sheets.

I understand that Mr Heunis has now completed a review of the problem. Finding a solution that will make everyone happy, however is going to be impossible. Disagreements have been aired on virtually every item.

A fundamental ambition, of course, is to bring about rationalisation and untangle the traffic snarl of too many producers bunched into too small a market. None of the main 12 companies seems prepared to run up a white flag and withdraw. Much more likely is the compromise of mergers.

Chris Griffiths, chairman of Sigma Motors, created out of the R100 million merger of Illings and Chrysler SA, forecasts that the current 12 competitors must shrink to five at most and perhaps only four.

He argues that any manufacturer who hopes to survive will need a 20 to 25 percent slice of the market to be able to overcome astronomical fixed costs by sheer volume.

A Commission of Inquiry put to work by the Board of Trade also saw the sense of thinning out the number of competitors. Not least important among its conclusions was that reducing the competitor from 12 to seven would trim as much as R243 off the price of an average passenger car.

The argument was pursued with vigour by Professor P J Nieuwenhuizen, of the Rand Afrikaans University, who led a research panel commissioned by the Federation of Component Manufacturers Association.

The ideal formula, according to the panel, was a strip down to six competitors, each restricted to only three passenger car models and so push rationalisation even further by cutting the present proliferation of 42 models coming off South African assembly tracks to 18.

Since the motor manufacturers on the Johannesburg Stock Exchange list has dwindled to only one — Toyota — and since Toyota looks certain to be counted among the survivors, the interest of the private investor in who goes and who stays is relatively limited.

Much more engaging for the investor is the outcome of the arguments about which way the local content programme should go. This, of course, is vitally important to a whole host of companies which supply components to the motor plants and could easily lift turnovers by millions of rands a year.

For the moment, a pause has been called to allow the industry to digest a local content level of 66 percent for passenger cars. What now?

The Board of Trade Commission has come up with a formula that amounts to a manipulation of carrots and sticks to encourage the manufacturers to advance local content voluntarily — or else carry penalties in tax. It steers clear of fixing precise sights on next targets.

Professor Nieuwenhuizen and his team prefers a much more definite approach — a compulsory raising of the local content from 66 to 85 percent, no less, by the end of 1985 and sooner if possible.

Moreover, the panel strongly advocate that the local content programme is widened to cover the relatively large commercial vehicle production lines and enforce a 66 percent level.

What would it all entail? Professor Nieuwenhuizen reckons the extra capital investment needed could be held inside R190 million.

One particular plum he dangles before Mr Heunis is that the plan would create 12 000 new job opportunities — an aspect that obviously has a universal appeal.

But the plum for investors would be the promise of a lot more efficiency inside component manufacturing plants. Not only would it top up the real use of production capacity — down as far as 50 percent in some instances — in the big slice of vehicle sales but the longer production runs would mean infinitely better profit margins.

Investors would do well to look out for any message about the future course that Mr Heunis sets for the local content programme, comb the announcement for clues on which components fit the bill with precision (the combination of mass and/or value) and go back to looking at a whole variety of engineering shares.

D.D. 26/10/27

Phillips: trade took R36m dive

(192)

EAST LONDON — Motor vehicle manufacturers in South Africa have been hit by the recession this year to the tune of some R36 million, declared Mr Noel Phillips, managing director of Volkswagen and president of the National Association of Automobile Manufacturers of South Africa

Opening officially the annual congress here yesterday of the Motor Industries Federation and the South African Motor Industry Employers' Association, he said

"The 22 per cent drop in the car market in 1961 was difficult to digest, but did not have anything like the repercussions the current lower volumes have on this industry, several hundred million rands of investment and fixed expense later "

On the subject of taxation, Mr Phillips said : "The tax burden this industry is carrying has contributed considerably to price levels, buyer resistance, and lower volumes", and he posed the question if the industry had not been singled out disproportionately in this regard

"There is not another industry in this country that is subjected to customs duties, excise taxes, sales taxes, and now customs surcharge And in absolute amounts the total Government revenue burden per unit has increased in compound terms both with inflation and with higher duty rates.

"It must be realised that these are not, for the most part, luxury goods, and furthermore that they are price elastic "

He said unemployment was a growing concern, both from an economic and a socio-political point of view

On the industry in general, Mr Phillips said : "It might not be going too far to say that, in fact, this industry is in a rather worse position than most people realise, and here and there might well be teetering on the brink of some real disasters.

"This may sound dramatic, but most manufacturers, many dealers, and no doubt certain suppliers would not disagree with such an assessment " — DDR.

Argus 25/10/77.

SA motor industry fears disaster

(192)

The Argus Correspondent Argus 25/10/77

EAST LONDON — The motor industry might well be teetering on the brink of disaster, the president of National Association of Automobile Manufacturers of South Africa (Naamsa), Mr Noel Phillips, said here today.

Mr Phillips made this gloomy assessment of the motor industry when he opened the annual congress of the Motor Industries Federation here.

This may sound dramatic, but most manufacturers, many dealers and no doubt certain suppliers would not disagree with such an assessment,' Mr Phillips said

Prospects for the future were largely dependent on political development inside South Africa, elsewhere in Southern Africa and in the Western World as it affected this country,' he added

POTENTIAL

We have enormous growth potential — this is unquestionable — our resources, materials, people, know-how and entrepreneurship are all here

'But in addition we need two elements that are less controllable and politically dependent — firstly, uninhibited international trade and foreign capital inflow Without this, any growth rate approaching our potential is impossible

'And secondly, we need confidence — confidence to buy and confidence to invest Without this our growth potential can never be realised'

Mr Philipps said that even if South Africa met the great political challenges ahead of it, it was still a large question mark whether an unsympathetic, prejudiced and hypocritical world would give the country credit for what it had done

Mr Phillips predicted an average gross domestic product (GDP) growth rate for the next few years Such a growth rate was not likely to generate a unit vehicle sales growth of more than about five to six percent

'Such a trend, incidentally, would mean a return to the 1975 market levels only in 1982 Even a slight catch up from the low levels of the past two years would only shorten the period by a year'

MOST IN RED

As far as car manufacturers were concerned some companies might be in the black, but Mr Phillips surmised that none was making even near satisfactory returns while most seemed to be in the red

'From this position each manufacturer is fighting for survival in the market-place, and simultaneously fighting for survival of his dealer organisation, an asset which is a prerequisite for his own survival'

Mr Phillips foresaw that the trend to diesel vehicles was likely to continue for some time, and that most manufacturers would offer such engine options in both passenger and light commercial vehicles

As far as the electric vehicle was concerned, Mr Phillips felt that it was a long way away as a volume seller for normal use

D.D. 26/10/77 (192)

9m new jobs needed by 2 000 — motor man

EAST LONDON — Some 9,3 million jobs, of which 75 per cent would have to be for blacks, needed to be created between now and the year 2000, Mr E. J. Keevill, president of the South African Motor Industry Employers' Association, told delegates and guests when delivering his report to the annual congress here yesterday.

"This is a formidable task facing South African entrepreneurs, and emphasises the need for further industrial development and growth in this country.

"The present recession, with unemployment as one of its most serious by-products, has undoubtedly hit us at a most inopportune time.

"There can be little doubt that the unemployment situation among the blacks was a contributing factor in the recent black unrest A man without work can easily be incited and, in any event, has little to lose.

"It is, therefore, essential that the Government should no longer delay action to reflate the economy, despite the danger that the rate of inflation will increase.

"Unemployment offers the authorities a golden opportunity for tackling labour intensive projects with little or no drain on the country's foreign reserves. I have in mind, particularly, housing schemes for non-whites and electricity schemes for black metropolitan townships.

"Unless this action is taken, unemployment among non-whites could become the breeding ground for further political unrest In addition, a reflation of the economy would generate confidence at home and abroad — something which is desperately required at this point in time."

Mr Keevill urged employers to avail themselves of the facilities provided by training courses for blacks at various training centres

Mr Keevill also spoke of international contact. "At a time when every endeavour is being made to isolate this country on all fronts, I believe those of us who are still fortunate enough to participate in international organisations or bodies, should grasp any opportunity with both hands to strengthen those ties and relationships" — DDR.

D.D. 26/10/77

MIF warned on instability threat

(192)

EAST LONDON — In his presidential address to the annual congress of the Motor Industries Federation here yesterday, Mr George Hall said that, as businessmen, delegates knew that instability constituted an enormous threat to the industry of any country

"It will thus be unwise for us not to take cognisance of the fact that, unless and until Southern Africa has resolved certain of the major political issues confronting her can we really expect a considerable improvement in economic conditions

"Once these problems have been resolved we will be able to restore international confidence, with a resultant inflow of available funds from external sources "

He said the Federation welcomed suggestions of selective stimulation of the economy. "Next to the building and construction industries, I believe the motor industry is next in line for such treatment."

He said costs and prices were rising faster than incomes of potential vehicle buyers, which had led to a drastic deceleration in the sale of new vehicles — a decline of 24 per cent for the year ended 30 June 1977.

"My prediction is that while the South African vehicle market three years ago reached a point very near to saturation, we are going to find an extraordinary demand for new vehicles once we really experience an upswing in economic activity.

"We will, nevertheless, have to accept that certain changes in trading methods that were born out of the recession will not disappear.

"If I read the signs correctly, price control will, as soon as the economic conditions permit, be abolished altogether and it will be left entirely to free market forces to regulate price levels for almost all commodities.

"We will, therefore, to an increasing degree, find that certain sections of the commercial and distributive trade will utilise automotive commodities as loss leaders to stimulate and attract business " — DDR

D.N. 26/10/77 (192)

Cronje: armies are growing, babies dying

Three main speakers at yesterday's dinner in East London of the Motor Industry Employers' Association were Mr Noel Phillips, president of the MIEA. Mr Phillips said [illegible] the joint national congress of the South African Motor Industry Employers' Association, [illegible] managing director of [illegible] president of the MIEA. — SAMIEA

EAST LONDON — Millions and millions are being spent on the build-up of armies, arms and weapons, while more than 20 per cent of African babies throughout the continent are dying from hunger

This was stated last night by the Rhodesian Minister of Manpower and Social Welfare, Mr Rowan Cronje, when he addressed members and guests at the annual banquet here of the Motor Industries Federation and the South African Motor Industry Employers' Association

A few years ago Mozambique was a food exporting country — in fact, agricultural exports constituted 70 per cent of its foreign exchange earnings Mozambique is now suffering from famine

"Africa should note that Russia herself cannot sustain her own population and, in fact, at regular intervals has to import millions of tons of grain and wheat from the USA

"Socialism, in fact, has failed everywhere It is a lesson for the learning

"It is in such a world that we in Southern Africa, particularly Rhodesia and South Africa, who maintain the highest standard of living, housing, social and educational facilities available to all peoples on this continent, that are being criticised by sanctimonious politicians and political bodies who dare not look at their own countries

"To many of them, personal power, glory and ideology are more important than the well-being and progress of their own people and the real development of their own countries

"Russia can give guns, but not food, revolution, but not progress, destitution, but not development, suffering and misery, but not freedom

Referring to international pressures for change in the name of freedom, dignity and human rights, Mr Cronje said, "all that has been achieved in many countries is the establishment of elite, minority cliques, which is a more repressive regime, allowing less freedom, less dignity, less development, and less human rights than at any time during this century, a dramatic collapse in economic development, food production and services

"In fact, with justification, one could say to the United States, name us the country in Africa on which you would like us to model our future where your ideals and ideologies will be met?"

He emphasised that the most important and terrifying problem was not a political, but a human one for his country

"There is no other country in the world which has the potential, natural and human resources as Rhodesia.

"But if the present population growth, which is the highest in the world, is not curbed, we face absolute disaster. And not long term disaster — I mean disaster by the end of this century," he said. — DDR.

MANUFACTURING
MOTOR

AUGUST 1977 - DEC. 1978

Local content statement

RDM 8/11/77 (192)

By GERALD REILLY
Pretoria Bureau

A STATEMENT detailing Phase Five of the local content programme in the motor industry is expected later this week

The Minister of Economic Affairs, Mr Heunis, is expected to outline the plan when he addresses the Natal Chamber of Industries in Durban tomorrow

Phase Five is expected to be introduced from January, 1979, with a target figure of about 78% local content

Motor industry sources consider it probable that light commercial vehicles will for the first time be placed on a local content basis, with an initial target of about 30%

The sources expect that the local content recommendations in the Board of Trade and Industries report on the motor industry will be followed when Phase Five is introduced

This makes provision for encouraging manufacturers by excise duty incentives to reach the target figure without the pressure of a deadline and the penalties if it is not met

"It's the carrot without the stick," says a motor industry executive

Phase Three of the local content programme which provided for 66% ended in 1976 Phase Four — 1977 and 1978 — is a standstill period, decided on to give manufacturers ample opportunity of attaining the 66% limit

MOTOR TRADE FM 11/11/77

Wholesale war

(192)

Auto spares wholesalers are mounting a nationwide campaign to check the customer drift towards supermarket do it-yourself counters They want to keep the business within the conventional garage and repair shop distribution system

With streamlined marketing, image-building advertising and brighter outlets, the 48 strong National Automobile Parts Association (Napa) also hopes to regain much of the trade already lost to discounters cashing in on fast-moving parts such as spark plugs, wipers and fan belts

What the independents are after through their growing Johannesburg-based central buying office is a bigger share of the R385m spent annually on parts and accessories by spares shops and handy motorists

"We're telling traditional wholesalers to move with the times, or go out of business," says Napa MD George van Loeper.

Handling browsing and often non-technical customers is not an easy task for wholesalers who for decades have dealt only with garages and spares shops.

Napa chairman Reg Coleman stresses that wholesalers want to take spares shops and garages along with them in the counter-attack on supermarkets.

Warnings from Riley & Cruikshank chairman Derek Riley on what has happened to the spares business in other countries are likely to jolt even the most tardy and traditional wholesaler into defending his position.

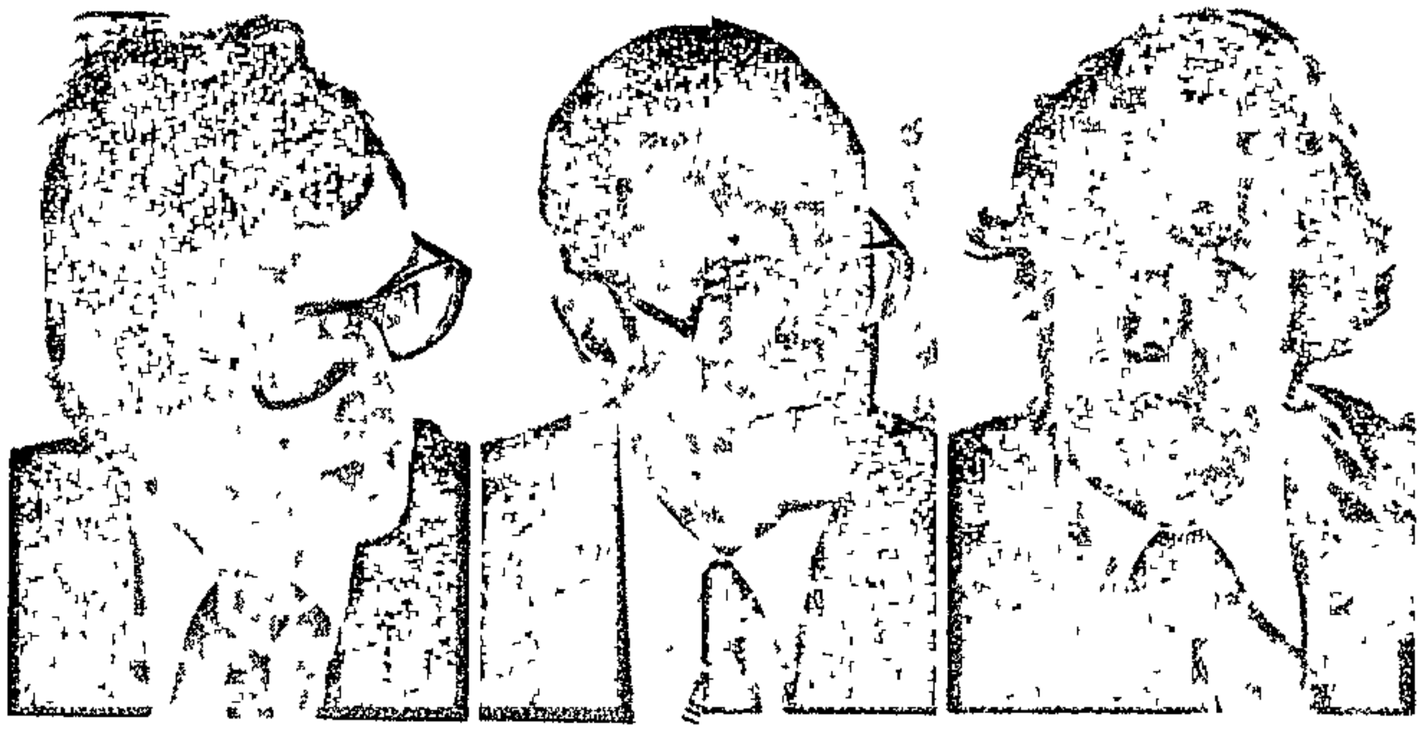
"In the US 20 years ago, only 26% of spark plugs were bought by do-it-yourselfers Now 47% are picked up in retail stores and fitted by motorists themselves. There is a similar trend in the UK and Germany," says Riley

With other parts — condensors, filters, disc brake pads — trending the same way, Napa's eight-man policy committee is convinced that the only way to beat supermarket incursions is to tackle the opposition on its own ground

Out of the convention have come decisions for members to channel more (if not all) their business through Napa; add extensively to its already wide range of products, and concentrate on more computerised ordering

Each member's R200 share in Napa pays him into a strong bulk-buying organisation (with major component suppliers) which, by holding virtually all parts likely to be needed in the SA market, also cuts the amount independents have tied up in space and inventories

"Members stock fast moving parts while being able to call quickly for other items through the main depots," says Napa executive director Wolfgang Benz



Napa's Benz, Coleman, Van Loeper . . moving with the times

Cars boost falls flat

The motor industry isn't exactly running out the champagne this week, despite government's gentle (if hopeful) boost to car sales by easing HP requirements

Motor manufacturers in fact have been mulling over the latest sales figures (see table) and reaching for the aspirins

And so far the public hasn't reacted to easier HP and rushed to the dealers bearing lots of folding stuff

As far as sales figures go there's little cause for cheer October's combined vehicle sales leader is Ford, with 3 511, followed by Volkswagen (2 723) and Datsun (2 625)

Only Ford's acting MD, John Dill, shows any ebullience, since the Cortina model (1 545 sold last month) has been the top selling car line for the sixth successive month Ford also tops the to-date combined total vehicle sales with 32 202 It's followed by Datsun (31 637), VW (27 442) and Toyota (27 224)

Otherwise, Economics Minister Chris Heunis's remarks of last week have met with guarded approval from the motormen though some agree with Ford in saying "The projections we had for next year incorporated such other stimulants as those aimed at the building industry" Rueful, but not scathing

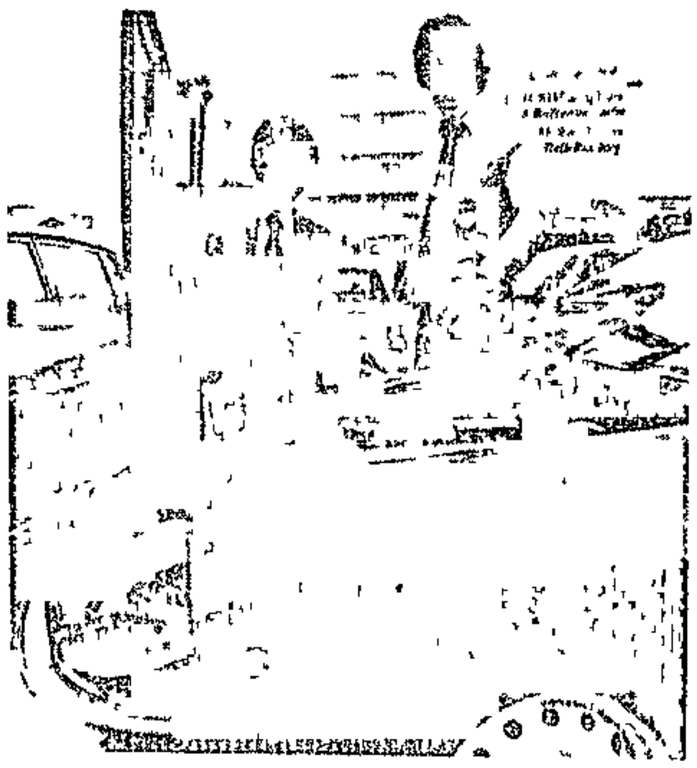
Volkswagen, too, awaits details on tax proposals and welcomes the extended HP repayment periods which "should be of some assistance" It also views with some trepidation the substantial investments required (for an extended local content programme) before 1980 while still facing "abysmal volumes and considerable economic and political uncertainty"

Datsun MD Peter Whitfield quantifies those investments in estimating that to take a commercial vehicle to the 1980 local content percentage will probably require an additional investment of R2,5m-R3m for each line Others, such as combies and the Hi-ace will, he estimates, require a further investment of between R8m R10m per model

That does not include probable investments by component manufacturers which, adds Whitfield, are underutilised anyway He sees no significant further investment on passenger cars.

Leyland would like to have seen "some relaxation of the restrictions on private leasing and a reduction in borrowing costs". It also proposes that existing sales taxes and excise duties should be combined and collected at retail level

And when it comes to crystal ball time few manufacturers reckon that next year, in terms of sales, will be any better Most agree with Leyland in predicting a bare 10%-15% growth, if that, for the following year too



A sales pitch the first this week?

Meantime, at retail level most, like David Lethbridge of Ronvale, view trade as "bloody awful". Eased HP restrictions or not, he says, make little difference The customer first asks "Can I afford the price?", not, "how am I going to buy it?"

Not that eased HP conditions make that much difference anyway. Lethbridge cites the example of a Colt Gallant His price (with no deals) is R5 270 against which a 25% deposit is required Former repayments over 30 months would have been R170,33/month Now, over 36 months, it works out at R148,83 a month Add extra interest charges and so what?

Ronnie Bass agrees His example is a secondhand car costing R3 200 Take off an R800 deposit and the monthly repay-

OCTOBER CAR SALES

	October	% of Market	September	% of Market	October 1976	% of Market
Ford	2 342	17,14	2 429	16,87	2 020	14,62
VW	2 170	15,88	2 621	18,20	2 079	15,05
Sigma	1 832	13,41	1 822	12,65	1 428	10,34
GM	1 655	12,12	1 389	9,65	1 335	9,67
Datsun	1 319	9,66	1 569	10,89	1 794	12,99
Peugeot/Citroen	1 046	7,66	1 104	7,67	959	6,94
Toyota/Renault	857	6,27	769	5,34	1 310	9,48
United Car	644	4,71	658	4,57	783	5,67
Fiat	625	4,58	653	4,53	466	3,37
Leyland	506	3,70	688	4,78	731	5,29
BMW	404	2,96	402	2,79	402	2,91
Alfa Romeo	253	1,85	288	2,00	452	3,27
Other	8	0,06	8	0,06	15	0,11
			(Plus 40 Volvo sales last year)			0,29
October total	13 661	(1,11% down on 13 814 last year)				
Jan Oct	136 428	(12,99% down on 156 802 last year)				
September	14 400	(October 5,13% down)				

LEADING COMMERCIALS

	October	% of Market	September	% of Market	October 1976	% of Market
Toyota	1 400	19,94	1 370	18,98	1 812	20,33
Datsun	1 306	18 60	1 432	19,84	1 694	19,00
Ford	1 169	16,65	1 175	16,28	1 197	13,43
GM	778	11,08	676	9,36	1 174	13,17
Sigma	745	10,61*	951	13,17	788	8,95
VW	553	7 88	521	7,22	626	7,02
Leyland	421	6,00	431	5,97	691	7,75
Peugeot/Citroen	268	3,82	261	3,62	278	3,12
United Car	206	2,94	219	3,03	333	3,74
Fiat	45	0 64	6	0,08	21	0,23
Int Harvester	36	0,51	49	0,68	131	1,47
Man	31	0,44	41	0,57	19	0,21
Erf	18	0,26	16	0,22	15	0,17
Oshkosh	17	0,24	13	0,18	37	0,42
Fodens	15	0,21	22	0,30	9	0,10
Magirus-Deutz	7	0,10	20	0,28	51	0,57
Malcomess-Scania	5	0,07	13	0,18	9	0,10
VSA	1	0,01	—	—	—	—
Lawsons	—	—	—	—	4	0,04
Other	—	—	3	0,04	16	0,18
October total	7 021	(21,25% down on 8 915 last year)				
Jan Oct	76 067	(22,85% down on 98 590 last year)				
September	7 219	(October 2,74% down)				

ments work out at R103 50 and R90 17 respectively

Maxie Ephron comments on the erratic market saying "If today s been good tomorrow s going to be bloody terrible Nevertheless, he broke away to give the *FM* a run down on an Alpha 1300 II Special List price is R4 995 he says Knock off the required R1 249 deposit and there's R3 746 outstanding Under the old 30 month scheme repayments would have been R161 53 a month Today a 36 month period will give a pay back of R140 72 a month However, former interest charges would have totalled R1 100 while today s will come to R1 320

Swings and roundabouts In round figures you re in by R20/month and out by R220 in total As Ronvale s Leth bridge asks "So what s the difference?"

(192) FM 18/11/77

TOYOTA/PEUGEOT DEAL?

Latest word from the motor industry is that Peugeot/Citroen and Toyota are talking of merging production facilities

Suggestion is that by the middle of next year all Peugeot/Citroen production will have shifted to Motor Assemblies in Natal The Natal plant is 85% owned by Toyota with the remaining share lying with the McCarthy dealer group

Motor Assemblies, currently thought to be working at around 50% capacity, produces all of the Toyota range and Renaults, and will go on producing some Mazdas through until next year

Clearly, negotiations are at a delicate stage, not least because successful completion of the proposed deal will spell the end of Peugeot/Citroen's Alrode plant

Either way, the Alrode plant is now working at about 60% of capacity in producing about 70 cars a day Talk is, too that the Peugeot 404 is to be discontinued by next July leaving the 504s LDVs and all of the Citroen range for manufacture in Natal

There's also speculation on the financial inducement offered to Peugeot/Citroen to move from its older, and therefore amortised, plant and to leave the key Reef market for Natal

Costs involved in such a move will obviously not include re tooling, only re arrangement of the Natal plant and transport costs

One wonders where this leaves Mercedes Four months or so ago word was that the company was talking to Peugeot/Citroen on the subject of joint production, too Those talks apparently broke down and today only talk of "sales rationalisation" is mentioned in the industry

MF sales up 6,6pc but profit halved

DESPITE a small increase in sales to R63 million during the year ended October 31 Massey Ferguson's net income was nearly halved at R1,1 million

While conceding top place in the tractor market to Ford during the second half of the year sales of tractors rose by 7 per cent implements 6 per cent plant 10 per cent and construction machinery 21 per cent Exports were also up by 16 per cent

The decline in profits however was attributed in the annual report to the drop in sales of the Slattery subsidiary company an increase in the cost of goods sold as a percentage of net sales and a rise in marketing administrative and general expenses

Massey Ferguson has had a lean time since it achieved record sales and profits in 1975 Last year saw a 9 per cent drop in sales and a 54 per cent fall in net income And the increase in sales of 6 6 per cent this year was not enough to match the decline in the value of money

However the second half of 1977 showed a marked improvement on the first with sales up from R29 million to R34-million and a R48 000 loss being converted into a R1,2-million profit

By TONY KOENDERMAN

Average monthly inventories during the year were R5 8 million down on 1976 (R8 2 million) at the end of 1977 but stock turnover improved from 1 2 times to 1 6 times

Average assets of R52-million employed in 1977 were down R5 3-million from the previous year and working capital at year end was R19 7-million compared with R22 5-million in 1976

The directors noted that climatic conditions during the year were generally favourable for the farm machinery market which provides 89 per cent of sales The maize crop was 30 per cent up and the wheat crop was at record levels though front farmers suffered from above normal hail and mildew in regions with excessive rainfall principally the Western Cape

But a strike lasting 11 weeks at the Banner Lane tractor factory in Britain which supplies Massey-Ferguson in South Africa with the bulk of its smaller tractor needs disrupted supplies for the entire year

The impact of the 15 per cent duty surcharge imposed in July is also blamed for a loss of penetration into the tractor market

MOTOR INDUSTRY FM 9/12/77

Commercial break (192)

Truck salesmen giving fleet operators what they need — rather than what is in stock — will have a much more prosperous Christmas next year than this month.

A 300-user national survey (in three independent sections) reveals plans to buy more commercial vehicles in 1978 than 1977 along with strong indications that hauliers, mines, municipalities, multiple retailers and one-man carriers will be fussier about such things as performance and spares before signing up

Sales patter from the 17 makers will also have to include a fair amount of patronising diplomacy as says Johannesburg based Marplan's three tome *Trucking Industry in SA* market research report, many senior men (transport managers, technical directors, workshop superintendents, and the like) are still not sure how to judge a vehicle's capabilities

"We found that about one in five couldn't even answer questions on power ratings of their fleet engines," says Marplan director Des Chaskelson

Other surprises include a long lingering resistance to leasing commercial vehicles, unbending determination to own rather than hire, fears that local content application to trucks will push up prices and push down quality and intentions by some of getting up to 500 000 km and 10 years of hard work out of their old trucks

"In spite of depressed economic conditions almost 75% of respondents prefer outright purchase (cash and trade in) to other forms of finance," says Chaskelson

The 300 sample was made up of 29% professional operators — full time hauliers — and 71% ancillary carriers such as building and construction, chain stores and food and beverage manufacturers

Chaskelson says only a passing reliance is placed on hired vehicles though a substantial number had called in truck hire firms to help out at peak delivery periods

Professional and ancillary carriers seem to put little faith in second hand vehicles These made up only 9% of sample fleets and were mostly owned by small builders and farm co operatives

The average working life of a vehicle is put at between four and six years (depending on the business) by most respondents, who also expect up to 300 000 kms [illegible] another [illegible] the vehicle [illegible] scrapped

Intended purchases next year indicate boosts for lightweights (8 000 to 10 000 kg) and heavyweights (15 000 kg plus with a big drop in expected middleweight sales

Truck sales looks like a good year for heavyweights

The prediction comes with a warning by Chaskelson that, considering the confusion among fleet operators over gross vehicle mass (manufacturers' ratings) and V rating (legal permissible load) "it is not unreasonable to assume that a fairly significant proportion of those who say they'll buy 15 000 kg to 20 000 kg will go for even heavier vehicles"

From January to October this year 71 239 commercials of more than 5 000 kg have been sold

Brickbats for manufacturers are headed by complaints of poor spares availability, trucks recommended are not strong enough nor suitable for the job, poor after sales service and breakdowns

Bouquets from operators asked why they stay with a manufacturer, include good service, reliable vehicles and providing the right trucks for the job

"Availability of spares and reliability count much more to the operator generally than financing" says Chaskelson

He concludes "Study results show a definite general improvement in the truck industry on its way provided the economic situation does not at least decline further"

A lot also depends on such things as containerisation becoming more popular Railways relaxing its attitude to private hauliers and impending transport legislation

Who benefits seems to depend on who will best be able to handle more finicky, though generally poorly informed buyers

NM 10/12/77

Bad news for 230 workers

(192)

Mercury Reporter

THE MOTOR ASSEMBLIES plant at Prospecton has retrenched 140 workers — mainly Blacks.

The manufacturing director, Mr R. Broadley, said yesterday the company employed 1 900 hourly-rated workers — 140 of whom had been retrenched

These were mainly African, Coloured and Indian workers, he said.

He added that the move came when it was felt that too many people had been carried on a four-day week for too long.

The plant had been working on and off for four days a week for four months and a consistent four-day week for the past two months, Mr. Broadley said.

Workers will resume a five-day week when the plant opens on January 11

A market slow-down forced Superocla Ltd., nation-wide manufacturers of concrete pipes, to close down their Pinetown plant earlier this week.

A spokesman for the company said that in view of the current market downturn and the bleak prospect for 1978 it was felt that the plant was no longer viable.

The shut-down will not affect the company's sales and delivery service in the Durban area, as the product will continue to be manufactured at plants in Newcastle and Isetebe, KwaZulu

Approximately 90 workers have been affected by the shutdown

DD 3/1/77 (192)

MOTORING — Peter Davis

Galant's handling is superb

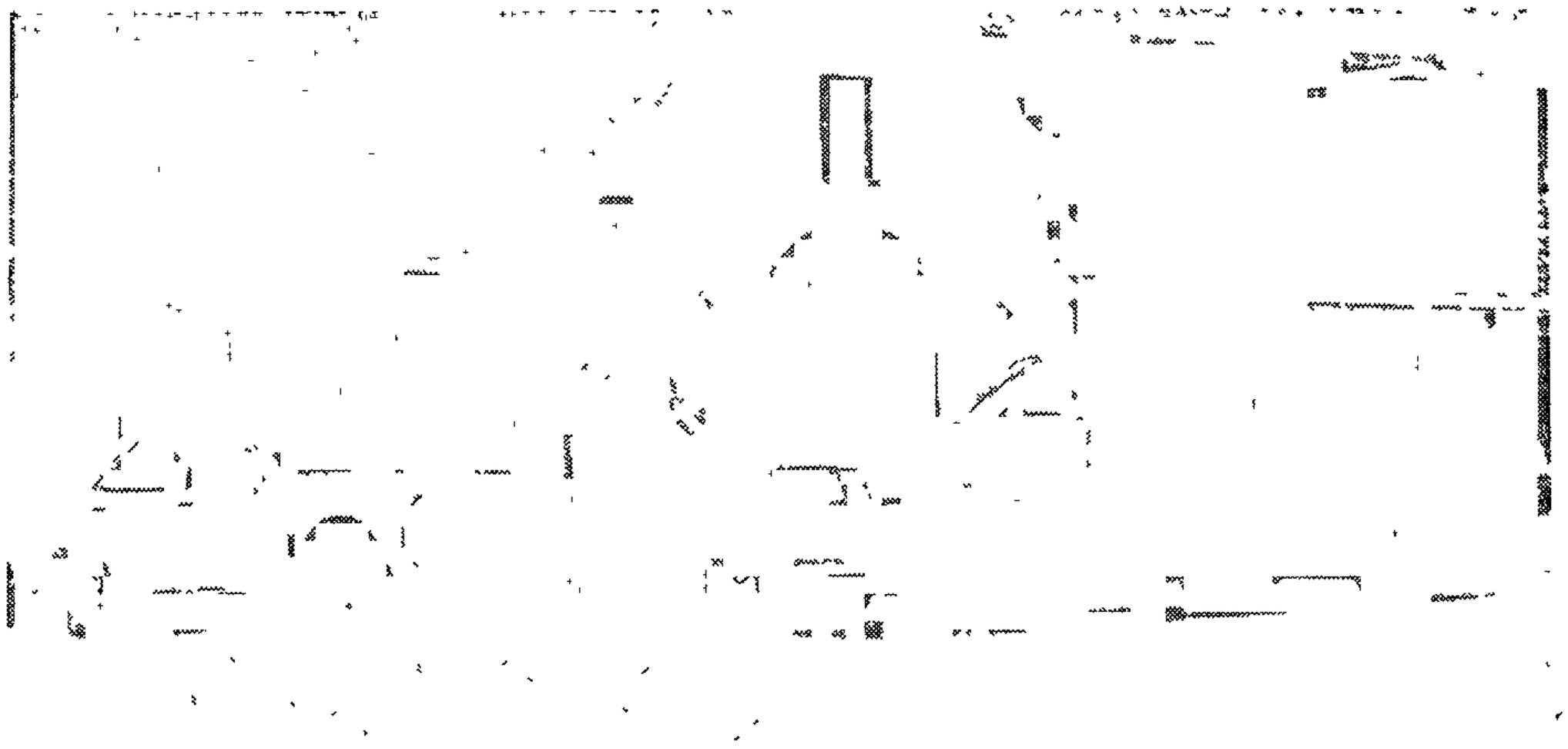
After driving two Sigma Colt Galants for some 650km, much of it on exceptionally bad dirt roads in the Transvaal, I feel qualified to give my impressions, and the first is that they are both excellent vehicles

The first, from Jan Smuts Airport to a lunch stop at a place rightly called the Bundu Inn, not too far from Loskop Dam game reserve (164km) was the 1600cc manual which is, one could say, the "bottom of the range" model

There are actually four models — the 1600cc manual and automatic, and the 2000cc manual and automatic — and I was able to drive all four, although I still look upon them as "two" Galants

They replace the five Chrysler Colt models which have been on the South African market for some time, of which only the gearboxes and the 2000cc silent shaft engine have been carried over to the Galants Otherwise these are entirely new

Both engines have the exceptionally smooth Mitsubishi 80 silent shafts, but mechanically the Galants have been refined considerably compared with their predecessors



The two Sigma Colt Galants . smoother and quieter

The main aim of the designers and engineers was to make the Galant smoother and quieter, yet still improve roadholding and handling And it is hats off to those men, for they have succeeded

The 1600cc engine develops 73,5kW (SAE) at 6 300rpm, and is coupled to either a four-speed manual gearbox or a Chrysler TorqueFlite A904 three-speed automatic transmission, which is one of the best automatic transmissions available in South Africa today

There is comfort aplenty, with grab handles and arm rests and instrumentation is clear and simple My one criticism of all the models was the multiplicity of controls on stalks projecting from the steering column I realise it is the "in" thing today, but this is just a [illegible]

into the other car, I stood on the brakes as the rear wheels caught the hump, then threw my weight forward

There was immediate response, and the nose of the car ploughed into about 25cm of fine dust (which comprised most of the road surface) then came to an instant halt barely one metre from the boot of the halted car ahead. And the only damage to our 2000 automatic was to the front spoiler, which was bent back underneath like the cover of a book

DD 3/1/77

like — with the exception of the direction indicators, I like to see ALL other controls on the instrument panel, and the hooter built into the steering wheel within thumb range

Otherwise I could not fault either of the 1600s or the 2000s.

They behaved superbly on tar and dirt, and on one occasion, in the 2000 automatic, it was the easy handling under terrible road conditions, that saved it from being slammed into the back of another, which had stopped suddenly and without warning on the other side of a vicious hump.

I did not see it until I was almost on the hump, and travelling at some 160kmh Instead of trying to swerve, which would have landed us sideways

It also says much for the suspension and consequent comfort when it is realised I was driving this with a couple of cracked ribs from start to finish of the rally!

There is so much to say about all four models in the range that to do them full justice I would need considerably more room than is available Suffice it to say that the new Colt Galants — all four of them — are going to go a long way towards putting Sigma near the top of the sales chart in South Africa

When I have further opportunities to road test these individually I will be able to give more lucid impressions of their performances on roads (both tar and dirt) in the Eastern Cape, rather than the Transvaal

Most motormen will, doubtless, be relieved that the local content programme for vehicle manufacture will be pursued through persuasion rather than coercion

Speaking to the Natal Chamber of Industries, in Durban Economics Minister Chris Heunis indicated that he'd accepted most of the recommendations proposed by the Board of Trade & Industries inquiry into the local manufacture of motor vehicles and components Among his guidelines are

- The period of hire purchase repayments on passenger cars is to be extended from 30 to 36 months Likewise, repayments on commercials are to be extended from 24 to 30 months,
- Private leasing of motor vehicles will not be allowed and the leasing of vehicles by manufacturers to their employees is to be investigated,
- Phase four of the local content programme -- taking local content (by weight) to a minimum of 66% -- is to be extended by one year to January 1, 1980 Local content above 71% is to be encouraged through excise rebates,
- LCVs (bakkies), including four-wheel drive light vehicles, are to be included in the programme The scheme will also commence on January 1, 1980 but provides for a more gradual approach to passenger car local content levels A decision on mini-buses is pending,
- A decision on whether or not to combine all (or part of) existing sales duty with excise duty is also held over,
- A car model is to be defined as unique even if only its colour differs from other models,
- The question of offering "special concessions" to manufacturers wishing to merge production facilities is to be examined, and
- No restriction is to be placed on the number of models produced by each manufacturer

The BTI proposals on an excise rebate scale have been somewhat revised The revisions introduce the "principle of a sliding scale of residual duty along the whole gamut of local content levels" Clearly the intention is to provide for supplier let-downs, cycling times and so on

Many will also be keeping a keen eye on whatever "special concessions" are provided for whenever manufacturers wish to merge production facilities It's an open secret that some firms are discussing joint manufacturing facilities Talk of possible exchanges of components is also common such as the historical use of GM's 6-cylinder engine in Toyota's Rambler

For the most part, though, the industry welcomes the fact that Heunis noted Naamsa's comments on the BTI's original proposals As GM's Peter Ray explains "Full implementation of the BTI's recommendations would have been untimely Such relief as Heunis is giving is sorely needed"

As for the easing of HP restrictions, most consider the impact will be more psychological than will become evident in hard sales Brian McCarthy, chairman of the McCarthy dealer group, feels that easier HP repayment periods will "help more directly in the used car field and the additional activity generated there will help marginally with new car sales"

On the commercials front the industry notes that although Heunis will draw LCVs into the local content net there's no mention of a start-up percentage Few will be surprised if it's not 40% or so

All in all, it's the statement that the industry has been pressing for (talk was that it would only come after the election) but not the sort to cause industry watchers to drastically revise upwards their year end sales predictions

Far more worrying will be the number of lay-offs which will undoubtedly come about when the talked of production mergers come off

. Monopoly - technical
1. See Joan Robinson,
Ch 8, Hunter (in

kinked demand curve,
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Price theory and

lities. See A&A Ch 9
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Sigma's sprint

(192) FM 20/1/78

There can be little doubt that the remarkable performance among motor manufacturers in 1977, a year of deepening gloom, has been that of Sigma, the Anglo-controlled child of the Chrysler-Illings marriage

In its first full calendar year of operation Sigma has pulled up from a car market sales penetration of 7,7% at the beginning of last year to over 14% in December, giving it an overall penetration of 11,12%. The group also improved its position in the light commercials placings, up to 11,34% from just under 9%

So in cars, Sigma runs fourth behind Ford, VW and Datsun and fourth in commercials after Toyota, Datsun and Ford.

Ford, however, is still the country's top vehicle manufacturer — for the eighth time in nine years. It topped car sales, its new Cortina was best selling individual model, and it took top spot in tractor sales

The new Cortina has been the runaway car succes of the year, selling 13 021 since its introduction last May, although Sigma claims that its Mazda 323 1300 is the country's top-selling model since its introduction in mid-year

Toyota continues to be the country's top light commercial seller with market shareholding of 21%.

Generally, however, the industry has little cause for celebration Car sales, which showed some stiffening towards the end of the year, are 9% down on 1976 while commercial sales are a disastrous 21% below the 1976 total

Ford's Cortina . a runaway success

12 MONTHS CAR SALES

	December	% of Market	1977 Jan-Dec	% of Market	1976 Jan-Dec	% of Market
Ford	2 654	17,05	27 739	16,63	28 117	15,19
VW	1 681	10,80	24 960	14,97	28 912	15,62
Datsun	1 694	10,88	19 298	11,57	24 187	13,06
Sigma	2 188	14,06	18 549	11,12	15 921	8,60
GM	2 037	13,09	17 836	10,70	21 254	11,48
Toyota/Renault	1 276	8,20	14 154	8,49	18 114	9,78
Peugeot/Citroen	1 067	6,85	12 075	7,24	12 620	6,82
Leyland	775	4,98	7 490	4,49	9 846	5,32
United Car	618	3,97	7 628	4,57	9 158	4,95
Fiat	568	3,65	6 767	4,06	4 972	2,69
BMW	684	4,39	6 218	3,73	6 040	3,26
Alfa Romeo	317	2,04	3 918	2,35	5 371	2,90
Other	7	0,04	129	0,08	112	0,06
Volvo	—	—	5	—	508	0,27
December total	15 566(3,89% up on 14 983 last year, 5,39% up on November 1977)					
Jan-Dec	166 766(9,92% down on 185 132 last year)					

LEADING COMMERCIALS

	Dec sales	% of market	1977 Jan-Dec	% of market	1976 Jan-Dec	% of market
Toyota	1 552	23,43	18 943	21,04	22 060	19,16
Datsun	1 489	22,48	18 807	20,89	20 852	18,11
Sigma	837	12,63	10 212	11,34	10 255	8,91
Ford	831	12,54	11 519	12,79	15 536	13,50
GM	655	9,89	9 676	10,75	16 763	14,56
VW	477	7,20	7 294	8,10	11 475	9,97
Leyland	216	3,26	5 376	5,97	7 952	6,91
Peugeot/Citroen	233	3,52	3 251	3,61	3 037	2,64
United Car	179	2,70	2 727	3,03	4 098	3,56
Int Harvester	48	0,72	759	0,84	1 469	1,28
Fiat	32	0,48	341	0,38	266	0,23
Man	20	0,30	282	0,31	253	0,22
Oshkosh	11	0,17	197	0,22	214	0,18
Magirus-Deutz	15	0,23	137	0,15	292	0,25
Fodens	12	0,18	155	0,17	33	0,03
Malcomess-Scania	12	0,18	104	0,12	67	0,06
Erf	6	0,09	163	0,18	87	0,08
Lawsons	—	—	18	0,02	43	0,04
VSA	—	—	5	0,01	—	—
Truckor	—	—	6	0,01	26	0,02
Other	—	—	65	0,07	338	0,29
December Total	6 625(10,71% down on last year, 9,80% down on November 1977)					
Jan-Dec	90 037(21,79% down on 115 116 last year)					

Ford Motor's R7m investment comes from local funds

STAR 22/12/77

(192)

Staff Reporter

The Ford Motor Company in South Africa will get a R7-million investment perk next year. It will come from South African funds and not be raised internationally

Ford's general manager, Mr Brian Pitt, said earlier this week that another R7-million would be invested in the South African plant

This was thought to be an investment by the Ford American home office which had reportedly denied any investment plan

Ford SA's public relations officer in Port Elizabeth, Mr Bob Kernohan, said the investment would definitely be made.

"The amount is not unusually high and neither is it unusual for the South African company to use self-generating investments," he said.

The money represented normal growth, maintenance and production commitments "It is South African money and we are fully committed to this expenditure. A wrong impression was created that the money represented fresh investment for expansion This is quite wrong," Mr Kernohan said

The money would be used for future productivity, tooling, maintenance and production of vehicles, a clear indication that Ford SA plans to have a new car model on the market soon

(1) 69

FIN MAIL 3/2/78 (2) 192

The Italian connection

To assume that the current Fiat/Alfa talks, or even last year's discussions between Toyota and Peugeot/Citroen, foreshadow the departure from the scene of any one of SA's 12 manufacturers would be totally wrong It's all part of widespread discussions within the industry on either joint manufacture or parts manufacture Nothing more

Indeed, it would be a damn sight harder to find a manufacturer who *isn't* either considering parts manufacture or even strengthening existing ties with a competitor.

In the case of the current Fiat/Alfa talks all that is happening is that Fiat is guarding against a situation, possibly a year hence, where it will be strapped for production capacity

Last year Fiat produced 6 767 units at its R20m Rosslyn plant That plant has a practical capacity of 10 000 units and an all-out ceiling of 12 000 units/year. "We expect," says Fiat MD Gian Carlo Barsotti, that the total passenger car market will this year climb to around 180 000 from last year's 166 000 or so."

Fiat is, therefore, anticipating year-end passenger car sales of something like 9 000 units Added to which it's introducing a 128 bakkie and is looking to sell 3 000 of them in a sector which it predicts will total 73 000 this year (70 400 last year).

Thus, if its predictions are realised it'll be right up against its production ceiling and will need any extra facility that Alfa can provide Of course, Fiat might be being over-optimistic but Barsotti is clearly covering his options

Nonetheless, Alfa will be hoping that Fiat's confidence is not mis-placed Last year it produced 3 916 units at its R30m Brits plant. The plant has capacity of 10 000 units a year and has no problem with the most usual of bottlenecks — the paint shop.

Alfa is itself projecting unit sales of between 5 000-6 000 this year and that includes a possible new product launch — the 1 400/1 600cc Giulietta. Thus, even if it's right it will have capacity in hand

But while the taking up of assembly slack is only a possibility for Alfa this year the probability of parts manufacture is much stronger MD Dr Vito Bianco tells the *FM* that such is the strength of his machine shop capability that he would love to diversify into, say, the manufacture of washing machines or any other type of consumer durable for that matter

Realistic compromise

However, a far more realistic compromise is to stay with the business that Alfa knows best and to strengthen parts manufacturing interests This includes the manufacture of flywheels, disc brakes, shafts and so on for such as Datsun, BMW and, of course, Fiat

Not only that but Alfa may well be assembling commercials for Datsun and Fiat in the not-too-distant future. It could all be part of the trend whereby companies such as Alfa actually set up a holding company to embrace car manufacture as such on the one hand and an engineering facility on the other (such as Datsun's Steelmobile) Alfa, surely, cannot be alone in having sophisticated machine tooling with spare capacity when set against existing production car runs.

Not only that but the day cannot be far off when companies actually go for a greater degree of common parts usage. Such examples would be in non-appearance items as Fiat's and Alfa's seat frames, handbrakes and so on Nor the day when companies set up joint purchasing operations such as that currently between Datsun and Toyota

One thing is for certain This year will see far more discussion in the Fiat/Alfa vein

15. (192)

Staatkoopdik

SAKE-RAPPORT 5/2/78

DIE staat bly een van die beste klante van die land se motorbedryf. Hy het verlede jaar 12 644 handelsvoertuie en 3 762 passasiersvoertuie gekoop, wat gelyk is iš aan die totale produksie van 'n vervaardiger soos Peugeot-Citroen of Leyland.

Dit is moeilik om 'n waarde op hierdie aankope te plaas. Vir eers kry die staat die produkte teen 'n heelwat laer prys en dan val 'n groot deel van die handelsvoertuigaankope onder die swaar voertuie wat taamlik duur iš.

'n Rowwe raming van iewers tussen R80 en R100 miljoen sal dalk nie ver van die kol af wees nie.

Die Volkswagen Kewer was die gewildste individuele model en die staat het in 1977 altesame 617 Kewers gekoop. VW se totale verkope aan die staat het 990 beloop.

Ford het self goed gedoen en het 739 eenhede aan die staat verkoop, waarvan 389 Cortinas en 316 Escorts was. General Motors het 594 eenhede aan die staat verkoop, waarvan 415 motors in die 2500-4100-reeks was.

Leyland, wat al dikwels in die verlede goeie sake met staatinstansies gedoen het, kon verlede jaar net 99 eenhede aan die staat verkoop.

Wat die groot en duur motors betref, het Mercedes Benz die beste gedoen. Die staat het 30 van die nuwe reeks gekoop en 27 in die 280s-reeks Daar was ook een 350SEA. BMW het 11 motors in die 518-528-reeks aan die staat verkoop en Leyland kon 2 Jaguars verkoop.

Die groot Chev's was ook gewild by die staat. Daar is onder meer 19 Constantias met V8-enjins aan die staat verkoop, 42 gewone Constantias en 1 Caprice Classic.

(a)

(b)

(c)

(d)

(e)

(f) Schooling completed

(g) At school now?

(h) School (name, type, district and distance from farm)

(i) Work done for farmer (e.g. in school holidays)

(j) Annual period worked (days or weeks)

(k) Annual payment: cash

kind

arm

6

192

SA motors br

Ons se

MET ons plaaslike inhoudsprogram vir die vervaardiging van motors nog 'n hele entjie van sy laaste fase af, is daar nou reeds groot planne om motors uit te voer

Daar word nou wel van volumes gepraat wat in vergelyking met die uitvoer van 'n paar miljoen motors per jaar deur 'n land soos Japan net 'n druppel aan die emmer is

Nogtans kan hierdie beskeie uitvoer baie vir 'n land beteken waarvan die totale bruto binnelandse produk nie eens gelyk aan General Motors se omset in Amerika alleen is nie

En die belangrikste is waarskynlik dat die plaaslike motorbedryf die stadium bereik het waar hy 'n produk kan vervaardig wat sover dit prys en die gehalte betref, met die beste kan meeding

Vorentoe moet die uitvoermoontlikhede al hoe groter word Die Japanse motor het seker meer as enige ander produk gehelp om hierdie nywerheidsreus te maak wat hy vandag is En net so moet die moontlikhede vir ons ook haas onbeperk wees

Die vervaardigingsbedryf het 'n jaar agter die rug waar 'n totale verlies van waarskynlik meer as R50 miljoen getoon is Teen hierdie agtergrond moet die uitvoerpoging gesien word, want volume en nogeens volume is die ding wat die yslike verliese kan uitwis — nie nog meer modelle en dus groter versnippering nie

UITVOER MIK NA R100 M.

Deur DAVID MEADES

SUID-AFRIKA se motorvervaardigingsbedryf is besig om sy eerste betekenisvolle deurbraak te maak as 'n uitvoerder. 'n Hele paar maatskappye voer baie groot planne in die mou. As dit verwesenlik word, kan hierdie bedryf binne die volgende jaar of twee tot R100 miljoen per jaar vir die land oorsee verdien.

So 'n ontwikkeling moet een van die grootste pluimpies vir ons plaaslike inhoudsprogram wees en is 'n onteenseglike bewys dat ons motorvervaardigingsbedryf nou die tegnologiese vlak bereik het waar hy met ander lande kan meeding

Die jongste ontwikkeling is die vrug van verskeie klein uitvoerbestellings die laaste paar jaar En waar ons toe gelukkig was om honderd of wat eenhede per jaar uit te voer, word daar nou gepraat van tot duisend eenhede per maand binne die volgende jaar of drie

Aan die spits van hierdie uitvoerplanne staan die Suid-Afrikaanse filiaal van BMW in Wes-Duitsland, met sulke maatskappye soos Peugeot-Citroen en Leyland wat die uitvoermark as 'n belangrike potensiele afsetbron sien

Beklink

BMW se uitvoerplanne is waarskynlik finaal beklink met die besoek van die grootbaas, mnr E von Keunheim, onlangs aan Suid-Afrika Suid-Afrika is die enigste land buite Wes-Duitsland waar BMW motors vervaardig

Die plan is glo om die Midde-Ooste, sommige Afrika-lande, Australie en dalk ook die Verre-Ooste uit Suid-Afrika te bedien voer en verwag om dit vanjaar minstens te herhaal Maar dan het hy ook op groot skaal onderdele na Brittanje uitgevoer, en die verwagting is dat dit vanjaar verder sal styg

Leyland het ook bekend gemaak dat hy nie sy bedrywighede in Suid-Afrika sal staak nie, maar dat onwinsgewende ondernemings in ander lande in die slag kan bly Dit wil daarom dan ook voorkom of Leyland in Suid-Afrika in al hoe groter mate van die uitvoer afhanklik sal word

Peugeot is reeds lank in

(192) 5/2/78
Rapport

Die verwagting is dat 'n aankondiging binnekort hieroor gedoen sal word

BMW het reeds die mark in Iran uit Suid-Afrika getoets Teen die einde van verlede jaar het BMW vyftig „prototipes" gestuur. Hierdie motors is onmiddellik opgeraap en opgevolg met 'n verdere besending van honderd motors

Omdat daar in Iran 'n behoefte is vir 'n klompie luukshede wat nie in Suid-Afrika noodsaaklik is nie, is die modelle uit die staanspoor daarmee toegerus en was die pryse aansienlik meer as wat dieselfde modelle hier plaaslik kos

Leyland

BMW is glo ook van plan om veral sterk met sy nuwe 7-reeks op uitvoer te konsentreer Die maatskappy se uitvoerplanne strook ook met mnr. Von Kuenheim se verwagtinge dat BMW vanjaar sowat 10 000 eenhede in Sui-Afrika sal vervaardig

Die maatskappy se plaaslike verkope het verlede jaar net meer as 6 000 beloop en met die beste wil ter wêreld sal dit vir hom baie moeilik wees om sy plaaslike afset in een jaar met 4 000 te verhoog

Dit wil dus voorkom of die grootste deel hiervan vir die uitvoermark bestem is.

Leyland is glo ook van plan om vanjaar heelwat meer uit te voer Hy het in 1977 sestig Jaguars uitgedie uitvoermark en daar word gesê dat 'n uitvoerprogram van sowat 350 eenhede per maand die plan is

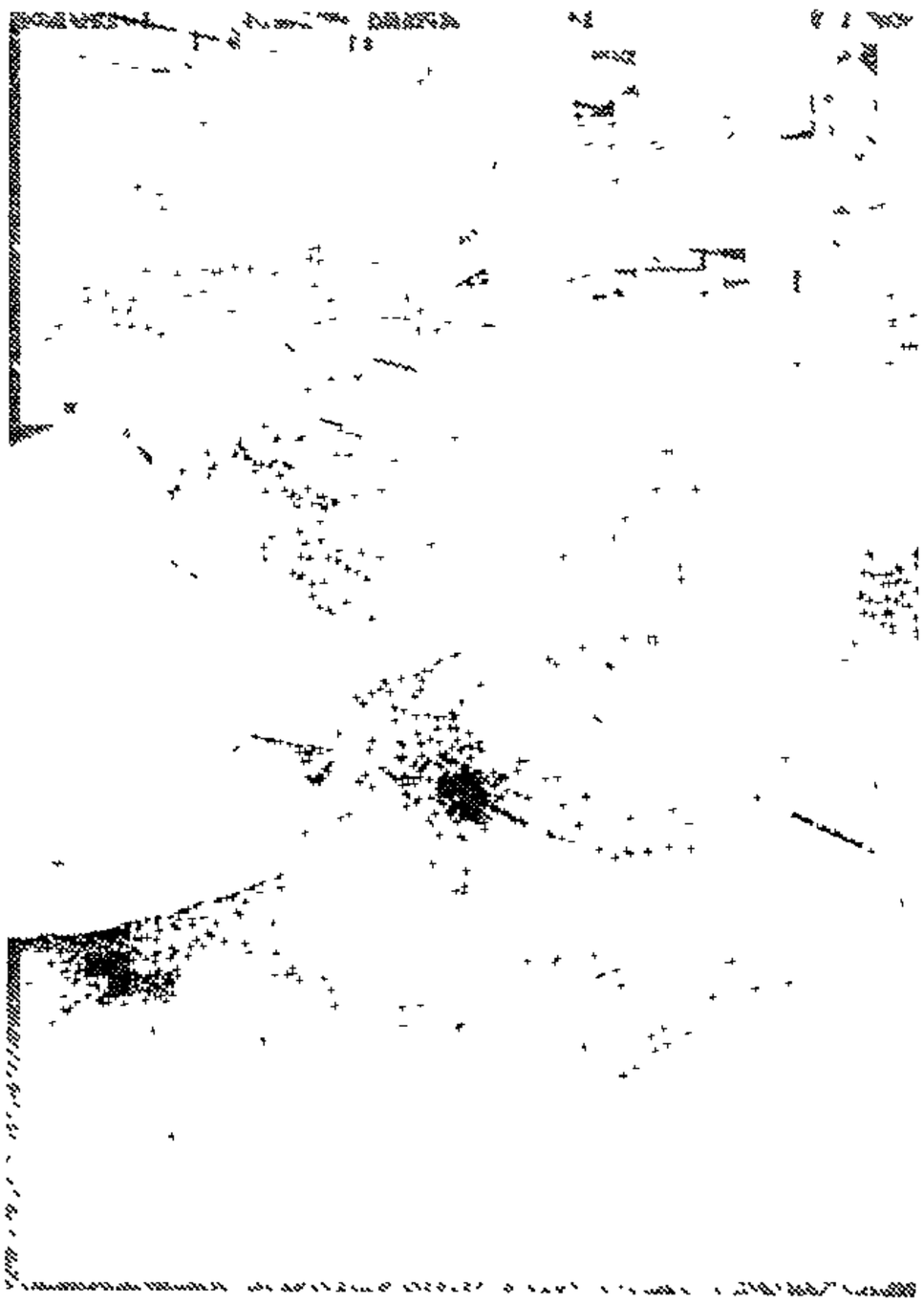
'n Woordvoerder van Mercedes Benz het gesê dat sy maatskappy die moontlikhede van uitvoer nou sterk onder die kollig gaan plaas As ander vervaardigers hier welslae kan behaal, is daar geen rede waarom hulle dit nie ook kan doen nie, het hy gesê

'n Groot vervaardiger van onderdele soos Associated Engineering is ook nou baie aktief op die uitvoermark besig Mnr Harry Foy, uitvoerbestuurder was in November in die Verre-Ooste en het juis vandag weer daarheen vertrek Hy sê dat hulle nou R1,5 miljoen se onderdele per jaar uitvoer en hoop dat dit nie te lank sal wees voor hierdie syfer verdubbel word nie.

Verkoopreg

Die motorvervaardigers is op baie voordelige uitvoerbevorderingsaansporings geregtig Op die produkte wat uitgevoer word, word geen verkoopreg betaal nie en hulle kan die invoerbelasting op die ingevoerde onderdele terugeis. En dan is daar ook nog die markontwikkelingskoste, wat in sommige gevalle dubbel teruggeeis kan word

Hierdie voordele maak dit vir vervaardigers moontlik om die Suid-Afrikaanse motor vir die uitvoermark teen 'n heelwat laer prys te kan verkoop



New regulations for brakes specify that all vehicles will need to be tested both laden and unladen, necessitating this special rig.

warned that unless they ask for new rigs to be equipped according to the new SABS regulations governing braking, there is a strong possibility that they will not get them

Trevor Gradidge, chairman of the Institute of Road Transport Engineers, says that although most trucks and truck tractors coming from Europe will comply with the new standards, as will some of the American vehicles, costs will cause rigs to be supplied without the new braking systems, especially in the trailer market, unless specified

"A fleet operator who is conscious of safety and standardisation can do no better at this stage than to ask for vehicles to be fitted with the SABS systems, according to specification SV 1051

"Most of the large fleet operators are already specifying these braking standards and are furthermore having the vehicles tested by properly equipped braking test centres," said Mr Gradidge

Although the new standard was published in November as part of a series of six new safety specifications for vehicle safety, the full ramifications of the standard are only now beginning to penetrate through to operator level

Says the SABS "The specification SV 1051 applies only to new vehicles and is based on the European safety measures contained in the Economic Commission for Europe's ECE Regulation 13"

Compliance is at present on a voluntary basis, and the major impact will be on trailer and semi-trailer ranges, as well as on certain heavy trucks

Changes illustrated by the SABS include

- At present, not all trailers and trucks are fitted with brakes on every wheel SABS SV 1051 specifies brakes on all wheels
- Currently, roadworthy tests on the braking system are conducted on unladen vehicles The specification requires testing of new vehicles both unladen and fully laden
- Roadworthy brake tests are conducted at very low speeds Testing in terms of SABS SV 1051 must be undertaken through the range of normal operating speeds

Under the new specification, the service, secondary

• To Page 8

Nissan goes Berg bashing

A ONCE-HANDSOME vehicle now twisted, torn and buckled emerged from a tunnel in the mountainside Massive chains were wrapped around the dual rear wheels and one yellow headlight glared defiantly out of the grey, mud-coated tangle of metal

"That was our first Nissan CK 10K," said Adam Myburgh, the mechanical-electrical engineer in charge the main civil contractor's plant on the site of the Drakensberg Pumped Storage Scheme "The mountain did that to it in less than a year, but underneath, the engine and the chassis have resisted the pounding"

The scheme, jointly undertaken by Escom and the Department of Water Affairs is among the biggest and most ambitious of its kind in the world

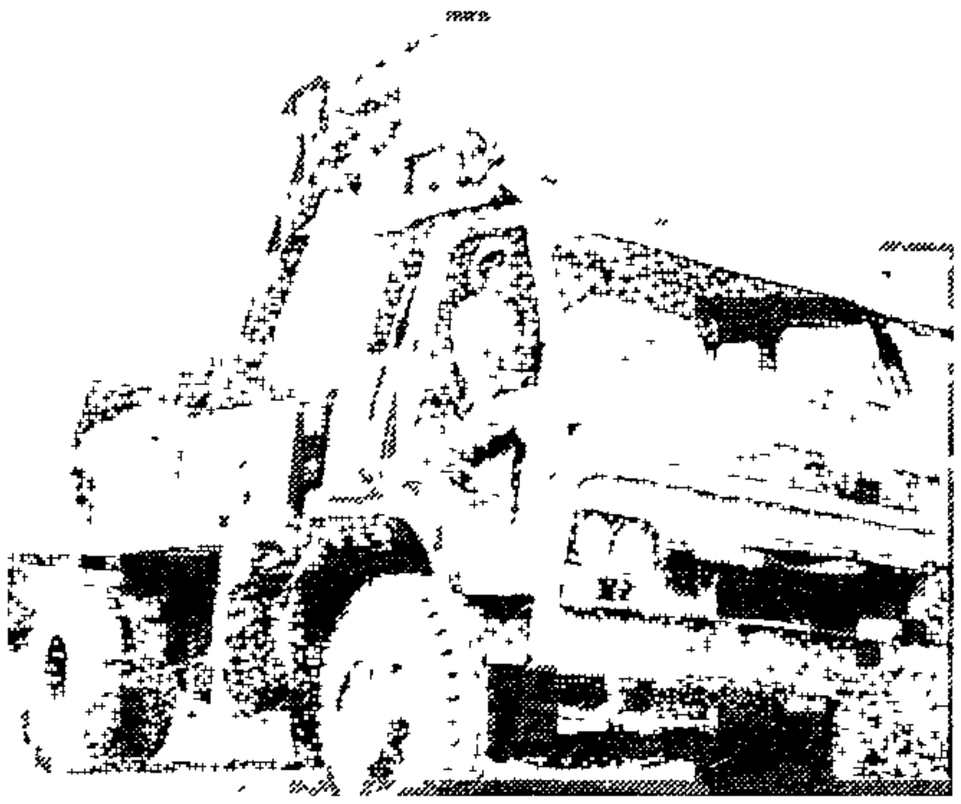
The scheme is an engineering challenge of massive proportions — it will enable water to be pumped from the Tugela over the watershed into the Vaal Dam via the Wilge River, where it will augment supplies for the Vaal Triangle and Witwatersrand Additionally, water will be pumped from a lower to an upper reservoir during off-peak periods and released during peak hour to generate electricity for the national grid

LTA and Shaftsinkers, the main contractors, are building a network of tunnels, halls, chambers and shafts in the mountain at the foot of the Drakensberg near the Oliviershoek Pass What has added to the immensity of their undertaking is that the rock has required stabilising with bolts and cement guniting to provide permanent support

It is in these tough conditions that the Nissan heavies are performing a variety of operations

"We went for Nissans in the first place because Datsun-Nissan was the only manufacturer that took the trouble to do a special on-site inspection before tendering, and then subsequently drew up detailed recommendations for all the different applications Nobody else went to those lengths," said Mr Myburgh

Two CK 10s are fully flame-proofed and approved by the SABS and the Government Mining Engineer One transports explosives in an area where methane gas is possible because of coal seams and the other operates as a mobile base for a "scissors-type" platform to elevate people and materials to 8 m high roof-top areas



The first Nissan CK 10K used underground in the Drakensberg . . . battered but going strong.

Running costs on vehicles working underground — although high by highway standards — still enable a considerably more economical operation than would have been possible using specialised off-road vehicles, according to Mr Myburgh

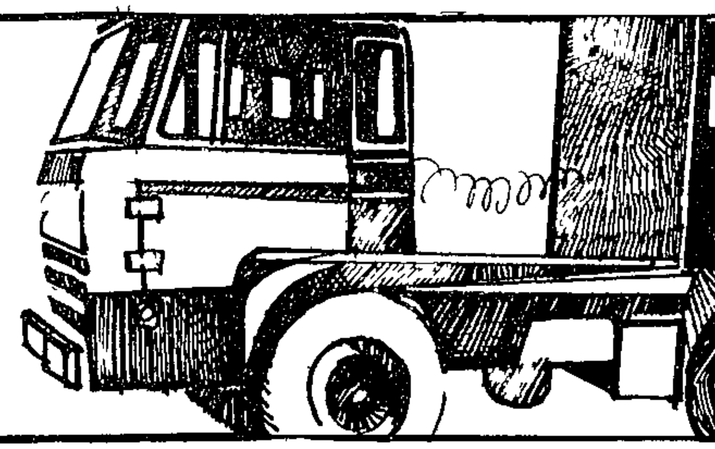
Over the past 10 months, nine transit mixers have cost R27 083 in spares and maintenance over a combined total of 6 493 running hours, giving an average cost per hour worked of R4,17

Mr Myburgh said that the purchase price of an off-road vehicle with the same carrying capacity would be double the total maintenance figure for the nine vehicles over the 10-months of operation and would then probably cost as much as R3 an hour to operate, in those conditions The Nissans were, on this basis, a more economical proposition

He claimed that the Nissans had been first rate He did not think any other highway vehicles would have stood up any better to the rock pounding To illustrate the difference in working conditions he said one of the seven-ton Nissan flatbeds had been operating underground for 896 hours during which time spares and maintenance had cost R2 072 — or R2,31 an hour

A similar vehicle operated on the surface in conditions that were heavy going by normal standards cost R760 in parts and maintenance over 828 hours — or 92c an hour

The project is due for completion in 1982



TRUCKS and TRUCKING

edited by geoffrey berridge

Erf is the top suitor as Foden offers its hand

ERF IS emerging as the most likely partner to take the 60 per cent stake which Foden is offering locally to finance expansion into the export market.

The marriage of interests makes sense ERF and Foden work very closely in Britain and, in fact, belong to the same group there

Their products are totally compatible from an engineering point of view, Foden specialising in the extra heavies and dump-truck end of the market, while ERF is strong in the highway truck market

ERF is credited with 170 vehicle sales in the heavies market, taking fourth place last year, while Foden accounts for about 140 trucks a year, ranking twelfth

Both organisations are also working towards the same local content objectives, sourcing more frames, brackets and other components locally as long-life models become established

ERF and Foden confirm that talks have been held and that agreement has already been reached on future model launches which will be non-competitive between the two companies

Says Dai Davies, managing director of ERF "We are strong in the heavy highway vehicles and Foden is strong in the extra-heavies and dump-truck market There is a danger of introducing overlapping models which would benefit neither of us so, notwithstanding any possibility of us taking a stake in Foden, it is in our joint interest to collaborate on future model launches

"When you look at the ERF and Foden models in combination, they represent a formidable line up and from our point of view would give considerable additional market strength," said Mr Davies

Each company has stressed its independence in the market place The advantages of joint co-operation will lie in production rationalisation which would reduce drastically the number and variety of components currently being used by the two companies

Mr Davies said "We discussed this rationalisation with David Foden, managing director of Foden UK, when he was out here a few weeks ago There was a lot of common ground in terms of rationalised production"

Foden is currently structured with a two-thirds holding by the parent company, one-third being held by a banking group Foden wants to reduce its stake to 40 per cent as part of its international policy for overseas plants (South Africa is the only assembly factory outside Britain at the moment), leaving 60 per cent for its local partner

This is the share which it seems logical ERF would take up, especially if there was limited reaction to the Foden offer elsewhere.

Foden assembly is located at Alrode at the moment, but this would doubtless change in line with the new majority partner's own production planning

Local content of Foden vehicles is between 50 per cent and 60 per cent, which is high considering that this excludes the power pack, transmissions and axles

New models have just been launched, including off-highway dump-trucks and a new Fleetmaster 4 x 2 mechanical horse

The dump-truck extends the existing 17-ton and 20-ton models to 35 tons, and is intended for opencast mining and construction work

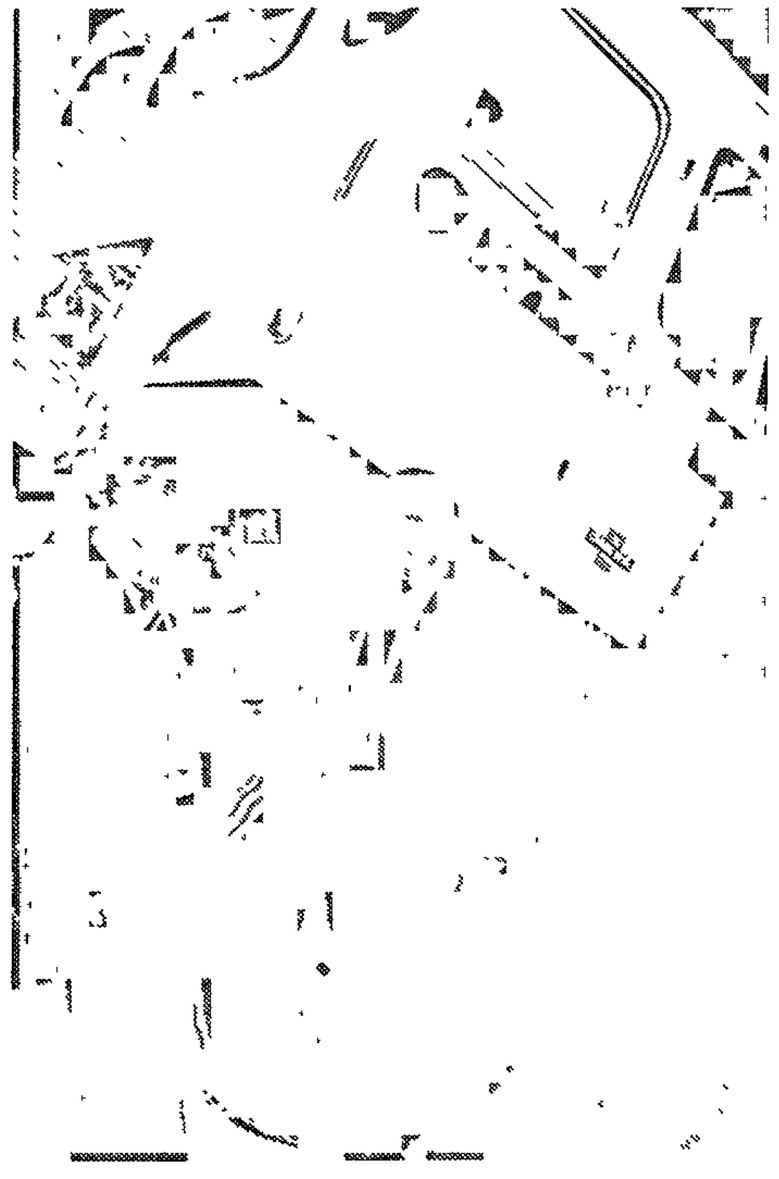
The Haulmaster 4 x 2 mechanical horse is reintroduced with a new Foden cab offering day or sleeper facilities

The Super Haulmaster 6 x 4 AC 29/50 has the locally manufactured Duracab which can be raised in less than a minute with the minimum of effort

Foden last year established its own branch in Durban as part of its new policy of moving away from agency distribution The change is considered to be more in line with South African developments

ERF also has a branch in Durban and in April opens a branch in Cape Town where Foden have agency representation

ERF's latest launch was last year's B series, fresh from its successes in Europe



The launch of new Foden models gave David Foden, managing director of British parent company, the opportunity of looking for a controlling partner to finance plans to break into the export market from South Africa. Mr Foden (right) demonstrates the ease of raising the new Duracab to Mr V. Birkenmeyer of Ruto Flour Mills

Truck makers' hearts 'not in local content'

TRUCK makers on the whole are not as keen to expand local content as they pretend, says Harold Berman, technical director of a trucking and industrial silencer producer

His comment comes after seven years of largely unsuccessful attempts to get truck makers interested

"We are bending up to 127 mm tube using special plant designed and built here in South Africa," he says

"It's plant which we thought the trucking people would be only too pleased to use Instead we find that in most cases our approaches to these companies are largely unanswered

"The amount of truck silencer business we need is minimal, but even so there is virtually no demand at the moment"

His company, Kilber Automotive Products, is trying to find why truck producers do not want to expand local content

"The surcharge on imports is beginning to hit them hard and some are beginning to show an interest," says Mr Berman "One of the problems is in the allowance made by the source plant for silencer deletions

"Because of our volume problems silencers produced overseas are often genuinely cheaper than ours Even so when truck makers complain about the poor quality of locally produced components, I can only say they cannot be talking about silencers

"We can produce silencer and exhaust systems to any standards

"If truck producers give us drawings and specifications we will manufacture to them

"We can regulate noise levels and back pressures to give optimum performance curves, according to what the manufacturer wants

"This applies to large systems as well as smaller ones"

Mr Berman said Japanese truck producers in particular were able to produce cheaper exhaust systems than South Africa

Deletion allowances were not sufficient to make paper work and administration worthwhile, he added,

"But," said Mr Berman, "the fact remains that when we launched an intensive inquiry into local content after criticism reported in the Press we had responses from only five producers

"Some of the hottest advocates of local content were among the no-response group"

Operators warned to meet brake specs

Some other highlights

HANSARD NO. 3 Cc/.108/9 14/2/78 (192)

Local content programme for motor vehicles

141 Mr T ARONSON asked the Minister of Economic Affairs

(1) Whether the report of the Board of Trade and Industries on its investigation into the local content programme for motor vehicles has been submitted to him,

(2) whether the Government is considering any change in its policy in this regard, if so, what are the changes anticipated,

(3) whether he will make a statement on the matter

The MINISTER OF ECONOMIC AFFAIRS

(1) Yes,

(2) as until now it remains Government policy to continue to encourage and further develop the local content of motor vehicles Some of the important differences between the phases of development thus far and Phase V contemplated as from 1 January 1980 are that with effect from the latter date the higher local content programme will no longer be compulsory but voluntary Furthermore, as from 1 January 1980 light commercial vehicles will be included in the programme for passenger vehicles There will also no longer be a restriction on the number of models An important element of the Phase V programme is a system of excise duties and rebates in terms of which, according to a sliding scale, increasing excise duties will be levied if, and as, the local content of vehicles falls below 66% for some or other valid reason and, conversely, increasing excise rebates are allowed as the local content of vehicles rises above 66% It is therefore a further measure to encourage local content within the framework of a realistic economic approach,

(3) it is not my intention to make a statement at this stage I already dealt with the Board of Trade and Industries' report in an address to the Natal Chamber of Industries in Durban on 9 November 1977 On the same occasion I had a short summarizing memorandum issued by my Department of Industries regarding the points in respect of which decisions had already been taken and also indicated that I would outline the Phase V rules and the Government's decisions regarding outstanding matters pertaining to the Board's recommendations in more detail in the course of time Copies of the aforementioned address and memorandum are being made available to the Honourable Member

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11. Het

Indien wel, kort besonderhede van vorige werk:

Plek	Tydperk	Soort werk	Weeklikse loon	Rede waarom u die werk verlaat het

1.

2.

3.

4

5.

12. Het u al ooit daaraan gedink om ander werk te doen?

Indien wel, waarom verander u nie van werk nie?

13. Vir watter deel van die jaar doen u hierdie werk?

14. Hoeveel plase besoek u elke jaar?

Whizz-kid Edwardes boosts SA Leyland

Sunday Times 26.2.78

REORGANISATION at State-owned British Leyland, where dynamic young South African Michael Edwardes is battling to cure its ills, has already produced advantages for the local company and Leyland vehicle owners.

Peter Murrough, managing director of Leyland South Africa, says the bulk of the head office changes and guidelines for forward planning have been carried out favouring developments which the local company has long urged

"First of all our investment plans are going ahead on cars," he adds.

"We have a rationalised product line in truck and bus coming up

"And we now have for the first time direct communication between our technical departments in South Africa and Britain"

The company has successfully spearheaded its recovery in the bus field, which it now dominates with 38 per cent market share.

And it is concentrating on improving its 12,7 per cent share of the truck market

"Leyland investments currently stand at about R78-million and of this R40-million is in trucks," says Mr Murrough

"We have an awful lot of real estate and a parts inventory of R12-million

"Taking stock of our current situation, we have everything working for us in taking a bigger share of the extra-heavies market where prospects this year appear good"

The two Leyland truck ranges, Red and Blue, involve a high percentage of in-house engineering

"The Blue line features our Crusader model and others over 20 000 kg," says Mr Murrough

"The Crusader has our own cab, Fuller gearboxes, Rockwell back axles and other premium parts The rest of the Blue line is essentially in-house engineering

"The Red line is a similar story

"Here we have in-house engineering through and through and this is where our new communications set up with Britain is proving extremely helpful

"There is a Red line division specialising in the same trucks in Britain, and our technical people contact them direct to sort out any problems

Peter Murrough ... "investment plans going ahead."

"In the past we have had to work through the International Division which lengthened the line of communications considerably

"Now we merely keep the International Division notified of our queries which are settled right there in the technical department of the British production line"

The current trucks, including the 98, 400, 500, 600 and L series, are to be streamlined by dropping the 500, which will take the 690 or L12 engines, plus the TL12

"It means that the new 600 series will extend into the Buffalo truck, which is currently in the 500 series," says Mr Murrough

"We have taken this step because it will help simplify manufacturing and reduce our inventory, and help operators wanting to standardise on servicing and parts inventory

"The Terrier range is coming in for pruning at the bottom end where we will be dropping the 650 and 850 models in favour of a 750 and 950

"We also plan to improve the Chieftain this year, replacing the Boxer 1300

"The new Chieftain will fill a gap in the range

"The main thing we are looking at now is rationalisation of the Eland which has 11 models and five different chassis lengths

"By cutting back to two chassis lengths we will still have eight models, indicating that this is one area where we can streamline the manufacturing side without affecting the customer"

By the end of the year on the bus side, Leyland will have the Terrier and Boxer for school work, Eland for mid-range, Victory J Mark 2 for rural, city and medium range work, and next year the new B21 single deck bus used in Europe for city and inter-city work

"We now have a better coverage of the bus market with 25 percent fewer models than we had five years ago," says Mr Murrough

The move from Durban to concentrated production at the Leyland Elsies River plant has paid dividends

"Being in Cape Town, Elsies River is not the ideal spot for a truck plant, being so far from the main market here on the Reef," says Mr Murrough

"But there can be no question that by running the Red, Blue, bus and tractor lines together down there we are reaping the advantages of concentrating production of commercial units

"We have 13 hectares of land there compared with about three hectares at the old Durban plant

"We now have all the production and turn-around space we need."

The Boere bus from Scania

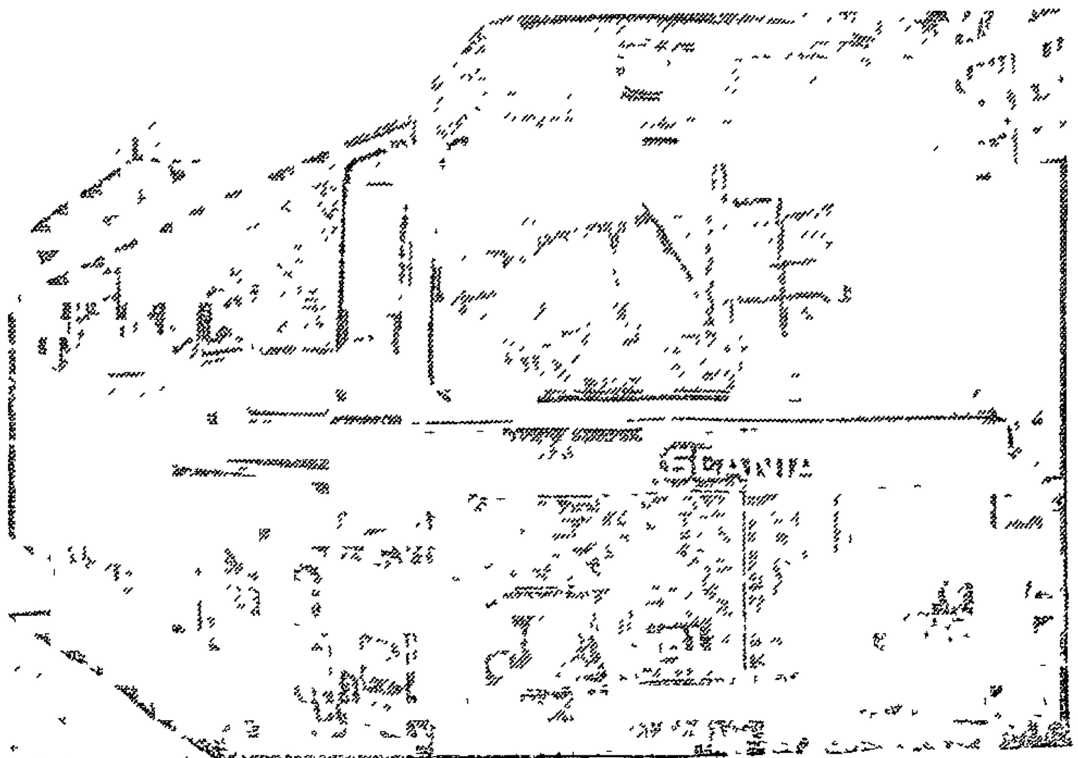
A NEW BUS designed specifically for the South African market with its rough terrain, high altitude and overloading problems had been introduced by Malcomess Scania

The Scania LB81 HS60 is based on a proved LB81 heavyweight truck chassis and powered by a Scania DS8 turbocharged 151 kW diesel

The first units will have Busaf bodies providing 65 seats and room for 16 standing passengers Passenger entrance is forward of the front axle

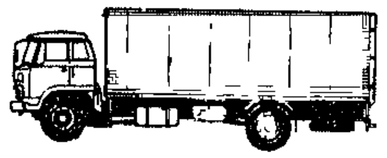
Driving through a 10-speed splitter-type gear box, the four-stroke diesel provides 685 Nm torque at 1 400 rpm The transmission has a single-speed single-reduction rear axle with a rating of 10 500 kg Front-axle rating is 6 032 kg

The new Scania bus has a gross vehicle mass of 16 500 kg (legal 14 200) and a 6 500 mm wheelbase Power steering is standard as are two 200-litre fuel tanks, 24 V electrics and a Bostrom hydraulically sprung seat for the driver.



The furbocharged Scania designed specifically for South Africa.

The aims



SWAAR VOERTUIE

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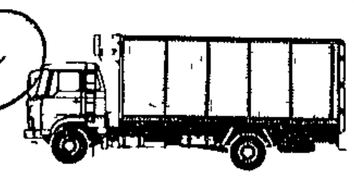
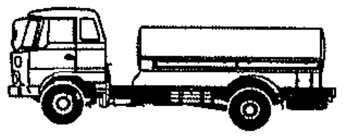




MILJOENE OP DIE SPEL

RAPPORT 26/2/78

BYLAE – SWAAR VOERTUIE

ONDANKS 'n sterk daling in die afset van swaar handelsvoertuie (voertuie waarder as 5 000 kg) het die omset van handelaarsverkope verlede jaar nog meer as R220 miljoen bedoop Hierdie syfer is slegs vir onderstelle en kajuite en sluit die verkope van bakke en dies meer uit

In teenstelling met die meeste oorsese lande is die mark vir handelsvoertuie in Suid-Afrika baie klein

Verlede jaar het die totale afset van alle soort handelsvoertuie op slegs 90 037 eenhede te staan gekom Die oorgrote meerderheid van hierdie voertuie (76 941) het bestaan uit voertuie met 'n massa van minder as 5 000 kg Daar is slegs 13 096 voertuie met 'n massa van meer as 5 000 kg van die hand gesit

Ondanks die lae afset van swaar handelsvoertuie, was daar nie minder nie as 18 verskillende vervaardigers in hierdie mark bedrywig nie Die mark vir swaar voertuie word egter oorheers deur slegs vyf vervaardigers, wat 'n markaandeel van ongeveer 75 persent het Die bygaande tabel 2 gee die afset van die verskillende vervaardigers asook hul markpersentasies aan

Soos van die tabel gesien kan word, het Mercedes-Benz verlede jaar 'n kwart van al die swaar voertuie op die Suid-Afrikaanse mark verkoop.

Sover dit die waarde van handelaarsverkope betref, soos in tabel 1 hiernaas gesien kan word, het Mercedes selfs beter gevaar Die maatskappy het verlede jaar 'n totale omset van R69 398 553 gehad, wat 31,5 persent van die mark verteenwoordig het Sy naaste teenstander was Leyland met 'n omset van R30 973 000 Hy is gevolg deur Ford met 'n omset van R26 661 768, Datsun-Nissan met R20 762 890, terwyl Toyota vyfde plek ingeneem het met R13 707 277

Dié omsetsyfers is bereken deur handelaarsyfers soos deur Naamsa gepubliseer te vermenigvuldig met verlede jaar se kleinhandelpryse)

Die grootste hoeveelheid handelsvoertuie bo 5 000 kg word in die klas tussen 10 001 kg en 15 000 kg van die hand gesit

Verlede jaar het die afset per gewigskategorie as volg daaruit gesien 5001 tot 7500 kg 600, 7501 tot 10 000 kg 1 900, 10001 tot 12 500 kg 3 780, 12 501 tot 15 000 kg 5 205, 15 001 tot 17 500 kg, 35, 17 501 tot 20 000 kg, 110, en bo 20 000 kg, 2 250

Van die handelsvoertuie bo 10 000 kg het wipbakke 21,8 persent van die mark uitgemaak, terwyl voorhakkers en platbakke onderskeidelik 21,1 persent en 45,4 persent van die afset in hierdie afdeling verteenwoordig het Busse daarenteen het 11,7 persent van die afset in hierdie afdeling verteenwoordig

Die mark vir voorhakers en busse het die afgelope jaar taamlik bestendig gebly, terwyl die mark vir wipbakke nadelig getref is deur die slapte in die bouen konstruksiebedryf

Na verwagting sal die mark vir swaar vragmotors vanjaar baie min verander Die afset van swaar vragmotors het in 1975 sy hoogtepunt bereik toe altesame 23 191 voertuie bo 5 000 kg van die hand gesit is In 1976 het die afset gedaal tot 19 304 terwyl 'n verdere daling van 32,2 persent in 1977 plaasgevind het

Mercedes-Benz verwag dat die mark vir swaar vragmotors vanjaar met ongeveer 800 eenhede gaan toeneem Dit is baie in ooreenstemming met die vooruitskatting van die meeste ander vervaardigers

Na verwagting sal 'n paar van die vervaardigers met 'n relatiewe klein volume ook moontlik vanjaar verplig word om hul van die mark te onttrek

Tabel 1

HANDELSVOERTUIGVERKOPE 1977 OOR 5 000 KG

VERVAARDIGER	OMSET	MARKAANDEEL	EENHEDE	MARKAANDEEL
Mercedes-Benz	69 398 553	31,5%	2 520	23,7%
Leyland	30 973 420	14,1%	1 587	14,9%
Ford	26 661 768	12,1%	1 815	17,0%
Datsun-Nissan	20 762 890	9,4%	1 161	10,9%
Toyota	13 707 277	6,2%	979	9,2%
International	12 138 527	5,5%	533	5,0%
General Motors	10 062 225	4,6%	994	9,3%
M A N	9 373 313	4,3%	276	2,6%
Oshkosh	5 782 065	2,6%	154	1,4%
Scania	5 327 725	2,4%	101	0,9%
Magirus-Deutz	3 975 557	1,8%	134	1,3%
Mack	2 896 363	1,3%	60	0,6%
Foden	2 450 000	1,1%	53	0,5%
Fiat	2 366 818	1,1%	115	1,1%
ERF	2 105 500	1,0%	78	0,7%
Saviem	1 419 967	0,6%	65	0,6%
Volvo	692 100	0,3%	23	0,2%
Truckor	300 000	0,1%	6	0,1%
TOTAAL	R220 394 068	100,0%	10 654	100,0%

Bostaande syfer verwys na „Handelaarsverkope" alleen en soos gepubliseer in „NAAMSA Sales Returns" gedateer 23 Januarie 1978 Die huidige bekende kleinhandelspryse is aangewend om die omsetsyfers te bepaal Onderstel- en kajuitpryse is toegepas

Tabel 2

HANDELSVOERTUIE OOR 5000 KG
Totale verkope per vervaardiger

POS	VERVAARDIGER	VERKOPE	MARKAANDEEL	
1	UCDD (Mercedes-Benz)	2606	20,0p s	
2	General Motors	2188	16,7p s	
3	Ford	2014	15,4p s	74,6p s
4	Leyland	1662	12,7p s	
5	Datsun-Nissan	1289	9,8p s	
6	Toyota	1199	9,2p s	
7	International Harvester	729	5,6p s	
8	M A N	282	2,2p s	
9	Oshkosh	197	1,5p s	
10	E R F	163	1,2p s	
11	Fiat	160	1,2p s	25,4%
12	Fodens	155	1,2p s	
13	Magirus-Deutz	137	1,0p s	
14	Sigma (Mack)	117	0,9p s	
15	Malcomess-Scania	104	0,8p s	
16	Savian	35	0,5p s	
17	Volvo	23	0,2p s	
18	Tucker (Kenworths)	6	0,1p s	
	TOTAAL oor 5000 kg	13096	100,0p s	

were fully paid for as guests of Datsun

Both men were given permission to undertake the trip by their respective ministers — the Minister of Defence and the Minister of Police

According to the official itineraries issued by Datsun and TFC Tours, which organised the package deal tour through Sabena Airlines, the primary function was to conduct "motor business" in Japan, where Datsun's international headquarters and major manufacturing and distributing plants are situated

• But out of 11 days in Japan, five days were taken up with sightseeing, including visits to other parts of the country, leisure and free time

• The group — including the two Government officials — were later taken on special "fun trips" to Hong Kong (three days) and

Abbey, Palace, St Paul's — and an all-girl revue

THE tour took place from October 22 to November 16, 1972.

The overall route was Johannesburg-Nice (a refuel stop)-Brussels-London-Brussels-the Polar hop to Anchorage, Alaska (refuel stop)-Tokyo-Hong-Kong-Bangkok-Bombay and Athens (refuel)-Brussels-Johannesburg

• In London the group spent two out of three days sightseeing — Buckingham Palace, Westminister Abbey, the Tower of London and St Paul's Cathedral

• In Japan six of 11 days was spent on "business" — inspecting assembly plant, shipping and warehouse facilities in Tokyo, Yokohama City, Honmuku and Yokosuka City.

• Mr Peter Whitfield, managing director of Datsun He went on the trip as marketing director.

The group also attended the Tokyo Motor Show — and a sumptuous welcome and farewell party in its honour.

• Sightseeing involved a tour of Tokyo, a trip to Kyoto on the bullet train, a visit to the ancient capital of Japan, Nara, then on to Uji-Yamada, and a visit to the Ise Grand Shrine, Mikimoto Pearl Island

In Tokyo the group also visited the Imperial Palace — and attended an "all-girl revue" at the Kokuksair Theatre

• Hong Kong — tours to Victoria Peak, Tiger Balm Gardens, the Floating Sea Palace, a look across the border into Red China and a trip to Repulse Bay

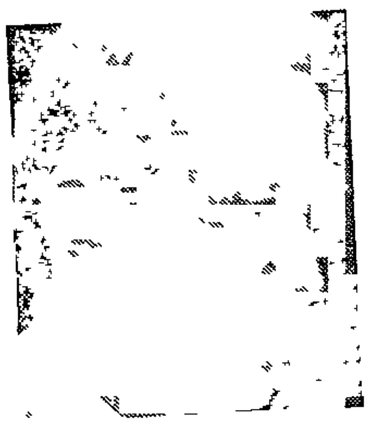
• Bangkok — the Floating Market, the Temple of Dawn, lunch at the luxurious Maneeya Restaurant and the next day "at leisure".

SUNDAY EXPRESS, March 5, 1978

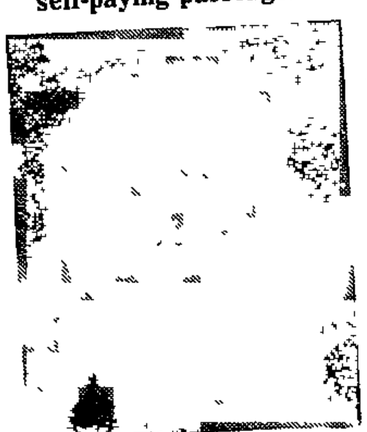
MP PLANS TO ASK ABOUT SIGHTSEEING AND 'FUN JAUNT' VISITS

Car firm laid on 25-day trip for State VIPs to Far East

(192)



● Mr Fred Barnard, former Secretary for Planning, who went on the Datsun trip as a self-paying passenger



● Brigadier J J Steenkamp, director of Supply and Transport, Defence Force, who went on the 27-day "spree" with the full permission of the Minister of Defence.

TWO top Government officials were taken on a 25-day overseas jaunt as the personal guests of a South African motor company which asked them to "evaluate new vehicles" on its behalf.

The officials — the Director of Supply and Transport of the Defence Force and an officer attached to the Technical Services Division of the Police Force — spent only eight days of the overall 27-day trip on official motor business

In only two of the five countries they visited — from Europe to the Far East — did they conduct their business.

And now Parliament is to be asked whether it is desirable for top State officials to go on such trips

Mr Rupert Lorimer, PFP Spokesman on Transport, told Sunday Express Political Correspondent John Matisonn "I'll raise this matter unless an adequate explanation is forthcoming"

He disapproved of anyone in a buyer situation putting himself under an obligation to the seller, adding "If Datsun took them to look through their factory, and they stayed an extra week at their own expense, I would not be averse to that

"But if this cost Datsun a lot of money, way over the expense of a legitimate inspection trip, then buyers should be careful

"I'd like to know more."

Another Express exclusive by KITT KATZIN

The two Government men were part of a special 60-member tour party made up mostly of dealers and executives of the Datsun-Nissan Corporation, which invited them to undertake the trip

A third top Government official, Mr Fred Barnard, former private secretary to Dr Verwoerd, and also formerly Secretary for Planning, also went on the tour

Though he travelled with the party Mr Barnard, who now manages an hotel in Nelspruit, paid his own way

But the other two officials — Brigadier J J Steenkamp, SM, then director of Supply and Transport, Quartermaster-General's Office, and Colonel Piet Kruger, of Technical Services SAP, Bangkok, Thailand, (three days)

Datsun does not have a manufacturing plant in either of these countries

● In London the group spent one day on "official business" — attending the Earls Court Motor Show, where they also inspected new Datsun models — and two days at leisure, visiting at least a dozen popular tourist spots, including a dinner show at "Talk of the Town"

Although the group was divided into Dealers' and Press and Government sections — a number of journalists were also included — they travelled together, deviating slightly in Japan on the "motor tour", but enjoying the "off-beat" itineraries together

All in all, about 14 days out of 25 were spent on free time Only eight days involved motor business, with about four days of air travel

Informal business and discussions, took place briefly at some of the stopover points

A Datsun manufacturing plant existed in only one of the five countries the group visisted

● Senior Datsun executives on the trip included Mr Bill Wilson, then managing director, now MD of Messina Corporation, Mr Peter Whitfield, then marketing director of Datsun, now managing director, and Mr John Standton, the corporation's general manager of public relations

Commenting this week on Brigadier Steenkamp's presence on the trip, a spokesman for the Defence Force said he had gone with the full permission of both the then Commandant-General of the Defence Force, Admiral H H Biermann, and the Minister, Mr P W Botha

Datsun had approached the Defence Force to nominate a suitable participant — and Brigadier Steenkamp had been chosen

The spokesman said matters such as these were treated strictly on merit

There were no ulterior motives and there was no question of any benefit accruing to Datsun

There was also no contravention of Public Service Commission regulations

● Colonel Piet Kruger, of the Technical Services Division, South African Police, at a social function in Tokyo.

Sunday EXPRESS Motoring

EDITED BY RORY BROWN

Toyota's fun bakkie

It's real value for money

TOYOTA has broken into the light commercial market with the introduction of the 1200 pick-up to the range of vehicles on offer from the company

With a clean and neat appearance, nippy performance and good fuel economy, the Toyota 1200 is a pleasing piece of machinery that was a great deal of fun to drive

Powered by the same four cylinder motor used in the Corolla panel van, the pick-up was a willing worker in all conditions

With a payload of 600 kilos has a wide variety of uses and even with a full load the engine never lost its willingness to work hard Gradients were no problem at all and in heavy traffic the bakkie was uncommonly responsive

The suspension layout employs McPherson struts up front with semi-eliptic springs at the rear and roadholding, even when fully loaded, was good

The brakes, with drums front and rear, were more than adequate although the tail had a tendency to waggle under severe braking Lights were also well above average and the interior, although a little on the Spartan side, showed a high standard of finish

Cab accommodation is on two bucket seats with the handbrake located between the seats A bench seat would be preferable in a vehicle of this nature and there was not a great deal of room to play around with

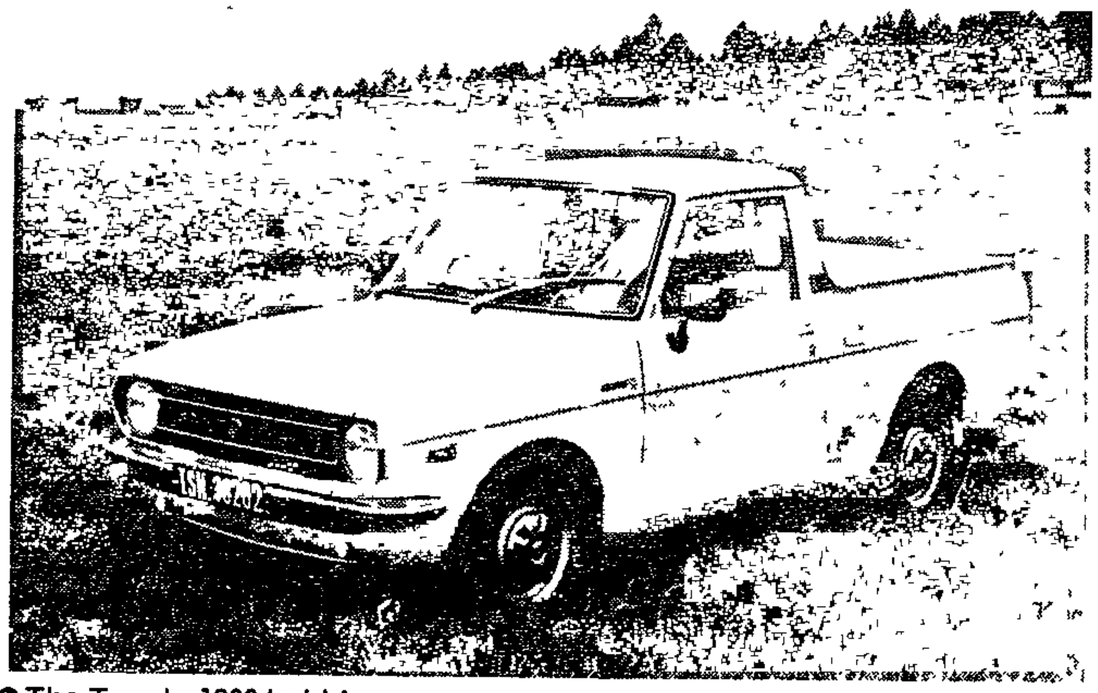
For taller owners the driving position is a little cramped to access in and out of the bakkie and a bit of a problem

This lack of space in the cab was the only severe criticism one could level at the bakkie.

Fuel consumption, as was to be expected, was pretty good Unladen the 1200 averaged out at just under seven litres per 100 kilometres The manufacturers claim a figure of 8,3 litres per 100 kilometres when fully laden although this was not put to the test

With a fuel tank capacity of only 35 litres this is another problem area although the bakkie has so many other good points that minor complaints appear insignificant

Priced at R3 070 the 1200 bakkie is good value and loads of fun to drive



● The Toyota 1200 bakkie . . am impressive newcomer to the commercial range.

Leader Jan and Datsun smiling

SPRINGBOK Jan Hettema is delighted with his performances so far this season in Datsun — Valvoline

"I think it will go even better when we come to those that incorporate

Facelift for a popular Yamaha model

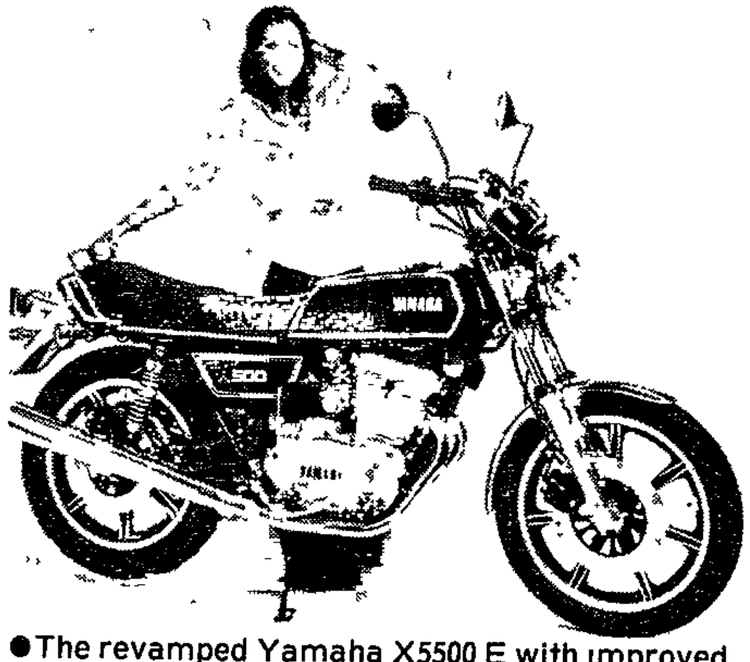
YAMAHA's popular mid-range commuter-tourer, the XS500 has been given a facelift for 1978

The new model, designated the XS500 E has improved engine performance, durability and reliability as well as a number of rider comfort changes

The new Yamaha is aimed at motorcyclists who require an economical, but powerful city commuter that can double as an ideal touring bike when needed

To provide even better rider comfort the double seat has been changed from a single-layer type to a three-layer and, at the same time, the seat height has been lowered In addition a grab bar is now provided at the rear end of the seat

The new E model now has chrome-plated steel mudguards, both front and rear, for improved durability while a small change to the location of the brake lever has overcome earlier criticism that it was



● The revamped Yamaha X5500 E with improved performance.

AA lashes out at price hikes

PMC to meet possible rally sponsor

PRETORIA Motor Club officials will be holding talks next week with a potential sponsor for the Rally of South Africa — formerly known as the Total Rally — which this year will be run in December

Jan Hettema, the PMC chairman, confirmed this week that there were a number of potential sponsors.

"I will be having talks with a possible sponsor shortly," said Hettema. "The first priority is to get a yea or nea from them. After that we will discuss money. At the moment we are sitting with our fingers crossed but I am certain that something will be worked out."

Drop in number of belt users

A RECENT Automobile Association survey in the centre of Johannesburg has revealed that only about 20 per cent of drivers are wearing seat belts

In a statement issued this week the AA said this figure compared with the 50 to 60 per cent of drivers who were using seat belts when their use became compulsory in all provinces except Natal on December 1 last year.

192 Sunday Express 5/3/78

Datsun 160Y

A second in the Molyslip event and victory in last week's Tour de Valvoline gives Hettema and his navigator, fellow Springbok Frans Boshoff, an early lead in the national championship and augurs well for the rest of the season

"We still have a few minor problems," said Hettema, "but we are all delighted that we have managed to sort out the car so quickly.

"The Datsun is very sturdy and reliable and I was pleased with the way it went in a sprint event like the tougher conditions and things at this stage look good as far as the rest of the season is concerned"

Datsun, winners of the manufacturers honours last season, are also delighted with the performance of the "junior squad" of Bert Klaver and Meno Havelaar.

Consistent drives in both the Molyslip and the Valvoline have pushed Klaver and Havelaar into third spot in the drivers and navigators stakes and the pair are fast emerging as a threat to more fancied opposition

somewhat difficult to operate

On the 1977 model, the brake lever is parallel to the master cylinder and thus the lever is rather upswept On the new bike the lever is turned 10 degrees downwards for easier operation

A small, but important change, is that dust covers are now installed to the brake and clutch levers so that water and dust are effectively sealed out.

Certain small modifications have been made to the carburettion on the XS500 E for improved exhaust emission control

• Jan Hettema and Frans Boshoff on their way to victory in the Tour de Valvoline.

THE INCREASE of 10,7 per cent in the price of tyres and tubes underlines once again the need to free these products from Resale Price Maintenance, said the Automobile Association in a statement this week

The AA points out that the main reason for continuing uniform prices for tyres and tubes is that it is claimed to ensure that the necessary high standard in quality is maintained

This is by no means convincing, said the AA, as there is no reason why a uniform standard, or standards, for the manufacture of tyres and tubes cannot be laid down by the authorities. This would protect the public and ensure a high standard of safety

The AA also pointed out that resale price maintenance, when applied to a particular commodity or article, had the effect of preventing price competition among manufacturers and dealers, thus denying consumers the advantages of such competition

Under an economic system such as we enjoy in South Africa, the free market forces should settle prices This is particularly necessary when it is realised that the consumer is becoming more and more price-conscious, the AA said

The Association also hit out at the increase of 11,1 per cent in rates for the conveyance of petroleum products by pipeline, as announced by the Minister of Transport, Mr S L Muller, in his budget speech This comes as a shock to the already overburdened motoring public, said the AA.

"Pipeline rates have been increased on two previous occasions during the past 12 months and that the nett profit on pipeline operations is now approaching R100-million a year

"It is inquitous that the ordinary raod-user should continually be expected to subsidise the other operations of the Railway Administration," the AA said

A more realistic formula should be found to spread the imbalance in the railway budget among all sectors of the public.

It can be expected, concluded the statement, that this latest increase will have a highly inflationary effect and will lead to hikes in the prices of virtually all consumer goods and services.

The AA added that the position on arterial roads during the peak morning period was more encouraging.

"There appears to be a belief that it is only neccessary to wear seat belts on freeways and arterial roads where average speeds were higher than in the more congested central city areas," added the statement

"It appears that the advantages and disadvantages of wearing safety belts is still being hotly debated," the statement said.

A survey on arterial roads showed that 349 out of 585 drivers on the Heidelberg road wore belts, that 301 out of 373 motorists on the M1 were belted up, that 581 out of 1 081 motorists in Main Road, Newlands, were wearing seat belts and that 460 out of 1 170 motorists in Jan Smuts Avenue were wearing belts.

Ford trek nou derde

(192) RAPPORT 2/4/78

FORD is nie meer Suid-Afrika se grootste trekkervervaardiger nie. Met die verkoopsyfers vir Februarie pas bekend, is Massey-Ferguson besig om sterk onder Ford uit te trek. En Fiat/Vetsak is kort op Massey se spore, met Ford heelwat verder terug in die derde plek.

Massey het in Februarie altesame 230 trekkers verkoop, tenoor Vetsak se 211 en Ford se 141. Vir die eerste twee maande is Massey se syfer 429, dié van Vetsak 400 en Ford s'n 291.

Behalwe in die geval van Vetsak, het feitlik al die trekkersvervaardigers egter in Februarie heelwat minder trekkers as in Februarie verlede jaar verkoop. Vetsak kon sy syfer van 133 tot 211 opstoot, terwyl Massey se eenhede verkoop van 325 tot 230, en dié van Ford van 232 tot 141 gedaal het.

John Deere het sy vierde plek behou en sy afset het in Februarie met net 6 eenhede tot 90 gedaal

Ford was verlede jaar die grootste vervaardiger toe hy daarin geslaag het om 3 555 trekkers te verkoop Massey was toe met 3 106 tweede en Vetsak derde met 2 609. Daarna het John Deere met 2 055 gekom, gevolg deur International Harvester met 837

Die tabel hiernaas gee 'n aanduiding van hoe die vervaardigers vanjaar tot dusver gevaar het, sowel as die totale afset vir 1977

	'78 Jan.	'78 Feb.	'77 Feb.	1977
Massey	199	230	325	3 106
Fiat/Vetsak	189	211	133	2 609
Ford	150	141	232	3 555
John Deere	47	90	96	2 055
Malcomess	31	47	55	805
Deutz Magirus	23	29	31	621
I. Harvester	31	35	81	837
Leyland	21	29	4	268
J. I. Case	10	20	18	272
SAME	11	14	11	212
Volvo	7	7	6	156
M-Benz	—	2	—	9
Totaal	719	855	992	14 505

Pryse het kwaai gestyg

OFSKOON daar verlede jaar byna 20 persent minder ligte handelsvoertuie in Suid-Afrika verkoop is, was prysstygings daarvoor verantwoordelik dat die kleinhandelwaarde van hierdie voertuie met bykans 2 persent toegeneem het

Die aantal eenhede verkoop het van 95 610 tot 76 730 gedaal, terwyl die afsetwaarde van R336,9 miljoen tot R343,1 miljoen gestyg het Dit beteken dat die gemiddelde prys per eenheid in 1977 met meer as 20 persent gestyg het

Toyota was verlede jaar weer die voorste vervaardiger van ligte handelsvoertuie, met 'n eenheidsyfer van 17 444 Dit was egter 13,1 persent minder as sy 1976-syfer, maar die afsetwaarde het nogtans met 13,2 persent tot R82,3 miljoen gestyg

Hierdie sterk styging in afsetwaarde kan hoofsaaklik toegeskryf word aan die stewige toename in die aantal Land Cruisers wat Toyota verkoop het

Sy totale afset van Land Cruisers het van 1 279 tot 1 941 gestyg, terwyl die afsetwaarde van R7 miljoen tot R14,1 miljoen toegeneem het Dit blyk ook dat die gemiddelde prys van die Land Cruiser oor die jaar van R5 473 tot R7 212 gestyg het

Omdat Leyland (soos elders in hierdie bylae berig word) nie in die vraag na Land Rovers kan voorsien nie, kan aangeneem word dat Toyota nou tot groot hoogte hier aanvul

Datsun se aantal eenhede verkoop het met 9,4 persent tot 17 518 gedaal, terwyl die afsetwaarde van hierdie eenhede met 8,2 persent tot R66,6 miljoen gestyg het

Sigma en PACSA (Peugeot-Citroen) was die enigste twee vervaardigers wat in 1977 meer eenhede as in die vorige jaar kon verkoop Dit het Sigma in staat gestel om sy afsetwaarde met 17,2 persent tot R36,1 miljoen te verhoog en PACSA om syne met 18,8 persent tot R14,5 miljoen

Ford, General Motors en Leyland het sleg teruggesak Wat die aantal eenhede verkoop betref, het Ford 'n daling van 23,5 persent getoon, General Motors een van 42,1 persent en Leyland een van 36,9 persent

Hier steun Datsun baie swaar op 'sy 120-bakkie, waar die afsetwaarde met sowat R5 miljoen tot R28,3 miljoen gestyg het Daar kan egter aangeneem word dat Datsun vanjaar alles sal moet uithaal om sy leeueaandeel van hierdie mark te hou

Toyota het teen die einde van verlede jaar ook 'n 1200-bakkie op die mark gebring, wat besig is om heel goed te vaar En dan bring Sigma sy nuwe 1300-bakkie op die mark, met Fiat wat ook volg met 'n 128-bakkie met voorwielaandrywing

Volkswagen het danksy die sterk vraag na sy minibussies sy afsetwaarde met 34,2 persent tot R42 miljoen opgestoot Maar dit is ook duidelik dat verhoogde prys hier 'n groot rol gespeel het Die aantal eenhede wat VW verkoop het, het met 36,4 persent tot 7 294 gedaal

(192)

ONS KYK NA LIGTE HANDELSVOERTUIE

Groot knou wag vir bedryf

WEENS die Regering se besluit dat ligte handelsvoertuie van 1 Januarie 1980 af onderworpe sal wees aan 'n plaaslike inhoudsprogram, voorsien vervaardigers dat hierdie deel van die mark 'n gevoelige knou gaan kry

In meeste kringe word verwag dat die pryse van bakkies en ander ligte handelsvoertuie skerp sal styg en dat die mark as gevolg daarvan noodwendig sal moet krimp

Daar is selfs sprake dat van die mededingers in hierdie mark geen ander keuse sal hê as om te onttrek nie

Mnr Brand Pretorius, Toyota Suid-Afrika se verkoopbestuurder is van mening dat 'n groot en drastiese omwenteling op die ligte handelsvoertuig is sy geheel wag

„Om te voldoen aan die plaaslike inhoudsprogram sal vervaardigers noodwendig verdere — en in sommige gevalle groot — beleggings moet maak Van hierdie beleggings sal eers oor 'n langtermyn verhaal kan word, wat op sy beurt prysstygings tot gevolg moet hê

„Verder verwag die motornywerheid dat daar in die mark vir ligte handelsvoertuie vanuit die staanspoor 'n belastingstyging van minstens 10 persent sal wees," meen mnr Pretorius

Weens hierdie probleme wat die vervaardigers in die gesig staar, verwag Toyota se verkoopbestuurder dat die ligte handelsvoertuig-mark in 1980 vanuit die staanspoor met minstens 20 persent sal daal

Volgens hom sal veral die mark vir die heel ligte bakkies en paneelwaens swaarste getref word

Wat die mark vir eentoners betref, is hy egter meer optimisties In hierdie geval is daar ook 'n klompie tegniese moontlikhede wat vervaardigers kan aanbring om by die program aan te pas en die nodige voordele daaruit te trek

„'n Moontlike oplossing is dat van die mededingers in hierdie deel van die mark moet onttrek Dit sal meebring dat dié wat oorbly hul eenheidskoste so laag as moontlik kan hou Gebeur dit nie, sal dit andermaal tot prysstygings aanleiding gee," meen mnr Pretorius

„Die plaaslike inhoudsprogram sal die einde van bakkies as 'n veeldoelige of kompromie-voertuig beteken Ná 1980 sal net diegene wat 'n ligte handelsvoertuig werklik benodig, daarin belang stel om hom te koop"

MNR BRAND PRETORIUS, Toyota Suid-Afrika se ingeligte verkoopbestuurder wat moeilike dae vir die ligte handelsvoertuigmark voorspel

Só vergelyk hulle

	Rm			Aantal eenhede		
	'77	'76	% +/−	'77	'76	% +/−
Toyota	82,3	72,7	+13,2	17 444	20 418	−13,1
Datsun	66,6	61,5	+8,2	17 518	19 332	–
Ford	43,4	47,7	−9,0	9 505	12 418	−23,5
VW	42,0	31,3	+34,2	7 294	11 475	−36,4
GM	38,9	54,8	−29,0	7 488	12 933	−42,1
Sigma	36,1	30,8	+17,2	10 095	9 961	+1,3
Leyland	18,1	24,7	−26,7	3 714	5 882	−36,9
PACSA	14,5	12,1	+18,8	3 251	3 037	−7,1
M-Benz	1,2	1,2	--	121	154	−21,4
TOTAAL	343,1	336,9	+1,8	76 730	95 610	−19,7

'n Tabel wat 'n aanduiding gee van hoe die verskillende vervaardigers van ligte handelsvoertuie verlede jaar gevaar het Die eerste twee kolomme gee 'n aanduiding van die omset van elke vervaardiger. Hierdie tabel is bereken volgens die NAAMSA-syfer oor die aantal eenhede verkoop en die voorgestelde kleinhandelprys Vir die doeleindes van hierdie bylae is alle voertuie met 'n massa van minder as 5 000 kg as ligte handelsvoertuie beskou

TRUCKS (192) FM 7/4/78

Heavy contenders

MAN sales director Bill Cunliffe predicts that this is the year for sorting out the truck manufacturers That's not the sort of fighting talk one usually expects from a company with only 2,6% of the 10 000 kg-plus market But, Cunliffe stresses, this year will be different

One difference is that, for a change, the 19 truck and bus makers should be chasing orders in an expanding rather than contracting market Ford national trucks manager Hew Brooke predicts most of the action for annual market share is imminent "We foresee an increase of at least 15% or 20% in sales before July when the new general sales tax comes in," he says

Brooke adds, however, that the expected early rush will have little effect on the heavy truck pecking order at the end of the year

Maybe so, but with 10 makers sharing only 10,3% of last year's 9 006-unit market it must be desperately tough at the bottom

Brooke predicts an overall 6,5% sales increase to around 12 500 heavyweights this year — including 1 500 buses

Datsun-Nissan (11,8% market share last year) puts the "gut-feeling" rise at 5%-6% Leyland expects a 10% growth in the 5 000 kg-plus sector with enough bus work to keep it ahead of the other nine local bus makers

Mercedes-Benz adds "Everybody is doing figures after the Budget We expect the building industry to pick up later in the year "

MAN's Cunliffe insists that the sorting out will be done at the super-heavy 20 000 kg end of the market

Truck operators last year bought only 174 vehicles in the 15 000 kg-20 000 kg medium range (88% from Mercedes-Benz and 12% Saviem) with the trend this year (*FM* December 9) again away from medium mass to lighter and heavier trucks

To prove his point, Cunliffe says MAN's Pinetown factory was geared to boost assembly from an average 24 units monthly last year to 100 monthly this year Production for the first three months, adds Cunliffe, was 22, 46 and 42 "and increasing "

MAN's good start comes mainly from two hard earned orders each of 102 vehicles, but Cunliffe says the industry can expect similar contracts coming up after last year's drop to 9 006 vehicles sold (over 10 000 kg) from 11 732 in 1976, excluding sales to government

"Truck operators can't put off new purchases for ever Especially with prices continuing to rise at around 1% a month," he adds

Unlikely to rush into the coming bargain basement for new vehicles, however, are many of the several hundred one-man owner-operators frozen out of the heavy haulage business by prolonged doldrums in the construction industry Basic trucks in the 20 000 kg range run at around R70 000 each with 50% deposits being asked from small businesses Specialised vehicles, such as petrol tankers, cost around R100 000

Even at these prices several makers must be finding the SA market disheartening Last year Saviem, Volvo and Kenworth failed to sell 100 vehicles of 10 000 kg-plus between them Seven others (Deutz Magirus, Foden, Fiat, Scania, Mack, Oshkosh and ERF) didn't reach the 200 mark each

Cunliffe's seemingly off-the-cuff assertion of a sorting out might even stretch to a shaking out

Vier grotes heers in motormark

Rapport 16/4/78

(1C12)

Deur DAVID MEADES

DIE afsetsyfers vir nuwe motors in die eerste kwartaal vanjaar het onteenseglik bewys dat die grotes besig is om al hoe groter te word, terwyl die kleiner vervaardigers met 'n al kleiner deel van die koek tevrede moet wees

Die stadium is nou bereik waar die vier grootste vervaardigers sover dit eenhede verkoop betref, in die eerste drie maande reeds meer as 58 persent van die mark het, teenoor 53 persent in die eerste kwartaal verlede jaar

Hierdie neiging is in Maart voortgesit, toe die vier grootstes 60 persent van die mark gehad het, teenoor 52,4 persent in Maart verlede jaar

En as 'n mens die kleinhandelwaarde van die afset (rofweg bereken) as grondslag neem, het die vier grootstes op hierdie gebied in die eerste kwartaal byna 52 persent van die mark gehad

Wat eenhede betref, is die Suid-Afrikaanse mark vir passasiersmotors nou dus in die posisie waar agt van die twaalf vervaardigers met net 40 persent van die mark sit

Die algemene gevoel in die motorbedryf is dat daar oor die volgende jaar of wat groot prysstygings aan die kom is Dit gaan ongetwyfeld die kleiner vervaardigers die hardste tref en 1978 gaan dalk bekend word as die jaar waarin die bedryf op groot skaal gerasionaliseer het

Sulke samesprekinge is nou blykbaar op 'n omvattende skaal in die bedryf aan die gang Die planne van Sigma en die sukkelende Leyland bly onseker maar gerugte wil dit hê dat Toyota en Peugeot-Citroen (PACSA) steeds na moontlikhede tot groter samewerking kyk

Fiat en Alfa het soortgelyke planne en Sigma se uitvoerende voorsitter, mnr Chris Griffiths, is klaarblyklik ook op die uitkyk

Hy het onlangs aan Sake-Rapport gesê dat hy steeds by sy voorspelling hou dat daar uiteindelik net vyf of ses vervaardigers in die land gaan oorbly Sigma gaan een van hulle wees en dan voeg hy by dat Sigma nog die land se grootste motorvervaardiger gaan word

Uit 'n ontleding van die vertoning van die twaalf vervaardigers die afgelope drie maande (tabel hieronder) blyk dit dat net sewe vervaardigers in hierdie kwartaal beter as in die ooreenstemmende kwartaal verlede jaar gedoen het

Die bedryf spog met 'n stewige verbetering van byna 14 persent teenoor die eerste kwartaal verlede jaar, maar hierdie „voorspoed" is tot net 'n paar beperk

Sigma kon sy afset met nie minder nie as 63,3 persent opstoot, terwyl Mercedes-Benz die aanslag van BMW baie doeltreffend afgeweer het met 'n styging van byna 62 persent in sy afset

Ford bly steeds die voorste vervaardiger en kon sy afset in die eerste kwartaal met 47,2 persent verhoog

Volkswagen bly ook in die tweede plek nadat hy sy afset met 15 persent kon verhoog het

Fiat vertoon met 'n groei van 56,7 persent in afset steeds goed Maar dit gaan vorentoe vir hom al hoe moeiliker word Sy Maart-syfer is net 11,6 persent meer as Maart verlede jaar

PACSA kon ook net-net daarin slaag om met 'n styging van 6,9 persent groei te toon Sy mededinging in veral die 504-reeks word egter al hoe skerper en sy syfer vir Maart was 9,8 persent minder as verlede jaar

Oor die eerste drie maande van die jaar is die houtlepel steeds by General Motors, wat 'n daling van 27,4 persent in afset toon Sy Maart-syfer was ook byna 27 persent laer as Maart verlede jaar

Hierdie maatskappy is egter steeds 'n filiaal van die wêreld se magtigste maatskappy 'n Mens kan beswaarlik glo dat GM nie gaan terugveg nie Hierdie „nuwe lewe" sal waarskynlik later vanjaar met die nuwe Ascona-reeks in GM geblaas word en dit kan dalk net gebeur dat van die kleiner vervaardigers in die proses die seerste gaan kry

Leyland het 'n Maart agter die rug wat hy so gou as moontlik sal wil vergeet Sy syfer was op 343 altesame 45 persent minder as Maart verlede jaar en selfs Alfa het verlede maand meer voertuie as Leyland verkoop

Leyland het natuurlik pas sy nuwe Rover op die mark gebring en kan ingrypend oor die volgende paar maande verbeter

	Jan-Maart 78	'77	% +/−	Maart 78	'77	% +/−
Ford	8 451	5 740	+47,2	2 929	2 156	+35,9
VW	7 794	6 764	+15,2	2 662	2 443	+9,0
Sigma	5 765	3 530	+63,3	2 103	1 392	+51,1
Datsun	4 284	4 951	−13,5	1 479	1 659	−10,8
Toyota	3 619	3 630	−0,3	1 097	1 316	−16,6
PACSA	3 404	3 185	+6,9	1 157	1 282	−9,8
GM	3 245	4 470	−27,4	1 200	1 642	−26,9
Mercedes	2 359	1 459	+61,7	870	531	+63,8
Fiat	1 887	1 204	+56,7	589	528	+11,6
Leyland	1 722	1 798	−4,2	343	624	−45,0
BMW	1 471	1 650	−10,9	440	621	−29,2
Alfa	1 072	1 210	−11,4	371	392	−5,4
Ander	26	53		6	12	
Totaal	45 099	39 644	+13	15 246	14 598	+4,4

Motors' wedding march

(192) FM 21/4/78

Sigma chairman Chris Griffiths spells out why rationalisation must come about

The all-round lift in sales and the generally more cheerful feeling in the motor industry has in no way dispelled the popular buzz that mergers and rationalisation are coming

"Everyone seems to be talking to everyone else," one motor executive tells the *FM*.

Comments Sigma chairman Chris Griffiths· "There is more and more a movement towards rationalisation I think that by the early Eighties this industry will be pretty well rationalised Some people will be in — and some out The initial moves have been made"

Two hot topics at the moment are Toyota/Peugeot/Citroen and Sigma/Leyland

Since Illings took over Chrysler, and the latter's plant outside Pretoria, thus forming Sigma some 18 months ago, Toyota's Motor Assemblies plant at Prospecton, Durban, no longer makes the Mazda range Motor Assemblies' car plant therefore has considerable surplus capacity This week MA closed its truck plant and moved truck assembly to the car plant.

Though talks between Toyota and Peugeot/Citroen have been going on, Toyota chairman Albert Wessels declines to comment on a possible marriage

Acknowledgement of talks between Sigma and Leyland has so far been restricted to commonisation of engines and components Neither Leyland MD Peter Murrough nor Sigma's Griffiths will affirm that discussions have gone further

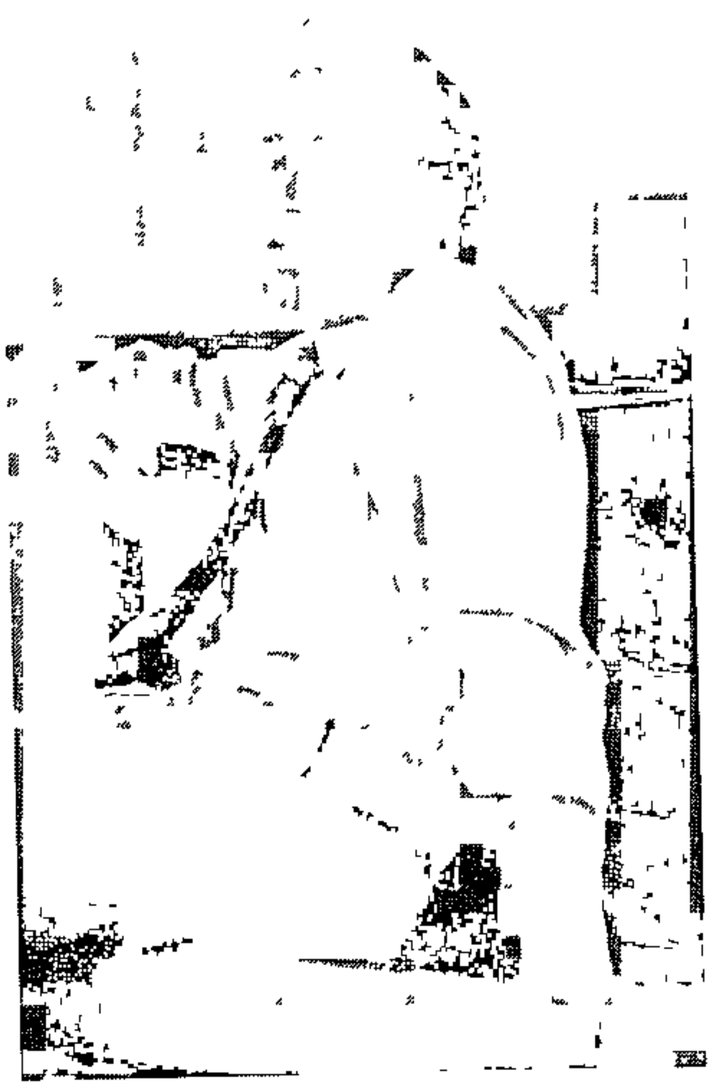
Lots of models

Griffiths, nevertheless, argues that mergers must come about His *raison d'etre* is that Phase V of the local content programme, which comes on stream in 1980, will encourage the introduction of new models

This year he expects the car market to rise 15% and that for light commercials only by 7% "This is going to be an ongoing trend," he says "Phase V will make sure that there'll be an accelerated drift between passenger cars and light commercials The reason is that Phase V introduces a local content programme for commercials and thus the current price differential will close

"When costs do that, when the price is the same, the ratio will become similar to that in Australia — 80% cars, 20% light commercials"

Griffiths further argues that the best way to hit an accurate 66% (by weight)



Sigma's Griffiths . . . some will be out

local content for each car model (the new rules do away with "averaging" local content percentage over a range of cars produced by the same plant) is by body pressings rather than engines This route, if followed by others, he says, will tend to increase model changes

"But if one's going to see more new models these must achieve a certain minimum penetration in our marketplace — 400 to 500 a month in a large car and 700 to 800 in a medium/small car

"This means not only more new cars, but we'll increasingly move towards rationalisation of assembly plants For unless one achieves massive volume through plants, the penalties will be very severe"

If all this comes about, of course, there are ramifications for the entire industry Says Griffiths "If manufacturers rationalise, inevitably this has to be followed by the rationalisation of dealer networks, for dealers only distribute products.

"The country has 12 manufacturers and therefore, basically, 12 dealer networks If we end, as possibly we will, with four, five or six manufacturers, one has to assume a similar number of dealer networks"

So what Griffiths is saying, in effect, is that dealers should now make a shrewd assessment as to whether their current supplier will be around in a few years' time

Reshuffling

Griffiths, who says he plans to take Sigma to a 20%-25% market share, concludes "Whatever way one looks at it, I'm convinced that the motor industry over the next couple of years is going to be one in which there will be major reshuffling and major changes in dealer networks in line with principals By the mid-1980s it will be a normalised industry"

In the light of Griffiths' statements, and despite the continuing hedging by both sides on a Leyland/Sigma deal, the possibility shouldn't be ruled out

Asked by the *FM* to comment on whether Leyland might quit SA, MD Peter Murrough replies "Leyland products have already been sold in SA for the past 76 years and I am quite confident that they will be seen on the roads for another 76 years"

That answer, however, does not preclude the possibility of a merger, or even Leyland selling out. Chrysler, for example, could have answered that question in similar vein prior to the Sigma takeover. And Chrysler products are still on SA's roads The only difference is that they're now made by Sigma

(192) 5/5/78

MOTOR INDUSTRY (192)

Suitable partners? FM 5/5/78

Despite a singular lack of evidence that anything much is really going on, rumours of coming rationalisation in the motor industry grow stronger

Top of the list is the oft-discussed Leyland/Sigma tie-up, dismissed by both parties as simply negotiations on finding common manufacturing ground in engines and engine components This, at least, is a bit more definite than the reported Toyota/Peugeot Citroen talks

Leyland [illegible] Peter Murrough stresses, however, that there' nothing more to the Sigma [illegible] Market rumour, on the other hand, insists that [illegible] on the end

Sigma chairman Chris Griffiths won't be drawn, although he publicly predicts that rationalisation of the motor industry will have been completed by the Eighties "Perhaps four, perhaps six manufacturers"

At this stage, Leyland is naturally sensitive to any suggestion that it may sell out, merge, hive off, or whatever Says Murrough "Leyland products have been sold in SA for the past 76 years and I am quite confident that they will be seen on the roads in SA for another 76 years"

That statement does not preclude a change in the control of Leyland SA Chrysler could have said the same thing before its acquisition by Illings (thus forming Sigma). Sigma, for instance, launched a new Chrysler range only last month

British Leyland chief executive Michael Edwardes has been quoted as saying with regard to SA "We will look at the commercial situation — and this applies anywhere in the world — and we will disinvest when we do not make profits or the potential is not good"

While Leyland SA declines to divulge profits, it is highly unlikely that its car and truck activities as a whole are making money The industry is estimated to have lost R50m last year, and Leyland is a long way from the top

Total 1977 turnover is given by Leyland as R106m This includes all Leyland divisions, including earthmoving, tyres etc On the other hand, *Motor Industry News Digest* estimates Leyland turnover from cars, light commercials and heavy trucks in 1977 [illegible] share is down from 4,7% in 1976 to 3,7%, while heavy trucks' share is up from 8,6% to almost 12%

Conversely, Sigma car turnover share has risen from 7,9% in 1976 to 9,2% while heavy trucks are down from 3,9% to 1,4%

On the face of things, the most attractive part of Leyland for Sigma must be the former's strength in trucks and buses, not cars — though Leyland's new middle-to-upper market Rover would fit in nicely Leyland, incidentally, has spent R14m-R15m on tooling up and working capital for the Rover

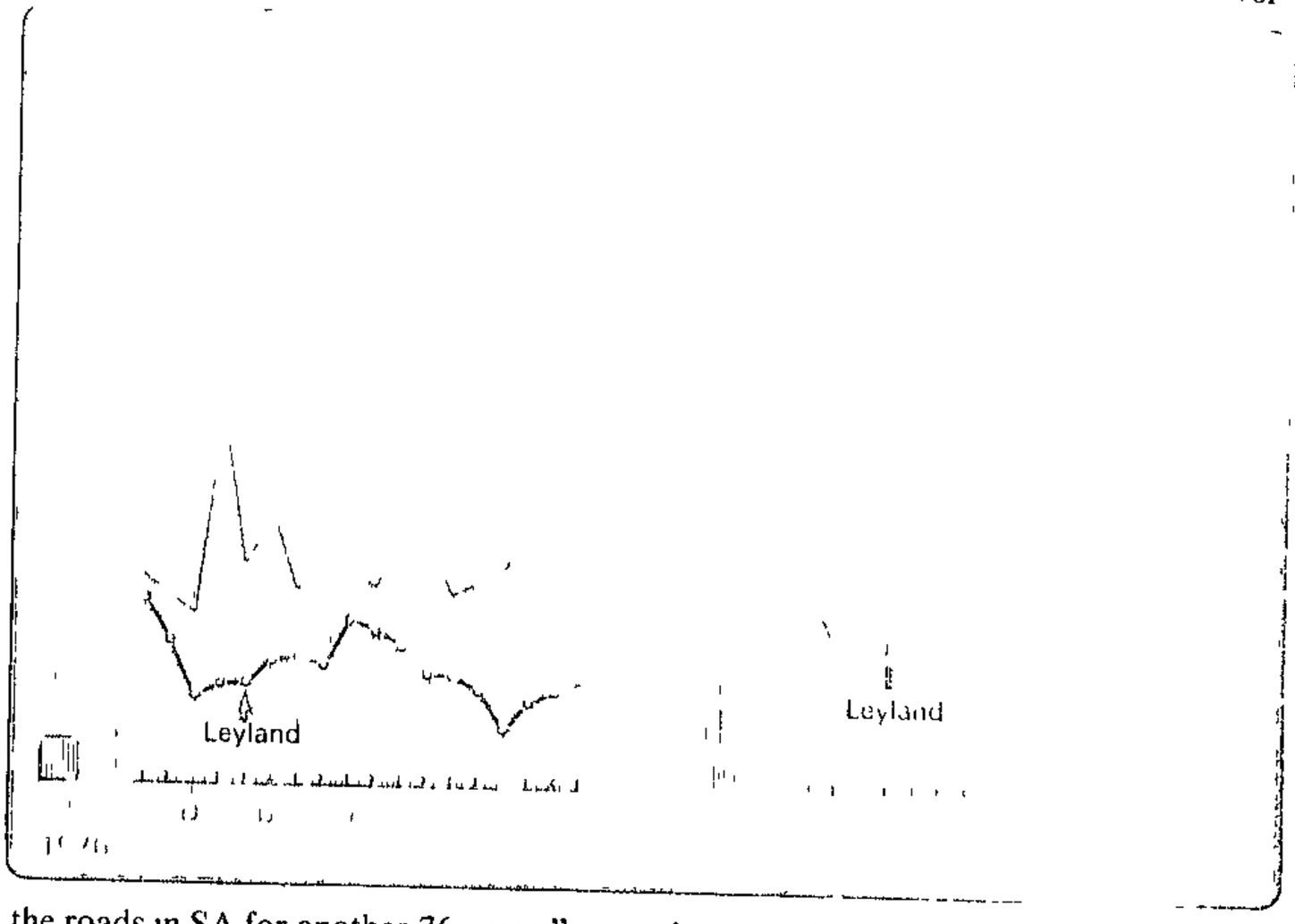
Looking at market shares and model ranges, penetration, *et al*, there are obvious areas of common ground for at least some degree of rationalisation It's a popular pastime in the motor industry these days anyway

But when it comes to the nitty gritty there are, as Datsun's Peter Whitfield puts it "Just *so* many obstacles"

Not the least, by a long chalk, is If two major motor manufacturers should merge, what do you do with the excess facilities?

And, as the old shop-floor plaint goes. What about the workers? Leyland today employs more than 3 600 people A lot of jobs are at stake

Nevertheless, the rumours keep going the rounds . . .



FM 24/3/78

(192)

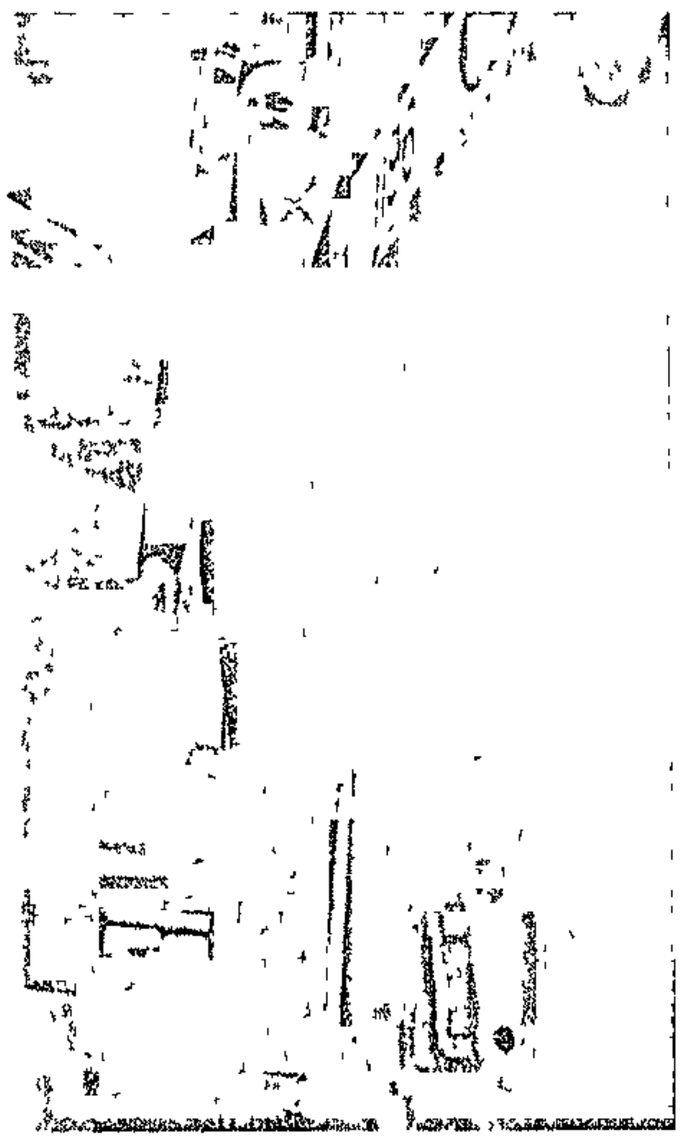
Sigma, Leyland talks

Both Leyland and Sigma have confirmed to the *FM* that they've been holding rationalisation talks

Sigma chairman Chris Griffiths tells us "Yes we've been talking, but then I'm always on the look out for something advantageous I've been talking to others too"

Leyland is more specific PR boss Arne Pitlo confirms the discussions, but stresses they have gone no further than rationalisation which could help both companies' local content situation

Major area of interest is commonisation of engine components and engines hemselves, particularly Leyland's V8 This engine powers the top end of the iew Rover range, which starts selling to he public next month The *FM* inderstands that a couple of Rovers have een delivered to Sigma's plant outside retoria "for study"



Leyland's Murrough . . . 'We're here to stay'

One problem Leyland has with the over series is the low local content of e V8 engine The cheaper Rover odels, on the other hand, are powered Leyland's 2600cc engine, which has a gh local content — the block is cast d machined in SA and the engine sembled here

Under present local content rules, anufacturers can reach the required 66% per model by weighted average For example, a manufacturer with one model at 72% and another model at 60% would have achieved the weighted average of 66%

But under the new local content rules (Phase Five, which starts in 1980), confirmed by Economics Minister Chris Heunis last month, the weighted average concession will disappear Each car model must reach the required local content percentage on its own

This could be Leyland's main reason for looking at ways of up-grading the local content of its V8 engines At the same time, Sigma may very well be able to put the economical Leyland V8 to good use in its own range

While admitting that talks on commonisation are going on, Leyland denies that there have also been discussions between it and Sigma on rationalising dealer networks "Absolutely not so," says Pitlo

Leyland has also reacted to the statement this week by British Leyland chief executive Michael Edwardes that the group is conside ng a reduction of scale of certain uneconomic operations in SA and other overseas subsidiaries

"This does not mean in any way that Leyland will withdraw from SA," says local MD Peter Murrough

Nevertheless, Leyland SA has done quite a bit of scaling down in the past year or so Out has gone the Apache, Triumph and the 6-cylinder Marina, leaving a model range of Mini, Marina 1300 and 1750, Jaguar and the new Rover

That doesn't leave a lot to prune.

TABLES

PHOTOGRAPHS

SIGMA STRIKE FM 12/5/78

Now for the union

(192)

The Sigma strike is over But industrial relations issues at the Pretoria motor plant are still very much alive

Sigma is still negotiating a wage agreement with its liaison committee (Chairman Chris Griffith tells the *FM* it will be announced "shortly")

But at the same time, Sigma management met National Union of Motor Assembly and Rubber Workers secretary Fred Sauls this week to discuss the firm's relations with the unregistered African United Auto Workers

Sauls' union represents coloured workers at Sigma But it also co operates closely with UAW and Sauls met management this week in his capacity as adviser to the unregistered union

At the meeting, Sigma told Sauls that it "reiterated its view that its door is open to both unions," despite their small representation in the plant at present As they don't represent a majority of the workforce, union recognition is not on the cards at this stage But the unions, says Sigma, are welcome to discuss problems with management Sauls, says Sigma, was happy with this arrangement

The discussions are given added impetus by union suggestions that last week's strike was caused by a communication breakdown between the committee and the workers

Griffith rejects this, branding it "incorrect speculation" He adds that Sigma believes the strike was caused by "teething problems associated with management's efforts to introduce bilateral wage negotiations" — in this case with the committee

Whether the liaison committee on its own is adequate is, however, a moot point Sauls tells the *FM* there is growing enthusiasm for the union at Sigma "Even some liaison committee members have indicated dissatisfaction with the committee system — though they haven't been specific about grievances"

Sauls is not opposed to the plant-level committee in principle He told Sigma this week that committees and unions could complement each other Sauls' members will continue to participate in the committees, as a number have done up to now

The key issue facing Sigma now, however, is its relations with the union UAW has a membership of around 200 out of a 1 500-strong black workforce but, says Sauls, membership is on the increase as a result of an organising drive which the union has just got underway

A telling point in the union's favour with the workforce is the fact that wage levels in the industry tend to be higher in regions where the union is strongest

Sauls "Obviously employer attitudes to wages play a part But pay levels are highest in Port Elizabeth where the unions are stongest and lowest in Pretoria where we're weakest In East London both union strength and wages lie somewhere in between"

Griffith confirms this trend, but says that Sigma doesn't believe its "related to union activity" He adds that Sigma's own pay levels are "equal to the highest for industry in the Pretoria area — the minimum for a sweeper is R26 a week and the next grade up earns R31 a week on average"

Certainly this week's meeting seems to have cemented a structure for sound labour relations Management is pressing on with its liaison committee — "it's the only fully elected body in the plant" — but, if the union can sustain its growth, its future could be bright

More so since Sigma is committed to parent Anglo American's industrial relations guidelines "Action at Sigma is completely in accordance with the guidelines says Griffith These provide for staggered union recognition, starting with limited recognition when the union is fairly small leading up to full recognition when it represents the majority of the workforce

Each room is rectangular, and measure 30' by 24'. Inside they are dark, often dirty, and the writer found them morbidly depressing. The beds are two-tier, and are built end to end along the length of the rooms. The beds themselves are 6' boards supported by concrete at either end and no mattresses are provided. The men often buy their own, but some men sleep on the board without a mattress.

The floors are made of brick and have no covering at all. The men have not attempted to cover the bare floors themselves in any way. The roofs leaked in some places and there are no ceilings in any of the rooms.

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AHI CONGRESS (192)

Lay off motors FM 19/5/78

The Afrikaanse Handelsinstituut is unhappy about some of Pretoria's motor industry policies At its Durban congress this week, the AHI asked government:

- To review proposed changes in taxes on motor vehicles,
- Not to discriminate in Phase V of the local content programme against manufacturers of large cars, and
- Not to use the local content programme to force "so-called rationalisation" on the motor industry, or as an instrument in its fuel conservation drive

According to Professor Nic Swart, who introduced the resolution, government is using the industry "purely as a source of (tax) revenue" Last year, motor manufacturers paid about R105m into Pretoria's coffers in the form of customs and excise duties and sales tax

The Phase V duty scales plus gst would bring in R164,8m by 1980, a leap of 57% To support his criticism, Swart pointed out it was originally understood that the value of a car for excise duty purposes in Phase V would be the wholesale price to the most favoured dealer less 15% Now, however, the industry has been told that the "discount" will be only 5%

Assuming sales tax on cars will be abolished, the proportion of a 1 500 kg vehicle's retail price going to the tax-man will curve up from 17,25% this year to 23,7% in 1980 Should sales tax stay, the increase will be to 35%

The AHI objects to Phase V's discrimination against big cars Heavy vehicles, it argues, do not necessarily guzzle more petrol than lighter ones And some manufacturers have invested heavily in assembly lines for these cars

Generally, the AHI is concerned that, while the Board of Trade last year proposed a broadly voluntary extension of the local content campaign, the industry's room for manoeuvre is being steadily narrowed For instance, Swart pointed out that manufacturers have been advised that official permission will be required for any drop below 66% local content, even if the reason is delays in deliveries from components suppliers

"The current situation in the motor industry," noted Swart, "does not call for the harsh and inflexible enforcement of regulations The emphasis should be on felxibility and free choice."

THE NORTH BARRACKS

The North Barracks are basically the same as the
also built in 1926/7. I shall not reiterate the same facts again here, but merely note the differences.

There are seven buildings with 5 rooms to a building. Each room houses 24 men which means that each building has 120 men, and the whole barracks has 840 men. In each room there are two windows 4'x4' and two 1'x 4'.

Revising industrial strategy for the Eighties is the unenviable job of the little-known Kleu committee. Where should it start?

The casual observer of the industrial scene must wonder at times whether South Africa has any strategy at all.

Take the motor industry. This is the year of so-called rationalisation during which mergers, takeovers and agreements will hopefully curtail the proliferation of manufacturers. A reduction in the number of plants, at present 13, will in time bring about a drop in the number of car models, thus achieving economies of scale which will help to push the industry back into the black. Last year the industry made an estimated total loss of R50m.

Should the industry's own predictions of rationalisation (*FM* last week) come about, they will certainly please government which has tailored the new rules for local content to help achieve this. Economic Affairs Minister Chris Heunis has even considered 'help' for manufacturers who want to pull out.

But now, Midmacor, which holds the Honda franchise in SA, has thrown a cat among the pigeons. It says Honda is considering entering the car and light truck market. Whether this sort of situation makes sense and should be encouraged is clearly something that should be explored by the Kleu committee studying industrial strategy.

The *FM* for one, would certainly

advocate any form of industrial licensing (we've had enough of that in basic chemicals and with TV sets) But on the other hand, any industry as large and as complex as the motor industry needs guidelines and it is essential that they are made to conform with broad economic policy

"We've got a lot of policies," says the FCI's Dr Hennie Reynders, "but they're not co-ordinated" That, in a nutshell is the problem

Solutions are another matter each will have to be tailored not only to the needs of a specific industry, but also to the many-faceted needs of overall economic policy Thus the committee will need to take a hard look at

o **Import replacement and export promotion.** Irrespective of whether SA faces economic sanctions, this is clearly an area where co ordination is needed

The two are not alternatives particularly as the role of manufacturing becomes more important each year as an earner of foreign exchange and as a provider of work

On the import replacement side there are questions over protection policy Are the Board of Trade's parameters outdated? Are protective tariffs on consumer goods too high and those on capital goods too low?

Drift to capital intensity

Reynders, for one, argues that we must produce more capital goods since this tends to balance unemployment brought about by the drift towards capital-intensive industry It would also help lower our import bill, two-thirds of which is accounted for by basic industrial chemicals, electrical and non-electrical machinery and motors, he says

Such a policy would not be easy to implement, however, since capital goods users prefer to shop around the world and are historically hostile to the establishment of a capital goods industry enjoying a high degree of protection

Also, if our exports are to be competitive on world markets, the need to use new technologies is obvious

KLEU'S COMMITTEE

The committee on industrial strategy consists of

Basie Kleu, Board of Trade,
Simon Brand, the next economic adviser to the PM,
Arthur Hammond-Tooke, FCI,
Adam Jacobs, AHI,
Colin McCarthy, Stellenbosch University,
Sybrand Visagie, Department of Finance,
Attie de Vries, Bureau for Economic Research, Stellenbosch,
Johan van Zyl, Pretoria University

Reynders (top) admits to a lot of unco-ordinated policies, Kleu (right) and his men will do the brainwork to find solutions

At this stage of our industrial development, machinery (in the short term) is ousting man

o **Labour policies** 'Technological unemployment' is another area the committee should investigate The FCI says that 376 000 new jobs (280 000 of them for blacks) must be created each year to 2000 AD if unemployment is to be held in check Of this, manufacturing must provide 108 000 (92 000 for blacks), which means the sector must grow at 6,5% 7,5% a year

This clearly is not possible under current circumstances And it is nonsense to suggest that we can achieve such growth without substantial inflows of foreign capital (At best we might achieve 4,5%)

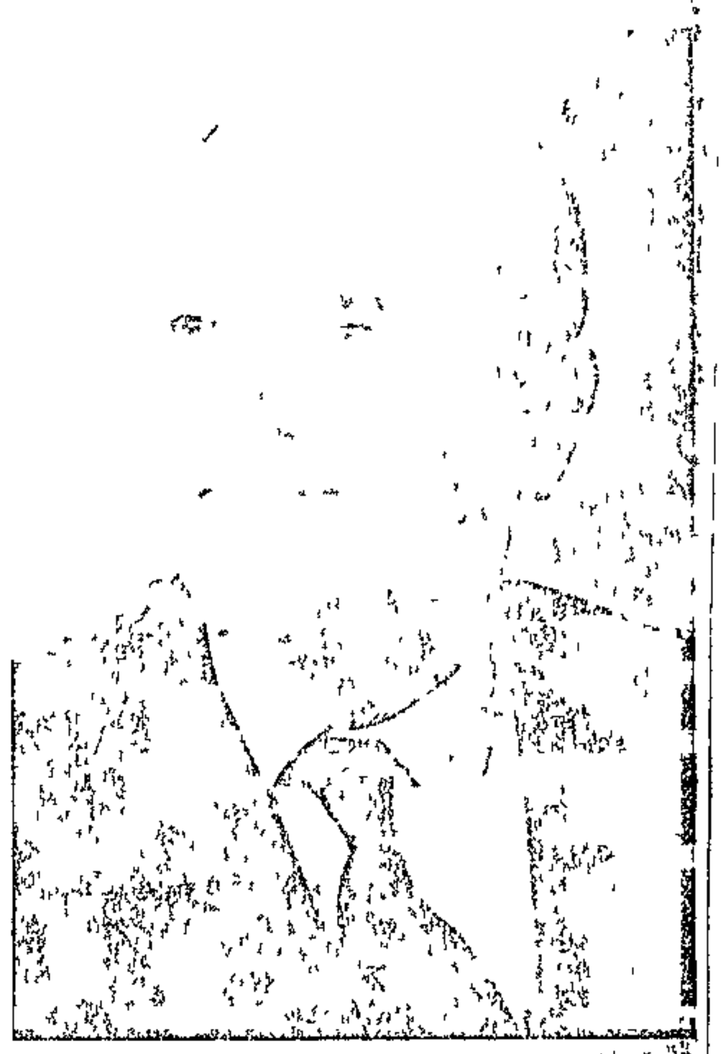
What might help, in the very short term, is a sort of "Rhodesian solution" where jobs are created in markets sheltered against foreign competition, such as public sector road building, dam-making and the "stimulation" brought about by infrastructural expansion in general and priming of the building industry But that's expediency — not strategy

On the labour front, if manufacturing industry is to develop, guidelines are required At present, emphasis has been placed and is being placed on the need for skilled labour and the necessity for training schemes But section 3 of the Physical Planning Act has led to a degree of automation which in itself provokes increased demand for skilled labour

So what should we really aim at?

o **Capital.** In the past few years government and state bodies have taken too much of the available cake Industry has more and more turned to retained profits as a source of capital But there's a limit. And if foreign capital sources are drying up and greater demands are placed on domestic capital markets somehow savings have to be increased But they are already high — and a number of economists don't think we can save more. So what's the alternative?

o **Exchange rate policy.** Export-led growth would obviously benefit from a cheap rand But the rank-and-file of industrialists are afraid of devaluation because of the inflation it causes Let the rand float? Fine, but it would be unrealistic to expect any government not to intervene in the exchange market to push the rate one way or the other So the question remains as we prepare to step into the Eighties, do we want a cheap rand or a dear rand?



These are just some of the issues. Economic Affairs Minister Chris Heunis tells the *FM* that he intends to speak on the whole matter of industrial strategy shortly (he may even talk about the motor industry) Other than that he won't comment on the work being done by the committee

As far as we can ascertain, the committee's brief is as wide-ranging as the topic itself Hopefully, it will not be so silly as to try and draw up a plan. Rather it should limit itself to putting the future of the manufacturing sector into perspective, pinpointing the problem areas, and making suggestions as to how industry can best fit into broad economic policy

Industry doesn't need a captain, but it does require a rudder

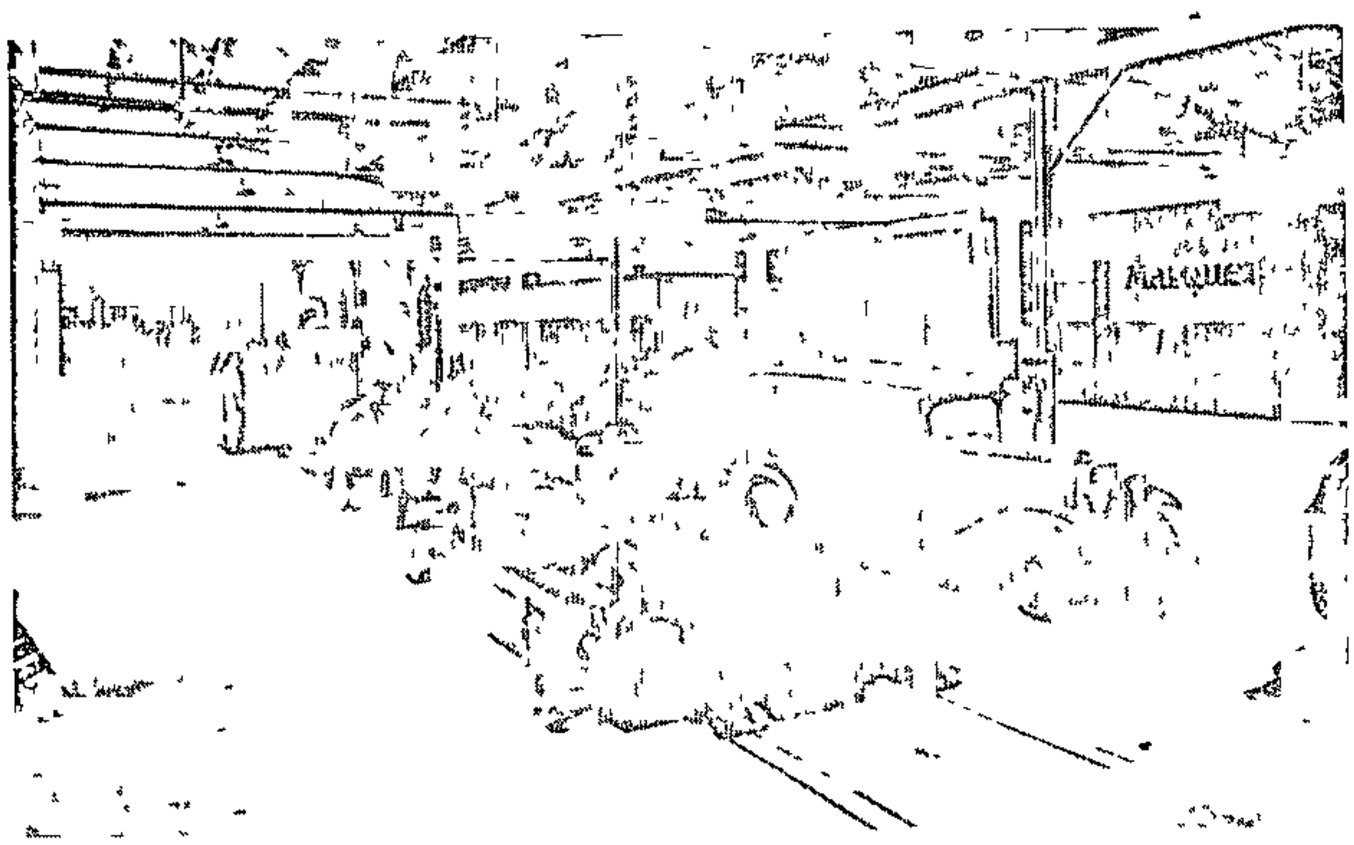
(192) FM 2/6/78

MOTOR APPIES

Coloured apprentices may soon make a breakthrough into the motor repair trade But don't expect labour patterns in the trade to change overnight

On August 28 the *FM* reported that Minister of Labour Fanie Botha was attempting to persuade the (white) Motor Industry Employees' Union to reverse its present policy and train coloured apprentices While he won't discuss the issue at present, secretary Piet Pienaar tells the *FM* the union met last weekend to discuss the issue and will probably meet Botha to discuss it again.

Some change in the union's policy will probably result How much difference will it make? Not much, says Bernard Chalmers, a personnel manager for a motor firm for some years "Obviously, it would help but the only long-term solution (to the shortage of motor mechanics) is to apprentice Africans — both because of their numbers and because they would be more attracted to the work "



Old-time shop . . only the cars have changed

Motor Industries Federation director Jan van Huyssteen says that "apprenticing coloured and Asian workers would help a lot — white youths are still not available in some areas "

But, he, too, believes the move wouldn't have much affect — at least in the short term "There's no critical labour shortage in the industry right now The change would help in boom times "

Official Department of Labour figures do indicate, however, that there is a shortage They show that the total number of artisans indentured in 1977 was only slightly bigger than the 1976 figure (2 163 as against 2 080) - in contrast to a large rise in 1976 as against the 1975 figure (2 080 versus 1 661)

The number of coloured workers indentured actually dropped last year (179 versus 216) as did the number of Asians (74 versus 110) Figures also indicate that the ratio of cars to mechanics in SA is more than double the US ratio Says Secretary for Labour Jaap Cilliers "The number of cars on the road is increasing, as well as the number of black-owned cars The decrease is thus doubly worrying "

To some extent, this is due to employer resistance to training coloureds ("Many simply hide behind the provisions of the Factories Act," says Chalmers) and the fears of customer resistance, particularly in *platteland* areas ("Some farmers won't allow coloureds to work on their cars," says Van Huyssteen) But the union ban on training has played an important part

The union exerts its influence in two ways Firstly, by threatening members who train coloured apprentices with expulsion, and secondly by its representation on the industry's apprenticeship committee

If an employer wants to induct an apprentice, he must receive permission from the committee, which has a 50% union representation The union is thus able to block applications to train coloured workers

The apprenticeship committee is divided into a' number of regional sub committees and van Huyssteen says the problems occur only in some regions "In the Cape, where white-coloured relations seem to be better, there are no problems The southern and northern Transvaal are the biggest problem areas "

The coloured union in the industry, the Motor Industry Combined Workers Union, has one representative on the Southern Transvaal committee, but his effect is nullified by the fact that the chairman of the committee is a (white) union man who has a casting as well as deliberative vote and can therefore join the (white) union in outvoting employer and coloured worker representatives

Employers do have one out, however They can appeal to the Minister of Labour against committee decisions and, says Van Huyssteen, a number of appeals have been won of late Appealing to the minister in each case, is, however, obviously not a solution.

Van Huyssteen is not unsympathetic to the union's stand: He points out that white union men have trained Africans in Transkei and adds: "They're worried about being swamped. They've even complained that employers prefer coloured apprentices because they don't have to undergo military training."

Do rank and file union men share this fear? Chalmers thinks not "There would probably be problems with African apprentices. But firms have already introduced coloured apprentices in the Transvaal without any comeback There might be more objections if they felt a lot of coloureds were coming in "

As for standards, Minister Botha (striking a chord in many a motorist's heart) told Parliament recently that standards in the repair industry were low Chalmers agrees· "It is virtually impossible to get people with more than a standard 8 "

Not so, says Van Huyssteen "Our standard of workmanship compares with any in the world. The Price Controller receives few complaints about faulty vehicles and few accidents in SA are caused by faulty vehicles. There's no productivity crisis in the trade."

He points to the repair shop assistant (rsa) scheme in the industry which allows (mainly African) unindentured workers to do parts of a mechanic's job "The scheme has been a success. The rsa is doing $\frac{5}{8}$ of a mechanic's work and costs have been curbed tremendously."

Chalmers disagrees: "The job structure of an rsa isn't rational — it's impossible for them to do everything they're supposed to while keeping away from the forbidden jobs The problem is worsened by the fact that there's a laid-down assistant-mechanic ratio which employers must follow — so you can't get round the problem by employing more rsa's "

(192)

Argus 14/6/78

Car prices up in advance of sales tax

By Keith Macfarlane
The Argus Motoring Editor

AFTER having just enjoyed its best May in two years, the South African motor industry has almost without exception raised the prices of new cars from between one and 10 percent in the second wave of increases this year; to get ahead of the four percent general sales tax due next month.

At the beginning of the year industry spokesmen forecast a price rise of between 12 and 15 percent for 1978, in stages of between three and four percent every quarter.

In the current series every company has raised its prices, with the biggest increases applied to the expensive German-sourced cars from BMW and Mercedes. The price of the BMW 733 has gone up by 8,5 percent to R21 160 and the Mercedes 350 SEA by 9,9 percent to R21 391. These prices are affected by the hardening of the D-mark in relation to the rand as well as by the general inflation rate.

TOP BRACKET

On the whole the prices of cars in the top brackets have increased by proportionately greater amounts than those of lower priced vehicles. There are one or two exceptions. The cheapest Mini has gone up by 8,2 percent to R3 270. The most expensive Mini, the GTS, now costs R3 840.

Leyland has also raised the prices of its Rovers — the top of the line V8 goes up by 3,07 percent to R13 915 and the Jaguar Executive by 4,2 percent to R18 575.

The price of Fords has increased by four percent, with the exception of the new Granadas which are much more expensive than their predecessors. The new Granada Ghia, at R11 719, costs almost a third more than the earlier model.

NO INCREASE

One or two companies such as Peugeot and General Motors have not raised their prices and GM has actually dropped one. The two-litre Chevair comes down by R5. Toyota has also dropped the price on the two Cressida sedans by R210 and R215.

Competition has sharpened in the industry because of models already introduced this year by Ford, Leyland, Datsun, BMW and Volkswagen; and the promise of others to come from Sigma, GM and Fiat in the next couple of months.

● See car prices: Page 19.

Leyland, Sigma set for merger

STAR 4/7/78 (192)

Michael Chester, Financial Editor

An announcement is believed to be imminent on a multi-million-rand merger between Sigma Motors and Leyland South Africa in the biggest deal yet in the motor business.

Negotiations are almost completed on the creation of a colossus that will overtake arch rivals Ford and Volkswagen to rank No 1 among the car producers. Turnover is likely to be about R750-million a year

The plan is to pool production of such famous models as the Jaguar, Rover and Mini with Chrysler and Mazda ranges.

Most, if not all, are likely to be assembled at the sprawling Sigma plant near Pretoria

COMMERCIAL

The Leyland plants at Blackheath and Elsiesrivier in the Cape will concentrate on bus and commercial vehicle production.

If the merger goes ahead it will set the lead in a whole series of merger moves inside the motor industry to streamline production.

Mr Chris Griffiths, of Sigma, estimates that combined losses in the industry last year swelled to R50 million and argues that the number of producers needs to be cut from a current 12 to perhaps four or five to make business viable.

● Merger imminent — Page 19.

(192) FM 9/6/78

Car conundrum

In the motor industry, rationalisation apparently means fewer manufacturers, not fewer models

Rationalisation fever is gripping the motor industry, with particularly high temperatures in the Leyland and Sigma camps. "Lots of surprises in the industry this year," promises Leyland's MD Peter Murrough. "Down to four, five or six manufacturers by the Eighties," declares Sigma's Chris Griffiths.

All very exciting. Nevertheless, amid the wiping of fevered brows, the industry appears to have forgotten what rationalisation is supposed to be all about The concept is as old as the local content programme, introduced in the early Sixties. Its architects assumed that, as the demands of the programme grew stiffer, market forces would weed out the weaker manufacturers

As manufacturers left the market so would their car models. Fewer models would mean larger market slices for the remaining manufacturers. That in turn would mean longer production runs and, therefore, lower unit costs. The result would be lower, or at least not-so-high, car prices.

That was the theory In practice, rationalisation hasn't worked that way. The only real example of rationalisation, in the sense described above, has been the withdrawal of Volvo. But Volvo was a low-volume seller and its demise caused hardly a ripple

When Renault quit, Toyota's Albert Wessels won the rights to manufacture the R 5 at his Motor Assemblies plant near Durban. So Renault is still in the SA market

The next move, about 20 months ago, was the formation of Sigma, when Anglo-controlled Illings took over Chrysler Illings didn't have a motor plant Its Mazda range was made by Motor Assemblies So, with the merger, Mazda production simply moved to the under-utilised Chrysler plant at Sylverton The loser was Motor Assemblies.

Mazdas, Chryslers and Colts all remained in the market The Illings-Chrysler marriage did not help to reduce the proliferation of models on SA's crowded car market.

Today, according to Naamsa, there are still as many as 40 government-approved models (and their derivatives), 37 of which are actually on the market. This compares with 44 approved models, with 36 actually on the market, at the beginning of 1974, the year after the boom of 1973

Nor is there much prospect of model cuts should Leyland do a deal with Sigma, or Peugeot, or both, as has been suggested Murrough is adamant that, whatever package he negotiates, "Leyland products will remain on SA roads"

There is speculation, nonetheless, that whoever merges with Leyland will trim the model range But there isn't much to cut The Apache, the six-cylinder Marinas, and the Triumphs have gone already The new Rover is a great success That leaves the small Marina, the Jaguar, and the Mini With Leyland's dealer network to consider, it's unlikely that the existing range can be pruned much

Waiting for Phase V

And one can't expect Leyland to pull out altogether Exports to SA are worth R50m a year to British Leyland

Just as important, one can't expect whoever buys into Leyland to knock the range off the market to everyone else's advantage For the gap that Leyland's models would leave would be shared by all manufacturers

In other words, the sort of rationalisation envisaged by the Board of Trade and the government just doesn't appear to be on the cards at present. And it is even more unlikely now that Midmacor is hinting that Honda is interested in manufacturing cars in SA (the Mercedes plant in East London is the current hot tip to make them)

The pattern which seems to be emerging is not one of fewer car models, but of fewer and larger car firms

True rationalisation, with fewer manufacturers *and* fewer models, will probably have to wait until well into the Eighties and the onerous requirements of Phase V of the local content programme

Johannesburg traffic . . . a stylistic plethora on parade

AAC grip on motor industry tightens

Star 6/7/78

(192)

By Michael Chester, Financial Editor

Confirmation of the takeover of the South African operations of Peugeot puts the Anglo American Corporation on the track towards emerging well entrenched as the No 1 motor producer in the domestic market next year.

The next manoeuvre by Anglo American will be to use its automotive offshoot Sigma Motors — created less than two years via the merger of Illings Motors and Chrysler Corporation SA — as the vehicle to take over Citroen SA

Negotiations with Citroen are likely to be settled inside the next two months and closely follow the Peugeot takeover formula

Assembly of Peugeot and Citroen models has till now been handled as a joint venture by Pacsa at Natalspruit near Alberton

The plan now is to close the Natalspruit plant by the end of the year and transfer production to Sigma Park near Pretoria

In one stroke, based on current sales figures, the Anglo American hold on the passenger car market will bound from 14,3 percent to 23,3 percent to overtake present leaders Volkswagen and Ford

NEXT ROUND

Next to be completed is the round of negotiations between Anglo and Leyland S.A. Though both camps stay silent on the talks, inside sources are convinced a merger agreement is imminent. This in turn will give Anglo a commanding 29 percent slice of passenger car sales and push its penetration of the commercial vehicle market to 18,3 percent.

The spread of car models will be formidable — from the Jaguar and Rover to the Mazda and Mini A pooling of Leyland production also promises a powerful range on the truck side.

Mr Chris Griffith, chairman of Sigma, is convinced that a whole series of mergers or takepvers is inevitable as the entire industry strives to streamline operations and cut down losses that last year amounted to about R50m

The emphasis, he believes, must be on economies of scale in sheer production volume, rather than on a trimming of the number of model variations

He argues that the cut back of models promises only insignificant savings, while rationalisation of the production lines can slash costs by between R200 and R400 per unit

Does that mean the chance of price cuts

"Not so," says Mr Griffith "Car prices in South Africa are already 10 or 12 percent too low on international comparisons

"Streamlining on the production side will simply mean the cost pressures for price increases will be toned down"

Star 6/7/78

TECHNOLOGY

Another important aspect of Anglo American thinking. "Sigma already had access to technological knowledge in the United States, via its Chrysler link, and in Japan, via its Mazda link

"Now, the deals with Peugeot and Citroen will ensure access to West European technology" A Leyland link — which he diplomatically omitted to add — adds Britain to the list.

Sigma gets Peugeot, Citroen for R30-m

Star 5/7/78 (192)

Harvey Thomas, Motor Editor

In a R30-million deal, the Sigma Motor Corporation announced today it was taking over Peugeot and Citroen South Africa.

The new Sigma Corporation will have assets of more than R130-million and will claim at least 20 percent of the total new vehicle market in South Africa. Star 5/7/78

The chairman of Sigma, Mr Chris Griffith, confirmed today that negotiations were continuing with Leyland South Africa, although he was unable to say when an agreement would be reached

In today's take-over Sigma, as from January 1 1979, will transfer production of Peugeot vehicles to its Silverton factory and will negotiate a transfer of Citroen cars

"We hope to have reached an agreement with Citroen by about September," said Mr Griffith Sigma would maintain two separate dealer organisations with the Peugeot/Citroen organisation as a separate entity from the present 240 Sigma dealers

HANDSHAKE

The managing director of Peugeot Citroen South Africa (PACSA), Mr George Ward said Peugeot's factory at Natalspruit was now up for sale and that its 1 730 employees would be given a golden handshake of some R1,7-million

Sigma would be able to absorb a number of Peugeot workers, including some Africans, said Mr Griffith, but this number would probably be about 500 to 600

The creation of the new Sigma Motor Corporation, backed by Anglo American with a 75 percent shareholding and Chrysler with the rest, will make Sigma into the largest motor company in South Africa

Mr Griffith confirmed that even with Peugeot production at Silverton his plant had additional capacity that is not yet utilised

The move, he said, was prompted by economies and increased overall productivity Sigma would be introducing a new car to replace the Peugeot 404 and R10-million had been earmarked for this

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(c) ... gelidus Teucris per dura cucurri
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(d) Rusticus urbanum murem mus paupere f
accepisse cavo, veterem vetus hospes

(e) Et iam summa procul villarum culmina
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1 300 may lose jobs in car takeover

Star 6/7/78 (192)

By Sieg Hannig, Labour Reporter

At least 1 300 of the 1 732 motor assembly workers at the Natalspruit plant of Peugeot and Citroen South Africa face retrenchment owing to the takeover by Sigma Motor Corporation.

But there are several factors which could soften the employment blow of the Peugeot takeover.

Pacsa has announced that R1,7-million is being provided to compensate retrenched staff at the end of the year, when operations cease at Natalspruit pending resumption of Peugeot 504's assembly at Sigma's Pretoria plant.

In addition, Pacsa is negotiating the sale of its Natalspruit plant to a buyer who could be expected to take on some of the laid-off workers.

If Sigma were not to take over the Citroen assembly from Pacsa, Citroen would continue to be assembled under contract with another firm which, conceivably could take on some extra workers.

INCREASED

However, Sigma will not take on more workers if it concludes its current negotiations for the assembly of Citroens. Star

By next March it will have increased its Pretoria staff by about 400 to 500 workers and the Citroen deal would make little difference, said Sigma's chairman, Mr Chris Griffith. 6/7/78

Later next year more staff would be taken on as a new model to replace the Peugeot 404 would come into production Sigma would not produce any 404s.

A Pacsa spokesman said there would be no retrenchment at Natalspruit until the end of the year.

Asked about transfers of staff from the Natalspruit plant to Pretoria, Mr Griffith said Sigma had approached the authorities in view of the restrictions on the movement of black workers.

"They have been very co-operative," he said.

However he conceded the black housing shortage might pose a problem in transferring blacks from the East Rand to Pretoria.

About 1 200 of Pacsa's workers are blacks. There are very few coloured workers.

FM 16/6/78

LABOUR RELATIONS — 1

Here's how (192)

A **conservative** white trade union co-operating with both a coloured union and an unregistered African union on an industrial council? It sounds a little far-fetched to someone familiar with the SA labour scene Yet this is precisely what is happening in the Port Elizabeth motor assembly industry

Details of this unique arrangement were spelled out recently by Ford industrial relations manager Fred Ferreira, addressing a Umsa Business School conference on "Codes of Employment Practice" Ford is one of the few SA companies to recognise an African union

Ford recognises the United Auto Workers' union, which has close links with the (coloured) National Union of Motor Assembly and Rubber Workers The white union is the SA Yster, Staal en Verwante Nywerhede Unie, which is a power in the staunchly conservative SA Confederation of Labour.

Ferreira told delegates to the conference how African worker representatives — among them the National President of the United Auto Workers — have sat on the industrial council, which regulates wages and working conditions for the PE motor assembly plants, since 1974

Because management was unwilling to negotiate separately with the three unions, says Ferreira, they insisted that a common set of demands on issues of common interest be drawn up The system, it seems, is working well "Co-operation between the employee parties has become mutually accepted," is how Ferreira puts it.

He tells the *FM* "Obviously the three groups have differing concerns. But on issues like wages, where their interests overlap, they form a united front to bargain with employers"

Of course the African delegates to the industrial council are not there as union men — that's illegal But they're there — legally — because they are also liaison committee members. Representatives of liaison committees are entitled to observe at industrial council meetings, thus giving the African union an opening in an industry in which many African union men are liaison committee members as well.

All three industrial council African representatives are union men, however, and the distinction is little more than a nicety Expanding on this, the company's spokesman says "At Ford, the dividing line between the committee and the union is obscure Union membership on the liaison committee is 100%"

Ferreira explains "The industrial council delegates bargain on long term conditions of employment Day to day grievances are handled by the union shop stewards and the liaison committee usually deals with issues such as problems with the interpretation of company rules or the industrial agreement"

Ferreira believes the African representatives on the council have adjusted quickly to their new role While they're only observers, that term isn't defined and they've gradually come to play an active role in the council's negotiations

Ford is convinced that it made the right decision in recognising the union and agreeing to its presence on the council

Recognition of the union as the sole representative of workers at Ford gives them a power base and turns the committees from ineffective "puppets" — as liaison committees so often are — into effective bargaining instruments

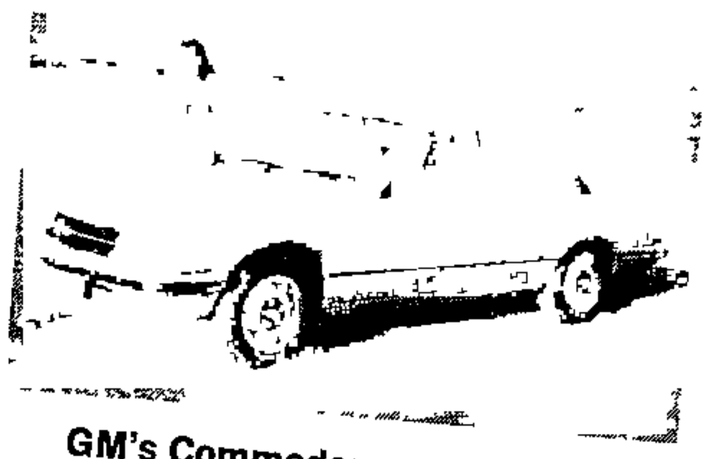
Back in business

(192)

General Motors this week announced its intention of climbing back to the top rungs of the car sales ladder with three new models — Ascona, Rekord and Commodore.

GM, mainly through a dearth of new cars to satisfy the motoring public's appetite, has found its market penetration slipping in the past two years — in spite of the introduction of the Chevair

Said MD Lou Wilking in Johannesburg this week: "None of us have found it palatable to be hovering in sixth or even seventh position. To say the least,



GM's Commodore . . . top of the new range

our passenger car sales in the last two years have been very bleak

"This in itself has contributed to rumours that we have constantly denied — and I do so again today — that GM is pulling out of the SA market."

Talking of the future car market, Wilking pointed out that there are currently eight cars per 1 000 blacks, 40 cars per 1 000 coloureds, 100 for 1 000 Asians and about 400 cars for every 1 000 whites.

"Now I'm not saying that we have to bring blacks up to the white level in any short period of time. But let's bring them up to the coloured level. Very simply what that means is half a million vehicles (a year) will be sold. This is something that has got to happen to strengthen the whole SA motor industry."

GM's new range, all German-designed and sourced, will replace the long-running 2500, 3800 and 4100 series. Bottom of the line Ascona, with a 1300cc engine, is nicely priced at R4 295, and R4 545 for the luxury S model

The Rekord, with a 2,3 litre engine, comes in four variants, plus a station wagon Prices start from R5 650

The big Commodore is GM's six-cylinder model in either a 3,8 litre or 4,1 litre engine package Prices have not yet been announced.

The Chevair, incidentally, remains on the market.

MOTOR INDUSTRY FM 7/7/78 (192)

Sigma takes pole position

By January 1, next year, the motor industry could be down to 10, or even nine, manufacturers Wednesday's confirmation of Sigma's acquisition of Peugeot & Citroen South Africa (Pacsa) will, effectively, make it 11 manufacturers by the first day of the new year A Sigma/Leyland deal is also imminent — possibly within a fortnight

Further, the Toyota/Peugeot talks early this year have not been forgotten and there is talk that the now-frustrated Toyota must be in deep discussion elsewhere

In any event, Sigma's acquisition of Pacsa is a fact and the result is a deal which Sigma chairman, Chris Griffith, describes as "involving gross assets of about R30m "

He won't be drawn further and declines to say who paid what and to whom All that *is* certain is that the existing shareholding of Sigma (75% Anglo and 25% Chrysler) will remain unchanged

Sigma takes over the manufacture and distribution of Peugeot vehicles The French company's existing Alrode, Transvaal, plant will close and full manufacture will be transferred to Sigma's Rosslyn, Pretoria plant No such arrangement has been finalised with Citroen as yet, but the deal will probably be sealed by September

Neither Peugeot's (200) or Sigma's (210) existing dealer networks are to be pruned and they'll continue to operate in tandem That may not be much consolation for Peugeot's existing labour force of 1 732 for, while there are bound to be some additions to Sigma's workforce of 1 600, there will be 1 200 or so job-seekers come January

On the basis of May car sales, the deal makes Sigma SA's largest volume producer of passenger vehicles Sigma's total for May was 2 526 and Pacsa's 1 608 The combined total — and there's no hint of model pruning in either line — would have put the enlarged Sigma, at 4 134, well clear of its nearest rival, Volkswagen (2 865), and given the new company a rounded market share of 23%.

While it remains in fourth position in terms of commercial sales it will, nevertheless (if current projections hold up), have a comfortable leading edge in terms of combined vehicle sales

Griffith remains firmly convinced that rationsliation means collecting manufacturers under joint roofs rather than outright model pruning He argues that it costs a manufacturer R1m a month to stay in business — get under one roof and the costs don't double Model pruning, he says, doesn't provide that sort of saving

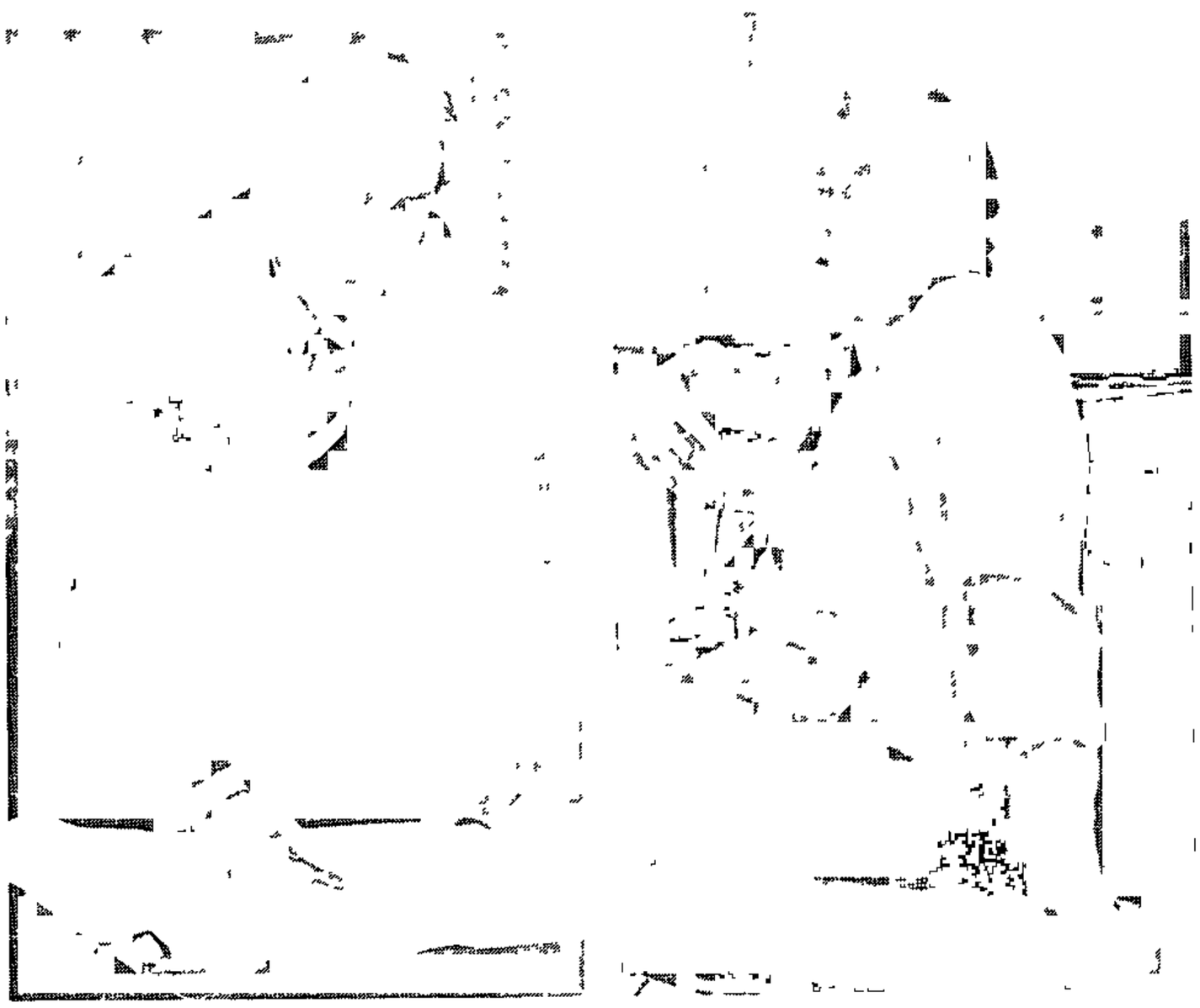
Further "facility rationalisation" with, say, Leyland would provide Sigma (assuming Griffith is right) with additional cost savings and give the company an increased lead at the top of the sales log

But there is another spur to Sigma's talks with Leyland As yet, Sigma is one of the companies which hasn't presented proposals to the IDC on the question of local diesel engine manufacture (*Business brief*, June 30) Leyland has, and it's unlikely that Anglo would wish to be left out of one of the biggest engineering ventures for years

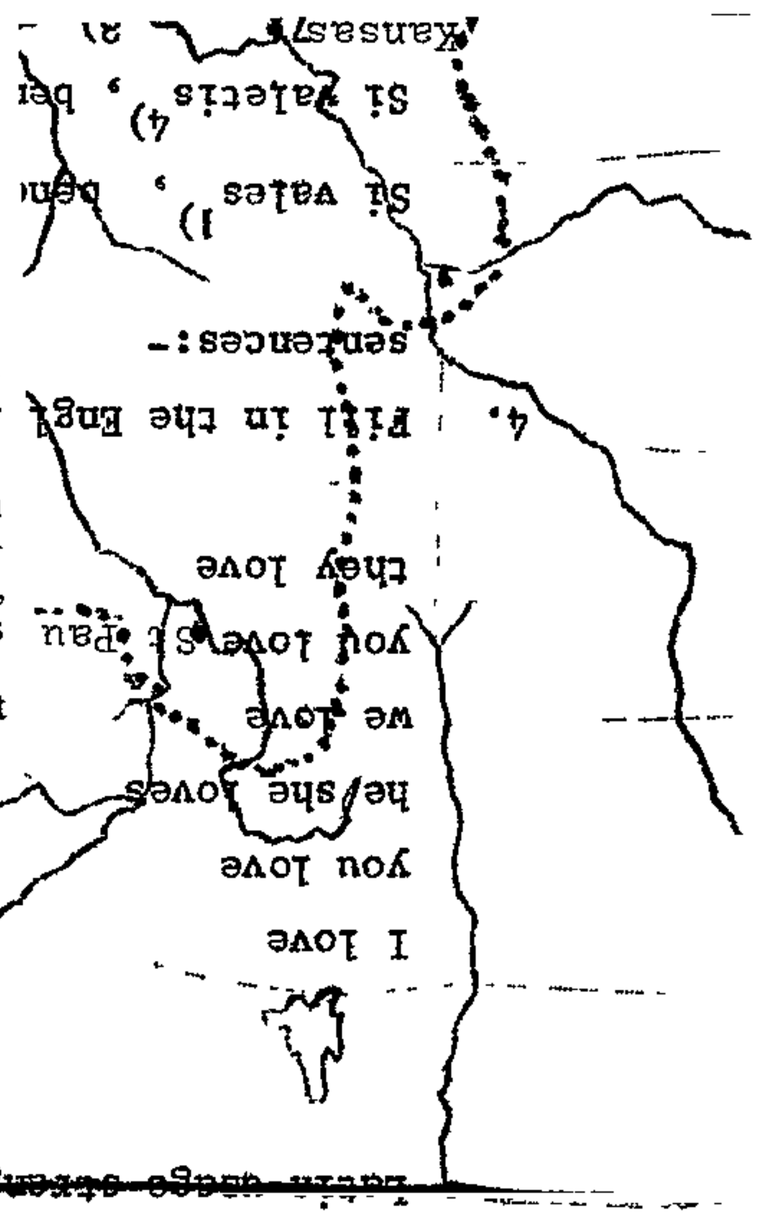
Major hold-up to the deal, say those in the know, is the intransigence of Chrysler, which is dead against any involvement with Leyland

Sigma must now start to plan for the eventual replacemenet of the Peugeot 404 Manufacture of that particular model will not be transferred to Rosslyn and plans for its successor, sometime next year, will be somewhere near the top of the priorities list "The necessary funds," says Griffith, "have already been earmarked "

So will this "facility rationalisation" result in a drop in the price of its new cars? No, says Griffith, firmly He has long argued that car prices are today at least 10% or 12% below realistic levels. All that the rationalisation will mean, therefore, is that Sigma's new car prices will not go up as steeply as would otherwise have been the case



Citroen's Ward, Sigma's Griffith . . . getting together will help cut costs



Latin usage strange at all — Compare the forms in the following table:

Demand was there for more than June's car sale record

RDM 13/7/78 (192)

By ELIZABETH ROUSE

THE irony behind the record June sales chalked up by the South African car industry is that sales could have been much higher Consensus is that the industry was caught with its pants down in not having geared up production of popular models to meet increased demand.

Johannesburg dealers say they could not meet demand for popular makes, such as Ford Cortinas, Toyota Cressidas and Rovers

The new Cortinas and Rovers were in short supply before the surge in demand in June to beat the general sales tax

In the luxury car class, supplies of Mercedes have also been tight, but this is attributable not so much to a misreading of the market but to strikes and supply difficulties in Germany

The situation is summed up by the director of the Motor Industries Federation, Mr A van Huyssteen, who says the mood was so pessimistic in the car industry last year that manufacturers were too cautious about increasing production

Having suffered a collective loss of R36-million in 1977, according to Mr Van Huyssteen's estimate, or R50-million, according to other sources, the caution was understandable

When car sales rocketed by 43% in April, the big makers, such as Ford, became apprehensive about meeting demand ahead of GST

The introduction of new models — Rovers in the case of Leyland and the new Granada range in the case of Ford — aggravated a short supply situation

A worrying factor for the industry is the fact that the car component industry has also been caught napping

Mr Colin Adcock, managing director of Toyota, says output of cars is likely to be adversely affected because of a shortage of local parts

Consensus is that the car and component industry will have some breathing space in July and August as sales decline after the buying spree in June

But, as Mr Van Huyssteen points out, production of cars is not a push-button affair and those makers who have not planned their releases right can find themselves in a tight situation

Motor sources believe that while there will be a dip in sales for two months, September should show another good rise and the uptrend will even out for the rest of the year

A sales total of 300 000 for 1978 looks attainable This means that manufacturers will move into profit this year

They benefit most from a surge in unit sales as production line costs fall Car dealers benefit less from increased sales because costs, such as commission, soar

But the motor sector of the stock market should look more attractive now Those with June year-ends will show good profit rises on a year ago, and December year-end companies will also shape well, so higher dividends are likely

Car sales have risen by 34,8% to 106 218 units in the six months to June from 78 773 in the same time in 1977 Van and truck sales have increased by 15,2% to 53 159 from 46 161

Record June car sales of 26 128 units show an 83% leap on 14 282 units sold in June, 1977, and an increase of 47,5% on May, 1978, sales of 17 718

Commercial vehicle sales of 12 654 units last month were up 47,8% on May sales of 8 569, and show a rise of 59,2% on 7 949 units in June, 1977

Top seller in cars was Volkswagen, followed by Ford, Datsun, Sigma and Toyota Top sellers of vans and trucks were Toyota, Datsun, Ford, Sigma and General Motors

Leyland holding out for more . . .

SUN. EXP. 9/7/78

(192)

COULD it be that Leyland South Africa is holding out for more than Sigma is prepared to pay — and is it this that is holding up the conclusion of the tripartite agreement between Sigma, Peugeot-Citreon, and Leyland?

Agreement was all but concluded between the giants, Leyland and Sigma, weeks back, but something is now jamming up the works The Sigma-Peugeot link-up was announced this week.

Three theories have been proffered as to why there has been no announcement The first is that Leyland has put too high a price on its truck and bus division — the pearl of the group — a price that Sigma won't or can't meet Then, too, it has been suggested that Chrysler (US), the 25% owner of Sigma, is not happy to be associated with Leyland in this country

It is widely known that Leyland has sizeable contracts with Government departments and it is believed Chrysler feels it would harm its image to be directly linked in this country

The other thought is that Sigma is waiting to see whether Leyland is one of the participants in the new, Government promoted, diesel engine scheme Sigma is noticeable by its absence from the list of contenders and Leyland, with four plants around the world, has a fair chance of succeeding in its application

However, if Sigma is waiting for this, it will delay conclusion of the deal for at least six months and it is not very likely that the conclusion will take that long

. . . in huge merger?

THE Sigma-Peugeot deal announced finally this week made no notable mention of how the purchase was effected

It is fair to guess that Sigma paid Peugeot just sufficient to take over stock and working capital Speaking to Peugeot managing director George Ward, who is not sure what he'll be doing at the end of the year when Peugeot manufacture moves across to Sigma Park, it became clear that there would be little or no residual left to repatriate to Peugeot in France, even after the sale of its Natalspruit site.

He confirmed Sigma's Chris Griffith's remark that no money will be leaving the country in the deal He said "On our calculations no money is going out of South Africa The payment will be used to settle Pacsa's accounts here in South Africa "

The proceeds of the sale of the Natalspruit site, if there are any after settling loan accounts and general liabilities, estimated to be around R5-m, could be repatriated to France, if Reserve Bank approval is forthcoming.

From these comments and Sigma's reluctance to comment on the way the scheme has been transacted, it is fair to guess that Peugeot was not in a very healthy financial position (One heard whispers this week that Peugeot had accumulated losses of around R12-m)

It is likely that Sigma's offer was gratefully accepted. From Sigma's viewpoint the deal will give the factory much-needed throughput, but if Sigma's big brother Anglo had to fork out anywhere near R30-m, for the absorption of Peugeot's activities, the price was too high

Sigma's success spiral FM 14/7/78

(192)

Anglo's motor interests now lead the industry If Leyland is added to the fold, Sigma will become undisputed king

Peter Murrough, Leyland's MD is understandably noncommittal about negotiations with Sigma "There could be a deal," he grins On the other hand, there might not be

Sigma chairman Chris Griffith is even less forthcoming, following his successful takeover of Peugeot and Citroen (Pacsa) last week He won't talk at all about the chances of adding Leyland to his growing motor empire The wheeling and dealing however is all going on according to the trade And there are strong rumours that it Leyland which is playing the waiting game

A very important consideration at present is the expected announcement from Minister for Economic Affairs Chris Heunis as to which manufacturers will be chosen to proceed with SA's first diesel engine facility

equipment, tyres, etc, and you have a nice package

Only the car side is weak, with the exception of the new Rover which is selling like hot cakes.

Even without Leyland, the enlarged Sigma is now a very powerful force in the motor industry. On June figures (see *Business brief*) Sigma and Pacsa had total vehicle sales of 6 415, second only to Ford, with 6 921 In passenger cars, Sigma/Pacsa now has 18,09% of the market, second to VW (19,49%) Combined sales in the light commercials market puts Sigma (13,35%) in fourth place behind Toyota, Datsun and Ford

However, based on total January-June vehicle sales, Sigma/Peugeot/Citroen combined totals 29 546, compared with Ford's 27 672, giving Sigma top place in the SA vehicle market

But Sigma's strength is not in numbers alone It's in the mix On the passenger side it has, among others, the best-selling Mazda 323, the Colt Galant and now Peugeot 504, 404 and the Citroen GS On the commercial side it has a formidable array, ranging from Mazda bakkies, Peugeot vans through to Mack heavies, Komatsu earthmovers, Hitachi excavators and the soon to be introduced Fuso — the heavy truck arm of Mitsubishi

Dealer network

Then there's the retail side. Sigma has a strong dealer network throughout the country to which it has now added Pacsa's 200 or so outlets. Whether there'll be any rationalisation is not apparent at this time. Certainly the National Automobile Dealers' Association hasn't had a welter of calls from distraught members.

And chairman Theo Swart doesn't believe any manufacturer would leave a committed dealer in the lurch. "I like to think," he says, "that manufacturers aren't that ruthless"

As a 75% owned associate of Anglo American, Sigma can lay claim to yet another strength in the retail business — Anglo's stake (33%) in the largest single dealer organisation in the country, 69% of all Peugeot's product as well as 10% of Leyland's McCarthy also handles, with some regional variations, Sigma, Toyota, Datsun, BMW and Mercedes

So, in just two years, from a base of its McCarthy interests and its control of Illings which imported Mack trucks, owned no motor plant, and had its Mazda products made by Motor Assemblies, Anglo has become a giant in the motor industry

Twenty months ago it bought out Chrysler and took over its modern plant at Silverton, outside Pretoria, forming Sigma (with Chrysler having a purported 25% stake) Now it has Peugeot Citroen and will close the latter's plant at Natalspruit, near Alberton, moving production to the under-utilised Sigma Park in January

In a sense, Griffith's impact on the motor industry has been quite breathtaking. All the more so when one considers that he hasn't finished yet

Should the Leyland deal go through, Anglo, through Sigma, will be the undisputed kingpin of the SA motor plant still has a proliferation of models, there's still a considerable saving Fixed overheads, in other words, are a very significant portion of costs per unit

Nevertheless, if costs can be pruned further, the area to do it is in model lines. And it's most unlikely that Sigma isn't thinking just that.

Leyland production line . . but the cars are the weaker link

For while the ambitious Griffith is more than happy to be the biggest, he's even more convinced that Sigma has got to be the best. Of late, he's been quick to point out that the motor industry *in toto* has been losing money, but somewhat reticent to spell out Sigma's own losses (though he's promised to reveal all soon).

His real goal is to turn Anglo's motor empire into a sound profit-making concern That means eventually showing a return in the region of 22%-25% on assets employed — which the motor industry in general considers "reasonable."

That's not going to be easy, particularly when one considers the headaches involved in dealing with five, or six, completely different source plants, all wanting to keep their own model flags flying

sicist without inner direction, he left him launched on a career of lucrative and humane propaganda unequaled in his time.

Erasmus was born at Rotterdam probably in 1466, an illegitimate child of a humanist lay fraternity, the Brethren of the Common Life (see p. 78). Colet had been not certain of his birth, which he concealed in later years to escape the stigma of illegitimacy. Educated in a school of the Brethren, he was forced into a monastery by his guardians. He was ordained a priest in 1492 and was soon released from his vows to become secretary to the bishop of Cambrai. He visited Paris, and with his first royalty payment he left the monastery for good. He was a humanist, Erasmus was not a theologian, and he made his way to Paris, Louvain, and Venice, and he made his fame and fortune by his pen. He was one of the famous men who made the reputation of the Renaissance. Charles V, Henry VIII, and Francis I vied for his favor, and he was invited to go and live in any country he chose. He chose to live in the free city of Basel, where he died in 1536.

alone. The vast success of his book was a tribute at once to the powers of the printing press and to his lively Latin style. Erasmus' great edition of St. Jerome and his corrected edition of the Greek New Testament, both published in 1516, reached a smaller public, but they were daring appeals to the text in defiance of tradition, also made to as Erasmus joined to his Greek text of the Scriptures a Latin translation at variance with the accepted Vulgate version.

Erasmus was fond of dissemination of his religious and social ideas in a variety of ways. His vast correspondence with publishers, cardinals, kings, and princes, his humanistic treatises like the *Manual for a Christian Knight* (1503) and the *Education of a Christian Prince* (1516), the most celebrated of these writings, the one book by Erasmus which still is widely read, is *The Praise of Folly* (1509).

cause for profound disillusionment. For the land that he ploughed being restored, the old solidarity of Boer society

STAR 19/7/78

Leyland SA and Sigma deal sealed

(192)

By Michael Chester, Financial Editor

The sweeping moves to streamline the entire motor industry by mergers and takeovers to pull back into profitability bounded forward today in two rounds of talks.

● News leaked that agreement has now been sealed on a merger between Sigma Motors and Leyland South Africa in a package involving around R200m in assets

● Informed sources reported that the Italian twins Fiat and Alfa Romeo are close to agreement on a plan to pool production

Talks between Anglo American Corporation and Leyland have reached settlement on the creation of a merged company to be called Sigma-Leyland

The surprise to observers was the dimension of the Leyland stake — as high as 49 percent Though it leaves Anglo American in ultimate control with a 51 percent stake, the shares split suggests that Leyland played well with its aces — the new Rover in particular on the car side and its stable of winners on the commercial vehicle side

PREDICTION

First reports confirmed my earlier prediction that the joint venture will entail total concentration of passenger car production at Sigma outside Pretoria, with Leyland pitching in its Cape plants at Blackheath and Elsiesrivier to handle most, if not all, commercial vehicle production

The combination will be formidable, all the more so in the wake of the recent Sigma takeover of Peugeot with every prospect of a Citroen takeover to follow soon

Sigma-Leyland roars into the lead of the motor industry pack Based on performance in 1977, its new enlarged range will hold around 23 percent of the entire car market and around 20 percent of the commercial market.

It is what Mr Chris Griffith, chairman of Sigma, must regard as a perfect, or near perfect, situation in the longer term future of the industry He has long argued that the number of actual manufacturers must be culled from 12 to only four or five — each with at least a 20 percent market penetration

Yet to be clarified is where Leyland SA now stands in its bid — along with seven keen competitors — to win a spot in a government scheme to launch the local manufacture of diesel engines.

Its proposals are already lodged with the Industrial Development Corporation, which is preparing a study to submit to the government A decision on who will be supported and how is expected next month or September at the latest

DIESELS

Fiat is also involved in the diesel manufacture bidding It may well be that Fiat is awaiting the outcome here before the details are filled in on the deal with Alfa Romeo.

But already agreement has been reached in principle to move Fiat motor output into the Alfa Romeo plant at Brits if the right formula can be found for the nuts and bolts of the production operation

3 2 3. Forward and backward linkages

(a) Forward linkages - The forward linkages from agriculture are difficult to evaluate due to the lack of information Brand concludes (41) that they have been small.

(b) Backward linkages - Of the inputs into agriculture of

Sigma takes over Leyland SA

CAPE TIMES 20/7/78 (1974) (152)

By BRIAN GROBBLER
Motoring Editor

ANGLO AMERICAN-OWNED Sigma Motor Corporation yesterday took another R100m bite of the South African motor manufacturing cake by announcing that it and British Leyland had agreed to it taking over the entire operations of Leyland SA on a 51-49 share holding that will give Sigma an additional R180m annual turnover

Sigma and Leyland will merge on their truck, bus tractor, construction and mining activities on October 1, and Sigma will take over the distribution of Leyland cars and move the car plant from the Cape to the Transvaal during the next 12 months

The latest Sigma "buy-out", which was expected from the motor industry, comes 18 months after the South African company which was then Illings Mazda merged with Chrysler South Africa in a similar R100m deal, with Sigma taking 75 percent of the shares

Last month Sigma and Peugeot South Africa were "married" in a R30-35m deal in which it was agreed that Sigma would manufacture all Peugeot models in this country

Thus, in less than two years, Sigma has invested more than R250m in acquiring three of its competitors in a giant "rationalization" programme

For the Western Cape it means that it will lose its last car manufacturing plant, the Leyland operations at Blackheath where Jaguar, Rover, Marina and Mini cars are made Chrysler moved from Elsie's River to Pretoria more than 10 years ago But there is not likely to be much lay-off of the 2 600 workers as Sigma will be moving its Mazda commercial vehicle operation to Blackheath in "an orderly transfer of the Leyland passenger car production to Sigma Park"

The joint statement by Anglo American Corporation and BL yesterday said the agreement was subject to final negotiations with the SA Government

A spokesman for Sigma told me from Pretoria yesterday that all Leyland dealers would be cancelled in due course and would have to re-apply for franchises to Sigma Leyland – in the case of the local Leyland dealer, Robb Motors The other part of the group is already a Sigma dealer

He said that the 2 600 workers at the Blackheath plant were not likely to be seriously affected as the passenger car manufacturing operation will be phased out over the next 12 months while the Mazda commercial vehicle operation will be phased in

(41) Brand (1969), p. 186 ff
(43) du Plessis, p. 22-23

(42) Lipton (1975), p.5
(44) du Plessis & Swanepoel, p.6

3.2.2 Agricultural exports

In S.A., mineral discoveries initiated a process of export led growth. Moreover, given that S A. is not naturally well-endowed agriculturally, it seems unlikely that agriculture has made a significant contribution to export led growth. In the previous section, it was shown that food imports have been small so agriculture has not been a lagging sector. The proposition that this sector has played an important supporting or balancing role by providing foreign exchange without which a serious constraint on growth would have undoubtedly become operative (39) will be examined.

The net contribution of agriculture to the current account of the balance of payments is shown in Table 6. While the overwhelming importance of mining (gold and other minerals) is clearly visible, it appears that agriculture has also made a significant contribution. Total net negative contributions are accounted for largely by secondary industry. From this, Brand concludes that "agricultural products have performed an essential permissive function by obviating foreign exchange constraints, which in their absence may well have inhibited development. If agricultural exports cannot claim to have been S.A.'s engine of growth during the twentieth century, at least they have helped to provide the lubricant without which the engine may have ground to a halt."(40)

TABLE 6 - Absolute and relative net contribution of agriculture, forestry and fishing to the current account of South Africa's balance of payments, 1948 to 1964

Year	Total positive net contributions[1]	Net contribution of agriculture, forestry and fishing		Total negative net contributions	Total
	R million	Absolute value R million	Percentage of total %	R million	R million
1948	..	11	..	..	..
1949	..	60	..	..	..
1950	..	86	..	..	..
1951	..	108	..	..	..
1952	..	142	..	..	..
1953	..	132	..	..	..
1954	..	133	..	..	..
1955	..	152	..	..	..
1956	669	161	24.1	-669	0
1957	718	178	21.1	-749	-11
1958	655	129	19.7	-808	-153
1959	779	141	18.5	-613	166
1960	781	129	16.5	-760	21
1961	844	142	20.5	-685	203
1962	952	222	22.6	-671	308
1963	1,043	232	22.5	-905	148
1964	1,115	219	22.1	-1,171	-56

Source: Brand (1968), pp. 229-30.

1) In addition to agriculture, forestry and fishing, contributions here are mainly from mining, which in the first place mainly gold mining.

Source: Brand (1968), p.15

(39) Brand (1968), p.8

(40) Brand (1968), p.15

NATAL PLANT FOR MOTOR INDUSTRY

SUN. TRIB. 23/7/78

(192)

The all-South African valves are checked by quality control supervisors

Plant will save R2 million a year foreign exchange

Finance Reporter

A PLANT to make valves for the motor industry which is expected to save the country about R2 million a year in foreign exchange is to be built in Pinetown by Glacier Bearings.

Morris Edwards, managing director of the parent company, Associated Engineering, has announced that about R1 million will be invested in plant — due to begin production next year

Glacier is currently producing a range of replacement valves (for the spares suppliers) at their KBW components factory in Kroonstad

The new plant will, according to general manager Bill Richards, concentrate on original valves for the makers of petrol and diesel engines for vehicles, tractors and stationary engines.

At present most valves are entirely imported, but Richards says that the group will be looking at a target of 80 percent of the replacement and original automotive valve market. This he hopes to achieve in about a year from the opening of the new plant.

He said: "We have so far had an extreme amount of interest shown by local manufacturers"

Glaciers planned production capacity allows this target to be reached easily The factory will be able to supply the entire South African market with valves for petrol and diesel engines up to about the 300 kilowatt rating.

"And" says Richards, "the plant may get a boost if the production of a local diesel engine gets off the ground soon"

Glacier has also examined the export market.

Says Richards: "We are at the moment checking on the quality and prices of competitors and we want to get into exports"

Although the raw material for the valves — a special steel — is imported, Richards sees local manufacturing as an important part of this country's necessary import substitution.

'SLER

RAPPORT 23/7/78

Drama agter skerms

232

192

VANDEESWEEK se samesmelting tussen Sigma en Leyland Suid-Afrika sou in alle waarskynlikheid 'n ander vorm aangeneem het as Chrysler van Amerika wou saamspeel.

Mnr. Chris Griffith, Sigma-Motorkorporasie se voorsitter, het die laaste klompie maande geprobeer om die samevoeging van Leyland met sy maatskappy onder die groot sambreel te laat plaasvind.

Maar Chrysler wou nie kopgee nie, want die Amerikaners se beswaar was hoofsaaklik gemik teen Leyland se Land Rover, wat in Suid-Afrika aan die Weermag en Polisie verskaf word

Daarom het mnr. Griffith uiteindelik geen ander keuse gehad as om 'n tweede motoronderneming van stapel te stuur nie. Die nuwe, wat op 1 Oktober begin funksioneer, heet net Sigma Leyland en hiervan is hy ook voorsitter

Die verdeling in die Sigma-Motorkorporasie is 75 persent vir die Suid-Afrikaanse onderneming en 25 persent vir Chrysler van Amerika. In die Sigma Leyland-opset is die verdeling 51-49 in Sigma se guns.

Maar laasgenoemde maatskappy is 'n suiwer Suid-Afrikaanse onderneming wat die plaaslike Leyland-opset se hande in alle opsigte losmaak van British Leyland.

Citroën

Die jongste samesmelting, wat deur Sigma aangevoer is, is 'n aanduiding van die intensiteit waarmee die Regering se beleid van rassionalisasie toegepas word. Die verwagting is dat mnr. Griffith binne enkele weke ook die finale besluit betreffende die Citroën se toekoms in die Republiek sal aankondig.

Met die samesmelting tussen Sigma en Leyland het eersgenoemde nou sonder twyfel Suid-Afrika se grootste vervaardiger van motors en handelsvoertuie geword Volgens die jongste beskikbare syfers is Sigma se markaandeel vir passasiersmotors nou 'n raps meer as 22 p.s en vir swaar voertuie in die omgewing van 40 p.s.

Fuso-vragmotorreeks beskou as van die heel beste beskikbare produkte. Die verwagting is dat hierdie luukse- Mitshubishi-produkte in die Republiek ewe gewild en gedug sal wees

Die samesmelting van Sigma en Leyland het geen ekstra kapitaal die afgelope week geverg nie, aangesien beide maatskappye oor voldoende fondse en bates beskik het om die nuwe bedeling te finansier.

Net 'n „geringe bedrag" is landuit — na British Leyland. Die bedrag is nie bekend nie, maar 'n Leyland-woordvoerder het gesê „Dit was nie veel nie"

Dit is geen geheim in die plaaslke motorbedryf nie, dat Sigma deur sy mededingers letterlik gevrees word sover dit die vervaardiging van swaar vragmotors betref. En hierdie trokvrees is te danke aan die koms van die Mitshubishi se Fuso-vragmotors

Heel beste

Aanvanklik het Sigma se mededingers gehoop dat indien Leyland onder die Sigma-sambreel plek kry, daar afgesien gaan word van die planne om die Fuso-vragmotors na Suid-Afrika te bring. Maar 'n Sigma-woordvoerder het 'n paar dae gelede bevestig dat die Leyland- en Fuso-produkte mekaar „on Suid-Afrika sal aanvul"

Wêreldwyd word die

New plans for vans expected

(192)

28/7/78

Mercury Correspondent

PORT ELIZABETH — The Minister of Economic Affairs, Mr. Heunis, is expected to announce a 66 percent local contents programme for light commercial vehicles at an automotive component manufacturers' convention in Pretoria on August 14.

This was disclosed in Port Elizabeth yesterday by the national chairman of the Motor Industry Manufacturers association, Mr. Fred Polacsec, who said that the programme would take about 18 months to two years to implement.

Mr. Polacsec said that he expected Mr. Heunis also to make an announcement on local content requirements for heavy commercial vehicles.

The expected compulsory 66 percent local content for light commercial vehicles would be in line with the present minimum requirements for passenger cars.

A further possibility was that manufacturers would be encouraged to go beyond 66 percent by giving them incentives in the form of rebates on duties and taxes.

"With the threats of sanctions there is an urgent need for South Africa to become as independent as possible from overseas supplies.

Export

"Stepping up local content for light commercial vehicles will also provide more jobs, particularly for Blacks

With additional volume a base can be built up for exports because prices will become more competitive."

He said an indication of the Government's intention to make the industry more independent from overseas sources was the recent request to the Industrial Development Corporation to investigate the feasibility of building diesel engines.

With greater local involvement in vehicle contents there would be less chance of supply lines being disrupted.

Closer liaison in the industry would reduce it even further.

He said one of the aims of the convention was to get all the suppliers into one organisation so that they could speak authoritively on the industry's problems and help the Government with strategic planning.

"Standardisation will have to get priority.

"There is too large a diversification of products.

"In Germany four different hooters are made but in South Africa more than 60 different types have to be made to comply with the different specifications of manufacturers."

MOTOR INDUSTRY (192)

Sigma appointments

FM 28/7/78

Sigma Motor Corporation chairman Chris Griffith's growing reputation of not letting the grass grow under his feet gets another boost this week, with the announcement of the group's top management team only days after the Leyland merger

A Sigma man will head the newly-formed Sigma Leyland commercial vehicle company (*FM* last week). He is John Grant, who presently heads Sigma's equipment and truck division Grant will be MD of the new company. Deputy MD is Richard Newby, currently acting MD of Leyland following Peter Murrough's appointment to the board of Jaguar Rover Triumph in Coventry

Top passenger car man will be Fred Butler, now marketing director of Sigma Motor Corporation. He becomes MD. Since September last year, Butler has been Sigma's director in charge of the automotive division and was intimately involved in the recent takeover and merger negotiations

Peugeot and Citroen also has a place in the new top personnel line-up Pacsa MD George Ward continues in this capacity until January 1, when the Sigma takeover of Pacsa becomes effective. He will then become MD of Sigma Motor Corporation (Finance), the finance and leasing arm of the Sigma group

An interesting aspect of the new heirarchy is the appointment of Newby as deputy MD of Sigma Leyland. This appears to strengthen assumptions that British Leyland wants a completely arms-length deal Although Sigma will have 51% of the new group and British Leyland 49%, there still has to be some

ancial juggling to justify such an equa- since Leyland, on an assets and rket share assessment was the more verful partner But BL has apparently pushed (at least not hard enough) for man to take over the helm

Next contentious issue which will arise n Sigma's takeovers must be what's ng to happen among the various ler networks

Some rationalisation must take place, particularly with dealers who have dual or even triple franchises which don't fit in with Sigma's market aims

Leyland dealers themselves have been given six months' notice that is, six months within which to see which way the ball rolls

The small town and country dealers who have a good reputation, on the other hand, have less of a problem A case in point is Rothman & Thomas, of Nuvel, a Leyland dealer This week R&T signed up with Sigma, keeps Leyland, and thus has virtually doubled its business potential From a dealer's point of view this is the ideal opportunity coming out of the whole rationalisation exercise

But it won't be as easy for everyone, and there are bound to be problems

MOTOR INDUSTRY (192) FM 4/8/78

The Italian connection

Last week's announcement that Alfa is to produce the Fiat Elita at its Brits plant does *not* mean, stress both manufacturers, that a full-blown merging of manufacturing interests is imminent While describing the move as an *alleanza,* Fiat MD Gian Carlo Barsotti, explains that it is simply a result of idle capacity at the Alfa plant and "production indigestion" at the Fiat site in Rosslyn

But whether or not the temporary "alliance" will prove to be of greater consequence in the coming months is an open question Indeed, and in spite of denials from both camps, there are strong indications that a merger could eventually be on the cards.

Industry watchers cite three basic reasons for supposing that a merger is a probability.

In the first place there is, apparently, disquiet among Italian trade unions over the involvement of Alfa, Fiat and Olivetti in SA A way around this is, like Leyland, to broaden the financial base (perhaps through a merger) and seek a local partner.

Secondly, there's talk that that sort of pressure is set to prompt the re-naming of Alfa as Brits Engineering Industries, or similar. Finally, it's no secret that Alfa and Fiat are exploring the possibility of setting up some form of joint purchasing organisation as well as taking a hard look at standardising on certain components in both company's vehicles

Both Barsotti and Alfa MD Vito Bianco will not be drawn on any discussion of a future merger and insist that the existing arrangement is simply a matter of convenience

Barsotti tells the *FM* that his company was nearing its theoretical production ceiling, of 40 cars a day, due essentially to a bottleneck in the Rosslyn paintshop Alfa, which is thought to be working at roughly half its theoretical capacity of 50 cars a day, offered to oblige in producing the Elita

Fiat's Barsotti . . . simply a matter of convenience

Clear advantages

Fiat's paintshop problems have now been resolved (at a cost of R300 000) but the original agreement is being adhered to and Alfa has been producing the Elita, since July 1, at the rate of 200 a month.

However, there would be several clear cut advantages for both companies if they merged. Fiat estimates its capital investment as something like R19,3m and this includes its recent R3m investment in machinery (to produce its own engines and crankshafts) on top of its R15m, 10-year-old factory.

Alfa's plant, by comparison, is barely five years old and contributes to the company's estimated R25m total capital investment If that plant were to be renamed as Brits Engineering Industries then it could assemble both the Fiat and Alfa product and have the added advantage of having access to its own (Fiat's) engine plant

That might present problems for Alfa whose aluminium engines are not produced locally but the pressures of phase five of the local content programme could well blunt any Alfa objections to cast iron engine blocks

On the other hand, Alfa has a dealer network comprising 80 full agencies and another 30 servicing facilities Fiat has exactly 100 dealers and the potential savings in picking the eyes out of both are self-evident

Meantime, Fiat is looking to its Italian principal for R6m, the hefty slice of which will be used to launch an entirely new small passenger car sometime next year But just how much longer Italy will feel able to go on putting money into a market which has hardly been lucrative is anyone's guess

In the first six months of this year Fiat and Alfa (though both increased sales appreciably) were at the lower end of the passenger car sales league Fiat sold 3 914 units (3,68% of the market) and Alfa 2 332 (2,2%) — Fiat did, however, produce 465 commercial vehicles, too. If Italy wants to go on trading in SA — and there's no reason to suppose it doesn't — the formation of a new engineering company to assemble both principals' vehicles might well be a realistic compromise

those coming to light In 1428, Leonardo Bruni, Petrarch's admirer and biographer, could justly boast that Florence had restored Latin and even Greek learning and made it possible "to see face to face, and no longer through the veil of absurd translations, the greatest philosophers and admirable orators and all those other men distinguished by their learning" Petrarch's ideal was also a historian's ideal it was his intent to see Cicero as a man in his own time He addressed his beloved ancients with easy familiarity across the centuries, but he was aware that it was across the centuries that he was addressing them Familiarity did not preclude distance, on the contrary, the more accurately the ancient texts came to be edited, and the more texts became available, the more

The Star Friday August 11 1978

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BMW plans to boost SA output

By Harvey Thomas, Motor Editor

Another motor manufacturer, BMW, is thinking of expanding its base in South Africa via an agreement with a rival group.

In an exclusive interview, the managing director of BMW South Africa, Dr Eberhard von Koerber, emphasised that any agreement would stop short of a "motor marriage".

BMW was looking at the possibility of a closer association with another motor company to strengthen BMW's sales in the country districts. It would mean the sharing of a dealer network in the rural areas only

Because of an expansion of BMW's export sales, the company would also have to increase its manufacturing capacity in South Africa from the present 50 units a day to between 80 and 90 units "We could do that either by expanding our present plant in Rosslyn or by contracting the assembly of some of our cars to another company," said Dr von Koerber

This would be independent of the country districts issue.

BMW recently announced that it was supplying about 3 000 cars a year to Iran from Rosslyn and Dr von Koerber said that he expected the export targets to be diversified

BMW was negotiating from a position of strength as a viable and profitable motor manufacturer in South Africa and any agreement would be designed to improve the company's profitability

Petrarch's preoccupation with himself was almost as consequential for the Renaissance as his natural learning. In his letters to the ancients, to friends, and to posterity, in dialogues and in a remarkable self-analysis, the *Secretum*, he explored his motives and his gifts, his vices and virtues, his religious and scholarly vocation He turned the love of his life into imperishable poetry and thus made the name "Laura" immortal He recorded his most domestic activities, including the planting of trees, landscaping of gardens, and visits of

[25] Baron, *Crisis of the Early Italian Renaissance*, 417
[26] Wilkins, *Life of Petrarch*, 13

friends, thus proclaiming, without even pretending to do so, the importance of the individual If, as Burckhardt has argued, man in the Renaissance pierced the veil of medieval "illusion and infantile preconceptions," discovered himself, and became "a self-conscious *individual*," [27] it is in Petrarch that this process is most patent. And it was the individual with all his contradictions on view Petrarch was the inordinately ambitious poet who denied worldliness, a dweller at courts who proclaimed the pleasures of solitude, a proud political pamphleteer and humble pilgrim, a medieval Christian cherishing the life of contemplation and a Renaissance individualist who embodied the life of action, an enthusiastic proponent of personal and political freedom who spent most of his years with despots like the Visconti in Milan, a perpetual student whose Greek was rudimentary but who did much to encourage the study of Greek in Italy If modernity is the frank recognition of inner tions, Petrarch was a pioneer in modernity.

When Petrarch died in 1374, he was a famous man—the intimate of the correspondent of emperors, the favorite of princes, the critic of The Humanists of the late fourteenth and early fifteenth centuries were owers, including Giovanni Boccaccio, Coluccio Salutati, the Florentine , and Leonardo Bruni. When Bruni wrote his life of Petrarch in 1436, he reason for Petrarch's reputation he had been the pioneer. "Petrarch first who called back to light the gracefulness of the lost and hed ancient manner of writing. Even if his style was imperfect, "still who discovered and opened the path to this perfection . . surely he gh by merely pointing the way for those who were to follow after

Petrarch began others completed In the course of the late fourteenth and eenth centuries, Humanists ransacked the monastery libraries of nd found ancient manuscript after ancient manuscript Petrarch had the known corpus of Cicero's works, his followers enlarged it further ound Cicero's *Epistulae ad familiares*, Poggio Bracciolini, the most avid and most successful collector of manuscripts the Renaissance was to know, found a substantial number of Cicero's legal speeches, and in 1421 Gerardo Landriani, the bishop of Lodi, found the complete manuscripts of Cicero's *Brutus*, *Orator*, and *De oratore*, Bracciolini also brought to light Lucretius' *De rerum natura*, almost unknown for centuries and apparently surviving in a single manuscript Tacitus, Catullus, Propertius, known only from fragments and by reputation, now took on living form And with the recovery of

[27] Burckhardt, *Die Kultur der Renaissance in Italien*, 252, translated by Peter Gay
[28] Baron, *Crisis of the Early Italian Renaissance* (2nd ed , 1966), 267

MOTORS 192

The last Noel

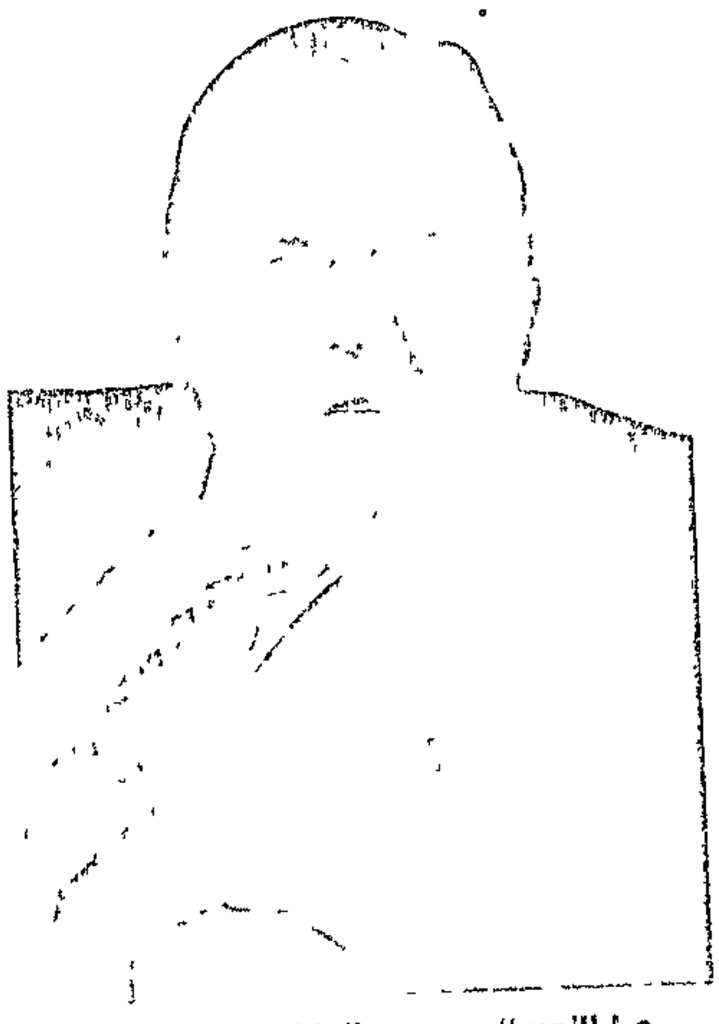
11/8/78

There is considerable improvement in profitability in the motor industry this year, says Noel Phillips, outgoing MD for VW. His own company "will be out of the red" (so will Ford, says MD Brian Pitt).

And an early indication is the improved performance of Toyota (see *Fox*).

Last year manufacturers lost an estimated R50m overall, the year before R37m. "The real reason for this was that in the past few years the industry has had 30% of its volume sliced off the top," says Phillips. "But nobody could switch off the high expense.

"If the industry can get back to a new car market of 330 000 in the next two years any reasonable manufacturer should be in the black. But that's not saying he'll make a reasonable return on capital."



VW's Noel Phillips "we'll be out of the red"

Commenting on the current mergers, Phillips says he still sees some shaking out ahead. "But people shouldn't confuse company mergers with rationalisation in the sense that manufacturers find common ground to save money. We've

DIESEL ENGINES

(192)

Ford pulls out

FM 11/8/78

Ford has withdrawn from the group of manufacturers vying for the country's first diesel engine plant So, effectively, have two others (unnamed), according to *FM* sources

Originally eight agreed to present feasibility studies to the IDC by end-June They were: Vetsak, Ford, MAN, Perkins, Cummins, Leyland, United Car & Diesel, and Messina.

On Tuesday this week the IDC had completed its "number crunching" and its synopsis on the feasibility of a diesel engine manufacturing facility (or facilities) which, incidentally, will have great bearing on whether the Board of Trade will recommend the introduction of a local content programme for heavy commercials.

The IDC's conclusions are now with Minister of Economic Affairs Chris Heunis As the driving force behind the project (*Business* June 30), Heunis is expected to make his decisions known within the next four weeks or so.

Ford's withdrawal is something of a surprise Says MD Brian Pitt: "At the end of the preliminary studies on the diesel project Ford was included among those companies selected to carry on. However, on completion and review of the second detailed analysis required, it was apparent that we could only effectively cover 60% of the required market with the diesel engines available to Ford at present, and with those which could be timeously introduced into our range

"In view of this we have now withdrawn"

Little is being said about the remaining five serious contenders but at last two of them, MAN and United Car & Diesel, presented in close co-operation while others had the backing of equally well known manufacturers on the motor scene

For example, Messina worked alongside Magirus-Deutz, and Perkins had the backing of Motor Assemblies. All were provided with an identical set of parameters on which to base their studies These included a common interest rate, a particular yield on capital employed, a similar capital structure and so on The probable market profile was given as 10 000 units up to 350 kW, by 1980 or so

One of the early surprises is that the prospective unit costs do not appear to be as high as first thought Before the feasibility studies were undertaken there was speculation that the requirement for international independence in diesel engine manufacture would outweigh straight commercial considerations The only apparent question was What price independence?

However industry sources suggest that the premium to be paid for a locally manufactured item, as against the imported equivalent is likely to be relatively small In fact the larger the engine and the process becomes increasingly labour intensive so the premium decreases

Certainly that's true for truck engines on the heavier side of things where the engine often a part of the mechanism, the prospective premium appears to be somewhat higher and there are still plenty of sums to be done

On the other hand provisional costings suggest that the eventual *total* cost will break the R100m barrier Those costings provide not only for the engine plant or plants, but for down tream component manufacture, too That will include capital plant to produce automotive electrics, fuel injection equipment and so on

Motor firm convicted of spares fraud

RDM 17/8/78 (192)

Staff Reporter

CURRIE Motors (Johannesburg) (Pty) Limited, a member of the Currie Motors Group, was found guilty in the Johannesburg Regional Court yesterday of 607 counts of fraud involving spares supplies to the Railways and Harbours administration.

The company was represented in court by Mr V H Pilkington, who also appeared in his personal capacity.

The charges follow alleged misrepresentations by the company in supplying spare parts to the South African Railways and Harbours administration. The court was told that the administration had suffered a loss of R35 940.

Dr Percy Yutar, SC, who appeared for Currie Motors, told the court at the start of yesterday's proceedings before Mr P A J Kotze that the company would repay this amount to the State plus a further R10 000 which had been agreed upon.

It was alleged that the malpractices went on for three years.

In certain instances there was a conspiracy between staff members of Currie Motors and Railways administration officials to defraud the administration, the court was told. During 1977, charges were brought against eight officials of the administration and six were convicted.

According to the charge sheet, General Motors SA entered into a contract with the Railways and Harbours administration for the supply of spare parts on request

In February 1971 the agreement was amended and Currie Motors became the supplier of spare parts to the administration

Currie Motors acted as agent of General Motors.

The contract stipulated that "spare parts" would mean "all genuine or factory approved South African-manufactured spare parts of General Motors vehicles"

Currie Motors delivered the administration spare parts which fell outside the contract, and induced the administration to accept them as contract spare parts

A category of 193 charges alleged that fictitious transactions were entered into between staff members of Currie Motors and Railways administration officials.

The administration paid for a large number of spares it had not received at all, the court was told.

Pilkington pleaded guilty only to these 193 charges in his personal capacity

His plea of not guilty to the other charges was accepted by the prosecutor, Mr J A van der Watt.

The State alleged that Pilkington, as spares manager, had intimate knowledge of the spares department and that irregularities must have come to his notice.

Dr Yutar told the court that by pleading guilty, Pilkington admitted that he failed to take the necessary care to prevent other staff members committing the offences

Both Currie Motors and Pilkington were found guilty as they had pleaded.

Dr Yutar will continue argument today.

RAND DAILY MAIL, Friday, August 25, 1978.

Curries fined for spare parts fraud

(192)

Staff Reporter

CURRIE Motors (Johannesburg) was yesterday fined a total of R48 560 in the Johannesburg Regional Court on 607 charges of fraud.

The larger part of the fine was suspended until December 31 this year on condition the company repay R35 940 to the South African Railway and Harbour Administration before then.

The company paid a fine of R12 140.

The company's spares manager, V H Pilkington, was fined R4 850, or 950 days on 193 charges of fraud.

According to the charge sheet General Motors South Africa had a contract with the Railways and Harbour Administration for the supply of spare parts

On February 26, 1971 Currie Motors became the supplier of spare parts to the Administration through an amendment to the agreement

The contract said spare parts would mean "all genuine or factory approved South African manufactured spare parts of General Motors vehicles"

Orders were placed for spare parts by the Administration but Currie Motors delivered non-contract spare parts, it was alleged

Currie Motors with the intent to defraud pretended the spare parts were contract spare parts and induced the Administration to accept the parts as contract spare parts, it was alleged

They knew when the spare parts were delivered that they were not genuine or factory approved South African manufactured spare parts for General Motors vehicles, it was said

Currie Motors also completed invoices which falsely said the spare parts supplied were the kind which appeared in the invoices.

They further pretended in invoices that the spare parts appearing in the invoices had been supplied when they knew they had not, it was alleged

Mr P A J Kotze was on the bench

MOTORS (192)

Driving up prices

FM 25/8/78

The increase of up to 5% on Ford vehicles announced last week is likely to start a wave of price increases, say motor manufacturers.

The increase, originally scheduled for mid-year, was postponed when sales duty was reduced, prior to gst, and is now effective from September 1

Many price increases have been held back, say manufacturers, and more are expected to come through within the next few months. In line with manufacturers' intentions to increase prices by 10%-15% over the year, most have already announced 5% increases, and further similar hikes will bring the overall percentage increase for the year to 10%, in some cases 15%. For instance, Mazda has already hiked the price on its Mazda 323 by 15,7% since June last year, from R3 660 to R4 325

Reasons for Ford's latest increase are "cost pressures and industry competition."

"Ford, and for that matter the entire industry, has been unable to fully recover costs because of the competitive pressures and depressed economic conditions," says financial director Brian Rayner. Another increase of between 4% and 5% is expected to be announced later this year

Ronvale MD David Lethbridge comments that the increases "will probably drive the consumer into buying good used cars and demonstration models."

"Price increases tend to be self-defeating in that they ultimately keep production down and put a damper on sales," says McCarthy group's financial director Dudley Saville, "but until volumes increase manufacturers will not be able to absorb costs and price hikes will continue"

Despite the negative effects of price hikes, the industry expects sales to improve over the next few months.

CAR EXPORTS (192)

BMW revs up

FM 8|9|78

Word that SA's only exporter of passenger cars, BMW, has all but doubled its former export rate to 250 cars a month poses at least two questions. Firstly, if BMW can do it, why can't others? (Perhaps the answer lies in the less than attractive export incentives offered to the industry.) And, secondly, the pressure must be on the company to acquire additional manufacturing capacity — but how?

On the first point, the time cannot be far off when government should take a long hard look at export incentives for those sectors which, unlike coal for instance, are beneficiated and where realistic incentives might bring increased employment of labour.

On the second point, BMW is known to be working to its absolute production ceiling, of 60 units a day, at its Rosslyn plant. Conclusion is that the company must be looking to taking spare capacity at one of the other manufacturing plants.

BMW MD Eberhard von Koerber confirms that he is talking to "several other manufacturers" but stresses there's no suggestion of a merger. He is, he tells the *FM*, only thinking in terms of co-production and not even a form of contractual assembly. Pressed, he explains that means sending a full production team to another plant whereby that team will be totally responsible for production, quality control and so on.

Von Koerber maintains that exports of 50% of his (then) level of production are totally realistic within five years. Countries known to be taking an active interest in SA sourced cars include Iran, Israel, Turkey and Hong Kong. There are others, too.

Export ports

This implies, and Von Koerber agrees, that he can only be talking to manufacturers with plants at the coast and, therefore, with easy access to export ports.

Further, Von Koerber tells the *FM*, his company is keen to expand its existing 100-strong dealer network. Could it be that the prime candidate for co-production is also the one with a strong dealer network? Not necessarily, says Von Koerber, but it's a fair bet that BMW could be tempted by a suitable twin package.

Either way the conclusion is that the company is looking to increase its R50m financial committment in this country of which R20m is in fixed assets. Right now, BMW employs total labour force of 1 350 (950 blacks) which has grown from the 950 workforce of 12 months ago.

In the case of those cars sold on the local market BMW's local content is right on the required minimum of 66% by weight. Those for export are on a 50% local content. There's no immediate plan to increase that make-up nor, in the absence of realistic export incentives, is there likely to be either. And, adds Von Koerber, "without such incentives, the rest of the motor industry is almost certainly not going to have such a plan either."

Von Koerber also dismisses suggestions that the German principal is selling CKD or SKD packs to SA on the cheap and going for volume, rather than profit, in Munich. The SA plant is the only one outside Germany and, he insists, each pack makes a profit ex-Munich. Not only that but because SA net retail car prices are well below the rest of the world, BMW SA finds it more profitable to export rather than to sell on the local market.

Lastly, BMW's engines are currently imported complete from Germany. Whether, in the light of Phase Five of the local content programme, that will continue to be the case is another matter. BMW's decision on how best to boost production to 80-100 units a day is expected "in a matter of weeks."

UNIVERSITY OF CAPE TOWN — FACULTY OF ARTS

HISTORY I - CALVINISM

CANDIDATES FOR THE DEGREE OF MASTER OF ARTS, December 1977

GEORGE L. MOSSE: CALVINISM (1957)

CANDIDATE — DEPARTMENT

History must not be read backward. One would not expect to find the modern definition of democracy expressed in the thought of these men of the sixteenth century. If we define democracy as the election of their rulers by all the people, and the constant scrutiny by the governed of those so elected, then Calvin would have meant anarchy, and the men of the sixteenth century. We must ask instead what role, if any, Calvinism played in directing political thought toward this modern definition.

What is important in assessing the contribution of these Calvinist writers is their attitude toward political authority itself. The question is not whether, in their view, modern democracy should replace absolute political authority but rather whether, and under what circumstances, such authority may

Pass

government only from him; that those who govern for the public good are true specimens and mirrors of his beneficence; and that those who rule in an unjest and tyrannical manner are raised up by him to punish the iniquity of the [illegible]

RECOMMENDATION: that all equal [illegible] ANNEXURE

had invested legitimate authority..... [illegible]

Pass

Chapter 20 XXIX

XXIX ....Wherefore, if we are inhumanly harassed by a cruel prince; if we are rapaciously plundered by an avaricious or luxurious one; if we are wasted by an impious and sacrilegious one; or if we are persecuted, on account of piety, by an impious and sacrilegious one; - let us first call to mind our transgressions against God, which he undoubtedly chastises by these scourges. Thus our impatience will be restrained by humility. Let us, in the next place, consider that it is not our province to remedy these evils, and that nothing remains for us, but to implore the aid of the Lord in whose hand are the hearts of kings and the revolutions of kingdoms. It is "God" who "standeth in the congregation of the mighty," and "judgeth among the gods" [illegible] sh all kings and judges of the

Resubmit

Pass

power when they rise up against e number of mankind. We ought ever they are so restive and are, to seize upon his throne e, we understand the sense of

OF CHURCHES IN THE COUNTRY (1547)

days, unless it be necessary en or animals, under penalty

on, and there is to be no

urch until the prayer be made unless he have legitimate cause.

Pass

If anyone sing songs that are unworthy, dissolute or outrageous, or spin wildly round in the dance, or the like, he is to be imprisoned for three days, and then sent on to the Consistory.

Pass

Usury

Pass

No one is to lend at interest with [illegible]

Pass

on pain of confiscation of the capital sum and of being required to make appropriate amends according to the needs of the case.

Christopher Goodman/..

22 Jansen-Van Vuren, G.J. English

government/..

Car sales make a healthy comeback

Star 13/9/78

192

By Harvey Thomas, Motor Editor

After a sharp dip in July, the motor industry has bounced back with August new car sales totalling 18 169 New car sales this year are up 20 percent over 1977.

But the commercial vehicle market has not shown the same recovery August sales were only marginally better than in August 1977 and so far this year sales have improved by only 9,4 percent

Big seller in August was Ford which showed a remarkable 4,95 percent improvement over their July sales

Toyota increased 2,05 percent, General Motors two percent and BMW 1,29 percent

Most of the other manufacturers lost sales, the sharpest drop coming from Sigma which lost more than 5,5 percent

An analysis of the new car sales figures shows that the manufacturers which have introduced new models this year are either holding their own or improving their positions.

Ford is still the envy of all other motor companies with three winners in their stable, the Cortina — which with 2 327 cars sold in August has maintained its reputation as South Africa's most popular model — the new Granada and the Escort

The new Granada appears to have stolen sales from Leyland's Rover which was down to 324 units in August, although Leyland was admittedly short of stock

BMW last month got the better of their great rivals, Mercedes Benz, by 152 cars

BATTLE

At the other end of the scale, the battle between Sigma and Volkswagen is equally furious VW's new Golf outsold the Mazda 323 in August by 1 966 cars to 1 387

Working on the total new car sales so far this year, motor industry analysts believe that 1978 sales will end up at between 190 000 and 210 000 units But they have said the market is proving to be exceptionally difficult to predict as many firms had expected lower August sales

27/9/78

DP (192)

Motor job reservation under fire

PORT ELIZABETH — Mr Les Swift, chairman of the Automobile Manufacturers Employers' Organisation, speaking after a general meeting of the organisation here, said AMEO was deeply concerned that the work reservation determinations applicable to the motor manufacturing industry were still in existence.

"It is nearly 18 months since the Industrial Tribunal was asked to investigate whether the two determinations applicable to the industry should be cancelled or suspended and it is more than a year since all parties gave evidence to the tribunal.

"The complete lack of progress since then is both puzzling and disturbing," Mr Swift said

Vehicle manufacturers maintain there is no justification for retaining work reservation determinations.

"In any case, the provisions of these determinations are completely unrealistic and their continued existence is harmful both to the industry and to the country," he said

In an effort to overcome the present impasse, his organisation intended making an immediate approach to the trade unions concerned

"AMEO has advised the Wiehahn commission of its total opposition to work reservation and I am hopeful that completely indefensible and restrictive industrial legislation will soon be a thing of the past," Mr Swift added. — SAPA.

New cars trade size for efficiency

Star 29/9/78

192

The Star Bureau

NEW YORK — General Motors unveiled their 1979 cars in New York this week — a bewildering array of lines, models, styles and options.

Chevrolet alone features 8 lines for a total 36 models, not including light trucks and vans. Oldsmobile, Buick, Pontiac and Cadillac all have extensive ranges

But the accent this year, under the impact of energy-saving fuel standards, is towards smaller, lighter and more efficient cars.

Many of the big cars have been cut down by almost 60 cm in length and up to 450 kg in mass, while engineers have used wind-tunnel tests to make many of them more efficient aerodynamically and improved engine and transmission efficiency to meet Government-imposed fuel-consumption standards.

Top of the line are the Cadillacs, which range from the eight-passenger limousine to the "personal size" Eldorado luxury cars

All full-size Cadillacs are equipped with 7-litre V-8 engines, with an optional V-8 electronic fuel injection.

STANDARD

Other standard items are tungsten halogen headlamps, fully automatic radio aerials that lower when the radio or ignition is turned off and electronic V-8 electronic fuel ios with signal seeking scanner and digital display of time and radio station frequency.

In fact, electronics plays a large part in options open to new car buyers.

OPTIONS

The smaller Cadillac Seville offers options of an eight-track tape player, a 40-channel citizens band radio, or a 40-channel CB radio with 8-track player or stereo casette player.

There is also an option on electronically controlled outside mirrors, with an illuminated thermometer at the bottom of one.

On the Riviera luxury car Buick has put a computer in the front seat with the driver. From mid-1979 a digital trip monitor will be available.

SUNDAY TIMES, Business Times, October 1, 1978.

Govt must aid motor exports – BMW chief

(192)

'Backward strategy' of local content comes under fire

THE South African motor industry is the third biggest industry in a country bedevilled by a low level of business activity, vast unemployment and peculiar political difficulties

There are those prominent in this sector who believe that, given the necessary encouragement, it could, particularly by exporting its surplus production, assist materially in easing some of our national problems.

Foremost among these men is BMW's managing director Dr Eberhard von Koerber, whose company is the only car manufacturer exporting its products from South Africa.

However, as the country's export effort is geared towards agricultural products and raw materials, he believes government needs to provide more positive incentive. Reporter Pat Sidley asked him to elaborate.

Sunday Times
1 Oct 78

What are the export prospects of the motor industry?

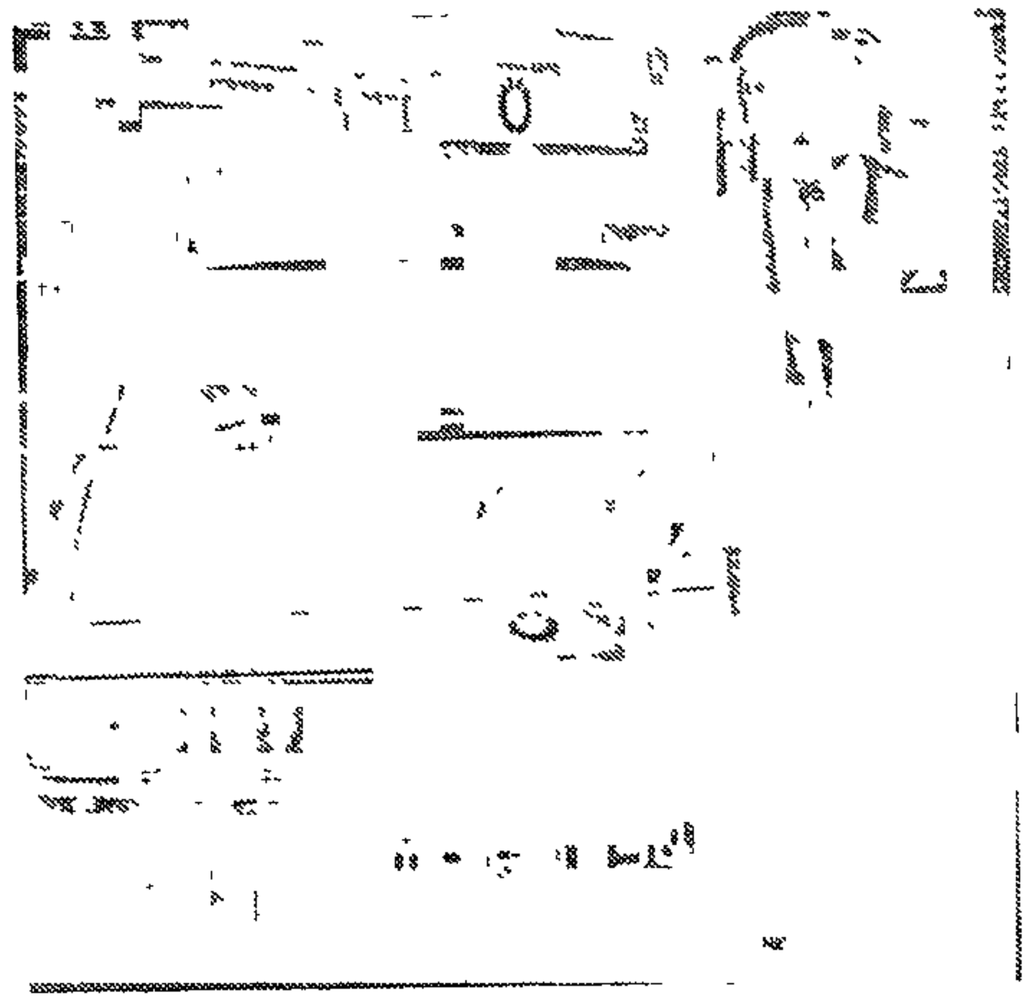
"The South African manufacturer has the opportunity to manufacture at very low cost and export but they use diplomatic relations as an excuse not to think about it The Government is not sufficiently optimistic about it either

"One does not need a politician s or priest's pat on the back as an incentive to export, nor merely a tax deferment

" The motor industry is the third biggest industry in the country but it has been a poor performer in exports The Government has not considered exporting as a viable alternative to the local content programme — their solution has always been rationalisation which means unemployment and that's a backward strategy

What incentives would you want?

"The local content percentage is ignored on overseas cars — it applies only to cars being sold in South Africa The thinking in this country has never been about exporting cars and the law does not appreciate local content on the cars exported,



Dr Von Koerber . . . looking for concessions.

GM and Volkswagen do not get any returns

'The Phase Five environment could create a unique opportunity to be attractive and seductive to investors by attracting them to export With limited borrowing in the country investment must come from outside

Where other than Iran are you exporting to?

the USA and Australia Australia s design rules are too complicated and difficult -- at the moment

Are you planning to export more?

Yes as soon as we've overcome our space problems We're looking at a few alternatives but nothing is wrapped up yet

Have you any payment problems with the Iranian contract and are the present problems in Iran affecting you?

We have no problems at all and the political problems have not affected us as yet We have an overdemand in Iran so if the demand were to drop there is a reserve market

It s a strange contract we have — we re obliged to deliver a monthly minimum We are having slight problems with our shippers We use an Iranian line, and things are not as good as they could be We have looked into the problem but haven t overcome it as yet It s a sensitive problem

How much more profitable is it to export than to produce for sale locally?

Much more

What kind of profits does BMW make and what is the turnover?

We re not a public company so I cannot disclose our figures Our turnover for 1978 is around R100-million which is double last year s due to the introduction of the 7 Series higher volume of sales and price rises

If sanctions were introduced how would this affect you?

'It s a risk for the total car industry We cannot manufacture without a continual supply of components from overseas so the industry would collapse There no gearbox plant in South Africa for instance

Do you react to any of the pressures of the employment codes or, as in Germany and the US, to trade union and other pressures?

"We re still very much in the process of making a happy factory We re aware of the codes but think it s unnecessary for other to force them upon us

'Profit is obviously a big thing But my target is also to contribute to the socio-economic environment and to be governed by ethical and moral standards

"We re not entirely selfish — we do not only develop for direct financial returns

"I do not need the code of conduct as laid down by the EEC but we apply our own standards and targets many of which exceed those laid down by the EEC

You may make a lot of money in two years but unless you re looking at the long term and the political considerations developing your manpower you ll be dead in perhaps five years

Sunday Times.
1/10/78 (192)

problems reaching Phase Five of the local content programme (by 1980 it has to be at 66 per cent)

"We are looking for a concession on local cars If the local content of an export car is appreciated it should be accounted for in favour of the manufacturer on a local car Capital expenditure on tooling costs should be reduced

"The Government is open minded about it The situation is under review again But they are moving so slowly Overseas investors need a return on their capital and people like Ford,

"That I cannot disclose I do not want to upset the politicians Nobody thinks in exporting terms but it is possible — and to anywhere, black Africa, Communist countries, the lot

"With our Iranian contract there was initially a bit of hestiation on their side 'Cars made in the bush in the middle of nowhere, they said

"But it's growing like a cancer We get inquiries from everywhere, including Germany'

"With aggressive marketing you can sell anywhere We have ruled out Japan,

Car plants to improve facilities

DD (192)

4/10/78

PORT ELIZABETH — A number of big Eastern Cape motor and allied industries are poised to spend millions to upgrade staff facilities, particularly for blacks

Committed expenditure already exceeds R5 million, but unofficial estimates point to more than R15 million in the next two years

Included in this are General Motor's R3,9 million programme to do away with segregation at its plant and Ford's R1,3 million plan to implement the Sullivan principles and extend its training facilities for all employees

Yesterday Volkswagen also announced plans to improve facilities for workers. - DDC

Sigma build-up causes some ad casualties

Sun. Times Bus. 9/10/78 (192)

By TONY KOENDERMAN

THE building up of Sigma Motor Corporation via a series of takeovers has resulted in some casualties in the advertising business

Sigma first tried to lure P N Barrett (billing some R8-million a year) away from its client of 27 years' standing, Volkswagen, by offering its whole R5-million-a-year account

This was turned down because "you don't discard a valuable relationship easily," says P N Barrett chairman Denis Huskisson

Subsequent offers were made to key personnel at the agency, and eventually four men broke away, joined Kenyon Wiles and took a major slice of the Sigma account with them

The loser (as from January 1) will be Bates Well Rostron, which has been handling Sigma business, now worth R1,5-million, for three years

But managing director Mike Wells says nobody will be out of a job. "We have taken on an additional R3-million in billings this year, so those people who were working on the Sigma account will quickly be absorbed into servicing other clients," he said

Volkwagen, meanwhile, is sticking with P N Barrett, despite the loss of key men on the account

"The Volkswagen account is not up for grabs," said sales director Clive Warrilow

CHAIRMAN'S RE

The year 1978 Historical Society.
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Our tour of two ss. On both occasions
we were blessed with very good weather - an essential feature for off campus activities, as we have learnt to our cost. Out annual braai was washed out and so was our proposed Shipwreck Tour. It is somewhat disappointing to note that response to activities of a more scholarly nature is not always as enthusiastic as one may wish, especially from members of an organisation such an an Historical Society. We shall continue to arrange such tours in the hope that we can stimulate a positive response among our members in this direction.

Another dark cloud on our horizon has been the legislative prhobiting of Sunday evening films - a regular feature of our campus life, albeit a somewhat unreliable source of revenue! We have screened films on other nights but the poor response has forced us to abandon the idea. We have, however, amply compensated for this by offering three lunch-hour films per week instead of two. Included in our programme have been the World at War, Civilisation, America and Arab Experience series.

Scheduled lunch-hour speakers for the Third Quarter include Associate Professor C.J. Greshoff who will talk on 'Paris and the Provinces': The Unification of France, and Dr. Michael Biddiss of the University of Leicester, who will talk on 'Nazis on Trial': The Nuremberg Tribunal, 1945-6. Dr. Biddiss is being brought out to South Africa by the Students' Visiting Lecturers Organisation at the recommendation of the History Department and our Society.

I am most indebted to my committee for the hard work that they have done this year. Their dedication to their task is evidenced by the smooth running of films, entertainment and the general administration of the Society. Their suggestions have been useful, their interest has been keen, and we wish those of them who are leaving the portals of this university a successful and stimulating future. We are also very sad to bid adieu to one of our most respected and well-loved members, Robin Hallett, who, as a lecturer vitally interested in the history of Africa in general and of Cape Town in particular, has stimulated out interest in the world around us immeasurably. To this founder of the African History course we are pleased to extend Honorary Membership this year. We hope that he will often return to these shores to avail himself of his privileges as a life member of our Society.

Sydney Petersen
Chairman

Leyland vehicles is told: Merge or die

LONDON — Leyland Vehicles — the truck, bus and tractor manufacturing subsidiary of BL (formerly British Leyland) — will survive only if it merges or cooperates with another major truck supplier, says Mr Desmond Pitcher, the company's former managing director.

Mr Pitcher left Leyland Vehicles in July after only 18 months in the job He he is still retained by BL as a consultant Leyland Vehicles has been a healthy profit-earner in the past for BL, but recently its production, market share and profitability have fallen substantially, and it has caused growing concern for BL executives.

According to Mr Pitcher, Leyland Vehicles has a future only if it seeks some form of cooperation or a merger with either a major European or American bus producer

In addition, the company will have to increase what he describes as its "debilitated overseas marketing efforts" In the first half of this year the company's overseas operations provided its only profits

In a letter to the Sunday Times, Mr Pitcher stressed that the trade unions would also have to accept greater working flexibility and a cut in manpower in line with the company's competitors

At present the company employs about 30 000, and there have been suggestions that some rationalisation of plant is necessary The future of units, such as Guy in Wolverhampton, AEC at Southall, and bus and chassis plants in Bristol and London have been considered

Mr Pitcher also urged that the major investment programmes planned by Leyland Vehicles should be completed as rapidly as possible During his brief time with the company, he was responsible for pushing through investment plans totalling about 100-million pounds

He commented "The difficulties Leyland is in — and this applies equally to the mass car division — are the result of not having vehicles the customers want (even if they could be sure of getting them) and too many people making too few of them

"Even if these basic problems were solved and the company was suddenly blessed with good industrial relations, it would find itself with too small a market in which to sell Leyland's attempts to increase its market share in Europe have been a total failure Fiat and Mercedes are already each producing four times LV's 30 000 vehicles a year"

It is known that the company has had talks with a number of European vehicle companies with a view to various forms of cooperation, such as the discussions with a Fiat subsidiary which envisaged a joint programme for the development of components — Financial Times

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November 19
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were employed to conduct the interviews in the townships of Langa and Guguletu as well as in the squatter settlements of Crossroads and KTC ("Dutch Location").

An interview schedule, based on a pilot survey completed a few months earlier, was prepared and a stratified sample chosen. The stratification was based on each type of living quarters;[2] and within each type a certain number of houses, rooms or beds, whichever applicable, was systematically selected.[3] Most interviews were conducted in Xhosa and lasted about two hours. There were few refusals and a wide variety of reasons was given for refusing. A systematic method of replacing refusals was also

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1. Sheila T. Van der Horst (1964); the field work was carried out over the years 1955 to 1957.

2. The living quarters were divided into the following types:
   Guguletu : Residential area (permanent residents only); Barracks (BAD); Employers' Barracks; Section 3 near Klipfontein Road (residential area for migrant labourers only); KTC ("Dutch Location", squatters).
   Langa : Residential area (permanent residents only); Old Flats; New Flats; Main Barracks; North Barracks; Zones; Special Bachelor Quarters.

3. Even though systematic sampling was employed this did not introduce a bias into the sampling because the population was not systematically distributed. See C.A. Moser and G. Kalton, Survey Methods in Social Investigation (Heinemann, 1971), p.83.

(192) ? FM 27/10/78

That the effective date for concluding the Sigma/Leyland deal, originally scheduled for October 1, has been further delayed to a prospective December 31? Reason is, suggest industry sources, that the "final responses required from government have not yet been received" Stay tuned

TRUCKS (192)

Scania in gear

FM 10/11/78

Scania MD Erno Lehtonen's target of 10% of the extra-heavy vehicle market next year belies a thorough shake-up at the truck-maker's Spartan plant In two years the 41-year-old Finn has turned sickly sales figures into respectable returns despite a declining market in which 20-ton (20 000 kg) vehicles were worst hit

Customer confidence, says Lehtonen, is returning as the company (60% Corporate Acceptances, 40% Swedish) expands local facilities and staff despite Scandanavia's pointed political coolness towards SA.

Swingeing price cuts on spares, up to 70% on smaller items, and a movement towards local content seem to be working.

"Last year we had only 4% of the 20-ton market. That's 85 trucks out of 2 069. This year will be much better and in 1979 every tenth truck sold will be a Scania," says Lehtonen.

He will have to maintain a much higher gear to pull off that prediction. In the first quarter of this year Scania slipped to only 3,6% (16 units) market share and by June was down to 2,7% (30 units aggregate)

Since then, says Lehtonen, the monthly share has climbed to. July 7,5%, August 7,8%, September 9,8%. Sustaining this effort will indeed lift Scania well up the 18-company league table for extra-heavy vehicles, which was last year dominated by Mercedes-Benz with 22% or so

Lehtonen has moved Scania into better and bigger headquarters and increased staffing by 35%, to 150, as part of his campaign to establish his truck as a major force on SA roads. Considering that in 1976 Scania sold only 67 units, including much lighter vehicles, for a 0,4% market share, Lehtonen's latest push indicates that he could do it

Ironically, while the company struggles to gain sales here, in SWA it is dominant in heavy haulage with an estimated 660 vehicles (including 160 originally working in Angola) in use.

Lehtonen estimates that 2 000 extra-heavy units, ranging from R29 000 to R66 000 for each cab-and-chassis assembly, will be sold next year. With some truckmakers struggling on 1% or even less of the market (last year four of them shared only 2,5% of a 2 069-unit market) Scania's new-found truculence will have to be watched

RIP—Volkswagen axes the Beetle

Star 11/11/78 (192)

By Harvey Thomas

History's world champion car — the Volkswagen Beetle — is dead The bug that changed the motoring lifestyle of millions of motorists will no longer be made in South Africa

The ugly duckling that conquered the world will trundle off the assembly lines at Volkswagen's Uitenhage factory for the last time this year and South Africans will bid an affectionate farewell to a motoring orphan, conceived by Hitler as a people's car and disowned by the occupying powers as an oddity that no-one would buy

In January, 1978, the last of the German Beetles were made but VW was still churning them out in Mexico, Nigeria, South Africa and Brazil

GOLF

Now, says the Volkswagen management, the new VW Golf has proved so successful that it has replaced the need for the Beetle

At the last count 292 000 had been made in South Africa About one in every 10 cars in service is a Beetle

Around the world more than 20-million Beetles have been sold On February 17, 1972 it overtook the Model T Ford's total production run of 15 000 733

In South Africa, the Beetle story started in

cars were brought to Uitenhage for detailed investigation and study and on August 31, 1951, the first VW to be assembled in South Africa came off the assembly line.

Beetles have been turned into jeeps and beach buggies and they have hit the pages of off-beat record books more than any other motor car

In the United States the latest Beetle fad is turning them into Waterbugs — fitted with sails and rudders they race in convoy across rivers and lakes

Box office hits "The Love Bug" and "Herbie Rides Again" featured a Beetle in the star role and souped up Bugs have won countless races and rallies

Now the Beetle is soon to be no more, its place in motoring usurped by the more sophisticated smaller cars, its story a legend and its achievements an all-time record

May it forever rest in

kom in W.-Kaap

Burger 10/11/78 (192)

Van Ons Kantoor en Sapa

PRETORIA.

'N REUSE-AANLEG vir die vervaardiging van dieselmasjiene gaan vir miljoene rande in die bruin dorp Atlantis naby Kaapstad opgerig word. Dit sal nywerheidsontwikkeling in Wes-Kaapland aansienlik stimuleer en 'n groot verskaffer van werk aan die gebied se bruin bevolking wees.

Die nuus van die aanleg, wat teen 1983 voltooi sal wees, is gister hier deur die Minister van Ekonomiese Sake, mnr. Chris Heunis, bekend gemaak. Dieselmasjiene vir handelsvoertuie, busse, trekkers en nywerheidsgebruik sal vervaardig word in 'n tempo van tot vyftigduisend per jaar.

Teen die huidige pryse sal die aanleg sowat R180 miljoen kos en as die kostestyging in berekening gebring word, sal dit uiteindelik sowat R260 miljoen kos.

'n Ooreenkoms vir tegniese hulp is aangegaan met die maatskappye Daimler-Benz en Perkins

Min Heunis het gesê daar is besluit om die aanleg by Atlantis op te rig omdat daar genoeg arbeid is en die Kleurling se vaardigheid in dié bedryf reeds bewys is.

Voordele

Hy het gesê die meeste vervaardigers wat dieselmasjiene gaan gebruik, is aan of naby die kus gelee Slegs enkeles is aan die Witwatersrand Kusvervoer van Kaapstad sal dus voordelig benut kan word

Die voordele vir die land van so 'n uitgebreide vervaardigingsaanleg lê voor die hand Buiten die waardevolle nuwe bydrae op tegniese gebied, sal dit ook die volgende voordele hê.

- Suid-Afrika sal jaarliks R130 miljoen aan buitelandse valuta bespaar,
- Nywerheidsontwikkeling in Wes-Kaapland sal aangehelp word Dit sal regstreekse geldelike en maatskaplike voordele vir die gemeenskappe inhou omdat minstens 1 100 geskoolde en half-geskoolde betrekkings sal ontstaan. Mense sal spesiaal daarvoor opgelei moet word,

Eenvormigheid

winsgewende onderneming kan wees Hy het gesê hy vertrou dat die private sektor op groot skaal aan die onderneming sal deelneem sodat die N.O K se bydrae aansienlik verminder kan word

Min Heunis het gesê die masjiensoorte Daimler-Benz en Perkins kan die goedkoopste vir die betrokke marksektore gebou word Albei is ook bewese produkte wêreldwyd en is goed gevestig in die Suid-Afrikaanse mark

MIN. HEUNIS

- Die motornywerheid sal 'n bykomende stimulus ontvang deur die benutting van die huidige vermoe verder te verhoog,
- Nog nuwe nywerhede sal opgerig moet word om te voorsien in die plaaslike behoeftes van die aanleg; en
- Bykomende belegging in dié gebiede kan 'n verdere R100 miljoen oorskry en baie werkgeleenthede skep.

Min. Heunis het gesê tans word 204 verskillende soorte dieselmasjiene plaaslik gebruik Die nuwe aanleg sal slegs 17 modelle vervaardig wat die hele mark sal dek Dit sal nie net tot aansienlike rasionalisasie in die inhoudsbedryf lei nie, maar ook eenvormigheid in die versieningsbedryf tot gevolg hê

Volgens min. Heunis is die Nywerheidsontwikkelings-Korporasie — wat die ekonomiese vatbaarheid vir so 'n aanleg ondersoek het — daarvan oortuig dat die vervaardiging van dieselmasjiene 'n

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OF 1973)

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nd published a draft Bill embodying its aims in this regard. It
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ajor employers' organisations, from trade un
r bodies".[24] As a result the authorities a
r introduced the Bantu Labour Relations Regu

machinery retained the three-tier system, wh
ears, with certain important differences.

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ard 17 column 8390, 6 June 1973.

of the comment elicited by these Bills is
Dudley Horner. A Survey of Race Relations
nnesburg, S.A.I.R.R., 1974 pp.276-281 and 2

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Horrell

Rapport 12/11/78

Suid-Afrika wees nie, maar die land ook miljoene aan buitelandse valuta bespaar Ons volkome afhanklikheid van die buiteland vir landboutrekkers kos ons reeds meer as R100 miljoen per jaar.

Mnr. De Jager het gesê hy verwelkom die regeringsaankondiging oor die plaaslike vervaardiging van diesêlenjins Die ooreenkoms tussen Vetsak en Fiat Trattori van Italië, is van so 'n aard dat dit Vetsak toelaat om enige enjin wat die boere as eienaars van Vetsak mag verkies, in die Fiat-trekker in te bou

Tot in hierdie stadium is alles van die kant van Vetsak en Fiat in die werk gestel om die Fiat-trekker tot volwaardige Suid-Afrikaanse trekker te ontwikkel. Alle onderhandelinge met die oog op plaaslike vervaardiging is reeds met die owerhede gefinaliseer en die nodige kontrakte tussen Vetsak en Fiat onderteken.

Die vervaardiging sal aanvanklik 'n uitbouiing wees van Vetsak se bestaande monteerbedrywighede op Pietermaritzburg tot tyd en wyl die herkoms van plaaslike onderdele sal

Die feit dat Vetsak trekkers in Suid-Afrika gaan begin maak, beteken dat hierdie belangrike nywerheid 100 persent in Suid-Afrikaanse hande sal wees Die plaaslike inhoud van Fiat-trekkers, wat reeds op ongeveer 20 persent staan, sal so vinnig as wat dit ekonomies regverdigbaar is, in fases verhoog word Die nywerheidsektor sal 'n belangrike rol speel in die voorsiening van onderdele

Die boere het hulself in 'n goeie wegspringposisie geplaas deurdat die trekkers wat Vetsak vandag aanbied, reeds in die behoefte van 97 persent van die boere aan spesifieke modelle voorsien.

Die Fiat-trekker is oor Italie is hierdie trekkerreeks deur die boere van die land ontwikkel tot een wat volkome aangepas is by Suid-Afrikaanse toestande

Vetsak beskou die suksesvolle deurvoering van hierdie projek as van so groot belang vir die land dat hy hom met alle krag van die landboukoöperatiewe beweging en die boere van Suid-Afrika gaan toespits om Fiat se posisie as een van die drie grotes op die trekkermark nog aansienlik te versterk.

Mnr De Jager het gesê dat 'n aankondiging eersdaags gemaak sal word oor hoe Fiat-vragmotors, wat ook deur Vetsak bemark word, by die nuwe bedeling ingepas sal word

[illegible] word [illegible] M.A.N. in die Suid-Afrikaanse projek waarskynlik ook in 'n mindere mate sal deelneem

Wat Magirus-Deutz se lugverkoelde dieselenjins betref, wil dit voorkom of daar nog nie finaal tot 'n besluit geraak is nie. Die vermoede bestaan egter in ingeligte kringe dat hierdie enjin uiteindelik ook op 'n beperkte skaal in Suid-Afrika vervaardig sal word omdat daar 'n besliste vraag daarna is

Die verwagting is voorts ook dat verskeie trekkervervaardigers nou op die punt staan om met die plaaslike montering van trekkers in Suid-Afrika te begin (lees berig hierby oor Vetsak). Tot nog toe word die meeste trekkers geheel en al ingevoer.

Met die plaaslike enjin lyk dit nou ook of die modellewe van trekkers op die plaaslike mark heelwat verleng sal kan word. By die meeste trekkervervaardigers is daar 'n ingeboude verouderingsfaktor in die ontwerp wat die lewe van 'n trekker op 'n stuk of vyf jaar beperk, waarna onderdele baie skaars raak.

Dit is bekend dat die NOK baie sterk teen hierdie soort praktyke is en die Suid-Afrikaanse dieselen-

The greater Durban region consists of the magisterial districts of Durban, Pinetown and Inanda. A total of 33 manufacturing firms, employees, were interviewed on the list of manufacturing Bureau of Market Research of the firms was 42 802, of which 7 589 %) were Asian and 'Coloured' (metal

501 - 600	1	6	-	1	1	1	1	1	1	1	1
601 - 800	3	10	1	1	1	1	1	1	1	1	1
801 -1000	2	1	-	-	-	-	-	-	-	-	-
1001 -1500	3	5	-	-	-	-	-	-	-	-	-
1501 -2000	-	5	-	-	-	-	-	-	-	-	-
2000 -3000	-	3	-	-	-	-	-	-	-	-	-
3000 plus	2	-	-	-	-	-	-	-	-	-	-
T O T A L	20	49	3	7	23	1	3	2	4	6	1

Source: Bureau of Market Research, Unive

Note: The key to the divisions is as fo

Division 31: manufacture of food, beverages and tobacco.

Division 32: textile, wearing apparel and leather industries.

Division 33: manufacture of wood and wood products, including furniture.

Enjin-dinge nog nie klaar

Rapport 12/11/78 (192)

Deur DAVID MEADES

NOUDAT die groen lig finaal gegee is vir die vestiging van 'n dieselenjinboubedryf in die land, is die plaaslike vervaardiging van ratkaste vir trekkers, vragmotors sowel as motors die volgende aan die beurt.

Sake-Rapport het betroubaar verneem dat die eerste aanvoorwerk op hierdie gebied reeds deur die NOK gedoen is, ofskoon so 'n projek uiteindelik geheel en al deur die private sektor uitgevoer sal word.

Daar is nog geen konkrete voorstelle oor die vestiging van 'n ratkasbedryf in die land nie, maar daar word nou in diepte gekyk na die moontlikhede van 'n omvattende reeks ratkaste

Die vervaardiging van ratkaste is hoogs gesofistikeerd en daar kan aangeneem word dat daar aanvanklik net op ratkaste vir trekkers en swaar voertuie gekonsentreer sal word.

Met 'n groot mate van standaardisasie op die gebied van dieselenjins, sal dit aanvanklik makliker wees om hier met die plaaslike vervaardiging van ratkaste te begin. En as so 'n bedryf eers goed gevestig is, sal dit net 'n kwessie van tyd wees voordat dit ook tot ligte voertuie uitgebrei word

Die aankondiging vandeesweek deur mnr Chris Heunis, Minister van Ekonomiese Sake, dat Mercedes-Benz en Perkins die kern gaan vorm van die konsortium wat die dieselenjins hier gaan vervaardig (soos verlede Sondag deur Sake-Rapport in die vooruitsig gestel), word allerweë verwelkom

Hierdie bedryf, wat teen 'n totale koste van sowat R260 miljoen op dreef gebring sal word, sal die land miljoene aan buitelandse valuta bespaar en ons ook op 'n baie gevoelige gebied strategies onafhanklik maak.

Mercedes-Benz en M.A.N. werk in Duitsland saam op die vervaardiging van dieselenjins op die modulêre basis en daar kan

jin gaan waarskynlik 'n baie langer „lewe" hê.

● Sake-Rapport het verlede week berig dat Ford-trekkers ook met die Perkins-enjin loop Dit is egter nie nou meer so nie, hoewel die Ford dieselbakkies met Perkins-enjins toegerus is.

Fiat-trekker hier vervaardig

VETSAK gaan onmiddellik op Pietermaritzburg begin met die plaaslike vervaardiging van Fiat-trekkers. Hierdie aankondiging deur mnr. Piet de Jager, hoofbestuurder van Vetsak, is die eerste positiewe reaksie uit trekkerkringe op die regeringsaankondiging oor die vervaardiging van dieselenjins in Suid-Afrika.

Mnr. De Jager het gesê hierdie reuse kooperatiewe trekkervervaardigingsprojek van Vetsak sal nie net waarde vir bepaal waar die trekkervervaardigingsnywerheid uiteindelik op die mees ekonomiese wyse gevestig sal kan word.

byna veertien jaar uit die grond uit in Suid-Afrika gevestig as die trekker wat die boere gekies het om koöperatief te vervaardig

SUNDAY TIMES, Business Times, November 26, 1978. (192)

1981 is 'D' Day for SA engine builders

Cape plant to spark local diesel industry

VOLUME producers of commercial vehicles in South Africa will need to change over to locally produced diesel engines before the end of 1981. Smaller producers will have until perhaps 1983 before making the switch.

Abie van den Berg, of the Industrial Development Corporation, says that a new engine plant, to be built at Atlantis near Cape Town at a cost of about R260-million and underwritten by the IDC, is the beginning to a local content programme that the Government later expects to spread into gearboxes, axles and differentials

"I would like to put the minds of some people at rest about the fitting of engines into South African trucks

Perkins Diesels, as one of the technical advisers, with Daimler-Benz, has vehicles or other end products for their engines They specialise in engineering units into a wide variety of applications This is their sole interest and specialisation

Confident

"I would go further and say that there isn't an application anywhere in the world where Perkins has not produced an answer, and we are confident that local truck producers will find this to be so in their case, too," he said

He gave the further assurance that there would be no protective tariffs prohibiting the import of spares for existing engines "providing that these are not used to assemble new engines"

The IDC and its technical advisers will be meeting users in the next few weeks to discuss with design engineers the least number of engines they need to satisfy the largest number of users

"We are at the moment looking at something like 15 to 17 different engine types but, hopefully, we will be able to reduce that if people will make concessions here and there

Complicated

"This is a complicated exercise that will take a lot of studying in order to establish where exactly the economic cut-off is We think that a range from 30 kw to 250 or 260 kw will be possible but the whole thing is flexible It may be 60 kw to higher than 260 kw We just don't know yet

"We are going to talk to the volume users first because this determines the size of the plant and layout of the production lines

"It will then be a case of fitting in the others as best we can We cannot have a case of the tail wagging the dog, but we will get round to everybody in due course" said Mr Van den Berg

The protective aspects of local production will be determined by the Board of Trade But detailed costings have so far confirmed that the South African plant will be more price competitive with large diesels than it will with small ones

"This came as quite a surprise to us, but our costings, and those carried out independently by our two technical advisers show beyond doubt that large engines will cost less produced here than say in England

Paramount

"The reason is that the big engines have a lot of hand labour and being labour intensive cost more overseas than they do here," said Mr Van den Berg

Rationalisation of engine types is of paramount importance says the IDC because of the possibility of gearboxes and axles being produced locally

"The engine itself is only the beginning of the headache Through the years, a number of problems are going to arise when we talk about producing a limited range of gearboxes, axles and differentials

"But by restricting the number of engine types, we are obviously going to make the selection and matching of other units that much easier The engine is the most logical place to start and the Government thinks that if they look after the front end first, the rest of the truck may follow without too much prompting

"That certainly seems to be the case in respect of gearboxes One company is already making them and another is conducting a cost exercise I remember a few years ago another company doing some costings but deciding that the wide variety in use was too costly Who knows? They just might decide later to have another look at it" said Mr Van den Berg

Critical

Local sourcing will call for about 200 different components, of which more than 75 per cent will be built into local engines by 1983 The crankshaft will be a critical item for the large engines since these involve a large forging press which is not available yet in South Africa

"We would call upon an outside contractor to supply these forgings so that we can machine them in the engine plant We don't expect that everything will be right from the word go, but the component industry is going to have its chance to produce the goods Component producers have been criticised but we feel that although there are two sides to the story, the component producers' versions are nearer the truth

"We still have a situation where components are being imported that can be produced here But there is more profit for the source plant overseas for them to ship them out to South Africa

All right

"Local producers, we are sure, are going to be right Crankshafts, connecting rods pistons, injection equipment and turbo chargers will have to be imported for some years

"Castings are another matter They are all wall-castings and although they involve heavy equipment, are simpler and reasonably straight forward to produce particularly where the range is limited"

Export potential will

Reaction — 'a lot of organising'

or s

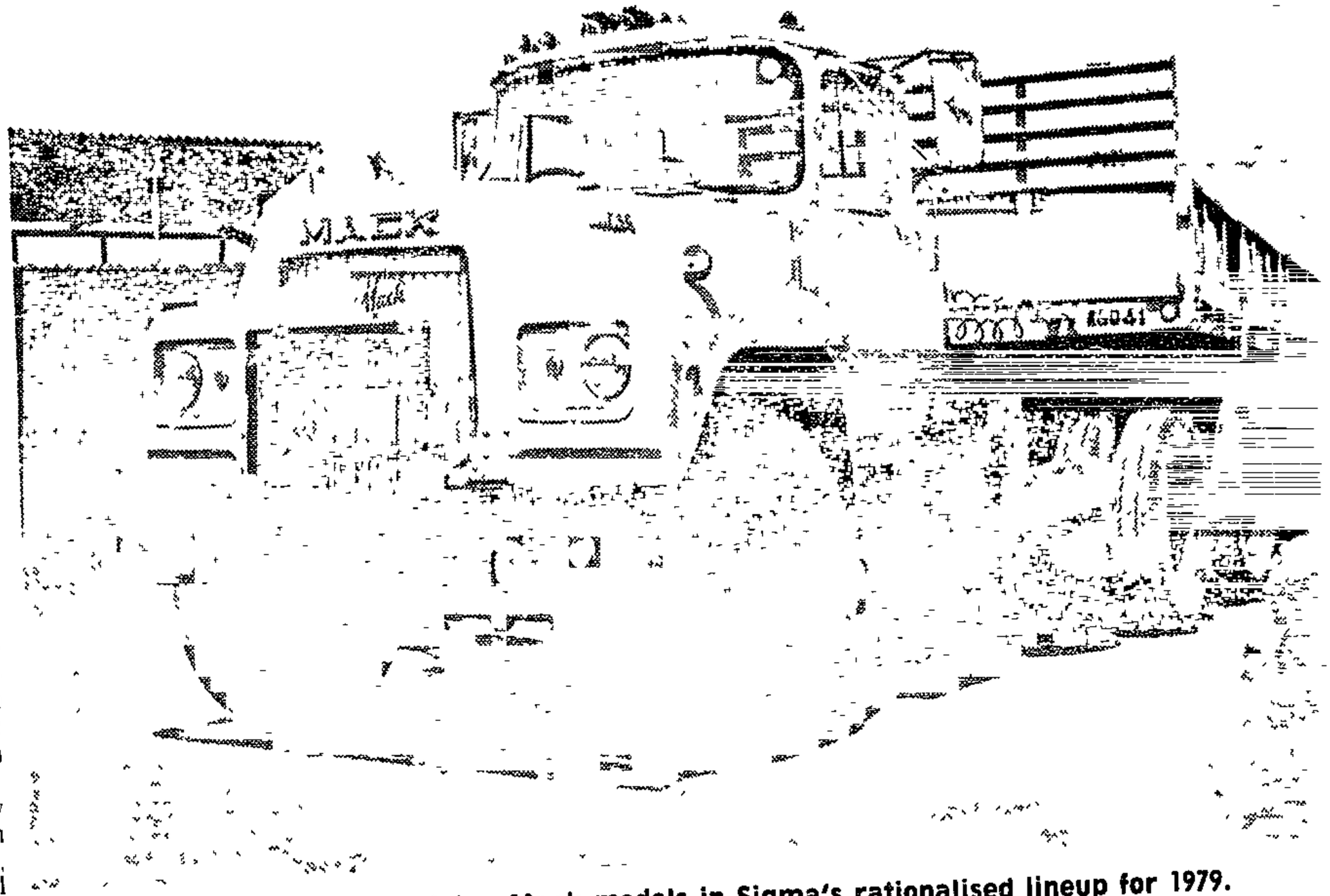
good especially for the larger engines which will be cost competitive Even if complete engines are not exported the IDC is hopeful that components will find a ready market overseas

It is difficult at this stage to put figures to it because so many countries produce their own diesels and it is becoming quite an issue to overcome tariff barriers said Mr Van den Berg

● Target output by 1983 is expected to reach 50 000 diesel engines a year, although 100 per cent local content is not seen as a viable target by then "We should be up to 75 per cent, although our official schedule still says 100 per cent"

The huge Atlantis plant will be on more than 4 ha of the 65 ha site under roof, and work will be advanced to production line stage by 1981 Imported CKD kits will be imported with a gradual build-up of local content over the next two or three years until the 100 per cent level is attained

Although the engines will officially be known as Perkins and Daimler Benz, the Daimler Benz types are those developed jointly by MAN and Daimler Benz in Germany



One of the five remaining Mack models in Sigma's rationalised lineup for 1979.

Five models in Mack range

PLANS for the future marketing of Mack trucks in South Africa were clarified this week with a Sigma announcement that the range will be limited to five basic types, with variants

Sigma has previously marketed numerous versions in an attempt to cover the total market It has also specialised in tailoring models for specified jobs, irrespective of the number of units needed

"We are now being more careful about the specially-tailored models and will only be really interested if more than one unit is needed," said Ian Pieterse, manager of truck marketing

Sigma is also changing some of the specifications in the new line-up so that rationalisation of components is achieved

"We will be moving to 10-speed gearboxes instead of the five- and six-speed gearboxes of the past The new 10-speeds make it possible for us to limit engine speeds to 1 800 revolutions per minute, achieving really worthwhile fuel economy

"Although we are cutting back to five models — exactly half of what we used to have — we are offering different configurations of axles and wheelbases Our current 214 kw engine is to be replaced by a 230 kw unit which, together with the 10-speed gearbox, is the only real technical change

"Our second engine is " 176 kw type

"Basically, we are still the premium category over 20 000 kg, offer truck-tractors capable being assembled as fre carriers and tippers, sim by changing the chass rails in the plant Our fi market, however, is truck-tractor

"The five models we a dropping were sold only small quantities and to cial specifications."

Business Times
Sunday Times 26/11/78

Local diesel plant: Ford get details of output

FORD's director of manufacturing, Neville Cohen, this week received his package of details from the Industrial Development Corporation listing the engine types most likely to be produced at the new Cape diesel plant by mid-1981

"So far we have had only 24 hours in which to study this information so it is early days for us to make any comment I would, however, think it virtually certain that the new engines will result in the end user paying a premium on his trucks.

Conceive

"I cannot conceive of any circumstances under which South Africa can produce any kind of engine at a price lower than overseas producers," he said

Commenting on the switchover to local engines in three years, he could not see any insurmountable difficulties "There will be problems, of course, but most people should find it possible to make the switch

"We were given no indication of cost, which we can understand until volumes are known As long as the ground rules are the same for everybody, I am confident that Ford know-how will give us the same degree of competitive edge as we have now,"he said

'Hell of a headache,' Leyland spokesman

"IT IS going to be one hell of a task to get all the volume trucks over to South African engines by 1981 It will take a lot of organising, especially for us since we are building not only Leyland but Mitsubishi and Mack "

This was the reaction of Leyland's director of manufacturing, Ronald Ott, to the suggestion that Leyland might have to take a unilateral decision on the Leyland Red Line before the IDC can give them satisfaction on the two other, lower volume truck ranges

"It is difficult to say where one's profitability is until you look at the whole picture If the IDC wants us to look at the high volume Red Line — and presumably Ford will have to do the same with their D Series — then we shall have to examine the position very carefully

"Until we know what engines they are going to offer, and I think that this eventually is what the situation may turn out to be, we will not know what Red Line trucks we will be offering

"We need to know engine size, length, characteristics, heating and cooling problems and other engineering details which no doubt the IDC will be giving us

"But we also need to do the exercise for Mack and Mitsubishi as well Then we need to know what the other producers will be offering in similar engine categories This will involve a lot of guesswork For instance, what will Daimler Benz be offering themselves, since we will most probably be using the same engines

"This we can establish by looking at their present line-up and making a few deductions Until then we cannot begin to know whether we are going to rationalise our engine ranges or not

"If Leyland was producing the engines for other manufacturers, then we would know exactly which engines we would be using right now When we put forward our proposals for the engine plant we were asked which alternative engines we would choose to use from the other producers

"We were able at that time to make a rough evaluation by letting our engineers have the information supplied by the other producers This time we have to weigh the plusses and the minusses very carefully, and make sure that we do not jump to any hasty conclusions "

He agreed that producers should be able to make the 1981 deadline "After all, we made that assumption in our own recommendations in the first place, so we can only accept that this is still possible

"The idea of a local engine plant is obviously going to be worthwhile if it saves the country R130-million in foreign exchange It just isn't going to be all that easy to get the figures right the first time, especially bearing in mind all the other difficulties facing the industry at the moment," said Mr Ott

No favours for Benz, Perkins

EXISTING agents of Daimler-Benz and Perkins — the two companies chosen by the Government as technical advisers for the IDC-backed diesel engine plant to be set up in the Cape — will enjoy no price privileges purely because of their association with the plant

"We are making very sure that there will be no suggestion of the technical participation of these companies being abused," says the IDC

Although it is understood that the whole scheme will be financed internally, neither Daimler-Benz nor Perkins Diesel will have a stake

Engine plant raises queries

ALTHOUGH no firm size limitations have been announced for South Africa's new engine plant in the Cape, Cummins Diesel is hopeful that the importation of off-road dumper engines will not be affected

Says Peter Stirzaker, chairman of the company "There is an important demand in mining for dump-truck engines of up to 1 600 hp and even bigger We would not expect the Government to jeopardise our position in supplying this sector of the market

"There is also the question of importation of spares for existing truck engines It is difficult to say whether our operation would be sufficiently viable serving only the mining sector, and we would hope that there ill be no restrictions on imported spares for all engines in current use

"Ten years is a reasonable life for an engine — even longer in some cases We would, therefore, expect to be in business for a long time because of service and spares supply "

Cummins South Africa is part of the Northern Engineering Investments Group, which also embraces John Thompson and International Combustion Limited, both of which are active in steam boilers

"The Cummins operation is a franchise which we operate in five major regions throughout the country Each region has its own engine rebuild facility

"We are awaiting details of just what protection measures are to be announced for the new engine plant," said Mr Stirzaker

LEYLAND

Lights at amber

Leyland is going through a period of uncertainty in which combined sales of Rover and Jaguar have fallen (July to October) about 60% since the announcement of the merger with Sigma

Part of that deal was that Leyland would give its dealers notice that they would lose their franchise at the end of this year. Some moved fast to secure other franchises and Leyland products were pushed off the floor.

At the same time there has been growing speculation about the future of Jaguar, now assembled in SA with very little local content. Imports of knocked-down kits will stop from the end of next year.

Kits could be stockpiled to ensure a supply of cars for perhaps another year, but even so Jaguar's life in its present form must be limited — leaving only the Rover in the Sigma stable to compete with Mercedes and BMW

Meanwhile Sigma's Chris Griffith expects everything on the merger front to be running smoothly by March next year. He says that by then there could be about 200 dealers throughout the country handling Leyland products, as opposed to 150 or so now. Some of the dealers given notice, he explains, have negotiated new deals with Sigma, while existing Sigma dealers will be trained on Leyland

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37. Op.cit. pp.91-4.
38. Ibid, pp.97-101.
39. Hansard 3 columns 160-1, 22 August 197
40. Op.cit. pp.66-8, 108.

Recognition of African Trade Unions

The Verster investigation indicated that wh organisations with liason committees (56%) African trade unions, the majority of those favour of recognising them.[40]

82% of the respondents reported that their v period of one year. In most instances, 68% meetings were held, while a further 9% met v intervals.

The most frequently mentioned reasons for cl they were more effective than liaison committ tative and acceptable to African workers, a

In 1973 only three co-ordinating works comm

There was a tendency for older workers and those with longer service to be elected to these committees: in 80% of the organisations there were no restrictions whatsoever on the nomination of were certain requirements, mainly to achieve

In fifteen organisations (44%) management had taken the unilatative for establishing the committee, while African employees had done this in five (15%), and management and employees together had taken the decision in fourteen (41%).

TABLE 3

Industrial Classification of Participants

Sector	Number of Organisations	Per centage
Manufacturing	25	73,0
Services	6	18,0
Commerce	3	9,0
	34	100,0

15.

committees and were employing 16 625 African workers.[37] They were located in the following sectors of the economy:

Motor sales up on last year's figures

RDM 14/12/78. (192)

PORT ELIZABETH — Sales of cars and commercial vehicles were higher last month than in November last year, according to the National Association of Automobile Manufacturers of South Africa

The totals for the first 11 months of this year are also higher than those for January-November 1977

Car sales last month were 18 217 compared with 14 770 in November 1977 The total for January-November was 187 177 compared with 151 198 in the corresponding period last year

Commercial vehicles sales in November were 8 237 against 7 345 in November last year, and the 11-month total was 91 661 against 83 412 for January-November last year

Volkswagen headed the car sales last month with 2 946, followed by Sigma with 2 736 and Ford with 2 483

Toyota was top in commercial vehicle sales with 2 019, followed by Datsun with 1 558 and Ford with 1 048

Toyota also topped combined sales of cars and commercial vehicles with a total of 3 947, with Sigma second 3 617, and Ford third 3 531

The president of the Motor Industries Federation, Mr Theo Swart, said yuesterday he was delighted that car and commercial vehicle sales last month were higher than in October

Mr Swart said, however, that sightt should not be lost of the fact that the November sales figures were inflated by the auction in Johannesburg of a large number of vehicles which suffered hail damage

Mr Swart said that in spite of the increased sales so far this year, the total sales for 1978 would fall far short of those in 1973, 1974 and 1975

Although there had been a moderate upswing in the economy, factors such as the introduction of GST and price increases had played the most important role in the increased sales

A continued improvement, which was imperative at this stage, would depend entirely on the disposable income of "John Citizen" which, as a result of price increases and inflation, had reached a low level

It was thus essential that the Government continue with selective stimulation of the economy

Mr Swart said that he could think of nothing better than abolition of the import surcharge of 12½% and a reduction in company and income tax

200 000 new car sales this year?

(192) DD 14/12/78

PORT ELIZABETH — This month's new car sales need only equal the figure for December last year for total sales for the year to exceed the 200 000 mark.

This should not be difficult considering that last December's sales of 15 566 were better than the previous year

In addition, 1977, with total new car sales of 166 764, was the worst year since 1968 when 151 546 were sold

The lowest December figure since 1971 was in 1973 when sales dropped to 14 917 because of the introduction of fuel restriction measures.

This year's sales up to the end of November are 187 177 of which 18 217 were sold last month. New car sales for November last year were 14 770. The industry's optimism of ending the year near 205 000, therefore, seems well-founded

Last month saw Volkswagen at the top of the list again after being pushed into second place by Ford the previous month. Ford dropped to third place after Sigma, which pushed up its market penetration from 12 per cent in October to 15 per cent last month

In spite of being first in new car sales month, Volkswagen's market penetration dropped from 18 per cent to 16 per cent and that of Ford from 20 per cent to just below 14 per cent, according to figures released yesterday by the National Association of Automobile Manufacturers in South Africa.

Of the three Eastern Cape car plants, General Motors did the best by pushing up its market penetration from nine per cent in October to 11 per cent last month. In all, the three captured just more than 40 per cent of the new car market last month.

In the commercial vehicle field, the 100 000 mark is within sight. Sales for the year to November totalled 91 661 units of which 8 237 were sold last month, compared to 7 345 in November last year. Toyota again led the field last month, followed by Datsun, Ford and General Motors, but of the four, only Toyota and Datsun increased their market penetration.

Combined car and commercial vehicle sales for the year to November amounted to 278 838, compared to 234 610 in the same period last year. — DDC.

announce the setting up of a
within the year. Extensive
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978 Botswana could have the
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overned as it is by the uncertainty of
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ural incomes, as weather varied, by work
wn thanks to the Rural Income Distribution
itside the rural areas because of rural
40% of the rural households, containing
w the rural poverty datum line (house-
l kind). There appears to be a strong correlation between the maldistribution of income, similar maldistribution in the ownership of cattle and the present low productivity of arable farming.

The high capital:employment ratio of recent years has held back the general growth of employment opportunities. Between 1972-75 employment in the Government sector, mostly in education, grew 40%; in mining, manufacturing and construction it grew 27%; and in large scale farming it grew by only 4%. The completion of much of the construction and the fixed capital formation of the recent phase of economic growth means that employment growth in the first two categories will slump. In 1975 only 20% of those whose education qualified them for employment in the formal sector had a job. The National Development Plan 1976-81 predicts that by the year 2000, and given high rates of employment growth, the proportion of those qualified in jobs will rise to

16 The Cape Times, Thursday, December 14, 1978

192 ~~30~~

Industry to seek lower deposits on cars and commercials sold on HP

PRETORIA — The president of the Motor Industries Federation, Mr Theo Swart, said yesterday that he was delighted to note that car and commercial vehicle sales last month were higher than in October

Mr Swart pointed out, however, that sight should not be lost of the fact that the November sales figures of both categories were inflated as a result of a large number of vehicles which suffered hail damage in Johannesburg and which had to be sold by public auction

In spite of the increased sales so far, this year the total sales for 1978 would fall far short of those realized in 1973, 1974 and 1975

He indicated that although there had been a moderate upswing in the economy, factors such as the introduction of GST and price increases had played the most important role in the increased sales

A continued improvement, which was imperative at this stage, would, however, depend entirely on the disposable income of John Citizen which, as a result of price increases and inflation, had reached a very low level

It was thus essential that the government should continue with a programme of selective stimulation he said

Mr Swart said that he could think of nothing better or more suited than an abolition of the import surcharge of 12½ percent and a reduction in both company and income taxes

In addition, Mr Swart said that the industry would be approaching the authorities to reduce the deposits prescribed for both passenger and commercial vehicles sold on terms — Sapa

The totals for the first 11 months of this year are also bigger than those for the January-November period of 1977

Total car sales last month were 18 217 compared with 14 770 in November 1977

The total for January-November was 187 177 compared with 151 198 in the corresponding period of last year

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Toyota also topped combined sales of cars and commercial vehicles with a total of 3 947 with Sigma second, 3 617, and Ford third, 3 531 — Sapa

Chrysler to lay off 15 700

DETROIT — The financially-troubled Chrysler Corporation says 15 700 workers at three assembly plants will be laid off next month while plants are shut down for two weeks to reduce inventories of unsold cars

At Hamtramck Michigan, 1 200 production workers and 70 white collar workers — from a total of about 7 000 — will not be called back when it reopens on January 22, the nation's third largest car maker said

Chrysler lost $247,8m (about R211 m) in the first nine months of the year — Sapa-AP

	LATIN	S														
	25	25														
Erasmus, P.	12	11														
Espley, Miss S.C.	25	23														
Fine, D.N.	19	16				73	12	15								
Fourie, L.J.	2	17	6	25	9	34	11	3								
Gainsborough-Waring, Miss B	5	7	3	15	13	28	10	9								
Garland, N.R.	14	11	15	40	15	55	4	5	14							
Gelant, R.A.	-	11	2	13	9	22	5	9	5							
Gilfillan, A.D.	6	4	6	16	10	26	4	2	0							
Goosen, M.P.	11	9	17	37	12	49	13	8	10							
Green, Miss K.J.	15	20	21	56	15	71	17	12	13							
Greenberg, Miss A.	23	15	17	55	14	69	17	15	15							
Grunfeld, B.	16	11	21	48	14	62	13	3	9							
Hack, B.C.	12	6	14	32	15	47	11	2	8							
Haddow, P.B.	14	18	1	33	19	52	10	10	18							
Harper, G.M.	10	9	16	35	0	35	10	7	5							
Harpur, C.A.L.	2	2	6	10	-	10	3	2	3							
Hay-Whitton, A.M.	22	17	19	58	19	77	17	16	16							
Helman, L.	11	13	20	44	14	58	11	7	3						[illegible]	48
Higgo, A.M.	2	1	0	3	0	3	4	-	-	4	0	4	2.8	2.8	5.6	4
Huntley, R.	14	21	22	57	14	71	17	12	16	45	18	63	53.6	14.6	68.2	67

MANUFACTURING - MOTOR INDUSTRY

28. 1 79 ——— 26. 12 79

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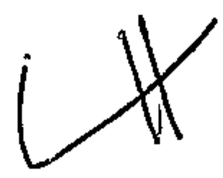

Car sales slump hits tyre firms

(192) Argus 28/6/

Argus Bureau

PORT ELIZABETH. — The paralysing effect of the Eastern Cape slump in vehicle sales has spread from car manufacturers to associated trades, with tyre manufacturers cutting production and garages closing down.

Following two Port Elizabeth-Uitenhage area manufacturers' announcements that they were retrenching about 370 workers, tyre manufacturers here announced they were also cutting production.

General Tire is considering retrenching a few workers, Goodyear has started working short time and Firestone, which is not filling vacancies, may also consider working short time.

Meanwhile, a garage has closed down at Somerset East and one each at Grahamstown and Queenstown will follow suit.

The retrenchments at motor manufacturers were 297 hourly paid workers last week at Ford, and about 80, still in process, at General Motors.

The national marketing executive of the General Tire company, Mr Tom Taylor, said from Johannesburg yesterday the situation was being studied and it was hoped to keep the number of retrenchments below 50.

SHORT TIME

The public relations manager of Goodyear, Mr Mike Selley, said the Uitenhage plant was working short time in some sections, but the company did not intend laying off workers.

The plant director of Firestone, Mr Percy Watchurst, said the company would not retrench staff but did not replace workers leaving. Production had already been cut 'slightly.'

CT 21/6/79

Motor workers laid off

(192) By GORDON KLING

SHORT TIME and retrenchments have struck the South African motor industry in the wake of soaring fuel bills and lower speed limits

Ford and General Motors yesterday announced, respectively, the retrenchment of 207 and 80 workers Leyland recently retrenched 25 employees because of a surplus of cars following the collapse of its merger with Sigma

"It's difficult to say if more workers will be laid off," a spokesman for General Motors, which is now on a four-day week, said

The director of industrial relations at Ford, Mr Fred Ferreira said the industry faced a major downward adjustment in sales calculations Ford, which he said would operate on a four-day week probably till August and shut down for five days from July 2, had also found a significant shift in demand to smaller vehicles

Both Ford and GM had found sales dropped sharply in the weeks before the new petrol measures

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QUESTION 4

SUGGESTED SOLUTION

				Marks
Rate variances:	Skilled	$2\ 800\ (3 - \frac{9\ 000}{2\ 800})$	= 600 (U)	
	Semiskilled	$3\ 400\ (2 - \frac{7\ 000}{3\ 400})$	= 200 (U)	
	Unskilled	$6\ 000\ (1 - 5\ 700)$	= 300 (F)	
			500 (U)	4
Efficiency variance:	Time that should be taken for unskilled work 7 000 hours			
	Time taken by unskilled	6 000		
	Time taken by skilled (2 800 − 1 200)	1 600	7 600 hours	
			600	
	600 hours @ R1		R 600 (U)	3
Mix variance:	Work undertaken by skilled workers		1 600 hours	
	Differential pay rate (R3 − R1)		2	
			3 200 (U)	3
	Rate variances		500 (U)	
	Efficiency variances		600 (U)	
	Mix variances		3 200 (U)	
	21 700 − 17 400		R4 300 (U)	

10

PE car firms plan to reduce production

19/6/79 DD

PORT ELIZABETH — Fears of a continued slump in new car sales have moved two Port Elizabeth manufacturers to consider drastic steps to reduce production temporarily.

Ford has decided to close down its plants for a week next month and General Motors may have to lay off a small number of hourly-paid workers Both companies are already working a four-day week.

Ford's public affairs director, Mr Dunbar Bucknall, said yesterday that Ford had decided provisionally to close down its Port Elizabeth plants from July 2 to July 6 to revise production schedules It would then continue to work a four-day week from July 10

The company was completing its evaluation on the effects of the new fuel measures introduced by the government early this month A further statement would be made this week, he said

The public affairs manager of General Motors, Mr Peter Ray, said the Kempston Road plant which was closed yesterday would also be closed next Monday

"It is likely that we will have to start retrenching hourly-paid staff this week The number will be kept to a minimum, however, and will probably not exceed 80 "

He said once a decision had been made on retrenching staff, the company could consider going back to a normal five-day working week, subject to market demand

Mr Reuben Els, public relations manager of Volkswagen, Uitenhage, said his company had no plans to work short-time or lay off staff The company would be working a normal five-day week — DDC

New car sales slump: Drastic steps likely

PR 14/6/79 Star

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He added that a further statement would be made this week

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"It is likely that we will have to start retrenching hourly-paid staff this week The number will be kept to a minimum, however, and will probably not exceed 80, " said Mr Ray.

He said that once a decision had been made on retrenching staff, the company could consider going back to a normal five day working week, subject to the market demand

Mr Reuben Els, public relations manager of Volkswagen, Uitenhage, said the company had no plans to work short time or lay off staff The company would be working a normal five-day week

The "Mail" Labour Correspondent reports that the production cutbacks follow a slump of almost 10% in new vehicle sales last month compared to sales in May last year and April this year

Car sales went down by 9,6% to 16 011 units against 17 718 for May last year. Commercial vehicle sales slumped by 8,5% to 7 839 from 8 569

It appears there may be a definite move towards smaller cars and not all manufacturers may be equally hard hit.

Will dearer petrol mean slower growth and fewer jobs?
In-depth investigation, Pages 10, 11

300 lose jobs as Ford shuts down for a week

Star 20/6/79

~~335~~ 192

Ford Motor Company today announced a week-long shutdown from July 2 to 6 and that five percent of its work force will be retrenched

This means that 297 hourly paid workers at Ford's four Port Elizabeth plants lose their jobs

During the shutdown salaried staff at the four plants will take annual vacation, while hourly employees will receive paid leave for three days

Mr Fred Ferreira Ford's director of industrial relations said there would be a revision of the company operating pattern which would unfortunately result in some hourly employees retrenchment

Since 1974 the company had worked short-time during periods which saw a downturn in the market, rather than laid off employees

HOLIDAYS

"We have again adopted this policy to limit retrenchment to the utmost but are nevertheless compelled to reduce our workforce by approximately five percent or 297 employees, with immediate effect"

The Ford Motor Company in South Africa employs 5 800 people of whom about 4 300 are hourly employed.

"We decided on that particular week as it coincides with school holidays and will offer employees the opportunity of spending some time with their families," Mr Ferreira said

"We will be using the shutdown period to revise production schedules with a view to ending the present situation of a four-day week

"This will enable us to adjust stocks and supply situation to the reduced industrial levels now forecast

The plants will work one or two further four-day weeks following the shutdown, and we hope to revert to a full five day working week from August," he said

LAID OFF

● A spokesman for the General Motors Company said GM would not be closing down their plant for any period of time

However it is learnt from reliable sources that GM would be laying off about 80 staff members

● Sigma Motor Corporation say they cannot supply the demand for their products and will continue with all staff members working full time

Argus 12/6/79

Leyland lays off 25 workers

(192)

Motoring Editor

A TOTAL of 25 workers, men and women, have been laid off by Leyland South Africa at their Blackheath factory because of the ending of the Sigma-Leyland merger announced last month.

When the merger was called off, the Leyland factories were operating to a production schedule arranged to cope with the supply demands of the Sigma dealers

At the ending of the merger, Leyland agreed to take back a number of the vehicles held by the Sigma dealers which gave the factory more stock than it required.

The situation was exacerlated by the latest fuel price rise No more redundancies are being considered as Leyland is assembling vehicles under contract for Sigma.

Slump fear in car industry

19/6/79 (192)

Mercury Correspondent

PORT ELIZABETH — Fears of a continued slump in new car sales have moved the two Port Elizabeth manufacturers to consider drastic steps to reduce production temporarily

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Ford's public affairs director, Mr Dunbar Bucknall, said yesterday that Ford had decided provisionally to close down its Port Elizabeth plants from July 2 to July 6 to revise production schedules

It would then continue to work a four-day week from July 10

Retrenching

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He said once a decision had been made on retrenching staff, the company could consider going back to a normal five-day week, subject to market demand

Mr Reuben Els, public relations manager of Volkswagen, Uitenhage, said his company had no plans to work short time or lay off staff, The company would be working a normal, five-day week

PCW 3

Units to account for
W.I.P. - opening — Nil
Input 3 000 litres ie 6 000 units — 6 000

Equivalent units	Milk	Sugar	Malt	Labour	Overheads
Units started & completed	4 000	4 000	4 000	4 000	4 000
- Good production	4 000				
- normal spoilage 10/100 x 3000 x 2	600				
Abnormal spoilage	400	-	-	-	-
W.I.P. - closing	1 000	400	-	-	-
	6 000	5 400	4 800	4 400	4 400
Costs to account for:	R1 400	180	144	176	
Cost per equivalent unit:		0,033	0,03	0,04	
Accounted for as follows:					
4 000 units transferred	4				
Cost of normal spoilage					
Milk		100			
		56			
Cost of transfer t		34			
W.I.P. Closing Milk	1	24			
Sugar	1	16			
Malt	1				
Labour					
Overhead					
Abnormal spoilage					
Milk		22			
Sugar		40			
Malt		13			
Costs accounted					75
					R1 400
					230
					1 095
					60
		process			1 035

Leyland prepares for market comeback

192

Argus 11/5/79

Motoring Editor

LEYLAND South Africa, though comparatively non-committal about the ending of the merger with Sigma, are obviously regrouping their forces to make a comeback on the South African market.

The only comment from Leyland on the reasons for the ending of the merger has come from a spokesman for British Leyland, Mr Stuart Alexander in London, who said: 'Leyland South Africa withdrew from the merger because profit forecasts from the joint company had so deteriorated that it would no longer have been a good investment'

Mr Richard Newby, the company's chief executive in South Africa said there was no question of Leyland withdrawing from South Africa.

'We intend to remain in the vehicle and equipment markets in South Africa,' he said.

FINANCE

CAR SALES DIP BUT 2,5pc UP ON LAST YEAR

(192) Motoring Editor Argus 11/5/79

SOUTH AFRICA'S car sales fell to 17 712 in April from the extraordinarily high figure of 20 141 sold in March. The fall was not unexpected as the March sales were boosted by buyers getting in ahead of the Budget.

The April sales are, however, 2,5 percent higher than in April last year.

Sigma was the best seller with 3 818 units, followed by Ford with 3 435 and Volkswagen with 3 716

As Sigma and VW have the lion's share of the small-car market, it seems that the improvement has probably come in the medium ranges, with the Ford Cortina over its supply problem and selling 500 units more than it did in March.

MAZDA 323

The best selling car was the Mazda 323 with 2 085 sales — a figure boosted by the recently introduced 1 600 — followed by the VW Golf with 1 873 and the Cortina with 1 760.

The figures confirm that the swing to the smaller car is continuing and probably accelerating.

Overall sales for the first four months of the year are 70 549, which are better than the first four months of last year by 13,1 percent and give promise of a total car market for the year of between 212 000 and 215 000 units.

COMMERCIAL

The commercial market was up as well, though only by 5,1 percent when compared with April last year, to 8 743 units last month Toyota were on top with 2 069 sales followed by Datsun and General Motors

Cape Town motor dealers were surprised at the relatively high car market as most of them were expecting a lower figure and it is not yet known what the Cape Town share of the market is as the figures are still being processed by the NAAMSA computer. They will not be available until next week.

Leyland veg terug

Rapport 13/5/79

‚Onder, maar nie uit'

(192)

Deur DAVID MEADES

LEYLAND is besig om hard terug te veg. Hy is besig om van voor af 'n handelaarsnetwerk op te bou en het vandeesweek in net drie dae dertig nuwe handelaars bygekry. „Ons is onder, maar nie uit nie," het 'n woordvoerder aan Sake-Rapport gesê.

Dit volg op die aankondiging vandeesweek dat Sigma en Leyland nie meer voortgaan met hul planne tot samesmelting nie. In die proses het al die ou Leyland-handelaars hulle by Sigma aangesluit.

Voor sy vertrek vandeesweek vir 'n blitsbesoek aan British Leyland in Londen, het Leyland se uitvoerende direkteur in Suid-Afrika, mnr Richard Newby, gesê dat daar geen sprake is dat Leyland die land gaan verlaat nie.

Die manne by Leyland gee toe dat die pad vorentoe swaar gaan wees en die NAAMSA-syfers oor die afset van nuwe motors in April kon geen goeie nuus vir Leyland gewees het nie.

In April het Leyland se afset van passasiersvoertuie net 481 eenhede beloop, wat die totaal vir vanjaar op 1 626 eenhede te staan gebring het, teenoor 2 633 in die eerste vier maande verlede jaar

Die syfers vir vanjaar is natuurlik deur die Sigma/Leyland-afsetpunte behaal en dit kan wees dat handelaars met die Sigma-reeks as toevoeging nie genoeg aandag aan die Leyland-produkte gegee het nie.

Daar is byvoorbeeld gemiddeld vanjaar net sowat 120 Rovers per maand verkoop teenoor die gemiddelde syfers van 370 per maand verlede jaar. Leyland meen dat hy met sy eie netwerk weer gou die vlakke van verlede jaar kan haal en selfs daarop kan verbeter.

Aan die handelsvoertuigfront gaan dit oënskynlik taamlik beroerd met Leyland. Sy 105 handelsvoertuie in April het die totaal vir die jaar op 362 te staan gebring, teenoor 1 407 in die eerste vier maande van verlede jaar.

'n Woordvoerder van Leyland sê egter dat hulle nou heeltemal uit die mark vir ligte handelsvoertuie is en net op die mark vir swaar voertuie konsentreer, wat steeds winsgewend is.

Die netwerk om die swaar voertuie te versien is ook hoegenaamd nie deur die opskorting van die planne met Sigma geraak nie en Leyland gaan op hierdie gebied sy posisie behou.

Op die motorfront sal die Rover, die Jaguar, die Mini en die Landrover bly, terwyl die handelaars se reeks voor die einde van die jaar met die Range Rover uitgebrei sal word.

Sigma het klaarblyklik planne om die gaping te vul wat die verlies van die Rover gebring het Hy toets op die oomblik die groot Peugeot 604 in die land sowel as die groot Citroen CX2400 Alles dui daarop dat een van hierdie twee voor Augustus op die Suid-Afrikaanse mark bekend gestel sal word

Keuse Beperk

Dit is bekend dat British Leyland, beheermaatskappy van Leyland in Suid-Afrika, reeds in 1977 'n voorsiening van R28 miljoen in sy balansstaat gedoen het vir 'n moontlike sluiting van sy bedrywighede in Suid-Afrika

Dit sou nie die geval gewees het as daar nie ernstig daaraan gedink is om Leyland se draad in Suid-Afrika te knip nie Die plan om met Sigma saam te smelt kon een van die laaste uitwee gewees het

Daar word in die mark gesê dat Leyland dalk kan besluit om met 'n ander motorvervaardiger in die land saam te smelt of op een of ander manier saam te werk.

Die keuse is egter beperk. Met sy groot oorskot produksievermoë in Durban word gevoel dat Toyota 'n goeie maat kan wees

Die feit is dat die Suid-Afrikaanse motormark uiters mededingend geword het General Motors is besig om 'n sterk terugkeer te maak en is nou 'n nuwe faktor in die mark. Volkswagen maak buitengewone vordering en is glo op die punt om 'n uitbreidingsplan van R30 miljoen aan te kondig.

April down 2 400

Setback in motor sales

(192)

Star 11/5/79

By Michael Chester, Financial Editor

The bumpiness of the economic recovery is underlined today with the release by the National Association of Automobile Manufacturers of statistics showing a new slowdown in motor sales — one of the most sensitive of the basic business indicators.

Sales of passenger cars, which in March roared into a Grand Prix spurt to 20 141, last month changed down by over 2 400 to 17 712 — leaving them barely 2,5 percent higher than a year ago

Commercial vehicle sales also slowed down from 9 127 in March to 8 743 in April, trimming back the advance on a year ago from 5,5 to 5,1 percent

The overall total of car and truck sales combined so far into 1979 now stands at 32 843 — or only around 2,8 percent more than in the first four months of last year when recession wounds were still being licked.

Among the individual motor producers, Sigma held the lead with 3 818 cars sold with its Mazda 323 showing as top seller with 2 085 sales

PRESSURE

Now that the merger with Leyland SA has been scrapped, Sigma will now have to deduct the Leyland models from its total However, since the Leyland stable — Mini, Rover and Jaguar — sold only 481 units, Sigma look likely to stay easily among the front runners

The main pressure last month came from Ford, with car sales at 3 435, and Volkswagen, with 3 176 sales — more than half from its new Golf small model.

The steepness of the climb that business is having to tackle to pull out of the recession is also underlined in new figures from the Department of Statistics.

While the wholesale trade as a whole managed to increase the actual value of sales from R1 626m in February to R1 656m in March, the total still stands no higher than 7,6 percent above the level a year ago.

Subtract an inflation rate of between 11 and 12 percent and level of sales can be seen to be worryingly lower in volume terms.

There are daily new signals promising better business times ahead in the second half of the year, but for the moment the economic recovery is still a very hard slog

RACTOR SALES FORECAST GLOOMY AS FARMERS SUFFER

Sunday Times Finance 6/5/79

By JACK BRICKHILL

IERS, squeezed by g costs and ing income, are ted to cut back year on capital ment.

ctor manufacturers dealers estimate sales this year will reach 11 000 units ared with an ge annual level of 0 units.

Some estimate that only 9 000 tractors will be sold this year in an increasingly competetive market that is trimming the profits of the main manufacturers, including Ford, Massey Ferguson, Fiat and John Deere.

Turnover is expected to drop by about 30 percent to R175 million, unless there is a good agricultural year and commodity prices are raised substantially. Although confidence has been boosted by the 20 percent maize price increase, the Government can be expected to resist more agricultural price rises because of the inflationary chain effect.

Maize accounts for between 40 and 45 percent of farmers' income.

Farmers have suffered two bad years especially those in maize and wheat. In addition the diesoline bill has gone up by more than 50 percent in six months and the fertiliser bill has doubled in the last 18 months.

The cut in farmers' spending will be felt right through the commercial and industrial sectors Unpaid debts are likely to grow with the maize crop this year expected to drop from 9,9 million tons in 1978 to under seven million tons

Wally Rautenbach, chairman of the Tractor Manufacturers' Association, estimates that farmers' net income dropped by 20 percent last year.

"For some time the farmer has been the shock absorber for rising costs, but the situation this year is really worrying," he said.

● Farmers may have to sell — Page 5.

Leyland, Sigma se troue suur

Rapport 6/5/79 (192)

Deur DAVID MEADES

DIE samesmelting tussen Anglo American se Sigma-motorkorporasie en Leyland in Suid-Afrika, het suur geword. 'n Amptelike aankondiging word môre verwag oor hoe die twee groepe weer „losgemaak" gaan word.

Die samesmelting moes al verlede jaar in Oktober van krag geword het maar weens probleme oor die voorwaardes van die samesmelting is dit uitgestel Die indruk is later gewek dat die samesmelting begin vanjaar in werking sou tree Nou blyk dit dat daar ernstige meningsverskille tussen die twee groepe was

Na dringende samesprekinge vandeesweek in Johannesburg tussen Sigma en verteenwoordigers van die Britse Leyland-groep, is daar glo besluit dat die samesmelting nie meer sal plaasvind nie

Geen amptelike kommentaar kon gistermiddag by Sigma of Leyland verkry word nie, maar bronne naaan Sigma het aan RAPPORT bevestig dat die samesmelting afgelas is en dat elkeen sy eie pad vorentoe sal loop

Die plan was dat Sigma — wat reeds vir Peugeot en Citroen geheel en al oorgeneem het — Leyland se passasiersmotors by Sigma park in Pretoria sou vervaardig terwyl Sigma se ligte en swaar handelsvoertuie weer by Leyland se aanleg naby Kuilsrivier vervaardig sou word

Die nuwe ontwikkeling kan vir handelaars oor die hele land netelige probleme lewer Talle Sigma- en Leylandhandelaars het reeds begin deur altwee groepe te verteenwoordig Terseifdertyd hang daar nou ook 'n ernstige vraagteken oor die toekoms van Leyland in Suid Afrika

Motorbedryf lag weer

Deur DAAN DE KOCK

Suid-Afrika se motorvervaardigers is baie optimisties dat dit vanjaar aansienlik beter sal gaan met die afset van motors en in die meeste gevalle het vervaardigers ook reeds hulle aanvanklike vooruitskattings vir vanjaar sterk opwaarts aangepas.

Die optimisme in die bedryf is hoofsaaklik te danke aan die toegewings wat die Minister van Finansies sen. Owen Horwood, in die onlangse begroting gemaak het om die ekonomie te stimuleer. Verder word daar verwag dat die belastingtoegewings wat in Julie vanjaar in werking gaan tree, ook 'n verdere stoot aan die afset van motors sal verleen

Vervaardigers sê die beter vooruitsigte vir die ekonomie het ook tot gevolg gehad dat die verbruikersvertroue aansienlik toegeneem het. Dit word reeds weerspieël in die afset van motors in die eerste kwartaal van vanjaar Die afset van motors het in hierdie kwartaal 'n styging van 17,2 persent getoon en het op 52 836 te staan gekom, teenoor 45 099 die ooreenstemmende kwartaal die vorige jaar

Winsgewendheid

Die meeste vervaardigers is van mening dat vanjaar se afset in die omgewing van tussen 220 000 en 225 000 kan wees. Dit is ongeveer 10 persent beter as verlede jaar se syfer van 204 736 en ook hoer as die aanvanklike ramings wat aan die einde van verlede jaar gemaak is Hulle is egter in hierdie stadium minder optimisties oor die afset van handelsvoertuie en die meeste vervaardigers hou by hul aanvanklike ramings

Vervaardigers is baie versigtig om enige voorspellings oor hul winsgewendheid te waag Hulle sê dit is nog te vroeg in die jaar en verder is dit baie moeilik om in hierdie stadium die uitwerking van inflasie op winste te bepaal

Dit is ook baie moeilik om enige inligting van vervaardigers te bekom, want met die uitsondering van Toyota, is nie een van die ander motorvervaardigers op die Beurs genoteer nie

Toyota, wat die afgelope boekjaar besondere goeie winste getoon het, se besturende direkeur, mnr C Adcock, sê die afgelope jaar se goeie resultate is hoofsaaklik te danke aan besparingsmaatreels wat in 1977 getref is toe die bedryf baie swaar deur die resessie geraak is. Die vrugte van hierdie maatreels is die afgelope jaar eers gepluk

Volkswagen

Hy wou hom nie uitlaat oor vanjaar se verwagte resultate nie, maar het daarop gewys dat die waardevermeerdering van die jen teenoor die rand vanjaar nie so groot behoort te wees as verlede jaar nie. Die maatskappy kan gevolglik op invoer bespaar

Mnr. Adcock sê hy is optimisties oor vanjaar se afset en het sy ramings vir vanjaar opwaarts aangepas van 215 000 tot 225 000 motors Hy is van mening dat daar veral in die tweede gedeelte van die jaar 'n oplewing behoort te kom wanneer die belastingtoegewings in werking tree

Volkswagen het sy ramings van motors opwaarts aangepas van die aanvanklike vooruitskatting van 205 000 tot 220 000 eenhede. Hy verwag egter dat die groei in ligte handelsvoertuie vir vanjaar minder indrukwekkend sal wees

Datsun verwag dat die afset vir motors in April moontlik nadelig geraak kan word weens die feit dat groter aankope voor die begroting plaasgevind het

Die maatskappy hou egter in hierdie stadium by sy aanvanklike raming van 205 000 motors en 106 000 vragmotors vir vanjaar. Hy wys daarop dat die a[illegible] van tweedehandse m[illegible] op die oomblik taamlik traag is, wat 'n nadelige afset op nuwe motors het

Ford en General Motors is ook albei van mening dat dit vanjaar beter sal gaan met die afset van motors as wat aanvanklik in die vooruitsig gestel is

Die meeste vervaardigers is van mening dat vanjaar se afset oorheers sal word deur die afset van ligte motors

66411 (192)

NOTICE 301 OF 1979

DEPARTMENT OF INDUSTRIES

INQUIRY INTO THE LOCAL MANUFACTURE OF TRACTORS AND COMPONENTS

It is hereby notified for general information that the Minister of Economic Affairs has, in terms of section 9 (1) of the Board of Trade and Industries Act 1944 (Act 19 of 1944) directed the Board of Trade and Industries to inquire into, to report upon and to make such recommendations as it may consider necessary upon—

(a) the desirability or otherwise of a greater measure of South African manufacture of tractors (excluding road tractors) and components for tractors, and

(b) the desirability or otherwise of rationalisation of the number of models and manufacturers of tractors,

and, in the light of its findings, to make recommendations upon—

(1) the extent of local manufacture which should be aimed at under present and foreseeable circumstances, and

(2) the measures which should be applied to attain these objectives in a manner ensuring the sound development of the industry, regard being had to the economic utilisation of resources available to the South African economy and also to any findings or recommendations which may be formulated in the course of the Board's investigations into the local manufacture of commercial vehicles and protective measures for the manufacture of diesel engines in South Africa

Interested parties are invited to submit representations in this connection to The Director Board of Trade and Industries, Private Bag X342, Pretoria 0001 within eight (8) weeks of the date of publication of this notice (BTI Ref T7/2/17)

(27 April 1979)

KENNISGEWING 301 VAN 1979

DEPARTEMENT VAN NYWERHEIDSZAKE

ONDERSOEK NA DIE BINNELANDSE VAARDIGING VAN TREKKERS EN COMPONENTE

Hiermee word vir algemene inligting bekendgemaak dat die Minister van Ekonomiese Sake ingevolge artikel 9 (1) van die Wet op die Raad van Handel en Nywerheid, 1944 (Wet 19 van 1944), die Raad van Handel en Nywerheid opdrag gegee het om na die Raad se bevindinge na, verslag te doen oor, en indien by dit nodig voorkom, aanbevelings te doen oor—

(a) die wenslikheid al dan nie van 'n groter mate van Suid-Afrikaanse vervaardiging van trekkers (besonderd padtrekkers) en die komponente vir trekkers, en

(b) die wenslikheid al dan nie, van die rasionalisasie van die getal modelle en vervaardigers van trekkers,

en in die lig van sy bevindinge, aanbevelings te maak oor—

(1) die omvang van binnelandse vervaardiging waarna gemik behoort te word onder huidige en voorsienbare omstandighede, en

(2) die maatreels wat toegepas behoort te word om hierdie oogmerke te bereik op so 'n wyse dat die gesonde ontwikkeling van die nywerheid sal verseker, gedagtig aan die ekonomiese benutting van bronne beskikbaar vir die Suid-Afrikaanse ekonomie en ook aan die bevindinge en aanbevelings wat geformuleer mag word in die loop van die Raad se ondersoek, ten opsigte van die binnelandse vervaardiging van handelsvoertuie en beskermingsmaatreels vir die vervaardiging van dieselenjins in Suid-Afrika

Belanghebbende partye word versoek om binne agt (8) weke na die publikasie van hierdie kennisgewing hulle vertoe in hierdie verband aan die Direkteur, Raad van Handel en Nywerheid Privaatsak X342, Pretoria, 0001, te rig (RHN-verw T7/2/17.)

(27 April 1979)

NEW CAR SALES SOAR TO NEAR RECORD

ARGUS 11/4/79 (192)

NEW CAR sales last month soared to 20 141, the National Association of Automobile Manufacturers of South Africa reports.

This is the second highest monthly total in the motor industry's history and is positive evidence that the recovery in the economy from the 1976-78 recession is beginning to accelerate

The peak month for car sales was in June last year, when the imminent introduction of sales tax caused the public to buy 26 128 cars

If this figure is excluded, the March sales total is the best for any month since November 1975

FIRST QUARTER

The buoyant March figure, which compares with sales of 16 284 in February and 15 246 in March last year, brought the first quarter's sales to a record 52 837

This compares with first quarter sales of 45 099 cars last year, 39 644 in 1977, 49 476 in 1976 about 52 000 in 1975 and just under 52 000 in 1974.

COMMERCIAL

Commercial vehicle sales also improved in March to 9 127 against sales of 7 612 in February and 8 654 in March last year

If last June's exceptional sales of 12 654 are excluded last month was the industry's best for commercial vehicle sales since Spetember 1976.

Motor dealers said there appeared to be no special reason for the upsurge in buying in March However the public may have been buying ahead of expected price increases and companies may have bought on fears of increased excise duties in the Budget.

Dealers report that the sharp increase in petrol price has led to a swing to smaller cars. This is confirmed by the sales figures which show that two small cars, the Mazda 323 and the VW Golf accounted for about a quarter of the cars sold in March

Sigma was the leading manufacturer with sales of 4 612, followed by Volkswagen with 4 445, Ford with 2 803, and Datsun with 2 371.

(192) DAILY DISPATCH 10 April 1979 (192)

MOTORING

THE CAR OF

Plastic car parts in the pipeline

Nearly half of all American 1980 model cars could be built with "soft" front and rear ends that will not dent or scratch as US car makers trim vehicle weight to improve fuel economy.

This shift from steel to plastic was disclosed by Goodyear automotive engineers in the United States, who forecast that car doors, bonnets, boot lids and even some moving parts will be made of plastic instead of steel by 1985

Plans for using large panels and some load-carrying parts made of reinforced plastic or urethane are already under way.

The next step, according to the engineers, will be to manufacture axle housings, drive shafts and suspension components from plastic reinforced with fibres of glass or carbon A 2,3 kg plastic leaf spring to replace a 13 kg steel spring is one example of weight-saving in the shift to plastic.

Apart from a few technological hurdles, the chief barrier to the wider use of the new generation, super-strength plastics is cost.

Up until now Detroit car makers used plastics to save money for themselves and buyers. Now it is weight-saving that justifies the use of high-cost, advanced materials

Fuel economy standards in the United States can only be met by drastically trimming vehicles' weight — and plastics offer that weight saving Furthermore, they will not corrode and can be moulded into shapes that are impossible in metal stampings

And now an engine runs on petrol a

A 55-year-old Scots engineer from the industrial central belt town of Motherwell has come up with an ingenious device which, he claims, could at a stroke revolutionise the motor industry, help bridge the growing energy gap and drastically reduce atmosphere pollution

He is Mr Adam Crawford, an employee of the Motherwell-based heavy engineering group Anderson Strathclyde, and he says that his gadget, which cost him less to produce than the price of a bottle of whisky, will allow a car to run on anything from a mixture of petrol and water to paint thinners.

The device, which seemingly defies all the known laws of automotive engineering, has baffled leading Scots engineers, but even they admit it has come through a series of preliminary tests with flying colours

"It's totally mystifying," says Gordon Roper, the Automobile Association's senior engineer for Scotland and Northern Ireland, "and I can think of at least five reasons why it shouldn't work at all!

"Yet, on the test I supervised, the car fitted with Mr Crawford's gadget ran very sweetly and the biggest achievement was the steep reduction of carbon monoxide emission levels — from an average 2,5 per cent to as low as ,25 per cent — with the attendant improvement in fuel consumption."

Basically, Adam Crawford's device is a modification of the existing induction coil — one of the primary parts of a car's electrical system — which allows more advanced timing to be used along with a weaker fuel mixture and, contrary to what this implies, lets the engine run more smoothly with greater 'in-gear' flexibility

The modification to the electrical system advances the timing four times more than usual and makes fuel burning more complete, the engine more flexible and, as a result, atmospherically cleaner

Apart from opening up the use of a water-petrol mix it also allows experimentation with acetone, methanol and thinners, all of which have lower temperatures

"Somehow or other," says Mr Roper, "it makes the engine run more effectively so that virtually all the fuel is being burned off — with a consequent drop in any kind of exhaust emission

THE FUTURE

On the Motoring page today, Motoring Editor DAVID DENISON examines various aspects of the car of the future, including an engine that runs on a mixture of petrol and water — or paint thinners; and a steam-driven car using coal as fuel . . .

that even
ıd water

We even tested it with spark plugs dipped in - death to a normal ıg- ɔn system — but Mr -ford's 'doctored' car ıted first time! We also water being poured the carburettor float ımber and the engine kept on running ɔreas it should have ıked "

'I've been working on ıs device," says Craw- d, "for the last seven -s, but it's only in the year or so that I've able to make any real ogress when I managed break what I call the tonation limit — the ıole key to making an dinary petrol engine ch more efficient, but ıthout major engineer- g changes.

"Already one major hicle distributor has own a keen interest in device and I have the imate faith in it. I cer- tainly can't see it failing As a matter of fact, if it was put into commercial production I'm sure it could solve the world's exhaust pollution problems at one fell swoop!"

A critical evaluation of Mr Crawford's device has been undertaken by one of Scotland's largest vehicle distributors, SMT, who have in turn approached the Vauxhall car company, part of the worldwide General Motors group, with a view to having an even more extensive test programme carried out

"While we would not claim at this point," says SMT's service manager, Duncan Council, "that the device is a panacea for all motoring ills, and our tests show it works better on some engines than on others, we do feel that Mr Crawford has come up with something that merits close examination

"Indeed, one could go so far as to say that, with its lowering of emission levels, it could be what the world is looking for from the pollution point of view That is why we are trying to interest the world's biggest motor giant."

And a steam-driven car using coal for fuel

A steam-driven vehicle using coal for fuel and costing a mere R8 per 1 500 km to run has been proposed by a South African consulting engineer

Writing in a recent issue of the SA Journal of Science, the engineer, whose name may not be disclosed for professional reasons, says South Africa presently spends R900 million annually on importing petroleum.

"The fuel bill will reach R1 800 million by the year 2000, assuming no increase in the price of petroleum and neglecting inflation Clearly the consequence of importing this vital commodity can only be an ever increasing embarrassment to the balance of payments "

The engineer says that within the next 20 years the worldwide demand for petroleum products is likely to exceed supply An alternative transport fuel must therefore be found and he argues that this should be coal

If a successful coal-burning vehicle were developed it would dramatically improve the country's balance of payments

"It is possible to build not only a mobile coal-fired FB (fluidised bed) boiler, but also one on the small scale needed by a lorry or even a car," he writes

Assuming a thermal efficiency of 15 per cent, just 100 kg of coal costing about R3 unprocessed at today's prices would take a motorist in a normal-sized car most of the way from Johannesburg to Durban

What will the average motorist notice about driving a steam car? According to the engineer he will notice that he will have to wait for half a minute for pressure to build up before he can move off from a cold start

"He will notice it is very quiet except for the hum of the cooling and burner fans and that it has extremely rapid acceleration He will easily spin the wheels when taking off and might even be able to spin the wheels with the bumper pressed against a wall

"He will notice that he has no gears, just a cut-off control which will regulate the amount of steam allowed into the cylinder with each stroke — this is also the reverse lever

"If his brakes should fail, by judiciously pushing this lever into reverse he will be able to stop very quickly, a safety feature particularly valuable for trucks which seem to suffer from frequent brake failure

"His monthly fuel bill for 1 500 km a month would be about R8 against the R80 which petrol would cost at today's prices "

He says a coal burner has a long engine life and oil changes would have to be made only at long intervals The engine technology is very simple and, apart from the controls, there is little to go wrong.

He adds that there is nothing original about the idea In the 1920s and 30s steam-driven vehicles, particularly lorries, were a common sight on European roads

In certain respects their performances were comparable with those of modern vehicles

"If the world really is serious about finding an alternative to an economy based on petrol, it must entertain some revolutionary changes," the engineer says

Listing several types of boiler which he says should be perfected and demonstrated in a motor vehicle, he adds

"When the advantages of coal have been proven for this purpose it can be left to the manufacturers to develop and market the idea As the benefits to be gained are so large there should be no delay in putting these principles to the test "

Sigma — giant of the SA motor industry

28/3/79 DD

192

Sigma group became South Africa's sixth largest industrial company with an annual turnover of approximately R600 million and assets of about R250 million

Only two years ago the Sigma Motor Corporation made its appearance in the South African motor industry following the take-over of Chrysler South Africa by Illings.

At the beginning of July last year Sigma Motor Corporation announced it had concluded a R30 million purchase deal with Peugeot and Citroen South Africa.

Less than three weeks later Sigma Motor Corporation and Leyland South Africa signed a merger agreement

Not only will the Sigma group be the sixth largest industrial company in South Africa, but it will be, by far, the biggest South African motor manufacturer, employing about 8 000 people.

It will also have a product range of over 60 different vehicles from a comprehensive range of passenger cars through a wide range of light commercial vehicles, including an enormous range of trucks, buses, tractors, specialised construction, mining, earthmoving and materials handling equipment.

These products will be distributed through a combined marketing organisation comprising more than 500 dealers throughout South Africa, Transkei, Bophuthatswana, South West Africa, Lesotho, Swaziland and Botswana — the largest dealer nerwork in Southern Africa.

In concluding the purchase of Peugeot and Citroen interests, together with the merger with Leyland, Sigma Motor Corporation, in which Anglo American Corporation has a majority shareholding, has gone a long way towards complying with the Government's request to the motor industry to rationalise its production facilities and its long term product range.

One of the major benefits resulting from these agreements will be that Sigma will have three manufacturing facilities — two in the Cape and one in the Transvaal — whose production capabilities will be fully utilised.

A significant strength of the new Sigma group, with the enormous combined resources at its disposal, will be its ability to meet the sales, service and parts requirements of the South African buying public.

The new group now operates three separate companies — Sigma Motor Corporation (Pty), Sigma Leyland (Pty) and Sigma Finance Corporation (Pty)

The Sigma Motor Corporation, with Mr Fred Butler as managing director, will have a turnover of nearly R400 million, with assets of approximately R130 million and employing approximately 4 000 people

Sigma Motor Corporation will have a network of some 400 dealers handling a passenger vehicle product range comprising Jaguar, Chrysler, Rover, Peugeot, Mitsubishi Colt Galant, Citroen GS, Mazda 323 and the Mini

The company will also have a range of light commercial vehicles which includes the Mazda E3000 and E2000, B1800 and B1600, F1300, the Peugeot 404 pick-up and the Land Rover

In terms of the agreement between Sigma and Leyland, the new Sigma Leyland company will undertake, under a contractual agreement, the assembly of Jaguar and Rover passenger vehicles, as well as the Mazda E3000 and E2000, B1600, B1800 and F1300 light commercial vehicles, the Peugeot pick-up and various Land Rover models

It is planned to transfer the production of all cars from the Cape to Sigma's Pretoria factory early in 1980.

At the same time, as a result of Sigma taking over Peugeot and Citroen, the PACSA assembly plant at Natalspruit was closed down at the end of 1978

The major portion of the equipment currently housed in the PACSA Natalspruit factory has been transferred to Sigma Park, outside Pretoria, where Sigma Motor Corporation will take over the assembly of the Peugeot 504 and Citroen GS passenger models

The assembly of these vehicles will be in addition to the range of passenger cars — Chrysler, Mitsubishi Colt Galant and the Mazda 323 — already being manufactured at Sigma Park

Sigma Leyland (Pty), which started operations with effect from January 1, 1979 with Mr John Grant as managing director, is the result of the merger between Sigma Motor Corporation's equipment and truck division and the interests of Leyland South Africa, excluding its car and light commercial vehicle operation

British Leyland has a 49 per cent stake in the company and Anglo American interests have the remaining 51 per cent

As a result of the merger Sigma Leyland will also take over the marketing and distribution of the entire product range of the Sigma Earthmoving and Truck Division, which includes such vehicles and equipment as Komatsu wheel-loaders, bulldozers, dump trucks and forklift trucks, Hitachi excavators, Ameise forklift trucks and Mack and Mitsubishi trucks

Added to this will be the range of vehicles previously handled by the Leyland South Africa subsidiary, LSP (Pty) These include Aveling-Barford dump trucks, road graders and road rollers, Gravely tractors, Ditch Witch trenchers, Onan portable welding and generating equipment, Stothert and Pitt vibratory rollers, Clayton Dewandre airbraking systems and Michelin earthmover and passenger car tyres

In terms of its product range Sigma is in an extremely strong position of being able to select its products from 14 different manufacturers in five major source countries No other competitor has this strength and it means that Sigma will be in the best position to choose and market products in South Africa which are the most suitable for South Africa's requirements

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(192)

Sigma Leyland will become one of the largest truck, bus, tractor, construction, mining, earthmoving and materials handling equipment companies in South Africa, with assets of R100 million and an annual turnover of approximately R180 million Sigma Leyland will employ over 4 000 people, the majority of whom will be employed in the Cape manufacturing facilities

With two assembly plants at its disposal, at Elsies River and at Blackheath in the Cape, Sigma Leyland will eventually concentrate on the assembly of the entire range of Leyland trucks, buses, tractors and Land Rover, as well as the assembly of Mack and Mitsubishi trucks

Previously the Mack and Mitsubishi trucks were assembled at the Sigma Earthmoving and Truck Division's assembly plant in Uitenhage.

During the second half of 1978 this facility was closed down and all the equipment was transferred to the Sigma Leyland assembly plant at Elsies River

Rationalisation of the existing Sigma Earthmoving and Truck Division and the Leyland South Africa wholly-owned branches throughout the country will ultimately result in Sigma Leyland having a distribution network of 26 wholly-owned branches throughout South Africa, South West Africa, Swaziland and Lesotho

The Sigma Finance Corporation (Pty) will undertake a considerable proportion of the hire purchase financing required by Sigma Motor Corporation dealers and Sigma Leyland wholly-owned branches It will provide a service to these companies and will be a very effective sales tool

The Sigma group of companies makes up an enormous organisation commanding most of the resources to meet virtually all of South Africa's transport requirements successfully.

50 more BMW cars leave SA, bound for secret destination

STAR 27/3/79

① 74 ② 192

DURBAN — Another consignment of 50 export model 518 BMW cars has left here — this time bound "for an unknown destination."

Two weeks ago 400 similar luxury cars left the container terminal aboard the sophisticated Ro-Ro vessel Stena Transporter, with "Hamburg" marked on their windscreens as their destination.

BMW South Africa were geared up to produce and export these cars to a relatively small but lucrative market in Iran, before the new Government cut ties with South Africa. After a few weeks, BMW spokesmen said that a new export market had been found but would not disclose where it was.

This latest consignment did not even have a destination marked on the cars' windscreens, and one official checking the cars before they were crane-hoisted onto the Hellenic Torch said: "No comment — these cars are going to an unknown destination."

However, it was learnt that at least another 200 of the cars will be exported in the near future.

The special model German sedans might conceivably be going through various channels to their original export markets, because BMW South Africa have gone to great pains to make sure that the cars do not appear as if they were made in this country. Even the tyres are stamped "made in Germany."

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Stability of rates of production, consumption, price levels.
Growth.

(iii) A brief look at alternative economic systems. Tradition economy; market (private enterprise); economy; mixed economies; planned collectivist economies.

Samuelson: Chapter 43.

5. Circularity of Economic Processes

Circular flow of income and output. At this point, the course branches out into Microeconomics (the determination of relative prices and outputs; study of markets, supply, demand) and Macroeconomics (study of aggregative economic behaviour - national income, employment theory, money & banking)

AFSET SWAARD... kg

Vervaardiger	Stortwaens		Voorhakkers		Vragwaens		Busse		Totaal 1978	
	Eenhede	%	Eenhede	%	Eenhede	%	Eenhede	%	Eenhede	%
Mercedes-Benz	512	27 8	574	29,8	1 062	23,4	442	33,8	2 590	26,9
Datsun/Nissan	360	19,6	60	3,1	919	20,2	162	12,4	1 501	15,6
Ford	216	11,7	202	10,5	744	16,4	46	3,5	1 208	12,6
Leyland	187	10,2	99	5,1	466	10,3	370	28,3	1 122	11,7
Toyota	298	16,2	38	2,0	430	9,5	36	2,8	802	8,3
International	26	1,4	199	10,3	349	7,7	2	0,2	576	6,0
M A N	44	2,4	167	8,7	95	2,1	179	13,7	485	5,0
General Motors	155	8,4	33	1,7	255	5,6	8	0,6	451	4,7
Fiat	7	0,4	62	3,2	75	1,7	39	3,0	183	1,9
Oshkosh	4	1 0 2	129	6,7	42	0,9	—	—	175	1,8
Magirus-Deutz	15	0 8	48	2,5	52	1,1	10	0,8	125	1,3
Scania	—	—	100	5,2	17	0,4	4	0,3	121	1,3
ERF	10	0 5	69	3,6	15	0,3	—	—	94	1,0
Mack	—	—	93	4,8	—	—	—	—	93	0,9
Foden	5	0 3	40	2,1	15	0,3	7	0,5	67	0,7
Ander	2	0,1	15	0,7	7	0,1	2	0,1	26	0,3
TOTAAL	1 841	100,0	1 928	100,00	4 543	100,0	1 307	100,00	9 619	100,0

Syfers bewys rasionalisasie is noodsaaklik

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DAAR bestaan baie ruimte vir rasionalisasie in die Suid-Afrikaanse mark vir swaar handelsvoertuie (voertuie swaarder as 5 000 kg). Van die 17 vervaardigers van swaar voertuie het 9 verlede jaar slegs 6,8 persent van die markaandeel gehad.

Daar is verlede jaar altesaam 13 795 handelsvoertuie met 'n gewig van meer as 5 000 kg van die hand gesit Dit is 'n styging van slegs 5,3 persent op die vorige jaar se syfer van 13 096 Van die totale afset het nege van die vervaardigers slegs 944 voertuie verkoop Dit beteken dat 8 van die vervaardigers ongeveer 93,2 persent van die afset vervaardigers wat onder die eerste agt geeindig het was Leyland R27,88 (R30,97) miljoen, MAN R18,30 (R9,37) miljoen Toyota R16,18 (R13,71) miljoen, International R15,66 (R12,14) miljoen en General Motors met R12,99 (R10,06) miljoen

Verlede jaar se totale afset van vragmotors bo 5 000 kg het R284,43 miljoen (R220,39) miljoen beloop Die afset het 'n styging van 29,1 persent getoon, teenoor slegs 5,3 persent sover dit volume betref Dit gee ook aanduiding van die sterk styging wat daar verlede jaar in die pryse van vragmotors was

Dit is ook interessant dat die eerste agt vervaardigers vragmotors ter waarde van R252,22 miljoen of 88,7 persent van die hand gesit het

Die ander nege vervaardigers se afset was slegs R32,21 miljoen wat minder as die helfte van byvoorbeeld Mercedes Benz was

Hierdie syfers dui ook daarop dat daar aansienlike ruimte vir rasionalisasie in die bedryf is

Sover dit die afset in volume betref, het die drie vervaardigers wat verlede jaar die beste gevaar het meer as 52 persent van die markaandeel gehad In waarde was dit selfs effens meer, naamlik 56,8 persent

Handelsvoertuigafset swaarder as 5 000 kg

Vervaardiger	Omset in R Miljoen		%-Markaandeel	
	1978	1977	1978	1977
Mercedes-Benz	81,54	69,40	28,7	31,5
Ford	47,64	26,66	16,7	12,1
Datsun/Nissin	32,48	20,76	11,4	9,4
Leyland	27,88	30,97	9,8	14,1
M A N	18,30	9,37	6,4	4,3
Toyota	16,18	13,71	5,7	6,2
International	15,66	12,14	5,5	5,5
General Motors	12,99	10,06	4,6	4,6
Oshkosh	6,22	5,73	2,2	2,6
Mack	5,05	2,90	1,8	1,3
Fiat	4,91	2,37	1,7	1,1
Scania	4,45	5,33	1,6	2,4
Magirus-Deutz	4,18	3,98	1,5	1,8
ERF	3,51	2,10	1,2	1,0
Foden	2,52	2,45	0,9	1,1
Volvo	0,41	0,69	0,1	0,3
Kenworth	0,35	—	0,1	—
Mitsubishi	0,16	—	0,1	—
TOTAAL	R284,43	R220,39	100,0	100,0

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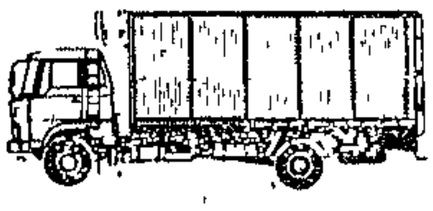
Dit is ook interessant dat die meeste van die 8 grootste vervaardigers hulle markaandeel die afgelope

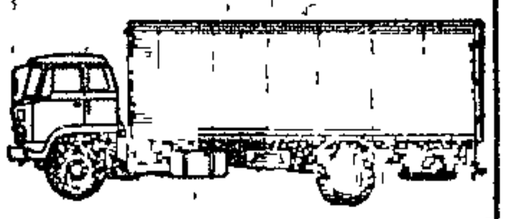


jaar verhoog het in vergelyking met die vorige jaar.

Volgens bygaande tabel het Mercedes-Benz verlede jaar die meeste swaar vragmotors, naamlik 2 840 van die hand gesit Hy het ook sy markaandeel uitgebrei van 19,9 persent tot 20,6 persent.

Ford was weer tweede met 2 277 (2 014) voertuie en die maatskappy het ook sy markaandeel uitgebrei van 15,4 persent tot 16,5 persent

General Motors het verlede jaar weer derde plek ingeneem met 2 024 (2 188) eenhede, maar die maatskappy se markaandeel het effens verminder van 16,7 persent tot 14,7 persent Die afset van die ander vervaardigers wat onder die eerste agt geeindig het, was asvolg: Datsun Nissan 1 680 (1 289), Toyota Hino 1 448 (1 199), Leyland 1 333 (1 662) International 625 (729) en MAN 500 (282)

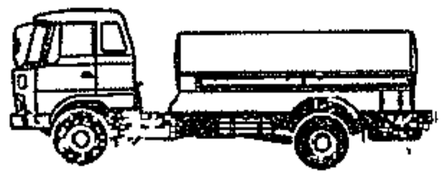


Van die ander nege vervaardigers het nie een verlede jaar meer as 200 swaar vragmotors van die hand gesit nie.

Dit is ook interessant dat die agt grootste verkopers wat volume betref ook die beste gevaar het wat die omset in waarde betref

Daar was egter 'n verskuiwing wat markaandeel betref Mercedes Benz het weer eens die beste gevaar en het verlede jaar voertuie ter waarde van R81,54 (R69,40) miljoen van die hand gesit

Die maatskappy se markaandeel in waarde het egter gedaal van 31,5 persent tot 28,7 persent Ford was ook tweede sover dit waarde aanbetref. Die maatskappy se afset het R47,64 (R26,66) miljoen beloop, wat aansienlik minder as dié van Mercedes Benz was Sy markaandeel het egter toegeneem van 12,1 persent tot 16,7 persent Datsun was derde met 'n afset van R32,48 (R20,76) miljoen en 'n markaandeel van 11,4 (9,4) persent



Die afset van die ander

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SIGMA LEYLAND WORD REUS

SIGMA LEYLAND, die afdeling van die Sigma-Motorkorporasie wat uitsluitend die swaar vragmotorafdeling en ander toerusting hanteer, sal uiteindelik werkgeleentheid aan 4 000 mense bied.

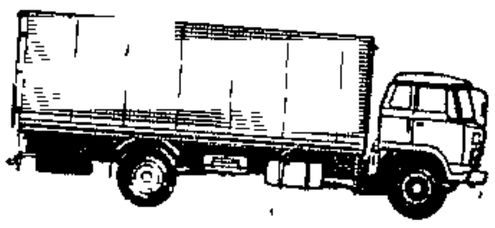
Die swaar vragmotors en toerusting wissel van Leyland-vragmotors, -busse en trekkers, Mitsubishi-vragmotors, Mack-vragmotors, Komatsu-

grondverskuiwingwerktuie, Hitachi-grawers, tot Stothert en Pitt-rollers asook Michelin-bande

Sigma Leyland het ook vir mnr. Chris Griffith van Anglo American as voorsitter, maar hier is mnr John Grant (voorheen van Illings), besturende direkteur Die Leyland-vragmotors, -busse en -trekkers, asook die Mitsubishi- en Mack-vragmotors word in die Elsiesrivier-aanleg gemonteer, terwyl die Peugeot 404-bakkies, Mazda 3000, 2000, 1800, 1600 en Mazda 1300 in die Blackheath-aanleg vervaardig word

Die hoofkantoor van Sigma Leyland is by Elandsfontein, Germiston, waar die Leyland Motorkorporasie voorheen gesetel was

Met die totstandkoming van die Sigma-groep op 1 Januarie 1979 (toe die Peugeot/Citroen-oorname, asook die van Leyland finaal geword het) was die maatskappy op ses na die grootste nywerheidsgroep in Suid-Afrika — met 'n bate van R250 miljoen en 'n



jaarlikse omset van R600 miljoen

Die Sigma-groep het tans meer as 8 000 werknemers en spog met meer as 60 verskillende voertuie wat dit vervaardig en bemark — met behulp van meer as 500 handelaars in Suidelike Afrika Die groep bestaan uit hoofsaaklik twee aparte maatskappy -

● Sigma Motorkorporasie waarin Anglo American (Deur Illings) 75 persent van die aandeelhouding het en die Chrysler Corporation, 25 persent. Dié korporasie het vir Chris Griffith as voorsitter en mnr Fred Butler as besturende direkteur Die bemarking van dié kombinasie is in twee verdeel met Peugeot-/Citroen, apart en die res van die Sigma-passasiersmotors en bakkies daarteenoor Die groep het altesaam meer as 400 handelaars

● Sigma Leyland se aandeelverhouding is 51 persent Sigma-Motorkorporasie en 49 persent British Leyland Eersgenoemde

Mnr John Grant

beskik oor die res van die 500 handelaars, waardeur die swaar vragmotors en ander toerusting bemark word Sigma leyland se bates word op R100 miljoen geraam met 'n jaarlikse omset van R180 miljoen Die Sigma Motorkorporasie se bates weer word op R130 miljoen beraam met 'n jaarlikse omset van R400 miljoen

Die finansiering van die Sigmagroep word gedoen deur Sigma Finance, wat 'n Anglo American-onderneming is

Sigma Leyland beskik oor 26 van sy eie takke waardeur die bemarking van sy swaar vragmotors en ander toerusting gedoen word Nege hiervan is in Transvaal gelee, twee in die Vrystaat, vyf in Natal, ses in Kaapland, twee in die Oos-Kaap en een elk in Swaziland, Lesotho en Suidwes-Afrika

192

Heunis slams car manufacturers

24/3/79 CT 30

B B R E C C C D D D E

DURBAN. — Motor vehicle manufacturers are not playing the game in implementing the local content programme for light commercial vehicles, and virtually nothing has yet been done to apply it.

That was said yestertday by the Minister of Economic Affairs, Mr Chris Heunis, when he opened the new Ferodo factory at Prospecton near here

Mr Heunis said the local content programme for cars had now moved into phase 5, and it was essential that light commercial vehicles followed suit — even though at a slower rate

"It was my understanding that a steady development programme would have been embarked on without delay," he said "If this has not been done, I will have to reconsider the position "

The motor industry was also adapting light commercial vehicles to a point where they no longer complied with the wheelbase and weight specified in the official definition of the light commercial vehicle

"Such adaptations to circumvent the duty arrangements decided upon for light commercial vehicles cannot be accepted as a matter of course."

Mr Heunis announced that the Board of Trade was investigating a local content programme for heavy trucks, and unless this was done — the measures recommended by it for light commercial vehicles may be watered down seriously "

He further urged that as many items as possible in cars, trucks and agricultural tractors be made in South Africa These included engines, gearboxes, propeller shafts and rear axles But, said Mr Heunis, the programme to this end would be "treated with the utmost circumspection because of the cost implications "

In reviewing the fuel supply situation, Mr Heunis accused some motor car makers of using parts that were heavier than necessary, simply to raise the local content by weight.

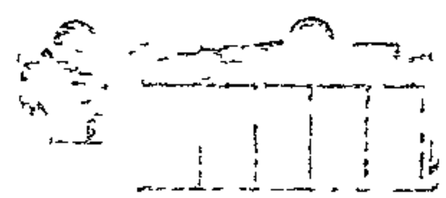
This was regrettable because light cars consumed less fuel and it had been calculated that a reduction of 10 kg in the weight of a car cut consumption by 0,1 litre a hundred kilometres

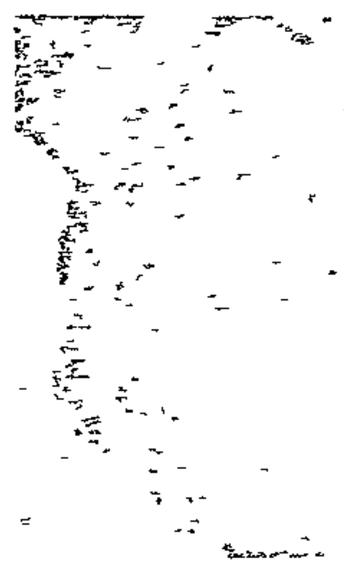
"A reduction in the mass of vehicle components can make an important contribution towards improving fuel economy," Mr Heunis said — Sapa

Stadtmarketing

Neues Logo

Stadtmarketing





C. Times 6/3/79 (192)

Fuel: Munnik's views on smaller cars

By PADDY ATTWELL

THE Provincial Administration was investigating the whole question of fuel conservation by its departments, the Administrator, Dr L A P A Munnik, said yesterday.

Among the problems being looked into was the question of the official Mercedes Benz 350s being used by MECs and himself, Dr Munnik said

Dr Munnik was asked to comment on fuel conservation measures by the administration following reports that cabinet ministers were to switch to smaller cars for official business.

The emphasis was on fuel conservation, but the administration had to consider the capital outlay if smaller cars had to be bought, he said

Only three official cars for the Administrator and MECs had been bought in the past 13 years, the first two of which had lasted about seven years. Cars currently in use were expected to last about the same length of time.

MECs and the Administrator had to drive long distances into the province and it would not be possible for him to drive these distances in a small car. He would also not be able to drive these distances himself.

The administration had employed five drivers for the Administrator and MECs, he said. The drivers would "look ridiculous" driving a small car If smaller cars were bought, five people would be "out of a job".

However, experts were working on the question, and they might find that smaller cars were necessary for MECs and himself. At present, two Mercedes Benz 350s had been allocated to him, one of which was already seven years old His wife also used one of the cars because she had to attend many official functions

The administration's four MECs were allocated one car each. The cars consumed about 11,8 l/100km (24 mpg).

Dr Munnik said that the administration was to cut down on travelling on official business.

A spokesman for the Roads Department said fuel conservation measures were still being considered, but added that local authorities had already been encouraged to cut out four-way stops and stop streets to avoid delaying traffic flow unnecessarily. They were being urged to introduce traffic signals in their place.

Meanwhile, the Cape Town City Council has set up study teams in each department to investigate possible fuel saving measures, according to the Town Clerk, Mr H G Heugh

The council would consider smaller cars for the mayor, but it also had to consider the cost of replacement. The mayor had two Chryslers, with petrol consumptions of about 17,7 to 15,7 l/100km (16 to 18 mpg), for use on official business, and a Cadillac for use on State occasions

The Cadillac was taken for a run about every two weeks to keep it in trim, but generally it was kept "in mothballs", Mr Heugh said

A general instruction, which applied to the mayor's office as well, had gone out to all departments to rationalize travelling, he said.

Rapport 18/2/79 (192) (60)

SA belange beheer motorbedryf

Deur DAVID MEADES

SUID-AFRIKAANSE belange beheer vir die eerste keer sedert die vestiging van die motorvervaardigingsbedryf in hierdie land hierdie strategiese sektor van die ekonomie.

Leyland en Peugeot/Citroen het in Januarie gelyk deel van Anglo American se Sigma geword van die totale 23 773 voertuie wat in hierdie maand verkoop is, is 12 455 of 52,4 persent deur Suid-Afrikaansbeheerde groepe vervaardig.

Sigma was met altesame 4 948 eenhede die grootste in Januarie en hierdie syfer het hom 'n belang van 20,8 persent van die mark gegee. Daarna het Volkswagen gevolg met 'n belang van 14,9 persent, Datsun met een van 14,5 persent, Ford met 'n belang van 13,1 persent en Toyota ook 13,1 persent.

Aan die passasiersvoertuigkant alleen vervaardig die oorsese groepe steeds meer as 50 persent In Januarie was hierdie syfer 53,6 persent

Behalwe Sigma is die ander groot Suid-Afrikaans-beheerde groepe Datsun ('n volfiliaal van Messina), Toyota ('n filiaal van dr Albert Wessels se Wesco) en UCDD (vervaardiger van Mercedes-Benz-voertuie waarin die Volkskas-groep die grootste enkele belang het).

In die vervaardiging van passasiersvoertuie was Sigma, soos verwag, in Januarie die grootste met 3 831 motors, wat gelyk was aan 23,3 persent van die 16 412 voertuie wat in dié maand verkoop is

Dit was egter net 1,5 persent meer as die ooreenkomstige syfer vir die drie motorgroepe in Januarie verlede jaar en verteenwoordig in werklikheid 'n verswakking vir Sigma

Volkswagen

Januarie verlede jaar se 3 773 motors het aan die gesamentlike Sigma, Leyland en Pasca 'n markaandeel van 25,8 persent gegee Maar die produksiegeriewe van die „nuwe" Sigma was in Januarie onder groot druk met die verskuiwing en die rasionalisasie van die vervaardigingsgeriewe en vorentoe kan 'n heel ander storie verwag word

Volkswagen het aan die

	Jan. '79	%-Mark-aandeel	Jan '78	%-Mark-aandeel	%-Styging daling
Sigma	3 831	23,3	3 773	25,8	+1,5
Volkswagen	3 212	19,6	2 433	16,6	+32,0
Ford	2 332	14,2	2 647	18,1	−11,9
Datsun	1 806	11,0	1 280	8,8	+41,1
GM	1 625	9,9	1 031	7,1	+57,6
Toyota	1 325	8,1	1 190	8,1	+11,3
Fiat	693	4,2	616	4,2	+12,5
BMW	651	4,0	520	3,6	+25,2
UCDD	648	4,0	782	5,3	−17,1
Alfa-Romeo	283	1,7	346	2,4	−18,2
Ander	6				12
Totaal	16 412		14 630		+12,2

jaar was en sy markaandeel het van 18,1 tot 14,2 persent gedaal.

Datsun se nuwe modelreeks het hom in Januarie baie gehelp en hy kon sy afset met 41,1 persent verhoog en sy markaandeel van 8,8 tot 11 persent opstoot

Gekrimp

General Motors kon eweneens in Januarie die voordeel van sy nuwe modelle die eerste keer werklik benut Sy afset het met byna 58 persent teenoor Januarie verlede jaar gestyg en sy markaandeel het van 7,1 tot 9,9 persent toegeneem

Toyota het sy afset met 11,3 persent verhoog, wat hom in staat gestel het om ten minste sy markaandeel op 8,1 persent te hou.

Fiat kon ook sy markaandeel op 4,2 persent hou nadat sy afset met 12,5 persent toegeneem het. BMW het sy markaandeel van 3,6 tot 4 persent verhoog nadat sy afset met 25,2 persent gestyg het. UCDD se markaandeel het aan die ander kant van 5,3 tot 4 persent gedaal ná 'n daling van 17,1 persent in sy afset. Alfa-Romeo se markaandeel het van 2,4 persent tot 1,7 persent gekrimp ná 'n daling van 18,2 persent in sy afset

Op die mark vir handelsvoertuie het Toyota met 'n markaandeel van 24,3 persent sy voorste posisie behou, maar moes die warm asem van Datsun (22,2 persent) in sy nek gevoel het. Daarna was Sigma met 15,2 persent, GM met 14,5 persent en Ford met 10,5 persent.

Altesame 7 361 handelsvoertuie is in Januarie verkoop, wat 8,9 persent meer as Januarie verlede jaar was Die passasiersvoertuigafset het met 12,2 persent tot 16 412 gestyg en die totale afset met 11,1 persent tot 23 773

van verlede jaar voortgesit en sy syfer in Januarie met 32 persent teenoor die eerste maand van verlede jaar verhoog Terselfdertyd het hy sy markaandeel van 16,6 persent tot 19,6 persent verhoog en was net meer as 600 eenhede agter Sigma.

Die Britse stakings het Ford in Januarie baie kwaai geknou en hy kon net 2 332 eenhede verkoop, wat byna 12 persent minder as sy syfer in Januarie verlede

mal take-off can reach efficient levels.

least fifty are desirable. Following on from this premise
erable discussion in the Report on the need to develop co-
int stock company forms through which small holders of
oin together to run efficient herds. The optimum size herd
now thought to be closer to 200. The adoption of the company
ge communal land controlled equally by shareholders should
and a forum from the acquaintance and knowledge of which further
that concept can occur. The elaborations that I foresee
's commonly managed herds; the raising of company herds
al ta d the company purchase and manage-
lls, ransport, water development etc.
e com for herd ownership and for the
ervice w development to occur without
eve co irst. The right to land would

[illegible]

January motor sales augur well for 210 000

PORT ELIZABETH — The motor industry was most encouraged by the [illegible]% increase in car sales last month compared with January last year, said Mr Brian Pitt, president of the National Association of Automobile Manufacturers of South Africa, yesterday.

He said that although January was normally a slow month, the increase this year was well in line with industry forecasts that car sales in 1979 would be 210 000 to 215 000 units.

Although truck sales in recent months did not reflect the same buoyancy as car sales, they maintained a steady improvement. The increase of roughly 9% over sales in January 1978 showed that truck sales were also gathering momentum and could exceed previous industry forecasts that 105 000 to 110 000 commercial vehicles would be sold this year.

Sales of new cars in January were 16 412 compared with [illegible] in January last year, and commercial vehicle sales rose from 6 7[illegible]0 to 7 [illegible].

Sigma Motor Corporation was the January leader for new car sales (3 [illegible]) and also topped the list in the combined car and commercial vehicle classification (with [illegible]).

In the new car sales category for January, Sigma was followed by Volkswagen ([illegible] 912), Ford ([illegible] 332), Datsun (1 [illegible]06), GM (1 425) and Toyota (1 [illegible]).

Volkswagen's Golf chalked up the highest individual sales of 1 906, followed by Sigma's Mazda 323 ([illegible]) and Ford Cortina (1 23[illegible]).

In the combined car and commercial category, Sigma was followed by Volkswagen ([illegible]), Datsun (3 412), Toyota (3 111) and Ford (3 103).

Toyota (1 786) led commercial vehicle sales and was followed by Datsun (1 [illegible]36), Sigma (1 117) and GM (1 0[illegible]6).

The end of short-time working at Ford and General Motors, Port Elizabeth, is in sight and by next month plants should be working normal shifts.

Some Ford plants are already working a five-day week and to catch up on production losses caused by the strikes in Britain the company may have to resort to overtime once supplies return to normal.

General Motors, which laid off about 150 workers and went on a four-day week about two weeks ago, is reviewing the situation daily.

The decision to lay off workers and work short-time stemmed from miscalculations about the impact new models would have on the market, an underprojection of plant efficiency which led to overproduction and fears about the vehicle [illegible] of the crisis in Iran.

A spokesman for the company said it was hoped to return to normal working times early next month.

Ford's managing director, Mr [illegible], said the strikes in Britain caused a disruption to supplies which would extend through February. However, the situation was expected to return to normal next month.

Because it had not laid off staff the company would be able to phase in full production smoothly. By mid-March [illegible] would be working a five-day week again, he said. — Sapa

The last Beetle from Uitenhage

Sun. Exp. 28/1/79

(192)

JANUARY 18 was a sad day down Uitenhage way

It was the day the last Beetle to be manufactured in South Africa rolled off the production line at Volkswagen's Uitenhage plant

A commemorative plaque on the dashboard - "The Legend Lives On" — says it all

In all 290 916 Beetles have been produced by Volkswagen South Africa since 1951 and over 19,5 million worldwide

The Beetle, happily, will continue to be produced at plants in Brazil, Mexico, Nigeria, Peru, the Phillipines, Uruguay and Venezuela

We salute a legendary car.

DD 19/1/79 (192)

Car workers laid off

PORT ELIZABETH — The unrest in Iran has started to affect the South African motor industry Volkswagen has laid off about 200 workers at its Uitenhage plant and BMW in Pretoria about 150

The industrial relations manager of Volkswagen, Mr O A Rademeyer, said yesterday certain models were in oversupply and owing to uncertainty about the fuel situation, it was decided to retrench some hourly paid workers

Spokesmen for Ford and General Motors said their companies had no plans to retrench workers or work short time But Ford said if the lorry drivers' strike in Britain was an extended one, the company would consider working short time The GM spokesman said his company would not need to do so because it received supplies mostly from other countries. — DDC.

Oil curbs will hit motor industry, cut jobs

Star 16/1/79. 192

By Colin Campbell

The acting president of the National Association of Automobile Manufacturers of South Africa (NAAMSA) has warned that compulsory oil saving measures would have severe repercussions on South Africa's motor industry, and would add to the already high unemployment

Mr Lou Wilking, in a statement commenting on 1978 vehicle sales, said the motor industry was already assessing how it could cut down on petrol consumption within its own plants and that the feedback from members was encouraging

"Private motoring accounts for only a minor percentage of oil usage and since the motoring public has not borne the brunt of conservation measures up to now, Naamsa fully support the concept that conservation efforts should now be concentrated on those areas where savings possibilities are highest," he said

Though total 1978 sales were the best since 1975, there were signs towards the end of the year that the new vehicle demand was losing momentum.

Earlier it was forecast that 1979 sales would be around 215 000 for new cars and 105 000 for new trucks.

"Unfortunately it is likely that the cessation of oil imports from Iran and especially its embargo on exports to South Africa, will have a negative impact on the new vehicles sales," in 1979, Mr Wilking said

In view of the Iran threats, the country's immediate problem is to stretch the reduced volume of crude oil which will now be imported.

But as the motor industry is particularly sensitive to changes in economic climate, there is a fear that compulsory measures will hit it — and have an adverse impact on employment.

30/6/1 ; 1 193

The facts about diesel tractors

A great deal of confusion has been created in the tractor market due to inaccurate information relating to the diesel engine to be manufactured in South Africa by the company known as Atlantis Diesel Engines (Pty) Ltd In view of this major event in the history of South African agriculture we would like to record the facts as they stand, the sales manager of James W Weir, East London, Mr D H Laing, said

"From mid-1981 there will only be two makes of diesel tractor engines available in South Africa — Perkins and Mercedes

'No tractors will be imported into the country complete with engines after mid-1981 Any tractor manufacturer who chooses not to convert to the Perkins engine will therefore not be permitted to sell its tractors in South Africa The South African diesel engines will be fitted at the manufacturers' assembly plants

'The Perkins engine models to be manufactured by Atlantis are 152, 236, 248, 354 4, 372 4 and 354 4T

It is obvious that most tractor manufacturers other than Massey Ferguson will have to redesign their tractor frames to accommodate the South African Perkins engine

"This decision by the government has a very significant bearing on new tractor purchases as after mid-1981 a substantial surcharge will be possible on all imported engines and spare parts

Massey Ferguson tractors have engines standard with those to be used in all new tractors after mid 1981 The effect on trade ins values of certain other makes of tractors will be relevant according to the engine fitted '

Mr Laing emphasised that a harder look at the Massey Ferguson range should be taken in the light of these facts before new purchases are made It must be remembered, he said the Perkins engine is renowned for its fuel economy

It leaves no doubt that every farmer will realise the importance of this decision by the government and how it will benefit agriculture as a whole

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break in on a man's privacy. It is logical to the African to enter a room and then ask if he might come in.

The African's customs find an extensive influence in the work situation and management discovers many problems in this area but by delving into the customs of the African much of this can be sorted out especially by explaining and training the African what the right thing to do in the work situation is.

d) Witchcraft: Managerial Headache

Witchcraft today is on the increase and its influence reaches right to the sophisticated worker in the modern factory. The spirit world provides an unseen motivational face and causes the African worker to behave in a way that often seems strange and irrational to management. For example a worker may refuse to enter a particular workplace as the witchdoctor has cast a spell there at the request and payment of a man who dislikes one of the workers and wishes to cause his enemy to lose his job by failing to come to work. The African engaged in manual labout will ask the witchdoctor to bring a spirit into their

(192) Sun. Tribune 8/7/79

Motor industry's Big Three making recovery

THE 'BIG Three" motor plants in the Eastern Cape — Ford, General Motors and Volkswagen — have made a rapid recovery from the traumatic effect of the new fuel measures announced on June 8 by the Minister of Economic Affairs

Plans to return to a normal five-day working week have been announced by Ford and General Motors

Both plants have been working a four-day week for the past few weeks and have had to lay off workers, but Volkswagen continues to work a five-day week, with no retrenchments, thanks to the success of its fuel-economy Golf range

This week the vehicle assembly plant of General Motors in Port Elizabeth returned to a five day week although the engine plant at Aloes just outside the city will continue to work a four-day week

Announcing this, the acting managing director of the company, Mr D B Sneesby, said that about 3 percent, or about 40 members, of the company's salaried staff had been retrenched

This brings its total retrenchment to 220

Recently, 80 hourly-paid workers were laid off, followed by the retrenchment of a further 100

The latest retrenchment of 40 involves salaried staff, all of whom are white

Most of these salaried employees have been working in the manufacturing areas, and about half of them have been put on early retirement

A spokesman for Ford said there had been no further retrenchments since 297 hourly-paid workers were retrenched recently

The company's four plants in Port Elizabeth were closed this week, and when they re-open on Tuesday they will continue to work a four-day week until they return to a five-day week at the beginning of August

Ford's return to a five-day week has been boosted by the popularity of its Cortina, which is the best selling medium-size car in South Africa.

The works director of General Tire in Port Elizabeth, Mr David le Roux, said the company had considered plans to work short time rather than lay off workers

However, retrenchment became necessary and 40 workers were laid off, he said

The public relations manager of Goodyear, Mr Mike Selley said the company preferred working short time to laying off workers, and it was now working short time in certain sections.

The plant director of Firestone, Mr Percy Watchurst, said the company would not retrench staff It would not replace workers leaving and was considering going on to short time in some sections

When the figures for new car sales for June are released next week by the National Association of Automobile Manufacturers they are expected to show the continued swing to small and medium-size fuel-economy vehicles

Total industry sa[illegible] new cars plummeted May to 16 011 as [illegible] 17 712 in April a[illegible] result of the uncert[illegible] before the announ[illegible]ment of the new measures

The director of [illegible]cle sales and mark[illegible] Ford Mr George S[illegible]son, said the fuel [illegible]tion would lead [illegible] total industry sales [illegible] the year being 2 per [illegible] lower than in 1978

The next two [illegible] three months will [illegible] particularly taxing [illegible] for the motor indus[illegible]

frequency of inter- settlement contact would have increased and with it the probability of friction would have grown. The level of stress would have increased until fission occured when groups would have moved away, settled and formed the nuclei of new cultures. Each of these nuclei could have acted in turn as a centre for fission and further expansion.

In this model, as was the case for the continuous spread model, carrying capacity has been defined as psycnological tolerance and the problem of limiting resources remains.

A flow diagram and computer simulation of the discontinuous spread model were prepared (Fig.3; Appendix 1).

DATA

Quantitative data . The rates of population growth used in the simulations were two, three and a half, and four per cent per annum. The values were similar to those quoted by Birdsell (1957) for human groups colonising uninhabited areas. Four values for carrying capacity were used: one, five, ten and fifteen people per square kilometer. A value of five people per square kilometer has been used as the carrying capacity for simulations on subsistence agriculturalists (Ammerman and Cavalli-Sforza, 1973). The values coincide with low population known from African ethnography (Tew, 1950), but the possibility remains t

they may have increased as a

Both models were simula

input populations: 100, 500

was conceptualised as a seri

circle was set at 10 km away

Cultural data. The bevelled

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cultures included in the eas

not have a high relationship

Leaves material and should b

Nkope has occasional fluting and bevelling which has been used to tie it to the eastern stream, but as this feature was not common (Robinson, 1973; Table 2) and it would seem that Nkope probably belonged to a different tradition.

Phillipson (1975, 1977) has suggested that the expansion occured as a linear continuum with Urewe as the earliest and Silver Leaves as the latest group. The linear continuum is based on the floruit analysis (Phillipson, 1975) and has marked differences from the reconstruction derived from pottery analysis which suggested that Urewe and Kwale were related through a common ancestor (Soper, 1971b). The simulations were carried out over both possible reconstructions:

Simulation 1. Urewe ⟶ Lelesu ⟶ Kwale ⟶ Silver Leaves
Simulation 2. Kwale ⟶ Silver Leaves

RESULTS

Simulation 1. The discontinuous spread model produced a faster rate of expansion than the wave of advance model. Rates of less than one kilometer per year were generated by the wave of advance model (Table 1) and these were ar order of magnitude lower than the rates from the discontinuous spread model (Table 2). The rate of spread for a culture in the discontinuous spread model was similar to the rate generated by the wave of advance model

Car workers threaten strike

12/7/79 Argus (192)

Argus Bureau

PORT ELIZABETH. — Two thousand motor industry workers last night rejected wage policies made by the Eastern Cape's three big motor firms and threatened to 'down tools' unless demands for better wages and job security were met

The workers—all members of the National Union of Motor Assembly and Rubber Workers of South Africa — took their stand at a mass meeting at a hall in Gelvandale, Port Elizabeth.

The workers' stand is another one in a series of problems which have recently beset the motor industry, already hard-hit by the petrol increase, which has led to retrenchments and short time.

OFFERED

The wage 'proposals' which were met a week ago, wold have come into operation on August 1

The companies, General Motors, Ford and Volkswagen, have offered to:

Increase minimum starting wages from R1 (for Grade 1 workers) to R3 an hour (Grade 12 workers),

Increase wages across the board by from 6c to 15c an hour for workers from Grade 1 to 12;

Continue with the six-monthly wage review to keep pace with the minimum increase in the consumer price index,

Extend the agreement for 12 months from August 1 1979 to July 31 1980

The proposals were unacceptable to workers who have demanded a minimum starting wage of R1,50 for grade 1 workers.

The secretary of the union, Mr Freddy Saulls, said the executive committee of branches of the union have already rejected the proposals at a meeting last week It was decided, however, to leave the final decision to the workers

COMPANIES

Spokesmen for the motor companies today declined to comment on the issues raised by the workers

Mr Ruben Els, public relations officer of Volkswagen, said from Uitenhage that he could not comment until the company was officially notified by the union about their decision

Mr Rod Ironside, General Motors director of industrial relations, said the matter was sub judice.

Ford's industrial relations director, Mr Fred Ferreira, said the accepted channel of communication between the company and the unions was the Industrial Council

2000 PE motor men threaten to strike

Star 12/7/79

(192)

Own Correspondent

PORT ELIZABETH — Two thousand motor industry workers last night rejected wage policies made by the Eastern Cape's three big motor firms, and threatened to "down tools" unless demands for better wages and job security were met.

The workers — all members of the National Union of Motor Assembly and Rubber Workers — took their stand at a mass meeting at a hall in Gelvandale.

The workers' decision is another one in a series of problems which have recently beset the motor industry already hard-hit by the petrol increase, which has led to retrenchments and short time.

The wage proposals would have come into operation on August 1. The companies, General Motors, Ford and Volkswagen, have offered to:

Increase minimum starting wages from R1 to R3 an hour for certain workers, increase wages across the board by from 6c to 15c an hour for other workers in a different category; continue with the bi-monthly wage review to keep pace with the minimum increase in the Consumer Price Index, and extend the agreement for 12 months from August 1 1979, to July 31 1980.

The proposals were unacceptable to workers who have also demanded job security in the form of, among other things, improved overtime pay, short time benefits, service leave, termination of contract benefits, and shift benefits

With shouts of "Let's down tools, let's show we're no weaker than the women of Eveready," the workers refused the across board increases. It was the same union which led 230 Eveready women workers into a strike last year.

CLINGING

Referring to problems caused by retrenchments and short time, one of the workers said people were "desperately" clinging to their jobs. "They come to work even when they are ill," he said

"With everything except wages rising, they cannot afford to lose their jobs.

"We will have to sacrifice to gain something I fear that if we compromise on this issue, unions might just as well be disbanded"

The secretary of the union, Mr Freddy Sauls said the executive committee had already rejected the proposals last week A decision was, however, taken to leave the final decision to the workers

He added "What is the use of us accepting an increase of 6c or 10c when there is no guarantee that you would remain in employment until, say, the end of the year? Job security is more important"

Spokesmen for the three motor companies declined to comment.

Sunday Tribune - 24/6/79

192 24/6/79 Sunday Tribune

We stay in South Afica, but there will be retrenchments, says Sir Michael

LEYLAND SET TO CHOP STAFF

Tribune Correspondent

THE motor giant Leyland has decided to stay in South Africa, but its operations will be streamlined and staff will be retrenched it was announced yesterday.

The announcement was made at a Press conference in Cape Town by the South African-born chairman of Leyland, 48-year-old Sir Michael Edwardes

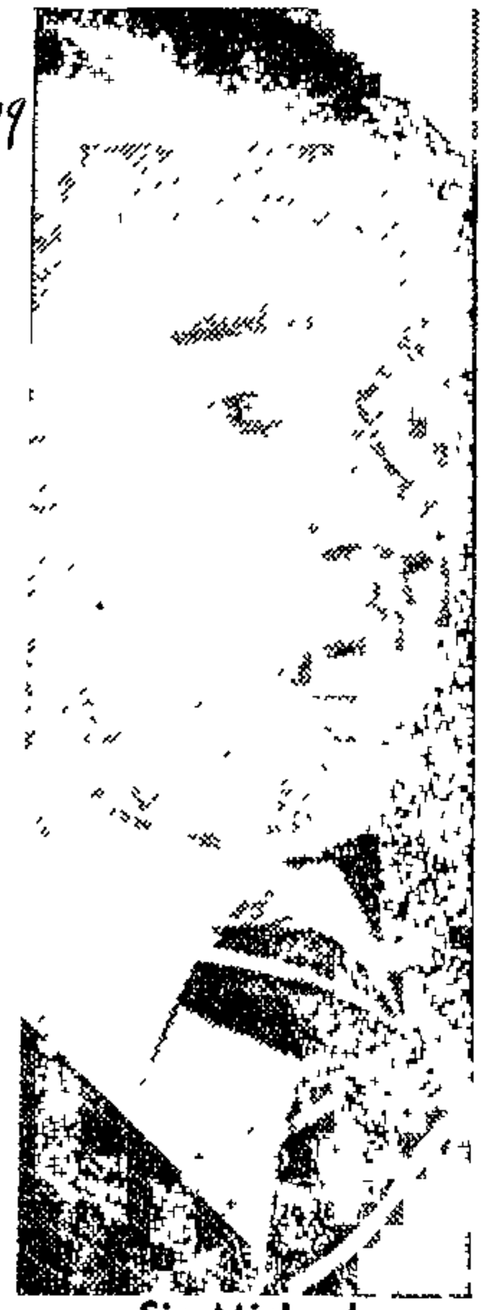
The chairman of Leyland South Africa, Mr Frank Andrews, added that the streamlining operation would entail retrenchment of some of Leyland's 3 500 staff

"We have come to three firm decisions," said Sir Michael "They are

- "To stay in South Africa
- "To stay in the commercial vehicle market
- "To move our entire operation to Cape Town

"We have a new team in this country and they have a hell of a job to unscramble the situation left by the collapse of the Sigma merger

"We believe that local companies should have considerable autonomy and the first thing the local board will have to decide — in weeks and months rather than years — is whether to stay in the car market or not



Sir Michael: Three decisions

"At this moment no such decision has been taken We have appointed new dealers who will look after sales service and parts and we have given the local board until 1980 to become profitable

"Our trading profit here now gives us no pride at all. We know that we are going to continue it, and we will continue to produce the Jaguar, an assembled car, until our local content deadline"

Sir Michael said he did not see any problem in supply. Labour relations in Leyland's 60 factories had never been better and the situation now was better than it had been for the past four or five years

He believed that the market for performance cars would continue in a limited sector, but that Leyland, like the other manufacturers, was concentrating on fuel economy at an optimum speed of 90 km/h.

Irrespective of what decision was reached on the future of Leyland trenched, it was ansion, the company would continue to supply parts and service It was also intended to increase the supply of parts for other makes of car

Mr Andrews told me that the move from Johannesburg to Cape Town would save the company "a couple of million rands in overheads"

"We are going to have a much leaner operation here," he said.

"There will obviously be some natural wastage of staff caused by the move from Johannesburg and there will be some retrenchment here too, though it is impossible to say how much"

> "We have a new team in this country and they have a hell of a job to unscramble the situation left by the collapse of the Sigma merge."

Plan to go it alone after Sigma merger collapse

Leyland comes roaring back

By GEOFF BERRIDGE

MANAGING director designate of Leyland South Africa, Richard Newby, returns from England today with go-it-alone plans that guarantee Leyland vehicle availability in South Africa across the full range of cars, trucks and buses

The company's range of construction equipment is also to be continued

Leyland was quick off the mark following Sigma's unilateral decision to scrap plans to merge the two companies, creating what would have been South Africa's biggest vehicle producer, and this week negotiated 35 dealerships inside three days

This must be a record for the industry

The dealers will take over distribution of Jaguar, Rover and Mini cars, Land Rover and, later this year, the Range Rover

The market-dominant truck and bus range, which has figured strongly in Sigma sales since a partial merger was implemented, will be marketed through wholly owned branches

Sigma meanwhile gives no details about how it intends dismantling the complex manufacturing and marketing plans already set up within Sigma Motor Corporation (cars) and Sigma-Leyland (truck and bus) in which Leyland was to have taken a 49% stake

Sigma gives as its reason for aborting the merger its view that the 2 600 cc Rover was pitched too high in the luxury market and should be offered at a price at least R1 000 lower than that set by Leyland

Leyland points out that Sigma did its own market assessment of the Rover eight months ago before it decided to go ahead

'This was a very searching and thorough exercise on their part and we cannot accept now that they made a mistake or that we have either,' said a senior Leyland SA spokesman

The Rover was voted Car of the Year in Europe

Will Sigma now take up its options to introduce the Citroen CX 2 400 (six cylinders) or Peugeot 604 (V6 engine) to fill the Rover gap?

Not for 18 months or two years. No decision has been taken and we are still looking at them, said Sigma's public relations manager, Dave Charlton

We will, however, be introducing a four-cylinder 2 600cc newcomer in the next six weeks and this will have air conditioning and all the extras

"It will perform better than the Rover 2 600 and offer better fuel economy. There will be just as much passenger room, although boot space will be more limited

"We still have the six-cylinder Chrysler, of course, and we can extend its production life as long as we want," he said

Rover sales in the first five months of the year have faired poorly at Sigma dealerships, averaging 163 a month, compared with Leyland's own sales average of 370 Rovers a month from April to December last year

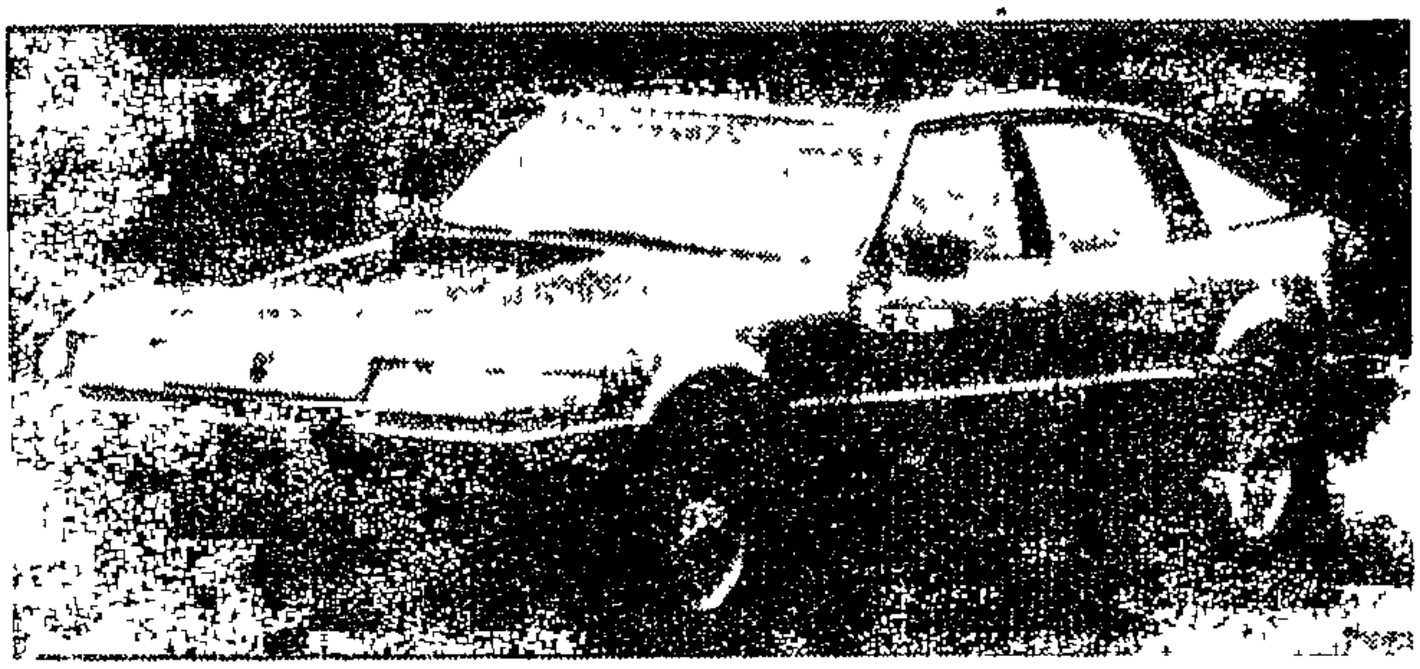
April car sales figures reveal an interesting situation for Sigma, which holds number one position with 3 818 cars sold from a range of 10 different models

Excluding Leyland sales, Sigma falls to number two spot. On this basis Ford would be 98 units ahead, achieved with only three models. VW is in either event third with 3 176 sales from four models

Peter Moes, sales director of Sigma, said yesterday his company intends holding number one position, even without Leyland

Sigma clearly has high hopes for its forthcoming four-cylinder luxury model

Richard Newby ... returning after talks in England



Leyland's aim is to ensure availability of its products, such as the Rover

Sunday Times 13-5-79

POST, Friday, July 13, 1979

192

2000 threaten to down tools

TWO thousand motor industry workers this week rejected wage policies made by the Eastern Cape's three big motor firms and threatened to "down tools" unless demands for better wages and job security were met.

The workers — all members of the National Union of Motor Assembly and Rubber Workers of South Africa — took their stand at a mass meeting in Gelvandale, Port Elizabeth.

The wage "proposals" which were made a week ago, would have come into operation on August 1

The companies General Motors, Ford and Volkswagen, have offered to

Increase minimum starting wages from R1,00 for grade 1 workers) to R3 an hour (grade 12 workers), increase wages across the board by from 6c to 15c an hour for workers from grade 1 to 12, continuous with the XI-monthly wage review to keep pace with the minimum increase in the consumer price index, extend the agreement for 12 months from August 1, 1979, to July 31, 1980.

The proposals were unacceptable to workers who have demanded a mummum starting wage of R1 50 for grade 1 workers

They have also demanded job security in the form of, amongst other things improved overtime pay short time benefits, service leave, termination of contract benefits and shift benefits.

With shouts of 'let's down tools, let's show we're no weaker than the women of Eveready," the workers refused the across board increases. It was the same union which led 230 Eveready women workers in a strike

"We have been patient too long," a speaker from the floor said. "Why do we have to back down on demands every time and meekly accept what the bosses want to give us? By accepting these proposals yet again workers would weaken the bargaining power of the union"

The secretary of the union, Mr Freddy Sauls said the executive committee of branches of the union have already rejected the proposals at a meeting last week.

DECISION

A decision was, however, taken to leave the final decision to the workers.

Mr Sauls said one of the unions' job security proposals was that the companies pay workers one months' salary for every year they have been employed in cases of retirement.

Mr Sauls said if workers accepted the present proposals, the union could only start negotiating for bigger increases in March next year

The workers, after refusing proposals, instructed the union to continue fighting their case for job security and "decent" increases.

Spokesmen for the motor companies yesterday declined to comment on the issues raised by the workers.

Mr Ruben Els, public relations officer of Volkswagen, said that he could not comment until the company was officially notified by the union about their decision

Mr Rod Ironside, General Motors director of industrial relations, said the matter was sub judice

Ford's industrial relations director, Mr Fred Ferreira, said the accepted channel of communication between the company and the unions was the industrial council

Lack of funds hits take-off of 'Firefly'

192

Sun of Times 15/7/79

By MURRAY McNALLY

GLOBAL Motor Manufacturing has been unable to supply dealers with orders — worth millions of rands — for the economy commuter car "Firefly" because of lack of funds

Mr Henry Greeff, technical director of Global and inventor of "Firefly", told me yesterday that the Port Elizabeth-based company had experienced almost crippling financial difficulties during the past few months

The company was not able to manufacture any "Firefly" cars to meet orders totalling about R18-million from some 80 dealers throughout the Republic

A Motor Industries Federation (MIF) probe into the activities of Global were finalised this week Mr W M Hayward, Eastern Cape representative of MIF, told me this week that inspection of the plant showed that no production was taking place

"Our members (of MIF) will be advised by circular to take the necessary steps to protect their interests" he said

"Mr Greeff's total staff consisted at the time of our inspection team of three mechanics, three administrative staff and five labourers"

Mr Hayward said that not only was there no production taking place at the Global plant, but that there was no equipment usually associated with a production line

Only ordinary workshop equipment was found Mr Hayward said that the inspection showed that no stocks were available to send to dealers

A security man stands guard at the gates of Global

A number of dealers had told MIF that they had been promised stocks of the "Firefly" this month and some had paid considerable deposits with their orders

The MIF receives complaints daily from dealers waiting for delivery of the "Firefly"

When I went to the Global factory this week there was no sign of any activity

A security guard refused to allow me past the gate to see Mr Greeff However, he said I could phone Mr Greeff from the gate office

Mr Greeff refused to see me and he would not allow me to go to the production line There was also no evidence of completed vehicles in the grounds of the factory

When I phoned him at home yesterday he told me that he had not been able to see me at the factory because he had been very busy He said that in recent months production had been lower than "had hoped it would be"

Then, about a month ago, production had come to an "abrupt end" because of lack of funds

"For the past couple of weeks I've battled to keep my head above water," he told me

"I've gone from bank to bank to raise enough money to keep my head above water"

Mr Greeff said that he had heard recently from Global's Johannesburg office that a "substantial sum of money" had been raised and the company was now in a position to manufacture enough cars to meet dealers' orders

"I don't know where we got the money from, or even how much it is, but I have heard that we are now in a financial position to go full steam ahead," he said

Commenting on the MIF investigation of the activities of his company, Mr Greeff told me that the production equipment at Global's factory was sufficient to manufacture 60 vehicles a month

SA inhoud tik bedryf dik

(192) (74)

Rapport 15/7/79

DIE ingrypende veranderinge wat vandeesweek deur die Raad van Handel en Nywerheid voorgestel is oor die verpligte plaaslike inhoud van handelsvoertuie vanaf 1 Januarie aanstaande jaar, het die Suid-Afrikaanse motorbedryf die afgelope paar dae erg geskud.

Die jongste aanbeveling is dat handelsvoertuie met 'n massa van 1 400 kg (ongelaai) by die program betrek word. Voorheen was die plaaslike inhoudsprogram net van toepassing op handelsvoertuie met 'n massa van minder as 2 450 kg (gelaai) en 'n wielafstand van 2 950mm van toepassing.

Vervaardigers wat nie op 1 Januarie aanstaande jaar aan die nuwe vereistes voldoen nie, kan sodanig belas word dat die prys van 'n handelsvoertuig met meer as R1 000 kan styg.

Bakkies se plaaslike inhoud moet vanaf 1 Januarie 1980 66 persent wees en dié van paneelwaens en minibusse 50 persent Laasgenoemde voertuie se plaaslike inhoud moet egter op 1 Januarie 1981 die 66-persent-kerf bereik.

Die oorgrote meerderheid plaaslike vervaardigers het die afgelope week hul misnoee met die jongste reeks aanbevelings uitgespreek en feitlik deur die bank gesê dat hulle by die betrokke minister beswaar gaan aanteken. In die geval van Toyota Suid-Afrika is daar selfs nou 'n voertuig by die program betrokke wat voorheen nie in aanmerking sou kom nie

Die enigste vervaardigers wat nie onkant gevang is nie, is Datsun-Nissan, Ford en Fiat. Eersgenoemde is nog altyd die grootste voorstander vir plaaslike inhoud en verwelkom die jongste reeks aanbevelings van die Departement Handel en Nywerheid.

„Al ons ligte handelsvoertuie voldoen reeds aan die bepalings. In die eerste plek skep plaaslike inhoud werkgeleentheid vir duisende Suid-Afrikaners en

rigting gewerk nie," het mnr. Phil Porter, Toyota se bemarkingsdirekteur, die afgelope week gesê. „Daarom beskik ons Stout in hierdie stadium oor feitlik geen plaaslike inhoud nie. Ons is beslis nie gelukkig oor die feit dat die bepalings op sulke kort kennisgewing so drasties gewysig is nie."

Toyota se 1200- en HiLux-bakkies (halfton en eenton onderskeidelik) beskik tans oor 'n raps meer as 30 persent plaaslike inhoud „Ons kan nog heelwat voor 1 Januarie 1980 met hulle uitrig en het ook verskeie planne om hul plaaslike inhoud te verhoog Een ding is egter seker: uit die mark vir ligte handelsvoertuie sal Toyota nooit onttrek nie," het mnr. Porter bygevoeg

Die aanduidings is dat Sigma se ligte bakkie, die Mazda 1300, van die mark onttrek gaan word aangesien dié voertuig geen hoop het om aan die bepalings te voldoen nie en dat die beleggings daarvoor te groot sal wees.

Sy groter bakkies, die Mazda 1600 en 1800, beskik in die stadium oor sowat 25 persent plaaslike inhoud en dit kan aanvaar word dat Sigma hierdie voertuie in die mark sal hou en sal poog om hul syfer in die volgende ses maande drasties te verhoog

Dit beteken dat 'n bakkie met 'n plaaslike inhoud van net 40 persent op 1 Januarie 1980 se prys met meer as R1 000 sal moet styg

„Geen vervaardiger kan so iets in die Suid-Afrikaanse mededingende mark bekostig nie," het Datsun se Peter Whitfield gesê. „Ek voorsien dat Datsun-bakkies se prys in 1980 met 4 persent gaan styg weens die inflasiekoers en ander kostes — maar nie weens die plaaslike inhoudsprogram nie Die vervaardigers wat dus ver onder die vasgestelde kerf gaan wees se pryse sal onrealisties styg en ek kan nie sien hoedat hulle in die mark kan bly nie," het hy bygevoeg.

Mennonite Central Committee se Konferensie oor: 'Die Rol van Geskiedkundige Vredeskerke', Gaborone, Botswana Verhandeling voorgelê oor 'The Role of Churches in Promoting Justice in Southern Africa' (Oktober).

leiding, aanmoediging en belang in die a... die Sentrum

Die Universiteit van Kaapstad het benewens die bedryfskoste van die Sentrum, ook vir sedert sy stigting in kantoorruimte voorsien uitbreiding van personeel het ons die hul

192

Rapport 15/7/79

tweedens kan bestaande geriewe nou nog beter benut word," het Datsun-Nissan se besturende direkteur mnr Peter Whitfield die afgelope week gesê

„Dit is ewe noodsaaklik dat die plaaslike komponentebedryf uitgebou moet word met die oog op die toekoms Baie van diegene wat so kla oor die plaaslike inhoudsprogram het nie hul huiswerk gedoen nie Ons halfton, eentonbakkie (petrol en diesel), asook die E20-bussie sal op 1 Januarie 1980 in alle opsigte aan die voorskrifte voldoen."

Ford Suid-Afrika se Cortina-bakkie, wat in die Republiek uit die passasiersmotor ontwikkel is, voldoen ook aan die bepalings en voorsien gevolglik geen probleme nie.

Dieselfde geld vir Fiat se 128-bakkie, maar dié Italiaanse vervaardiger gaan waarskynlik probleme begin ondervind wanneer sy 128-reeks met die nuwe Ritmo vervang word.

Toyota Suid-Afrika, die Republiek se grootste vervaardiger en verspreider van ligte handelsvoertuie, het egter probleme. Sy besturende direkteur, mnr Colin Adcock, het die afgelope week gesê dat hy die aanbevelings nog beter wil bestudeer voordat hy kommentaar lewer.

Dit is egter bekend dat Toyota se voorsitter, dr. Albert Wessels, van plan is om sterk beswaar by die Regering aan te teken oor die nuwe aanbevelings. Veral oor die feit dat sy Stout-bakkie van 1½ ton nou ook by die plaaslike inhoudsprogram betrek is

„Omdat daar nog nooit sprake was dat die Stout deel van die program sou wees nie, het Toyota tot dusver geensins in daardie

'n Sigma-woordvoerder het die afgelope week gesê dat die Peugeot-404-bakkies (diesel en petrol) „beslis in die Suid-Afrikaanse mark sal bly. Daar is 'n groot mate van uitruilbaarheid van onderdele met die passasiersmotors en gevolglik skep die plaaslike inhoudsprogram hier geen probleme nie."

General Motors se Isuzu-bakkies (petrol en diesel) beskik in die stadium oor feitlik geen plaaslike inhoud nie en dié vervaardiger van Oos-Kaapland wou geen aanduidings gee van wat die toekoms vir hulle inhou nie

Volgens die bepalings word 'n vervaardiger vir elke 5 persent wat sy voertuig onder die vasgestelde kerf is (66 persent vir bakkies) met sowat R200 belas.

17/7/79 N.M.

S.A. Leyland to reduce staff

Financial Editor

LEYLAND is cutting its staff in South Africa by 20 percent right across the board, according to Mr Arne Pitlo, the company's group public relations manager

Mr Pitlo said yesterday that only wholly-owned Leyland operations would be affected Employees at Leyland's Mobeni plant, near Durban, would be reduced by five percent Buses, tractors and special products are assembled at this plant

"We are trimming our operations in order to stay in business We have decided to make our activities 'bright eyed' and have laid off some staff This amounts to 20 percent across the board

"I wish to emphasise that we are not pulling out of the South African market but cutting our cloth to suit the situation

"To stay in business we will have to have a lean and hungry look The people who remain will just have to work harder"

Sir Michael Edwardes, the South African-born chairman of Leyland, gave warning in Cape Town last month that the company's operations in this country would have to be streamlined and staff would be retrenched

Firms lay off 500

(192) 18/7/79 375 words

By THAMI MAZWAI

MORE THAN 500 workers have been laid off from Port Elizabeth's two motor assembly plants — Ford and General Motors — since last month. Both have confirmed the numbers retrenched.

Ford issued a statement last month announcing the retrenchment of 297 workers. Reasons given were the economic recession in the country and the fuel crisis

General Motors announced at the same time the retrenchment of 80 workers from its plant Similar reasons were given

But **POST** can now disclose that a total of 207 people have been laid off by General Motors

Economic situation

This means that the two plants have jointly laid off 504 workers - - and this may not be the end unless the economic situation improves But a spokesman for GM this week said they hoped there would be no need to retrench more people

He stressed that the 207 represented all race groups The number also included hourly and salaried staff

The retrenched salaried staff numbers 47 and the hourly 167

Asked how many from each of the different groups had been fired, he said such details would require digging out

The spokesman also added that they had not introduced shorter working hours as a result of the situation The retrenchment was the only action taken

Meanwhile, a spokesman for the National Union of Motor Assembly and Rubber Workers of South Africa has issued an appeal to employers not to expel any more workers

The union is presently engaged in negotiations with major employers and top security is one of their priorities

A survey released by Manpower, a research group indicated more job opportunities in the Tvl, OFS and Natal in the second half of this year, but a downward trend in the Cape Province

Jackson slams car firms

Post 24/7/79

(192)

By THAMI MAZWAI

THE Reverend Jesse Jackson, American civil rights leader, yesterday lashed at two US companies operations in South Africa and said they were an extension of the government and its policy

He had paid a visit to Ford and General Motors to see how they were treating black workers

Jackson also paid a visit to New Brighton, Port Elizabeth and described it as a "sore on the face of the system" New Brighton and Crossroads formed "islands of poverty on an ocean of plenty and were a threat to the credibility of white Christian churches" he said

He said this as he left Port Elizabeth for Durban where he was last night to meet Chief Gatsha Buthelezi He will return to Johannesburg today

Referring to the two plants he said they were part of the machinery in South Africa and felt obliged to co-operate with the government They paid minimal wages and Ford had a housing project which the people could not afford "It is merely a showpiece as the people can not afford to live there with the wages paid by the same company," Rev Jackson said

EXPLOIT

Both General Motors and Ford did not recognise black unions and used liaison committees

"They exploit the fact that these liaison committees have no legal status and are totally dependent on the goodwill of the company," he continued He further said the two companies "perpetrated the policy of division by accepting legal distinction between races"

"There have been some moves towards integration but these had come as a result of pressure and this pressure must continue," he said

Officials of both companies could last night not be contacted for comment

Asked how he felt after his visit to New Brighton he said "Poverty always depresses and suffering creates agony" But, he added, the spirit was high and the area had strong politics

'Within seven minutes of my arrival more than two hundred people had massed The drums had begun to beat The area has a high level of consciousness and basic organisation' he said

He said the church can not tolerate the situation in New Brighton and had to take up the challenge Its mission was to help those who needed help and areas like New Brighton and Crossroads provided this mission It was now up to the ministers to go where they were needed, he further said.

Machine tool firms booming

Sun. Exp. 29/7/79 (192)

A SHARP recovery is underway in the machine tool industry Sales, now close to R150-million, are at least 50% higher than a year ago

"South Africa is well poised for growth," says Arthur Fuller, managing director of Green & Sons Machinery, "and the future looks good for machine tool companies."

Green's turnover doubled last year.

Fuller says renewed demand for machine tools indicates better business for companies using machine tools.

"The fuel crisis must boost the value of South African coal exports and stimulate coal mining development," he says "The rising gold price has enabled many mining companies to rework less productive mines.

"The motor industry is tooling up for smaller cars and there is talk of local production of motor gearboxes and heavy duty axles.

"Estimates of the value of investments involved run into millions of rands and must mean significant growth for the machine tool industry serving them.

"Foundries," says Fuller, "give the signal. When they get busy, so does the machine tool business."

Six machine tool companies recently questioned agreed that countrywide sales had probably increased from less than R100-million annually to about R150-million in the past two years

Significant growth has come in sales of numerically controlled machines because of their ability to shift production control from the shop floor to management, reducing dependence on skilled artisans — scarce in South Africa.

"Numerically-controlled machines show anything from a 30% to 40% advantage in cost manufacture over conventional machine tools," Fuller says.

New growth could soon reach areas of the metalworking and basic engineering sector which is still suffering from over-capacity

"The pick-up began at the machine tool exhibition last year," says Fuller "At first there was an overstocked position, but now customers' inventories have been run down.

"I believe industrialists are gearing up while they have the cash and before prices start rising fast again The demand is for high quality machines that can work to closer tolerances These are expensive.

"About 55% of the cost of the machine tool can be written off in the first year. As profits increase, buyers will increasingly be looking for tax write-offs and we expect imports to rise

Tyre factories lay off men

THE SITUATION has become stable again at the two Port Elizabeth motor manufacturing companies which last month laid off masses of workers and worked short-time, but tyre manufacturers have in the past month retrenched workers to adjust to the slump in the market.

All three local tyre manufacturers are working short-time in sections of their plants and two have retrenched altogether 78 hourly-paid workers in the past month

Like the two Port Elizabeth motor companies General Motors and Ford, the tyre manufacturing companies do not intend laying off more workers unless there is a drastic change in the market forcing them to cut back their production again

General Motors laid off altogether 220 workers last month, of which 40 were salaried staff Ford retrenched 297, all hourly paid

Both companies returned to a full week in their plants at the beginning of the month after last month's reduced work hours

A spokesman for Volkswagen at Uitenhage said that the company had not found a need to cut back its production

The works director of General Tyres in Port Elizabeth Mr Dave le Roux, said yesterday that about 38 hourly-paid workers had been retrenched in July That was the total for this year if a further need arose to cut back production, it would be done by reducing the plant's working hours The company already worked two four day weeks a month

A Goodyear Tyres executive said 40 hourly-paid workers had been retrenched and that most sections of the plant were working short-time

The managing director of Firestone, Mr Peter Morum, said the company had not yet found it necessary to retrench workers, but some sections of its plant were working shorter hours No workers who left the company were replaced

● Wage agreement improvements affecting about 8 000 motor industry workers in Port Elizabeth and Uitenhage were completed this week, but the parties have remained silent about the details The agreements were negotiated by the industrial council for several weeks They will now be sent to the Minister of Manpower Utilisation for approval

About 2 000 motor industry workers recently rejected wage policies made by the Eastern Cape's three big motor firms and threatened to down tools unless demands for better wages and job security were met

The workers — all members of the National Union of Motor Assembly and Rubber Workers of South Africa — took their stand at a mass meeting

Motor unions win major wage rise

KDM 31.1.79

By RIAAN DE VILLIERS
Labour Correspondent

UNIONS representing workers at Ford, General Motors and Volkswagen in the eastern Cape have won major wage increases in terms of an industrial council agreement concluded earlier this week

Across the board increases averaging about 8% have come into effect immediately and further pay rises will be granted in March next year, bringing total across the board increases to over 15%

Minimum starting rates have been increased by 24,5%, which works out at R1 an hour in the lowest grade and R3 an hour in the highest grade

The pay rises, affecting about 8 000 workers of all races, were negotiated on Monday between employer representatives, the coloured National Union of Motor Assembly and Rubber Workers of SA (Numarwosa) and the white SA Iron and Steelworkers' Union

Representatives of the black United Automobile, Rubber and Allied Workers' Union also attended the discussions.

Mr Freddie Sauls, Numarwosa general secretary, yesterday expressed satisfaction with the increases

Mr A Rademeyer, chairman of the Eastern Province Automobile Manufacturers' Association, said "We are very satisfied as well"

He said as had become customary in recent years, percentage increases in the lower job grades were slightly higher than in the top grades

Agreement was reached on Monday after employers increased their offer following rejection of an earlier offer by Numarwosa and UAW members at mass meetings earlier this year

Details of the agreement were kept back this week until unions had reported back to their members

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Mnr N. Daniels	Professor A.D. Muller
Mnr Achmat Davids	Sheik A. Najaar
Professor R.J. Davies	Mnr Victor Norton
Professor J J Degenaar	Professor N.J J Olivier
Mnr René de Villiers	Mnr L Phillips
Dr I D du Plessis	Professor H P. Pollak
Professor J J F. Durand	Mnr W.J September
Prof sor I B du Toit	Mnr Franklin Sonn
	nr P.M. Sonn
	egter J.H. Steyn
	r R. Tobias
	ofessor R.E. van der Ross
	ofessor J.H. van Rooyen
	v. S. Walters
	ofessor F.A.H. Wilson

Friday August 3 1979 Star (192)

General Motors gets R20m cash jab from US

By Harvey Thomas, Motor Editor

General Motors announced today that it is getting a R20m cash injection from its parent company in America.

The managing director of GM (South Africa), Mr Lou Wilking, said the money was to improve GM's capital structure which had deteriorated in recent years due to lower vehicle sales because of the depressed economy.

"The capital increase, in improving GMSA's financial situation, will facilitate the funding of the R3,9m programme to fully integrate its plant facilities and improve economic opportunities for employees in the Port Elizabeth area," Mr Wilking said.

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Friends (Quakers) en van die American Friends Service Committee deurgebring Hy het 'n aantal konferensies in verskillende dele van die land bygewoon, baie vergaderings toegespreek en senior beamptes van die Carnegie Corporation, van Community Relations Services van die Departement van Justisie van die Amerikaanse regering, van die American Friends Service Committee en kollegas verbonde aan verskeie universiteite besoek.

Gedurende Augustus en September het die Direkteur Engeland, Nederland, Switzerland, Swede, Israel en Zambie besoek Hy het vooraanstaande joernaliste, Suid-Afrikaanse diplomate, senior amptenare van die Suid-Afrika-Stigting en verskeie regerings betrokke by Suid-Afrikaanse belange ontmoet. Hy het besprekings gevoer met stigtings, trusts en opvoedkundige verenigings. As gevolg van sy besoek aan Nederland het hy 'n toelae vir die Konstruktiewe Program ontvang van die Algemeen Diakonaal Bureau van die Gereformeerde Kerken in Holland.

Professor J L. Boshoff, ere-Fellow van die Konstruktiewe Program, het met 'n aantal instansies, wat universiteite in Natal en Transvaal insluit, en met verskeie handels- en industriele firmas in Natal, kontak opgebou.

(b) Konferensies

Gedurende 1978 het die Direkteur die volgende konferensies bygewoon:

Jaarlikse Konferensie, Nasionale Uitvoerende Komitee- en Raadsvergadering van die Suid-Afrikaanse Instituut vir Rasseverhoudinge, Kaapstad (Januarie)

Suid-Afrikaanse Jaarlikse Vergadering van die Religious Society of Friends, Stutterheim (April).

Negende Wêreldkongres van Sosiologie, Uppsala, Swede. Verhandeling voorgelê in Werkgroep 6 en vergaderings bygewoon van die Raad van die Internasionale Sosiologiese Vereniging as die amptelike afgevaardigde van Suid-Afrika (Augustus).

Mennonite Central Committee se Konferensie oor: 'Die Rol van Geskiedkundige Vredeskerke', Gaborone, Botswana. Verhandeling voorgelê oor: 'The Role of Churches in Promoting Justice in Southern Africa' (Oktober).

Konferensie van die Afrikaanse Calvinistiese Beweging, Potchefstroom (Oktober).

(c) Deelname aan Welsyns- Professionele en Openbare Organisasies

Die Direkteur het aktief gebly in die Suid-Afrikaans Instituut vir Rasse-Verhoudinge as 'n lid van die Distrikskomitee, die Nasionale Uitvoerende Komitee en die Raad.

Hy is Voorsitter van die Quaker Service Fund in die Kaap, die diensafdeling van die Godsdienstige Vriendekring (Quakers), wat gemeenskapsontwikkeling op die platteland en in die stadsgebiede bevorder.

Die Direkteur is gekies as lid van die Raad van die Vereniging vir Sosiologie in Suidelike Afrika. Hy is ook 'n lid van die Suid-Afrikaanse Sosiologiese Vereniging. Hy is van die Internasionale Sosiologiese Vereniging. Hy is aangestel as die Suid-Afrikaanse afgevaardigde in die Raad van die Internasionale Sosiologiese Vereniging vir die tydperk 1978-1982.

WAARDERING EN DANK

Ek is altyd dankbaar vir die geleentheid wat die jaarverslag bied om my waardering te betuig aan lede van die Akademiese Adviesskomitee en die Beheerraad vir hulle leiding, aanmoediging en belang in die aangeleenthede van die Sentrum.

Die Universiteit van Kaapstad het benewens 'n bydrae tot die bedryfskoste van die Sentrum, ook vir die Sentrum sedert sy stigting in kantoorruimte voorsien. Met die uitbreiding van personeel het ons die huisie op die laer

navorsings-Fellows het aansienlik tot die Sentrum se program bygedra: dr Sheila T. van der Horst, afgetrede mede-professor van Ekonomie, U.K., en professor J.L. Boshoff, gewese Rektor van die Universiteit van die Noorde.

LIDMAATSKAP

Soos voorheen gemeld, is die Sentrum vir Intergroepstudies geregistreer as 'n maatskappy. In die Memorandum en Statute van Vennootskap word voorsiening gemaak vir die benoeming van eenhonderd lede. Tans is daar 57 lede en hulle sluit die volgende in:

Professor G.F.R. Ellis
Biskop A.W. Habelgaarn
Mnr E.V.E. Howes
Professor M.F.Kaplan
Ds. W.A. Landman
Mnr G.K. Lindsay
Sir Richard Luyt
Professor S.J. Saunders
Professor H.W. van der Merwe
Mede-professor D.J. Welsh
Professor Monica Wilson

Car sales figures well up on last year

11/8/79 Argus 992

Weekend Argus Bureau

PORT ELIZABETH. — New car sales accelerated in July to reach 17 895 units — an increase of 37,57 percent on the 13 888 sold in July last year

Although last year's July figure was distorted because of a car sales slump following the introduction of the general sales tax at the beginning of the month, motor plants see this year's July figure as encouraging.

This is particularly so in view of the fact that the figure is up 1,82 percent on the 17 575 sold in June.

SALES TOTAL

The progressive sales total of 122 030 from January to July shows an increase of 2,35 percent on the sales volume of 119 228 units in the corresponding period last year.

Sigma was the market leader in July, with 4 560 new car sales, followed by Volkswagen (4 059) and Ford (2 356).

Sigma's Mazda 323 achieved the highest monthly sales total ever for a single car line with 3 058 units, beating the record set in June 1978, by Cortina with 2 940 units.

NM 10/8/79

(192)

Car repairs slump report

Mercury Reporter

RETRENCHMENTS and the introduction of a four-day week for workshop staff has hit the motor industry since the petrol price increase in June.

Mr Jessel Celine, Natal president of the Motor Industries Federation service division, attributes the position to an estimated 20 percent drop in service and maintenance trade over the past four weeks

Hardest hit have been the small men in the trade and many have been forced to retrench workshop staff

"Four weeks ago we were dealing with nearly 15 cars a day, now we are lucky if we do four," said one garage owner

Most of the bigger organisations have countered the drop in trade by introducing a four-day week for workshop staff

"It is a question of supply and demand," said a spokesman for Natal Motor Industries whose service staff are working a 4½ day week

Beachway Motors recently retrenched six mechanics in their workshops but a spokesman for the company claimed the move was "an internal policy decision" unrelated to a drop in trade.

It is not clear how many mechanics and related workshop employees have been affected by recent staff cutbacks

"We are definitely losing members but I do not expect to have a clear picture of the situation until next week," said Mr Piet Pienaar, general secretary of the Motor Industries Employees Union

Service stations also report a drop in trade.

2

Die hoofdoel van die Sentrum is om navorsing na die onderlinge groepsverhoudinge in Suid-Afrika te bevorder en te lei, in die besonder oor verhoudinge tussen rasse- en taalgroepe

...is ex officio 'n lid. ...r dr J.P. Duminy, ds. W.A. ...verteenwoordig en die Uni- ...professor W.H.B. Bean, ...de-professor D.J. Welsh. ...enwoordig die lede van die ...s met navorsing- en studie- ...hrire as sy plaasvervanger ...tee en die Raad van Beheer.

EEL

...uit die Direkteur, professor ...A (Stellenbosch), Ph.D. ...tiewe Assistente, mev. H. ...etaresse, mev. B.J. Chapman. ...Norma Cornell en Ruth Ruther- ...istente en mej. Judith ...van Kaapstad) as deeltydse ...geneem. Twee ere-

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15

kampus, waar ons gedurende die laaste vyf jaar gehuisves was, ontgroei Daarom is ek besonder dankbaar vir die ekstra ruimte wat ons nuwe kantoor in die Leslie Social Sciences Building op die Groote Schuur Campus aanbied.

Ek wil weereens die Carnegie Corporation en die Algemeen Diakonaal Bureau van die Gereformeerde Kerken van Nederland bedank vir hulle gulle ondersteuning van die Konstruktiewe Program wat ons in staat gestel het om meer personeel aan te stel en om publikasies en werkgroepe te finansier. Ek wil ook graag weereens die ondersteuning deur plaaslike skenkers, firmas en trusts noem, kort nadat die Program gestig is. Hulle hulp het dit moontlik gemaak om etlike publikasies gratis te versprei onder almal wat in die bevordering van 'n oop samelewing belangstel.

Ten slotte is dit met innige genoeë dat ek my verpligtings teenoor die ere-navorsingsbeamptes van die Sentrum vir hulle bydraes tot die navorsingsprogram, boekstaaf en teenoor die personeel vir die wyse waarop hulle hulle pligte gedurende die jaar uitgevoer het.

Hendrik W. van der Merwe
Direkteur

Desember 1978

c) Ander lede·

Mnr K. Bosman	Mnr H W. Middelmann
Professor A. Cupido	Eerw M.T.L. Moletsane
Mnr N. Daniels	Professor A.D. Muller
Mnr Achmat Davids	Sheik A. Najaar
Professor R.J. Davies	Mnr Victor Norton
Professor J.J Degenaar	Professor N.J J. Olivier
Mnr René de Villiers	Mnr L. Phillips
Dr I.D du Plessis	Professor H.P. Pollak
Professor J.J.F. Durand	Mnr W.J. September
Professor J.B. du Toit	Mnr Franklin Sonn
Mnr A. Flederman	Mnr P.M. Sonn
Professor R.F Fuggle	Regter J.H. Steyn
Mnr G.J. Gerwel	Mnr R. Tobias
Eerw D. Guma	Professor R.E. van der Ross
Professor A. Paul Hare	Professor J H. van Rooyen
Dr Gertrud Heydorn	Mev. S. Walters
Mnr F A. Jacobs	Professor F.A.H. Wilson
Mnr H.M Jimba	

d) Twee Ere-Fellows:

Professor J.L. Boshoff
Dr Sheila T van der Horst

Lede word na die Algemene Jaarvergadering van die Maatskappy uitgenoei en kies elke drie jaar 'n verteenwoordiger op die Beheerraad. 'n Verkiesing is in 1978 gehou en die huidige ampsdraer is Biskop A W. Habelgaarn. Terwyl geen verpligtinge aan lede opgelê word nie, word hulle geraadpleeg in verband met sake wat die Sentrum se program raak.

NAVORSING

Gedurende die verslagjaar het die navorsing van die Sentrum die volgende behels:

A. Mobiliteit en Politieke Verandering in Suid-Afrika

Hierdie projek is 'n paar jaar gelede aangepak 'n Ondersoek onder die kleurling bevolking van die Kaapse Skiereiland is onderneem. 'n Aantal tydelike navorsings-

Friends (Quakers) en van die American
Committee deurgebring. Hy het 'n aant
verskillende dele van die land bygewo
ings toegespreek en senior beamptes v
Corporation, van Community Relations
Departement van Justisie van die Amer
van die American Friends Service Comm
verbonde aan verskeie universiteite b

Gedurende Augustus en September het di
Nederland, Switzerland, Swede, Israel
Hy het vooraanstaande joernaliste, Su
lomate, senior amptenare van die Suid
en verskeie regerings betrokke by Sui
ontmoet. Hy het besprekings gevoer m
en opvoedkundige verenigings As gev
aan Nederland het hy 'n toelae vir die
gram ontvang van die Algemeen Diakona
Gereformeerde Kerken in Holland.

Professor J.L. Boshoff, ere-Fellow va
Program, het met 'n aantal instansies,
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(b) Konferensies

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en Raadsvergadering van die Suid
tuut vir Rasseverhoudinge, Kaaps

Suid-Afrikaanse Jaarlikse Vergader
Society of Friends, Stutterheim

Negende Wêreldkongres van Sosiolog
Verhandeling voorgelê in Werkgro
bygewoon van die Raad van die I
logiese Vereniging as die amptel
van Suid-Afrika (Augustus).

Soon it may be the comradeswagen

Sun. Times Bus. 17/8/79 (192)

Business Times Correspondent, Moscow

IF ALL goes well, Russians may soon be driving Volkswagens made in the Soviet Union

Their fellow communists, the Czechs, will be at the wheel of cars powered by VW engines

Last week, West Germany's largest automobile manufacturer, Volkswagenwerk A G, announced that it is engaged in separate negotiations for licensing agreements with the Soviet Union and Czechoslovakia

The Russians are said to be interested in replacing their ageing Moskvich car with new Passats

Meanwhile, the Czechs are seeking a new engine for their Skoda cars and they've got their eyes on the high-efficiency, four-cylinder engine VW uses in its Golf model

Volkswagen officials say the negotiations have been underway for some time and caution they are simply interested in selling licences, not in marketing West German-made parts

The West German magazine Der Spiegel reported recently that VW will seek $125-million for the car production licence and $75-million for the engine production licence

Cape car workers get pay boost

By [illegible]
LOU [illegible]

[illegible] motor companies — Ford, General Motors and Volkswagen — have increased their minimum pay by an [illegible] right [illegible] Labour [illegible]

[illegible] companies and trade unions.

This means that the minimum pay for beginners in the lower grades will be R1 [illegible] hour and in the higher grades R3.

A spokesman for the National Union of Motor Assembly and Rubber Workers of South Africa — one of the unions involved in negotiations — confirmed the increases at the three motor factories in the Eastern Cape.

Other unions that participated in negotiations were: the SA Iron and Steel Workers Union which is an all-white union and the United Automobile, Rubber and Allied Workers' Union which represent black workers.

When POST's Job Watch team conducted a survey on minimum pays of multinational companies last year it established that Volkswagen paid 86c an hour while Ford paid 95c an hour.

General Motors paid R135,25 a month as their minimum.

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Telef[illegible]

Gedurende die [illegible]
Sentrum vir In[illegible]
-y werksaamhede
verjaarsdag op
an 1977 vervang

DIE OORSPRON[illegible]

Die Sentrum wor[illegible]
Bailey-Trust wa[illegible]
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Institute of In[illegible]
Garansie) - 'n [illegible]
n aandele-kapit[illegible]
Nr. 61 van 197[illegible]

Abe Bailey Instituut vir Rassestudies

JAARVERSLAG

1978

DIE OORSPRONG EN DOELSTELLINGS VAN DIE SENTRUM

Die Sentrum word grootliks gefinansier deur die Abe Bailey-Trust wat ingevolge die testament van Sir Abe Bailey gestig is. Dit is geregistreer as The Abe Bailey Institute of Inter-Racial Studies Limited (Beperk deur Garansie) - 'n maatskappy beperk deur garansie en sonder 'n aandele-kapitaal kragtens die Maatskappywet 1973 (Wet Nr. 61 van 1973).

Leyland sacks 100 workers

NM 1/9/79 (192)

Financial Editor

THE LEYLAND Motor Corporation retrenched about 100 workers in Durban yesterday. This was part of a 12,5 percent staff reduction which was made by the company throughout the country.

Details of the retrenchments were confirmed by Mr. Arne Pitlo, Leyland's group public relations manager.

Speaking from Johannesburg, Mr. Pitlo said that the cut in employees had been made "right across the board"

In addition, further staff cuts would be made during the balance of the year

"These retrenchments will not be quite as large as those that have been made now."

Mr. Pitlo said that there was no truth whatsoever in the rumour that Leyland was reducing its South African operations to the provision of spare parts and nothing else.

ICE

DEFERRED TAX

A. Alpha Limited acquired an item of new plant for R60 000 on 1 May 19.6. Depreciation is provided at 12½% p.a. straight line. A 25% initial allowance is granted for tax purposes, wear and tear being 20% on the reducing balance. Tax rates were 40% in 19.6 and 42% in 19.7, and taxable income amounted to R45 000 and R50 000 respectively, for the financial years ended 31.12.19.6 and 19.7

1. What is the balance on deferred tax account in respect of the plant at 31.12.19.7, assuming

   a) deferral method

   b) liability method?

2. Show how the tax charge will be disclosed in the income statement for the year ended 31 December 19.7, assuming

   a) deferral method

   b) liability method

   (assume there are no other items causing timing differences)

3. How will the answer to 2. be affected by the existence of an extraordinary gain on disposal of a division of the company, amounting to R70 000, all of which was taxable, in the 19.7 financial year?

4. How does the answer to 3. change if the R70 000 is now a deductible loss, which can be set off against the taxable income from other sources of R50 000? Draw up the income statement assuming the deferral method is used.

5. Further to Note 4, assume now that the company has a set profit before depreciation of R60 000 in 19.8.

   Draw up the income statement for the 19.8 financial year under a) liability method

   b) deferral method

   Assume the tax rate remains 42%

Diesel factory up soon

A MAJOR industrial development in the Western Cape soon will be a factory at Atlantis which will produce diesel engines for the agricultural and heavy transport sectors

Allowing for cost increases, it is estimated that the total assets of the enterprise will stand at about R300-million in 1983

Planning has been advancing rapidly and it is expected that tenders for the main buildings will be issued before the end of the year

The aim is to begin engine assembly from imported components in mid-1981 and to reach 100 perent local content early in 1981

1 600 JOBS

By 1985, the plant will have a capacity of 50 000 diesel engines a year and will be employing about 1 600 people

The project, financially underwritten by the Industrial Development Corporation will produce far-reaching benefits for the economy of the Western Cape, creating job opportunities, stimulating the formation of satellite industries, and bringing further financial investment to the region

THE PROJECT

It is expected that 1 300 of the jobs will go to coloured personnel, and the project will thus provide important job opportunities

One of the first benefits the Cape has derived from the project has been the awarding of the design of the buildings and infrastructure to a Cape Town team of consulting engineers

The first buildings will be completed in a year and the aim is to finish all the buildings by April 1981. About 63 000 square metres will be under roof

A PROBE

The company, Atlantis Diesel Engines Limited, was formed after an investigation by the Industrial Development Corporation into the viability of establishing a diesel engine plant

After evaluating submissions from 11 manufacturers, technical assistance agreements were negotiated with two of the largest diesel engine manufacturers in the world — Daimler-Benz of Germany and Perkins Engines of the United Kingdom

BIG MARKETS

Both have manufacturing and distribution networks throughout the world and have developed substantial markets in South Africa

The company will make 12 basic engines ranging from a three-cylinder Perkins with 33 kW output to a V-12 Mercedes with 412 kW output.

In the range up to 100 kW both Mercedes and Perkins engines will be manufactured and they will compete with each other

General Motors is out to stage major fightback

Sun. Times Bus. 19/8/79 (192)

By STEPHEN ORPEN

A REVOLUTION in General Motors' world strategy is expected to help the R120-million South African company sweep back among the vehicle market leaders.

In an exclusive interview this week, the chief executive of GM in this country, Lou Wilking, admitted to Business Times that GMSA had suffered "a severe and drawn out setback" in market penetration as a result of "crucial tactical errors in GM's vehicle planning for world markets in the early seventies."

It was hoped that these and other mistakes would be put right by "wide-ranging reforms" in GM's strategy towards world markets which have recently been agreed in Detroit.

Mainly as a result of the decision in 1971-72 to move away from the small car for markets like South Africa, GM has recently been competing for what amounts to only some 48% of the 200 000-a-year-new car market in this country — and it is the most sluggish market sector following the oil crisis

Thus GMSA has so far this year averaged a penetration in the new car market as a whole of only some 9% and this has recently fallen by no less than 30% to a little above 6%.

The market share in commercial vehicles has averaged around 13,5% and remains at this level.

The company has arranged to bring in some R20-million through the financial rand market "as a start in our recovery drive" says Mr Wilking

"It has taken us about two months to get the money in. It will be used mainly to replace eroded equity capital and to gear up to produce and market cars admirably suited to South African preferences today"

The first of the new models will be seen at a major German motor show later this year It is a 4-cylinder successor to the Opel Kadett and will carry the same name.

There will be a choice of engines, ranging from 1,2 through 1,3 to 1,6-litre capacity

Mr Wilking says GM is now planning at least 10 years ahead in terms of cars for world (as opposed to the purely US and European) markets.

"I will be taking our plans to the US in mid-September The plans for a year or two ahead can be regarded as more or less solid"

Although GMSA has not enjoyed a happy period during most of Mr Wilking's term in South Africa — mainly as a result of the slide of the six-cylinder car from popularity — he can claim credit for introducing the successful Ascona series and KB commercials

An enduring problem for the heads of the South African subsidiaries of many major overseas motor car companies who are posted here has always been their inability to determine basic model choices and mixes in time to enjoy much success from whatever changes they are able to effect during short terms in this country

Although he will not discuss the matter, Mr Wilking has been a typical example.

GM's new special attention to markets like South Africa's is thus to be welcomed.

bygewoon van die Raad van die Internasionale Sosiologiese Vereniging as die amptelike afgevaardigde van Suid-Afrika (Augustus).

c) Ander lede:

Mnr K. Bosman
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NAVORSING

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Motor workers' union first to take plunge

Star 2/10/79. (192) (134)

By Sieg Hannig, Labour Reporter

At least one black trade union applied for registration yesterday — the day on which South Africa's new labour legislation came into force

It is the Motor Industry Workers' Union of South Africa, a "parallel" union created by the coloured Motor Industry Combined Workers' Union of Mr Ronnie Webb

"Everything black trade unions have asked for now has been granted," commented Mr Webb, past president of the multiracial Trade Union Council of South Africa.

But the Federation of South African Trade Unions (Fosatu), which represents 10 unregistered unions, has decided to give the matter further consideration

ALL EYES

Now all eyes are on the nine black unions grouped together in the Consultative Committee of Black Trade Unions in the Transvaal

A spokesman for the consultative said today that its members were not likely to take a decision on registration before the committee had taken a stand on the matter.

Toyota fires fourteen workers

Why, ask hundred colleagues

By KINGDOM LOLWANE

FOURTEEN employees at Toyota — the car manufacturers in Wynberg — were this week dismissed following a dispute with management over a negotiating committee.

And minutes after the 14 were seen being escorted out of the company yard by security guards, more than 100 other workers at Toyota stopped working and asked management to explain the dismissals.

Some of the workers who were dismissed from Toyota this week.

The dismissals arise from the turning down of an application by the workers to be presented with a constitution of the company's liaison committee The workers told **POST** they did not approve of the committee

They had then presented their own constitution which was also turned down

TARGET

The 14 — all active members of the Metal and Allied Workers Union — were called and told they had not reached a particular production target.

A meeting was called in which the workers, the managing director of the company, a police colonel and an inspector from the labour department were present

But according to the workers no agreement was reached at the meeting

But the company's managing director, Mr C Adcock, said the dispute followed warning to four workers for not coming to work on time.

Mr Adcock said the four had been asked to sign admission letters to the effect that they were late

At that point the 14 refused to go to work, apparently because of several warnings to latecomers, said Mr Adcock

RE-INSTATED

He said about 70 of the more than 100 and some of the 14 who had originally refused to work have been re-instated The others were told to come today (Friday) when the company will decide to whether to re-empl them or not.

Asked if he knew th majority of his worke were members of the M tal and Allied Worke Union, Mr Adcok said h was aware some of the were but that he did n know if they still wer

He said the compan could not recognise t union since it was n registered

He said some of t union members in t company were elected serve in their liaison co mittee but that some them had to resign b cause of inefficiency

9/10/79 NM (192)

Govt takes brake off car sales

Deputy Financial Editor

CAR sales are set to take off. Repayment periods have been lengthened, from Friday, by six months and this Government action should benefit the public and the motor trade which has been in the doldrums for four years.

Payment periods for cars will be up to 42 months and for light commercial vehicles up to 36 months. Some months ago the minimum deposit was lowered to 20 percent.

Yesterday Dr. S W. van der Merwe, Minister of Industries and of Commerce and Consumer Affairs, said that car sales were lagging and had not passed the 1975 total of about 200 000.

The hire purchase relaxation was part of the Government's plan to stimulate the economy.

Mr. John McCarthy, director of the McCarthy Group which sells about 62 500 cars a year, said the move appeared to be good for the new car market, but would have a detrimental effect on the used car market

Motor dealers are expected to examine used car deals closely because the longer repayment period could lead to defaults towards the end of the period

Lower

The lower repayments would also mean that people who could not afford to buy a car would be able to do so but would find themselves in financial difficulties during the course of the contract

At the end of 42 months the value of the car could be so low that the owner could stop repayments or abandon the vehicle

In Johannesburg the Motor Industries Federation and the Afrikaanse Handelsinstituut both welcomed the announcement reports Sapa.

The Motor Industries Federation said the concession could also be to the advantage of the second-hand market, and "fitted in well with the growth policy embarked on by the Government".

Spending

Mr. Jan Lampen, of the Afrikaanse Handelsinstituut said the concession would encourage consumer spending, particularly if it was considered with the recent announcement by the Minister of Finance, Dr Owen Horwood, regarding the stimulation of the economy

More good news for consumers is that general electricity tariff increases for next year would be delayed beyond January 1980

Escom announced in Johannesburg that new tariffs were traditionally implemented from the beginning of the new year

"Due to its present improved financial position as a result of greater than expected demand for electricity," it was decided to postpone the increases for next year.

STUFFED CABBAGE SALAD — May Bennett, Ridgeworth

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More time to pay off car HPs

Own Correspondents

PRETORIA — The maximum repayment period in respect of passenger vehicles sold on hire purchase will be extended to 42 months from 36 months, effective Friday, Trade and Consumer Affairs Minister, Dr Schalk van der Merwe, said yesterday

The maximum repayment period for light vehicles will be extended from 30 months to 36 months

He said this action has been taken in view of the difficult period which the motor industry had gone through in the past few years, with motor vehicle sales still lower than 1975, and added the extension of repayment periods is in line with the government's policy to stimulate economic growth

These concessions were welcomed by spokesmen for the motor industry in Port Elizabeth yesterday

In a statement, the president of the National Association of Automobile Manufacturers in South Africa, Mr Brian Pitt, said the move — following on the recent relaxation of fuel restrictions — will further stimulate the sale of vehicles because it will reduce the cost of vehicle ownership on a monthly basis

"It is another move towards improving consumer confidence in the economy in general and the motor industry in particular," he said

Cut eg
down. Pour over

---oOo---

CHICKEN AND CUCUMBER SALAD — S. Drury, East London

1 cup cooked chicken, diced
4 T finely chopped walnuts
French dressing/mayonnaise
lettuce
1 cup cucumber, peeled and diced
1 cup cooked green peas

Marinade chicken, cucumber, nuts and peas with French dressing. Serve on lettuce with mayonnaise. Cover with greaseproof paper and refridgerate until ready for use.

French dressing:
Blend together 6 T salad oil and 2 T lemon juice.

---oOo---

SPRING GREEN SALAD — May Bennett, Ridgeworth

1 medium size lettuce
2 onions
parsley
1 cucumber
mint (fresh)
scallions

Wash and shred the lettuce, chop onions finely and parsley; keep a few pieces for garnishing. Wash cucumber peel and cube. Wash scallions, and cut tops off leaving a short piece of the green left on. Toss the lettuce, parsley, cucumber, onion and scallions together, salt and pepper. Pour over a little French dressing and serve in a glass bowl. Garnish with a few sprigs of mint and parsley.

---oOo---

CURRIED GREEN BEAN SALAD — Mrs Futter, East London

2 lbs sliced green beans
2 chopped onions
1 d salt, level
2 cups water

Boil the beans (sliced) with salt and onions till cooked, then pour off the water.

Sauce:
1 1/2 cups sugar
1 d curry powder
1 heaped T flour
1/2 bottle vinegar

Mix the curry powder, flour with a little water. Mix well, so that no lumps form, and then add the sugar and vinegar, boil up and stir all the time, then add the cooked beans and onions, bring to boil again. Bottle.

---oOo---

APPLE TUNA TOSS SALAD

1 medium head lettuce, torn in bite-size pieces (4 cups)
2 cups diced apple
1 11 oz can (1 1/3 cups) mandarin orange sections, drained
1 6 1/2 or 7 oz can tuna, drained and broken in large chunks
1/3 cup coarsely chopped walnuts
1/2 cup mayonnaise or salad dressing
2 t soya sauce
1 t lemon juice

In a large salad bowl, combine lettuce, apple, orange sections, tuna and nuts; toss together. Combine mayonnaise, soya sauce and lemon juice; mix well. To serve, add dressing to salad; toss gently. Makes 4 - 6 servings.

---oOo---

SUNDAY TRIBUNE, OCTOBER 7, 1979

MOTORMEN SEND OUT DISTRESS SIGNALS

(112)

Industrial Reporter

THE motor industry, the country's second largest in terms of investment and employment, is still in the depths of one of its longest non-growth periods. Only a Government incentive is likely to end it, says Motor Industries Federation national chairman Wilfred Joss.

In an interview this week with Tribune Finance Joss said it was of utmost importance that the Government take a hand in putting new confidence in the industry, which has shown no growth since 1974.

He said industry representatives had ongoing consultations at top Government level regarding suggested moves to give it a new lease of life but to to date there had been no positive reaction.

Joss backed a call for the Government to reduce duties on motor vehicles as a stimulative measure by allowing manufacturers to lower prices and thus increase demand for new vehicles.

Joss said the second-hand car market had within the past six weeks showed some signs of improvement, though it was still experiencing very subdued activity compared to pre-1974

In Durban Brian McCarthy in his McCarthy Group chairman's review went as far as to describe the industry as being in its "hour of need" and called for a reduction of taxes on motor vehicles

Pointing out that the immediate future holds little comfort, he said forecasters are predicting a downturn in unit sales and based on current price levels, vehicle sales will decline as a result of a swing to smaller cars

Referring to the group McCarthy hoped earnings will at least be maintained in the current financal year through further improvements in efficiency in the face of the probable decline in turnover.

STUFFED CABBAGE SALAD — Ma

1 fresh green medium size cabbage — tomatoes
onions — fresh pi
carrots — radishes

Cut the centre from the cabbage, leavi form a bowl. Wash well. Chop onion. and pineapple. Cube tomatoes. Thinly leaves of the cabbage leaving the stal pineapple, tomatoes, sliced cabbage ar in a bowl adding any juice from the to salt and black pepper to taste. Toss into the cabbage "bowl". Garnish with bowl of mayonnaise for those who like roses, cut across the tops in a doubl iced water until the radishes open up

---oOo---

GERMAN POTATO SALAD — E

boiled potatoes — chopped
cooked bacon — salt ar
mayonnaise

Cube the potatoes while still hot. Chop up the bacon, mix with the potatoes, onion and mayonnaise. Season with a little salt and pepper. Use hot or cold.

---oOo---

EGG SALAD — May Bennett, Ridgeworth

hard boiled eggs — salt and pepper
salanaise — paprika and parsley

Cut eggs in half and lay on a flat salad platter; cut side down. Pour over salanaise.

---oOo---

CHICKEN AND CUCUMBER SALAD — S. Drury, East London

1 cup cooked chicken, diced — 1 cup cucumber, peeled and diced
4 T finely chopped walnuts — 1 cup cooked green peas
French dressing/mayonnaise
lettuce

Marinade chicken, cucumber, nuts and peas with French dressing. Serve on lettuce with mayonnaise. Cover with greaseproof paper and refridgerate until ready for use.

French dressing:
Blend together 6 T salad oil and 2 T lemon juice.

---oOo---

Mix the curry powder, flour with a little water. Mix well, so that no lumps form, and then add the sugar and vinegar, boil up and stir all the time, then add the cooked beans and onions, bring to boil again. Bottle.

---oOo---

APPLE TUNA TOSS SALAD

1 medium head lettuce, torn in bite-size pieces (4 cups)
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---oOo---

State urged to help motor industry

DURBAN — A call for the Government to help the motor industry in its 'time of need' is made by Mr Brian McCarthy in the McCarthy group chairman's review

Pointing out that most forecasters predict a downturn in unit sales he says that all are unanimous that based on current price levels turnover in vehicle sales will decline as a result of the swing to smaller cars and he calls on the authorities for stimulatory assistance citing as an 'obvious concession' the reduction of duties on motor vehicles thus lowering prices and increasing demand

The ability to hold profits against falling turnover depends on paring costs correspondingly and Mr McCarthy says this will be the group's objective to the extent of disposing of branches that do not perform adequately or show prospects of doing so

Looking at the past year in which the group earned 21 6 cents per share — an improvement of 16 percent on the previous year — Mr McCarthy notes that unit sales were virtually unchanged and therefore still well below the levels of the 1971 — 1976 period

He blames this on the oil crisis which has 'directly changed the business outlook for the motor industry in the short term'

It is in this rather unhealthy condition that the industry enters phase 5 of the local content programme which requires maximum volumes to hold down costs — 'a virtual impossibility under prevailing conditions — Sapa

ACCOUNTING PRACTICE

EXAMPLES

item of new plant for R60 000
tion is provided at 12½% p.a.
itial allowance is granted for
ar being 20% on the reducing
40% in 19.6 and 42% in 19.7,
ed to R45 000 and R50 000
ancial years ended 31.12.19.6

eferred tax account in respect
.7, assuming

b) liability method?

2. Show how the tax charge will be disclosed in the income statement for the year ended 31 December 19.7, assuming

   a) deferral method

   b) liability method

   (assume there are no other items causing timing differences)

3. How will the answer to 2. be affected by the existence of an extraordinary gain on disposal of a division of the company, amounting to R70 000, all of which was taxable, in the 19.7 financial year?

4. How does the answer to 3. change if the R70 000 is now a deductible loss, which can be set off against the taxable income from other sources of R50 000? Draw up the income statement assuming the deferral method is used.

5. Further to Note 4, assume now that the company has a set profit before depreciation of R60 000 in 19.8.

   Draw up the income statement for the 19.8 financial year under a) liability method

   b) deferral method

   Assume the tax rate remains 42%

PURCHASING OFFICE

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(2) Department .....

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Is this machine for a

(1) Part-time post .....
(2) Full-time post .....
(3) Additional post .....
(4) Does this position dem

Please state full details c
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of existing machine .....

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'Help motor trade' call

Mercury Correspondent 2/10/79

JOHANNESBURG — A call for the Government to help the motor industry in its time of need is made by Mr. Brian McCarthy in his chairman's review for the year.

Pointing out that "most forecasters predict a downturn in unit sales, he says that all are unanimous that, based on current price levels, turnover in vehicle sales will decline as a result of the swing to smaller cars"

He calls on the authorities for stimulatory assistance, citing as an "obvious concession, the reduction of duties on motor vehicles thus lowering prices and increasing demand"

Referring to the McCarthy Group, Mr McCarthy hopes earnings will at least be maintained in the current financial year through further improvement in efficiency in the face of the probable decline in turnover

The ability to hold profits against falling turnover clearly depends upon paring costs correspondingly and Mr McCarthy makes it clear that this will be the group's objective to the extent of disposing of branches that do not perform adequately or show prospects of doing so

Past year

Looking at the past year in which the group earned 21,6 cents per share — an improvement of 16 percent on the previous year — Mr McCarthy notes that unit sales were virtually unchanged and therefore still well below the levels of the 1971-1976 period

He blames this on the oil crisis which has "directly changed the business outlook for the motor industry in the short term"

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Fiat is failing

'HISTORICAL' WAGES GAP AND SEPARATE CANTEENS, TOILETS

JOB WATCH
with JOE THLOLOE and KINGDOM LOLWANE

FOR ALL that Fiat (SA), the Italian car manufacturers, is doing, the EEC code for companies with interests in South Africa might as well not have been written.

The code says they should pay a minimum wage that "should initially exceed by at least 50 percent the minimum level required to satisfy the basic needs of an employee and his family".

The personnel controller at their Rosslyn, Pretoria, plant, Mr A Franz, said the company was striving towards the R248 minimum required by the code.

At the moment the company pays a minimum of 70c an hour, which works out to R136,50 a month

The least paid white earns R350 a month.

"The present wage gap is historical," Mr D Gonella, the plant manager.

"Now we are trying to narrow it. Every time we give an increase to blacks, we give a lower percentage increase to whites."

In April this year, the minimum pay at the plant was increased from 65c an hour to 70c. At the end of the month, it goes up another 10 percent to 77c. This will bring it to R150 15 a month — still far below the minimum required by the code.

The code says: "In so far as it lies within their own competence, employers should do everything possible to abolish any practice of segregation, notably at the workplace, and in canteens, sports activities, education and training."

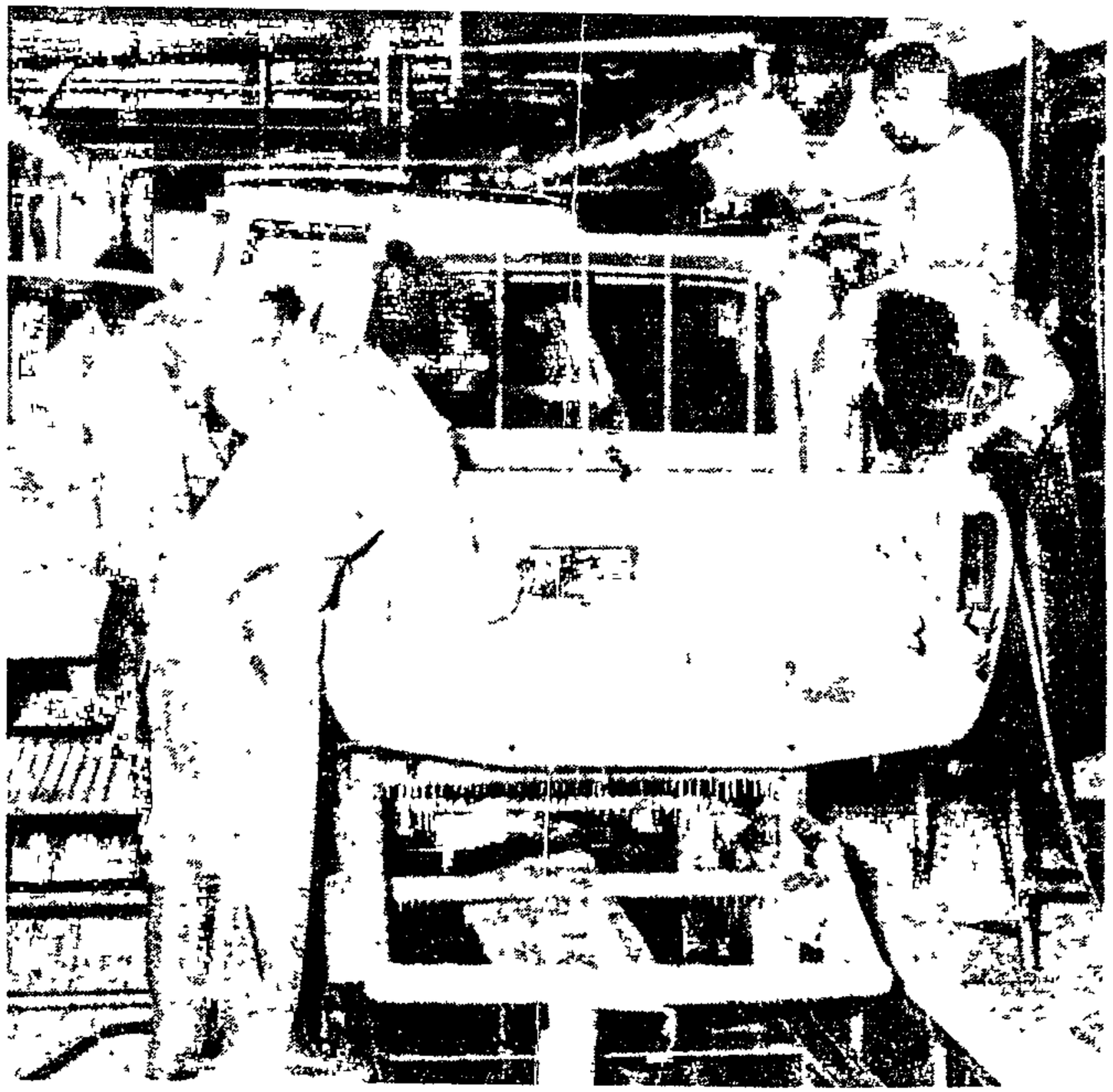
The canteens are segregated. So are the change-

"We have limited space here," says Mr Gonella "People go to lunch in three shifts — that is how serious the situation is"

He said that the question of integration had not even come up for consideration at the plant.

"We have had separate facilities from inception."

The code says: "Employers should regularly and unequivocally inform their employees that consultations and collective bargaining with organisations which are freely elected and representative of employees are part of company policy.



Workers assemble a Fiat truck

ella, the plant manager, told us

gated. So are the change-rooms.

Mr D Gonella, plant manager.

Mr Elekia Marema, chairman of the works committee, says they are satisfied with working conditions at Fiat: "We are doing better than some other companies in this area."

7/9/79 (192)

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BLACK

Should black African employees decide that their representative body should be in the form of a trade union, the company should accept this decision.

"Trade unions for black Africans are not illegal, and companies are free to recognise them and to negotiate and conclude agreements with them."

Mr Gonella says 92 percent of their workers are from BophuthaTswana, and they commute daily to work.

"Only eight percent of our black workers qualify for trade unions in terms of the new legislation," he told us.

COMPANY

The company was still waiting for a lead from the Government

"We would have no objection to a trade union, if it was handled in a reasonable way. In Italy where I come from, trade unions mostly cause trouble. But if the union would keep relations between us and the workers as they have been up to now, we would certainly have no objection."

Years ago, the company had been approached by a white trade union for recognition, but the workers had rejected it

The company now has a works committee, registered with the Department of Manpower Utilisation, for its 742 blacks.

Washing in the changeroom for black workers

The canteen at Fiat — this one for blacks

What is the company doing to up-grade its black staff?

"We have on job training, but nothing formal. We promote our blacks to better jobs and we don't recruit from outside."

The only areas where there was overlap between black and white staff was in the stores and the clerical section.

Do you have a situation where a black clerk earns the same as or more than a white clerk?

"No. The black clerks started about two years ago."

As far as fringe benefits are concerned, "The Industrial Council required that we have a pension scheme for everybody in the machining section, but we are now working on a scheme for all the workers here," Mr Gonella said.

The company was not contributing anything to improve the quality of life in the townships. "Nothing to housing, education, etcetera."

processes is essential; and the division will have to be more fine

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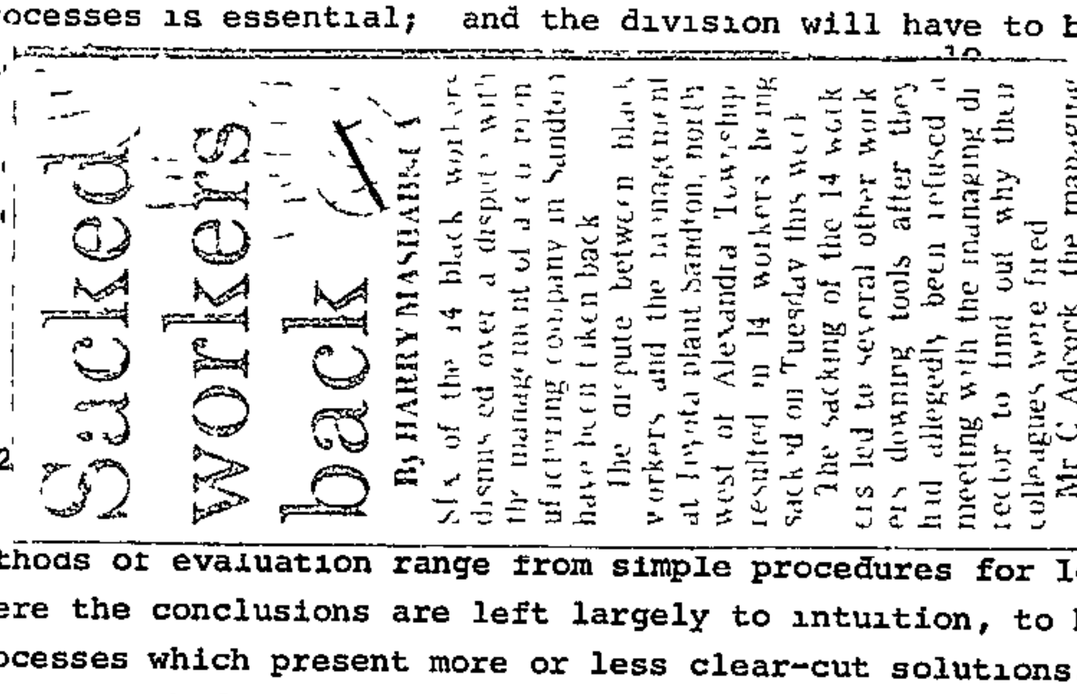

Sacked workers back

By HARRY MASHABELA

Six of the 14 black workers dismissed over a dispute with the management of a paint manufacturing company in Sandton have been taken back

The dispute between black workers and the management at Leyrda plant Sandton, north west of Alexandra Township resulted in 14 workers being sacked on Tuesday this week

The sacking of the 14 workers led to several other workers downing tools after they had allegedly been refused a meeting with the managing director to find out why their colleagues were fired

Mr C Adcock the managing director, said yesterday that trouble started on Tuesday morning after four men had been late for work

The four men were warned and given forms to sign. Two signed one refused and the fourth said he had been late because he had trouble with his feet, Mr Adcock explained

The man who refused to sign was immediately fired and the other was told to produce a doctor's certificate

Fourteen of their colleagues then refused to work and were soon joined by 80 other workers

An inspector from the Department of Labour was called and the 14 black workers were fired because they illegally refused to work

The 80 others were also told to leave and advised to return on Thursday if they wanted to work

Mr Adcock said the majority returned on Thursday and about 60 had already been re-employed The others numbering about 24, had been told to report to the manager's office yesterday to re apply for work

Some of the affected workers said trouble started last Friday when they failed to reach their daily work target because they had spent time cleaning up

They said they were asked to clean up by their supervisor, but when they told their section foreman why they had failed to reach their work target their story was rejected They were subsequently dismissed

Initially, the trouble affected only those working in the picking section of the warehouse

Methods of evaluation range from simple procedures for looking at costs, where the conclusions are left largely to intuition, to highly complicated processes which present more or less clear-cut solutions. For these more precise methods, most of the value judgements have to be made explicitly in advance. Some points on the spectrum between these two extremes are analysed below.

2.3 Looking at Expenditure

Basically, one is looking for inconsistencies. It was noted that a logical axiom, basic to economics, is that a rand should yield approximately the same value in whichever programme it is spent. If the net social benefit from the marginal expenditure on one programme much exceeds that on another, one can do better by withdrawing funds from the second programme and increasing expenditure on the first. By simply looking at a breakdown of the budget between programmes, the amounts spent on each may be compared with our intuitive notions of how much 'ought' to be spent on these things. Our judgement will depend on what we consider the benefits of expenditure under each programme to be, a process which cost-benefit analysis seeks to formalise (see below). For example, if it can be shown that expenditure on preventive medicine constitutes approximately 2% of all expenditure on health,[11] it may be felt that the benefits from this kind of provision warrant an increase in the share of the budget allocated to it.

Unfortunately, such intuitive processes can pick out only the grossest incongruities which are recognised by all, whatever criteria of 'value' are used. The optimum level of expenditure on a particular objective is, from the point of view of intuitive judgement, highly uncertain, because of the wide variation in benefits attributable to a particular type of spend-

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to one another.

An Informal Method for Setting Objectives

The following method for guiding the choice of priorities has been described by John Bryant.[12] It has been used by medical and nursing students in Thailand, and one of its advantages is that it can be used where no numerical data is available. It, therefore, lends itself to discussion, to draw on the experience of a group of people.

Potential health problems are first listed, and then given a score (from one to four pluses) under each of four headings:

Diagram 1 A method of ranking health problems

Problem	Prevalence	Severity	Community concern	Vulnerability to management	Total
Large & poorly spaced families	++++	++++	+++	++	96
Inadequate antenatal & obstetric care	++++	++	++	+++	48
Malnutrition	+++	+++	++	++	36
Need for medical care	++	++	++++	++	32
Specific diseases:					
V.D.	++	++	++	++	16
Dental problems	++++	+	++	++	16
TB	+++	+++	+++	++	54
Common cold*	++++	+	+	-	0
Yaws*	-	++	+++	++++	0

* Added to test scoring method

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Silence on local content confuses truck men

192 S/Times 14/10/79

By ANDREW MCNULTY

MANUFACTURERS of heavy diesel trucks are confused and critical at the lack of any official local content programme for heavy diesel trucks.

This dismay has simply been compounded by the development of the Atlantis diesel engine factory near Cape Town

A General Motors spokesman says the company is unhappy with the unco-ordinated approach which is giving rise to a chaotic and costly situation in what should be orderly product development

"The Government has an urgent responsibility to step in and rationalise the position," he says

Deadline

The Government's deadline for fitting the Atlantis engines to heavy trucks is July 1981 and the former Minister of Economic Affairs, Chris Heunis, said in March this year the Board of Trade was investigating a local content programme for heavy trucks

But Basie Kleu, chairman of the Board of Trade, says "We are still studying the possibilities of a local content programme

"I can't tell you when an official programme will be announced or whether there will actually be a programme"

No need

Albie van den Berg, managing director of the Industrial Development Corporation (IDC), which is establishing the Atlantis plant, says he sees no need for a local content programme for heavy trucks

"With heavy trucks you are dealing with a different animal from motor cars or light commercials The engine is the key element and once the manufacture of the engine has been established, the rest will follow logically

"We have just had the announcement that General Mining intends setting up a plant for gear boxes and steering boxes on the reef, with rear axles to follow later Hopefully somebody will come along next with the clutch and cab pressings

"The only major item that hasn't been resolved is the chassis This is not technically difficult to make but requires a very large press and so may take a little longer to sort out"

Peter Whitfield, managing director and chief executive of Datsun-Nissan (SA), says "The Government still has not planned local content for heavy vehicles, although the Board of Trade has been examining it for some time

Programme

It appears that a programme is now emerging on a fait accompli basis with Atlantis engines in Cape Town and General Mining's components on the Reef

"Although we have not had any definite target prices in respect of locally manufactured diesel motors, we have been told that the prices of prototype engines are a possible indicator of what local manufacturing costs will be

If this is the case, then I do not believe that, based on our deletion prices, a protective duty of 100% will be sufficient to prevent imports"

Phase 5

The General Motors spokesman says that phase 5 for light commercials is still not fully finalised although due for implementation by January 1980

"We have the Atlantis engine programme with a mid-1981 deadline and prices, tariffs and other essential details not yet known, nor the announcement that other companies are to produce gearboxes and axles

"All this is unco-ordinated, in most cases with insufficient lead time for the manufacturers to engineer the local components into his vehicles and with a lack of essential details for study," he says

192

S Times
14/10/79

company making the wonder car

The Christmas promise was made by Global Motor Manufacturing company, the producers of Firefly, in a circular

The circular assured dealers that the Springbok, the company's other vehicle designed for rugged terrain, would roll out of the Port Elizabeth factory this month, and the Firefly would go into production next month

But Mr Henry Greeff, general manager of the company and inventor of the Springbok and Firefly, told me this week that it was "extremely unlikely" that any cars would be completed and ready for delivery this year.

Irresponsible

"I can't tell you at this stage when the cars will be ready for delivery," he said "I know nothing about the circular sent to dealers, but it seems irresponsible because no cars have been completed and it doesn't seem that we will have any ready for delivery by the end of the year

"I just wish that the directors in Johannesburg would tell me what is going on"

The Motor Industries Federation (MIF) probe — the second in four months — follows the "Christmas-gift" circular sent to some of the more than 80 dealers who have placed orders worth more than R20-million.

Mr W M Hayward, local representative of MIF in the Eastern Cape, said

"The MIF has decided to reopen the investigation into the activities of Global so that we can advise our members, who have placed orders with the company.

advice to dealers who placed orders with the company is to check what back-up service facilities are available.

In July Mr Greeff told me that he hoped to produce 30 cars by the end of August and at least 300 a month by February or March next year

At the time Mr Greeff said that his backers had failed to come up with a promised R1,5-million and the financial director of the company admitted to him that the money was not for increased production, he said.

This week Mr Greeff said that he would allow me into the factory — Press and public are barred from the premises by a security guard — and said that he would tell me the "story behind Global from beginning to end." However, he was not available later in the week

Mr Derek Gunning, the company's financial director in Johannesburg, was not available for comment

SA's WONDER CAR: ANOTHER PROBE

Firefly won't be out by Christmas

1992
S Times
14/10/79

Mr Henry Greeff, inventor of the Firefly, sits in a prototype of the Springbok. Next to it is an uncompleted Firefly

THE Christmas gift promised to South African motorists of the sensational petrol-saving commuter car, the Firefly, doesn't look like materialising.

By MURRAY McNALLY

The Firefly caused excitement when displayed at the Rand Show, Johannesburg, this year

The motorcycle-engined commuter claims an incredible fuel consumption of 30 km a litre and is billed as South Africa's answer to the energy crisis.

But the inventor of the Firefly doesn't think any will be ready by the end of the year and the Motor Industries Federation is starting another probe in

"I would like to go through the factory and check what progress has been made since our investigation in July. If they're going to go into production in the next two months the company will have to have a reasonable supply of materials

"I know what sort of machinery and capital is required for the firm to go into production"

available, but insisted that production continue

In August Mr L Stevens the financial manager in Port Elizabeth, said that he had received money for wages and for the running of the factory from the company's head office in Johannesburg

Equipment

No money had been received

processes is essential; and the division will have to be more fine the more discriminating public decisions can be.[10]

The results of programme budgeting may be valuable in themselves, although the mere procedure does not necessarily ensure that better decisions will be made. Their potential is realised only if there follows an assessment of the value of expenditure in each programme.

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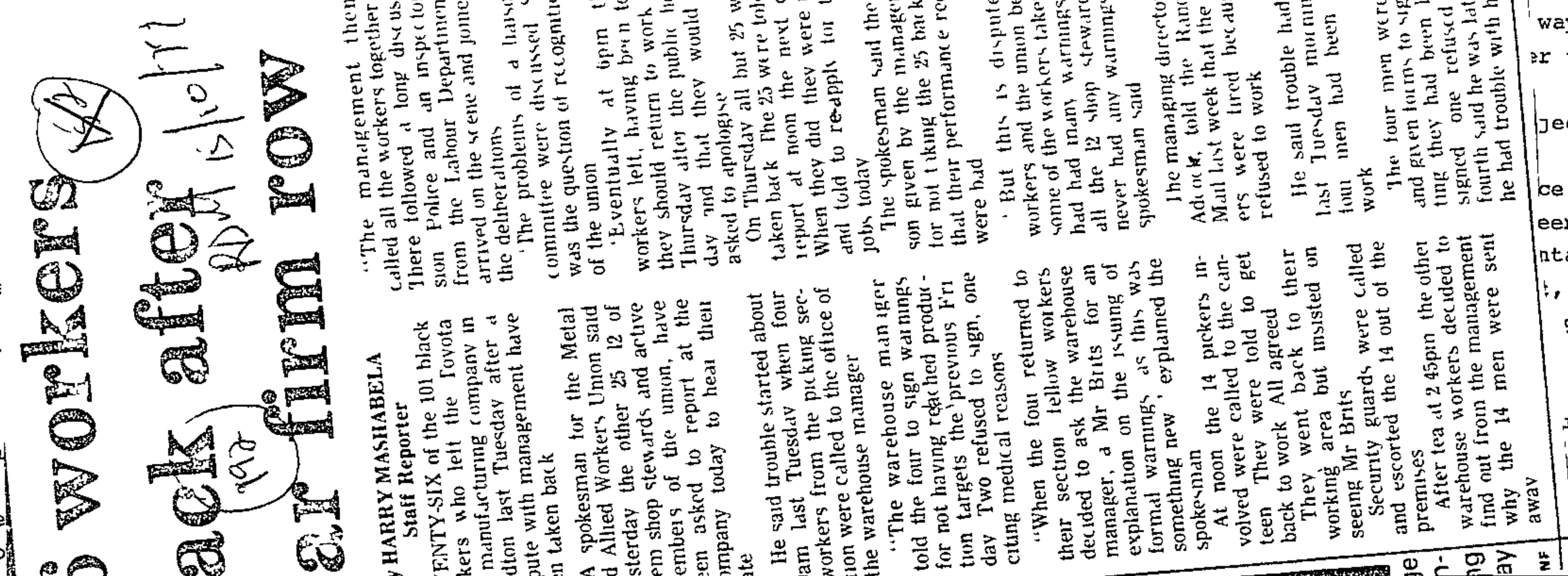

76 workers back after carfire row

By HARRY MASHABELA
Staff Reporter

SEVENTY-SIX of the 101 black workers who left the Toyota car manufacturing company in Sandton last Tuesday after a dispute with management have been taken back

A spokesman for the Metal and Allied Workers' Union said yesterday the other 25 12 of them shop stewards and active members of the union, have been asked to report at the company today to hear their fate

He said trouble started about 9am last Tuesday when four workers from the packing section were called to the office of the warehouse manager

"The warehouse manager told the four to sign warnings for not having reached production targets the previous Friday Two refused to sign, one citing medical reasons

"When the four returned to their section fellow workers decided to ask the warehouse manager, a Mr Brits for an explanation on the issuing of formal warnings, as this was something new' explained the spokesman

At noon the 14 pickers involved were called to the canteen They were told to get back to work All agreed They went back to their working area but insisted on seeing Mr Brits

Security guards were called and escorted the 14 out of the premises

After tea at 2 45pm the other warehouse workers decided to find out from the management why the 14 men were sent away

"The management then called all the workers together There followed a long discussion Police and an inspector from the Labour Department arrived on the scene and joined the deliberations

The problems of a liaison committee were discussed So was the question of recognition of the union

Eventually at 6pm the workers left, having been told they should return to work on Thursday after the public holiday and that they would be asked to apologise

On Thursday all but 25 were taken back The 25 were told to report at noon the next day When they did they were paid and told to reapply for their jobs today

The spokesman said the reason given by the management for not taking the 25 back was that their performance records were bad

But this is disputed by workers and the union because some of the workers taken back had had many warnings while all the 12 shop stewards had never had any warnings spokesman said

The managing director Mr Adcock, told the Rand Daily Mail last week that the 14 pickers were fired because they refused to work

He said trouble had started last Tuesday morning after four men had been late for work

The four men were warned and given forms to sign admitting they had been late Two signed one refused and the fourth said he was late because he had trouble with his feet

ing. This is partly due to a deficiency in information on the results of the programmes which can be resolved by recourse to appropriate data. Nevertheless, there will also be differences of judgement which cannot be resolved without prior agreement on the relative valuation of different benefits which have to be fed into the analysis; and in the intuitive process, these

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Malnutrition	+++	+++	++	++	36
Need for medical care	++	++	++++	++	32
Specific diseases:					
V.D.	++	++	++	++	16
Dental problems	++++	+	++	++	16
TB	+++	+++	+++	++	54
Common cold*	++++	+	+	-	0
Yaws*	-	++	+++	++++	0

* Added to test scoring method

'ATTEMPTS TO DIVIDE BLACK WORKERS'

Leaflet campaign to discredit Unions

By Joe Thloloe

A LEAFLET campaign to discredit the National Union of Motor Assembly and Rubber Workers and the United Automobile, Rubber and Allied Workers' Union is being waged in Port Elizabeth, it was revealed at the weekend.

The secretary of the NUMARW, Mr Freddie Sauls, who is also acting secretary of the United Automobile, showed POST a file of the leaflets he has kept since the campaign started in May 1977.

The leaflets contain attacks on the leaders of the two unions, which have a total membership of 8 000, on the strike called by the NUMARW at Eveready last year, and on a priest who has allowed the unions to hold meetings in his church.

The leaflets have been distributed among motor assembly workers in the Eastern Province The latest was earlier this month.

Mr Sauls this weekend said "When the attacks started, they were racist, trying to divide black workers, African against coloured Now that they see the two unions are working as one, they have switched to personal attacks on me and the other officials of the two unions"

Mr Sauls said that the sentiments expressed in the leaflets are never expressed at the union meetings

"All we can conclude is that they are the work of rightists who are against the unity of black workers We are also wondering where they get the money to produce the leaflets"

The two unions are affiliated to the Federation of South African Trade Unions, a grouping of black unions with a total membership of 45 000.

The National Union of Motor Assembly and Rubber Workers is a registered union while the United Automobile is not registered

GENERALLY ACCEPTED ACCOUNTING PRACTICE

APPLIED EXAMPLES

QUESTIONS

DEFERRED TAX

A. Alpha Limited acquired on 1 May 19.6. Depre straight line. A 25% tax purposes, wear and balance. Tax rates w and taxable income amo respectively, for the and 19.7

1. What is the balance o of the plant at 31.12
   a) deferral metl
   b) liability me

2. Show how the tax char income statement for assuming
   a) deferral met
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   (assume ther timing diff

3. How will the answer t of an extraordinary g company, amounting to in the 19.7 financial

4. How does the answer t deductible loss, whic income from other sou income statement assu

5. Further to Note 4, as profit before depreci

   Draw up the income st under a) liability
   b) deferral m

   Assume the tax rate r

 7/10/79 Sunday Post

2 black car workers' unions plan to merge

(192)

SUNDAY POST
Reporter

THE United Automobile Rubber and Allied Workers' Union, an unregistered union for blacks, and the National Union of Motor Assembly Workers, a registered coloured union, are investigating the possibilities of a merger

At a meeting attended by members of the two unions, it was decided to get clarification from the Department of Manpower Utilisation about setting up one union for car workers in South Africa

It was also decided to hold a ballot on a merger after talks with the department

The two executive councils were empowered to give effect to the decision on such a ballot

The meeting was the immediate reaction by workers in Port Elizabeth following the announcement by the Minister of Manpower Utilisation, Mr Fanie Botha, that trade union rights would be extended to blacks

More than 1 200 workers were transported by 13 buses from townships at Uitenhage and Port Elizabeth to atten the meeting at the Mary Geldenhuys Church Hall in Gelvandale

The meeting was addres ed by officials of the two trade unions

A statement issued by Mr Frederick Sauls, a leading trade union official in Port Elizabeth, leads 'We do hereby resolve that we completely reject any attempt to weaken worker control of our unions We reaffirm our determination to strive for full freedom of association in conjunction with other unions in South Africa

"We give our respect ive executive councils a mandate to adopt a joint stand with other unregistered trade unions on the merits and demerits of registration

"We hope to meet the Department of Manpower Utilisation to clarify the setting up of one union for car workers and to clear up the uncertainty of provisional registration relating to the discretionary powers of the Industrial Registrar

"Once these issues have been clarified union members will be notified and a ballot will be held to obtain the views of our members on whether to form one union or to register separately

"The executive councils will give effect to the decision of such a ballot and these measures will be taken in full consultation with the Federation of South African Trade Unions and its affiliates"

STUFFED CABBAG

1 fresh green cabbage
onions
carrots

Cut the centr form a bowl. and pineapple leaves of the pineapple, to in a bowl add salt and blac into the cabb bowl of mayon roses, cut ac iced water ur

GERMAN POTATO

boiled potatoe
cooked bacon
mayonnaise

Cube the potatoes while still hot. Chop up the bacon, mix with the potatoes, onion and mayonnaise. Season with a little salt and pepper. Use hot or cold.

---oOo---

EGG SALAD

hard boiled eggs
salanaise

Cut eggs in half and lay on a flat salad platter; cut side down. Pour over salanaise.

---oOo---

May Bennett, Ridgeworth

salt and pepper
paprika and parsley

CHICKEN AND CUCUMBER SALAD

1 cup cooked chicken, diced
4 T finely chopped walnuts
French dressing/mayonnaise
lettuce

Marinade chicken, cucumber, nuts and peas with French dressing. Serve on lettuce with mayonnaise. Cover with greaseproof paper and refridgerate until ready for use.

French dressing:
Blend together 6 T salad oil and 2 T lemon juice.

---oOo---

S. Drury, East London

1 cup cucumber, peeled and diced
1 cup cooked green peas

Mix the curry powder, flour with a little water. Mix well, so that no lumps form, and then add the sugar and vinegar, boil up and stir all the time, then add the cooked beans and onions, bring to boil again. Bottle.

---oOo---

APPLE TUNA TOSS SALAD

1 medium head lettuce, torn in bite-size pieces (4 cups)
2 cups diced apple
1 11 oz can (1 1/3 cups) mandarin orange sections, drained
1 6 1/2 or 7 oz can tuna, drained and broken in large chunks
1/3 cup coarsely chopped walnuts
1/2 cup mayonnaise or salad dressing
2 t soya sauce
1 t lemon juice

In a large salad boul, combine lettuce, apple, orange sections, tuna and nuts; toss together. Combine mayonnaise, soya sauce and lemon juice; mix well. To serve, add dressing to salad; toss gently. Makes 4 - 6 servings.

---oOo---

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r life for 'coloureds' and
Africans[5], this is speculative and
Although data has been published for
not considered to be of sufficient reliability to warrant inclusion. Two
different expectations of life have been included: (1) e_0 - the expectation
of life at birth, and (2) e_{45} - the expectation of life at 45 years of age.
Characteristically women have a better expectation of life than men, and
Fig. 6 indicates that this is so for both whites and 'coloureds'. In fact,
so marked is this difference that 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_0 has become 6,9 years in 1970. For whites
a deficit of 3,7 years in 1929 has increased to 7,0 years in 1970

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RAPPORT 28/10/79 (192)

‚Klein motor sal taai stryd bring'

DIE Suid-Afrikaanse motornywerheid sal in 1980 gekenmerk word deur 'n taai en meedoënlose stryd tussen die klein motortjies in die onderste sektor van die mark.

Dit is die mening van mnr Chris Griffith, voorsitter van die Sigma-Motorkorporasie, wat met sy Mazda 323 dié deel van die mark vir reeds bykans drie jaar oorheers

Sowat 18 maande gelede het Volkswagen met sy Golf-reeks by dié markdeel aangesluit en sommige maande het hierdie twee vervaardigers gesamentlik tot 25 persent van die totale aantal passasiersmotors in die Republiek verkoop.

„Ons het vir lank feitlik 'n monopolie in dié markdeel geniet en die aanduidings is dat verskeie van die ander vervaardigers in 1980 ook dié sektor gaan betree Dit gaan noodwendig 'n bobaasstryd oplewer, maar ek voorsien moeilike dae vir hulle," sê mnr. Griffith

Gevestig

„Daardie mense moet onthou dat die Mazdas en Golfs hulself stewig gevestig het. Die nuwelinge sal van vooraf moet begin en kopers oorreed dat hul voertuie beter is. In daardie opsig sal hulle beslis sukkel. Nogtans gaan dit 'n taai stryd afgee "

● Volgens 'n markopname wat onlangs in Suid-Afrika uitgevoer is, het 95 persent van die Mazda 323-kopers bevestig dat hulle weer dieselfde motorjie sal aanskaf In die geval van die Golf was 76 persent van die eienaars dieselfde mening toegedaan. (Onder normale omstandighede is 'n syfer van 60 persent op dié soort van vraag 'n merkwaardige sukses vir die betrokke vervaardiger

Die vervaardigers wat in 1980 die markdeel vir klein motortjies gaan betree, is die volgende: General Motors met sy T-motor, wat op die jongste internasionale motorskou in Frankfurt bekendgestel is en sy verskyning in April op die Suid-Afrikaanse mark behoort te maak, Fiat se Ritmo, wat waarskynlik in Oos-Londen deur Mercedes-Benz vervaardig sal word (daar bestaan ook 'n moontlikheid van Benz-bemarking)

Toyota plaas in 1980 'n kleiner Corolla op die mark en die aanduidings is dat hier 'n vyfdeur- en koepee-weergawe beskikbaar sal wees. Datsun -Nissan sal sy Pulsar op die mark stoot, terwyl Ford Suid-Afrika in 1981 sy Erica-reeks in die Republiek bekend sal stel

„Ek kan nie insien dat enige van die nuwe modelle sulke uitstaande kenmerke het dat hulle werklik groot indruk vanuit die staanspoor sal maak nie Ek voorsien egter dat dié markdeel in 1980 aansienlik sal groei, aangesien die petrolprys sal sorg dat die swaai na kleiner motortjies voortduur," sê mnr Griffith.

„Daardie heel duur motors se markdeel sal soos die wêreldpatroon tot tussen twee en drie persent krimp Ek voorsien dat 'n mediumgrootte passasiersmotor in die prysklas R6 500 tot R8 000 die Suid-Afrikaner se gesinsmotor van die toekoms sal word Die heel duurste behoort in die omgewing van R11 000 tot R12 000 te wees, aangesien die Suid-Afrikaanse koper nog steeds die uitsoekerigste ter wêreld is "

Mnr Griffith het ook bevestig dat Sigma tans deeglik ondersoek instel na die moontlikheid om Citroën se CV-motorjies in Suid-Afrika te vervaardig. „Die ooreenkoms tussen Sigma en Citroën staan nog sterk en ons kyk na die CV's met die doel om hulle in die omgewing van R4 000 plaaslik te bemark.

Hy voorspel ook dat die mark vir ligte handelsvoertuie (veral ligte bakkies wat vanaf 1 Januarie 1980 by die plaaslike inhoudprogram betrek word) in die nuwe jaar 'n grootskaalse insinking sal ondervind

Pryse

„Suid-Afrika is die enigste land ter wêreld waar die verhoudinge tussen motors en bakkies se verkope 2 1 is. In Australië, waar toestande met dié in Suid-Afrika vergelyk kan word, is die verhouding 4 1

„Met die plaaslike inhoudsprogram in werking gaan bakkiepryse die hoogte inskiet en voorspel ek dat ligte handelsvoertuie se verkope skerp sal daal, om ook hier by die wêreldpatroon aan te pas

„Bakkies is die afgelope klompie jare hoofsaaklik gekoop omdat hulle so spotgoedkoop was Mense wat nie werklik bakkies benodig het nie, het hulle selfs as tweede voertuie aangeskaf. Wanneer dié bakkies vervang moet word, gaan daardie mense, weens die nuwe pryse, eerder motors koop "

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RAPPORT, 28 Oktober 1979

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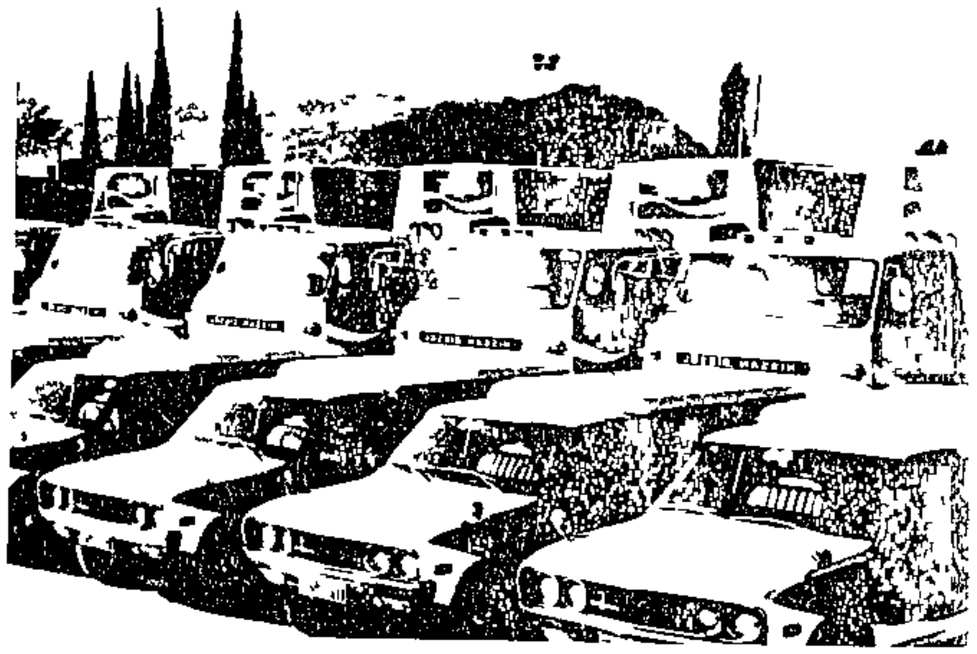
Inhoudsprogram druk party uit



DIE plaaslike inhoudsprogram vir ligte handelsvoertuie wat in Suid-Afrika vervaardig word, is nou vinnig besig om koers te kry. Die Departement van Handel en Nywerheid se finale voorstelle is pas aan vervaardigers gestuur en dit kan aanvaar word dat dit as finaal aangeneem sal word.

Die program tree op 1 Januarie 1980 in werking, wat beteken dat die Suid-Afrikaanse vervaardigers in die stadium nie meer tyd vir uitstel en kibbel het nie

Die finale voorstelle se belangrikste bepaling is dat alle ligte handelsvoertuie, met 'n massa tot 1 300 kg, vanaf 1 Januarie by die program betrek is Daar word verwag dat dié voertuie oor 'n plaaslike inhoud van 50 persent of meer moet beskik om nie gepenaliseer te word nie

In dié stadium word alle driewiel-voertuie uitgesluit en het die departement ook afgesien van ander bepalings soos voorgeskrwe asafstande, ens, wat deel uitgemaak het van die aanvanklike voorstelle.

Soos verwag kan word is daar 'n klompie Suid-Afrikaanse vervaardigers van ligte handelsvoertuie wat nie gelukkig voel oor die plaaslike inhoudsprogram nie, maar oor die algemeen word die jongste voorstelle as „billik" gesien

Datsun-Nissan Suid-Afrika is een van die plaaslike vervaardigers wat nog altyd 'n sterk voorstander van plaaslike inhoud was en wat die Departement van Handel en Nywerheid se jongste voorstelle verwelkom

Sy ligte handelsvoertuie voldoen reeds aan die voorskrifte van plaaslike inhoud soos deur die Regering bepaal Inderwaarheid is hy die program reeds vooruit, want die 120Y-bakkie se plaaslike inhoud in die stadium is reeds 66 persent en die 680-eentonner se syfer, wat nou op die 66-kerf staan, sal middel-1980 oor 'n plaaslike inhoud van meer as 70% beskik.

Mnr Brian Wegner, die maatskappy se bemarkingsdirekteur, verwag dat die vervaardigers wie se voertuie nie aan die voorgeskrewe kerf voldoen nie, swaar gaan leef in die toekoms. „Die penalisering vir diesulkes is styf en dit sal beteken dat hul ligte handelsvoertuie se pryse skerp gaan styg in 1980 In 'n mededingende mark soos ons s'n is dit ongehoord, want onrealistiese pryse sal nie aanvaarbaar wees vir die kopers nie Daarom verwag ek dat 'n klompie van die vervaardigers uit dié marksektor sal verdwyn"

Die ander vervaardigers in die afdeling is Fiat, General Motors, Sigma, Toyota, Volkswagen en Ford

Die reuse-Sigma-korporasie het reeds te kenne gegee dat hy sy Mazda 1300-bakkie laat vaar, maar met sy Mazda 1600- en 1800-bakkie voortgaan hoewel laasgenoemde twee modelle nog nie oor voldoende plaaslike inhoud beskik nie Met die Peugeot-bakkies is daar geen probleme nie.

Toyota se Hi-Lux-reeks het ook geen probleme nie, maar met die Stout-modelle is die nodige vereistes nog nie nagekom nie General Motors se Isuzuku-reeks is ook nog besig met sy stryd teen plaaslike inhoud, terwyl Ford se twee Cortina-bakkies (1600 & 3 lt) reeds aan die vereistes voldoen

Fiat Suid-Afrika maak in die afdeling op sy 128-bakkie staat en hoewel die voertuig aan die plaaslike inhoud se voorskrifte voldoen, is sy markdeel minimaal

Dus wil dit lyk asof die twee Japanse vervaardigers, Toyota en Datsun, die ligtehandelsvoertuig mark in die toekoms gaan oorheers In dié stadium is hul gesamentlike markdeel reeds meer as 80 persent, wat in die toekoms net nog verder kan toeneem

Die jongste besluit van die Regering om die massa beperking finaal op 1 30(kg vas te stel, het verskei vervaardigers in die ligt handelsvoertuig-mark or kant betrap

In een van die vorig voorstelle was die massabe paling feitlik 'n grensgeva onder talle ligtehandel voertuie en het van di vervaardigers gepoog on met behulp van ekstr massa soos groter en bree wiele asook swaarder kom penente die massa sodani op te stoot dat die plaaslik inhoudbeperkingheeltema omseil kon word

Maar met die nuwe ma sagrens is nou ook daardi omseiling nek omgedraa en sal die korrekte paadji noodgedwonge gewande moet word totdat die 5(persent van plaaslike in houd verkry is

Volkskas-Bankovs versterk noue band

(232) RAPPORT 28/10/79

DIE reeds noue bande tussen Bankovs en Volkskas is pas verder versterk deurdat Volkskas-Aksepbank 50 persent van die voorkeuraandele opgeneem het wat Bankovs uitgereik het.

Daar was in die verlede reeds spraké van 'n moontlike oorname van Bankovs deur Volkskas, maar die samesprekings wat gevoer is, het op niks uitgeloop nie.

Bankovs hou wel 'n belang van 20 persent in Volkskas-Aksepbank.

Hoewel die twee miljoen voorkeuraandele wat uitgereik is, aflosbaar en nie omskepbaar is nie, is dit betekenisvol dat Volkskas-Aksepbank 50 persent daarvan opgeneem het. Dit dra 'n rentekoers van 11 persent en dit is onwaarskynlik dat baie moeite met die plasing daarvan ondervind kon word.

Die afgelope week se winsverklaring is immers 'n bewys daarvan dat die bank se geldelike posisie heeltemal gesond is. Ondanks die twee miljoen wat uit die plasing van die voorkeuraandele verkry is, het die direksie R250 000 uit die geheime na die algemene reserwes oorgeplaas. Dit beteken dat 'n verdere R4 miljoen getrek kan word.

Bankovs volg tradisioneel 'n besondere konserwatiewe winsverklaringsbeleid en aansienlike dele van die wins is in die verlede in die geheime reserwes gehou.

Die oorplasing van R250 000 na die algemene reserwe is 'n aanduiding dat die geheime fonds nou na die direksie se mening sterk genoeg is

Dit wil nie sê dat gewone aandeelhouers van nou af heelwat groter dividende gaan ontvang nie Die voorkeuraandele gaan jaarliks immers R220 000 verg, teenoor die afgelope ses maande se toeskryfbare wins van R375 358 (R305 002)

At the Grillental site, the artefacts (made of white quartz and brown chert) occur embedded in a cemented sand of probable fluviatile character in association with fragmented, uncharred animal bones and 2 teeth of the white rhinoceros, which live nowadays only in less dry areas. At the Elizabeth Bay site, the artefacts too are embedded in a cemented sand.

Unfortunately there was no time nor opportunity for any more detailed study of these sites after the discovery. These sites are, however, of special importance as they are in situ sites in geological strata and it [illegible]

people. A factory site was found on top of the "Steffenkop", 7 km N.E. of Bogenfels (by Steffen Kalbskopf, a geologist) and represents a levallois with few blades and points and a peculiar kind of oblique-tipped points which are found as well on other Middle Stone Age sites in the area. A large factory site of silcrete is found on top and at the foot of the Chalcedony Tafelberg just S.E. from Bogenfels. Here again oblique tipped points are found with blades. In the Klinghardt Mountaing a factory site is situated on a small hill with silcrete capping [illegible]

500 motor workers walk out

152

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Own Correspondent

PORT ELIZABETH — More than 500 workers at Ford Motor Company's Struandale plant in Port Elizabeth walked out yesterday because they felt that the company had victimized Mr Thozamile Botha, leader of the Black Civic Organization

Pamphlets demanding that Mr Botha, who resigned from the company on Tuesday, be allowed to return to put his case, were distributed yesterday

"If he is not here at 12 noon today, tools down everybody for three days," the pamphlet said

Production at the plant came to a standstill when both manual and white-collar workers staged a mass walk-out at 12 45 pm

Mr Botha, a former trainee draughtsman at Ford, resigned after being told that he was absent from work too often

At a civic meeting attended by thousands of township residents on Tuesday night, the civic organization unanimously decided to employ Mr Botha full-time

In an interview before yesterday's walk-out, Mr Botha said a Ford official warned him last week that he would either end up in prison or lose his job

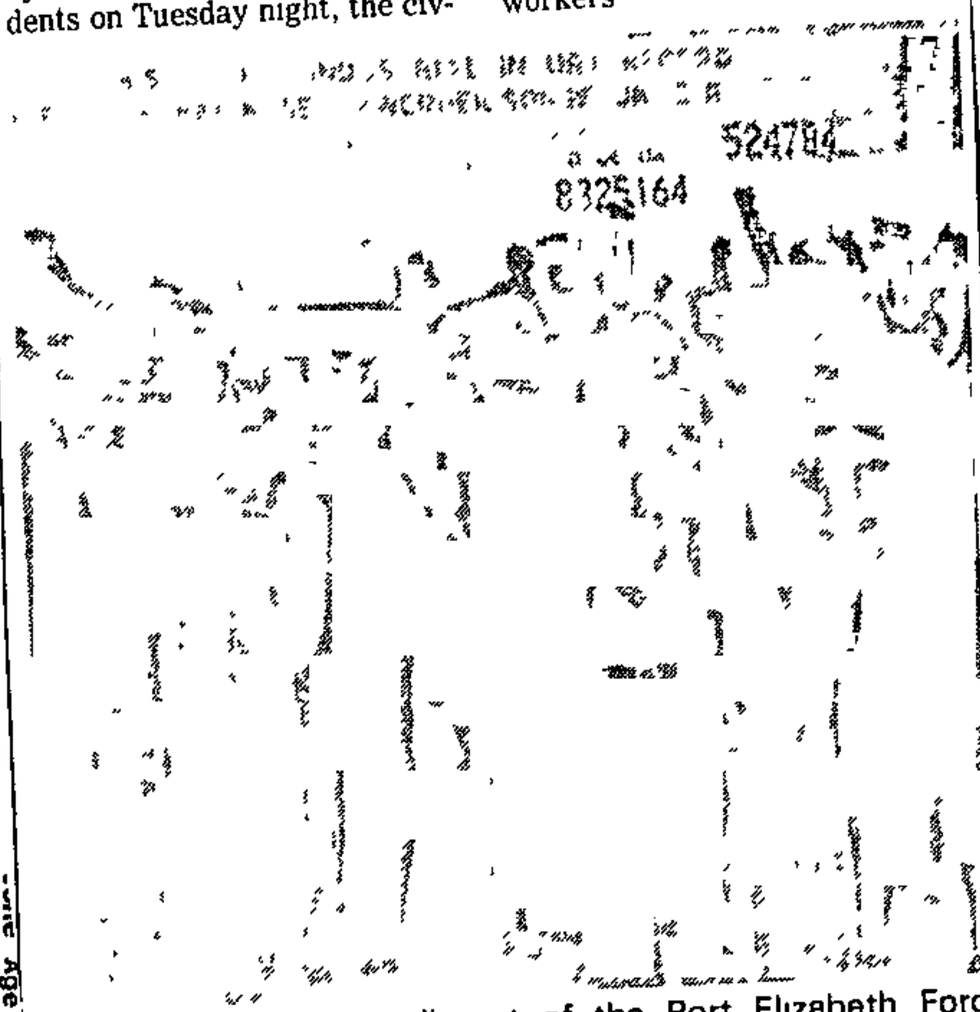
He said he was also told that members of other departments were displeased wth his connection with the civic organization

A Ford spokesman said the company disassociated itself from the alleged remarks "If they were made by a Ford official, then it was in a personal capacity," he said

He repeated an earlier statement that it was not Mr Botha's politics but his frequent absences from work which concerned the company

He said it seemed that most of the black staff had left Things were normal at Ford's other plants, he added

A white-collar worker said Mr Botha was popular with the workers



Protesting workers walk out of the Port Elizabeth Ford plant because of the alleged "victimization" of a fellow employee

A number of Tafelberge in the Pomona area and south of it are remants of the old-end-Miocene landsurface which had developed a persistent silcrete crust. This silcrete is preserved on these Tafelberge and were used consistently by Middle Stone Age

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[illegible] and no [illegible] is hoped [illegible] sites. [illegible] e [illegible] a now ~~people~~ [illegible]icular. [illegible] age [illegible] the [illegible] Age, moved northwards along the coast. Early Stone Age Man did not move far away from the running watercourses. Middle Stone Age people penetrated quite far into the desert and their sites can be found wherever chert and silcrete outcrops occur. They probably lived and moved only in the desert in times of slightly heavier

17/.....

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 if lower or higher levels are selected.

Two aspects of these age-cause specific mortality rates require emphasis. Firstly, whilst being affected by the incidence of the diseases in question, these rates are also influenced by their fatality rates, for example, a decrease in the mortality related to Tuberculosis will not only be influenced by a decreasing incidence of this disease but also by improved prevention at primary, secondary and tertiary levels of intervention which will consequently decrease the fatality rate and, therefore, the associated mortality.

Secondly, it should be appreciated that although the calculation of rates is important for comparative purposes since they take into consideration the underlying population, for the providers of health care the actual numbers are also of importance. This is particularly true for those groups which contribute a comparatively large proportion to the total population, for example 'coloured' children 0-4 years old. The different demographic profiles of the two communities for 1951 are presented in Fig. 1, and this provides an indication of the age distribution of whites and 'coloureds'. The changes in this distribution which occurred between 1941 and 1970 are, for the purposes of the present study, of relative unimportance.

The expectations of life for 'coloureds' and whites are presented in Fig. 6. Although data has been published for Africans[5], this is speculative and is not considered to be of sufficient reliability to warrant inclusion. Two different expectations of life have been included: (1) e_0 - the expectation of life at birth, and (2) e_{45} - the expectation of life at 45 years of age. Characteristically, women have a better expectation of life than men, and Fig. 6 indicates that this is so for both whites and 'coloureds'. In fact, so marked is this difference that at e_{45} the expectation of life than white males. that the gap between the expectation of ing. This trend is apparent in both ties, although it is particularly more deficit of 1,0 years in 1941 at e_0 as a deficit of 3,7 years in 1929 has incr

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_0 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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Ford at standstill as 700 strike

Own Correspondent

PORT ELIZABETH — Ford Motor Company's Struandale plant in Port Elizabeth was at a standstill today as 700 workers continued their wildcat strike in support of Mr Thozamile Botha, leader of the Port Elizabeth Black Civic Organisation.

The workers streamed out of the factory gates after noon yesterday in sympathy with Mr Botha, who resigned on Tuesday following an alleged ultimatum to choose between his job or his association.

By 7.30 am today hundreds of workers had gathered outside the plant demanding that management bring Mr Botha to address them on the circumstances of his resignation.

Shop stewards and management held a brief discussion at the plant's entrance and after an address by Mr S Mpongoshe, a steward, the crowd decided to wait until 9.30 am for Mr Botha's arrival.

Shortly after 10 am a union representative told the crowd that Mr Botha would address them at 7.30 am tomorrow.

The strikers then began drifting away.

The workers expressed strong solidarity with Mr Botha and bitterly attacked the company. But they emphasised that they would be prepared to return to work if management was prepared to bring Mr Botha to them.

The strikers remained orderly although solitary workers leaving or entering the plant were loudly jeered.

600 walk out at Ford

M 11/1/79

PORT ELIZABETH — About 600 workers at the Struandale assembly plant of Ford Motor Company downed tools at midday yesterday.

They demanded the reinstatement of the chairman of the Port Elizabeth Black Civic Organisation, Mr Thozamile Botha, who resigned from the motor company on Monday

With clenched fists raised above their heads, hundreds of men went out of the gates of the plant

Pamphlets demanding that Mr Botha be allowed to go back to put his case were distributed yesterday morning

"If he is not here at noon today, tools down everybody for three days," the pamphlet read

In an interview with one of the leaders as they left the entrance, I was told the workers in the plant had requested an interview with the plant manager, Mr K Berning, to explain what they regarded as the forced resignation of Mr Botha

"Mr Berning would not see us Instead he sent a Mr Veitche to talk to us," said the spokesman

They in turn would not talk to Mr Veitche and there was a deadlock The next to be approached was their representative in the South African Motor Assembly Trade Union, Mr Johnny Mke, who advised the workers to return to their jobs

As they were leaving the main entrance the workers told one another they would meet at the entrance at 7 30 a m today and if Mr Botha was not reinstated by 8 30 a m they would leave for their homes

Asked to comment on the walk out the Ford public affairs director, Mr Dunbar Bucknall, confirmed the men had staged a walk-out because of the resignation of Mr Botha

"I have no hesitation in saying his absence from work interfered with his performance," said Mr Buchnall

He said that in the last couple of weeks Mr Botha had often been away and he was told that his periodic absence from his desk was detrimental to the company's production

Mr Buchnall said there was no political reason for the move When asked whether Mr Botha would be taken back unconditionally if he continued to do his work to the satisfaction of the company but carried on with his private affairs which would include his chairmanship of the Port Elizabeth Black Civic Organisation, Mr Buchanall refused to speculate

In an interview before yesterday's walkout, Mr Botha said a Ford official warned him last week that he would either end up in jail or lose his job

A Ford spokesman said the company dissociated itself from the alleged remarks "If they were made by a Ford official then it was in a personal capacity," he said

The Port Elizabeth Black Civic Association, under the chairmanship of Mr Botha, appears to be the most strongly-backed body in the townships now This is evident from the thousands of residents who have attended its meetings

At a meeting attended by thousands of residents on Tuesday night, it was unanimously decided to employ Mr Botha on a full-time basis.

The meeting was opened by the actor John Kani who traced the history of the Port Elizabeth urban blacks from The Hill, Newton Park, Korsten to New Brighton "from where he is now being driven out to Transkei and the Ciskei"

Mr Botha told the meeting he had been forced to resign from his job

He said he had been told by his employers to choose between the company and his outside activities

"I had no option but to resign so that I could work for my people" he said —

	W M	W F	A M	A F	C M	C F	B M	B F	M
0–1	0,17	0,08	0,60	1,03	1,24	0,79	0,89	0,74	0,
1–4	0,01	0,01	0,05	0,05	0,05	0,02	0,04	0,05	0

	W M	W F	A M	A F	C M	C F	B M	B F	M
0–1	1,57	0,76	0,60	1,03	1,24	0,79	0,89	0,74	
1–4	0,05	0,04	0,05	0,05	0,05	0,02	0,04	0,05	
5–24	0,01	0,00	0,01	0,01	0,01	0,02			

	12,46	9,07	16,92	11,55	29,22	24,78	23,16	22,23	
0–1	0,02	0,02	0,02	0,02	0,02	0,04	0,04	0,00	
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65+	–	–	–	–	–	–	–	–	
ALL	0,25	0,17	0,48	0,32	0,83	0,67	0,55	0,67	
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1–4	0,01	0,01	0,C						
5–24	0,02	0,01	0,0						
25–44	0,02	0,05	0,08						
45–64	0,23	0,19	0,4						
65+	1,25	1,09	1,0						
ALL	0,13	0,15	0,1						
NO.	276	303							

600 Ford workers walk out on strike

192

152

1/11/79 Post

HUNDREDS of workers at Ford's Struandale Plant in Port Elizabeth walked out yesterday in sympathy with the resignation of Mr Thomamile Botha, a company employee and leader of the Black Civic Organisation.

Shortly after 1 pm yesterday afternoon, 600 workers marched out the gates of the plant waving black power salutes after management had apparently refused a demand that Mr Botha be brought to address the workers.

The action follows allegations by Mr Botha that he was offered the option of continuing working for Ford or of resigning and continuing with his involvement in the civic organisation. Pamphlets calling for a three-day strike unless Mr Botha be called to put his case were distributed amongst workers at the plant early yesterday.

The pamphlets demanded that Mr Botha be given a fair chance to put his case and said there should be no victimisation at Ford. Workers leaving the plant today said they intended staying away for three days in protest against the "disgraceful" treatment of Mr Botha who was described as "the people's leader". A spokesman for Ford said shortly before the walkout that the company was confident there would not be any action

Stoppage

He confirmed that management had not tried to contact Mr Botha nor had it called in the police. Company spokesmen were not available for comment after the walkout and it is not known how seriously the plant has been hit by the stoppage.

The first waves of workers out of the plant gates said that they believed many others would follow the walkout from both the Struandale plant and other Ford installations in Port Elizabeth.

1979

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(August 2 - August 21)

ugh Europe and to
grew larger;
monopoly and oligopoly became "problems". International trade increased. Despite a so-called depression towards the end of the century, living standards rose in the advanced countries. Capitalism reached towards India and Africa the age of Imperialism began.

Lectures: (1) The spread of industry to France, Germany, and the United States (2) Free trade and protection (3) The "great depression" of 1873-96 (4) The transport revolution (5) Imperialism.

P.T.O.

CT. 21/11/79 (192) (192)

PE tyre strike: 900 may get sack

Own Correspondent

PORT ELIZABETH. — About 900 black workers at General Tyre here would be replaced unless they returned to work soon, the managing director, Mr R G Nicholson, said from Johannesburg yesterday

Production at the Port Elizabeth plant came to a halt again yesterday when about 900 black workers staged a walkout at 12 30 pm. It was their second consecutive walkout this week.

Mr Nicholson said the company viewed the walkouts as illegal strikes and could not negotiate with workers unless they returned to their jobs

He said a member of the company's Port Elizabeth staff would fly to Johannesburg today to give him a personal briefing on the situation

Workers interviewed said they handed a list of 24 grievances to plant management at a meeting yesterday morning They demanded the re-instatement of two recently laid-off workers.

Other grievances included a demand for union representation, claims of discriminatory pay and employment practices, inferior segregated facilities and strained relations with white workers.

They said they have been boycotting their canteen because they were regularly searched to prevent theft of cutlery

Asked to comment about the workers' complaint of inadequate representation, Mr Nicholson said "I don't believe there is a union which represents our workers. I believe we need one

"Our problem now is we don't even know who we are supposed to be negotiating with."

● Worker unrest continued at Ford motor company's Struandale assembly plant yesterday where about 60 paint shop workers walked out after a disagreement with management over overtime.

HONEY CAKE — Jan

1 cup flour
4 t baking powder
2 T butter
1 egg
½ cup sugar
½ t salt
½ cup milk

3 T honey
1½ T butter

Sift dry ingredients. Heat milk and 2 tablespoons butter until melted. Beat egg and add to milk and butter. Mix with dry ingredients and bake in buttered fairly deep pie dish approximately 20 minutes at 350°F or 180°C.

Melt honey and 1½ tablespoons butter and pour over hot cake before serving. Serve with whipped cream.

NUT CAKE — Marge

4 eggs
½ lb sugar
½ lb ground almonds (or hazelnuts)
½ t baking powder
½ T flour
½ grated lemon (skin & lemon)

Beat yolks with sugar until creamy, then add flour, baking powder and lemon. Fold in stiff beaten egg-whites. Bake at 350°F for ½ hour.

Serve with whipped cream.

if it is too thick. Chill in a large bowl. Before serving pour on sour cream and sprinkle with chopped chives.

BEAN SOUP (Serves 8) — Cat

1 pkt sugar beans
1 slice beef shin or soupmeat
1 Kassler rib or bacon bones
handful soup celery, chopped
2 bay leaves
1 onion studded with 8 cloves
2 carrots, chopped
2½ litres water
salt & pepper to taste

Wash beans, cover with water, bring to boil. Boil for 2 minutes. Remove from heat and soak for 1 hour. Bring to boil again, add rest of

PM workers 'ripe for unrest'

Argus 30/11/79. (152)

Argus Bureau

PORT ELIZABETH — Port Elizabeth is ripe for industrial unrest with both whites and blacks angry and bitter. This grim warning was given today by Dr Alex Boraine, opposition labour spokesman, who yesterday held talks with labour leaders in the city.

While the situation at General Tire was still not clear and Ford had problems, it was crystal clear that the climate in Port Elizabeth at the moment was conducive to labour unrest, he said.

'And until the dominance of race in industry assumes a lesser role we can expect further outbreaks,' the MP for Pinelands said.

Workers, on the other hand, should use available channels rather than the wildcat walk out system they were adopting.

As long as management met separately with white workers and then with black workers there would be unhealthy and unbearable competition.

What we have now is a classic situation of demand and counter demand which must be defused by unifying the workers,' he said.

Dr Boraine said it was clear white worker resentment to entrenched change made by Ford had now surfaced.

'The supreme irony is that for 40 years the Government has been telling them they are superior to the black man. These are apartheid chickens coming home to roost and one feels a measure of sympathy for the whites,' he said.

(6)

after discussion with staff and 24% as a r
discussions with senior students and with
students.

2.4 The Course Information Lectures

The majority of the sample (73%) felt that
obtained some information about the subjec
Course information lectures, though only 3
completely or almost completely satisfied
information obtained. The majority specif
comments that they would have liked course
lines and booklists on each specific subje
handed out before lectures. They would al
information in the lectures about tutorial
work loads, department requirements and re

The majority of the sample (52%) felt that
enough opportunity to ask questions at the
information lectures though 30% felt they
liked more; only 6.5% would have preferred
in their offices instead of the lectures.
see staff as well as the lectures, and were
with the arrangements.

2.5 The Student Workshops

Approximately one-third of the sample did n
questions in this section of the questionna
be because they did not attend the Sunday w
a great number of the sample indicated in t
that they would have preferred these not to
on a Sunday. Of those that did answer ques
section 83% felt the Workshop had been long
helped them to some extent to integrate int
as well as in choosing their degree courses

2.6 The Course on Study Methods

A majority of the sample (69%) felt that th
methods of study were adequate at Universit
than 1% felt they were completely adequate
so. Yet the majority (51%) would have like
lecture on "Lectures, Revision and Examina
"Reading and Research"; in their comments a
students suggested that a more practical pr
all topics might be desirable.

As regards an on-going study methods course
semester, 72% of the sample stated they wou
desirable and 30% would find it very valuab

2.7 Library Instruction Course

An overwhelming majority of the sample were
enthusiastic about the library course and
librarians very helpful.

2.8 Academic Advice

In indicating whose advice they had primarily sought in planning their university curriculum, the sampe indicated as follows:

...../5

Bosses warn tyre workers

RDM 24/4/79 (122)

Own Correspondent

PORT ELIZABETH — Black workers at General Tire, Port Elizabeth, would be replaced unless they returned to work soon, the managing director, Mr R G Nicholson, said yesterday.

Production at the plant came to a halt again yesterday when about 900 black workers walked out at 12 30pm It was their second walkout this week.

Mr Nicholson viewed the walkouts as illegal strikes

Workers said they handed a list of 24 grievances to plant management at a meeting yesterday morning. They demanded the reinstatement of two recently laid-off workers.

Other grievances included a demand for union representation, claims of discriminatory pay and employment practices and inferior segregated facilities

Both day shift and night shift workers turned up at the factory yesterday morning They walked out after unsuccessful meetings with management. Before leaving, they elected a committee of five to represent them

Asked to comment on the workers' complaint of inadequate representation, Mr Nicholson said "I don't believe there is a union which represents our workers I believe we need one

Meanwhile worker unrest continued at the Ford Motor Company's Struandale, Port Elizabeth, assembly plant yesterday where about 60 paint shop workers walked out after a disagreement with management over overtime.

A Ford spokesman said that the paint shop was asked to keep working yesterday while other sections went home The call was rejected and the workers left

Wednesday, November 21, 1979 • 10c

1 000 go on strike

Walk-out after dispute at Ford

POST CORRESPONDENT

THE labour unrest in Port Elizabeth took another turn yesterday when 60 workers at tension-filled Ford walked off their jobs while more than 1 000 workers were on strike at General Tire

And yesterday the first reports of police activity were that a number of hotel employees who walked off their jobs on Saturday were arrested when they turned up to fetch their salaries

They were employed by the Red Lion Hotel and comprised the kitchen, bar and chamber staff The manager of the hotel, Mr S Wasserug confirmed they had been arrested, but would not given any details

Colonel L K Knox, Port Elizabeth District Commandant, was not available for comment

The Ford employees walked off after a dispute with management over overtime The workers are from the paint shop at the Cortina [illegible]

ment the workers presented a 24-point list of grievances covering a range of issues Among the more important were a rejection of the plants' existing liaison committee system and a demand for union representation

The workers claim that factory manager Colling had been threatening in his negotiations with them saying he would fire them or they would lose their bonuses through their actions.

Trouble at the plant began when workers boycotted the canteen because of an alleged insistence by management that black workers be searched when leaving to prevent the theft of cutlery. The boycott of the canteen entered its second week

General Tire officials at the Port Elizabeth district office and head office in Johannesburg were unavailable for comment yesterday Mr Colling said he was not prepared to talk to the Press Only head office could do so, he said

WILD & CRAZY

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This walk-out comes when management is due to hold crucial talks with staff The staff is demanding reinstatement of a black worker retrenched with a reinstated white

Production at General Tire in the Port Elizabeth plant came to a standstill yesterday as black workers continued their protest walk out in support of a demand that three retrenched black workers be reinstated By midday yesterday about 1 000 workers walked out of the plants after holding a series of meetings with plant manager Mr Norman Colling

This was after they had issued an ultimatum to management to reinstate the three retrenched workers or face a continued work boycott

The workers comprising those of night and day shifts will report at work today but to hold a meeting with officials of the Trade Union at 7 am

At an early morning meeting with manage-

192

21/11/79

700 strikers lose jobs at Ford

22/11/79 (192)

PORT ELIZABETH — About 700 black workers involved in a series of walkouts at Ford Motor Company's Cortina plant at Struandale are to be paid off tomorrow after an ultimatum to work or leave

The action follows tougher disciplinary measures introduced by the company on Tuesday afternoon when it gave workers notice that anyone who left his post during hours or who refused to work overtime would be considered to have terminated his service

By about noon yesterday the workers were addressed by a company official By lunchtime every black worker had walked out, bringing production at the plant's vital Cortina plant to a standstill

Ford management expressed fears that the action by the Cortina plant workers would spread to the 300 workers at the nearby engine plant, but after a temporary work stoppage all but three workers returned to their posts

Ford's public affairs director, Mr Dunbar Bucknall, said they would also be paid off together with the 700 from the assembly plant tomorrow as a result of their action

The walkout by the Cortina plant's 700 workers was closely monitored by vanloads of police, who, however, remained at a distance

Mr Bucknall said the police acted on their own initiative and had not been called in by the company

The mass of workers dispersed soon after vacating Ford premises and there were no incidents

Among those who walked out was Mr Thozamile Botha, chairman of the Port Elizabeth Black Civic Organisation

He said soon after leaving the gates that all the men had through their actions resigned and were to collect their wages tomorrow

"This is cruelty on the part of the management. They did not want to co-operate in any way," he said "I could have solved the problem if I had been allowed to talk to the people "

Mr Botha [illegible] as long as there was [illegible] friction "this sort of thing will continue"

Meanwhile, black workers at General Tyres here spent the entire day in the yard of the company while two of their representatives were conferring with the management

The representatives were demanding the reinstatement of two dismissed workers, Mr Eric Maki and Mr Welcome Ngabase

After reporting back to the workers, their representatives were instructed to tell the management they had decided unanimously not to go back to work unless the two workers were reinstated. The management was equally adamant it would not accept them

The workers then decided to report at the factory this morning, but to wait until the management decided in their favour before resuming work.

In another incident, 11 black workers who were dismissed from the Red Lion Hotel here after a walk-out last Saturday yesterday paid admission of guilt fines after they were arrested for loitering A police spokesman said the workers each paid R5

The workers had walked out after complaining about their food and pay

ECONOMIC HISTORY I - SECOND PART 1979

COURSE OUTLINE AND SCHEDULE OF LECTURES

This part of the course covers the development of capitalism in Europe and North America - and with a glance at socialist Russia - from the middle of the 18th century until the present day. The theme of the lectures will be the interaction between economic development and economic thought: how changes in production methods led to changes in society, how these changes were sometimes seen as "problems" which economists were expected to "solve", and how the "solutions" led to new changes involving new "problems".

The subject matter will be divided into five sections:

SECTION I : The Industrial Revolution in Britain. (May 30 - June 21)

The Industrial Revolution (conventionally, 1760-1830) turned Britain from a land of plough and pasture to one of factory and town. Production increased rapidly; and this could be seen as a vindication of the ideas of Adam Smith, the 'Father of Economics', who had argued that free enterprise would lead to the greatest wealth.

Lectures: (1) Outline and definitions (2) Adam Smith's Britain (3) Changes in consumer goods industries (4) Changes in capital goods industries (5) Population growth - cause or effect? (6) Transport developments (7) Capital growth (8) "Causes" of the industrial revolution.

SECTION II : The Aftermath of the Industrial Revolution. (J

The Industrial Revolution led to greater production but it d immediately lead to greater prosperity for most people; it m have led to greater poverty. Why? Thomas Malthus and Karl M gave different answers to this problem - answers that are st debated to-day.

Lectures: (1) Some social results of the Industria Revolution (2) Malthus on the causes of poverty (3) Marx o causes of poverty (4) A survey of 19th century political dev

SECTION III : The Spread of Industrial Capitalism. (August

During the nineteenth century, capitalism spread through Euro the United States. As it spread, it changed. Firms grew lar monopoly and oligopoly became "problems". International trad Despite a so-called depression towards the end of the century standards rose in the advanced countries. Capitalism reachec India and Africa: the age of Imperialism began.

Lectures: (1) The spread of industry to France, Ge and the United States (2) Free trade and protection (3) The depression" of 1873-96 (4) The transport revolution (5) Imp

Walkout workers sacked

PORT ELIZABETH. — More than 700 black workers at Ford's Cortina plant at Struandale lost their jobs yesterday after staging the fourth snap walkout in three weeks

In terms of a new hard-line management approach spelt out yesterday, the workers were held to have terminated their own services by walking out soon after midday.

The chief grievances outstanding appear to be a demand by black workers that a colleague be reinstated after his recent retrenchment, and an insistance that management meet workers for a face-to-face report back on their grievances

A Ford spokesman declined to comment on whether the workers would be allowed to reapply for employment

For the first time since the dispute at the Ford plant began, the police mounted a visible presence at the plant, with plain-clothes policemen watching proceedings from a distance. — Sapa.

Ford fires employees

700 get boot

22/11/79 Post (192) ~~152~~

Own Correspondent

FORD MOTOR COMPANY yesterday fired more than 700 black workers at its Cortina plant in Port Elizabeth.

The decision to pay off the workers followed another walkout by black workers — the fourth in three weeks.

Among those paid off by management is the leader of the Port Elizabeth Black Civic Association, Mr Thozamile Botha, who along with 700 other workers left the plant at mid-morning

The workers were told that they would receive their pay tomorrow

For the first time police were introduced onto the scene and scores of police in plain clothes were visible. They arrived in eight cars.

Four anti-riot trucks were introduced when workers were informed that they had lost their jobs.

There were no incidents, however.

A team from ABC television from the United States of America was present.

The walk-out yesterday

The company also said it would no longer tolerate mass worker meetings on company premises and said that though it deplored racist statements of any kind, it could not be held accountable for what workers said off the premises.

Ford's crackdown on the day the workers' ultimatum was due to expire brought an angry response from black workers.

Workers said they wanted management personally to negotiate face to face with the workers, but a Ford spokesman said yesterday this would be impossible.

The management said the workers were informed through the liaison

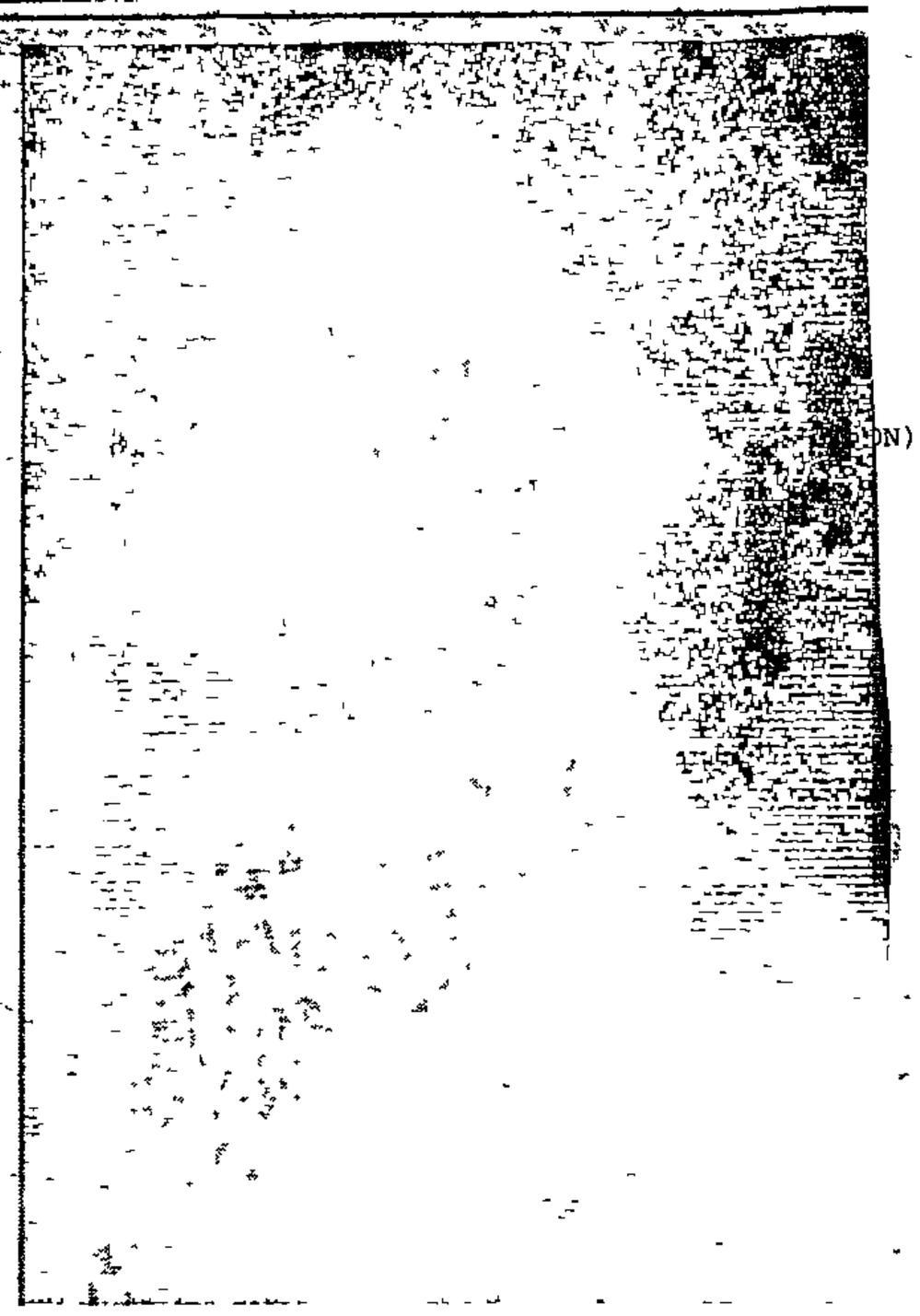
sing the company of discouraging trade union organisation at the plant.

The workers invited union representatives to address them on their rights.

The situation at Ford's adjacent engine plant was still tense yesterday following boycotts and rumours of another strike.

More than 1 000 at the company's Neave plant again boycotted the canteen facilities in sympathy for similar boycotts at other plants called to protest against allegedly racists' statement made by some white workers recently.

The 700 sacked workers at Ford met yesterday at the St Stephens Church Hall and details of the



Thozamile Botha . . . lost his job.

	W		
	M	F	M
0-1	0,09	0,05	0,0
1-4	0,03	0,01	0,0
5-24	0,01	0,01	0,0
25-44	0,02	0,02	0,0
45-64	0,09	0,12	0,3
65+	0,39	0,59	1,6
ALL	0,05	0,08	0,1
No.	114	173	4

198	159	3792	3146	3472	2593

22/11/79 (192)

There were no incidents, however.

A team from ABC television from the United States of America was present.

The walk-out yesterday followed statements posted on notice boards in which management said in future it would negotiate on worker grievances only with liaison committees or union representatives.

It also warned further walk-outs or refusal to do reasonable overtime would be regarded as a formal resignation by workers but a Ford spokesman said yesterday this would be impossible.

The management said the workers were informed through the liaison committee of the management's response to the wide range of issues raised by black workers during the past week

Meanwhile the strike by more than 1 000 workers at the nearby General Tire company entered its third day yesterday with an organiser of the United Automobile and Rubber Workers Union accusing some white workers recently.

The 700 sacked workers at Ford met yesterday at the St Stephens Church Hall and details of the meeting will be released today.

At another company, Adamas Paper Mill in Port Elizabeth, it has been confirmed that management held talks with a number of workers over several grievances. The spokesman said management had promised to look into the grievances and the workers returned to work.

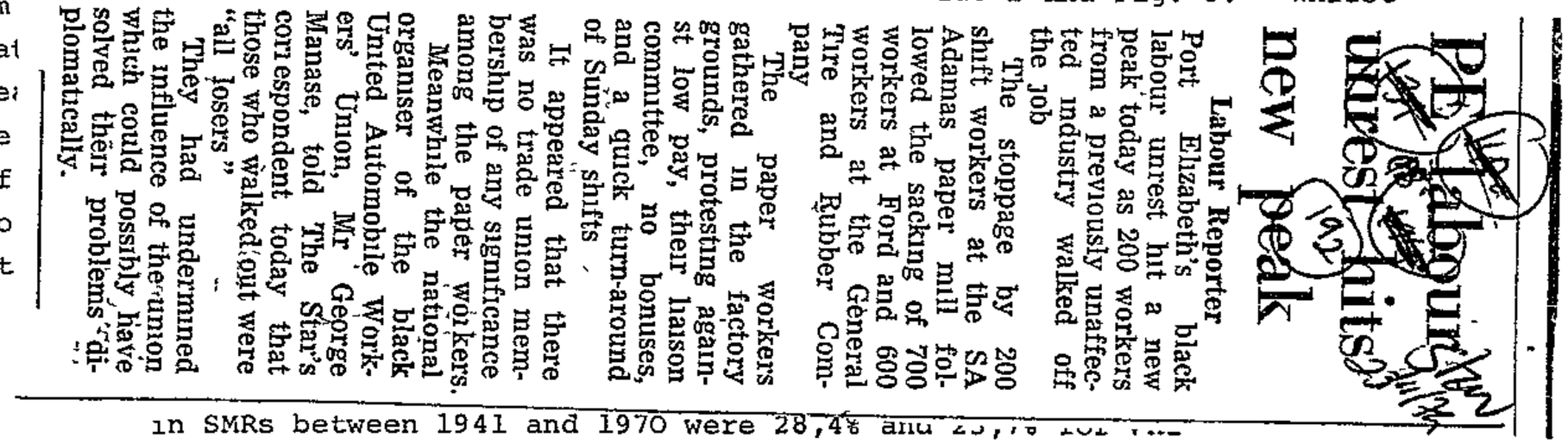
(iv) Proportional Mortality, accounted for by specific conditions.

(v) Expectation of Life. This was calculated both at birth (e_o) and at 45 years of age (e_{45}) for both males and females. It expresses the average number of additional years an individual would be expected to live beyond birth and 45 years.

For Africans, the proportional mortality was the only index calculated.

RESULTS

The infant mortality rates (IMR) and standardised mortality rates (SMR) [illegible] provided in Fig. 2 and Fig. 3. Whilst



PE labour unrest hits new peak

Labour Reporter

Port Elizabeth's black labour unrest hit a new peak today as 200 workers from a previously unaffected industry walked off the job

The stoppage by 200 shift workers at the SA Adamas paper mill followed the sacking of 700 workers at Ford and 600 workers at the General Tire and Rubber Company

The paper workers gathered in the factory grounds, protesting against low pay, their liaison committee, no bonuses, and a quick turn-around of Sunday shifts

It appeared that there was no trade union membership of any significance among the paper workers.

Meanwhile the national organiser of the black United Automobile Workers' Union, Mr George Manase, told The Star's correspondent today that those who walked out were "all losers"

They had undermined the influence of the union which could possibly have solved their problems diplomatically.

in SMRs between 1941 and 1970 were 28,4% and [illegible] 'coloureds' respectively.

The age specific mortality rates are summarised in Fig. 4. Since death is inevitable, it is to be expected that decreases in the mortality experience of younger age groups will give rise to a corresponding increase in mortality amongst elderly persons. Thus, although it is to be expected that for both whites and 'coloureds' the mortality rates for persons over the age of 65 years have shown a rising trend, it is of some concern that the mortality rates have also increased between 1960 and 1970 for 'coloureds' in the 25-44 and 45-64 years age groups

The imbalance between the age specific mortality rates of whites and 'coloureds' has improved or remained constant for persons between the ages of 5 and 64. However, for children less than 5 years of age, the gap between whites and 'coloureds' is widening. In 1941, white children under one year old experienced 28,0% of the mortality of 'coloured' children,

by 1970, this figure had decreased to 15,7%, indicating that the whites had improved disproportionately to the 'coloureds'. Similarly, for children 1 to 4 years of age, during the period 1941 to 1970, the white mortality experience as a percentage of the 'coloureds' had decreased from 15,2% to 7,1%. It should be noted that the 0 year age specific death rates are higher than the corresponding IMRs. This is because the denominator for the former is the number of live births whilst for the latter it is the mid-year populations under one year of age.

Fig. 4 provides an indication of the proportional contribution of selected causes of death to the overall mortality experience of the white, 'coloured' and African communities.

During the period 1929 to 1970, the whites have shown a changing spectrum of mortality which is classically associated with an improving health sta[illegible] Infectious diseases have become less important and the major causes of de[illegible] are increasingly related to Cardiovascular and Neoplastic diseases. The 'coloureds' and Africans, however, have a persistently high proportion of deaths caused by infectious diseases. The Africans exhibit a spectrum o[illegible] mortality which is characteristically associated with developing communit[illegible] whilst the 'coloureds' appear to occupy an intermediate position between whites and Africans, although it is clearly much more similar to the Africans than it is to the whites.

What is of particular concern about the 'intermediate' position of the 'coloureds' is that it would appear to incorporate the worst of both the developed and the developing experiences. This becomes apparent from Table II which provides a more detailed analysis of the different diseases contributing to the overall mortality of the whites and 'coloureds' in the form of cause specific mortality rates for defined age groups. Thus, although cardiovascular diseases are consistently responsible for a fairly small proportion of the overall mortality of the 'coloureds', Table I indicates that the actual rates for cardiovascular diseases have been fairly similar for both whites and 'coloureds' since 1941.

Clearly, the broad diagnostic categories used in this analysis conceal a certain amount of information However, because of the changes in disease classification which have taken place since 1929, it is not possible to examine the temporal changes of mortality rates in greater detail. Disease categories with rates greater than 5/1 000 appear in italics in Table II. It will be noted that the mortality experiences of the 'coloureds'

23/11/79

General Tire lays off striking workers

PORT ELIZABETH — Between 600 and 900 black workers at the General Tire factory were were laid off yesterday after three days during which the black labour force at the factory refused to work

There were conflicting reports about the number of workers involved and the managing director of the company, Mr R G Nicholson, was not avilable for comment

Mr Nicholson said in a statement earlier that the entire black labour force at the factory had refused to work and that he had laid them off after paying them for work completed

He said production would continue using the available labour force and it was reported that white workers were being used to keep production going

Police were at the factory while workers were paid off yesterday, but there were no incidents

The black workers accused the management of preventing them from joining the black United Automobile and Allied Workers Union They have also demanded direct negotiations with management

Mr Nicholson said yesterday the company was not able to enter into formal negotiations until the employees resumed work

Meanwhile the Ford Motor Company, which yesterday said it would deem about 700 black workers, who had not returned to their jobs, to have resigned, said yesterday their applications for re-employment would be considered

Ford's director of industrial relations, Mr Fred Ferreira, said 17 dismissed men were no longer needed

Their dismissals had had nothing to do with the strike

Mr Brian Pitt, managing director of Ford, said the strike had cost the company 1 000 Cortinas in lost production. — Sapa

november 23 1979

Financial Mail

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FM. 23/11/79

LABOUR UNREST

A Ford in your future?

"There's a Ford In Your Future," runs the old slogan As labour unrest boiled over again in the Eastern Cape, many an employer might be pondering its ironic truth

As the *FM* went to press, workers at Ford s Cortina plant had walked out for the fourth time in a fortnight or so — despite a management warning that anyone who walked out or refused to work "reasonable overtime' would be regarded as having resigned Ford has closed the plant until Monday — for a "cooling off period,' says industrial relations manager Fred Ferreira He says he expects no problems in re-employing most of the workers

At nearby General Tire, an estimated 1 200 workers had been out since Monday Membership of the (African) United Auto Workers had risen from 50% of the workforce to 80% in the week since the dispute at General Tire began Rumours that other employers could be hit by strikes were rife, but most sources believe the unrest will not "spread wildly "

But, whatever the outcome of the last fortnight's unrest, it may well have marked a turning point in SA labour relations — just as the Durban strikes did in 1973 The most important trends in SA s labour — and perhaps, political scene — have come together in one factory and then spread to another Ford s present could well be other employers future

Most whites don't regard the Eastern Cape as the centre of SA But it has always been a focal point of black politics and the importance of the issues raised by the events which began at Ford about a fortnight ago overshadow the supposed obscurity of their setting

The increasing politicisation of African workers management s need to negotiate with strong democratic trade unions as a bulwark against conflict the growing fears of white workers and the pressure on their unions as a result and the clash between white fears and black aspirations are all at issue So are the demands this places on multinationals in particular and SA employers in general These have always been issues But they will increase in importance in the 1980s

To be sure, the General Tire dispute has many of the hallmarks of past disputes The recognition of the United Auto Workers has increasingly become an issue there — although the dispute was sparked off by the dismissal of two workers and followed a week long canteen boycott by African workers According to UAW s George Manase personnel officers have indirectly urged workers not to join the union and this week management rejected a worker demand that union officials be involved in negotiations (although the *FM* understands that a union-management meeting was due as it went to press)

General Tire MD Nic Nicholson claims he doesn't know what the worker demands are (they had been read to him but he didn't remember them) and says he is not prepared to reinstate the two workers because ' I don't want to lose authority in the plant "

Workers insist that they are not involved in a sympathy strike with Ford workers But some sources point out that the grievances there are virtually indentical to those at Ford This obviously fuels talk of "agitators ' — that hoary claim whenever unrest occurs But, as unionist Fred Sauls argues, even if there were agitators "they wouldn t succeed unless there were real grievances "

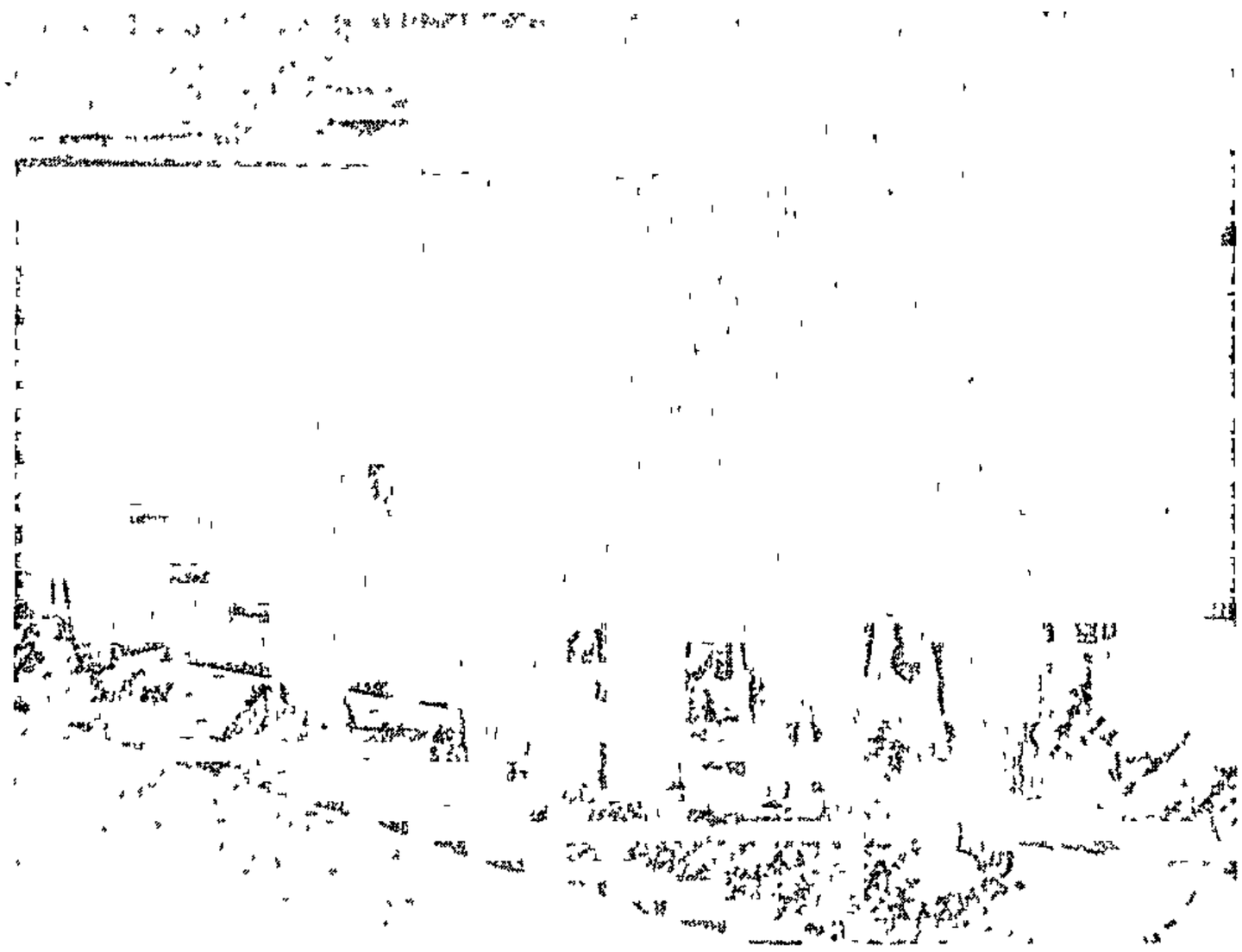
It is the Ford dispute, however, which is so different from the well-worn story of workers who feel management is not prepared to tolerate worker representation in the plant Indeed Ford has recognised the UAW for some time The dispute began over the alleged victimisation of Thozamile Botha who happens also to be the leader of the Port Elizabeth Black Civic Organisation (Pebco) This organisation is the PE equivalent of Nthatho Motlana's Soweto Civic Association and has at least informal links with Azapo, the black consciousness organisation formed recently

African workers in the area are becoming increasingly politicised and Pebco enjoys wide support among them — many Ford workers have been manning the

Ford's Ferreira time for cooling off in a tricky situation

production line with Pebco insignia openly slung round their necks and the insignia were in evidence outside Gentire as well Pebco regularly draws crowds in excess of 10 000 to its meetings — more than its Soweto counterpart

Whatever the truth behind Botha s resignation from Ford workers say they saw it as an attack on a community leader who is also a staunch critic of apartheid (Management has stressed it was not interested in Botha s political affiliations and made no attempt to victimise him for them) The workers downed tools and tensions were then increased by the entry into the fray of white workers who are members of the SA Yster-en-Staal Unie a power in the Contederation of Labour



Ford workers leaving the factory now but, hopefully, they'll be back next week

In a backlash obviously sparked off by the strike over Botha white workers also threatened to strike They presented a list of grievances many complaining that the company was more interested in meeting black aspirations than white ones A foreman (and Yster-en-Staal member) allegedly complained that the company s integrated canteen facilities were dirty because Africans were ' abusing them

Yster-en-Staal assistant general secretary Henry Ferreira denies the man said it, but the allegation was enough to spark off the tinderbox African workers demanded an apology from Yster-en-Staal and asked management to transfer the foreman Yster-en-Staal says Henry Ferreira won t do that and Ford refused to transfer the man Says Fred Ferreira "The company can't be dictated to in its appointment of supervisors Anyway to transfer him could mean a white backlash

It was this issue which sparked off Wednesday s events although as inevitably happens in an emotion charged situation other demands have come to the fore African workers have complained they are not paid equally for equal work they want an African foreman who was retrenched to be reinstated and they have problems with Ford s medical aid scheme

Ford consistently attempted to deal with the situation by channelling these demands through the union Fred Ferreira says he hoped to defuse the situation by bringing the demands to the negotiating table through the grievance procedure negotiated with the union That failed but Ford is obviously hoping that the "cooling off period will enable it to happen

Ironically while many managements are reluctant to deal with a union like UAW (it is affiliated to Fosatu and regarded as too radical by many employers) Ford s Ferreira would like nothing better than to return to a situation in which worker demands are channeled through UAW 'It's a serious situation when the recognised spokesmen become impotent 'And he insists ' a wildcat strike doesn t detract from the union s role

Indeed, the issue at Ford is that the union is under pressure from the left Men like Botha obviously find it too moderate for their liking and Sauls concedes 'Some workers believe we are a puppet organisation controlled by management and government ' For his part Botha says the union is trying to solve the problem but management has the final say Under normal conditions the union is all right but it is not forceful enough in putting demands to management

The union is dealing with a workforce which is becoming more militant — some years ago a remark like the one the white foreman is supposed to have made would probably have passed without more than a raised eyebrow — and some workers have lost patience with the very unions some managements seek to exclude

Ferreira remarks that Ford is facing a political problem and there is truth in this Says Brian Matthews director of the Midland Chamber of Industries "Black workers political frustrations will be vented on the factory floor until their political aspirations are satisfied This is inevitable he says and employers will just have to deal with the problem

Certainly the days when racial remarks on the factory floor passed unnoticed are disappearing rapidly And it is inevitable that people who are denied political expression will seek to make their point at the workplace

It s a problem that won't be solved by strong-arm tactics and Matthews rejects suggestions that Ford have capitulated to worker demands You've got to realise we are going through a new phase and it s important to keep calm Management is pretty good around here and they realise that

But there's another problem at Ford Attempts by employers to elbow out militant unions and replace them with tame ones are growing Ford s experience shows the folly of this approach If workers do not believe that trade unions are solving their problems at work they will turn to more militant alternatives Ford s Ferreira obviously believes — from experience —that the only alternative to unrest is a strong union in his plant Employers who are favouring some of the more milk and water variety of parallel union might ask whether such a union would provide the slightest insurance against unrest

The chances of UAW getting back to a working relationship with Ford are good Sauls points out that a group like Botha's cannot represent workers at the workplace Botha himself says he doesn t want to be the leader of Ford workers because 'I am not the compromising type ' Botha s is a political organisation which is ill-suited to the task of negotiating with management —after all it was not intended to play a trade union role and there s a difference between some community problems and their labour equivalents —and, significantly many workers tell the *FM* that they believe the union s role lies in the factory Pebco s outside it

Employers should ask themselves whether a union regarded by its workers as little more than an arm of management could enjoy the same support in an emotion-charged situation It is significant that Sauls is now saying that UAW must

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have a new look at its grievance procedure and beef up its lines of communication with members The union will attempt to organise those Ford workers who are not union members and "we will have to have a strong shop floor structure" says Sauls Fred Ferreira welcomes this development "We have got to find more effective lines of communication"

The Ford dispute has also highlighted important developments on the white labour scene White workers are obviously jittery about the future in the wake of the Wiehahn report As black factory floor militancy grows white reaction to this will certainly also grow It is also significant that many of the demands made by Yster-en-Staal members have nothing to do with race relations For example white workers wanted company assistance in purchasing overalls

All this seems to indicate that as the legal protection white workers have enjoyed over the years begins to disappear they will make new demands on their unions The white union movement has not been called upon to push its members cause on the factory floor in recent years — legislation has done it for them Those days may be on the way out Says Yster-en-Staal's Henry Ferreira "Before Wiehahn there tended to be a lack of interest in the union on the part of white workers Now they are more interested and more are joining up"

White workers are worried about their job security he says and are now turning to their unions This is forcing the unions to become more vigorous in pushing their members claims than before

So employers will inevitably be faced with a white union movement waking up after years of slumber This will make it extremely difficult for employers to meet black demands without encountering white resistance And change or no change white workers still have the political cards stacked in their favour It is significant that Yster-en-Staal threatened at one stage to take its grievances at Ford to the Industrial Court and some employers are likely to be wary of offending white workers if they have the threat of a court appearance hanging over their heads

Indeed it is perhaps significant that Yster-en-Staal's Ferreira pronounces himself reasonably satisfied with the resolution of his members grievances And Ford did after all take a hard line on the transfer of the allegedly errant foreman partly because it feared a white backlash White worker demands will probably always be easier to meet than black demands and many a manager may favour whites

Time will tell how employers walk these tightropes But they would do well to study the Ford experience carefully and learn from its lessons

FEB 20 1979

TABLE II

	WHIT							
	Male							
Rheumatic Heart Diseases (390-398)	115 1.2%							
Hypertensive Diseases (400-404)	212 2.2%							
Ischaemic Heart Diseases (410-414)	5737 58.8%							
Cerebrovascular Diseases (430-438)	1587 16.3%							
Total Circulatory Diseases (390-458)	9752 100%	7920 100%	1155 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%

* 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. 1

Post 23/11/79 (1972)

Sacked 1 300 adamant

MORE THAN 1 300 black workers who were sacked from their jobs at Ford Motor Company and General Tire decided at a mass meeting yesterday that as an expression of solidarity they would not seek re-employment at either of the companies next week.

The chairman and leader of the Port Elizabeth Black Civic Association, Mr Thozamile Botha — one of the sacked workers — charged Ford management with causing the mass walkout which deprived the Struandale Cortina plant of its entire black staff bringing production to a standstill.

He said had management given him a chance to address his people the situation could have been averted.

Both groups of workers — the 700 sacked from Ford and 625 from General Tire — were in favour of not seeking re-employment at their factory.

Isolated

They also passed a motion discouraging isolated workers and haison committee from negotiating with the company's management.

At the one and a half hour meeting the Ford workers decided to convene outside the assembly plant today to assess their situation and collect monies due to them.

Scores of General Tire workers will approach management for outstanding pay and attempt to secure holiday and end-of-year bonuses they claim they are owned.

The meeting also deplored the presence of armed riot squad policemen at the Ford plant on Wednesday saying this had contributed to the walkout.

As the meeting became more heated radical elements began calling for trade boycotts

● Both Ford Motor Company and General Tire yesterday expressed their willingness to consider applications for employment from sacked workers

● To Page 2

From Page I

Tire workers

Meanwhile the national organiser of the United Automobile and Rubber Workers Union in Port Elizabeth, Mr George Manase, said membership of his union at Genera Tire increased from about 50 percent to almost 100 percent on Wednesday.

Of 625 workers striking at the plant, 600 had joined the union by yesterday.

ALL CAUSES

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	21,76	16,18	40,44	27,11	133,70	119,02	91,30	88,18
1-4	1,17	0,94	2,42	2,39	17,22	16,21	10,23	9,93
5-24	1,05	0,46	1,31	0,74	2,26	1,25	1.64	1,12
25-44	3,02	1,47	4,33	2,48	8,80	4,96	4,78	3,70
45-64	17,46	9,49	26,27	18,72	24,27	17,87	18,06	15,57
65+	73,62	54,55	92,20	82,93	96,90	71,79	53,38	45,89
ALL	9,44	7,40	8,03	5,51	14,62	11,00	8,77	8,13
NO.	19600	15374	2828	1967	16632	12847	18348	13062

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	943	761	3765	3145

XVII ACCIDENTS, POISONINGS AND VIOLENCE (EXTERNAL CAUSE)

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,85	0,69	0,70	0,31	1,18	1,24	0,32	0,19
1-4	0,49	0,21	0,31	0,27	0,63	0,61	0,21	0,20
5-24	0,71	0,22	0,68	0,20	1,40	0,38	0,68	0,12
25-44	1,18	0,30	1,43	0,37	3,32	0,70	1,22	0,26
45-64	1,25	0,42	1,55	0,40	2,89	0,76	1,10	0,31
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

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Threatened workers sent on early leave

24/11/79 DD

PORT ELIZABETH — Non-striking workers at the Struandale engine plant were given leave three weeks early following threats to burn down their homes

The workers were threatened their homes would be burnt down if they worked overtime today

In another development in the industrial unrest here, the manager of the Adamas Paper Mill, Mr C Malkin, warned 120 workers who refused to go on their shift they might lose their jobs on Monday if they did not report for work

Ford, however, did not confirm that the early leave and reported threat were related

Although the workers at the engine plant walked out on their jobs on Wednesday, they had, after talks with Ford management, returned to their posts, thereby keeping their jobs, in contrast to the 700 workers of the Cortina plant who had "dismissed" themselves after refusing to work

Conflict between Ford and a dismissed section of its black workforce deepened when some 400 workers reaffirmed a decision not to return to the company until demands for changes in labour practices were met

The demands include equal pay for equal work and an end to job discrimination The workers are also demanding the reinstatement of all 700 workers deemed by the company to have "dismissed" themselves

The decision was taken at a mass meeting in New Brighton township chaired by Mr Thomazile Botha, chairman of the Port Elizabeth Black Civic Organisation (Pebco) whose resignation from Ford sparked off the labour unrest three weeks ago

The meeting decided to form a Pebco-affiliated committee to negotiate with the company for their reinstatement

Dismissed Ford workers yesterday threatened to take legal action to get bonus pay they claim is owed to them by the company

Payouts at the company's Struandale plant proceeded quietly yesterday.

Meanwhile, at Adamas Paper Mill, Mr Malkinson yesterday said the workers had made no attempt to negotiate with management over their grievances. He said he still had not received any demands or representations and did not know why they had downed tools

Among grievances mentioned by the workers are "low wages, a rejection of liaison committees and a demand for union representation and no bonuses being paid "

At the General Tire and Rubber Company which on Thursday laid off about 625 black workers at its factory here, the company's managing director, Mr R G Nicholson, said he would "re-employ the re-employable".

Asked whether the company would recognise the black United Automobile and Allied Workers Union, which the workers have accused management of preventing them joining, Mr Nicholson said the union was not registered — DDC-SAPA

(192) 25/11/79.

PE unrest will continue

As talks as management and black workers return at odds further industrial outbreaks can be expected in Port Elizabeth, says politicians, unionists and churchmen.

The warnings follow the mass walkouts including more than 2 000 black workers at the Ford Cortina plant, General Tyre and SA Adhesives Paper Mill.

"Until the dominance of race in industry assumes a lesser role we can expect further outbreaks," Dr Alex Boraine, an Opposition labour spokesman in Parliament, commented after a visit to Port Elizabeth this week.

Dr Boraine called on management to exercise patience, [illegible]

A leader of the [illegible] and Textile Workers [illegible] Mr Fred Jacks, said [illegible] adequate [illegible] union facilities that had [illegible] the support and confidence of the black workers, were created conditions like those experienced in Port Elizabeth would continue.

He said the management dominated liaison committee could never represent black workers in shop floor situations. Because of the laws which prevented blacks from registering their unions over the years the unions were unable to adequately represent the people.

SUNDAY POST

Sunday, November 25, 1979

The worker: someone to be listened to

Judging from the nature of the trouble in the world at present, we seem to be witnessing the growing irrelevance of democracy in today's society.

It appears to have become accepted fact that "power" belongs to anyone with the guts and gumption to seize it, instead of being the natural outcome of orderly democratic processes.

And there seems to be as many people today willing to defend those who take power this way as there are to condemn them.

The very cornerstones of democracy — elections and the rule of law — appear to be in danger, especially in Africa, of coming to be regarded as outdated political niceties whose time has come to be consigned to the past.

As to whether this will necessarily prove to be in the best interests of mankind and civilisation depends very much on what there is to replace them Judging by the systems that seem to be finding most popularity today, it is very difficult to feel optimistic about prosperity and happiness in the long term.

Wherever trouble has flared, whether between two people or two nations, it has primarily had to do with someone feeling that someone else has deprived him of something he believed was rightfully his.

At one stage, men resolved such disputes through force of arms. As mankind progressed, this method was replaced by force of reason Laws were instituted and courts set up to resolve differences in a manner befitting the level of civilisation. Now mankind seems to be reverting to the force-of-arms method once again.

Why?

The reason seems to be that democratic institutions such as "elections", "law" and "courts" have been abused in such a way that the privileges of a few have been guaranteed at the expense of the many. Now the many are waking up.

The strikes in Port Elizabeth are one sign of this "awakening".

For too long workers in this country have been prevented from selling their labour on the open labour market — the very essence of the "free enterprise system", itself the offspring of democracy.

Now men are saying: "Enough!" They have begun to withhold their labour, and others are threatening to follow their example.

If nothing is done to prevent that (outside of tear gas, baton charges, arrests, and more restrictive laws, of course) there will be a gradual decline in the provision of goods and services, and anarchy could surely follow.

The rule of law will be the first to crumble because the "elected" authorities will be powerless to implement it, and money, property and wives will be "up for grabs".

Employers, big business and Government must realise, and realise soon, that if a man can walk off the job at this time of high unemployment, he can do anything.

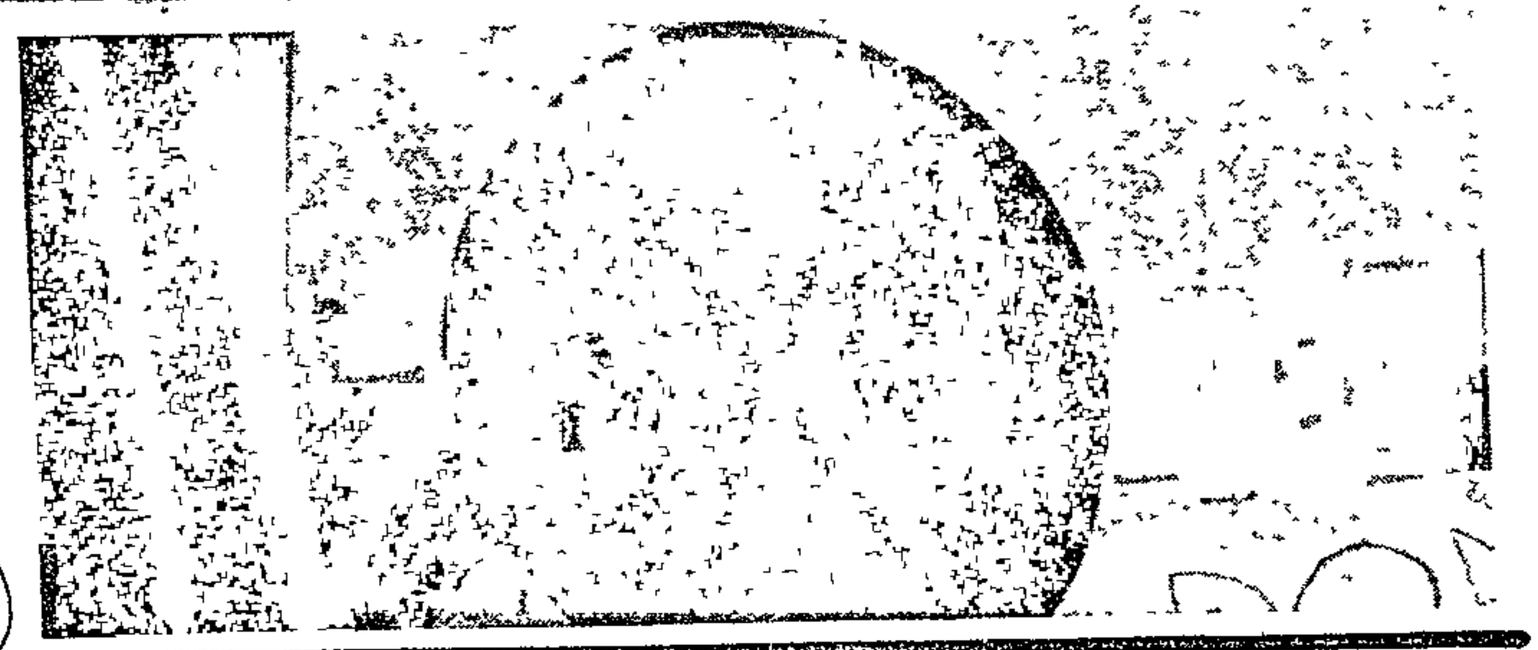
Whether they agree with the principle or not, the fact of industrial life today is that the worker is someone they have to listen to.

They turn their backs on him at their cost — and, regrettably, at everyone else's too

BLACK LABOUR...THE FUTURE

Today SUNDAY POST carries the last of a three part series, written by our Special Labour Correspondent, on the future of South African workers and trade unions.

25/11/79 (192)



needed and there are not enough white hands to go around.

That is why bosses and the Government are saying that Africans should be allowed to do skilled work. This does not necessarily mean that Africans will be able to compete with whites for jobs But it does mean that, as whites move up into more skilled jobs, Africans will take their place lower down on the scale and in jobs which they have not been allowed to do before.

Some people argue that this will create an African "labour elite" which will be happy to turn their backs on their fellow-Africans in exchange for better jobs and more money. Others believe that being allowed to do more skilled work will give many African workers greater power.

At the same time, there is little doubt that African workers are becoming stronger on the factory floor. The Fattis and Monis dispute is a case in point. Three years ago, many observers were surprised when African workers at Armourplate Safety Glass in Springs stayed on strike for nine weeks.

But the Armourplate workers lost. At Fattis and Monis, the workers won despite having to live on R15 a week for nearly seven months. They all got their jobs back at the same pay they were getting when the dispute began.

The last two weeks' events at Ford and General Tyre in Port Elizabeth provide further evidence of this. For the first time workers rallied behind a political leader and struck in support of him. Then workers struck twice more — once about overtime and then over an alleged racial remark by a white foreman. Among other things, the strike showed that African workers in the Eastern Cape are not prepared to take what they see as insults to their dignity lying down.

What makes Ford more interesting is the fact that the company recognised an African union. But many of the workers seem to have felt that the union was not political enough and turned to the Port Elizabeth Black Civic Organisation (Pebco) and its leader Thozamile Botha.

Most employers try to avoid having anything to do with African unions

25/11/79 (192)

WORKERS THE WORKERS THE WORKERS

— particularly the stronger ones. The union at Ford, the United Auto Workers, is a member of Fosatu and many Eastern Cape companies want nothing to do with it.

They must, therefore, have been surprised — and more than a little shocked — to discover that some workers find even these unions too "tame", because they are not directly involved in politics. And what happened at Ford is that workers decided to bring political issues onto the factory floor and to rally behind a political organisation there.

This doesn't mean that trade unions are going to be replaced by political organisations in the factory. Workers at Ford agreed that the two have different roles The union, they say, must represent workers in the factory. Organisations like Thozamile Botha's Pebco should represent them outside of it.

Ford shows that all unions will have to make sure that they are in touch with their members' feelings and that they push their case strongly. Otherwise workers will lose faith in the union and look elsewhere.

So African workers are beginning to show their muscle and African unions are likely to become stronger as a result Many people believe that this is why the Government wants to recognise African unions. It will bring them into its new system, control them, and in this way make sure that only a "tame" union movement survives, say some trade unionists

Some employers realise that African workers must have unions to represent them. If they don't, they will turn to other, more radical bodies.

But, instead of dealing with strong, democratic trade unions, they are seeking to replace them with some of the tamer "parallel" unions — or in some cases, unions started by the employer himself. Many of the independent unions, such as those in Fosatu and the Consultative Committee of Black Trade Unions, fear that some employers want to deal only with unions which will not cause problems for them.

Some labour sources are gloomy about the future of the trade union movement because of these trends. Both the new labour system and the growth of "parallel" unions, they fear, will make sure that the existing independent African union movement will either die, as those which have gone before it have, or become yet another "tame" union movement

If workers have grievances, they say, they will try to do something about them. If their unions are strong and democratic, they will try to solve their problems by negotiation through the union leaders. But if the unions cannot help them — and they insist most of the "parallels" can't — workers will find other ways to express their views

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	12,46	9,07	16,92	11,55	29,22	24,78	23,16	22,23
1-4	0,02	0,02	0,02	0,02	0,02	0,04	0,04	0,00
5-24	-	-	-	-	-	-	-	-
25-44	-	-	-	-	-	-	-	-
45-65	-	-	-	-	-	-	-	-
65+	-	-	-	-	-	-	-	-
ALL	0,25	0,17	0,48	0,32	0,83	0,67	0,55	0,67
NO.	519	359	170	113	942	785	1143	1075

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,02	0,03	0,00	0,10	0,25	0,10	0,04	0,06
1-4	0,01	0,01	0,02	0,00	0,12	0,14	0,02	0,04
5-24	0,02	0,01	0,04	0,04	0,02	0,04	0,03	0,02
25-44	0,02	0,05	0,06	0,09	0,17	0,13	0,06	0,08
45-64	0,23	0,19	0,44	0,37	0,36	0,36	0,34	0,25
65+	1,25	1,09	1,07	1,83	1,57	1,10	0,73	0,56
ALL	0,13	0,15	0,11	0,12	0,15	0,14	0,10	0,08
NO.	276	303	38	42	169	165	203	130

SUNDAY TIMES, November 25 1979

The calm man at centre of a labour storm

Mr Botha ... "I firmly believe in what I'm doing and am prepared to carry it through to the end"

A LITTLE more than a month ago, few people knew the name Thozamile Botha.

By RAY JOSEPH

Now it is a household word in black homes in Port Elizabeth, appears regularly in newspaper headlines and he is recognised as belonging to one of the Eastern Cape s most powerful up-and-coming leaders

This was the man, for whom 700 black workers at Ford's Struandale plant in Port Elizabeth walked off the shop floor in a show of sympathy after he was "forced to resign "

Missing too much work

to raise money for the legal defence of the more than 400 pupils detained in the wake of the unrest

He was detained in October 1977 for three months under Section Six of the Terrorism Act, before finally being charged in court for public incitement but acquitted after a trial

"There is nothing like a stretch in jail to politicise a person," he told me

But still he remained "relatively" politically uninvolved until June when, as chairman of the Zwide Residents Association, he led a deputation to

(192) S/Times 25/11/79

The wildcat strike, lasting three days, came after Mr Botha, 30, the chairman of the newly formed Port Elizabeth Black Civic Organisation, was told he was missing too much work and given "a choice of my job or the organisation I chose my people and resigned

And from that has sprung a new burst of labour unrest that has dogged Ford for the past weeks and cost the company many thousands of rand

Mr Botha was reinstanted, but the labour unrests seesaws on

The man at the centre of the storm remains calm A former student, teacher, community worker, detainee and finally industrial worker, his quiet charisma commands respect

His time as a member of his former high school's debating society shows clearly, and his quiet, but forceful way of addressing mass rallies is impressive

Since the inauguration of Epbco just more than two-and-a-half months ago, Mr Botha has had almost nightly meetings with interested people, worked tirelessly on forming new branches and addressed many public meetings

Often he is involved with the business of the organisation until the early hours of the morning and then reports to work at 7 am

An avowed pacifist, Mr Botha condemns in the strongest terms violence, stonings and burnings which he regards as counter-productive

"Our real weapon is our labour," the well-spoken, immaculately dressed Mr Botha told me "Passive resistance is our strongest weapon"

First real venture

Earlier he had addressed a mass meeting of more than 1 000 people in Walmer Township This was one of the smallest meetings yet held

The inauguration meeting drew 9 000 — and thousands have turned up at subsequent meetings to hear him talk

Yet, despite his obvious commitment and ability, Mr Botha admits that this is his first real venture into the political arena

His interest grew in 1977 when, as President of the Association for Science and Technology — he excelled at maths and science at school and taught matric science for two years — he helped organise a Save the Children Fund the local administration board to protest against electrical sub stations built near homes in the area

They also complained about the homes they had been given which had no ceilings, no plaster on the walls and no baths

From a series of meetings with the authorites, he returned empty handed and decided that the time was ripe to form a body to represent all the black people of Port Elizabeth

Optimistic prospects

"It started off as a local thing, but it is growing daily and eventually I see our association being active throughout The Eastern Cape," he said

"This led to a choatic situation and irresponsible things, like burnings and stonings began happening

"Then came so-called Government concessions for blacks in the emergence of Government constituted bodies, like the community councils People were not happy with these bodies nominated by the Government, not the people They were not articulating the needs of the people they represent

"They represent the government against the people, instead of the other way around

"We are not prepared to speak to representatives of the Government We will only talk to the Government itself

"We are a nonviolent organisation and we deplore burning, stonings and other forms of violence

"Passive resistance is our weapon and, if our demands are not met, we will just sit in we will withdraw our labour"

"This is a very powerful weapon The Ford strike proved it

"When 700 people walked out for me I felt great. It proved that if people are determined they can achieve anything It was completely spontaneous."

The walkout had also led to grievances about working conditions for blacks at Ford — "a very progressive employer by South African standards" — being brought out into the open

Mr Botha has succeeded where more than one black leader has failed in drawing support from all age groups

"I firmly believe in what I am doing and am prepared to carry it through to the end — whatever that end may be,' he said

10958

SEVEN VARIETIES OF AMBIGUITY: SOME PATTERNS OF IGBO* RESPONSE TO CHRISTIAN MISSIONS [1]

BY

ELIZABETH ISICHEI
(University of Dar-es-Salaam, Tanzania)

Anyone who writes in brief compass on a theme of this kind is immediately confronted by a number of difficulties and pitfalls. The most obvious is the danger of abstraction. Can one meaningfully reduce the almost infinite variety of responses in a society as various as Igboland, to a phenomenon as complex as the missionary impact, to any shortland which bears a meaningful relationship to reality? To adapt the words of a recent sensitive essay on the same theme in the Chinese context, one must recognise "the danger of reducing a great variety of responses to a few that are highly visible and easily labelled" and "the temptation to regard responses as specifically *Iqbo* when they may have been shaped by supracultural ... factors." [2]) To reflect too much on problems of this kind is to put oneself in the position of the centipede who was part run." Nevertheless, it is as well to be responses to mission teaching were con factors — age, sex, status in the comr individual personality among them — begin to mirror this variety and compl

This paper discusses the Igbo enco episode in the history of ideas, accep largely conditioned by sociological fact the criticism that conversion is an emo cannot be properly discussed in the la This may well be so — the heart has knows not of. But the two aspects of

*) The spelling 'Igbo' has been adopted i in this JOURNAL. elsewhere I use the commor

1) A revised version of a paper presente of African Religions at the University of Da

2) Cohen, Paul A., Ch'ing China. Confro *Modern East Asia: essays in interpretation*

from: Journal of Religion in Africa, III, 197

Ford begins replacing walk-off workers

Own Correspondent

PORT ELIZABETH — Ford Motor Company begins its big recruitment drive today to replace the 700 workers who walked out of its Struandale assembly plant last week, and will have personnel officers at each of its four plants in Port Elizabeth

The company's director of industrial relations, Mr Fred Ferreira, said yesterday that it was Ford policy to employ directly if possible but those applying through labour bureaux would also be considered.

Last week Mr Ferreira said that the company would consider re-employing men who were paid off on Friday

Commenting on weekend Press reports that women in clerical positions had helped out on the Straundale assembly line after the walkout last week, Mr Ferreira said "When things get tight everybody tries to help out The odd typist may have been included"

(192) (152)

Fund to aid PE strikers

(192) BD 26/11/79

From
DENNIS SIWISA

PORT ELIZABETH — The South African Council of Churches and the Soweto Committee of Ten are to launch a fund to support the striking workers here

This was revealed here yesterday by the chairman of the Port Elizabeth Black Civic Organisation, Mr Thozamile Botha, who returned from Johannesburg yesterday afternoon where he had talks with the general secretary of the SACC, Bishop Desmond Tutu, and the chairman of the Committee of Ten, Dr Nthato Motlana

Mr Botha arrived back accompanied by the president of the Azanian People's Organisation, Mr Curtis Nkondo, who brought a message of solidarity from his organisation for the striking workers

He assured the workers they would not starve because the people of Johannesburg would share whatever food they had with them

Mr Botha and Mr Nkondo addressed a crowd of over 1 500 — of whom more than half were striking workers

After the meeting two men — Mr Monde Mditshwa and Mr Wantu Zenzile — were detained, according to eye-witnesses

The Special Branch were not available last night to confirm the detentions.

Earlier the meeting was addressed by world renowned actor, John Kani, who told them he would try to organise artists to perform free of charge for benefit shows for the strikers

The strikers reiterated their stand not to go back to work until all their grievances were met and they were assured none of them would be victimised

Meanwhile, Ford is to start recruiting new staff today to replace the 700 workers who walked off their Struandale plant

Strikes in PE show signs of breaking

Star 24/1/79

Own Correspondent

The strike by more than 1 500 black workers at three Port Elizabeth companies seemed to be breaking today.

About 1 000 workers turned up at Ford and General Tire to seek employment to replace the 1 300 black workers who lost their jobs because of last week's strikes

And 100 of the 170 workers in the first shift at the Adamas Paper Mill also resumed work.

The remaining 70 were sacked in keeping with a company ultimatum.

At Ford's Struandale plant, where 700 lost their jobs, about 400 turned up today Only a handful were Africans, about 10 of them from the ranks of the strikers

The leaders of Ford's strikers today reaffirmed their determination to hold out until their grievances were resolved

At General Tire all the strikers turned up to seek re-employment, according to a spokesman for the workseekers.

Post (192)

70 more fired in PE

THE industrial unrest in the Eastern Cape continued yesterday resulting in 70 more people being fired from a paper mill and only four workers re-applying for the strike hit Ford plant.

This brings to nearly 1 400 the number of black workers who have lost their jobs in the last week in the Port Elizabeth area.

POST Correspondent

At Ford and General Tire enrolment of a whole new work force started yesterday.

The exact number of workers dismissed at SA Adamas is still not known, although the management estimated yesterday that of the 170 due to go on the 6,00 a m and 7.00 am shifts only 100 entered the plant.

Workers gathered outside the gates early yesterday and held several short meetings with management while police watched from a distance.

Notices were posted on the factory gates warning workers that the strike was illegal and that if they failed to return to work they would be immediately dismissed.

After holding discussions among themselves, the workers began trickling back into the firm, but many refused to enter.

At Port Elizabeth's two other trouble spots Ford and General Tire, employment of a total of 1 300 workers went ahead with indication of a massive stay-away by former Ford employees.

At General Tire, a spokesman for the workers claimed that the entire work force dismissed last week after a three-day strike reported again for work yesterday.

At Ford recruitment of 700 new workers started yesterday, but according to a former gates, only four former Ford employees re-applied for their jobs.

Meanwhile management of Adamas paper mill said yesterday there were signs of intimidation at the mill where some were dismissed after strikes.

General manager Mr C Malkin, said groups of workers indicated they were threatened with injury to their families and the destruction of their houses if they did not cease work, according to

Mr Thozamile Botha . . . leader of the workers.

Tutu pledges support for sacked workers

POST Correspondent

PORT ELIZABETH — THE secretary-general of the South African Council of Churches, Bishop Desmond Tutu has pledged his support to the black workers who lost their jobs during the industrial unrest in Port Elizabeth.

The president of Port Elizabeth Black Civic Organisation, Mr Thozamile Botha told a meeting of more than 2 000 in Port Elizabeth on Sunday that Bishop Tutu had expressed his support for the workers and had indicated he would give practical help where possible.

The meeting was held under the auspices of the Port Elizabeth Black Civic Organisation

Mr Botha, who spent two days in Johannesburg meeting leaders over the weekend, also brought back a message of solidarity with black workers dismissed by Ford, General Tire and SA Adamas Paper Mill from Dr Nthato Motlana, chairman of the Soweto Committee of Ten.

Representatives of workers from Ford Cortina plant, where 700 were fired last week, General Tire and SA Adamas also addressed the meeting

The meeting decided to establish a "Save Workers' Fund" to help dismissed workers

The president of the Azanian People's Organisation (Azapo), Mr Curtis Nkondo, said Azapo pledged its solidarity with all workers in Port Elizabeth who have decided to stage a walkout in protest against oppression and exploitation. "We have decided to identify ourselves with you and to travel the hard road together," he said

He said: "We are very much aware of the difficulties involved and that success will only depend on unity.

UNREST

"We therefore have to be a selfless, determined, committed unit and a mighty force capable of rebuffing any opposition that forces of oppression will present"

He added that the industrial unrest in Port Elizabeth was very "serious" and should not be treated as an isolated incident All blacks in South Africa were victims of oppression and exploitation

"All that the workers have done is to react against the evil system by expressing their dissatisfaction. They have reached a stage when they can no longer remain passive and indifferent to an untenable system," he said.

Mr Nkondo said the economy of the country depended on the labour of the black man "Without it the country will come to a standstill We are responsible for the comforts whites enjoy and we can no longer sell our labour at a low price.

"The days of cheap labour are over; economic exploitation must end," he warned

Mr Nkondo said apartheid was very much alive in South Africa "No change is in sight. But its very nature apartheid accommodates no change because a change only means doing away with apartheid.

"Concessions are not liberation. They only serve to create a sense of false hope."

Mr Nkondo called for unity not only of the people of Port Elizabeth but of the more than 20 million blacks in South Africa

He said he personally recognised no leader outside Robben Island. Mandela, Sisulu and others are genuine leaders.

"I am not a leader but a participant in the struggle," he said

At another meeting in New Brighton attended by more than 800 residents Mr Morris Sungapi, chairman of the Community Council, said the Urban Foundation and his council have pledged to work together in an effort to solve the ever increasing backlog on black housing.

RDM 27/11/79

Hundreds queue for work in PE

(192) (152)

RDM 27/11/79

PORT ELIZABETH — Hundreds of black labourers looking for work turned up at the Ford and General Tire companies yesterday after 1 325 walked out or were sacked last week

Officials of the two American companies, among the biggest employers of black labour in the motor industry, said nearly 900 workers turned up to apply for the jobs, but only a small number were among those involved in last week's unrest.

Ford's industrial relations director, Mr Fred Ferreira, said 20 of the men who walked out re-applied, and 15 were taken back

Last week 700 black Ford workers downed tools and walked off their jobs over a series of incidents sparked off by the sacking of a black draughtsman

Mr Ferreira said yesterday that between 450 and 500 turned up in the morning to apply for the vacant jobs

At **GENERAL TIRE**, where 625 workers were fired after a three-day wildcat strike, a large number of black labourers applied for jobs early yesterday It was not clear how many of those sacked were among the applicants, or just how many had applied

Meanwhile, at Port Elizabeth's **ADAMAS** paper mill, about 400 workers went back to their jobs yesterday after 450 had walked out tools in support of wage demands last week However, no sooner had they returned than about 100 again downed tools Workers said they had been threatened with injury if they did not stop working — UPI

EAST CAPE UNREST

Still rumbling

The labour upheavals in Port Elizabeth seem to have subsided. But observers say a repetition of the wildcat strikes that hit three EPE companies cannot be ruled out. And the rest latent among workers to return to their jobs has not been completely broken.

The majority of Ford workers, who left their jobs last Wednesday, are still stalling on returning to work. Fred Ferreira, Ford's industrial relations director, had hoped that most workers would have returned on Monday after they had cooled off. Less than 100 workers have asked for their jobs back — the rest will not return, they say, until their demands are met.

Hundreds of workers are waiting outside the plant's gates to take their place. On Monday and Tuesday around 500 workers queued for jobs, and about 300 on Wednesday.

Reports claim that Ford is trying to employ as many coloured workers as possible. However, asserts Ferreira: "this is not so. We are giving preference to employees who used to work for us." Of those new to Ford, about 20% will be coloured. He adds that no conditions will be imposed on those who return. But Ford is going from a three- to a five-day week, cutting its workforce by around 200.

Worker meetings have been taking place in the townships and a committee of seven, regarded by many as an arm of Thozamile Botha's Pebco, has been elected. The committee has asked Ferreira to negotiate with it.

Ferreira says that he pointed out that he was prepared to negotiate with anyone representing the workers, but that the (unregistered) United Auto Workers Union, which Ford recognises, had to be present.

The UAW claims that Botha is now making overtures to the union to help reinstate all workers. Botha invited it to address workers on benefits in times of dispute, the steps to be followed to get these benefits, and on the union helping to reinstate all the workers. But UAW which suspects that Botha is trying to set his organisation up as an alternative to the union, refused.

According to UAW's George Manase, agreeing would implicate the union in the unrest. "We are only prepared to fight for members who approach the union. We learnt a lesson in the last month when we fought for all workers," asserts Manase.

By Wednesday, about 500 of General Tire's workers had been reemployed. Manase says that the union urged workers to return. Only 25 of the 600 General Tire workers have not joined the union, but General Tire MD Nic Nicholson asserts that the firm will not deal with an unregistered union.

However, union recognition was on top of the workers' grievances list, along with the reinstatement of two retrenched workers.

Only 40% of the 450 African workers who walked out of Adamas Paper Mill last Friday have returned. Adamas claims that on Monday 85% of the day staff turned up, but many left after allegedly being intimated by some of the workers. The employees walked out because management failed to report by Friday on a number of grievances put to management on Tuesday.

According to GM Colin Malkin, the workers' main complaints were low pay and differential rates. He added that race was not an issue as far as the latter was concerned.

There have also been reports of unrest among Cadbury workers. However, these have apparently been defused by the Sweet, Food and Allied Workers Union, which advised the workers not to strike.

a private company shall, where it appears from the is to execute the judgment in question that he has not y to satisfy that judgment, be entitled to be furnished py of the last annual financial statement of the company.

fails to comply with a demand under this section within of, and any director of the company who knowingly is ilty of an offence

to a charge under paragraph (*a*) to prove that the person ded a copy of the document to which the charge relates plied.

[Act No 64 of 1977 and repealed together with its heading 78]

(2) ...

(*a*) a majority in number representing three-fourths in value of class of creditors; or

(*b*) a majority representing three-fourths of the votes exercisable or class of members,

continued on page 715

Star 30/11/79 (140(a)) (152) (92) (237)

Ford US won't meddle in Struandale dispute

Ford Motor headquarters in Detroit regards the labour dispute at Port Elizabeth's Struandale plant as a local issue which can be resolved without its intervention

Mr Dunbar Bucknall, Ford SA's public affairs director, said today the company had been in touch with its parent about the dispute

But the parent said it would not intervene

Neither the local nor the US company has seen a letter written by sacked black workers in which they demand that a "commission of inquiry" be sent from the US

United Auto and Allied Workers Union and the Ford management are still looking into the grievances of the black workers

Up to now the United Automobile Rubber and Allied Workers of South Africa has been hampered in negotiations by the fact that only half of the 600 strikers still out from Ford are members of the trade union

Now Mr George Manase national director of the trade union, has obtained a mandate from his executive committee to operate on behalf of all the strikers, not just members of the union

On Sunday a mass meeting of trade union members will be asked to endorse this mandate

If this is done, Mr Manase will start negotiating with Ford on Monday

Star 29/11/79 (192) (194) (189) (152) (140) (337)

PE labour troubles are foretaste of the 1980s

The industrial troubles that have erupted in Port Elizabeth are a fort taste of the delicate problems that can come in the wake of mea ingful change in South Africa, writes GRAHAM FYSH. They co cern the problems of the 1980s.

Twenty-nine-year-old John-on Ngodwana at first annot explain why he vent on strike at Ford's struandale plant in Port lizabeth Pushed for an nswer, he finally says ith a touch of bitterness The white foreman was ude to me"

His revealing remark oes right to the heart of he industrial trouble laguing the "friendly ity" — trouble that has ed to mass walkouts inolving 1 300 workers at ord, General Tire and Adamas Paper Mills

These are not regular industrial disputes For ne thing, they do not oncern pay and working onditions as much as hey concern political and acial clashes

FAR AHEAD

Few deny that the Ford lant out of which Ngodana and 700 of his coorkers walked last week one of the most advaned in South Africa as far s labour practices are oncerned.

The director of the Midnds Chamber of Indusries, Mr Brian Matthews, sserts that Port Elizabeth mployers — and notably ord — are three to four stages ahead of their Transvaal counterparts when it comes to pay and working conditions.

"The Pretoria-Witwatersrand-Vereeniging area has still to go through that," he says. "We have an industrial council and all we have to do is to accommodate the black trade unions into the existing system That's a lot easier than starting from scratch

"We have been working with the unions and their aspirations for a long time And equal pay for equal work has always been accepted by the employers"

IRONIC

Ford's Mr Fred Ferreira, director of industrial relations, assets 'We have what is recognised as very enlightened practices, including substantial training programmes, including promotional prospects for non-whites and including encouraging people to see one another as people and not members of a particular race group"

It's in tune with Wiehahn and Riekert It's the mood of the 1980s

But, ironically, it is this very enlightenment that is the reason for Ford's troubles

Mr Thozamile Botha ... given "ultimatum."

Encouraged by their advancement, blacks want to advance even more quickly To quote an unidentified black speaker at a recent Port E'zabeth meeting "My children have been in darkness for such a long time, now that they see the light they are almost blinded by it"

STIRRED

But whites see the advancement that has already taken place as too fast They are frightened and angered by what they see as preferential treatment for blacks They resent black promotions, viewing them as a threat

Rising black expectations meet white fears and prejudices on the factory floor The heady mixture is stirred by militants and reactionaries to create a boiling political cauldron.

Comments Mr Ferreira: "It is in a way tragic that the company that has been in the forefront of viewing people as people has been caught — possibly as a consequence of its own actions, in the sense that it engendered expectations that cannot be fulfilled overnight in any society

"On the other hand, people see themselves as having been deprived for many years and consequently they want more immediately"

Mr Matthews sees the situation as a reflection of the changing political situation in South Africa between black and white.

Dr Alex Boraine, MP, Progressive Federal Party labour spokesman who made a special study of the Port Elizabeth industrial situation, says: "What is coming through is that what starts as a normal grievance in a plant assumes much wider implications in terms of other grievances at home and in politics

"It is not simply a labour matter"

Mr George Marase ... aim is "liberation."

An examination of the incidents that triggered two black walk-outs at Ford reveals the nature of the discontent

The first came after black civic leader Mr Thozamile Botha ("the Dr Ntatho Motlane of Port Elizabeth") resigned from his work at Ford Mr Botha, head of the recently formed Port Elizabeth Black Civic Organisation (Pebco), was told he was taking too much time off. He interpreted this misunderstanding as an ultimatum that he abanton Pebco or leave Ford.

He chose to leave Ford. A meeting was held the next day to patch up the dispute and Ford believed it was successful and the misunderstanding had been cleard up But the Pebco leader persisted in his assertion that he had been forced to resign

It was then that 700 workers left with him

This, then, was a mass walk-out in support of a political leader.

REACTION

The men later returned to work, but walked out again following reported remarks by whites at the factory that were disparaging of blacks One remark was said to be that blacks could not behave themselves in the integrated canteen

In both cases the issues were more political than industrial. The white remarks, particularly, were a reaction to englightened practices which, in turn, prompted a reaction from the blacks who no longer are prepared to tolerate rudeness from their white superiors.

Mr Botha, a black map of Africa pendant swinging from his neck, concedes this, but asserts they were a catalyst for underlying grievances.

LIBERATION

The overriding political nature of the clash is confirmed by Mr George Manase, national organiser of the United Automobile Rubber and Allied Workers of South Africa.

"We are all fighting for the liberation of the black people," he says in his office in PE's Korsten suburb. "The politicians have interfered a bit too much in this matter. We should operate in our area — trade unions — and politicians in theirs. We must work on parallel lines

"But our goal is the same liberation — that is, democratic rights and majority rule.

"We are trying to pressure the employers. They can pressure the Government.

"Each is just a part of one big struggle."

The struggle, he might have added, of the 1980s.

Parent company unlikely to ac

The Star Bureau

NEW YORK — The American parent company of Ford in South Africa has not yet received the plea for help which black workers have reportedly sent it

But it seems unlikely that the US company will agree to be drawn too far into the matter

Mr W R Prutow, personnel and organisation manager of Ford's Middle East and Africa Division, said last night. "We cannot react fully until we have seen the letter

"But our initial position is that the management of Ford of South Africa represents the Ford Motor Company in this matter

"Ford of South Africa has already indicated its willingness to consider any former employee who applies for rehire

"The management of Ford of South Africa remains ready to discuss any job-related grievances through established union channels and will continue to investigate and participate in resolving employee relations issues."

(192) RDM 29 Nov 1977

INSIDE MAIL

Across the g

(152) divide

Mr Thozamile Botha (right foreground) and former Ford workers during a mass meeting in

Port Elizabeth has experienced a wave of worker unrest which has major implications for industry throughout the country Labour Correspondent RIAAN DE VILLIERS examines the personalities and issues involved

ORT ELIZABETH has been the throes of the most seri- and probably the most sig- icant wave of industrial un- est in South Africa since the massive Durban strikes in 1973

The wildcat strikes which have crippled three major companies and have thus far led to some 1 500 black workers losing their jobs started a month ago Although the mass dismissals have largely ended worker action, the outcome is unclear

More important is that the Port Elizabeth upheaval has differed in many respects from past industrial conflict

This is especially true of Ford where the unrest started before spreading to General Tire and other firms — and it is Ford which raises the critical questions

Ford is generally seen as one of the most progressive employers in South Africa

What really distinguishes it is that it is one of a handful of companies which have formally recognised an independent black trade union

On the face of it, Ford should have been one of the last companies in the country to be hit by industrial unrest

As Mr Fred Ferreira, Ford's industrial relations director, has put it "We're one of the most enlightened companies in South Africa and have gone out of our way to set progressive employments standards

mediate wherever it could it has played virtually no role in the conflict

The union has in fact faced severe criticism from workers who have accused it of being ineffectual and siding with management

Company and union men point out that the conflict arose around a key political figure in a highly politicised community and cannot be seen as a strict industrial dispute

However, others argue that political issues will become an increasing problem on the shop floor

The strikes at Ford were triggered off by the resignation of Mr Thozamile Botha, leader of the Port Elizabeth Black Civic Organisation (Pebco) which has had a meteoric rise to prominence in the black community

Mr Botha, a trainee draughtsman who joined Ford in February, resigned on October 30 after he claimed he had been given an ultimatum to drop his outside activities or resign

The company has denied he cant jobs and, although it doesn't say so, it would obviously like at least some of the former workers to return

But at mass meetings convened by Mr Botha last week workers decided not to return unless they were reinstated en bloc and certain demands were met

In an important development, workers formed a Ford Cortina workers' organisation affiliated to Pebco and elected a committee of seven with Mr Botha as a member to further their cause

While strategy decisions were not disclosed it is believed the workers want to further their cause through international protests — to which Ford as a high-profile multinational is vulnerable

A drawn-out war of attrition is possible with worker solidarity pitted against the pull of some of the highest wages for blacks in Port Elizabeth in a harsh climate of unemployment

On Monday, the first day of recruitment, there were only 20 ex-Ford workers among hun-

flow over into the industrial channels "

On the union issue, he says blacks had little experience in industrial organisation and were learning to organise themselves "The strikes show they have a lot of learning to do "

The Ford dispute raises two main issues surrounding unionism As far as employers are concerned, it suggests if the UAW could not contain conflict at Ford, the present almost universal strategy of blocking authentic black unions has no hope at all of securing industrial peace

On another front, the dispute has raised serious issues concerning the relationship between the black labour movement and other black organisations

Mr George Manase, national organiser of the UAW, says the strike was not a union issue and was politically inspired

The union did what it could initially in trying to mediate but was undermined by workers when they ignored the union and demanded direct negotiations with management

He suggests the management indirectly contributed to this by acceding to demands for direct negotiations

He argues that Mr Botha did not want to lead the dispute but wanted the union to resolve it.

Since losing their jobs work-

of our way to set progressive employments standards

"Our wages are non-discriminatory, we have desegregated our facilities and we have been the first company in the motor industry, and one of the few in the country, to recognise a black union

"We have tried to establish open communication channels with our work-force in every imaginable way During the last monitoring exercise in terms of the Sullivan code for US subsidiaries, Ford was rated in the top twenty bracket

"Why this whole structure has failed is obviously the crucial question which we are analysing and researching "

The concern is not only Ford's Observers generally agree that Ford may be regarded as a barometer of future industrial relations and events in Port Elizabeth may well be a foretaste of what faces SA industry as a whole in the Eighties

The dispute at Ford certainly appears to encapsulate many elements likely to play a role in the changed situation expected in industry

They include the effects of increased expectations, increasingly militant black worker demands, racial friction and a white worker backlash

With larger-scale unionisation of blacks in the offing, perhaps the most crucial questions surround the position of the union during the dispute

The United Automobile and Rubber Workers' Union is an independent black union affiliated to the Federation of South African Trade Unions (Fosatu), whose affiliates are still being almost universally rejected by employers as dangerous and militant

But from the outset the union — which had a membership of some 50% in the Cortina plant — was pushed aside by the workers and although it tried to

[illegible] activities or resign

The company has denied he was given any ultimatum. In any event, hundreds of workers at the Cortina plant at Struandale, one of four Ford plants, staged a wildcat walkout in support of him

The withdrawal of his resignation was negotiated and the workers returned to work But the spiral of conflict had been set off

The white backlash came a week later with white workers, members of the right-wing Yster, Staal en Verwante Nywerhede Unie, threatening to go on strike over a wide range of grievances

Workers complained about black hostility to whites and accused Ford of capitulating to irresponsible black demands Black workers were accused of antagonism and of misusing locker rooms, toilets and canteens

Ford's programme of racial integration was cited as a cause of racial friction

Blacks reacted angrily and conflict escalated over a range of issues with the embattled Ford management negotiating separately with black and white workers

More walkouts followed Unrest spread to General Tire with workers walking out over a wide range of grievances

Ford management drew the line on Tuesday last week, outlawing further mass meetings on company premises and ruling that workers who walked off their jobs would be regarded as having terminated their employment

Despite this, 700 black workers at the Cortina plant — including Mr Botha — walked out for the last time the next day and were paid out on Thursday as were some 625 General Tire workers

The dispute has now moved into a new phase Ford has started to recruit for the va-

On Monday the first day of recruitment, there were only 20 ex-Ford workers among hundreds who queued up for the jobs

What went wrong at Ford? Mr Ferreira believes there are no single or easy answers and is reluctant to draw firm conclusions

Indeed, he is perplexed about many incidents during the dispute which he describes as "totally inexplicable" and he seems to suggest there may have been some planning behind the worker action

At the same time, he says the company had created extremely high expectations among blacks — perhaps deliberately

"Blacks see this as too little too late, and the whites as too much too soon This may be an oversimplification but it may be in this area that the problem lies "

He adds where far-reaching changes are brought in, some unrest must be expected

"What has happened here are growth pains which we will have to go through due to the social and economic restructuring of the country All change brings problems and stress "

His views are echoed by Mr Brian Matthew, director of the Midlands Chamber of Industries

"What we have seen is reaction to change Progress inevitably brings some adverse reaction

"In Port Elizabeth companies have made tremendous progress, and this is the price you pay for it "

He adds the situation should not be viewed with complete alarm

At this stage, he feels it is difficult for workers to differentiate between industrial issues and political issues

But he adds significantly "Because there are no political channels acceptable to blacks, a lot of grievances are bound to

[illegible] the dispute but wanted the union to resolve it

Since losing their jobs workers had approached the union for advice "But how can we help them now? I told them if Mr Botha came to us we could straighten it out Management will allow the union to represent them

"But we have not been approached "

At the same time Mr Manase says the union has no quarrel with Pebco "The political spheres and labour spheres are parallel and we are both working for the future of the blacks

"If they accept our principles we'll accept theirs But Mr Botha must not use us as messenger boys or use us for his own image "

Despite events at Ford he says the dispute has led to an upsurge of UAW support at other plants

"Everyone is now aware the union is playing an important role They also know there was political involvement at Ford "

Like others, he argues Mr Botha was not in favour of the escalation of the dispute but lost control over young militants

Mr Freddie Sauls, prominent PE unionist and adviser to the UAW, says bluntly Ford's employment practices are completely unrelated to the dispute, which he sees as politically inspired

"I'm not sure any union could have contained a situation like that In a situation of mass emotions with black militancy against white reaction, what can shop stewards do? If they try to stop it, they are condemned as sell-outs "

But he adds it did show emergent black unions should put more emphasis on stronger shop floor leadership than the established registered unions, which may help to channel similiar conflict

"We have been trying to push black unions since 1973 but have been continuously rebuffed So what confidence can one expect black workers to have in unions?

"They have to be shown we can play a meaningful role We haven't had that opportunity. All we've been doing is fighting managements "

He argues the dispute has been a good if very expensive lesson to workers on where they should draw the line between political interests and labour interests

In the short term, more such incidents could be expected as blacks became more politicised "Until trust and confidence in the labour movement has been built up and the procedures clearly defined, we can expect a lot more of these problems "

The dispute has implications for white unions too Mr Henry Ferreira, deputy secretary of Yster en Staal, says unrest always had the effect of boosting the union's membership

"Unionisation of blacks, the scrapping of job reservation and introduction of black apprentices may well have the effect of driving passive white

"Poems sincere to the point of pain" *Natal Witness*

"Peter Horn is as vigorous and versatile as South Africa ... he not infrequently achieves a formidable force or beauty". LIONEL ABRAHAMS, *Sunday Times*

"poems that redefine and deeply map

"He can seize a detail and render a picture which bludgeons its subject in a thorough way". ROBERT GREIG, *To Kill a Cockroach*

"It is a beautiful and moving work which seems to have jumped Aragon's 'cage of words' and found the door of this world of black and white" MARGUERITE EDMONDS, *New Nation*

MOTORS

Losses looming

FM 30/11/79 192

As the motor industry heads for Phase Five of the local content programme, some of SA's key car manufacturers are preparing for their biggest ever losses

Some estimates are that net collective losses could amount to R70m

Two years ago the industry was running at a net loss of R30m a year Figures reflecting the total loss situation were published by Naamsa on an annual basis But Naamsa director Frank Locke says the industry no longer furnishes him with the information he requires to calculate the overall situation

"I think they feel such negative publicity affects public confidence in the industry," he explains

Locke is almost certainly right For as one leading manufacturer comments wryly "It's highly unlikely that the last few years, with the intensification of the local content programme, not to mention the fuel crisis, have caused things to get better And right now the net operating loss is horrific"

Fortunately for the industry, its more profitable sides tend to act as financial buffers

For example, everyone makes a profit on spares Profitable, too, are sales of light commercial vehicles and heavy trucks

Senior members of the industry estimate that were it not for the contribution to overall performance from these areas, the net loss situation on motor car production would be closer to R100m

Who the loss-makers are is an open question It would appear, however, that the US manufacturers operating out of Port Elizabeth — Ford and General Motors — are two of the more troubled companies

Two years ago, while on a visit to SA, Henry Ford Jnr disclosed losses in this country of some R9m, and GM is in an even weaker position Alfa Romeo, Leyland and Fiat cannot be all that healthy

But some companies are in the black UCDD, which makes and distributes Mercedes-Benz in SA, has never made a loss Nor is it likely to, given its large share of the total commercial and heavy duty vehicle market What's more, Mercedes-Benz passenger car sales are back to normal after the somewhat emotional petrol panic

BMW, too, is reported to be going great guns, both in terms of sales and profits

Datsun, which has virtually become a component manufacturer (most manufacturers contract out on components), looks similarly strong As does Toyota And Sigma is reported to be making handsome profits

What makes matters worse is that all the companies are having to tool up for Phase Five, in addition to new models So with a double burden to bear in the next year, things could get rougher still

FM 30 11 79

EAST CAPE UNREST

Still rumbling

The labour upheavals in Port Elizabeth seem to have subsided But observers say a repetition of the wildcat strikes that hit three PE companies cannot be ruled out And the resistance among workers to return to their jobs has not been completely broken

The majority of Ford workers, who lost their jobs last Wednesday, are still stalling on returning to work Fred Ferreira, Ford s industrial relations director, had hoped that most workers would have returned on Monday, after they had "cooled off " Less than 100 workers have asked for their jobs back — the rest will not return, they say, until their demands are met

Hundreds of workers are waiting outside the plant's gates to take their place On Monday and Tuesday around 500 workers queued for jobs, and about 300 on Wednesday

Reports claim that Ford is trying to employ as many coloured workers as possible However, asserts Ferreira, "this is not so We are giving preference to employees who used to work for us " Of those new to Ford about 20% will be coloured He adds that no conditions will be imposed on those who return But Ford is going from a three to a five-day week, cutting its workforce by around 200

Worker meetings have been taking place in the townships and a "committee of seven," regarded by many as an arm of Thozamile Botha's Pebco, has been elected The committee has asked Ferreira to negotiate with it

Ferreira says that he pointed out that he was prepared to negotiate with anyone representing the workers, but that the (unregistered) United Auto Workers Union, which Ford recognises, had to be present

The UAW claims that Botha is now making overtures to the union to help reinstate all workers Botha invited it to address workers on benefits in times of dispute, the steps to be followed to get these benefits, and on the union helping to reinstate all the workers But UAW, which suspects that Botha is trying to set his organisation up as an alternative to the union, refused

According to UAW's George Manase, agreeing would implicate the union in the unrest "We are only prepared to fight for members who approach the union We learnt a lesson in the last month, when we fought for all workers " asserts Manase

By Wednesday, about 500 of General

953

CHRISTOPHER GOODMAN: HOW SUPERIOR POWERS OUGHT TO BE OBEYED (1558)

And although it appears at the first sight a great disorder, that the people should take unto them the punishment of transgression, yet, when the magistrates and other officers cease to do their duty, they are, as it were without officers, yea, worse than if they had none at all, and then God giveth the sword into the people's hand, and He Himself become immediately their head (if they would seek the accomplishment of

Tire's workers dismissed a week ago had been re-employed Manase says that the union urged workers to return Only 25 of the 600 General Tire workers have not joined the union, but General Tire MD Nic Nicholson asserts that the firm will not deal with an unregistered union

However, union recognition was on top of the workers' grievances list, along with the reinstatement of two retrenched workers

Only 40% of the 450 African workers who walked out of Adamas Paper Mill last Friday have returned Adamas claims that on Monday 85% of the day staff turned up, but many left after allegedly being intimated by some of the workers The employees walked out because management failed to report by Friday on a number of grievances put to management on Tuesday

According to GM Colin Malkin, the workers' main complaints were low pay and differential rates He added that race was not an issue as far as the latter was concerned

There have also been reports of unrest among Cadbury workers However, these have apparently been defused by the Sweet, Food and Allied Workers Union, which advised the workers not to strike

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under him who has established by another, is accounted
another, is less than he from whom he derives his power...

But since the kings began to extend their limits, and that it was impossible for the people to assemble together all into one place because of their great numbers, which would have occasioned confusion, the officers of the kingdom were established, who should ordinarily preserve the rights of the people, in such sort notwithstanding, as when extraordinary occasion required, the people might be assembled, or at the least such an abridgement as might by the most principal members be a representation of the whole body...

US delegates probe grievances at Ford

Post 29/11/79

egates probe ices at Ford

SENIOR UNITED STATES diplomatic officials visited Port Elizabeth this week to assess the circumstances surrounding the industrial unrest at the city's Ford Cortina plant.

Mr Chuck Ohlgen, US Consul in Cape Town and another official, a senior labour attache from the Embassy in Pretoria, held talks with all parties involved in the dispute that has racked the plant over the past three weeks.

Among those consulted were Mr Thozamile Botha, leader of the PE Black Civic Organisation, union officials and Ford industrial relations officials.

The U S Government's interest in the issue is understood to stem from the fact that Ford subscribes to the Sullivan Code of fair employment practices which have the support of the American Government.

And in another developments on the labour front in Port Elizabeth yesterday at a mass meeting of workers held at the Holy Spirit Anglican Church hall, Kwazakhele, a Save Workers Fund, was started which will look after the interests of the dismissed workers while the dispute is still unresolved.

INQUIRY

The meeting also decided to write a letter to the mother plant in Detroit urging the mother plant to appoint a commission of inquiry to visit South Africa. Its mission should be to investigate the existing conditions in the plant, listen to the grievances of the workers and consider reinstating all dismissed workers.

Among the grievances listed are calls for the scrapping of job reservations which the workers claimed was still practised at Ford and which was protecting the interest of whites.

- The workers also call for equal pay for equal work.
- No victimisation based on colour or race.
- People should not be dismissed without tangible reasons being given.
- They complain about:
- Failure of the management to maintain good relations beween black and white workers.
- Imbalance in training periods between black and white workers.

Workers claimed in the letter that whites become supervisors after training for only three months whereas the blacks have to undergo training for three years.

Letters have also been sent to the secretary of the South African Council of Churches, Bishop Desmond Tutu and to the chairman of the Soweto Committee of Ten, Dr Nthato Motlana.

UNREST

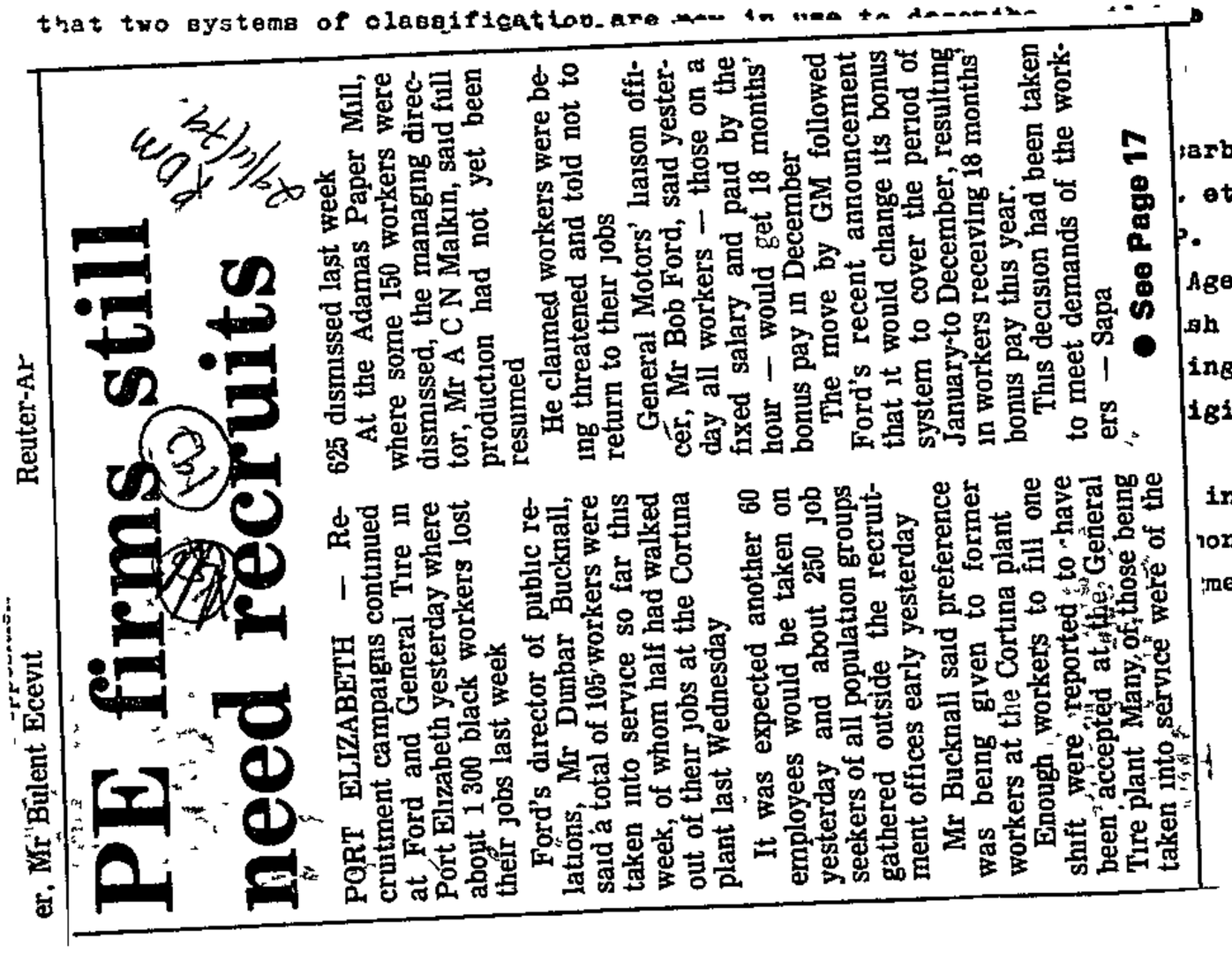
The workers from two other companies involved in industrial unrest have been included in the Save Workers Committee. The number of workers re-employed by Ford by yesterday has risen from 50 to 85.

At General Tire, an undisclosed number of workers from the ranks of the dismissed strikers were re-employed on Tuesday and the management expected to employ more yesterday.

SA Adamas Paper Mill management reported that the turnout at the mill was 40 per cent.

forced into the upper parts of the space-time box by ignoring several the original definitions. As more examples of such forcing occurred, s the original definitions of the slots were loosened and expanded to c ntain an ever-increasing variety of artifacts. Survival of the revised fr work was soon threatened again because the boundaries between the lock-shaped subdivisions had become too blurred. Also, quantitative analysis was beginning to permeate archaeological procedures (Mason 1957) and the urgent need arose for numerically undistorted samples, complete artifact type lists, and far more rigorous attention to provenience (Inskeep 1961). Furthermore, the concepts of culture, industry, variant, stage, period, and phase were in free and variable circulation in the literature. The framework appeared to be near collapse once again.

The Burg-Wartenstein Symposium in 1965 recommended that the Three Age system be scrapped and replaced by Industries which would eliminate several of the less well-defined slots (Kleindienst 1967; Clark et al 1966). Although local sequences of Industries were proposed for Rhodesia (Cooke, Summers, and Robinson 1966) and for South Africa (Sampson 1972), these recommendations have been otherwise ignored. Instead, several active researchers have opted for the escape-clause in the Burg-Wartenstein recommendations which stated that the three Ages could continue in use as "informal" terms until such time as they could be discarded. Thus it has come about that two systems of classification are now in use to describe



er, Mr Bulent Ecevit — Reuter-Ar

PE firms still need recruits

PORT ELIZABETH — Recruitment campaigns continued at Ford and General Tire in Port Elizabeth yesterday where about 1 300 black workers lost their jobs last week

Ford's director of public relations, Mr Dunbar Bucknall, said a total of 105 workers were taken into service so far this week, of whom half had walked out of their jobs at the Cortina plant last Wednesday

It was expected another 60 employees would be taken on yesterday and about 250 job seekers of all population groups gathered outside the recruitment offices early yesterday

Mr Bucknall said preference was being given to former workers at the Cortina plant

Enough workers to fill one shift were reported to have been accepted at the General Tire plant. Many of those being taken into service were of the 625 dismissed last week

At the Adamas Paper Mill, where some 150 workers were dismissed, the managing director, Mr A C N Malkin, said full production had not yet been resumed

He claimed workers were being threatened and told not to return to their jobs

General Motors' liaison officer, Mr Bob Ford, said yesterday all workers — those on a fixed salary and paid by the hour — would get 18 months' bonus pay in December

The move by GM followed Ford's recent announcement that it would change its bonus system to cover the period of January-to December, resulting in workers receiving 18 months' bonus pay this year.

This decision had been taken to meet demands of the workers — Sapa

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Wonderwerk, Rose Cottage, and several other miscellaneous assemblages including the long-ignored "coarse Stillbay" reported from between the Second Intermediate and LSA in the pioneer excavations at Peer's Cave (Keith 1931). Although a few categories have been tentatively isolated, such as the Robberg Industry (Deacon 1977), an increasing number of assemblages remain vaguely labelled (eg. "Early LSA") and floating uncertainl within the gross subdivisions of the Middle and Later Stone Ages.

To avoid the ambiguities inherent in even these large categories, an increasing number of authors have recently turned to terms such as Holocene and Upper Pleistocene to define broad units. Thus a third sytem is being introduced into the literature. The time-axis of the framework is clearly in the throes of its fourth major crisis.

Development of the space-axis

It is hardly surprising that the space-axis of the framework has undergone similar episodes of strain during the course of its development, but the causes were not always the same as those outlined above. W.D. Gooch (1881) was the first to recognize the need for subdivisions in South Africa, although the classifiers of his times in Europe appear to have avoided this approach. By subdividing his field observations into five geographical regions, Gooch anticipated that we should not expect the Stone Age continuum to advance in an orderly progression of contemporary phases throughout the subcontinent. However, the later accumulation of field results showed that his regional/landscape slots did not covary with "culture-areas" represented by mapped distributions of similar-looking stone artifacts. Although Goodwin (1946b) was attracted to regional subdivision, he seems to have realized this and the units known as Cultures and/or Industries became the common approach to both spatial and chronological subdivision of the three Stone Age blocks.

Inevitably, new Cultures tended to spring up wherever a pioneer archaeologist happened to be located - either because of his place of employment or because of his personal field interests. The first ones to appear in the literature tended to cluster around Cape Town, Grahamstown, the Kalkfontein dam on the Riet River, the diamond-diggings on the Vaal, and so on. By the time of the 1929 meetings of the British Association, vast uncharted regions still existed between these oases of research.

29/11/79 (192) (186) (152)

Recruitment at PE continues

PORT ELIZABETH — Recruitment campaigns continued at Ford and General Tire here yesterday where about 1 300 black workers lost their jobs last week.

Ford's director of public relations, Mr Dunbar Bucknall, said a total of 105 workers were taken into service on Tuesday and on Monday, of whom half were workers who had walked out on their jobs at the Cortina plant last Wednesday

It was expected that another 60 employees would be taken into service yesterday

About 250 job-seekers of all population groups gathered in front of the gates of the recruitment offices early yesterday.

Mr Bucknall said preference was being given to former workers at the Cortina plant

It was reported that enough workers were accepted at the General Tire plant to fill one shift A large number of those being taken into service were of the 625 who were dismissed last week

At the Adamas Paper Mill, where some 150 workers had been dismissed, the managing director, Mr A C N Malkin, said full production had not yet been resumed

Workers were being threatened and told not to return to their jobs

The liaison officer at General Motors, Mr Bob Ford, said yesterday all workers — those who received a fixed salary and who were paid by the hour — were to receive 18 months' bonus pay in December.

Reports here said the move by GM followed the announcement by Ford recently that it would change its bonus system to cover the period January to December, resulting in workers receiving 18 months' bonus pay this year.

This decision had been taken to meet demands of the workers — SAPA

Mill workers were 'intimidated'

PORT ELIZABETH — Intimidation of black employees of the Adamas Paper Mill in Port Elizabeth has been reported after an announcement by the Adamas management on Monday that workers would be reinstated yesterday

The managing director, Mr A C N Malkin, said yesterday the majority of shift-workers failed to report for duty on Monday afternoon and night

Workers had arrived at the factory, but had been accosted by blacks outside and had left, Mr Malkin said

On Monday 85% of the day staff had turned up but many had left after reports that their families would suffer and their homes would be set alight

Mr Malkin said 40% of the day staff arrived for work yesterday

Meanwhile the Ford Motor Company has received about 900 job applications since the dismissal of about 700 black workers at its Cortina plant last Wednesday Forty appointments have been made, including 20 of the workers who walked out on Wednesday

Ford's public relations director, Mr Dunbar Bucknall, said it was expected that a further 60 workers, including a number of those involved in the walkout, would be appointed today

The workers appointed on Monday resumed work at the Cortina plant yesterday — Sapa

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Threats stall recruiting at PE plants

28 Nov 79

PORT ELIZABETH — After three weeks of labour unrest here, three big plants were still partially crippled yesterday.

Recruitment at two plants was progressing slowly while fears of reprisals among applicants at a third delayed the re-employment programme

At Ford, where about 700 workers were paid off last week, about 100 vacancies had been filled by late yesterday

But a Ford spokesman only expected the Cortina assembly plant to reach full production in about a week

Recruitment at General Tire was continuing and the managing director, Mr R G Nicholson, said from Johannesburg yesterday enough labour had been recruited to fill the plant's first shift, but not the second

At Adamas Paper Mill, where workers downed tools and were paid off on Monday, production continued yesterday with about 40 per cent of the normal labour force

About 100 workers gathered outside the mill yesterday A few applied for jobs but asked to be taken on later in the week because they still feared reprisals, said a statement issued by the mill.

The company had planned to start re-employment on a selective basis yesterday but no workers were actually signed on.

The general manager of the mill, Mr C Malkin, said it was not possible to maintain full production, although it was being kept at a "fairly high level."

There were no further dismissals at the mill yesterday, he said.

Mr Dunbar Bucknall, public affairs director at Ford, said yesterday about 500 applications had been received on Monday and another 400 were received yesterday

On Monday 40 applications were accepted after processing and another 60 yesterday Other applications were still being processed. — DDC

Mill staff sacked

27/11/79 DD

192

152

PORT ELIZABETH — About 70 workers at the Adamas Mill here returned to work yesterday morning to try to persuade the management to look into their complaints

They were told to go on shift and when they refused they were sacked, the workers said

The management estimated that about 100 of the 170 expected to report for work had turned up

A statement from the management said there were signs of intimidation among workers

"By 11 a m about 100 workers had again downed tools," the statement said

The general manager, Mr C Malkin, said workers who had not reported for their Monday shift and those who downed tools had broken their contracts and were paid off No numbers were given

At two other Port Elizabeth trouble spots, Ford and General Tire, employment of workers went ahead yesterday

Ford public relations director, Mr Dunbar Bucknall, said about 500 people applied at the Struandale assembly plant, where 700 black workers were dismissed after an ultimatum on Wednesday

At General Tire, workers who were previously dismissed reported for re-employment yesterday

Although they said in the morning they would insist on the entire workforce being re-employed together, they were called to the gates in small groups to be reinstated

By lunch time, many were back at work, the rest were told to report again at 8 a m today

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 if lower or higher levels are selected.

Employers welcome ending of job bars

27/11/78 Star 192 177 37

By Sieg Hannig, Labour Reporter

Confirmation of the scrapping of job reservation in the building and car assembly industries was welcomed today as badly needed relief by spokesmen for both industries

"We hope the Government will move as quickly and efficiently on the Black Building Workers' Act," said Mr Z L Pretorius, director of the Witwatersrand Master Builders' Association.

This Act still prevented the employment of skilled blacks in white areas, he said.

Mr S S Lemmer, personnel director of South Africa's biggest car group, the Sigma Motor Corporation, said "It was virtually impossible to run our business without coming into conflict with the law"

He did not foresee any replacement of white by blacks

A sole protest came from Mr Gert Beetge, general secretary of the White Building Workers' Union.

He said the new labour legislation did not reveal any new protection as claimed by the Minister

"No court will prevent the replacement of whites by non-whites," he said

But Mr Wessel Bornman, secretary of the 200 000-strong white Confederation of Labour, denied this

Mr Beetge had stated that job reservation did not work — even before the Wiehahn Commission recommended its scrapping and new job protection by way of the industrial court, he countered

"I have no reason to believe that the new court will not deal with matters objectively if the situation should be abused (by employers)," Mr Bornman said

are the actual numbers
for those groups which
total population, for
fferent demographic pro-
in Fig. I, and this pro-
es and 'coloureds'.
ween 1941 and 1970 are,
unimportance.

are presented in Fig. 6.
s is speculative and is
of sufficient reliability to warrant inclusion. Two different expectations of life have been included (1) e_o - the expectation of life at birth, and (2) e_{45} - the expectation of life at 45 years of age. Characteristically women have a better expectation of life than men, and Fig. 6 indicates that this is so for both whites and 'coloureds'. In fact, so marked is this difference that 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 3,7 years in 1929 has increased to 7,0 years in 1970.

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
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Planning and Monitoring, Oxford University Press, London.

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9. Sadie, J.H. (1970) : S. Afr. J. Economics, 38, 1.

10. Doll, R. (1976) : Monitoring of Government Statistics, in Seminars in Community Medicine, Volume 2. ibid.

(3) The name of an as rated under this Act shall not include the word and stateme (c) but the statement "Incorporated Association not for G be subjoined to the said name.

(4) The name of a pri capital and the memorandum of which contains the provisi), shall not include the words referred to in subsection (1) (b) Incorporated", as its last word, in the said name.

(5) If a company is bei voluntarily or is under judicial management, the statement ' itary Liquidation" or "Under Judicial Management", as the led in and be subjoined to the name of the company concerne r or judicial management order is discharged, or the voluntary tatement shall be omitted from the name of such company.

(6) The addition to or any company of the words or statements prescribed by this

(a) the conversion o e or form of company; or

(b) the insertion in andum of a private company of the provision or

(c) the discharge of cial management order or the cessation of volu

shall not be deemed to be a c ses of section 44 (1) Provided that subsections (2), (3) and (in the case of such addition or omission as if it were a chang

(7) Where under subse e added to or is to be omitted from the name of a company, nager, as the case may be, shall within seven days after his ap s the case may be, apply to the Registrar on the prescribed fo escribed fee for such statement to be added to or to be omitt mpany, and the Registrar shall issue a certificate of change of

(8) If any company fail n of subsection (1), (2), (3), (4), (5) or (6) or in any way uses any such provision, it shall be guilty of an offence

(9) If a liquidator or ju ply with the provisions of subsection (7), he shall be guilty

The sit-in workers are back and 'happy'

By Derrick Thema

All the black workers who staged a sit-in at a Johannesburg chemical factory yesterday were back at work today after management agreed to give them wage increases ranging from 20 to 25 percent.

Mr R J Prinsloo, manager of Unico Chemical Company, said "Everybody is happy and back at work"

And in Port Elizabeth, 300 blacks jostled for work today at the Ford Struandale motor plant where 700 workers were dismissed last week after staging a fourth wildcat walkout

Mr Dunbar Bucknall, public affairs director at Ford, said today 40 people were hired yesterday and more applications were being processed

About 200 former strikers at Port Elizabeth's General Tire and Rubber Company plant were rehired by this morning, said Mr R G Nicholson, the firm's managing director

50. Use and publication of name by company.—(1) Every company—

(a) shall display its name on the outside of its registered office and every office or place in which its business is carried on, in a conspicuous position and in characters easily legible,

(b) shall have its name engraved in legible characters on its seal (if any);

(c) shall have its name mentioned in legible characters in all notices and other official publications of the company and in all bills of exchange, promissory notes, endorsements, cheques, and orders for money or goods purporting to be signed by or on behalf of the company and in all letters, delivery notes, invoices, receipts, and letters of credit of the company:

Provided that for the purposes of this subsection—

(i) the abbreviations "Ltd" or "Bpk", "Pty." or "Edms", "Inc" or "Ing", "Co." or "Mpy", and "&" may be used for the words "Limited" or "Beperk", "Proprietary" or "Eiendoms", "Incorporated" or "Ingelyf", "Company" or "Maatskappy" and "and" or "en", respectively, in a company's name; and

(ii) no company shall use the shortened form of its name unless it is used in conjunction with its name

192 152 62

US Ford strikes a wary note on row

NEW YORK — The American parent company of Ford in South Africa has not yet received the plea for help which black workers have reportedly sent it.

However, it seems unlikely that the US Ford will agree to be drawn too far into the matter.

And reacting to an appeal by sacked Ford workers in Port Elizabeth for an investigation into the Cortina plant in Port Elizabeth, the local company yesterday released a statement largely contradicting the workers' listed grievances

MEETING

At a mass meeting in Kwazakhele Township, Port Elizabeth on Wednesday of about 700 workers dismissed from three unrest beset plants those of Ford decided to send a letter to the company's headquarters in Detroit asking for a commission of inquiry to be sent to the plant.

It calls for an investigation of existing conditions and grievances and to reconsider reinstating dismissed workers.

The grievances listed included·

- job reservation
- equal pay for equal work
- victimisation based on colour or race
- failure of management to maintain good relations between black and white.
- imbalance in the training period of black and white workers, and
- the failure of management to take note of grievances of the workers.

The public affairs director of Ford, Mr Dunabar Bucknall, said yesterday morning the only knowledge the company had of the letter to its United States principals stemmed from Press reports.

Therefore it would not comment on it specifically, except repeating that the company was continuing with investigation of grievances with the full participation of the union.

The company viewed Allied Automobile and Rubber Workers Union as the official channel of communication with workers. It was also prepared to enter into discussions with other bodies representing workers providing the unions participated in those

"It is a matter of record that the company is prepared to employ strikers who re-applied without preconditions," he said.

PREFERENCE

The company had in fact displayed a preference for these workers.

By close of work on Wednesday 150 workers had been employed since Monday.

Mr Bucknall confirmed that Mr Chuck Ohlgren, the United States Consul in Cape Town, and a senior labour attache from the Embassy in Pretoria, visited the company recently. He said it could be assumed that labour problems had been discussed but the visit was a routine one — one of five so far this year.

The employment programme would continue yesterday, he said.

It has been reported from Adamas Paper Mill where at least 150 black strikers were sacked early this week that a number of former and new workers had applied since Wednesday and they were being processed.

General Tire, where 625 black workers were sacked last week, reported that its recruitment programme was nearly complete with 500 labourers employed this week. They are believed to be former General Tire employees

Mr W R Prutow, personnel and organisation manager of Ford's Mid-East and Africa division, said in New York last night: "We cannot react fully until we have seen the letter.

"However, our initial position is that the management of Ford of South Africa represents Ford Motor Company in this matter.

WILLINGNESS

"Ford of South Africa has already indicated its willingness to consider any former employee who applies for re-hire."

Mr Prutow added: "The management of Ford of South Africa remains ready to discuss any job-related grievances through established union channels and will continue to investigate and participate in resolving employee relations issues"

forced into the upper parts of the space-time box by ignoring several of the original definitions. As more examples of such forcing occurred, so the original definitions of the slots were loosened and expanded to contain an ever-increasing variety of artifacts. Survival of the revised framework was soon threatened again because the boundaries between the large, block-shaped subdivisions had become too blurred. Also, quantitative analysis was beginning to permeate archaeological procedures (Mason 1957) and the urgent need arose for numerically undistorted sampling, complete artifact type lists, and far more rigorous attention to provenience (Inskeep 1961). Furthermore, the concepts of culture, industry, variant, stage, period, and phase were in free and variable circulation in the literature. The framework appeared to be near collapse once again.

The Burg-Kartenstein Symposium in 1965 recommended that the Three Age system be scrapped and replaced by Industries which would eliminate several of the less well-defined slots (Klenndienst 1967; Clark et al 1966). Although local sequences of Industries were proposed for Rhodesia (Cooke, Summers, and Robinson 1966) and for South Africa (Sampson 1972), these recommendations have been otherwise ignored. Instead, sewralactive researchers have opted for the escape-clause in the Burg-Kartenstein recommendations which stated that the three Ages could continue in use as "informal"

Car factory visited by US diplomats

PORT ELIZABETH — American diplomats in South Africa had discussed the industrial unrest in Port Elizabeth with the Ford Motor Company, but this was not why they had visited the city, the United States Consul in Cape Town, Mr Chuck Ohlgreen, said yesterday.

In a telephone interview, Mr Ohlgreen said he and another senior diplomat had discussed other matters and visited other firms.

"It is part of my work to regularly visit branches of American mother companies in Port Elizabeth and the one this week was the fourth this year," he said.

Mr Ohlgreen, who was accompanied on his visit to Port Elizabeth by a senior US attache from Johannesburg, confirmed that he had met Mr Thozamile Botha, the chairman of Port Elizabeth's black civic organisation, Pebco.

Mr Botha is one of the 700 Ford workers sacked last week.

"I met Mr Botha at a social gathering. We spoke informally and the strikes were not specifically mentioned."

Mr Ohlgreen would not comment on a letter from the sacked Ford workers to the company's head office in Detroit asking for a commission of inquiry to be set up. He said he had no information about the letter.

The workers asked in the letter that conditions at Ford's factory and black workers' grievances be investigated and the re-employment of sacked workers considered.

The workers say they are prepared to return to work if their grievances are satisfactorily settled.

Ford said in a statement yesterday it could not comment on the letter because the only information it had was from newspaper reports

The company was continuing its investigation into the workers' grievances with the help of the United Automobile and Rubber Workers' Association.

The union is the only one recognised by the workers, but Ford said it was prepared to meet any body representative of the workers, provided the union was included in the talks.

Ford said it was prepared to re-employ without bias workers who had lost their jobs in the walkout at the company's Cortina factory.

Altogether 150 workers had already been employed, 60 of which were former workers at the Cortina plant.

About 700 of the 1 400 workers sacked by Ford, General Tire and the Adamas Paper Mill have started a fund to help the workers and their families.

They have appealed for help from the South African Council of Churches, the Soweto Committee of 10, the Azanian People's Organisation and black business leaders in Port Elizabeth.

Recruiting programmes started by the three firms hit by the strikes continued yesterday. General Tire was expected to end its drive after more than 500 workers had been taken on by the company by Wednesday night. — Sapa.

RDM 30/11/79

Hondermark, Rose Cottage, and several other miscellaneous assemblages including the long-ignored "coarse Stillbay" reported from between the Second Intermediate and LSA in the pioneer excavations at Fear's Cave (Keith 1931). Although a few categories have been tentatively isolated, such as the Robberg Industry (Deacon 1977), an increasing number of assemblages remain vaguely labelled (eg. "Early LSA") and floating uncertainl within the gross subdivisions of the Middle and Later Stone Ages.

To avoid the ambiguities inherent in even these large categories, an increasing number of authors have recently turned to terms such as Holocene and Upper Pleistocene to define broad units. Thus a third system is being introduced into the literature. The time-axis of the framework is clearly in the throes of its fourth major crisis.

Development of the space-axis

It is hardly surprising that the space-axis of the framework has undergone similar episodes of strain during the course of its development, but the causes were not always the same as those outlined above. W.D. Gooch (1881) was the first to recognize the need for subdivisions in South Africa, although the classifiers of his times in Europe appear to have avoided this

ling his field observations into five geographical
pted that we should not expect the Stone Age continuum
rly progression of contemporary phases throughout the
, the later accumulation of field results showed that
e slots did not correspond with "culture-areas" represented
ns of similar-looking stone artifacts. Although Goodwin
to regional subdivision, he seems to have realized
own as Cultures and/or Industries became the common
ral and chronological subdivision of the three

new Cultures tended to spring up wherever a pioneer
d to be located - either because of his place of
of his personal field interests. The first once to
the Riet River, the diamond-diggings on the Vaal,
of the 1929 meetings of the British Association,
still existed between those cases of research.

Ford probe

IN The Argus yesterday it was reported in error in a story headlined 'Ford probe of grievances' that Mr Dunbar backhall the company's public affairs director, had said that it was 'a matter of record' that the company was prepared to re-employ workers who reapplied *with* preconditions.

In fact he said that the company was prepared to re-employ workers who reapplied *without* preconditions.

for any shares of ... ey be so applied by being added to the purchase ... ompany or to the contract price of any work to ... ney be paid out of the nominal purchase price ...

(4) Noth ... r of any company to pay such brokerage as it ... to pay

(5) A ver ... o receives payment in money or shares from, a ... d always to have had power to apply any part of the money or shares so received in payment of any commission, the payment of which, if made directly by the company, would have been lawful under this section

(6) If default is made in complying with the requirements of subsection (2) relating to the lodging of the statement referred to therein with the Registrar, the company, and every director and officer of the company who knowingly is a party to the default, shall be guilty of an offence

81. Issue of shares of par value at a discount.—(1) A company may issue at a discount shares of the company of a class already issued if the following conditions have been complied with.

(*a*) Such issue must be authorized by special resolution of the company specifying the maximum rate of discount at which the shares are to be issued, and

(*b*) not less than one year must at the date of issue have elapsed since the date on which the company became entitled to commence business or the date of the first issue of the class of shares, and

(*c*) such issue must be sanctioned by the Court, and

(*d*) the shares to be issued at a discount must be issued within one month after the date on which the issue is sanctioned by the Court or within such extended time as the Court may allow

(2) The Court may on application for an order sanctioning any such issue, having regard to all the circumstances of the case, make an order on such terms and conditions as it thinks fit

(3) Every prospectus relating to the issue of shares by the company after the issue of the shares at a discount under this section shall contain particulars of the discount allowed on the issue of those shares or of so much of that discount as has not been written off at the date of the issue of the prospectus

(4) If default is made in complying with the requirements of subsection (3), the company, and every director and officer of the company who knowingly is a party to the default, shall be guilty of an offence

82. Issue price of shares of no par value requiring special resolution.—(1) No company shall issue shares having no par value of a class already issued at a price lower than an amount arrived at by dividing that part of the stated capital contributed by already issued shares of that class, by the number of issued shares of that class, unless the issue price of such shares is authorized by a special resolution of the company

(2) The notice convening the meeting for the purpose of passing the special resolution referred to in subsection (1) shall be accompanied by a report by the directors setting out the reasons for the proposed lower issue price

(3) A special resolution under subsection (1) shall not be capable of being registered in the Companies Registration Office unless the copy thereof lodged with the Registrar is accompanied by a copy of the report by the directors referred to in subsection (2)

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%
	212 2.2%	389 4.9%	115 10.1%	127 15.8%	190 6.1%	276 8.8%	273 11.4%	212 11.0%
	5737 58.8%	3118 39.3%	537 47.3%	246 30.6%	845 27.1%	566 18.0%	148 6.2%	66 3.4%
	1587 16.3%	2181 27.5%	273 24.1%	239 29.7%	939 30.2%	1278 40.7%	772 32.3%	749 39.0%
	9752 100%	7926 100%	1135 100%	804 100%	3114 100%	3140 100%	2390 100%	1921 100%
	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%

Official hits at PE strikers

PORT ELIZABETH — The Secretary for Manpower Utilisation, Mr Jaap Cilliers, criticised black workers from three firms here yesterday for going on strike illegally without trying to settle their grievances through the correct channels

Addressing a seminar on industrial relations, Mr Cilliers said "I ask myself if it is fair for 1 500 workers to go on strike illegally, thereby depriving a large number of workers of their income, all because six workers in three firms, who have access to the Department of Manpower Utilisation, the industrial councils and the courts of law to have their problems solved, did not do so"

The worst was that pleas were being made to overseas firms for a commission of inquiry to be set up

Mr Cilliers was referring to a letter sent by former workers at Ford to the firm's head office in Detroit asking for an investigation into conditions at the factory. — SAPA

* 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.

TABLE I

MORTALITY RATES FOR THE 17 MAJOR DIVISIONS OF THE ICD (8th REVISION)

(Note: There are no tables for divisions V, XI, XII, XIII because of the small numbers in each of these categories).

I INFECTIVE AND PARASITIC DISEASES

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,17	0,13	0,00	0,21	0,06	0,16	0,04	0,06
1-4	0,03	0,07	0,07	0,00	0,07	0,05	0,03	0,04
5-24	0,09	0,05	0,07	0,05	0,06	0,04	0,05	0,04
25-44	0,26	0,33	0,21	0,26	0,54	0,56	0,34	0,36
45-64	3,01	2,58	1,47	2,19	5,10	2,68	2,32	1,91
65+	12,24	7,26	4,70	5,18	12,59	7,51	6,16	4,10
ALL	1,41	1,21	0,36	0,43	1,03	0,69	0,58	0,45
NO.	2920	2522	126	152	1170	809	3472	715

II NEOPLASMS

III ENDOCRINE, NUTRITIONAL AND METABOLIC DISEASES

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,09	0,05	0,06	0,21	2,27	1,68	0,24	0,61
1-4	0,03	0,01	0,00	0,05	1,27	1,08	1,04	1,44
5-24	0,01	0,01	0,01	0,01	0,01	0,01	0,22	0,33
25-44	0,02	0,02	0,08	0,08	0,08	0,05	455	530
45-64	0,09	0,12	0,39	0,88	0,28	0,42		
65+	0,39	0,59	1,61	2,59	0,81	1,28		
ALL	0,05	0,08	0,12	0,18	0,28	0,26		
No.	114	173	43	63	316	307		

GM in massive foreign push

192

S. Times 2/12/79

By STEPHEN ORPEN

THE recent injection of R20-million in new equity in General Motors South African, plus the company's decision to launch a small, fuel-economy model early next year, are part of General Motors' wider aim to become as important outside the United States as in it.

The extent of the planning and marketing necessary for this is evident from the fact that General Motors enjoys nearly 60% of car sales in the United States.

Its will to succeed in overseas markets is now being demonstrated by its decision to expand its European capacity at a cost of about R2 000-million

Most of this investment will go to Spain for an assembly plant at Saragossa and a component facility at Cadiz.

However the big Spanish development is just "for starters".

GM will spend no less than some R13 000-million (equivalent to almost a third of South Africa's Gross National Product) in the next 10 years in driving for a much larger share of global business.

Early next year, South Africa will see the launch of the Opel Kadett, which is the same as a highly-successful German model which has proved itself in fuel economy.

The engine will be imported from Germany, and the range will consist of a five-door sedan, four-door sedan, and a four-door station wagon

Pricewise it will compete with the Golf and the Mazda 323.

A survey of the European motor industry by the Financial Times of London says the new General Motors' European plants should come on stream in 1982 and will fit into the group's "world car" category.

The report says this strategy is made possible by the reduction in car sizes in the United States, which will make most of the cars sold there in the eighties similar to those already on the roads in Europe and Japan

PE factories returning to normal after strikes

PORT ELIZABETH — All three Port Elizabeth factories, recently affected by strikes, are returning to normal

The public affairs director of Ford, Mr Dunbar Bucknall, said that their company had re-employed 263 workers following the walkout of 700 workers at the Struandale assembly plant Of these, he said, 177 were former employees

The manager of Adamas Paper Mill, Mr A C N Malkin, said they had re-employed 170 of the workers who had walked out and were dismissed

A spokesman at General Tire, the other factory affected, was not available for comment, but it is understood that the plant is again in full production and many former employees have been taken back

Ford won't reinstate workers

(152) 5/12/79 DD

192

PORT ELIZABETH — Ford Motor Company's management was not prepared to reinstate the remaining dismissed workers, but was prepared to rehire some of them

This was said yesterday by officials of the United Automobile Worker's Union who negotiated with the Ford management on Monday.

The report was made to about 1 500 Ford workers by Mr Freddie Sauls and Mr George Manase at the Gelvandale community Centre

They said the workers should decide their next line of action — whether to return and fight their battle inside the plant as the union advised, or stick to their original decision to refuse to go inside unless all are reinstated

Mr Sauls said they told the management no new workers other than those dismissed should be hired

Up to yesterday Ford had hired 155 ex-Struandale workers, but the officials successfully persuaded Ford to stop their recruitment as from yesterday.

Speaker after speaker said they should refuse to go back — DDR

Normal work returns to strike-hit firms

Post 5/12/79 (192)

AFTER three weeks of labour unrest in Port Elizabeth, work at the three unrest beset plants is returning to normal, largely owing to many dismissed workers returning to seek re-employment.

Adamas Paper Mill has been back to full production since the weekend while Ford's Cortina plant is on low level production.

General Tires plant is believed to be back in production though no one at the plant or at head office was either available for or prepared to comment.

The public affairs director of Ford, Mr Dunbar Bucknall said yesterday that since the recent walkout of 700 Cortina plant workers 263 workers had been employed there Of them 177 had been former employees.

The recruiting programme was continuing Production would be in full swing again once enough people had been recruited. Applications were still flowing in, and preference was given to former employees

He said the United Automobile and Allied Workers Union would report back to the black workers at 12 noon after meeting yesterday and on Monday with Ford.

He said he believed the response to what the unions reported back would probably influence the number of former employees still to return for re-employment

One of the issues negotiated by the union is re-instatement of all dismissed workers without forfeiture of benefits

Mr Backnall said white workers union and other representatives were also present at meetings with management to resolve grievances

DISMISSED

He said about 600 workers would be employed to replace the 700 dismissed workers. The smaller number would enable the plant to return to a five instead of a four day working week.

The managing director of Adamas Paper Mill, Mr Clive Malkin, said in an interview yesterday that at least 200 of about 250 workers dismissed had been re employed. No new people were taken on.

Although more former employees were being taken on, the number would eventually be less than 250 because of rationalisation

No grievances had formerly been presented to the company and he believed the walkouts were politically motivated and largely caused by intimidation However, the company was meeting the liaison committee with a view to resolving possible grievances

He said a new wage agreement of which negotiations started before the unrest was coming into effect at the end of the month and had probably contributed to workers' return to the company.

No spokesman was available at General Tires plant in Port Elizabeth where 625 workers were dismissed after a walkout. The managing director, Mr R G Nicholson, was not available for comment at the Johannesburg head office.

When the secretary treasurer, Mr F Wilde, was approached, he said he did not know what was going on at Port Elizabeth plant and nobody else at head office did.

It is believed, however, that the plant is in full production and that most of the 625 dismissed workers were re-employed

(142)

Post. 6/12/79. 500 to stay out at Ford

POST, Thursday,

500 stay out at Ford

BLACK WORKERS dismissed at Ford Motor Company's Cortina plant, a fortnight ago yesterday reaffirmed their stand of staying away from work unless all fired workers are reinstated.

The decision was taken unanimously at a special meeting attended by more than 500 workers at the Holy Spirit Church Hall, Kwazakhele. The workers also decided that their fringe benefits, in bonuses, pension and medical aid, should be guaranteed. However, they were prepared for management to consider their grievances when they were at work.

From POST Correspondent

The decision by the workers has dashed hopes by the United Automobile Workers Union and Ford management that the long-drawn-out dispute could be resolved this week under the auspices of the trade union

Yesterday's meeting was also attended by workers from General Tire and SA Adamas Paper Mill, two other plants affected by the industrial strife during the past two weeks, was convened to discuss a report by the trade union from the management which was spelt out to the workers at another meeting in Gelvandale yesterday.

At a lengthy meeting in Gelvandale on Tuesday, the Ford employees unanimously expressed themselves in favour of continuing with their demands that the company reinstate them all without loss of benefits.

SHARP

The meeting was characterised with some sharp attacks on union officials.

The workers also disapproved of the decision by management reached with union officials that workers should reapply individually for their jobs.

Mr George Manase, national organiser of UAWU, who convened the Tuesday meeting, said out Ford's refusal to reinstate all workers and said the company was prepared to re-employ as many as possible of the former Cortina plant workers.

Mr Manase also disclosed that Ford had undertaken not to employ any other any longer until the dismissed workers had won their decision.

He said the union was "more than 90 percent sure" the workers would lose their bonuses, a sore point among the more than 700 workers who walked out.

Mr Freddie Sauls, secretary of the National Union of Motor Assembly and Rubber Workers of South Africa, had appealed to the workers to go back to Ford so that his union could put pressure on Ford from inside

"There can be no pressure on Ford from outside," he said. The workers were stronger inside the plant.

So far, about 177 of the 700 Ford dismissed workers have been re-employed, but the situation is far from normal.

At yesterday's meeting, the workers decided to appeal to those workers who have returned to their jobs However, they made it clear that as from today, no workers would report to Ford Cortina plant.

One of the workers dismissed by General Tire reported to the meeting that of the 625 who were dismissed, 38 have not been re-employed

The situation at SA Adamas has returned to normal, although workers claimed that several have been victimised by management.

The workers have referred the matter back to management through union officials.

Another workers' meeting will be held in the Holy Spirit Church Hall tomorrow starting at 10 am.

Strikers will work if . . .

PORT ELIZABETH — Dismissed black workers at the Ford Motor Company's Cortina plant are prepared to go to work only if they are reinstated and get their bonuses and positions they held before they left the plant

They took the decision at a meeting in Port Elizabeth yesterday

They said that if reinstated, they would let the United Automobile and Allied Workers' Union negotiate on their behalf the rest of the grievances they had earlier forwarded to Ford's management

They decided not to apply for jobs at Ford until they had received a report from the union

The union would report back at a workers' meeting to be held on Friday

Mr Thozamile Botha chairman of the Port Elizabeth Black Civic Organisation, who chaired the meeting yesterday, appealed to workers not to criticise the union at this stage

It must negotiate for us," he said

The chairman of the Save The Workers Fund committee, Mr Government Zini, reported that his committee had already appealed to 86 township businessmen for financial help

The money collected by the fund would be handed to Pebco which in turn would distribute it to the families and dependants of dismissed workers

Mr Zini said the first fund raising show would be held on Sunday — DDR DDC

Ford keeps on replacing

THE signing up of workers to replace the 700 sacked strikers at Ford Cortina plant in Port Elizabeth resumed yesterday as more than 500 strikers continued to hold out for their reinstatement.

In terms of an agreement with the black United Auto Workers Union, Ford put a stop to recruitment during the past two days

This left the number of people engaged to replace strikers on Monday night's figure of 288 Of these, 177 were former strikers

DEMANDS

In spite of the strikers' demands for their reinstatement, Ford stuck to its policy yesterday of "not conspiring to re-employ the strikers as a group"

Fords public affairs director, Mr Dunbar Bucknall, said the company had informed the black union that it was giving preference to former employees of the plant

But re-employment would be on an individual basis.

Another meeting between management and the union was held yesterday in an apparent effort to resolve the deadlock

Strikers claim victimisation

FORMER employees of two of the major plants hit by strike action in Port Elizabeth recently have claimed victimisation by management in the re-hiring process.

At a packed meeting of dismissed Ford, General Tire and Adamas workers this week an Adamas worker claimed that he had not been rehired because of his role in negotiating with management during the strike.

The worker — who refused to be identified — said he had been told he was an "agitator" by a foreman when he re-applied for work with his fellow strikers.

Also at the meeting were a number of former General Tire workers who said that more than 30 of them had been excluded from re-engagement when the firm took on 600 of its former employees last week.

On of the workers who played a leading role in presenting the workers case to management said that he had been told that he would not be re-employed as he was a "troublemaker".

Other workers who claim they were not involved in the leadership role in the strike have meanwhile claimed that General Tire is leaving them in suspense.

An elderly employee of eleven years' service said that the firm had not yet fully dismissed him and expected him to report to the factory gates every morning on the off-chance of employment.

"Why can't they just tell me straight, whether they want me or not. I have seven children and can't afford this up and down bus ride."

Mr A Malkinson, manager of the Adamas mill refused to comment on allegations of victimisation in the rehiring process but admitted that a "rationalisation" programme had been followed. He said that 200 Adamas workers dismissed for wildcat strike action had been taken back although it appeared that a number of workers had "decided to take an [illegible]ly vacation" and and not re-apply.

A General Tire managing director, Mr R G Nicholson was unavailable for comment yesterday but in the past has said that selective re-employment of the dismissed workers was the firm's prerogative.

Meanwhile Ford Motor Company management was yesterday back in discussion with the United Automobile Workers Union over the fate of the more than 500 dismissed Ford workers still boycotting employment offices at the company's Cortina plant.

A Ford spokesman repeated yesterday the company's stand that it was prepared to offer employment to the workers individually but would re[illegible] the workers demand that they all be re-instated.

A two day moratorium agreed to by the company ended yesterday and the spokesman confirmed that the company would continue recruiting as before.

The period of grace was allowed by the company to give an opportunity to the dismissed workers to discuss with their union the management stand. So far 177 of the original 700 dismissed workers have gone back.

The Ford spokesman also claimed that the attendance figure of the workers who have returned to work was normal yesterday despite indications that a mass meeting of dismissed Ford workers yesterday that they might come in for some intimidation.

[illegible] Cortina plant which spread to other companies. About 700 workers lost their jobs at Ford as a result of the dispute.

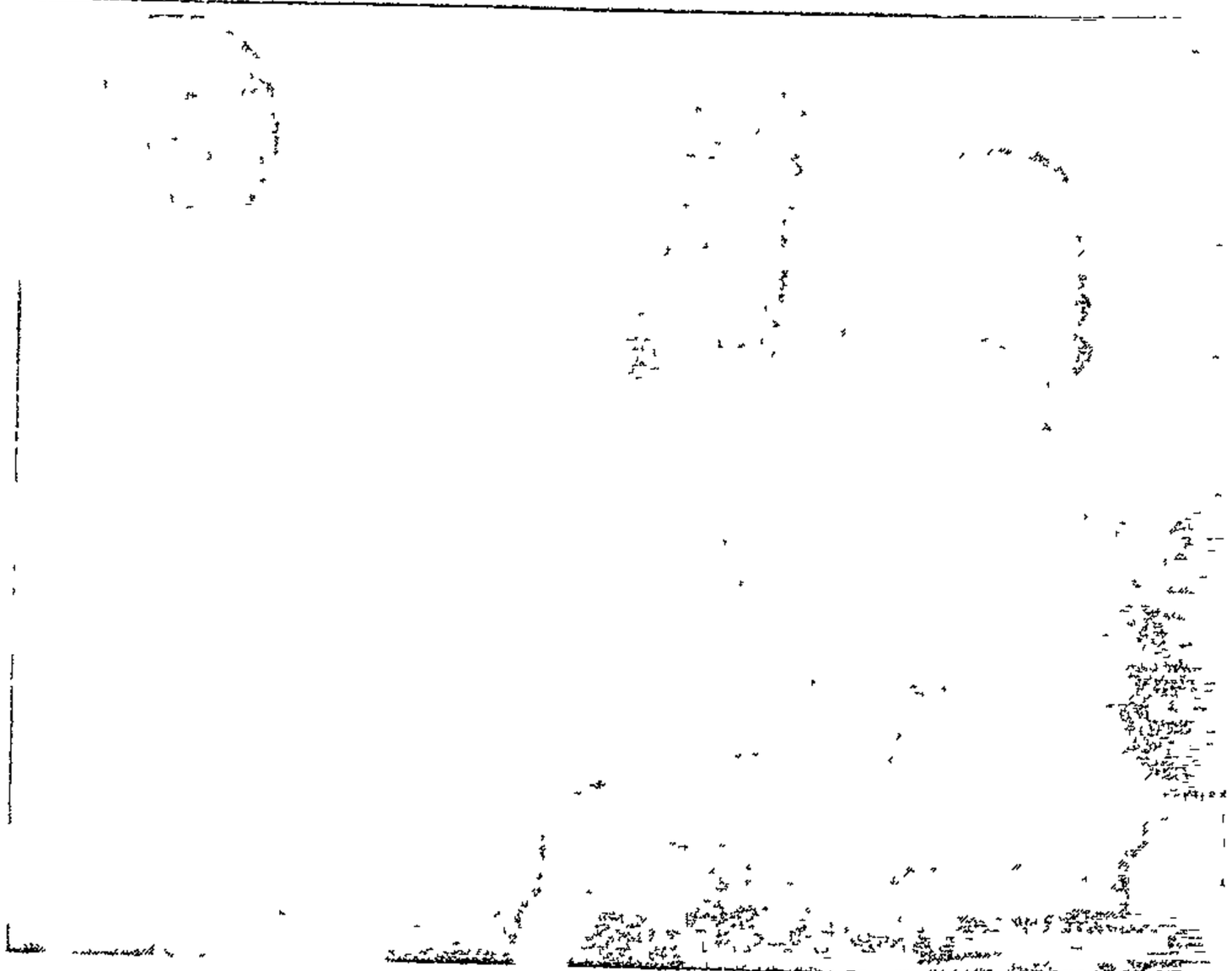
A spokesman for the [illegible] disclosed to POST yesterday at midday that [illegible] between four and 22 Ford workers were detained. According to the spokesman [illegible] reports [illegible] of the 22 [illegible] members of the [illegible] Police.

[illegible] of the Port Elizabeth Black Civic Organisation, Mr [illegible] said the [illegible] by.

[illegible] Ford workers held [illegible] meetings this week, on Tuesday and yesterday. It is not known whether the detention of some of the workers was as a result of the meetings.

Meanwhile the dispute between the strikers who on Wednesday numbered more than 500 and the management of Ford Cortina plant in Port Elizabeth reached a complete deadlock following a rejection by management of demands.

Yesterday officials of the United Automobile Workers Union met the management for 45 minutes and tabled demands of the dismissed workers as requested at a meeting in Kwazakele on Wednesday.



FLASHBACK: Ford workers carrying their leader Thozamile Botha during the labour unrest.

(192) 7/12/79 Post

Workers are prepared to go back to work on condition they are reinstated and get their bonuses and positions they held before they left the plant.

They were also prepared to let the trade union negotiate on their behalf grievances they had earlier discussed with management.

A spokesman for the union, Mr Freddie Sauls, said yesterday management was completely adamant and not prepared to shift from their stand.

Mr Sauls said management was prepared to discuss fringe benefits with the union if workers return to their jobs. Mr Sauls said: "I do not see any way that can change the situation. We have reached a complete deadlock. We find ourselves sandwiched in the middle. We are definitely not in a negotiating position. We are prepared to do our best and we are not prepared to foresake them."

The decision by management will be explained at a meeting of Ford workers at Holy Spirit Church Hall, Kwazakhele today at 11 a.m.

SB swoop on Ford workers

21 Strikers detained

Urgent meeting today

...NTY-ONE sack-
... Ford Motor
...mpany workers
...ere detained by
...curity Police yes-
...rday morning af-
... raids at their
...nes.

This was con-
...med by new head
... the Security Po-
...ce in Port Eliza-
...eth Lieut-Col G N
...rasmus in an in-
...erview yesterday.

He said some of
...e 21 might be re-
...ased soon while
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EXERCISES ON INDIRECT STATEMENT

.
. Audio cibum a matre paratum ess
. Iam omnes moneo me non semper n
  poenas daturos esse.
. Nonne speravit urbem Romam a s
. Legimus Romam saepe in perical
. Certiores facti sunt exercitus
  esse.
. Legati regi certiori fecerunt
. Puella promisit se matrem adiu
. Milites negaverunt se victum i
. Nuntii declaraverunt euites vi
O. Audivitine exercitum regis pr

.
. Promise that you will not fol
. We hoped that gifts would be
. It is said that the farmer ha
. I know that they promised to
. The general hoped to reach t
. They said that they had not
. We heard that she had been w
. He thought that we were afr
. The messengers tell us that
O. No-one will come; he says
  I say that I have done not
  I hope to come; we promise
  that it would be found; I h

MOTOR INDUSTRY F.M. 7/12/79

Discontent ends

(192)

The final regulations governing Phas of the local content programme for motor industry were gazetted last w and essentially gave effect to the r recent Board of Trade and Industries port (no 1941) on the subject

The most important change to ea proposals is that manufacturers of l commercial vehicles do not have achieve the full 66% local content as t next January 1 Instead, they n achieve 50% by the end of 1980 and by the end of 1981

However, a scale of excise duties wards those who have achieved hi local content levels and penalises t who fall below 50% For every 0 1% local content under 50%, an excise dut 0 025% will be levied, with a minimun 0,5%

Excise duty on an LCV with 50% l content or more will be 0,5%

In the case of motor cars, the cu point is 66%, with penalties for failin achieve this

The regulations also redefine light c mercial vehicles subject to local con requirements in such a way that ano lies are eliminated Previously, the cut point was an LCV with a gross veh mass of 2 450 kg and a given wheelba

Certain light goods vehicles fell wi these limits while others did not, a si tion which caused some dissatisfactio the industry and made abuses possible

Duties on vehicles which fail to achi the requirements are geared to trans more or less into the amortisation on capital investment to go into local tent

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rs.

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be found; I hoped

ANDREW LEVY

Could it happen here?

F.M 7/12/79 (124) (152) (192)

Andrew Levy studied Economics at Wits University and took a masters degree in labour economics and industrial relations in the UK He has had extensive experience of industrial relations in the UK motor industry and in SA He is currently MD of a firm of industrial relations consultants.

With the inevitability and typecasting of a western movie, management/labour conflict takes place in the UK, with roving bands of shop stewards constantly skirmishing with management posses After a few weeks of similar outbreaks in the Port Elizabeth area (adding grist, no doubt, to the "agitator theory" supporters' mill), the question looms large Could it happen here?

Usually, three measures throw some light on the phenomenon of strike action The number of incidents occurring, the number of workers involved and the number of days lost The first indicates relative frequency, the second sheds light on the degree of militancy and the third shows the stubbornness of both sides From the point of view of all three yardsticks, 1979 is a year to be reckoned with, as a glance at the record will show

In addition, there is the "demonstration effect", or the propensity of a group of workers, typically unskilled or low-skilled with no tradition of collective action or organisation, to be encouraged by breakthroughs made by similar groups This leads to a rapid increase in strike incidence

Department of Manpower Development reports show that the mean annual incidence of strikes has almost quadrupled comparing the four-year period before and after the watershed of 1973 These figures are for officially reported strikes only By the most conservative estimate, at least half of all incidents that occur are never reported This is true by international experience

Are employers ready for the challenge should it come? The last two years has centred on the great Wiehahn debate, a largely theoretical discussion of systems and institutions This has been mirrored in the training provided, with the result that management is woefully short of the "how to" skills of industrial relations

For example, strike handling often involves police action In April of this year, Minister Botha told Parliament that where police were involved in strike action in 1978, in no case were they called in by his Department Thus, by implication, in many cases at least, it must have been at the employers' request Hardly the exercise in joint problem-solving the industrial relations trainers preach, and a graphic demonstration of the lack of the systems and procedures that institutionalise industrial conflict Further, management's quest for sound industrial relations has often focused on the best form of representation for labour, but it has often failed to ask labour itself for its views

In addition, many employers are perceived to be "anti-union" This, in fact, makes unions seem more attractive to workers who reason that, if management appears to be afraid, unions must be good It seems that management has yet to realise that unions *per se* are neither intrinsically good nor bad, and that, by and large, management will get the union it deserves This is not to say that it is management's job to organise labour But, all too often, management drives its labour, both black and white, towards the union for all the wrong reasons

For labour's part, a growing awareness of past injustice, an awakening of collective strength, and ample reinforcement of the demonstration effect make the recent events at Ford and elsewhere less surprising

While it is unfortunate that Ford, which has undoubtedly tried harder than most, has been caught in the crossfire of a backlash, it is an indicator of the very real communication gaps between management and both black and white workers

An inability to communicate, said the report inquiring into the state of the British motor industry in 1976, was one of the roots behind poor industrial relations in that industry In the SA context, add to this inability to communicate the irrationality, suspicion and prejudice based on race, and the complex relationship is compounded — nascent black unions have a need to prove themselves, existing white unions in some cases seem unwilling to share their privileged position, and many employers are unwilling to negotiate

What is really at stake, of course, is the "right to manage," and labour is going to show that management's exercise of this right is dependent on labour's consent This has been a clearly distinguishable pattern throughout the rest of the world, and it will be the same here It is a question of power and issues such as registration and the legality of strike action are of secondary importance to the employer He realises that a collective show of worker strength is a very real limiting factor on his ability to do as he thinks fit

The change will be traumatic until new attitudes prevail It is up to the employers to show the way and be innovative and receptive Should they fail to do so or be seen to be manipulative, the past few weeks in Port Elizabeth are merely the overture

Consultant Levy . . change is in the air

500 strikers decide on Ford offer today

RDM 7/12/79 (1) 152 (192)

By STEVEN FRIEDMAN
Labour Reporter

ABOUT 500 strikers, formerly employed at the Ford Cortina plant at Struandale near Port Elizabeth, will decide today whether to accept conditions laid down by management and return to work

Management met representatives of the United Auto Workers Union yesterday and the union must now discuss management's conditions with the strikers

According to Ford's public affairs director, Mr Dunbar Bucknall, management will give preference to workers previously employed at the plant but none of these workers will be unconditionally reinstated

This means that they will lose service bonuses accumulated before the strike

At a meeting on Wednesday, the strikers resolved not to return to work before management agreed to reinstate them unconditionally

So it appears unlikely the strikers will agree to management's terms, although Mr Bucknall said Ford could "probably" re-employ them if all applied

Although Ford is reducing the labour complement at the plant, all the workers could "theoretically" be accomodated by " moving around workers in other plants," according to Mr Bucknall

All worker demands are now apparently being transmitted to management via the United Auto union

At the beginning of the strike many workers appeared to prefer to channel their demands through the Port Elizabeth Black Civic Organisation (Pebco), and there was a good deal of rivalry between Pebco and the union

But observers in Port Elizabeth say that workers are now channeling demands through the union with Pebco's blessing

Meanwhile Sapa reports that former employees of two other plants in Port Elizabeth hit by strikes recently have claimed management is victimising them

At a packed meeting of dismissed Ford, General Tire and Adamas workers on Wednesday, an Adamas worker claimed he had not been rehired because of his role in negotiating with management during the strike

The worker — who refused to be identified — said he had been told he was an "agitator" by a foreman when he reapplied for work with his fellow strikers

Also at the meeting were a number of former General Tire workers who said more than 30 of them had not been rehired when the firm took on 600 of its former employees last week

One of the workers, who played a leading part in presenting the workers' case to management, said he had been told he would not be re-employed because he was a "trouble-maker"

Other workers, who claimed they had not been involved in the leadership of the strikes, claimed General Tire was leaving them in suspense

An elderly employee said the firm had not yet fully dismissed him and expected him to report to the factory gates every morning on the off-chance of employment

Mr A Malkinson, manager of the Adamas Mill, refused to comment on allegations of victimisation in rehiring

He said about 200 Adamas workers dismissed for wildcat strike action had been taken back, although it appeared that a number of workers had "decided to take an early vacation" and not to reapply

General Tire's managing director, Mr R G Nicholson, was unavailable for comment yesterday but in the past has said selective re-employment of the dismissed workers was the firm's prerogative.

(iv) Proportional Mortality, accounted for by specific conditions.

(v) Expectation of Life. This and at 45 years of age (e_{45}) for both average number of additional years beyond birth and 45 years.

For Africans, the proportional mortality experience of the white, 'coloured'

RESULTS

The infant mortality rates (IMR) and the proportional contribution of selected for whites and 'coloureds' are provided in causes of death to the overall mortality experience of the white, 'coloured' the whites have experienced a steady and African communities.

since 1929, the 'coloureds' after a static IMR since 1950 and an increase

From 1941 to 1970, the white IMR has shown a changing spectrum an improvement of 57,6%. During this period 1929 to 1970, the whites have shown a decreased from 164,8/1 000 to 132,[illegible] of mortality which is classically associated with an improving health status. Infectious diseases have become less important and the major causes of death are increasingly related to Cardiovascular and Neoplastic diseases. The 'coloureds' and Africans, however, have a persistently high proportion of deaths caused by infectious diseases. The Africans exhibit a spectrum of [illegible] the [illegible] developing communities, [illegible] the [illegible] of the consistently responsible for a fairly [illegible] of cases [illegible] mortality of the 'coloureds', Table I though cardiovascular diseases are [illegible] for cardiovascular diseases have been fairly small proportion of the overall mortality rates of whites and indicates that the actual rates for 'coloureds' since 1941. similar for both whites and 'coloureds' the age of 65 years have shown a rising trend, it is of some concern that the mortality rates have also increased between 1960 and 1970 for 'coloureds' in the 25-44 and 45-64 years age groups.

The imbalance between the age specific mortality rates of whites and 'coloureds' has improved or remained constant for persons between the ages of 5 and 64. However, for children less than 5 years of age, the gap between whites and 'coloureds' is widening. In 1941, white children under one year old experienced 28,0% of the mortality of 'coloured' children,

Clearly, the broad diagnostic categories used in this analysis conceal a certain amount of information. However, because of the changes in disease classification which have taken place since 1929, it is not possible to examine the temporal changes of mortality rates in greater detail. Disease categories with rates greater than 5/1 000 appear in italics in Table II. It will be noted that the mortality experiences of the 'coloureds'

21 held in PE following labour unrest

Argus 7/12/79

152 (172) 329

Argus Bureau

PORT ELIZABETH. — Altogether 21 people have been held by the Security Police here in connection with Port Elizabeth's labour unrest.

This was disclosed today by the head of the Security Police here, Lieutenant-Colonel G N Erasmus, who said they were being held under Article 22 of the General Law Amendment Act No 62 of 1966. This provided for the 14 day detention of terrorists and 'certain other persons for interrogation.'

He confirmed that there had been raids on houses in black townships and said that investigations were continuing. Some of those detained might be released soon but there was a possibility of more detentions.

Colonel Erasmus said that those detained were probably all sacked Ford workers.

It was learnt authoritatively that Mr Thozamile Botha, whose contentious resignation from Ford sparked the first of a series of strikes is not among those detained.

He was not available for comment today Mr Botha is the leader of the Port Elizabeth black civic organisation which featured strongly in the unrest.

The dispute between the sacked workers and Ford management reached a complete deadlock following the rejection by Ford of the workers' demand that they be reinstated in their jobs and provided with fringe benefits.

● Jackson backs workers — Page 3.

Sacked

0–1	0,17	0,13	0,00	0,21	0,05	0,01	0,01	0,02	0,12	0,59	0,08	173	0,06	0,21	0,05	0,01	0,01
1–4	0,03	0,07	0,07	0,00	0,00	0,00	0,01	0,08	0,39	1,61	0,12	43	0,00	0,05	0,00	0,01	0,08
5–24	0,09	0,05	0,07	0,05	0,01	0,01	0,01	0,08	0,88	2,59	0,18	63	0,01	0,01	0,01	0,08	0,39
25–44	0,26	0,33	0,21	0,26	0,02	0,01	0,01	0,08	0,88	2,59	0,18	63	0,01	0,01	0,01	0,08	0,39
45–64	3,01	2,58	1,47	2,19	0,19	0,01	0,01	0,08	0,88	2,59	0,18	63	0,01	0,01	0,01	0,08	0,39
65+	12,24	7,26	4,70	5,18	0,18	0,01	0,01	0,08	0,88	2,59	0,18	63	0,01	0,01	0,01	0,08	0,39
ALL	1,41	1,21	0,36	0,43	0,05	0,01	0,01	0,02	0,12	0,59	0,08	173	0,05	0,01	0,01	0,02	0,12
NO.	2920	2522	126	152	63	43	173										

what they were being held for, but it was learnt authoritatively that it followed intimidation.

The detentions were apparently a sequel to a meeting of about 500 dismissed Ford workers on Wednesday where threats were levelled at the 177 Ford workers who went back to work at the firms Cortina plant in Struandale.

DISCUSSION

The crude death rates and the standardised mortality rates for whites, Asians and 'coloureds' and urban Africans are presented in Fig. 1
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the unde ation pyramids of
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cities from rural areas. An indication of the situation in the rural areas is given by a sample survey carried out in Cape Town and Transkei among Xhosa-speaking Africans.[12] An increase in infant mortality was observed with decreasing urbanisation, the figure for the completely rural areas being of the same magnitude as those parts of the world devoid of medical services. Fig. 4 summarises the age specific mortality rates of

'Don't interfere' warning

PORT ELIZABETH — The secretary for Manpower Utilisation, Mr Jaap Cilliers, has reacted sharply to any suggestion of foreign interference in Port Elizabeth's industrial unrest.

In an interview from Pretoria yesterday, he said his department would not brook any interference from the Rev Jesse Jackson or others.

He was reacting to reports that the American activist preacher planned to lead a group of United States labour leaders and ministers on an independent fact-finding mission to South Africa next year to investigate the Ford situation

Mr Cilliers said the Port Elizabeth situation had nothing to do with conditions of employment

"If that was the case, our industrial machinery should have been used We are satisfied that employment conditions of the companies involved in Port Elizabeth are satisfactory, and in the case of some, even superior

"If we allow people overseas to interfere in the labour relations of South Africa's international companies, of which we have hundreds, imagine our situation It would be intolerable

"There is no justification for Mr Jackson or others to come here with the purposes of interfering We stand on our own feet and are proud of our independence," he said

Police detain 21 over Ford strike

PORT ELIZABETH — Twenty-one people had been detained in connection with alleged intimidation of Ford workers, the head of the Security Police here, Lieutenant-Colonel G N Erasmus, said yesterday

Among those arrested yesterday for questioning were former workers of Ford's Cortina plant where four strikes last month led to the eventual laying-off of 500 workers

The men were being detained under Article 22 of the General Law Amendment Act No 62 of 1966 which provides for the detention and questioning of terrorists and certain other people, Colonel Erasmus said

The arrests come after a meeting of about 450 former Ford workers on Wednesday, during which 177 workers who had returned to work were threatened

Mr Thomazile Botha, who was one of the leaders of the strikers, was not among those detained

The dismissed Ford plant workers decided yesterday to stay out of the plant until January They reaffirmed their stand that they would only return to the plant if they were all reinstated, not re-employed

The national organiser of the United Automobile and Allied Workers Union, Mr George Manase told workers that Ford was prepared to re-employ but not to reinstate dismissed workers

He said the union was experiencing some difficulty in negotiating for dismissed workers, because a number of workers who walked out of the plant had been re-employed Ford management therefore felt there was no point in reinstating the rest of the workers.

"It would be better if all the workers were out of the plant, because we would be negotiating for all of them, not for a certain group," Mr Manase said

The chairman of the Port Elizabeth Black Civic Organisation, Mr Thomazile Botha called on workers to be united

"Let us have one common objective, that we want to go back to work at Ford as a group, not as individuals," he said

rural areas or cause of deaths' according to the Bantu Reference Bureau (Personal Communication). At least 50 000 deaths among Africans were not registered These occur mainly in the rural areas. It is estimated that about 10% of the deaths in the main urban districts are not registered for Africans.

METHODS

The following indices were calculated:

1. Crude Mortality Rates.
2. Standardised Mortality Rates. Two standard populations were used England and Wales representing a developed population and Mexico 1960 for a developing one.

ates. Calculated mainly in five year age
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d using the age specific survival rates from
t the actual births and deaths in the 0-4 age
for migration.

procedure was adopted as a population figure for
s required. The 1970 age distribution[10] by magisterial district was used, the numbers being adjusted by the 1974 gross population estimates by economic region.[11]

DISCUSSION

The crude death rates and the standardised mortality rates for whites, Asians and 'coloureds' and urban Africans are presented in Fig. 1. The interpretation of these figures is confounded by the differences in the underlying structure of the population. The population pyramids of the various groups were presented in Part I with the exception of the urban Africans, which appears in Fig. 2. This population shows an excess of health, working males and lack of elderly persons as a result of the migratory labour situation.

Police hold 21 after Ford strikes

By RAY JOSEPH

SECURITY Branch police in Port Elizabeth are holding 21 men for questioning in connection with the alleged intimidation of strikers who had returned to work at the Ford company plant.

This was confirmed by the local Security Branch chief, Colonel G N Erasmus, who said that it was possible there would be further arrests.

Col Erasmus said the men, some former Ford workers, who had lost their jobs after a dispute with management two weeks ago, were being held in terms of the General Law Amendment Act.

He said the men were being questioned "about the intimidation of workers who have returned to work".

Less figure for the mortality fully expressed in terms of a as calculated by relating observed population by the ion, and by the number of [illegible] of the urban ed population, effect the weighting given to choice of an underdeveloped ght to infant deaths and latter developed standard population tandard population affects the ed group. There is no 'truth' There are lies, damned lies,

g. 3. Once again, difficult ans. But statistics for government. The various local officers of e infant mortality rates for their urban areas. These show considerable variation. (See also ref 10). A mean figure and the range are given in Fig 2. These de facto figures should be interpreted with caution as sick infants are often brought to the cities from rural areas. An indication of the situation in the rural areas is given by a sample survey carried out in Cape Town and Transkei among Xhosa-speaking Africans.[12] An increase in infant mortality was observed with decreasing urbanisation, the figure for the completely rural areas being of the same magnitude as those parts of the world devoid of medical services. Fig 4 summarises the age specific mortality rates of

rural areas or cause of deaths' according to the Bantu Reference Bureau (personal communication). At least 50 000 deaths among Africans were not registered. These occur mainly in the rural areas. It is estimated that about 10% of the deaths in the main urban districts are not registered for Africans.

METHODS

The following indices were calculated:

1. Crude Mortality Rates.
2. Standardised Mortality Rates. Two standard populations were used. England and Wales representing a developed population and Mexico 1960 for a developing one.
3. Age and Cause Specific Death Rates. Calculated mainly in five year age groups for the seventeen major divisions of the eighth revision of the International Classification of Diseases (ICD).
4. Proportions of Causes of Death.
5. Infant Mortality Rates.
6. Expectation of Life. Calculated for 1970, the last census year.
7. Competing Mortality Risks.[8] This is the mortality experience of a population under the hypothetical conditions which would exist if a particular cause of death were eliminated. It gives an indication of the relative effect of that cause on the expectation of life.

The calculation of rates involves a knowledge of the base population age specific population. No official estimates of this are available for inter-censal years. For whites, Asians and 'coloureds, the 1970 population was been projected forward using the age specific survival rates from 1970 and taking into account the actual births and deaths in the 0-4 age group. Allowance was made for migration.

For Africans, a different procedure was adopted as a population figure for each part of the country was required. The 1970 age distribution[10] by magisterial district was used, the numbers being adjusted by the 1974 gross population estimates by economic region.[11]

II NEOPLASMS

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,17	0,13	0,00	0,21	0,06	0,16	0,04	0,06
1-4	0,03	0,07	0,07	0,00	0,07	0,05	0,03	0,04
5-24	0,09	0,05	0,07	0,05	0,06	0,04	0,05	0,04
25-44	0,26	0,33	0,21	0,26	0,54	0,56	0,34	0,36
45-64	3,01	2,58	1,47	2,19	5,10	2,68	2,32	1,91
65+	12,24	7,26	4,70	5,18	12,59	7,51	6,16	4,10
ALL	1,41	1,21	0,36	0,43	1,03	[illegible]	[illegible]	[illegible]
NO.	2920	2522	12[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

III ENDOCRINE, NUTRI[illegible]

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,09	0,05	0,06	0,21	2,27	1,68	2,31	1,96
1-4	0,03	0,01	0,00	0,05	1,27	1,08	1,02	1,29
5-24	0,01	0,01	0,01	0,01	0,01	0,01	0,02	0,02
25-44	0,02	0,02	0,08	0,08	0,08	0,05	0,06	0,07
45-64	0,09	0,12	0,39	0,88	0,28	0,42	0,24	0,61
65+	0,39	0,59	1,61	2,59	0,81	1,28	1,04	1,44
ALL	0,05	0,08	0,12	0,18	0,28	0,26	0,22	0,33
No.	114	173	43	63	316	307	455	530

Ford dispute drags on

By RIAAN DE VILLIERS
Labour Correspondent

INDUSTRIAL conflict surrounding the Ford Motor Company in Port Elizabeth enters its sixth week today with no end in sight to the dispute between the company and ex-employees

At a meeting last week striking ex-workers reaffirmed their decision not to return unless all are unconditionally reinstated.

This followed negotiations between the company and the United Automobile, Rubber and Allied Workers' Union.

Asked to comment on Ford's attitude to the detention of 22 strikers by the Security Police last week, Mr Dunbar Bucknall, Ford's public affairs director, said the men reportedly detained were not company employees and Ford therefore had no locus standi in the matter.

TABLE I

MORTALITY RATES FOR THE 17 MAJOR DIVISIONS OF THE ICD (8th REVISION)

(Note: There are no tables for divisions V, XI, XII, XIII because of the small numbers in each of these categories).

I INFECTIVE AND PARASITIC DISEASES

			A		C		B	
			M	F	M	F	M	F
[illegible]2			9,81	6,60	55,55	51,04	29,36	27,05
[illegible]13			0,76	0,79	8,27	7,48	3,56	3,42
[illegible]02			0,07	0,08	0,21	0,21	0,20	0,22
[illegible]03			0,17	0,20	1,14	0,78	0,36	0,45
45-64	0,25	0,13	0,75	0,45	3,30	1,37	2,15	1,27
65+	1,04	0,72	1,61	1,98	5,48	2,78	5,45	2,93
ALL	0,19	0,15	0,56	0,45	3,33	2,69	1,66	1,61
NO.	399	315	198	159	3792	3146	3472	2593

HONEY CAKE — Jan

1 cup flour
4 t baking powder
2 T butter
1 egg
½ cup sugar
¼ t salt
½ cup milk

3 T honey
1½ T butter

Sift dry ingredients. Heat milk and 2 tablespoons butter until melted. Beat egg and add to milk and butter. Mix with dry ingredients and bake in buttered fairly deep pie dish approximately 20 minutes at 350°F or 180°C.

Melt honey and 1½ tablespoons butter and pour over hot cake before serving. Serve with whipped cream.

NUT CAKE — Margaret

4 eggs
¼ lb sugar
¼ lb ground almonds (or hazelnuts)
½ t baking powder
½ T flour
¼ grated lemon (skin & lemon)

Beat yolks with sugar until creamy, then add nuts, flour, baking powder and lemon. Fold in stiffly-beaten egg-whites. Bake at 350°F for ½ hour.

Serve with whipped cream.

Ford strike: No end in sight

CT 10/12/79

Own Correspondent

JOHANNESBURG — Industrial conflict surrounding the Ford Motor Company in Port Elizabeth enters its sixth week today with no end in sight to the dispute between the company and ex-employees. At a mass meeting last week striking ex-workers reaffirmed their decision not to return unless all were unconditionally reinstated.

This followed negotiations between the company and the United Automobile Rubber and Allied Workers' Union during which the company stuck to its ruling that the workers should apply individually for re-employment and would lose their service bonuses accumulated before the strike. With the company's annual shutdown due on Friday, it appears likely that the dispute will extend into the new year.

Mr Dunbar Bucknall, Ford's public affairs director, said yesterday the company had employed 293 workers up to last Thursday to fill the 700 vacancies in its Cortina plant, of which 178 were former employees.

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chives.

BEAN SOUP

1 pkt sugar
1 slice bee
1 Kassler r
handful sou
2 bay leave
1 onion stu
2 carrots,
2½ litres v
salt & pepp

Wash beans; Boil for 2 minutes. Remove from heat and soak for 1 hour. Bring to boil again, add rest of ingredients. Simmer till beans are tender. Cool. Remove meat and 1 cup beans. Purée remaining soup in blender. Heat slowly. Put a few reserved beans in each serving bowl. Sprinkle with Worcester sauce. Cover with soup. Garnish with cream and crumbled bacon or croûtons.

PRESERVED BRINJALS — Sue J

brinjals
white vinegar
olive oil
garlic
fresh marjoram

Peel brinjals and cut into Julienne strips.
Put into enamelled pot and cover with white vinegar and bring to the boil. Cook for as short a time as

Post 7/12/79

(92)

Sacked workers claim prejudice

PORT ELIZABETH — The Department of Manpower Utilisation is to investigate the manner in which General Tire signed off a number of workers dismissed in the wake of the recent industrial dispute.

Unemployment cards produced by the dismissed General Tire workers showed that in a number of cases management had written under reasons for leaving employment the word "strike".

Mr Jaap Cilliers, Secretary for Manpower Utilisation said yesterday that if this was correct the company had acted irregularly.

"The employer should have restricted himself to giving the reason for leaving work as 'other' as it is listed in the unemployment card

"It is not intended that the card should prejudice a man's future employment opportunities"

Mr D N Wiggill, divisional inspector of Manpower Utilisation in Port Elizabeth has promised an investigation and said that if the claim was correct, General Tire would be asked to call in the cards and change them

Details of the unemployment card error emerged after 30 General Tire workers who had not been re-hired with their 600 fellow strikers were sent their unemployment cards last week by registered post.

One employee — a father of seven with 11 years service to General Tire — said that he had not been involved in any leadership role in the strike but had not been re-employed with other General Tire workers.

"Now that this is written in my book what chance do I have of getting another job?" asked the man.

Mr R G Nicholson, managing director of General Tire was unavailable for comment and his secretary said she did not believe any other company official could discuss the issue

[illegible] the current inventory valuation.

The apparent effect of LIFO on working capital reveals a weakening structure whereas in real terms there is actually a strengthening of the working capital position.

Example 6

LIFO is applied for the first time during the current year and the LIFO adjustment (being the difference between the FIFO valuation and LIFO valuation of end of year inventory) is R10. The tax rate is 40%. Assume a bank balance of R20 and that tax is paid therefrom.

More strikers are detained

SEVEN more sacked Ford Motor Company workers were detained by the Security Police at dawn following raids at their homes yesterday

This was confirmed by the new head of the Security Police in Port Elizabeth, Lieut Col G Erasmus in an interview yesterday

The total according to Lieut Col Erasmus brings to 20 strikers detained by the Security Police All those detained are being held in terms of Section 22 of the General Law Amendment Act.

One of the strikers, Mr Sicelo Sogoni of 433/34, Soweto was detained for the second time He was first detained with 21 others when Security Police raided homes of Ford workers on Thursday. He was however released the same day.

The other six sacked workers detained yesterday include, Richard Nqam of 436/40 Soweto, Zongezile Ndongeni of 436/40 Soweto, Mr Mzimkhulu Mnyobe of 79 Gunguluza Street, New Brighton, Mr Solly Landule of 430/41 Soweto, Mr Owell Makalima of 438/35 Soweto and Mr Johnson Mboyiya of 106 Kwaza Street, New Brighton

Three more men detained last Thursday are believed to have been released from detention at the weekend All those detained yesterday are believed to be members of the Port Elizabeth Black Civic Organisation

Mr Thozamile Botha, leader of Pebco and members of the workers committee were apparently not affected by the latest detentions The workers will hold a meeting at the Holy Spirit Church Hall, Kwazakhele this morning at 11 am to discuss the latest detentions.

The apparent effect of LIFO on working capital reveals a weakening structure whereas in real terms there is actually a strengthening of the working capital position.

Example 6

LIFO is applied for the first time during the current year and the LIFO adjustment (being the difference between the FIFO valuation and LIFO valuation of end of year inventory) is R10. The tax rate is 40%. Assume a bank balance of R20 and that tax is paid therefrom.

11/12/79 (RDM) (192) (150)

7 ex-strikers detained

By DENIS SIWISA DM

PORT ELIZABETH — Seven former Ford Motor Company strikers were detained in an early morning swoop by Security Police yesterday

Three of these were among the six who were detained and released last week A further eight who had been detained earlier were released, Colonel G N Erasmus, head of the Security Police here, said

Those held yesterday have been detained in connection with alleged intimidation of former Ford workers — DDR

Ford: 20 still held by police

PORT ELIZABETH. -- Seven people have been detained for questioning by security police here during the past few days following the detention of 21 others on Thursday last week in connection with alleged intimidation of former Ford workers, the divisional commissioner of the security police, Lieutenant Colonel G N Erasmus, said yesterday

Workers allegedly being intimidated were those who had reapplied for jobs at the Cortina plant.

Colonel Erasmus said some of the initial group of detainees had been released after questioning.

Altogether, 20 people, some of whom were among the 700 workers who had lost their jobs at Ford after the labour unrest, were still in detention in terms of the General Law Amendment Act yesterday afternoon.

Turned away

Meanwhile, at General Tire, about 30 dismissed workers hoping to be reinstated were turned away when they went to the factory yesterday morning.

One of them, who did not want to be identified, said members of the factory's liaison committee had told them that the 50 dismissed workers who had not yet been re-employed would be reinstated yesterday.

"But when we got there, we were told that some of us might be employed, but then only next year," he said.

He said the company had not endorsed their reference books and this would prevent them from being employed elsewhere. On their unemployment cards, management officials had written "strike" as the reason for leaving work.

The divisional inspector of Manpower Utilisation, Mr D N Wiggill, said this was a mistake and the company would recall the cards and alter them.

General Tire's managing director, Mr R G Nicholson, was not available yesterday to comment on the claims.

Mr C Mallin, manager of Adamas Paper Mill, which had also been a victim of recent labour unrest, said the mill had been fully operational for just over a week. Two hundred and fifty workers had been dismissed and about 230 vacancies had been filled, the majority of them by former workers.

	A		W		B		C		B	
	M	F	M	F	M	F	M	F	M	F
0-1	0,70	0,31	0,85	0,69	0,32	0,19	1,18	1,24	0,32	0,19
1-4	0,31	0,27	0,49	0,21	0,21	0,20	0,63	0,61	0,21	0,20
5-24	0,68	0,20	0,71	0,22	0,68	0,12	1,40	0,38	0,68	0,12
25-44	1,43	0,37	1,18	0,30	1,22	0,26	3,32	0,70	1,22	0,26
45-64	1,55	0,40	1,25	0,42	1,10	0,31	2,39	0,76	1,10	0,31
65+	1,34	0,31	1,26	0,71	1,00	0,53	2,19	0,90	1,00	0,53
ALL	0,95	0,29	0,95	0,33	0,89	0,20	1,91	0,56	0,89	0,20
NO.	333	104	1973	677	1868	324	2175	652	1868	324

	C		B		A		W		B	
	M	F	M	F	M	F	M	F	M	F
0-1	133,70	119,02	91,30	88,18	21,76	16,18	40,44	27,11	17,22	16,21
1-4	17,22	16,21	10,23	9,93	1,17	0,94	2,42	2,39	2,26	1,25
5-24	2,26	1,25	1,64	1,12	1,05	0,46	1,31	0,74	8,80	4,96
25-44	8,80	4,96	4,78	3,70	3,02	1,47	4,33	2,48	24,27	17,87
45-64	24,27	17,87	18,06	15,57	17,46	9,49	26,27	18,72	96,90	71,79
65+	96,90	71,79	53,38	45,89	73,62	54,55	92,20	82,93	14,62	11,00
ALL	14,62	11,00	8,77	8,13	9,44	7,40	8,03	5,51	16632	12847
NO.	16632	12847	18348	13062	19600	15374	2828	1967		

	O		E		M		F		M	
ALL	0,22									
NO.	463									

More Ford men are detained

(1) 152
(2) 192
(3) 329

Own Correspondent

PORT ELIZABETH — The Port Elizabeth Security Police have detained a further seven former Ford workers and released eight detained earlier Col G N Erasmus, head of Security Police in Port Elizabeth said yesterday

This brings the number being held for questioning under the General Law Amendment Act to 20

The Act makes provision for people to be held for up to 14 days

Col Erasmus said investigations were being carried out as speedily as possible

Meanwhile, at General Tiré, about 30 dismissed workers hoping to be reinstated were turned away when they went to the factory yesterday morning

One of them, who did not want to be identified, said members of the factory's liaison committee had told them that the the 50 dismissed workers who had not yet been re-employed would be reinstated yesterday

"But when we got there we were told that some of us might be employed, but only next year," he said

He said the company had not endorsed their reference books and this would prevent them from being employed elsewhere

On their unemployment cards, management had written "strike" as the reason for leaving work

The Divisional Inspector of Manpower Utilisation, Mr D N Wiggill, said this was a mistake and the company would recall the cards and alter them

General Tire's Managing Director, Mr R G Nicholson, was not available yesterday to comment on the claims

Mr C Malkin, Manager of Adamas Paper Mill, which had also been a victim of recent labour unrest, said the mill had ben fully operational for just over a week

In all 250 workers had been dismissed and about 230 vacancies had been filled — the majority of them by former workers

XVI SYMPTOMS AND ILL-DEFINED CONDITIONS

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1					1,18	1,24	0,32	0,19
1-4					0,63	0,61	0,21	0,20
5-24					1,40	0,38	0,68	0,12
25-44					3,32	0,70	1,22	0,26
45-64					2,89	0,76	1,10	0,31
65+					2,19	0,90	1,02	0,53
ALL					1,91	0,56	0,89	0,20
NO.					2175	652	1868	324

XVII ALL CAUSES

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	21,76	16,18	40,44	27,11	133,70	119,02	91,30	88,18
1-4	1,17	0,94	2,42	2,39	17,22	16,21	10,23	9,93
5-24	1,05	0,46	1,31	0,74	2,26	1,25	1.64	1,12
25-44	3,02	1,47	4,33	2,48	8,80	4,96	4,78	3,70
45-64	17,46	9,49	26,27	18,72	24,27	17,87	18,06	15,57
65+	73,62	54,55	92,20	82,93	96,90	71,79	53,38	45,89
ALL	9,44	7,40	8,03	5,51	14,62	11,00	8,77	8,13
NO.	19600	15374	2828	1967	16632	12847	18348	13062

D.D
12/12/79
192

[illegible] meeting [illegible]
[illegible] Ford [illegible] Detroit
[illegible] the Port Elizabeth [illegible]
[illegible] to reinstate all our [illegible] workers.

In a statement yesterday, Ford's director of public affairs, Mr Dunbar Moodie, said the company's employment moratorium at the Struandale plant was now extended until the annual shutdown on Friday, and from January 2 to a next year.

This follows a two-day moratorium last week.

The intention is to return to normal hiring

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%
Ischaemic Heart Diseases (410-414)	5737 58.8%	3118 39.3%	537 47.3%	246 30.6%	845 27.1%	566 18.0%	148 6.2%	66 3.4%
Motor Vehicle Accidents (E810-E819)	750 38.0%	287 42.4%	122 36.6%	[illegible] 26.9%	[illegible] 26.3%	[illegible] 24.7%	[illegible] 15.1%	[illegible]
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%

* 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.

Ford will give them first chance

FORD'S Director of Public Affairs, Mr Dunbar Bucknall, said in a statement released in Port Elizabeth that a communication had been sent to black trade unions advising them that a moratorium for December 5 and 6 had been extended until December 14

Mr Bucknall said the communication had been sent to the United Auto mobile, Rubber and Allied Workers of South Africa, and the National Union of Motor Assembly and Rubber Workers of South Africa

The full text reads:

"Following negotiations between the trade unions and the company management, it was agreed that the company would observe a moratorium on Wednesday and Thursday, December 5 and 6, during which period former Cortina plant workers only would for considered individually for employment at the Struandale assembly plant

"Recognising that the company will observe its annual shutdown from Friday, December 14, 1979, to Monday, January 7, 1980, it has been decided to extend the moratorium through to December 14, during which time employment considerations will continue to be limited to former employees

"The moratorium will be resumed in the new year from Wednesday January 2 through Friday, January 4, during which period the employment offices will be open

"In light of the strengthening vehicle market and the lower level of production during the past few weeks, it is essential that the company resumes full production as soon as possible, and it is, therefore, the intention to return to normal hiring practices from Monday, January 7.

"From this date onwards the company will consider all applicants in the order in which the applications are received, including those of former employees" — Sapa.

Four ex-Ford workers held

THE star rugby forward, Temba Ludwaba and three others, all sacked Ford employees, were detained by the Security Police following raids at various homes yesterday

This brings to eleven the former Ford Cortina plant employees who have been detained this week On Monday seven strikers were detained following raids on their homes

One of those detained yesterday Mr Jesse Nkumanda was released after he had been interrogated by the Security Police at Sanlam building, head quarters of the Security Police in the Eastern Cape He told POST that he was released after he had made a statement

Others detained with Mr Ludwaba were Mr Dobs Mpongoshe, a shop steward at Cortina plant and Mr Tembile Jawula of Kwazakhele.

Their detention was confirmed yesterday by the new head of the Security Police Lieut Col G E Erasmus The strike which was started by 700 workers, all employed by the Ford Cortina plant, is now in its sixth week and there are no prospects of it being resolved this week The plant closed for the Christmas holiday from Friday until January 7

Of the 700 workers who were fired by Ford early in November, a total of 189 have since re applied for their jobs

No prospect of Ford probe for Jackson

WASHINGTON — The Reverend Jesse Jackson has been told there is "no prospect" of him being allowed to lead a seven-member delegation to investigate the labour unrest at the Ford plant in Port Elizabeth.

He was told this during a 70-minute meeting with Mr Donald Sole, the South African Ambassador in Washington

However, Mr Sole qualified this statement by saying that the final decision was not his to make and that the Reverend Jackson's request for the visit would be sent on to the South African Government

After a meeting with Mr Sole, the civil rights leader who made a highly contentious visit to South Africa earlier this year, said that if it was necessary he would make an appeal direct to the South African Government.

He vigorously disputed Mr Sole's contention that the labour dispute at Port Elizabeth was a legal dispute in which legal grievance procedures had already been applied.

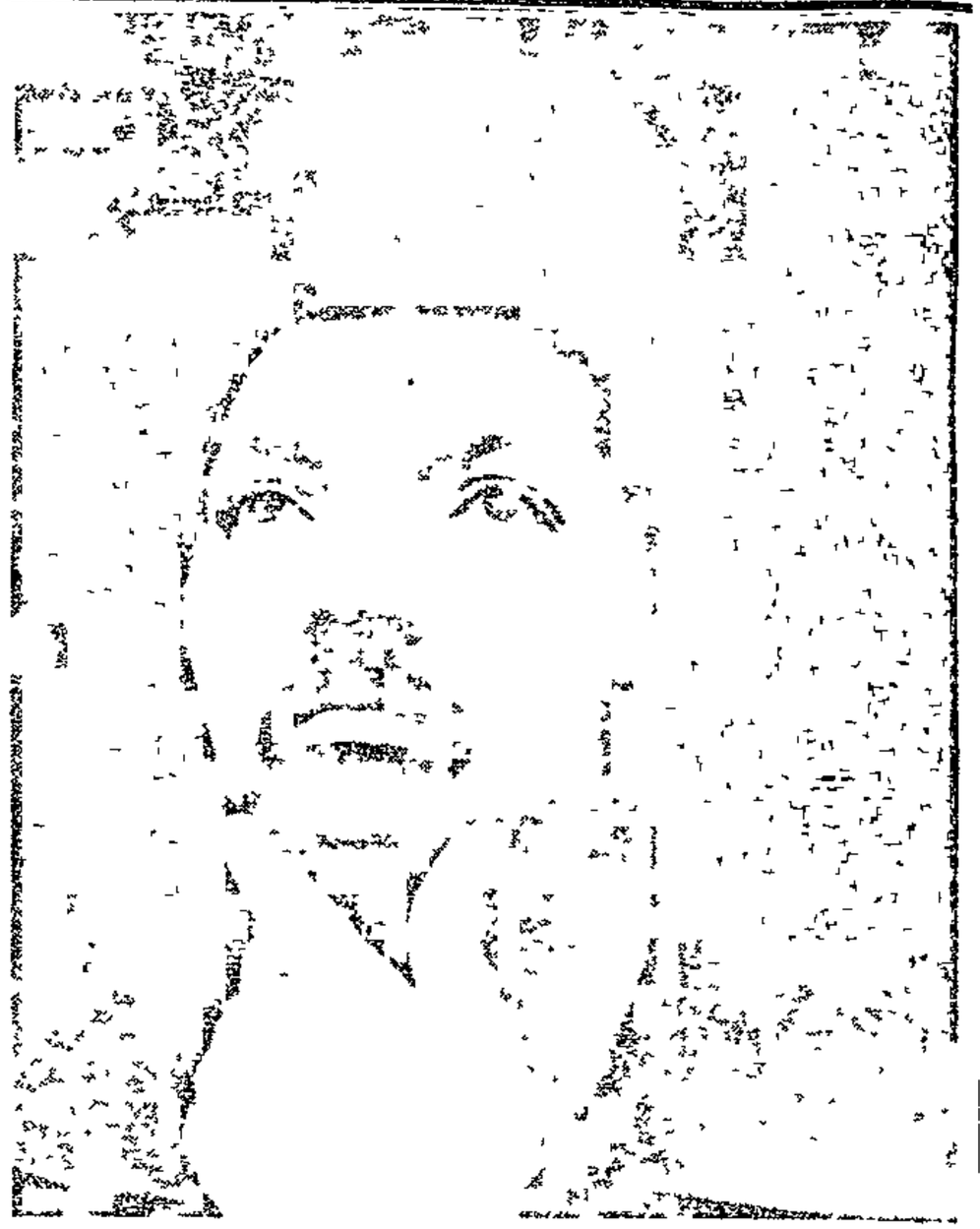
"We think this is a matter for debate. We do not want to be precipitous but we intend to appeal to President Carter because we feel that Ford Motor Company's conduct contributes to the reaction against the United States of America"

The Reverend Jackson said he and his supporters urged Ford to reinstate all the sacked workers at Port Elizabeth and he hinted at possible action against Ford if this appeal was ignored

He attacked the Ford Company in Dearborn, Michigan, for "exporting racial discrimination" to its plant in Port Elizabeth and said the most guilty party in this matter was the Ford Motor Company — "Ford cannot in good conscience . use the South African Government to excuse its conduct the company is particularly guilty because it exploits cheap labour in South Africa."

DELEGATION

The Reverend Jackson delegation to South Africa would include Mrs Cardiss Collins, chairman of the Congressional Black



Reverend Jesse Jackson . . . no prospect of leading team to investigate unrest at Ford in Port Elizabeth.

the African Methodist Episcopalian Church Mr Charles Hayes, International Vice-President of the Meat Packers and Retailers Clerks Union, and Mr Marc Steep, vice-president of the United Auto Workers Union

After the meeting Mr Sole said that he did not think the visit by the Jackson delegation would be "helpful"

Observers believe that, whether the Reverend Jackson and his supporters make the trip to Port Elizabeth or not, the continuing conflict between Ford and its black workers will have increasing repercussions in this country.

Apart from anything else, they say, it will provide ammunition for those who oppose investment in South Africa — **POST** Correspenodent

Jesse told to keep out

(192) DD 8/12/79 (152)

PORT ELIZABETH — The Secretary for Manpower Utilisation, Mr Jaap Cilliers, has reacted sharply to any suggestion of foreign interference in Port Elizabeth's industrial unrest

In an interview from Pretoria yesterday, he said his department would not brook any interference from the Rev Jesse Jackson or others.

He was reacting to reports that the American activist preacher planned to lead a group of United States labour leaders and ministers on an independent fact-finding mission to South Africa next year to investigate the Ford situation

Mr Cilliers said the Port Elizabeth situation had nothing to do with conditions of employment "If that was the case, our industrial machinery should hav been used

"We are satisfied that employment conditions of the companies involved in Port Elizabeth are satisfactory and, in the case of some, even superior.

"If we allow people overseas to interfere in the labour relations of South Africa's international companies, of which we have hundreds, imagine our situation. It would be intolerable."

Mr Cilliers's comments followed Mr Thozamile Botha's revelation yesterday that the workers had written to Mr Jackson telling him of the grievances which they had with the Ford motor company

At a meeting yesterday dismissed Ford Cortina workers decided to stay out of the plant until January.

They reaffirmed their stand that they would only return to the plant if they were all reinstated, not re-employed

Mr Botha said they had also written to the United Nations and were awaiting its reaction — DDC.

D.D. 13/12/79 192

Visa No: Carter petitioned

192 DD 152 13/12/79

NEW YORK — The Rev Jesse Jackson has appealed to President Carter to get Pretoria to grant him a visa to visit Ford workers in South Africa.

The move followed a rebuff from the South African Ambassador, Mr Donald Sole, who confirmed Mr Jackson and a small delegation of American trade union leaders and churchmen would not be admitted to South Africa

Emerging from a private meeting with the Ambassador, Mr Jackson said he had been told the Ford dispute was an "internal affair" that did not call for his involvement.

He immediately sent a cable to Pres Carter charging that his rights as an American citizen were being violated

A basic principle was involved, since the US had diplomatic relations with South Africa and South Africans enjoyed the right to visit the US, a Jackson spokesman said

"We assert the right to do in their country what they do in our country," he said

Mr Jackson argued with South African officials that it was Ford he is fighting this time — not Pretoria

"Discrimination is going from Detroit to Port Elizabeth, not Port Elizabeth to Detroit," he said "Groups like Ford like to imply they would do better if it weren't for the South African Government I think in this instance they are trying to use the Government's reputation to hide their own sins"

He showed the South African officials a formal invitation from the Port Elizabeth black Civic Association leader, Mr Thozamile Botha

Mr Sole said he made it clear to Mr Jackson there was no prospect of facilities being made available for a visit like the one envisaged by Mr Jackson

MR JACKSON . . . my rights violated.

Mr Sole told newsmen he emphasised the final decision was not his, a point Mr Jackson seized when he said he would make a more direct appeal to the South African Government

Mr Jackson disagreed with Mr Sole's contention the Port Elizabeth trouble was an industrial dispute in which legal grievance procedures had been brought into play

Mr Jackson said he and his supporters would urge Ford to rehire all the sacked workers — DDC

It's deadlock as annual shutdown starts at Ford

RDM 14/12/77

By STEVEN FRIEDMAN
Labour Reporter

THE Ford Motor Company's Struandale plant starts its annual shutdown today with about 500 former workers vowing to stay out and not seek re-employment at the firm until they are unconditionally reinstated

At the same time, the union representing Ford black workers is planning to set up a union committee in the plant to strengthen communication with members and prevent a recurrence of the unrest

The plant will re-open on January 7, but a Ford spokesman said yesterday that recruiting would begin again on January 2 Management's moratorium, reserving jobs for ex-Struandale workers only, would not be in force when recruiting resumed, he added

He said 321 workers had been re-hired by the company, 207 of them ex-Struandale workers At the time of the strikes, the work force numbered 700

The workers have said they will not return until Ford agrees to re-hire all of them and pay ex workers their accumulated bonuses

Ford will not do this, but Mr George Manase, organiser for the United Auto Workers, a black union which Ford recognises, expects most workers to return to Ford in January

The union has advised 'strikers' to return while undertaking to take up their grievances with management once they have done so

Mr Manase said yesterday, however, that the union would not take up the lost bonuses issue with Ford 'Bonuses have already been paid and there is nothing we can do' he said

The strike has been characterised by some antagonism between the union and workers supporting the Port Elizabeth Black Civic Organisation, but Mr Manase does not expect the union's support at Ford to decline

He added however, that "we will have to improve communication with the workers We have been working with a liaison committee at Ford, but this will have to go A union committee in the factory will replace it

A number of observers have argued that inadequate communication between the union and its members helped facilitate the strike

Nearly 30 ex-Struandale workers have been detained by police Mr Manase does not expect these arrests to affect the position at Ford

He said most of those detained had worked in the body shop

Meanwhile, management at another factory affected by the strikes, General Tyre has agreed to re-hire all former workers, according to Mr Manase

He said the union would approach General Tire management in the new year with a request for union recognition

General Tire management was not available for comment on this

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meaningless as it grossly misstates the current inventory valuation.

The apparent effect of LIFO on working capital reveals a weakening structure whereas in real terms there is actually a strengthening of the working capital position.

Example 6

LIFO is applied for the first time during the current year and the LIFO adjustment (being the difference between the FIFO valuation and LIFO valuation of end of year inventory) is R10. The tax rate is 40%. Assume a bank balance of R20 and that tax is paid therefrom.

Ford: Move to internationalize labour dispute

CT 19/12/79

JOHANNESBURG — Mr Thozamile Botha the Port Elizabeth labour leader, said here yesterday he was trying to internationalize the strike of black workers at Ford Motor Company by involving civil-rights leaders in the United States

Mr Botha chairman of the Port Elizabeth Black Civic Organization said at a press briefing on the background to the labour unrest that he had written to Ford's parent company in the US stating the workers grievances but had not received a reply

"The problems at Ford are political because they involve a black-white clash The trade union stayed away from the scene because of this

Mr Botha said the workers were not prepared to be rehired as had been arranged by the union, but wanted to be reinstated Ford said it would negotiate only with the union, whereas the union said it represented its members only — not all the workers

Pledging his support for the workers the chairman of the Committee of Ten Dr Nthato Motlana said Ford was one of the leading companies in the world but it still discriminated in its South African factory

"We appeal to the men who assisted with the Sullivan Code and its principles Why the deafening silence when these are the things the American companies should concern themselves with?

The secretary general of the South African Council of Churches Bishop Desmond Tutu said the SACC had approached Ford's management and offered to intervene in the dispute and provide the workers with relief assistance

Conditions at Ford were better than they used to be and the company's record was "on the whole admirable in the attempts they have made, but they really ought to show that we are entering a new era in labour relations" — Sapa

JICA — COMPANIES
973 ss. 220 222

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[illegible] (without prejudice
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[illegible] company or of any other
[illegible] concerned by this
[illegible]

[illegible] person's costs on an
[illegible] art I, the director concerned,

[illegible], a person removed there-
[illegible] in respect of the remuneration
[illegible] with that of director
[illegible] apart from this

and Certain Acts

[illegible] capital — (1) Notwithstanding anything contained in its [illegible] of articles, the directors of a company shall not have the power to allot [illegible] of the company without the prior approval of the company in general meeting

(2) Any such approval may be in the form of a general authority to the directors, whether conditional or unconditional to allot or issue any [illegible] in their discretion or in the form of a specific authority in respect of any particular allotment [illegible]

(3) If any such approval is given in the form of a general authority to the directors, it shall be valid only [illegible] general meeting

(4) Any director of a company who knowingly takes part in the allotment or issue of any [illegible] in contravention [illegible] shall [illegible] for any loss, damages or costs which the company may [illegible]

[illegible] — (1) No provision in any [illegible] to allot or issue shares or [illegible] to any director of the company or any [illegible] which [illegible] the directors of which [illegible] or association of such director [illegible] one-fifth or more of the voting power or to any [illegible]

(a) the [illegible] to the allotment or issue [illegible] specifically [illegible]

Ford strike political — Pebco

JOHANNESBURG — He was trying to internationalise the strike of black workers at the Ford Motor Company by involving civil rights leaders in the United States, the chairman of the Port Elizabeth Black Civic Organisation, Mr Thozamile Botha, said here yesterday.

In a press briefing on the background to the labour unrest he said he had written a letter to Ford's parent company in the United States stating the workers' grievances, but had not received a reply.

"The problems at Ford are political because they involve a black white clash. The trade union stayed away from the scene because of this."

Mr Botha said the workers were not prepared to be rehired as had been arranged by the union but wanted to be reinstated. Ford said it would only negotiate with the union, whereas the union said it only represented its members — not all the workers.

Pledging solidarity with the workers the chairman of the Committee of Ten in Soweto, Dr Nthato Motlana, said although Ford was one of the leading international companies it still discriminated in its South African factory.

Also pledging his support for the dismissed workers, the president of the Azanian People's Organisation, Mr Curtis Nkondo, said that, like the South African Government, Ford talked about change but did nothing about it. Removing apartheid signs was not the 'end of the story', he said.

He warned that those who sat back and thought the workers' problems were confined to Ford in Port Elizabeth were wrong.

The Secretary General of the South African Council of Churches, Bishop Desmond Tutu, said the SACC had offered to intervene in the dispute and provide the workers with relief assistance. SAPA

buy insurance against loss, but not necessarily so much as to be "fully insured" in the sense of not caring whether or not the injury occurs.

The situation is very different if the variable h represents the life of one's child. It then seems plausible that h and c are complements; if your child dies (h=0), you have less need for income, since you planned to spend it mainly on him. In such a case it is optimal to transfer income from the loss state of the utility certainty locus. That is, the individual will in such cases the optimum must therefore lie to the southeast of the income certainty line -- but not necessarily southeast "needs" additional income to achieve a similar consumption bundle). utility will be higher in the loss state (when paralyzed one dual with major paralysis it seems reasonable that marginal

However if h = 0 represents an injury leaving the individ- similarly situated, do not.

pect to find that some people insure such objects while others,

31

upon whether or not income c and the "heirloom" variable h are Edgeworth substitutes -- i.e., whether the cross-derivative of the cardinal utility function is negative. For an heirloom such as an ancestral painting with negligible cash value it is hard to establish an a priori case either way. We can thus ex-

MOTOR INDUSTRY F.M. 14/12/79 F.M. 14/12/79

Mixed blessing (192)

The regulations for Phase V of the local content programme promise to be a very mixed blessing for the motor industry, particularly for those who took the government at its word last year

The main objection to the new rules is not their content, which win broad general approval from the industry, but their timing A year ago the industry was told that the principles which had been laid down in the Board of Trade and Industries report No 1777 would be followed through

Several manufacturers including Datsun and Toyota, accepted this assurance and started planning for a 66% local content on light commercial vehicles (LCVs) to be implemented on January 1 Capital investments estimated at R50m-R70m were made on this basis

Now they have been told there is effectively a two-year delay on full implementation of the 66% requirement Light commercials only have to reach 50% by January 1 and 66% by the end of 1981 This means that the manufacturers who backpedalled on going for 66% and pinned their hopes on the regulations being changed have benefited

Earlier this year Datsun MD Peter Whitfield said his position would be "severely prejudiced" if there was any change in the regulations

However, there are some concessions which should help to ease the pain Firstly manufacturers who exceed 50% will earn a rebate of excise duty Previously, there was no rebate for going beyond 66%, only a penalty for failing to reach it

Secondly, they will be able to offset some of the duty which may be payable on cars if all their commercial vehicles exceed 50%

Another factor is that the change in the definition of light commercial vehicles has the effect of bringing more vehicles within the ambit of the local content requirements This means that some manufacturers face something of a scramble to meet the requirements for vehicles which previously were not subject to them

Considering there is normally a 2-3 year lead time for sourcing, tooling-up and securing supplier approvals for local content, this could be an onerous burden The final customs and excise duties were published on November 30 — for implementation on January 1

For every 0,1% of local content under 50%, an excise duty of 0,025% will be levied, with a minimum of 0,5% A vehicle which achieves, say, 46% on January 1 will be penalised to the extent of 1%

Another change is that an import surcharge becomes payable on chassis components for LCVs whereas bigger commercial vehicles are exempted

Diesel-powered LCVs also suffer because they have previously been made subject to a special diesel duty of 10%, designed to discourage use of diesel fuel

An important change has been to the "weighted average" principle Earlier phases of the local content programme called for the required percentage to be achieved on a weighted average of the car model range Then report 1777 called for 66% to be achieved for each vehicle model Now, there is a return to the weighted average concept but with variations

If the weighted average of a manufacturer s total deliveries exceeds 66%, then the penalty for any individual model which fails to reach 66% is a lot lighter than if the weighted average falls below 66%

There is also a formula for the calculation of duty rebates which encourages lighter cars

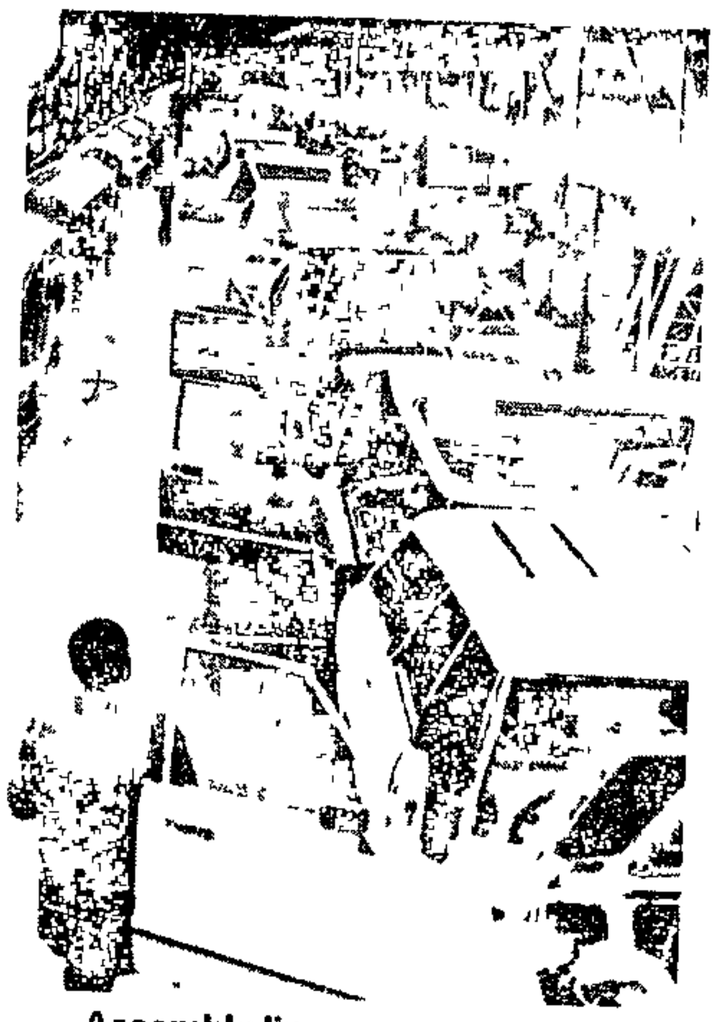
A previous concession — the "cycling time" — which allowed manufacturers a period of grace before achieving 66% on a new model, has been done away with But the bringing back of the weighted average concept will probably compensate for this

The new rules will hit some manufacturers and favour others The *FM* understands two manufacturers, who will have to bring new LCVs into the local content programme, have made representations to government against the new rules

There are those who favour the changes "The definition of an LCV is better, says Toyota MD Colin Adcock

We are not unhappy ' says Sigma chairman Chris Griffith "Government is becoming more realistic than previously indicated I am very bullish about the industry at the moment The industry will benefit from the overall move by government towards liberalisation of the economy

'We won t become completely deregulated, but we will be treated with greater flexibility "



Assembly line . . . system of penalties and rewards

However, many members of the industry say there is no doubt Phase V will increase costs because it forces manufacturers into less economical local content And this means more costly vehicles next year

86

TABLE I

OR THE 17 MAJOR DIVISIONS OF THE ICD (8th REVISION)

re no tables for divisions V, XI, XII, XIII
small numbers in each of these categories).

INFECTIVE AND PARASITIC DISEASES

B	
M	F
29,36	27,05
3,56	3,42
0,20	0,22
0,36	0,45
2,15	1,27
5,45	2,93
1,66	1,61
3472	2593

GARLIC. A "clove" is a small section of the bulb, is used crushed between foil, and rubbed round a salad bowl, to give the salad a tang. Juice used to flavour stews and sauces and with seafood. Mixed with butter for savoury bread.

ALLSPICE. Not to be confused with mixed spice, which is a mixture of spice and mostly used in cakes, biscuits, etc. Allspice is so named because it resembled the aroma of mixed spice. It is used ground in preserves, meat dishes and seasonings.

PEPPERCORNS. Used in pickles, and for boiling in brawns, tongue, salt beef and pork.

BOUQUET GARNI. This is a "Faggot of Savoury Herbs", or a bunch of herbs tied together. Usually parsley, bay leaf, and thyme are used, removed before serving.

---oOo---

K.W.V., P A A R L, T E L L S U S

That skilfully chosen wine turns a meal into a banquet. Taken regularly in moderation, as it should be, wine is everywhere considered a most pleasurable aid to health. It brings good digestion, good humour, and an air of gracious living.

Learn to choose wines well, so that they blend with each occasion, every course. Learn to add the zest of wine to your cooking. It tickles up the delicate flavour of almost any dish.

For storing wines, use a cupboard in a quiet, cool corner of the house, or under the stairs. Corked bottles must lie flat so that the cork remains moist; screw capped bottles may stand upright. Place the sparkling wines in the lowest, coolest racks, then the white, then the red, and finally the dessert wines at the top.

Cool down white wines in the refrigerator but do not over chill them. This would ruin their delicate flavour and bouquet. About an hour in the refrigerator is enough. Rosé, the same treatment. Red wines should be served at room temperature, that is at about 60 degrees, overseas. In South Africa however, it is serving it as an 'appertizer' muscatel.

To tenderise any meat - and add flavour - soak for an hour or two before cooking. Always warm before adding to hot food. Curry tends to kill any table wine; but a sweet muscatel wine can be sipped with it. Do not blunt your palate before meals by taking spirits.

Preserve left-over wine in a bottle with a thin film of fresh oil and use for cooking.

To remove ring stains left on polished wood by bottles and glasses, rub well with a damp cloth dipped in cigarette ash and oil. Then repolish.

Rinse glassware in warm water with a little ammonia added to it. This will make the glass sparkling bright.

Wine is Harmony. What melody there is for

Argus 19/12/79 THE

Ford probe coming to a head

Argus Bureau

PORT ELIZABETH. — Investigations involving Ford workers dismissed in the recent strikes here are coming to a head with indications that charges will be laid before the end of the week

Colonel Gerrie Erasmus, head of the Port Elizabeth Security Police, confirmed that investigating officers would be visiting the public prosecutor to discuss the investigations.

He declined to comment on the number of people likely to be charged or on the nature of the charges they will face.

'SOME ACTION'

'All I can say is that by the end of the week there should be some action,' he said.

Security police are presently holding 20 dismissed Ford workers under Article 22 of the General Law Amendment Act which makes provision for the detention of terrorists and certain other persons for questioning.

Scores of dismissed Ford workers are believed to have been questioned by the police following the launching of an investigation on December 6 at a meeting of Ford workers. It is understood the investigations focus on allegations of intimidation against workers.

Black unions 'spineless'

By STEVEN FRIEDMAN
Labour Reporter

A SHARP attack on the black trade union movement was delivered by two black leaders at a Press conference yesterday

The labour code devised by the Rev Leon Sullivan to which most American companies in South Africa subscribe, was also sharply criticised

Mr Curtis Nkondo, president of the Azanian Peoples' Organisation said black trade unions were "spineless if they avoided involvement in politics As all existing black unions avoid direct political action, Mr Nkondo's remarks have been seen as a criticism of the union movement as a whole

And Mr Thozamile Botha, leader of the Port Elizabeth Black Civic Organisation, whose "forced resignation" sparked off the current labour unrest at Ford, identified himself with a comment from Mr Nkondo that the black union at Ford "is a glorified committee'

Mr Botha said the union, the United Auto Workers Union which is affiliated to the Federation of SA Trade Unions, "at first ignored our requests to help the workers because they said the strike was political They have not communicated with their members as they should"

The Press conference was convened by the general secretary of the SA Council of Churches, Bishop Desmond Tutu Mr Nkondo and Dr Nthato Motlana, leader of the Soweto Civic Association, pledged support for 500-odd striking workers at Ford who are refusing to return to work until management fully reinstates them

Management has said it will re-hire the workers but will not reinstate them, a move which would involve paying the strikers their end-of-year bonuses

Mr Botha told the conference that Ford still practised job reservation and did not pay black workers equally for equal work

Bishop Tutu revealed that the SACC had volunteered to mediate between management and the workers as it did succesfully between Fattis and Monis and striking workers earlier this year He said, however, that Ford had rejected the offer as "superfluous' He urged the company to reconsider its stand

Both Mr Nkondo and Dr Motlana said they regarded the dispute as an indication that "the Sullivan code has failed' Dr Motlana said he had attempted to raise the Ford issue on subcommittees charged with implementing the code (Dr Motlana is a member of such a sub committee), but without success

He said that the Ford dispute had been greeted with "a deafening silence by the Rev Sullivan and his associates"

Mr Nkondo added that the Ford dispute had shown that "the Sullivan code is unable to deal with the South African situation

Black power is Labour threat

Resistance to labour reform is opening the door to political activism, says Mr Arthur Grobbelaar in an interview with labour reporter SIEGFRIED HANNIG.

Black power — consumer power and political power — is asserting itself on the labour scene, says Mr Arthur Grobbelaar, general secretary of the Trade Union Council of South Africa.

"And, increasingly, financial support for strikers is being mobilised from sources outside the workplace and outside South Africa," he said

"This threatens labour relations as the sole preserve of employers and trade unions

"If employers want to conduct labour relations in the conventional manner, they must counter outside intervention with a full commitment to sound industrial relations.

"The power of trade unionism must be given full rein if political activists are to be kept out of labour affairs.

"And racial discrimination must be removed from the workplace together with all the other malpractices which trouble relations between workers and employers"

Mr Grobbelaar used two recent labour disputes to make his point.

The Fattis and Monis strike, he said, manifested black consumer power by means of a boycott which forced the employer to come to terms with a trade union

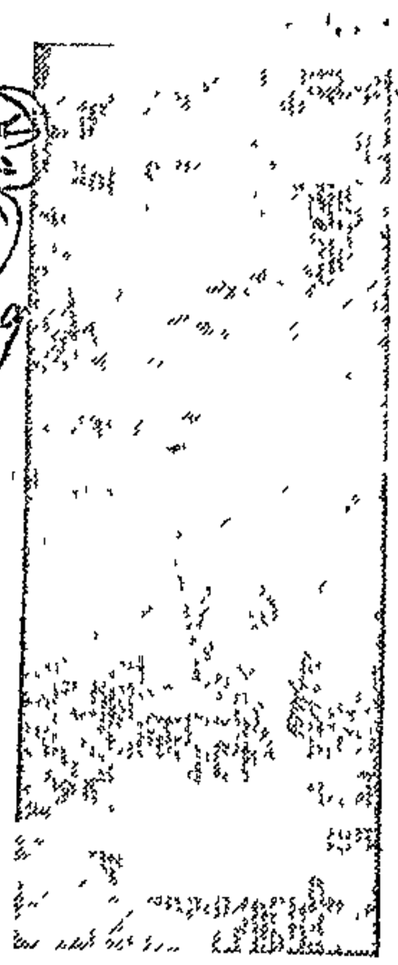
The Ford strike manifested black power in a political sense It was led by the Port Elizabeth Black Civic Organisation and had the open support of black consciousness leaders such as Dr Nthato Motlana of the Soweto Civic Association and Mr Curtis Nkondo of the Azanian People's Organisation Star 26/12/79

Mr Grobbelaar noted that the South African Council of Churches had played a significant role in both disputes It offered to help settle the continuing Ford dispute And it actually achieved a settlement through mediation in the Fattis and Monis dispute.

He said financial support for strikers, from outside sources, was apparent in the Fattis and Monis strike which lasted six months.

Financial support also had been promised to the Ford strikers by unknown sources.

This was in addition to a large sum which foreign labour organisations were reported to have sent to a striking South African trade union a year ago.



Mr Arthur Grobbelaar

"Non-trade union assistance for strikers represents a complete departure from the conventional forces in the labour field," Mr Grobbelaar said.

"It can distort the whole concept of labour relations as being the preserve of employers and trade unions"

He found the solution to such distortion in the Ford dispute where the outside forces apparently clashed with a black trade union which was fully recognised by Ford.

"The Ford dispute shows that outside intervention can be resisted if an employer allows the development of trade unionism and strives for the removal of racial discrimination

"South Africa's labour reforms have come in the nick of time

"Ironically, those who are fighting the reforms are opening the doors to activists who have no business in labour affairs," Mr Grobbelaar said.

DISEASES OF THE CIRCULATORY SYSTEM

Former Ford workers on Riotous charge

Post 3/12/79

By MONO BADELA

TWENTY FOUR Ford Motor Company employees detained by security police for two weeks for alleged involvement in the recent strikes appeared briefly in the Port Elizabeth Magistrate's Court yesterday on charges under the Riotous Assemblies Act.

They are alleged to have intimidated other workers on December 5 during the unrest at the factory.

They are Christopher Gqalani (30), Bonakele Kulati (30), Tsitso Keli (30), Vuyisile Boxongo (27), Sipho Moni (28), Zola Ngcondo (25), Wheldon Buni (23), Sileli Mzozoyana (23), Wandile Twebe (27), Simon Skoti (27).

Luvuyo Bikitsha (29), Mzwandile Dladla (28), Solomon Landule (29), Gordon Sogoni (24), Richard Nqam (34), Fundile Fontein (25), Mzimkhulu Myobe (26), Tembile Jawula (32) Songezile Dongeni (28) and Mathews Mpongoshe (44)

No further particulars were available on the charge sheet and no evidence was led. The case was postponed for further investigation to January 29. Bail was fixed at R50 each under certain conditions:—

① That none of the workers enter the premises of Ford Motor Co.

② That they do not contact any State witness or interfere with them

	B	
	M	F
	0,10	0,10
	0,0[illegible]	0,04
	0,1[illegible]	0,1[illegible]
	0,7[illegible]	0,7[illegible]
	4,6[illegible]	5,[illegible]
	[illegible]	[illegible]
	1,[illegible]	1,20
	2[illegible]9[illegible]	1[illegible]21

	W		A		C		B	
	M	F	M	F	M	F	M	F
							13,54	14,15
							2,46	[illegible]
							0,13	0,16
							0,66	0,52
						4	2,75	1,72
65+	11,52	7,89	16,51	13,42	20,07	10,49	9,32	6,19
ALL	1,12	0,97	1,22	0,79	2,87	2,22	1,37	1,24
NO.	2336	2019	430	282	3270	2568	2858	1951

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	0,2[illegible]	0,06	0,16	0,0[illegible]	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	0,0[illegible]	0,01	0,01	0,01	0,01
25-44	0,01	0,0[illegible]	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	0,1[illegible]	0,15	0,1[illegible]	0,15	0,03	0,03
ALL	0,01	0,02	0,0[illegible]	0,0[illegible]	0,02	0,03	0,01	0,01
NO	30	34	7	7	21	31	23	2[illegible]

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	0,1[illegible]	0,5[illegible]	0,41	2,02	1,56	1,26	1,[illegible]0
1-4	0,05	0,05	0,02	0,0[illegible]	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

(iv) Proportional 'mortality' accounted for by [illegible]

(v) Expectation of life. This was calculated at 45 years of age e(5) for both males and females at birth e_0

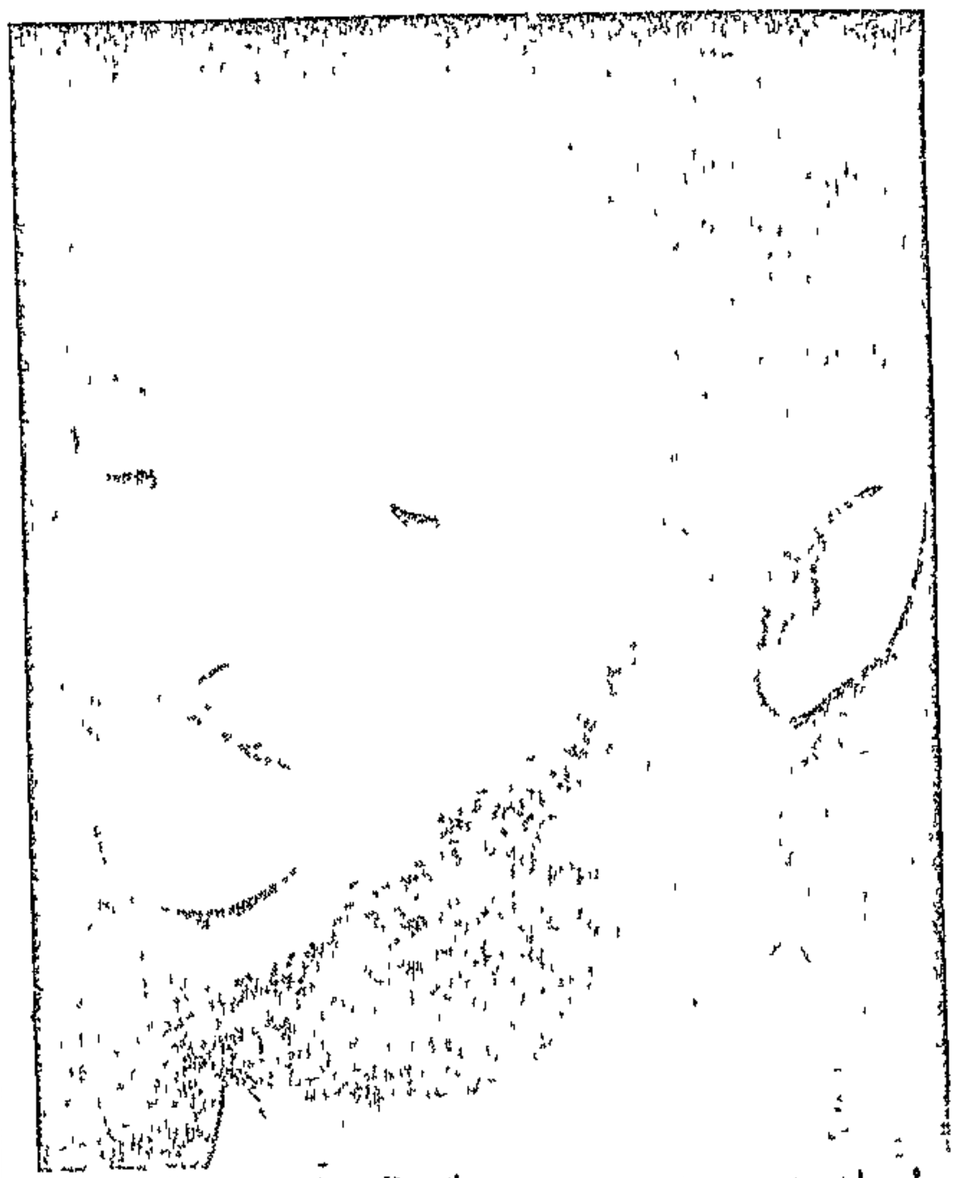
a average number of additional years an male lives [illegible] beyond birth and 45 years.

For Africans, the proportional mortality was the highest [illegible]

RESULTS

by 1970, this figure had decreased to 15,7%, indicating that the whites had improved disproportionately to the 'coloureds'. Similarly, for children 1 to 4 years of age, during the period 1941 to 1970, the white mortality experience as a percentage of the 'coloureds' had decreased from 15,2% to 7,1%. It should be noted that the 0 year age specific death rates are higher than the corresponding IMRs. This is because the denominator for the former is the number of live births while the latter is the mid-year populations under one year of age.

Fig. 4 provides an indication of the proportional contribution of selected causes of death to the overall mortality rate of the white, 'coloured' and African populations.



Mr Thozamile Botha . . at yesterday's Press conference on the labour dispute

Jobs code is under heavy fire

THE labour dispute involving the 700 dismissed Ford workers has confirmed the scepticism which existed about the effectiveness of the Sullivan Code of Conduct in influencing the South African labour situation

This was said by Dr Nthato Motlana the chairman of the Committee of Ten at a Press conference where Mr Thozamile Botha, chairman of the Port Elizabeth Black Civic Organisation (Pebco) gave a full account of the dispute Mr Botha is one of the workers fired by Ford Motor Company

By Paul Mkhwebu

Mr Curtis Nkondo, president of the Azanian Peoples' Organisation (Azapo) and Bishop Desmond Tutu, general-secretary of the South African Council of Churches also supported Mr Botha

The Sullivan Code came in for criticism from Dr Motlana, Mr Nkondo and Mr Botha Bishop Tutu, however took a less criti-

beth workers "The Ford dispute had confirmed the doubts which existed about the influence the codes can have on the South African labour scene A sub committee of the Sullivan Code of Conduct was told it cannot look into the dispute But it now appears that nobody is doing anything about the dispute," said Dr Motlana

"We appeal to people connected to the Sullivan Code to look into the dispute It is rather surprising that Ford which has

indicates that the [illegible]

similar for both [illegible]

Clearly, the broad [illegible]

certain [illegible] of [illegible]

classification [illegible]

e [illegible] the temporal [illegible]

ease categories with rates of [illegible] 5/1 [illegible] year in males in

Table II. It will be noted that the mortality experiences of the 'coloureds'

19/12/79 (192)

The Sullivan Code came in for criticism from Dr Motlana, Mr Nkondo and Mr Botha Bishop Tutu, however took a less critical line when he said the codes have served some useful purpose, though they were dealing with peripheral issues

Mr Botha gave a brief resumé of the dispute up to the time they were eventually fired He said they had decided not to go back to work until their grievances had been met All the workers had decided that they should not go back to Ford to ask to be rehired

Mr Botha said the attitude of the workers now is that Ford should reinstate them, while Ford wants to re-hire them He said if they were re-hired they were going to forfeit their benefits which they did not get when they were fired

Speaking immediately after Mr Botha, Dr Motlana said the people were all pledging their support for the Port Eliza-

"We appeal to people connected to the Sullivan Code to look into the dispute It is rather surprising that Ford, which has been praised worldwide for its observance of the Sullivan principles still has problems about equal pay and discrimination," he added

Mr Nkondo said adherence to the codes by the various firms was just a hollow boast. He said the companies were just like the Government which spoke of change without changing "Ford company represents the attitudes of the companies in the country This problem has to be internationalised by alerting the international trade unions," he said

Bishop Tutu said the SACC had approached Ford offering to mediate in the dispute but Ford said the offer was superflous because there was no dispute at Ford He said the dispute on the surface is economic but in reality it was political

Jackson bid for Carter help for SA visa

THE Reverend Jesse Jackson has asked for an urgent meeting with President Carter because he is having trouble taking a delegation to South Africa to investigate the industrial unrest at the Ford Motor company's Port Elizabeth plant.

This was confirmed by a spokesman for the Civil Rights activist this week

On December 11 the Reverend Jackson visited the South African embassy in Washington to make arrangements for a seven-member delegation to visit South Africa — a delegation that would have included Mrs Cardis Collins, chairman of the Congressional Black Caucus, Mr Richard G Hatcher, the black mayor of Indiana, and Mr Matro Stepp, vice-president of the United Auto Workers Union.

He was told by the South African ambassador, Mr Donald Sole, that there was "no prospect" of him being allowed to take the delegation into South Africa — although Mr Sole did explain that the final decision on the matter would be taken in Pretoria

TELEGRAM

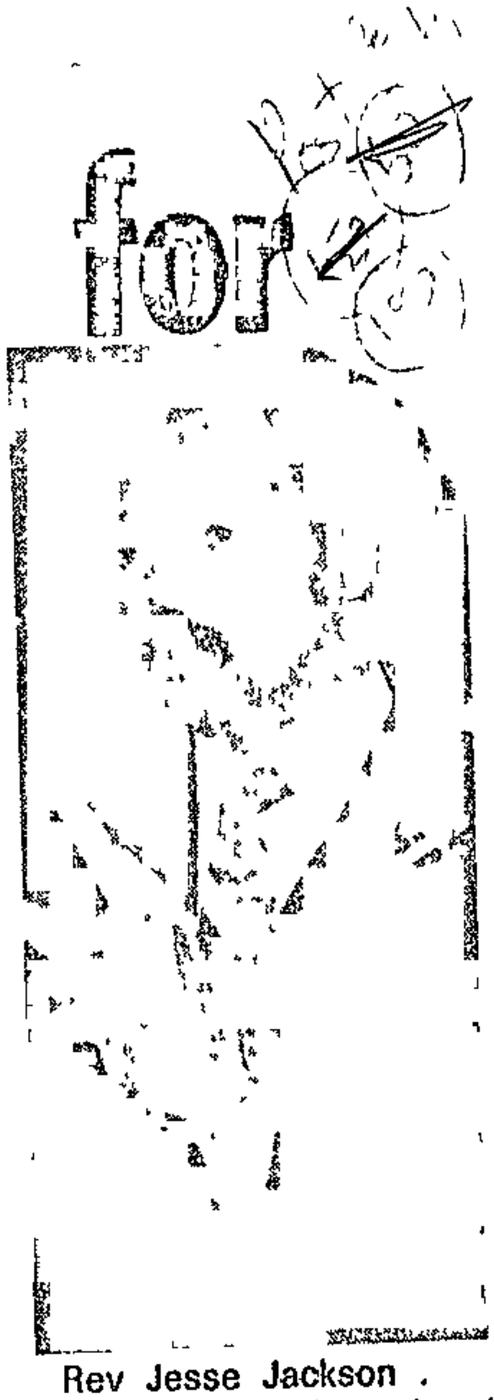
Yesterday the spokesman for the Reverend Jackson said the group was determined to examine the situation in South Africa and, to this end, had sent the following telegram to President Carter.

"The Ford Motor company has greatly mistreated its black workers in its plant in Port Elizabeth, South Africa We have been requested by the workers to come as a delegation to meet with the workers and hear their grievances yet we are having trouble getting entrance to the country for this purpose

We urgently request a meeting with you as we need special assistance to facilitate our trip

Your prompt assistance in arranging such a meeting would be most appreciated"

No comment on the telegram could be obtained from the White House and the Reverend Jackson has not yet received a reply



Rev Jesse Jackson . "to hear Ford workers' grievances."

PE strikers may be charged

By MONO BADELA

The scene during the Port Elizabeth strikes at firms. Some of those detained may now be charged.

CHARGES are to be laid against some of the strikers of Ford Cortina plant before the end of this week, a spokesman for the Security Branch said in Port Elizabeth yesterday.

In an interview yesterday the new head of the security police in Port Elizabeth, Lieut Col Gerrit Erasmus said his men were busy rapping up investigations. He said the reports of investigations would be tabled before the public prosecutor

However, Col Erasmus could not specify how many of the detained members would be charged nor would he elaborate on the possible nature of the charges

A total of 20 former Ford workers arrested by the Security Police were still in detention Col Erasmus confirmed that the 20 were detained at various times since December 6.

Last week he had said that the men were held in terms of Section 22 of the General Law Amendment Act pending investigations into allegations of intimidation of Ford workers.

MEETING

Section 22 allows for detention without a warrant of arrest for a period not longer than 14 days. The detention is at the discretion of any commissioned officer if he has reason to believe that a person is a "terrorist" or has contravened the Suppression of Communism Act or the Sabotage Act or intended doing so.

In the meantime, at a meeting held in the Holy Spirit Church Hall, Kwazakhele the dismissed workers who number more than 500, re-affirmed their stand not to go back to Ford to look for work unless the Ford management reinstated everybody

American political activist and Civil Rights leader, Rev Jesse Jackson to come to South Africa early next year to see things for himself

He said although the fund-raising was generally slow he was however confident that monies would be channelled to the workers very soon They had also demanded that the South African Government grant the Rev Jesse Jackson a visit to see things for himself on the spot

BOTHA

Mr Thozamile Botha, the leader of Pebco, told the workers that he and other leaders in Johannesburg, Bishop Desmond Tutu, Secretary of the SA Council of Churches, Mr Curtis Nkondo, President of Azapo and Dr Nthato Motlana, Chairman of the Soweto Committee of Ten conducted a Press conference at the headquarters of the SACC where they issued an invitation to the

Ford unrest: Former workers may be charged

RDM 31/12/79

(7) ~~146~~ (2) ~~57~~ (5) 192 (4) ~~324~~ (1) ~~31~~

By STEVEN FRIEDMAN
Labour Reporter

POLICE in Port Elizabeth are preparing dockets which could lead to charges being brought against about 20 former Ford workers detained after the recent unrest at the company, a police spokesman said yesterday

Colonel Leon Mellet, of the SAP Directorate of Public Relations, was reacting to a Press report yesterday which said that some of the Ford workers would be charged "soon"

Colonel Mellet said the police were preparing dockets which would then be submitted to the Attorney-General It would be up to him to decide whether to bring charges against the detainees

He added that reports that the men would be charged soon were "speculation" as it was not possible to say when the Attorney-General would make his decision

Press reports have quoted Lt Col Gerrit Erasmus, of the Port Elizabeth Security Police, as saying that police are "wrapping up" their investigations

Twenty-one ex-Ford workers were detained under Section 22 of the General Law Amendment Act — which allows the police to detain people for 14 days without a warrant — shortly after all 700 Ford workers walked out of the plant last month

Subsequently, nine of these men were released and a further eight detained.

Mr Thozamile Botha, leader of the Port Elizabeth Black Civic Organisation, has said that "about 80% " of those detained are members of his organisation

THOZAMILE BOTHA

FM 21/12/79 (340) (152) (140A) (192)

'A little help from friends'

This week the *FM* quizzed Thozamile Botha on Ford and the PE Black Civic Organisation which was initiated three months ago and has a membership of over 3 000

Some six weeks ago Ford workers at the Cortina plant went on strike in protest against what they believed to be the forced resignation of Botha, who leads Pebco The saga lingers on, with more than 500 workers refusing to return to Ford, and calls for international support for the workers

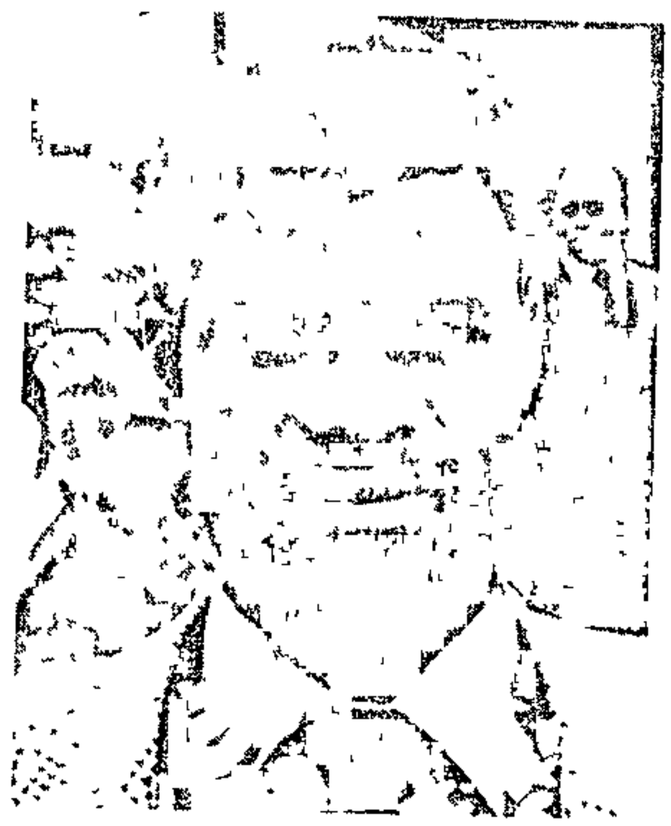
FM· What is Pebco trying to achieve?

Botha· Pebco is aiming for one municipality for the whole of Port Elizabeth We reject community councils and do not want separate municipalities for the black townships and white area And we shall pressurise government by refusing to have anything to do with bodies like the community councils We are also fighting against any discriminatory laws, and we want direct representation for blacks in SA

How do you propose to attack government on broader political issues?

Partly by articulating aspirations of blacks, and constantly not letting whites forget what the government is doing to blacks In addition, Pebco realises that some people are not aware of their rights or what should be their rights So Pebco is trying to educate blacks and raise their awareness of their rights After that is done Pebco shall move forward to work as a team towards the liberation of the people

What do you think of the spate of



detentions in Port Elizabeth?

All those detained (around 20) are dismissed Ford workers, who are also members of Pebco I suppose the Security Police is doing this to get information about me and to pin me down, as well as trying to intimidate workers who retaliate against management

You have been accused of trying to rival the unregistered black United Auto Workers' Union and of bringing political issues into the factory.

I did not try to take the position of the union The union only negotiated with management during the first strike After that I called the union to the scene but it wouldn't come It felt that it couldn't become involved in the walkouts But at one stage it wanted to negotiate only for union members However, they refused to be set apart from the other workers

The union doesn t want to involve itself in politics I don't agree with that The position of blacks in factories is political So the problem is also a political one, which the union cannot afford to divorce itself from

Before the Ford workers lost their jobs, they would not channel their grievances through the union Why did you call in the union to negotiate for them afterwards?

I felt that we should resolve this problem And management said it would negotiate the grievances through the union After stalling a while, the union came in to negotiate for all workers at my request

So far the union has not managed to bring about a settlement What do you think of this?

The negotiations are deadlocked because the workers are sticking strictly to unconditional reinstatement, while management says it will only rehire the workers Hence we are now trying to internationalise the strike by involving people like Andrew Young, Jessie Jackson and the international union body We have invited Young, Jackson and their colleagues to PE We do not accept Ford's statement that the workers resigned, and so feel that all interested parties should put pressure on Ford for reinstatement

How are the workers that have not returned to Ford managing to live?

Nobody is getting any money — not even union members We are living on a little help from friends

on from all causes of death. The proportional
een major disease categories of the International
(8th revision) to the overall mortality of the
narised in Fig. 5. The whites show a typical
um of mortality with Infectious and Parasitic
portance (2,0%) and Neoplasms (15,6%) and Diseases
(50,5%) being of major importance. For urban
Infectious and Parasitic Diseases make an import-
erall mortality (19,5% and 23,5% respectively),
ratory system and certain causes of perinatal
portance. Within the category of Infectious
arrhoeal diseases and tuberculosis are the most
ity. The 'coloureds' experience an interesting
and 'underdeveloped' mortality with a high
and diarrhoeal diseases in the young and circu-
ife. What is also of interest is the relatively
d ill-defined conditions, particularly in the
This provides some indication of the pro-
edical services to Africans in the urban areas.
a spectrum of mortality intermediate between
and the 'coloureds' and Africans, on the other.

of the cause specific mortality data as propor-
s a certain amount of information. Table I
nalysis of these data in the form of cause
or defined age groups by sex, in the white, Asian

ble I) are compared with the proportional mortal-
jor disease categories (Fig. 5), it will be
atively minor proportional contribution made by
e 'coloured' community, the actual rates for
than those of the whites. The reason for this
that the mortality rates for Infectious and Para-
that they effectively swamp the proportional
ry Diseases in the 'coloured' community. In
ortality rates for most causes of death are so
Circulatory diseases become disproportionately

Ford workers in court

DD 21/12/79 (152) (142)

PORT ELIZABETH — Twenty Ford Motor Company workers appeared briefly in the magistrate's court here yesterday, charged with intimidation

They were not asked to plead and no evidence was led' The magistrate, Mr P van der Merwe, postponed the case to January 29

Bail was fixed at R50 each and the chairman of Pebco, Port Elizabeth Black Civic Organisation), Mr Thozamile Botha, and their lawyer negotiated for the release of six men The conditions of their bail were that they should not go to the Ford Motor Company premises or interfere or communicate with state witnesses

The names and ages of the men are Mr C Gqalani, 29, Mr B Kulati, 30 Mr S Keri, 30, Mr V Boxongo, 27, Mr S Moni, 28 Mr Z Ngqondi, 25, Mr W Boni, 23, Mr S Mzozoyana, 23, Mr W Twebe, 27, Mr S Skoti, 27, Mr L Bikitsha, 29, Mr M Dlala, 28, Mr S Mlanduli, 29, Mr G Sogoni, 24, Mr R Nqam, 34, Mr F Fontani, 25, Mr N Nyobe, 26, Mr T Jakavula, 29, Mr Z Ndongeni, 28, Mr M Mpongoshe, 44 — DDC

RDM 22/12/79

24 Ford workers charged

Labour Reporter

THE 24 sacked Ford workers arrested after the recent unrest at the company's Cortina plant in Port Elizabeth have been charged under the Riotous Assemblies Act

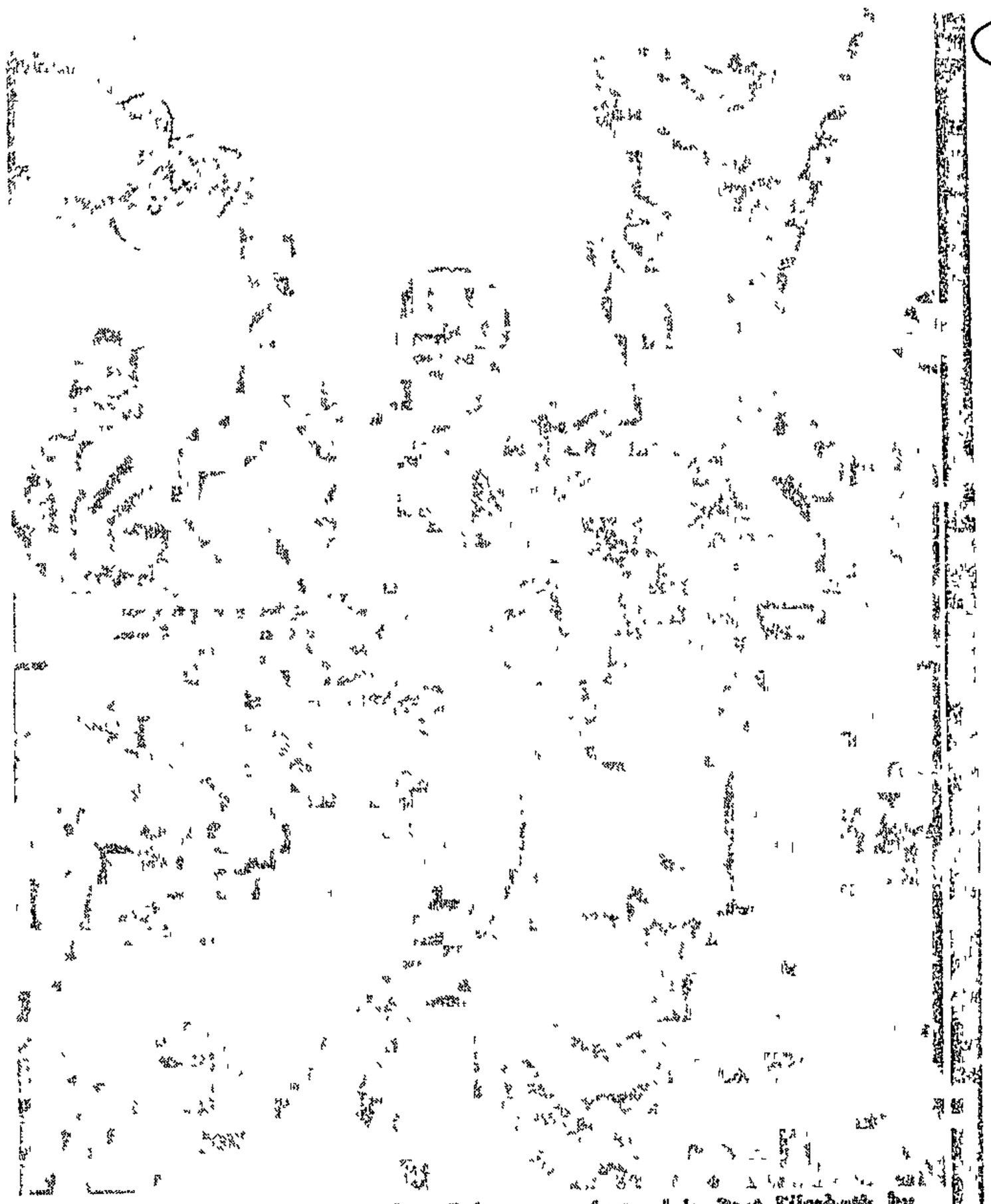
A police spokesman confirmed yesterday that the men appeared in court on Thursday charged with intimidating fellow workers after the recent unrest

They were released on bail on condition they did not enter Ford premises

Colonel Leon Mellet, of the SAP Directorate of Public Relations yesterday confirmed that no other sacked Ford workers were still being held by Security Police

The 24 accused were detained earlier this month under Section 22 of the General Law Amendment Act, which allows the police to detain people for 14 days without being charged

(192) 24/12/79



A new black civic organisation, Pebco, was formed in Port Elizabeth by Thozamile Botha, who is here cheered after he put the brakes on Ford.

Striking workers meet Tyre managers

Argus 20/11/79.

192

Argus Bureau

PORT ELIZABETH — Black workers of the General Tire and Rubber Company plant in Port Elizabeth were met by the management today to discuss their grievances after about 600 walked out yesterday

The walkout brought production to a standstill

It followed three weeks of unprecedented, and still unresolved worker unrest at two Ford Motor Company plants in this city.

Yesterday's General Tire walkout is believed to have been sparked by the laying off of three black workers — one yesterday

GRIEVANCES

According to an informed source the dissatisfied workers have drawn up a list of 24 grievances which they insisted on discussing with the management

Spokesmen for the black workers said the demand that the three workers be reinstated was included in the list of grievances drawn up by the workers

Many of the grievances appear to concern bad relations between blacks and whites at the plant

Reportedly the day shift downed tools at 11 30 am yesterday They spent most of the day in a cloakroom at the plant and held talks with labour relations staff

They went home at 4 30 pm and agreed they would return to work at 7 am today It was reported that the night shift did not arrive at work

GATHERED OUTSIDE

The workers, however, gathered outside the plant today and refused to work, while their representatives met management The managing director, Mr R G Nicholson, is believed to have arrived from Johannesburg to attend the meeting

Neither the factory manager, Mr M Colling, nor any other senior representatives of the company were available for comment today

Production at the factory is at a standstill

Meanwhile production at Ford is back to normal However, black workers said unless their grievances were settled by noon tomorrow, they would down tools again

THE ARGUS, THURSDAY NOVEMBER 1 1979

Motorcycle market may be flooded soon

Argus 1/11/79 (192)

SOUTH AFRICAN motorcycle mania continues Sales for September rocketed 347 percent from 1 063 last year to 4 750 this year, according to the Motorcycle Association of Importers and Distributors (Maid) figures

Maid chairman, Mr Bruce Johnstone, said 24 592 motordycles were sold between January and September — 109 percent up on last year's 11 757

Department of Statistics figures show that January to June new motorcycle registrations went up 51,9 percent from 9 010 to 13 673 and the June registrations went up 123 percent from 1 587 to 3 539

However, the sobering note, according to one reliable industry source, is that 36 000 new motorcycles and about 2 000 used motorcycles could flood into South Africa before the end of February

'Honda and Suzuki have 8 000 on order, Yamaha about 2 500 and Kawasaki 1 500 a month,' he said 'If they keep this up, there will be about 36 000 bikes here by then

'The small dealers are ordering up in these times when the stock position is tight. They know that if they need 10 bikes, they must order 40 The importers have based their orders on the back-orders. Suddenly, these dealers are going to find themselves landed with 40 bikes. And they are going to have to pay for them.

'For the prudent ones who have ploughed their profits back into their businesses, and hedged against this load on capital, it will be all right. But how many have done that?

'And I know that the importers are not going to carry the credit. The distributors won't be able to afford to. The sub-dealers are going to get caught if they aren't cautious'

So the motorcycle market could, from being a sellers' market, as it is now, turn into a buyers' market early in the new year.

Jan

if it is too thick. Chill in a large bowl. Before serving pour on sour cream and sprinkle with chopped chives.

Cat

BEAN SOUP (Serves 8)

1 pkt sugar beans
1 slice beef shin or soupmeat
1 Kassler rib or bacon bones
handful soup celery chopped
2 bay leaves
1 onion studded with 8 cloves
2 carrots, chopped
2½ litres water
salt & pepper to taste

Wash beans, cover with water, bring to boil. Boil for 2 minutes. Remove from heat and soak for 1 hour. Bring to boil again, add rest of ingredients. Simmer till beans are tender. Cool. Remove meat and 1 cup beans. Purée remaining soup in blender. Heat slowly. Put a few reserved beans in each serving bowl. Sprinkle with Worcester sauce. Cover with soup. Garnish with cream and crumbled bacon or croûtons.

Sue J

PRESERVED BRINJALS

brinjals
white vinegar
olive oil
garlic
fresh marjoram

Peel brinjals and cut into Julienne strips. Put into enamelled pot and cover with white vinegar and bring to the boil. Cook for as short a time as

Azapo: 'Solidarity with Ford workers'

(192)

THE Azanian People's Organisation (Azapo) yesterday pledged its solidarity with the workers at the Ford Company in Port Elizabeth.

A statement released by Mr George Wauchope, publicity secretary of the organisation, condemns "the paternalistic and collaborating stunts of the company".

The statement says: "The Ford management action towards Mr Thozamile Botha of forcing him to choose between his job and his involvement in the community proves that foreign investors are only interested in maintaining the status quo of the country and flout at any move towards self-determination, self-reliance and self-enhancement by the black worker.

"To them the maintenance of the status quo is synonymous to the maintenance, enhancement and protection of their profits and investments in the country.

CHAINS

"Azapo condemns paternalistic and collaborating stunts of the Ford company. To Mr Botha's co-workers, Azapo commends their pledge of solidarity with him. It is only through such united, concerted and undissenting action that we as blacks can destroy the chains that oppress us.

"Azapo pledges its support and solidarity with the Ford workers and urges them to keep strong."

2/11/79 Post

Civic leader re-instated

FORD RELENTS ON BOTHA

Back on duty!

Mr Thozamile Botha . . . centre of the Ford walkout.

THE Port Elizabeth community leader, Mr Thozamile Botha, was unconditionally reinstated by the giant motor company, Ford, yesterday.

His reinstatement follows a two day strike by more than 600 workers at the company's Cortina plant. The workers went on strike after the company had refused to reinstate Mr Botha, who quit the company on Tuesday after being asked to resign.

According to him the company had told him he must either curtail his activities with the Port Elizabeth Black Civic Organisation or resign. He decided to resign rather than "leave his people."

When the strike entered its second day yesterday with those going to work being booed and jeered, company offcials fetched Mr Botha from his home where he met with management.

According to a statement released by Ford the meeting was atttended by Mr Botha, Mr Johnny Mke, trade union representative, three black supervisors involved in the matter, members of the Industrial Relations staff and other affected supervisors.

The statement, issued by Public Affairs Director Dunbar Bucknall, said "The discussions were cordial and it was agreed that Mr Botha had resigned as a result of a misunderstanding.

"This misunderstanding has now been resolved upon which Mr Botha requested to withdraw his resignation and will consequently be reinstated in his position as draughtsman trainee," the statement said.

While the company said in its statement that it expected all workers to return to work this morning, reports received are that the workers expect Mr Botha to address them first before they return to work.

PE motor strike may end today

(192) 2/11/79

By DENNIS SIWISA

PORT ELIZABETH — The strike of 700 workers at Ford's Struandale assembly plant here is expected to end today after the reinstatement of Mr Thozamile Botha

When the hourly-paid workers converged at the factory entrance yesterday morning they refused to enter the factory grounds until Mr Botha, chairman of the Black Civic Association, who had previously resigned, was called to give his side of the story

They would only enter the plant on his instructions

Word came from the employers that the workers were welcome to return to work, but not Mr Botha

The workers in turn insisted Mr Botha must be fetched and be allowed to see the authorities and then address them

They were adamant Mr Botha had not resigned of his own accord They said he had been left with no alternative

Three black supervisors, Mr John Boltino, Mr Stan Marwanqa and Mr J Nolutshungu, addressed the crowd

Mr Boltino assured the workers he would persuade the employers to call Mr Botha if they wanted that although the employers had wanted the workers to appoint two representatives to state their case

At 9 45 am the three supervisors left in a company car to fetch Mr Botha His wife said they left with him at about 11 10 am after a long discussion during which her husband was reluctant to accompany the supervisors

Apparently he was taken to a meeting where his resignation was discussed after which the following statement was issued by the public affairs director, Mr Dunbar Bucknall "Following the walkout of some 700 hourly paid black employees from this company on Wednesday, the company this morning convened a meeting between Mr Thozamile Botha, three black supervisors concerned in the matter, members of the company's industrial relations staff and other affected supervisors. The discussions held were cordial and it was agreed that Mr Botha had resigned as a result of a misunderstanding

"This misunderstanding has now been satisfactorily resolved upon when Mr Botha requested to withdraw his resignation and will consequently be reinstated in his position as a draughtsman trainee

"Since the matter has now been resolved to the satisfaction of the parties concerned, the company expects all workers to return to the plant tomorrow (Friday)." —

DWS

UNIVERSITY OF CAPE TOWN
(WITH WHICH IS INCORPORATED THE SOUTH AFRICAN COLLEGE)

TELEGRAMS
UNIVERSITY RONDEBOSCH
TELEPHONE 69 4351

POSTAL ADDRESS
UNIVERSITY PRIVATE BAG
RONDEBOSCH 7700

ADMINISTRATIVE OFFICES - LOVERS' WALK - R

DC
HOM

Yours sincerely,

O METCALF
for Registrar

PE Ford strike ends Monday: workers cheer

Own Correspondent

PORT ELIZABETH — The crippling wildcat strike at Fords Struandale plant is to end on Monday, following mangement's agreement to reinstate Mr Thozamile Botha chairman of the Port Elizabeth black civic organisation

The agreement was hammered out at an impromptu open-air meeting between top Ford management and the strikers outside the plant main gate today

The Ford team headed by the general manager, Mr Brian Pitt, guaranteed workers would suffer no victimisation and withdrew a statement they released yesterday that Mr Botha had asked to withdraw his resignation

A third issue, that of pay while on strike, is to be negotiated between the company and the union before Monday

The outcome of the meeting was hailed as a victory by the strikers who immediately broke into dancing and cheering groups around Mr Botha

The workers gathered in front of the factory shortly after 7 am today and gave a rousing welcome to Mr Botha when he arrived to address them

In a short speech Mr Botha strongly denied a Ford claim that he had asked to be reinstated, and warned that he would not be prepared to lead the workers into the plant until management had addressed the workers and withdrawn the statement

Mr Botha consistently refused to negotiate with management delegates After nearly two hours' wait, company officials headed by Mr Pitt came to address the workers

African workers believed Mr Botha was forced to resign after being told to choose between his job or the Black Civic Association They walked out in sympathy with him

D D. 3/11/79

End to strike hinges on pay

3/11/79 (192) 152

PORT ELIZABETH — The end to a crippling walkout by 700 workers at the Ford Motor Company's assembly plant in Struandale may depend on a question of pay to be answered on Monday

At an open air meeting outside the plant's main gate, the managing director, Mr Brian Pitt, told the strikers that if they returned to work on Monday they would be told whether they would be paid for the time they were on strike

Some of the strikers interjected they would walk out again if they did not receive full pay

The workers walked out after noon on Wednesday in sympathy with the Port Elizabeth Black Civic Association's leader, Mr Thozamile Botha, who resigned on Tuesday

At a meeting between the Ford management and Mr Botha on Thursday, it was agreed that his resignation was the result of a misunderstanding

Workers gathered in front of the factory shortly after 7 am yesterday Mr Botha told them he would not lead them into the plant until the management addressed them and withdrew a statement that he had asked to withdraw his resignation.

At 9,30 am a Ford delegation led by Mr Pitt came to meet the workers With Mr Pitt were the industrial relations director, Mr Fred Ferreira, public affairs director, Mr Dunbar Bucknall and labour relations manager, Mr Dirk Pieterse

Mr Botha outlined the circumstances of his resignation and said he was back because he was approached by the management and because it was what the workers wanted

He said he had been working under constant harassment from his seniors who told him at one time "I'll land in jail for my activities," "people outside this department are complaining about your activities" and "you use the telephone too much"

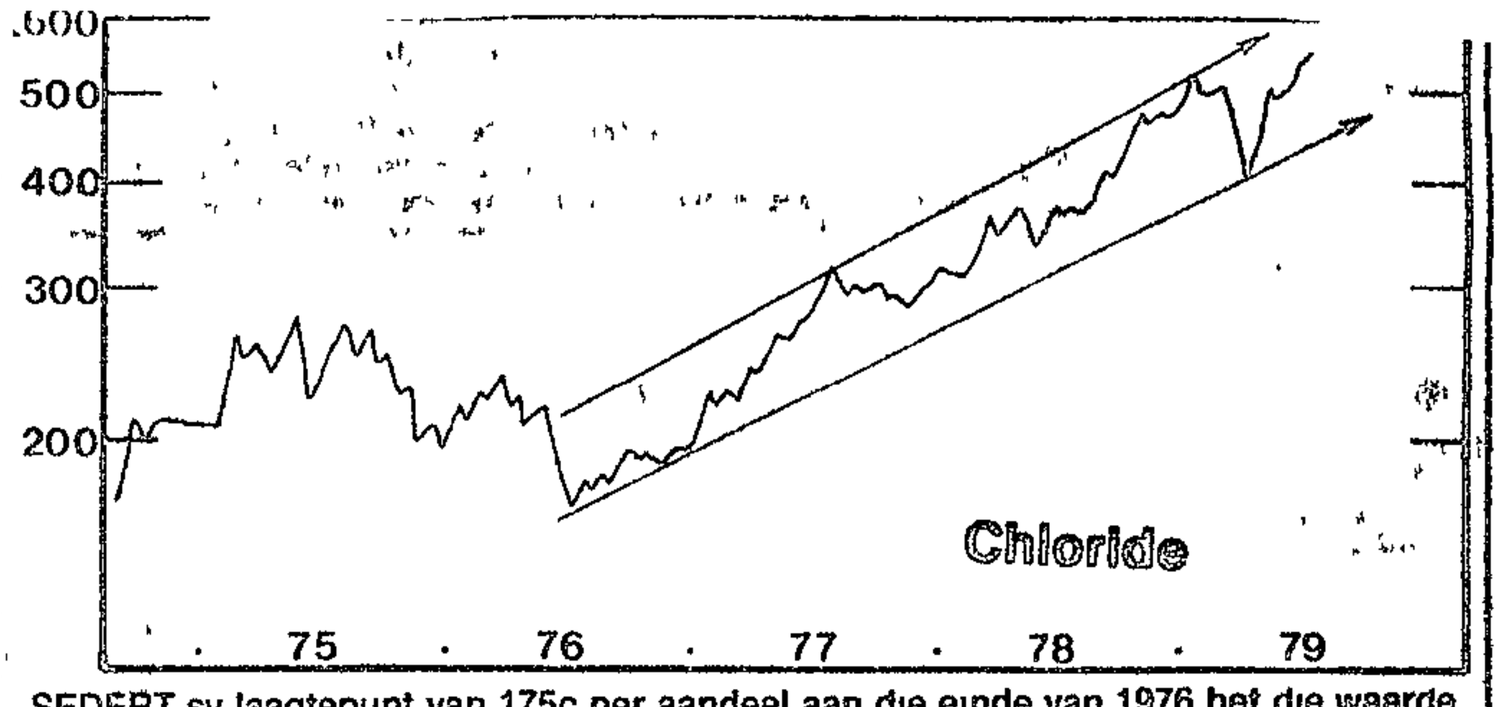
He said he had never requested to be reinstated.

"I'm prepared to come back if the management will retract the statement that I requested to be taken back I must also get the assurance that nobody will be victimised for taking part in the walkout"

The management delegation agreed to the reinstatement of Mr Botha and guaranteed workers would suffer no victimisation

The team also withdrew the statement saying Mr Botha had requested to withdraw his resignation

Mr Pitt said the question of pay while out on strike would be negotiated between the company and union members The workers agreed to come back on Monday, when they would be told the outcome of the negotiations. — DDR-DDC



SEDERT sy laagtepunt van 175c per aandeel aan die einde van 1976 het die waarde van Chloride meer as verdriedubbel Die afgelope drie jaar het dié aandeel binne duidelike kanale beweeg Maar die huidige prys van 550c lyk asof dit deur die perke daarvan gaan breek Maar die moontlikheid van 'n skielike en aansienlike opwaartse beweging is skraal 'n Belangrike nadeel van hierdie aandeel is sy volume-patroon. Chloride is nie 'n aandeel waarin baie verhandel word nie Die volume kan wissel tussen 15 000 in een week tot niks vir 'n hele aantal weke. Dié aandeel sal nogtans saam met die nywerheidsektor beweeg Daar is egter ander aandele wie se grafieke en volume-patrone veel meer opwindend is RAPPORT 4/4/79 Dr. Clive Corby

CHLORIDE BAAT BY SY RASIONALISASIE

DANKSY die sterk toename in die vraag na nywerheidsbatterye sedert die jongste verhogings in die prys van brandstof en die rasionalisasieprogram wat deur Chloride Oldham Holdings van stapel gestuur is, behoort die maatskappy wins ná verlede jaar se geringe daling besonder goed te wees.

Na verneem word, word Chloride se tussentydse resultate vir die ses maande tot 30 September aanstaande week bekend gemaak Hoewel die besturende direkteur, mnr Don Searle, in hierdie stadium niks wil sê nie, word daar op gesag verneem dat dit die beste resultate oor ses maande is wat die maatskappy nog getoon het Die vooruitsigte vir die volgende ses maande lyk ook besonder goed — veral wat die nywerheidsmark vir batterye betref — en na verwagting behoort die maatskappy sy boekjaar met besondere goeie winste af te sluit

Hoewel hy in dié eerste ses maande van die jaar nog nie baie voordeel daaruit getrek het nie, sal Chloride besondere baat by die die rasionalisasieprogram wat sedert die begin van hierdie jaar onderneem is Die maatskappy het sy bemarking van motorbatterye sedertdien aansienlik gewysig, met groot kostebesparings

In die verlede het hy sy eie bemarkingsnetwerk gehad en moes op eie koste batterye aan sowat 3 500 verskeie kleinhandelspunte verskaf Sedert die begin van die jaar is daar oorgeslaan na sowat 44 hoofverspreiders in die kleinhandelsektor, en hoewel hy groot kortings aan hierdie groot verspreiders moet toestaan, is die voordele van grootskeepse aflewering van so 'n aard dat hy nogtans aansienlik op kostes behoort te bespaar.

Na verneem word, is hierdie bemarkingsbeleid so suksesvol dat die maatskappy moontlik in die nabye toekoms sekere van hierdie voordele aan die algemene publiek kan deurgee

Chloride se wins is ook verlede jaar nadelig geraak deurdat sy filiaal Chloride Systems, wat batterylaaiers, gelykrigters en uitklinkskakelaars vervaardig het, nie die mas kon opkom nie

Chloride het verlede jaar 'n ooreenkoms met Allied Electric vir die vervaardiging van hierdie spesialiteitstoerusting aangegaan en onderneem nou net die bemarking daarvan Die verliese van hierdie afdeling is gevolglik ook iets van die verlede

Chloride behoort in die tweede helfte van sy boekjaar besonder goed te vaar in die nywerheidsmark, veral in die mynbedryf, waar nou op groot skaal na elektriese aangedrewe voertuie oorgeslaan word. Na verneem word het hierdie mark sedert die jongste verhoging in die prys van brandstof reeds met sowat 40 persent toegeneem en kan die groei nog 'n geruime tyd duur Die maatskappy vind nie net alleen baat by die groot toename in die vraag na nuwe nywerheidsbatterye nie, maar sal later ook die voordeel trek uit batterye wat vervang moet word

Dieselfde geld die groot oorskakeling op die oomblik van motoraangedrewe na batteryaangedrewe vurkhysers

Daar bestaan selfs die moontlikheid dat Chloride binnekort self in die mark kan beweeg vir die verskaffing van elektries-aangedrewe voertuie soos vurkhysers

Om die nywerheidsmark ten volle te benut, het die maatskappy begin met die opleiding van tegniese personeel vir die diens van nywerheidsbatterye, en op die oomblik is daar reeds sowat 124 opgeleide personeel dwarsdeur die land

Daan de Kock

(192)

~~183~~

crucial flyer and the variation within each strata should be a minimum. Hence two principles, if strictly adhered to, facilitate the application of sampling procedures and analysis, without loss of precision, irrespective of whether the material has been pre-sorted. Tests for theory and application are (Yates F. 1960. Cochran W.G. 1963)

2. Sail material

Results indicate that the formation and identification of microwear traces are influenced by the nature and properties of the raw material itself. The mechanical properties which determined whether a material could be successfully shaped and flaked also governed its performance in subsequent use, namely, hardness, cleavage, fracture, tenacity, density. Other properties which affect the identification of wear traces are colour, lustre, reflection, dispersion, and refraction. Simple standard methods exist for investigating all these properties. (Batty K.H. 1972)

4. Cleaning and Preparation

Warm water, none abrasive detergent, ultrasonic cleaning, sodium hydroxide, hydrochloric acid, serve to remove grease, organic and mineral deposits. (Keeley L. 1977). For coating and replica techniques used on the coarser grained material and for SEM work standard methods are available in most research institutions, details and references are given in (Alsworth E. 1979).

5. Recording of Information

Working drawings of the artefacts are made using a portable large device, designed primarily to protect the artefacts from edge and surface damage, and at the same time allowing quick and accurate drawings to be made of plans and sections. Morphological data may be obtained from these is design methods if necessary.

SUNDAY POST
Reporter

It's back to work for 700 at Ford motor plant

IT'S back to work tomorrow for more than 700 men who have been on strike at the Cortina plant of Ford Motor Company in Port Elizabeth since Wednesday.

This follows agreement by the management to reinstate Mr Thozamile Botha, chairman of the Port Elizabeth Black Civic Association

Freedom songs and shouts of "Amandla" greeted Mr Botha when he arrived at the premises at 7 am on Friday

The wild cat strike was called by the workers in sympathy with Mr Botha who on Tuesday was made to resign his position as a trainee draughtsman following some "misunderstanding" with his superintendent.

Angry workers started gathering in front of the main gate of the factory at 7 am on Friday In a short speech Mr Botha denied a Ford statement that he had requested to be reinstated

He said he would not lead the workers into the plant until the management had addressed the workers and withdrawn the statement.

"I never requested to go back to Ford. In fact, my organisation had said they were prepared to employ me I am prepared to do anything that the people ask me to do," said Mr Botha.

At an open-air meeting later between company representatives and the workers the managing director, Mr Brian Pitt, withdrew the statement

Mr Fred Ferreira of Ford's industrial relations section gave an assurance that no workers would be victimised

Mr Pitt appealed to the workers to go back and expressed regret that things had reached the stage they had. After further bargaining it was agreed the workers would return to work tomorrow.

After the announcement was made singing workers carried Mr Botha shoulder high

Ford officials declined to comment on how much the stoppage had cost the company

Thozamile Botha is lifted up by a crowd of cheering workers after his reinstatement

is consistently worse than t
mortality rates for all the
diseases and neoplastic dise
diseases in women in this gr
years of age during 1960 and
been chosen is entirely arbi
if lower or higher levels ar

Two aspects of these age-cau
Firstly, whilst being affec
these rates are also influe
decrease in the mortality r
by a decreasing incidence
primary, secondary and ter
ly decrease the fatality r

Secondly, it should be app
important for comparative
underlying population, for
are also of importance
contribute a comparatively
example 'coloured' childre
files of the two communit
vides an indication of th
The changes in this distr
for the purposes of the present study, of relative unimportance.

9

Car workers return to jobs

Argus 5/11/79. (192)

Argus Bureau

PORT ELIZABETH. — The 700 Black workers who walked out of Ford's Struandale plant last week returned to work today, enabling production to resume after a three-day standstill.

As workers arrived at the gates this morning, they were greeted by Mr Thosamile Botha, the man whose resignation from the company last week caused the strike. He was there with a representative of the workers' union, to tell them that a pay agreement had been reached.

'Everybody is happy. I think the outcome is super,' said Mr Botha today.

Mr Botha who was reinstated in his job as trainee industrial engineer, said he was happy with the way the company resolved the issue and with the fact that the workers stood up for their rights.

He said he would 'sort out' the full-time post he took as chairman of the Port Elizabeth Black Civic Organisation after resigning from Ford.

Mr Botha said he learnt at a meeting with representatives of the union on Saturday that the company had agreed to pay strikers for the time they were off work. He would not lose pay for his absence since his resignation on Tuesday and no workers would lose on end of year bonuses.

The wild cat strike was called after Mr Botha was allegedly confronted with an ultimatum to quit either his job or the civic organisation Losses are believed to run into many thousands of rands.

A Ford spokesman today confirmed that the African work force had returned to work this morning. He would not comment further.

The expectations of life for 'coloureds' and whites are presented in Fig 6. Although data has been published for Africans[5], this is speculative and is not considered to be of sufficient reliability to warrant inclusion. Two different expectations of life have been included (1) e_o - the expectation of life at birth, and (2) e_{45} - the expectation of life at 45 years of age. Characteristically women have a better expectation of life than men, and Fig. 6 indicates that this is so for both whites and 'coloureds'. In fact, so marked is this difference that 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 3,7 years in 1929 has increased to 7,0 years in 1970.

females have shown an increasing life expectancy
iough this has been small, it contrasts with the
.te and 'coloured' males.

hat the Expectation of Life at birth for the
arked improvement between 1941 and 1970, it is
ther 'coloured' males nor females, at either e_o
tations of Life in 1970 which are as high as the
at also gives some cause for concern is that al-
Life cannot be expected to improve indefinitely,
'coloured' life expectancy is levelling off at a
curred in the white community.

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4 South Africa (1961-1965) : Bureau of Census and Statistics, Report on Deaths, South Africa and South West Africa, Reports UG 26/1961, RP 17/1961, RP 45/1965, RP 63/1965, Government Printer, Pretoria.

5. South Africa (1971-1977) : Department of Statistics, Reports of Deaths, Peports 07 - 03 - 01 to 07 - 03 - 12, Government Printer, Pretoria.

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9. Sadie, J.H. (1970) : S. Afr. J. Economics, 38, 1.

10. Doll, R. (1976) : Monitoring of Government Statistics, in Seminars in Community Medicine, Volume 2. ibid.

processes is essential; and the division will have to be more fine the more discriminating public decisions can be.[10]

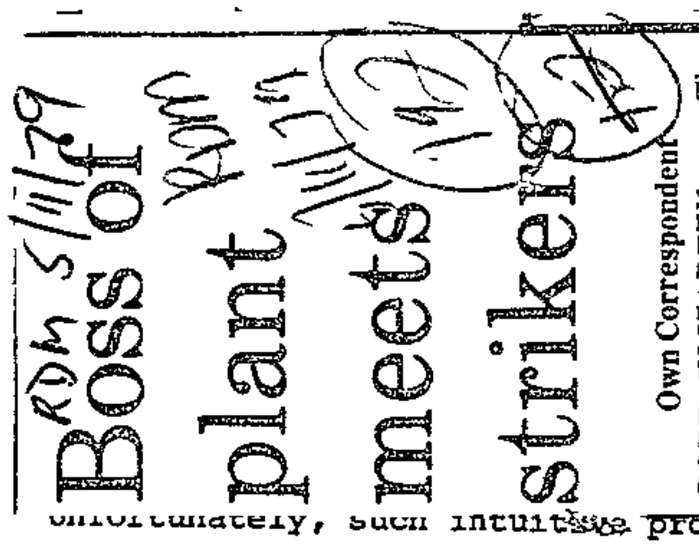
The results of programme budgeting may be valuable in themselves, although the mere procedure does not necessarily ensure that better decisions will be made. Their potential is realised only if there follows an assessment of the value of expenditure in each programme.

2.2 Programme Evaluation

Methods of evaluation range from simple procedures for looking at costs, where the conclusions are left largely to intuition, to highly complicated processes which present more or less clear-cut solutions. For these more precise methods, most of the value judgements have to be made explicitly in advance. Some points on the spectrum between these two extremes are analysed below.

2.3 Looking at Expenditure

Basically, one is looking for inconsistencies. It was noted that a logical axiom, basic to economics, is that a rand should yield approximately the same value in whichever programme it is spent. If the net social benefit from the marginal expenditure on one programme much exceeds that on another, one can do better by withdrawing funds from the second



RDM 5/11/79

Boss of plant meets strikers

Own Correspondent

PORT ELIZABETH — The end to a crippling walkout by 700 workers at Ford Motor Company's assembly plant in Struandale, Port Elizabeth, may depend on a question of pay to be answered on Monday

At an open air meeting outside the plant's main gate yesterday, Ford managing director Mr Brian Pitt told the strikers that if they returned to work on Monday they would be informed whether they would be paid for the time they were on strike

Some of the strikers interjected and said they would walk out again if they did not receive full pay

The workers walked out after noon on Wednesday in sympathy with the Port Elizabeth Black Civic Organisation leader, Mr Thozamile Botha, who resigned on Tuesday

At a meeting between Ford management and Mr Botha on Thursday, it was agreed that his resignation was the result of a misunderstanding

Workers gathered in front of the factory shortly after 7am yesterday

Mr Botha told them he would not lead them into the plant until management addressed them and withdrew a statement that he had asked to withdraw his resignation

At 9 Wam a Ford delegation led by Mr Pitt came to meet the workers who were seated in an orderly semi-circle on a lawn outside the plant

Mr Botha outlined the circumstances of his resignation and said he was back because he was approached by the management and because it was what the workers wanted

The management delegation agreed to the reinstatement of Mr Botha and guaranteed that workers would suffer no victimisation

"I regard you all as part of Ford," said Mr Pitt

The team also withdrew the statement released yesterday saying that Mr Botha had "requested" to withdraw his resignation

Mr Pitt said the question of pay while out on strike would be negotiated between the company and union members. The workers agreed to come back on Monday, when they would be told the outcome of the negotiations

At the end of the meeting Mr Botha was hoisted on the shoulders of singing and cheering workers

Ford officials declined to make further comment after the meeting or to estimate total losses to the company since the walkout on Wednesday

Unfortunately, such intuitive processes can pick out only the grossest incongruities which are recognised by all, whatever criteria of 'value' are used. The optimum level of expenditure on a particular objective is, from the point of view of intuitive judgement, highly uncertain, because of the wide variation in benefits attributable to a particular type of spend-

ing. This is partly due to a deficiency in information on the results of the programmes which can be resolved by recourse to appropriate data. Nevertheless, there will also be differences of judgement which cannot be resolved without prior agreement on the relative valuation of different benefits which have to be fed into the analysis; and in the intuitive process, these two factors may not be differentiated.

A very large proportion of decisions are now taken with no further analysis than this. Any further steps involve a way of systematically valuing the benefits of different programmes to render them comparable to one another.

2.4 An Informal Method for Setting Objectives

The following method for guiding the choice of priorities has b described by John Bryant.[12] It has been used by medical an students in Thailand, and one of its advantages is that it can l where no numerical data is available. It, therefore, lends its discussion, to draw on the experience of a group of people.

Potential health problems are first listed, and then given a sco one to four pluses) under each of four headings:

Diagram 1. A method of ranking health problems

Specific diseases:					
V.D.	++	++	++	++	16
Dental problems	++++	+	++	++	16
TB	+++	+++	+++	++	54
Common cold*	++++	+	+	-	0
Yaws*	-	++	+++	++++	0

* Added to test scoring method

(192) 6/11/79 Post

Happiness at end of Ford strike

THE 700 workers who walked out of Ford Motor Company's Struandale plant last week returned to work again yesterday enabling production to resume after a three-day standstill.

As workers arrived in batches at the plant's gates yesterday morning they were addressed by the man whose resignation from the company last week caused the strike. Thozamile Botha was there with a representative of the workers' union, to inform them that a pay agreement for their absence had been reached.

"Everybody is happy. I think the outcome is super," said Mr Botha, interviewed at the plant.

Mr Botha, who was reinstated in his job as a trainee industrial engineer, said he was both happy with the way the company resolved the issue and with the fact that the workers stood up for their rights.

What would happen about his full time job as chairman of the Port Elizabeth Black Civic Organisation which he took up on the same day of his resignation, would still have to be "sorted out."

Mr Botha said he learnt at a meeting with representatives of the National Union of Motor and Rubber Workers on Saturday that the company had agreed to pay strikers for the time they were out. Also that he would not loose any pay himself for his absence since his resignation on Tuesday and that no workers would lose on his end of the year bonus.

RESOLVED

The payment issue was left open after the matter surrounding Mr Botha's resignation was resolved at an open air meeting outside the plant gates on Friday morning.

A management team told the workers that Mr Botha's resignation had been a misunderstanding and that he had been reinstated.

They also expressed regret about an earlier Ford statement in which it was claimed that Mr Botha himself had requested to withdraw his resignation.

The company accepted all workers back.

The wild cat strike after Mr Botha was allegedly confronted with an ultimatum to quit either his job or the Civic Organisation which he leads caused losses of production believed to run into many thousands of Rands.

The organisation was launched in Port Elizabeth three weeks ago to promote equal citizenship rights for all South Africans and to oppose the community council system.

Mr Botha was allegedly told that the company was not happy with his frequent absences from work because of his work for the organisation.

A Ford spokesman yesterday confirmed that the plant's African work force had returned to work this morning.

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Botha: mechanics must be trained to save fuel

DURBAN. — The Minister of Manpower Utilisation, Mr Fanie Botha, last night suggested that training of mechanics by the Motor Industries Federation should include fuel saving methods.

Opening the annual congress of the federation, Mr Botha said this would contribute to the national fuel-saving campaign.

"That such a step will be of great national importance is irrefutable if notice was taken of the fact that on June 30, 1978, nearly 3 370 000 cars, buses and commercial vehicles were moving on our roads," Mr Botha said.

The country was on the eve of a new dispensation in the labour field.

"The measure of success that will be achieved in this regard in the future rests solely with ourselves.

"As far as I am concerned a better dispensation awaits everyone in the new labour situation, but then we should all put our shoulders to the wheel in a unified way and be positively inspired."

Everything possible should be done locally to meet the country's trained manpower requirements.

"That this is one of our highest priorities is clear if regard is had for the fact that even during the 1976-1978 economic recessionary period, a manpower shortage existed in certain sectors of the economy."

Mr Botha said there were two ways to meet the shortage of skilled manpower: general educational and industrial training programmes should be extended and black labour should be used to a greater extent in the more advanced categories of work. — Sapa.

ives 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;

(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 economist in the U.K. Department of Health, writes:

> "Programme structure should, in my view, be mainly determined by the decisions to the taking of which one wishes it to contribute... One might suggest that where decisions are primarily a matter of political or moral judgement - of determining basic priorities - one would want the activities to be compared to reside in different programmes - the mentally handicapped against the alcoholics; but where it is a more technical question of how particular objectives can best be achieved - drug therapy against behavioural therapy - one would want the activities to be compared to be within a particular programme. This distinction ties up with an economic jargon of slightly older vintage - that of cost-benefit and cost-effectiveness; and through that to the main stream of neoclassical welfare economics, which attempts to make a distinction between the choice of the composition of the basket of outputs and the choice of the set of resources from which each output is to be produced. The former is, in a broad sense, a question of tastes, values, or utilities; the latter is a question of techniques".

He adds:

> "In practice, it is not an easy matter to make a hard and fast distinction between technical matters and matters of values or utilities in the health services. From one point of view, the question whether to treat schizophrenics in hospital or in the community is a technical one. Which is the cheaper way to fulfil whatever are the society's requirements for the treatment of this 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

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.

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PE blacks to fight removals

Argus 7/1/79

(92)

Argus Bureau

PORT ELIZABETH. — A new branch of the Port Elizabeth Black Civic Organisation (Pebco) was formed in Walmer last night, and immediately declared its main aim as fighting the Government's planned removal of black Walmer residents to Zwide township

Hundreds of people listened to the chairman of Pebco, Mr Thomazile Botha, outline the aims of the body.

After his controversial resignation at Ford Motor Company which inspired a three-day strike of 700 fellow workers last week, he is being described as the most powerful figure in Eastern Cape black urban politics.

At last night's meeting Mr Botha called for unity among residents of Walmer, a black enclave in a white area.

He assured them that his organisation would back them in their resistance to removal

Mr Botha said in an interview today that similar bodies to Pebco had been formed in Soweto, Queenstown and Uitenhage. He had visited Cradock and Graaf-Reinet to promote the formation of black civic associations at these centres

These bodies were formed to articulate the needs of the black people, because they were not truly represented by community councils 'We don't want to replace community councils, but to operate parallel to them,' Mr Botha said

the basis of administrative or economic, together with medical-technical criteria, and those in which the role of the public through political

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UNION RECOGNITION

Trouble at Toyota

Labour unrest at Toyota Marketing over the past few days resulted in 23 workers losing their jobs This followed a protracted union recognition dispute between management at the Reef-based company and the unregistered Metal and Allied Workers Union lasting over a year

The union says that the incidents of the past few days are ' the unfortunate consequences of a lack of communication at the factory Toyota won't recognise the union and its liaison committee is no longer functioning There are no communication channels and a small dispute has become a serious conflict ' Toyota had preferred its liaison committee to a union, despite worker rejection of the committee, says the union

Toyota MD Colin Adcock confirms that the company will not recognise the union - at least until it is registered 'Up to now, we have believed that a liaison committee is most effective because it enjoys legal protection Until the union is registered it must talk to us through the committee " But he rejects the union's charges ' Disputes like this are unlikely to occur unless they are assisted They are not our fault "

The unrest began when four workers were asked to sign forms acknowledging that they were not meeting their production targets Eventually all workers were dismissed by management (because, says Adcock, they refused to go back to work) Of these, all but 23 have been re-hired The union charges that the 23 were not re-hired because of their union activities, and is threatening to charge Toyota with victimisation

Adcock rejects this claim "Everybody seems to forget that motor spare parts business has dropped off We've been over-employing people up to now and this incident gave us an opportunity to trim staff '

According to the union, Adcock was initially prepared to talk to union officials, but soon rejected any contact Earlier this year, three union shop stewards were dismissed and the union claims they were victimised A court action on these dismissals is pending and Toyota is planning to fight the action

At a meeting this week, Toyota reiterated its refusal to deal with the union while it is unregistered, a union spokesman says "Working conditions at Toyota are reasonably good but the company is thoroughly paternalistic convinced it knows what is best for its workers and, until that changes, the problems won't be resolved '

Adcock says that he is not happy about the union representing motor workers — he says it is an engineering union — but says he will deal with it if it is registered The union charges that Toyota is "discriminating against us We know of two occasions where they have asked other unions to organise at the plant They obviously want any union but us '

Retorts Adcock "Absolute lies We once asked (senior Tucsa African unionist) Lucy Mvubelo to address our committee on unionism, but we didn't ask her to organise here '

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,17	0,09	0,20	0,21	1,78	0,29	0,49	0,48
1-4	0,01	0,01	0,00	0,00	0,07	0,10	0,05	0,05
5-24	0,22	0,01	0,03	0,10	0,04	0,03	0,05	0,05

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	1,57	0,76	0,60	1,03	1,24	0,79	0,89	0,74
1-4	0,05	0,04	0,05	0,05	0,05	0,02	0,04	0,05
5-24	0,01	0,00	0,01	0,01	0,01	0,02	0,00	0,00
25-44	0,20	0,00	0,00	0,00	0,00	0,01	0,00	0,00
45-64	0,01	0,00	0,00	0,00	0,00	0,00	0,00	0,00
65+	0,02	0,01	0,02	0,04	0,04	0,03	0,00	0,00
ALL	0,04	0,02	0,02	0,04	0,04	0,03	0,03	0,00
NO.	67	43	9	14	50	33	34	42

(42)

Ford heads off strike by white workers

Own Correspondent

PORT ELIZABETH — Ford Motor Company in Port Elizabeth today undertook to investigate the grievances of its white workers, after which the workers union called on them not to strike from Monday, as they have threatened to do unless their problems are solved by management

This threat, made at a meeting of about 400 of the company's employees last night is a backlash to last week's strike of 700 black workers at the company's Struandale plant

This strike had been the 'final straw" for dissatisfied white workers to stand up for their rights, said the general secretary of their union, Mr Henry Ferreira, today.

Mr Ferreira flew from Pretoria at the white workers' request to meet Ford's management in Port Elizabeth

Strike threat called serious

(192) 10/11/79

PORT ELIZABETH — A trade union leader, Mr Henry Ferreira, yesteday described the strike threat by white factory workers at Ford Motor Company as the most serious labour issue in the Port Elizabeth motor industry in more than 20 years

"The situation is very tense at the moment It could explode very easily," he said shortly after a meeting with Ford's industrial relations director, Mr Fred Ferreira, and labour relations manager, Mr Dirk Pieterse

Mr Ferreira, of Pretoria, is the deputy general secretary of the South African Iron, Steel and Allied Industries Union The union's permanent Port Elizabeth secretary, Mr H L Pretorius, was also at the meeting

He said the walkout by 700 black workers from Ford's Struandale assembly plant last week stirred up long-standing antagonism between white and black workers The bad feelings were a result of Ford's programme of racial integration of amenities and its policy of replacing certain white workers with black workers

He said the main "stirring factor" at the moment was the lack of discipline among black workers

Mr Ferreira said Ford was sympathetic and was taking the problems between white and black workers seriously. A factory level investigation, in the presence of union shop stewards and Mr Pretorius, would begin on Monday

"I appeal to the workers to be calm until the investigation starts. The problems will be solved"

Mr Ferreira said he would be back on Tuesday for more talks with the Ford management — DDC

— 9/11/79

JOB RESERVATION

Cosmetic change

Minister of Manpower Utilisation Fanie Botha is keeping his word. He has started phasing out the five remaining statutory job reservation orders. But it hasn't been difficult for Botha to fulfil his promise, since the reservations are purely cosmetic according to many employers and unionists.

On December 1, three of the five orders will be scrapped. Two apply to the motor assembly industry and one to building. According to Jaap Cilliers, Secretary of Manpower Utilisation, very few people are covered by these determinations because there have been so many exemptions.

Recently, Gert Beetge, general secretary of the White Building Workers Union, asserted that job reservation in the industry is meaningless — the authorities do not enforce the Act and the job reservation order does not effectively protect workers. According to Beetge, the only effective protection comes from industrial agreements in which there are provisions bearing African job advancement.

On the other hand, Basie Pretorius, director of the Witwatersrand Master Builders Association, says he welcomes the move. "We have been battling for this for a long time. And right now the building industry needs people," he claims. But he adds the Black Building Workers Act, which prohibits Africans from doing skilled work in white areas, must be repealed.

Those in the motor industry confirm the determinations afforded white workers little protection, and the scrapping will not have much impact on the composition of the labour force. At Ford, because of exemptions granted by the authorities, blacks comprise over 10% of supervisory staff. And a large number, which is climbing, are workers.

The two remaining determinations are determination 27, which covers surveyors, samplers and ventilation officials on the mines, and the bar on black ambulance drivers and traffic police in Cape Town. The Underground Officials Association has agreed to the dropping of determination 27 on condition that blacks filling these jobs can join their union. Cilliers says government is presently negotiating with the union.

During the next parliamentary session Botha will be meeting with the SA Association of Municipal Employees to discuss the abolition of the Cape Town job bar. According to a spokesman for SAAME, "It has been necessary to get this reservation and it is important, but with the new legislation we may come to an understanding with the Council. Again, some exemptions have been granted, watering down the effectiveness of this bar."

Cilliers is quick to point out that workers have not lost all their protection. He says protection will now be provided by the Industrial Court.

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irectors' emoluments and pensions.—(1) l in so far as the information necessary for the purpose is contained in the records of the company or is otherwise available to it, contain particulars showing—

(a) the aggregate amount of the directors' emoluments,

(b) the aggregate amount of directors' or past directors' pensions, and

continued on page 701

the cost of raising the necessary funds has to be taken into account. The funds themselves are already justified by comparison with alternative methods of provision, but there are [illegible] raising them: interest on loans, or administrative [illegible] of raising taxation. These are normally [illegible] project, but may affect the overall amounts [illegible] budget.

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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.

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--- benefit and cost-effectiveness; and through that to the main stream of neoclassical welfare economics, which attempts to make a distinction between the choice of the composition of the basket of outputs and the choice of the set of resources from which each output is to be produced. The former is, in a broad sense, a question of tastes, values, or utilities; the latter is a question of techniques".

He adds:

"In practice, it is not an easy matter to make a hard and fast distinction between technical matters and matters of values or utilities in the health services. From one point of view, the question whether to treat schizophrenics in hospital or in the community is a technical one. Which is the cheaper way to fulfil whatever are the society's requirements for the treatment of this 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

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RAND DAILY MAIL, Saturday, November 10, 1979 3

200 whites at Ford threaten strike action

Own Correspondent

PORT ELIZABETH — More than 200 white workers at Ford Motor Company have threatened to strike apparantly because of racial antagonism as a result of Ford's program of integration

The threat was described yesterday by a trade union leader, Mr Henry Ferreira, as the most serious labour issue in the Port Elizabeth motor industry in more than 20 years

He said the walkout by 700 African workers from Ford's Struandale assembly plant last week, stirred up long-standing antagonism between white and black workers The bad feelings were a result of Ford's program of racial integration of amenities and its policy of replacing certain white workers with Africans

The situation is very tense at the moment It could explode very easily, he said after a meeting with Ford's industrial relations director, Mr Fred Ferreira, and labour relations manager, Mr Dirk Pieterse

Mr Henry Ferreira, of Pretoria is the deputy general secretary of the South African Iron, Steel and Allied Industries Union The Union's permanent Port Elizabeth secretary, Mr H L Pretorius was also at the meeting

He said the main "stirring factor at the moment was the lack of discipline among black workers

Mr Ferreira said Ford was very sympathehtic and was taking the problems between white and black workers seriously A factory level investigation, in the presence of shop stewards and Mr Pretorius, would begin on Monday RDM 10 11 79

"I appeal to the workers to be calm until the investigation starts The problems will be solved he said

He said white workers had complained of alleged antagonism of whites by a black shop steward, sharing of toilets, canteen and other amenities unhappiness that African workers who walked out in sympathy with a civic leader were paid for the three days they were away, a call for extra pay or leave for the time they worked during the black strike, paid leave and bonuses for people who were retrenched and a call for the reinstatement of a foreman Mr H J Welsh, who is to be retrenched at the end of the month

The white workers attended a union meeting in Port Elizabeth on Thursday night They threatened to strike if their grievances were not resolved

Mr Ferreira said yesterday It is the most serious motor industry threat we have faced since we first became involved with the industry in 1956

In a statement yesterday, Ford Public Affairs director, Mr Dunbar Bucknall confirmed that an investigation would start on Monday It was not known how many workers were involved but all four plants were apparently affected

Ford PE: It's work as usual

By Sieg Hannig, Labour Reporter

The threatened white backlash strike planned by Ford assembly workers in Port Elizabeth failed to materialise today

The workers resumed work as usual, while management carried out its undertaking to listen to their grievances

Mr Henry Ferreira, deputy general secretary of the Iron, Steel and Allied Industries' Union, had hopes that all the problems would be cleared up by tomorrow night

Mr Ferreira said ISAIU white members

- Did not see why they had to work short time at some plants.
- Claimed discipline had gone overboard
- Demanded the reinstatement of a foreman due to be retrenched at the end of this month

Race tension at Ford plant

By Sieg Mannig,
Labour Reporter

ocial tension among orkers at Ford's Struddle plant in Port izabeth was at a new eak today after the econd black walkout less than a fortnight esterday

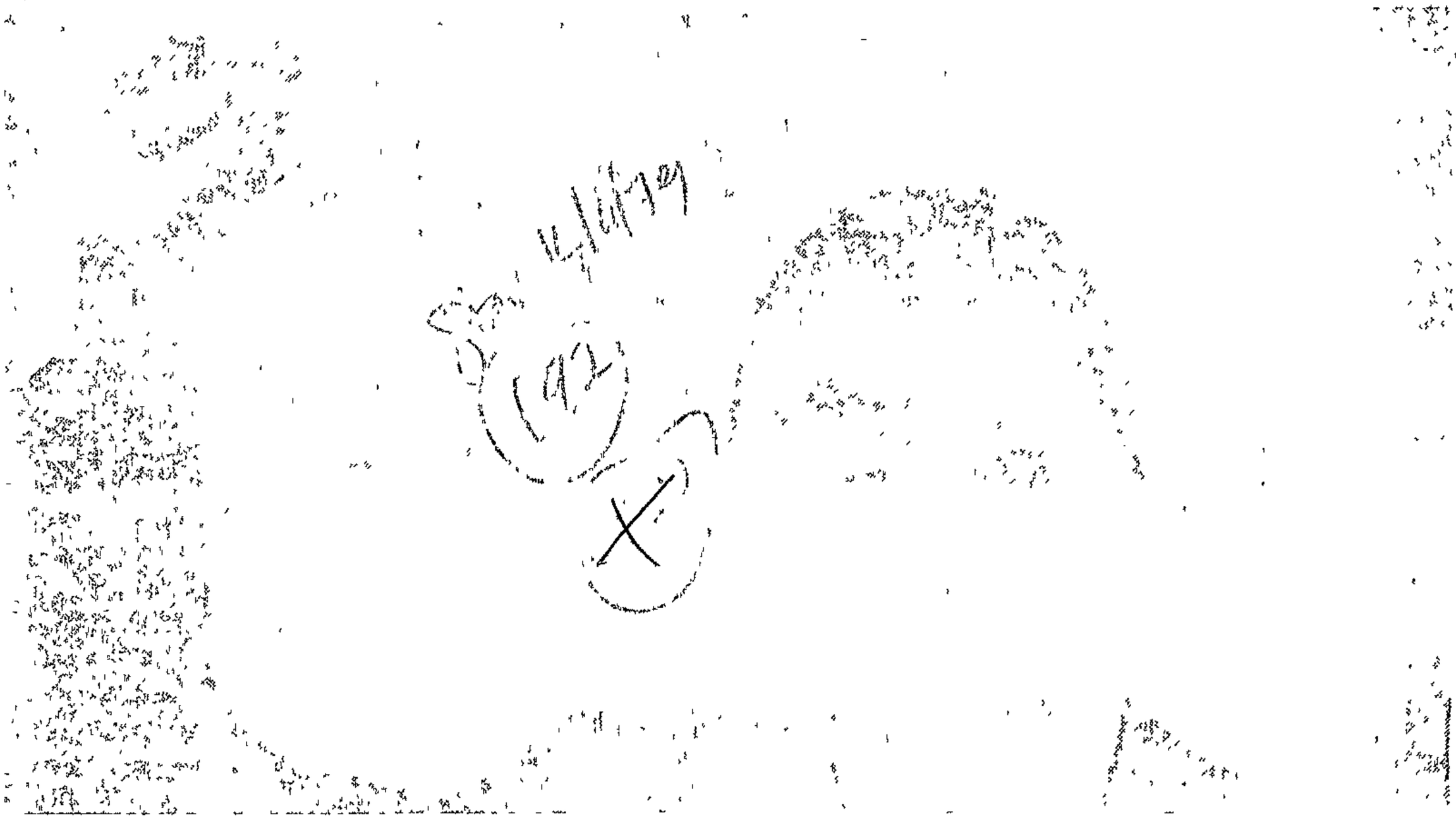
Yesterday's walkout was seen as a protest against the claims of senior white employees at a recent trade-union meeting that blacks were abusing the integrated canteen and toilet facilities

The union meeting led to a strike threat by whites, but this was defused by Ford's undertaking to study the whites' grievances and work out solutions

This investigation is still in progress and has now been extended to a similar investigation to sort out the grievances of blacks.

A spokesman for the blacks, Mr David Shulu, said today that blacks refused to work overtime as they were being treated like prisoners

At a meeting with the management yesterday, workers said they intended to continue their canteen boycott until they were protected from "humiliation by segregationists."



ne of the strikers at the Ford factory in Port Elizabeth gives the clenched-fist salute as he returns to work today.

by 1970, this figure had decreased to 15,7%, indicating improved disproportionately to the 'coloureds'. Similar 1 to 4 years of age, during the period 1941 to 1970, the experience as a percentage of the 'coloureds' had decreas 7,1%. It should be noted that the O year age-specific d higher than the corresponding Ills. This is the former is the number of live births wil-st for the la mid-year populations under one year of age.

Fig 4 provides an indication of the proportional co-contrib causes of death to the overall mortality, e.g. percentage of th Infectious diseases are the leading cause of death for both are increasingly replaced by chronic associated diseases 'coloureds' are frequently, but not always, the 3 leading deaths caused by infectious diseases. The mortality which is statistically less pronounced, while the 'coloureds' appear to occupy an intermediate whites and Africans, although it is clearly closer to the whites. Africans than it is to the whites.

[illegible] of particular concern across the 'coloureds' is that [illegible] all age-groups to a serious Coupled with the [illegible] high [illegible] rate [illegible] contributing to the [illegible] Some of [illegible] [illegible] through [illegible] [illegible] small proportion of the [illegible] indicates that [illegible] similar for both [illegible] sexes since 1941.

Clearly, the broad [illegible] statistics [illegible] certain [illegible] [illegible] classification [illegible] [illegible] case categories [illegible] Table II. It [illegible]

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 if lower or higher levels are selected.

Two aspects of these age-cause specific mortality rates require emphas
Firstly, whilst being affected by the incidence of the diseases in que
these rates are also influenced by their fatality rates, for example,
decrease in the mortality related to Tuberculosis will not only be inf
by a decreasing incidence of this disease but also by improved prevent
primary, secondary and tertiary levels of intervention which will cons
ly decrease the fatality rate and, therefore, the associated mortalit

Secondly, it should be appreciated that although the calculation of ra
important for comparative purposes since they take into consideration
underlying population, for the providers of health care the actual numl
are also of importance. This is particularly true for those groups wl
contribute a comparatively large proportion to the total population, fo
example 'coloured' children 0-4 years old. The different demographic
files of the two communities for 1951 are presented in Fig. I, and thi
vides an indication of the age distribution of whites and 'coloureds'.
The changes in this distribution which occurred between 1941 and 1970
for the purposes of the present study, of relative unimportance.

The expectations of life for 'coloureds' and whites are presented in F
Although data has been published for Africans[5], this is speculative and
not considered to be of sufficient reliability to warrant inclusion.
different expectations of life have been included: (1) e_o - the expect
of life at birth, and (2) e_{45} - the expectation of life at 45 years of
Characteristically women have a better expectation of life than men, an
Fig. 6 indicates that this is so for both whites and 'coloureds'. In
so marked is this difference that at e_{45} 'coloured' females have a bet
expectation of life than white males. What is perhaps of some concern
that the gap between the expectation of life for males and females is w
ing. This trend is apparent in both the whites and the 'coloured' com
ties, 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 3,7 years in 1929 has increased to 7,0 years in 1970.

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

14/11/79. Post (142)

BOYCOTT OF COURT CASE

A CAFETERIA boycott by black workers has aggravated the labour problems of the Ford Motor Company in Port Elizabeth.

The boycott has broken out at the Struandale assembly plant where the entire black staff of about 700 went on strike for 2½ days recently over the resignation of a black civic leader employed by Ford.

The boycott involves the plant's hourly paid black workers.

"We have not been given any reasons for the boycott," said Mr Durbar Bucknall, Fords public affairs director. He expected the reasons to be aired at a meeting with black workers planned for yesterday afternoon.

It was reported that the workers planned a meeting of their own for 5 pm yesterday.

Meanwhile Ford's management continued to meet its white employers yesterday to establish the grievances which prompted them to threaten with a white backlash strike.

This inquiry began on Monday after complaints that blacks were insubordinate and had been allowed to get away with a strike without loss of pay while whites worked short time

City case in court

CAPE TOWN CITY yesterday applied to the Rand Supreme Court that Sanfa be ordered to allow them back to the Mainstay Cup competition.

This application follows an earlier Rand Supreme Court decision that the quarter-final game between Durban City and Highlands Park should not count towards the Cup. Sanfa has lodged an appeal against that decision.

In yesterday's hearing Cape Town City asked the court that they be allowed to participate in the competition pending Sanfa's appeal.

The earlier Supreme Court decision followed a third round Mainstay Cup match between Cape Town City and Durban City held in Cape Town in September. Cape Town City had won 2—1. But Durban City appealed on grounds that Cape Town had fielded a suspended player.

Sanfa upheld Durban City's appeal and ordered a replay. Cape Town City refused to honour the fixture.

9. Sadie, J H. (1970) : S. Afr. J. Economics, 38, 1.

10. Doll, R. (1976) . Monitoring of Government Statistics, in Seminars in Community Medicine, Volume 2. ibid.

DISCUSSION

The crude death rates and the standardised mortality rates for whites, Asians and 'coloureds' and urban Africans are presented in Fig. 1. The interpretation of these figures is confounded by the differences in the underlying structure of the population. The population pyramids of the various groups were pictured in Part I with the exception of the urban Africans, which appears in Fig 2 This population shows an excess of healthy working males and lack of elderly persons as a result of the mig

Surge in car sales—could hit 200 000

STAR 15/11/79

By Harvey Thomas, Motor Editor

New car sales in October zoomed to a level 15 percent better than a year ago But the year to date market is only marginally better

With October's figure of 18 665 having pushed the Jan-Oct total to 175 458 motor manufacturers expect to sell in excess of 200 000 new cars this year

If the October momentum is continued the total could end up at 210 000.

An analysis of the sales again indicates that more South Africans are buying smaller cars Cars with an engine capacity of less than 1 500 cc accounted for about 45 percent of all October sales — but the more expensive luxury cars are also holding their own

One feature of the results is the spectacular achievement of Toyota in breaking records on market penetration share for the third month on the run — now giving them 16,2 percent of the overall car and truck business

The Toyota share of the commercial vehicle market rose to an impressive 32,7 percent on the light truck side — leaving arch-rivals Datsun lagging even further behind.

BMW again got the better of arch rivals Mercedes-Benz with sales of 704 vs 638

The commercial vehicle market also showed a healthy revival in October with sales of 9 232 vs 7 789 a year ago

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Birth statistics for

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in infant mortality was

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ts of the world devoid of

medical services. Fig. 4 summarises the age specific mortality rates of

rural areas or cause of deaths' according to the Bantu Reference Bureau (Personal Communication). t least 50 000 deaths among Africans were not registered These occur mai in the rural areas. It is estimated that about 10% of the deaths in the main urban districts are not registered for Africans.

METHODS

The following indices were calculated:

Crude Mortality Rates.

ortality Rates. Two standard populations were used.

oped population and Mexico 1960

Calculated mainly in five year age

ons of the eighth revision of the

ses (ICD).

1970, the last census year.

the mortality experience of a

nditions which would exist if a

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particular cause of death were eliminated. It gives an indication of the relative effect of that cause on the expectation of life.

The calculation of rates involves a knowledge of the base population age specific population. No official estimates of this are available for inter-censual years For whites, Asians and 'coloureds, the 1970 population has been projected forward using the age specific survival rates from 1970 and taking into account the actual births and deaths in the 0-4 age group. Allowance was made for migration.

For Africans, a different procedure was adopted as a population figure for only part of the country was required. The 1970 age distribution[10] by magisterial district was used, the numbers being adjusted by the 1974 gross population estimates by economic region.[11]

Tension high, but Ford men are back

Star 15/11/79

By Sieg Hannig, Labour Reporter

Work returned to normal but tension was high at the Ford Motor Company today after the first spill-over of labour unrest to one of the two Port Elizabeth plants previously unaffected.

The boycott of the integrated canteen at the Struandale plant spread to the engine plant yesterday and led to a mass assembly of blacks on the plant's lawns.

The "nearly 300" workers involved received management's permission to discuss matters among themselves

Later management joined the workers on the lawns for "intensive discussions" until the workers left for home after 4 pm

Now all eyes are on the white Iron, Steel and Allied Industries' Union from whom the blacks are demanding a retraction of the claim that blacks are abusing the integrated canteen and toilet facilities

The blacks are clearly not satisfied with the explanation of the union's deputy general secretary, Mr Henry Ferreira, that "it sometimes happens that when people are excited they say things they would not say under normal circumstances"

rural areas or cause of deaths' according to the Bantu Reference Bureau (Personal Communication). At least 50 000 deaths among Africans were not registered. These occur mainl_ in the rural areas It is estimated that about 10% of the deaths in the main urban districts are not registered for Africans.

METHODS

The following indices were calculated.

1. Crude Mortality Rates
2. Standardised Mortality Rates. Two standard populations were used. England and Wales representing a developed population and Mexico 1960 for a developing one.
3. Age and Cause Specific Death Rates. Calculated mainly in five year age groups for the seventeen major divisions of the eighth revision of the International Classification of Diseases (ICD).
4. Proportions of Causes of Death.
5. Infant Mortality Rates.
6. Expectation of Life Calculated for 1970, the last census year.
7. Competing Mortality Risks.[8] This is the mortality experience of a population under the hypothetical conditions which would exist if a particular cause of death were eliminated. It gives an indication of the relative effect of that cause on the expectation of life.

DISCUSSION

The crude death rates and the standardised mortality rates for whites, Asians and 'coloureds' and urban Africans are presented in Fig 1 The interpretation of these figures is confounded by the differences in the underlying structure of the population. The population pyramids of the various groups were pictured in Part I with the exception of the urban Africans, which appears in Fig. 2. This population shows an excess of healthy working males and lack of elderly persons as a result of the migratory labour situation.

The standardised mortality rate provides a single figure for the mortality experience of a population which can only be fully expressed in terms of a series of age specific death rates. The SMR is calculated by multiplying all the age specific mortality rates in the observed population by the corresponding numbers in the standard population, adding the number of deaths so obtained and dividing the total standard population While this figure is independent of the age structure of the observed population, the choice of the standard population will affect the weighting given to the deaths in the various age groups. The choice of an underdeveloped population as a standard will give great weight to infant deaths and little weight to deaths among the elderly, while a developed standard population will reverse the position. The choice of standard population affects the ranking of the mortality between the observed groups. There is no 'true' answer As the Duke of Wellington sa
and statistics'!

Infant mortality rates are summarised
is experienced in obtaining data for A
Africans are not published by the centr
cal officers of health[9] have estimated
their urban areas. These show conside
A mean figure and the range are given i
should be interpreted with caution as s
cities from rural areas. An indicatio
areas is given by a sample survey carri
among Xhosa-speaking Africans.[12] An
observed with decreasing urbanisation,
areas being of the same magnitude as th
medical services. Fig. 4 summarises t

Argus 15/11/79 (192)

Workers give ultimatum to Ford

Argus Bureau

PORT ELIZABETH. — Dissatisfied black workers at the Ford Motor Company plant have given an ultimatum to the management to resolve their grievances by Wednesday or they would take further action.

The black workers made their demands yesterday afternoon during the third stoppage of work at the Port Elizabeth factory, stricken by walk-outs over the past few weeks

The workers have also accused management of adopting aggressive tactics towards their appointed spokesman, Mr David Pongoshe.

All the workers were reported to have returned to work today after management had reportedly promised black workers of the Struandale plant to resolve their problems by next week.

The national organiser of the United Automobile and Allied Workers' Union, Mr George Manase, said in an interview today he presumed the workers at the engine plant meant that they would down tools if they were still dissatisfied by Wednesday They promised management to return to work today and to continue working until Wednesday.

The workers alleged today that at meetings between the company's industrial relations director, Mr Fred Ferreira, and Mr Pongoshe an air of aggression from management had prevailed and the spokesman was refused permission to state workers' grievances.

No confirmation of this however, could be obtained from either Mr Ferreira or Mr Pongoshe.

Their meeting this week was the result of two walk-outs in 14 days which brought the assembly plant to a halt.

As a result workers were boycotting canteen facilities and have refused to work overtime.

For the second day in a row the workers arrived at the plant today with their own food and the boycott of canteen facilities which they have been accused by white workers as having abused entered its third day.

Canteen staff were preparing meals on a daily basis for the workers in spite of the boycott.

Interviewed outside the factory gates today several workers said that they were still holding to their declared intentions of boycotting the canteen and not working overtime.

12c

DD 15/11/79 (192)

300 interrupt work at another Ford plant

PORT ELIZABETH — Production at another Ford Motor Company plant in Port Elizabeth came to a halt yesterday when about 300 black workers took time off for a meeting over their grievances

They spent yesterday afternoon on a factory lawn and held discussions among themselves and with the management

The engine plant is next door to the Struandale assembly plant which has been the scene of walkouts by protesting workers in the past two weeks

Although production at the engine plant was brought to a halt yesterday afternoon, Ford did not view yesterday's gathering as a walkout, the public affairs director, Mr Dunbar Bucknall said in an interview

He said the workers requested time off to hold discussions, and after the talks they dispersed in an orderly fashion They were expected back tomorrow when the discussions would continue

For the first time yesterday a boycott by black workers of Ford canteen facilities spread to the engine plant

Production at the assembly plant which on Tuesday suffered its second walkout by black workers in two weeks, was back to normal yesterday The canteen boycott continued

Assembly plant workers who walked out on Tuesday after some were asked to work overtime agreed yesterday to work overtime last night

Mr Bucknall said the company was not taking any action following Tuesday's walkout

It is understood black workers are demanding that whites retract allegations that blacks were abusing integrated facilities It is also believed they have called for the transfer to another plant of two white assembly plant general foremen, who allegedly insulted black workers both at work and at a trade union meeting last week

Meanwhile discussions between the manage— and members of the F United Automobile a Allied Workers' U were started yesterday identify black grievan

Discussions betw the management and white South African Iro Steel and Allied I dustries Union, resu today after earlier di cussions on Monday an Tuesday

The white workers complaints are believed be over alleged ba relations with black workers abuse of in tegrated facilities, a de mand for extra pay during the black workers' walk out two weeks ago and t recent laying off of white employee — DDC.

(192) (152) CT 16/11/79

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PE Ford men cite problems

Own Correspondent

PORT ELIZABETH. — Disgruntled black Ford Motor Company workers in Struandale, Port Elizabeth, yesterday cited bonuses, qualifications of foremen and bad relations with white supervisors as key grievances.

In interviews last night they told of problems which led to a boycott of company canteens and which could lead to more walkouts like those at the assembly plant two weeks ago.

They are demanding to be paid a bonus in December for the whole year Normally Ford bonuses are calculated from July to June The workers claim they got no bonuses this year

Engine-plant workers said they had asked management to replace certain allegedly unqualified white foremen with qualified workers.

Bad relations with certain white foremen is an issue with black workers at both plants A canteen boycott which started at the assembly plant on Monday and spread to the engine plant on Wednesday, is continuing

Engine-plant workers said they would not buy food at the company until white foremen who accused them of abusing integrated facilities, apologized through the press

Workers at both plants want management to reply to their demands by Wednesday, engine-plant workers said that if they were not satisfied by Wednesday they would down tools

At a two-hour meeting after work yesterday, assembly-plant workers formulated a list of grievances to be taken to management by members of the liaison committee.

Ford back to normal as talks continue

PRODUCTION at Ford's two Struandale plants returned to normal yesterday as management continued parallel talks with white and black worker representatives.

On Wednesday, Ford lost more production time as workers in the Struandale engine plant were given time off to hold an open air meeting to discuss grievances

The talks concerned allegedly deteriorating relations between white and black workers at the plant It is understood management was given an ultimatum to resolve the issue by next week or face further industrial unrest

The hitch at the engine plant follows a snap walk-out by workers in the Cortina plant on Tuesday afternoon that brought the whole plant to a halt

Black workers at both plants are to elect a "committee of 10" to represent them either late this weekend or early next week

So far the black United Automobile and Allied Workers' Union has not been brought in to mediate between the workers and management.

Mr George Manase, national organiser of the union, said yesterday it appeared that the workers preferred to negotiate direct with management, but the union was prepared to assist at any point

Mr Manase said it was difficult to know at this stage all the grievances of the black workers "because each one has something different to say."

The union would probably be meeting the Ford management soon to discuss developments, he said.

The main grievances raised by workers' spokesmen this week centred on the alleged "segregationist" criticism by white employees and alleged discriminatory practices within the company

Objections concerning overtime work — the cause for the Tuesday walk-out at Cortina — appeared satisfactorily resolved yesterday.

The Ford management was yeterday locked in discussions with the Iron Steel and Allied Industries Union over a range of white worker complaints including alleged indiscipline among black workers and the abuse of integrated facilities.

Among the major issues to be considered was the recent retrenchment of a white worker at the Stuandale plant. —Sapa.

Ford workers list problems

16/12/79

PORT ELIZABETH — Disgruntled black Ford Motor Company workers in Struandale here yesterday cited bonuses, qualifications of foremen and bad relations with white supervisors as their key grievances

In interviews last night they told of problems which led to a boycott of company canteens and which could lead to more walkouts like those at the assembly plant two weeks ago.

They are demanding to be paid a bonus in December for the whole year Normally Ford bonuses are calculated from July to June The workers claim they got no bonus this year.

Bad relations with certain white foremen is an issue with black workers at both plants A canteen boycott which started at the assembly plant on Monday and spread to the engine plant on Wednesday, is continuing

Workers at both plants want management to reply to their demands by Wednesday Engine plant workers said if they were not satisfied by Wednesday they would down tools.

At a two-hour meeting after work yesterday, assembly plant workers, formulated a list of grievances to be taken to management by members of the liason committee.

Ford public affairs director, Mr Dunbar Bucknall, said the company did not regard the workers' request for a report back on Wednesday as an ultimatum "They will get answers to the most important issues by then but it is possible that some matters will not yet be finalised."

He said talks between management and representatives of the white SA Iron, Steel and Allied Industries Union, continued yesterday.

Earlier talks were held on Monday and Tuesday.

— DDC.

Earlier report, page 19.

Factory canteen boycott continues

INDUSTRIAL relations tension at General Tyre plant near New Brighton was heightened this week when more than 600 workers continued a boycott against the factory's canteen facilities.

The boycott that began on Monday continued throughout the week General Tyre, which operates two shifts, is half a kilometre from the Ford Cortina and Ford engine plants, the scene of industrial strife earlier this week.

Workers told of problems that led to a boycott of the company's canteen facilities which could lead to a walkout similar to those at the Ford Cortina plant.

Workers claimed the boycott had been called to protest against management instructions that every worker who uses the facilities would have to agree to be searched every time he left the canteen after meals

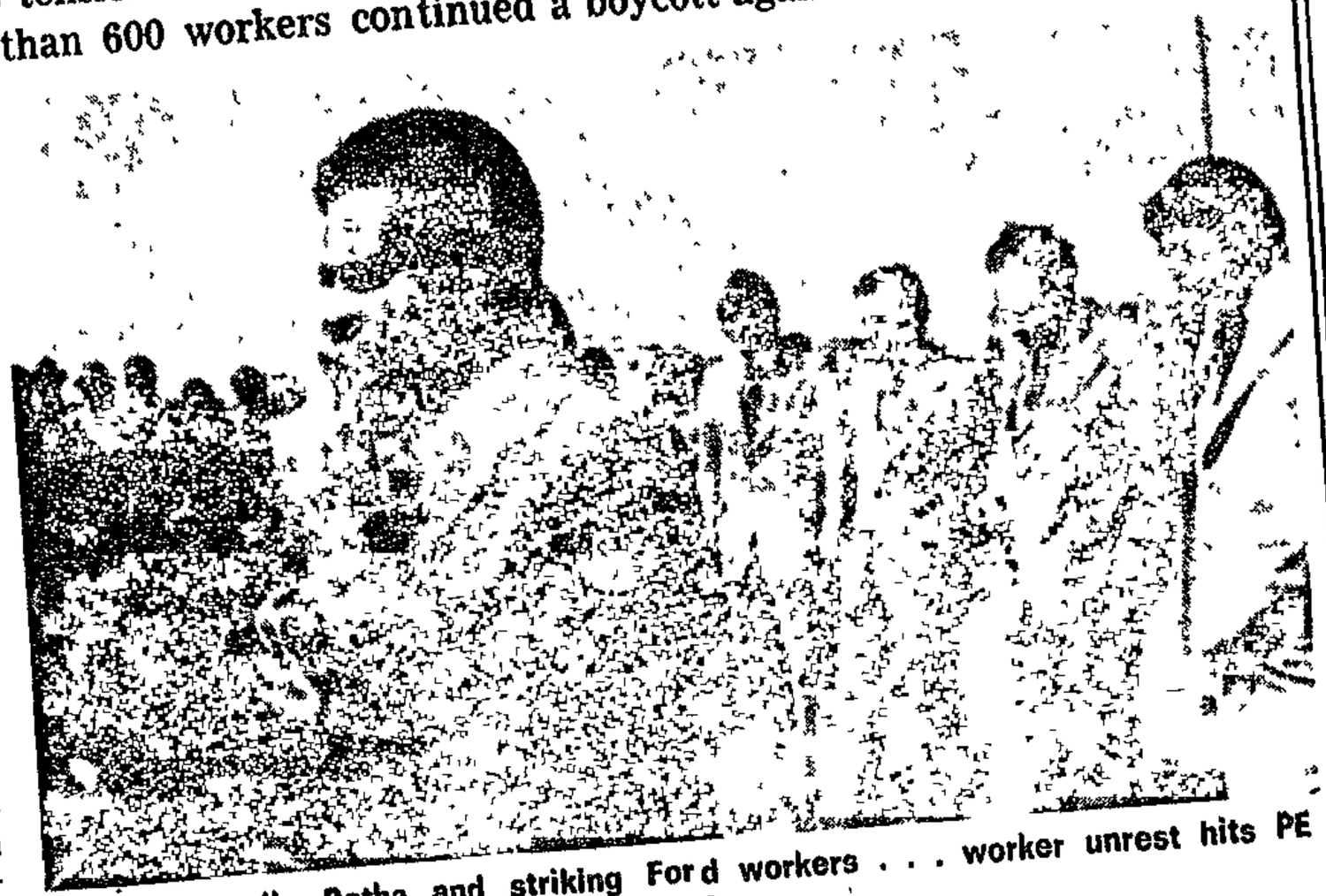
A meeting on Monday was told by a management representative that more than 1 200 spoons used by workers at the canteen were missing To prevent further losses it had been decided that workers would have to agree to be searched every time they left the canteen.

The alternative was that the canteen would be closed, the workers were told

Workers saw the instruction as a challenge to their integrity. They said the action smacked of racism as no such instructions were given to the whites who had separate canteen facilities

The workers claimed that the food served to them was bad compared to that served to whites

On Tuesday, black workers arrived at the plant with sandwiches and refused to buy food, soft drinks or tea from the plant's canteen for hourly-paid workers.



Mr Thozamile Botha and striking Ford workers . . . worker unrest hits PE again.

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

Ford's production returns to normal as talks continue

RDM 18/11/79

PORT ELIZABETH — Production at Ford's two Struandale plants returned to normal yesterday as management continued parallel talks with white and black worker representatives

On Wednesday Ford lost more production time as workers in the Struandale engine plant were given time off to hold an open air meeting to discuss grievances

Yesterday's talks concerned allegedly deteriorating relations between white and black workers at the plant

It is understood management was given an ultimatum to resolve the issue by next week or face further industrial unrest

The hitch at the engine plant follows a snap walk-out by workers in the Cortina plant on Wednesday

Black workers at both plants are to elect a "Committee of 10" to represent them either this weekend or early next week

So far the black United Automobile and Allied Workers' Union has not been brought in to mediate between the workers and management

Mr George Manase, national organiser of the Union, said yesterday it appeared that the workers preferred to negotiate direct with management, but the union was prepared to assist at any point

Mr Manase said it was difficult to know at this stage all the grievances of the black workers "because each one has something different to say."

The main grievances raised by workers' spokesmen this week centred on the alleged 'segregationist' cricitism by white employees and alleged discriminatory practices within the company

Objections concerning overtime work appeared resolved on Wednesday as black workers went on night shift at the plant

Ford management was yesterday locked in discussions with the Iron Steel and Allied Industries Union over a range of white worker complaints including alleged indiscipline among black workers and the abuse of integrated facilities

Mr Lieb Pretorius, regional secretary of the Union, said yesterday he hoped to be able to send a circular to members on Monday reporting fully on the outcome of the negotiations

Among the major issues to be considered was the recent retrenchment of a white worker at the Struandale plant — Sapa

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 separa- ture on different disease groups or age groups

into programmes is an art. Pole, an econo- of Health, writes:

uld, in my view, be mainly determined taking of which one wishes it to con- uggest that where decisions are primarily r moral judgement - of determining basic want the activities to be compared to grammes - the mentally handicapped against here it is a more technical question of particular objectives can best be achieved - drug therapy ainst behavioural therapy - one would want the activities to compared to be within a particular programme. This distinc- n ties up with an economic jargon of slightly older vintage - t of cost-benefit and cost-effectiveness; and through that the main stream of neoclassical welfare economics, which attempts make a distinction between the choice of the composition of the ket of outputs and the choice of the set of resources from ch each output is to be produced. The former is, in a broad se, a question of tastes, values, or utilities; the latter is uestion of techniques".

uds:

"In practice, it is not an easy matter to make a hard and fast distinction between technical matters and matters of values or utilities in the health services. From one point of view, the question whether to treat schizophrenics in hospital or in the community is a technical one. Which is the cheaper way to fulfil whatever are the society's requirements for the treatment of this 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

RDM 18/11/79

Ford staff return, but tensions high

PORT ELIZABETH — Black workers at Ford's plant in Struandale, Port Elizabeth, returned to work yesterday after a snap walkout on Tuesday — but the threat of further trouble loomed

Workers claimed Tuesday's walkout — the second in two weeks — was in protest at certain sections of the plant doing overtime and said they would do so again if the same situation arose

The walkout brought production at the plant to a standstill Yesterday production was reported back to normal, though tension was still running high over a series of grievances among both black and white workers

Workers argued yesterday that it was unfair for certain sections of the plant to work short time and others overtime and called for equal hours to be worked by all employees

Mr Fred Ferreira Ford's industrial relations director, said yesterday that workers in certain sections had been called on to work overtime on Tuesday because of an imbalance in production caused by the three-day wildcat strike the week before last

He said it appeared the workers had not known the reasons for the overtime working

No decision had yet been made on the delicate issue of whether to pay the workers for the three hours of production lost through Tuesday's walkout

Ford has launched an intensive probe into the complaints that sparked the unrest

Mr Ferreira said meetings would be held at all company plants to establish the basic grievances of both white and black workers

Black workers have warned that a boycott of the plant's canteen facilities will continue unless white workers retract accusations that blacks were abusing integrated facilities

Mr David "Skulu" Gola, a black workers' spokesman, said their main complaints were

- White attitudes towards blacks in the company were worsening
- Blacks had been insulted by certain white workers claiming they were unclean and had no manners

The workers said they would not go back to the canteen until management protected blacks from humiliation by "segregationists", reviewed the position of black workers removed discriminatory regulations at all levels and insisted on equal pay for equal work

Mr Gola said the workers would elect a committee to represent them in dealing with their demands

Meanwhile, negotiations began yesterday between Ford management and the black workers' United Automobile and Allied Workers Union

Ford management is also holding talks with white union representatives on a range of complaints by white workers

Talks with the South African Iron Steel and Allied Industries Union are due to resume today after a round of discussions on Tuesday

It is understood the major complaints of the white workers include

- Alleged deteriorating relations with black workers
- Abuse of integrated facilities
- A demand for extra pay for working during the wildcat strike two weeks ago
- Objections to the dismissal of a Cortina plant foreman

Industrial relations experts are keeping a close watch on the Ford negotiations because many of the issues raised involve the basic principles of the new industrial relations initiative heralded by the Wiehahn report — Sapa

REFERENCES

1 Department of Statistics (1977) Causes of death tables and Estatistics

with selected major categories of disease. Clearly, this is an entirely hypothetical situation. However, these competing risks life tables not provide an indication of the relative importance of various disease s to both the overall mortality experience and also to expecta- ife of the three communities, but also, since there is an appro- linear relationship between the reduction of mortality and the e increase in life expectancy, any improvement will give rise to onal improvement in the expectation of life. Thus, if the associated with any of the diseases included in Fig. 6 are re- ,0%, then the increase in the expectation of life will be 50% provements indicated.

xception of Neoplastic Diseases and Diseases of the Circulatory men, the 'coloured' community stand to gain most from measures t the control of any of the selected diseases included in Fig.6. lar importance are the Infectious and Parasitic Diseases, hich are frequently amenable to the implementation of relatively thods of prevention.

GEMENT

rs wish to thank the Board of the Colonial Mutual Life Society for their generous financial assistance.

Uneasy truce as Ford workers go back

Sun Times 18/11/79

By RAY JOSEPH

AN UNEASY peace has settled in at Ford's Cortina and engine plants in Port Elizabeth after industrial unrest simmered close to boiling point in the past two weeks

Engine plant workers have threatened to walk out again if certain demands made by them to management are not settled by Wednesday.

For South Africa s motor industry — and for other foreign-owned firms under pressure to dismantle race barriers — it sounded a warning the path to equal opportunity is strewn with mines

The dispute at Ford was, in fact, a case history of the kind of trouble that threatens South African industry as it seeks to overcome the heritage of apartheid

Unrest first flared at Ford s plant on October 31, when 700 black workers walked out in sympathy with community leader Thozamile Botha, who resigned the previous day

Mr Botha's resignation came after he claimed he was given the choice of staying on with Ford or continuing his work with the newly formed Port Elizabeth Black Civic Organisation, of which he is chairman

After the wildcat strike, lasting three days, Mr Botha was reinstated Ford said there had been a misunderstanding, and the 700 strikers returned to work with full pay

THOZAMILE BOTHA
Reinstated

This was followed by a white backlash, with workers holding a meeting to protest the "accommodating way the Ford management had treated Mr Botha and the strikers

Then colour grievance reared its head, with the whole of Ford's intergration programme in danger

At the meeting, whites claimed that

- Blacks were fouling ablutions
- Whites should be free to eat in a separate canteen if they chose
- Blacks had made insulting remarks about white women
- Blacks were given better discounts to buy Ford cars
- Blacks were showing a growing disrespect for white management

Twelve days later, several hundred blacks at the company's Struandale plant again downed tools, this time on the issue of overtime

They also demanded that whites withdraw statements that blacks were abusing intergrated facilities They returned to work the next day

On Friday, Ford announced that it had agreed to reinstate a retrenched white worker who had been at the centre of white worker discontent at Struandale

Commenting on the industrial unrest of the past weeks, an informed source said

"If this sort of thing can happen at Ford with its enlightened industrial policies, then it does not augur well for the future of the rest of South African industry"

much lower age than has occurred in the white community.

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The expectations of life for 'coloureds' and whites are presented in Fig. 6. Although data has been published for Africans[5], this is speculative and is not considered to be of sufficient reliability to warrant inclusion. Two different expectations of life have been included (1) e_0 - the expectation of life at birth, and (2) e_{45} - the expectation of life at 45 years of age. Characteristically women have a better expectation of life than men, and Fig. 6 indicates that this is so for both whites and 'coloureds'. In fact, so marked is this difference that 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_0 has become 6,9 years in 1970. For whites a deficit of 3,7 years in 1929 has increased to 7,0 years in 1970.