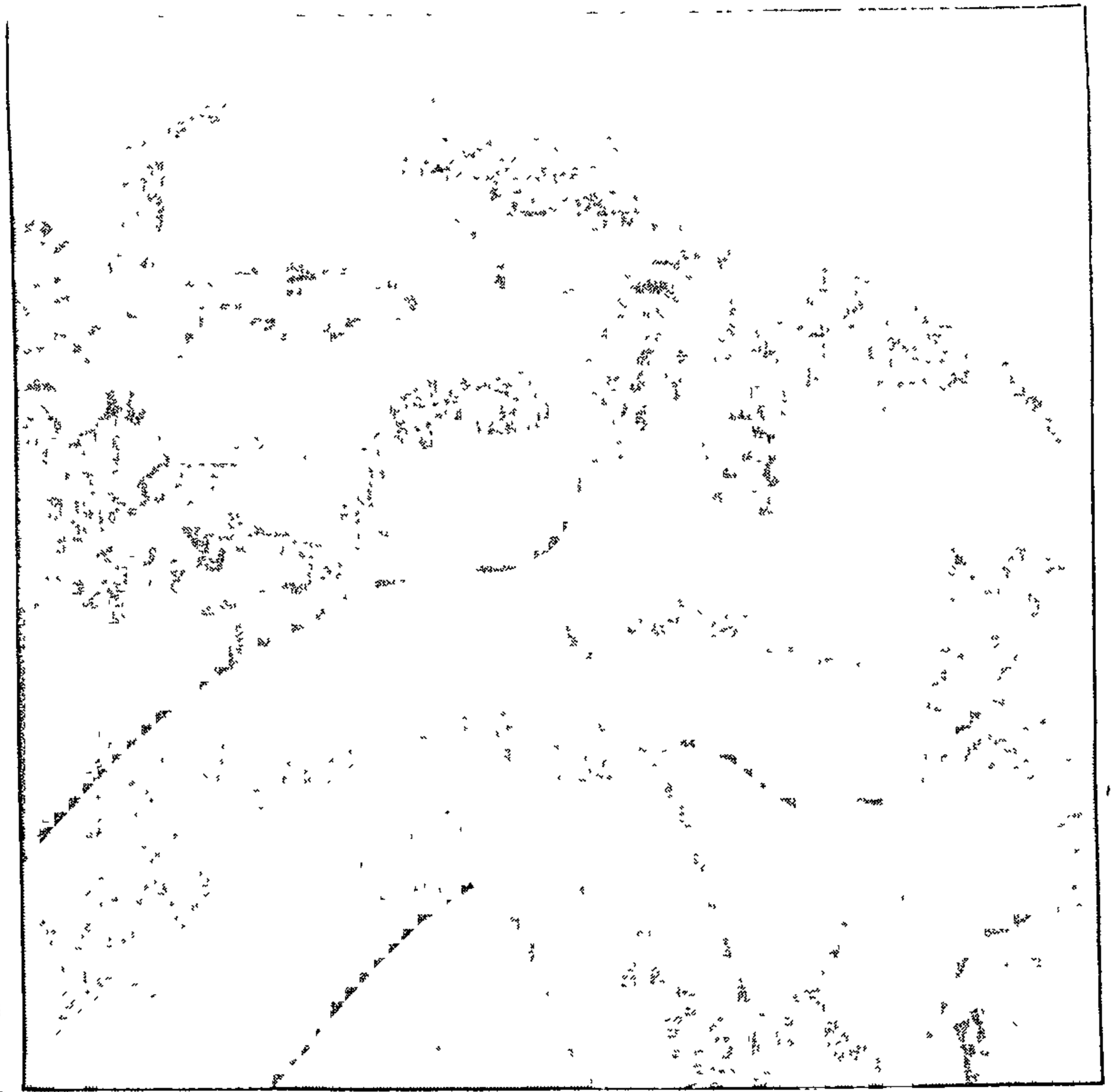
MINING — LABOUR

1992.

JANUARY — SEPTEMBER

Dispute rages over eviction of families from mine hostel

STAR 3/1/92



He ain't heavy . . . a frustrated father carries his son as fellow evicted residents plead for more time to arrange alternative accommodation. Picture. George Mashinini

Staff reporter

About 150 families who had been temporarily accommodated at a mine hostel in Roodepoort were yesterday evicted after four months of unsuccessful appeals to extend their stay while they arranged alternative accommodation

The Star was told that Durban-Roodepoort Deep Gold Mine security staff began removing the families' belongings at about 7 30 am yesterday

A meeting which residents had arranged for 10 am to pray that the eviction would be averted did not take place

Dumping

Eric Ntshiqela, president of Vulindlela United Communities of South Africa (Vucosa), which was created to help the homeless, said yesterday his organisation was arranging alternative accommodation at Poortjie near Lenasia where the TPA was developing a squatter area

The homeless people alleged that the mine's management was dumping their belongings in open veld near Dobsonville, refusing to give them enough time to arrange alternative accommodation

A spokesman for the mine said the homeless had been occupying the hostel illegally and did not co-operate when several attempts were made to resolve the problem

The spokesman said the mine had obtained a court order to evict the illegal occupants in order to proceed with plans to revamp the hostel to accommodate its staff

Evicted people say

The mine gave them temporary accommodation in May for an unspecified period, although they were not employees of the mine

They said a man called Mack Morebudi had arranged the accommodation on their behalf

However, they did not know the details of the agreement entered between Mr Morebudi and mine management

Mr Morebudi — who had been charging each family R120 rent a month for two and three-roomed family units — disappeared in August when they first received eviction notices

Residents have since learnt that he has moved to Botswana

Mine management says:

About 300 homeless people had been occupying the hostel illegally

A man called Mack Morebudi approached management about 18 months ago

He made a proposal to buy the hostel with the aim of establishing a small business centre which would also accommodate families

Although Mr Morebudi did not obtain permission, the homeless people started occupying the hostel illegally

Mr Morebudi subsequently disappeared

Numerous attempts to solve the problem with the homeless had been unsuccessful and no meaningful proposals had been advanced by the homeless

The mine has received no monies from Mr Morebudi or the homeless

All-white 'super union' mooted

VERA VON LIERES

THE foundations for an all-white "super trade union" have been laid, says Mine Workers' Union (MWU) general secretary Piet Ungerer

Writing in the 35 000-strong union's newsletter, Ungerer said the ideal of a giant white trade union had started to materialise in 1991 This could be seen by the number of people who had defected to the MWU

Thousands of new members had come from 42 organisations including Sasol and Middelburg Steel, and three new offices had been set up

Despite hopeless economic conditions, the union managed to keep the number of retrenchments of whites in the industry to a minimum, said Ungerer It had secured the re-employment of about 35 white workers dismissed every month and won many court cases for members

Ungerer said the recent strike by about 700 MWU members at Anglo American's Highveld Steel and Vanadium, Rand Carbide and Trans Alloys in Witbank showed that the "sleeping giant of SA, the white worker, is in the process of waking up"

It was reported that most of Highveld Steel's skilled workforce left their posts on December 11 in protest against alleged discrimination by management The MWU said black workers dismissed after an illegal strike had all been re-employed but nine white workers had been discharged and not re-employed

Innes Labour Brief researcher Michael O'Donovan predicted a backlash by organised white workers more than a year ago

UK strike boss 'King Arthur' heads for SA

S/Times 5/11/92

By CHARLENE SMITH

BRITAIN'S controversial union leader, Mr Arthur Scargill — "King Arthur" to his followers — will be in South Africa this month to attend two mining conferences.

Mr Scargill, who led British miners in the bitterly divisive and economically crippling coal strike of 1984-1985, has been at the centre of a major investigation into the misappropriation of R7,5-million raised by Soviet miners to aid British families during the strike

In South Africa he will first attend an international mine union conference in Johannesburg and later the SA National Union of Mineworkers central committee meeting, where a new general secretary will be elected to succeed Mr Cyril Ramaphosa, appointed ANC secretary-general last year (see Page 1 of Business Times)

NUM acting general secretary Marcel Golding said Mr Scargill had been invited because "British miners have always been supportive of the South African NUM"

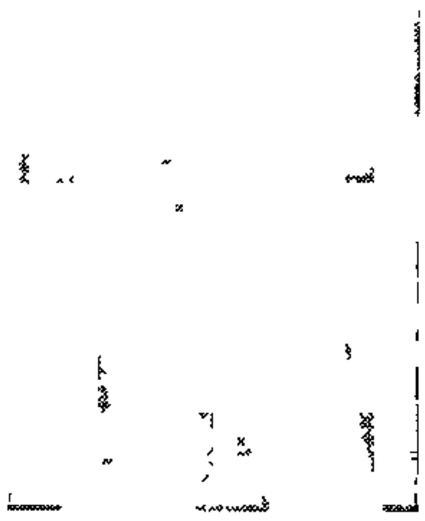
The left-wing British mine leader is held in high esteem by many black South African mineworkers, few of whom are familiar with some of the recent controversies that have surrounded Mr Scargill

The money donated by Soviet miners during the 1984-85 strike never reached British mine families, and Mr Scargill freely admitted that he had used it to set up a variety of secret trusts to protect the union from sequestration

The money was channelled through the Paris-based International Miners' Organisation into a complex network of secret accounts

There have been other claims, however, that Mr Scargill intended using the money to set up an international left-wing mining union empire through the IMO, which he heads, that could cause crippling global strikes

The 1984-85 coal strike split the British miners' union and led to the creation of the Union of Democratic Mineworkers. Mr Scargill has refused to negotiate a single pay increase for his union members since the strike because he will not sit at the negotiating table alongside the UDM



ARTHUR SCARGILL
Dogged by controversy

Since the strike, employment in the British coal-mining industry has dropped from 180 000 workers to 65 000

Three million Soviet mineworkers raised the money in 1984-85 by working one or two days of their holidays without pay

A 133-page report into the misappropriated funds by British QC Gavin Lightman in 1990 found no evidence implicating Mr Scargill in personal corruption

The investigations were begun after Mr Roger Windsor, the NUM's former chief executive, said he had paid a R111 105 mortgage on his house with money donated by the Soviet Union and Libya during the strike Questions were raised about how Mr Scargill, a former coal miner, could afford to buy a house for R625 000 in 1985

Troubled

The Lightman report said the money came from a R500 000 loan Mr Scargill received from the IMO in 1985, and that his general secretary, Mr Norman Heathfield, received a loan of R300 000 in the same year, also to buy a house

The national executive committee of the NUM was sufficiently troubled to launch its own four-man commission of inquiry, aided by Soviet miners, who demanded the money back plus interest

The executive committee decided to sue Mr Scargill, Mr Heathfield, MP Norman West and Mr Alain Simon of the IMO for the return of up to R15-million

However, that case collapsed in June last year after a magistrate said the report commissioned by the union could not be admitted as evidence.

Cross-holdings could go to State

NUM looks at mining houses

S/Times (Buss) 5/11/92 (211)

A CONSULTANT to the National Union of Mineworkers (NUM) has suggested that cross-holdings of the major mining houses be nationalised so that "a future democratic government could redress the gross ownership imbalances"

Paul Jourdan, consultant for technical aspects of the National Union of Mineworkers (NUM) project for the mining industry, put forward this idea in a paper to the Metals Bulletin Southern African conference in Harare

He is, however, quick to point out that the paper was presented in a personal capacity — not as an NUM policy statement

By IAN ROBINSON

Dr Jourdan says he is studying measures "to redress the totally racist ownership pattern (of SA s mining industry) so that it does not impair the ability of the industry to operate efficiently and profitably to create wealth and employment and to contribute to State revenue"

NUM acting general secretary Marcel Golding will not be drawn on the union's attitude to Dr Jourdan s views

Mr Golding says nationalisation has been part and parcel of NUM policy But such measures must be planned and be part of an overall economic policy"

He says that as an instrument of economic policy "it must have specific objectives if it is to be used'

NUM is interested in redressing the "power relationships" to better reflect the country s political restructuring

Dr Jourdan believes that nationalisation of cross-holdings, such as between Anglo American and De Beers, would have advantages for both shareholders and the State

No private or corporate shareholders would be directly affected The "people", through the State, would gain some control of a company and a greater share of profits would go to the State from dividends

This mechanism for redressing the ownership imbalance would allow a more discretionary approach than indiscriminate legislation, such as US anti-trust laws

Anglo American declines to comment on Dr Jourdan's proposal

Anton von Below, senior lecturer in mineral economics at the University of the Witwatersrand, is worried that nationalisation of cross-holdings would threaten the profitability of mining houses

Their cross-holdings are a complex system in which management skills and financing are interwoven Mining is capital intensive and confiscation of assets could threaten mines' ability to finance new projects

Precious

Dr Von Below says the mining houses grew out of the need to consolidate capital and technological resources at the beginning of the century to mine gold reefs at increasing depths

The system has proved successful in the development of SA's mining industry

The question of compensation — if any — would also be a contentious issue

Dr Von Below suggests that nationalisation of mineral rights would be an effective means of increasing the State's stake in the mining industry without the risks associated with the nationalisation of cross-holdings

The current system of private ownership involves the risk of sterilisation and fragmentation and can retard development of mineral resources

If mineral rights were nationalised, mining companies would pay lease fees to the government for the right to mine all minerals — as is the case with precious metals and stones

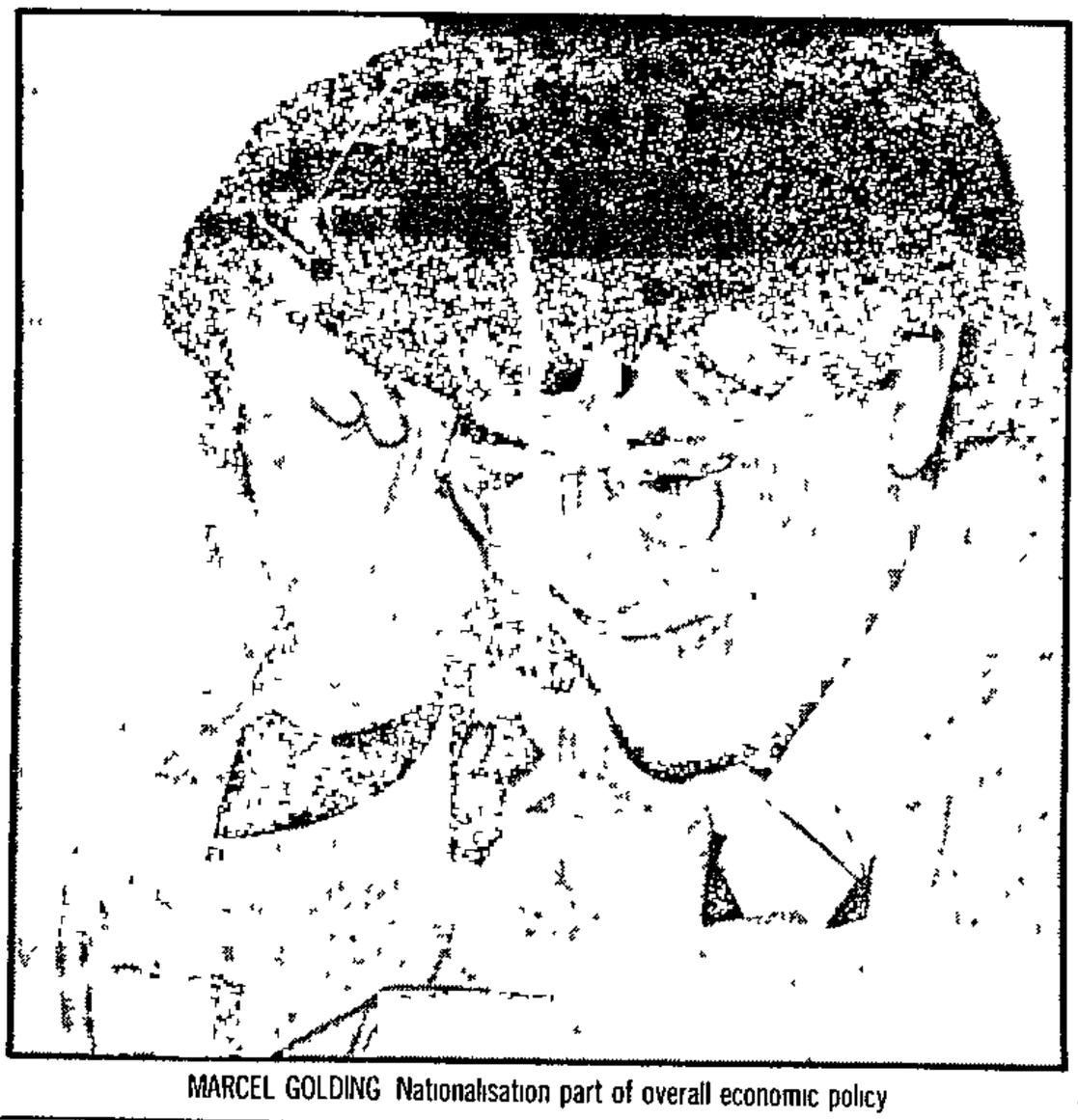
State ownership of mineral rights is the norm in the Western world

THE National Union of Mineworkers will hold a conference this month

The central committee of 350 delegates from 17 regions will meet to discuss four major issues

- **Progress since the last congress in April 1991**
- **Progress since the tripartite mining summit in June 1991 of representatives of unions, employers and the State**
- **Policy on wages and conditions of employment in 1992**
- **Violence on the mines**

The meeting will coincide with an international coal conference in Johannesburg It will be attended by UK mining union leader Arthur Scargill and the presidents of the Australian, US and German mining unions



MARCEL GOLDING Nationalisation part of overall economic policy

Pirelli goes for big one and fails

FRANK KANE charts the story and dire consequences of Pirelli's failure to take over its German rival Continential in the Eurobid of 1991

LEOPOLDO Pirelli, eponymous chairman of the Italian tyre-maker and one of the country's top industrialists, faces a tough new year — one that could be his last at the helm

Not only has he been forced to concede defeat in Europe's longest running bid — the so-called "merger" between Pirelli and German rival Continental — but he burdened his group with huge losses just as the tyre industry faces its toughest time for years

To rub salt in the wounds, most of the losses, about £310-million for the year, stem from the ill-advised Conti assault.

Now Mr Pirelli has to go to his shareholders for a rescue rights issue He is selling off parts of the business to help reduce his company's debts.

Backing

His position could be worse If Pirelli were a British company and the convoluted merger plan had been put together there, he would almost man industrial establishment, collapsed last November when Pirelli was forced to disclose the indemnities and its huge losses

How did Pirelli get itself into the parlous position of mounting a contested takeover in Germany where such things are almost unknown?

On the face of it, it was logical to suppose that a merger of the world s fourth- and fifth largest tyre companies would bring into being a new force against the French, American and Japanese giants that dominate the industry, especially as the outlook suggested there would be little room for the smaller players in the 1990s

But the plan Pirelli brought to Conti's Hanover headquarters had little else to recommend it It would have saddled Conti with most of the combined debtr but

On the basis of vague nods from Ulrich Weiss, chairman of the Conti supervisory board and a board member of Deutsche Bank the German financial giant that has 5% of Conti, the Italians believed they had a green light for the deal in spite of declarations from the Conti directors and shareholders

The Italians also faced a boycott threat from BMW, Volkswagen and Mercedes, Conti s main customers

The Italians had some things going for them They pulled heavyweight financial advice on board from American investment banks Morgan Stanley and Merrill Lynch as well as the important Italian institution Mediobanca

They also managed, through the concert party and indemnities, to gain a stake of about 35%

This was the springboard

10 000 miners go on strike

Sowetan 6/11/92

By IKE MOTSAPI

ABOUT 10 000 black miners at Bafokeng South Platinum Mine near Rustenburg are on strike in support of a demand for the reinstatement of two dismissed colleagues

The two were dismissed last week

The strike started last Thursday and enters its fourth day today with no solution in sight, according to Mr Didi Mthenjane, regional organiser of the National Union of Mineworkers

He said the strike started when the nightshift staff refused to go underground and demanded the reinstatement of the two

"On Friday the morning shift workers also refused to work and joined the night shift staff on strike," he said

Mthenjane said the two dismissed miners were part of the NUM leadership in Rustenburg

He said their dismissals were "unfair" because the person who had laid complaints against them, a Mr Ackerman, was away on leave and was only expected back this week.

He said "We were shocked to learn of the two dismissals because the hearing cannot go on without the person who lodged the complaint

CHARLES LE

Worried worker fights call-up

S/Times 12/1/92

JOHN HILL is not the type to call the End Conscription Campaign for advice about military call-up. His view is similar to that of his boss, Nigel Wildman, who admits: "I used to think they were a bunch of leftie pansies."

But, said Mr Wildman at his engineering company's headquarters, after hearing ECC national chairman Chris de Villiers on the radio: "I think they might have been right all these years and we were wrong."

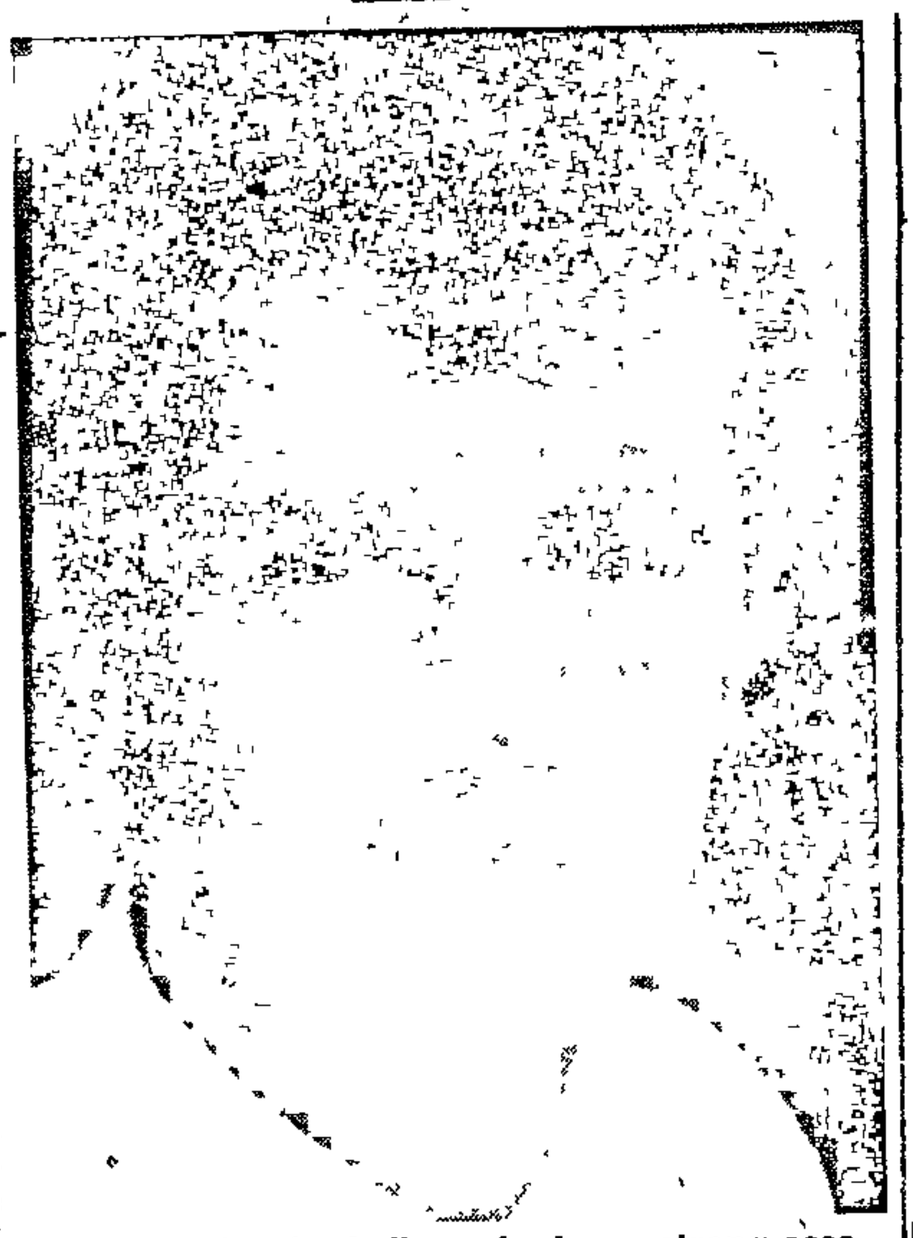
Mr Hill, 24, received his first call-up papers in October, informing him that he would be spending 1992 at the Heidelberg army camp — although he registered when he was at school in 1983

"When my school friends went to the army after school, I contacted the military and asked to be called up. I was warned that if I showed up I would be sent back at my own cost."

He qualified at technical college as an electrician and as a draughtsman at Harmony Gold Mine near Welkom. When he joined Mr Wildman's company he soon rose to his current position of network manager

"John is indispensable," said Mr Wildman. "To find a substitute for him would be impossible because of the specialised work he does.

"Why take him out of this position to go and sit on his backside for a year? I think our country's economy can't afford such inefficiency. If the SADF had any sense at all it would have left him alone"



JOHN HILL, who believes he has a strong case

Fuming

Mr Hill tried to get deferment, but the exemption board turned down the request. In mid-December Mr Wildman asked the board for an appointment, but heard nothing.

It was then that Mr Hill decided not to report.

He contacted the End Conscription Campaign, which "told me the worst that could happen to me was that I would be sent to prison for not showing up".

Mr Wildman, clearly fuming, said he was prepared to use the company's lawyers to fight the call-up.

"The government," he said, "must start getting its priorities right and not bite the hand that feeds it — the productive part of the economy."

Mr Hill said: "I would be a fool not to be worried, but I'm confident that I have a strong case."

Impala strike 'almost at an end'

DIRK HARTFORD

THE strike by 11 000 miners at Impala Platinum's Bafokeng North mine and mineral processes plant could end today, a NUM spokesman says

The strike, which began on Wednesday night, is costing Impala Platinum more than R1,5m a day in lost production revenue.

A union spokesman said management and worker representatives agreed on Friday that the issue which had led to the strike — the dismissal of 1 800 workers at Bafokeng North's No 12 shaft last Tuesday after an overnight sit-in — should be resolved through the company's appeal procedure

He claimed that more than 600 of these workers had already been reinstated and the balance would be dealt with this week

Management spokesmen could not be reached for comment

B/Day 31/1/92

Mines 'behind in insurance cover'

CT 13/1/92 Own Correspondent (211)

JOHANNESBURG — South Africa's mining industry has been criticised for lagging behind in arranging advanced and comprehensive insurance packages, and mining houses have been advised to buy "catastrophe insurance" to protect shareholders

But such claims have been disputed by mining industry sources who said the concerns of shareholders were always a priority and that insurance policies were of a certain nature because mining houses did not always see themselves as being exposed to particular risks

Insurance broker Mr Trevor Malton said many policies did not cater for underground flooding, earthquakes, shaft or rock collapses or certain business interruptions

He said that standard fire and peril covers did not meet the needs of many mining companies"

Anglovaal insurance manager Mr Haig McLaren said that as a rule, the domestic insurance market was reluctant to give underground flood cover, but it could be obtained overseas

Talks continue as mine strike ends

DIRK HARTFORD

THE strike by 11 000 workers at Impala Platinum's Bafokeng North mine and mineral processes plant ended at the weekend

Management and worker representatives agreed to call on strikers to return to work while appeal procedures against the dismissal of 1 800 employees continued

The workers were dismissed after an overnight sit-in a week ago

Although the NUM was not involved in negotiations because it is not recognised in Bophuthatswana, the majority of workers and their representatives are NUM members, the union said B/Day 14/1/92

Meanwhile, the National Union of Metalworkers (Numsa) said yesterday 250 workers from Lascon Lighting Industries in Johannesburg had returned to work after striking last Friday against short-time measures

Another 350 workers at Girlock SA went on strike — also in Johannesburg — yesterday in an attempt to stop retrenchments, Numsa said The company and union will meet today

In the catering industry, the strike at Kentucky Fried Chicken branches is nearly a month old

Taiwan prepares to end curbs on gold exports

B/Day 14/1/92

MATTHEW CURTIN

TAIWAN is to lift its 43-year ban on gold exports, a move which could turn the island into one of Asia's major gold trading centres and boost gold demand and prices.

Reuter reports that the Taiwan Monetary Affairs Bureau said at the weekend the cabinet had in principle agreed to remove the ban, paving the way for free trading in gold for the first since the nationalist government moved to Taiwan in 1949

"The move is a first step towards a free gold market," said Leon Shen, director of the bureau's international banking division

An SA Chamber of Mines spokesman said yesterday the gold mining industry welcomed any development providing stimulus to the gold trade

He said gold had retained its attraction as a store of value far better in the Far East than in the West Jewellery demand was also strong in the region However, it was difficult to predict what impact Taiwan's move would have on the gold market

An analyst said any new market for gold was good news, and if there was an increased Taiwanese offtake of gold it could improve the metal's fundamental market conditions

Reuter reported that bullion dealers said Taiwan's gold market would be more active after the export liberalisation. Taiwan permits jewellery shops, precious metal firms and some government agencies to import gold Individuals are only allowed to bring in a limited amount of gold

The island was the world's largest gold importer in 1988, buying 354,7 tons of gold bars and coins Imports fell to 160,22 tons in 1989 and to 103,7 tons in 1990 before rising to 111 tons in 1991

Bullion dealers said the export liberalisation could boost Taiwan's gold imports this year by between 160 and 200 tons

"Our gold market is a lame duck market because of the export ban," said China Trust Precious Metals Corp analyst Jack Wu

"The liberalisation will help Taiwan move one step further towards becoming a regional financial centre said another analyst

Sacob warns govt not to tamper with VAT rate

ANDREW GILL

SACOB has warned government that it should "strongly resist" any tampering with the present VAT system, including the current VAT rate of 10%.

In its recommendations, sent to Finance Minister Barend du Plessis for the 1991/92 Budget and published in the Johannesburg Chamber of Commerce and Industry newsletter, it made recommendations on tax issues including personal and company tax

Those rates needed to be adjusted downwards in line with the five-year plan spelled out in the 1989/90 Budget Also, individual tax rate structures needed to be adjusted for bracket creep, it said.

It also called for the fight against inflation to be reinforced by a more effective competition policy supported by a strengthened, more independent Competition Board B/Day 14/1/92

It registered its strong opposition to a capital gains tax and a wealth tax and said the process of removing the import surcharge should be continued

The report warned that there seemed to be a "sting in the tail" in the recession, and a number of negative factors could still slow down the upturn

"Uncertainty in the business community is exacerbated by the inconsistency, perceived or real often to be found in government policy application as well as the policy pronouncements of important extra-parliamentary leaders."

The report said a high priority should be awarded to law and order, education and training and job creation

Bop miners target Mangope's govt

B/Day 15/1/92

(211)

DIRK HARTFORD

THOUSANDS of miners in the Rustenburg area are set to throw their weight behind a mass action campaign to press President F W de Klerk to take a stand on the issue of the reincorporation of Bophuthatswana into SA, Bafokeng Action Committee member Phistus Mekgwe said yesterday

"Thousands of miners in the Phokeng area (near Rustenburg) have waged successful action against employers and we are convinced they hold the power to join the struggle for reincorporation," he said

This was confirmed by an NUM spokesman who said the situation on Impala Platinum's mines in the area was "extremely tense"

At the weekend a mass meeting of more than 10 000 Bafokeng and Batlhaping people, who are mainly from Bophuthatswana's Taung and Phokeng regions, decided to campaign for Bophuthatswana's reincorporation The NUM said many of the people at the meeting, which was organised by the Bafokeng Action Committee, were miners

Mekgwe said the meeting also decided that submissions be made to Codesa working groups asking that the homeland's President Lucas Mangope be excluded from the second Codesa plenary session

He added that the specific forms of mass action would be decided at another mass meeting

Meanwhile, talks on the reinstatement of dismissed workers at Impala's Bafokeng North mine, where 11 000 strikers returned to work at the weekend, broke down yesterday, an NUM spokesman said He said managagement had "somersaulted" and that workers dismissed for an overnight sit-in last week were being bussed out of the area

In addition, management was threatening disciplinary action against the 11 000 strikers

He said workers at the mine had expected the dismissed workers to be reinstated after appeal procedures Miners were meeting last night to decide what action, if any, to take

He said Bophuthatswana police were harassing workers

Although Impala's other three mines had been strike free so far this year, workers were following developments at Bafokeng North closely, the NUM said

The Bafokeng people in the Rustenburg area have for a long time been hostile to the homeland government This enmity, combined with Cosatu and the NUM's successful drive to unionise workers in Bophuthatswana last year, seems to have created strong support for the reincorporation campaign, a union spokesman said

Last week's strike cost the company at least R4m in lost revenue Impala spokesmen were not available to comment last night

Implats warns of closures

B/Day 16/1/92 (211)

MATTHEW CURTIN

IMPALA Platinum (Implats) is in danger of closing shafts and curtailing its multi-million rand capital spending programme if its mines in Bophuthatswana continue to be plagued by wildcat strikes

Implats chairman Brian Gilbertson warned yesterday that the labour disruptions, which have cost the group more than two weeks of lost production worth about R100m in the past year, were jeopardising some of the mines' operations and expansion plans.

Gilbertson told staff at the Wildebeestfontein North mine "There will have to be a firm commitment on the part of all Impala employees to bring working conditions back to normal if we are to complete the capital programme as planned, and if we are to avoid shaft closures"

He said the mines were "not the right place for a political battle" and he appealed to workers to settle disputes peacefully and in the appropriate forums.

Implats workers have embarked on strikes, go-slows and sit-ins in the past year, ostensibly over wage increases and the reinstatement of dismissed workers. However, the NUM gave its clearest indication yet on Tuesday that the campaign for reincorporating Bophuthatswana into SA was at the top of its agenda at Impala A union spokesman said the NUM supported the call for mass action to urge government to reincorporate the homeland.

Gilbertson said the wildcat strikes had come at "a particularly bad time" for the company Platinum prices had dropped $40 since December while rhodium prices — which offset weak platinum prices in 1990 — had halved since June

Implats plans to spend R1bn on its new shaft in the Deeps prospect, and another R450m expanding its existing operations in the homeland. It is also building new mills to process UG2 ore and a new furnace

● See Page 3

Scargill and union party due in SA next week

B/Day 17/1/92

(211) DIRK HARTFORD

A HIGH-powered delegation of British miner leaders, including Arthur Scargill of the UK's National Union of Mineworkers, arrives in Johannesburg next week for a meeting on the world energy situation

Union leaders from some of the world's major coal exporting countries first met in October to share information, strengthen co-operation and try to co-ordinate strategies worldwide, SA NUM acting general secretary Marcel Golding said yesterday.

Next week's meeting would include the presidents of the Australian, British, German and SA mine unions, as well as the secretary treasurer of the United Mineworkers of America. Golding said leaders from the Southern African Federation of Mine Unions, which included unions from Zambia, Zimbabwe and Botswana, would also attend.

He said the NUM had been very active in regional and international mine union federations, but this would be the first time such meetings had been held in SA. The international unionists would attend the NUM's central committee meeting next week — at which wage demands would be finalised — and the union's farewell mass meetings in Rustenberg and the Free State for former union general secretary Cyril Ramaphosa.

Scargill due in SA

CONTROVERSIAL British trade unionist Arthur Scargill is to arrive today in Johannesburg, where he will attend a coal mining summit next week

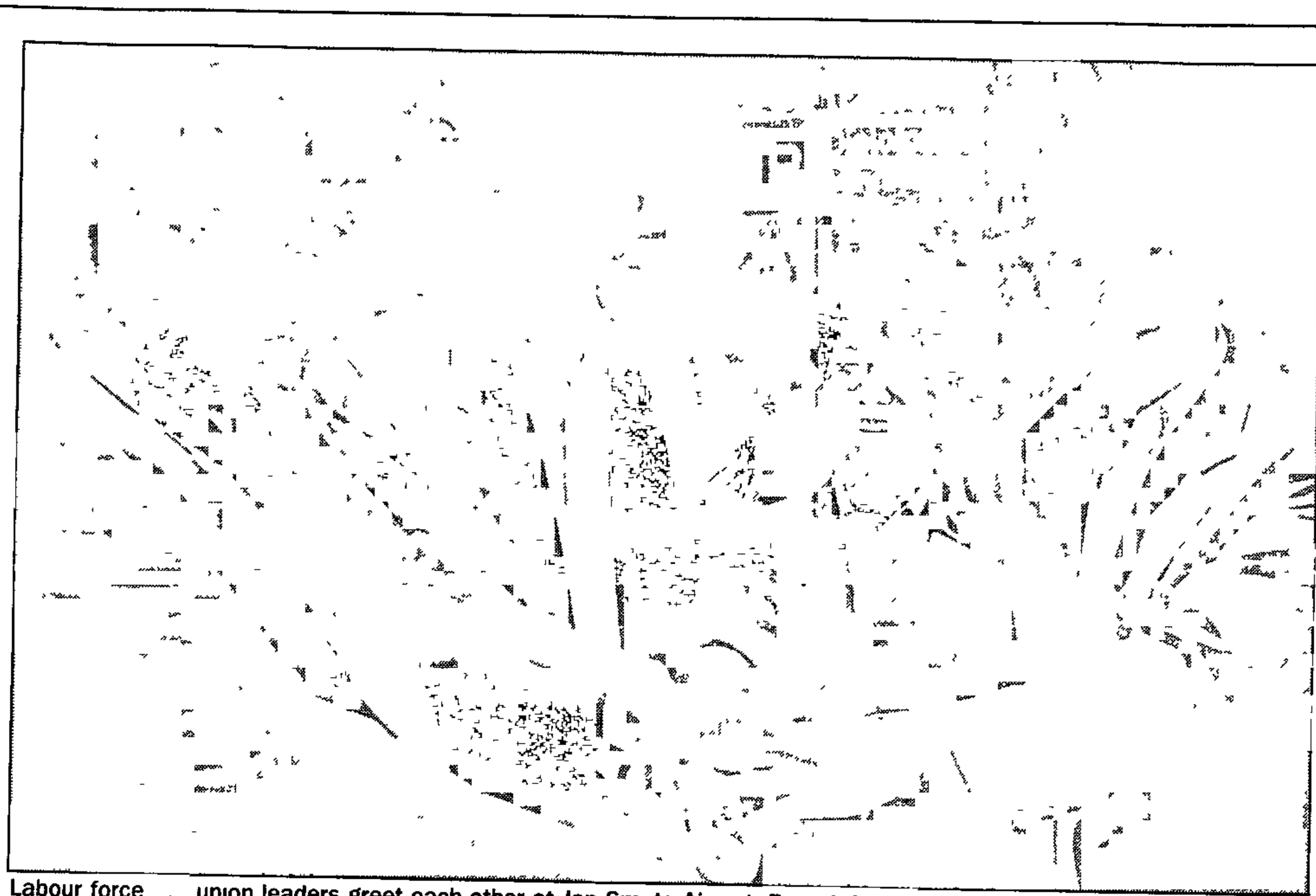
Mr Scargill, president of the British National Union of Mineworkers and Labour Party member, is expected to land at Jan Smuts Airport at 11 am, and will address a press conference, the South African National Union of Mineworkers (NUM) announced in a statement yesterday

The summit, to be held on January 20 and 21 at an undisclosed Johannesburg venue, is to discuss energy and coal mining issues worldwide

It follows a previous summit held in Geneva, Switzerland, in October, said NUM acting general-secretary Marcel Golding

Representatives of coal mining unions in Australia, Germany and the US will also attend the summit. — Sapa

STAR 18/11/92



Labour force . union leaders greet each other at Jan Smuts Airport. From left are NUM president James Mohlatsi, Ken Gill of the British Technicians Union, NUM general secretary Marcel Golding and Arthur Scargill. Picture Alf Kumalo

UK miners' leader Scargill flies in

By Shareen Singh STAR 20/1/92

Controversial British mining union leader Arthur Scargill arrived in South Africa yesterday as a guest of the National Union of Mineworkers (NUM)

Mr Scargill is the president of the 52 000-strong British National Union of Mineworkers and is known as an arch-enemy of former Conservative Party leader Margaret Thatcher

He is in South Africa to attend the birthday celebration of former NUM general secretary Cyril Ramaphosa and to hold talks with mining union leaders from other countries about the formation of one international federation for miners

Union leaders from the United States, Germany, Australia and southern Africa are due to fly in this week

Mr Scargill, who is on his first visit to South Africa, said he was looking forward to finding out more about local mining unions and sharing experiences

He has much to exchange about lessons learnt from the British coalminers' strike In 1984, he led his union into the longest and most violent strike in British mining history, lasting almost a year

The British government's announcement that 20 coalmines would be closed down had incurred the wrath of coalminers and offered Mr Scargill the ideal opportunity to spur workers to strike

He ignored the rules about conducting a national strike ballot and got workers out district by district, bringing the union's 185 000 members to the picket line against armed British police

When the British High Court ruled the strike illegal in the absence of a national ballot, Mr Scargill ignored a subpoena to answer charges, saying he "would rather go to prison than betray his class or his union"

He was fined for contempt of court

Thousands of miners were arrested during the strike, about 600 were injured and at least two died

Mrs Thatcher managed to break the might of the unions, leaving thousands without jobs, but the battle between the Iron Lady and "King Arthur" did not end

British miners did not receive financial aid during the strike, Mr Scargill told reporters yesterday, but he was "very moved when a cheque for a small amount from South African mineworkers" was handed to them

Mr Scargill, who spent 20 years underground before assuming leadership of the union, is a staunch Marxist who has been critical of the repression in some communist countries

"They can't tolerate criticism and how they can equate that with Marxism is beyond me," he told a British newspaper

NUM to formulate strategy for pay talks

B/Day 21/1/92

DIRK HARTFORD

THE NUM central committee is scheduled to meet this weekend to formulate union policy and demands for the 1992 wage negotiations, and to discuss the post of general secretary vacated six months ago by Cyril Ramaphosa

It is expected that the future of the bonus schemes negotiated with gold mining companies last year will come under intense debate

And acting general secretary Marcel Golding said yesterday the meeting would need to develop a "militant but creative programme of action to defend our members and force employers and the state to accept a workers' plan for the transition of the mining industry".

Union sources said there was little consensus over what demands to make, and the central committee would have to decide on options

One grouping associated with the sizeable SACP cadre in the union wanted to reassert the union's living wage policy and dump the productivity and gold price-linked bonuses, the sources said They felt the union was in danger of becoming locked into complicated agreements that suited employers, while real wages and employment continued to fall

Golding said the NUM's programme should aim to achieve both more jobs and a higher-paid skilled workforce over a period of time

He said the aim of the union on gold mines was to "defend jobs, ensure that wage differentials between workers do not widen and still put extra money in miners' pockets in creative ways which take account of the realities of the industry"

Golding said other issues the meeting would deal with included

- ☐ Health and safety where the NUM's main demand was for an independent judicial commission of enquiry into safety,
- ☐ Job security; and
- ☐ Violence on the mines

(211)

The current situation, with Golding as acting general secretary, could either be endorsed or changed by the meeting, union sources said

The meeting of international mine labour leaders, scheduled for today, would now take place on Thursday, the NUM announced yesterday

Scargill says SA coal is too cheap

(211)

B/Day 22/1/92

DIRK HARTFORD

ARTHUR Scargill, president of Britain's National Union of Mineworkers, yesterday called for an internationally agreed and stable coal price, saying coal miners in SA and other coal-exporting nations were the losers in the current "dog eat dog" situation

Scargill told a news conference in Johannesburg that SA's coal industry would benefit enormously from a stable price as SA was currently selling coal up to $10 below accepted world prices

He said the extra money generated by a stable price would enable the SA industry to improve its "appalling" wages, conditions, welfare facilities and safety standards

He said the real price of international coal should be $60 a ton, but even $50 would be sufficient to boost the domestic coal industry SA currently sells its coal for between $48 and $50 a ton

Scargill is attending an international labour summit on coal mining hosted by SA's NUM Also attending are the president of the Australian United Mineworkers' Federation, John Maitland, and the secretary-treasurer of the United Mineworkers of America, John Banovic

Scargill said the fluctuation in the market price was disastrous for the economies of coal producing countries

"What we want is a common-sense energy policy in which coal is central and not nuclear power, which is more expensive and dangerous," he said

"This policy will also deliver fair wages and decent working conditions to coal miners The employers won't initiate it so we must do something"

The coal mining summit, which begins in Johannesburg tomorrow, is expected to thrash out a common approach to all aspects of the industry, including stable prices suitable to producers and consumers of coal, as well as common health and safety regulations

Scargill said the unions wanted to create a united front on these issues to achieve

- ☐ A sensible coal price policy;
- ☐ One international miners' movement, and
- ☐ An international coal agreement

"We need more and more energy in the world People are starving in the Third World while there is overproduction in the First World

"We must put people before profits every day of the week," Scargill said

Maitland said he was not frightened by the prospect of more competition between SA and Australia in world coal markets

"There are sufficient markets for us all to have a good share so long as we get our act together"

22 1992

Pragmatists set to influence NUM's future path

B/Day 22/1/92 (211)

DIRK HARTFORD

THIS weekend the NUM's central committee meets to finalise demands for 1992 negotiations With the economic situation no better than last year, and with retrenchments already wreaking havoc on the NUM's organisation and threatening more, the direction taken will be critical for the future of the union and the industry as a whole

Debate over whether the union should be prepared to contemplate future agreements similar to last year's bonus scheme settlement, and over the union's leadership, are likely to be the most contentious at the meeting

The "pragmatists" appear willing to trade substantial wage increases for improved social conditions and rights for miners and, for the time being, if necessary, bonus and productivity schemes They believe the main task of the union is to protect members' jobs while struggling to get employers and the state to accept union proposals for a restructured mining industry

For them, the road to restructuring lies in increasing worker control over the labour process itself, while being an "equal partner" with the mining houses and government in plans to transform the industry To this end they argue for creative, but militant, union participation in areas like training, safety and job security

The only alternative, they believe, is to confront the industry head-on as the British NUM did in 1984 They argue that, as happened in Britain, such action simply enables mine employers to get rid of workers through mass dismissals They point to the 10 000 workers dismissed for participating in November's VAT strike and the 4 000 dismissed in December for an illegal strike at Gold Fields' Doornfontein mine as examples. With the current state of the political economy this road is filled, they argue, with uncertainty and danger

An opposing, less compromising view argues that the union is being forced to swallow the employers' agenda for the industry which is to make the NUM a junior partner in the continued exploitation of workers They find the centralised leadership of the NUM "too autocratic" and believe workers' needs are being left behind in the complex bargaining road the NUM has embarked on.

The group would prefer to try to force mine employers, through industrial action, to concede on fundamentals like wages and jobs and so disentangle the union from the co-operative approach set in motion by last year's mining summit.

The second prong of this strategy is to preserve the union's militant independence a while longer Then, they hope, a political settlement which gives the ANC power will turn things in their favour They are also wary of a future ANC government having to inherit a situation where solid agreements on the future of the industry already exist

This approach seeks to relive the heady days prior to the 1987 strike when organisation and struggle were the watchwords of the union For the union has moved a long way since the day, almost exactly 10 years ago, so the story goes, when three men made a pact to stand by each other no matter what

One was a miner who enjoyed huge support on the mines through the well-organised networks of the Basotholand Congress Party among Sotho migrant workers Another was an old ANC stalwart from the '50s whose agitational rhetoric became legendary among workers The third was a quiet, unassuming union lawyer with a cool head and a sharp tongue and an uncanny sense for making the right move at the right time

Together these men — NUM's president James Motlatsi, vice-president Elijah Barayi and former general secretary Cyril Ramaphosa — turned their idea of a miners' union into one of the biggest in the world in a few years

The 1987 strike, which cost miners' lives, 50 000 jobs and about R1bn in lost production, was the major turning point in relations between the union and mining houses Neither won Neither was in a hurry for a similar conflict Neither would ever be the same again

New initiatives, like an attempt to negotiate a code of conduct between the NUM and Anglo and an unfair dismissal procedure, followed the strike Further down the line workers won the right to have meetings and marches on mine property and there were commitments to start providing family accommodation, and new worker benefits and training schemes were negotiated In return, the union agreed to comply with the procedures for legal strikes and to consider the impact of industrial action and high wage demands on the viability of the mine industry

The class struggle rhetoric of pre-1987 cooled down, demands for nationalisation were shelved and a more pragmatic posture was assumed by the union leadership under Ramaphosa This culminated last year in the NUM's historic bonus and productivity agreement with the Chamber of Mines for gold mines, where the NUM departed from its living wage policy to settle for an average 5% wage increase on gold mines linked to schemes that depend on the economic viability of the industry Soon after, Ramaphosa left the union to assume the position of ANC secretary-general, leaving his bright young assistant Marcel Golding to hold the reins

This weekend's meeting must decide whether the militant pragmatism of Ramaphosa and Golding will suffice to guide the NUM through the difficult years ahead Or is it time again, five years on, to throw down the gauntlet to the mining houses?

The chances are that the economic and political realities of the "new SA" will neutralise opposition to the pragmatic tradition that has developed since the 1987 strike

SHEEP syndrome took over international forex markets

NUM may pull out of talks

W/Mail 19/11 - 23/1/92 (211)

By DREW FORREST

COMPLAINING of "disappointingly slow progress", the National Union of Mineworkers has warned that it may review its participation in vital employer-union talks on the future of the hard-pressed mining industry

This week, NUM chief Marcel Golding accused the Chamber of Mines and the government of "heel-dragging" in their response to union proposals The NUM's central executive committee would assess its participation at the end of this month, he said

Reacting, a chamber spokesman said the talks had established "some fairly useful co-operative structures".

Progress on NUM proposals of a permanent mining commission and safety commission had been slow, but the issues were complex and there had been too little time to resolve them, he said The chamber wanted to maintain the dialogue, and would respond to the NUM soon

At the historic union-employer "summit" on the future of the mines last June, four "commissions" were set up to examine the co-ordination of mine closures and industry downscaling, how to prolong the life of mines, the protection of agreed work conditions and the maintenance of health, safety and welfare standards, the training and retraining of retrenchees and aid to communities hit by job cuts

Including representatives of the chamber, all mine unions and the departments of manpower and mineral and energy affairs, these were asked to make recommendations to a steering committee chaired by Idasa's Van Zyl Slabbert.

None of the commissions had yet reported, Golding said. "We don't believe there has been satisfactory progress. Employers have been reactive and uncreative," he said.

Of particular concern was the chamber's slowness in responding to NUM proposals of a permanent mining commission Representing major players and with its own charter, this would keep the industry under continuous review

"Employers are worried about a command economy and see this as a commandist structure," he said. The NUM had also made detailed proposals on health and safety and mining taxation

W/mail 24/1 - 30/1/92

Summit seeks unity among coalworkers

By FERIAL HAFFAJEE

SOUTH AFRICA is set to be a key player in setting international coal mining policy. This week delegates of world coal mining unions jetted in to hammer out an international coal price and an enery policy.

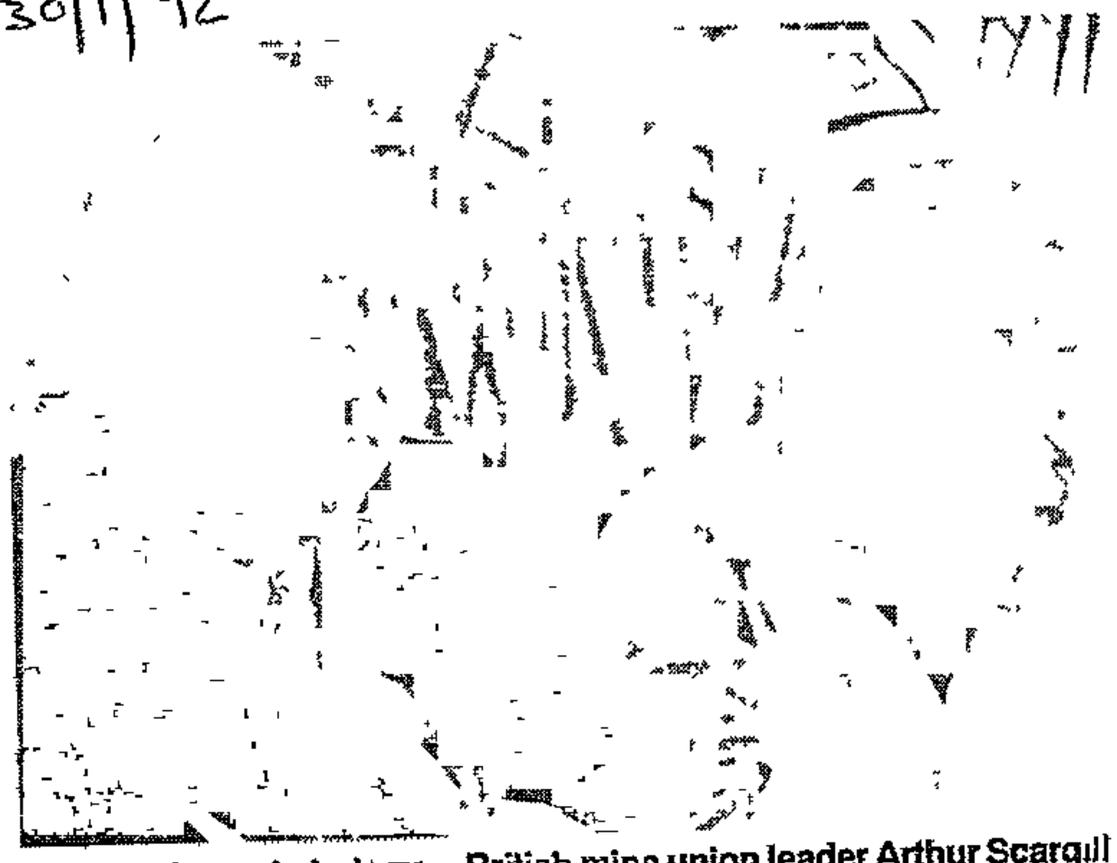
And the country could be the venue for the planning of an international coalworkers' union.

This is the hope of Arthur Scargill, the leader of the British National Union of Mineworkers, who is in South Africa for the coal summit.

"I want to see the first steps taken at this summit not only toward an international coal policy but for one united and international miners' movement," he said at a media briefing this week

Scargill and mining union leaders from the US, Australia and various African countries are attending a coal summit today and tomorrow. The delegates hope to set an international coal price

South African coal sells for $10 less than any other country, said John Maitland, president of the United Mineworkers Federation of Australia.



Hammering out strategy ... British mine union leader Arthur Scargill and former Cosatu president Elijah Barayi at this week's media briefing

Photo: GUY ADAMS

A fixed price would improve the wages, welfare and safety of South African workers, said Scargill.

He added that a fixed price would also benefit European countries where coal mining was in crisis because of low prices. Coal is selling for about $45 a ton on average — ideally its price should be $60. A fixed price would also end the price fluctuations which caused havoc on the markets.

Although price-setting was the primary aim of the summit, Scargill hoped that it would lay the foundation for a coal-based energy policy. It will also provide an opportunity for delegates to plan campaigns for the speedy ratification of the International Labour Organisation's standards relating to coal mining.

The visit of these federations is likely to be the forerunner of further co-operation, according to the various delegates. Tomorrow, they will launch a common approach document relating to wages and safety.

Tough mine union boss Cyril's ready for his new challenge

S/Times 26/1/92. (211)

This weekend Cyril Ramaphosa formally took his leave of the National Union of Mineworkers The union which has just hosted an international coal mineworkers union conference will elect his successor today He developed the NUM into the most powerful union in Africa and leaves it to become the ANC's secretary general

BY CHARLENE SMITH

CYRIL RAMAPHOSA was in hospital with pneumonia just before Nelson Mandela was released. his reading matter was American historian Barbara Tuchman's study, *The March of Folly: From Troy to Vietnam*

In her excellent summation of political folly, Tuchman maintains that the art of government is the avoidance of "wooden-headedness" It is a lesson, that the often stubborn former National Union of Mineworkers general secretary does not always observe

■ ■ ■

On that occasion he defied doctor's orders, pulled the drips out of his arm and, with the United Democratic Front leadership, hired a plane and flew to Cape Town to welcome Mr Mandela

Rumour later had it that the ANC leader suggested Mr Ramaphosa maintain his base at NUM and strengthen it, which Mr Ramaphosa did, until widespread dissatisfaction within ANC ranks about the "old-guard" leadership saw Mr Ramaphosa elected by an overwhelming majority to the post of ANC secretary general in June last year.

The NUM that his successor will take over is a union where the divide between political and union activity is being closely debated Can a union maintain independence if it is allied to a political party or the government of the day? It is a key question that is unlikely to be answered within union ranks for some time yet

The largest trade union in Africa was born in two cold offices, in a dilapidated building in Johannesburg Mr Ramaphosa, its founder and general secretary, was a young man in a black leather jacket who zoomed across the goldfields on weekends recruiting mineworkers.

A lawyer, Mr Ramaphosa was seconded by the Black Consciousness-oriented Council of Unions of SA to form a mineworkers union It was initially a union without members or funds, facing hostile employers who would not let him meet on mine premises. No-one really believed he would succeed.

Within a decade membership was close to 300 000, it had recruited a third of all workers in the mining industry and was the biggest union in the country.

Mr Ramaphosa had also become perhaps the most respected union leader in South Africa — among both bosses and workers.

It was a relationship that was often highly combative but it was Mr Ramaphosa's fortune, and that of the mining industry, that at the same time he was battling to create the union there were young men — such as Bobby Godsell and Johan Liebenberg — bringing their own unique vision to the mining houses

■ ■ ■

Mr Ramaphosa won a reputation for toughness and brilliant negotiating skills and an almost uncanny ability to make the right move at the right time The 1987 mineworkers strike may have been his one failure, but it may also have been a necessary baptism of fire for the union and mine bosses.

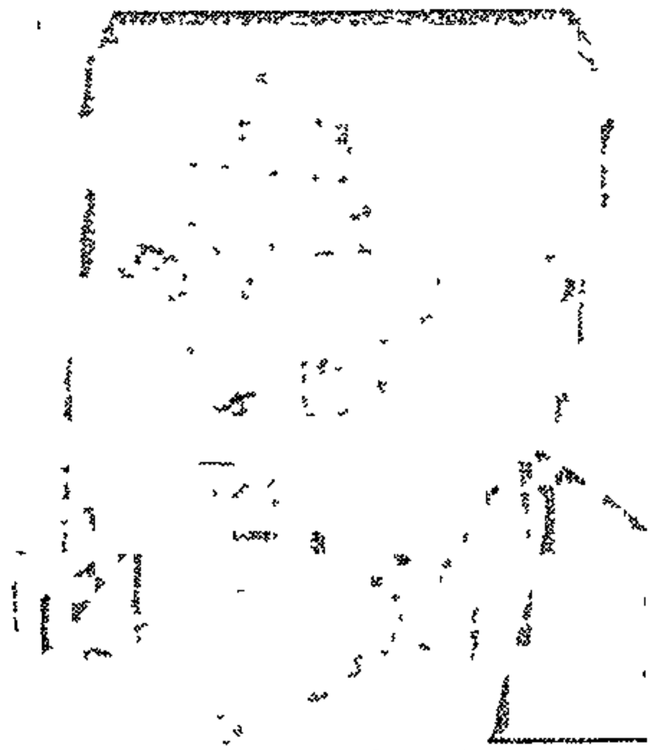
One beneficial outcome is a code of conduct that Anglo American and the NUM have been working on for three years. The code is likely to prove not only a model document for employment practices, but will enshrine principles pertinent to civil conduct It is being awaited with some interest by political organisations

Mr Ramaphosa tended to look ahead and, just before sanctions crunched into the SA economy, NUM forged important links with unions in the rest of Africa.

On a continent beleaguered with often badly managed, corrupt unions, the NUM is with little doubt the most powerful, and best managed union on the continent

The two contenders for Mr Ramaphosa's job are acting general secretary Marcel Golding, a man renowned for powerful negotiating and strategic skills, and Kgalema Mothlanthe, also an ANC activist, but with stronger grassroots popularity.

The election will also determine whether or not the union takes a strong negotiating and strategic approach toward the mining industry, or a more militant hard line with more strikes Mr



CYRIL RAMAPHOSA Skilled negotiator

Ramaphosa tended to take the former approach, it will be interesting to see if his union continues along that path

Perhaps Mr Ramaphosa also remembers how authoress Tuchman described 6th century BC Greek leader, Solon of Athens, who was acceptable to both rich and poor: "An absence of overriding personal ambition together with shrewd commonsense are among the essential components of wisdom" No-one could accuse Mr Ramaphosa of a lack of ambition, but perhaps he has achieved a better balance between his aims and those of his constituents than most

That's the pits, Arthur

ARTHUR SCARGILL, British mineworkers' union boss, this week made a touching plea for higher South African coal prices to ensure higher miners' pay

Could it be that the closure of collieries in his own backyard — three this week alone — has something to do with this altruism?

S/Times 26/1/92

211

NUM's rejection of bonus system 'disappointing'

(211) ARG 27/1/92

The Argus Correspondent

JOHANNESBURG — The National Union of Mineworkers' decision to reject the bonus system which it negotiated with the Chamber of Mines last year was "very disappointing" chamber vice chairman Mr Bobby Godsell said at the weekend

Mr Godsell, who sat next to Mr Cyril Ramaphosa at a farewell bash for the former NUM general secretary on Saturday evening, said he had only just heard of the union's decision taken a few hours earlier and he could not comment further at that stage

Under the system, miners were to be paid bonuses according to the gold price and productivity

Chamber of Mines chairman Mr Naas Steenkamp, who was also at the party, said the union's rejection of the bonus system "was a reflection of just how difficult the period is that we are entering into, considering that the NUM initiated the concept of the bonus system"

The union said it had to review the gold price and performance bonus which it had agreed upon with the Chamber because of "employers' bad faith" Management had for example defied the agreement which stated that full disclosure of information should be made to workers and the union so that they could monitor the scheme and that workers should have a say in setting targets

This was causing endless problems in the union and was dividing membership, union sources said

The union's membership were also divided over the election of a new general secretary to take over from acting general secretary Mr Marcel Golding Mr Golding lost the position in a ballot to the union's national education officer Mr Kgalema Mothlanthe in what sources say was a close vote supported mainly by the SACP faction in the NUM

Cosatu's decision to participate in Codesa was also hotly debated at the meeting and was an issue which angered workers, sources said

Worker representatives decided that the NUM would not participate in Codesa

NUM move on bonus system 'disappointing'

STAR 27/1/92.

By Shareen Singh (211)

The National Union of Mineworkers' decision to reject the bonus system which it negotiated with the Chamber of Mines last year was "very disappointing," Chamber vice-chairman Bobby Godsell said at the weekend

Mr Godsell, who sat next to Cyril Ramaphosa at a farewell party for the former NUM general secretary on Saturday night, said he had only just heard of the union decision, taken a few hours earlier, and he could not comment further at that stage.

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For instance, management had defied the agreement which stated that full disclosure of information should be made to workers and the union so that they could monitor the scheme and that workers should have a say in setting targets This was causing problems in the union and was dividing membership, union sources said

New NUM general secretary . . . Kgalema Mothlanthe.

The union's membership was also divided over the election of a new general secretary to take over from acting general secretary Marcel Golding.

Mr Golding was edged out by the union's national education officer, Kgalema Mothlanthe, in what sources say was a close vote supported mainly by the SACP faction

Mr Motlanthe, a former chairman of the ANC's Witwatersrand branch, said his election came as a surprise

Mr Golding, who retains his former position as assistant general secretary, said he supported the "democratic decision taken by workers in choosing who they wanted as their leader" He wished Mr Motlanthe everything of the best.

Cosatu's decision to participate in Codesa was also hotly debated at the meeting and was an issue which angered workers, sources said

The NUM felt that the union movement should concentrate on labour issues and leave their alliance partners, the ANC and SACP, to handle political issues.

Worker representatives decided the NUM would not take part in Codesa but it would work towards strengthening the alliance so that workers interests could be represented.

When the meeting ended the 350 mineworkers traded their T-shirts and overalls for dark suits as they sat side by side with bosses and other dignitaries at the formal dinner party for Mr Ramaphosa.

Among the guests were British NUM leader Arthur Scargill, union leaders from other countries and ANC president Nelson Mandela.

Under the banner "The NUM releases comrade Cyril to the nation", union members bade farewell to Mr Ramaphosa who was elected as the ANC's secretary general last year

Settle row, Anglo tells miners

(211) Sowetan 27/1/92

By MOKGADI PELA and Sapa

THE Anglo American Corporation has called on National Union of Mineworkers and the Chamber Mines to resolve their differences following the unic scrapping of the wage deal they reached last year

NUM announced on Friday it was scrapping a w deal linking profits and productivity between itself the Chamber The union said the employers' "bad fai made revision of the scheme necessary

Former NUM acting general secretary Mr Ma: Golding said management was supposed to make disclosures of information to enable the NUM to moni the situation, and that workers should have a say in sett targets

New demands

Mr Adrian du Plessis, the Chamber's industrial r tions general manager, said the chamber was look foward to the union making new demands this year wh would then be negotiated

Mr Bobby Godsell, executive director of Anglo, said was disappointed about the decision

He called on the two parties to talk and resolve th differences

NUM president James Motlatsi also announced that union would not be taking part in the Convention f Democratic South Africa, as it was a labour and nc political movement.

This decision was made contrary to a request by Cos that the federation be included in the talks

NUM upsets mine chiefs

CT 27/1/92 (187) (211)

Union demand for higher basic wage

Own Correspondent

JOHANNESBURG — Employers expressed disappointment yesterday at the NUM central executive council's weekend decision to reject profit- and productivity-linked wage bargaining

The union said the "bad faith" of employers demanded that they revise the whole productivity-linked bonus scheme The NUM was also unhappy that it received insufficient information from mines accurately to monitor the situation and that workers did not have a role in setting targets

The central executive committee also elected a successor to outgoing general secretary Mr Cyril Ramaphosa and decided not to take part in Codesa, a decision which was contrary to Cosatu's recently-announced stand on the issue

But a disappointed Anglo American director Mr Bobby Godsell said that bonus payouts on Anglo mines had so far averaged between 9% and 12%, which he felt was not bad against the backdrop of a minimum 5% annual wage increase for 1991/1992

Mr Godsell said these bonuses had been a result of productivity or cost-containment schemes negotiated at mine level The bonus driven by the gold price had not been paid out as the "trigger price" for gold had not been reached in the first two quarters of this year's wage agreement.

An industry analyst added that JCI's Randfontein Estates, which awarded a 4% basic wage increase last year, had paid out 12% in bonus increases over the first two quarters

This brought the overall wage increase, half-way through the bargaining year, to 16% — which equalled the inflation rate However, he said mines like Western Areas had paid no bonuses because of their poor profit situation

Chamber of Mines industrial relations GM Mr Adrian du Plessis echoed other employers when he said the chamber had in any event undertaken to review the scheme after a year "We would welcome any new suggestions from the union on this score"

Labour commentator Mr Duncan Innes argued that the difficult conditions in the industry militated against traditional approaches to wage bargaining and demanded creative responses from the union

But a source in the NUM said the basic wage increases had been pitifully low The union could not rely on factors beyond their control to augment wages and were obliged to fight for higher basic wages

The NUM's central executive committee also elected a new general secretary, Mr Kgalema Mothlanthe

Employers unhappy with NUM rejection of productivity

B/Day 27/1/92 (211)

DIRK HARTFORD

EMPLOYERS expressed disappointment yesterday at the NUM central executive council's (CEC) weekend decision to reject profit and productivity-linked wage bargaining

The union said the "bad faith" of employers demanded they revise the whole productivity-linked bonus scheme. The NUM was also unhappy that it received insufficient information from mines to monitor the situation accurately and that workers did not have a role in setting targets.

The central executive committee rejected Marcel Golding as successor to outgoing general secretary Cyril Ramaphosa and decided not to take part in Codesa, a decision which was contrary to Cosatu's recently-announced stand on the issue

But a disappointed Anglo American director Bobby Godsell said that bonus payouts on Anglo mines had so far averaged between 9% and 12%, which he felt was not bad against the backdrop of a minimum 5% annual wage increase for 1991/1992.

"The process may have been long, difficult and frustrating, but the scheme is beginning to work Whatever way we skin the cat, we are going to have to find a balance between short-term wage increases and our mutual long-term desire to conserve jobs The NUM and Anglo are caught in this situation, whether we like it or not"

Godsell pointed out that these bonuses had been a result of productivity or cost containment schemes negotiated at mine level The bonus driven by the gold price had not paid out as the "trigger price" for gold had not been reached in the first two quarters of this year's wage agreement.

An industry analyst added that JCI's Randfontein Estates, which awarded a 4% basic wage increase last year, had paid out 12% in bonus increases over the first two quarters

This brought the overall wage increase, half way through the bargaining year, to 16% — which equalled the inflation rate However, he said mines like Western Areas had paid no bonuses at all because of their poor profit situation

Genmin's At du Plessis said the NUM's decision was wrong "When you make an agreement like that, it's for a long-term purpose The economy is still very bad We'll have to discuss these things with the union," he said

And Chamber of Mines' industrial relations GM Adrian du Plessis echoed other employers when he said the chamber had in any event undertaken to review the scheme after a year "We would welcome any new suggestions from the union on this score"

Labour commentator Duncan Innes said the NUM's opposition to the agreement was understandable given the high infla-

☐ To Page 2

bargaining

NUM

B/Day 27/1/92 (211)

☐ From Page 1

tion rate and workers' desire to protect their living standards

But he argued the difficult conditions in the industry mitigated against traditional approaches to wage bargaining and again demanded creative responses from the union "A confrontation in the industry under present conditions could prove highly damaging for the union and the industry"

In his opening address to Parliament on Friday, President F W de Klerk described as "particularly encouraging the far-sighted productivity and price-related wage agreement reached in the mining industry" He hoped it would set a pattern for agreements in other industries

But a source in the NUM said workers did not trust schemes that employers were enthusiastic about and the basic wage increases had been pitifully low He said the union could not rely on factors beyond their control to augment wages and were obliged to fight for higher basic wages

The NUM's central executive committee also elected a new general secretary Kgalema Mothlanthe by a two-thirds majority Acting general secretary Marcel Golding will be his assistant, according to a union source

He said Mothlanthe, an ex-Robben Islander and star soccer player who was the first chairman of the ANC in the Witwatersrand region, was a popular choice Mothlanthe was previously the NUM's education secretary

Another interesting decision, the source said, was to oppose union participation in Codesa The source said it was only last week that Cosatu's executive committee decided to apply for membership of Codesa, a move which apparently caused concern in certain ANC quarters

Plea to NUM: Don't sacrifice achievements

(211)

ARG 28/1/92

THE National Party has congratulated Mr Kgalema Mothlante on his appointment as secretary-general of the National Union of Mineworkers (NUM) and appealed to the union "not to sacrifice their solid achievements in the wage negotiation field to posturing for political ends"

Mr Mothlante replaces Mr Cyril Ramaphosa, who was last year elected secretary-general of the ANC

In a statement issued in Cape Town yesterday, the chairman of the NP's study group on manpower, Mr Tjaart Kruger, said it was to be regretted that the NUM central committee had decided to back out of the bargain it struck last year with mining industry employer bodies to link wage increases in the industry to profits and productivity.

The NP appealed to the NUM and the Chamber of Mines and other employer bodies to "get together and employ creative means to resolve the problem for the benefit of the industry as a whole"

The NP agreed with the NUM that Codesa was not the proper forum for it and other trade union bodies to put their case, as, by agreement, participation was limited to political parties

"The National Party suggests that both NUM and Cosatu would be better advised to make a contribution at the projected economic forum" — Sapa

NUM wants Cosatu out of Codesa

STAR 28/1/92

Staff Reporter

The National Union of Mineworkers (NUM) yesterday revealed that it would ask Cosatu to reconsider its decision to take part in Codesa.

Discussing the union's decision on Codesa, NUM president James Motlatsi said the union's view was that it was not a political organisation and could therefore not take part in that body.

Workers should put their case to Codesa through the delegations of Cosatu's alliance partners, the ANC and the SA Communist Party, he said, adding that the NUM would seek an urgent meeting of the Cosatu leadership to discuss the matter

Also at yesterday's press conference, NUM introduced media to its new general secretary, Kgalema Mothlanthe

NUM opposes Cosatu move

(211)

DIRK HARTFORD

NUM president James Motlatsi said yesterday his union would try to get parent body Cosatu to change its decision to apply to join Codesa

But a Cosatu spokesman said the federation had applied officially to Codesa in terms of last year's congress resolution. Cosatu would discuss the issue with the NUM, but the miners' decision might be because they "did not benefit from discussions on the issue at Cosatu's executive".

According to the NUM's claim of 296 000 members, it is Cosatu's largest affiliate The National Union of Metalworkers, whose membership is close to the NUM's, says it is bound by Cosatu's decision on Codesa. Together these unions make up nearly half Cosatu's membership.

Motlatsi argued that a line had to be drawn between labour and political organisations. If unions wanted issues addressed at Codesa, they could do so through their political allies — the ANC and the SA Communist Party He said Cosatu could not put up candidates for an interim government or constituent assembly. "If Cosatu joins, all other labour organisations will join and we will have a jamboree."

Cosatu said it represented one of the biggest organised constituencies in SA and had a right to be at Codesa. It would put all important issues facing workers on the table at Codesa.

● See Page 3

B/Day 28/1/92

NUM wage-bargaining study

DIRK HARTFORD

THE NUM will hold a special workshop next month to look into all aspects of wage bargaining, including bonus schemes, NUM assistant general secretary Marcel Golding said yesterday (211)

But the miners would push this year for a basic across-the-board wage increase in line with the NUM's policy of a uniform wage structure and a living wage

Golding was speaking at a news conference to announce decisions taken at the union's central executive committee meeting this weekend, and to introduce the newly-elected acting general secretary Kgalema Motlanthe B/Day 28/1/92

Golding said the decision to review the bonus for the next wage round was a result of the way it has been applied" He said the Chamber of Mines had not honoured last year's agreement and selective bonuses' were causing division among workers He cited as examples lack of information to the union, poor control over prevention of accidents, and workers' non-participation in setting targets Mass dismissals after the VAT stayaway showed the chamber was using the agreement in a "punitive way"

Pressed on whether it was the bonus scheme itself, or the way in which it was applied, that the NUM objected to, Golding said the decision was "not to enter into a similar agreement this year"

● See Page 8

From socialist Island dreams to NUM top job

B/Day 28/1/92 (211)

ALAN FINE and DIRK HARTFORD

AS KGALEMA Motlanthe, the new acting general secretary of the NUM, whiled away his 10-year sentence for terrorism on Robben Island, he dreamt of socialism and union organisation on the mainland So when he was released in May 1987, he headed straight for Cosatu House to speak to the NUM about a job

It was a baptism of fire. He arrived in the middle of the bitter railway workers' strike "I came in the afternoon When I wanted to leave a few hours later, the building was surrounded by yellow vans and armed police They were raiding the whole of Cosatu House. We were eventually accompanied out, in groups of 10, by armed police," Motlanthe said Two days later the building was bombed.

Now, just less than five years on, 42-year-old Motlanthe has been appointed acting general secretary of the 296 000 member union, strengthening his chances of being elected to the general secretaryship at the NUM's next triennial congress in 1994

He says his appointment will not herald any radical changes in NUM policy and direction "I believe in teamwork That is the way we in the NUM have always operated Except for the absence of Cyril (Ramaphosa) the same team remains intact."

Motlanthe displays a modesty about his future role Asked what special qualities he has to bring to the post, Motlanthe responds: "I have no special qualities, I was surprised the delegates elected me."

But he already shows himself adept at dealing with difficult questions. At his first media conference yesterday, he was questioned about whether the contest between him and assistant general secretary Marcel Golding reflected divisions in the union "Does a democratic election mean division? You tell me where you have experienced it," he retorted

Motlanthe unhesitatingly describes himself as a socialist. "That is why I am a trade unionist," he says. But surprisingly, given the depth of support for the SACP within the NUM, Motlanthe is not a party member "I am agonising over whether to join," he says, declining to elaborate

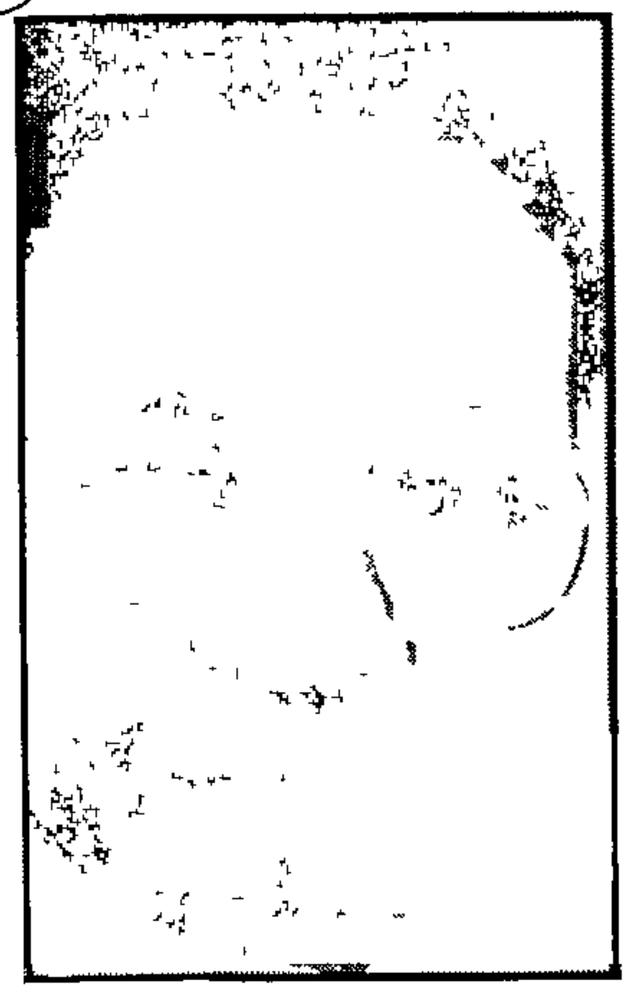
Motlanthe's first formal job was as a seven-year stint as a supervisor at a Johannesburg City Council-run bottlestore "where I learned not to take liquor" At the same time, he joined an underground ANC unit which recruited cadres to be sent out of the country It was these activities which led to his conviction on charges of furthering the aims of a banned organisation and possessing explosives

During his time on Robben Island he began to study for a BCom through Unisa He achieved eight credits but has not had the time since his release to complete the degree.

Nevertheless, Motlanthe has the reputation of being a strong intellectual with a philosophical bent. Immediately on his release he joined the NUM's education department and was its head by the end of 1987

While his educational work concentrated largely on training shaft stewards in the nuts and bolts of union structure and organisation, he has also been known to turn his attention to such Marxist philosophical concepts as dialectical and historical materialism

Soon after his arrival, dismissals following the August 1987 strike severely damaged the NUM's shopfloor leadership Motlanthe played an important role in remedying this, seeing his educational function as "to inculcate a spirit of self-confidence"



☐ MOTLANTHE

in the new and surviving shaft steward leadership layer, and to heighten their understanding of broader socio-political issues

He believes he carried out this task satisfactorily. At Saturday night's official NUM farewell to Ramaphosa, a number of old, former NUM leaders said they had been impressed at the level of debate they had heard earlier in the day at the union's central executive committee meeting This they put down to the union's education programme.

He is known in Cosatu circles as a valuable mediator in disputes He is regularly called in to smooth out potentially divisive situations within or between unions

Motlanthe spent a year as the first chairman of the ANC's key PWV region until he stood down from the position — in order to be able to devote more time to the NUM — at last September's AGM He remains a member of the regional executive

Motlanthe says his and the NUM's main task in the next few years is to improve the quality of service to its members and strengthen the organisation

He was, in earlier days, a keen sportsman He played first league soccer in the old National Professional Soccer League and was reputedly the star player on Robben Island

He is married with three children, of whom two were born before and one after his spell in prison.

LETTERS

Nats congratulate new NUM boss

Sowetan 29/1/92 (211)

IN a startling display of détente the National Party this week sent a message of congratulations to the National Union Mineworkers' newly elected secretary-general, Mr Kgalema Mothlanthe

The NP's manpower study group chairman, Mr Tjaart Kruger yesterday also said it was "regrettable" that NUM had decided to renege on a deal it struck last year with the mining industry bosses to link wage increases in the industry to profits and productivity

"The National Party appeals to NUM not to sacrifice their solid achievements in the wage negotiation field to posturing for political ends and appeals to both NUM, the Chamber of Mines and other employer bodies to get together and employ creative means to resolve the problem for the benefit of the industry as a whole," Kruger said

Call on white workers to unite or 'be buried'

B/Day 29/1/92 (211)

DIRK HARTFORD

IF WHITE workers and farmers don't form a united front to reject the government, "We might as well get a grave for the white working class in Westpark cemetry," CP MP and Transvaal Agricultural Union president Dries Bruwer said yesterday

Bruwer was speaking at the official opening of the annual congress of the white Mine Workers' Union (MWU) in Johannesburg

Under banners proclaiming "Unite for One White Union" and "White Worker Wake Up," Bruwer said white workers had to unite to form one white "super" union

He called on white union leaders, on the 70th anniversary of the white miners' strike on the PWV, to put aside their differences and unite this year

Bruwer said the whites' feeling of national pride was being battered because the country's humanists wanted to prove there is no difference between white and non-white workers

MWU's general secretary Peet Ungerer said the union started a campaign last year to form one union for all white workers He said the union now had 40 000 members in key positions in the economy, including the mining, steel, chemical, electrical, municipal, postal and retail sectors "Talks with the leaders of other white unions are currently under way and we hope to make an announcement soon," said Ungerer

Although MWU president Cor de Jager said the MWU was not affiliated to any political organisation, Bruwer said it was no longer possible to avoid political choices

He said white workers were "productive" while black workers went on strike whenever their "poor productivity was exposed"

He cited high unemployment, discrimination against white workers through US affirmative action programmes, scandalous workmens' compensation, intimidation of whites, mixed schools and Codesa as the biggest threats facing white workers

De Jager said the MWU wanted ANC president Nelson Mandela, as the de facto president of SA, to note that white workers would fight for self-determination.

Environment control: course offered

(211) (1019)

STAR 30/1/92

All senior management or works managers in industrial environments can benefit their companies and employees by the correct practice of environmental control, believes Jan Swanepoel of the Chamber of Mines's Technical Training Services (TTS)

TTS offers intensive, short duration courses for both mines and surface works and plants.

The courses are tailored to the particular needs of that industry

Its mission is to provide cost effective training and, at the same time, allow delegates to apply the latest developments in their planning and day-to-day operations

Chamber of Mines certificates are obtained at the end of the courses and these include the Practical and the Elementary Certificates in Environmental Control, Certificates in Air Quality Analysis, Radiological Protection/Screening, Lead Monitoring, Asbestos Monitoring, and the Certificate for Training Officers

The courses cost R385 a delegate

Memories made of this?

All smiles . . British unionist Arthur Scargill (second from left), Chamber of Mines president Naas Steenkamp (left), NUM president James Molatsi and his wife Mapule, and Nelson Mandela. Picture · Herbert Mabuza

ASKING for an autograph was something British Mineworkers' Union leader Arthur Scargill had never thought of doing until last weekend at Eskom Village in Halfway House

Seated at the same table as Mr Scargill, at a farewell dinner for the National Union of Mineworkers' fiery former general secretary Cyril Ramaphosa, (who is now ANC secretary-general) was Nelson Mandela STAR 31/1/92

Mr Scargill whipped out a piece of paper and asked for the ANC leader's autograph

Mr Mandela was happy to oblige, and Mr Scargill thrilled to receive "First time I've ever asked anyone for their autograph," he said, with a wide, pink smile

Mr Mandela praised the controversial British unionist's fighting spirit, Mr Scargill beamed and said all the vilification he had encountered in his home country was worth those words

Other guests at the dinner for 750 did not have such a comfortable time, nor enjoy a very warm welcome

The function started late — "NUM time", said a guest An NUM organiser played ugly-sister, complete with requisite scowls and treated some members of the press like Cinderella (211)

Anglo American director Bobby Godsell became increasingly hunched, and Chamber of Mines president Naas Steenkamp's smile remained pasted on his face as Mr Ramaphosa took advantage of his large captive audience and verbally lashed mine employers

The quiet man with a paisley tie heads the NUM

W/Mail 31/1/-6/2/92

(211)

The election of Kgalema Motlanthe as acting general secretary of the National Union of Mineworkers surprised many, including himself. How will he handle the hard men of the Chamber of Mines?

By **FERIAL HAFFAJEE**

SOFTLY spoken, bespectacled Kgalema Motlanthe hardly seems suited to his new post With predecessors like the charismatic Cyril Ramaphosa and feisty Marcel Golding, one expects someone more forthright, more self-assured

But his diffident facade belies strength of purpose An avowed socialist — although not a member of the South African Communist Party — he expresses firm views in clear, carefully chosen words

His eloquence is that of someone who has pored over many books for many hours con- cted of terrorism, he spent 10 years on obben Island before joining the union in 1987

"He never speaks off the top of his head," comments Iscor's Neils Howatt, who knows Motlanthe from the two years he served as the National Union of Mineworkers' chief negotiator at the steel giant

In a surprise move, Motlanthe was installed as the union's acting general secretary at a weekend central committee meeting, when many assumed that Golding was safely ensconced as NUM chief until its next national congress in 1994

Support for the new man was overwhelming, taking even Motlanthe by surprise Union sources say that of all the officials, he enjoys most grassroots support

Leading 290 000 militant workers in South Africa's most strategic industry, Motlanthe will have his work cut out this year His most daunting task will be to find alternative ways of tackling the crisis on the gold mines, following the union's decision to ditch productivity bargaining

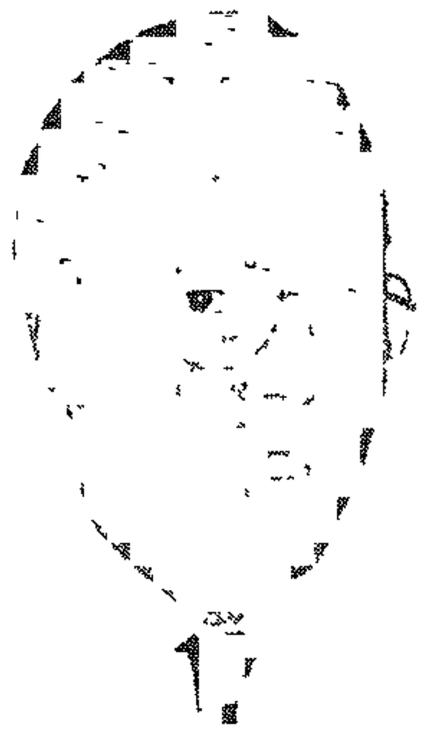
On the weekend's shock abandonment of productivity bonus schemes, he says "It was a difficult decision dictated by a difficult situation"

Motlanthe was one of the architects of last year's ground-breaking wage agreement — in which the NUM embraced productivity bargaining for the first time — and was sent to Germany and Sweden to study how such deals operate in social democratic Europe

He says they work there — and he is keen that they should work in South Africa "Today's decision may not be right for tomorrow," he comments

The existing scheme fell apart, he says, because it was difficult to relay developments to workers without access to information from the mines Doubts began to set in when months went by without bonuses or evidence to show that mines could not afford bonus payments

The NUM is not looking for quick-fix solutions to the industry's crisis, Motlanthe stresses Under his hand, the approach is likely to be considered and carefully formulated "He always comes well-prepared," said an Iscor negotiator



Kgalema Motlanthe ... Avoids conflict

His bent toward the meticulous is expressed in his dress tweed pants, paisley tie, matching shirt and socks and the shiniest of shoes A maroon leather-bound filofax, in which each appointment is carefully noted, ensures that he will honour every appointment and be on time

But don't risk getting his back up "That is absolutely without basis," he retorts angrily when questioned about claims that he is a militant, and the militants' candidate in the leadership election During his five years with the union, he has built a reputation as one "who works to unite, not divide", he says

Employers agree they describe him as "problem-orientated" and "keen to find solutions"

As former chairman of the African National Congress' Wits region, he won widespread respect "He has the ability to avoid conflict, he thinks through issues," says regional secretary Barbara Hogan

His dislike for the adversarial colours his plans for the union To continue the work of the mining summit, a key move towards co-operation between the mining houses and the NUM initiated last year, will be his priority.

He will also work to get a negotiated code of conduct governing worker-employer relations, and designed to reduce mine violence, off the ground He describes the initiative as being "as important as securing wage increases"

But his long-term aim is to increase worker education so that workers can lead the union By 1994, at the NUM's next congress, he would like to see mineworkers taking up national positions

His experience as the union's education officer will assist him in this "I will ensure that a fair layer of workers get the necessary training to lead the union"

Motlanthe also inherits responsibility for the NUM's decision not to join Codesa — in defiance of its big brother, the Congress of South African Trade Unions Again the conciliator, he feels strongly that the press should not have known of Cosatu's decision to apply for a seat at Codesa before the two had met

He justifies the decision, however, stressing that Cosatu should maintain its independence and become a pillar of civil society The federation should seek to influence the constitutional process through its alliance with the ANC and SACP, he believes

Union sources describe him as "a 120 percent ANC supporter", and he still retains his seat on the region's executive Although he may relinquish even this because of his new union job, he plans to remain a working member of the ANC and believes wearing two hats will not be a headache

He also "sees no problems" with the divergent views he holds on Codesa as a unionist and as a member of the ANC

Motlanthe refused to be drawn on why he was re-elected over Golding, commenting only that "it is for us to achieve synergy in our work"

He is more forthcoming on his socialist beliefs and how he hopes to realise them

He has no ideological problems with the SACP, and indeed is "agonising" over whether he should join Finding time to be an active and hard-working member would be the only constraint — he does not believe in "paper membership" of any organisation, he concludes

They're in. No, they aren't. Yes they...

W/Mail 31/1 - 6/2/92

By DREW FORREST

INTENSE debate continues in the Congress of South African Trade Unions over its proper relationship with Codesa.

The uncertainty on the issue was highlighted this week when the National Union of Mineworkers' central committee decided against direct participation in constitutional talks — a week after Cosatu applied to Codesa for a seat.

Defending the decision at a press conference, NUM president James Motlatsi stressed that Cosatu and the NUM were labour, not political organisations and should feed into Codesa through their political allies, the African National Congress and the South African Communist Party. The NUM would canvass this position within the federation, he said

Motlatsi's view was described as "idiosyncratic" by one unionist this week "The dominant view in Cosatu is that labour must play an independent political role. The debate is about the form of participation in Codesa"

Pointing to the NUM's traditionally strong sympathies for the ANC and SACP, other sources say its rank and file may be concerned about any Cosatu move suggesting a lack of confidence in its allies

The NUM's Codesa decision might also reflect a feeling in the regions that the union was paying insufficient attention to workaday shopfloor issues, they said.

Cosatu's application for a seat at Codesa is line with a central committee decision last November that the federation should be independently represented, rather than working through the ANC and SACP teams

A possible confusion over mandates was one reason for this. But sources say some Cosatu leaders are concerned about being tarred with the brush of any compromises the ANC might have to reach

NUM's shock wage move

W/Mail 31/1-6/2/92

The National Union of Mineworkers' rejection of productivity bargaining raises questions about its wage strategy. **DREW FORREST** *reports*

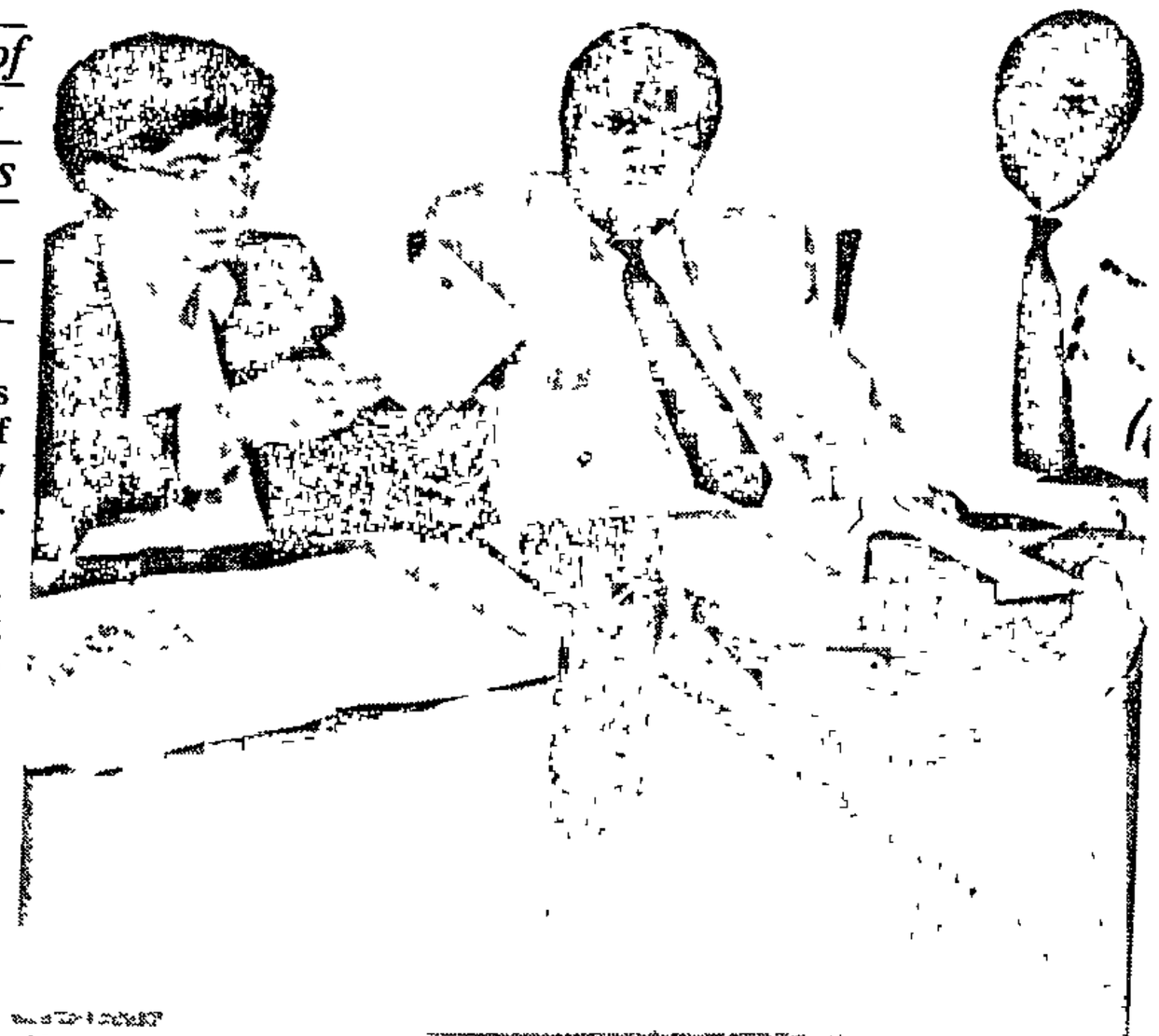
A LARGE question mark hangs over the National Union of Mineworkers' wage strategy this year, following its rejection of productivity bargaining

At a press conference this week, NUM leaders conceded the ongoing crisis on the gold mines, but gave no indication of how they intend addressing it

In resolving not to renew productivity agreements struck on Anglo American, Genmin and JCI mines in terms of last year's watershed national wage deal, the NUM's central committee meeting last weekend restated the union's official wage policy a uniform pay structure and a living wage

Wage demands endorsed at the meeting are understood to be similar to last year's opening proposals, of between 20 and 30 percent on the gold mines and between 50 and 100 percent on the collieries

But at the current gold price, across-the-board increases will sink to the lowest common denominator of the marginal mines — to the detriment of 70 percent of the workforce employed on profitable operations — and invite retrenchments or closures



New blood . . Acting general secretary Kgalema Motlanthe (right), with NUM president James Motlatsi and Marcel Golding
Photo: William Matlala

Last year, the union traded a low basic increase, supplemented by productivity bonuses negotiated at "healthy" mines, for a measure of job security

"The fact is that increases will partly depend on higher productivity Otherwise, they will have to be paid for by employing fewer people," warned Gengold managing director Gary Maude "Several marginal mines would not benefit from downscaling — the next step would be closure "

The NUM has never been happy about an approach which discriminates between workers doing the same jobs and undermines central bargaining, reluctantly moving to it as an adjustment to the gold crisis

The application of the scheme has stiffened opposition Assistant general secretary Marcel Golding complained that employers have flouted agreed safeguards for mine-level negotiations, including full disclosure of information and worker involvement in setting targets

He also claimed the scheme has been used punitively, with some managers threatening to withdraw bonuses if workers joined the Value-Added Tax stayaway

By heaping praise on the scheme in his address opening parliament, President FW de Klerk merely reinforced suspicions

"Workers say that if employers and the government like it so much, it must be designed to weaken the NUM," said a union source

Golding left the door slightly ajar for other forms of productivity bargaining by announcing that the union would hold a national workshop to debate alternatives before pay talks start. This would look at productivity deals elsewhere in the world

It has been suggested that the NUM's shock move on productivity, coupled with the election of Kgalema Motlanthé as acting general secretary in Golding's stead, points to a "moderate-militant" split Sources deny this, stressing that the central committee's rejection of the productivity scheme was unanimous

Golding is an able and experienced negotiator and administrator, but as a non-African in an exclusively African union with a strong nationalist bent, he was at a disadvantage His political background — he comes out of a western Cape, independent socialist tradition - may also have told against him.

(211) FM 31/1/92

MINE WAGES

Teething troubles

Within days of the State President praising, in his opening address to parliament, last year's profit and productivity-linked mining wage agreement as far-sighted, the National Union of Mineworkers (NUM) announced that it will pull out of the deal

The miners are essentially warning employers that they should not be regarded as a soft touch, which is how the rank-and-file evidently perceive their leadership and have told them so

The choice of Kgalema Motlanthe as acting general-secretary is symbolic of the present mood Motlanthe, a socialist, was the NUM's education secretary, he is an ex-Robben Island prisoner who last year served as the first chairman of the ANC's Witwatersrand branch

But the NUM's sudden leftward swing is more apparent than real This can be inferred from the explanation of the bargaining posture put forward by former acting general-secretary Marcel Golding (now the assistant general-secretary), who stressed that the productivity wage deal runs till June Much can happen before then

As Golding puts it, the unhappiness is more to do with employers not having adhered to the agreement The principle of it has not been rejected

Golding accused the mining houses of withholding information essential for the bonus scheme to work properly, adding that implementation of the scheme "has caused substantial problems for our members"

Part of the problem seems to be an inconsistency among the mining houses in applying the agreement In general employers are dismayed and disappointed, there was hope that the productivity-linked approach would catch on

Regarding job security, Golding said the union would have to assess the gold price and its impact on the industry "We recognise the crisis of gold, in terms of its low price, and some of the problems experienced by the industry But the solutions that are being proposed and the manner in which these are being implemented raise serious concerns"

The union decided on that basis to review its position and advised its negotiators not to participate in the scheme "But you must understand the scheme only comes to an end in June when we have to enter a new wage deal As the negotiations unfold, we will have to see what other mechanisms we can use to try to augment workers' wages"

The pragmatic approach pioneered in NUM by former general-secretary Cyril Ramaphosa remains intact at the top The leaders know they must find the best compromise between earnings and job security

But they agree with their members' complaint that the base increase of 5% agreed last June is too low It is further questioned by the members whether they can have much control over productivity in order to make any impact on their earnings

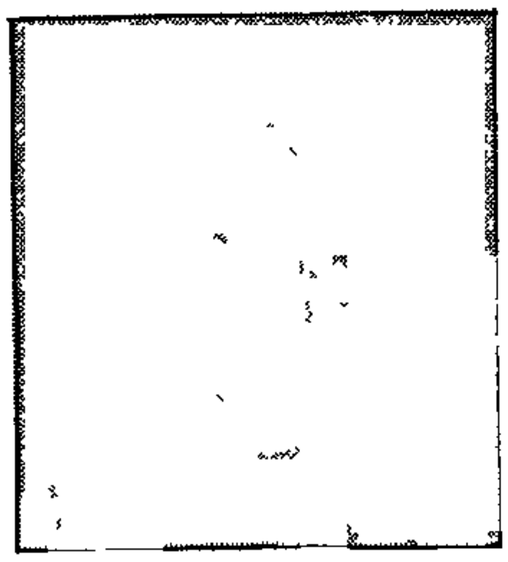
Yet there remains a great deal of scope for creative bargaining, says labour consultant Pat Stone It's possible, for example, that this year's compromise might take the form of a slightly higher base increase and better information disclosure, but with the pay rise still linked to productivity ■

NUM's Golding *problems with information disclosure*

A man seeking justice, equality

STAR 31/1/92.

211



It will be no easy task to fill Cyril Ramaphosa's shoes, but new miners' leader Kgalema Motlanthe (left) seems ideally qualified, reports MIKE SILUMA.

YOU won't find the name Kgalema Motlanthe in Who's Who But it is a name which is well known to thousands of mineworkers and one that is bound to increasingly catch public attention

Mr Motlanthe (42) is the new acting general secretary of the National Union of Mineworkers, one of South Africa's biggest and most influential unions

This makes him a man of great consequence in the relationship between the union movement and employers, as well as in the nation's political life, especially on the Left

Mr Motlanthe's credentials in the struggle for a more equitable and just South Africa are impeccable

At one time, he was a fellow inmate of Nelson Mandela on Robben Island where he served a 10-year sentence after being convicted under the old Terrorism Act The charges arose from his involvement with the underground of the then-banned ANC

Prior to that, Mr Motlanthe, a self-proclaimed socialist, terminated his membership of a community relief project which provided aid to the poor in Soweto, questioning its ability to solve the problems of poverty and homelessness in the long term

When the ANC was unbanned it was he who was entrusted with the daunting task of heading the organisation's important PWV region

He explained his passionate involvement in the struggle for social change thus "I'm from a poor, working class family My father was an office messenger and my mother worked in a clothing factory My approach to life is informed by a belief that it is necessary to bring about justice and equality in this country"

And where does his union work fit into this?

"The labour movement has an important role to play in bringing about the equitable distribution of wealth I think unions are an important organ of civil society and that they will remain so regardless of whether you have a democratic government or not I'm also a firm believer in the independence of the labour movement from political parties," said the softly spoken Mr Motlanthe

A former head of the NUM's education department, Mr Motlanthe believes that the union will soon have a mineworker for a general secretary "Through our education and training project we have been able to heighten our members' political and social consciousness The union is now 10 years old and it is high time the job went to a miner," said Mr Motlanthe

He feels strongly about the status of black miners in the country's economic life

"The South African economy is built on the sweat and blood of mine workers Miners, especially the categories we represent, who are on the lowest rungs, deserve better living and working conditions"

A keen student of economics, he confessed to a fascination with the workings of financial institutions, "without an understanding of which one cannot hope to bring about economic justice"

Mr Motlanthe was amazed at being labelled a "hardliner" by sections of the media when he had barely moved into his new office His election was, he believes incorrectly, even linked to the NUM's decision to suspend an historic bonus scheme with mining employers

Weighing his words carefully, he said "My experience is that labels are not helpful to society At various times I have been called a social democrat, a pseudo-Marxist, a nationalist, and many other names But all I ever did was to try to unify people wherever I was That is my main task now — to help the union attain maximum unity among mine workers"

And even when he has managed to take time off from working for the NUM, the married father of three has found it difficult to keep his mind off the weighty matter of transforming South Africa into a more just society, devoting his leisure time to working for the ANC instead

His enthusiasm for soccer — he is a former player — now goes only as far as watching the odd game on television □

White miners join NUM despite right wing

STAR 5/2/92

By Shareen Singh (211)

Three white miners joined the National Union of Mineworkers (NUM) last week and several others have indicated an interest in the union, NUM member Louis Vosloo told The Star.

The three new NUM members attended a mass meeting at Klerksdorp at the weekend where they were welcomed by thousands of workers who carried them on their shoulders.

"This is the real start of breaking apartheid on the mines," Mr Vosloo told the cheering crowds

The men did not want to be named for fear of intimidation from the right wing The right wing could make life very difficult for white NUM members, Mr Vosloo said, referring to his own experience in Rustenburg when he first joined the union last year, becoming the first white NUM member

Mr Vosloo also lost his job at Wildebeest North Mine in Bophuthatswana shortly after his detention by Bop police for his active involvement in the NUM

He was forced to flee Rustenburg with his family because of right-wing harassment and threats by Bop police that they would re-arrest him

In the past few weeks Mr Vosloo, who has been a miner for 20 years, has addressed thousands of workers at different mines

"I told them of horrific things I used to see — how white supervisors used to victimise black miners and how they discriminated against blacks

"I used to vote CP until two years ago but I soon came to realise how inhuman racism is I used to see it on the mines every day — my black colleagues, who were always friendly towards me, being treated like animals"

Mr Vosloo does not have any white friends apart from colleague Willie van Staden at the Wildebeest North Mine who is also an NUM member

Mr van Staden was dismissed from his job recently, but management had to re-instate him after representation by members of the workers' committee at the mine

Despite the right-wing harassment and "victimisation by managment and supervisors", Mr Vosloo and Mr van Staden are hellbent on remaining NUM members and promoting the union

A young man tries to explain why his buddy went berserk with a handgun

Words and pictures by PHILIPPA GARSON

Wmail 7/2 - 13/2/92

EX-POLICEMAN Johannes Wilhelm Saunders told his friends at a braai last Saturday afternoon that he was going to the toilet. Instead he went into the streets and, it is alleged, embarked on a Barend Strydom-style shooting spree.

Armed with a friend's gun, the "tallish, well-built man" is believed to have walked a few hundred metres, shot at an old man sitting on a street corner and missed, then walked up to a couple and shot the man. He strode on towards two women a distance away and shot one of them

Why did he do it? Many residents of the little eastern Transvaal town of Kriel are anxious to stress how drunk Saunders was. Said Hermien Smit. "He was really drunk He couldn t even stand on his feet. It wasn't a racial thing, he didn t realise what he was doing"

But according to the Kriel police station commander "He was under the influence but he wasn t drunk. When I talked to him he was quite normal"

An apprentice from Witbank Colliery Training College, Saunders had completed a year of practical training at Kriel, where he stayed in the men's single quarters. His home is Vereeniging, where his family lives.

"He was going on leave on January 31 and was very excited about it," said an 18-year-old friend, Tiaans Snyman, another apprentice whose room was a few doors away from "Willie's" in the single quarters. He described Saunders as "always cool and laughing", a person who showed Snyman the ropes as he was new in the town.

"His relationships with blacks was always good," said Snyman "He always made jokes and he was good friends with them He told other people that when he was in the riot squad he left others to do the shooting."

According to Snyman, the fact that several blacks had moved into the single quarters at the beginning of the year may have contributed to Saunders' frustration, but he said this wasn t enough to push him over the edge.

Snyman's interpretation gives an interesting insight into the frustrations of young white men raised in a conservative environment. He and his family are CP members. He also admitted, with reluctance, his allegiance to the AWB "There are many AWB people in town, but you never know exactly who they are .. Most people, when you say you're AWB, think you're nuts. So we don't talk about it." (211)

Several blacks this year moved into the Kriel single quarters, where many of the occupants are British, Polish and Portuguese immigrants.

"A black moved in two rooms away (on the Thursday before the shooting) I was a few rooms away I was really very angry and felt confused I told Wille I was going to do something and he said I musn't." Snyman said Willie had warned that he would only create trouble

But the next day, he said, Willie had asked for a room in the new quarters, which are not yet "open", and also asked a friend with a house if he could rent a room

"But there wasn't anything," said Snyman, adding "One incident like that can't push a guy to start shooting In Willie's case, politics played a role, but he wasn't politically minded.

"Look, I come from a farm We are young people and all these changes in the land are happening so suddenly Where I grew up you didn't bother them and they didn't bother you. Now we are eating with them, sleeping with them in the same corridors. It's a bit tough on a guy"

However, said Snyman, Willie was more accustomed to this, having been an apprentice for longer

"The person to shoot should have been someone like me, because everything is new Everything is *deurmekaar* Sometimes you feel angry, sometimes you feel like your hands are cut off But then you think you must live with it, you can t do anything about it.

"The reason the young people are losing their heads is they don't think of what'll happen after they crack Something was pushing him that we didn t know about. It can happen to anyone"

NUM shifts strategy on operating in Bop

211

W/Mail 7/2 - 13/2/92

The National Union of Mineworkers has done an about-face and applied for permission to operate in Bophuthatswana. **DREW FORREST** *examines the reasons for the policy switch*

IN A major policy switch, the National Union of Mineworkers has formally applied to the Bophuthatswana government for permission to operate in the homeland

The decision, by the union's national executive committee in December, represents a departure from the Congress of South African Trade Unions' long-standing refusal to comply with Bop's Industrial Conciliation Act (ICA), on grounds that this would imply recognition of the "illegitimate" homeland government.

"It's a tactical shift in response to practical problems," said the NUM's Marcel Golding "Workers are joining us in large numbers and there's extensive repression — workers have been killed and hundreds have been detained"

President Lucas Mangope . hard talk but no action

No response had yet been received from the Bop authorities, he said

The ICA, passed in 1984, is still in force in the homeland, despite Bop's enactment of a draconian Industrial Relations Act last September

Yet to be promulgated, the new Act bans foreign unions outright and lays down stiff fines for employers dealing with them The ICA merely requires them to have offices in Bop and a homeland citizen as secretary

The NUM's compromise move offers some hope of an accommodation at the Genmin-owned Impala Platinum, Bop's largest employer, which has taken the view that it cannot recognise the union in breach of homeland law Recognition demands sparked recurrent labour unrest last year, costing the company two weeks' production and the lives of 22 workers

There can be little doubt that sustained pressure by employers, specifically large, South African-based concerns spearheaded by AECI, has so far succeeded in staving off the implementation of the new Act

Some companies, including Premier and SA Breweries, have recognised Cosatu unions at their Bop operations Employers have also lobbied South Africa's Department of Foreign Affairs, and, on the Cabinet's instructions, the National Manpower Commission last year held talks with Bop leaders

President Lucas Mangope may have taken a hard line at a meeting with the Bophuthatswana Chamber of Industry and Mines in December, warning that "errant" companies would "face the consequences", but two months later the Act remains on the shelf

In the long term, Bop employers are looking to the Convention for a Democratic South Africa (Codesa) to resolve their dilemma But in the interim, they are exploring ways of fighting the new Act

Among the options debated at an exploratory meeting last month were a joint declaration of intent to resist the legislation and a court challenge in terms of Bop's Bill of Rights

The declaration of intent remains no more than an option, according to employers, and has not yet been signed by any company

NUM slams shoddy safety standards

W/Mail 7/2 - 13/2/92

A recent spate of mine accidents has underlined the need for safety underground. But South African safety standards are inadequate, insists the National Union of Mineworkers. **FERIAL HAFFAJEE** *reports*

THE DEATH of 10 mineworkers at the Western Deep Levels mine near Carletonville on Monday lit the fuse on the explosive issue of South African mine safety

And no sooner had the dust settled when a small earthquake killed two more miners at the nearby Elandsrand Gold Mine on Tuesday

The week saw a flurry of meetings between the National Union of Mineworkers and the mining houses to hammer out an agreement while the NUM renewed its call for a commission of inquiry into safety in the mining industry

According to the NUM, 10 000 mineworkers are injured and an average of 700 fatalities recorded annually on mines in South Africa

The NUM is adamant that there is a crisis in the industry But according to Chamber of Mines senior general manager in charge of operations Horst Wagner, "there is a problem not a crisis Things are not out of control, so how can one call it a crisis?"

He says that since the turn of the century, safety standards have improved At the time, 5,5 in every 1 000 workers died on the job Now one in every 1 000 miners die

NUM health and safety officer May Hermanus says South Africas safety record is the result of bad management rather than a lack of safety technology

She says that most mine accidents are caused by rockfalls and rockbursts yet these accidents are predictable because they tend to occur at the deepest point of the mine But no contingency support mechanisms are put in place at these points, she charges

Another problem she points to is that although South Africans are world leaders in seismology, this technology is not transferred to the mine and there is no decrease in the frequency of accidents

the ministry of Mineral and Energy Affairs' Government Mining Engineers Department (GME), is responsible for upholding mining safety regulations

According to a representative of the GME, this inspectorate it is inadequate "There is a lack of inspectors to effectively enforce the rules and regulations," he says

Only two of the inspectors have mining degrees The rest are drawn from middle-ranking mine management The inspectorate is lowly paid and more qualified engineers are often attracted to the far more competitive salaries the private sector can offer

And, after mine accidents, injured miners and the families of those who have died struggle to get compensation Compensation forms are not completed after an accident and without the vital forms, no compensation will be paid according to the NUM

Rand Mutual, the insurer for the mining industry, processes some 30 000 claims a year and these are processed by only five claims officers

"In a recent objection brought by the NUM on behalf of one of its members, a senior officer of Rand Mutual said that his organisation was seriously understaffed and unable to process claims efficiently," says Paul Benjamin, a senior research officer at the Centre for Applied Legal Studies

Part of the reason behind the NUM's call for a commission of inquiry into mine safety is the new Minerals Act Promulgated last year, it replaced the Mines and Works Act which contained safety regulations for the industry and many had hoped that it would improve safety standards

Benjamin says "The state missed a vital opportunity to bring South Africa up to world standards"

The new Act does not take cognisance of the basic safety rights of mineworkers Worldwide, these are recognised as the right to know the dangers at work, right to refuse dangerous work and the right to participate in safety policy

Wagner explains that rockfalls and rockbursts occur because "low productivity entails operating areas as long as 32km and having to provide supports all the way through is difficult"

Inadequate training also leads to mine accidents, believes Hermanus Miners are sent underground and placed in charge of equipment they are not adequately trained to use

Training on South African mines takes three weeks while British workers are put through 100 days of training before going underground where training continues for three years

Wagner believes that with a more permanent workforce, training is easier and more effective than it was before The chamber, he says, spends R400-million annually on training and education for mineworkers

A mine inspectorate, controlled by

Mineworkers want their own white superfederation

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W/Mail 7/2-13/2/92 7/2-13/2/92

By FERIAL HAFFAJEE

WHITE WORKERS must do it for themselves was the message to come from the Mineworkers Union's (MWU) annual congress last week.

The way to protect white interests is through a super white union From congress resolutions it is clear that the formation of such a union was uppermost on the agenda, even if the 40 000-member MWU has to go it alone.

As the first step toward the formation of this union, the MWU will change its name to reflect the fact that it represents workers in all sectors and not just mining

The union also intends launching a massive organising drive to recruit new members The union has 21 full-time organisers and 49 employees

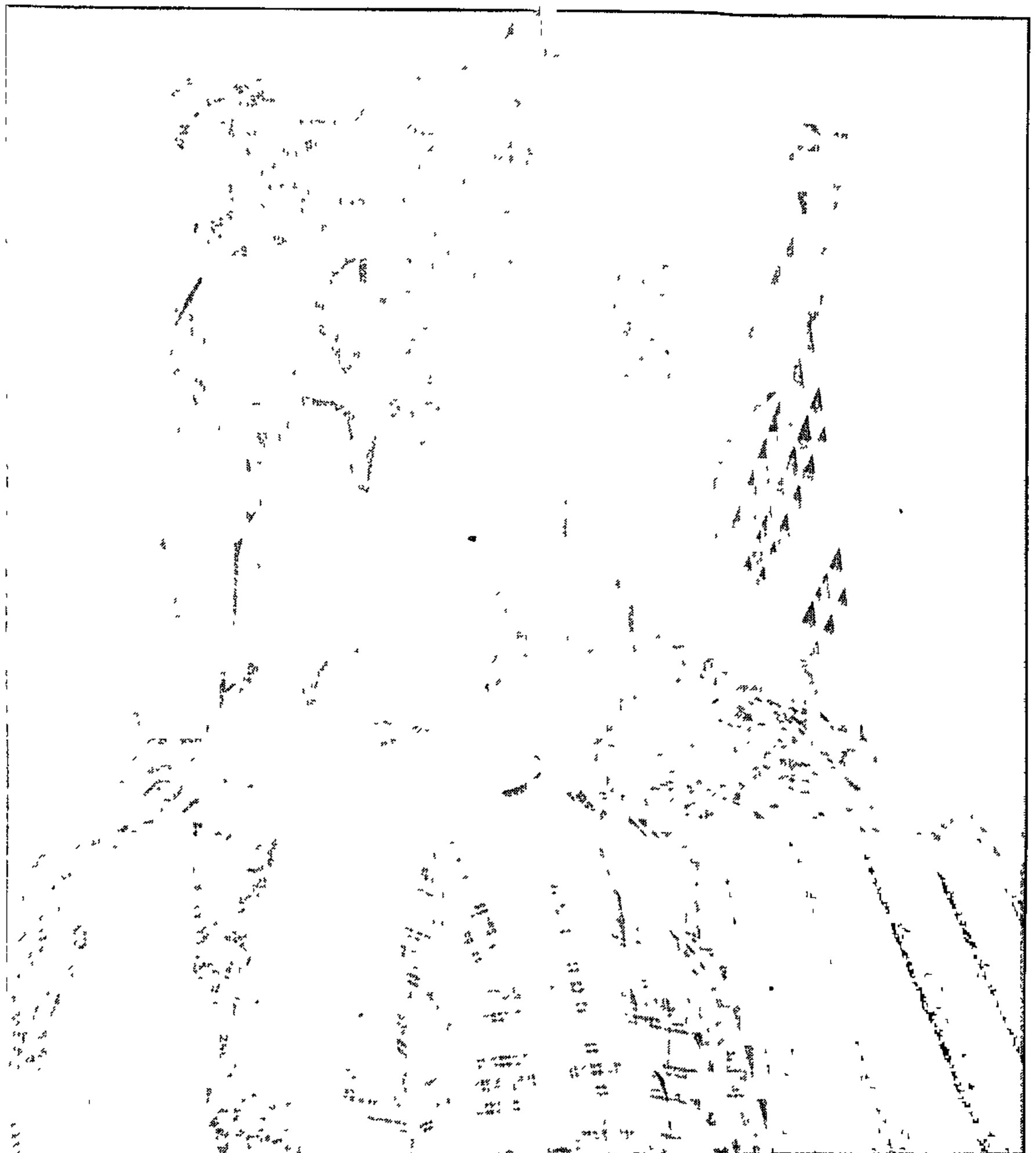
If the new union is formed, it will consist of divisions from each sector and will have a rotating president.

The MWU has merged with just one other white union, the National Union for Dairy Industries, to realise this dream. But, according to the union's organising secretary, Flip Buys, talks are in progress with other white unions.

A big drawback for the plan is that talks with the only other major white union, the Yster en Staalwerkers Unie, seems to have deadlocked "We are just too far apart," says Buys

Open schools, open areas, the safety of workers and Aids in the workplace will also be tackled by the union. Unable to give details at present, Buys says· "We will reveal our campaigns in a month's time "

However, he did say that the union "would work with political organisations, community groups and other organisations which have the same aims". For the third consecutive year, the MWU's congress was opened by a Conservative Party MP.



TRUE GRIT ... Unionist Kgalema Motlanthe cuts a serious figure next to the Dave MacGregor miners' sculpture in Johannesburg. He was a tough chief negotiator. ■ Pic: SIPHIWE MHLAMBI

Rising star talks straight

C/Press 9/2/92 (211)

In one of a series of profiles of up-and-coming policy makers in South Africa, City Press deputy editor ZB MOLEFE speaks to NUM's newly elected acting general secretary Kgalema Motlanthe

THEY say a man is judged by the jazz he listens to But it would be hard to use this yardstick on Kgalema Motlanthe, the new key player in the affairs of the National Union of Mineworkers (NUM)

Motlanthe does not fit the common black hardline unionist stereotype There's no labour militancy from him

His recent elevation by the NUM's central committee to acting general secretary makes him a power to be reckoned with He will hold the position until the 1994 NUM national congress, when elections are held

And, of course, there's the harsh spotlight he cannot escape. He occupies a position which makes him a man of consequence in the relationship between the 296 000-member union in one of the country's stategic industries and the mining owners

There is also the legacy to match of Cyril Ramaphosa, one of South Africa's most prominent unionists and now a rising political star in the ANC ranks

Motlanthe says of Ramaphosa's hard-to-follow-act "He was the epitome of what's best in mining Singlehandedly he shaped the destiny of the NUM

"His contribution cannot be quantified. He restored the dignity of black miners, which they had not had for years. Now black miners are known to walk with pride and dignity."

Back to azz. This 42-year-old father of two boys and a girl, has a passion for jazz legends Pharoah Sanders and the late Clifford Brown "I find Sanders' *Prayer at dawn* inspiring," he says

Any township jazz buff worth his record collection will tell you that saxophonist Sanders and trumpeter Brown are remembered for anger, sensitivity, sadness, beauty and an uncompromising stand as spokesmen of the oppressed people of colour worldwide

Do these features then help to give an accurate picture of Motlanthe, who occupies the hot seat in one of South Africa's biggest and influential unions? Far from it, in fact!

Like most regular township guys, he was a keen soccer player during his formative years spent in Alexandra, outside Johannesburg

Today, a smile crosses his face when he tells that he won his spurs playing for Pretoria's Spa Sporting Club and Soweto's Rockville Hungry Lions during his soccer days

Then his family moved to Meadowlands, Soweto, in 1959 where he attended the then famed Orlando High School.

His first job was with the Johannesburg City Council as a supervisor.

Asked about his formative years, Motlanthe gently tells you "It's difficult to speak about yourself

"I grew up in the Anglican Church and was very close to the priests They belonged to the Community of the Resurrection

"At that early age that experience laid a foundation for my development I discovered that it was possible for different people to live together "

But this church experience clashed with his reality as a black person

There were harsh things like the Pass Office, black workers eating their lunch in the city streets because they were not allowed into restaurants, and the crude apartheid which militated against blacks at every turn of their lives

"This begged an answer I had to find answers to this contradiction But at that early age that experience in the church presented what was possible

"People could relate to each other," Motlanthe added

His 11-year imprisonment on Robben Island under the old Terrorism Act for furthering the aims of a banned organisation was a journey of self-discovery

At one time he was a fellow inmate of ANC president Nelson Mandela, who was serving a life sentence there

Motlanthe remembers that chapter of his life without bitterness

"To me those were the enriching years of my life We (the prisoners) tried to get the meaning of life out of that experience The essence of life "

Then came his June 1987 release and he joined the NUM as an education instructor

Within a month the mining industry was hit by a major strike and Motlanthe found himself in the thick of things when he was asked to set up a strike committee

"That brought me in contact with the brutal phase of the mining industry," he remembers

Mining house negotiators speak of him highly as a tough former NUM chief negotiator

Widespread respect for him from the mining industry is particularly deserved after his part in last year's groundbreaking wage agreement in which the NUM, for the first time, embraced productivity tied to bonuses for black miners

But last week this agreement ran into stormy and turbulent waters

Motlanthe argues "We knew that the success or failure of the (production/bonus) agreement would depend on workers being informed about production

"The mining industry didn't honour their side of the bargain This created more problems than solutions."

This explains, according to him, last weekend's NUM Central Committee decision not to renew the agreement when it lapses in July

Motlanthe is emphatic that the agreement can only be sustained if there is full disclosure from mining employers

"The decision not to enter into a new agreement is a difficult one And the challenge facing us is to come up with innovative answers."

Motlanthe says the issue will be thrashed out at a crucial production/bonus workshop to be held by the NUM this month

"Everything in the world today is fluid At all times the decisions we take must be revisited "

What about his "agony" over whether to join a political party? Particularly with his reported "120 percent ANC membership" and his socialist beliefs?

The question does not cause him any ideological problems, he points out

He reminds you that when the ANC was unbanned in 1990 he became its Pretoria-Witwatersrand-Vereeniging convener

"I believe that when one takes membership of any formation one has to devote time to it The responsibilities and tasks in the ANC are immense. Personally, I feel they'd be too much for me That explains my agony."

STAR 11/2/92

Genmin workers demand R640 increase

(211)

By Shareen Singh

Workers at Genmin's head office and its Magaliesberg training centre picketed their workplaces on the first day of their wage strike yesterday.

Shop stewards' committee chairman Collen Mohuba said workers had rejected the managment offer of a R95 across-the-board increase and were demanding a minimum increase of R640

The current minimum wage ranged from R1 110 to R1 488 a month, he said

Ninety percent of the 182 employees who are members of the National Union of Mineworkers (NUM) had voted in favour of a strike

A conciliation board meeting last week failed to break the deadlock.

Mr Mohuba said the company was charging workers R45 a month for hostel accommodation at the training centre Workers wanted free accommodation

NUM said it was willing to meet Genmin management.

Genmin had not commented at the time of going to press

Double blow hits Implats's revenue

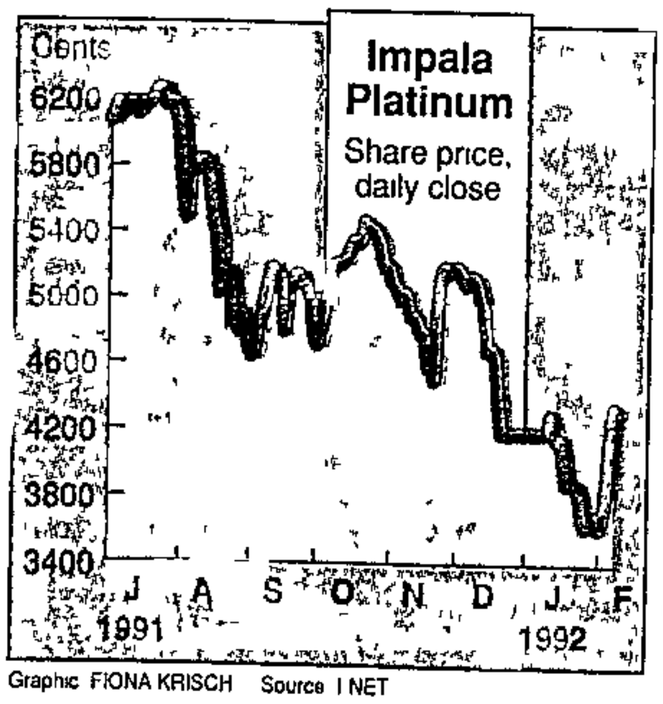
(211)

B/Day 11/2/92

MATTHEW CURTIN

WILDCAT strikes which hit mining operations, and problems recovering platinum from its refineries, cost Impala Platinum (Implats) about R100m in lost metal revenue in the six months ended December 1991 Earnings a share fell 17% to 200c from 242c

In spite of market speculation that Implats might have to pass its interim dividend to conserve cash for its R1,5bn capital spending programme, the group declared a dividend of 55c, 31% lower than 1990's of 80c That was in line with the interim dividend cut declared by rival platinum producer Rustenburg Platinum



Graphic FIONA KRISCH Source I NET

Lower platinum prices and 12% cost of sales exacerbated the production losses to send Implats's income from platinum mining tumbling nearly 40% to R218m from R357m in the interim period in 1990

Results at the operating level would have been worse if not for a 40% jump in the average price of rhodium Implats received, and better rhodium recoveries Rhodium prices rose to $3 937 from $2 810 and rhodium sales increased to 36 000oz from 33 000oz in 1990

An increase in Implats's share of income from Lonrho SA's platinum mines, in which it has a 27% stake, and a sharp drop in the group's lease, royalty and tax bill cushioned the blow to Implats

Chairman Brian Gilbertson said yesterday labour unrest at its mines in Bophuthatswana led to a production loss of 100 000oz of platinum

☐ To Page 2

Implats

B/Day 11/2/92 (211)

☐ From Page 1

Implats was upgrading its refineries, but the work had affected platinum recoveries, so that an extra 50 000oz of platinum was being locked up in the refining pipeline

Speaking at a news conference yesterday, Gilbertson said both developments forced the group to buy 70 000oz of platinum from metal markets to meet its contractual commitments last year

He said labour unrest on the mines, related to the NUM's campaign for recognition in defiance of homeland labour legislation, was the main factor in what had been "a very difficult year"

Implats had dismissed 1 000 workers in the past month and 2 000 altogether in the past year after disciplinary hearings related to the strikes

Implats would not be able to recoup the lost platinum production, but he was confident the refining problems would be ironed out and the metal lost in the pipeline recovered by mid-year

"A silver lining on a very dark cloud is the union's decision in December to apply under chapter 5 of the Industrial Conciliation Act to legalise its position in the homeland," Gilbertson added

MD Mike McMahon said the past six weeks had seen a sharp improvement in conditions on the mines, but it was too early to gauge the Bophuthatswana government's reaction to the legalisation of the NUM as a foreign union Gilbertson said Implats had pointed out the importance of the union's move to government

Gilbertson said although the poor market conditions had prompted the mothballing of the Messina mine, Implats's expansion programme was going ahead as planned

Management was deferring non-essential spending but the group would reach the production target of 1,29-million ounces of platinum a year by 1994/95, sourced from its current operations and the new No 15 shaft in the Deeps prospect.

The strain of the expansion programme, at a time of weak prices, was reflected in Implats's short-term cash position The company had net current assets of R71m as of December 31 1990, but net current liabilities of R93m as of December 31 1991

Gilbertson said Implats was not planning to hold a rights issue to finance the spending programme

He said the group would be hard pressed to match these interim results in the current six months. The group was dependent on improving industrial relations and improved platinum recoveries

Gilbertson added that even if metal prices continued to rise as they had in the past week, Implats would suffer from the lag in contract prices, which would be lower for the second half of the financial year

However, Implats remained confident that the long-term prospects for platinum were good

NUM willing to talk

THE National Union of Mineworkers has expressed its willingness to meet Genmin to find a speedy resolution to the dispute between its members and management B/Day 11/2/92

Striking workers began picketing the headquarters yesterday morning after 90% of NUM Genmin workers voted for strike action last week, NUM press officer Jerry Majatladi said (211)

STAR 11/2/92

Genmin workers demand R640 increase

(211)

By Shareen Singh

Workers at Genmin's head office and its Magaliesberg training centre picketed their workplaces on the first day of their wage strike yesterday

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NUM said it was willing to meet Genmin management

Genmin had not commented at the time of going to press

NUM-Chamber negotiations bear fruit

W/Mail 21/2 - 27/2/92 (211)

Initiatives from a breakthrough mining industry summit last year seemed to have run aground — but this week unions and employers agreed on some key issues, reports
DREW FORREST

AFTER eight unproductive months, union-employer talks set in motion by last year's mould-breaking mining "summit" are starting to bear fruit

At a Chamber of Mines executive meeting this week, the mining houses finally achieved consensus on the need to back a National Union of Mineworkers' proposal of a high-level inquiry into laws touching mine health and safety

The proposal, tabled in a commission set up by the summit to probe industry standards of health, safety and welfare, won broad employer support but was resisted by Gold Fields of South Africa, which saw it as an invasion of its right to manage

GFSA, often at odds with the other groups, apparently came under pressure at a chamber meeting last week and offered to reconsider its stance This week, sources say, it agreed to back the inquiry proposal

At the same time, employers have reached agreement on the need to revise the tax system as applied to workers' retrenchment packages. It is understood the issue is to be raised with government by chamber president Naas Steenkamp during his upcoming annual "tour" of ministerial offices in Cape Town

In the summit commission on mine retrenchments, the NUM pointed to the injustice inherent in the hefty taxation of severance pay — in some cases more than 25 percent, according to union economist Martin Nicol

Retrenched miners have little hope of re-employment, but because most are not registered under the PAYE system and lack the education required for the necessary paperwork, they cannot reclaim their tax payments.

"The receiver is retaining a large sum of money he has no right to," Nicol commented "For many miners, the retrenchment package is the last link with economic life " The problem was shared by workers in all industries, he stressed

In at least two important respects, however, the Chamber response falls short of NUM demands tabled in summit commissions.

Sources confirmed this week that employers had set their face against a permanent union-employer mining commission, which would keep industry policy under constant review.

"It's seen as an intolerable intrusion in the autonomy of the mining houses, whose circumstances differ widely," a source said "There's also a feeling that a process with an amorphous brief, as opposed to talks about specific problems, would be a waste of time."

Sources also said that while employers supported the idea of an inquiry into safety laws, sanctioned by government but drawing in outside experts, they did not believe it should look at the question of worker participation in safety issues. "This is seen as an operational matter, not one in the public domain," the source said

NUM general secretary Kgalema Motlanthe confirmed the union wanted legislation to compel labour's involvement in safety management

The employers' decision to throw their weight behind certain NUM proposals follows long months in which the summit process stagnated.

NUM concerns about lack of progress are shared by some employers, who argue that a key weakness has been steering committee chairman Van Zyl Slabbert "He's overcommitted, and doesn't give the process the time it deserves," one said.

Labour loses out as inflation soars

(211)

BY DREW FORREST

FOR the first time in at least seven years, trade union negotiators are losing the battle for real wage increases.

W/Mail 21/2 - 27/2/92

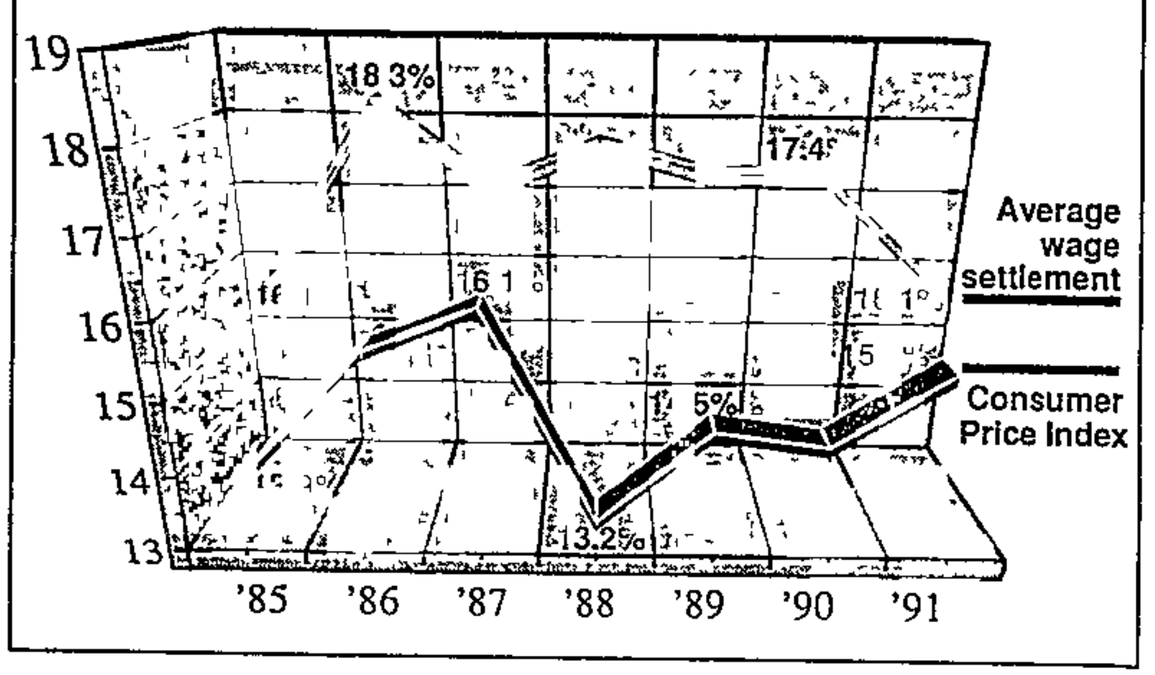
In the latest *Bargainers' Bulletin* of labour consultancy Andrew Levy shows that the average level of wage settlement in industry for the last six months of 1991 was 15,3 percent, down sharply on the annualised 16,1 percent figure.

The consumer price index for the whole of last year averaged 15,3 percent but, partly under the influence of Value-Added Tax, it rose sharply in the closing months — to 16,8 percent in October and 16,2 percent in December.

Real wages defied the recession by 3,1 percent in 1989 and 2,9 percent in 1990.

With a projected South African growth rate of 1,5 percent and continued international recession, the *Bulletin* predicts that settlement levels will continue to fall this year to between 13 and 14 percent.

Average level of wage settlements against CPI



"The issue for the unions will be how to achieve a sensible balance between real incomes and job security," it comments.

A further sign that labour is on the retreat is the sharp drop in opening wage demands. The figure for the whole of last year was 47,8 percent, but this fell sharply in the second half of the year to 39 percent.

In the heady days of 1989, the average initial pay demand was an 86,3 increase on the existing payroll.

Miners sign peace pledge

By Zingisa Mkhuma STAR 28/2/92

(211)

Hundreds of miners emerged from underground yesterday to pledge themselves to peace by signing certificates issued by Randfontein Estate gold mine

The mine has embarked on a peace pledge campaign similar to the one started by The Star, to urge employees to commit themselves to peace At a ceremony witnessed by the media, the miners stood patiently in the sweltering heat waiting for their turn to endorse the pledges .

Some had just came off their shifts while others were preparing to go home, but they all stopped for a moment to give peace a chance They all agreed that conciliation was needed to enable everybody to coexist peacefully

General manager Basil Fleetwood said the campaign had been being launched at the mine to give everybody a chance to think about committing himself to peace

He urged the miners to work harder to practise and uphold the concept of peace rather than criticise and blame others for violence

K W Maxwell, chairman of the gold and uranium division, said the mine had embarked on the campaign because it believed most of the workers were against violence and the disruption, injury and death it had caused

The company, therefore, had decided to offer employees who supported the National Peace Accord an opportunity to acknowledge their commitment by giving them a certificate which would serve as a constant reminder of the significance of this campaign, he said

Mineworker Joseph Pako said "Everyone needs peace If we all signed these certificates and committed ourselves to peace, all this violence could come to an end"

White miners told to vote 'no'

C/Press 1/3/92

THE all-white Mineworkers' Union said this week it would advise its members to vote "no" in the coming referendum. (211)

A spokesman said a "yes" vote would lead to an ANC/SACP-controlled black government which would inevitably lead to the destruction of the white worker's political, economic, cultural and other interests.

End of tunnel for NUM in Bop

STAR 6/3/92 211

The end is in sight to a lengthy conflict between Impala Platinum Mines and the National Union of Mineworkers, MIKE SILUMA reports.

STAR 6/3/92

AFTER nearly six conflict-ridden years, the National Union of Mineworkers (NUM) and Impala Platinum Mines are on the verge of making peace with the signing soon of a recognition agreement between workers and management

This week, the union and Impala set in motion a step-by-step process which will culminate at the end of the month with the election of shaft stewards for Impala's four mines and mineral-processing plant in Bophuthatswana The installations employ up to 40 000 workers, and most are NUM members or supporters

The agreement comes after a long and costly battle between Impala and the NUM, centring on management's reluctance to flout Bophuthatswana labour legislation by recognising a "foreign union" The union, already registered in South Africa, refused to register in Bophuthatswana, arguing that it did not recognise the territory's independence

The first salvo was fired in 1986 when a strike at the mining complex north of Rustenburg led to the dismissal of 20 000 workers Labour instability reached its high point during the latter part of last year when workers engaged in sporadic industrial action, including half-day strikes, underground sit-ins and attacks on mine property At least 19 workers died

Last month Impala reported that in the six months to last December it had lost R100 million in platinum revenue, with industrial unrest accounting for no small share of the loss

The turning point came with the NUM's decision in December to finally, if grudgingly, seek registration with the Bophuthatswana authorities, clearing the way for Impala management to deal openly with the union

The registration of the NUM would mean that its Impala branch would, in terms of Bophuthatswana's Industrial Conciliation Act, have to operate as an independent entity, with its head office in Bophuthatswana

But in an interview, NUM acting general-secretary Kgalema Motlanthe insisted that the union's decision did not amount to a recognition of Bophuthatswana's independence Rather, it was a tactical manoeuvre dictated by organising under repressive conditions

The union's position was that reincorporation of the "Bantustans" should be taken up urgently by NUM's political allies, the ANC and the SA Communist Party

There was no freedom of association in Bophuthatswana and members had come under intense repression, made worse by the fact that they were unable to operate freely as a union For all practical purposes, members at Impala would remain NUM members, said Mr Motlanthe

Although wage talks with Impala would be conducted by a central council (comprising elected workers' leadership, with the assistance of the NUM's Johannesburg head office) it would be presumptuous to speculate on the similarity or otherwise of the demands to be tabled to employers in South Africa and Bophuthatswana

"The nature of the demands at Impala will depend on the union's strength and what Impala can afford In the end it might turn out that, in some repects, working conditions at Impala are better than those already negotiated with, for instance, the Chamber of Mines

"For example, in terms of the Impala agreement, shaft stewards will be entitled to seven days' leave for training, while they could only claim five in terms of our agreement with the chamber," explained Mr Motlanthe

Laing Geldenhys, a spokesman for Impala's owners, Genmin, confirmed the agreement with the NUM, saying it was "in line with Impala's philosophy of freedom of association and its practice of formalising relationships between itself and unions" But he was reluctant to discuss details

Meanwhile, the parties have asked the Independent Mediation Service of SA to prepare for the shaft steward elections in just more than three weeks

Although the Bophuthatswana authorities have not yet responded to the NUM's application, Impala management must hope that the era of industrial peace at its mines has at last dawned The NUM, meanwhile, is hoping for a more secure foothold in a crucial sector of the mining industry □

Down in the dumps

Sowetan 6/3/92 (211)

MARIUS BOSCH discovers that a miner's lot is not a very happy one

GEORGE MATIWANA does not have the easiest job, sitting hunched over a noisy airdrill more than three kilometres underground in the world's deepest mine — Western Deep Levels.

Perched precariously above the metre-high stope on Level 97, 3 233m underground, where Matiwana drills holes for explosives to blast loose gold ore, are millions of tons of rocks which can shift at any time

If what miners call a "bump" and mine owners Anglo American Corporation describe as a "seismic event" occurs, the rockface explodes, triggering a rockfall which can be felt on the surface

Since January this year, 21 miners have lost their lives in three seismic events at one of the three mines making up the Western Deep Levels complex some 70 kilometres west of Johannesburg, according to AAC

"A rockburst is the silent enemy, it is like fighting a war and not knowing where the enemy is," Western Deep Levels East mine manager Mike Smith said

Humid workplace

But Matiwana, a 16-year veteran of goldmining, is unperturbed about rockbursts and the possibility that he may be buried beneath thousands of tons of rock

"I am not scared of it, it happens every day," he said in a cramped, hot and humid workplace where he and 22 other miners spend nine hours each working day to break loose the ore that will yield only 30 grams of gold per ton of ore when treated

Goldmining is a slow process, and despite some 5 500 miners descending into the earth at Western Deep Levels East mine every day, they progress at a mere 0 8m a day, Smith said

Extracting a kilogram of gold, worth close to 36 000 rands at the current gold price of 350 25 dollars an ounce, would take at least a month at the moment, as they were cutting through dead rock to reach the ore, he added

But it would be a month fraught with danger for the miners working in a grim inferno, with giant ventilators sucking used air out of the mine at a rate of 700 square metres per second and replacing it with refrigerated air

At its deepest point, the Western Deep Levels complex reaches 3 77km undergound

The recent deaths at Western Deep Levels prompted the National Union of Mineworkers to accuse mine management of having a "callous attitude" to the safety of black miners

But AAC gold division's chairman, Clem Sunter, has pointed out that the fatality rate at Western Deep Levels last year had declined by 37 percent although he has acknowledged that "seismicity remains a concern"

In a bid to prop up the millions of tons of rock, the mine employs timber packs, hydraulic props and recently blast-resistant props but NUM last month questioned compliance with international standards of the rockface supports

The supports did not help Amos Dhlomo in September last year He was trapped for some 60 hours 3km underground after a rockburst before being rescued by fellow miners

Dhlomo said he was trapped with two colleagues who later died from injuries To survive, he drank water trickling from the rocks which he collected in his miner's helmet

The first sign of rescue came when he felt a draft of cold air, Dhlomo said, adding "I felt very much happy (being rescued) "

Safety has improved at Western Deep Levels since the early 1960s, according to the mine's public relations superintendent, Martin de Beer, who has been working at the mine for the past 31 years, beginning as a learner mine official underground

But despite modern technology and improved safety it still remains "rough and tough," De Beer said, adding, "It's a man's world" — *Sapa-AFP*

That sinking feeling . . .

LABOUR

NUM angry at Eskom's restructuring

W/Mail 6/3 - 12/3/92

(211)

By FERIAL HAFFAJEE

HALF of Eskom's workforce will fall victim to the organisation's restructuring plans, the National Union of Mineworkers alleged this week.

The union accused Eskom of unilaterally adopting measures to make workers redundant.

Eskom is allegedly using prison labour to do its gardening, contracting out cleaning, line construction and security services and using casual labour instead of those workers whom it says are redundant.

The union also alleges that the South African Police is patrolling Eskom power stations and hostels and that the company is employing young white workers to replace workers who leave its employ.

In the past six years, Eskom has slashed its workforce by more than 27 percent, representing the retrenchment of about 19 000 workers. And according to Gwede Mantashe, an organiser at Eskom, the company plans to reduce its workforce to 33 000 from a complement of 67 000 workers to satisfy its plans to corporatise and increase profits

"In recent meetings, Eskom has indicated an additional surplus of workers," says Mantashe.

Eskom's George Lindeque said he had made full representatations to the NUM about the company's restructuring plans. Eskom followed a policy of no forced retrenchments and also offered early retirement options and redeployment within Eskom.

The NUM has called on Eskom to suspend its restructuring plans and to link any such exercise to the economic forum negotiations between Cosatu and big business.

B/Day 11/3/92

Row over Gqozo

THE National Union of Mineworkers condemned the invitation by Genmin Impala Refineries to Ciskei leader Brig Oupa Gqozo to speak at the refinery yesterday (211)

A Genmin spokesman said no official invitation had been issued, but when management learned he was apparently due to arrive, it asked him not to Gqozo agreed and no address took place.

Num blocks Gqozo meeting

A PROTEST planned by the National Union of Mineworkers at Genmin's Impala Refinery was averted yesterday when management acted swiftly to prevent Ciskei's military ruler Brigadier Oupa Gqozo from addressing the workers. Sowetan 11/3/92

A Genmin spokesman said no official invitation was issued, but when management learned that the Gqozo was apparently due to arrive at the mine, they called and asked him not to come

Gqozo agreed and the address did not take place

NUM had earlier condemned Genmin for inviting Qgozo - Sapa

Employment is down 2,9%, says Du Plessis

B/Day 19/3/92

Own Correspondent

CAPE TOWN — Employment levels fell 2,9% in the nine quarters of the current downturn, Finance Minister Barend du Plessis said in his Budget preview yesterday

During the third quarter of last year employment in the private non-agricultural sectors was virtually the same as 11 years earlier.

The inability of the formal sector of the economy to provide sufficient jobs for the growing labour force reflected certain structural problems in the labour market and led to higher unemployment in spite of increasing activty in the informal sector

The level of saving and its productive use was a critical factor in raising the potential for economic growth and job creation, he said.

Gross domestic saving, which averaged 25,4% in the 1970s before falling to 24,7% in the 1980s, was estimated to have dropped to a low of 18,8% last year

While cyclical factors had played a role in this regard in the recent past, the trend was largely attributable to the fact that it had not been possible to eliminate the almost consistent dissaving by general government, particularly since the 1985 international debt standstill.

To reach economic growth enabling unemployment to start falling it was necessary that the savings propensity and utilisation of savings be appreciably raised, not least on the part of government

Remedying this structural problem would have to be a priority

Initiatives by central government and development institutions financed partly by the Exchequer to help contain unemployment directly or indirectly included

☐ Special labour-intensive capital projects totalling R1,6bn, intended to create jobs,

Job creation

☐ The carrying over of R22m from 1991/2 by the Manpower Department as a continuation of its job creation programme; and

☐ The transfer of R500m by the Independent Development Corporation (IDC) to the Development Bank of SA this year following the former's restructuring.

Negotiations are under way with the IDC to enable a further transfer to the Small Business Development Corporation (SBDC) this year. The Budget provides for a transfer of R3,8m to the SBDC's development fund for maintenance and expansion of small business development initiatives.

Mine unrest: Death toll rises to 13

(211) CT 24/3/92

JOHANNESBURG — The death toll in inter-group fighting at Impala's Bafokeng North hostel increased to 13 yesterday afternoon after more bodies were found in the area next to the hostel, mine owners Genmin said

Fighting broke out on Saturday afternoon between National Union of Mineworkers supporters and those who did not support the union, a mine spokesman said

The two groups clashed again in the Bafokeng North hostel yesterday morning and management called on the Bophuthatswana security forces to help separate them

Sotho employees had requested to leave the mine and transport was being organised for them, the spokesman said

Discussions between management and employee representatives were continuing.

Impala's three other mines in Bophuthatswana have not been affected by the unrest

Meanwhile, at least seven people were killed in political violence in Natal at the weekend, police reported yesterday

There were three incidents of arson in Cape Town townships at the weekend, police said yesterday

About 10 30pm on Friday a crowd stoned an Isuzu truck in Zola Budd Drive, Khayelitsha, before setting it alight The truck was gutted

The same fate befell a minibus belonging to SA Pine Ltd, which was destroyed about 2 10am on Saturday in Zola Budd Drive

Unidentified people set fire to a shack at the KTC squatter camp in Nyanga about 2am on Sunday Damage was estimated at R2 000 — Sapa, Staff Reporter

Two held after attack on trains

JOHANNESBURG. — Undercover police officers yesterday arrested two men who are believed to be linked to a bloody train attack last week in which 10 people were injured.

The two Zulu-speaking men, residents of the Merafe hostel, Soweto, were picked up at 7am after they were pointed out by a witness — Sapa

Workers dismissed

Sowetan 27/3/92 (211)

By KENOSI MODISANE and Sapa

ISCOR yesterday fired 800 black miners for holding 15 white officials hostage at Durnacol coal mine near Dannhauser in Natal on Tuesday

The sackings sparked a major row with about 1 000 other workers at the mine threatening to down tools in solidarity with their dismissed colleagues

All the dismissed workers were given until 4pm yesterday to "bring personal mitigating circumstances to management's attention"

In a letter to the National Union of Mineworkers, Iscor said it was gravely concerned with the way the union and its members behaved despite existing negotiated agreements

Said the letter "Despite the mine managements best efforts to ensure labour stability, inter-tribal violence and strikes compounded by Tuesday's criminal and illegal actions and the failure to establish a sound basis for normal employee/employer relationships have led to extensive losses in production, the sabotage of equipment, the holding of hostages and threats to workers' safety

"This left Iscor with no choice but to dismiss the employees involved," it said

National Union of Mineworkers organiser at the plant, Mr Louis Vosloo, yesterday accused the mine management of betraying the workers

He also dismissed allegations that white mine officials had been held hostage by the workers

He said the white miners were then given instructions to stay underground on Tuesday "while management spread the rumour that they were being held hostage"

Vosloo yesterday said police and mine security personnel had surrounded the Number 5 Hostel where the striking workers live

He said he anticipated the police to move in and drive the strikers out of the hostel

Strikers quit shaft after interdict

More than 300 black miners holed up since Friday at Iscor's Durnacol Colliery, near Dundee in Natal, returned to the surface on Saturday night — more than 13 hours after a wildcat strike for higher wages and only after a successful interdict was brought against them

Mine management successfully applied for an urgent Supreme Court interdict in Maritzburg to allow them to evict the protesters from the shaft they had occupied

The interdict was granted on Saturday afternoon.

Management then sent a letter down to the workers, informing them of the result of the court application

The interdict said the workers had to abide by all agreements between their employer and employee representatives and that their action had to comply with the Industrial Relations Act regarding strikes

The strikers then began leaving the shaft on Saturday afternoon and were all out by early evening They returned to their single quarters

A management team then toured the shaft to assess whether any damage had been caused

By late Saturday, the mine's legal representatives were still in consultations with management to decide on a course of action following the illegal sit-in

However, production has not resumed and a skeleton staff of white miners is maintaining the shafts until production can resume — Sapa

Iscor fires 580 more strikers at Durnacol

STAR 31/3/92 211

DURBAN — Iscor yesterday dismissed another 580 striking workers at the Durban Navigation Colliery (Durnacol) in northern Natal, said mine manager Doug Taylor.

This brings the number of Durnacol workers sacked since last Tuesday for joining illegal strikes to 1 380.

Mr Taylor said 180 of the morning shift's 580 workers reported for work yesterday, but downed tools after going underground. The remaining 400 failed to report for work.

The 580 workers were told they had been dismissed. They were given until 10 pm last night to supply mitigating circumstances for their actions.

Mr Taylor said the workers were fired because their strike was illegal and contrary to a Supreme Court interdict issued on Saturday which ordered workers to comply with their contracts and act within the provisions of the Labour Relations Act.

Mr Taylor said the 180 workers who went underground refused to work until their pay demands were met He did not give details of the demands

White and Indian workers were withdrawn from underground yesterday and the strikers were told that their action was illegal. They were later told they had been dimissed and all were back on the surface by yesterday afternoon.

National Union of Mineworkers northern Natal regional organiser Moses Gladile said the workers began striking underground yesterday morning to demand the reinstatement of the 800 employees dismissed last week, not for higher wages

Mr Gladile said that the union telephoned workers underground yesterday, telling them of the court interdict and urging them to end their strike.

"They went to their working places, but their supervisors were not there so they could not resume their duties," he said. "We then telephoned management, but they said they were not prepared to talk to us."

Mr Taylor said workers at the mine were told of the court interdict on Sunday through the mine's public address system, pamphlets and notices

"The fact that people at 9.30 am said they were going to work is unacceptable," Mr Taylor added.

Mr Gladile said the NUM would put the dismissals last week and yesterday in the hands of its lawyers.

Yesterday's strike followed a week of industrial action at the mine, starting on Tuesday last week when several hundred workers downed tools underground.

Their demands were for the reinstatement of two dimissed union officials and the dismissal of managers accused of harassing workers, and also involved wages, retrenchments and alleged racial discrimination, Mr Gladile said.

The miners are alleged to have held 15 white mine officials hostage underground on Tuesday Mr Gladile said yesterday, however, that the white miners were simply afraid to pass the large group.

Some 800 hundred workers were dismissed on Thursday for sabotaging mine property and holding co-workers hostage.

On Friday more than 300 workers staged another underground strike, demanding the reinstatement of their colleagues. They surfaced on Saturday but refused to work until their demands were met.

The same day, Iscor obtained an urgent interdict restraining workers from disrupting mine operations and ordering them to comply with their contracts and the Labour Relations Act.

Iscor spokesman Neels Howatt yesterday said the mine had lost a daily production of 4 000 tons of coal since last Tuesday. — Sapa.

Iscor sacks 600 more workers

STEPHANE BOTHMA

ISCOR yesterday dismissed 600 Durnacol miners who refused to work — bringing to 1 400 the number fired since last Tuesday

The Durnacol mine management also said it would not allow night shift workers to go underground until the NUM provided an undertaking that workers would comply with their duties

In dismissal notices, management said strikers were acting contrary to service obligations, instructions to work and to a court order directing them to act within the Labour Relations Act.

The 600 employees had been dismissed after they refused to report for the morning shift or refused to work once underground, an Iscor spokesman said.

The NUM had been asked to give a written undertaking night shift workers would comply fully with contractual duties before being allowed underground. "Failure to do so will be a repudiation of their obligations and will be accepted as such and their services terminated accordingly," the spokesman said.

The NUM had until yesterday afternoon to comply.

The 600 workers dismissed yesterday had until late last night to present personal and mitigating circumstances to management

Sapa reports mine management as saying yesterday workers had refused to work until pay demands were met, but NUM officials said they went on strike to demand the reinstatement of 800 employees dismissed last week.

Large-scale dismissals at Durnacol

B/Day 1/4/92 (211)

STEPHANE BOTHMA

ALMOST the entire black workforce at Durnacol mine — all NUM members who in the past week staged several illegal strikes — had been dismissed, mine owner Iscor said yesterday

Durnacol produced its first coal in seven days yesterday afternoon when white miners went underground to resume production which had been halted by a week of industrial action by NUM members, an Iscor spokesman said.

The latest mass dismissal of 550 workers took place yesterday after Monday's night shift failed to report for work, bringing the total dismissals since last Tuesday to 1 950

On Thursday 800 miners were dismissed and another 660 on Monday

The spate of illegal strikes at the mine has resulted in a loss of production of up to 4 000 tons of coal a day, Iscor said, adding that white miners would handle production for now

Durnacol, near Danhauser in Natal, was a highly mechanised mine and could maintain a certain level of production without the usual complement of workers, he said

Mine management this week demanded a written undertaking from the NUM that Monday's night shift would fulfill their duties, but Iscor's demand was ignored by the union, the spokesman said No workers arrived for the shift

There was no violence at the mine and the dismissals took place "quite amicably"

On the weekend, mine management obtained an urgent court order against employees directing them to act in terms of the Labour Relations Act following an underground sit-in by about 300 workers

The court order followed a week of industrial action when workers allegedly held officials hostage underground and sabotaged equipment

Police were investigating charges of kidnapping, intimidation and extortion against a number of dismissed miners

Tech students protest

Sowetan 1/4/92

By ALINAH DUBE

STUDENTS at the Technikon Northern Transvaal in Soshanguve yesterday protested against the use of campus residences by teachers who will be working at the marking centre during Easter holidays

A spokesman for the students representative council said students agreed to return to lectures after discussions were held with the management.

He said there was dissatisfaction about the use of the hostel by teachers who are due to start marking Standard 10 examination papers of the Department of Education and Training's private candidates

Most students, he said, used the facilities for studying over short holidays as they would not.

Iscor sacks more black miners

Sowetan 1/4/92

211

ISCOR fired about 600 more striking workers at its Durnacol mine near Dannhauser in northern Natal on Monday night.

This brings the total number of dismissals since last Tuesday to 1 950 - almost the entire black labour force

Iscor spokesman Mr Earnest Webstock said yesterday the majority of Monday's night shift workers did not report for work and were dismissed along with 580 morning shift workers

The strikers were fired for failing to act in terms of their contractual obligations and for striking in contravention of a Supreme Court interdict ordering them to adhere to their contracts and the provisions of the Labour Relations Act.

Some were fired for "various criminal acts" Webstock said

These included the alleged underground hostage-taking of 15 white mine officials by striking black miners in the first incident of labour unrest last Tuesday

Production was halted last Tuesday when workers downed tools over demands for the reinstatement of dismissed union officials, the dismissal of managers accused of harassing workers and for higher wages

White and Indian miners went underground yesterday and worked the mechanised section of the mine, bringing to the surface the first coal mined since last Tuesday, Webstock said

Following the dismissals there were only about 500 black workers still in the mine's employ yesterday, a mine spokesman said

He said management was currently looking into the issue of taking on new employees Both Webstock and the mine spokesman said there had been no recent contact with the National Union of Mineworkers on the dismissals

Union officials said yesterday they would comment later on the developments at the mine - *Sapa*

Law group's new 'no win

Sowetan 1/4/92

THE Association of Law Societies (ALS) has introduced a new tariff system for litigation on a "no win, no fee" basis

The system is intended to bring down the current high costs and to make the courts more accessible to everyone

Damages

In terms of this system, which will apply only to claims for damages, the client would pay his attorneys' fees only if the case was successful

In such cases, the attorneys would be able to re-

r sacks more k miners

Sowetan 1/4/92

the Labour Relations Act.

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Union officials said yesterday they would comment later on the developments at the mine - *Sapa*

Cosas continues with Katlehong Council sit-in

Sowetan 1/4/92

MEMBERS of the Congress of South African Students yesterday continued a sit-in at the Katlehong Council to demand the return of 19 white teachers who have been withdrawn from three schools

The council said yesterday it would not evict the Cosas members

But town clerk Mr Fanie Mare said the pupils had abused the council's generosity by occupying the chamber after they were allowed to hold a meeting with Mr Theo Buys of the Department of Education and Training

He said the council would try to negotiate with the protesters and persuade them to leave the premises

The sit-in by about 50 Cosas members started on Monday after the meeting with the DET

Mare said the number of protesters had increased after a television broadcast on Monday night on the sit-in

Law group's new 'no win, no fee' system

Sowetan 1/4/92

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Damages

In terms of this system, which will apply only to claims for damages, the client would pay his attorneys' fees only if the case was successful

In such cases, the attorneys would be able to recover an amount in accordance with a tariff which would be higher than the normal applicable tariff, the ALS said

If an advocate was to be engaged in a matter where a special fee arrangement applied, he would have to obtain the permission of the Bar Council before accepting the brief, the ALS added - *Sowetan Correspondent.*

Workers were bused away from the mine after they were dismissed.

More go for Model C

LESS than two percent of Transvaal provincial schools have refused to opt to switch to the model C system Sowetan 2/4/92

According to the Transvaal Education Department of the 1 101 schools which fall under their jurisdiction, 1 073 will become model C schools on August 1

Executive director of the TED, Dr Ken Paine, said when the announcement was made about the model C option, TED schools gave urgent attention to their particular situations

"I believe that each community has decided in a responsible way about their future," Paine said

Only - 28 schools - 1,9 percent of schools in the Transvaal decided to remain State schools and their rights in all respects will be respected, he said

Of the 28 schools which have decided to remain State schools, two are secondry schools, 11 are primary schools and eight are special schools - *Sowetan Correspondent*

2 200 miners fired

Sowetan 2/4/92 (211)

Sowetan Correspondent

WHITE-COLLAR workers of all races have left their desks to man essential underground operations at Durnacol mine near Dannhauser following the dismissal of 2 200 miners.

Trouble at the mine started last Tuesday when 800 black miners held a number of white and Indian colleagues hostage underground and threatened to blow up the mine over a wage dispute.

A total of 700 miners were fired and, just when it seemed that the mine was returning to normal on Friday afternoon, another 330 who went underground decided not to work.

The miners refused to go back to work despite a Supreme Court order on Saturday - and were fired, bringing the number of dismissals to 1 500 and last night another 700 were fired

Yesterday morning 110 men, mainly office staff at the mine took the first shift, they were followed by another 110 for the afternoon session and last night 90 went underground

Mine manager Mr Douglas Taylor said that all the men had volunteered to go underground and work as miners in order for operations to continue while new staff are to be recruited.

"The men volunteered to do their bit after the dismissal of the entire underground black staff who violated a Supreme Court order and refused to return to work," said Taylor

He said that while the white collar staff would not be able to produce enough coal to meet schedules, it did keep the mine operational.

Veteran miner Mr George Mitchell (59), with 42 years mining experience, led the white collar workers for their stints last night.

Included in the late night shift was Mr Brian Fordyce, a highly qualified engineer who holds a Bachelor of Science and is a Master of Business Administration

With him were accountants, clerks, bookkeepers, storemen, pay masters, managers and other administrative staff

While the white collar workers were busy at work 250 metres underground, most of the 2200 fired workers were collecting their wages and were being bused out of the mine property

Iscor to replace dismissed miners

B/Day 2/4/92

DURBAN — Iscor's management was yesterday considering ways of replacing the 1 950 workers dismissed from its Durnacol mine in northern Natal, while white and Indian miners entered their second day of work without a labour force.

Almost all black employees on the mine were fired for striking illegally.

Iscor spokesman Neels Howatt said management was looking into ways of replacing the fired workers.

Meanwhile, the NUM said in a statement it was prepared to meet management to "find a speedy solution to Durnacol's problems".

The union alleged the dismissals were "a clear indication of Iscor's anti-union policy which we condemn as utterly counter productive.

"It is grossly unfair for Iscor management to dismiss the entire black labour force in this manner without considering exploration of negotiating with the NUM."

Our correspondent reports from Maritzburg that production at the mine is less than 20%.

An Iscor spokesman said it was hoped to build production up to about 40% in the next 10 days.

A police spokesman at Dundee said nine men had been released on bail after appearing in court in connection with charges of kidnapping, blackmail and intimidation. The charges arose after white and Indian mineworkers were allegedly held hostage underground last Tuesday.

Militants, gang blamed for clashes

(211)

B/Day 3/4/92

Political Staff

CAPE TOWN — A Sotho gang called the Russians and a militant section of the NUM have been blamed by a committee of the Goldstone Commission for the violence at a Welkom gold mine in November last year

The Goldstone committee, whose report was tabled in Parliament yesterday, said 86 people died and 383 were injured in the conflict at the President Steyn mine during a stayaway called by Cosatu over VAT

The committee said the hostel system, the stayaway, political organisations, police, and mine security were not to blame.

It recommended that NUM and management negotiate an agreement on political activity in hostels and the control of meetings, "with accountability and responsibility lines clearly laid down"

It recommended consideration be given by the mining industry to the appointment of an ombudsman acceptable to all

It also said the present negotiations between NUM and management to alleviate tension in the hostels should be finalised as a matter of urgency

The committee, which consisted of chairman G Steyn, D A Bregman SC and R M M Zondo, found a militant element in the NUM had been determined to achieve a total stayaway and took matters into its own hands

"This element was not under the discipline or control of NUM at the time"

Sotho miners who wanted to go to work were chased back to their rooms

Violence ensued from this and shortly afterwards a group of 50 armed Sothos returned carrying two bodies

These incidents led to enmity between Sotho and Xhosa at the hostel

The Russians gang were a criminal gang from Thabong in Welkom There was evidence of collaboration between Sothos at one hostel and the gang to allow the Russians to avenge Sothos killed and injured in earlier violence

The gang infiltrated a hostel, killing eight and injuring 26 workers

The committee said the hostel system provided an arena for violence, but did not cause it, and it was common cause that the system was unsatisfactory

It found no political organisation to have been involved in the violence and no suggestion of foreign influence

Durnacol has a history of industrial conflict

W/Mail 3/4-9/4/92 (211)

By FERIAL HAFFAJEE

LAST week's hostage drama at Durnacol in northern Natal was an almost inevitable explosion of tensions simmering at the troubled coal mine

It is the third time in two years that management has resorted to mass dismissals to solve conflict The drama continued this week as Iscor once again fired the entire workforce

On Monday last week, workers allegedly held 15 white mine officials underground for 12 hours

As a result of the incident, 1 950 workers have been dismissed Fifty workers remain

In 1990, conflict between Xhosa- and Zulu-speaking workers erupted at the mine, leaving one miner dead and scores injured Mine management sent 1 500 Xhosa-speaking workers home and new workers were recruited from the surrounding villages

Iscor's Neels Howatt says the Zulu-speaking workers drove the Xhosas from the mine and the safety of the Xhosas could not be guaranteed

Last year, 3 000 workers were dismissed from the mine after going on a legal wage strike

Even as the NUM was fighting to win termination packages for those workers who were not rehired last year, Iscor again dismissed the entire workforce this week

Howatt says "Durnacol has always been a volatile mine", prone to what he calls "ethnic conflict" and wildcat strikes

The union charges that the mine's industrial relations practices are archaic and the working conditions of employees among the worst in the country Durnacol workers, who earn an average wage of R520 a month, are among the lowest-paid in the industry

In 1990, the mine was bought by Iscor from Goldfields Almost immediately after the sale, the industry went into its worst-ever slump and the mine was soon classified as marginal

Durnacol workers found themselves in the incongruous position of falling under two sets of wage grades Higher grade workers are paid on Iscor scales, which are among the highest in the country at an average of R680 a month The majority of the workforce, made up of less skilled workers, are paid the lower Chamber of Mines rate of R470

"This created serious problems," says the union's Jerry Matjaladi Moreover, they earn less than on Iscor mines at Thabazimbi, Groot Geluk and Sishen

The union also alleges that its officials are being singled out for harassment In the past two weeks management has invited dismissed workers to present mitigating and personal factors to them but they have allegedly refused to give hearings to union activists

The NUM says that, moreover, the mass dismissals wiped out its union structures

Working conditions also play a role in the mine's volatile nature, say union officials Workers sleep 10 to a room in the hostels which are as far as 10km from the mine and even further from the nearest town

The NUM says employees are not provided with transport, but Iscor denies this

This week, the mine dug in its heels and said that, until other arrangements could be made, white miners would keep production going On Tuesday, Durnacol produced its first coal in a week

Meanwhile, the mine is considering legal action against miners on charges of kidnapping, intimidation and extortion Nine shaft stewards are still in detention following last week's action

Mining disaster

(211) ARG 4/4/92

Thousands of jobs at risk as gold output plummets

THE number of jobs that South African gold mines have been forced to axe in cut backs caused by the dramatic slide of world bullion prices has swollen to a stunning 110 000 — despite a massive programme of austerity measures to hold the casualty toll as low as possible

Moreover, as the gold price sinks even lower and struggles to survive above 340 an ounce, the Chamber of Mines fears that still more cuts may hit the labour force — already down from 534 000 in 1986 to 424 000 by the start of 1992 — unless the outlook improves

The latest alarm bells have been rung by Gengold chairman Gary Maude, who warned at the weekend that underground work at the West Rand Consolidated mine may be forced to a standstill this year

The mines have become trapped in the pincer squeeze of low gold prices and soaring costs of production caused by inflation

What's gone wrong?

South Africa was the envy of bullion markets around the world a decade ago with its massive gold production At home, its mines were relied upon to serve as the goose that laid the golden eggs for the entire economy

Its tragic decline can be tracked in the computer records at the Chamber of Mines in Johannesburg

When the gold boom hit global markets in 1980 — triggered largely by the Soviet invasion of Afghanistan that sent international investors scurrying for safe havens for their cash — South Africa was in the grandstands

The gold price rose to a phenomenal 850 an ounce And SA, by far the largest producer, was turning out bullion at the rate of 675 tons a year — equal to a phenomenal 71,3 per cent of western world production

By last year, the average gold price had been more than halved at 359 and annual production was down to 598 tons

Moreover, South Africa's role among world producers had shrunk dramatically It now accounted for no more than 34 percent of global production outside the Soviet bloc The lion's share of an overall output that had climbed to 1115 tons was now divided between such growing rivals as the United States, Australia, Canada and Brazil

Mercifully, the SA mines were able to benefit from the chronic erosion of the rand exchange rate which slashed the value of the rand by no less than two-thirds in US dollar terms

Through the bizarre distortions caused by the huge devaluation, despite the collapse of bullion prices, the mines were earning more rands for every ounce they produced than they were in the 1980 boom

However, the benefits were all wiped out by rocketing production costs as double-digit inflation sank its teeth into profit margins and newly emerged black trade unions flexed their muscles at wage negotiations

The working costs for every kilogram of gold output had streaked from R4 165 in 1980 to R25 975 by the end of last year

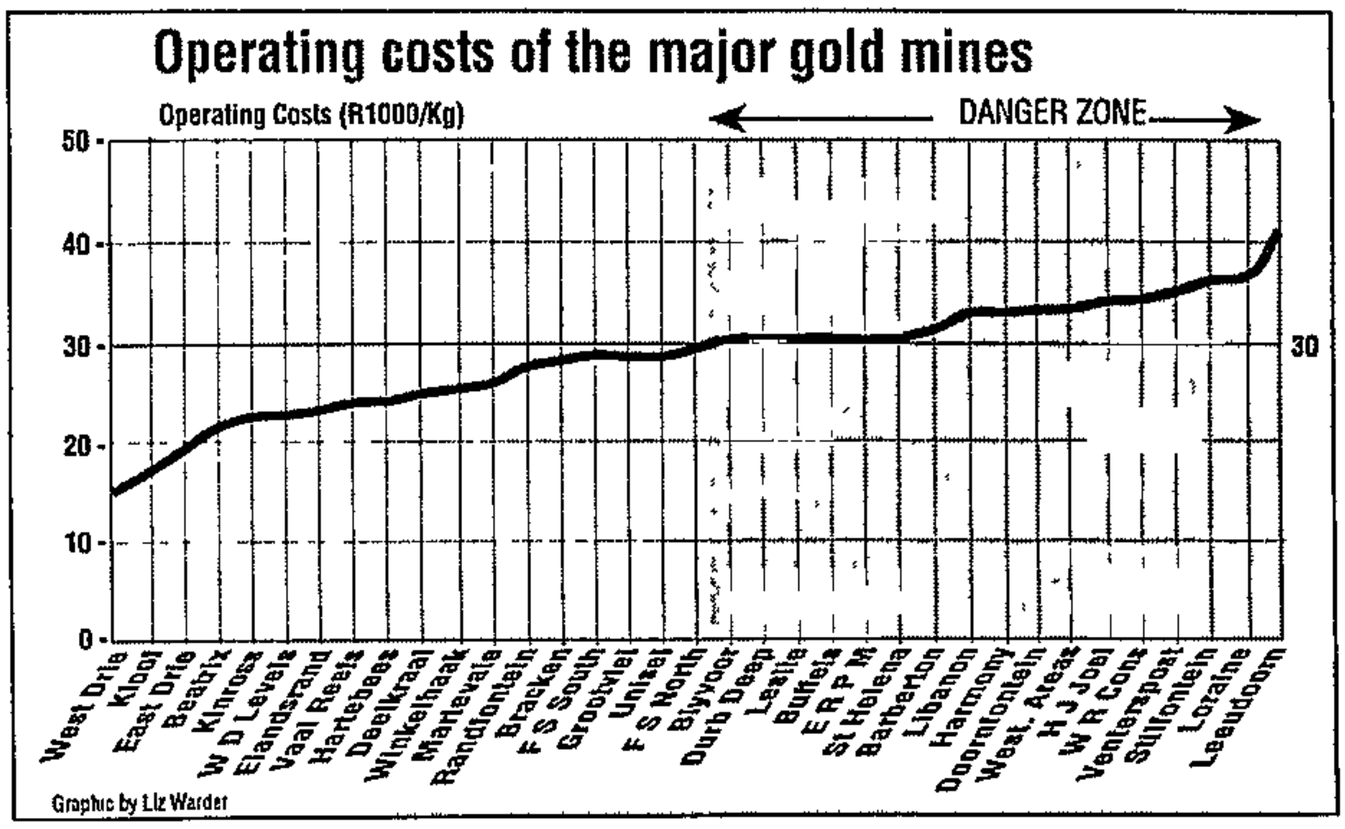
By the early 1990s, SA mines had not only been knocked from their perch as the cheapest gold producers in the world but their actual working costs were now among the highest

Mines have been hit by new shock waves as bullion prices in recent trading dipped to around 340 an ounce, the lowest for six years in US dollar terms And concerned has been deepened by still worse news from key markets -the gold price in Swiss francs is now at its weakest since 1978 and in Japanese yen at its lowest in 20 years

Production costs have been cut to the bone in battles to avert retrenchments and even mine closures, especially at marginal mines struggling to hold above the break even level as low gold prices push them into the danger zone, says Chamber of Mines senior economist Ivor Leibowitz.

Thousands of jobs were saved when the National Union of Mineworkers last year agreed to a radical new pay package which held general increases down to around five or six percent but offered the incentive of bonus payments linked to the performance of the gold market and productivity levels

As it turned out, the weak gold price on world markets hit the bonus element tied to the bullion market But cooperation in productivity schemes yielded bonus pay-outs which lifted the overall size of increases for many miners to about 16 percent — 'better than most workers did in the recession"



White collars on black seam

Star 6/4/92

White collar workers are working underground to keep up production, reports PRAKASH NAIDOO.

CHRIS de la Ray, Durnacol coal mine's personnel officer, normally works behind a desk, dressed in a collar and tie

But on Friday he donned an overall and worked an eight-hour shift as a transport operator underground

"I've never worked underground before, but I think it's important that we keep the mine operational," he said

Mr de la Rey is just one of the more than 200 "white collar workers" at the troubled northern Natal mine who, in the past week, have swopped their normal administrative duties behind a desk for the more rugged work underground

A fortnight of industrial action at the mine has brought production to a standstill and the scene now seems set for a stand off between the mine management and the powerful National Union of Mineworkers

At least 2 000 workers have been dismissed from the mine since an alleged hostage drama and several sit ins underground and the mine management was granted a court order last week declaring the action illegal

Union officials have vowed to seek a similar order to have the workers reinstated

Management at Durnacol are standing firm on their decision to fire the workers after two weeks of disruptions underground brought production to a virtual standstill

The once bustling tiny mining village and hostel at number five shaft at Durnacol is now a virtual ghost village since the dismissed workers left

The chief accountant at Durnacol, George Filen, said a new employment strategy was being formulated, but even when this was in place and rehiring started, it would be a long time before the normal hub returned to number five

"The decision to fire the workers was not an easy one, it was a last resort," said Mr Filen

"It will take a while before work at the shaft is back to normal, because even after we employ new workers, the learning phase is quite lengthy".

According to the management, the strike action taken by the workers was in contravention of an agreement signed with senior union officials last year, which postponed any negotiation about wage increases until July this year

However, the regional organiser for NUM in Newcastle, Moses Gladile, said the action taken by workers was related to a list of grievances submitted to management a year ago

Mr Gladile said the list contained 42 grievances, among which were issues relating to racial discrimination, unfair labour practices, annual bonuses and unfair dismissals

He also challenged the assertion that 15 miners were taken hostage underground on the first day of the strike two weeks ago and said statements taken from the workers underground revealed that no one was held against his will

This was supported by another union offical, Clement Zulu, who said that when he went underground at the time of the drama, at no time did the white and Indian supervisors indicate they were hostages

However, during a visit to the mine on Friday, the Tribune spoke to one of the mine workers who was underground at the time of the alleged siege, who described the incident as one of the most harrowing he had encountered

"I have served in the British navy for 12 years and been shot at on the odd occassion, but I have never come this close, to someone threatening to kill me," said Garth Holmes, who is an underground fitter

"I wouldn't want to go through that again and I would never wish it on my worst enemy," he said

Nine shop stewards have been arrested by police in connection with the incident and have been released on R1 000 bail pending the outcome of investigations □

'20% of industry workforce at risk'

Gengold cuts 1 500 jobs at St Helena

B/Day 7/4/92

MICK ELLINGHAM and SHARON WOOD

GENGOLD announced yesterday that 1 500 miners would lose their jobs in cutbacks at its St Helena gold mine

This could be the first in a series of cutbacks at marginal mines because of the low gold price and could result in massive retrenchments industry-wide.

Gengold MD Gary Maude warned that 20% of jobs in the gold mining industry were under serious threat if the gold price remained at current levels

Anglo American, however, said it could survive an unchanged gold price until next year before having to consider closing marginal mines.

Gengold said mining operations at St Helena's No 10 shaft would be curtailed because of a lack of payable ore reserves at the current high pay limit Sections in No 8 shaft and No 4 shaft would be closed

The shafts would be maintained in good condition, ready for reopening if the gold price rose above $400. Gold closed in London last night at $339,55

The mine produced 720kg of gold a month at an average grade of 6,1g/t. As a result of the cutbacks, production would decline to about 650kg a month at an average grade of 6,5g/t and make the mine more cost effective

St Helena is one of the 17 marginal gold mines at the current gold price.

Maude said the decision to scale down the mining operations and reduce the mine's labour complement from 6 500 employees to 5 000 was the only option to maintain the mine's profitability and to ensure employment for the largest possible number of people Employees were informed during the second half of 1991 of the possible closure of the No 10 shaft if economic conditions did not improve.

About 100 employees had been placed at two of the group's other mines, Unisel and Oryx, while some employees had decided to take the option of early retirement.

The other 1 400 affected by the cutbacks would be retrenched. Management had consulted employees and employee representatives about the retrenchments and the retrenchment packages.

The retrenchment programme would begin immediately and would be completed by the middle of May It would cost the mine between R4m and R5,2m As a result of the cutbacks, St Helena's carbon-in-pulp gold extraction plant would be mothballed

Maude said the conventional plant at St Helena had sufficient capacity to treat St Helena's ore in addition to continuing to treat Unisel's ore.

Anglo American gold and uranium spokesman James Duncan was more confident about the outlook for Anglo gold mines this year, saying "We are fortunate in that we have a relatively strong portfolio of shafts. Our cost-cutting measures have proved very successful and we are confident .. we can withstand the pressure of the gold price at its current levels, at least through to 1993

"Were the gold price to continue at that level thereafter, we might be faced with the closure of some of our older, more marginal mines," he said.

Gold mines: Jobs hit 15-year low

(211)

CT 8/4/92

MATTHEW CURTIN

JOHANNESBURG — The number of people employed on Chamber of Mines gold mines has fallen to its lowest level since 1976, with the prospect of many more job cuts this year

Chamber economist Francois Viruly said yesterday that in December last year, the gold mines employed 406 736 people, a 9% drop from January's 446 456

That compared with an average of more than 473 000 employees in the gold mines' service in 1990, and a record complement of 534 000 in 1986 The last time the number fell below the 400 000 mark was in 1976

Viruly said that the rough average of about 3 000 job losses a month was likely to continue this year, confirmed by Monday's announcement that Gengold's St Helena mine would shed 1 500 jobs as part of its latest restructuring programme

He said the gold mines had been victims of weak gold prices for several years and SA's high inflation rate Real rand gold prices had not risen or fallen significantly since the late '80s, while dollar prices — which continued to hover around the $338/339 mark yesterday — were at their lowest since the mid-'80s

Viruly said "The Reserve Bank has clearly indicated that the exchange rate will not be used to prop up any industry"

In the past two to three years, gold mines had changed their approach to marginal mines and were no longer willing to run unprofitable operations He said the result was that once mines were extracting the highest grade ore they could and had restructured as far as they could to keep cost increases to a minimum, the next step was closure and the retrenchment of far larger numbers of workers

However, Viruly noted that many marginal mines were able to stay in the black and forestall severe cutbacks by selling gold forward at a premium to ruling prices

He added that it was unlikely SA gold production would fall sharply in 1992 because the mines which were most at risk produced relatively little gold, about 80 tons out of the total of 604 tons produced in 1991

In 1976, an average of 395 000 mineworkers produced 76-million tons of ore milled and 702 tons of gold In 1990, 474 000 workers produced 111-million tons of ore and 565 tons of gold, a measure of the falling grades and some improvement in productivity in the industry Gold production in 1991 was almost unchanged in spite of the 9% cut in the workforce

Fergusson Brothers analyst Trevor Pearton said the cutbacks at St Helena "heralded things to come" for the industry in 1992 Many mines could reorganise their operations no further without cutting production, and with it jobs

However, Pearton said that mine closures were unlikely given the industry's confidence, especially from Gold Fields, that today's gold prices were only a temporary phenomenon

Gold mine jobs at a 16-year low

B/Day 8/4/92. (211)

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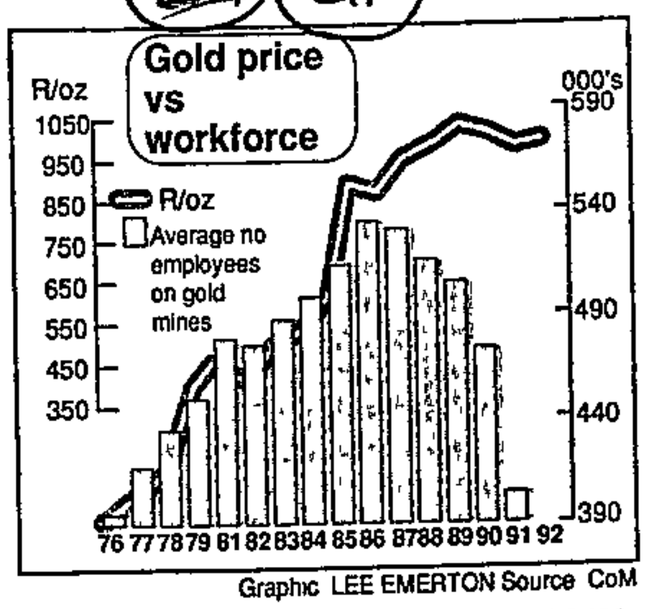

Graphic LEE EMERTON Source CoM

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Gold mines

B/Day 8/4/92 (211)

☐ From Page 1

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Gengold's West Rand Consolidated, Gold Fields' Doornfontein, Libanon and Venterspost, and Rand Mines producers would be the mines showing signs of greatest pressure when the March quarter results were published in coming days

However, Pearton said mine closures were unlikely given the industry's confidence, especially from Gold Fields, that today's gold prices were only a temporary phenomenon

● Comment. Page 8

NUM lays down demands for 1992

(211) B/Day 9/4/92

DIRK HARTFORD

THE NUM's demands for 1992 negotiations incorporate a 20% minimum wage increase on goldmines and a 55% average increase on coal mines, as well as a proposal that all non-unionised miners pay fees to the union

The NUM, which represents more than 200 000 workers on mines affiliated to the Chamber of Mines, says in compiling its demands it tried to strike a balance between the current problems facing mining and its long-term aim of building "a humane and progressive industry".

Last year, the NUM also demanded a 20% increase — its lowest demand since it began negotiating wages in 1984 It ended up accepting an average 6% increase on gold mines, with additional performance and gold price-related bonus schemes

On gold mines, the NUM's demands range from 20% for most workers to 25% in the case of mines paying lower rates.

This would increase the lowest monthly wage to R527 and the highest for an underground worker to R686.

The NUM says it is aiming for a standard wage structure which only proper basic wage increases can secure

Although the NUM is "concerned" with the way performance bonuses are implemented as "these have been abused by many mines", it does not reject them entirely Last year's agreement made provision for the bonus to be reviewed in June

On coal mines, where minimum wages vary between R407 and R595 a month, the union wants increases ranging from 40% to 100% for different categories This would bring minimum wages for underground workers to R865 and surface workers to R785 a month

Another demand is that all non-unionised workers covered by the agreement pay 1% of wages — the current union subscription — as a fee for the union's role in securing better benefits

As the union is playing a central role in discussions around restructuring the mining industry, it believes non-union members should not be allowed a "free ride" on any benefits from this process

Employers will find this demand awkward as the mainly white Council of Mining Unions has had a closed shop agreement with the chamber since 1936 In terms of this, all white mineworkers are compelled to be members of unions affiliated to the council

Ironically the white Mine Workers'

☐ To Page 2

NUM demands

B/Day 9/4/92 (211)

☐ From Page 1

Union, a central player in the Council of Unions, wants to break out of the closed shop agreement as it believes it locks workers into membership of the different council unions

Other NUM proposals are that

☐ Mines recognise elected full-time shaft stewards at all mines and allow 10 days' paid leave a year for stewards to attend union courses,

☐ The industry appoint an independent body with inspection powers to monitor agreements,

☐ Racially discriminatory practices in holiday allowances and pension contributions be removed, and

☐ Various demands relating to health and safety and compensation are met

About 405 000 workers are employed on Chamber gold mines — down from 536 000 in 1986 Last year about 30 000 workers lost their jobs through retrenchments and dismissals

Chamber spokesman Adrian du Plessis said the union proposals were being studied "In due course we will meet the NUM to discuss the issues directly"

Rockbursts still the major enemy

B/Day 9/4/92 (211)

BILLY PADDOCK

CAPE TOWN — Rockbursts and rock falls on gold and coal mines increased by 4% last year despite special "high priority" being given to reduce these accidents, the Mining Engineer Jan Raath said yesterday

In the annual report tabled in Parliament yesterday, Raath said rock falls had accounted for 54% of all fatalities in mines during 1990 He had shown to the Chamber of Mines that most of the fatalities occurred at the stope face.

The total deaths of miners last year amounted to 604 men with gold mines accounting for the bulk with 461 people dying in accidents. Miners injured during the year amounted to 9 103 as compared with 9 858 for the previous year.

He also reported a drastic reduction of 35 623 workers solely as a result of rationalisation in gold mines "resulting from the persistently low gold price" Labour figures for mines were 679,547 (719 170) with gold mines employing 426 830, coal mines accounting for 82 790 and other mines employing 169 927.

Raath reported that strict control was maintained throughout the year over air quality as well as at plants at asbestos mines

Our political staff reports SA mineral sales rose a meagre 3,5% to R39,3bn as demand on the world market dropped last year, the 1991 annual report of the Department of Mineral and Energy Affairs has shown.

"The stagnation in earnings can be attributed to the continued economic recession world-wide and the war in the Persian Gulf in early 1991," says the report, also tabled in Parliament yesterday

Higher sales in spite of lower export volumes and prices were attributed to an improvement in domestic sales and the weakening of the rand against the dollar

Export revenue increased by only 2,2% to R30,3bn and accounted for 77,1% of the total revenue

Commodities which had increased export volumes were the platinum-group metals, titanium minerals and rock phosphate

Revenue from the domestic market rose by 8% to R9bn, thanks to the increased local demand for diamonds, chrome and iron ore, titanium minerals and uranium.

"Owing to the combined effect of a fall in the real price of gold and escalating working costs, gold mining was particularly hard hit. Mining activities were curtailed in many instances and thousands of workers had to be retrenched.

"A number of small gold mines were forced to cease operations altogether ."

Total sales of gold amounted to R18,9bn and output during the year was 597,7 tons, a drop of 0,9%

Coal was the biggest foreign exchange earner after gold, with 48,5-million tons valued at R4,2bn being shipped to foreign consumers — an increase in value of 5,45% over 1990 but a 2,1% decrease in volume Local sales decreased by 3% to 130,6-million tons

SA remained the world leader in the vanadium market with exports of 19,5 kilotons but this represented a decrease of 10,5% over 1990

Durnacol mine to recruit new staff from next week

211

Sowetan 9/4/92

RECRUITMENT of a new labour force will start early next week at the Durnacol Colliery in northern Natal

Mine manager Mr Douglas Taylor said yesterday that a skeleton crew of white and Indian workers had been producing coal at 30 percent of the normal quota and would maintain this until the new labour force had been recruited and trained

Dismissed

The total black underground labour force of about 2 000 workers was dismissed late last month after three illegal strikes on the mine

In the first strike 15 white and Indian workers were held underground for 13 hours against their will while the strikers demanded a wage increase of R1 000 - *Sapa*

Demand for increase in minimum wages for miners

By Mike Siluma STAR 9/4/92 (211)

The National Union of Mineworkers has demanded an increase of between 20 and 100 percent on the minimum wages for nearly 200 000 workers in the gold and coal mining industries.

The demand is part of a package presented to the Chamber of Mines for annual wage talks, which are set to begin at the end of the month

An NUM statement said the union's demands on the gold mines were "set at levels which reflect the disappointing gold price and the problems that many mines are experiencing"

"These wage demands follow very low adjustments in the basic wage levels in 1991 and reflect union policy that the industry should move towards a standard wage structure," said the union

The union said it remained concerned with the way the performance bonus scheme agreed with employers last year was implemented

The NUM said minimum rates on gold mines were between R413 and R572 a month

Referring to the collieries, the NUM called on the industry to move rapidly to adopt minimum wage levels of R865 to R785 a month

Current monthly minimum rates on coal mines varied from R407 to R595

Other NUM demands are

- Improved health and safety procedures and compensation for injured workers
- The introduction of the agency shop system, whereby workers who are not NUM members, but who benefited from its negotiations, would pay the union a fee.
- The appointment of an independent body to monitor agreements between the NUM and the chamber

ST HELENA FM 10/4/92

More cutbacks

(211)

The decision to cut production and lay off another 1 500 of St Helena's 6 500 miners sets a gloomy tone for the March quarterly results, with the first mining house, Gold Fields of SA (GFSA), due to report on Thursday.

Given the downward trend in the gold price, it's a foregone conclusion that industry results will reveal further attrition as the mines remain in survival mode Question is just how long some marginal producers can continue closing underground sections and even entire shafts, as St Helena has just done, before they have to throw in the towel and close the entire mine

Gengold MD Gary Maude says operations at St Helena's No 10 shaft are being curtailed because of lack of payable ore reserves at the current high pay limit Sections at No 8 and No 4 shafts are also being closed

An average rand gold price for the March quarter of R31 733/kg was 2% down on the R32 381 received by GFSA's mines — which do not sell forward — for December

On December figures, 15 mines would not cover costs, including capex, at R31 733/kg Mines have survived so far by cutting costs, selling forward and going for higher-grade ore reserves to maximise revenue

Trouble is that, as St Helena shows, higher-grade reserves are limited while there comes a point below which operations cannot be further rationalised. At this optimum scale the reduction in costs does not match the drop in revenue from lower production

The continued disappointing performance of the gold price is starting to bring out the warnings sounded by Ed Hern, Rudolph gold analysts Grahame Graham-Parker and Ted McDermott in a report last June entitled "What if the gold bulls are wrong?"

Assuming a flat gold price of R950/oz (R30 543/kg) over the next three years they forecast that 15 of 47 producers would probably be forced into closure while another 14 would have great difficulty in remaining profitable The 15 exposed mines were Buffelsfontein, Cons Modder, Durban Deep, ERPM, Gazgold, Harmony, Libanon, Lindum, Loraine, St Helena, Sallies, South Roodepoort, Sub Nigel, Venters and Village.

Gengold's Maude . *forced to cut back*

FM 10/4/92 (211)

So far Sub Nigel has closed while December quarter results showed Libanon to be in deep trouble, Lindum was kept going by a joint venture with big brother Randfontein Estates, and Gazgold managed to stay alive through negotiating State Assistance

ERPM has turned into the gold industry's version of notorious base metal mine Botswana RST — it makes operating profits which are swallowed by the interest payments on a debt mountain that reached R430m at end-December

While mines have done remarkably well in controlling costs — far better than many believed possible — production, jobs and earnings will continue to be ground down in a war of attrition unless the gold price revives It's not a pleasant outlook *Brendan Ryan*

Durnacol workers

211

NONE of the almost 2 000 workers who were recently dismissed from the Durnacol coal mine in Northern Natal will be re-employed Mine spokesman Neels Howard said they would start recruiting a new labour force in the next day or two In the past month 1 950 miners were fired following three illegal strikes at the mine Howard said the mine was producing coal at about 25% of the normal quota and hoped to be back in full swing soon

B/Day 10/4/92

NUM plants a time bomb under 1992 wage talks

B/Day 10/4/92 **ALAN FINE** (211)

TUCKED unobtrusively in the NUM's list of proposals for the 1992 wage negotiations is a time bomb which is likely to change the entire structure of collective bargaining in the mining industry, and in many other parts of the SA economy too

The time bomb is the union's proposal (in the spirit of the new SA, it seems, it is no longer called a "demand") for the introduction of an "agency shop" It is a proposal which, once the mining executives have thought it through properly, will become one of the industry's greatest bargaining and moral dilemmas

An agency shop is designed as a compromise between a closed shop and a system permitting the existence of so-called free-riders

A closed shop system requires that all employees in a firm or industry belong to a trade union as a condition of employment. The system is common around the world. Many of the old establishment, largely white, unions in SA, including in the mining industry, benefit and prosper because of it

But the closed shop raises serious ethical problems regarding the right of freedom of association of the individual Why should anyone be forced to join an organisation of which he or she expressly disapproves?

The philosophical rationale for the closed shop is that, in its absence, employees who choose to remain outside the union nevertheless benefit from the work of the union Union/management agreements are always extended to cover all employees Non-members earn higher wages, have better social security benefits and enjoy more job security purely because of the work of the union for which they do not pay That, too, is unfair, it is argued

The agency shop is designed to answer the criticisms from both sides In an agency shop a non-member pays a fee but does not have to become a union member. There are many variations of the agency shop

The initial NUM proposal suggests non-members pay the same subscription as members and the money go into NUM coffers.

However, a variation popular in North America requires that the non-member pay a fee lower than the union subscription, and a "conscience clause" permits each individual to choose that his or her contribution be paid to a charity rather than to the union

The initial reaction among members of the Chamber of Mines to the agency shop idea is almost universally negative But there are a few beginning to see it differently

The immediate employer reaction to the proposal is understandable It has the potential to strengthen the union's finances enormously It is far from a satisfactory answer to the "freedom of association" argument — individuals are still forced to pay fees against their will And, some employers point out, given the factionalism among workers at some mines, forcing militant anti-NUM members to pay a fee to the union, as the NUM suggests, carries a serious threat of violence.

But that is insufficient reason to say "no" This is because the chamber already operates a closed shop agreement with the predominantly white unions. Each white mine employee must belong to a union. The agreement has been in force since the time of the Second World War Ironically, it was a popular deal in the chamber It was used by management to protect "moderate" English-dominated artisan unions from being taken over by small, activist groups of radical right-wing Afrikaners

Subsequent to this agreement, the white unions signed an agreement between themselves allocating each individual to a particular union depending on his job category. The unions involved are the artisan unions, the right-wing, whites-only Mineworkers' Union (MWU), three officials' associations (for white collar employees) and a few others.

Into the middle of this, the NUM has thrown the agency shop challenge. If the chamber continues to accept the white closed shop but rejects the NUM proposal, it will stand accused of racism Why is the closed shop okay for whites, but a less strict system unsuitable for blacks?

In the circumstances, there is no argument that can refute the charge, and the chamber lacks any moral basis for rejecting the proposal (which, after all, will have no direct cost for employers). At best it could take the potentially disruptive step of cancelling the existing, cosy, closed shop agreement. But even then it will be seen as a desperate, cynical measure to withhold from organised black labour something that was acceptable for decades so long as it applied only to whites

But a further factor has come into play The MWU, with a complex political agenda, is about to start campaigning for the scrapping, or at least amending, of the closed shop system

The first hint of this came from the MWU congress earlier this year. The union began talking about how the system contravened workers' rights to freedom of choice and of association But the real motive is deeper than that. The MWU is opposed not so much to the closed shop as such, but to the agreement setting down the allocation of white employees to particular unions

The MWU is seeking to establish itself as "the Cosatu of the new SA" It has announced plans to become the centre of a "super-white" union which will stand as the last bulwark against the selling out of the white worker, using tactics of mass mobilisation where necessary (hence the reference to Cosatu)

The MWU is convinced that if the barriers set in place by the allocation agreement are removed, the bulk of white miners, attracted by the union's commitment to white workers' interests, will flock towards the MWU This will increase the MWU's potential in the industry from the present 9 000 to about 24 000 — the total number of white employees on chamber mines

Together with growing membership in such sectors as engineering, chemical and transport, it will assist the MWU towards its goal of a 100 000-member super white union

The MWU has not yet forwarded its proposal officially to the chamber, and it is unclear what strategy it has in mind And its expectations of its potential power are probably exaggerated

Nevertheless, while some mining employers see this as an opportunity to rid themselves of the closed shop, others are fearful that the MWU will in future use new-found muscle as a political weapon which would harm the industry If this point of view wins over, we would again see the mining industry attempting to use the closed shop as a means of strengthening the more "moderate" unions representing skilled labour

It is not yet certain that the NUM will choose to use the agency shop as a make-or-break issue in this year's negotiations It has become the norm that the chamber accepts one major non-wage proposal each year to seal an agreement Last year it was a set of new social and union rights Previously it was a retirement fund This year, in addition to the agency shop, the NUM has proposed a system of fulltime shop stewards and compulsory arbitration in cases of contested dismissals

The union will have to set its priorities But the agency shop idea will not go away If it is not accepted this year, it will be proposed again next And once it has gained a foothold in the mining industry, other sectors will not be far behind

NUM starts its wage negotiations

(211) Sowetan 10/4/92

THE National Union of Mineworkers (NUM) has launched this year's wage negotiations, demanding minimum wage increases of 20 percent for gold miners and 50 percent for coal miners

The union said it had sent its proposals for the 1992 negotiations to the Chamber of Mines on Tuesday Chamber spokesmen were not immediately available for comment

The 200 000-member union said it had proposed the appointment of an independent body to monitor agreements between workers and mine management and promote their effective implementation

"The demands for wage improvements on the gold mines are set at levels which reflect the disappointing gold price and the problems many mines are facing

"Proper basic wage increases are needed to preserve wage standards in the gold mines," the NUM said, adding that presently the minimum wage varied between R413 to R572

The NUM has demanded an average wage increase in collieries of 55 percent, but amounts for different categories vary from 40 to 100 percent for the various groups

Minimum wages on coal mines vary between R407 and R595 a month, the union said

The NUM said the mine industry should move towards a standard wage structure

Other demands included the removal of alleged racially discriminatory practices on mines in holiday allowances and pension contributions.

The NUM alleged white employees received a 100 percent holiday allowance while many wage categories got a lower percentage

"The mines pay 11,75 percent of the wages of white workers into their pension funds, but employers' contribution to the Mineworkers Provident Fund for members of NUM is only five percent The NUM demand is that these discriminatory provisions be done away with immediately."

The union also demanded a full say in the determination of pensions arising out of mine accidents and representation on the board of the Rand Mutual Assurance company, which handles compensation for miners injured in the line of duty

The NUM also proposed that the mines recognise elected, full-time shaft stewards at all mines and allow 10 days of paid leave for the stewards to attend union courses - *Sapa*

Mine pay rise will be 'similar to last year'

W/Mail 10/4-15/4/92 (211)

By DREW FORREST (214)

NATIONAL Union of Mineworkers' pay claims announced this week for the gold and coal mines will bear no resemblance to what is finally agreed, mine employers insisted this week.

Stressing that its demands, which affect more than 400 000 black miners, took account of the "disappointing gold price and the problems many mines are experiencing", the NUM has proposed a minimum pay rise of 20 percent for gold mines

In line with its push for a uniform pay structure, it has claimed higher increases — of more than 25 percent — in lower-paying groups.

On the collieries, it has proposed an average 55 percent rise, amounting to between 40 percent and 100 percent in different wage categories.

Pointing to poor and declining gold price, now lower than at the same time last year at $338 an ounce, employers said the final award would be similar to last year's. a five percent basic They also said they would be pressing for a renewal of productivity deals struck last year at individual mines "If there were problems with these, let's correct them," said one executive

The alternative was further job cuts Employers pointed to the nine percent drop in gold mine employment this year — an average of 3 000 jobs lost a month — and the recent announcement that 1 500 jobs are to be shed at Gengold's St Helena mine.

The NUM's Marcel Golding said the union would hold a special bargaining conference soon to consider alternatives to last year's performance bonus schemes

In terms of its shock central committee decision in January — which noted that productivity bargaining was not part of union wage policy — the NUM is unlikely to countenance such agreements in any form. What is more probable is that it will press for differential increases taking account of conditions on different mines

"Last year many mines got away with paying lower increases than they could afford," said the NUM's Martin Nicol Using five percent profitability as a yardstick, the Chamber of Mines had argued that all gold mines were in trouble.

Other NUM demands include·

- An end to racial discrimination in holiday allowances and pension contributions The mines paid 11,75 percent of white wages into their pension funds, and only five percent into the NUM's Mineworkers' Provident Fund, it said
- Improvements in health and safety provisions, including higher compensation, and retraining and alternative employment for disabled miners The NUM also wants a say in determining accident pensions and representation on the Chamber-owned Rand Mutual Assurance Company.
- Full-time shaft stewards, and 10 days' paid annual leave for steward training.

Mine job cuts

THE lacklustre gold price

W/Mail 10/4-15/4/92

R BRIEFS

W/Mail 10/4-15/4/92

forced Gengold to cut its workforce at the St Helena goldmine by 1 500 workers — the first marginal mine to shed jobs and rationalise operations.

And further retrenchments are on the cards. Gengold said if the gold price did not improve, 20 percent of the jobs in the industry were under threat.

Anglo American said it would be able to maintain operations at its gold mines for this year at the current gold price.

60 000 jobs on the line at R975/oz

By ROBIN PEGLER

ST HELENA's retrenchment of 1 500 miners is an ominous portent of a fresh batch of cutbacks.

Nick Goodwin, director of stockbroker FW Balderson says about 60 000 jobs are in danger at a gold price of R975 an ounce (roughly the present figure)

But in terms of dependence on the mining industry, this is only part of the story

Each miner has many dependants Industry sources have placed dependants as high as 11 a miner, but there is scepticism about the reliability of such a figure

The Chamber of Mines says the concept of the extended family is too loose to give reliable figures

Gary Maude, managing director of controlling house Gengold, says the steps taken at St Helena were a last resort, reluctantly implemented by mine management and carried out only after consultations with employee organisations

Without the retrenchments, the mine might have had to close at a cost of 6 500 jobs

Gengold was the first mining house to introduce economy measures to combat the low gold price It was followed by the other houses

The measures include cutting out marginal ore and mining only the higher grades Savings are made not only in wages but in stores, power and other items

Cost cutting has been more successful than expected, but there are limits to which they can be carried out

Mr Goodwin calculates that at R975/oz, 17 mines are vulnerable, accounting for 10% of gold produced and 14% of employees

Theoretically, unmined gold is the State's property Mines must work to the average of their ore reserves without picking out the eyes This is done in consultation with the Government Mining Engineer

Richest

However, mines calculate ore reserves at various limits of payability and do not need to seek permission to ignore marginal ore if the gold price is low

Nevertheless, failure to mine the marginal ore is likely to shorten a mine's life

Mr Goodwin says SA's richest ore has already been mined out and that progressively poorer areas have to be worked

For example, St Helena's ore deteriorates as one goes south No 10 Shaft, which is stopping production, is in the south of the property

S Times (Buss) 12/4/92

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81 suppliers close as mines cut back

S/Times [BUSS] 12/4/92 (211)

S/Times [BUSS] 12/4/92

By DON ROBERTSON

AT least 81 companies in the Free State Goldfields area, members of the Steel and Engineering Industries Federation of SA (Seifsa), have closed in the past 18 months.

This is a 13% cut in the number of groups supplying the mines.

About 3 000 jobs have been lost and other companies have placed workers on short time.

A tightening of the purse strings by mines in the face of a declining gold price has hurt suppliers, but some believe the worst is over

Sharp

Seifsa has been asked to tell trade unions negotiating wages with it that Goldfields companies will ask for a six-month "stand-off" on pay They say they will review the position before the end of the year.

In the year to December 1990 — the latest available figures — gold mines spent R8-billion on stores and services, such as food, machinery, equipment, civil works and electricity.

A spokesman for the Chamber of Mines says that although figures are no longer calculated, he believes 1991 expenditure will be lower than in 1990

Most major supply companies have suffered a sharp fall in orders in the past two years, some by as much as 30%. Others believe that the tight cost control by the mines has left them with reduced stocks which will have to be topped up

Murray & Roberts managing director David Brink says the gold mines have been depressed for two years and some almost stopped buying supplies This was particularly noticeable in companies such as Broseal, which supplies ventilation tubing, and Premier Valves

"They have squeezed the lemon to such an extent that their inventories have been much reduced"

Mr Brink foresees an increase in buying which should "tide us over in the short to medium term" — provided there are no more shaft closures

Envirotech, largest suppliers of pumps to the mines, says business dropped by between 15% and 20% last year

Dennis McElwee, divisional director of the pump division, says sales in the first three months of this year have improved after stock replenishment

Haggie, supplier of wire ropes, says orders have fallen by about 30% in two years But managing director Chris Murray says orders have begun to pick up

LTA says activity in every business sector has been hit, not only building and civil engineering but allied trades and sub-contracting work

Managing director Colin Wood says "We anticipated the diminishing market and reduced operations in the Goldfields"

Salvage

AECI, largest supplier of explosives to the mines, does not believe sales will be affected unless there are unexpected major shaft closures

Major suppliers of mining timber, Sappi and HL&H, say sales have dropped by between 10% and 20% in the past two years

Louis Taljaard, group executive director of Dorbyl which provides capital equipment to the mines, says conditions have been depressed for some years Most mines are salvaging equipment from underground

Payroll hedging plan for mines

(211)

MATTHEW CURTIN

A MERCHANT bank is offering mines a scheme to hedge their multimillion-rand payrolls B/Day 13/4/92

Under the scheme, announced at the weekend, it is claimed that the mines could prevent thousands of further job losses, and protect themselves against the risk of paying increasing wage bills as a proportion of their gold revenue, irrespective of higher or lower gold prices

Gold mines affiliated to the Chamber of Mines paid out more than R7,5bn in salaries, wages and allowances in 1990 — nearly five times more than in 1980 However, rand gold prices have been flat in nominal terms since the late '80s, and have fallen in real terms The mines' working profit stood at R33,2 a ton milled in 1990, against R85 a ton in 1980

The number of people working on the mines, SA's largest employers, has fallen from more than 530 000 in 1987 to little more than 400 000 today

Rand Merchant Bank (RMB) consultant Sean Llewelyn has approached the mining houses with "various hedging and revenue enhancement strategies", including "a structured risk management strategy" which he says could reap important financial and social rewards

Mining house spokesmen reacted cau-

☐ To Page 2

Hedging plan

B/Day 13/4/92 (211)

☐ From Page 1

tiously to the scheme yesterday

In essence, Llewelyn has proposed that should the gold price fall after a hedging plan has been adopted by a gold mine, RMB would pay the mine a subsidy each month to compensate it for its relatively higher wages bill, given the mine's drop in revenue In return, the mine makes payments to the bank only when the gold price has risen above an agreed level

Interviewed at the weekend, Llewelyn said that the payroll made up by far the largest component of costs on SA gold mines, averaging between 45% and 50% of an average mine's costs

Llewelyn said that wages remained at the forefront of concerns facing the gold mining sector Although unions had moderated wage demands, there was still a "considerable budgetary risk associated with the payroll cost"

He said the hedging cost control strategy could be used for up to three years, with Reserve Bank approval, and "should be valuable in ensuring the continued viability of the gold mines"

Taking a hypothetical gold mine with a R10m a month wage bill, management would take out a hedging contract at a specific free market spot rand gold price

If the spot price fell 10%, knocking the mine's revenue by the same amount, the mine would receive a R1m payment from RMB, equivalent to a 10% reduction in its wage bill RMB would effectively cover its position in the international markets by manufacturing put options to protect it against the lower gold prices, financed by the mines selling it call options

Mines would have the flexibility to hedge only a part of the payroll if they wanted and to review their hedging positions at any time

Commenting on the scheme yesterday, Gengold MD Gary Maude said it sounded as though this would have much the same effect as selling gold forward

Anglo American gold and uranium division chairman Clem Sunter said "Normal selling forward may go some way to achieving the same objective of protecting marginal mines and jobs against any decline in the future gold price"

Anglo backs code of conduct

B/Day 14/4/92

WILSON ZWANE

ANGLO American was anxious to sign a code of conduct relating to stayaways with the NUM as soon as possible, spokesman James Duncan said yesterday

Duncan was commenting on a blueprint, set out by the Goldstone standing commission on public violence and intimidation, for managing tension and conflicts between management and unions on the mines

The commission appointed a committee to consider violence which left 86 dead and 403 injured at Anglo American's President Steyn mine in Welkom last November

Releasing its findings recently, the committee said tension and conflicts on the mines could be managed if

- ☐ All mine managements and the NUM agreed on the legitimacy of political activity in hostels,
- ☐ Managements and the NUM agreed on strict rules for the control of meetings,
- ☐ Managements reviewed training for the conducting of disciplinary meetings,
- ☐ The mining industry appointed an ombudsman to mediate between management and the NUM,
- ☐ An urgent agreement on ways to alleviate tension in the hostels was reached, and
- ☐ An urgent agreement between managements and the NUM on a code of conduct relating to stayaways should be set up

(211)

Duncan said negotiations between the corporation and the NUM on alleviation of tensions on the mines had been concluded while "we are anxious to sign the code of conduct with the union as soon as possible"

Chamber of Mines spokesman Peter Bunkell said it was still too early to say what course of action the industry would take as the commission's report was only distributed by Anglo American last week

An NUM spokesman said it would be premature to comment on the commission's recommendations as the union got a copy of the report only last week

President Hotel's goods auctioned

Own Correspondent

CAPE TOWN — The contents of the former five-star President Hotel in Sea Point went under the auctioneer's hammer yesterday, signalling the end of an era.

Its revamping into a R227m luxury hotel and flat complex will begin as soon as all movable assets have been sold.

Auctioneer Kelley Finberg said the auction, which would continue today, was one of the largest held in Cape Town. B/Day 14/4/92

The goods ranged from a giant brass chandelier and vast quantities of furniture to hundreds of miniature shampoo bottles. Anxious bidders were watched by forlorn staff members who had been retrenched.

Parts of the hotel, which has been reduced to a maze of dusty corridors piled high with furniture, date back to the turn of the century

A circular relating to the acquisition will be posted to shareholders in due c

Elegant solution to a thorny problem

B/Day 14/4/92 (211)

ANDREW LEVY

ONE OF the paradoxes of industrial relations is that very often managements do not recognise a good thing when they see it. Parties tend to let the sleeping dog lie even when its teeth are sunk deeply in their leg. Such is their resistance to change.

The NUM proposal that an agency shop be implemented (Business Day, April 10) seems to have met with less than a warm response from the Chamber of Mines. Whether or not this is a visceral reaction from employers, or represents a carefully thought through position is not clear — but the idea of an agency shop certainly warrants close examination by the business community.

One of the perennial problems in industrial relations is the closed shop — where the possibility of employment depends solely on union membership. Closed shops greatly enhance union power over the employer and over their members Effectively the union becomes the monopoly supplier of labour, which means that if you want to hire or be hired, you need the goodwill of the monopolist. This ensures that you toe the party line. In any other commercial sphere, the Competition Board would be banging at the door at the speed of light in the face of practices like these Nevertheless closed shops have a long history in SA

Philosophically, the closed shop is a violation of the basic right of freedom of association. By compelling membership it gravely offends the individual's freedom of choice not to associate Many object to it on these grounds, and this is an objection which cannot be put aside lightly.

What is the alternative? Unfortunately our Industrial Court, with a seemingly imperfect understanding of what democracy really means, has indicated in one or two cases that the all-comers approach, which crudely equates to one man one union, is the model we should follow. This is undoubtedly based on a judicial revulsion to the notion of compulsory union membership.

If this line is followed it leads to more than one union being active in the same bargaining unit This is a most unsatisfactory arrangement from everyone's point of view.

Perhaps the court misunderstands what democracy means It does not mean everybody gets what they want when they want it It means simply that the majority get what they want and the minority accept this because they understand that one day they may be a majority.

It is precisely because of this that the agency shop is such an attractive idea. It says, in effect, that employment rests not on your having to join a union against your wishes, but rather on your recognition and acceptance of the majority desire for collective bargaining to be conducted by a particular union.

It neither offends against individual freedom of choice not to join a particular union, nor does it prevent assistance as far as individual issues are concerned. Respecting the collective wish of the majority on collective issues seems to reflect closely the idea of parliamentary democracy.

Further, there is nothing offensive in the idea that, to prevent the problem of the free-rider — the non-union member who benefits from whatever the union has negotiated — he should pay his contribution to a charity The idea is equitable, workable and reduces rivalry and tension in the workplace.

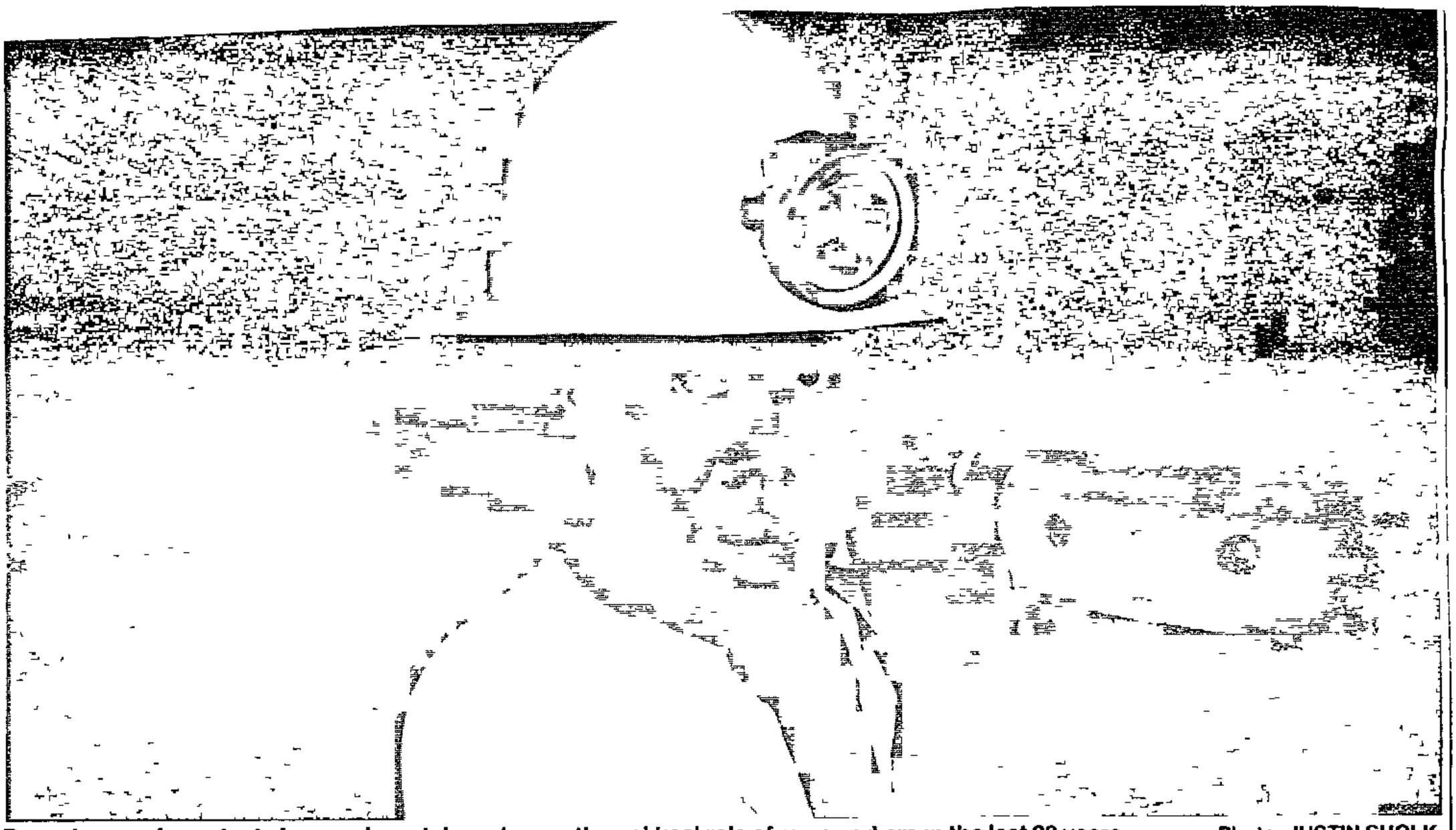
The world of industrial relations does not follow models and is highly imperfect. Ideal solutions do not exist. Pragmatic ones do, and it seems that the agency shop is as pragmatic and as philosophically acceptable to everybody as is practicably possible.

So why the resistance? Perhaps it is because employers can see the writing on the wall only when their backs are to it. There is, however, little doubt that agency shops will establish themselves in future South African labour practice. They are a good solution to a thorny problem and warrant attention from management in all industries as a pragmatic answer to an emotional problem

☐ **Levy is senior partner at Andrew Levy and Associates.**

COMMENT

Russian cabinet set to quit



Deep down Important changes have taken place in the political role of mineworkers in the last 20 years Photo JUSTIN SHOLK

Mineworkers' role probed

W/Mail 16/4 - 23/4/92 (211)

OUR PRECIOUS METAL
AFRICAN LABOUR IN SOUTH AFRICA'S GOLD INDUSTRY, 1970-1990
by Wilmot G James (David Philip, R39,95)

AT the beginning of the 1970s gold mine compounds were filled with mostly foreign black mineworkers The compounds themselves were designed and built by mine management to facilitate the easiest turnaround of full working shifts, their function could also easily be changed from mineworkers' accommodation to a prison for malcontents

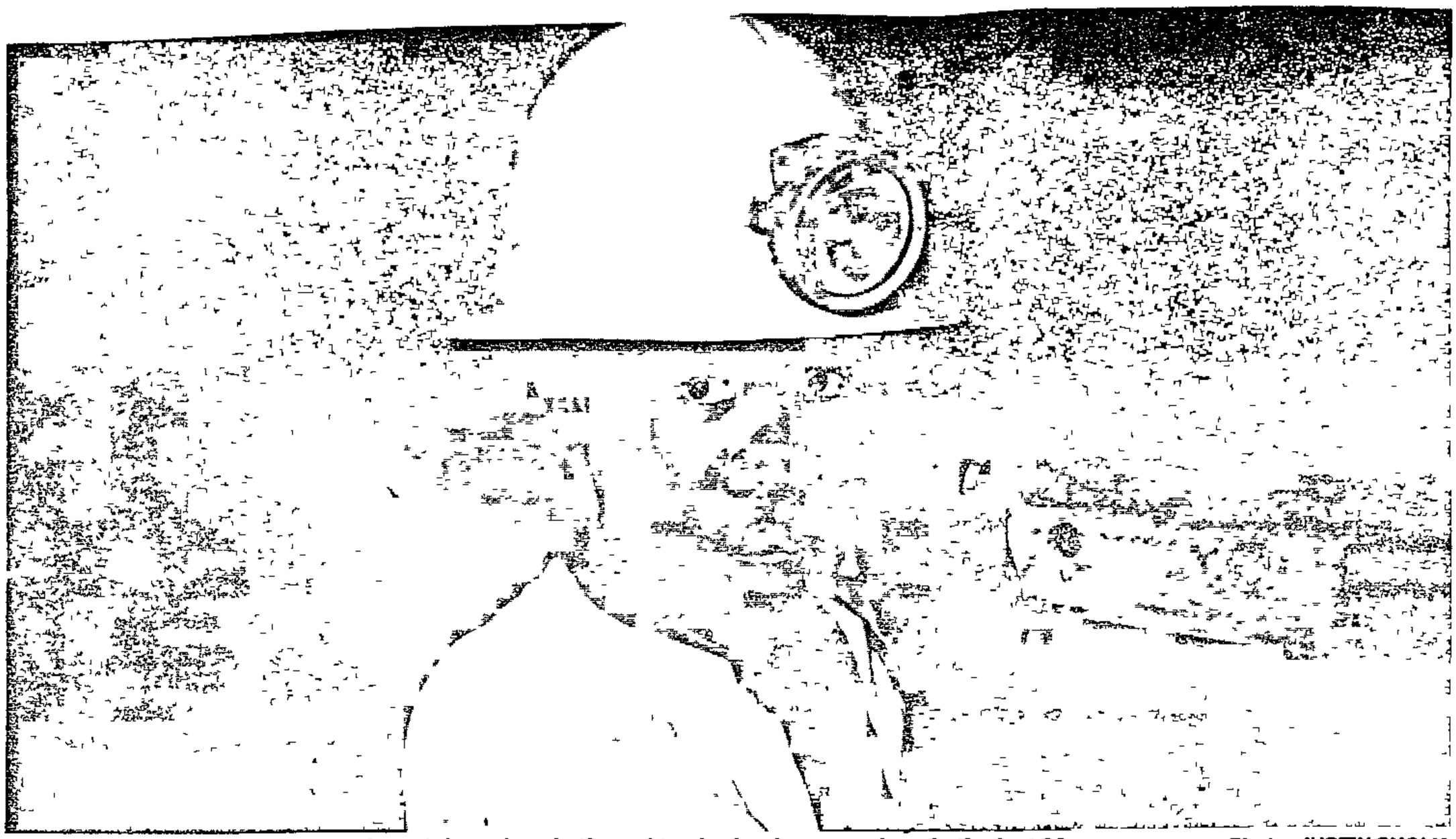
As the industry entered the 1990s the compounds, now renamed hostels, were occupied primarily by workers from South Africa and the "homelands", and they were controlled more by unions and the workers themselves than by management

The reasons behind these rapid (for South Africa) changes in the social and political structure of transient mineworkers are probed in detail in Wilmot James' book Between 1987 and 1990, 60 000 jobs became redundant, due to high HIV-positive results workers from Malawi were no longer employed, militancy among Xhosa and Basotho workers drastically reduced their employment, and a majority of miners came to regard their employment as permanent, thus reducing the need for constant recruitment

This created an atmosphere of comparative stability in the hostels, an ideal opportunity for union organisers to turn this closed system to their advantage and — with a relaxation by management on its stance against black unions — to canvass for members The sociological cause and effect of these changes on mineworkers, the mines, management and the South African labour movement are explored minutely, as are the consequences for foreign countries.

James is associate professor and head of the department of sociology at the University of Cape Town He writes clearly and concisely and does not require of the reader a specialised vocabulary During the two decades of which he writes, changes were afoot of which little is known, or cared about, by the man in the street — it is time we woke up, and James' book is an excellent place to start

Colin Crapper



Deep down . . Important changes have taken place in the political role of mineworkers in the last 20 years Photo. JUSTIN SHOLK

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Colin Crapper

Miners get R15,6m bonus

MATTHEW CURTIN

WORKERS at Randfontein Estates gold mine have won nearly R16m in productivity bonuses in the past nine months, equivalent to a 12% pay hike in addition to their basic 4% pay award last year

Randfontein, the low-grade low-cost producer in the Johannesburg Consolidated Investment (JCI) gold division, paid out R5,2m to workers in the March quarter, for the third consecutive quarter.

The award comes before annual wage negotiations in the industry The renegotiation of performance-related bonuses is expected to be a key issue, although the NUM has said it will not renegotiate bonuses at the wage talks

The JCI bonus scheme was implemented at its three mines last year, independent of the union which is not recognised on the mines, but only workers at Randfontein have benefited. Western Areas struggled to break even for the third quarter running, posting an increased loss from its gold mining activities

Overall, the JCI mines posted a 2% increase in after-tax profit in the March quarter to R60m from R58m.

In spite of an acceptance by the mines of continued low gold prices, gold division chairman Kennedy Maxwell said yesterday that the longer-term outlook for gold "holds considerable promise" He predicted demand would exceed supply from the end of the year.

"Sales of gold from central banks may move in to meet this shortfall, but the perception that physical demand is in excess of new production and secondary supplies should boost gold prices," he said

At a news conference in Johannesburg, he said jewellery and investment demand for gold in Southeast Asia and the Far East continued to grow

● See Page 7

FM 24/4/92 (211)

MINE WAGES

Up against reality

Perhaps more interesting than the wage increases proposed by the National Union of Mineworkers (NUM) for this year's negotiations with the Chamber of Mines — 20% minimum on gold mines and an average 55% at collieries — are the union's non-wage demands, in particular its call for the introduction of an "agency shop"

The agency shop is a variation of the closed shop, which compels employees to join the union Such an arrangement would require all workers, whether or not they are union members, to pay the monthly union subscription fee of 1% of the basic wage

The justification for this is that all employees automatically receive the benefits won in collective bargaining, even if they do not belong to the union It is the old "free-rider" problem

The agency shop raises the question of individual rights and freedom of association But the union's hand appears strengthened by the mines having, since World War 2, put up with a closed shop for the white unions, which would seem to make the milder agency shop proposal harder to reject in principle

The NUM has 133 850 members in recognised bargaining units on Chamber of Mines gold mines, plus 18 400 in coal mining units

Fm 24/4/92 (211) CURRENT AFFAIRS

— a total of 152 250 (excluding about 30 000 members who do not make up a bargaining unit) The total semi-skilled and unskilled work force is 364 000 (336 000 in gold mining) This means that, under the agency system, nearly 212 000 more workers would be expected to pay union dues, resulting in more money for the NUM

But the fee that would be required of non-unionised workers may not be as much as that paid by union members Another possibility, following practice in the US, may be that the fee goes to a charity of the worker's choice The chamber has yet to respond, it says it has received and is studying the NUM proposals

At a time of massive layoffs (1 500 at St Helena last month) and looming closures, largely as a result of the low gold price, the union has studied ways to offset relatively low wage rises in the present climate And employers have been conceding these

In 1990, the union won agreement on a provident fund Part of the package last year, when it got a basic 5% plus profit- and productivity-linked bonus, included additional union and social rights

The union is also seeking

- ☐ Recognition of elected, full-time shaft stewards at all mines plus 10 days' paid leave for them to attend union courses,
- ☐ An independent body appointed by the industry with powers to inspect and monitor implementation of agreements,
- ☐ The same holiday allowances and pension contributions for blacks as for whites,
- ☐ Greater compensation, retraining and opportunities for workers injured or diseased at work, and
- ☐ A full say in determining pensions arising out of mine accidents, and representation on the board of the chamber's Rand Mutual Assurance Company

The union claims it is, on the one hand, demanding gold mining wage improvements "which reflect the disappointing gold price and the problems many mines are experiencing" and, on the other hand, is pressing forward with its long-term aims to build a humane, progressive mining industry "in keeping with goals for a new SA"

NUM assistant general secretary Marcel Golding maintains the 20% increase proposed for gold mines is realistic and can be met by the industry, even if some mines are in trouble He suggests government subsidies are among "a whole range of policy instruments" which could be used to address the problem

It is worth noting that the metal industry, which also faces tough times, recently responded to union opening demands of between 20% and 42,6% by offering 6,4%

Of the 33 chamber gold mines, 17 are marginal — and labour costs account for half of total costs

With the gold price "fixed," the only thing that can be cut is costs Working costs on the mines rose just 6,5% in the past year So only retrenchment or a rise in the gold price will save the situation

Coal mines are getting back into world markets lost due to sanctions but the picture is not rosy and they are struggling to contain costs Conditions have in any case changed France, for example, has said it will again buy SA coal, but where it used to buy around 4 Mt or 5 Mt, or 30% of SA output, it will in future take only half-a-million tons at most, partly as a result of new nuclear power facilities

A date has yet to be set for the first round of chamber-NUM negotiations The NUM will, for the first time, be led by its new (acting) general secretary, Kgalema Motlanthe, whose bargaining mettle has still to be tested ■

Rand Mines silent on cuts

RAND Mines on Friday refused to confirm it was planning to cut 8 000 jobs at its Harmony gold mine. C/Press 26/4/92 (211)

Rand Mines' Sue Vey said instead no decision had been taken on how many employees would be laid off from the Orange Free State mine, or even if any would be laid off

Although rationalisation of the workforce could take place, nothing had been decided yet.

Boskop dispute resolved

(211)

Cipren 26/4/92

By DAN DHLAMINI

A DISPUTE over the alleged firing of miners from the Potchefstroom-based Boskop Training Centre was resolved this week

More than 1 500 mineworkers were retrenched from the western Transvaal mine and as a retrenchment package agreed upon by mine management and the NUM, the miners had to be trained in various skills, including driving, at Boskop Training Centre

But the miners had complained that they were not well treated by instructors and some of them were kicked out of the centre without even seeing the inside of a vehicle

This caused conflict between the NUM and the Boskop management, who allegedly accused the trainees of being undisciplined.

NUM spokesman Percy Dyonase said relations between the miners and instructors was strained, because the miners thought the farm labourers and trainees from the townships were receiving first preference

This, however, was denied by Boskop centre spokesman Teer Bosch, who said some trainees did not want to follow instructions.

However, the NUM spokesman said that the meeting with management was fruitful and had defused the volitile situation

He said everything was back to normal and Boskop had agreed that trainees could form a Grievances Forum

Harmony jobs toll seen as inevitable

61 Day 27/4/92 MATTHEW CURTIN (211)

JOB losses at Rand Mines' Harmony gold mine were unavoidable if the marginal producer was to stay in business, chairman John Turner said yesterday

Harmony plans to axe 8 000 workers, but will first discuss the issue with unions

Turner said the Free State gold mine had the "dubious distinction" of being the lowest grade underground producer in the SA industry, while also being the most efficient with an underground working cost of R114 a ton in the March quarter

Harmony's ability to forestall further cutbacks was dependent on productivity and cost control, of which a key element had been its treatment of surface material However, the benefit from the surface reserves was temporary.

He said yesterday that with an underground yield of only 3,4g a ton these factors meant the mine's working cost in the March quarter was R33 500 a kilogram, compared with the gold price of about R31 400.

Turner said there were no signs that gold prices would improve in the short term. Industrial and jewellery demand for gold had not increased recently. Poor market conditions had been knocked by additional supply from non-mining sources

After-tax profit at Rand Mines' four producers fell to R7,3m from R25m in the previous quarter

● See Page 5

De Beers to axe 350 Kimberley jobs

(211)

KIMBERLEY — De Beers Consolidated Mines has announced a long-term staff rationalisation programme at its Kimberley division, which comprises the Bultfontein, Dutoitspan and Wesselton mines

About 350 people are likely to be affected

The company said in a statement rationalisation was needed to change mining methods and reduce costs because of the age of the mines

The effect on staff would be minimised by the offer of employment elsewhere in the group, early retirement and a possible embargo on recruitment

CT 29/4/92

De Beers' Kimberley mines GM Hans Gastrow earlier denied rumours that the mines would close

NUM wage strategy under scrutiny

W/Mail 30/4-7/5/92 (211)

By DREW FORREST

THE threatened axing of 10 000 more jobs in the Free State gold fields has again thrown the spotlight on the National Union of Mineworkers' wage strategy this year

The NUM has confirmed that management at Rand Mines' Harmony mine, near Virginia, had informed it that 8 000 jobs are at risk. It is understood no final decision on retrenchments has been made

In response to the continuing stagnation of the gold price — hovering at around R980 an ounce, much the same as in the late 1980s — Genmin's St Helena mine in Welkom recently announced that it is to shed 1 200 jobs.

Some NUM insiders insist that the central committee's (CEC) January decision to reject productivity bargaining was one of principle — based on the undeniable fact that it violates standing union wage policy

But assistant general secretary Marcel Golding this week said the CEC had set its face against "the particular form and problems emanating from" bonus agreements reached on healthy mines in terms of last year's landmark wage deal.

This suggests that if employers address some of the NUM's complaints about existing schemes, there may be room for manoeuvre. Complaints include the "minimal" involvement of workers in setting and revising targets, management's refusal to supply information on the state of mines, the blocking of union meetings where bonuses would be discussed and the use of bonuses as a disciplinary weapon.

Gengold MD Gary Maude

But Golding also stressed that the NUM's upcoming bargaining seminar would look at alternative ways of addressing the "structural crisis in the gold industry", in preparation for Chamber of Mines wage talks beginning in mid-May.

One option known to be up for consideration is a differential basic wage, with no productivity component, taking account of the circumstances of particular mines

Anglo American, Johannesburg Consolidated Investment and Genmin have all said they will push for a renewal of bonus schemes, if necessary amended to meet union objections, warning the NUM "not to throw out the baby with the bathwater"

This week Gengold managing director Gary Maude told *The Weekly Mail* he favoured the linking of bonuses to profits, rather than productivity or cost-cutting

The NUM accuses the group of paying the lowest bonuses in the industry, despite its recent posting of a 47 percent profit increase But Maude stressed that factors other than worker performance were responsible for the improved results.

"The current bonuses are treated as an incentive, and I don't believe they work," he said. "The aim should be an honourable wage increase in line with inflation, and workers should share in any windfall profits "

He defended Gengold's "capping" of bonuses at four percent of the basic wage — a key complaint of the NUM, which stresses that this is not the practice in other groups — by saying it averted large bonus fluctuations, which were difficult to explain to workers

●Anglovaal, which fought shy of last year's production bonus agreement, has said it may consider bonus schemes this year — but only in the event of a "very low" basic increase in the chamber negotiations

EDUCATION

Turn mine hostels into classrooms'

W/Mail 30/4 - 7/5/92

The National Union of Mineworkers' president has come up with an innovative plan — using hostels as classrooms for miners.

By PORTIA MAURICE

(211)

HOSTELS in the mining industry may be turned into evening colleges where workers learn to read and write and undertake advanced study

This was proposed by the National Union of Mineworkers' president, James Motlatsi, at NUM's third national education conference in Johannesburg last weekend

He said black miners would be involved in managing the industry in a post-apartheid South Africa, but it could take a decade or so to produce the necessary skills. They needed to be trained as administrators, accountants, managers, technologists and geologists

"Education in this country has been conceded to blacks only in so far as industry needed literate cheap labour," Molatsi said. "The (education) policy for blacks has been as callous, vindictive and brutal as slavery itself."

Because miners would be too tired to study after a day underground, he said the 60 000-strong NUM should pressure employers for a few hours paid educational leave each week.

"The Chamber of Mines must agree to provide the rooms, the teaching aids and other facilities and pay the instructors," he said. "We will provide the instructors, devise the syllabi and encourage workers to become involved. We will give it the credibility a management scheme would lack. I want every hostel to become a place of learning so that everyone is drawn into it."

Such a scheme could also break the "moodiness" which results in violence and faction fighting. "Tribalism and nationalism feed on ignorance, deprivation, frustration and a lack of confidence in the future"

Nineteen NUM members are currently studying a variety of management subjects at Cuban universities.

Motlatsi said the union could bear the cost for an education college to provide comprehensive organisational skills training. This, he said, could no longer be done through occasional day or weekend schools

"We need a college for cadre training with residential facilities, where members can study for from one to nine months and where existing officials, from the president downwards, can receive refresher courses to bring them up do date with the latest thinking," he said

More gold mine job losses

JOBS in the gold mining industry are still set to take a knock Rand Mines announced it was to axe about 8 000 workers and Southern Life economist Mike Daly predicted more jobs would be shed in the industry Daly said in view of gold's having reached a seven-year low of $337 earlier this month mining companies would have no choice but to shed labour (211) (244)

W/Mail 30/4-7/5/92

BUSINESS DAY, Thursda

NUM challenges Bartlett's refusal to pass pay award

B/Day 30/4/92 (211)

SUSAN RUSSELL

THE National Union of Mineworkers (NUM) has launched a court challenge against the Mineral and Energy Affairs Minister over his right to impose limits on wage payments the Council for Mineral Technology may make to employees.

The NUM's application, which began before Judge C Plewman in the Rand Supreme Court yesterday, follows a wage dispute between the union and Mintek, which went to arbitration in 1989

Workers had rejected Mintek's 4,2% pay-increase offer. The arbitrator awarded workers 20%, but Minister George Bartlett refused to allow the award to be implemented

The arbitrator's award had been made subject to the Minister's approval But approval to implement the award was denied.

The refusal was made on the grounds that in terms of a section of the Mineral Technology Act Mintek had to pay its workers in accordance with a system approved from time to time by the Minister

According to court papers this "system", known as "framework autonomy", has the effect of imposing a "maximum employment cost figure per employee" in a particular group

This means there is a ceiling placed on the renumeration members of that group as a whole may recieve.

The NUM is seeking an order declaring that

- The Minister exceeded his powers under the act by imposing a maximum employment cost-figure on Mintek,
- His powers were limited to approving a system which may be used to determine renumeration, but that it is up to Mintek's board to determine precisely what that payment should be,
- The NUM contends that the Minister's approval of the framework autonomy system is based upon a misinterpretation of the relevant section of the act and by approving the system he exceeded his powers

It was also argued on behalf of the union that by refusing to implement the arbitrator's award, the Minister failed to exercise a proper discretion by adhering rigidly and inflexibly to the framework autonomy system

Argument continues today

Miners take home more

B/Day 4/5/92

JONO WATERS

GOLD mining employees increased their share of the industry's turnover by 6,5% in 1991, the Chamber of Mines reported in its April newsletter (211)

Employees' earnings rose from R6,7bn in 1990 (36% of turnover) to R7,9bn last year (42,5%)

The industry achieved a turnover of R18,7bn in 1991 — nominally higher than the R18,6bn in 1990

The value-added statement showed lower cost inputs at R6,7bn in 1991 (R7,7bn). This reduction arose primarily from decreased expenditure on stores and material from R4,3bn to R3,3bn.

The newsletter also reported that mining industry employees boosted their personal cash savings.

The industry savings fund, Teba-Cash, which operates employee savings facilities at most of the country's bigger mines, reported a growth of 20% to R295m (R246m)

Marxist places black miners in history

B/Day 4/5/92

(211)

THE HISTORY OF BLACK MINEWORKERS IN SOUTH AFRICA, Volume 1, by V L Allen (The Moor Press, R60)

PROFESSOR Allen's book, the first of a two-volume comprehensive history of the lives and struggles of black miners over the past 120 years, was commissioned by the NUM

Its aim is to "place black mineworkers into a central, determining role in SA history (by) rectifying the grotesque omission of blacks from the history of their own society".

In a country where "official" histories are notoriously skewed, that is an honourable task And given that it is the first real shot at tackling the history of the mining industry from the standpoint of black workers, it succeeds well

The information for the 490-page book was drawn from a wide array of primary (mainly government, industry and trade union documents) and secondary (academic and research studies) sources, as well as 200 oral interviews with miners However, only a few of the miners actually worked in the period 1871 to 1948 dealt with in this volume.

Sadly, as Allen explains in the introduction, the vast archival resources of the various mining houses were generally not made available to the author on the grounds that they are private collections This seems petty and shortsighted, especially as the NUM and the Chamber of Mines now have agreed to disclose information

Allen, a former professor of sociology at Leeds University who made contact with the NUM through its British counterpart, is a Marxist of the "born-again Stalinist" variety So while his analysis is rooted in the class struggle version of history, it is not as turgid a read as, for example, the SACP's much shorter account of the 1946 miners' strike

From the beginnings of the diamond diggings in 1871 (and for that matter, the working class in SA) to the defeat of the 1946 miners' strike, the collapse of the African Mine Workers' Union and the election of the NP in 1948, the book weaves a tale of black miners continually struggling, with and without organisation, against huge odds

The roots of many of the current issues raised by the NUM are explored — racism and the colour bar, the compound system, the labour reserves (read homelands) and the destruction of the peasantry, cheap labour, "native" recruitment and the migrant labour system

In addition, industrial relations landmarks like the 1920, 1922 and 1946 strikes, the trade unions of the period, and the impact of mainly left-wing politics on the union movement, are dealt with in detail

The dedication — "to the millions of black mineworkers who have been used and maimed and whose lives have even been claimed to create a prosperity in SA in which they have never been allowed to share" — is a mouthful

Ironically, for most black miners the book will be too Despite being sold at half price to NUM members, few will read it because few can

DIRK HARTFORD

Share payout for workers

(211)

DIRK HARTFORD

ABOUT 130 000 Anglo American and De Beers workers will soon be able to decide whether to cash in shares given to them five years ago.

The shares' total value at current prices could exceed R70m B/Day 7/5/92

All Anglo employees who accepted the offer had shares placed in trust each year since 1987. Five years ago, Anglo shares were worth about R80. Today they average R120.

A similar scheme applied at De Beers, where shares worth R40 in 1987 now average R90.

When the scheme was announced, the NUM condemned it as an attempt to buy workers into capitalism Workers were encouraged not to accept the offer As a result, about 30% refused free shares. At one De Beers mine, almost all workers declined the offer. The NUM could not be contacted last night.

Workers at Anglo head office are already able to cash in their shares, but an Anglo spokesman said most had left them in the trust.

□ Outside of the share scheme, some mine workers have substantial savings An industry fund called Teba-Cash had nearly R300m in deposits last year.

Careers Expo 1992
12, 13, 14 May 1992
12·00 19·00 Daily

The Technikon Witwatersrand is running a careers programme next week to help matric pupils.

Excellent mining opportunities

STAR 7/5/92 (211)

The mining industry is by far the most important industry in the South African economy and offers excellent career opportunities

The school offers courses in Coal Mining Economic Geology, Extraction Metallurgy and Mine Surveying

The diplomas provide students with both the theoretical and practical knowledge skills applicable to the middle management position on mines

At the National Diploma level all the necessary practical and theoretical knowledge required for an individual to competently carry out supervisory positions in the production mining discipline are catered for

At National Higher Diploma level, advanced practical and theoretical knowledge is gained, sufficient to competently carry out the job requirements of a middle management position on a mine

Entry requirements

- A matric certificate with a D in mathematics (Standard Grade) or E symbol (Higher Grade) A science subject at this level is a distinct advantage
- Medical fitness
- Good communication skills — be able to make unsupervised decisions and enjoy a challenging job

Students usually have some form of experience in their chosen careers

Before being accepted you must try to obtain employment as a "student mine official" at a mining house, or obtain sponsorship from the mining house that will include the initial introduction to the industry and a conditional promise of practical learning

"Private" students may be accepted on the understanding that they cannot proceed to second year before obtaining their first level practical learning opportunities available only through mining institutions

Prospective students should contact the Manpower Departments of the Mining Organisation to obtain employment or bursary opportunities If this is not successful you can contact the Head of the Mining Department at the Technicon Witwatersrand

These technologists help to build future

STAR 7/5/92

The field of expertise of the qualified architectural technologist is mainly in construction methods and materials

This expertise is employed to translate achitectural designs into technical drawings and specifications used for the construction of buildings

Employment opportunities exist with architectural practices, government institutions property developers and others The technologist communicates by graphic means and prepares drawings for building contracts

A technologist s job is mainly to advise and make decisions about building materials and elements and how they are assembled to form effective buildings Other skills include presentation drawing surveying (using optical instruments) office management building site supervision negotiations with local authorities and application of building regulations

The first and third year of the Architectural Technology course require full time study The second year entails working for a firm of architects whilst studying part time

Entrance requirements include matric with mathematics and the successful completion of a one day selection programme

Classes commence in January of each year Applications should be made before August 15 of the preceding year and selection is done in December

Other courses are offered in Building Mechanical Engineering, Civil Engineering Chemical Engineering Construction Management and Quantity Surveying Electrical Engineering Metallurgical Engineering, Town and Regional Planning

The beauty business looks good

STAR 7/5/92

The beauty therapy industry is in a phase of growth and development and is currently realising the importance of well-trained therapists

People are required to walk into a job situation and combine theoretical knowledge with practical skills For this reason technicon diploma-holders are preferred as opposed to those training at private institutions.

Technikon-qualified therapists (National Diploma in Beauty Technology) are in high demand and job opportunities include positions at beauty salons, health spas, gymnasiums electrolysis clinics and cosmetics companies

Wits Technikon graduates have a good relationship with related paramedical and medical professions

They can broaden their scope by liaising with plastic surgeons, performing treatments such as manual lymph drainage, soft infra-red laser therapy cosmetic camouflage and other general pre and post operative maintenance treatments

Dermatologists may benefit from working closely with a beauty technologist performing highly skilled facial maintenance treatments to improve healing, reduce scarring and enhance recovery

The prospects and advancements in pursuing a career in Beauty Technology are almost endless

Making the right choice

STAR 7/5/92

Matric pupils in South Africa are currently faced with the single most important decision at this point in their lives — choosing a career

Their future happiness because of the satisfaction and fulfilment they will derive from their jobs will depend on this decision

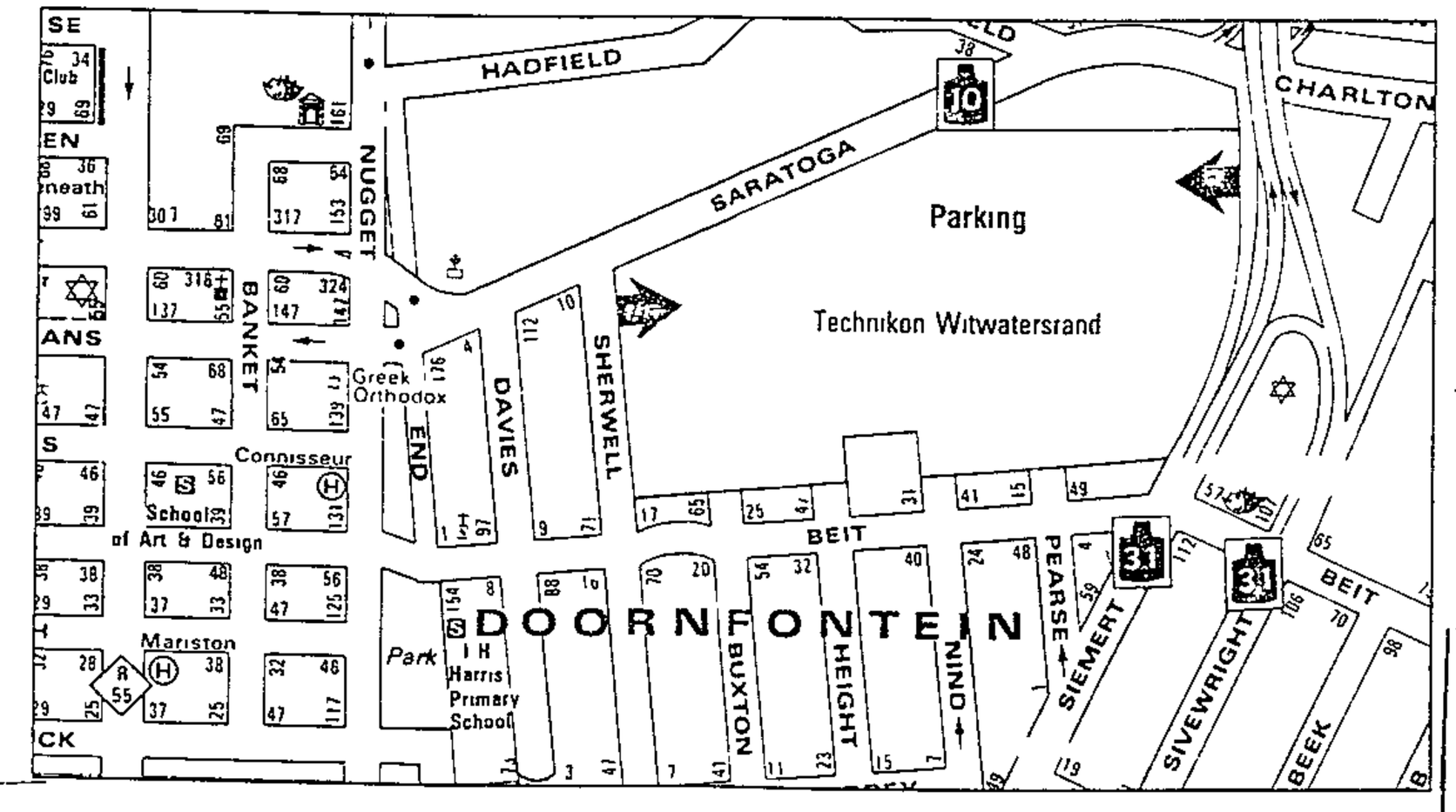
To help the country s matric pupils make informed decisions about this all important matter the Technikon Witwatersrand (TWR) will host a careers exhibition — Career Expo 92 — at its Doornfontein campus from Tuesday May 12 to Thursday May 14

On display will be no fewer than 50 possible careers — with academic staff at hand to give expert first-hand information and advice Visitors will also receive informative brochures to study at home

An additional 14 stalls will be manned by companies to give much needed information about career opportunities bursaries student loans practical training and many more aspects of your chosen career

Moreover a series of 50 lectures will be presented daily to explain the career opportunities offered by TWR Question and answer sessions will help to clear up uncertainty

Groups of pupils and teachers will be taken on tours of the campus and be shown such facilities as laboratories architectural and art studios



Reach for the sky

In the field of further qualifications the Technikon Witwatersrand offers the National Higher Diploma (one year) Masters Diploma in Technology (one year) and the Laureatus in Technology (Masters plus one year)

Competitive environment

STAR 7/5/92

The Clothing Technology department offers two courses National Diploma in Clothing Design (three years) and the National Diploma in Clothing Production (three years)

The South African fashion and clothing industry is the second largest employer after the mining industry

It is moving through a period of rapid technological change that creates a competitive trading environment

The fashion and clothing industry expects diploma holders to be commercially viable and productive from the onset

Where to go, and when, to clear up confusion about your career

STAR 7/5/92

Are you interested in studying but confused about how to go about it or what direction to follow? Attend the lectures on May 12 13 and 14 to find out more about the following programmes

Time — Venue 5309

2 pm Student Counselling (May 13 and 14 only)
3 pm Company Administration
4 pm Information Technology
5 30 pm Management (May 13 and 14 only)
18 15 Marketing

Time — Venue 4309

2 pm Ambulance and Emergency Care
3 pm Beauty Technology
4 pm Dental Technology
4 45 pm Food Technology
5 30 pm Medical Technology
6 15 pm Biotechnology

Time — Venue 2309

2 pm Chemical Engineering
3 pm Mechanical Engineering
4 pm Electrical Engineering (L/C)
4 45 pm Electrical Engineering (H C)
5 30 pm 7 pm Architecture and Town and Regional Planning

Time — Venue 1309

4 pm Personnel Management
5 pm Graphic Design

Time — Venue 5407

2 pm Packaging Management
3 pm Organisation and Work Study
4 pm Industrial Engineering
4 45 pm Production Management
5 30 pm Purchasing Management
6 15 pm Retail Business Management

Time — Venue 4407

2 pm Analytical Chemistry
3 pm Podiatry
4 pm Environmental Health
4 45 pm Radiography
5 30 pm Travel and Tourism

Time — Venue 2407

2 pm Food Service Management and Hotel and Catering Management
3 pm Building
4 pm Civil Engineering
4 45 pm Community College

Time — Venue 1407

3 pm Metallurgical Engineering
4 pm Student Counselling (May 13 and 14 only)
4 45 pm Secretarial Training and Office Administration
5.30 pm Public Relations

Employers asked to help with houses

(211)

Sowetan 7/5/92

By JOSHUA RABOROKO

THE importance of assistance in home ownership is becoming increasingly evident to employers, according to the South African Housing Trust (SAHT).

The time has come for employers to become involved in dealing with the housing needs of their employees

Recently Trans-Natal Collieries Limited, a large coal mining group within the Genmin group, commited itself to housing their employees

After consulting numerous companies and organisations, Trans-Natal chose to use SAHT with its somewhat unique approach to company housing schemes — using the bottom-up consultants method

"Through our commitment to finding housing solutions, the SAHT have proved to be the perfect vehicle for this rational holistic approach towards housing

"Trans-Natal realised that the search for housing solutions requires certain changes in management thinking

"This change is unilateral and it is evident that employers are taking steps to familiarise themselves with the housing circumstances and needs of their staff before adopting a housing policy, if necessary, in order that it may be best applied and to the benefit of all employees "

Housing schemes and policy are only effective if they are supported by the employees and they should therefore be involved in the setting up and implementing of policy

This approach is effective in establishing the preference and housing needs of employees A survey has been undertaken, using a sample of three mines in the Middleburg area

One hundred employees were interviewed at each mine with the assitance of the mine personnel These random samples were broken up evenly into categories, including age and income, in order to establish an even distribution of all employees

Only 44 percent of all employees wished to purchase homes within the area of their employment within the next year

Their reasons were varied and included the possibility of farming in their "home" areas as well as the extended family concept in the area of origin

It was therefore, ascertained that employees are prepared to spend R200 of their monthly income (over and above their housing allowance) on housing

About 40 percent of these employees earn between R500 and R800 a month which indicates that owning a home of their own has a high monetary value to them

"The findings enabled us to draw conclusions which not only relate to the size of the developments which are to be planned, but also to the type of product and price which would be acceptable

"The SAHT is now in a position to provide the best service to Trans-Natal "

Having access to the information, the SAHT can advise on housing policy, provide relevant training, and facilitate the housing of individuals on relevant SAHT projects

Employees' needs and preferences could therefore be considered when accommodating them on SAHT faciliated projects, bearing in mind cost and quality constraints

Where the SAHT did not deem it appropriate to initiate projects they can give advice as to possible other private sector project management services and can act as a consultant in this regard

Therefore (as a team) Trans-Natal (employer and employees) and the SAHT are in a position to successfully implement any housing schemes or policies the former finds equitable with its internal constraints and practices

NUM rescue plan for Harmony

Union seeks mine's help to save jobs

B/Day 11/5/92 211

ALAN FINE

THE NUM is seeking state aid to save jobs at Harmony gold mine and has asked Rand Mines to participate in a joint approach to government

On Friday the union submitted to Rand Mines a detailed memorandum containing a set of "tax neutral" proposals it wanted to be put to government. Rand Mines gold division CEO John Turner said he would study the proposals, but declined to comment further.

The mine's marginal status has forced it to begin planning the retrenchment of 8 000 workers.

Should a joint approach to government materialise, it would be the second such joint labour/management initiative, following the arrangement thrashed out last year in the clothing, textile and cotton manufacturing sectors

NUM negotiator Martin Nicol said the union was not seeking limitless state funds to save a declining mine. What it wanted was assistance "for a limited adjustment period"

Instead of the sudden loss of 8 000 jobs in the Virginia region and the areas of Lesotho from where many Harmony employees came, the NUM hoped state aid would facilitate a slowing down of the process

This would allow management and the union to carry out specific tasks — such as a retraining programme — "which would mitigate the effects of the retrenchments on individuals and on the region"

Nicol said the union proposals were based on submissions it had made to last June's mining summit on short-term measures to alleviate the industry's crisis

The NUM's argument that short-term relief can be granted without any net cost to the fiscus relies on the "knock on" effects of a mine's substantial downscaling

Although a mine operating at a loss does not pay any tax, the NUM says its operations benefit state coffers in five important respects employees' income taxes, direct taxes such as VAT they pay; RSC levies on the wage bill, mining lease taxes, and taxes paid by the mines' suppliers and their employees.

The NUM's calculations for 1990 estimated that the tax generated by a mine making no profit was worth R4 912/kg of gold produced Hence, the union argues, a subsidy of that order would be rational and justified

Nicol said on Friday that the figure for Harmony might be a little lower, but still substantial and certainly sufficient to allow for a a more gradual downscaling of operations

The union suggested to the summit that such a short-term scheme would permit the maintenance of a significant number of jobs, at the mine and suppliers, the maintenance of economies of scale by suppliers in the electricity, food and engineering sectors and prevent a sudden decline in an important source of foreign exchange earnings

The union believes, further, that a special case can be made for Harmony because the regional economy of the Virginia area depends largely on the mine

Rio Tinto mine strike ends after talks

NEGOTIATIONS resolved a strike by 2 300 copper miners at Rio Tinto's Phalaborwa mine in the northern Transvaal on Friday, and strikers agreed to return to work immediately, said a mine spokesman

An illegal sit-in strike involving almost the entire black work force started on Thursday when workers said they were unhappy about the employment of contract workers, especially security personnel

"Agreement has been reached between the company and the union for an immediate return to work" mine spokesman Paul Clothier said The union and NUM headquarters had agreed there would be no further further illegal strikes — Sapa

B/Day 11/5/92

NUM seeks state aid to rescue Harmony

(211) CT 11/5/92

Own Correspondent

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Mixed views on NUM rescue plan

B/Day 12/5/92

MATTHEW CURTIN

(211)

THE NUM plan for state aid to save jobs at Rand Mines' ailing Harmony gold mine received a mixed reception from analysts yesterday

Simpson McKie analyst Rodney Yaldwyn said if government agreed to the NUM scheme, it would re-establish a precedent of allowing marginal mines to run at a loss simply to preserve jobs

Government's guarantee of loans worth R220m and provision of financial assistance with a interest payments to ERPM, which was still far from profitable, showed that the ordinary taxpayer could be left bearing the burden of an uneconomic mine

Yaldwyn said a number of marginal mines could make similar arguments for state aid

However, Frankel, Max Pollak, Vinderine analyst Mike Brown said given current political concerns and the recession, arguments for financial assistance might hold sway with government

Brown said the NUM seemed to have a good case, "and if government can spend millions in drought relief, might it not be willing to consider relief for the gold mines?"

Mathison and Hollidge analyst Rob Gillan said the NUM's approach to Harmony's problems showed the union's 'maturing approach" to industry problems

Rand Mines plans to axe 8 000 jobs from Harmony, a low-grade producer with large reserves, but dependent on much higher gold prices to survive in its current position The NUM has proposed government provide assistance for a limited period to slow the rate of job losses, mitigating the knock-on effect to the local economy and allowing time for the retraining of miners

However, E W Balderson analyst Nick Goodwin warned time was the key to Harmony's financial security

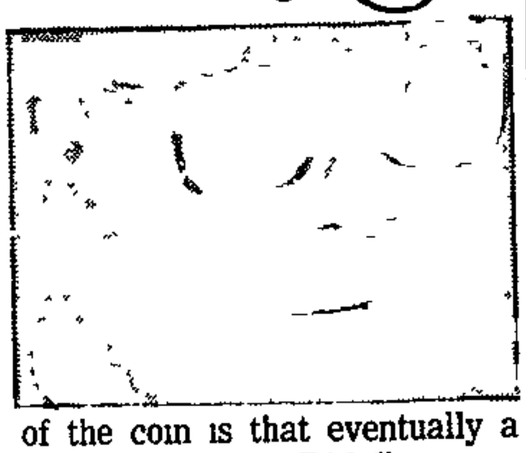
Harmony might not be able to afford the luxury of protracted negotiations over possible tax concessions

A Chamber of Mines spokesman said the chamber did not consider the issue "an industry matter", but one for Rand Mines and the union

Some sound reasons for helping Harmony

STAR 15/5/92

By Derek Tommey (211)



The National Union of Mineworkers has appealed to the government to help keep open the Harmony gold mine in the Free State where some 8 000 jobs are at risk

There are sound economic and social reasons for keeping Harmony in production — and also two other mines which are currently in difficulties, Loraine and West Rand Cons

Even at the present low gold price these three mines between them generate about R1 billion a year in foreign exchange The loss of this amount of foreign currency is something the country cannot afford in these difficult recessionary times

One of the main reasons for the current sluggishness in the economy is the low level of foreign exchange earnings

Because South Africa is not earning enough yen, pounds, dollars and Deutschemarks to pay for all the goods it would import if the economy was going full out, the Reserve Bank is having to keep the lid on economic growth

Losing another billion rand in foreign earnings would mean that the Reserve Bank would have to keep the lid on even tighter, which is not a desirable development when you have some 5 million unemployed or seriously under-employed people

At the same time, as well as helping the foreign exchange position, these three mines at the same time are pumping about R1 billion into the economy — and possibly between R2 billion and R3 billion when the multiplyer factor is taken into account

Not only would the jobs of the 12 000 or so employed on the three mines be lost should they close but many thousand more jobs throughout the economy, which would be quite disastrous

Admittedly, the Government will have to put its hand in its pocket to help these mines, and it is pretty strapped for cash at the moment But the other side of the coin is that eventually a large part of the R3 billion generated by this mines flows to the Treasury in the form of income tax, company tax, Vat and other imposts, which it can ill-afford to lose at the moment.

In fact by not helping these mines the Treasury could end up a net loser

There's another important factor A large part of the money invested in a mine is spent on shafts, haulages and other underground workings

If a mine is closed this investment, which can run into billions of rands, is gone for good, and the net loss to the community is large

Obviously the line must be drawn somewhere Some assessment must be made as to whether any particular mine is worth saving However, each of the three mines mentioned could have several years of life ahead of them if the gold price rises slightly — or aid is forthcoming

And there is a good reason for expecting an improvement in the gold price in time The current low price of the metal can be easily explained by the worldwide recession in which not only gold but most other commodities have been hit hard.

The recession is now ending and a slow but steady improvement in all commodity prices seems likely, which suggests that any aid is unlikely to be needed for long

It's worth taking the chance, especially if it avoids what would be a tragedy in human terms

Pay talks focus on productivity deals

(211) ALAN FINE

ANNUAL wage negotiations between the NUM and the Chamber of Mines are scheduled to begin tomorrow, with the likely focus on wage increases, productivity deals, and a number of non-wage issues.

The NUM has voiced unhappiness over the operation of last year's historic productivity and gold price-linked settlement.

But industry sources believe the state of the industry means a further productivity deal — perhaps a revised and improved version of last year's — will be the only way for the union to win significant increases for at least some of its members.

Across-the-board increases last year averaged 5%, and the bottom line in this respect is unlikely to exceed that level.

Meanwhile, NUM negotiator Martin Nicol confirmed yesterday that the union and Rand Mines had agreed to approach Mineral and Energy Affairs Minister George Bartlett for discussions on the downscaling of operations at Harmony gold mine However they had not yet agreed on the basis of their joint approach

Nicol said Rand Mines appeared unwilling to make requests to government not based on "strict business principles"

On the other hand, while the NUM accepted that a measure of retrenchment was necessary to ensure the mine's longer term future, its proposals included provision for a limited and temporary subsidy to slow down the downscaling of operations.

It also sought assistance with retraining of retrenched miners and development assistance for Virginia, the mining region affected, and the region from which the workers originated, Lesotho.

☐ Rand Mines gold division CEO John Turner said it would be inappropriate to comment before finality had been reached.

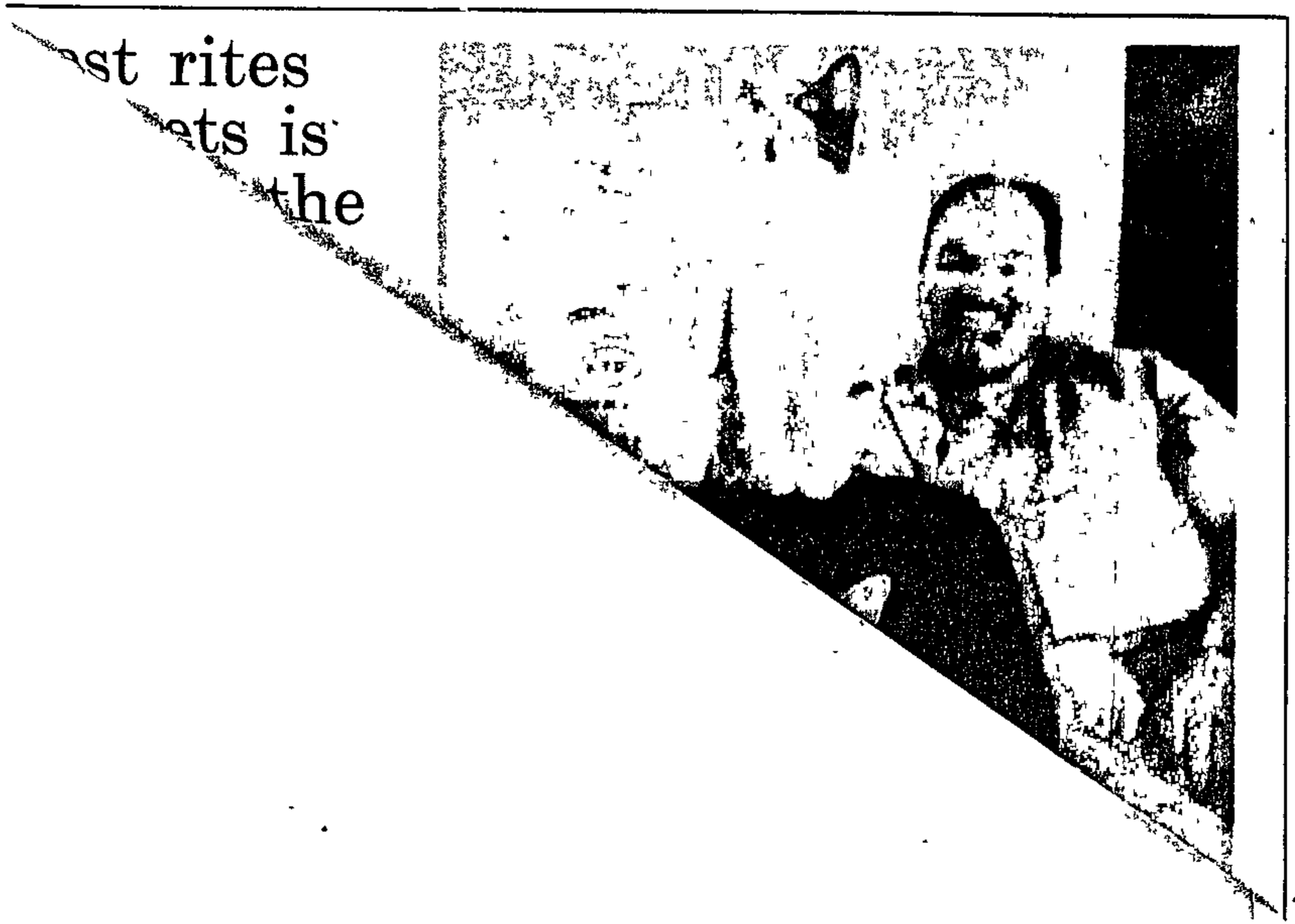
B/Day 18/5/92

18/5/92

NUM set for crucial wage talks tomorrow

(211)

ARG 18/5/92



The Argus Correspondent

JOHANNESBURG — Crucial labour negotiations begin tomorrow when the country's biggest trade union, the National Union of Mineworkers (NUM), meets one of the largest employers of black labour, the Chamber of Mines, to negotiate wage increases for about 200 000 workers

Because of the crucial role of gold in the country's economy, the outcome of the talks affect more than just the workers and the mining houses.

This year's talks promise to be the most difficult and protracted for the union

With the gold price at its lowest in seven years at 340 US dollars an ounce and approaching the wage talks without the shrewd negotiating skills of their former general secretary, Mr Cyril Ramaphosa, the NUM might settle for a hike that is well below the inflation level

The NUM's opening demand is 20 percent for gold miners and 50 percent for coal miners

Any drastic increase in miner's wages would place thousands of jobs in jeopardy, especially in marginal mines struggling to keep head above the shaft, so to speak

NUM spokesman Mr Martin Nicol said that although the union was worried about large-scale retrenchments in the mining industry, these had not been put on the agenda for the wage talks

They already were being dealt with in terms of agreements reached with employers during the Mining Summit last year, which sought to find a solution to the crisis situation in the industry

Chamber, NUM wage talks begin

B/Day 20/5/92 (211)

MATTHEW CURTIN

NUM and Chamber of Mines wage negotiations kicked off in Johannesburg yesterday, with employers offering a 4% wage increase on gold mines and rejecting key non-wage issues.

NUM assistant general secretary Marcel Golding said last night talks would be "extremely tough" in the wake of the chamber's offers

The union has demanded a 20% pay award on gold mines, and proposed introducing an "agency shop" in its non-wage proposals, an issue which analysts say will spark fierce debate among employers.

Golding said the NUM had rejected the chamber's response to its proposal that an agency shop be introduced in the industry.

An agency shop is a compromise between the closed shop — where all workers are required to belong to a trade union at a firm or in an industry — and a system allowing so-called free riders, workers who are not union members but who benefit from gains won by a union for the whole workforce

An agency shop agreement would see mineworkers pay a fee without having to join a union. When it tabled its demands in early April, the NUM proposed that non-union members pay the same subscription as members into union coffers

Golding said the chamber rejected the proposal, arguing it ran against the principle of freedom of association, but did not substantiate its position. He pointed out that white unions in the industry operated on a closed shop basis

The NUM said its demand for a 20% pay hike on the gold mines took into account poor gold prices and difficulties at particular mines. Minimum wages stand at between R413 and R575 a month.

The slump in the sector has accelerated the rate of retrenchments in recent months, now running at about 3 000 a month The NUM and Rand Mines plan to approach government for tax concessions for the Harmony gold mine to soften the blow of 8 000 retrenchments planned at the mine

In 1991 the NUM agreed to a pay award of about 5%, with provision for productivity bonuses, but its central committee rejected the scheme in January Analysts said the union was more likely to argue for differential wage increases depending on conditions at individual mines this year.

Golding said the union had not received wage offers from Gengold's Bracken and Leslie mines, nor Rand Mines' Blyvoor and Harmony However, the NUM was not prepared to discuss wage and non-wage issues outside of the central bargaining unit in place in the sector

He said the chamber had agreed to other non-wage issues, including medical aid for mineworkers' families and pay for union members involved in the wage talks

The chamber offered wage increases of 5% to 10% on coal mines, against NUM demands for an average 55% wage hike.

Wage talks between the chamber and the white mineworkers' federation, the Council of Mining Unions, began on Monday

Tough NUM, Chamber talks ahead

(211)

CT 20/5/92

Own Correspondent

JOHANNESBURG — NUM and Chamber of Mines wage negotiations kicked off in Johannesburg yesterday, with employers offering a 4% wage increase on gold mines and rejecting key non-wage issues

NUM assistant general secretary Marcel Golding said last night talks would be "extremely tough" in the wake the chamber's offers

The union has demanded a 20% pay award on gold mines, and proposed introducing an "agency shop" in its non-wage proposals, an issue which analysts say will spark fierce debate among employers

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Rand Mines negotiates retrenchments

B/Day 21/5/92 (211)

MATTHEW CURTIN

RAND Mines is negotiating possible large-scale retrenchments with employee representatives at its Blyvooruitchzicht mine

A Rand Mines spokesman said last night that the Carletonville gold mine's dwindling ore reserves and low gold prices made restructuring necessary

It is understood that the retrenchment plans are similar to those under discussion at Harmony, where Rand Mines plans to cut 8 000 jobs

NUM officials were not available for comment last night The union has said Rand Mines excluded Blyvoor and Harmony from the industry wage offer — of a 4% pay increase — made on Tuesday

Blyvoor employed an average of 9 326 workers in the year ended June 1991, down from 10 711 in 1990

The mine, near the end of its economically viable ore reserves, posted a R21m after-tax profit in the year-ended June 1991 After-tax profit fell to R2,7m in the 1992 March quarter (R5,2m in the December quarter)

Bosses want pay freeze in a bid to save mines

(211)

MATTHEW CURTIN

Harmony B/Day 22/5/92.

RAND MINES has proposed a wage freeze to help save its Blyvooruitzicht and Harmony gold mines which employ nearly 30 000 workers

NUM assistant general secretary Marcel Golding said last night Rand Mines had proposed a postponement of annual pay talks at both mines until September 1. That would give management time to work out a strategic plan to rescue the mine

Harmony paid out nearly R4m in productivity bonuses to workers last year, but as a high-cost, low-grade mine, it has been hit badly by poor gold prices Blyvoor has dwindling payable underground ore reserves, likely to be exhausted by the mid-'90s, a problem exacerbated by low gold prices

Golding said the proposals were unacceptable to the union which would meet Rand Mines on May 27 to discuss Harmony's and Blyvoor's positions Rand Mines was planning to cut 8 000 jobs at Harmony

Golding said management had pointed out that Blyvoor was in "serious trouble", but had not raised the issue of retrenchments at this stage

Rising costs, weak gold prices and poor forward sales opportunities cut Blyvoor's after-tax profit in the March quarter to R2,7m from R5,2m in the previous quarter.

Rand Mines excluded the mines from the 4% wage offer made by the Chamber of Mines to the NUM on Monday The NUM is demanding a 20% wage hike.

Round two of wage negotiations between the chamber and the union takes place on June 1, when the chamber will respond to the NUM's rejection of its wage offers and some non-pay proposals

Rand Mines management declined to comment last night

BOOKS

Mineworkers given central position

W/mail 22/5-28/5/92 (211)

THE HISTORY OF BLACK MINEWORKERS IN SOUTH AFRICA Volume I
by Vic L Allen (The Moor Press, R60)

IN 1943 the government established the Witwatersrand Gold Mines Native Wages Commission The African Mine Workers Union (AMWU) submitted a statement to this commission in which it publicised statistics the Chamber of Mines would rather have left under the rocks they came from

"In 1940, 37 826 European employees received in wages alone £18 974 600 — an average wage of £1 11 10 per shift (312 shifts per annum) In the same year the 344 897 non-Europeans received £12 418 106 pounds, an average wage of 2s 3d and two-thirds pence per shift"

In the introduction to *The History of Black Mineworkers in South Africa*, Vic Allen, a British sociologist, tells of his difficulties in trying to get hold of this statement by the AMWU No library in the country has a copy of this historic document Allen got a copy from Jack Simons, the veteran South African activist and academic who was then resident in Zambia

Allen goes on to tell of the many other difficulties he had in trying to get the assistance of the mining houses and the Chamber of Mines for this history His difficulties, similar to those experienced by many other researchers over the years, are perhaps indicative of the importance of this book

While there have been many historians and sociologists who have attempted to tell the history of South Africa from the point of view of the silent majority, there has not been a history devoted solely to mineworkers There have been many studies of the industrialisation of South African society and in such histories the mineworkers inevitably feature, but never have they been the centre of attraction as they are here

The immediate comparison one makes with this history is Charles van Onselen's study of African gold mineworkers in colonial Zimbabwe, *Chibaro* (published in 1976) But Allen's history is very different Where Van Onselen tells the story of the individual struggles and social conditions of mineworkers in a collective situation, Allen concentrates more on collective mass struggle and the political and economic conditions which gave rise to the particular situation of black gold mineworkers, and how the workers in turn affected these conditions

Rather than just a straightforward history of mining in South Africa from the 1860s on, Allen divides his book into three main parts "Years of Destruction", "The Traps" and "Survival and Protest 1912-1948"

Part one deals with the destruction of traditional African economies and societies which took place as a result of industrialisation from the mid-19th to the early 20th century Allen relies on the pioneering work done by prominent southern African historians, such as Colin Bundy *(The Rise and Fall of the South African Peasantry)*, William Beinart, Shula Marks, Richard Rathbone, Patrick Harries, Anthony Atmore and Van Onselen

This is necessary and understandable What Allen does with these sources is to focus on the way in which labour was created for the mines Work on the mines was initially a form of resistance in that it acted as a source of income for the tribal economies It was also a form of resistance because much of the money earned on the mines was used to buy guns to fight against white encroachment on tribal lands Opting to work on the mines was of course not voluntary in all cases

In looking at the genesis of racism on the mines (and in South Africa) and the imposition of a money economy on the people of South Africa, Allen goes back to slavery — but in doing so makes some rather all-encompassing statements, which seem to reflect a desire to prove his progressive non-racialism rather than an analysis of the political economy of the region

The first such umbrella definition he uses is to equate all forms of oppression and racism with slavery Referring to the legacy of slavery, Allen says "free people became slaves without losing either their legal or material freedom", and "blacks moved into contractual economic relations from the position of slaves or their equivalent"

His next umbrella statement is the definition of class according to race "The Cape in the 19th century became a two-class society with blacks of all kinds and shades in one class and whites in the other"

While this assumption is not overtly promoted and land-owning classes of blacks are acknowledged during the early stages of industrialisation, the rest of the history portrays blacks as coming from a society in which class disappeared once organised resistance to white colonisation ended

In describing the means used to keep blacks as an unskilled, uneducated labour force, Allen says "African people were uniformly denied access to education and skills to retain them as an *amorphous mass* of cheap unskilled workers" (my emphasis) There is no doubt about this, but one gets the feeling that Allen too treats the black mineworkers as an amorphous mass

This is obviously not a social history but a history written by an industrial sociologist It is a record, and a very thorough one, of organised opposition against the monolith of the mining houses

The third part of the history begins in 1912 While this was two years after the Union of South Africa was formed and a year before the infamous Land Act was passed, the only apparent reason for choosing such a date seems to be the formation of the African National Congress

Similarly the history — of which this book is Volume I — is supposed to end in 1948 but actually ends with the 1946 black gold mineworkers' strike Allen obviously decided the rise to power of the Nationalist Party in 1948 was a significant milestone in the lives of black mineworkers

Between the two dates the black mineworkers went on strike twice, in 1920 and 1946 Allen goes to great lengths to place these two important events in context and analyse the array of forces that influenced these strikes Between the two strikes the Communist Party became the first coherent non-racial force against apartheid in South Africa, the Industrial and Commercial Union was born and died and the AMWU came into being

It is in the inter-war period and in the lengthy build up to the 1946 strike, which included the 1943 Lansdown Commission, that Allen's history offers a new perspective His sources for this period are mainly first-hand accounts in the form of interviews with Communist Party and AMWU activists and newspaper reports, especially those of *The Guardian*.

As a whole this history conglomerates the multifarious aspects of southern African history that led to the particular form which gold mining took For this reason it is a valuable contribution to the invisible people in South African history

While I look forward to volume II of this history, I find the "The" of the title somewhat presumptuous a modest "A" would have been better There are many areas yet uncovered and histories to follow, especially in other types of mining such as copper, platinum, diamonds (after 1900) and so forth

And I certainly hope the National Union of Mineworkers, which initiated this book, makes a concerted effort to make it accessible, in terms of price and educationally, to the people whose history it tells

Richard Bartlett

LABOUR

LABOUR BRIEFS

Radio workers get active

w/mail 22/5-28/5/92

NO news was not good news on SABC's TV2, TV3 and all the black radio stations this week when 1 200 striking workers brought broadcasts to a standstill.

The strikers, who picketed outside the SABC for most of the week, vowed to continue striking for 1 000 days if necessary.

The strike is the result of a protracted wage dispute between the SABC and members of the Media Workers' Association of South Africa.

Mwasa initially tabled a demand for a 30 percent wage increase and a R1 500 minimum wage but dropped this to a demand for a staggered increase of 20 percent with the same minimum wage.

The SABC is offering an 11 percent across-the-board increase and a minimum wage of R1 200 and the union has reverted to its initial demand.

A Mwasa representative said talks broke down in Durban on May 8. He said that the union had tabled a high demand to take into account the debts their members had incurred in the past year after securing increases of only four percent last year.

Partial accord in public sector

THE government this week concluded wage agreements with five public sector employee organisations this week. They settled on 9,2 percent increases. The lowest-paid public servants will receive increases of between 16 and 32 percent when the three lowest salary notches are abolished.

The remaining six public sector unions walked out of wage negotiations on Tuesday in protest against the government's earlier offer of an 8,5 percent increase.

National Education Health and Allied Workers' Union general secretary Philip Dexter said 800 public sector workers were arrested this week after holding sit-ins at various hospitals in Klerksdorp on Monday and Tuesday.

w/mail 22/5-28/5/92

Nehawu will also hold marches around the country next week. The union is holding out for a 15,3 percent increase with a R724 minimum wage.

Mine wage talks begin

WAGE talks in the mining industry kicked off in Johannesburg on Wednesday this week. Employers tabled an offer of a four percent wage increase on the gold mines while the union is pushing for a 20 percent wage increase.

The Chamber of Mines rejected the National Union of Mineworkers' demand for an agency shop on mines where it enjoyed a majority membership. The agency shop is a form of closed shop where non-union members pay a percentage of the union subscription fee to pay for benefits negotiated by the union.

It is a way of preventing free riders says the union. w/mail 22/5-28/5/92

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w/mail 22/5-28/5/92

Save jobs or save an industry

STAR 25/5/92

THE POOR state of the South African economy is forcing South African employers and trade unions to confront the highly emotive question of how to contain the human cost of workers losing their jobs by the thousands

Efforts by unions and managements to cushion the impact of retrenchments have met with only limited success, making job security a central issue in labour relations

The issue has emerged as a major stumbling block in the current wage talks between the National Union of Metalworkers (Numsa) and car manufacturers BMW, Volkswagen, Toyota, Mercedes Benz, Nissan, Samcor and Delta

The bone of contention is Numsa's demand that the current moratorium on retrenchments, which expires next month, be extended Employers have dug in their heels, arguing that a resolution of the other issues up for discussion, relating to pay and conditions, depends on how the moratorium issue is dealt with

BMW's Dave Kirby, chairman of the employer caucus in the talks, said employers felt that in the circumstances, layoffs were essential to controlling costs in a situation of declining output

"Our view is that if we reduced manpower we would be able to give the people who remain full employment and that the (moratorium) agreement was a short-term offer

"The difficulty lies in sustaining such an agreement in the long term, especially if you cannot foresee what will happen in the industry in a period of four to six months," said Mr Kirby

Although mindful of the fact that job security was important to employees, employers were reluctant to enter into an agreement they could not sustain in the long run

The motor manufacturing industry, which survived a severe recession in the mid-1980s, is again experiencing a decline in demand, after recovering slightly three years ago Sales of motor cars, for instance, dropped from 221 342 in 1989 to 197 736 last year

Numsa has also demanded a halt to retrenchments in the other sectors where it is represented — the steel and engineering, tyre-manufacturing and motor industry (the latter including operations such as petrol stations and panelbeaters)

The union is concerned that, hurt by a global drop in steel products and the curtailing of State expenditure on large projects, last year steel and engineering alone shed 35 000 jobs, and that retrenched metal workers are swelling the numbers of the unemployed at an average rate of 3 000 a month

Numsa chief negotiator Les Kettledas said "We believe that workers should not be the ones to pay for the state of the economy We are concerned about the rising level of unemployment because it brings about many social problems

"Our view is that that when retrenchments take place they are a cost-cutting measure by employers We believe that employers should instead look at alternatives to retrenchment, and have committed ourselves to discuss with them the long-term growth and viability of the industries concerned," said Mr Kettledas

In mining, also reeling from large-scale job losses due to inflation and a depressed gold price, the NUM has put forward a restructuring programme for the industry The proposals, first suggested to employers during the Mining Summit last June, are currently the subject of discussion in working groups including employers and union representatives

Meanwhile, a key element of the proposals, focusing on rescuing marginal gold mines through State aid in the form of tax paybacks (thereby preventing mass retrenchments), has been taken up by the NUM in the case of Rand Mines' Harmony gold mine, where 8 000 jobs are on the line

The NUM, believing that its approach can succeed only with the support of both the State and capital, has asked the Free State mine's owners to back the union in making representations to the Government

Employment on gold mines affiliated to the Chamber of Mines alone shrank about 20 percent from 534 255 in 1986 to 424 273 last year, with more jobs set to be axed this year

NUM assistant general secretary Marcel Golding explained that while the union accepted that the gold mining industry was set to contract in terms of output and labour "in the next 10 years", it believed that job security was a workers' right which should not be taken away "without due process and adequate compensation"

"We are not saying that in every situation there should be no retrenchments, but that we need an industry-wide retrenchment policy which will look at the future of the industry, including a properly managed down-scaling programme which provides for a national re-training scheme for retrenched workers," said Mr Golding

Believing that gold mining's crisis was a structural one, the union wanted the establishment of a permanent mining commission which would oversee the inevitable down-scaling in the industry

Chamber of Mines chief economist Francois Viruly agreed that there were limits to what could be done to shore up the industry and save jobs in the short term

"The rationalisation programmes undertaken by the industry have been relatively successful But in the final analysis the question that has to be answered is whether one can keep a mine going profitably To a certain extent the life of a mine will be determined by whether the fiscal authorities can bring inflation under control If inflation continues to increase costs, even our gold reserves will, in the long run, become unprofitable," he said

In the retail industry, afflicted by shop closures and retrenchments, the SA Commercial, Catering and Allied Workers' Union has called for a crisis meeting with employers to discuss ways of saving jobs as the industry restructures itself □

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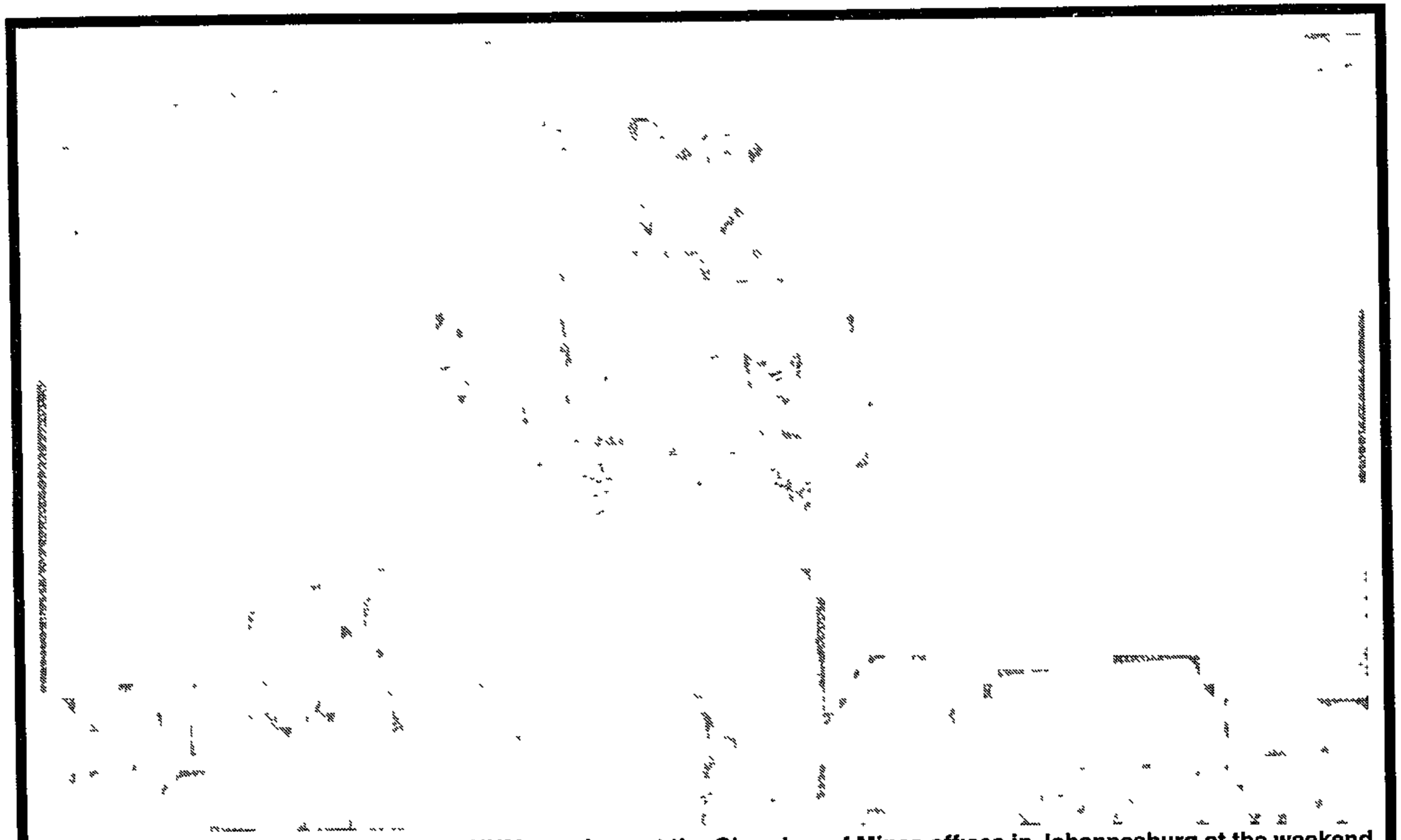


SACP leader Mr Chris Hani addresses NUM members at the Chamber of Mines offices in Johannesburg at the weekend after a march through the city. The workers were protesting against poor working conditions and low wages. NUM spokesman Mr Jerry Majatladi said the failure by mining houses to honour agreements had become a controversial issue tabled for discussion at the current annual wage negotiations between the NUM and the Chamber of Mines, which started last week and will resume in June. Sowetan 25/5/92 (211)

Mines' workforce down by over 20%

B/Day 1/6/92 (211)

MATTHEW CURTIN

THE number of workers employed on gold and coal mines affiliated to the Chamber of Mines sank below 500 000 in 1991, equivalent to a 20% or 120 000 fall in the mines' workforce since 1987

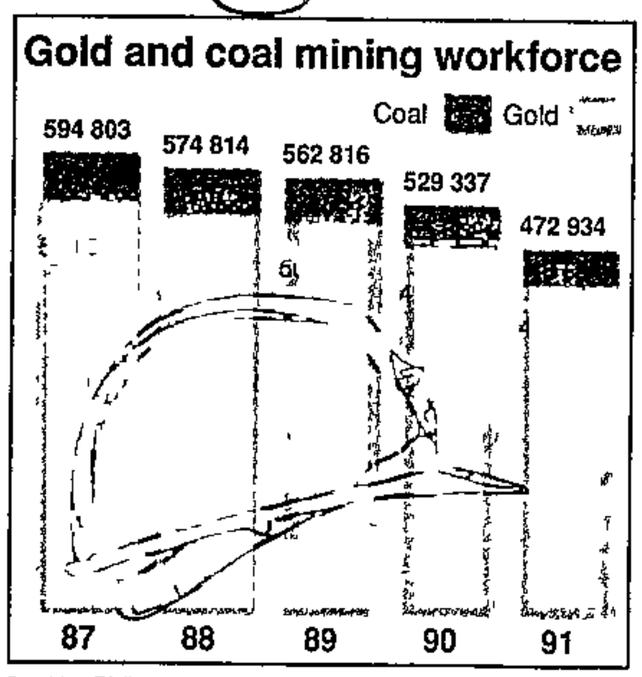
The workforce on the mines stood at 472 934 last year, compared with 529 337 in 1990 and 594 803 in 1987

Drastic restructuring on the gold mines, as gold prices have plunged and working costs soared, has been well documented More than 100 000 jobs have been lost over the past five years in the gold mining industry alone, with an average 424 250 workers mining gold in 1991 compared with 530 574 in 1987 Last year's figure is the lowest since 1977.

Employment at collieries has dropped nearly 25% over the same period, in spite of the steady increases in coal mining capacity, domestic coal consumption and exports by SA's leading coal producers. Coal mines employed 48 684 workers in 1991 compared with 55 652 the year before, and 64 229 in 1987.

Chamber economist Ivor Liebowitz said at the weekend that the coal mines were facing a similar cost squeeze to that which confronted gold mines in the late 1980s

He said that while coal producers enjoyed healthy profit margins, they were concerned to avoid the fate of the gold mines which had suddenly to restructure operations after years of good prices and above-inflation wage increases



Graphics RUBY GAY MARTIN Source CHAMBER OF MINES

Gold mining job cuts have continued this year, with nearly 10 000 workers likely to lose their jobs on the Free State gold fields

Liebowitz said employment levels on the gold mines would level off only when the profitability of the sector was restored through better gold prices.

He said Gold Fields Mineral Services' Gold 1992 report had painted a picture of "measured gloom"

However, there were encouraging signs that coal base metal prices were on the move upwards,

Mine jobs slide to below 500 000

CT 1/6/92 (211)

Own Correspondent

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Gold mining job cuts have continued this year, with nearly 10 000 workers likely to lose their jobs on the Free State gold fields

Liebowitz said employment levels on the gold mines would level off only when the profitability of the sector was restored through better gold prices, and it was not possible to predict when that would be

He said Gold Fields Mineral Services' Gold 1992 report had painted a picture of "measured gloom" confronting the gold mining industry

However, there were encouraging signs that coal base metal prices were on the move upwards, with a likely lag behind global economic recovery That would sustain employment on those mines

1100 jobs axed at Gengold mine

(211)

CT 2/6/92

JOHANNESBURG — A total of 1 100 out of 1 400 employees at Gengold's West Rand Consolidated Gold Mine near Krugersdorp have been retrenched during the past two weeks due to the mine curtailing its operations because of the current low gold price

The retrenchments are expected to cost the mining house R2,4m, said Gengold MD Gary Maude

Almost all underground operations have ceased except at the Montana shaft where ore is still being mined at a rate of 4 000 tonnes per month Mining in this area will continue for as long as it is profitable

Maude said management had consulted employees and their representative organisations prior to taking the decision to curtail mining and agreements were reached on retrenchment packages

"Nearly 50% of the mine's skilled employees were offered employment at other operations Some have accepted this offer," Maude said

According to Maude, mining could be resumed without too much difficulty if the gold price during the next 2½ years improved to such an extent that the mine's ore reserves became profitable again

'Declaration of war' on coal miners

(211)

Own Correspondent

JOHANNESBURG — The NUM has described the Chamber of Mines' offer of 6%-11% wage increases for coal miners as a declaration of war

CT 2/6/92

The offer is revised from the chamber's original offer to coal miners of increases between 5% and 10% The offer for gold miners remains unchanged at 4%

There is no wage offer for Harmony Gold Mine and a delayed increase, dependent on various factors, has been tabled for Blyvooruitzicht

NUM assistant general secretary Marcel Golding said the chamber offer was out of line with its commitment to move towards a uniform wage structure and "declared war on coal miners"

The NUM's wage demands remain unchanged at a 40% increase for coal mines and a 20% increase for gold mines

Negotiations will continue tomorrow

1 100 jobs lost as West Rand Cons cuts activity

B/Day 2/6/92. (211)

MATTHEW CURTIN

GENGOLD's West Rand Consolidated gold mine has curtailed underground operations with the loss of more than 1 000 jobs as the slump in SA's gold mining industry continues. There is also mounting concern over the future of Gold Fields' struggling marginal producer Venterspost.

Gengold MD Gary Maude said yesterday that 1 100 of West Rand Cons' 1 400 strong workforce had been retrenched in the past two weeks.

The move follows 1 500 jobs lost at sister mine St Helena earlier this year, and thousands more planned at Rand Mines' Harmony gold mine. Employment levels in the industry are at their lowest since the late '70s

Maude said in a statement that "everything had been done during the past three years to keep West Rand-Cons in operation, despite adverse market conditions". Retrenchment costs would be R2,4m and talks over severance packages had been held with employee representatives Half the skilled workers had been offered jobs elsewhere within the group.

Maude said that should gold prices improve sharply in the next two and a half years, underground work could restart easily. In spite of good cost-containment, the poor grade of West Rand Cons' reserves, coupled with weak gold prices, put the mine's survival in jeopardy from the start of this year.

Meanwhile, shares in struggling gold producer Venterspost closed at new lows on the JSE yesterday, falling 10c or 8% to 115c. The automatic conversion on July 1 of deferred shares into ordinary shares in Venterspost, announced by the company yesterday, has put the spotlight on the mine's precarious position.

The deferred shares, with options on those shares, were issued to raise funds for acquiring and developing new ore reserves at Venterspost. These were supposed to extend the mine's life into the next century However, weak gold prices and high working costs, added to problems in developing new underground areas, have severely damaged the mine's future and knocked share prices

At the time of Venterspost's 1990 rights issue, which raised R160m, ordinary shares were trading above R11, and deferred shares hit 750c soon after their listing. Options with a take-up price of 650c at the original date of November 1991 originally traded at above 300c. However, the premium of the ordinary shares over the deferred shares — issued on the basis that they would be converted on July 1 this year — has narrowed steadily as both prices have tumbled to current levels of 115c and 105c respectively.

The price of the options has never approached the level at which holders might exercise them. The options are currently at 15c and the exercise date has been put back to November this year.

NUM says chamber has 'declared war'

B/Day 2/6/92.

DIRK HARTFORD (21)

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Golding said employers argued that coal miners were not productive, but NUM believed productivity compared favourably internationally

The NUM's wage demands remain unchanged at a 40% increase for coal mines and a 20% increase for gold mines

It was agreed yesterday that NUM representatives could get time off from work to attend negotiations.

It was agreed also that shaft stewards would be allowed five days a year for union education and training.

The union also wants a seat on the board of Rand Mutual Assurance, which manages claims for workmen's compensation

Negotiations will continue tomorrow.

Cholera outbreak kills 62

LUSAKA - The death toll from cholera in the Zambian town of Luanshya has reached 62 since the outbreak six days ago, provincial medical officer Dr Davis Kwendakwema said yesterday

Medical officers fear more deaths, as more than 280 people suffering from the disease have been admitted to four cholera centres in Mikomfwa township Sowetan

Zambia Consolidated Copper Mines chief medical officer Dr Hector Sensenta said his firm had donated chlorine to the Luanshya Municipal Council to treat drinking water.

However, Luanshya town clerk Mr Ing'utu Etambuyu Suba said the chlorine was barely enough to treat water for one week.

Zambian Health Minister Dr Boniface Kawimbe and his deputy Dr Katele Kalumba said the government was doing all it could to support efforts to contain the disease 3/6/92.

A cholera epidemic last year claimed 600 lives

Meanwhile, the [illegible] Health Organis[illegible] given Zambia P[illegible] towards a chol[illegible] programme - *Sa*[illegible]

Little progress at mine wage talks

Sowetan 3/6/92. (211)

MINEWORKERS' representatives and officials of the Chamber of Mines met for the second round of annual wage negotiations on Monday but little progress was made

At a Johannesburg Press briefing yesterday, the National Union of Mineworkers said coal mines had slightly improved their offer but gold mines had not shifted on their original four percent offer

"NUM has responded strongly to the low wage offers on the coal mines by making no move from its opening demand of an average 55 percent wage increase for coal miners," the union's acting general secretary, Mr Marcel Golding said

The chamber is now offering increases of between six and 11 percent on coal mines. The union is demanding a minimum wage of R865 for underground workers and R785 for surface workers.

Because of the faltering gold price, the union has suspended these wage demands for the sector

Golding accused the chamber of reneging on an agreement the two sides reached two years ago to move towards a single wage structure in the mining industry.

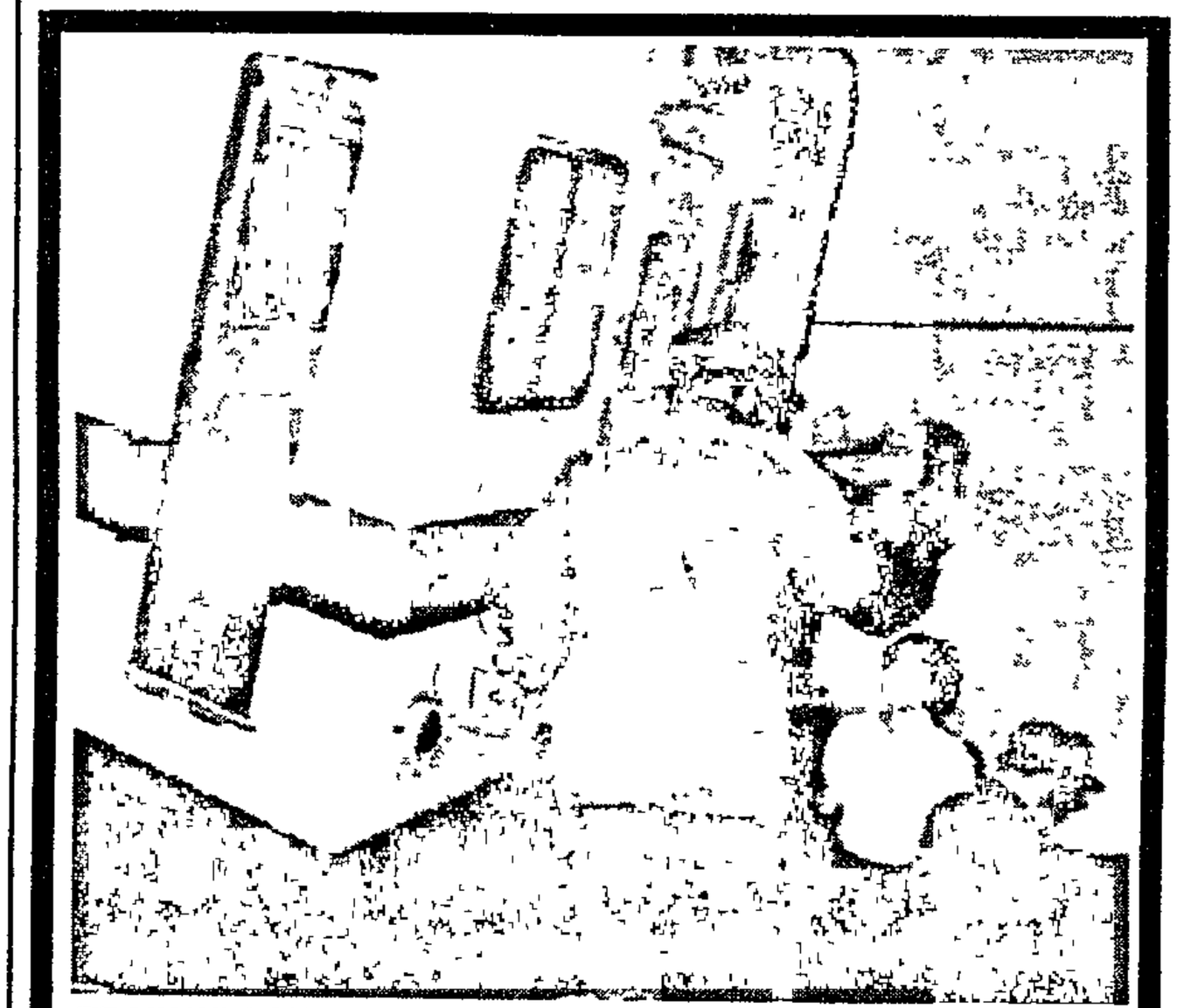
"The 1992 offers mean bigger wage increases for the higher paying mines and show no efforts to bring the lower paying mines into line," Golding said

The Chamber of Mines was approached for comment on the latest developments in the negotiations but could not respond immediately

According to the union, employment on coal mines had tumbled from 64 000 in 1987 to 42 000 in 1991, although productivity had improved

"But this improved productivity has not found its way into better wages," Golding said

The two sides are scheduled to meet for a third round of negotiations today - *Sapa*



TRAIN WRECK ... Police investigators check the front carriage (left) of a four-carriage commuter train after it crashed into a barrier at the end of the platform at Toride Station, about 27km northeast of Tokyo, during yesterday's rush hour. One passenger was killed and more than 160 were injured in the accident.

Slow progress in mine wage talks

B/Day 3/6/92 (211)

THE NUM and the Chamber of Mines met for round two in annual wage negotiations on Monday, but little progress was made

The NUM said coal mines had slightly improved their offer but gold mines had not shifted on their original 4%

"The NUM has responded strongly to the low wage offers on the coal mines by making no move from its opening demand of an average 55% increase " acting general secretary Marcel Golding said.

The chamber is now offering increases of between 6% and 11% on coal mines The union is demanding a minimum wage of R865 for underground workers

Because of the weak gold price, NUM has suspended demands for the sector

Golding said the chamber reneged on an agreement reached two years ago to move towards a single wage structure

Chamber public relations GM Adrian du Plessis said they were still in the early stages of negotiation

The union said employment on coal mines fell from 64 000 in 1987 to 42 000 in 1991, although productivity had improved.

DIRK HARTFORD reports the NUM as saying coal miners are being asked to subsidise Eskom's cheap electricity through low wages.

The chamber appeared to have entered into a pact with Eskom to support it lowering the electricity price by 20% in real terms over the next five years, it said

NUM welcomed cheaper electricity, but was opposed to miners bearing the burden.

More gold mines face cutbacks or closure

STAR 3/6/92

(211)

By Sven Lünsche

The series of retrenchments announced by St Helena, West Rand Consolidated and Harmony could well herald the start of an extensive rationalisation and closure programme by the gold mining industry over the next two years

Rand Mines' Harmony mine yesterday announced plans to retrench almost 25 percent of its employees — reducing the employment level by 5 000 to 14 000

A spokesman for Harmony said the retrenchments would take place over about a week.

He would not comment on the possibility of further rationalisation measures

The move by Harmony came a day after the effective closure of 90 percent of Gengold's WR Cons, leading to the retrenchment of 1 100 mine employees

Gengold earlier this year laid off 1 500 workers at WR Cons' sister mine St Helena

Analysts expect that up to ten mines could be closed over the next few years, but they say that the rationalisation measures already implemented over the past year have prevented further large-scale losses at most other operations

Davis Borkum Hare analyst David Giese says that of total gold production of 146 097 kg by 34 gold mines in the first quarter of this year, only 17 315 kg, or 11,9 percent, was produced at a loss by nine mines

For the same period last year the amount of gold produced at a loss (including capital expenditure) was 38,1 percent, or 55 035 kg, involving fifteen mines. (see table)

This was achieved despite the continuing decline in the dollar gold price and could be attributed to a combination of factors

- The weaker rand/dollar exchange rate lifted the average rand gold price by R100 per ounce from the March quarter in 1991 to the first three months this year

Since March, however, the rand gold price has fallen sharply, precipitating the latest retrenchment moves

- Most of the gold mines have hedged substantial portions of their gold production
- Extensive rationalisation programmes, including the retrenchment of about 50 000 mineworkers, as well as price negotiations with major suppliers

Despite these measures, Mr Giese says five of the nine mines that operated at a loss in the first quarter of this year — Doornfontein, Libanon, Sallies, Venterspost and WR Cons — are expected to make announcements on closures

Marginals

Furthermore, he adds, a group of five other marginal mines, responsible for 7 409 kg, or 5,1 percent, of March 1992 production, are expected to close down over the next few years St Helena, Village, Durban Deep, Blyvoor and Loraine

Mr Giese says while Blyvoor is undergoing a slow-down in production, with closure expected in the next few years, St Helena, which has laid off about 1 500 workers this year, has a life of three to five years

Loraine has been unable to secure adequate forward prices beyond July 1992 and is expected to announce closure within months

The net effect of closures over the next five years could reduce South African gold production by about five percent from 600 tons to 570 tons by 1994

However, Mr Giese expects the decrease in production to amount to only 1,8 percent in 1993, with the bulk of 15 tons predicted for the following year when closures and rationalisation programmes take full effect.

	1991		
	W/COST (R/OZ)	TOTAL (R/OZ)	GOLD (KG)
Western Areas	988	1 007	2 975
Winkelhaak	743	984	2 900
Durban Deep	1 005	1 053	929
Freegold	904	988	28 184
Blyvoor	1 029	1 037	2 171
Unisel	911	1 041	1 200
Libanon	975	1 008	2 0303
Deelkraal	813	1 029	2 308
ERPM	1 012	1 063	1 266
Doornfontein	1 096	1 106	1 667
Loraine	1 159	1 178	1 746
Harmony	1 229	1 233	4 872
Stilfontein	1 238	1 235	610
Joel	1 220	1 488	978
Venterspost	1 147	1 553	1 199
	1992		
	W/COST (R/OZ)	TOTAL (R/OZ)	GOLD (KG)
Winkelhaak	845	1 023	2 904
Harmony	1 043	1 061	6 350
SA Land	1 081	1 081	339
Libanon	1 063	1 093	1 718
Stilfontein	1 278	1 212	513
Doornfontein	1 217	1 219	1 098
W R Cons	1 250	1 249	460
Western Areas	1 092	1 331	2 787
Venterspost	1 131	1 421	1 146

The table shows a comparison of loss making gold mines in the first quarter of 1991 and the March quarter this year. The chart provides details of working costs, total costs and quarterly gold production.

Gold mine set to lay off 5 000

STAR 3/6/92

By Sven Lunsche

Rand Mines Harmony gold mine in the Orange Free State, near Virginia, yesterday announced plans to retrench 5 000 workers over the next week

This follows a day after Gengold announced it was laying off 1 100 workers at its West Rand Consolidated mine near Krugersdorp

So far this year about 10 000 mineworkers have been retrenched and analysts expect a similar number to be laid off in the second half of this year

Last year alone the industry made about 50 000 mineworkers redundant in the face of the falling gold price and rising working costs

The retrenchments at Harmony will reduce employment levels at the mine from 19 000 to 14 000

In a statement the mine said the retrenchments were taking place "because of the continuous economic problems being encountered by the gold mine"

● **More retrenchments expected — Page 23**

20 000 workers lose jobs this year as labour takes recession's punch

B/Day 3/6/92.

EDWARD WEST and MATTHEW CURTIN

NEARLY 20 000 workers have lost their jobs in the mining, engineering, and construction industries so far this year as labour bears the brunt of the prolonged domestic recession

All three sectors are closely linked Low gold and other commodity prices have blighted the mining industry, and have had a drastic knock-on affect on those companies which supply the sector with mining equipment and building materials

Rand Mines yesterday began retrenching 5 000 workers from its marginal Harmony gold mine, just one day after Gengold announced 1 100 jobs would go at its West Rand Consolidated gold mine

Harmony's workforce has fallen from 30 000 workers to 19 000, and now 14 000 on the latest wave of job cuts

A Gengold spokesman said the group's workforce was 48 000, down from 53 000 at the same time last year An Anglo American gold and uranium division spokesman said its workforce had fallen to 172 000 at the end of April this year, compared with 181 700 at the same time in 1991.

He said the job-cutting programme at Freegold's north and south divisions, under way since late 1990, was coming to an end The mine had lost 15 800 jobs, about 15% of its full complement, but early retirements, natural attrition, extended unpaid leave programmes had ensured retrenchments numbered only 4 000

Employment levels on gold and coal mines are at their lowest level since the late 1970s, says the Chamber of Mines

Meanwhile, the Steel and Engineering Industries' Federation of SA (Seifsa) said yesterday that more than 11 000 employees had been retrenched in the metal industry in the first four months of this year

Seifsa economist Michael McDonald said retrenchments in the first four months of 1992 were worse on a monthly basis than any other time since 1989, and there was little sign of a recovery this year.

Quoting statistics from the National Industrial Council, McDonald said employment of hourly paid workers slumped by 21% to 358 000 in 1991 from 454 000 in 1985 Last year, 34 325 were retrenched Two years ago, 3 000 signed up for training as artisans Just over 1 000 would be trained this year Retrenchment levels usually peaked towards the end of a recession. The most serious sector affected was the construction industry, McDonald said

SA Federation of Civil Engineering Contractors economist Henk Langenhoven said employment in the civil engineering sector dropped from about 96 000 in 1989 to about 60 000 at the end of 1991.

However, he believed the trend had begun to bottom out and he forecast only a 1%-3% drop in employment in the first

☐ To Page 2

Lost jobs

B/Day 3/6/92

☐ From Page 1

quarter of 1992, compared with declines of 11% and 9% in the second and third quarters of 1991 respectively

Building Industry Federation of SA economist Charles Martin said official statistics indicated that construction industry employment had fallen by 26 000 to 235 000 since 1989 However, he was sceptical of these statistics and believed employment had dropped by more than 40 000 over the period He predicted further retrenchments this year

McDonald said the falling number of artisans in the steel industry was especially serious because when the economy improved, there would not be enough skilled workers to cope with production demand

In the longer term, however, employment levels should pick up with increased exports of manufactured goods, infrastructural growth such as housing, electrification and service industry developments, and the possible development of infrastructure in the southern African region

Seifsa's statistics also indicated that there had been virtually no production capacity growth over the past decade

However, there was still vast potential for improved production capacity utilisation, he said

A recent survey showed the main inhibitor of increased production capacity utilisation was an inability to obtain skilled labour for extra shifts About 70% of SA's manufacturers — aside from continuous processing industries — operated on a one shift basis, said McDonald

Chamber of Mines moves on 'closed shop' demise

CT 5/6/92 (211)

Own Correspondent

JOHANNESBURG — The Chamber of Mines has formally notified the Council of Mining Unions (CMU) and three officials' associations that it plans to negotiate the end of the closed shop agreement which has operated in the industry for the last 50 years

The agreement applies to whites only, and has been raised as an example of discrimination in the industry

But the move has been interpreted by the NUM as an attempt to block its own proposal for the introduction of an agency shop system between itself and the chamber

The agency shop is a lesser version of the closed shop Non-union members are not compelled to join a union against their will, but are obliged to pay a reduced subscription in acknowledgement of the fact that that they enjoy superior employment conditions due to union collective bargaining efforts

Chamber spokesman Peter Bunkell yesterday confirmed that notice regarding the proposed scrapping of the closed shop had recently been given to the affected organisations.

The CMU largely consists of the whites-only Mineworkers' Union (MWU) and several artisans' unions The officials' associations represent white-collar mine employees

Bunkell said the industry believed that both agency and closed shop agreements were impediments to the principles of free choice and freedom of association, and hence the latest decision

Bunkell also confirmed that the industry was "not keen to enter an agency shop agreement" with the NUM and had informed the union of this

NUM negotiator Martin Nicol said NUM believed that the chamber's opposition to its plan was based on concern that an agency shop system would strengthen the union financially

'Bid to block NUM agency deal'

Mines plan to scrap pact on closed shop

B/Day 5/6/92 (211)

ALAN FINE

THE Chamber of Mines has formally notified the Council of Mining Unions (CMU) and three officials' associations that it plans to negotiate the end of the closed shop agreement which has operated in the industry for the past 50 years.

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He also confirmed that the industry was "not keen to enter an agency shop agreement" with the NUM and had informed the union of this

The chamber plan to scrap the closed shop coincides, ironically, with a recent decision by the MWU to call for its abolition The MWU hopes that it will gain membership from such a development

This is because a supplementary agreement, the "allocation of occupations" agreement, allocates each white mine employee to a particular union depending on his occupation

The MWU believes its militant, right-wing policies will attract new members currently affiliated with other unions once a free choice is available

"We are completely at ease with the proposal," MWU general secretary Peet Ungerer said last night. "Our track record shows we are the union best equipped to represent the interests of the white, Afrikaner worker"

He predicted the MWU would soon double its membership, which totals 9 000

A number of industry sources appear to agree One said yesterday he believed there would soon be only two major unions in the industry — the NUM and MWU.

And a leader of one of the officials' associations reportedly told employers recently that he feared the scrapping of the closed shop would cripple his union

Ungerer said it would be "ill-timed" to comment specifically on the fate of the other unions since they still negotiated together under the auspices of the CMU CMU director Ben Nicholson could not be reached for comment

NUM negotiator Martin Nicol said the chamber had informed the union of its plans regarding the closed shop agreement during wage negotiations, and also of its

☐ To Page 2

Closed shop

B/Day 5/6/92 (211)

☐ From Page 1

opposition to the NUM's proposal

He said it appeared to the NUM that the two were directly linked Although there had been a long history of a closed shop in the industry, the chamber had "all of a sudden" made a commitment to freedom of association

The NUM believed the chamber's opposition was based less on principle than on concern that an agency shop system would strengthen the union financially, he said.

Bunkell said there was "nothing sinister" about the chamber's desire to move out of the closed shop agreement.

Nicol said the NUM considered its agency shop proposal to be a "core demand" for this year's negotiations. It considered the matter still to be on the table.

Tough talks ahead on the coal mines

W/Mail 5/6-11/6/92. (211)

Coal rather than gold may be at the centre of the mine pay wrangling this year, reports

FERIAL HAFFAJEE

COAL mining seems set to be the site of a sooty wrangle in this year's mining wage negotiations

The industry believes that in order to maintain the mineral's profitability, costs must be contained and one of the ways to do this is to curb wage increases

On the other hand, the National Union of Mineworkers (NUM) says the industry's wage structure is in need of a drastic shake-up and, to shake up the industry, they are seeking an average increase of 55 percent on the coal mines

Employers are offering increases of between six and 11 percent while the union wants a minimum of R785 for surface workers and R865 for underground workers

This increase will bring coalminers closer to a single wage structure and will go some way to bridge the racial gap in the industry's pay packages

The average wage for white coalminers in 1990 was R4 207 a month and for black miners, R946 a month While the union acknowledges that levels of skill account for much of the difference, it still believes the discrepancy is too big

The union also points out that while productivity has risen dramatically, employment has dropped just as fast. According to the union, "tons per man year increased from 870 in 1980 to 1 870 in 1990". Yet, employment dropped from 74 000 in 1983 to 42 000 in 1991.

"The benefits of improved productivity have plainly been appropriated by the employers," said the NUM this week

The union also alleges that the measly increases offered on the coal mines are an effort to satisfy a pact between the mining houses, Eskom and the government to lower electricity costs by 20 percent over the next five years

Coal remains the country's largest foreign exchange earner after gold, say industry sources

Anglo American's coal wing, Amcoal, increased its attributable earnings by 16,5 percent to R321-million from R275,5-million

Increased export earnings, the containment of costs below the interest rate and improvements at New Vaal and New Denmark collieries all contributed to the bottom line Amcoal chairman David Rankin also said he expected export tonnage to increase further this year

But these figures should not dazzle domestic consumption of coal has decreased dramatically due to the mothballing of various Eskom power stations Rankin also throws out the damper of an expected "downturn in the local metallurgical coal and coke markets, a softening in US dollar export prices and largely unchanged profits from Eskom collieries"

For these reasons, he has pleaded for a "constructive attitude" from the unions during this year's negotiations, adding that last year's negotiations saw settlements which were more moderate than in former years However, Rankin could not comment on this year's negotiations because the Chamber of Mines was negotiatin on Amcoal's behalf

Rand Coal managing Rick Meiring confirmed that it was "not all rosy in the garden" Local markets were depressed and over-supply on export markets was lowering the price of coal.

Industry bosses are looking at new markets, says Francois Viruly, a senior economist at the chamber. France and Denmark are among their bigger hopes

"But in order to win these markets," says Viruly, "we have to remain competitive." And South Africa is becoming less and less competitive with coal from countries like Indonesia, Venezuela and Colombia flooding the markets at prices below South Africa's (which until recently was the world's cheapest producer)

In addition to competing with countries where labour costs were even cheaper than South Africa, they also had to compete with countries like Australia and the United Kingdom where productivity was higher and the inflation rate much lower than South Africa (coal prices are set internationally)

Viruly said that wage increases should reflect the tenuous state of the industry

Other union demands in the coalmining industry include full holiday pay, 30 days' paid annual leave, increase in employer provident fund contributions from five to 11,5 percent and improved compensation

Coal mine employs whites (211)

Star 5/6/92

A total of 140 impoverished whites have been employed by the Durnacol coal mine in northern Natal after black workers were dismissed following an illegal strike earlier this year Some of the whites were unemployed for two years Their families are being housed in black residential areas

Mining's most precious asset – its black labour force

STAR 8/6/92.

BOOK OF THE WEEK

Our Precious Metal: African Labour in South Africa's Gold Industry, 1970-1990 by Wilmont G James
(David Phillip R40)
Reviewed by MIKE SILUMA

JUST as any overview of South African economic history cannot ignore the central role occupied by gold mining, a discussion of that industry is inconceivable without focusing on the crucial role played in it by black miners

And in the same way that gold mining has, over the years, come to symbolise the country's wealth, the industry has provided the most glaring example of the lowly status occupied by black workers in the Republic's economy

It is in the industry, for instance, that the much-criticised hostel system has flourished And until the last decade, the industry remained one of the last bastions of job reservation, which through legislation barred black workers from occupying the highest positions in the industry

These features of the gold mining industry, and how they affected the lives of black miners, are the subject of Wilmont James's study of the role of black mine workers in the industry in the 20-year period from 1970 to 1990

By focusing on the last two decades, James has chosen a crucial time that in the history of South African gold mining marked a turning point in relations between the industry and its black labour force, a process which gained momentum with the formation of the National Union of Mineworkers in 1982.

His observations are enlightening For instance, he finds that despite the migrant labour system, the black staff in the industry is unprecedentedly stable, with more than 90 percent of workers returning to the same mine on renewal of their contracts

This, argues James, has made it difficult for novices to secure employment in the industry.

And although the industry has successfully reduced its dependence on foreign labour in the past two decades, relying instead on labour from South African homelands, it has, he observes, failed to alleviate unemployment in South Africa's urban areas due to managements' failure to accommodate urban workers into what is essentially a migrant-centred culture

But what of the NUM's impact on relations between workers and managements?

While James concedes that the NUM, following its phenomenal growth (from next to nothing in 1982 to a signed-up membership of 360 000 in 1988), made a major contribution in helping black miners assert their rights — such as in fighting job reservation and improving working and hostel conditions — he warns that the union's task is far from over

First, he points out, the real wages of black miners have not increased during the period of the rise of the NUM

This is mainly as a result of a flooded labour market

Second, although statutory job reservation has been lifted, the upward mobility of blacks into skilled, supervisory and managerial positions on the mines has proceeded only at a snail's pace — the legacy of a poor education and the absence of affirmative action policies in the industry

This is likely to be aggravated by the fact that white miners, occupying the more skilled positions, are unlikely to voluntarily leave their jobs either during or after the transition to a post-apartheid South Africa

James' word of warning to the gold mining industry is that "the pressure to pursue corrective measures in employment patterns will undoubtedly increase in the light of the political changes begun in February 1990

"In particular, newly empowered African constituencies will very likely make demands for a level of occupational advancement denied them under apartheid," he says

But James also lays to rest any fears by management that the NUM's current campaign for the improvement of the lot of black miners, its support for socialism, coupled with its involvement in the ANC-SA Communist Party alliance, will automatically lead to nationalisation

"Negotiation politics (in which the alliance is a major player) provide the most unlikely circumstances for the transformation of ownership patterns and the reconstruction of class relations They involve changing the racial character of the state, and not the class structures of society at large," James reasons □

Tax relief bid for severance payouts

B/Day 9/6/92 (211)

ALAN FINE

REPRESENTATIVES of organised labour and management in the mining industry yesterday met Deputy Finance Minister Theo Alant in Cape Town for talks on proposed tax relief on the severance payments of retrenched workers.

And in another initiative related to shrinking employment levels in the industry, the NUM and Harmony were scheduled to meet Mineral and Energy Affairs Minister George Bartlett in Pretoria today for talks on ways of easing the effects of cutbacks at Harmony gold mine near Virginia.

Chamber of Mines vice-president Bobby Godsell, NUM assistant general secretary Marcel Golding and representatives of the Council of Mining Unions and the three officials' associations presented Alant with a memorandum detailing proposed amendments to the Income Tax Act to effect the change.

Golding said after the meeting it had been agreed to establish a working party to enable government to take a closer look at the proposals designed to apply not just to the mining industry, but universally.

The union/management scheme proposal was that lumpsum payouts to retrenched employees whose earnings were below the SITE threshold should be totally tax exempt For those liable for PAYE, severance payouts should, up to a certain level, be treated in the same way as lumpsum pension payouts

The proposed dispensation for employees taxed according to the SITE system was that they currently pay a large proportion of their severance payment in tax.

To challenge that would require a complicated process beginning with registration as a taxpayer — an onerous task for unskilled migrants.

The proposal was raised by the NUM at last June's mining summit as part of a discussion on short-term measures to alleviate the effects of gold mine cutbacks. The chamber and unions in the industry had finalised proposals on legislative amendments, and these would be considered by government Alant could not be reached yesterday for comment

The NUM planned to hand Bartlett a lengthy memorandum today detailing the effects of cutbacks at Harmony and other mines on foreign exchange earnings and on the national and regional economies, and requesting alleviation measures

But it is understood Harmony will not support any measures amounting to direct subsidies

NUM submits memo on gold industry trauma

CT 10/6/92 Own Correspondent (211)

JOHANNESBURG — The NUM yesterday submitted to Mineral and Energy Affairs Minister George Bartlett a 16-page memorandum which it hopes will be the first step in the development of a comprehensive plan to deal with the downscaling of the gold mining industry

Also present were representatives of the Harmony gold mine, whose situation the meeting was called to address, the Council of Mining Unions and the officials' associations They are due to meet again in two weeks

NUM's memorandum said long-term assistance to "lame duck" industries was not economically sensible, and that a smaller industry in terms of output and workforce was inevitable But temporary assistance to promote restructuring to allow future economic viability could be justified

NUM meets Bartlett over gold mining crisis

B/Day 10/6/92 (21)

ALAN FINE

THE NUM yesterday submitted to Mineral and Energy Affairs Minister George Bartlett a 16-page memorandum which it hoped would be the first step in the development of a comprehensive plan to deal with the downscaling of the gold mining industry

At the meeting were representatives of Harmony gold mine, whose situation the meeting had been called to address, the Council of Mining Unions, and officials' associations There will be further talks in two weeks

NUM assistant general secretary Marcel Golding said the state lacked a vision to deal with the industry's crisis because its study on marginal mines had underestimated the speed and extent at which mines would be forced to downscale operations

Harmony chairman and Rand Mines gold division CE John Turner said there was no economic justification for a state subsidy The mine accepted that state aid to troubled businesses should not be considered except as a form of bridging finance This was not the case at Harmony It was for government to decide whether any non-economic "national interest" considerations applied to any business

The NUM said long-term assistance to "lame duck" industries was not economically sensible, and a smaller industry in terms of output and workforce was inevitable But temporary assistance to promote restructuring to allow future economic viability could be justified

In Harmony's case, the union proposed a "reassessment of mining methods and work organisation to improve efficiency and make the mining of reserves economically possible" The mine should also receive direct state subsidies

It should, in co-operation with unions, seek to maintain employment levels and phase in job cuts where necessary; change working methods to raise productivity; retrain miners before retrenchment, investigate alternative uses of assets, and plan assistance to rural areas affected by retrenchments

The union argued that the subsidy would not represent a net cost to the state because of the "spin-off" revenue it would receive if downscaling could be slowed

Call for SA to implement national manpower plan

B/Day 15/6/92

WILSON ZWANE

THE total overhaul of SA's vocational education and training system and implementation of a "meaningful" national manpower plan were needed to improve its skills base, a top Eskom official said last week

Technical skills development manager Ryno Verster was speaking at the fourth national conference of the human resources development division of the Institute of Personnel Management in Sandton

He said the quality of the present end-product of SA's vocational education and training system did not compare favourably with winning nations such as Singapore, Korea, Hong Kong and Taiwan

"To become a winning nation, SA would have to restructure its vocational education and training system if SA wants to establish itself in the global economy, its skills base should be addressed as a national priority," Verster said.

He said the first step — as an analysis of the vocational education and training systems of winning nations suggested — should be to link economic and technological development plans to derive a "meaningful national manpower plan"

Two Wits University academics — sociology of work programme director Prof Eddie Webster and his deputy Jean Leger — told the conference that categorising workers as unskilled, semi-skilled and skilled demeaned them and often downgraded the skills they did possess

To develop skills in the workplace there was a need to recognise the existence of "tacit skills" These were 'tricks of the trade' which were essential to production but which received no formal acknowledgement — and endeavours should be made to enhance them

Webster and Leger said their research showed that miners used "tacit skills" to prevent injuries due to underground rockfalls in SA's gold mines Such skills involved knowledge of a range of precursors to rockfalls and an ability to recognise potentially hazardous conditions.

Their research into underground rockfalls had shown that white miners had learnt most of their tacit skills from black miners

"If the skills of all sectors of the workforce are to be fully developed, it is crucial to recognise that all workers exercise skills, and to work out ways to enhance these skills"

They said artificial categorisation of miners into unskilled, semi-skilled and skilled was an obstacle to the skill development.

"A fundamental property of workers is their skill Trade unions and employers have a mutual interest in ensuring workers' skills are enhanced throughout their life through training and career development"

Anglo's Godsell takes the lead at the chamber

B/Day 17/6/92 (211)

MATTHEW CURTIN

CAPPUCCINOS and hot dogs with lashings of tomato sauce and mustard may seem worlds apart from the down-to-earth reputation which the mining industry has, but they happen to be a favourite snack of the new Chamber of Mines president Bobby Godsell

Godsell, an Anglo American executive director, former Saccola chairman, and respected industrial relations negotiator, succeeded Gencor executive director Naas Steenkamp as chamber president at the organisation's annual meeting in Johannesburg yesterday

The post of president has never been exclusively reserved for mining engineers, although the 1990 office-bearer Clive Knobbs was a mining man through and through Steenkamp has served two terms as president, but his brief at Gencor is corporate affairs, while newly appointed vice-president Alan Munro, head of Gold Fields gold division, is a mathematician by training

However, Godsell represents a different breed of mining house executive — capitalism with a human face perhaps — and he has been seen as a young Turk inside the Anglo monolith No earnest contributions to the Journal of the SA Institute of Mining and Metallurgy for Godsell, but he is co-editor of the book A Future South Africa Visions, Strategies and Realities, deputy chairman of the SA Beyond Apartheid project and a member of the State President's Economic Advisory Council

A major event set to take place within weeks of his appointment is the signing of the Anglo/NUM code of conduct on gold mines, triggered by the need to address industrial relations on the "shop-floor" in the wake of the 1987 miners' strike. Godsell played a key role in facilitating what had been protracted negotiations which are likely to set new standards for labour relations in SA

Godsell is currently leading the chamber's negotiating team in the industry's annual wage talks, but his new portfolio will take him out of direct participation in collective bargaining at the chamber.

Godsell says a key task facing the chamber is to bring all parties involved in the industry — from government departments to unions and management — together to discuss not the minutiae of annual wage packages, but the long-term future of the industry

"We need to ask whether SA will have a gold mining industry to speak of in 30 years time, and how all the parties involved are going to ensure that there is," he says Resolving the impasse over ring-fencing and the macro-economic concerns of job creation, growth and equity in the sector, and securing clear-cut environmental standards are among the issues which need urgent and patient negotiation

Steenkamp says of his term of office that the practice of resolving disputes among chamber members by consensus at a time of social and political upheaval proved difficult "The effect was to retard decision-making and to yield to compromise shaped on a lowest common denominator, which at times made for ineffectual contributions to matters of public policy"

The chamber has for some time been dogged by disagreements between the different mining houses, most notably Anglo and Gold Fields, on issues like minimum wage rates, and most recently, productivity and gold price-related wage bonuses

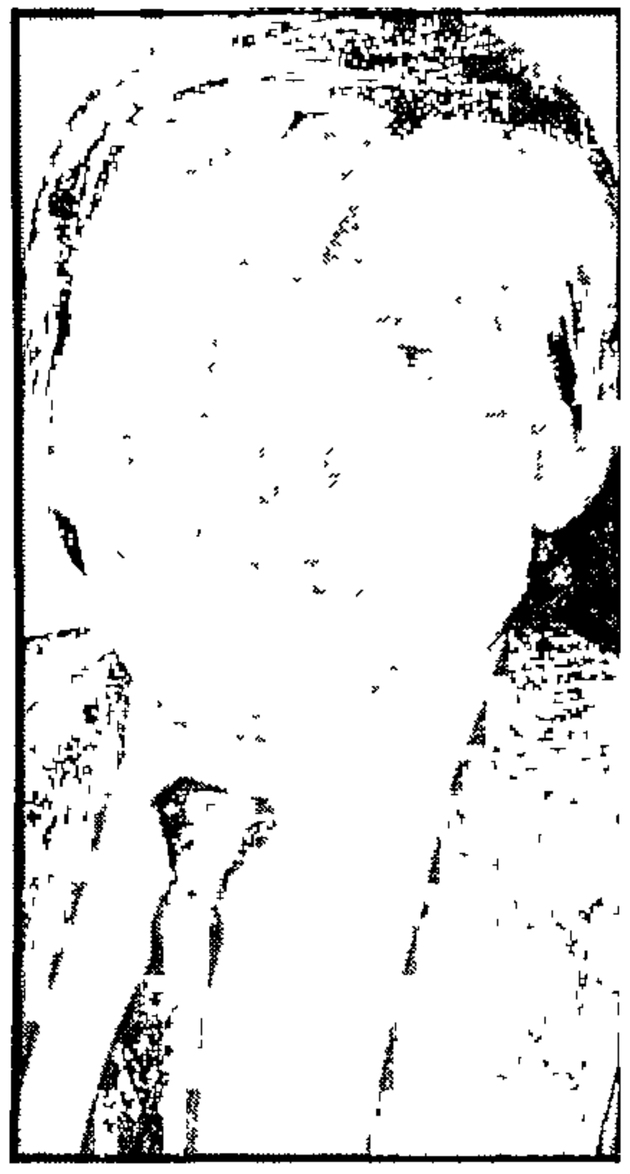
Steenkamp says consensus prevailed in the end Godsell has shown himself to be particularly adept at achieving it. As Saccola chairman, he has played a key role in the tripartite agreement on the Labour Relations Act His tenure coincides with a shift in chamber strategy as it tries to provide quality and affordable services to its members during one the industry's worst slumps

The organisation has traditionally provided a range of hands-on services, from labour relations and market analysis, to running the chamber's research arm Comro, the Rand Refinery, the Nuclear Fuel Corporation, and health and social facilities

Steenkamp notes that staff levels at the chamber have shrunk from more than 6 000 a few years ago to less than 4 000 in 1991, and the chamber will have to become a "lean, user-orientated organisation"

Godsell will oversee the change which he sees as a focusing of the chamber's role as an employers' association

"This is a golden age for employers' associations," he says, thanks to organised labour's success in insisting on industry-level approaches and solutions to problems it identifies



☐ GODSELL

REVIEW

50 000 jobs lost on mines

STAR 17/6/92 (211)

By Michael Chester

The number of jobs axed by South African gold mines in the past 18 months — blamed on the steep decline of the gold price — has now reached more than 50 000.

Chamber of Mines president Naas Steenkamp disclosed in an annual review yesterday that more than 36 000 miners had lost their jobs in 1991, and 15 000 so far this year.

The threat of the closure of more mines and individual shafts still hung over the industry.

Mr Steenkamp told the annual meeting of the chamber in Johannesburg that the profits of the gold mining industry had now sunk — in real terms — to their lowest level since the 1960s.

The industry could become even smaller if profits continued to be squeezed.

Mr Steenkamp paid tribute to what he called "milestone wage agreements" reached last year with trade unions and staff associations, when modest pay increases combined with special bonuses based on productivity and the gold price, helped to curb operation costs and job losses

Similar packages needed to be built into current wage talks, he said.

The chamber had also informed trade unions that it intended to start talks on the dismantling of "closed shop" agreements.

● All not lost for gold — Page 18

Job-cuts by SA gold mines top 50 000

(211) ARG 18/6/92

Business Staff

JOHANNESBURG — The number of jobs axed by South African gold mines in the past 18 months alone, in cut-backs blamed on the steep decline of bullion prices on world market, has now reached more than 50 000

Chamber of Mines president Naas Steenkamp disclosed in an annual review this week that a final count showed more than 36 000 miners lost their jobs in 1991 and labour forces had shrunk by another 15 000 so far this year

The threat of the closure of still more mines and individual shafts still hung over the industry

No fewer than 12 gold mines stayed classified as marginal operations because of low gold prices

The latest count brings the total number of job casualties to well above 100 000 in the collapse of world gold prices from over $850 an ounce 10 years ago to current levels below $350

Mr Steenkamp told the annual meeting of the chamber in Johannesburg that the overall profits of the gold mining industry, in real terms, had now sunk to their lowest level since the 1960s

"It is clear that further contraction cannot be ruled out if the industry's profitability continues to be squeezed," he said

He added that cut-backs at several mines would have been even more severe had it not been for a marked slowing down in spiralling working costs

Mr Steenkamp paid tribute to what he called "milestone wage agreements" reached last year with trade unions and staff associations, when modest pay increases served to curb operation costs and the rate of job losses with special bonuses based on gold-price movements and productivity

Similar packages needed to be built into the current round of wage review, he said

The chamber had also informed trade unions and staff associations of intentions to start negotiations on the dismantling of all the "closed shop" arrangements that were first entered into in the 1930s but which now had to take account of changing needs

■ Shareholders in the troubled Barplats group (which owns the Crocodile River Mine, formerly Lefkochrysos) could have a bright future ahead of them

Chief executive Michael McMahon, in a report to shareholders, is bullish about the outlook for platinum

He says that if his scenario holds, then the Barplats' Crocodile River Mine could be producing platinum again by 1995 But the the company would first need to raise new capital

The re-opening of the mine will depend on a level of confidence developing in sustainable and reasonable precious metal prices, says Mr McMahon

The price of platinum shares on the Johannesburg Stock Exchange should improve, enabling the company to raise new capital

Whites demand protection

THE white Mineworkers' Union has deplored attacks on its members after last week's Boipatong massacre near Vanderbijlpark.

The union yesterday warned that white workers would have to take steps to protect themselves.

In an open letter to Law and Order Minister Mr Hernus Kriel, MWU general secretary Mr W Ungerer said union members working for companies like Metalbox, Consolidated Wire Industries and Cape Gate near Boipatong had come under attack since June 15.

Ungerer said "The final straw was when a Mineworkers' Union member employed by Cape Gate was assaulted on his way to work and his car burned."

Union leaders immediately met employers and officials of the local commando unit.

"The union decided that police protection must be provided 24 hours a day, that shifts be altered so that shiftworkers commute in daylight, and that union members be provided protected parking areas - *Sapa*.

Sowetan 24/6/92

De Klerk in Malaga stop over

Sowetan 24/6/92

Sowetan Correspondent

MADRID - In spite of South Africa's grave problems, State President FW de Klerk's jet stopped off at Malaga while en route to Madrid for official meetings yesterday with Spanish Prime Minister Felipe Gonzalez and King Juan Carlos.

De Klerk has cancelled a trip to the Expo world fair to return home to face the crisis.

On Monday night he was staying privately in the upmarket Miraflores suburb near Mias Costa, midway between Fuengirola and Marbella.

A spokesman for the Miraflores Club said the developers were South African and the director of the Club Playa at Miraflores was at one time Mr Henry Staub, a South African. At the height of the anti-apartheid protests, a substantial amount of South African money flooded into the Costa del Sol.

FW DE KLERK

The complex also contains a British timeshare resort, a golf course and other sports facilities. Civil guards had been called in to watch over the South African president.

Storms

If De Klerk had hoped for sunshine during his break, he would have been disappointed. After months of drought, Spain is currently swept by storms and rain that have caused severe flooding in many areas, especially in southern Spain near the Costa del Sol.

The Costa del Sol sprang to fame in the early '60s with the jet set resort of Marbella but more recently has been associated with runaway British criminals, arms dealers and drug traffickers.

Num, Anglo thrash out anti-violence accords

(211) CT 24/6/92

JOHANNESBURG — The National Union of Mineworkers and the Anglo American Corporation signed agreements yesterday aimed at eradicating mine violence

The agreement, signed at Anglo's headquarters here, recognises the right to peaceful assembly and freedom of expression and management's responsibility for the maintenance of good order in hostels — Sapa

Gold and platinum edge higher

(211)

B/Day 24/6/92

MERVYN HARRIS

UNDERPINNED by SA political uncertainty, precious metals yesterday edged higher with gold nudging key resistance at $345 in early New York trade.

Analysts were closely monitoring events in SA, concerned that the unsettled situation could spill over to the mines.

There have been workers' marches at several gold mines in the past two weeks and workers at Rustenburg Platinum's base metals refinery have downed tools.

Before the news of the strike, platinum firmed more than $2 to a London afternoon fix of $366,10. Reuter reports that Rusplat MD Barry Davison said there had been an illegal work stoppage since June 19.

Frankel Max Pollak Vinderine analyst Kevin Kartun said the political situation was affect platinum more than gold.

Bullish noises from the World Gold Conference in Montreux indicated that gold could hit $385 by year-end.

But gold shares received a subdued reception on the JSE yesterday as investors reacted disappointingly to the higher price and a weaker finrand. The all gold index slipped seven points to 1 136.

● See Page 6

Mine peace accord signed

B/Day 24/6/92 (211)

DIRK HARTFORD

THE NUM and Anglo American yesterday signed an agreement designed to "bring peace to our mines"

The agreement — first mooted during the 1987 mineworkers' strike — took more than four years to negotiate and embodies about 20 labour and civil rights described as fundamental in democratic societies

It also includes some carefully worded obligations on the parties in the exercising of their rights.

In addition, the parties signed an agreement designed to short-cut dispute procedures in the event of dismissals.

According to NUM assistant general secretary Marcel Golding, the agreement would allow "protest action to be regulated to ensure no injury or death to miners".

Anglo director Bobby Godsell said the agreement would "shape behaviour at the coal face" and said it was likely the deaths at President Steyn mine last year would not have happened if the agreement had been in force.

He said he hoped the politicians had taken note of the agreement forged between parties with "vastly different philosophies and programmes" and suggested that business and labour should do something to help the transition process

While the agreement now allowed, for example, workers to sing and dance on mine property, it restricted what might be sung and danced about

Trade union toyi-toying and songs were full of derogatory references about the "enemy" and most would not be allowed under the code which disallowed "language and behaviour which may incite, be derogatory or give offence to others"

However, peaceful picketing and assembly and the right to freedom of expression and full disclosure of relevant information

☐ To Page 2

Mine accord

B/Day 24/6/92 (211)

☐ From Page 1

were among the rights laid down. In addition, the agreement committed the parties to a "positive programme of job and skills development to address past imbalances"

Hostels would not be segregated ethnically and would be run democratically

The agreement would be implemented by joint committees at regional, mine and shaft level

The agreement to expedite appeals against dismissals would apply only to NUM members, and involved appointment of union-nominated and company-paid dispute officers to facilitate a process of compulsory mediation and arbitration

☐ NUM general secretary Kgalema Motlanthe said yesterday that, contrary to a report in Business Day that the union was unable to back the mass action campaign, miners had been marching and demonstrating in their thousands at Anglo and Anglovaal mines over the past fortnight

Anglo, NUM sign pact to end violent conflict

STAR 24/6/92

By Mike Siluma (211)

After nearly four years of negotiations, the National Union of Mineworkers (NUM) and Anglo American Corporation yesterday signed a ground-breaking agreement aimed at banishing violent conflict on the mines while guaranteeing the democratic rights of mineworkers

In addition, the parties agreed to a new dispute-resolution procedure, which provides for a private, speedier settlement of disputes and for conciliation.

Speaking at a joint press conference after the signing of the agreement at Anglo's Johannesburg headquarters, NUM assistant general-secretary Marcel Golding described the deal as "a major agreement of historical significance" which would "ensure that protest action on the mines and democratic dissent is regulated to ensure no injuries or death to mineworkers"

This was especially important in the light of the present countrywide mass action, which the NUM supported

A key feature of the new dispute-resolution mechanism — in which disputes over dismissals will be settled by regional dismissal review committees — is that it enables the parties to avoid the long delays and high costs associated with settling through a conciliation board or the Industrial Court

The dispute-resolution agreement will cover only NUM members.

Describing the agreement as hopeful and constructive, Anglo American executive director for industrial relations Bobby Godsell said "I'm convinced that had the code of conduct been signed and implemented, it could have avoided the deaths at the President Steyn gold mine in November."

At the time, violence at the mine, related to the anti-VAT strike, claimed 86 lives and left more than 400 people injured

Mr Godsell said he was optimistic that Anglo would be able to persuade the other unions on Anglo mines, such as the all-white Mineworkers' Union, to enter into similar agreements

Among the provisions of the code of conduct are.

- The right of workers to peaceful picketing, assembly and freedom of expression
- The right to a healthy and safe working environment and to human dignity and equality

On the flip side, inflammatory language and behaviour will be prohibited, as will the wearing of political insignia and the carrying or displaying of weapons at the workplace

Hostels — the scene of most mine violence over the past few decades — will no longer be segregated on ethnic lines and will be run "democratically", but with management retaining the responsibility for their management, according to the signatories

The agreement was signed by NUM president James Motlatsi, Anglo gold and uranium division chairman Clem Sunter and Amcoal chairman Dave Rankin

NUM, Anglo sign historic accord

Sowetan 25/6/92 (211)

By IKE MOTSAPI

FOCUS

THE historic signing this week of a Code of Conduct Agreement by the National Union of Mineworkers and Anglo American Corporation aimed at curbing mine violence augurs well for the future

The agreement, which is the first of its kind in the mining industry, should also eliminate the violation of a wide range of labour and civil rights

Also signed was an agreement on an Individual Dismissal Dispute and Adjudication Procedure This is intended to both speed up and cut the costs of resolving disputes arising from individual dismissals

The significance of this agreement can be summed up in one word - progress

Both parties agree that in order to achieve progress, it will be by way of better salaries, working conditions and job security for the miners in general

It took a long time to achieve this breakthrough

Negotiations

Negotiations to reach agreement on the type of code of conduct to be adopted started in 1987 and was only finalised this year

Mr James Motlatsi, president of NUM, said "The delay in reaching agreement on the matter shows the type of bad relations that existed between us and management

"This is the type of document that should have been agreed upon a long time ago," Motlatsi said

NUM and Anglo undertook to negotiate the code of conduct after the 1987 miners' strike The idea had been introduced by the parties in a post-strike agreement

At the first round of negotiations on the code in February 1989, Cyril Ramaphosa, then NUM's general secretary, called for an agreement for the settlement of disputes arising out of individual dismissals

The code of conduct agreement details some 20 labour and civil rights acknowledged by the parties as "fundamental"

Among the key ones are

The right to peaceful picketing,

The right to peaceful assembly,

The right to freedom of expression,

The right to a healthy and safe working environment,

The right to full disclosures of relevant information in the interests of both the miners and the company and,

The right to human dignity and equality This means no discrimination based solely on the grounds of race, colour, language, sex, religion, ethnic origin, birth, political views or any disability or other natural characteristic

An important factor of the agreement is that the mine management commit themselves to a "positive programme of job and skills development in accordance with their needs, especially with the aim of addressing the inequalities that existed in the past"

The other important factor, according to Anglo's deputy communications manager, Mr Sejamothopo Motau, mine hostels will not be segregated on ethnic lines

"We know that doing this will be a recipe for disaster," Motau said

Hostels are to be run "democratically" and all employees resident in them will have the right to take part in hostel affairs

"The fundamental responsibility for the management and maintenance of good order in the hostels rests with management," Motau added

In the exercise of any of the labour and civil rights, the code stipulates some limitations

These are

No language behaviour which may incite, be derogatory or give offence to others,

No wearing of any party political insignia at the workplace,

No wearing, carrying or displaying of weapons,

No form of coercive behaviour, and

No interference in the normal running of operations

Also, if management perceives a threat, it can conduct searches for weapons and other illicit substances provided a union or elected residents' representative is advised before or at the time

And where a clear and present threat exists, management can act lawfully to preserve life, property and good order using minimum force

Attendance

Management has undertaken to make facilities for unions meetings available

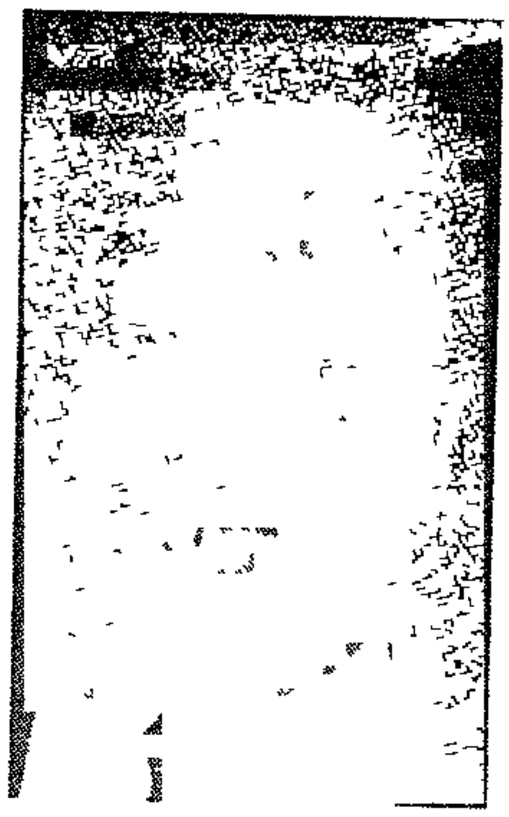
Attendance has to be voluntary

Traditional and cultural expression in the form of singing and dancing will be allowed

The union has to ensure that behaviour which could incite violence does not occur

On the Individual Dismissals Procedure management believe that this will provide quicker and cheaper substitute mechanisms for resolving individuals disputes than those provided by current legislation

In terms of this procedure, disputed dismissal for misconduct of an individual employee who is a union member will be referred to a Regional Dismissal Review Committee (RDRC)



JAMES MOTLATSI

This committee will consist of five people who will handle this dispute

If the RDRC is unable to settle a dispute, the next and final step is compulsory adjudication by a permanent umpire

This umpire will be selected and trained jointly by a panel of members of management and the union

The umpire can

Confirm the decision to dismiss,

Re-instate the employee with or without retrospective effect and

Uphold the dismissal decision but award the employee compensation

Motlatsi said the union was going to "aggressively communicate" the importance of the agreement

He said "We genuinely believe that this will address the question of violence"

Code for peace on Anglo mines

W/Mail 26/6 - 2/7/92 (211)

A ground-breaking code of conduct for Anglo American mines was signed this week.

FERIAL HAFFAJEE

analyses the new accord

IN the tradition of "new" South Africa conventions and accords the National Union of Mineworkers and Anglo American Corporation this week signed a Code of Conduct aimed at delivering "peace on our mines".

Senior unionists and managers signed the code under the gaze of a Harry Oppenheimer portrait at Anglo's stately Johannesburg offices on Tuesday

And in a related groundbreaking development, the union and the company also signed an agreement to establish an in-house dispute resolution mechanism for dismissals and other labour disputes

Anglo director Bobby Godsell said "South Africa can take some hope from the signing of this code," adding that he hoped it would "make transition easier"

The Code has been four years in the making — the idea was first mooted after the mineworkers strike of 1987 which rocked the Reef and dealt collective bargaining a severe blow

Finalising the code was speeded up to satisfy a number of the recommendations made by the Goldstone Commission of Inquiry into the violence at Anglo's President Steyn mine last year when 86 miners were killed and more than 400 injured

But the lengthy gestation of the code has seen many of its provisions overtaken in the past four years, not only on Anglo mines, but also on other mines which negotiate at the Chamber of Mines

The right to picket, to peaceful assembly, to freedom of association and to human dignity and equality are examples of rights widely accepted on most mines, if only on paper

More novel rights Anglo has now committed itself to are

- Safer mines
- Full disclosure of relevant information
- "A positive programme of job and skills development which will redress past imbalances "
- Hostels no longer divided along ethnic lines

In a timely and important development, Anglo accepted "management's fundamental responsibility for the management and maintenance of good order in the hostels" The Boipatong massacre has thrown the issue of corporate responsibility for hostels into full focus

The code also provides that workers will be allowed to meet freely, that mines will make meeting places available and that "traditional and cultural expression in the form of singing and dancing will be allowed".

This carefully worded clause is an allusion (and solution) to those mines which prevented workers from toyi-toying during demonstrations. It is up to the union to control meetings and ensure "that behaviour which could incite violence does not occur"

In the nature of negotiations, the union too has had to make commitments on behalf of members Miners will commit themselves to not use derogatory language and behaviour, not to carry weapons and not to wear party political insignia (presumably buttons and T-shirts) at the workplace

Management has the right to act where there is a "perceived threat to good order" and this action could include searches and other "lawful action"

Striking a vote of no confidence in lengthy and expensive legal proceedings the NUM and Anglo have set up an "Individual Dismissal Dispute and Adjudication procedure"

It is designed to bypass the courts, does not require lawyers services (or fees) and provides quick relief. Within 10 days of a miner's dismissal, he will be granted a hearing before a Regional Dismissal Review Committee which will consist of equal numbers of union and management representatives →

Both the Code of Conduct and the dispute resolution procedure apply exclusively to members of the NUM

This is in line with the union's plans to make the road a lot more rocky for "freeriders" — workers who are not members of the union but who benefit from union negotiated gains

Asked whether this code stands a chance of succeeding where bigger plans like Codesa and the National Peace Accord have gone awry, Godsell said. "We have no appetite for signing pieces of paper that mean nothing in practice "

NUM assistant general secretary Marcel Golding acknowledged that "the Code of Conduct needs a lot of work to ensure that the rights are understood But there is a commitment on our part and we believe it is a step in the correct direction".

Bara bop .. Nurses at Baragwanath Hospital this week joined the general workers' strike

Photo GUY ADAMS

Many mourners turn up for work

DIRK HARTFORD

ALTHOUGH absenteeism was higher than usual in many regions, the vast majority of workers chose to mourn Boipatong through workplace prayer services, mass meetings or demonstrations

Police said 10% of workers from Soweto stayed away, although about 90% stayed away in some of the more far-flung Vaal townships

Sapa reports that in the eastern Cape there was a partial stayaway and companies were forced to close

Volkswagen was closed after only 30% of its workforce turned up Only about 28 workers showed for work at the Goodyear plant

In Port Elizabeth Firestone workers turned up but left again to attend a march B/Day 30/6/92

Johannesburg mining houses said attendance was virtually normal Prayer services and mass meetings were held on many mines

A spokesman for the Johannesburg Chamber of Commerce and Industry said there had been a high level of co-operation between employers and employees regarding the mourning of Boipatong victims

Some companies were flying the SA flag at half mast and most employers had allowed workers time off to hold commemorative meetings

Group in protest against massacre

B/Day 30/6/92

Own Correspondent

CAPE TOWN — A group of ANC Women's League demonstrators yesterday tore down the SA flag at the Cape Town Magistrate's Courts before dousing it with red paint and re-hoisting it at half mast

Police used teargas in the arrest of 12 men and women after they tipped a bucket of red paint over a policeman

Shortly before the incident, eight women who were arrested outside Parliament on Friday for throwing paint at the building had their first appearance in court

No charges were put to them, but several were rearrested afterwards

After the arrests, western Cape ANC Women's League chairman Mildred Lesea said the demonstration was part of an "anger campaign" against the Boipatong massacre A police spokesman said the 12 would be charged with desecration of the flag, malicious damage to property, assaulting a police officer and demonstrating near court buildings

Sapa reports that wreaths were laid at the gates of Parliament yesterday after a memorial service in the St George's Anglican cathedral Cape Town Mayor Frank van der Velde, ANC western Cape chairman Alan Boesak and clergymen later led a march to Parliament

In Bloemfontein, 26 ANC members were arrested while picketing Police said they would appear in court for picketing without permission

Our Durban correspondent reports that about 300 people attended a memorial service in Durban, where several ANC speakers called for government's downfall

Thousands of people attended a city centre service in Maritzburg

In an apparent reference to blame for the massacre apportioned to "Zulu" hostel dwellers, he warned that those who labelled people in ethnic terms would cause a long legacy of bitterness

In Windhoek, about 200 people took part in a memorial service in St Mary's Catholic Cathedral and in London Anti-Apartheid Movement members claimed to have occupied the SA embassy in Trafalgar Square They called on ambassador Kent Durr to refute government's stand that violence was caused by black political rivalry and the ANC's mass action campaign

Sapa-AFP reports that about 75 people demonstrated peacefully in front of the SA embassy in The Hague

Iscor to cut more posts

KARIN FRANKEN

ABOUT 700 employees at Iscor's Pretoria plant will be relocated or retrenched in the next 18 months, following the recent rationalisation programme in which 230 workers lost their jobs and 359 were transferred, Iscor public relations manager Neels Howatt said yesterday.

Workers were told they could either be transfered to other plants or accept retrenchment. Some of the older workers were given early retirement packages.

Numsa spokesman Herman Ntlatleng said his organisation did not support the rationalisation programme in principle. Workers with families living in Pretoria could not be transferred, and would ultimately lose their jobs.

"Workers are not happy about the 18-month programme, because between 800 and 1 000 positions will be affected," Ntlatleng said.

Howatt said employment levels would fall by 1 289 from a total of 5 589 in 1991 to 4 300 in 1994. The second rationalisation resulted from the closing down of Iscor's old coke ovens, which were used to convert ordinary coal to special coking coal.

B/Day 2/7/92 (211)

NUM assistant secretary-general Marcel Golding and Anglo American industrial relations and public affairs director Bobby Godsell argued the future of SA's economy at a debate organised by the International Association for Students of Economics and Management (Aisec) at Wits University's Business School in Johannesburg yesterday. Godsell — also Chamber of Mines president — warned of the negative effects of a general strike, but agreed with Golding that mass action and peaceful protest went hand-in-hand with the negotiation process. Golding said mass action was the only way to press government into giving way to democracy.
Picture ROBBIE BOTHA

W/Mail 3/7 - 9/7/92

NUM angry over Koevoet

(211)

THE National Union of Mineworkers this week pulled out of negotiations with the Chamber of Mines demanding a "clear and unequivocal response from the mining industry on the involvement of Gold Fields of South Africa in supporting violence in South Africa". This is in connection with Koevoet members being housed on GFSA premises.

The NUM added: "Certain mining companies appear to be lending support to the current violence."

survey, resulting in a 330- and does not pay its contribu

Mine strike is ruled out

(211)

S/ Times (BUSS) 5/7/92

By ADRIAN HERSCH

PAY talks between the Chamber of Mines and the NUM may resume this week.

The union said before their suspension that the discussions had been placed in jeopardy, claiming that two mining houses rejected a profit-sharing proposal

NUM suspended the talks after allegations were made about the housing of government forces at a colliery

If a dispute is declared, its timing will be of more than passing interest

Cosatu's general strike is planned to begin on August 3 Workers falling under the Chamber-NUM talks are covered by the Labour Relations Act and can only go on strike lawfully 30 days after the declaration of a dispute

Sharing

The annual pay negotiations affect the unskilled and semi-skilled categories and affect about 333 000 workers in the gold sector and about 28 000 in collieries

NUM demands a 15% increase for gold miners and 25% for coal The chamber offers 5% (gold) and between 7,5% and 12% (coal)

The union claims that Gold Fields of SA and Anglovaal rejected its profit-sharing proposal at the last round of talks

Details of the scheme have yet to be discussed by all parties and a sub-committee to deal with them is likely to be set up when talks resume

NUM spokesman Jerry Majatladi says the declaration of a dispute is not necessarily imminent

Mr Majatladi says "We realise the talks still offer potential for a settlement without going to a conciliation board The strike option is not even being considered at this stage"

Exceptionally tough conditions in the industry will ensure low basic increases this year, which the union acknowledges

Last year the agreement was for a low basic pay increase (averaging about 5%) plus a bonus scheme

Gold Fields mines and Anglovaal's Hartebeestfontein did not take part in the bonus scheme, but the union accepted basic increases between 6,5% and 9% at their mines.

Chamber of Mines industrial relations head Adrian du Plessis says this year's negotiations have been held in a constructive spirit.

Much progress has been made in reaching agreement about health and welfare matters

Thailand deal

FORM-SCAFF has won a R1-million order for specialised modular wall-panel systems for a French company in Thailand.

The company is negotiating further deals in the Far East.

The system, to cast concrete walls, is being used in the construction of apartment buildings at Maung Thong Thani, north of Bangkok.

Abacu
Caxton
CTP
Horton
Solche
Delsw
Music
Transp
Maxm
Quick
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INTER

Clinic
Rhoex
Quick

Mine, union poised to make historic deal

B/Day 6/7/92

(211) ALAN FINE

RAND Mines' Harmony gold mine has become the first in the industry to respond positively to the NUM's proposal for the introduction of an agency shop system for non-union members

NUM assistant general secretary Marcel Golding said he hoped Harmony's response to a "legitimate" union proposal would make an impact on the Chamber of Mines which has, so far, refused to make any concession on the issue

Because of its perilous financial situation, Harmony is holding its annual wage talks separately from the NUM/Chamber of Mines talks

The proposal is one of a number of unusual features of a proposed wage package designed to rescue the mine from closure. Other management proposals include a particularly low wage increase and special arrangements regarding flexible work practices and wildcat strikes.

Rand Mines gold division human resources executive Richard de Villiers said at the weekend the final agreement could be a "trail-blazing" one for the industry.

Harmony management has proposed the establishment of a "collective bargaining fund" into which non-union members would be required to pay a monthly fee. Although the exact amount was still under consideration, it could be the equivalent to the union subscription — 1% of salary

The arrangment would apply to about 15% of 11 000 workers in relevant job categories who were not union members

In terms of the proposal, half of those contributions would be paid over to the majority union — the NUM now — while the remainder would be used to contribute towards the cost of various collective bargaining activities carried out by the union, management and non-union members

De Villiers said this was not, strictly speaking, an agency shop arrangement

☐ To Page 2

Mine

B/Day 6/7/92 (211)

☐ From Page 1

It was designed to meet both union and management concerns The union was concerned about the problem of "free riders" — where non-union members benefited from negotiated improvements in wages and working conditions which they did not pay for through union subscriptions

Management believed this to be a legitimate union concern

At the same time, it also satisfied management's concerns about freedom of association — that no individual employee should be forced to join a trade union against his will The fund would be administered by management

De Villiers said the proposed fund could be used to finance activities like mediation, industrial relations training for worker representatives, negotiators' travelling and accommodation expenses, and payment for collective bargaining venues

Precise details regarding the flow of money through the fund were still under consideration Golding said while the proposal was not "perfect", it was a framework which did address union concerns

The monthly wage increase offered by Harmony at this stage is R25 across the board, the equivalent of 1,4% to 4%, according to Golding

A profit sharing scheme negotiated last year, in terms of which workers' earnings were significantly supplemented, would remain in place

Management had proposed certain changes to a productivity bonus scheme

De Villiers said Harmony had made substantial productivity gains in recent years and had also successfully implemented the productivity agreement negotiated last year The latest proposals were designed to further improve productivity

Other management proposals being considered by the union include the establishment of flexible working practices, and a plan to regulate non-procedural work stoppages in a manner that would, among other things, mitigate the effects of political strikes

Golding said the NUM was not opposed to either of these in principle

The union believed that work flexibility could be achieved only through the enhancement of workers' skills

He said Harmony had recognised political stayaways as a legitimate form of protest In return, the NUM recognised Harmony's circumstances and was therefore "examining ways of minimising the impact of stayaways on the mine's profitability"

☐ Wage talks between the NUM and the chamber are scheduled to resume today following the walkout staged by the union 10 days ago in response to news that hostel premises on Gold Fields' Greenside Colliery had been rented out to a Koevoet paramilitary unit.

NUM, Impala in talks breakthrough

(211)

ALAN FINE

THE NUM has, for the first time, held indirect wage talks with management of Impala Platinum following recent labour unrest at the mine sparked by Bophuthatswana's labour law

NUM assistant general secretary Marcel Golding said yesterday that two rounds of talks had been held between Impala management and the "central council" of Impala workers, assisted by the NUM.

Bophuthatswana law forbids employers to recognise SA-based unions. The talks have apparently been structured to circumvent such legal provisions

The majority of Impala employees are NUM members.

Golding said the management wage offer stood at 11%, while the NUM had demanded 25%

B/Day 6/7/92

Other issues under discussion are improved sick leave, maternity, paternity and study leave, plus workers' skills development.

Golding said the union still faced problems in report-back progress with members, but that negotiations had been "fairly successful"

Impala spokesman Gideon Albertyn said good progress had been made in the negotiations He declined to elaborate on any aspects of the talks.

Gap narrowing in mining pay talks

(211)

ALAN FINE

THE gap between the NUM and the mining industry on a wage settlement for 1992 narrowed substantially in talks on Monday and yesterday, although differences remain

B/Day 8/7/92

NUM assistant general secretary Marcel Golding said last night the union had made a "settlement offer" for the gold mining industry consisting of a 6% wage increase — with a minimum of R45 a month — plus a profit-sharing scheme in terms of which 20% of profits would be divided among workers.

The Chamber of Mines offer stands at 5% plus some form of profit-sharing at Anglo, Genmin and JCI, and 6% without profit-sharing at Gold Fields and Anglovaal. Some groups have offered various minimum increases in nominal terms ranging up to R40

The union wants an additional 2% of pay in employer contributions to the provident fund. Employers have offered 0,5% Improvements in employer and employee contributions to the death benefit scheme have been agreed.

On the collieries, the NUM demand stands at 17,5%, while the chamber has offered 7% to 12,5%

Disagreement remains with regard to two non-wage issues According to the NUM, only Rand Mines and Anglo have agreed to explore a "collective bargaining fund" system similar to the union's de-

☐ To Page 2

Implats miners launch strike

JONO WATERS

MINERS at Impala Platinum's (Implats) Bafokeng South mine in Bophuthatswana went on strike on Wednesday night after an unauthorised mass meeting on wage negotiations and working conditions was broken up by mine staff and Bophuthatswana police. B/Day 10/7/92

News of the strike sent platinum up $2 to peak at $385,50 in early London trade, but the metal slipped back to an afternoon fix of $383,50.

NUM regional organiser Titi Mthenjane said the stoppage resulted from a mass meeting that was meant to take place between the workers and the wage negotiating committee.

Workers had demanded to meet the committee on Wednesday, but the meeting had been broken up by the mine police. They were assisted by the Bophuthatswana police Mthenjane claimed shots were fired at the workers and several were injured.

He said the workers would occupy their places of work, but would not work until the mass meeting went ahead.

In a statement, the mine management said 10 000 miners had failed to turn out for Wednesday's night shift and yesterday's day shift at its Bafokeng South mine.

The management said it had not been notified of reasons for the failure of the workers to turn out at the mine and that about one quarter of Impala's production was affected yesterday.

An Implats spokesman said later that the mine management was still talking to the workers, but had not established why they were striking.

Strikes last year cost Implats 100 000 ounces in lost production

Implats is the world's second largest platinum producer.

Yesterday Implats shares closed 25c higher at R50,75.

Coal mine cannot pay salaries

B/Day 10/7/92

SUSAN RUSSELL

WITBANK coal mine New Arbor Colliery, which has debts of R5,7m and is unable to pay staff salaries due today, was provisionally liquidated in the Rand Supreme Court yesterday.

Rappfos Holdings, which conducts its business under the name of New Arbor Colliery near Kendal in the Witbank district, is a wholly owned subsidiary of Foston Ltd which brought the urgent application for the winding up of the mine.

Foston chairman Glenn John Stuart Laing, said in an affidavit that Rappfos was insolvent with assets amounting to R1 891 000 as opposed to liabilities of R5 732 240

Laing, who is also a director of Rappfos Holdings, said the company owed Foston R3 412 252 on an unsecured loan account which was now due and payable

A creditor, Andru Mining, which was owed R460 000 had already obtained judgment against Rappfos Holdings, he said

Laing added that the winding up of Rappfos Holdings was urgent because the company was unable to pay salaries and wages to employees today.

This meant that employees would refuse to return to the colliery, leaving the company's assets unprotected and vulnerable to theft and vandalism

The company had also been unable to pay the monthly royalty due to the owner of the mineral rights who was now entitled to cancel Rappfos Holding's rights to mine at the colliery.

LABOUR BRIEFS

W/mail 10/7-16/7/92

Agency shop trailblazer?

■RAND Mines' Harmony gold mine may set a historic precedent by becoming the first to accept National Union Mineworkers' demand for an agency shop. (211)

Harmony is conducting negotiations outside the Chamber of Mines umbrella because of its particularly precarious position. It has offered that non-union members pay one percent of their salary — or the equivalent of a union subscription — into a collective bargaining fund to be used by negotiations. Half of this would go into the coffers of the majority union — presently the NUM. The aim of this would be to take care of "riders" — non union members who benefit from the majority union bargaining but don't pay anything towards this end.

Chamber of Mines may not survive new labour relations era

B/DAY 13/7/92. **ALAN FINE** 211

THE whispers are becoming increasingly insistent, even at the highest levels of the industry the Chamber of Mines' days as the collective bargaining representative of the big six mining groups are numbered. And so are the days of centralised collective bargaining in the industry.

This is not the first time that the possibility has surfaced Discussion over the chamber's ability to survive as an employers' organisation in the face of disunity has arisen periodically ever since the mid-'80s and the advent of chamber/NUM bargaining But the issue has become more stark as industrial governance has become more complex and the choices open to mining groups broader At the same time, paradoxically, strong centralised bargaining is arguably more important for the industry now than ever before

Since the NUM was first recognised by the chamber in 1984, different mining groups have taken different stances in wage negotiations, and in attitudes towards the place in the industry of black trade unionism in general

Where wages are concerned, Gold Fields and Anglovaal have consistently opted for a steeper wage curve — meaning lower wage rates in the lower job categories where most NUM membership is situated. Rand Mines gold division, under its previous regime, often took a similar stance, although its coal division generally went with the more liberal positions of Anglo American and JCI — higher wages for the unskilled and semi-skilled, mainly black, section of the workforce and a narrower skill differential overall

Genmin wage and other labour policies shifted from the former to the latter group around 1986 after a hierarchical upheaval which saw the departure of the conservative Johann Fritz and the rise of Derek Keys and Naas Steenkamp within the organisation

These shifts between the liberal and conservative axes in the industry continue to this day Rand Mines gold division, now under CE John Turner and human resources executive Richard de Villiers, is now perceived in union circles as possibly the most liberal group

They were, for example, the first to make a move on the NUM's agency shop proposal this year And the NUM has been astonished at the group's openness in disclosing financial and operational information This has contributed in no small measure, for example, to the NUM's relative amenability towards austerity measures aimed at keeping Harmony in business

JCI, on the other hand, the union says, has changed its spots for the worse — although JCI denies this Having taken similar positions to its sister company, Anglo American, for much of the '80s, the NUM alleges that the corporation has adopted, for example, similar policies to the Gold Fields/Anglovaal grouping in facilitating union organisation

Assistant general secretary Marcel Golding says JCI has been frustrating union access to its mines It has adopted restrictive policies on the holding of mass meetings and has not been as co-operative as it could have been in processing union subscription stop orders He says JCI has also taken to "promoting ethnicity" on its mines "We cannot organise their captive labour force," he says

He takes issue, in particular, with JCI gold and uranium division chairman Kennedy Maxwell, whose activities in the liberal Consultative Business Movement Golding sees as incompatible with JCI labour relations practices

Maxwell says Golding is "misinformed" He says JCI has access agreements which provide for meetings and that the union has made no complaints about stop order processing in the past year With regard to ethnicity, Maxwell says each employee is entitled to choose for himself where to live, and JCI does not attempt to influence hostel residential patterns in any way

The Gold Fields style of operation has, in the union's view, consistently made it more difficult to organise workers The NUM has continually been frustrated at its inability to make significant inroads at group mines And Gold Fields has consistently suffered less industrial unrest than those groups which facilitated NUM activities through easier access to workers Some union officials, in moments of despair, grumble that they have not yet been able to show — through concerted industrial action — that Gold Fields' "anti-union" approach is counter-productive

Gold Fields has traditionally refused to become embroiled in debate over NUM "union-bashing" allegations. Its argument, though, is that its philosophy is a "long term" (as opposed to conservative) one more conducive to job retention and job creation

It is not only corporate philosophy that has prompted divided employer stances within the chamber On wages in particular, Rand Mines wages are generally lower than their Anglo and JCI counterparts because of the more marginal nature of their operations Genmin wage levels fall between the high and low points — a reflection, perhaps, of the relative profitability of its gold mines

Golding sees corporate philosophy as the crux of industry developments "Anglo, Rand Mines and to a lesser extent Genmin have developed coherent views which recognise the union as partners in industry Gold Fields, Anglovaal and JCI do not accord us the same role, but they take this path at their peril"

The refusal of Gold Fields and Anglovaal to participate in productivity or profit-sharing schemes is seen as yet another symptom of the philosophical divisions in the industry which threaten the chamber's role as a central collective bargaining agent

Two factors which have acted as a "glue" between chamber members in the face of diversity are now melting away Firstly, until a few years ago, individual mines' "ability to pay" was not a significant determinant of wage levels — allowing a large degree of wage homogeneity. But the gold mining costs squeeze has changed all that

Secondly, the closed shop agreement which applies to white workers has been the basis of centralised bargaining in the industry for decades Now the closed shop is to go — the chamber has announced its intention to negotiate its scrapping as soon as this year's wage talks are concluded

This will mean that entirely new bargaining structures will have to be devised and, given the growing philosophical diversity and differing operational imperatives in the industry, a more decentralised form of bargaining could be in the offing

The NUM can see it coming, and plans to do what it can to head it off "The chamber is not succeeding in acting as an industrial negotiating forum We accept the need for flexibility, and for negotiations at company or mine level on appropriate issues But an industry level negotiating forum is needed for negotiations, for training matters, research regional development, health and safety and for industrial restructuring and management," says Golding

The NUM also has more practical problems with decentralised bargaining It simply does not have the manpower resources to conduct dozens of separate negotiations each year

This is not the time for either chamber officials or representatives of their affiliates to discuss these issues at length They are, after all still in the midst of the 1992 wage negotiations, and publicly raising these questions could cause a fair amount of discomfort within their ranks

"We have a longstanding structure of collective bargaining The structure has proved to be flexible, and is continually reviewed in regard to developments in the industry," was all chamber GM, industrial relations, Adrian du Plessis would say

It is only the extent of the revision that is in question With the NUM scheduled to respond on Wednesday to the latest chamber wage offer — or, shall we say, offers, since each group and, in some cases, individual mines have made separate and distinct offers — it is time to begin asking whether this may not be the last time the negotiations occur in their present form

Chamber of Mines may not survive new labour relations era

B/DAY 13/7/92. **ALAN FINE** 211

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Secondly, the closed shop agreement which applies to white workers has been the basis of centralised bargaining in the industry for decades Now the closed shop is to go — the chamber has announced its intention to negotiate its scrapping as soon as this year's wage talks are concluded

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NUM and chamber 'still face two major issues'

B/Day 16/7/92 DIRK HARTFORD (211).

THE major issues still confronting the Chamber of Mines and NUM negotiating teams are the union's demand for an agency shop and an arbitration agreement to cover individual dismissals, says NUM assistant general secretary Marcel Golding

The parties met yesterday in their ninth round of negotiations, even though the implementation date for a new agreement had already passed They were scheduled to meet again today.

All the mining houses, except Gold Fields and Anglovaal, have agreed to share 20% of profits with workers, subject to a formula to be negotiated

Golding said yesterday although this did not meet its demand, it signalled a "willingness by the bulk of the industry to move to a new way of supplementing the very low basic wage increases".

Golding criticised Gold Fields for refusing to consider the profit-sharing agreement.

Gold Fields also did not follow other mining houses in increasing the employer's provident fund contribution by a half percent of basic monthly salary and paying the full share of increased premiums under the funeral and death benefit scheme

Gold Fields offered a 6% increase, or R31 a month, against Anglo American's 8,9% and Gengold's 7,4% offer for gold mines On coal mines, offers range between 7% and 13%, said Golding

Only Rand Mines and Anglo American have said they are willing to discuss the agency shop

Meanwhile about 4 000 miners at JCI's Randfontein Estates mine near Westonaria took part in a protest march at the mine yesterday

There was also a march by JCI's Westonaria gold mine workers, said a NUM spokesman

NUM president James Motlatsi told the workers JCI's "arrogant" stance at negotiations was because its mines were not properly organised under the NUM.

Chamber agrees to profit-sharing plan

B/Day 17/7/92. (211)

Business Day Reporters

THE NUM and the Chamber of Mines last night reached a wage settlement including a scheme dividing among workers 20% of mining groups' profits

However, the NUM has declared a dispute in the coal mining sector after the chamber's collieries refused to make a "significantly" improved wage offer The NUM will seek a conciliation board meeting for the coal mines. Offers ranged between 7,5% and 13,9%

On the gold mines, Gold Fields of SA and Anglovaal refused to consider the profit-sharing scheme

The NUM said last night details of the profit-sharing scheme would be discussed at group level to negotiate the levels at which profits would be shared

Workers will get 20% of group profits after deductions for capital expenditure, interest and royalties

NUM spokesman Martin Nicol said it was hoped the agreement would lead to workers on some mines getting increases in line with the increase in the cost of living

The union said the agreement was reached after employers conceded an additional 1% contribution to the Mineworkers' Provident Fund This offer was not matched by Gold Fields and the NUM was now in dispute with its mines

Gold Fields offered gold mine workers a 6% wage increase, or R31 a month, against Anglo American's 8,9% and Gengold's 7,4%

NUM assistant general secretary Marcel Golding said "Workers on well organised mines will get a better deal than those where NUM is not well represented

"The low basic wage increase ensures that jobs are protected to the maximum extent, while profitable mines will share part of their profits when they make them"

Chamber industrial relations GM Adrian du Plessis described the settlement as "a very positive one in a very tough year for the industry"

He regretted that the NUM had found it necessary to declare a dispute in respect of coal mines which had made a "substantial movement towards settling", and he hoped the dispute would be resolved soon

Gold mines agree with NUM on wage increases

STAR 17/7/92

Staff Reporter . (211)

The Chamber of Mines' gold mine members and the National Union of Mineworkers (NUM) yesterday reached agreement on this year's wage review, according to a statement by the chamber.

Provision was also made for representation of the NUM on the board of directors of the Rand Mutual Assurance Company Limited, the workmen's compensation assurer of the mining industry

The NUM indicated, however, that a dispute is to be declared in respect of coal mine members of the chamber.

The chamber's industrial relations general manager, Adriaan du Plessis, said the gold mining agreement was a very positive outcome in a very tough year for the industry, but he regretted that the union had found it necessary to declare a dispute in respect of coal mines

He hoped the dispute could be resolved soon so the offers could be implemented.

Coal mine members' offers currently range from 7,5 percent to 13,9 percent The union's demand currently ranges upward from 15 percent.

In the gold agreement, the parties reached agreement on an offer of 5 percent from houses participating in bonus schemes, together with a minimum which increases the offer in lower job categories.

The offer of houses not participating in bonus schemes was for a 6 percent increase.

Agreement was also reached on a profit-sharing scheme with certain mining houses which involves the distribution of a 20 percent share of profits to employees.

More compensation

■ A JUDGMENT by the Department of Manpower this week overturned Rand Mutual Assurance Company's "underestimated" compensation pay for a miner.

Rand Mutual Assurance, which administers Chamber of Mines's compensation pay, had awarded R723 a month compensation to a 25-year-old miner who was rendered a paraplegic in a 1987 mining accident. Because he was below 26 years old he was entitled to 75 percent of the earnings he would be getting in five years from then. The National Union of Mineworkers appealed to the Worker's Compensation Commissioner and secured a R1 300 pension for the miner.

Mining Week 17/1 - 23/1/92

3

Num, Goldfields settle out of court

C/Press 19/7/92

AN industrial dispute between the National Union of Mineworkers and Goldfields Mining Company concerning the dismissal of 159 workers was resolved in an out-of-court settlement this week.

The entire workforce was dismissed in November last year and will be reinstated from August 4.

The settlement was reached shortly before an industrial-court hearing.

(211)

The dismissal followed a strike by workers demanding the sacking of a colleague accused of spying.

Num officials appealed to strikers in Lesotho to contact the Lesotho Teba office before August 4. SA workers must hand in their names to the union's regional office in Phalaborwa before the end of July. Strikers can reach the organiser at (01524) 85-570.

Job loss starts to level off

C/Press 19/7/92

AMID the doom and gloom of job retrenchments all over SA a small light has appeared at the end of the tunnel: the rate of retrenchments has peaked and is stabilising.

Much depends on the planned mass action by the ANC/Cosatu/SACP alliance on financially shaky companies, but research among large employer bodies shows the worst is over, according to consultancy firm Gavin Brown and Associates.

In the key mining industry bloodletting continues with about 5 600 miners having lost their jobs during the first five months of this year. A Chamber of Mines spokesman estimates a further 10 000 jobs may go down the drain this year, but the total will be less than half of the 34 000 jobs lost in mining last year.

Consumer demand has badly hit the textile industry, with 14 000 jobs lost to May this year. The SA Steel and Engineering Industries Federation says 13 800 jobs were lost in the sector in the five months to May, up 27 percent on the 1991 period. In civils, the SA Federation of Civil Engineering Contractors reports a 22 percent drop in employment from 1990 to 1991, while union/employer agreements in the motor industry have kept employment at an artificially high level.

Latest indications are that politics, violence, the drought and a lack of local and overseas business confidence have pushed the beginnings of a recovery further ahead, possibly to 1993.

Right direction

LAST week's wage settlement between the National Union of Mineworkers and the gold mining industry is arguably one of the most important recent labour developments Operating losses and rising retrenchments have concentrated minds on both sides of the negotiating table, and both sides have by and large negotiated pragmatically. And this in an industry whose union was in the van of militancy during most of the Eighties

The initial agreement on wage restraint and profit sharing between some mine owners and the NUM was reached with the implicit threat that once profits recovered, wage demands would be pursued more vigorously Now, it has been followed by a clearly defined profit-sharing formula incorporating modest wage increases which will take some of the heat off hard-pressed mines

211

Survival of this pragmatic settlement remains problematic Its chances would be enhanced if it were to be extended across the industry and if it were to be extended by acceptable productivity agreements. B/DAY 20/7/92

The Toyota strike underscores the fragility of agreements on productivity and work quality when perceptions of them are manipulated to score points during disputes. The mining industry's labour relations have been forged against the background of labour's realisation that jobs cannot be guaranteed without give and take The idea should spread beyond the mines

COMMENT.

B1DA 23/7/92

Lonrho pays poorly

MULTINATIONAL Lonrho was the worst offender among 16 British companies which paid black SA staff less than the EC code of conduct's mimimum of £175 a month, said a report published yesterday by the Trades Union Congress (TUC)

No pot of gold at the end of miners' rainbow

W/Mail 24/7-30/7/92 (211)

By MONDLI MAKHANYA

SOUTH AFRICA'S 400 000 goldminers continue walking the delicate tightrope between a living wage and job preservation

This year's wage increases, among the lowest since the industry was unionised in the early 1980s, were a trade-off aimed at averting further retrenchments in an industry plunged into crisis by a stagnant gold price

But although the National Union of Mineworkers has come to terms with the Chamber of Mines in the gold industry, conflict is looming on the collieries Rejecting pay offers of between seven and 13 percent on the coal mines, the union has declared a dispute and may begin balloting members in the next two weeks

Raises agreed on the gold mines ranged from six percent to 8,9 percent — a sharp cut in real wages Most miners earn less than R1 000, and their increase will amount to around R40 a month

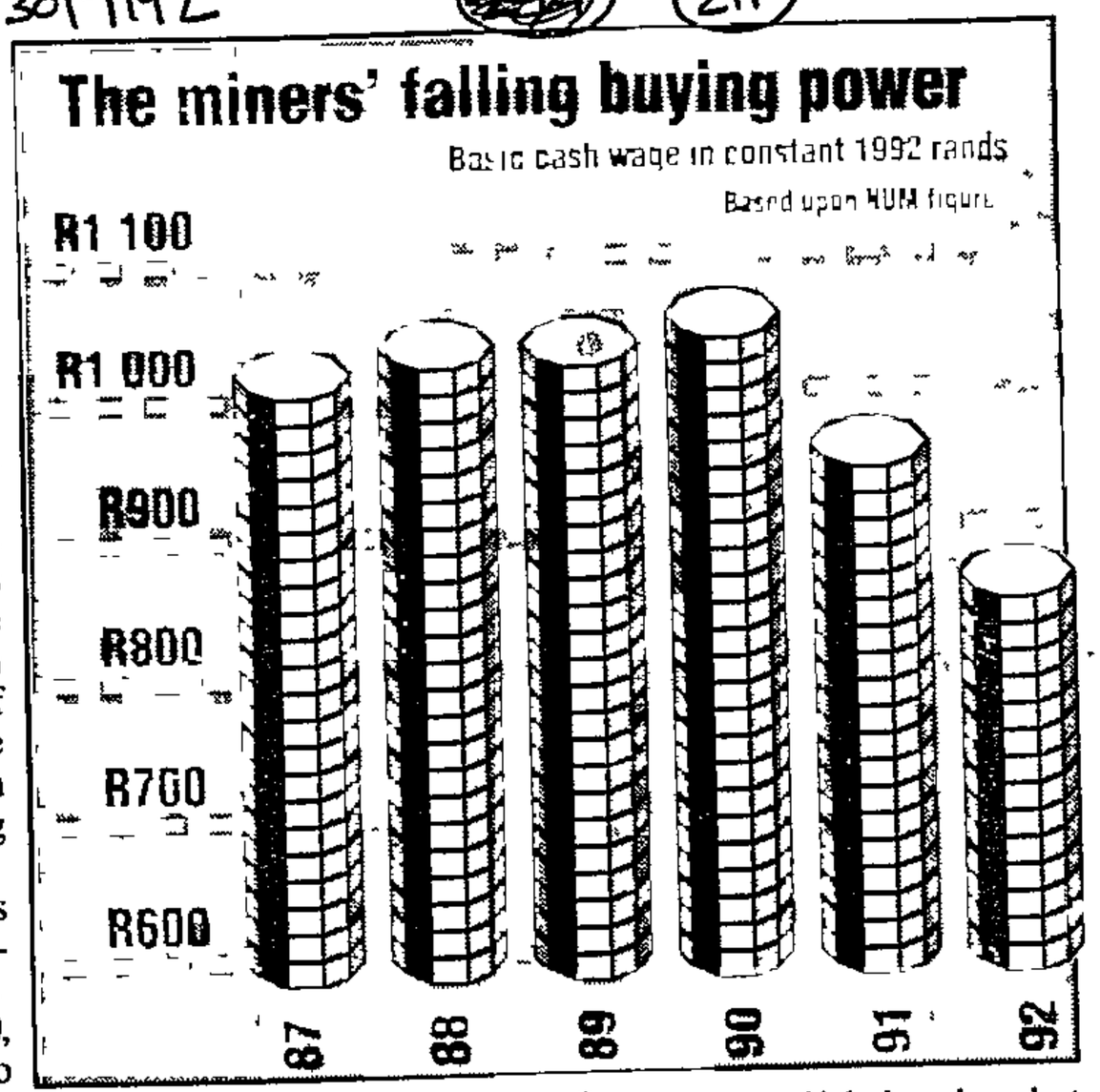
To boost the increases on better-off mines, a profit-sharing scheme was agreed, in terms of which miners will share in 20 percent of profits. Details are to be negotiated between the NUM and mining houses

Gold Fields of South Africa and Anglovaal have, however, refused to enter the profit-sharing agreement, with Gold Fields offering a six percent increase, or a monthly minimum raise of R31, and Anglovaal offering a six percent increase.

JCI, which granted workers a six percent increase, opted to stick to last year's productivity-based bonus scheme. It reported in its annual report this week that it had paid out more than R20-million in bonuses to workers

"They have been able to pay these sums because their Randfontein Estates mine is still quite profitable But it is also highly mechanised and not many people are affected," said an industry source

The different increases for different houses reflects varying economic circumstances — Rand Mines' Harmony mine, for example, is on the verge of collapse



While both sides commend the new profit-sharing scheme as a breakthrough, details have yet to be finalised and there is some divergence as to what it implies. The NUM initially wanted to compensate for the low wage increases by having companies pay 20 percent of profits before capital expenditure, but employers insisted on distributing 20 percent after allowance for capital expenditure.

Mine owners have also agreed to greater disclosures of their financial position. "We realise that this is necessary to make the profit-sharing deal work," said an industry source.

On Anglo American gold mines and Rand Mines' Harmony mine, the NUM also extracted concessions on its demand for dealing with "free riders".

Non-union members who have in the past benefited from NUM-negotiated deals will now have to pay money — one percent of salary at Harmony — into a collective bargaining fund which will be used to meet negotiating costs

A one percent increase in employer contributions to the Mineworkers Provident Fund was also agreed to.

Fifty thousand jobs have been lost on gold mines in the past 18 months, 15 000 of them this year And since labour constitutes more than half of mines' operating costs, an increased wage bill puts many marginal mines in danger of closure.

According to the NUM, the buying power of wages of underground workers — who comprise 80 percent of the workforce — has declined by almost R100 in the past 10 years

And despite the fact that the gold price has rallied in the past few weeks, it is unlikely to reach the R400 benchmark needed to stabilise the industry

NUM collective bargaining head Martin Nicol says the union has had trouble selling the low basic increases to its members.

"At some mines, workers have told us that they would rather have the mines close than accept these low increases I suspect there will come a point where they will simply no longer tolerate the situation

"Employers must ensure that the profit-sharing scheme works if they want the co-operation of the workers in containing costs," he said

NUM, mines thrash out profit-sharing scheme

B/DAY 28/7/92 (211)

MATTHEW CURTIN

IT'S make or break for the principle of profit-sharing on SA's gold mines It is an issue which has already transformed industrial relations in the sector And tens of thousands of jobs depend on its long-term success unless a soaring gold price arrives to rescue the industry

The profit-sharing formula, the details of which are about to be thrashed out by the NUM and three of SA's six mining houses — Anglo American, Gengold and Rand Mines — is going "to test the generosity and optimism of management to the limit", says NUM collective bargaining head Martin Nicol

The parties are in the process of finalising the principles of the profit-sharing scheme, before putting numbers to the theory on a mine-by-mine basis The scheme is designed to replace last year's productivity scheme about which the union raised a number of objections

The union and the mining houses have agreed in principle that mines will share profit, after tax and royalty payments and capital spending, a sum known as the "profit pool" Mine workers will be entitled to 20% of the pool, determined by a trigger level and a ceiling

The pool will be based on the profit of individual mining companies — rather than mines — which should eliminate arguments about the reliability of financial information, because the companies publish the data quarterly A key proviso is that profit will be calculated after capital spending as committed by the company at the beginning of its financial year — and averaged out over each month — rather than as the money is spent There are normally large fluctuations in capital spending on the mines as management tries to maximise the tax-advantages of capital programmes The NUM feared management might also manipulate capital spending to dent bonuses in profitable quarters

Nicol says the NUM first wanted such a formula to be applied across-the-board However, the union has been forced to accept that the formula will work only if applied according to each mining company's financial position

The scheme is chiefly aimed at keeping marginal mines afloat, but a key attribute of marginal mines is their high gearing to gold prices A small increase in price can transform a marginal producer like Gengold's Bracken from break even to being able to pay healthy dividends

In addition, different marginal mines are more or less sensitive to gold prices, depending on their working costs and capital commitments

Anglo American industrial relations manager Fanie Ernst says the keenest debate will be over the trigger point for the profit-sharing scheme Should a mine pay out employees as soon as it moves into profit, or retain a proportion of that profit before the profit-pool mechanism is triggered? And what will the upper limit be? Industry sources say a possible yardstick is that the first 5% of profits be excluded from the scheme

Ernst says the solution becomes easier to find if one regards any payments as a "wage supplement", rather than a bonus, aiming to achieve real wage increases related to a mine's profitability, rather than once-off bonanzas Some mine managers are concerned about ensuring that the idea of an incentive (central to last year's productivity scheme) is retained But Ernst points out that in agreements struck last year, management could have been forced to pay out productivity bonuses based on successful cost containment although a mine came close to break-even because of poor gold prices.

Alternatively, some managements may insist on bonuses being paid only if the mine exceeds past profit levels, or set rolling targets from which bonuses will then be paid

The NUM is clearly concerned that its members are rewarded as quickly and as substantially as possible, but Nicol says the union accepts that it is unreasonable to expect a newly profitable mine to pay out large bonuses one quarter when it may have suffered large losses in previous quarters

But, he says, that may conflict with sentiment on the mines themselves Mine workers have had to accept a second year of wage increases significantly below the inflation rate Existing bonuses based on negotiated or management-implemented schemes have been paid at only a handful of mines Workers may feel they are entitled to a hefty share of any newfound profitability

At marginal mines, the likely sudden swings from break-even to handsome earnings as gold prices move up and down will strengthen such sentiment That, Nicol says, may widen the gap between the cordial management-union relationship established at chamber level, and those at the mines themselves. Another niggling factor is that workers have also seen retrenchments in the industry — creeping towards 15 000 so far this year — continue apace, despite the low pay awards designed to forestall them

Gengold senior consulting engineer Kobus Olivier says negotiations will lead to a wide range of different formulae at different mines

This week the NUM will start discussing each mining company's position, but at head office level Management and the NUM agree last year's negotiated bonus schemes broke down because negotiating and implementing them at mine level, where mine managers and shop stewards have less cosy relationships, proved impossible

In contrast to the mishmash of bonus schemes which emerged last year with varying degress of success, Olivier says that with the principle of profit-sharing firmly established, Gengold is confident that the new scheme will be easier to negotiate and implement this year

LETTERS

NUM, mines thrash out profit-sharing scheme

B/DAY 28/7/92 (211)

MATTHEW CURTIN

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LETTERS

Implats settles on 14% wage hike

B/DAY 29/7/92 (211)

Business Day Reporter

MANAGEMENT and workers' representatives at Impala Platinum (Implats) had reached a wage settlement which included an average wage increase of 14%, the parties said in a joint statement yesterday

The Central Council of Worker Representatives, which represented 45 000 employees at Impala's Bophuthatswana operations in the talks, was a thinly disguised NUM structure It was established because the homeland's labour laws bar employers from dealing with SA-based unions Implats said the council was assisted by NUM officials during the eight negotiating sessions which lasted three weeks

The negotiations and settlement followed a period of serious industrial relations problems at Implats caused largely by the homeland's labour legislation. A series of wildcat strikes last year cost Implats 100 000oz in lost production

The agreement also provided for a living-out allowance option for all employees, three months paid maternity leave and an arbitration procedure.

Talks could limit mass action losses

BIDAY 31/7/92 (211)

ALAN FINE and DIRK HARTFORD

TALKS between NUM and various mining houses show "some promise" of delivering agreements which could ensure next week's scheduled political protests keep productivity losses to a minimum, an industry source says

It is understood the union and some managements are discussing the possibility of joint meetings and rallies facilitated by adjustments to the timing of shifts or the taking of leave — similar to arrangements on the day of the Boipatong funeral

The source cautioned, however, that discussions were still in progress and no agreements had been reached

Earlier this week NUM wrote to employers in the industry saying its members would be participating in the planned week of action, and seeking talks to ensure events went off peacefully

NUM was not available for comment last night

Although there have been a spate of ongoing discussions at company, regional and even industry level about next week's mass action, employer and union sources expect the strike to go ahead as planned next week

But some progress has been made in regard to the three days after the general strike In the western Cape, for example, shop stewards will be released at midday to attend protest meetings in the city centre, but production will continue

In Natal, employers and unionists are expected to sign a declaration pledging peaceful, disciplined and orderly conduct and the right of individuals not to participate in the mass action

RAY HARTLEY reports employers who dismissed workers for participating in next week's general strike would be blacklisted and targeted in further mass action, Cosatu general secretary Jay Naidoo said at a news conference yesterday

"To take disciplinary action will be seen as endorsing the agenda of the De Klerk government," he said

"We will launch a campaign both internally and internationally to effect actions such as a blacking action, or a boycott of products or delivery of raw materials to those factories, as one part of that programme of action"

Naidoo said Cosatu was considering declaring a dispute with Saccola because of the its role in the failure of recent negotiations around a charter

"There are various other actions being contemplated at grassroots level, but certainly we are not going to stand by and watch employers take a stand which places them in the government camp"

ANC secretary-general Cyril Ramaphosa told the news conference threats of dismissals and written warnings by business were "acts of blatant intimidation infringing on the right of all South Africans to engage in peaceful protest"

Ramaphosa confirmed ANC president Nelson Mandela would lead a march on the Union Buildings next Wednesday

Five left-wing organisations, however, said yesterday they would not support the stayaway, Sapa reports

Nactu, the PAC, Azapo, the New Unity Movement and Independent Trade Unions jointly decided not to take part Inkatha has also urged its supporters to work

The 43 000 members of the all-white Mineworkers' Union have been asked to "keep the economy going" during the mass action, MWU general secretary Hein Ungerer said yesterday

GERALD REILLY reports a Sabta spokesman said the strike would mean losses of up to R40m for the industry

Johannesburg Chamber of Commerce and Industry executive director Marius de Jager said the loss of earnings among several million black workers would dramatically reduce total incomes

Several ANC-aligned organisations yesterday said a school stayaway would be supported

● Comment Page 12

LABOUR BRIEFS

Wage deal at Implats

W/Mail 31/7-6/8/92

■IMPALA PLATINUM circumvented Bophuthatswana's anti-union laws this week and concluded a wage agreement with National Union of Mineworkers representatives. Implats and members and Central Council of Worker Representatives — composed mainly of NUM officials — agreed on a 14 percent wage increase for Implats employees. South Africans union are banned in Bophuthatswana, but in order to avert wildcat strikes employers have recently been willing to deal with them on the provision that they adjust their names.

No end to hospital woes

■WHILE the National Education, Health and Allied Workers' Union continues to organise assistance for striking hospital workers, the Transvaal Provincial Administration insists the strike is over. The TPA has begun hiring new employees and claims only 1 000 of the 7 000 fired strikers' jobs have yet to be filled. Nehawu says its members are still on strike and has set up food halls, a strike fund and arranged free transportation for strikers.

W/Mail 31/7-6/8/92

Strikebusters to break stayaway

W/Mail 31/7-6/8/92

By SHADLEY NASH

A PRETORIA-BASED company called Strikebusters is promising jobs to the Port Elizabeth's unemployed during the tripartite alliance-led two-day stayaway next week.

In advertisements placed in Port Elizabeth newpapers under the headline, "Strikes Cost Millions", the company called on businesses to "reserve your alternative workforce now and prevent production losses".

The five-week-old company is gearing up for the proposed two-day stayaway and said some 4 000 unemployed Port Elizabeth residents have made job inquiries with it.

The company has an office at a secret location in Port Elizabeth from which it is doing its placements telephonically, says company director Josh Louw. He said the main task of the office was to act as a "mobilisation centre" from where job candidates could be placed.

An industrial relations observer warned, however, that such action was "dangerous strategy" and would whip up emotions in an already tense situation. — Pen

Accords aim to limit damage to production caused by mass action

B/DAY 3/8/92

DIRK HARTFORD

THE impact on production of this week's mass action — particularly from Wednesday to Friday — will be limited by several agreements which have been reached between employers and unions

In the mining industry NUM members will work extra shifts to compensate for loss of production during the general strike today and tomorrow

NUM assistant general secretary Marcel Golding said at the weekend individual agreements had been reached with various mines in the Anglo American and Rand Mines groups

The agreements were aimed particuarly at marginal mines

In the motor industry, Samcor will close its plant for the whole week following discussion with shop stewards

Numsa members in the industry begin a national strike in support of wage and job security demands today

In the Natal region, various employer organisations and Cosatu have signed a declaration to "ensure that the risk of violence and intimidation is minimised during the stayaway"

A joint initiative has been set up to monitor the stayaway and liaise with affected parties should there be any breakdown in the agreement

In the eastern Cape it is likely that workers will work on Thursday and Friday and hold lunchtime demonstrations

It has been proposed that workers come to work on Wednesday morning, but be given off from lunchtime to participate in marches and demonstrations in city centres

In the western Cape employers are expecting workers to turn up from Wednesday to Friday But it is possible shop stewards will be allowed to take part in city-centre demonstrations on Wednesday

Similar arrangements have been made in the retail and manufacturing sectors

Meanwhile, labour consultant Andrew Levy points out that 650 000 man days have been lost in the first six months of this year due to strikes The strikes at Toyota, the hospitals and the SABC have compounded the situation since then.

Only 19% of strikes so far this year were triggered by wage demands, Levy says Last year, 52% of strikes were over wages

In 1987, 9-million man days were lost due to strikes — the highest to date.

Sapa reports the PAC says it has received "numerous reports of massive intimidation"

PAC secretary for publicity and information Barney Desai said yesterday the organisation's national working committee, meeting over the weekend, had received reports "that massive intimidation against the community is rampant"

The PAC said the intimidation was aimed at enforcing the stayaway.

Historic agreement

THE National Union of Mineworkers and Harmony Gold Mine have signed an agreement that includes a moratorium on retrenchments, according to the union (211)

The agreement, according to the two parties, heralds a new era in industrial relations Sowetan 13/8/92

Mr Marcel Golding, assistant general secretary of the NUM said "The aim of the agreement is to preserve jobs and to provide a basis for union and management co-operation."

NUM, mine sign pioneering pact

B/DAY 13/8/92. (211)

ALAN FINE

THE NUM and Harmony gold mine yesterday signed what the union described as a "pathbreaking" agreement aimed at preserving jobs and laying the basis "for union and management co-operation in securing the survival of the mine".

Among the unusual features of the settlement are wage increases substantially below those applying elsewhere in the industry, the first finalised profit-sharing scheme this year; and an agreement to minimise the effects on the mine of political stayaways

It also provides that the introduction of new work practices and new technology will require agreement between the union and management, it requires negotiation of enhanced skills training to improve efficiency; and formalises the mine's acceptance of an agency shop system.

In terms of the agreement, employees are to receive a R30 across-the-board wage increase (below 2,5% on average). In addition, 20% of after-capex profits would be paid to workers as bonuses

On political strikes, while the mine recognises the right of workers to express political aspirations, the union has agreed to negotiate with management how that should occur in practice.

The agreement states that new work practices and technology should not be introduced in a manner that compromises health and safety standards and causes job losses

The mine has agreed to negotiate, where possible, broad-based skills training courses, an adult education programme, paid time off for approved training courses and improved pay for improved skills or qualifications

As regards the agency shop, all employees would contribute 1% of basic pay — the level of NUM subscriptions — into a collective bargaining fund administered by mine management All monies paid by union members would be passed on to the NUM, as would 50% of the contributions by non-members.

The purpose of this is to compensate the union for work which leads to the improvement in non-members' conditions of employment The balance of the funds would be used to finance industrial relations activities such as shaft steward training, and transport and mediation expenses.

Rand Mines human resources executive Richard de Villiers said the agreement reflected "a constructive attempt by both parties to accommodate each other's interests in the context of securing the survival of the mine"

The NUM said the agreement took both parties "into areas in which union/management co-operation has never before been tried"

The NUM represents 85% of the mine's 14 000 wage-paid employees

sums of money

Most of those who slipped away in London are expected to take part in

companies were to top it up with a further $4 500 per person — Sapa-AFP

STAR 13/8/92

Rockburst kills two miners

Two miners died and five were injured on Tuesday in a rockburst at the Western Deep Levels East Mine near Carletonville in the Vaal Triangle, Anglo American Corporation's gold and uranium division announced yesterday

"The rockburst, on 99 level some 2,8 km below surface, was associated with a seismic event measuring 2,2 on the Richter scale," said the mining body.

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None of the miners has yet been named —Sapa.

NEW SHOPPING CO IN FOURWAY GA

Mine wage deal

JOHANNESBURG — The Chamber of Mines and the National Union of Mineworkers have settled on wage increases for coal mines ranging from 7,5% to 15,1%

The NUM's assistant general secretary Mr Marcel Golding confirmed the deal last night (211) CT 14/8/92

Mining union accepts chamber's wage offer

STAR 14/8/92

The National Union of Mineworkers (NUM) has accepted the wage offer tabled by the Chamber of Mines at a conciliation board meeting held last Friday to settle the wage dispute on coal mines

However, final agreement was now awaited on the resolution of continuing negotiations dealing with health and safety issues and the restructuring of Rand Mutual Assurance to allow for NUM representation, the union said in a statement yesterday

Best offer

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It said the chamber had made a "slightly improved" wage offer for some mines at the meeting

In present circumstances, the negotiating team believed that the offer was the best achievable and had recommended that members should accept it

The wage settlement varied widely between the mining houses and ranged from 7,5 to 15,1 percent, with the following average percentages Amcoal 13, Trans Natal 12, Douglas and Duiker 11, Gold Fields Coal 9, and JCI and Iscor (DNC) 8

The NUM said significant gains had, however, been made in other areas in both gold and coal mines, among them

- The NUM would be given representation on the board of directors of the Rand Mutual Assurance Company, which paid benefits to injured workers and their families
- The chamber had agreed to hold discussions with the union about providing health care for the families of workers outside the wage negotiations, and to make a joint approach to the Government to amend the law on occupational diseases in mines so that black and white workers received the same compensation
- The chamber would issue a statement encouraging mines to enter into agreements with the NUM on arbitration and dismissal cases — Sapa

No free riders in Harmony, NUM deal

W/Mail 14/8 – 20/8/92 (211)

Weekly Mail Reporter

RAND MINES' Harmony gold mine and the National Union of Mineworkers broke new ground this week by signing the first ever agency shop agreement as part of this year's wage settlement.

According to the agreement — aimed at eliminating "free riders" who benefit from union-negotiated deals without paying union dues — non-NUM members will have to contribute one percent of their pay to a "collective bargaining fund". Half of this fund will be paid to the union for services provided by the union in negotiations with Harmony management, while the balance will be administered by management to finance the training of shop stewards and meet mediation expenses.

The demand for an agency shop was also tabled by the union in this year's talks with the Chamber of Mines, but was rejected. Harmony, South Africa's largest marginal mine, negotiated separately from the Chamber this year.

In terms of Harmony's wage award, one of the lowest in the industry, workers will receive a R30 across-the-board monthly increase, but Harmony has agreed to the 20 percent profit-sharing agreement signed by other mining houses with the NUM.

As a means of monitoring the 20 percent profit-sharing scheme, the mine will disclose its financial position to the NUM on a monthly basis. Also part of the agreement is an undertaking by both sides to negotiate the introduction of new technology on the mine. Skills training, adult basic education and the introduction of certifiable training courses are among other issues to be the subject of further negotiations.

Mine agreement to be expanded

Sowetan 14/8/92 (211)

■ **Non-union members will pay for the improvements:**

By Ike Motsapi

THE National Union of Mineworkers will in future negotiate with mining companies a similar agreement reached with Harmony Gold Mine this week.

Harmony Gold Mine in the Free State this week signed an historic agreement that includes a moratorium on retrenchments, profit-sharing and pension fund

Mr Martin Nicol, head of NUM's collective bargaining unit, said the union had also agreed to proposals by the mine management to offer its members lowest salary increases paid in the gold mining industry.

Nicol said. "This is the direction the union is taking for the future interests of its members," Nicol said.

Nicol said the Harmony Gold Mine agreement was signed after Num had made proposals to various mine managements to accept the deal in order to alleviate the crisis that has plagued the industry.

The new agreement was taken to prevent Harmony Gold Mine from closing with in many people losing their jobs,

The agreement is regarded by both parties as novel because it may herald a new era in industrial relations in the economically troubled gold industry.

Chamber, NUM clinch deal for coal mines

B/DAY 14/8/92. (211)

DIRK HARTFORD

THE Chamber of Mines and the NUM have settled on wage increases for coal mines which range from 7,5% to 15,1%

The NUM's assistant general secretary Marcel Golding said its negotiating team had recommended its members accept the offer

This was because of the "circumstances in the coal industry and our country today"

The wage settlement varied widely between the mining houses Average wages were 13% at Amcoal, 12% at Trans-Natal, 11% at Douglas and Duiker, 9% at Goldfields and 8% at JCI and Iscor

All collieries agreed to increase employer contributions to the provident fund by 1%, bringing their total contribution to 6% However Goldfields will only make this contribution if its employees also pay an extra 1%

Amcoal, Trans-Natal and Randcoal have also agreed to discuss an agency shop with the NUM

The Chamber for both gold and coal mines, will now give shaft stewards five days paid leave for NUM training courses, pay for the lost shifts of NUM national negotiators and encourage mines to employ full-time shaft stewards and to enter into arbitration for dismissal cases

The NUM will also have a representative on the board of the Rand Mutual Assurance company which pays benefits to injured workers and their families

now a model mine

S/Times 16/8/92 (21)

WHITE and black miners and their families live and work side by side in harmony on the biggest colliery in South Africa.

By RYAN CRESSWELL

A township for lower-income married couples and the hostels for mineworkers at Durnacol Colliery, near Dannhauser in northern Natal, now house blacks, whites, Indians and coloureds

The 3 000 miners work shoulder-to-shoulder and many whites are doing jobs underground that were once reserved for blacks

A proud white miner recently became a "shift boss" — at one time a person holding this position was called a "boss boy"

Until now mines have tended to be hotbeds of racial friction.

But at Durnacol all that changed when 2 000 black miners were fired in March after staging an illegal strike and allegedly holding a number of white and Indian miners hostage underground

At the time the black miners claimed there was racial discrimination on the mine and there had been a number of unfair dismissals

But management said the miners were unhappy because they had expected massive increases this year.

After the mass dismissal, the word went out that there was work at Durnacol and more than 10 000 people from all over the country made their way to the mining village. Many of them were whites who had lost their jobs and owned virtually nothing

According to Durnacol's personnel manager, Mr Hennie Nel, the miners were tested for jobs regardless of "race, sex, religion or political affiliation"

He said Durnacol was leading the way for the rest of Iscor and many other mining companies.

Mr Nel said. "We have been running a programme to eliminate racial discrimination for two years

"All reference to race has been wiped from our computers

"I think this new way has tremendous potential. In just three months our new staff has the mine up to 60 percent production."

Mr Nel said workers on the mine met every morning to discuss any personal problems they had with their immediate superiors

They were allowed to grade their superiors' performance and communications skills.

One shaft boss allowed his mostly black section leaders to investigate any mine injuries rather than bring in senior specialists.

Mr Nel said everyone on the mine would go on a three-day course in groups of 30 with a specially trained "trans-cultural facilitator"

"Everybody is living in harmony but the cultural programme is to make sure there are no slips," he said.

Things started changing on the mine about two years ago when three clubs on the mine opened their doors to everybody.

Now people seem to be getting on fine in the township for the mine's lower-income workers.

Operator Dave Knepscheld, 36, moved from Durban in April.

Curtains

"I have more Indian and black friends here than white ones

"I was the first white guy to move in here and the blacks made sure my wife and I weren't short of anything," he said.

Mrs Franscisca Moroka said when the white families moved in some of them did not own anything

"We gave them cupboards and curtains

"There have been no problems," she said

Families pay only R10 a month for their neat three-bedroom houses.

There is also racial harmony at Number Five hostel, which houses about 2 000 single workers. There are about 70 white miners living in the hostel.

Plumber Dave Burger, 27, arrived at Durnacol after being retrenched at Saldanha Bay.

He has now spent four months at the hostel sharing facilities.

"There have been no problems," he said, adding that the food had improved. "At one stage they seemed to cater solely for the tastes of black people."

The miners live in dormitories and share a communal dining hall.

Hostel manager Mr Piet Rousouw said there had been no incidents in the hostels since March.

Impala workers get representation

RUSTENBURG — Impala Platinum Mines yesterday signed bilateral agreements giving recognition to full-time shaft stewards and representative structures for workers at its Bophuthatswana mines

The central council of workers co-signed the agreements at the Bafokeng training centre The NUM said it had advised the council.

This follows the recent finalising of a wage agreement at the mine

The agreement lays down the principles and procedures for governing the recognition, rights and duties of shaft stewards, branch committees and the central council of workers

Part-time shaft stewards will represent 150 workers in each section, while shafts and processing sections will have full-time stewards and a committee each Every mine will have a branch committee — Sapa

Govt turns down NUM request for new inquiry

B/DAY 21/8/92 (212)

ALAN FINE

MINERAL and Energy Affairs Minister George Bartlett had rejected an NUM proposal for a new inquiry into government policy on aid to marginal mines and the victims of mine cutbacks, the NUM said yesterday

NUM acting general secretary Kgalema Motlanthe said that the rejection was unexpected and disappointing

Bartlett yesterday supplied a copy of his letter to the NUM announcing his decision

In his letter, Bartlett said the issues raised by the NUM were "adequately catered for" in the working groups established by last year's mining summit

He said until mining summit structures had concluded their work "and presented government with acceptable alternatives, the existing directives for state assistance to the mining industry as approved by the Cabinet should remain in place"

The NUM yesterday expressed unhappiness at this because, it said, there had been consensus on few concrete ideas in the summit working groups and the process was "hopelessly bogged down . in the rut dug by the Marais committee

The NUM made its proposal earlier this year, arguing for assistance which would reduce the impact of cutbacks on mines, their employees and the miners' home regions

The union argued that the Marais committee's report, on which present government policy is based, was outdated and inappropriate to present circumstances because, it said, the committee's gold price projections were way off beam

It therefore did not anticipate any major mine closures this century and paid little or no attention to the downscaling characteristic of the industry now

Bartlett also told the NUM an application for assistance by Harmony was still being processed

However, an NUM spokesman said the outlook for meaningful assistance for Harmony in terms of present government policy was dim.

Unions are forced to settle for less

W/Mail 21/8-27/8/92

By MONDLI MAKHANYA

UNIONS have had to settle for below-inflation wage increases this year as the recession continues biting into workers' bargaining power.

With most sectors now having completed wage negotiations, settlements appear to have averaged 12 percent — four points below the inflation rate and way below the 27 percent food inflation rate. This figure may drop to single digits after settlements have been reached in the strike-hit engineering industry, where employers have indicated they will not budge from their 8,6 percent offer.

Apart from the engineering industry, where the National Union of Metalworkers of South Africa (Numsa) has revised its demand from 20 to 16 percent, unions' opening demands were moderate, indicating their expectation of low awards Instead, they have concentrated on working conditions and issues of job security.

Econometrix economist Azaar Jammine notes that, in the past, unions usually added the growth rate to the inflation rate as their bottom line for wage increases — meaning that this year's increases should have averaged 18 percent.

The lowest increases in a major industry were granted in the gold-mining industry, with workers settling for a five percent increase plus a 20 percent profit-sharing scheme.

Coal miners accepted an 11 percent wage hike, while hotel and public-sector workers settled for 9,8 percent and 9,6 percent respectively In the retail and chemicals industries, average settlements were 15 percent.

Motor-manufacturing workers accepted a 12 percent increase and concentrated their energies on pushing for a renewal of the retrenchment moratorium In the end, Numsa managed to secure a fund for retraining retrenched workers.

Gavin Brown and Associates consultant Andre Jooste predicts the trend will continue beyond the recession

The virtual bridging of wage gaps between black and white workers and the hardening of employer attitudes as a result of the politicisation of industrial relations have also contributed to the lower settlements, Jooste adds

De Beers' threat to scrap union recognition

B/DAY 24/8/92 (211)

ALAN FINE

THE NUM declared a wage dispute with De Beers on Friday — and the corporation threatened to scrap its recognition agreement with the union

NUM assistant general secretary Marcel Golding said that the union was unable to accept De Beers' 8% wage offer and had applied for the appointment of a conciliation board to consider the dispute The union's wage proposal stands at 15% to 21%

A further area of dispute was the NUM's demand for the establishment of an agency shop system — recently achieved at Harmony and agreed to in principle with certain parties to the Chamber of Mines' wage negotiations

De Beers, said Golding, was refusing to consider the proposal

He said De Beers had given notice of its intention to terminate the recognition agreement following NUM members' participation in the August 3 and 4 stayaway.

De Beers' case was that the union had failed to adhere to the terms of the agreement which required that it seek alternatives in such cases

Golding said the NUM denied the charge as it had notified De Beers of the planned stayaway and had suggested alternatives, including a 24-hour shutdown in place of the recent two-day mass action stayaway However, agreement had not been reached

WILSON ZWANE reports that De Beers spokesman Shane Leisegang said yesterday the corporation had made it clear to the NUM that unless amendments to its agreement with the union regarding protest activities not related to work were accepted, it would "have no choice but to cancel the agreement and renegotiate it"

He said the agreement between the corporation and the NUM stipulated that the union should try to consult De Beers before

☐ To Page 2

De Beers

B/DAY 24/8/92 (211)

☐ From Page 1

taking part in any mass protests unrelated to work issues

Such consultation should be held with a view to finding alternatives to protests so that operations were not disrupted, Leisegang said

He said the proposal for a 24-hour shutdown by the NUM was an effort to disrupt operations because the union had rejected the corporation's demand that lost production be made up by working extra shifts

De Beers' proposals included greater accountability on the part of union office bearers in complying with the agreement.

Of the agency shop agreement, Leisegang said De Beers had so far not been persuaded by the union's argument that it should deduct union fees from workers who were not NUM members.

B/DAY 24/8/92.

No retrenchments yet

SA's major mining houses have denied there will be retrenchments shortly at some of their marginal mines. (211)

Spokesmen for Gencor, GFSA, Anglo, Anglovaal and Rand Mines said there were no plans to retrench at this stage

Labour

Sowetan 24/8/92 (211)

Num chief on visit

NATIONAL Union of Mineworkers (Num) president James Motlatsi is to head a delegation to Sweden where talks are to be held on uniting union federations under one umbrella body

Motlatsi, who is also vice-president of the Miners' International Federation, will meet presidents of other mining unions and federations.

The Num delegation will include the union's former general secretary, Cyril Ramaphosa, now secretary general of the African National Congress, who helped forge links with international union bodies

De Beers blaming NUM unfairly — Golding

B/DAY 25/8/92 (211)

DIRK HARTFORD

DE BEERS was so "paranoid" about its results that it was trying to blame the union for its disappointing performance instead of its bad management, NUM assistant general secretary Marcel Golding said yesterday

He said the dispute between NUM and De Beers was because of a "pathetic" wage offer The reasons De Beers gave for wanting to renegotiate its recognition agreement with the NUM were "absolutely untrue"

De Beers said yesterday the NUM had reached agreements with other mines on a one-day work stoppage, to be made up in overtime, to mark mass action earlier this month The company claimed it had been singled out for a two-day stayaway Disciplinary action against employees who supported this was continuing

Golding said the NUM had complied with agreed procedures in negotiations on the stayaway, but De Beers was unhappy with the outcome "They had the option of going to arbitration, but they did not"

NUM and De Beers are in dispute after the NUM rejected an 8% wage increase offer

Meanwhile, De Beers and the white Council of Mining Unions have agreed on a 7% basic wage increase with additional merit awards

Key deal seals coal miners' wage talks

(211)

CT 28/8/92

JOHANNESBURG — Labour and coal mining house representatives signed a milestone document yesterday which agrees to a 7% to 15% wage increase and important advances in health care rights for workers

Reached after four months of intensive negotiation, the agreement affects some 20 000 coal workers employed by SA's seven coal mining companies and sets new wage levels for about 40 000 workers in total

"It breaks new ground" said Chamber of Mines representative Kallie van der Colf

The parties agreed to make joint representations to Health Minister Dr Rina Venter to hasten the revision of the Occupational Diseases in the Mines and Works Act

Also provided for is an increase in the workers' provident fund of up to 6% — Sapa

Coal miners score historic wage deal

STAR 28/8/92

By Thabo Leshilo
Labour Reporter

211

The National Union of Mineworkers (NUM) and the Chamber of Mines yesterday signed an historic wage agreement with far-reaching implications for the welfare of about 400 000 miners in the coal industry

The results of four months of intensive negotiations, the agreement was signed at the chamber's Johannesburg head office

The agreement provides for wage increases ranging between 7 and 15 percent and major improvements in the chamber's contributions to employee retirement benefits, as well as life and funeral benefit insurance

Most importantly, the document contains comprehensive agreements on principles and values applicable to employees with statutory occupational diseases and injuries suffered on duty

"It breaks new ground," said the chamber's industrial manager, Adrian du Plessis NUM's Marcel Golding concurred

The implementation of the agreement has been backdated to July 1 this year The main points are

- Coal mines in the Gold Fields group which recognise the union will increase workers' holiday leave allowance from 80 percent to 82,5 percent of basic pay
- The chamber's contribution to the Mineworkers' Provident Fund will be increased from 5 to 6 percent
- The parties recognise the important role of fulltime shaft stewards and will discuss their appointments
- Mines that recognise the NUM shall grant five days' paid leave a year to shaft stewards to enable them to attend trade union courses
- Mines will pay union delegates for shifts not worked due to their attending meetings between the NUM and the chamber for industry-level negotiations Delegates should give prior notice and their release will be subject to the mine's operational requirements
- The chamber has agreed to representation of the union on the board of directors of the Rand Mutual Assurance Company, which compensates miners
- The parties will make representations to the Department of Manpower to secure changes to the structure and procedure of the Industrial Council to expedite the handling of cases involving individual dismissals

The parties will make joint representations to National Health Minister Dr Rina Venter to expedite the revision of the Occupational Diseases in the Mines and Works Act

The parties hope to sign a similar agreement for the gold mining industry

W/M aug 28/8 - 3/9/92

De Beers threatens over NUM stayaway

Weekly Mail Reporter (211)

WHILE the National Union of Mineworkers (NUM) was applying for a conciliation board hearing on its wage dispute with De Beers, the mining house was this week talking of cancelling the union's recognition agreement and dismissing workers en masse.

De Beers' threats to de-recognise the NUM are in retaliation for workers having participated in the August 3 and 4 stayaway. According to the company, this was in breach of an agreement reached in 1989 requiring the NUM to consult the company on non-work-related protest action and ensuring that this does not disrupt the operations of the company

Furthermore, claims company spokesman Glenn Byrant, the NUM refused to extend to De Beers an agreement it had reached with other mining groups that workers who stayed away on August 3 would make up for lost production at a later stage

NUM spokesman Jerry Majatladi countered that the union did notify De Beers of possible protest action and that the NUM had no immediate control of workers' actions, as the stayaway was initiated by Cosatu

In addition to firing 300 workers and disciplining others over the stayaway, De Beers has tabled amendments to the recognition agreement. These would make the union more accountable for the actions of its members, clarify "the duty to consult" and provide for stiff "sanctions" in the case of a breach If these are rejected, the NUM may be de-recognised

The NUM is taking the threat seriously, but says it has not been able to consider its response as a number office bearers are abroad.

Implats, NUM reach recognition accord

W/M aut 28/8 - 3/9/92.

(211)

In an effort to circumvent Bophuthatswana's tough labour laws, Implats and the National Union of Mineworkers have reached an unusual recognition agreement.

By **MONDLI MAKHANYA**

W M 28/8 - 3/9/92

IN a major breakthrough for trade unionism in Bophuthatswana, a National Union of Mineworkers (NUM) structure has been recognised at the turbulent Impala Platinum Mine This comes on the eve of the announcement of new labour legislation in the homeland, which is unlikely to ease clamps on South African worker bodies

According to the agreement between the NUM and Implats, the union will be recognised as the "central council" — an in-house forum — as a way of circumventing Bophuthatswana's restrictions on "foreign" unions

The recognition comes after a year of bitter conflict on the Genmin-owned mine, where 26 000 of the 48 000 employees are members of the NUM Implats did resist recognition on principle, but argued that present Bop labour law precludeds it from recognising the NUM until it was registered in the homeland

This conflict — which included work stoppages and go-slows — is estimated to have cost the mine over R100-million in lost production Thirty lives have been lost in clashes between mine security and NUM members, as well as between union members and non-union workers In a move to break the recognition impasse, the NUM early this year applied to register under Bop's current Industrial Conciliation Act

As progressive as any recognition agreement signed by a South African union, the Implats agreement has wide-ranging provisions on the functions and constitution of the central council

The council is to consist of shaft representatives, and shaft and shop stewards. Two NUM officials will be called on to participate in its deliberations as and when required

The council will bargain on wages and conditions of employment, as well as negotiating procedural and other agreements The deal also allows the council to negotiate issues on which agreement has not been reached at mine level between mine management and workers. Full-time shaft stewards are also provided for

Meanwhile, Bop employers have expressed shock at the announcement that new labour law — the Industrial Conciliation Act — is to be unveiled by the Bop government this week

An Act of this name was passed by the homeland parliament last year and sparked violent controversy by tightening existing curbs on unions, but has been held in abeyance by President Lucas Mangope following intense employer lobbying Under employer pressure, the South African government also intervened, asking National Manpower Commission chairman Frans Barker to investigate

"We know nothing about what the Act contains, or whether our representations have had any effect," one employer said However, another manager of a South African-based company with a big Bophuthatswana plant forecast that the new law would not make much difference to employers "From the information we have, we cannot say we are expecting drastic changes," he said

Employers fear that the Draconian restrictions in the September statute — outlawing among other things unions with "governing bodies or leaders" outside Bop — will spark widespread unrest.

The homeland government this week launched an intensive campaign to prepare employers and workers for its new legislation. Government-organised seminars have been held in the homeland, while thousands of pamphlets have been distributed in major towns In the pamphlets, entitled *Letter to the Workers in Bophuthatswana,* Minister of Manpower Simon Seodi indicates the new laws will not be too much of a departure from present legislation Seodi says the legislation is designed to prevent "foreigners from taking our workers' money without offering anything in return" — an obvious reference to the Congress of South African Trade Unions

The pamphlet promises Seodi's personal assistance for the registration of unions Workers will have to spell out the "aims and objectives" of the union, and name proposed office-bearers On receipt of this, the industrial registrar will "check that the union is democratic, non-political and has the interest of workers at heart"

Coal accord gives a warm glow

211

W/Mail 28D8 - 3/9/92

By MONDLI MAKHANYA

THE Chamber af Mines and the National Union of Mineworkers yesterday signed a wide-ranging settlement for the coal mining industry which will protect sick or injured workers from unilateral dismissal and give the union representation on the Rand Mutual Assurance Company.

The settlement, which followed the declaration of a formal dispute by the NUM, grants pay rises of between 7,5 percent to 15,1 percent for the different groups. The NUM's opening demand was for 20 percent.

Major progress was also made in the area of the elimination of free-riders — non-union members who benefit from union negotiated deals. Several houses have undertaken to discuss this further with the NUM. The two parties are also going to discuss the revision of the Occupational Safety Act, which gives white miners more compensation than black miners suffering from the same disease

Featuring prominently is an agreement to give the NUM representation on the Rand Mutual Assurance Company, which deals with compensation for workers injured on the job.

But the most significant aspect is that the union will be consulted before sick or injured workers are dismissed

A "principles and values clause" in the agreement will set in place rehabilitation programmes that allow employees to recover from injuries or sicknesses while retaining their jobs

Other areas of agreement include an increase in the Employer Provident Fund contribution from five to six percent, the payment of workers involved in negotiations, increased paid leave for shaft stewards and the elimination of the five percent union subscription administration fee

English worth its 'wait' in gold

STAR 31/8/92 (211)

By Shirley Woodgate

They have scored a breakthrough at Gengold's Winkelhaak mine

Not a fabulous gold haul, but a triumph for human relations with the launch of a literacy programme aimed at making at least 80 percent of the 7 500-strong workforce able to read and write English by the year 2000

Sweating it out deep underground, Sotho, Tswana, Shangaan, Xhosa and Zulu workers who daily haul out the precious metal traditionally communicate in Fanagalo — the slang spoken underground, said manpower manager Ronnie Lousteau

But once out of the mine, the labourers' limited language, handed down from the Natal sugar cane fields, runs out of steam

Many of these men comprise the one-third of South Africa's population who cannot read or write, people to whom the sign on the highway that takes them home, the front page of a newspaper, even the words outside the toilet are a mystery, Mr Lousteau said

A year ago, things started changing with the introduction of a R30 000-a-month communication programme

Now burly men, who emerge dust-covered after nine hours at the rockface, reappear showered and subdued in the classroom, where their clumsy fingers wield pencils uneasily and their lips shape quiet words

"They have the same passion for learning as a kindergarten class," said Jopie Schoeman, head of training

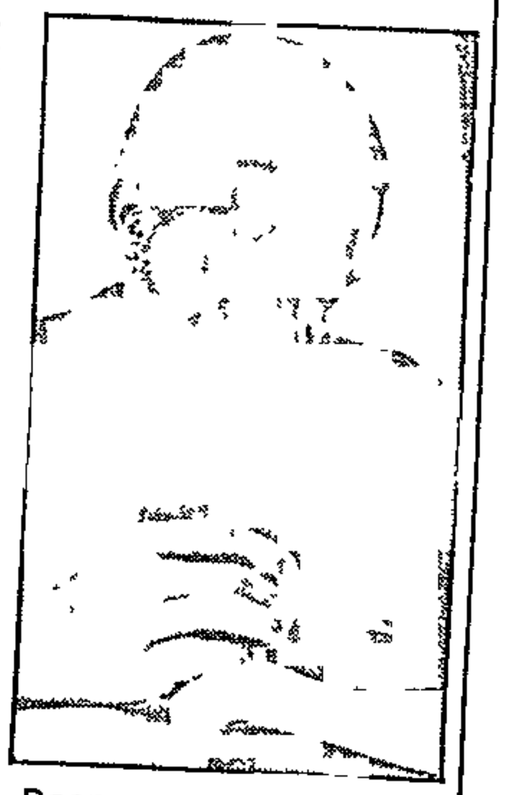
It is a long learning curve, starting with proficiency in their mother tongue, progressing to survival English, conversational English and basic numeracy, then operational English and functional numeracy

One teacher is Theodorah Nzece The mere fact that she is female and in charge is part of the learning curve

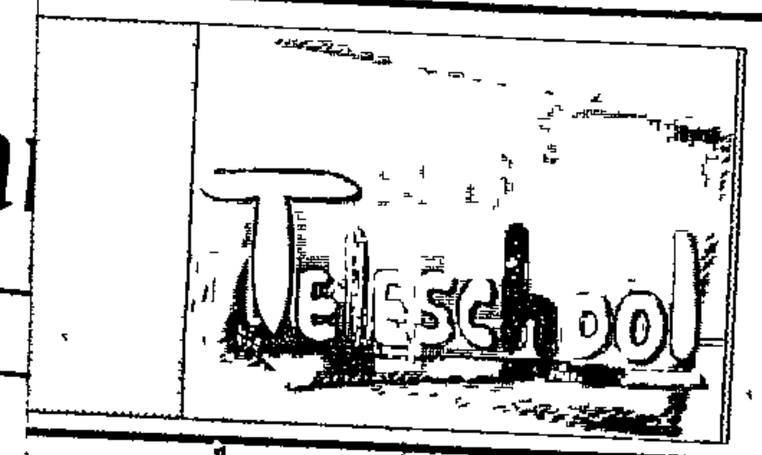
Sotho-speaker Abel Matsapa says "Learning English is great It helps me and I will now teach my wife to speak an international language"

And Shangaan Julio Govene now feels confident enough to write home in English

All the students proudly sport "I speak English" badges



Deep concentration a miner hard at work



Public backs smoking curbs

STAR 31/8/92

Medical Reporter

There is widespread public support for various smoking control measures, according to the first national survey of public attitudes

The Medical Research Council (MRC) survey showed three-quarters of people surveyed supported the prohibition of tobacco sales to minors, while most felt that tobacco advertising on television, radio, billboards and in cinemas should be banned

The report, by Drs Gayle Martin, Krisela Steyn and Derek Yach, was presented at the annual conference of the Epidemiological Society of Southern Africa in Johannesburg on Saturday

More than half of the people surveyed supported increased taxes on tobacco sales, but 44 percent rejected prohibiting tobacco companies from sponsoring sports events

Most thought smoking was harmful to smokers and non-smokers, although levels of awareness on health hazards were notably lower among the youth

"Despite broad political and public support, the Tobacco Products Control Act was not passed earlier this year following considerable opposition and powerful lobbying from the tobacco industry," said Dr Martin, of the MRC's Essential Health Research Group

"However, this report indicates considerable public support for introducing anti-tobacco laws and even more extensive legislation to control tobacco consumption"

Anglo trying to wipe us out, claims union

STAR 31/8/92

By Thabo Leshilo
Labour Reporter

211

The National Union of Mineworkers alleged at the weekend that Anglo American Corporation had embarked on a campaign to "wipe out" the union at Anglo mines in the aftermath of the August 3-4 ANC-SACP-Cosatu stayaway.

NUM press officer Jerry Majatladi said about 6 000 workers at (Anglo subsidiary) De Beers Diamond Mines had supported the strike

"De Beers reacted by declaring war against the NUM by unilaterally deciding to terminate the recognition agreement signed by the two parties," said Mr Majatladi.

He said the decision, if effected, would mean "the total elimination of the NUM from all De Beers mines".

Mr Majatladi said several mineworkers had already been dismissed at Koffiefontein, Kimberley Mines as well as at Finch Mine and Premier Mine.

De Beers spokesman Shane Leisegang rejected the NUM's allegations as false and misinformed. "Such statements could lead to unnecessary confrontation," he warned.

"As yet, no employee has been dismissed in this regard, although hearings continue in respect of a number of employees who absented themselves without permission and were already in receipt of comprehensive final written warnings prior to the stayaway."

The agreement with the union provides that the NUM consult Anglo on non-labour protests and that it ensures such action does not disrupt the operation of the company.

Mr Leisegang noted that it was impossible to terminate the agreement without formally notifying the NUM

● The NUM and the O'Okiep Copper Company meet at the conciliation board in Cape Town today in a bid to resolve their dispute over wages and conditions of employment.

Mining giant denies claim

DE BEERS has denied it had decided to end a recognition agreement with the National Union of Mineworkers, as alleged earlier by the union

Last Thursday, NUM also alleged the diamond giant had dismissed workers for staying away during the national strike on August 3 and 4

De Beers mines which had dismissed workers for taking part in the ANC/SACP/Cosatu alliance stayaway included Koffiefontein, Kimberley Mines, Finsch, and Premier Mines, according to the union

On Friday, De Beers issued a statement refuting "false allegations made by the National Union of Mineworkers that De Beers had terminated the recognition agreement it has with the union"

Sowetan 31/8/92

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News briefs

Sowetan 31/8/92

Call for new miners group

THE president of the National Union of Mineworkers has called for the formation of a single all-embracing international mineworkers federation which will unite miners world-wide.

Mr James Motlatsi, who has also been elected vice-president of the Miner's International Federation, said this when he addressed the Swedish Miner's Congress at the weekend

He said: "It is clear that as mineworkers we have to look after our own interests and make ourselves strong enough to challenge the power of multi-national companies. - *Sowetan Reporter*

(211)

Union rejects plan to save Harmony

(211)

MATTHEW CURTIN

THE whites-only Mine Workers' Union (MWU) had rejected the rescue plan put forward by management to save Rand Mines' cash-strapped Harmony gold mine, MD Karl Eick said yesterday

However, other unions and staff associations, including the NUM, agreed to consult their members before coming to a decision about the proposals, Eick said

Management met workers' representatives on Friday and asked them to support a proposal that Harmony call on government to exempt it from current industry regulations so that it could work a seven-day week Management said Harmony's survival, and the jobs of its 12 000 strong workforce, depended on a new mining plan, based on blasting on a daily basis Otherwise workers would have to accept pay cuts in order for the Free State mine to survive B/DAY 3/8/92

Eick said he was disappointed by the MWU's decision

"Having the support of all unions would have meant our proposal would have carried more weight with government, but the social and economic effects of closing down Harmony are such that I'm confident government will look on our proposal favourably," he said.

He pointed out that the livelihood of the town of Virginia, and not only the workers on the mine, depended on Harmony The

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They struck gold at the mine

DID YOU HEAR? When you call ☎ 25 3090 to pledge R5 a month to the Carel du Toit Centre for hearing impaired children at Tygerberg Hospital, you will hear, loud and clear, Shayne Edgar from where he sits in a gigantic ear in the Golden Acre. Shayne, hearing impaired and a former pupil of the centre, says the ear, built by the Cape Technikon art department, is "rather comfortable". He will be in the ear until Saturday to coincide with National Week for the Deaf this week. Also at the Golden Acre is a display depicting the activities of the Carel du Toit Centre, the centre's mascot "Catbitjie", a colouring competition and celebrities manning the telephones between noon and 2pm each day. Pledges can be made between 7am and 10pm. Other lines are ☎ 25 3091 or 25 3097.

London at a crawl

The Argus Foreign Service

LONDON. — Traffic in central London has slowed right down — to the pace it was in the horse and carriage era

The Department of Transport said the average morning peak-

Passion for learning makes children out of burly men

The Argus Correspondent

JOHANNESBURG. — They have scored a breakthrough at Gengold's Winkelhaak Mine.

Not a fabulous gold haul, but a triumph for human relations with the launch of a literacy programme aimed at making at least 80 percent of the 7 500-strong workforce able to read and write English by the year 2000

Sweating it out deep underground, Sotho, Tswana, Shangaan, Xhosa and Zulu stope workers, who daily haul out the precious metal, traditionally communicate in Fanagalo, the slang spoken underground, said manpower manager Mr Ronnie Lousteau

But once out of the mine, the limited labourers' language handed down from the Natal sugarcane fields runs out of steam.

Many of these men comprise the one-third of South Africa's population who cannot read or write, people to whom the sign on the highway that takes them home, the front page of a newspaper, even the words outside the toilet are a mystery.

A year ago things started changing with the introduction of a R30 000-a-month communication programme.

Now burly men who emerge dust-covered and boisterous from nine hours at the rockface, reappear showered and subdued in the classroom, where their clumsy fingers wield pencils uneasily and their lips shape quiet words

"They have the same passion for learning as a kindergarten class," said Mr Jopie Schoeman, head of training

It is a long learning curve, starting with proficiency in their mother tongue, progressing to survival English, conversational English and basic numeracy, then operational English and functional numeracy.

One teacher is Theodorah Nzece. The mere fact that she is female and in charge, is part of the learning curve for male chauvinists

Adding a new routine to the daily routine of drill, charge up, clear, then blast is Sotho-speaker Mr Abel Matsapa "Learning English is great. It helps me and I will now teach my wife to speak an international language," he said.

British miner Mr Brian Lacey said English as a lingua franca on the mine would not only improve communication but would increase safety.

Shangaan Mr Julio Govene said, knowing English, he would now be confident enough to go and buy stamps to write home

Mr William Ladlokova, who passed Standard 6 in King William's Town, is learning English for the first time.

All of the students proudly sport "I speak English" badges Mr Schoeman says his main problem now that the staff are becoming anglicised is to drop the old "sala kahle" greeting in favour of "goodbye, stay well"

Harmony gold mine's fate in hands of unions

STAR 2/9/92 (211)

The survival of Harmony gold mine, and the future of the Free State town of Virginia — where the mine is situated — are precariously poised and only labour unions can decide their fate at this stage, says Harmony MD Karl Eick.

Mr Eick said yesterday that unless the unions gave their full support to a management move to apply to the Government for a seven-day work week, the mine faced almost certain closure

"The unions thus have an awesome responsibility on their shoulders right now," he added

He said blasting on Sundays, currently forbidden in terms of existing legislation, was a vital element in a revised mining plan that could result in a R73 million turnaround at Harmony from a forecast working loss for the year of R42 million to a working profit of R31 million

"What is more, the plan, if supported by the unions and approved by the Government and implemented, would secure Harmony's future for at least two years at current gold prices.

"It would also secure the jobs of the mine's 13 000-strong labour force and prevent any need for salary cuts," said Mr Eick

Another important point was that the plan made no demands on employees to work extra shifts Everybody would continue to work 24 8-hour shifts (with six days off) per month

The success of the plan revolved around grade "At present, Harmony is producing 500 000 tons per month at an average grade of 3,2 g/t

"Twenty percent of our current mining operations are in stoping panels where grade is less than 2 g/t

"Sixty percent of our stopes are yielding an average of 3 g/t while the remaining 20 percent are at 6 g/t

"The intention is to pull workers out of the minus 2 g/t stopes and redeploy them as relief workers on the higher grade panels An existing production crew of eight would thus rise to 10

"The tonnage shortfall caused by the abandonment of the low-grade stopes would be compensated for by Sunday work — which should enable the mine to blast 30 times a month instead of 24

"The net result would be a 0,54 g/t increase in average grade from 3,2 g/t to 3,74 g/t which, at a maintained tonnage of 500 000 tons a month, would yield an additional 270kg of gold a month — at no additional cost " — Sapa

Profit-sharing deal is holding up agreement

(211)

DIRK HARTFORD (211)

DIFFERENCES over the proposed profit-sharing deal on gold mines are holding up the signing of this year's agreement between the Chamber of Mines and the NUM

B/DAY 21/9/92

The NUM has proposed that 20% of a "profit pool" be shared with workers every month and that this be negotiated at mining house level.

Although Anglo American, Genmin and Rand Mines have agreed in principle, the NUM is reluctant to sign the agreement until finality has been reached on how the profit-sharing will work.

An NUM spokesman said the union did not want a repeat of last year's situation where differences arose at mining house level on implementation of a performance bonus scheme finalised at chamber level.

He said Genmin's profit-sharing offer had been rejected as it was so low that only two Genmin mines would pay anything in the first three months of its implementation. Also, Genmin wanted to share profits only where they were greater than last year and once the mine had achieved at least a 5% profit increase.

Anglo American had not yet made an offer, but the parties were due to meet tomorrow.

Although the agreement had not yet been signed, gold mines had already implemented this year's increases, he said.

The proposed agreement is similar, except for wages and profit-sharing, to last week's coal agreement. The chamber could not be reached for comment last night.

Strike ballot for miners

B/Day 3/9/92

DIRK HARTFORD

THE NUM and the Namibian Mine Workers' Union (MWU) have deadlocked in negotiations with De Beers and will be balloting their members on strike action

And workers at De Beers' Premier Mine in Cullinan are planning to march today from their hostel to the mine manager's office to protest the dismissal of workers who participated in the general strike

De Beers and its Consolidated Diamond Mines (CDM) operation in Namibia have offered a 9,5% increase against the NUM's demand of 15,4% and the MWU's demand of 22%.

CDM, with mines at Oranjemund and Elizabeth Bay, is the largest employer in Namibia De Beers employed about 6 000 workers at the Premier, Finch, Koffiefontein and Kleinzee mines, said the NUM

De Beers said it regretted the NUM's declaration of a deadlock as the company had proposed mediation and had indicated it was prepared to consider further proposals

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De Beers' offer would bring the minimum wage to R955 per month

NUM appeal for members

B/DAY 4/9/92

DIRK HARTFORD

NUM president James Motlatsi has appealed to miners to join his union "to ensure they receive the benefits to which they are entitled from employers"

He told a rally at Hartebeesfontein gold mine yesterday that "thousands" of miners were unaware of benefits resulting from cases of death, accident, dismissal or retrenchment

"Year after year unclaimed monies go into the coffers of the apartheid state, whereas the beneficiaries should be mineworkers' families," he said (211)

He said the NUM took legal action against Genmin after 172 workers were killed in the Kinross disaster in 1986, only 93 of whom were NUM members. Although "a considerable amount of money was won" the union could only trace 40 families because of their ignorance about the deceaseds' rights

He appealed to miners — especially those from Lesotho, Transkei and Mozambique — to join the union He described non-union members as "parasites" who benefited from the NUM's struggles.

Gold mines brace for more job losses

B/DAY 10/9/92 (211)

MATTHEW CURTIN and MERVYN HARRIS

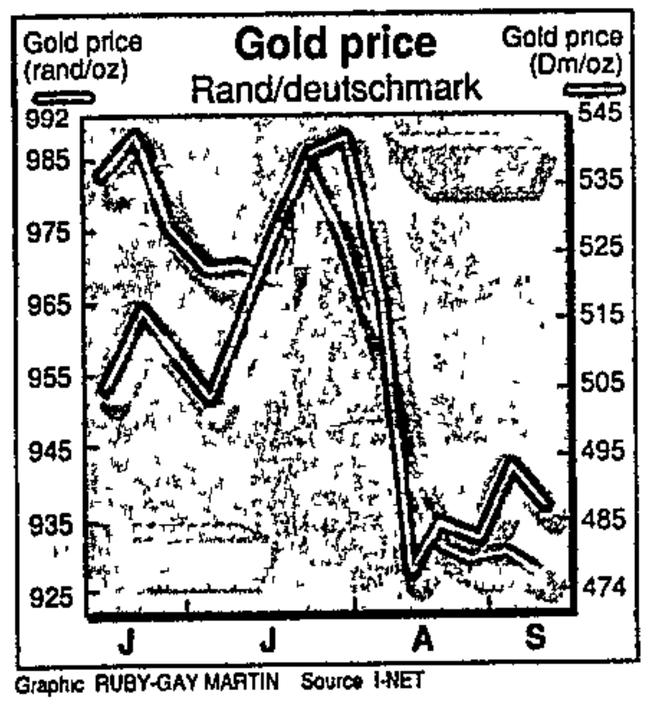
SA's gold mines are bracing themselves for another bout of retrenchments as pressure mounts on government to allow the mines to work a seven-day week in a bid to save thousands of jobs

Gengold MD Gary Maude said yesterday management was considering laying off several hundred workers from Free State producer St Helena, which shed 1 500 jobs in April this year

The mine, which employs 5 000, was having difficulty reaching its planned gold output Low rand gold prices had led to a sudden reduction in payable face last month, he said.

The Financial Times reported yesterday that Anglo American gold and uranium division chairman Clem Sunter had said that the group's gold mines had only four months to go at current rand gold prices before cutbacks in its marginal capacity became inevitable.

Analysts said although Anglo's Freegold had borne the brunt of production cutbacks and retrenchments in the past two years, the focus would now be on loss-making



Graphic RUBY-GAY MARTIN Source I-NET

shafts at Vaal Reefs and Western Deep Levels, particularly its western section.

A task group involving mining house representatives and unions is meeting today in Johannesburg to discuss state assistance to marginal gold mines The group, formed last year after the mining summit, is likely to have the issue of a seven-day week at the top of its agenda,

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Gold mines

B/DAY 10/9/92 (211)

☐ From Page 1

and will make recommendations on this to the summit's steering committee

Rand gold prices have fallen 6% in the past month to R30 150/kg, their lowest levels since early last year Falling dollar gold prices have combined with the rand's strength against the US currency to hit the gold mines' revenue

Maude said St Helena management had met unions in the past two weeks and told them that job losses or a move to a seven-day week were necessary to revive the mine's fortunes The mine was considering asking government for exemption from mining regulations which allow blasting underground only six days a week.

"Retrenchments are virtually continuous at Gengold at the moment," Maude said As soon as gold prices fell and stope faces became uneconomic to mine, management had to cut production and costs, which inevitably entailed job losses.

However, a seven-day week would add six shifts to the 24 manned a month, a 25% improvement in working time. Maude said "It could lead to a meaningful saving of jobs and employment of more workers in some cases"

Maude said managers at all Gengold's mines were re-evaluating their operations in the light of the poor rand gold price Buffelsfontein was under particular pressure, and retrenchments were likely there and at the group's other "borderline mines"

Rand Mines' Harmony gold mine has already approached unions with a plan based on a seven-day week.

Yesterday, gold shares were pulled sharply lower on the JSE by foreign offloading across the board in the wake of the Bisho shootings

Dealers said negative sentiment on the back of talk that a major foreign fund was liquidating its gold portfolio flowed through to the rest of the market.

"With US markets closed on Monday, this was really the first opportunity for US investors to offload shares after the Ciskei shootings. Once a major seller is seen liquidating scrip, it produces selling from other sources," a dealer said

Gold shares bore the brunt of the selloff despite the metal rising $0,75 to a London close of $342,75

Free State Consolidated Gold Mines, one of the best performing mines, led the decline of heavyweight golds, falling 8,7% or 225c to R23,50 but a foreign purchase was noted at that price Vaal Reefs fell 5,3% or 700c to a new year low of R123

Among lightweights, Lindum Reefs slumped 50% (10c) to 10c, Winkelhaak Mines tumbled 23% or 600c to R20 and Harmony Gold Mining Company fell 21,6% or 200c to 725c.

employer turnout Those who did hours

The giants prepare for battle

W/Mail 11/9-17/9/92

Anglo's liberal stance goes no further than its pocket, claims Numsa. The country's biggest union is set to take on the country's biggest corporation, reports

MONDLI MAKHANYA

ANGLO AMERICAN is to become the target of a National Union of Metalworkers Union-led campaign aimed at forcing it to change its alleged strategy of trying to "smash" unions during disputes

This campaign — which Numsa will propose at the Congress of South African Trade Unions' campaigns conference this weekend — follows the recent industry strike in the steel and engineering sectors, in which several thousand strikers were dismissed by Anglo subsidiaries

It will supplement Numsa's push to have the Labour Relations Act's provisions on balloting and legal strikes scrapped and a court battle later this year to overturn a supreme court interim finding that the strike was illegal

Numsa also insists it is still in dispute with the Steel and Engineering Industries Federation of South Africa (Seifsa) and has re-opened negotiations with the employer body At a bargaining meeting this week, employers raised their pay offer to 9,1 percent, while the unions party to the industrial council dropped their demand to 12 percent

Numsa claims that Anglo was behind Seifsa's hard-line approach in this year's negotiations and that the decision to attack the strike in court emanated from Anglo

Anglo spokesman Glen Finnegan dismissed the claims, saying the response of subsidiaries varied depending on how the strike and trading conditions affected them "Against the background of a severe national economic downturn and soaring unemployment, the companies which dismissed striking workers because their business operations were damaged did so only as a last resort," contends Finnegan

On the dismissals, the union suggested Anglo had used the same strategy as in the 1987 National Union of Mineworkers' (NUM) strike, when 50 000 miners were dismissed — most at Anglo mines

Characterising Anglo's attitude as "workers have the right to strike and Anglo has the right to dismiss", Numsa's Les Kettledas said "Anglo claims to be a major protagonist of liberal and democratic values. Yet since the 1987 NUM strike it has shown that its support for the right to strike goes no further than its pocket"

Other Cosatu affiliates are likely to sympathise with Numsa's campaign proposal The NUM is currently locked in a wage dispute with the Anglo associate company De Beers, which recently de-recognised the union Several other Anglo subsidiaries — including Amcoal — have given warnings to workers who missed work during the August national stayaway

LABOUR BRIEFS

W/Mail 11/9-17/9/92

Cosatu queries on NMC

AFTER reservedly welcoming the restructured National Manpower Commission two weeks ago, the Congress of South African Trade Unions is to meet Manpower Minister Leon Wessels about aspects of the body.

Cosatu wants to seek clarity on the role and voting status of "experts" on the commission. Only thereafter will it decide on whether to rejoin the body it pulled out of last year.

Workers threaten sit-in

DISMISSED Walter Chipkin workers have threatened to stage an indefinite sit-in on the food merchant company's premises to press management to re-instate them.

The 1 000-strong work-force was dismissed in June after going on strike demanding that the human resources manger should not take part in the negotiations with the union.

W/Mail 11/9-17/9/92.

Union presents plan to save Harmony

B/DAY 14/9/92

LONGER working hours and more shifts to prevent the closure of the Harmony gold mine near Virginia were proposed yesterday by the Mineworkers' Union.

The proposals were tabled at a meeting between the union and mine owner Rand Mines, a union statement said

The whites-only union expressed concern about management proposals that miners work seven days a week to save the mine If implemented, the practice could spill over to other mines, with "grave consequences" for miners' health, security and family lives

(211)

It proposed that employees work 26 shifts from Monday to Saturday, instead of management's proposed 24 shifts, to increase production.

The union and Harmony would jointly call on Eskom, the Free State Water Board and the Virginia Town Council to take cost-saving measures

An appeal for financial aid had also been made to government, the union said.

It dismissed reports that it would rather have the mine shut down than reach an agreement with management. — Sapa.

NUM backs Harmony rescue plan

MATTHEW CURTIN

THE NUM has accepted the rescue plan put forward by management to save Harmony gold mine, a Rand Mines spokesman said last night.

The union's decision follows that of the Underground Officials Association and SA Technical Officials Association to support the plan, based on a seven-day working week and the rearrangement of underground working shifts. More than 90% of Harmony's 13 000 strong workforce have now given the thumbs-up to the proposal.

However, the whites-only Mineworkers Union and other members of the Council of Mining Unions have rejected the idea of working on Sundays. They proposed at the weekend that workers should increase the number of shifts worked in a six-day week.

The Rand Mines spokesman said mine management, CMU officials and the Government Mining Engineer would meet today in Pretoria to discuss alternative options to the seven-day-week rescue plan.

Harmony management is to approach the Department of Mineral and Energy Affairs for permission to work underground and blast on Sundays if it receives enough support from workers at the mine.

The spokesman said Harmony management was also meeting Eskom officials in Pretoria today, and municipal and local water board representatives in Virginia where union officials would attend.

NUM and CMU officials were unavailable for comment last night.

Cost cutting on mines curbs loss of jobs

(211)
ARG 15/9/92

TOM HOOD, Business Editor

ABOUT 65 000 jobs in the mining industry had been saved as a result of cost containment and rationalisation in the past five years — during which more than 140 000 miners lost their jobs — according to the Chamber of Mines

In 1987 the industry's average working costs a kilogram of gold produced were rising at a rate at which they would double every three years — an unhealthy situation in the light of depressed gold revenues, according to the chamber

The rate of increase in 1987 also raced ahead of the inflation rate, as measured by the production price index (PPI).

The effectiveness of the industry's reaction was illustrated in the dramatic scaling down of annualised working cost increases each quarter, from double digit rises of more than 20 percent in 1987 down to fluctuations below 4 percent in the past 18 months

A turning point was reached in the third quarter of 1990 when the working cost increase was successfully reduced to below the PPI inflation rate. Since then, chamber member mines had consistently managed to keep the industry average quarterly cost increase to well below the inflation rate

This dramatic reversal was not accomplished without cost.

During the five-and-a-half year review, a net 140 800 jobs were lost The period ended with a further 80 000 employees (out of a current work-force of 392 748) working on 10 marginal mines These mines' futures — and the jobs represented — remained closely tied to the success of rationalisation, productivity improvement and the performance of the gold price

As worrying as this situation was for the mines and employees concerned, said chamber senior economist Francois Viruly, the analysis now revealed that circumstances could have been far worse had mines either continued on the cost spiral they were on in 1987, or even simply just permitted working costs to rise in line with the PPI.

The chamber's analysis calculated that more than 60 000 employees today enjoyed a greater measure of job security

Had chamber member working costs risen in tune with PPI inflation, the number of unprofitable mines (with working costs in excess of the current average gold price) would have nearly tripled from the current seven to 19

With the inclusion of mines classified as "marginal" (which increased the mine tally to 21), about 285 450 employees would today be working in unprofitable or marginal mines.

"This represents a massive 73 percent of the current workforce and involves about two-thirds of all gold mines This contrasts sharply with the one-third of mines and just 18 percent of the work-force actually in this position today," said Mr Viruly

By taking into account the number of jobs lost since 1987 as well as the number of employees who remained at risk on marginal mines today (140 800 plus 80 000), and deducting this from the 285 450 jobs that could have been affected, the analysis identified 64 650 current jobs for which a reprieve had been secured, which could be attributed directly to the success of cost containment, he said

"The industry has not necessarily completed its course of cost-containment medicine The need to restrain cost increases will remain acute as long as the performance of the gold price remains poor," added Mr Viruly

BOOK The History of Black Mineworkers in South Africa, Volume 1

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AUTHOR VL Allen

PUBLISHER The Moor Press

THE title of this book and its 490 pages may suggest an intimidating task for any aspirant reader But do not be deterred An absorbing chronological tale unfolds in its 20 chapters — the story of black mineworkers from 1871 to 1948

Vic Allen was commissioned by the National Union of Mineworkers to write this, his tenth, book

It is a veritable goldmine of historical data, with the focus on the daily lives of mineworkers — their dreams, motives, fears and struggles Authentic people live in the pages, giving the book its necessary ingredient of real-life drama

Allen gleans extensive information from the mining industry, government departments, parliamentary archives, university researchers and interviews with over 200 miners Consequently he has managed to present the widest perspective of mine labour history to date

QUENTIN WILSON

NUM backs Harmony rescue plan

STAR 16/9/92

The National Union of Mineworkers (NUM) has given its official backing to a rescue plan to save marginal Harmony gold mine from closing.

The NUM said yesterday its National Executive Committee had taken a decision to support one of the three options to stave off Harmony's closure.

This option included the introduction of blasting twice a day, with the night shift clearing in some areas, while Sundays would be confined to some cleaning, tramming and hoisting.

16/9/92

There would be no change in the 11-shift fortnight, while labour is to be moved from low-grade areas to high-grade areas. — Sapa.

NUM supports Harmony rescue plan

MATTHEW CURTIN

THE NUM has agreed to Rand Mines' rescue plan for its ailing Harmony gold mine on the basis that it involves no wage cuts, retrenchments or increases in working hours.

Union spokesman Jerry Majatladi said yesterday the NUM's national executive committee had also given its support on the basis that the plan was a temporary one "for this crisis period" If the plan was not successful by October 19, workers and management would meet again.

He said mine management had agreed to join the NUM's campaign to change government policy on marginal mines and to allow union participation in planning meetings

The NUM believed the closure of the mine, which had shed 6 000 workers this year, would have "serious socio-economic implications for the entire community of Virginia"

Majatladi said NUM members had undertaken to work the normal 11-shift fortnight, with workers moved from low-grade to high-grade areas

Government Mining Engineer Jan Raad met Harmony management and the Council of Mining Unions in Pretoria yesterday to discuss the problems at Harmony. The CMU, which represents skilled workers at Harmony, has rejected plans for a seven-day week.

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BDAY 16/9/92

Union accepts plan to rescue gold mine

STAR 17/9/92

By Thabo Leshilo
Labour Reporter

The National Union of Mineworkers (NUM) has decided to accept part of the plan proposed by Rand Mines to save the ailing Harmony gold mine in Virginia from closure.

In terms of the proposal, labour would be moved from lower-grade areas to higher-grade areas, increasing the existing production crew

Also, a new system of blasting twice a day would be introduced, with night shift cleaning in some areas.

There would be no change to the 24-day shift month, said NUM spokesman Jerry Majatladi. He said work on Sundays would be confined to some cleaning, tramming and hoisting work.

The plan, Mr Majatladi said, would have a trial run until October 19.

He said that in terms of the proposals, management would guarantee that there would be no wage cuts, no retrenchments and no increase in hours worked per month

Recently, Harmony managing director Karl Eick pointed out that the mine's survival was in the balance and that only the trade unions could save it.

The rescue plan has been accepted by the Underground Officials' Association and the SA Technical Officials' Association

A vital element of the plan is that the mine gets permission to blast on Sundays, which is currently prohibited

According to management, the plan would secure Harmony's future for at least two years at the current gold price and secure the jobs of the remaining 13 000 workforce Some 6 000 miners were retrenched this year

Closure of the mine would be disastrous for Virginia and have a ripple effect beyond the small Free State town.

Harmony's monthly salary bill is currently R25 million, half of which is spent in the town and its surroundings. The company buys electricity worth R6 million from Eskom and pays R1 million to the local municipality a month.

STAR 21/9/92

CMU refuses Sunday blasting

By Stephen Cranston (211)

The Council of Mining Unions (CMU) has refused to accept Sunday blasting at troubled Harmony mine, although agreement has been reached with the National Union of Mineworkers

Rand Mines human resources executive Richard de Villiers says management regrets the stance adopted by the CMU and believes that agreement to blast on Sundays would provide Harmony with the flexibility it needs

"Management is prepared to accept the CMU's request that Sunday blasting work is not undertaken for the present."

To avoid delays, which of necessity arise when applying for exemption from statutory restrictions on work practices in the mining industry, Harmony management will continue to seek permission from the Government Mining Engineer to undertake blasting work on Sundays

Harmony rescue crawls ahead

MATTHEW CURTIN

MANAGEMENT at Rand Mines' Harmony gold mine, fighting for its life because of poor gold prices and low grade ore reserves, was to continue talks with representatives of the Council of Mining Unions (CMU) today. B/DAY 21/9/92.

The parties met last week to discuss a rescue plan, based on a seven-day-week and accepted by most workers, but it was understood progress had been slow

The CMU, which mostly represents skilled white mineworkers, has opposed blasting underground on Sundays, a key feature of management's rescue plan

Rand Mines gold division human resources manager Richard de Villiers said that in talks with management last week, the unions had "insisted Sunday blasting not be undertaken"

De Villiers said "Management regrets the stance adopted by the CMU and believes that agreement to blast on Sundays would provide Harmony with the flexibility it needs to ensure that it can withstand gold price fluctuations and the low grade nature of its ore reserves"

Management would be prepared to accept the stance taken by the CMU for the time-being, but the position would be reviewed before the end of next month.

He said the NUM, the Underground Officials Association, the SA Technical Officials Association, and Mine Surface Officials Association, representing the vast majority of Harmony's 13 000-strong workforce, agreed to introduce a flexible shift system which would enable high grade stopes to be mined more frequently

The NUM and the associations also agreed to "voluntary Sunday blasting work on an ad-hoc basis" Harmony management would continue to press the government mining engineer and government for exemption from the regulations which currently prohibited Sunday work and others which conflicted with the rescue plan

However, analysts said that a seven-day-week would win only a temporary reprieve for Harmony unless gold prices improved significantly The mine would depend on financial assistance from government in the long run if it was to survive.

Union talks failure threat to Harmony

CT 22/9/92 (211)

JOHANNESBURG. — Harmony Gold Mine and the Council of Mining Unions have been unable to reach agreement in attempts to save the mine, Rand Mines Gold Division human resources executive Richard de Villiers said in a statement yesterday.

He said the issue in dispute was the cleaning of stopes on Sundays

"The concept of Sunday stope cleaning formed part of the proposals which were suggested by a working party, in which the CMU actively participated, as an alternative to management's proposal for continuous shifts.

"As such the concept of Sunday cleaning was supported by the CMU members on the mine.

"The decision by the CMU now to reject the concept is regarded by management as bad faith in the extreme.

Mine rescue scheme on rocks

B/Day 22/9/92 (211)

MATTHEW CURTIN

PLANS to rescue Harmony gold mine from poor gold prices and low grades are on the rocks

Rand Mines has declared a dispute with the Council of Mining Unions on the grounds that the council reneged on an agreement to do Sunday cleaning work

Gold division human resources manager Richard de Villiers said last night the council supported Sunday cleaning work in discussions last week, but yesterday rejected the idea

Its decision "is regarded by management as bad faith in the extreme and management has no alternative but to attempt to resolve the matter through the dispute resolution procedures contained in the Labour Relations Act", De Villiers said

However, Piet Ungerer, general secretary of the whites-only Mine Workers' Union — the Council of Mining Unions' main affiliate — said yesterday he was unaware of a dispute

If anyone was at fault it was management because after talks on Friday both parties signed a draft agreement in which there was no mention of cleaning work on Sundays

Ungerer said a precedent had been set in 1976 when the government mining engineer allowed underground cleaning work on Sundays, which Harmony management had not taken advantage of so far

He said the council and its members were prepared to do tramming work on Sundays and had presented management with a "B-plan", involving extra shift work six days a week, which would allow Harmony to mine more than the extra 300kg of gold a month which management said the mine needed to produce to survive

In any case, Harmony did not have the capacity to blast and mine continuously, he said

Ungerer said his union's members had made enough sacrifices at Harmony, in accepting below-inflation wage increases and through willingness to work extra shifts.

The union opposed any plan which, in addition, deprived workers of Sunday as a day of rest

The NUM and several other staff associations agreed to management's rescue plan last week, including the proposal to work underground on Sundays, prohibited by existing regulations

De Villiers said "Management does not believe that 789 Council of Mining Unions members out of a total workforce of 14 490 should be permitted to determine the fate of the mine and of the region of Virginia — not to mention the fate of the balance of the workforce"

MD Karl Eick has said unless a continuous mining plan was put into action — with workers' support and dependent on Harmony winning government exemption for Sunday work — workers would have to take pay cuts, or the mine would have to close

New dawn for trade unions

THE progress towards political democracy in South Africa will gradually depoliticise the demands of trade unions, labour law specialist Professor Nic Wichahn said yesterday (211)

He said the deep recession in the economy would have a marked effect on the nature of union demands next year Sowetan 25/9/92

"Employers can expect that job security, employment, moratoriums on retrenchments and staff rationalisation will be high on the list of demands, probably as important, if not more so, than wage increases," he said

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2 700 miners to lose jobs

211
START
26/9/92

DEREK TOMMEY

SEVERAL thousand gold miners in the Free State are to lose their jobs as a result of the continued slump in the gold price

Gencor's St Helena mine near Welkom announced last night that to keep the mine operating profitably it was retrenching about 2 700 people over the next three months

Gengold managing director Gary Maude said the low gold price, coupled with rising costs, had left the mine with no alternative but to stop working uneconomical ar

● Our Pretoria Correspondent reports that Iscor has further reduced the staff complement at its Pretoria works, with about 400 more employees due for transfer or retenchment by June next year

Reduced

A spokesman said the staff reduction was part of the ongoing planned reduction of Iscor's workforce at its Pretoria works, which started many years ago and was scheduled to be completed by the end of June next year.

"In 1985, Iscor's Pretoria works had 7 100 employees and this had been reduced to about 5 000 by June this year," the spokesman said

At the end of June this year, Iscor confirmed that 700 employees at its Pretoria works — equivalent to 14 percent of its workforce — were either to be transferred to other centres or retrenched over the next 18 months.

World Bank seeking to link cities

S/Times (BUSS) 27/9/92

By KEVIN DAVIE: Washington

WORLD Bank experts have begun a study on how to amalgamate SA's racially divided cities

They rank with those in the former Soviet Union as the most economically inefficient in the world

The Witwatersrand, Cape Town, Port Elizabeth and Durban will be studied in the first phase of a project designed to contribute to SA policy making

The study is intended to facilitate the process of urban reform, the bank being one actor in the process, says a bank source

The results of the study, which kicks off formally with the visit of a bank mission to SA in November, are intended to provide a technical tool for politicians, the source says

The study will include a full fiscal analysis of local government.

Conflict

It will consider housing strategies in the context of the overall urban economy

The study will include white local authorities, which are efficiently managed and largely self-financing, partly because they do not carry the responsibility for the low-income population as do most cities in other parts of the world

A World Bank position paper, Cities in Conflict, says an urban strategy for SA will need to be guided by three principles

Apartheid structures will have to be dissolved, decision making must be transparent and accountable and local governments must have the technical and financial ability to deal with inequalities in urban living conditions

Whites in the Pretoria-Witwatersrand-Vereeniging area, says the paper, enjoy an annual per capita expenditure of about $552 on the principal types of residential infrastructure

This is much higher than cities such as Stockholm ($223), Munich ($267), Hong Kong ($267), Melbourne ($335) and Singapore ($338)

Data for blacks, in contrast, suggests that more than 50% of them in urban areas are informally housed

About 40% of the land within a 10km radius of SA city centres — the focus of employment — is vacant

This leads to real economic costs It increases transport, depresses the housing sector and labour market and contributes to the growing fiscal deficit It causes inefficient investments in bulk infrastructure

Urban transport subsidies are projected to cost R1,9-billion next year Black households will still spend more this year on transport than on housing, the paper says

The average distance travelled by urban commuters has grown from 24km 10 years ago to 37km

The paper says housing has been depressed by apartheid Housing investment at about 2,5% of GDP is much lower than the 4% to 9% in other countries at similar levels of income per capita

The paper says three policy archetypes typify the housing debate huge government intervention in the provision of housing, enabling strategies which require the Government to play the role of facilitator of largely private-sector and community-based efforts to deliver houses, and enabling strategies accompanied by a targeted programme of subsidies for the most disadvantaged members of society

The paper says that international experience has shown that the first option does not work In the US, for instance, it has been found that publically funded housing schemes lead to a decrease of privately funded ones There is little net increase in the overall housing stock.

Demand

It suggests that the Government will need to intervene nonetheless to ensure the success of enabling strategies

"On the demand side there will need to be active intervention to increase the availability of housing finance, improve security of tenure and design effective subsidies

"On the supply side, government will have to ensure adequate infrastructure supply (including electricity, water, sanitation, drainage and water facilities), rationalise the legal and regulatory framework and foster a competitive building and construction industry"

Prospects dimmer

POINTERS to recovery from one of the worst recessions of the century are diminishing and uncertain, says the Bureau for Economic Research (BER) in its survey of the manufacturing sector

The BER says domestic sales, new orders and unfilled orders in relation to sales have fallen from the previous mild positive expectations reported in the second quarter.

Stocks are still considered to be too high and there are indications of substantial spare capacity in the whole manufacturing sector Production and employment are expected to remain under pressure, even after economic conditions start to improve. S/Times (BUSS)

There was also a siginficant rise in the number of respondents reporting the general political climate as a serious constraint — both on day-to-day business activity and fixed-investment plans 27/9/92.

The BER says a downward spiral is identifiable because increased unemployment will have a negative impact on social unrest and political progress

Business confidence suffered in the process and reached a new low in the third quarter, it says

Kaye quits

LASER Transport managing director and executive chairman Dennis Kaye has resigned Peter Thomson will become executive chairman and Eric Puccini will fill in as managing director

Mr Kaye, who founded the company 23 years ago and took it to the JSE in 1986, says Laser has a competent management that can cope well without him He will retain his 56% shareholding

Seeff's latest

PROPERTY investor Seeff Holdings has launched Seeff Projects for project-related townhouse and cluster-home developments

It starts with a R300-million residential property portfolio, half of which is in up-market development in the Western Cape.

Seeff Projects will offer developers a one-stop project marketing service, which includes site procurement, building design, financial and legal considerations as well as sales and marketing input

St Helena cut

GENGOLD's St Helena gold mine, near Welkom, will reduce its staff complement by almost a half before the end of the year

Staff numbers will be cut from 5 700 to 3 000 in two phases In the first, 2 300 will be retrenched

Ore production will drop by half to 50 000 tons a month and gold output will fall by about 250 kilograms a month to about 360

M3 in tune

SOUTH Africa's broadly defined money supply, M3, showed a year-on-year rise of 8,72% in August, according to preliminary figures from the Reserve Bank This is well within the bank's 7% to 10% guideline for 1992 and compares with a revised 10,11% for July

S/Times 27/9/92

St Helena cut

GENGOLD's St Helena gold mine, near Welkom, will reduce its staff complement by almost a half before the end of the year

Staff numbers will be cut from 5 700 to 3 000 in two phases In the first, 2 300 will be retrenched.

Ore production will drop by half to 50 000 tons a month and gold output will fall by about 250 kilograms a month to about 300.

S/Times 27/9/92

St Helena slashes 2 700 jobs

B/Day 28/9/92

(211) JONO WATERS

NEW retrenchments at Free State gold producer St Helena have brought total job losses at the mine to nearly 5 200 in the past three years

The retrenchment of 2 700 workers, announced at the weekend, is the third major job shedding at the mine and has reduced it to 3 000 workers

Gengold MD Gary Maude said yesterday this did not mean the mine would soon close down, as it still had six years of payable ore reserves at the current gold price with the revised monthly tonnage of 50 000 tons

The rationalisation will entail reducing ore production by about 50% and gold production by 250kg to 360kg a month

"What has been happening at St Helena is a direct effect of the low gold price," Maude said

He said Gengold had considered the whole "gambit of alternatives," but blasting on seven days a week depended on the ore reserves, and the majority of St Helena ore reserves were close to the pay limit

Maude said to keep St Helena profitable, certain areas of the mine had to be closed down

Some of the workers could be placed elsewhere, he said.

While St Helena had a "small direct connection" to Unisel and Oryx, the retrenchments would not affect the ore-processing operations carried out by St Helena, said Maude

The excess capacity resulting from the reduced tonnage had forced St Helena to close its carbon-in-pulp plant in April

Maude said the traditional filter plant could adequately handle St Helena's and Unisel's ore.

Retrenchment costs of R8m worked out to about R3 000 to R4 000 a worker.

Maude said costs were relatively high as the workers being laid off had been at the mine for several years

Mine profit-sharing deal finalised

(211) ALAN FINE

THE NUM and Anglo American have reached agreement on the detail of a profit-sharing scheme for the corporation's gold mines, which could add a maximum of 25% to 171 000 workers' basic earnings.

However, initial payouts, given the present circumstances of the industry, are likely to be low. B/DAY 30/9/92

The scheme — agreed to in principle at negotiations at the Chamber of Mines earlier this year — also will apply to members of the Council of Mining Unions and the three officials' associations.

In terms of the agreement, 5% of planned post-capex profits of each of the four participating mines, up to a level equal to the average quarterly profit for the period July 1991 to June 1992, will be distributed to the respective workforces. And 20% of any profits above that level will be distributed However, a cap equal to 25% of pensionable earnings will apply

The four mines are Freegold, Western Deep Levels, Elandsrand and Vaal Reefs

The profit share payments will be made in a lump sum every three months after quarterly results are announced The first payment will be made next month based on the September quarter's figures

According to calculations prepared by the NUM as an example of the magnitude of likely payouts, and assuming the September quarter results are identical to June's, workers at Freegold would receive payments equal to an average 1,2% of earnings, those at Western Deep 0,5%,

☐ To Page 2

Profit-sharing

B/DAY 30/9/92 (211)

☐ From Page 1

2,6% at Elandsrand and 1,7% at Vaal Reefs The average monthly wages at the mines range from about R1 040 to R1 300

It has been agreed that 25% of the profit-sharing "pool", or a minimum of R25 per person — whichever is higher — be divided equally among the workforce Amounts above that would be distributed in proportion to pensionable earnings

Rules for monitoring the scheme are still to be finalised, but it will include regular monthly meetings for shaft stewards and other employee representatives, and a training programme, to help workers understand the financial issues involved

Details of the scheme were confirmed by Anglo and NUM spokesmen. A joint statement was being prepared.

The NUM is involved with talks on the same issue with Gengold and Blyvooruitzicht Gold Fields, Anglovaal and JCI are not participating in the scheme

Fewer gold miners but output steady

B/DAY 30/9/92 (211)

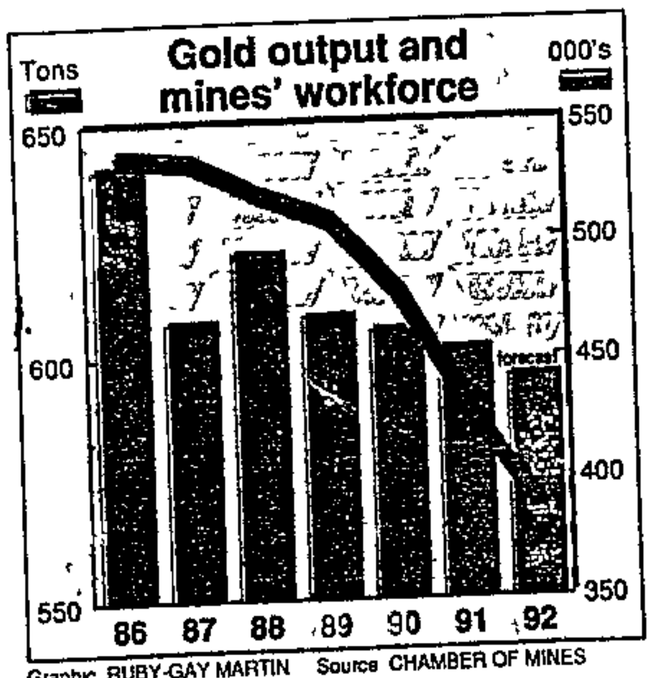
MATTHEW CURTIN

THE number of workers employed on SA's gold mines fell 10% in the first seven months of this year, but this did not reduce output or push up the gold price

Simpson McKie analyst Rodney Yaldwyn said numerous mine closures and cutbacks had had little effect on total SA gold output because the mines affected had been scaling down operations for some time or were small producers Gold output this year was 404 tons at end-August, marginally higher than the 400 tons in the same period in 1991 Yaldwyn said that until a major producer went under, market sentiment would be unfazed by the depressed state of the industry

That has dashed hopes that a sharp fall in SA gold production would boost market sentiment and lift prices Gold fell further below the $350 mark yesterday, fixed in London yesterday afternoon at $347,50

Latest Chamber of Mines figures show that total employment on the gold mines at July 31 was 383 917 — the lowest level since 1975 — compared with an average of 424 250 workers in 1991 The number of mineworkers in the lower eight job categories fell 10% to 320 510 at June 30, compared with an average of 383 917 last year



Graphic RUBY-GAY MARTIN Source CHAMBER OF MINES

Chamber economist Francois Viruly said yesterday the rate of job losses in the industry was slowing, although mineworkers had lost jobs since July or faced retrenchment before year-end, as cutbacks continued at mines like Gengold's St Helena and Gold Fields' Doornfontein

Viruly said there had been a sharp drop in the retrenchment rate in the past 18 months. Whereas 60 000 workers lost their

☐ To Page 2

Gold

B/DAY 30/9/92 (211) (204)

☐ From Page 1

jobs between May 1991 and May 1990, only 24 000 jobs had gone in the year to end-May 1991 He attributed the change to the success of many restructuring programmes at marginal mines and the willingness of workers to accept below-inflation wage increases Mines had absorbed inflation — unable to pass higher costs on to the end-user — and kept the increase in industry working costs to only 1,7% in 1991

However, production cutbacks associated with the job losses at many mines have barely dented overall gold output

Viruly said "The key issue is how long the mines can keep cost containment up, as inflation begins to overtake them again, with the prospect of more rationalisation programmes and job cuts"

In the past two years a large number of mines have stopped production or curtailed operations significantly, namely Barbrook, Eesterling, Modder B, Nigel, Osprey, Rand Leases, Stilfontein, Sub-Nigel, West Rand Consolidated and Wit-Nigel.

In addition, output is likely to fall sharply from Doornfontein, Libanon, St Helena and Venterspost, while a mine like Loraine is hanging on for dear life However, these mines produce a small proportion of SA's gold and, as pay limits have risen, mines have moved into higher grade areas, offsetting the impact of lower tonnages

In addition, production has been building up at other mines, such as H J Joel, Kloof's Leeudoorn section, and ERPM's Far East Vertical Shaft operation. Harmony's rescue plan depends on the mine being able to mine more than three extra tons of gold a year, while new projects at Freegold and Vaal Reefs are likely to keep gold output steady Small increases in grade at SA's major producers like Driefontein and Vaal Reefs have translated into significant increases in gold output

Yaldwyn noted that on a world scale, the small falls in SA, Australian and US production were being more than offset by increasing output elsewhere in Africa, such as Ghana, and Papua New Guinea

● See Page 3

MINING — LABOUR

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Harmony rescue plan in full swing

(211) MATTHEW CURTIN

HARMONY gold mine has put its controversial rescue plan into action, although management and the Council of Mining Unions (CMU) have not resolved their dispute over Sunday mining.

A Harmony spokesman said last night that after Mineral and Energy Affairs Minister George Bartlett gave the go-ahead for Sunday work last week, mining teams worked through the weekend at the Free State mine.

NUM and other staff associations have given their blessing to the plan, which depended on a seven-day working week, but the spokesman said workers were joined by volunteers from the CMU on Sunday. The CMU represents several hundred skilled white mineworkers at Harmony, who make up a small fraction of the mine's 14 000-strong workforce B/DAY 2/10/92

The spokesman said management and the CMU would attend a conciliation board meeting on Monday to resolve the dispute. The CMU has said it was not willing to work on Sundays for religious reasons, arguing that its proposal for a six-day week mining plan could achieve the same ends as management's plan, adding that workers had sacrificed enough already — in terms of below-inflation wage increases — to keep Harmony in business.

Management's plan is for Harmony, one of SA's most efficient mines but burdened with large,low-grade ore reserves, to produce an extra 300kg of gold a year at no extra cost.

Harmony shares have jumped more than 600c since plummeting to 300c after the announcement in early September that the mine was on the verge of closure. The shares closed 25c higher at 925c on the JSE yesterday.

the nation in brief

Sowetan 2/10/92

R2,6m in compensation

211

THE National Union of Mineworkers (NUM) and Gencor have agreed on a settlement of R2,6 million as compensation for families of the 1986 Kinross gold mine disaster in which 177 people died and 228 were injured

NUM president Mr James Motlatsi told a Press conference in Johannesburg yesterday that a large portion of the settlement would be put in a trust jointly managed by Kinross and the NUM for the benefit of the families of the deceased

Disharmony in town over rescue plan

(211)

STAR 3/10/92

OWN CORRESPONDENT

CAPE TOWN — An intensely dramatic scenario is unfolding in a small Free State town

According to shareholders' association chairman Issy Goldberg, the lives of more than 70 000 people may well be affected by a dispute at Rand Mines' Harmony gold mine in the small town of Virginia which, if it is not resolved, could put the mine out of business and close the town

Harmony, which until three years ago employed over 30 000 people, has had its workforce reduced by half. Of these, about 1 500 were white miners The weak gold price and the escalation in mining costs have created losses for the mine of over R40 million a year

Goldberg says closure and liquidation of the mine is imminent unless dramatic steps are taken to grapple with the problem. However, a solution that has been put forward, and which has found widespread favour, is being thwarted by biblical lore

Harmony managing director Karl Eick has devised a formula which he claims can turn the losses into profits of about R30 million a year The essentials of his plan are that for the next two years or so, mining must be concentrated on the richer areas of the mine (about 4 g/ton) To generate the required throughput of ore to the mill, seven days a week of blasting and hoisting would be essential

Everybody, unions included, agrees with his plan, except the Council of Mining Unions — a largely white union grouping with 700 members in the area Their reason? The sanctity of the Sabbath

They apparently indicated that they were prepared to see the closure of the mine and loss of jobs rather than contravene the biblical injunction against working on the Sabbath

Goldberg claims to have researched the opinions of several experts who claim great reverence for the Sabbath and, without exception, say that if they were faced with the choices that Harmony is faced with, they would sanction work on Sundays to get relief for the vast number of people affected

Survival

In his opinion, if the miners agreed to work on Sundays they could well "invoke the smiles of heaven" Goldberg indicated that Harmony produces about 210 tons of gold a year (more than 4 percent of South Africa's gold production) and earns more than R750 million a year in foreign corrency

"Thus Harmony is the main survival pillar of Virginia — paying wages of about R30 million a month and owning 32 percent of the houses in Virginia, which sees the local council receive over R1 million a year in rates."

Sunday mining impasse holds

B/DAY 6/10/92 (211)

MATTHEW CURTIN

THE Council of Mining Unions (CMU) and Harmony mine management, at a conciliation board meeting in Welkom yesterday, failed to resolve an impasse over Sunday mining

A mine spokesman said management would now consider its options CMU spokesmen were unavailable for comment.

The low-grade Free State mine, battling to survive low gold prices, last month started a rescue mining plan which involved continuous mining operations The CMU, representing several hundred skilled white mineworkers, refused for religious reasons to accept the plan, which depended on blasting on Sundays.

Harmony workers — most of whom have accepted the new work schedule — have now worked two Sundays as part of the new mining plan, using CMU volunteers to blast.

Unless management and the CMU agree to accept arbitration or mediation to resolve the dispute, the CMU may ballot for a strike, while management can lock out CMU members

De Beers weighs up widespread retrenchments in attempt to cut costs

B/Day 6/10/92 (211)

DIRK HARTFORD

DE BEERS is considering widespread retrenchments as part of a major southern African rationalisation programme to cut costs in the diamond industry.

Company spokesman Glenn Bryant confirmed the company held a top-level meeting yesterday to consider mechanisms — including retrenchments — to streamline its operations

A top NUM team was called in on Friday for a briefing on the state of the industry and was warned layoffs were inevitable.

In July, De Beers' Central Selling Organisation (CSO) announced a 25% cut in its international diamond quota.

A source at the company's Premier mine near Pretoria said talk was of retrenchments at the mine of the order of 1 500 people — close to 50% of the workforce. But Bryant denied that any such plan was in place

Bryant said De Beers was looking at "all sorts of ways" to rationalise across the group Retrenchments were likely but numbers had not been determined.

NUM general secretary Kgalema Motlanthe said the union had been told at the briefing that retrenchments were on the cards at De Beers' Namaqualand and Koffiefontein mines.

Motlanthe said the union's information was that the industry was in serious trouble. The NUM is currently in dispute with De Beers over wages and dismissals of its members after the August general strike

An industry analyst said retrenchments were inevitable He said diamond sales had been virtually flat since 1988 and there had been no price increase since 1990.

He added that diamond supplies had increased rapidly in the same period — especially from Angola and Russia

Sales in 1988 totalled $4,2bn, as against $3,9bn in 1991 He predicted sales this year would total $3,4bn.

The world diamond jewellery market did not perform any better. Sales totalled $39,5bn in 1990, $39bn last year and, he estimated, would be at $39bn this year.

De Beers had about $850m in cash at the end of 1991 and more than $1bn the year before This year it was unlikely to be liquid and might even have borrowings

He predicted De Beers would concentrate on getting its new Venetia mine to full production and cut back at older mines like Premier and the Kimberley mines

Last year SA's diamond production was valued at $750m The 25% cut in quotas this year was worth about $180m a year.

The analyst said it was in everybody's interests that the CSO survived If the CSO fell apart, or the price of diamonds fell, "a bloodbath of amazing severity" would occur.

The De Beers share price has nearly halved in the past six months from a high of R93 to R47,85 last night

Cutbacks mooted by De Beers

By Montshiwa Moroke

The National Union of Mineworkers (NUM) and De Beers are to meet again next Tuesday to discuss the retrenchment of diamond mine workers. STAR

NUM general secretary Kgalema Motlanthe said the meeting was a follow-up to two meetings held last week

Also on the agenda would be the relations between the union and the mining house

Motlanthe said the union had been told that retrenchments were on the cards at the De Beers' Namaqualand, Koffiefontein (Kimberley) and Premier (Pretoria) mines. 7/10/92

He agreed the country was in a recession.

"It is a reality we take into account in our planning Most South Africans are not alive to the fact that we are actually on the brink of a depression."

De Beers spokesman Glenn Bryant said the company, like those in other sectors, had to cut costs

Retrenchment was unfortunately one option, he said

He said there had not yet been agreement on how many would be retrenched.

Retrenchment was being considered as part of a major southern African rationalisation programme, Bryant added

City Lodge listing a bonanza for two mine pension funds

STAR 7/10/92

By Derek Tommey

The two major mine pension funds — the Mine Officials' Pension Fund and the Mine Employees' Pension Fund — stand to gain about R100 million from the listing of City Lodge next month, says Barry Botes, CEO of MPF Management Services, which manages the two funds

City Lodge was co-founded by the two pension funds and Hans Enderle in 1985 and has proved a successful investment.

Botes says returns on the MEPF, which has total assets of R5,1 billion, grew 18,6 percent in the year to June, while the average annual return in the five years to June was 19,6 percent

The MOPF, which has assets of R9,2 billion, had an 18,7 percent return in the year to June and an average return for the five years to June of 20,2 percent

Improvements have been made to the benefits offered by both funds, including an increase in minimum pensions paid of 11,1 percent.

City Lodge group may be listed on JSE next month

(211)

B/Day 7/10/92

JONO WATERS

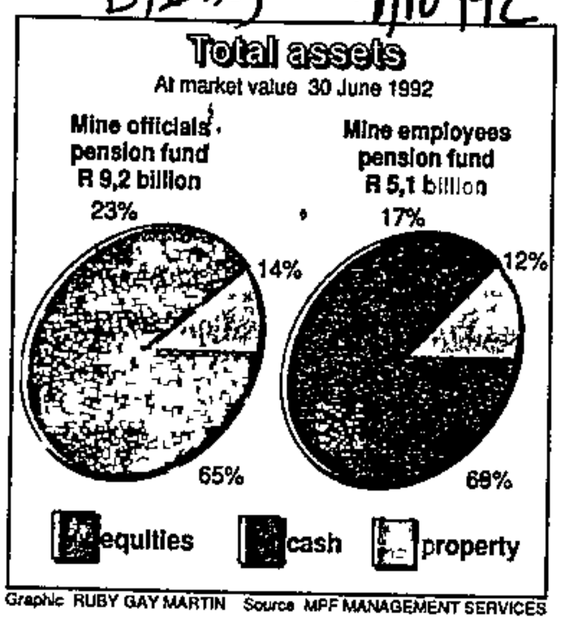
THE Mine Pension Fund Management Services would push ahead with plans for listing the City Lodge hotel group in early November, CE Barry Botes said yesterday.

Botes said at a presentation of the financial results of the Mine Officials' Pension Fund and the Mine Employees' Pension Fund that City Lodge planned to offer 5-million shares and convertible debentures at about R5 each City Lodge was co-founded by the two mine pension funds and Hans Enderle in 1985.

The officials' fund's total assets in the 18 months ended June 30 stood at R9,2bn and the employees' fund's total assets amounted to R5,1bn Botes said the fall in the De Beers share price had wiped R180m off the two funds' assets.

The return on total assets for the officials' fund in the year to end June 1992 was 19,7% compared with 23,8% in the same period the previous year, while the employees' fund showed a return of 19,4% (24,2%)

In the 18 months to end June 1992, the officials' fund received R479m from interest payments, R251m in dividend payments and R99,7m in rent income.



Graphic RUBY GAY MARTIN Source MPF MANAGEMENT SERVICES

Expenditure amounted to R47,5m, producing a net income of R796m.

The employees' fund earned R201m in interest, R152m from dividends and R66,4m in rent which brought its total income for the 18 month period to R427m. Net income for the period amounted to R398m after expenditure of R28,7m

Both pension funds had a mix of fixed interest cash, equities and property portfolios, but with a bias towards the stock exchange. The major equity holdings included Liberty Life, Richemont, Absa, Gencor, De Beers, Anglo American and SAB

The officials' fund investment in shares at market value at June 30 this year amounted to R5,72bn and the second largest investment was R1,23bn in fixed-interest securities

Shares held by the employees' fund at market value totalled R3,38bn and the fund's second largest investment was R655m in fixed interest securities

Botes said the lack of revival in the economies of the G-7 countries had further affected SA as commodity prices had remained weak

There was no major driving force to get the world economy going However, the US could act as a positive force in stimulating world growth as it was election year, Botes said

"Slow mild growth should come about in SA in the coming year, assuming a political solution is reached soon." As a result, Botes said the investment policy of the pension funds would remain cautious

In June this year, the Mine Pension Funds' Management Corporation was replaced by the Mine Pension Fund Management Services, which Botes said would make the management of the two funds more efficient

Analysts pessimistic about Rusfurn recovery outlook

B/Day 7/10/92

MARCIA KLEIN

THE Rusfurn group was expected to record increasing losses which did not bode well for a medium-term recovery, analysts said yesterday

They were reacting to yesterday's publication of the furniture group's results to end-June, in which attributable losses plunged to R135,9m from R79,2m in the previous year.

There was no reaction to the results in terms of the group's shares, but analysts said the losses had been expected and were already discounted in the share price of 12c, off a high of 550c last year.

They added that at 12c, there was not great scope for downward movement.

Rusfurn had forecast that there was little chance of a group profit in the new financial year, but analysts said they feared the losses could remain substantial

If this was the case, Rusfurn could find it difficult to live up to its three-year recovery programme

An analyst said the post year-end resignation of Wanda-Frasers and southern furniture division chairman Ian Sturrock was a blow to the group

Sturrock had been responsible for building up Russells, one of the group's only profitable divisions, he said

An analyst said he doubted that the group would be able to keep its head above the water after financial 1993

However, he said Rusfurn's bankers were committed to continue funding the group for at least four years

Executive chairman Laurie Korsten had said Rusfurn was unlikely to call for the additional R100m bankers' facilities available to it.

The analyst said this could indicate that the worst was over, but the market would adopt a wait-and-see attitude

Mining industry in trouble - NUM

Sowetan 9/10/92

Sowetan & Radio Metro

*Talk*back

with Tim Modise

By Lulama Luti

ABOUT 150 000 mineworkers have been laid off by mining houses in the past three years, the Sowetan Radio Metro Talkback show was told last night.

Studio guest Mr James Motlatsi, president of the National Union of Mineworkers, said it was bad: there were still threats of retrenchment and mine closures from other mining houses.

"From the economic point of view the gold mining is bad, particularly the price gold which is determined by overseas markets.

"I think the situation will continue to deteriorate unless some miracle regarding the price of gold happens," he said.

However, Motlatsi came out strongly against the lack of safety in the mines and said the conditions were still repressive and hazardous while mining bosses continued to concern themselves about profits.

"On average two miners die per day and we look up to 800 annually. This is against the background of more than 10 000 who get seriously wounded.

"The record of safety is not impressive at all. It hasn't improved an inch since the inception of the mines more than a century ago," he told listeners.

He said the mining industry was run on military style with bosses still adopting aggressive policies against workers especially black employees.

"In fact it is worse than the military. Workers are still housed in single sex hostels, they don't have access in matters of safety and are still underpaid," he said.

Quoting the Chamber of Mines as an example, Motlatsi said the chamber had reduced their recorded budget on safety by 43 percent.

"The mining houses are refusing to allow workers to participate fully in the determination of working conditions," he said.

He added that recommendations by the union were not heeded by the mines because these had to be sanctioned by the government.

"We believe political changes will bring about economic changes because we are not represented our suggestions are not taken seriously."

Motlatsi said his organisation had clinched deals with some mining houses which had committed themselves to retrain retrenched employees.

80 000 lose jobs, more under threat

S/Times [BUSS] 11/10/92

By ADRIAN HERSCH

MORE than 80 000 jobs have been lost in four major sectors this year.

Retrenchments will continue in the last quarter. In some industries the job loss rate could accelerate.

The Steel and Engineering Industries Federation of SA (Seifsa) reports that 25 000 jobs were shed in the first nine months of this year.

—This reduction brings employment in this sector down to 322 000 — the lowest in the past 20 years.

In November 1981 employment in the industry reached a peak of 454 000.

Seifsa economics head Michael McDonald expects that about 10 000 jobs will be lost in the current quarter, bringing the total for the year to 35 000 (the same as in 1991)

Mr McDonald is not optimistic about 1993, saying: "Lay-offs will continue at least for the first few months of 1993. There may be some improvement after that, but it will depend on several factors.

"These factors include the political situation, the drought, and demand for steel from the northern hemisphere countries — where economic growth is slow at the moment."

Chamber of Mines spokesman Benade Wessels says that in the first seven months of this year 17 340 jobs were lost on gold mines and 1 871 in collieries. (24)

Some positions were shed through natural attrition, but most were due to retrenchment.

Mr Wessels says it is difficult predict job levels in the industry because "they are so dependent on the price of gold".

More than 17 000 jobs have been lost in clothing and textiles this year.

At least 10 000 workers have been retrenched in the clothing sector.

Cyclical

But National Clothing Federation executive director Hennie van Zyl fears "we might not have seen the worst of it yet".

"Job-saving mechanisms, such as short-time work, have been exhausted at most businesses. It is possible that the lay-off rate could accelerate."

Mr Van Zyl says the industry i faces more than a cyclical decline. When the time for restructuring comes, "which is now overdue", some "unpopular decisions may have to be made".

The Textile Federation of SA reports that about 7 000 jobs have been lost this year.

Federation executive director Brian Brink says employment levels stabilised earlier in the year, but the decline has resumed.

"There is nothing to indicate we have reached a turning point," says Mr Brink.

In the building industry 9 000 jobs were lost in the year to the end of March.

Former Building Industries Federation of SA (Bifsa) executive director Neil Fraser said in July that since March "job losses may have been as high as 4 000 a month".

Figures since then are not available.

Focus on controls

MARKETING control boards will come under the spotlight at an ANC seminar in November

The seminar will study the future of control boards and consider which should be retained or eliminated.

A spokesman says the ANC believes deregulation is the ideal. However, the fruit industry, as an example, has done well through its marketing boards.

But the meat industry cannot follow the same marketing patterns. Meat, with its high level of powerful interest groups, could be the most difficult to deregulate.

Chamber and NUM go on historic tour

ALAN FINE

A TOP-level Chamber of Mines-NUM delegation is to leave for Germany tonight for a joint study tour of that country's coal mining industry B/Day

The tour, described by both sides as historic, has been arranged by German mineowners and the country's mining union A chamber spokesman said the visit followed the mining summit which committed management and labour to a co-operative approach in solving the industry's problems 12/10/92.

The group includes chamber president Bobby Godsell, industrial relations adviser Adrian du Plessis, colliery committee chairman John Hopwood, NUM president James Motlatsi, assistant general secretary Marcel Golding and union spokesman Jerry Majatladi 211

The group is to study Germany's coal-mining industry and the way it has adjusted to changing circumstances

Golding said the group would be looking at ways of protecting jobs as far as possible, such as by retraining workers It would also examine an industrial relations system which allowed workers meaningful participation in decision-making without undermining the industry

De Beers, NUM meet to 're-examine' links

B/Day 14/10/92 ALAN FINE (211)

REPRESENTATIVES of De Beers and the NUM met in Johannesburg yesterday to begin a process of "re-examining and strengthening their relationship" following the corporation's threat to scrap the recognition agreement between the two.

They also discussed retrenchments which De Beers had said could become necessary given the depressed state of the diamond industry.

The parties have been at loggerheads since the work stayaway on August 3 and 4, which management said contravened the terms of bilateral agreements, a view the NUM disputes.

They are also in dispute over wages, on which mediation is scheduled for tomorrow.

NUM general secretary Kgalema Motlanthe said yesterday's meeting identified four specific areas which were to be explored in detail by a small working party over the next few days.

These included mass action, retrenchments, agreements which appeared to be no longer adequate, and communications between the union and management at various levels.

On retrenchments and the plight of the industry, Motlanthe said De Beers had not disclosed any specific numbers, saying only that it wished to keep the number as low as possible.

He criticised what he saw as the corporation's unwillingness to disclose fully details of the situation, saying it hampered the search for solutions.

He said other unions at one diamond mine had proposed a 10% wage cut as a way of avoiding retrenchments. But the NUM needed more information before it could make any decision as drastic as a wage cut.

Comment from De Beers had not been received at the time of going to press.

Mine's workers share R1,5m bonus

MATTHEW CURTIN

WORKERS at Western Areas gold mine received their first productivity bonus in the September quarter — a R1,5m payout — more than a year after a productivity scheme came into effect.

At a news conference yesterday, Johannesburg Consolidated Investment gold division chairman Kennedy Maxwell said workers at Randfontein Estates earned a R2m bonus, after winning similar quarterly bonuses the previous year. Workers had received below inflation wage increases of about 5% in the past two years.

Gold division MD Bill Nairn said productivity schemes were a good example of the new measures the gold mining industry had adopted — and would have to continue to find — if it was to survive weak gold prices in the short to medium term.

The industry would have to consider changes such as altering job allocations, increasing multi-skilling on mines, and a seven-day working week, he said.

In the quarter, the group's mines turned in good overall results, bolstered by a 3% increase in average gold prices received, to R33 708/kg from R32 823/kg.

Overall after-tax profit fell 20% to R56m from R70m.

In contrast, the four mines in the Anglovaal group had a difficult quarter. A spokesman said: "Generally well contained unit costs failed to offset lower milled tonnages, grades and gold prices." The mines' total after-tax profit fell 42% to R26m from R45m.

The group's marginal Loraine gold mine failed to return to profitability in spite of implementation of a drastic restructuring programme during the quarter.

● See Page 7

Anglo's gold mines pay out bonuses

B/Day 23/10/92 (211)

MATTHEW CURTIN

MINES in Anglo American's gold division paid out bonuses worth up to R25 extra on a worker's monthly pay packet in the September quarter.

The payouts are the product of a complex bonus scheme thrashed out by management, the NUM and other unions after wage talks earlier this year.

Gold division MD Lionel Hewitt said at a news conference yesterday that workers at Freegold received a total quarterly bonus of R2,4m (equivalent to R29 a person), ERGO R1m (equivalent to 10% of workers' quarterly pay packets), Vaal Reefs R2,1m (R51 a person), Elandsrand R2,9m (R75 a person plus 5% of basic pay) and Western Deep Levels R339 000 (R21 a person).

"The mines are relying on the support of all workers in return for job security and profit bonuses," he said.

An announcement was "imminent" regarding an impending deal between Western Deep and Blyvooruitzicht, believed to involve a tribute mining agreement which would prolong Blyvoor's life.

Gold division chairman Clem Sunter said strong demand for jewellery and gold bars developing in gold markets in the Far East was putting a floor to gold prices However, it would take renewed investor confidence to lift prices significantly.

● See Page 7

NUM blames Gengold for wage deal delay

DIRK HARTFORD

THE NUM has accused Gengold of holding up a wage agreement with the Chamber of Mines by sticking to a racial pattern of wage settlements.

Gengold offered non-NUM unions and staff associations, who mainly organise white workers, an extra 1,5% on the 5% wage agreement with the NUM, provided they did not participate in the profit-sharing scheme.

The NUM is now demanding that the extra 1,5% be given to its members over and above the profit-sharing scheme. It said this would make a settlement fair to all workers.

Gengold said NUM could receive an extra 1,5% wage increase in lieu of a profit-sharing scheme.

Premier mine to slash jobs

B/Day 29/10/92 (211)

JONO WATERS

DE BEERS is to cut about a quarter of the 3 860 jobs at its Premier diamond mine as part of a rationalisation drive, assistant GM Eddie Robertson said yesterday.

De Beers said earlier this month it was cutting costs at its mines because of world economic conditions.

Robertson said while some workers would be moved to other De Beers mines, there were limited places available.

However, the cuts at Premier would not affect the milling rate of about 620 000 tons a month from underground operations and its dumps. Premier produces about 2,3-million carats a year.

Opencast operations were expected to stop next September, he said.

However, the underground block-caving operations would last until about 2007 when the mine was 730m below surface in the richer brown kimberlite pipe in the eastern section of the mine.

Construction of the 100 000 ton stockpile for the brown kimberlite was completed last year as the ore disintegrated rapidly when exposed to air and moisture — cutting down milling costs, Robertson said.

No exploration had been carried out below the 730m level and would not occur unless the economic climate improved.

The average grade achieved at Premier last year was 30,8 carats/100 tons, but was as high as 65 carats/100 tons in some areas.

Once Venetia reached full production in December, it would produce 75% of SA's diamonds. Premier was currently De Beers' second largest SA producer behind Finsch mine, but was one of the highest-cost producers because of the massive reinforcement needed in block-caving.

Lessons from the Ruhr for SA gold

B/DAY 5/11/92

BOBBY GODSELL and JAMES MOTLATSI

ON OCTOBER 12 a joint delegation representing the NUM and the Chamber of Mines travelled to Germany and Brussels.

The delegation spent three days in the Ruhr area learning how the German coal mining industry has coped with a dramatic downscaling In 1957 this industry produced 150-million tons of coal annually from 153 mines employing 607 000 people. Today it produces 64-million tons of steam coal and metallurgical coal from 26 mines employing 125 000 people.

In 1968 most of the small independent mines were combined into a new company, Ruhr Kohle. This, we were told, facilitated both downscaling and the enhancement of the productivity of the mines which remained in operation.

We met both the company management and the leadership of the miners' union, the IGBE From them we learned of the pervasive pattern of participation and shared decision-making at enterprise, company and industry level.

We were impressed by the extensive training and education efforts of both the company and the union, as well as the national "dual system" of technical education, in which a substantial proportion of young people spend two days a week in school learning practical skills and three days a week gaining practical competencies in the workplace

The future of the European coal industry is uncertain. In Germany, government — at federal and state level, together with employers and the union and the electricity suppliers — has agreed on a plan to guide the development of the steam and metallurgical coal-mining industry to the year 2005 The plan provides for a further reduction in coal production and employment. However, it seeks to achieve this in an incremental and systematic way.

The success of the German coal mines is a consequence of a deliberate political policy to preserve a domestic coal industry as a base for secure industry. The price tag for this policy last year was DM11bn as a state subsidy.

National interests superseded all narrow sectoral interests for the preservation of an important industry. The German example of labour-management co-operation in the coal industry is outstanding. The organisations remain distinctive. They continue to pursue their own divergent interests. Yet they have learnt to build on the areas of agreement in the interests of the industry they share for the benefit of the entire German nation.

There was much in what we saw that was deeply impressive. Though we did not agree on everything, the experience gained was invaluable for finding our own solutions to the current crisis facing the gold mining industry However, we are mindful that no country's institutions or practices are simply transferable.

South Africans will have to find their own path We will have to design institutions and practices that suit our needs and are appropriate to our history. Yet we can be challenged by the German experience of co-operation in the midst of continuing differences and conflicting agendas Without economic growth, political transformation is unlikely to bring the quality-of-life improvements South Africans rightly expect Experience in Germany shows that employers, unions and the state can co-operate in many areas, and in doing so effectively serve their members and the community at large.

Of course, we need our politicians to complete the transition to democracy. Not only will this normalise social, political and economic relations inside our borders, but it will also allow us to take up our full role in our region, on our continent, and, indeed, in the world Our economy can ill afford any delay

In the meantime, employer and union leaders can lay the foundation for sustainable growth and effective social development

☐ **Motlatsi is NUM president and Godsell is Chamber of Mines president.**

REVIEW

(b) The procedure laid down in subsection (2) must be followed in connection with any objection lodged

G. C. PAPENFUS,
Assistant Industrial Registrar
(6 November 1992)

(b) Die prosedure voorgeskryf by subartikel (2) moet gevolg word in verband met 'n beswaar wat ingedien word.

G. C. PAPENFUS,
Assistentnywerheidsregistrateur.
(6 November 1992)

NOTICE 990 OF 1992

DEPARTMENT OF MANPOWER

LABOUR RELATIONS ACT, 1956

APPLICATION FOR VARIATION OF SCOPE OF REGISTRATION OF A TRADE UNION

I, Gerhardus Coenraad Papenfus, Assistant Industrial Registrar, do hereby, in terms of section 4 (2) as applied by section 7 (5) of the Labour Relations Act, 1956, give notice that an application for the variation of its scope of registration has been received from the Mineworkers' Union. Particulars of the application are reflected in the subjoined table

Any registered trade union which objects to the application is invited to lodge its objection in writing with me, c/o the Department of Manpower, 123A Manpower Building, 215 Schoeman Street, Pretoria (postal address: Private Bag X117, Pretoria, 0001), within one month of the date of publication of this notice

TABLE

211

Name of trade union Mineworkers' Union

Date on which application was lodged 30 April 1992.

Interests and area in respect of which application is made Persons employed in all undertakings, sections or trades in the Local Authority Undertaking as is undertaken by the Town Council of Ellisras

For the purposes hereof—

"Local Authority Undertaking" means the undertaking in which employers and their employees are associated for instituting, continuing and finishing any act, scheme or activity which is undertaken by a local authority, and

"local authority" has the same meaning as that assigned to it in section 1 of the Labour Relations Act, 1956

Postal address of applicant P O Box 31525, Braamfontein, 2017

Office address of applicant: Corner of Melle and De Korte Streets, Braamfontein

Attention is drawn to the following requirements of sections 4 and 7 of the Act

(a) The representativeness of any trade union which objects to the application shall in terms of section 4 (4) as applied by section 7 (5) be determined on the facts as they existed at the date on which the application was lodged and, as far as membership is concenred, only members who were in good standing in terms of section 1 (2) of the Act as at the aforesaid date shall be taken into consideration.

(b) The procedure laid down in section 4 (2) must be followed in connection with any objection lodged

G. C. PAPENFUS,
Assistant Industrial Registrar
(6 November 1992)

KENNISGEWING 990 VAN 1992

DEPARTEMENT VAN MANNEKRAG

WET OP ARBEIDSVERHOUDINGE, 1956

AANSOEK OM VERANDERING VAN DIE REGISTRASIEBESTEK VAN 'N VAKVERENIGING

Ek, Gerhardus Coenraad Papenfus, Assistentnywerheidsregistrateur, maak ingevolge artikel 4 (2) soos toegepas by artikel 7 (5) van die Wet op Arbeidsverhoudinge, 1956, hierby bekend dat 'n aansoek om die verandering van sy registrasiebestek ontvang is van die Mynwerkersunie Besonderhede van die aansoek word in onderstaande tabel verstrek

Enige geregistreerde vakvereniging wat teen die aansoek beswaar maak, word versoek om binne een maand na die datum van publikasie van hierdie kennisgewing sy beswaar skriftelik by my in te dien, p/a die Departement van Mannekrag, Mannekraggebou 123A, Schoemanstraat 215, Pretoria (posadres Privaat Sak X117, Pretoria, 0001).

TABEL

Naam van vakvereniging Mynwerkersunie

Datum waarop aansoek ingedien is 30 April 1992

Belange en gebied ten opsigte waarvan aansoek gedoen word Persone in diens in alle ondernemings, afdelings of bedrywe in die Plaaslikeowerheidsonderneming soos onderneem word deur die Stadsraad van Ellisras

Vir die doeleindes hiervan—

beteken "Plaaslikeowerheidsonderneming" die onderneming waarin werkgewers en hul werknemers met mekaar geassosieer is vir die instelling, voortsetting en afhandeling van enige handeling, skema of werksaamheid wat deur 'n plaaslike owerheid onderneem word; en

het "plaaslike owerheid" dieselfde betekenis as dié wat daaraan geheg is by artikel 1 van die Wet op Arbeidsverhoudinge, 1956

Posadres van applikant Posbus 31525, Braamfontein, 2017.

Kantooradres van applikant Hoek van Melle- en De Kortestraat, Braamfontein.

Die aandag word gevestig op onderstaande vereistes van artikels 4 en 7 van die Wet

(a) Die mate waarin 'n beswaarmakende vakvereniging verteenwoordigend is, word ingevolge artikel 4 (4), soos toegepas by artikel 7 (5), bepaal volgens die feite soos hulle bestaan het op die datum waarop die aansoek ingedien is, en wat die lidmaatskap betref, word alleen lede wat ingevolge artikel 1 (2) van die Wet op voormelde datum volwaardige lede was, in aanmerking geneem

(b) Die prosedure voorgeskryf by artikel 4 (2) moet gevolg word in verband met 'n beswaar wat ingedien word

G. C. PAPENFUS,
Assistentnywerheidsregistrateur
(6 November 1992)

ANC, NUM defend Eskom's McRae

B/DAY 6/11/92. (211)

PETER DELMAR

ESKOM CE Ian McRae will run the utility for another year and he may have the ANC and National Union of Mineworkers (NUM) to thank for keeping his job.

Eskom's electricity council chairman John Maree announced last night that McRae had been asked by the council to extend his contract another year to March 1994. His contract was due to expire in March next year.

McRae is 63 and normal retirement age for top Eskom officials is 60. Maree is 68.

The NUM and ANC sprang to McRae's defence in a statement before the council meeting, despite the fact that Eskom had shed almost 20 000 workers since he took over as CE in 1985.

Picking up on speculation that McRae would be ousted at yesterday's council meeting, the NUM applauded his "track record of ability and vision".

The union said all those tipped to succeed McRae were arch-conservatives. McRae was the victim of a plot "to stifle progressive thinking in Eskom and other parastatals".

The ANC, Cosatu and the National Civics Organisation also backed McRae in a joint statement urging the council not to undertake any "unilateral" restructuring.

The NUM, one of the major unions representing Eskom workers, said McRae had the vision "necessary for the transformation of Eskom in line with the current socio-political developments in SA and the southern African region as a whole"

Removing him would have a negative effect on Eskom's industrial relations and its restructuring process, the NUM said

NUM, Gengold mines in dispute

B/DAY 11/4/92 (211)

DIRK HARTFORD

THE NUM has declared a dispute with Gengold mines where its 25 000 members are recognised, after failing to reach agreement over a profit-sharing scheme.

The union is planning a march through Johannesburg on Saturday in support of its demand for a 1,5% basic wage increase — similar to that given to white workers — before the profit shares are calculated

NUM assistant general secretary Marcel Golding said the NUM had hoped for a common approach to dealing with the problem "But Gengold's racist and dictatorial attitudes leave us with no option but to take the matter to a conciliation board"

The dispute arose because Gengold offered a 1,5% additional increase to the unions organising white workers when negotiations with these unions deadlocked on profit-sharing

Gengold says the NUM — like the white unions — is welcome to the extra 1,5% increase. However, this would have to be in lieu of the profit-sharing scheme.

The NUM argues that combining the profit share with low basic wage increases is the best short-term reponse to the crisis in the industry

But the extra 1,5% to white workers — who generally earn much more than NUM members — affects costs and reduces the amount of profit available for sharing with black workers, says the NUM, which wants to "level the playing field" by insisting on the extra 1,5% wage increase and the profit-sharing arrangement

The union says the increase for white workers represents between R60 and R70 a worker a month But for NUM members it means between R7 and R21 a month

The union also objects to Gengold's refusal to agree to monthly meetings at mine level to monitor any agreement on profit sharing

The NUM has successfully negotiated profit-sharing arrangements — in line with an agreement reached during negotiations with the Chamber of Mines — at Anglo American and Rand Mines.

Gengold profit sharing falters

W/Mail 13/11 - 19/11/92

By FERIAL HAFFAJEE

THE National Union of Mineworkers this week declared a dispute with Gengold on 11 mines threatening to jeopardise the industry's fledgling profit sharing scheme.

The union charges that Gengold's racial wage policy is eating into the pool of profits available for sharing and threatens the new scheme which is one of the key features in the joint union/employer restructuring of the mining industry.

The dispute was declared because Gengold paid an additional 1,5 percent increase to skilled white workers rather than including them in the profit-sharing scheme. At Anglo-American and Rand Mines, all workers and managers are part of the profit sharing scheme.

Gengold has refused to give 25 000 NUM members the same increase in order to "level the playing fields" before sharing the profits. The company says it is willing to pay the increase in lieu of the profit-sharing. The company also refuses to agree to monthly evaluations of the schemes at all mines. This is a key demand for the success of the scheme. Earlier this year, NUM abandoned profit sharing when miners became alienated from the highly technical plan they had no access to information about.

The union accused the company of "not being serious about exploring the broader potential of the profit sharing agreement".

In July, NUM agreed to low basic wage increases of five percent and profit sharing as the best short-term response to the crisis in the gold-mining industry. (21)

NUM was "flummoxed" by Gengold's move to grant additional increases to skilled white workers. "The additional cost of the whites' 1,5 percent basic wage increase will raise the mines working costs and reduce the profit available for sharing," the union said this week.

The increase represents an average R60 to R70 improvement for skilled workers and, if granted to NUM members, will represent an increase of between R7 and R21. The union agrees that when a profit is paid, the 1,5 percent increase can be deducted from the profit share.

"NUM's demand for a guaranteed 1,5 percent basic increase, in line with the white workers, is needed to complement the profit sharing scheme to make the 1992 settlement fair to all workers, black and white," believes the union.

In earlier negotiations, the Underground Officials Association, the Mine Surface Officials Association, the South African Technical Officials Association and the Council of Mining Unions opted for 1,5 percent increases instead of profit-sharing at the mining house.

The dispute will be taken to a conciliation board in the next month and Gengold refrained from further comment until then.

Miners want their share from Genmin
Photo: Justin Scholk

Jobs crunch

Sowetan 18/11/92

MINES HIT Recession bites mining industry: (211)

ABOUT 100 000 workers in the gold, diamond and platinum sectors face losing their jobs as the recession continues to bite deeper in the mining industry.

The industry has been among the hardest hit by the recession in recent years and this would bring to 266 000 the number of mineworkers to be retrenched since 1987.

The gold and coal mines had about 750 000 people in their employ before 1987.

Full story page 2

NEWS 100 000 miners may be retrenched, 166 000 have been

Five people have so far each won R10 000 in Sowetan's Job Creation competition. The judges will be sitting again today. Last Friday, 18 finalists were interviewed at the offices of the Amalgamated Banks of Southern Africa, one of the sponsors. The other sponsors are the National Sorghum Breweries and Sanlam. In the picture are some of the finalists.

Mine jobs on the line

Sowetan 18/11/92 (211)

RECESSION BLUES Slump in hard hit mining industry has already resulted in 166 000 job losses:

By Ike Motsapi

ABOUT 100 000 workers in the gold, diamond and platinum sectors are set to lose their jobs as the recession in the mining industry bites deeper

This would bring to 266 000 the number of mine workers retrenched since 1987

Mr Jerry Majatladi, media officer of the National Union of Mineworkers, said in an exclusive interview that the retrenchments in the industry has resulted in the mining houses losing 35 percent of their annual revenue

"About 95 percent of the South African gold is produced by the Chamber of Mines and the retrenchments have a direct influence on productivity

"This is because gold still remains the largest single foreign exchange earner for the country

"It forms 30 percent of total exports today whereas 10 years ago it stood at 50 percent

"In the process the percentage of workers in service in this sector dropped by 20 percent

"The gold price has slumped to around R1 000 an ounce, its lowest since 1988," he said

Majatladi said about 750 000 mineworkers were employed in 1987 when the mining operations were at a peak

Mr Dennis Gordon, media spokesman for the Chamber of Mines, confirmed that about 166 000 mine workers lost their jobs in the gold and coal sectors due to retrenchments since 1987

He said he could not comment on the 100 000 jobs that NUM said were on the line

Gordon said "It is hard to forecast a figure because it is the individual mining houses who know what their future prospects are"

NEWS IN BRIEF

(211)

Mine denies layoffs

RUSTENBURG Platinum Mine had not laid off workers and had no intention of doing so, a mine spokesman said yesterday in reaction to a weekend statement by the Bafokeng tribe in Bophuthatswana saying a march was being planned in protest against the laying off of 700 workers at the mine

BUSDAY 25/11/92

10th anniversary coincides with worst crisis in mining industry:

(211)

Sowetan 26/11/92

By Ike Motsapi

ON December 5 this year the National Union of Mineworkers will celebrate its 10th anniversary amid fears that the labour movement is losing membership due to continuing retrenchments

The retrenchments, especially in the mining industry, where most of the NUM members are employed, are the result of the closure of several mining operations due to the fall of the gold price

When Num was formed 10 years ago, it was regarded as the most powerful trade union movement in the country

Speculation that it is losing its teeth have been dismissed as "rubbish" by Num officials

The trade union's membership stands at 257 969

This makes it the largest affiliate of the Congress of South African Trade Unions

Countrywide celebrations are to be held starting this week culminating with the main occasion to be held at Klerksdorp on December 5

The celebration is seen by the union as expressing its solidarity with its members, those who are unemployed and to share "the fruits of our fight for better working conditions at the mines".

Num also wants to use the occasion to urge its members to continue pressuring employers to recognise the union.

The union is recognised by the major mining houses which include Anglo American Corporation and Anglovaal but still experiences problems in reaching working agreements at certain mines.

However, Num has managed to survive major problems in its fight for better wages and working conditions for its members

It was not an easy task, though

The first president of Num, Mr Elijah Barayi, once

NUM president James Motlatsi

charged that repression on the mines was similar to that of Nazi Germany

Barayi said mine bosses and the State had joined forces to crush Num

His statement echoed the fears of miners who experienced abuses, harassment and even torture

Then came the kinross mine disaster on September 16 1986.

About 177 people were killed and many injured.

Num officials contended that of the 177 killed, 50 were its members

The mine and six employees were charged with culpable homicide and alternative charges of contravening the Mines and Works Act

Kinross Mines Limited and five employees were acquitted

The sixth employee pleaded guilty to two counts of contravening the Act and was fined R50 on each count.

However, Num sued the mine for negligence The case was resolved recently when Num and Gencor agreed on a settlement of R2,6 million as compensation for the families

Num president Mr James Motlatsi said a large portion of the settlement would be put in a trust jointly managed by Kinross and Num for the benefit of the families of the deceased

During February 1989 Num launched a campaign against what it termed repressive mine security measures and hostile collective bargaining environment on the mines The campaign was launched during a rally held at the University of the Witwatersrand

The then treasurer, Mr Paul Nkuna, said mine owners had always made their workers and the world believe that they paid a living wage and that living conditions were decent

Desegregation of mine hostels

He said the union demanded freedom of association on the mines, the right to strike, rights to privacy, rights to a fair disciplinary inquiry and freedom of movement

The then secretary general of Num, Mr Cyril Ramaphosa, who now holds a similar position in the African National Congress (ANC), fought vigorously for desegregation of mine hostels along ethnic lines

He contended that this was the main cause of violence due to tribal clashes at the mines

He won the fight. However, this did not help to curb the mine violence

The recent violence was experienced at Welkom last year during a work stayaway called by Cosatu to protest against apartheid laws

A fierce fight erupted between those for and against the work stayaway and this resulted in loss of life and injury

A commission of inquiry was instituted and its findings are still to be made known

But one significant things that pleased Num was growth.

By May this year about 2 000 whites joined the union

Num's chief organiser, Mr Louis Vosloo, said Num had embarked on a drive to recruit more whites He said the number of whites were growing by the day

Vosloo said projections by Num indicated that the union expected to represent 60 percent of white mine workers within three years

Matla talks continuing

WILSON ZWANE

TRANS-Natal and the NUM were still locked in discussions yesterday following a strike by 1 200 workers in the eastern Transvaal.

According to the NUM, the workers downed tools at Matla Colliery on Tuesday in protest against management's "victimisation" of shaft stewards.

Trans-Natal spokesman Pam Agnew confirmed the workers were on strike and that they were demanding:

- the reinstatement of full-time shaft steward David Malaza who was dismissed after a disciplinary hearing; B/Day 27/11/92
- the re-employment of 14 workers released recently in terms of a pardon to political prisoners. The workers were convicted in 1990 of murdering and assaulting fellow employees during an industrial action the previous year; and
- the integration of workers, who had been living together in one hostel since the strike, with fellow workers living in other hostels.

Agnew would not say what management's response to the demands was.

Hope of moderate interest rate fall

S/Times (Buss) 29/11/92

By ZILLA EFRAT

UNDERLYING inflationary pressures in the economy will probably show an accelerated decline in the next six to 12 months, says the Afrikaanse Handelsinstituut's inflation barometer

Its fourth-quarter reading of 11,2% is down from 11,8% in the third, 11,9% in the second and 12,1% in the first quarter of this year

AHI economist Nick Barnardt says this points to a moderate cut in interest rates next year

He says that in the absence of major changes in factors like VAT, a consumer-price index rate of 11% in the second half of 1993 is a strong possibility It would be the lowest since the first half of 1984

Moves to counter the Government's growing deficit, however, could send inflation rates soaring again next year

Mr Barnardt says the AHI's barometer combines 17 variables which, in one way or another, reflect underlying inflationary pressures It provides useful guidelines for price, wage, Budget, investment and monetary policy decisions in the coming months

The stongest positive contributions to lower inflation at present are low credit extension, the balance of payments surplus, single digit producer-price index inflation and subdued inflationary expectations

The greatest threat, however, on the inflation front for 1993 is SA's large fiscal deficit It could exceed R23-billion, or 7% of gross domestic product

Other unfavourable factors include double-digit increases in wages, salaries and labour costs and the upward pressure on fuel prices

Mr Barnardt says it will be virtually impossible to drastically reduce the fiscal deficit in a single year

Any attempt would require such a large tax rise and spending cut that the recession would most probably degenerate into a full-scale depression

The tax base would shrink further, resulting in an even larger decline in State revenue

Mr Barnardt says the recession and its lagged negative impact on tax revenue imply that the State's real income at unchanged tax rates is due to fall further in the next fiscal year

This will result in an even bigger fiscal deficit, even if State spending shows no increase in real terms

Mr Barnardt says the only realistic solution would appear to be gradual deficit reduction through a three-year plan Even a modest reduction to 6% of GDP next year would require drastic tax and expenditure measures

Fruits

For example, if real spending were left unchanged, it would require a rise in the VAT rate from 10% to 15% This would raise inflation by about four percentage points, resulting in a CPI inflation rate of about 15% by the end of 1993 as opposed to the prospect of 11% suggested by the barometer

Mr Barnardt says this would once again deny the economy the opportunity of enjoying the fruits of a lower CPI inflation rate, even after suffering a recession of more than four years

The AHI believes that the reduction of the fiscal deficit should be achieved as far as possible by limiting State consumption spending, and that tax increases should be avoided or kept to an absolute minimum

Mr Barnardt says the Economic Forum could be the ideal place where the Government, labour and business could reach some agreement which would help to curb the price-wage spiral This would result in a rapid decline in inflation

De Beers to shed 20% of staff at SA mines

S/Times (Buss) 29/11/92. (211)

Business Times Reporter

DE BEERS is to lay off 22% of its workforce in South Africa as a result of the sharp decline in the international diamond market

Industrial relations manager Steven Lenahan says that at least 3 000 hourly paid and managerial workers will be asked to leave unless some accept voluntary retirement The current staff complement is 13 500

Retrenchments are being discussed with the National Union of Mine Workers (NUM)

Discussions are also taking place with the Mine Workers Union of Namibia about possible retrenchment of some of the 6 000 workers at Consolidated Diamond Mines

No lay-offs are planned for the 5 500 workers at the Jwaneng and Orapa mines in Botswana

Mr Lenahan says that although the retrenchments are regretted, "it is a step that had to be taken to ensure the survival of operations"

The first cutbacks will be made at the Kimberley and Premier mines Discussions are taking place at other mines

The NUM was successful in negotiating a 10% wage increase on November 6, taking minimum pay to R959 a month

The union initially asked for an "above-inflation" increase and an "agency shop" agreement in which all workers would contribute to a fund to help pay for collective bargaining

Mr Lenahan says no agreement was reached on the agency matter, but it could be discussed in the future

Victory for Afbank two

TWO former African Bank employees have won a small victory in their quest to recoup around R50-million forfeited to the SA Reserve Bank

On Friday the Pretoria Supreme Court ruled that they could amend their claim for the return of this money, but the Bank was awarded costs

The men — Alan Young and Henry Harper — were found guilty of fraud and foreign exchange contraventions in 1988 and sentenced to 14 years' jail

The two men, released in a general amnesty last year, are taking legal steps to claim back a share of R100,4-million in profits they allege they made while working for Afbank from September 1985 to May 1986

The Bank alleges that the profits were made by contravening exchange control regulations

THE JSE INDICES

By TERRY BETTY

POSITIVE political sentiment helped the JSE end on a high note on Friday, with the indices showing a rise across the board — the all-share index rose 1,16%.

The gold index showed the most sparkle, rising 25 points or 3,08% on Friday, even though the gold price came off slightly. Analysts say the index lifted on the back of a weak rand which was trading just over R3,00 at the end of the week

Political developments such as the ANC-IFP meeting, and the State President's intention to have minority rule voted out before April 1994, were responsible for the shine on the rest of the JSE indices

It is also suggested the market is more upbeat because of the likelihood of a greater than expected drop in interest rates next year, and the prospect of a turnaround in the US economy.

Analysts say everything was extremely well bid, and all stock on offer was taken up easily "But it would have been even better had most of our clients not been at the cricket"

It would seem ABSA results, due in about two weaks, are going to be better than expected, as the share price has started to firm It has risen to R9,00 from at a low of R7,75 in mid-October.

Richemont, which reported disappointing results on Wednesday, lifted its share price as people were picking up scrip after going short ahead of results.

NEWS FEATURE *Union's struggle for mine workers to be recognised as human beings*

NUM looks back on its first decade

Sowetan 4/12/92

ACORN TO OAK *The Wiehahn Commission opened doors for unions:* (211)

By Ike Motsapi

MOTSAPI The National Union of Mineworkers celebrates 10 years of existence How was it formed?

Motlatsi It has been 10 years of struggle Black miners were not allowed to belong to organisations and trade unions It was the Wiehahn Commission which opened doors for the legalisation of black trade unions In 1982 the Council of Unions of South Africa held its first congress One of its congress resolutions was to organise at the mines Cyril Ramaphosa was given the task of organising in the industry At the time I was working at Western Deep Levels I read in the newspapers that a new miners' union was to be formed during September of that year I was approached by Alfred Mphahlele with whom I was working and was staying in Soweto He had met a gentleman who was campaigning around the country to organise mine workers in a bid to form a trade union

How to form a union

I met the gentleman concerned and we discussed how best we could form the union A congress was planned for Wilgespruit near Roodepoort where a Planning Council was formed.

The PC prepared for a national congress in Klerksdorp for December 4 and 5 1982 It was here that the National Union of Mineworkers was formed

Four big regions, Western Deep Levels, Carletonville, Klerksdorp and the Free State were represented at this congress

I must point out that before the congress, we managed to organise more than 12 000 members About 1 000 mine workers attended this congress where a constitution was adopted

I was elected the first president of Num, Mr Elijah Barayi was chosen as the first vice president with Ramaphosa filling the position of general secretary Ishmael Thula was elected first national treasurer

Building Num

Motsapi But how did you go about building Num to one of Cosatu's largest affiliates?

Motlatsi There were a lot of problems What we did was we established an operational arm department. This unit did a lot of spade work It went to the mines where it consolidated its strength on shaft and regional branches In 1983 we established a regional council We also approached the Chamber of Mines to allow us to operate freely on the mines

The chamber allowed us to operate under strict conditions

One of these conditions was that we were not allowed to hold open-air meetings We were also allowed to consult or organise between 4pm and 8pm This did not help us We decided to strengthen our shaft and regional committees at the hostels This was how Num grew to what it is today

Motsapi What were Num s objectives?

Motlatsi Num was formed to fight for the rights of the miners in general It was also formed to bring miners together and be united as people and not on an ethnic basis

We also wanted to see mine workers respected by society Miners have been undermined not only by management but also by society in trains, townships, taxis and areas where they lived

They have been regarded as people with little education who are only fit to perform jobs suitable for the non-educated.

Sub-human

We were basically classified as sub-human

Num focused of the problems faced by the mine workers

Motsapi What did Num do to develop its members?

Motlatsi We did a lot of things The most important was that we stopped shop owners in and around the miners from exploiting them. These shop owners sometimes did not give our members proper change when they went to buy goods there

Stopped taxis over-charging

We also stopped the taxi drivers from over-charging them whenever they used their vehicles to go to the cities

We asked the people to boycott these shops and taxis

After boycotts the attitudes of these people changed It was then that they realised that mine workers were also human beings like them.

Motsapi Did you work well with management or not?

Motlatsi No We were engaged in big fights with them. We fought starvation wages for our members We fought for better working conditions We fought for the removal of job reservation which led to the strike at Impala Mines in 1984 and later spread to Vaal Reefs, President Steyn in Welkom and Western Holdings

These strikes were followed by others in 1985 and numerous others in 1986

By September 1986 the Government did away with job reservations at the mines We were called to Parliament. It was a difficult decision to go there but Ramaphosa and I led a delegation which presented our case to the Government.

No political role

Motsapi. Do you think that Num has a role to play in the political future of this country?

Motlatsi Not really

Motsapi Why was the 1987 strike regarded by many as being politically motivated?

Motlatsi Our 21-days strike in August 1987 was not political This strike went on for a long time because of political interference by the State The police arrested and harassed our members Our members stood their ground and the police failed to break the strike

This led to massive dismissals which partly destroyed our union About 50 000 miners were dismissed or retrenched

I must confess that this weakened Num and we have not yet fully recovered from that blow

Motsapi How did this affect the morale of your members?

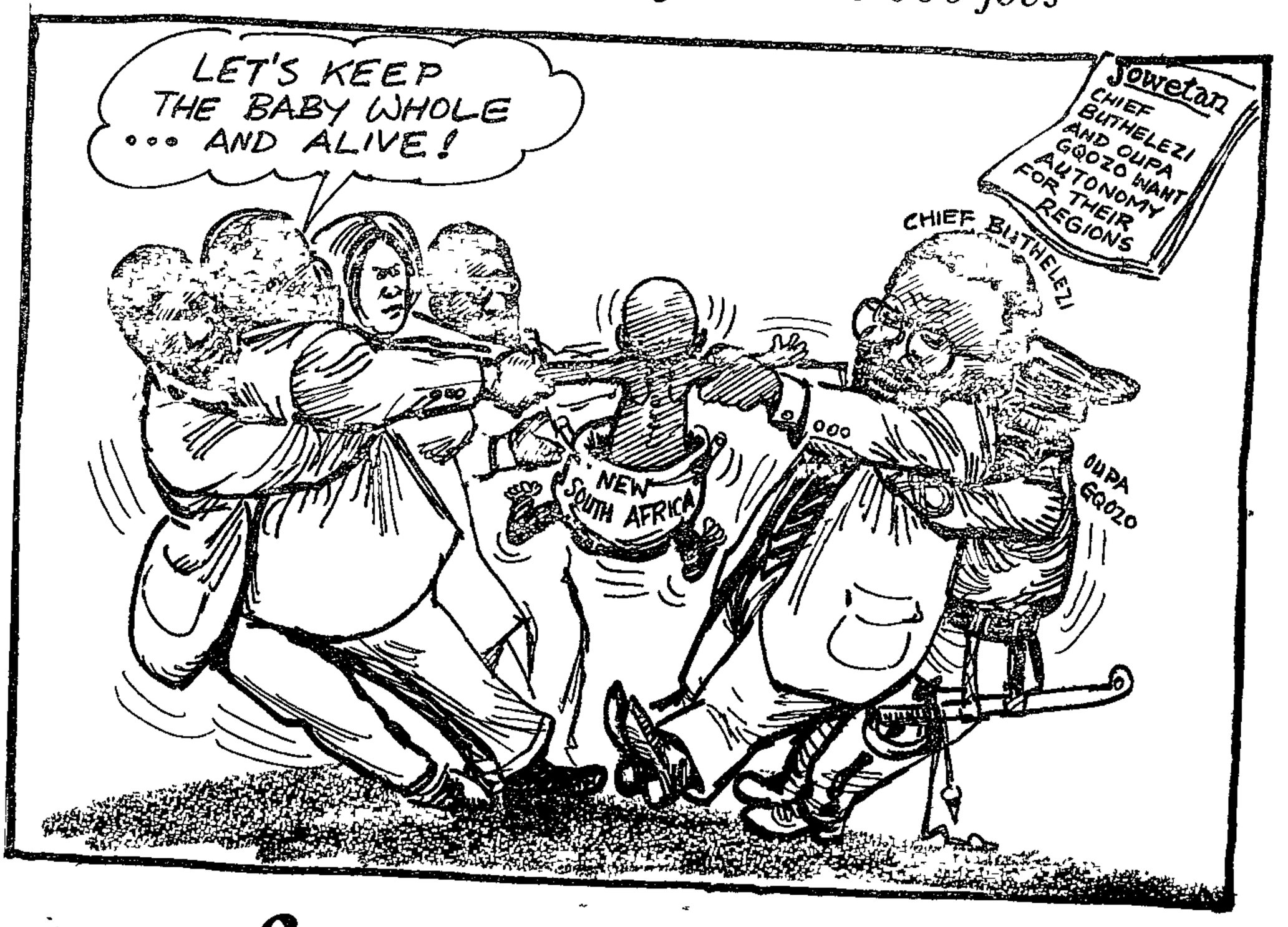
Motlatsi What emerged from the strike was that we saw a lot of dedicated and strong people who survived the ordeal We have established a good foundation which is going to be very hard to demolish

James Motlatsi

Num diary

President James Motlatsi
Vice President Elijah Barayi
Membership 281 000
When Num formed December 4 1982
Where At Klerksdorp
Secretary General. Kgalema Montlanthe
Assistant General Sec Marcel Golding
National Treasurer Paul Nkuna
Press Officer Jerry Majatladi

FOCUS *Scaling down has already cost 166 000 jobs*



focus on NUM

Mine retrenchments also affect support industries, says **Jerry Majatladi**, publicity officer of the National Union of Mineworkers, who tells **Ike Motsapi** that Government subsidies may stave off starvation and help keep mines operating: (211)

Sowetan 4/12/92

THE SOUTH African mining industry is shrinking at an alarming rate because of constant closing and down-scaling of operations

This was said by Mr Jerry Majatladi, media and publicity officer of the National Union of Mineworkers, in his review of mining operations during the past 10 years

Today Num celebrates its ten years of existence amid reports of massive retrenchments at the mines

The process of scaling down has already cost 166 000 workers their jobs since 1987 The gold mining industry is the hardest hit with more than 100 000 of its workers declared redundant

Coal mining has lost more than 21 250 of its work force during the same period The current work force stands at 85 000

Over 4 000 diamond mine workers are to lose their jobs, leaving the industry to operate with half the total labour force

Impala Platinum Mines in Bophuthatswana has just announced its intentions to retrench about 4 500 miners due to the economic recession

Majatladi said "With the world economy under recession, the situation does not look promising for the mining industry

"However, mining still remains the backbone of the South African economy

"The current crisis faced by this sector of the economy has already cost job losses to other industries which supply mining with goods and services

"With unemployment among blacks estimated at 40 percent, including the victims of mine retrenchments, one has a real gloomy picture.

"About a million dependants of retrenched mine workers are faced with the stark reality of slow death by starvation in remote rural areas of Transkei, Ciskei, Lesotho, Sekhukhuniland and Mozambique," Majatladi added

He said Num had been at the forefront of the struggle to alleviate the plight of victims of the scaling down of mines

A campaign for an industry-wide retrenchment agreement has been on for some years, with the Chamber of Mines failing to budge

"This was an immediate response to the crisis with short term gains in mind," he said

He said the reality of the situation "is that a national crisis is facing South Africa"

Majatladi said the reaction of the mine bosses to this national crisis has been that of cutting costs in order to increase their profits

He said "The bosses have embarked on a systematic campaign to realise huge profits by resorting to brutal cut-backs in expenditure while increasing productivity

"A vicious assault has been launched against the wages of workers who have been paid well below the inflation rate, while at the same time retrenchments have been continuing

"The welfare of those declared redundant is hardly considered, as meagre redundancy packages are given after fierce battles waged by Num," He said

Majatladi said State intervention remained the only realistic option "if catastrophe is to be avoided"

He said Num wants the Government to draw up a national development plan and policy that will make the process of down-scaling "to be of little impact"

He added "The State should co-ordinate and develop a subsidy programme to the crisis ridden mines as a matter of top priority

"Legislation should be passed to regulate all adjustments in mine size, with people and communities affected being given rights in this regard"

The subsidy should aim at the following.

Maintenance of employment levels with controlled retrenchments when such a step is inevitable,

Raising productivity to lengthen the life of mines by changing underground working methods,

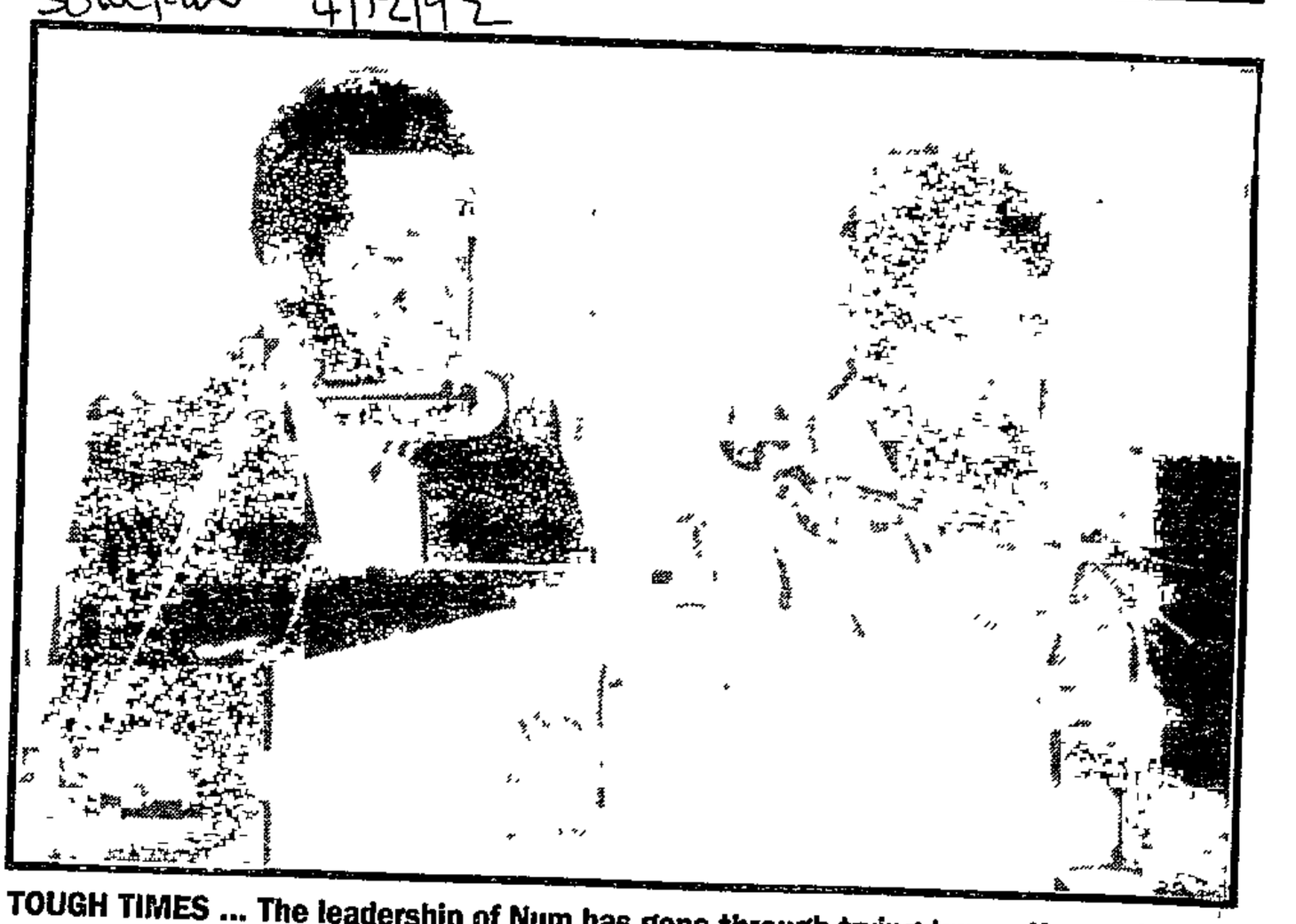
Retraining of mine workers in other job skills, so that they might find alternative employment when retrenched,

Finding alternative use of mining assets, and

Assisting in developing rural areas where mine workers originate

"In an attempt to find a national solution to this crisis, a mining summit was convened in June last year

"The summit groups had to address key issues which they identified"



TOUGH TIMES ... The leadership of Num has gone through trying times. Here union president James Motlatsi and then general secretary Cyril Ramaphosa made a surprise appearance at a British union meeting in Wales. They were earlier reported missing for two weeks at the time of the South African Government's clampdown during the run up to the June 16 anniversary in 1986.

Ermelo workforce to be cut by two-thirds

JONO WATERS

ABOUT 960 workers at Ermelo Mines would be retrenched as part of a rationalisation programme, Trans-Natal director Bobby Jurd said last night

Ermelo is operated as a joint venture between Trans-Natal and Total Exploration B/DAY 4/12/92

Jurd said operations would be scaled down over a period from the beginning of next year

About two-thirds of the workforce would be cut, largely as a result of the depressed state of the steam coal market

"We had to rationalise to keep Ermelo going as prices are extremely low, and it's becoming more difficult to cover the cash cost" (211)

Jurd said the mine would rationalise operations underground and concentrate workings nearer to the shaft In addition, geographical expansion of the mine would also be curtailed "Production levels will be reduced to a more optimal level"

The optimal production levels would be decided once the mine had met all official mining associations

"In broad terms, production will be reduced from about 2-million tons to about 1-million tons a year," he said

Gencor to axe 960 jobs at Ermelo

(211) CT 4/12/92

JOHANNESBURG. — Gencor said yesterday rationalisation plans at Ermelo Mines would involve the retrenchment of 960 workers

Ermelo Mines is a joint coal venture between its Trans-Natal Coal Corporation and Total Exploration SA

Gencor said operations would be scaled down temporarily from January 1993 because of the current depressed state of the export steam coal market, but it did not specify the planned lower tonnage output

About 960 workers, more than two thirds of the workforce, would be retrenched

Trans-Natal director Jurd said last night operations would be scaled down over a period from the beginning of next year

"We had to rationalise to keep Ermelo going as prices are extremely low, and it's becoming more difficult to cover the cash cost"

Jurd said the mine would rationalise operations underground and concentrate workings nearer to the shaft.

In addition, geographical expansion of the mine would also be curtailed

"Production levels will be reduced to a more optimal level"

The optimal production levels would be decided once the mine had met all official mining associations

"In broad terms, production will be reduced from about 2-million tons to about 1-million tons a year," he said. — Own Correspondent and Reuter

Town's agony as 900 miners face the axe

S/Times 6/12/92

By LYNN SMERCZAK

NEARLY 900 people in Phalaborwa are facing Christmas with the threat of unemployment hanging over their heads.

Foskor — one of the two main employers in the Northern Transvaal mining town — dropped the bombshell on its 2 200-strong work force on Monday, but the individuals who will lose their jobs have not yet been informed

Managing director John Stanbury told stunned employees the board had decided to retrench 40 percent of the complement in order to cut Foskor's R90-million salary bill

Initial shock gave way to despair as employees realised that they would not be told immediately who was affected

"I would rather be told now whether or not I have a job next year. We have already paid for our holiday and bought things for Christmas Had I known I might not have a job, we wouldn't have done those things," said an employee

The wife of a management official, who would not be named, was more philosophical She said "We've had a good life here If my husband is retrenched, we will make the necessary adjustments People are being paid off everywhere — why should our corner of the world be different?"

In addition to the personal hardships facing employees, the town is facing a major economic crisis

Already hard hit by the drought and a consumer boycott that cost local businessmen millions, Phalaborwa is largely dependent on employees of Foskor and the Palabora Mining Company for its existence

The boycott followed months of racial conflict after PMC's decision to integrate company housing and ended as a result of negotiations initiated by the Local Dispute Resolution Committee

National Party town councillor and Chamber of Business president Marie Kriel, who was involved in the talks, said the Foskor announcement had "not come as a complete surprise"

"We estimate that the town stands to lose about R2-million a year as a result of the Foskor decision," said Mr Kriel

Schools — already faced with a sharp decline in pupil enrolment — will also suffer, although many have begun taking black pupils in order to stay open

He said the Foskor cutbacks underlined the need for a business initiative designed to reduce the town's dependency on Foskor and PMC which had also reduced staff levels through natural attrition and voluntary retrenchment this year

"What we have to do is to become more effective and entrepreneurial All we have to do is to set aside our prejudices and get busy," said Mr Kriel

The Foskor decision has been attributed to "dramatic swings" in international trading patterns following the collapse of the Soviet Union and a 33 percent drop in the world demand for phosphate rock since 1988

Phosphate fertiliser consumption in South Africa dropped by 22 percent from January to June this year, said Mr Stanbury

"It has not been an easy decision and Christmas is no time to give people bad news, but we decided to tell employees of the decision to cut back staff as soon as possible so that we could start negotiating terms and procedures"

Concerned

"We plan to have implemented the cutbacks by the end of March which, we feel, gives those affected a reasonable period of notice," said Mr Stanbury.

The National Union of Mineworkers, which does not have a full recognition agreement with Foskor, is concerned that union members will be victimised during the cutbacks

"We have asked for a meeting with management to thrash out terms and procedures for the retrenchments," NUM regional administrator Mr Patrick Lebea said

Mr Stanbury said he intended consulting all employee representatives

De Beers to retrench half its diamond workers — NUM

B/Day 7/12/92 (211)

DIRK HARTFORD

DE BEERS is poised to retrench half of the workers on its major diamond mines — nearly a third of its SA workforce, says the NUM.

The union said the jobs of 4 000 of the 8 000 workers on the major mines were on the line

A De Beers spokesman said it was not possible to put an exact figure to retrenchments as consultation with affected employees was still continuing. Some had been offered early retirement and various other options were being looked at.

NUM's figures could apply to the number of jobs that would be lost, but this did not mean that as many workers would be retrenched, the De Beers spokesman said

He said De Beers employed 13 677 people in SA at the beginning of this year. In Namibia it employed 5 750 and in Botswana 5 157 Large retrenchments were also on the cards in Namibia

Premier mine would retrench 1 519 workers, Finsch 693, Kimberly Mines 384, Koffiefontein 563 and Kleinzee mine 913, the NUM said.

Negotiations between the NUM and De Beers on retrenchment packages were currently under way

The NUM said production had been reduced at De Beers' new Venetia mine but that no jobs had yet been cut.

Jobs were also under threat in its geological division, but a final decision on numbers had not yet been made.

The NUM said the loss of jobs in the mining industry was a "national crisis" demanding a radical response from the state, employers and the union.

Since 1987 150 000 jobs had been lost in the gold mining industry and 20% of workers in the coal industry had been retrenched

NUM expels 21 'renegade' members

DIRK HARTFORD 211

THE NUM has expelled 21 members at Rustenberg Platinum Mines for "serious violation of discipline and the constitution", the first time the union has expelled any of its members.

The workers — dubbed "renegades" by the union — have allegedly been causing serious disruptions to NUM activities in the Rustenburg area since 1990

According to the NUM, their disruptive activities included assaulting union staff members, threatening them with firearms and physically closing down the Rustenburg office so it was impossible for the union to service its 38 000 members in the region.

It is believed that the workers — who are all Xhosas — were also mobilising other Xhosa workers on an ethnic basis and that this was causing serious tensions

The workers were all NUM shaft stewards at RPM's Jabula shaft

Meanwhile, the NUM is making gains among white workers A NUM official said hundreds of workers had resigned from the all-white Mine Workers Union in recent weeks to join the NUM, and predicted this trend would continue as the myth that the NUM was a "black" union had been broken

B/DAY 7/12/92

Agreement on profit-sharing

13/DAY

WILSON ZWANE 10/12/92

THE agreement between the NUM and Gengold on a profit-sharing scheme would pave the way for a "comprehensive agreement" on wages and basic conditions of employment, union official Jerry Majatladi said yesterday.

The union and Gengold reached the agreement on Tuesday, ending a dispute which arose last month.

In terms of the agreement, two of the mining house's mines — Grootvlei and St Helena — will pay NUM members an additional 1,5% on top of their basic wage increases while other mines will implement the agreement on profit-sharing.

(211)

Mine unions meeting

(211)

LEADERS of mineworkers unions from at least five countries will hold a two-day meeting in Johannesburg this week, the National Union of Mineworkers (NUM) said yesterday

The meeting will be held tomorrow and Saturday under the auspices of the three million-strong Miners International Federation which represents 53 unions in 46 countries, NUM said in a statement

The leaders of miners unions in the United States, India, Germany, Sweden and South Africa will attend the gathering Sowetan 10/12/92

Gengold, NUM end dispute

STAR 10/12/92

By Thabo Leshilo
Labour Reporter

The dispute between Gengold and the National Union of Mineworkers ended on Tuesday after they agreed on the profit-sharing scheme motivated in principle at the Chamber of Mines earlier this year, the company said yesterday

In terms of the agreement, two of Gengold's mines, Grootvlei and St Helena, will pay an additional 1,5 percent on top of their basic wage increases, while Gengold's other mines will implement the agreement on profit sharing

NUM last month declared a dispute with Gengold on behalf of 25 000 members employed by the company for allegedly blocking an industry settlement on wages and working conditions on gold mines.

The union has successfully negotiated profit-sharing schemes with Anglo American Corporation and Rand Mines.

● NUM has come up with a draft central "retrenchment agreement" for De Beers mines in a bid to protect its members

This document comes after De Beers announced that more than 4 000 miners would be laid off in a cost-cutting move

● The Miners' International Federation (MIF) presidium will meet for the first time in South Africa in Johannesburg tomorrow and again on Saturday

B/Day 10/12/92

Miners' role on agenda

THE Miners' International Federation (MIF), which represents more than 3-million miners in 46 countries, will meet in Johannesburg this weekend to discuss "the miners' role in current world developments" (211)

The presidents of mine unions from the US, Sweden, India and Germany will attend the MIF meeting at the NUM's offices

New miners' agreement

CT 11/12/92

JOHANNESBURG — The National Union of Mineworkers and the Chamber of Mines yesterday signed their 1992/3 agreement on wages and working conditions

(211)

NUM accepts low increases

(211)

S/Times (Buss) 13/12/92

AFTER nine months of protracted negotiations, the National Union of Mineworkers and the Chamber of Mines signed their 1992/3 agreement on wages and working conditions

The agreement, announced at a joint media conference in Johannesburg, affects 390 000 employees on 20 gold mines, 180 000 of whom are NUM members It comes at a time when the gold mining industry is facing unprecedented pressure

A key element of the agreement is the acceptance by the NUM of low wage increases, between 5% and 9%, in return for an innovative profit-sharing agreement on 14 mines

NUM secretary-general Marcel Golding says the agreement to keep basic wage increases low for the second successive year was an attempt to deal with the crisis in the gold mining industry

Mr Golding says "Small wage increases are the only way to save jobs when the gold price is low"

He says the profit-sharing agreement would help mines which were truly under pressure, as they would not be burdened with an inflexible wage bill and could therefore delay retrenchments

However, profitable mines would have to share some of their wealth with employees, depending on gold price and productivity

Chamber of Mines labour representative Bill Nairn says the modest wage increases would contribute to the containment of costs in gold mines

He welcomed the profit-sharing schemes as an innovative form of remuneration

Mr Nairn says 1993 promised to be tougher than 1992 and praised the NUM for being able to work with the chamber in "managing adversity" in the industry

Mr Golding says this year's agreement also contained important advances in the areas of health and safety, furthering the guarantees on working conditions and union rights which formed the main part of the path-breaking industry agreement of 1991

Miners agree to bite the bullet

S/Times 13/12/92. (211)

By CHARLENE SMITH

MINEWORKERS have received one of their lowest wage increases ever, but have been told by the National Union of Mineworkers to bite the bullet to save jobs and prevent the economy from further decay.

The union has agreed to a five to nine percent pay hike coupled to a unique profit-sharing bonus.

NUM general secretary Kgalema Motlanthe said: "We're not only safeguarding jobs, but the economy of this country which is underpinned by the mining industry.

"If the mines go under, so will the feeder industries and we will have a banana republic economy."

Chamber of Mines labour representative Bill Nairn said the modest wage increases would help curb costs at gold mines.

Tough

He said the outlook for 1993 was not good He praised the NUM which had worked with the chamber in "managing adversity" in the industry.

However, Mr Motlanthe said the union had a tough task selling its approach to members, who came from among the least advantaged and educated stratas of society.

The wage package signed on Friday took nine months of hard bargaining between the NUM and the Chamber of Mines. It was delayed by the NUM's insistence on a profit-sharing agreement at 14 mines.

The complex 70-page agreement affects 390 000 employees on 20 gold mines, 180 000 of whom are NUM members.

Although NUM has obtained higher increases at some mines, more particularly platinum and chrome mines where increases averaged around 14 percent to 15 percent and Eskom where workers received 11 percent, the NUM's battle is far from over.

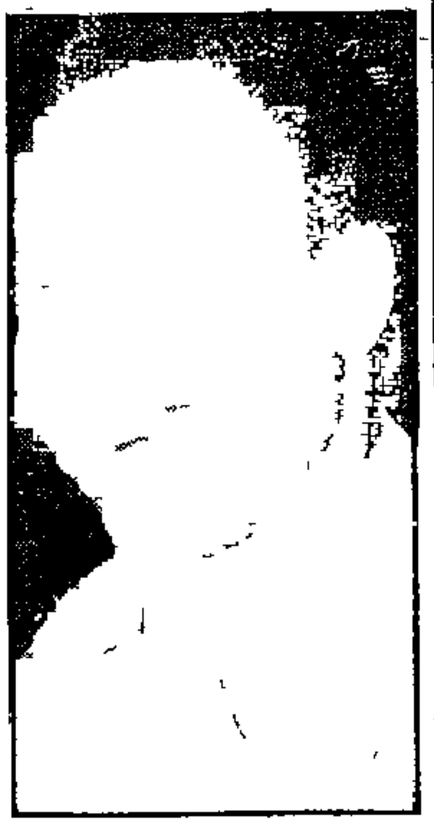
Innovative

Today it enters negotiations in Lydenburg to save more than 900 jobs and is also struggling to save the jobs of half the 4 000-strong workforce in the diamond sector, Mr Motlanthe said.

The profit sharing bonus won by the NUM is, he admits, "tiny — only five cents in the rand", but after a "trigger level is reached" it reaches 20c to the rand.

Mr Nairn said the profit-sharing schemes were an innovative form of remuneration tied to company performance.

They will benefit workers on more profitable mines and will compel mines to share financial information



KGALEMA MOTLANTHE
Safeguarding jobs

on a monthly basis with workers.

Training courses will be introduced to train workers on how to monitor mine results.

The NUM is also tightening its agency shop at signatory mines. This will prevent non-union members from obtaining benefits negotiated by the union.

The NUM and the chamber have agreed on procedures concerning dismissal of sick or injured workers and on the rights of workers injured on duty — including the establishment of employer-sponsored rehabilitation and retraining programmes.

The union has also won representation on the board of the Rand Mutual Assurance Company, which pays benefits to injured workers and their families.

Miners' share could reach 20%

B/DAY 14/12/92

RAY HARTLEY

211

A GROUND-BREAKING 70-page wage agreement between the Chamber of Mines and the NUM, which includes profit-sharing on certain gold mines, was signed at the weekend

The chamber said the agreement included wage increases ranging from between 5% and 6% and an in-principle agreement on a profit-sharing scheme at certain gold mines owned by Anglo American, Genmin and Rand Mines.

"These principles provide for the sharing with employees of up to 20% of the profit available for distribution" The profit pool available for distribution to employees — negotiated at mining group level — differed across the industry

"These agreements are seen as a creative response to the particular circumstances facing the industry today," the chamber said in a statement The agreement included undertakings on security of employment, health and safety, and employee participation

The NUM said in a statement the length and complexity of the agreement reflected "the extraordinarily difficult circumstances of the gold industry at present and the efforts of the NUM to preserve jobs and protect standards

"Although basic wage increases are low, because of the poor gold price, 14 mines have agreed that when they make profits, these will be shared with their workers

"On some mines, the initial share of profit is tiny — only 5c in the rand — but 20c in the rand is shared after a trigger level has been reached," the union said

JCI gold division MD Bill Nairn described the agreement as "an important accommodation between management and organised labour in addressing the circumstances in our industry

"The modest wage increases afforded will contribute substantially to the containment of costs," he said in a statement

The tying of remuneration to company performance was positive, Nairn added

NUM gets profit slice for members

STAR 14/12/92.

By Thabo Leshilo (211)
Labour Reporter

The Chamber of Mines and the National Union of Mineworkers (NUM) announced on Friday they had reached agreement on wages and conditions of employment for gold mines falling under the Chamber, after seven months of tough, often heated, negotiations

The document affects 390 000 workers, 180 000 of them NUM members, at 20 companies

Chamber labour portfolio holder Bill Nair said the agreement was an important accommodation between management and organised labour The modest wage increases — ranging between 5 and 6 percent — would contribute significantly to the containment of costs

NUM assistant general secretary Marcel Golding said the agreement's most innovative aspect was the provision for profit-sharing Though basic wage rises were low because of the poor gold price, 14 mines had agreed to share profits with workers

The deal was delayed by insistence that it include details of profit-sharing schemes at certain mines, that had to be negotiated at different forums.

Golding said that despite the low wage rises the union had made many gains

- Anglo American had agreed to begin talks to make non-NUM members, who benefit from its bargaining power, subsidise the union's costs
- Dismissals of sick or injured workers now required consultation with the union
- The Chamber had agreed to discuss provision of health care for black workers' families
- All the gold mining houses, except Blyvooruitzicht, had agreed to increase their contribution to the provident fund from 5 to 6 percent Goldfields had agreed to increase its contribution by 0,5 percent if workers agreed to do the same
- Goldfields would increase workers' holiday-leave allowance by 5 percent
- The NUM would get representation on the board of directors of the Rand Mutual Assurance Company, which pays compensation to miners
- A new, more favourable agreement for workers with occupational diseases would be applied

Mines to share profits

(211) CT 14/12/92

Own Correspondent

JOHANNESBURG — A groundbreaking wage agreement between the Chamber of Mines and the National Union of Mineworkers, which includes profit sharing on certain gold mines, was signed at the weekend

The agreement includes wage increases ranging from 5% to 6% and an in-principle agreement to a profit sharing scheme at certain gold mines owned by Anglo American, Gencmin and Rand Mines, the chamber said in a statement

"These principles provide for the sharing of up to 20% of the profit available for distribution to employees The pool of profit available for distribution to employees has been negotiated at mining-group level and differs across the industry"

The agreement affects about 390 000 workers

NUM warns government

B/DAY 17/12/92 (211)

DIRK HARTFORD

GOVERNMENT was heading for confrontation if it continued to exempt mines from existing laws and allowed mining on all seven days of the week, when there had not been "full negotiations" with the NUM, NUM assistant general secretary Marcel Golding said this week

He said that while it was true that seven-day operations could save jobs in the short term, the NUM wanted full negotiation with the unions on every case

Any "rescue measures" had to preserve minimum standards These included the length of the working week and health and safety considerations.

SA miners now spent up to 50 hours a week underground on an 11-shift fortnight compared with fewer than 35 hours in other major mining countries, Golding said.

Chamber of Mines president Bobby Godsell said the prohibition on blasting on Sundays, public holidays and more than once every 24 hours was not an efficient use of the huge capital assets invested in mining The industry could not afford to have capital assets resting for these periods if it was to be internationally competitive

But any solution to the problem had to be found through consultation and negotiation, he said

● Comment· Page 6

W/Mail 18/12-22/12/92

Gengold dispute ends

THE National Union of Mineworkers (NUM) and Gengold have

(211) (243) (210)

(211) (242) (212)

BRIEFS

W/Mail 18/12-22/12/92

ended their dispute on profit-sharing. The union accepted an additional 1,5 percent increase at two mines and opted for profit-sharing with no guaranteed additional increase at nine Gengold mines.

White miners at the company opted for additional increases instead of profit-sharing at Gengold. The NUM criticised the two-pronged wage policy alleging that the additional increases ate into the profits available for sharing.

Milestone accord for gold mines

W/Mail (211)

18/12 - 22/12/92

By FERIAL HAFFAJEE

THE longest and most sophisticated wage and working conditions agreement ever was clinched in the gold industry last week, ushering in a new industrial relations order in the sector

Concluded after seven months of hard bargaining against the backdrop of a tumbling gold price, the agreement is remarkable for its degree of give and take

The union has settled for low increases of between five and nine percent and a share of the profits in return for wide-ranging social rights for its members. These include increased trade union rights, improved compensation for injured and disabled workers and participation in decision-making

The Chamber of Mines and the National Union of Mineworkers (NUM) will make joint representations to the government on new compensation legislation and for the first time, the union will be represented on the Rand Mutual Assurance Company which pays benefits to injured miners and their families

The mines will also increase provident fund contributions and will no longer charge unions an administration fee on subscriptions The chamber will recommend that its member mines pay the cost of full-time shaft stewards and also pay stewards for lost shifts spent in negotiations

NUM assistant general secretary Marcel Golding calls the profit-sharing agreement "a creative and innovative" solution to the crisis in the gold mining industry. "It secures a basic wage increase but where profits are made, workers gain in the upswing on the mines."

Profit sharing is restricted for now because profits will only be shared when trigger levels are reached and these levels differ from mine to mine

To prevent a rehash of the problems faced by last year's productivity schemes, the mines have agreed to full disclosure of information to enable the NUM to keep its members informed

The NUM says "There will be training courses to allow workers to participate in monitoring mine results and monthly meetings will be held on all mines to review progress"

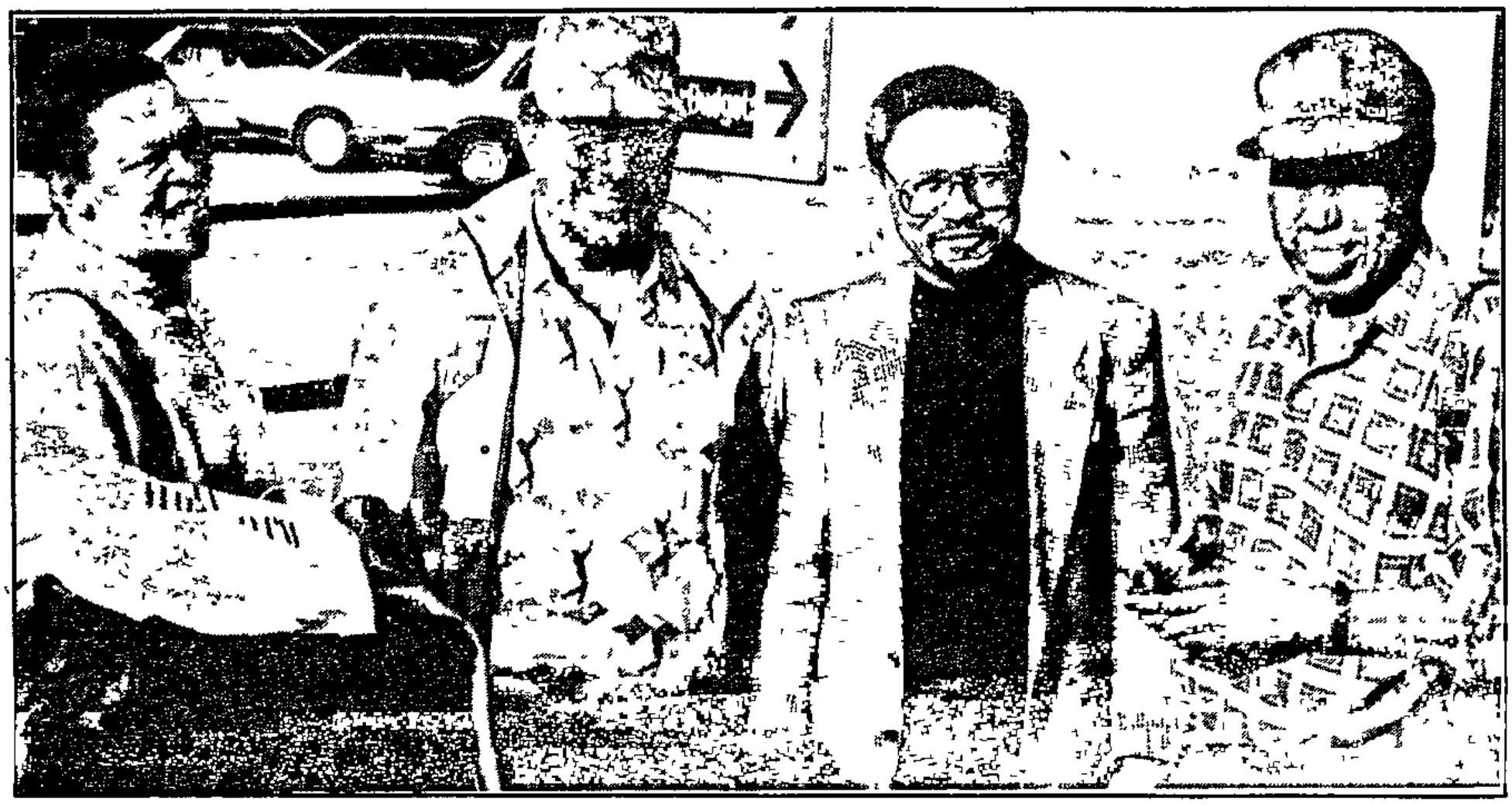
The agreement includes a resolution by the mines to discuss the agency shop — a type of closed shop to deal with "free riders", a term given to miners who do not join the union but benefit from bargaining.

In terms of an agreement at Harmony mine, all non-NUM members pay one percent of their wages into a Collective Bargaining Fund and half of the money goes to the NUM The union hopes to extend this agreement to the entire industry.

The medical repatriation of disabled workers will be subject to arbitration and the NUM will be allowed to bring in independent doctors to examine workers The chamber has agreed to study rehabilitation programmes for injured, sick or disabled workers

The agreement marks a new strategy on the part of the union. According to Golding, it "opens up a new terrain of struggle giving miners greater control at the workplace by giving them a role in the efficiency of mines and other enterprises".

NEWS 91 suspects arrested after mine deaths



No place like home...Neuro-surgeon Dr Isaac Thatedi (second from right) arrived home this week after 33 years of exile in America. The Sharpeville-born former journalist was met by musician Hugh Masekela, Dr GG Mbere and Press photographer Alf Kumalo at Jan Smuts Airport. See story on page 4. PIC LEN KUMALO

20 reported dead in Reef mine fight

Sowetan 28/12/92

211

By Lulama Luti

MORE THAN 20 people are believed to have been killed and about 50 injured when fighting broke out between inmates at the Durban Roodepoort Deep Gold Mine hostel near Roodepoort on Christmas Day

Sowetan confirmed 12 deaths and 34 injuries, but eyewitnesses interviewed yesterday believed the number could be more than 20

A driver from the Roodepoort Ambulance Service said when they were called to the scene on Saturday night, they picked up six corpses Three other bodies were found the previous night, he said

Police spokesman Major Piet van Deventer yesterday said only eight people had been killed, according to information they had received

He added that more people could have died in hospital

Van Deventer said 91 suspects were arrested on Saturday

He said fighting was apparently sparked off by an argument over food

A sister at the Durban Deep hospital yesterday said 11 people were admitted to the hospital while two others died on admission

Matron in charge at the Leratong Hospital

■ DIFFERING VIEWS Fracas started over woman say some, food say others:

Mrs E Vanqa said 23 people were admitted to the hospital on Friday and Saturday nights

They either had stab or hack wounds while others had gunshot wounds

She said an unidentified elderly man died on admission

A mine official who identified himself only as De Wet, declined to comment and said a statement would be issued later

Survivors of the attack gave different accounts from their hospital beds during an interview with *Sowetan* yesterday.

How the fighting started

While some said they did not know how the fighting started, others said it began after a Xhosa-speaking inmate had quarrelled with a Shangaan inmate over a woman

Mr Elias Rangwanana, who said he was from Maseru, said the fighting arose from an argument over a woman between a Shangaan-speaking man and a Pondo

"I don't even know how I came here," he said from his hospital bed

"I thought the whole thing was resolved on Friday night, I did not know that we would be attacked on Saturday"

A labourer from Umzimkhulu in Transkei, Mr Albert Banzi (35), said at about 9pm on Friday night they were attacked while drinking at Number 6 at the C compound

"When I came out of the beerhall I saw people carrying an assortment of weapons approaching the entrance and that's when I started running

"Everybody else inside was running for cover and it was then that I was hit and stabbed several times and my clothes were soaked in blood," he said

Mr Goodwill Nyasulu from Malawi said he was asleep on Saturday evening when suddenly there were loud knocks on the windows

"I woke up to find the whole place full of people who hit at us indiscriminately I ran out and they followed me to the kitchen," he said

He added that blows continued to rain on him until he fell on the kitchen floor and one of them said "I think we're through with him" and they left him for dead

NUM shifts to 'politics of production'

B/DAY 29/12/92

DIRK HARTFORD

THE NUM will from now on concentrate on the "politics of production" and wants to play a central role in the restructuring and the running of the mining industry, says NUM assistant general secretary Marcel Golding.

Golding says the NUM's first decade (the union is 10 years old this month) has been characterised by "politics of recognition", whereby the NUM had to use its organised power base to challenge management prerogative

In this period, during which the NUM secured basic rights for miners (including "some inroads" in health and safety and housing), negotiated on wages and conditions and expanded its capacity to operate, its essential achievement was to restore the dignity of mine workers.

"Migrant workers are today a force to be respected and recognised. We have shown it is possible to organise people across language and racial lines. But we still have to address the social wage (non-wage) issues properly," says Golding

The NUM does not believe the "necessary downscaling" of the mining industry in the next few years should be left to market forces alone As a core industry, which is a major employer, foreign exchange earner and market for a number of major local industries, the industry should receive "targeted assistance" linked to a programme of transition from a resource-based to a manufacturing economy, Golding says

The union wants a "social plan" for downscaling the industry within a specific time frame of three to five years. And Golding says its biggest worry is that both employers and the government do not seem to have such a vision

Chamber of Mines president Bobby Godsell believes management and the unions are at the beginning of a phase of searching jointly for an "appropriate labour relations strategy" for the industry and society.

He says the unions have discarded the old "class struggle role models" and are now looking at "developmental labour relations".

Godsell believes management and the unions are trying to tackle the difficult task of developing a medium- to long-term vision for the industry.

He says a degree of devolution of decision-making on the mines is highly desirable He cites a recently established joint regional development task group in Welkom where the retraining of retrenched workers and the diversification of the economies of Free State mining towns is being discussed

He has problems with the notion of government subsidies to assist this process but says there is no uniform industry view on the issue.

Institutions such as local governments and regional services councils could play a role in economic initiatives and restructuring as part of a downscaling programme instead of direct government subsidisation, Godsell says

REVIEW

Union lobbies at Chamber of Mines

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DIRK HARTFORD

CHAMBER of Mines employees are being organised into a union in a bid to stem "creeping" retrenchments.

Employees said 3 000 jobs had been axed over the past three years. A Mine Surface Officials' Association spokesman said the union was signing up chamber employees, including managerial staff, at head office to head off further retrenchments.

This year 30 association members had been retrenched at head office alone. The association was unhappy with the way in which retrenchments were occurring as they affected those who could least afford it.

Chamber president Bobby Godsell had told association members that staff from top to bottom would suffer because of the recession, but the association believed the chamber was still "top heavy" and lower-ranking staff were taking the knock. The spokesman said four highly paid general management positions had been created, and cited examples of excessive and ostentatious spending. The union wanted full financial disclosure before agreeing to further retrenchments, he said.

Chamber acting CE Horst Wagner said the union's allegations were a "blatant attempt to mislead". 29/12/92

Sunday mining decision delay

(211)

ALAN FINE

MINERAL and Energy Affairs Minister George Bartlett has delayed a decision on whether to permit Sunday work at Anglovaal's Loraine gold mine, sending management and the whites-only Mineworkers' Union (MWU) back to the negotiating table

The MWU opposed the application by the marginal Loraine for an exemption from the relevant sections of the Mines and Works Act.

Another of SA's most marginal gold mines, Rand Gold's Harmony, was earlier granted the exemption for an initial six-month period from October against MWU objections It is understood the new arrangements have returned Harmony to profitability

Organising secretary Krappies Cronje said the MWU proposed a compromise last week that certain mining processes — gully scraping, tramming, hoisting and crushing, but excluding blasting — be permitted on Sundays Sunday work should be voluntary

Anglovaal mining executive director and Loraine chairman Rob Wilson confirmed yesterday that the company had considered the proposal and would be communicating its views to the MWU and Bartlett He declined to disclose Loraine's attitude to the proposal, but said he was looking for a quick resolution

"Unless the matter is speedily resolved we may have to close the mine," he said

The MWU proposal would shelter the bulk of its mining industry membership — the blasting certificate holders — from Sunday work, although the services of certain smaller groups of MWU members would be required

A mining expert said that under normal mining conditions the MWU proposal would not assist much in improving operational efficiency because the key function of blasting would not be carried out

Loraine had already rejected as inadequate an initial MWU proposal for six-day-a-week operations In addition, many black workers were opposed to regular, full-day Saturday work. The norm in the

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industry is an 11-shift fortnight.

Wilson said the mine's application enjoyed the broad support of the NUM, which had also backed the Harmony application. The mine had agreed to a rotating shift system of 12 days on, three off, which gave black miners the regular full weekends they preferred

Asked why the MWU was now willing to permit almost all mining operations on Sunday, barring underground blasting, Cronje said the union feared Sunday work would spread throughout the industry The MWU's objections to Sunday work were based primarily on religious grounds.

Deputy government mining engineer John Eades confirmed yesterday that Bartlett was awaiting new submissions from Loraine and the MWU, which he would probably study next week