

Prices-General

1982

JAN. — DEC

Minister
 (244) Slings in
 against
 Star fertilizer
 industry

Landing Correspondent

After a confrontation with the fertilizer industry, the State has fixed the new fertilizer prices at a level about 10 percent higher than last year.

The prices for 1983 were gazetted on December 31. Some fertilizers, such as phosphates, have increased by only 7 percent. Urea is up 8 percent, most others by about 10 percent.

Minister says that the fertilizer industry had asked for an average price increase of more than 15 percent. When the new price had been calculated by the Price Controller, the Minister of Agriculture and Fisheries, Mr. de Silva, had to accept the request.

The fertilizer prices were then recalculated on the basis of an average of slightly less than a 10 percent increase.

The Minister was reportedly guided by prevailing world prices as well as the recent report of the committee of inquiry into the fertilizer industry.

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School clothes cost 12,5 pc 244 more this year

By Caroline Braun,
Consumer Reporter

The price of school uniforms has increased by about 12,5 percent in the past year.

A spokesman for a school outfitter in Johannesburg said school uniform prices varied so greatly it was impossible to give a specific cost-increase figure.

"Some items of clothing have gone up a lot since last year while others are available at the same prices. In very general terms, however, one can say the cost of clothing a child for school has gone up about 12,5 percent since the beginning of 1981.

"This is well below the inflation rate which is running at about 15 percent," he said.

"Parents think school clothes are sold at exorbitant prices, but they

must look at these prices in perspective.

"One blazer costs about the same as a tankful of petrol. The petrol may last two weeks but the blazer can last five years," he said.

Parents kitting out a Grade One girl at a recognised school stockist will pay about R100 for the basic uniform. This comprises a blazer for R35, two dresses at R13,50 each, a pair of shoes for R16,95, a jersey for R14,45, three pairs of school pants at R1,95 each, and three pairs of socks at R1,60 each.

NEARLY R160

The basic uniform for a boy entering Standard 6 will cost nearly R160. This consists of a blazer for R43,10, two pairs of long grey pants at R23,95 each, a pair of shoes for R19,95, three long-sleeved white shirts at R7,50 each, a jersey for R18,20, a tie

for R2,99 and three pairs of socks at R1,75 each.

Some outfitters still have stock from the beginning of this year, so early bird shoppers will be able to buy some clothing at old prices.

CHEAPER

Several department stores sell basic school uniform items such as shorts, shirts, long pants, tunics and shoes. These are generally cheaper than at recognised school stockists but are not necessarily of the same quality.

Pep Stores is selling boys' medium-size long sleeved white shirts for R5,99, long grey pants for R13,99, and shoes for R10,99. Girls' tunics are going for R8,99 and shoes for R9,99 and R10,99.

Parents can save substantially by buying uniforms at school second hand swap shops. The prices are always reasonable, and a percentage of the profits often goes to school funds.

Steel price rise will be slow to affect costs

244

Star
5/1/82

The 5 percent increase in the price of steel is not expected to have an immediate effect on inflation but will do so in the long run.

A spokesman for Toyota SA Limited said today that car prices would not go up immediately.

"We are normally aware of imminent steel price rises and build them into our prices," he said.

"Because of rising costs for other items such as labour and materials, the public can expect car prices to increase by 12 percent this year."

The steel increase would not have a big

effect on house building costs, said Mr Lou Davis, executive director of the Building Industry Federation of South Africa.

He said that at the most it would push up the cost of a home by 0,25 percent.

"But steel is a leader in the industry, and when there is a price rise it usually shows what is going to happen to other building materials during the year."

"The new steel price indicates a trend. It is my guess that with increases in materials and labour, we will level off at an inflation rate of 22 percent in the industry this year."

Stamp rise in postal office rates

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RDM
7/1/82

Mall Reporter

SHARP increases in a wide range of post office rates will come into effect on April 1, the Minister of Posts and Telecommunications, Mr Hennie Smit, said yesterday

Mr Smit said in a statement that the postage for a standard letter would be increased from 5c to 8c

Other major changes were the unit cost of telephone calls would be increased by 1c to 6c and the rental for telephone services would be increased by R1 to R4 per month

The minimum rate for calls from public telephones would be increased from 5c to 10c

Installation

The installation fee of R30 for a telephone service (applicable since 1975) would be increased to R50

The postage of non-standardized mail with a weight of up to 100g would be increased from 10c to 12c for surface mail and from 12c to 15c for airmail

The charge for express delivery of a postal article would be R1 instead of 80c, and in future priority treatment postal articles would cost 80c instead of the 40c

To register a postal article would cost 40c instead of 20c

The minimum rental for a private box, which had stood at R5 a year since 1952, would be increased to R10 a year

The unit cost for telex calls would be increased by 1c to 6c and the rental for teleprinters (applicable since 1973) would be increased by an average of R10 to between R40 and R75 per month

Telex

The installation fee of R100 for a telex service (applicable since 1971) would be increased by R25

The annual licence fee for private radio communication systems would increase by between R4 and R10 per licence. The current licence fees had been fixed in 1952

For telegraphic money orders the handling charge would be R1,50, together with a levy of one percent on the amount, 55c for the advice telegram and 5c per word for any private message

Spy claim OK to a

I'm no porn queen, — sexy Sylvia

By ADA STUIJT

FILM star Sylvia Kristel, 29, said yesterday her role in the banned movie "Emmanuelle" was erotic rather than soft-porn

Sylvia Kristel is a photographer's dream

She had no qualms about moving her calf-length skirt to just above the knees upon request — displaying that famous pair of legs

She said she could not understand why the erotic was mistaken for "soft or hard porn"

She also does not like the label of "soft-porn queen"

Her role in "Emmanuelle" was erotic, she insists

"There is really no such thing as soft or hard porn

"Emmanuelle was eroticism, done in good taste," she said

Pornography

"Pornography is the portrayal of non-simulated, explicit sex

"I have never acted in such movies"

Sylvia is in South Africa until Friday to publicise her role as Constance Chatterley in "Lady Chatterley's Lover" soon to be released here

She speaks four languages — Dutch, French, English and German which she learned at school

The daughter of an hotel owner in Utrecht, Sylvia



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Post Office rates will be increased from April 1, the Minister of Posts and Telecommunications, Mr Hennie Smit, has announced. The increases are.

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TELEPHONES

- CALLS 5c to 6c per unit
 - RENT R3 to R4 per month
 - PUBLIC PHONES 5c to 10c minimum
 - INSTALLATION R30 to R50
- A telephone bill costing R22,30 at the moment could therefore cost R26,80 when the increases come into effect, depending on the number of long-distance calls made.

STANDARDISED MAIL

- Integrated surface and airmail 5c to 8c

NON-STANDARDISED MAIL

- SURFACE MAIL up to 100 g 10c to 12c
- SURFACE MAIL up to 250 g 12c to 15c
- AIRMAIL up to 100 g 12c to 15c
- AIRMAIL up to 250 g unchanged at 25c

PARCELS

- 1 kg SURFACE MAIL 50c to 80c
- 5 kg SURFACE MAIL R1,15 to R1,95
- 1 kg AIRMAIL 90c to R1,25
- 5 kg AIRMAIL R3,15 to R4,45
- PRIVATE BOX — per year R5 to R10
- MEDIUM BOX — per year R7 to R14
- LARGE BOX — per year R13 to R26
- PRIVATE BAG — per year R6 to R12

TELEX SERVICES

- CALLS per unit 5c to 6c
- TELEPRINTER rental up by an average of R10 to between R40 and R75 per month
- INSTALLATION R100 to R125

POSTAL ORDER COMMISSION

Denomination	Existing commission	New commission
50c	3c	2c
R1	7c	3c
R2	10c	4c
R5	15c	9c
R10	15c	16c
R20	20c	31c
R50	30c	76c

This rationalisation of the existing basis of postal order commission comes into effect on June 1.

Other major increases announced by the Minister include the raising of miscellaneous service fees. Express delivery, for example, goes up from 30c to R1. Demurrage payable on articles not collected within seven working days goes up from 3c a day to 10c a day.

The Minister said that despite the increases the new rates would still be substantially lower than those in most other countries.

Rise in postal rates causes wide shock

Staff Reporters

The high new rises in Post Office rates were greeted with dismay today by political and commercial spokesmen.

The Opposition spokesman on Posts and Telecommunications, Mr Alf Widman, said he was shocked by yesterday's announcement, and called on the Minister, Mr Hennie Smit to resign.

But Mr Smit said the increases were necessary to meet the rising cost of equipment, and to ensure that telecommunication services were expanded and updated.

He said salaries and staff expenditure made up 48 percent of the

Post Office's operating costs, and pay increases had a profound effect on expenditure.

Mr Widman said "I am shocked and disgusted that the Minister has seen fit to use his powers under the Act to announce the very substantial and shocking increases — which will affect the whole of the economy and serve to increase the high rate of inflation."

Mr Widman said the Minister had used his special powers and thus avoided an open debate in Parliament.

"He has gone behind our backs I believe he has shown incompetence as a Minister in not facing Parliament, and I call on him to resign."

Mr Widman said the increases would affect every person in South Africa, and had caught commerce and industry off balance.

Mr I J Steyn, president of the Afrikaanse Handelsinstituut, said he was "amazed at the size of the increase."

"I am also surprised that the increase was announced now and not during the parliamentary Budget debate," he said.

"Private individuals can limit their correspondence and telephone calls to some extent, but it will be impossible for bu-



294

No

price Mercury
relief 6/1/82

in sight

Mercury Correspondent

PRETORIA—The year has started with an explosion of basic cost increases for the entire economy and hopes of a substantial drop in the inflation rate have crashed, according to economists.

Fertiliser and steel prices have been raised and another steel price rise is likely in the middle of the year, postal tariffs have been raised by a massive 19 per cent from April 1, and just ahead is another rise in the price of fuel.

And the expected increase in the general sales tax of one percent to five percent in the March budget would further inflame the inflationary climate, it was stated.

Another expected blow is an all round rise in railway tariffs and fares in the Minister of Transport's budget, also in March.

Condemned

Yesterday commerce and industry condemned the hike in postal charges announced by the Minister of Post and Telegraphs earlier in the week.

The higher tariffs would load costs in the business world and unavoidably result in a 'fairly drastic' increase in the inflation rate.

Barclays Bank's chief economist, Dr John Cloete, said: 'What is happening now, and will continue to happen for the rest of the year, is the vicious cycle of cost rises followed by price rises.'

Again all administered prices were virtually certain to rise, including railway tariffs.

The railway, and post office had enormous salary and wage bills and the increases expected in April would have to be

Food shocks loom as curbs spending

MM 6/1/82 (244)

RAND DAILY MAIL, Wednesday, Ja

Govt

Plans

THE Government will firmly reject any demand for higher food subsidies this year — and consumers should brace themselves for a new round of sharp basic food price rises.

This is the view of economists interviewed yesterday. They stress that the Government is committed to cutting State spending to the bone in a year in which economic growth is expected to be limited.

According to the chief economist of the SA Agricultural Union, Mr. Johan Willemse, SAAU's commodity committees will start a series of meetings next month to determine the extent of price increase demands.

Farmers' production costs, he said, had continued to rise during the past year, and with mounting debts and soaring interest rates, they could not be expected to absorb them.

Farmers used R500-million worth of fertilisers a year, which meant the recent 10 percent price rise would add R50-million to their costs.

However, an even more crucial cost increase factor had been the dramatic rise in interest rates in the past year.

The higher rates had added at least R200-million to their interest payments, sending farmers' total debt soaring to nearly R4 000-million. And further Land Bank

By GERALD REILLY

interest rate rises were feared, Mr Willemse said

Last year the Government authorised rises in all administered prices — including two separate increases in the prices of dairy products

This year it is certain that maize and wheat products, wheat and wheat products including bread, and milk and milk products will be pushed to new levels.

Maize farmers, particularly, are expected to make a determined bid for substantial price concessions from the Government.

The chief economist of the National Maize Producers Organisation (Nampo), Dr Kit le Clus, said yesterday that farmers had had no effective price rise for two years

Levy

In May last year, the gross price for the record R1 903-million crop was raised by 9,8 percent to R134 a ton, but a huge levy was imposed on producers — neutralising the increase — to meet the inevitable heavy losses on the 7-million ton export surplus

In spite of the big levy, the Maize Board's stabilisation fund is expected to be in the red to the extent of R110-million at the end of the export season in May, because of heavy losses

Dr Le Clus said in view of all these factors, it was reasonable to expect farmers to demand substantial price rises

Government sources in Pretoria forecast a grim tussle over the maize price

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Builders face 22%
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 INCREASE IN COSTS

By Frank Jeans

While the building industry is gearing up for what seems certain to be another busy year the costs burden is being aggravated by new prices for material beginning to filter through.

The latest steel price rise will also push up costs by about 6.5 percent and the trend of soaring costs generally is still apparent.

Mr Lou Davis, executive director of the Building Industries Federation (Bifsa) says it is expected that building costs will again rise in 1982 by about 22 percent.

More encouraging on this front, however is the prediction of one of the country's major

home builder, Schachal Cullum, estimating that price escalation in 1982, so far as the company is concerned, will not be more than 10 percent, compared with 20 percent during the 1980-81 period.

Schachal Cullum sees this 10 percent as an overall figure covering the cheapest three-bedroom home and the more luxurious range of R100,000 and upwards.

But this increase still represents an extra R3,000 on the R50,000 it takes to build a house today.

Bifsa is dedicated to a year of cost-conservation through greater productivity potential based on its extensive manpower training programme.

Mr Davis says "The industry has no control over the rising cost-

push factors of direct wage demands, increased material costs and the high interest rate on loans."

The Bifsa director believes the high interest rate on borrowed money is going to put severe cash flow restriction on the building industry and the full responsibility for extensive credit funding could once more "squarely fall on the shoulders of many of our members."

"In the interests of the general public it is to be hoped they will not try to use builders' money by way of holding back financial retentions as working capital for themselves which will inevitably push up cost even further."

"After all, we are builders, not financiers," says Mr Davis.

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Grocery prices rose by 14,7% in the past year

E. Post 7/11/82 (244)

OVER the past year a representative basket of groceries selected in Port Elizabeth has increased in price by 14,7%

Eighteen of the items chosen in the Evening Post price check basket in December 1980 cost an average total of R12,83 (without tax)

Now a year later, in December 1981, these same items cost some R1,88 more — at an average of R14,71 (without tax)

The December, 1980 check consisted of 20 items, including a kilogram of onions and a lettuce. Shortly after that date, it was decided to no longer include fresh produce in the check, as the same produce item, at the same standard of quality, could not be obtained at each store visited

The other items were peach slices, apricot jam, shortbread biscuits, gravy powder, frozen peas and frozen diced carrots, maize meal, evaporated milk, ground coffee, tomato sauce, margarine, guava juice, mouthwash, vegetable extract, icing sugar, cool drink, rusks and fish paste

For this comparison the average price of an individual item was calculated from the prices of the item at the seven stores visited

in both December 1980 and December 1981

These stores were the OK Superstore and Checkers Hypermarket at Greenacres, the Pick 'n Pay supermarket and Grand Bazaars in Newton Park, the OK and Checkers supermarkets in Linton Grange, and the Pick 'n Pay Hypermarket

The total of these average prices for December 1980 was R12,83

Not all the 18 items were available at all seven stores in the December 1981 price check, so again an average of each price was calculated

In the 12-month period

the total of the average prices rose some R1,88 (or 14,7%) to R14,71

The highest price increases between the two checks were for frozen vegetables

The average price of a one-kilogram packet of frozen peas rose 37c (from R1,68 to R2,05) and that of a one-kilogram packet of frozen diced carrots 27c (from R1,07 to R1,34)

The average cost of two items actually fell during the year — that of ground coffee (a world-wide trend) and mouthwash

A 500-gram packet of coffee fell 2c in average price, from R1,71 to R1,69

How some prices have changed in 12 months

	Dec '80	Dec '81
Biscuits (Bakers Eat-Sum-Mor, 200g)		49c 60c
Apricot jam (Koo 450g)		48c 53c
Peach slices (Silver Leaf 410g)		31c 36c
Gravy powder (Bisto 500g)		67c 76c
Frozen peas (Table Top 1kg)	R1 68	R2 05
Diced carrots (Harvestime 1kg)	R1 07	R1 34
Maize meal (Impala 2 5kg)		88c 77c
Evaporated milk (Carnation 410g)		51c 60c
Coffee (Koffiehuis grounds 500g)	R1 71	R1 69
Tomato sauce (All Gold 750ml)		78c R1 00
Margarine (Sunshine D brick 500g)		75c 87c
Guava juice (Dairybelle 1l)		40c 43c
Mouthwash (Listermint 200ml)		80c 75c
Vegetable extract (Marmite 125g)		61c 73c
Icing sugar (Robertsons 500g)		38c 46c
Cool drink (Coke 1l)		48c 56c
Rusks (Qutspan 500g)		70c 85c
Fish paste (Anchovette 85g)		33c 36c
Total cost	R12,83	R14,71

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"His release will take Mr Moises Carrillo

Building costs may rise 22pc: Bifsa

244 D. Dispatch 7/1/82

EAST LONDON — Building costs are expected to rise by 22 per cent again this year, according to the executive director of the Building Industries' Federation of South Africa (Bifsa)

In his forecast for 1982 Mr Len Davis predicted that higher wages, increased material costs and higher interest rates on loans would push building costs up by roughly the same amount as last year

Bifsa's manpower training programme would result in greater productivity, Mr Davis said, but this could only contain some of the actual costs of build-

ing
"The industry has no control over the rising cost-push factors of direct wage demands, increased material costs and the high interest rates on loans

"The high interest rate on borrowed money is going to put tremendous cash flow restrictions on the building industry," Mr Davis said

"Once more, the responsibility of extensive credit funding could fall squarely on our members"

The price of steel had already been increased and — although this will

only push up housing costs by a quarter of one per cent — "the trend of rising prices is still apparent"

"Regrettably it is therefore anticipated that building costs will once more rise by about 22 per cent in 1982"

Bifsa's priority was still to provide the general public with housing at a reasonable price, he said. However, labour relations and training remained high on the list

"We believe that with the continuing support of responsible trade unions we will maintain a peaceful industrial environment in our industry," Mr Davis concluded — DDR

Girl, 8, delivers baby

LONDON

FM 8/1/82
ELECTRICITY

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Comparing prices

The average cost to domestic consumers of electricity in this country in 1979 was 3,9c/unit, compared with an average price to all consumers of 1,9c/unit (*Economy* November 6)

The latter, of course, includes industrial users whose tariffs are assessed on different criteria. The domestic user will pay a service charge plus a charge per unit consumed. In addition to this, the bill for an industrial user has to include a calculation based on KVA (kilovolt amperes). This incorporates a minimum charge element that relates to the capital expense of heavy duty cabling and so forth necessary to cope with industrial demand. A company that under-utilises this facility would still have to pay the minimum charge, plus the usual per unit cost and service charge. It might mean, for example, that a company would find its unit charge reaching 5,8c/unit in the case of only 30% utilisation of potential capacity, whereas full utilisation would reduce the unit cost to well below the all-consumer average of 1,9c/unit.

Charges for electricity used will differ from region to region because supply and production costs vary according to such factors as distance from the power station, and costs of production. There is, further, a unit cost efficiency element in areas where the number of consumers and/or demand is greater. In the Transvaal, for example, the mining industry uses electrical power 24 hours/day, 7 days/week, which means cheaper unit costs for the whole community.

Financial Mail January 8 1982

than, say for the Cape Town area where industry might operate for only 8 hours/day.

A third of Escom's supply is passed into municipal control, and this adds a further dimension to the problems of comparison.

All domestic users rely on the local councils for their power, and although their costs are fairly equitable (average 3,9c/unit), there is a tendency for industry within the council grid to be charged at a higher rate accord-

ing, in part, to the requirements of the municipality's total annual budget for all services. Thus the tariff policy of individual municipalities makes it inordinately difficult to compare prices.

Funeral policies lag behind inflation rate

SIMON BLOCH

FUNERAL policies are only worth the sum assured, plus about 5% in bonuses added each year, according to a spokesman for the insurance branch of a large trust company which sells these policies

Last week the plight of a Port Elizabeth family came to the attention of the Evening Post. A relative died 47 years after taking out a policy — and the family landed up paying an ex-

tra R420 to an undertaker. The policy itself matured at about R360.

A spokesman for the funeral parlour said "they were well-to-do people. What they were prepared to pay, they signed for."

The family say the policy was "virtually worthless".

Johannesburg businessman, Mr Tony Factor, who discounts coffins but who does not run a funeral parlour, believes that the business of burying people

is "a racket".

Two years ago Mr Factor made headlines when he advertised discount coffins. His announcement brought down the wrath of the funeral industry. The country's biggest undertakers announced that they would not bury persons in coffins bought at a discount

"People pay premiums all their lives for funeral policies. At the time of death, the families find they have to pay large additional amounts of money,

otherwise they do not get the services originally requested in the policy," said Mr Factor.

"People are fleeced at times when they are grieving and not thinking properly."

"If a person whose coffin had been bought independently had to be buried by one of these parlours, the family would be charged almost the same price as if a coffin had been included in their services," he said. But a spokesman for the

firm which says it sells more funeral insurance than any other said that people didn't appreciate that "costs are rising all the time. It is impossible to get today what one paid for 25 years ago."

He said that a bonus of 5% a year on the sum assured was incorporated in policies what one then got was a funeral commensurate with the policy's payout value. If the family wanted more, they had to pay extra for it

Inflation has been running at about 15%

One advantage is that if one dies in the service of the country and is accorded a State funeral, then the dead person's nearest relative will be paid out the sum assured, plus bonuses.

If a breadwinner dies in an accident, the policy is also paid up in full and the insurance company bears the cost of the funeral, according to the policy's value.

Living likely to be more expensive

244

By GERALD REILLY

THE year has started with an explosion of basic cost increases which will rumble through the economy dashing hopes of a substantial drop in the inflation rate this year.

And there are more increases in the pipeline, according to prominent economists

Fertiliser and steel prices have already been raised and another steel price rise is likely mid-year; postal tariffs go up a massive 19 percent from April 1, and just ahead is another rise in the price of fuel and railway tariffs

Isacor's steel prices are normally adjusted upwards in June in terms of an agreement with the Government and the increase announced two weeks ago is regarded as purely interim relief

The Minister of Mineral and Energy Affairs, Mr F W de Klerk, also hinted when he announced a 4,6c a litre increase in the fuel price late last year that if the rand-dollar rate did not improve another price adjustment could be made in March

The 4,6c rise was borne by the stabilisation fund and consumer prices were unaffected

DR JOHAN CLOETE
inflation warning

Inflame

However the fund could not absorb another increase

Economists say the expected increase in the General Sales Tax by one percent to five percent in the March budget would further inflame the inflationary climate

Another CoL load which will have to be carried by consumers is a rise in railway fares and tariffs, which is certain to be included in the Minister of Transport's budget, also in March

The Minister is faced with salary increase demands of up to 20 percent from some of the railways seven staff associations

This could cost him nearly R400-million "and the only way he can find that kind of money is by raising the administration's revenue," a senior executive member of one of the staff associations said yesterday

Cycle

Barclays Banks chief economist, Dr Johan Cloete said

"What is happening now, and will continue to happen for the rest of the year, is the vicious cycle of cost rises followed by price rises"

The railways and Post Office had enormous salary and wage bills and the salary increases expected in April would have to be recovered

"There is little prospect of a substantial reduction in the inflation rate. It could drop to 12 or 13 percent provided efforts are made by the Government to hold administered price rises below the inflation rate," Dr Cloete said

tele

AND a happy New Year. But spread the wishes thinly, because there's a lean and trying time ahead.

As the first week of 1982 slipped by and the tinsel and trees were packed away, the first price increases of the year were unwrapped for South African householders.

Forecasters glumly say they're only the beginning of many unwanted cost-of-living packages that will land on consumers' doorsteps during the months ahead.

And, as always, they will be most burdensome to low-earning families and fixed income pensioners, who are already seeing their standards of living degenerate under a load of cost increases and inflation.

Before 1982 was two weeks old, South Africans had this bad news:

● Postal and telephone tariffs pushed up in an arbitrary and unexpected blow by the Government.

● Fertilisers up in price, with an inevitable ripple effect across a wide range of foodstuffs, albeit not immediately.

● Steel prices up, and while some voices in the motor and building industries foresee no heavy effect on inflation and cost of living, the price hike could ripple across household budgets.

● General sales tax is widely expected to be increased by at least one percent when the Budget is announced in Parliament in March, and personal loan levies are also expected.

● Canned vegetables, jams, powdered milk, processed cheeses and frozen fish are about to get more expensive, according to supermarket executives.

● In Cape Town, thousands of low-income families face rent-increases on their homes in local authority housing schemes.

'I see a very difficult year ahead,' says Mrs Zerilda Droskie, director of the South African National Council for the Aged which is preparing to launch 1982 as The Year of the Aged.

Pensioner

The future looks just as uncomfortable within another body assisting pensioners, the Cape Peninsula Welfare Organisation for the Aged (CPWOA). Says its director, Mr Denis Ker-swili: 'I am viewing

Quotes

I SEE a very difficult year ahead — Mrs Zerilda Droskie, director of the SA National Council for the Aged.

I'M viewing 1982 with a jaundiced eye. The outlook is not good for the poor, old pensioner living alone it is even worse — Mr Denis Ker-swili, director of the Cape Peninsula Welfare Organisation for the Aged

*w/ Marcus 9/1/82
244*



FOR the poor, the year's prospects are extremely bleak

PROPERTY'S DOWNFALL AS TODAY'S METAL BOEGLINS

Unwanted price rises unwrapped in the first week

By KEVIN JACOBS and VIVIAN HORLER

ing the other two-thirds to the parents

But as the economy tightens parents simply won't be able to supply their two-thirds. So it is inevitable that there will be more children with malnutrition.

Living with inflation, and leapfrogging food and accommodation costs is a daily and very real threat to living standards of many

Finance, Mr Owen Horwood, faces one of his toughest Budget tasks in juggling the figures and measures to be announced in March

Sales tax

'They are also being hit by the Sectional

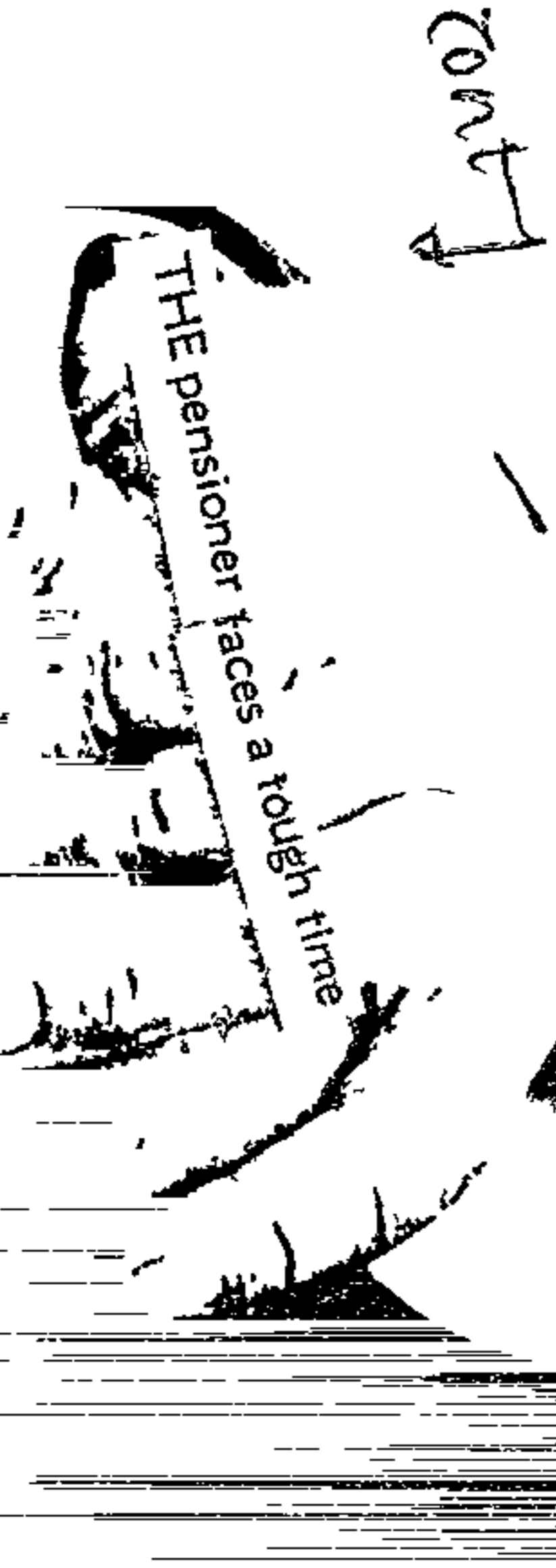
dat, and a recent price hike on bread added R80 000 to the organisation's annual feeding bills

Says Organising Secretary Mr Freeman: 'The price of bread has doubled in the past five years. As for milk, well

An official at Cafda, the service organisation working among Cape Flats communities says 'Even cheaper foods are getting more expensive, and people are having to pull in their belts.

'It's almost like a downward trend

Research says the recent spending boom was partly financed by personal savings, and a sharp downturn in this spending is noticeable



THE pensioner faces a tough time

cont

22

with a distinctly undiced eye.

The outlook for the nation is not good. For the poor, old pensioners living alone, it is even worse.

In low-income communities, too, good wishes are sorely needed. But as ever more expensive food

Says Mr Norman, secretary of the Peninsula School Feeding Association: 'We aim to supply one third of the children's daily calorie (joule) intake, leaving

who have never lived with frumpies, and for whom standard middle-class meals can be luxuries.

Dr L. R. Tibbit, Medical Officer of Health for the Cape Divisional Council, said this week: 'If the people who are already fighting a battle to pay for housing, and nutrition are going to have less resources, this year then malnutrition, and other diseases of overcrowding, will increase.

The Associated Chambers of Commerce (Assoccom) says it believes the Minister of

And Assoccom this week echoed the forecast by the Bureau for Economic Research at Stellenbosch University of another one percent (taking it to five percent) and the reintroduction of personal loan levies, possibly at 10 percent of tax.

Forecasters all see a cooler economy and there is little to be happy about as costs continue to rise. But no projections suggest a national disaster on a national scale.

Nevertheless, fixed income earners, like pensioners, face a year economically more unpleasant than the last.

Sales Tax

Without more financial assistance from the Treasury, says Mr Kerwill, the CPWOA may have to reduce staff at its homes and nursing care institutions. 'That means we may have to cut down on services, which could be a disaster.

There is a very definite need for accommodation for the aged. But whether or not it has reached a crisis situation, I do not know. I don't think it has.

But it is serious, and it would be foolish to say all is well. It could rapidly become a crisis.

The Peninsula School Feeding Association provides a basic nutritious meal a day for 128 000 children. It uses over 5 000 loaves of bread a

we've stopped supplying it. We simply can't afford it.

An economic setback means that more children will need additional nutrition as the bite hits the families!

Divisional Council MOH Dr Tibbit sees minimal effect of an economic squeeze on well-off or middle-income groups. 'It's the poor, who are already fighting to come out, the people who are already on the borderline of malnutrition, who will suffer.'

A recession could mean smaller government subsidies for health services. 'We felt this last year, and any appointments of new staff like preventive health doctors, nurses and inspectors were frozen. We are already working with a bare minimum of staff and if our resources are cut further, then we'll have difficulty in providing staff for our community health services.'

Research at the University of Port Elizabeth has suggested that a family consisting of a father on a disability pension and a mother with three children realistically need about R380 to survive.

Cost calculations indicate that even with an anticipated increase in pensions and grants, the income available to such a family falls short of requirements.

Says a social worker: 'I do not know what these people will do next year to balance their budgets.'

An economist at Stellenbosch University's Bureau for Economic

And the fact that they have dipped into their savings and used credit means they will have to consolidate in the near future and cut back to pay their loans. Their ability to buy in 1982 will definitely be lower than in 1981.

If inflation is expected to run between 13.5 and 14 percent, then we can expect increases across the board. In particular, we can definitely expect a petrol price increase in April, and other administered prices (such as rubber, maize and dairy products) will go up.

But, says the economist, salaries will also increase. Real wages are still positive across the board in South Africa, although this is not necessarily the case for groups such as the elderly and people on fixed incomes.

The prohibition of freedom of movement of some people means they are unable to go where the work is, and so are unable to combat the grave financial situation they are faced with.

M/E Argus 9/1/82

(2144)

Phones

'Crisis'

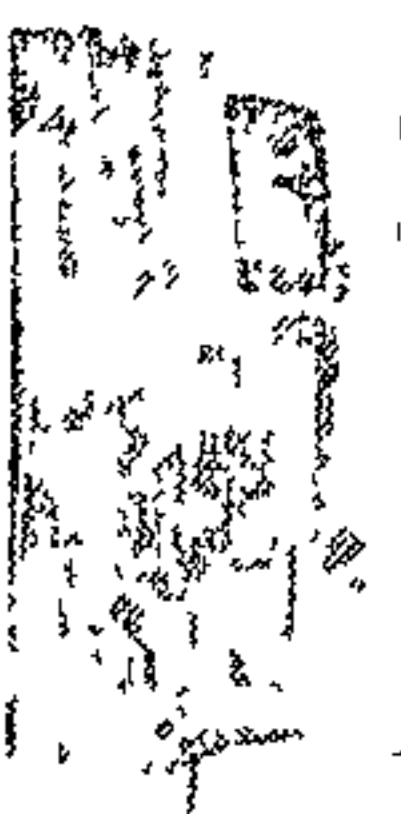
Subsidies

R380

Savings

Diseases

NUVA



South Africa's beleaguered motorists they face further increases

IT'S PETTICULAR!

SOUTH AFRICA'S hard hit consumers, still reeling from the 37% rise in Post Office rates, can brace themselves for another shock — the price of petrol is going up again.

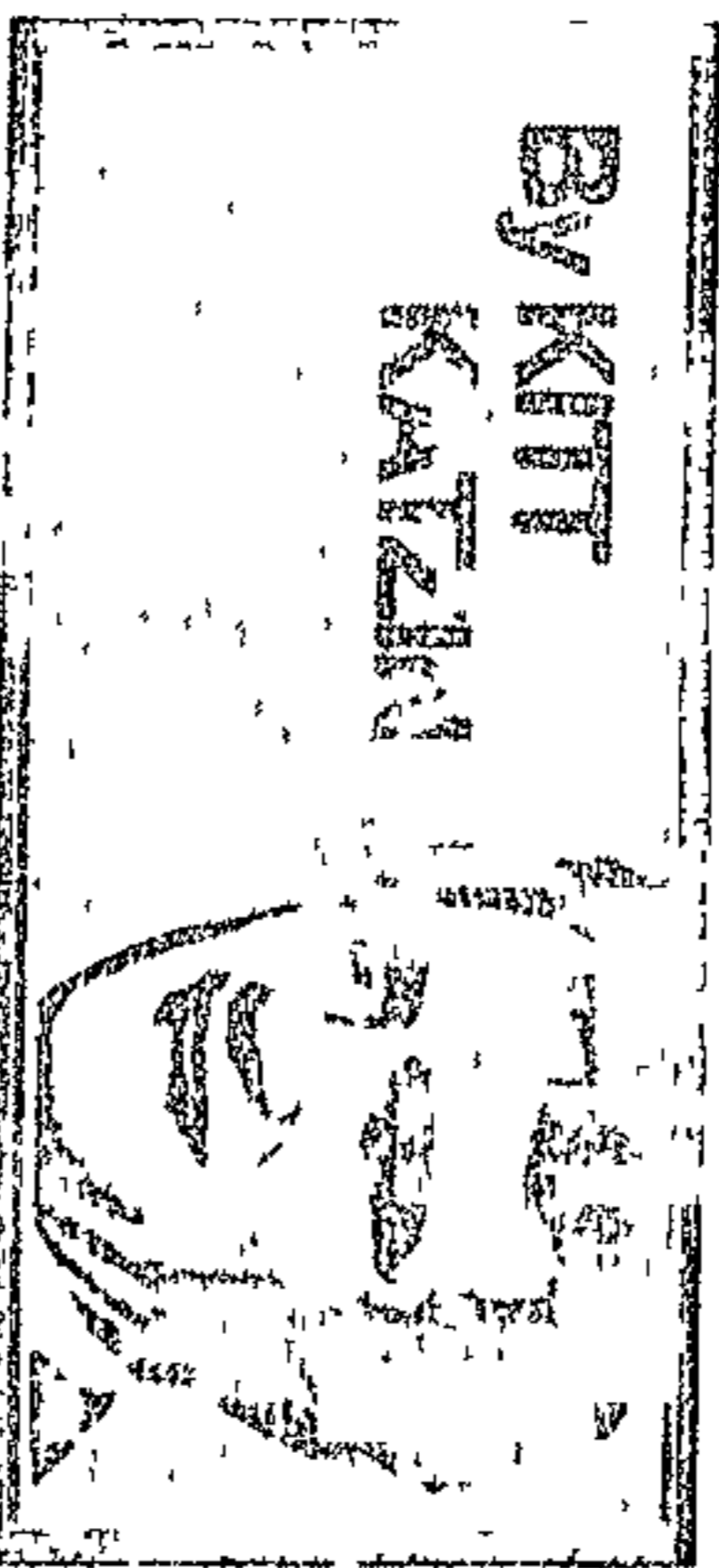
Motorists will pay between 2c and 4c more a litre from April after the Budget is presented to Parliament.

A 4c increase will add R4 to the price of a tankful for motorists "filling up". With 160l, 70l will be R2,80 extra and 50l, R2 extra.

High grade fuel, used by 95% of South Africa's motorists, will jump from 61c/l to between 68c and 65c/l.

At 65c/l, motorists will have to fork out R61 for 100l or R42,76c for 70l.

The price rise comes in the wake of a 20-30% jump in motor insurance cover, a 2,4% increase in the price of



By KITT

KATZ

AA SOUNDS GRIM

WARNING OF

FURTHER INCREASES

Sunday Express 10/1/70

244

tyres — and with the threat of a "perks" tax which could drain motorists of more cash by taxing them on the use of company cars.

Informed sources in Pretoria told the Sunday Ex-

press the increase would come not later than April. Motor industry sources confirmed the view that it

To Page 2

'A mind-boggling increase'

From Page 1

was only a matter of weeks before pump prices jumped.

They said this was because of the weakening dollar exchange rate and strain on State fuel equalisation funds.

"It's mind-boggling," was the way Automobile Association spokesman Mr. Henne Kleynhans described the forthcoming petrol tax rise.

He warned it would set off a chain reaction of price increases in public transport. Prices of foodstuffs would also increase drastically and out of all proportion to the fuel rise, he claimed. Municipal and public bus services would be particularly hard hit and bus fares were sure to rise, Mr. Kleynhans said.

"South Africa's motorists," he said, "are in for a torrid time."

With the speed limit on national roads now extended from 90kph to

100kph, motorists are already burning up more fuel — only this year they will be paying more for it.

Together with the postal increases — surface and airmail parcels up from 50c and 90c/kg to 80c and R1,25/kg respectively, phone charges from 5c to 6c a unit, and express delivery up from 30c to R1 — a small businessman using, say, 600l a month (an extra R24) will find himself digging deeper than ever trying to meet additional administrative and travelling costs.

The petrol price rise follows November's price increase of 4,6c/l in the basic price of all petroleum products.

There was no increase in the pump prices then because the Government agreed to finance the rise "as far as possible" from the equalisation fund.

Mr. F. W. de Klerk, Minister of Mineral and Energy Affairs, indicated then that because of the unfavourable

exchange rate between the dollar and the rand — the rand has depreciated by 24% in recent months — the equalisation fund would probably not be able to absorb the 4,6c increase until after March this year.

Last year the rand depreciated about 25% against the dollar, and as the Government paid for its crude oil in dollars, many millions more rands are being paid for the country's supplies.

Since the 4,6c rise, the dollar-rand rate has remained unfavourable. Unless there is a dramatic improvement — unlikely — or if South Africa can obtain future crude supplies at dramatically lower prices — also unlikely — a petrol price increase is inevitable.

A spokesman for the Ministry of Mineral and Energy Affairs declined to comment on the new increase.

The rising price of food — See Page 12

Price of meat from SWA may escalate

Pretoria Bureau
Meat prices could rise
because of high rail
charges for cattle from
SWA/Namibia

According to the
manager of the South
West Africa Meat
Board, Mr. H. Kieft,
the territory is to pro-
cess its own cattle in-
stead of exporting to
South Africa

A large new meat
packing plant is being
built in Gobabis, com-
pleted ones already exist in
Windhoek, Otjandja
and Ovati

The aim is to process
up to 300 000 out of
South West Africa's

average annual produc-
tion of 400 000 cattle

Mr. Kieft said that
meat time costs for an
ox sent to Cape Town
from Outloos was about
R100, most of which
was for railfare. This
left about a third of
the value of the animal

It made the export of
cattle to South Africa
uneconomic

Mr. Kieft said the ter-
ritory should send the
meat it exported to
South Africa in the
form of chilled or fire-
branded cuts

January 1982

Price of petrol due to increase again soon

(244) E. Post 1/1/82

Post Correspondent

JOHANNESBURG — South Africa's hard-hit consumers, still reeling from the 37% rise in postal rates, can brace themselves for another shock — the price of petrol will soon go up again

Motorists will pay between 2c and 4c more a litre from April after the Budget is presented to Parliament, according to reliable sources quoted in a Sunday newspaper

A 4c increase will add R4 to the price of a tankful for motorists "filling up" with 100 litres of regular, 70 litres will cost R2,30 extra and 50 litres R2 more

Premium grade grade fuel, used by 90% of South Africa's motorists, will jump from 61c a litre on the Reef to between 63c and 65c a litre

At 66c a litre, Reef motorists will have to fork out R61 for 100 litres or R42,70c for 70 litres

The price rise comes in the wake of a 20% to 30% jump in motor insurance cover and a 12,4% increase in the price of tyres. There is also the threat of a "perks" tax which could drain many motorists of more cash by taxing them on the use of company cars

The sources said the increase would come not later than April.

Motor industry spokesmen confirmed the view that it was only a matter of weeks before the petrol price jumped

They said this was because of the weakening dollar exchange rate and the strain on the State fuel equalisation fund

"It's mind-boggling," said the Automobile Association spokesman, Mr Hennie Kleynhans

He warned that the increases would set off a chain reaction of price rises in public transport. Prices of foodstuffs would

also increase drastically and out of all proportion to the fuel rise, he claimed.

Municipal and public bus services would be particularly hard hit and bus fares were sure to rise, Mr Kleynhans said.

"South Africa's motorists are in for a torrid time"

With the speed limit on national roads now extended from 90 to 100km/h, motorists are already burning up more fuel — and this year they will be paying more for it.

Together with the postal increases a small businessman using, say, 600 litres a month will find himself digging deeper than ever trying to meet additional administrative and travelling costs.

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Since the 4,6c rise, the dollar-rand rate has remained unfavourable. Unless there is a dramatic improvement — which is unlikely — or if South Africa can obtain future crude supplies at dramatically lower prices (which is equally unlikely), a petrol price increase is inevitable

A spokesman for the Ministry of Mineral and Energy Affairs declined to comment on the possible increase.

● See Page 3

Price of coal to rise at end of this month

By Bob Davis

The price of coal will go up soon but stockpiles are bigger than ever.

A spokesman for the Department of Mineral and Energy Affairs said the coal price usually goes up about the time of the year but declined to say by how much.

He confirmed there had been an appreciation for an increase in the pithead price paid by wholesalers buying directly from the mines.

M. A. J. Loughlin, managing director of a major coal retail agent,

said that price increases were usually passed on to the public or fully to consumers.

The retail price would be increased probably from the end of this month, he said, and urged householders to buy only for winter.

Stockpiles of kerosene, Bunsen fuel, Pandionite and Bromine are larger than ever, he said, ensuring supplies of coal delivered to households would continue in part.

We have designed a 20 ft plant with

a handle and are estimating a delivery next week, he said. It would be sold by cafes and up markets and perhaps garages.

Castro's

guests

MIAMI — United Nations ambassadors from seven African countries, including Zimbabwe, Botswana and Malawi, have arrived in Havana for a week's visit to tour production and educational centres and historic points. — Associated Press

Price of coal to rise at end of this month

244
12/11/82

By Bob Davis

The price of coal will go up soon - but stockpiles are bigger than ever

A spokesman for the Department of Mineral and Energy Affairs said the coal price usually goes up about this time of the year, but declined to say by how much

He confirmed there had been an application for an increase in the pithead price paid by wholesalers buying directly from the mines

Mr A J Laughland managing director of a major coal retail agent

said pithead price increases were usually passed on partially or fully to consumers

The retail price would be increased probably from the end of this month, he said, and urged householders to buy early for winter

Stockpiles at Kazerno, Beersens, Rindfontein and Benoni were larger than ever, he said, ensuring supplies

Coal deliveries to households would continue as in past years

We have designed a 20 kg plastic bag with

a handle, and are establishing a dealer network, he said. It would be sold by cafes and supermarkets, and perhaps garages.

D. R. Pateb 12/1/12

(244)

Are schools uniforms enough?

EAST LONDON — Back to school means roll on poverty for many parents — and never more so than this year

But, it seems, they don't mind shelling out hundreds of rands each year as long as Johnny or Jamul looks good, a Daily Dispatch survey of school uniforms has shown

Even though outfitters and parents agreed it would be cheaper and more practical to standardise South African school uniforms, they still prefer a different uniform for each school when it comes to THEIR offspring

This year, parents can expect to pay up to R140 for a uniform for a senior school daughter — and that's excluding sports gear

"It's ridiculous. It just goes up and up every year," said one parent, Mrs P Vosloo. But when asked if she thought uniforms

should be standardised, she replied "No, it's nice to have different uniforms. Otherwise they all look the same"

Fitting out a 14-year-old girl could cost — depending on the school — about R58 for a blazer, R22.35 for a tunic, R12.25 for a jersey, R17.35 for shoes, R2.55 for panties, R3.15 for socks, R8.10 for a shirt, R9.25 for gym shorts and vest, and R14.50 for a haversack with a lining

And, as shop assistant Mrs E Moyes pointed out "That's only one uniform. What you really need is one for the wash, one to wear and one to lose"

Mrs Moyes advised parents to "Buy Big And Save", even if it did mean a bit of extra room for a

couple of months

But, as mother of four Mrs S Mankentshe said "You pay now and within a few months they've grown out of the clothes. And then we still have to pay for their schoolbooks too"

But Mrs Mankentshe, too, was against the introduction of standardised uniforms

The manager of an outfitting store in the city, Mr J Hunter, said "while people remain individuals, they will go for an assortment of uniforms and clothes. But I do feel they should simplify the school clothes"

Mr Hunter believed tradition was the reason for elaborate uniforms

and said the life and value one obtained from a quality uniform made it worthwhile spending a lot of money

In the survey conducted it was clear that more and more parents are making use of school exchanges for their children's clothes, instead of buying new clothes every year

The most expensive item of school clothing seems, undoubtedly, the blazer. But, as outfitters advise they should be "Prices are reasonable for the quality you get," she said

Although prices can differ drastically from school to school, uniforms for black and white children cost roughly the same

A uniform for a little boy starting school can cost a total of R72.39: blazer R35.65; shoes R10.95; shorts R8.55; socks R1.59; jersey R9.25 and a shirt R6.40

D. Dispatch 12/1/82

X

Shirts — \$15.00

Socks — \$10.30

Shoes — \$12.65

Shirts — \$1.70

Shirts — \$12.00

Shirts — \$16.35

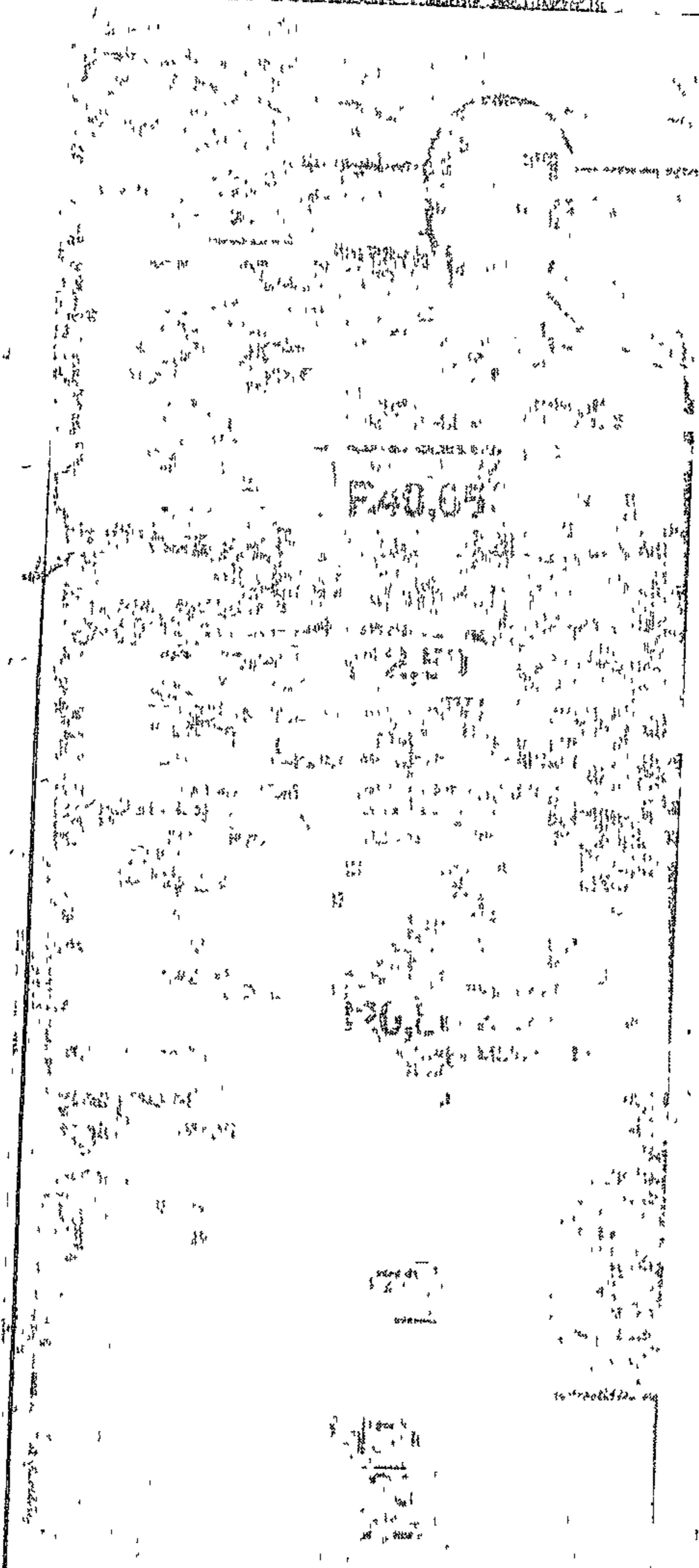
TOTAL — \$32.46

Cost of uniform for a boy of 10 years.

AND HERE'S
THE BILL FOR
ONE "OUTFIT"

Cost of uniform for a boy of 10 years

AND HERE'S THE BILL FOR ONE OUTFIT



Girl of 14 years. No spares for the wash.

Eat more — pay less

Mail Reporter

FOOD prices could flatten out further during 1982 because of weakening consumer purchasing power, the president of the SA Agricultural Union, Mr Jaap Wilkens, told the conference

He said this would affect in particular meat and vegetable prices, which would not rise significantly, and might even fall

The controlled floating of the rand had thrown up problems for the agricultural export industry, he said

Examples were the karakul, deciduous fruit and canning industries, which had been hit hard by the new exchange rate policy.

Referring to the Government's policy of controlling the money supply to curb inflation, Mr Wilkens said this had meant a significant hike in interest rates.

It was estimated that the higher rates would cost South African farmers R200-million a year

He said farmers' costs had increased by 95 percent during the period 1975-79, while net income during this period increased by only 22 percent

The never-ending rise in farmers' costs was one of the industry's greatest problems

"To the farmer there appears to be no end, and some of the price rises seem unjustified"

Mr Wilkens said he was confident the agricultural industry could produce enough to feed the country and still have a third of its total production for export

"We have the jockeys and the horses, and we have the course. We ask only that the Government and others outside the agricultural sector don't make the course so difficult that we lose the race"

(244) Star 14/1/82 (332)
Putco fare shock

By Langa Skosana
Putco bus fares are to go up soon. The increase could be as high as 35 percent.

This emerged today after the Department of Transport granted an increase which Putco applied for last July.

Putco says the increase reflects a backlog of two years of inflationary pressure of 17½ percent a year.

During that period, Putco said, there were two wage increases and the cost of many spare parts had almost doubled.

Last year Putco made a profit of R5,5-million. Their turnover in the last financial year increased by 25 percent to more than R137-million.

The Diepkloof Civic Association has warned that black commuters may boycott buses.

Dentists are granted 25 pc fee increase

244

star 8/1/82



Own Correspondent

All dentists contracted into medical aid schemes, were today granted a fees increase of 25 percent.

The increase, which was gazetted in Pretoria in today's Government Gazette, comes into effect from February 1.

This comes on top of an announcement that medical aid scheme subscriptions are likely to rise between 4 and 5 percent because of the dental tariff increase.

The 25 percent increase applies to all contracted in general

practitioners and specialists except maxillo-facial and oral surgeons whose fees have been increased by 15 percent.

According to the new tariffs, contracted-in dentists will charge R5.65 for a consultation, R7.25 for a single extraction and R7.50 for a single-surface filling.

These fees are still substantially lower than those of contracted out dentists whose tariffs are determined by the Dental Association of South Africa.

A consultation with a

contracted-out dentist costs R10 (43 percent more than with a contracted-in dentist), a single extraction R10 (27 percent more) and a single-surface filling R11.50 (35 percent more) #

A spokesman for the Dental Association of South Africa said the 25 percent increase, the first since November 1979, was long overdue. The benefit of the increase had long since been eroded by the cost of living and more dentists were contracting out.

(244) 100M 16/1/82

Bottle stores in froth over wine price hike

A WINE industry spokesman yesterday slammed the planned 20 percent increase in the minimum producer price of 'good wine', saying it was both "staggering" and "excessive".

The increase was announced on Thursday night by KWV. A statement said the minimum price to be paid by the wholesale trade for good wine — all wine produced for human consumption — would increase from R30,39 to R36,47 a hectolitre while the price of distilling wine would rise by 15 percent.

Mr Natie Matisonn, chairman of the Hotel Caterers and Liquor Association of the Transvaal, said the increase was "staggering — above the

Mail Reporter

inflation rate"

Mr Matisonn could not say when the increase would be passed on to the consumer, but said he doubted it would take long.

Mr Andy Murray, marketing director of Solly Kramers, said the 20 percent increase was "singularly surprising"

Mr Murray said KWV had recently been hit by an excise price rise

"They appealed against it and the Government stepped down. Now KWV have put the wine price up"

Mr Murray said the increase was more surprising in view of the fact that a surplus existed

Mr Trevor Pearman, Group Managing Director of Rebel, said his company held six monthly wine sales throughout the group and would maintain its policy of "supporting South Africa's premier product by fair pricing"

No effect

Dr El Yukin, of the Federated Hotel Association of South Africa, did not think the increase would have a significant effect on wine sales in the Cape. "But in the Transvaal, the future will show us".

The Director of the Cape Wine and Spirits Institute, Mr J Kruger, and spokesmen for KWV were not available for comment.

~~244~~ (244) E. Post 19/1/82

Maize farmers given Govt crutch

LAST year, farmers produced more than double the quantity of maize needed to feed the country. Nonetheless, the local price is at a record high.

The enormous surplus is being exported at a lower price, which farmers claim will cause a "loss" of R300 million. Predictably, they expect to make good this "loss" by asking for even higher prices this year and seeking further Government subsidies and loans.

The latest bumper crop highlights the folly of the Government's policy of pandering to maize farmers at the expense of consumers and taxpayers.

For maize farmers are a powerful bloc both geographically and politically. And there is an ever-present threat of their defecting from the National Party to the HNP.

The effect has been to encourage an over-production of maize in the place of other agricultural products the country needs more.

While consumption has been static for the last six years at below six million tons a year, production has soared from 7.5 million tons to 14.2 million tons a year.

At the same time Government subsidies on the maize price have risen to R74 million this year and the local millers' price has more than doubled.

While the producer price of South African maize was lower than the producer price of American maize in the mid-1970s, it is now higher.

Government has also recently lent the Maize Board R140 million to cover the costs of storage and transport to export markets.

Higher maize prices have had the ripple effect of increasing local prices of meat, dairy products, chicken and eggs. For half the maize consumed in South Africa is used as stock feed.

With the incentive of ever-rising prices, it is not surprising that farmers have increased the area of maize-growing land from 3.4 million hectares in 1956 to 4.7 million hectares this year.

Prices of maize farms

CONSUMERS in South Africa are baffled each year by food price increases which seem to occur like clockwork every time there is a surplus. First it was eggs, and now it is maize. Because of the importance of maize as a stock feed, price increases have a serious ripple effect. The Financial Mail took a closer look at the maize industry. This is what it found:

are now at an all-time high. This says much for the attractions of the industry as well as putting yet further upward pressure on the price of maize itself.

Pastures which once supported livestock herds are now covered with maize. And farmers plant lands which produce as little as one ton of maize per hectare when the country's needs could be grown on lands that yield twice as much.

Last year, South Africa imported 12% of its beef requirements, mainly from neighbouring states. With Botswana now supplying overseas meat markets, and future supplies from SWA/Namibia and Zimbabwe in doubt, local meat prices could rise even higher if the country has to shop from farther afield.

A lower maize price would encourage more farmers to switch to cattle breeding and reduce the price of feed to cattle feedlot operators.

In the past four years, South Africa has been a net importer of dairy products. But dairy farmers, who are a far less powerful political lobby, are forced to bear increased costs of maize and other feed components, without being granted corresponding increases in their own prices.

Many are now tempted to forsake dairy farming to enter the more lucrative business of adding to the maize surplus.

Fortunately, some of the more influential figures in agriculture have now publicly acknowledged that the

present system cannot continue indefinitely.

New Minister of Agriculture and Fisheries Pietie du Plessis has warned farmers not to count on continued Government assistance in exporting maize surpluses.

But curing the malady will require strong medicine for farmers and consumers alike. It could cause short-term price rises and an increase in rural unemployment among blacks and whites. Further depopulation of white farmlands on the borders could also result.

In short, it would be political dynamite. But the Government could minimise the dangers of the explosion by introducing its reforms slowly.

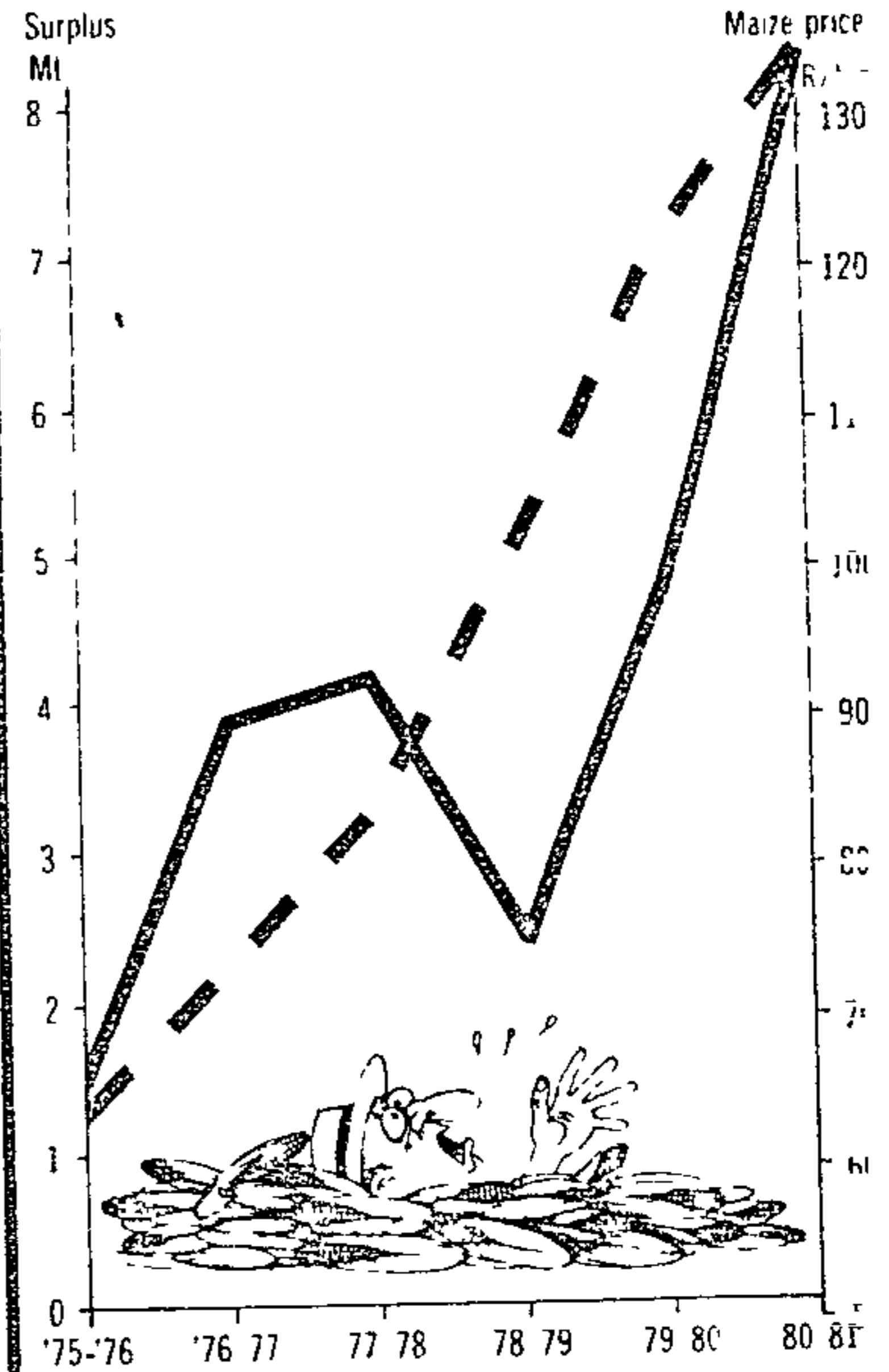
A first step could be a phase-out of the present subsidies on maize (R74 million) and wheat (R162 million), coupled with price increases which do not cover the cost of the subsidies and reduce farmers' margins.

This would no doubt enrage both farmers and consumers, but it would also have several long-term benefits.

Apart from easing the burden on the Exchequer and hence the taxpayer, it would eliminate the less efficient producers, especially among wheat farmers, and could lead to a re-deployment of effort into other agricultural products.

It could also increase maize consumption. For bread is more heavily subsidised than maize and is a more expensive prod-

COSTLY SURPLUSES



uct. Poorer consumers are thus likely to switch from bread to less expensive mealie meal.

The social and political costs of such a move would have to be carefully weighed.

It would reduce future maize surpluses and the expense of storing and moving it to markets abroad. Thus, over a period the more efficient farmers who remain in the business would receive better average margins on maize sales without having to increase local prices.

It could cause a drastic reduction in wheat output, but bread prices would not rise because imported wheat is actually cheaper than locally-grown wheat.

Opponents of this argument claim that for strategic reasons, South Africa should be self-sufficient in wheat. But, in the event of a wheat embargo, the country would not starve as there is more than enough maize to go around. And in a real emergency wheat production could be quickly re-established, and maize could be added to bread flour.

This cuts prices of manufactured steel exports and boosts average prices received by the steel mills.

Broiler chicken producers would benefit from such a scheme. For instead of high feed costs they could readily achieve some savings on overseas markets. They would fare even better if they could buy surplus maize for export at its current export price.

It would increase production and employment in the broiler industry and reduce storage and transport costs to the Maize Board Commission of export chicken, which brings in about R120 million a year. It takes two tons of maize to produce this meat but only one ton sold on the domestic market brings in only R60.

In time, this rebate of the maize price for agricultural exporters could stimulate increased production and exports of meat and dairy products.

South Africa is one of the few net exporters of agricultural products. Given rising more rapidly population growth and the importance of agriculture to a country which has growing

Munnik 'no' to tariff hikes angers doctors

244
27/1/82
RTH

THE Minister of Health, Dr L A P A Munnik, has angered doctors by rejecting a demand from the SA Medical and Dental Council for a tariff increase of six percent.

The tariff committee of the council claims the nine percent increase in doctors' fees granted from September last year and the further six percent were needed to compensate for escalating costs of running a practice.

However, Dr Munnik has approved a 25 percent rise in dental fees from February 1

Dr Munnik has referred the doctors' demand back to the council. The tariff committee will reconsider the demand in March and its decision will be submitted to a full council meeting in April

The Minister's action is seen by most doctors as "his usual delaying tactics". Medical sources said yesterday that the Minister had angered doctors by waiting

BY GERALD REILLY

until the last minute before making decisions on their applications for increased tariffs

In October 1980, doctors submitted a demand to Dr Munnik. He waited the full three months provided for by legislation before rejecting the demand and referring it back
In April last year, the

council reviewed its demand for nine percent and re-submitted it to the Minister

Again Dr Munnik waited the full three-month term before finally agreeing to the increase

After the six percent demand, he again waited until deadline before responding

Meanwhile, the president of the Dental Association of South Africa, Dr Andre Ferreira, said the association would decide in June on the increases for "contracted-out" dentists

Investigation

He added that his association had started an investigation into practice costs which would be grounds for another demand to the SA Medical and Dental Council for higher tariffs

He said his association wanted smaller and more frequent adjustments of fees
Dentists last received increases two years ago

The new tariffs include Fillings up from R6 to R7,50, extractions from R5,80 to R7,24, and X-rays from R3,50 to R4,40

Comprehensive motor vehicle insurance — up by about 130 percent since the start of 1981 — is expected to rise another 20 to 40 percent by the end of this year.

Insurance executives said premiums had not yet reached a stage where motor vehicle insurance had become profitable for the insurance companies and further rises during the year could be expected.

This means that first-time insurance on a new car valued at R10 000, which now costs between R500 and R550 a year, will cost up to R770 by the end of 1982.

The sharp increase in motor vehicle insurance costs has, according to insurers, led to a situation in which many people are paying more to insure their car than to insure their lives.

Reasons

Costs have risen for three main reasons

- Insurance companies, which have been sustaining substantial losses on premium income, are now trying to make profits on motor vehicle insurance.

- Panel-beating and repair costs have almost doubled in the past year.

- Malpractices in the panel-beating industry.

Third Party

Recommendations before the recently formed Commission of Inquiry into Compulsory Motor Vehicle Insurance include the introduction of a compulsory "balance of third party"

Cover provided by a third party token would then include damage to property caused by motor vehicles

This, it is felt, would prevent the innocent party suffering as a result of negligence on the part of someone else.

But it would also mean that the minimum insurance required by law would cost the motorist more.

- See Page 20 for an analysis of the reasons why you are paying so much for car insurance and why repair bills have shot up dramatically.

Car Owners Face Insurance Shock

244
By Tony Stirling

File 27/1/82

Medical aid fees set

Law and the Gold Cup

TO RISE (244)

RM 28/1/62

By GERALD FEILLY

SUBSCRIPTION rates to medical aid schemes may have to be drastically raised during the next few months because of the rising costs of drugs and treatment, according to medical scheme sources.

There were comments on the refusal of the Minister of Health, Dr I. A. P. A. Murray, to approve a six per cent increase in doctors' fees.

But they agreed with doctors that the Ministry was employing delaying tactics and that an increase of about six per cent was possible later this year.

The FFR spokesman on hospitals in the Provincial Council, Mr Sam Aleson, has also warned that an increase in provincial hospital fees was likely later in the year.

Deficit

The Administrator had budgeted for a deficit of \$57 million in the 1957-58 budget with the government cutting State spending and possibly provincial subsidies. The province might have to look to higher hospital charges, car licence fees, and other limited revenue sources for some relief.

The chairman of the Representative Association of Medical Schemes (RAMS), Mr J. D. Britton, said subscription rates would have to be adjusted to accommodate the 25 per cent increase in dentists' fees and the 38 per cent rise in physiotherapists' fees which come into effect on Monday.

An increase in private hospital fees is also expected.

Burden

Mr Ernstszen said the rising cost of medicines and drugs was another burden which had to be carried by the medical aid funds.

The individual increases could normally be accommodated, but when they came one on

DOG FIGHT

Still Stags

ORGANISED bull terrier fighting secretly on a wide scale round Johan. Mike French, the manager of Booby said yesterday.

Now the SPCA refuses to allow dogs of the breed to be adopted unless they have been castrated. Castrated dogs tend to lose the killer instinct necessary for fighting.

Put down

The SPCA move came to light when a Johannesburg dog lover, Mr C. Seton-Smith, complained he could not obtain a "normal" dog from the society.

He said yesterday "It is terrible to do that to a dog. And what is worse is that if he dog does not find a home

By BEV M...

...were organised people in section.

"But the fighting and we have names of the canine the evening are invested.

The "Maff" actions shocked details of the death fights in the Sunday years ago.

EDM 30/11/82/244 (7/11/82)

Coal price to go up on Monday

By DAVID CAPEL

NOW IT'S official — the price of coal will go up to R2,60 a bag on Monday. Consumers will pay eight percent more — and they have been warned to stockpile.

Mr Paul McNaughton, marketing director of McPhail, confirmed the increase yesterday.

He said "As distributors, we have overhead costs. These have increased by five percent. The coal increase will be 15 percent for the pithead price but this increase will not be passed on fully to the consumer."

The pithead price had increased, as had the rail tariff. A further blow will probably be delivered in April when the price is expected to go up by a further five percent.

Mr McNaughton confirmed his company would no longer deliver coal to white areas. He said all buyers would receive a notice in the post within the next 10 days to this effect.

Delivery to black areas will, however, be intensified.

Service

As a service to consumers the company had instituted a "special offer". Anyone ordering coal before February 19 would get it at the 1981 price — R2,43 for a 70kg bag. The new price will be R2,60 a bag.

"We have decided to concentrate on deliveries to black areas only. Here the need is far more acute," Mr McNaughton said.

He said buyers who had not ordered before the deadline would be able to order at a dealer network which had been set up.

Earlier this year coal distributors began stockpiling coal. McPhail had built a R15-million depot to handle 2,5-million tons — more than double present consumption.

(244) Hospital ~~(77)~~
fees rise
shock for
the aged

By Gillan Rennie

The proposed provincial hospital increases announced this week have provoked shock and dismay among those who care for the elderly.

The increases will mean that from April 1 inpatients will pay a levy of P10 a day and outpatients will have to pay a levy of R3 a visit.

This means inpatients will pay R35 a day and outpatients R13 per visit.

INCREASED

The maximum salary qualification for the lowest scale has been increased from R120 to R480 and the second lowest from R480 to R600.

Mrs Zerilda Nel, regional representative of the National Council for the Care of the Aged, said today she did not know how senior citizens would afford the increase.

Ninety percent of pensioners are hospital patients. If they go to hospital three times a month that's R9 eaten up already. And they have rent to pay, and food and luxuries to buy," she said.

SHOCK

Mrs E. Smith, matron of Colrowland Home, said the increases would come as a "big shock" to pensioners. Rent at the home takes R77 out of the pension of R120, so there was not much left for medical expenses, she said.

Mrs Nel said accounts could be waived, but the case had to go through a social worker. "Very often the pensioner does not know he or she can go to welfare for help and they live in fear until the problem is sorted out," she said.

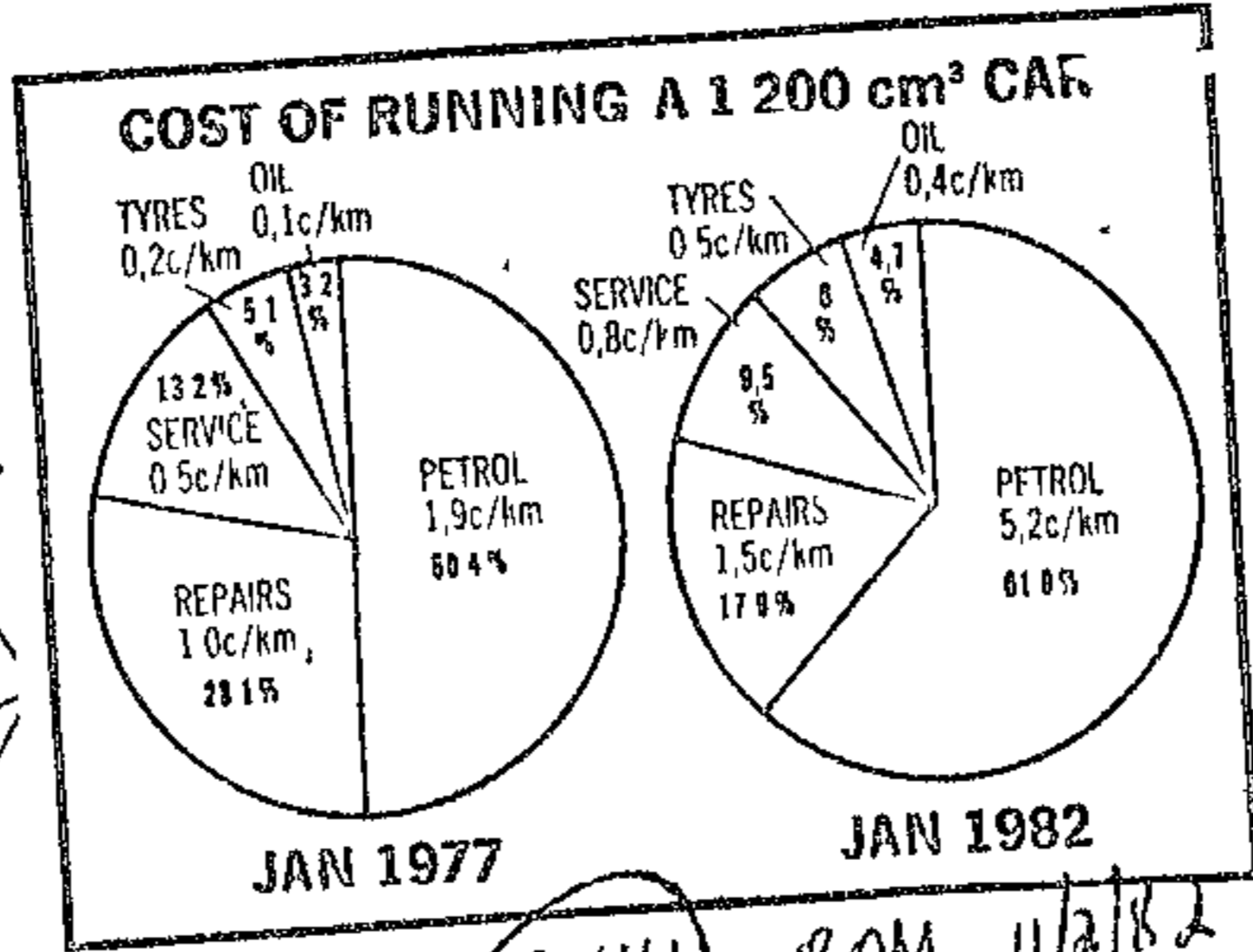
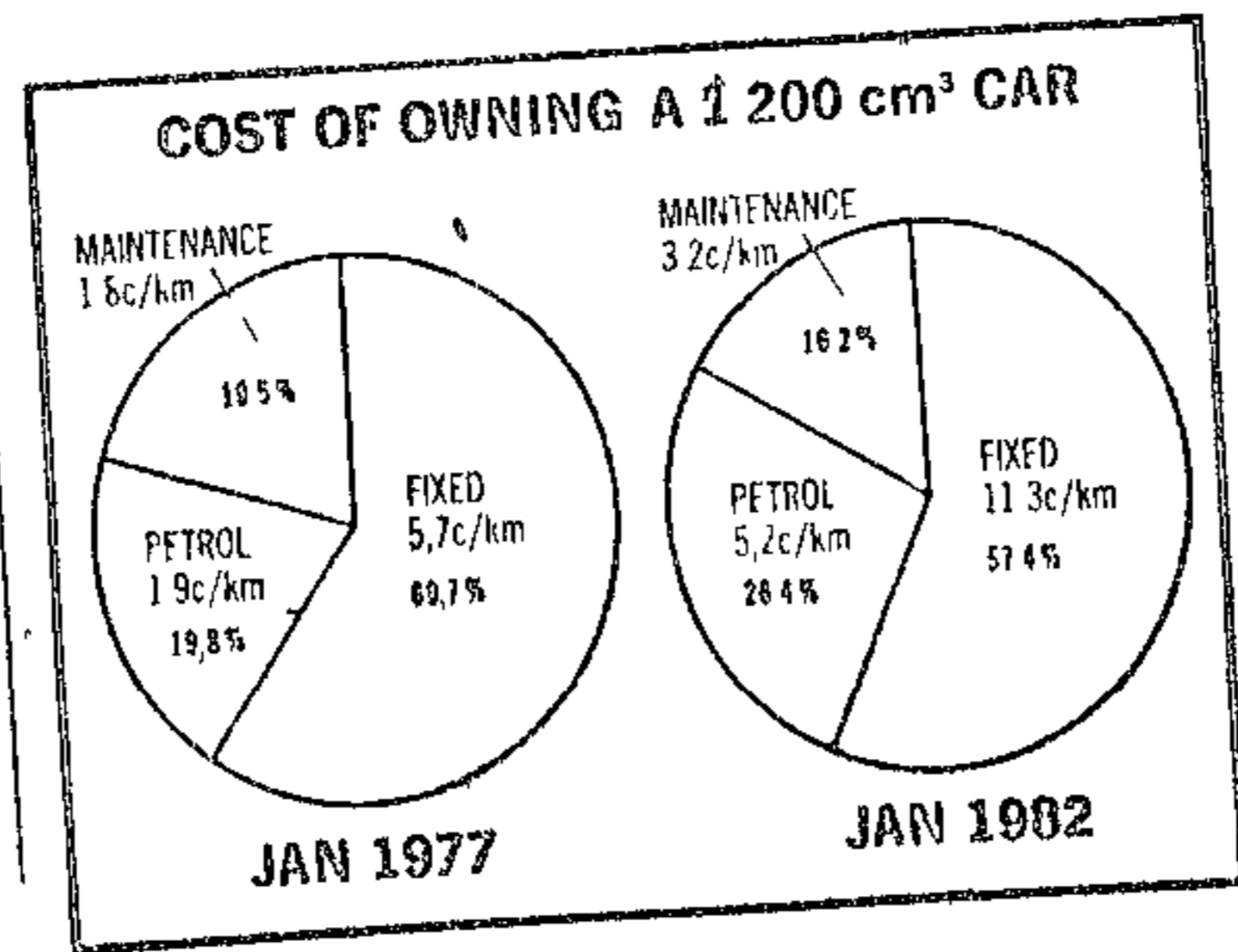
Mrs E. Hill, matron at the Ashleigh Geriatric Home, called the increase a shame.

NO INCREASE

Private hospitals and clinics will not be increasing their fees because of the provincial hospital fees increase.

Mr J. H. Randall, chairman of the Representative Association of Private Hospitals (Raps), said fees at private hospitals will certainly not be increasing for that reason.

Raps usually reviews cost of living increases in April, he said. So there is a possibility of increases then, but there is no particular reaction from us to this increase.



Handwritten notes:
 244 ROM 11/2/82
 ↑ 52
 ↑ 52
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Motoring costs have doubled

By JO SHALLIS

THE average running cost of the smallest car on the South African market has more than doubled over the last five years, according to figures released yesterday by the Automobile Association. At an average 8 1c/km costs have risen 127 percent.

The AA maintains, however, that private motorists are no worse off than the average consumer (compared with other forms of transport, private motoring remains one of the cheapest forms of travel).

Its estimates of the average fixed and running costs of owning a vehicle are based on an ownership period of six years and a maximum 180 000 km.

The running cost is divided into petrol cost and maintenance cost based on engine size related to distance travelled.

Maintenance costs include lubrication, servicing, spares, repairs, tyres and cleaning over six years.

Depreciation

Fixed cost is based on purchase price related to time and includes depreciation, loss of interest (at current rates), comprehensive insurance (based on Witwatersrand premiums), third party insurance, registration, licence and parking fees.

The breakdown of the fixed and running cost of owning a car is as follows: a car in the R6 000 to R7 000 price category with a 1 200 to 1 500cc engine and travelling 16 000 km annually costs 21 5c/km. R8 000 to R9 000 category with an engine capacity of 1 800 to 2 000cc costs 26 1c/km, and vehicles between R10 000 and R11 000 with an engine size of 2 500 to 3 000cc cost 29,2c/km.

This latest cost schedule from the AA provides for a calculation in rands per year, month or day and on this basis the cars in the three price categories will cost the owner R9 42, R11 44 and R12 80 respectively per day simply to own.

Cost carousel

244

The rate of inflation of locally-manufactured production inputs in SA has firmly established itself at a higher level than that for factors of production manufactured abroad

This trend, according to figures released by the Department of Statistics, is the reversal of one that lasted for 2½ years. At the beginning of 1978 there was little difference between the rates of inflation in imported and domestic components. Both hovered at about 10%, with small monthly fluctuations. Then, in March of that year, the local rate dropped by about one per-

centage point and the imported rate pushed past it.

The fluctuations became more pronounced thereafter. In November 1979, for example, the imported year-on-year rate rocketed from 17% to almost 28% in a single month. The divergence between the two rates was at its widest in January 1980, when the imported index peaked at 29,5% against a local rate of 14,6% — a difference of almost 15 percentage points. In the same year the average annual inflation rate in the UK rose to an historical high of 18%, and the rate for the OECD as a whole was almost 13%.

In May 1980 the imported rate dived to 20,6% from 27,7% the previous month, and the local displayed a temporary peak of 15,5%. The imported rate was falling faster, however, and the respite in the local rate was temporary. In August 1980, the local rate (at 14,9%) pushed past the imported rate (at 14,3%) and reversed a trend that

had lasted 30 months.

The local peaked again at 17,4% in January 1981, when the imported stood at 12,2%. Both rates then entered a falling phase until July last year, when the imported rate bottomed at 8,9%. Since then it has risen, but not fast enough to overtake the local rate. In November last year the local rate stood at 12,2% and the imported at 9,5%.

Inflation rates in SA's main trading partners now appear to be firmly established on a downward trend, with latest annualised figures close to 1978 levels. If inflation is to become a permanent cyclic phenomenon, as many economists believe, it is probable that the SA inflation cycle will adopt the broad characteristics of its business cycle — that is, a distant relation of the business cycles of its main trading partner, lagging them by about 18 months.

This suggests the absence of imported inflationary pressures for at least two years.

* Source: Johnson & Johnson, Joining Together (Prentice-Hall)

7. How much influence did you have on the group's decision?
- 9 - A great deal
 - 8 - Quite a lot
 - 7 - A little more than moderately
 - 6 - Moderately
 - 5 - Neither very much nor very little
8. When members had differences of opinion, to what extent were all sides carefully listened to and the conflict directly faced and resolved?
- 9 - Always
 - 8 - Almost always
 - 7 - Usually
 - 6 - A little more than half the time
 - 5 - Half the time
9. To what extent do you believe you could work effectively with this group in the future?
- 9 - A great deal
 - 8 - Quite a lot
 - 7 - A little more than moderately
 - 6 - Moderately
 - 5 - Neither very much nor very little
- 4 - Less than expected
- 3 - Moderately less than expected
- 2 - Quite a lot less than expected
- 1 - None at all

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LONDON, ENGLAND, AND NEW YORK, N.Y.

Petrol price leap looms

204
RPM 16/2/82

By GERALD REILLY

THE price of petrol may rise by between six and eight cents a litre from April 1, according to motor industry sources

Economists pointed out yesterday that the fuel price hike, together with the expected increase in Railway rates and fares of about 15% would be a major factor in maintaining the country's inflation rate at a high level for the rest of the year

One motor industry source said the Minister of Mineral and Energy Affairs, Mr F W de Klerk, would have no alternative but to adjust the price

When he announced the 4.6 cents a litre increase in November, Mr De Klerk said at the then rand-dollar exchange rate, it was within the power of the fuel equalisation fund to delay another price hike until the end of March

Repairs to cost more and maybe fuel as well

24 (135) 214 Mercury Correspondent 16/2/82

JOHANNESBURG—Minimum pay rates for workers in the motor repair industry will rise by between 20 percent and 40 percent from the end of June — the highest increase in the industry for some years which will almost certainly lead to an increase in repair costs

The new increases were announced yesterday in a statement by the National Industrial Council for the Motor Industry. They affect workers in the motor 'service' industry — repair shops and some components plants, rather than assembly plants.

A leading figure in the motor industry in Natal, who did not wish to be named, said last night that there would have to be an increase in the labour rate which in the long term would be equitable with the increase.

He said so far in the metropolitan areas the motor industry had managed to get ahead of the laid down minimum. 'But an increase in the minimum wage rate not only affects the mechanics at the bottom end,' he said, 'it also means we will have to increase the wages of those at the top end accordingly. So it would certainly involve an increase in the labour rate but at this stage it is impossible to judge how much.'

The general secretary of the Tucs-a-affiliated Motor Industry Combined Workers' Union, Mr Des East, said yesterday that the average minimum increase was around 37 percent.

He said this would directly affect the pay of higher-paid workers in the country areas and of lower-paid workers throughout the country. 'For these workers, the minimum laid down by the agreement is usually what they are paid,' he said.

But higher-paid workers in the city areas would not be affected so much because their pay was usually well above the minimum, he added.

The new minimum probably would be around R1 an hour in the country areas and R1,25 in the cities.

Meanwhile, our Pretoria Bureau reports that motor industry sources expect the price of petrol to rise by between 6c and 8c a litre from April 1.

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One motor industry source said the Minister of Mineral and Energy Affairs, Mr F W de Klerk, would have no alternative but to adjust the price.

When he announced the 4,6c a litre increase in November, Mr de Klerk said at the then rand-dollar exchange rate, it was within the power of the fuel equalisation fund to delay another price hike until the end of March.

The 4,6c a litre was absorbed by the fund and pump prices remained the same.

The Government pays for crude oil imports in dollars, and the value of the rand in terms of dollars has deteriorated by about 30 percent over the past 12 months.

UJCT

Price of milk ²⁴⁴
in PE goes up to
50½c a litre

E. Post

26/2/82

Post Reporter

THE cost of milk in Port Elizabeth goes up by 2,02% from next week. Sales tax is due to rise by 1% from next week. According to a pamphlet distributed to customers by United Dairies, fruit juice coupons will also go up, by 2,66% for a set of 10.

The pamphlet announcing increases in the price of milk and fruit juice coupons states that the rises were due to "the increase in sales tax to 5%".

United Dairies is Port Elizabeth's major milk supplier. Sales tax will be upped from 4% to 5% from March 1.

The cost of a litre of milk will now be 50½c. A set of 20 milk coupons will now cost R10,10 — an increase of 20 cents or 2,02%.

Ten fruit juice coupons will now sell at R4,62, 12c more than before.

But according to the dairy's general manager, Mr F Botha, customers will still be paying less than the 5% sales tax on dairy products.

Previously the dairy had charged 1c tax on a 48,5c bottle of milk after receiving a concession from the Receiver of Revenue.

With the new 5% sales tax, the tax on a litre of milk would be 2,6c, but the Receiver of Revenue had again allowed the dairy a concession, and it would charge 2c sales tax, which was still below 5%.

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1/2c a litre

GST (244)

pushes *Stan* up price *27/2/82* of milk

By Caroline Braun
Consumer Reporter

The increase in GST will push up the milk price by one cent a litre on Monday.

Home delivered milk and milk bought from a dairy depot will cost 50,5c a litre (including tax) on the Witwatersrand. Milk bought from cafes will cost 58c (including tax).

The new GST rate is up to 9c — no tax, 10c to 29c — 1c tax, 30c to 49c — 2c tax, 50c to 69c — 3c tax, 70c to 89c — 4c tax, 90c to R1 — 5c tax.

Consumers have been confused about why home delivered milk and milk bought from dairy depots which now sells at 49,5c (including tax) should increase by one cent on Monday.

ACTUAL TAX

A spokesman for the Department of Inland Revenue explained that up till now the department had been collecting only one cent in tax from dairy depots, although the actual tax on a litre of milk was 1,92c.

With the higher GST rate the tax on a litre of milk will rise to 2,425c but the department will collect only 2c.

This is in terms of an agreement between the Commissioner of Inland Revenue and the Dairy Board, which states the commissioner will disregard any fraction of a cent when collecting tax on milk sales.

Pick 'n Pay bread price war!

S. Times 28/2/82
 RAYMOND Ackerman, prime-mover and boss of the massive Pick 'n Pay food retailing chain, has seldom been known to miss a trick when it comes to marketing

Nevertheless, his latest move, explained by the man himself on Friday, is also a highly generous and much-needed gesture in the battle to get Government to drop the 25% increase in general sales tax on staple items.

In short, all P 'n P stores countrywide will sell bread at 5% below cost in order

By ~~Stephen Orpen~~ *244*

to hold the prices at the GST pre-increase level

Moreover, the campaign will continue for the rest of the year, costing the chain more than R250 000

Efforts by Mr Ackerman and others, including leading consumer bodies, to persuade Government to scrap the GST increase in the case of staples have so far failed

The increased GST — 5% not 4% — comes into effect tomorrow

The maximum cash selling price for

bread is set at 40c for white and 28c for brown loaves

P 'n P has been selling white at 38c and brown at 26c

The prices from Monday will be 36c and 25c — effectively wiping out the GST hike

Mr Ackerman says other staples he feels should also be excluded from the higher GST margin include maize, milk, eggs, margarine and possibly candles, which are widely bought by blacks because of still embryonic electricity services in many black residential and farming areas

	Bank		300
	being payment of premium		
<hr/>			
<u>Dec 31:</u>	Income Statement	300	
	Insurance Expense		300
	being closing entry		
<hr/>			
Years 02 and 03 - same as 01			
<hr/>			
<u>04, Jan 1:</u>	Insurance Expense	300	
	Bank		300
<hr/>			
<u>Jan 2:</u>	Debtor (Insurance Company)	24 000	
	Income from Life Policy		24 000
	being accrual of proceeds receivable		
<hr/>			
<u>Jan 2:</u>	Income from Life Policy	24 000	
	Income Statement		24 000
	being closing entry		
<hr/>			
<u>Jan 2:</u>	Income Statement	300	
	Insurance Expense		300
	being closing entry		
<hr/>			
<u>Jan 31:</u>	Bank	24 000	
	Debtor (Insurance Company)		24 000
	being receipt of proceeds		

(2) Premiums Treated as an Asset

<u>01, Jan 1:</u>	Life Policy	300	
	Bank		300
<hr/>			
<u>Dec 31:</u>	Income Statement	300	
	Life Policy		300
	(Surrender value of policy is zero - therefore no amount can be capitalised)		

Continued/

Price gap narrows in latest store survey

2/3/82 E. Post 244

PICK 'n PAY Hypermarket was found to be the cheapest outlet for the fifth successive month in last month's Post Price Check.

The February price survey was undertaken in the Walmer supermarkets of Pick 'n Pay, Checkers and OK Bazaars as well as the Pick 'n Pay Hypermarket, Checkers Hypermarket and the OK Superstore.

The cost of the 20-item basket (excluding GST) at Pick 'n Pay Hypermarket was R17,35 — 33c lower than the same basket at the OK Superstore, the second cheapest in the February check.

The last time the check included the Walmer stores, in November of last year, the OK Superstore was the second most expensive outlet. This is the second month running that it has occupied the second cheapest slot.

The third-cheapest store last month was the Checkers Hypermarket, with the 20 items totalling R18. In the last survey covering the

Post Price Check

Walmer stores, the Checkers Hypermarket was the second-cheapest store.

Fourth place in February was held jointly by the Walmer Pick 'n Pay and the Walmer OK Bazaars, where the baskets both cost R18,29 (without tax).

In November, Pick 'n Pay, Walmer, was the third cheapest, while OK Bazaars, Walmer, occupied the second most expensive position.

The most expensive outlet was Checkers in Walmer, where the basket cost R19,12. Ever since the inception of the Evening Post Price Check, this store has been the most expensive in the Walmer area.

The difference in February between the cheapest and most expensive outlet was R1,77 — or 10,2%. In the November check the difference was slightly

higher at 13,5%.

Identical items in size and brand are chosen at random at supermarkets and hypermarkets visited during the price check. In the February survey the basket included pet food, baby food, toiletries, house-

hold cleaning materials as well as general groceries.

The biggest price difference in the cost of an individual item was 35c — for X-tra washing powder which cost R1,74 at the Walmer Checkers and R1,39 at the Pick 'n Pay Hypermarket, OK Superstore and OK Walmer.

Prices of individual items selected in the price check do not include sales tax.

How some prices have changed

THIS is how the prices of some items have changed since the last Post Price Check of Walmer stores in November last year:

	Avg price Nov '81	Avg price Feb '82	Percent change
Cornflower maizena	53c	60c	+13,2%
Escort back bacon 250g	R1,49	R1,37	-8,0%
Purity orange syrup (200ml)	68c	71c	+4,4%
Sunlight wash-up liquid (750ml)	92c	99c	+7,6%
Outspan plain rusks (500g)	86c	89c	+2,3%
TOTALS	R4,48	R4,56	+1,8%

How the stores compare

	Pick 'n Pay Hypermarket	OK Superstore	Checkers Hypermarket	OK, Walmer	Pick 'n Pay, Walmer	Checkers, Walmer
Buttermilk (United 500ml)	26	29	27	28	28	28
Custard powder (Cross & Blackwell 500g)	89	78	89	99	95	85
Peanut butter (Black Cat smooth 410g)	72	63	79	77	75	75
Sugar (illovo golden brown 1kg)	47	48	48	48	47	47
Cat food (Catz-D-Lite fish 425g)	37	37	39	40	39	39
Spaghetti (Fattis & Monis 500g)	62	63	59	63	62	66
Washing powder (X-Tra 1kg)	1,39	1,39	1,44	1,39	1,49	1,74
Disinfectant (Sanpic pine 500ml)	96	1,06	,96	1,09	99	1,15
Condiment (Robertson mixed herbs)	45	55	48	58	52	54
Coffee (Nescafé 125g)	2,12	2,25	2,29	2,25	2,15	2,35
Cereal (Coco Pops 500g)	1,05	1,14	1,09	1,19	1,09	1,20
Baby cereal (Cerelac 250g)	79	82	84	82	85	89
Shampoo (Colgate 350ml)	46	48	59	48	62	73
Toilet soap (Lux)	32	33	35	33	33	33
Toothpaste (Colgate 100ml)	97	93	98	93	99	99
Margarine (Rama soft 500g)	99	99	99	1,03	1,04	1,02
Milk (United Long Life 1 litre)	65	68	62	68	67	65
Soya mince (Topper savoury)	,69	69	75	69	75	75
Ice cream (Farmhouse vanilla 2 litre)	2,82	2,75	2,74	2,79	2,95	2,86
Baked beans (All Gold 425g)	36	44	47	49	39	52
TOTAL COST (without sales tax)	R17,35	R17,68	R18,00	R18,29	R18,29	R19,12

led sub ighted off Italy

ROME — The Soviet ambassador to Italy, Mr Nikolai Ankov, was summoned to the Foreign Ministry yesterday after a non-Nato submarine was spotted in Italian waters last week

The Defence Ministry confirmed on Saturday that the submarine was monitored for 14 hours on Wednesday by the Italian navy in the southern Gulf of Taranto

When the Defence Ministry released the information, Admiral William Crowe, the commander of Nato forces for Southern Europe, said the incident proved that "the navies of our adversaries are very aggressive"

All the voting details

Mail Reporter

EVERY white person of 18 years and older whose name appears on the voters' roll will be able to vote in tomorrow's municipal elections

A book of life, driver's licence, passport or other acceptable means of identification should be taken along

If you live on the Reef and

Supermarkets enter a GST bread price war

2/3/82

244

120M

Mail Reporter

THE price of bread plummeted in certain stores yesterday as three of the largest supermarket chains — Pick 'n Pay, Checkers and OK Bazaars — began a price war to beat the hike in General Sales Tax

Some supermarkets were selling bread at two and three cents below cost, not only beating yesterday's 1% GST rise, but dropping 5% to pre-GST levels

One supermarket went as far as to lower the price of milk and butter

Mr Raymond Ackerman, managing director of the giant Pick 'n Pay group, began the race to lower prices by announcing on Sunday that his outlets would be selling bread at 5% below cost until the end of the year

At Pick 'n Pay white bread was 36c — two cents below cost price Brown and wholewheat bread was 25c — one cent below cost

Checkers followed suit yesterday by dropping to the same prices for bread — but only at its hypermarkets and until Easter. It also dropped the price of milk by two cents — to 47c

— and butter by eight cents — to R1 42

OK Bazaars dropped its bread price even lower, to 35c for white and 24c for brown, but would not say how long it would keep these prices

Mr Gordon Hoult, general manager of Southern Transvaal Supermarkets (Pick 'n Pay), said his company had committed themselves to a below-cost price because they had always opposed GST on essential foods

Mr Ralph Horwitz, general manager of OK Bazaars food division, said his company had decided to better Pick 'n Pay's prices "to be competitive"

OK sells over 1 500 000 loafs of bread a month, so if the price is held at this level, it will cost the company more than R30 000 a month

Mrs Joy Hurwitz, president of the Housewives' League yesterday welcomed the price drop, but appealed to the Government to extend the move by dropping GST on bread and all other essentials

"The supermarkets have shown a great deal of goodwill in lowering their prices, but it is essential that GST is removed from all basic commodities," she said

Breakfast Camp



"I've heard she'll remain unattached and fifty for the foreseeable future"

Oh, those blacklist blues

By GEOFF VAN HEERDEN

THE United Nations blacklist, designed to discourage sporting contacts with South Africa, received two black eyes yesterday

There were one or two red faces at the UN headquarters yesterday when it was learnt that junior-heavyweight boxer Robbie Williams was one of the sportsmen who had earned the world body's displeasure

Robbie was blacklisted because, "as a Briton" he had defied his government and boxed against Ossie Ocasio at the Rand Stadium

But Williams was born and brought up in Johannesburg

The fighter chortled from his Durban home last night

"Fame at last! I couldn't win the world title in the ring, perhaps I can make it as a politician I could use a little UN support in that

direction"

Williams' father was British, but Robbie is a South African citizen and proud of it

"I don't give a darn for the blacklist I'll fight for South Africa whenever and wherever I can," he snapped

The blacklist compilers also included American heavyweight Renaldo Snipes for visiting South Africa to fight Gerrie Coetzee. But the bout took place in New York

STOCKS RISE

IN SUGAR PRICE

244

Mercury 5/3/82

Financial Editor

SUGAR prices will rise by 12 percent on average from today, the chairman of the South African Sugar Association, Mr Dick Ridgway, announced last night. Soft drink prices are expected to go up in sympathy.

White sugar rises by R50 a ton to R423 and brown sugar by R42 to R379 a ton dispatched from Durban, he said.

For 25kg pack of sugar would now cost R131 in Durban and R146 in the Reef and in Pretoria and Cape Town an increase of about 15c.

Mr Ridgway said that the increase was in keeping with the policy to set domestic prices level with the

cost of production

A new season starts soon and the cost of production will rise as a result of higher costs of goods and services used by the sugar industry.

We are continuing to maintain the price to the consumer at as low a level as is economically possible and in spite of the fact that the consumer price index is expected to rise by about 15 percent, the increase in the retail price has been kept to only 12 percent.

The sugar industry has borrowed R180 million to tide it over the past three years of droughts and low prices on world sugar markets.

While the crop this year (from April onwards) would be much better than last seasons, it was not expected that loans could be repaid because world prices also were low and local costs would rise because of the increase in rail tariffs and other costs.

The sugar price was last adjusted in April, 1981, when it rose by R34 a ton to R373 a ton. The price was R172 a decade ago.

Mr Lionel Cork, manager of Coca Cola Bottling Company in Durban, said the Federation of Soft Drink Manufacturers had not yet been informed officially of the price increase.

Once it had, the federation would decide whether to apply to the price-

MARCOE IS WATGEMER

in soft drink prices

Meanwhile, our Pretoria correspondent reports that a number of price increases will follow the 16 percent freight increase on April 1.

Most immediately affected are bulk products such as bricks, cement and coal.

Absorb

The Price Controller Mr Duggie de Beer, said there would be no automatic price increases of controlled commodities.

They must satisfy market conditions before they are not in a position to absorb at least part of the higher railway charges before an adjustment is authorised, Mr de Beer said.

A South African Agricultural Union spokesman said higher railway charges would strengthen demands for increases in Government-administered prices of primary products.

The demands for increases in the prices of maize, dairy products, wheat, oil seeds and the floor price of beef will have to take the tariff hikes into account.

The demands would be submitted in the next four weeks.

The huge range of goods sold in supermarkets also would be affected by the new rates.

Bread price 244 7/3/82 C. Herald war launched

THREE leading supermarket chains have cut the price of bread at their Johannesburg outlets and the price cutting war is certain to spill over to Cape Town.

In addition to their trolled price) in Johan- and Pick 'n Pay will sell bread price cut Checkers nesburg. white bread for 36c and in Johannesburg have Checkers Hypermarkets brown bread for 25c. also reduced their price of milk and butter.

● A spokesman for Checkers, Mr J Mouton said in Cape Town on Monday afternoon that city stores were awaiting a directive from their head office before implementing any cuts locally. The meeting was in progress at the time of going to Press.

● Mr John Barry of Pick 'n Pay said his company had already started the price cutting in Cape Town on Monday.

No OK Bazaars spokesman was available for comment on Monday morning.

The OK Bazaars will be selling white bread for 35c (3c below cost and 5c below the Government controlled price), and brown bread for 24c (2c below cost and 4c below the Government con-

1 Living costs set to leap — businessmen

RDM 9/3/82 (244)

By GERALD REILLY

SOUTH Africa's living costs will leap upwards at the beginning of April, according to businessmen

The combined impact of the 15% rise in railway rates and the expected petrol price increase at the end of the month, they said, would give the consumer price index a powerful push

Although appeals have been made to manufacturers and wholesalers to limit their price increases, it is expected that virtually all commodities except those controlled by the Price Controller, will rise in April

The chairman of Pick 'n Pay, Mr Raymond Ackerman, said yesterday he expected the combined effect of the higher railway rates and

the petrol price rise to add about 2.5% to the cost of hundreds of goods on supermarket shelves

This was in addition to the higher GST imposed from March 1

Some suppliers were already trying to raise their prices

"There is a knee-jerk reaction every time basic costs are raised. Often this is not justified because of the large stocks carried by some suppliers"

Mr Ackerman said suppliers should also be made to tighten their belts and trim their profit margins

Motor industry sources expect the Minister of Finance, Mr Owen Horwood, to announce a petrol price in-

crease of about 5c a litre in his Budget on March 24

Despite a growing world surplus of crude oil and sagging international prices, South Africa would still have to raise its petrol price, they said

The main reason was that South Africa had to pay in dollars for its crude imports and during the past year the rand has depreciated by about 30% in terms of dollars

The Minister of Mineral and Energy Affairs, Mr F W de Klerk, said towards the end of last year the equalisation fund would be unable to absorb further price rises from the end of March

It absorbed the 4.6c a litre increase announced last November

THE DAILY DISPATCH 11/3/82

EL milk price the highest

EAST LONDON — Consumers are paying more for their milk here than in any other major centre in the country. 63c to 66c though it is being sold at 56c without tax at a Vincent super market

A snap survey of shops in the East London area by a Daily Dispatch reporter has revealed that in most shops the price of milk is 64c a litre, a full 6c more than the highest milk price in the Dairy Board-controlled areas. The survey also showed that the price of Kokstad milk is identical to that of Model Dairy at most outlets despite a claim by Kokstad Dairy that their wholesale price to the seller is 8½c lower than that of Model Dairy.

East London milk does not fall under Dairy Board control, and retailers here are free to charge as much as they want. At one city supermarket Kokstad milk is being sold at 51c a litre excluding tax and Mr Bryan Randell, manager of the company which distributes the milk says this price includes a 'healthy markup'.

But a spokesman for the Department of Trade and Industries said in Pretoria yesterday that consumers could make representations to the government to have the price controlled if they thought it was exorbitant or unreasonable. Mr Randell said Kokstad did not increase its price on March 1 (when Model Dairy milk increased by 4c a litre) and was selling to all shops at one price.

"If East London consumers put a good case together and present it to the Department of Agriculture and Fisheries they could be granted a controlled milk price." He said some shops were selling at the lower price but most were "making hay while the sun shines".

This is the situation in Port Elizabeth where though the Dairy Board does not operate the milk price is controlled at 48½c for home deliveries and 54c (57c with tax) for retail outlets. Mr Randell claimed Kokstad Dairy had been banned by the Ciskei Marketing Board from selling milk in Mdantsane "They wanted all their milk to be supplied by Ciskei producers but there is a shortfall and this is not being supplied by us," he said.

In East London the price of milk delivered to homes is 54c. The only dairy to provide this service in East London is Model Dairy. Mr Randell said the people of Mdantsane had been denied the opportunity of buying milk at a cheaper price.

The snap survey showed that the price of Model Dairy milk in most shops varies from 63c to 66c though it is being sold at 56c without tax at a Vincent super market. The Dairy Board's intervention from Model Dairy yesterday — DDR

Wiley's Cabin

plea for stripes...

free seats

EMPT Y SAA aircraft seats should be made available free to national servicemen, Mr John Wiley (NP Simonstown), said yesterday.

He said during the committee stage of the Transport Services Appropriation Bill that servicemen often queued for seats at D F Malan airport because they could not book in advance.

These otherwise empty seats should be made available to them free of charge even if they were on the last flight out.

I ask the Minister (Mr Hendrik Schoeman) to see if the servicemen could not be accommodated where these seats are not required by normal paying passengers, he said.

If was common practice in countries such as Israel for servicemen to travel free and he wondered whether the servicemen's pass could be reintroduced on the railways.

Mr Wiley also asked the Minister to consider the introduction of a special air fare for school children who had to travel to distant boarding schools—Sapa.

Apex

fares on internal flights

Parliamentary Staff CABIN crews on SAA international flights were dissatisfied and discontented because of poor working conditions, an unsatisfactory roster system and bureaucratic alienation, Major R Sive (PF Bezudenhout) told the Assembly yesterday.

Major Sive highlighted what he considered a sorry plight of these cabin crews during the committee stage debate on the transport services budget.

He said cabin crews on international flights worked on a roster system which meant they never knew their future schedules.

They complained of insufficient rest periods at home between flights, which did not allow them time to see loved ones or recover from jetlag.

Roster clerks complained they could not arrange the rosters any other way because of shortage of staff.

The result is a downward spiral—the more they have to fly, the more they resign, thus the more those who remain have to fly, he said.

Major Sive said equipment on board the planes was seen as archaic with the removal of sex discrimination a job allocation air hostesses were now forced to push heavy and clumsy trolleys with great difficulty. There was also slackness in the repair of damaged equipment.

Cabin crews were also dissatisfied with merit measurement. With the roster system, it was impossible for an aircrew ever to consist of the same people and it was therefore difficult to find suitable criteria for measuring merit.

An insidious system of guaging merit is the "please explain" letters from passengers. These are placed on the personal file of the aircrew and too often used for quality assessment, said Major Sive.

Many air hostesses were bored and demotivated because they had university degrees, and some came from law teaching profession. Little was done for their intellectual stimulation—they had to leave the service, or rot mentally.

As far as the recent introduction of black air hostesses was concerned, Major Sive said insufficient psychological research seemed to have been done to prepare white cabin crew to accept them.

Rebel's plea: Protect railway

Parliamentary Staff

A PLEA for protection against terrorist attacks was made in the Assembly yesterday by one of Dr Andries Treurnicht's rebel Nationalists.

Dr F A T van Staden, MP for Koedoespoort, called for maximum security measures to safeguard the railway workyards in his constituency against any attacks.

Speaking in the committee-stage debate on the transport services budget, he said that in recent times there had been several terrorist attacks in the Pretoria area.

This was an indication that Pretoria and its environs had become a terrorist target.

The workyards at Koedoespoort were important for the transport services and should be given maximum protection.

Dr Van Staden also called on the Minister of Transport Affairs to consider the question of free liquor on SAA flights.

ms the new Rover 2600

and the new Rover 2600

Apex fares on internal flights

AN APEX system reduc-
ing air fare by 15 per-
cent on internal flights
would come into effect on
April 1 the Minister of
Transport Affairs
announced yesterday

The system would
apply to a limited number
of seats and would be
aimed at maximising
presently unused capacity
on flights operating at
inconvenient times

Mr Schoeman
announced the new
measure during the
debate on the second
reading of the transport
services budget and said
that certain categories of
freight would also be
exempt from the recently
announced tariff in-
creases

SAA had decided to
introduce an internal
Apex system in the place
of the present seven to
28 day and 10 to 21 day
excursions

A limited number of
seats on selected flights
will be offered through-
out the year at a 15
percent discount on the
normal economy tariff
Mr Schoeman said —
Sapa

Price rises likely for maize and dairy goods

Own Correspondent
 Price rises in dairy and maize products are expected to be introduced when representatives of the two industries submit applications for price increases to the Government in May

Both industries have been hit by higher production costs and increases are likely to be introduced to offset losses.

Dr Louis Theron, chairman of the National Dairy Committee, said farmers were justified in asking for higher prices for dairy products because they were experiencing financial difficulties

He said dairy farmers were battling to offset cost increases and low returns. In order to earn a reasonably good income, they had to work under difficult conditions over long hours

Dr Theron slammed the price control sys-

tem because some farm products rose in price regularly while others were subject to Government approval

He said dairy farmers would now be applying for rises on a regular basis.

The prices of milk and other dairy products have risen regularly in the past few years. There were two increases last year and the milk price rose to 50c earlier this year after general sales tax was increased by one percent

The price of dairy products could rise again in May after the completion of negotiations between the maize industry and the Government

Recommendations by the Dairy Control Board will be considered by the Government once the price of maize has been set

244

Jan 13/82

~~3 Dairy~~

Beer

CAPE TIMES

price

12/3/82

to rise

Staff Reporters

BEER is to go up in price from Monday

Bottle store owners yesterday said they had been advised of the increase of seven percent this week

Existing stocks would enable some to hold prices for a few days after Monday but it would then be necessary to pass on the increase to consumers

South African Breweries attributed the hike to increased costs of raw materials and wages

Mr Peter Muller, chairman of the Hotel Association of the Cape, said last night because of the increase in the wholesale price of malt, retailers would be increasing their price of beer by at least 7.5 percent from Monday

He said retailers had been unable to delay the price increase because they held only limited stocks of beer

The managing director of a liquor group, Mr Mike Kovensky, said last night it was the group's policy to freeze the old price for as long as possible — which in this case would be for four or five days

He said the last beer increase had been in January last year, and felt that as the cost of raw materials had increased, the beer price increase was predictable

Mr Kovensky said he would not be surprised if the price of beer was increased again when the Budget was announced by the Minister of Finance this month

ORGANISATIONS and industries whose annual increases fuel the fires of inflation should agree voluntarily to keep those annual increases below the inflation rate, says Dr Johan Cloete, Barclays Bank's chief economist.

The Railways, being particularly big buyers, should, for example, agree to do this, provided those it buys from, such as Escom and the suppliers of its rolling stock, agree to do the same

"And the farmers should say to the Government that they are prepared to accept an increase of one per cent below the inflation rate, provided it (the Government) ensures that the fertiliser, implement and seed companies do the same," he said.

"If the government is really serious about controlling inflation it should take the initiative and call a Carlton-type conference of all the big organisations and industries whose annual increases boost inflation and get them to agree to this course of action"

Essentially, this would mean slowing down the wage-price

for many years been propagating as the only rational way there is to control and eventually beat inflation.

"The only alternative way there is, is to allow a really serious depression or recession to develop, which is extremely harmful," he said

"Such a course of action will certainly cut inflation, but at what cost?"

"There will be mass bankruptcies, tens of thousands will be put out of work and a host of socio-economic problems will manifest themselves — and the economy will be badly harmed

"How will it control inflation? There won't be much money around and those that have managed to survive will be far too scared to increase their prices, lest they chase away their share of the little that will be around"

On railway tariff increases Cloete said: "They are more victims of circumstances than villains, but the real tragedy is that their Minister, Hendrik Schoeman, does not realise that a price increase offers only a short-term solution to his money problems.

"The only thing it really does is to guarantee that he will have to make another price increase, possibly much bigger, next year"

Cloete added "Another problem is that Minister Schoeman does not appear to understand how inflation works — and he is not alone on that count in the Cabinet

"He appears to be adopting a common philosophy, that inflation takes place because of the increase in the money supply so the railways have nothing to do with it. Control the supply of money and you have no more inflation. It doesn't work like that.

He said South Africa should take a page out of the Ford Motor Company of the US book, where the workers agreed not to ask for any wage increases for two years, provided that they would not be retrenched in that period and that the company did not increase the prices of its cars.

Cloete does not believe the inflation rate will come down this year, in spite of the Government's stringent monetary policies, but he does see the growth rate being a casualty of

Slow the wage-price spiral

IT'S THE ONLY WAY TO CONTROL AND BEAT INFLATION, SAYS BARCLAYS' CHIEF ECONOMIST

244

PO tariffs to go up

(244)

again, says Minister

ARGUS 16/3/82

Political Staff

ANOTHER increase in Post Office tariffs is looming on top of the 17 percent average increase which takes effect on April 1

Giving notice of further increases in the not too distant future in his Post Office budget speech today, the Minister of Posts and Telecommunications, Mr Hennie Smit, however, gave no indication of the size of the expected increases

BLACK DEMANDS

At a Press conference, the Postmaster General, Mr H O Bester, however made it clear that he required large sums of money for capital development to meet growing demands particularly from blacks for post offices and in particular telephone services

At least 50 percent of this money would have to come from self financing sources. In other words from profits on services.

Mr Bester said increases would also be introduced more regularly than in the past

The only tariff increase announced by Mr Smit today is a one rand surcharge on all telegrams. The service was running at a loss of R22 million for the current year. This amount was about 51 percent of the operating cost of the service

Mr Smit's budget was low key because he had already announced tariff increases for April 1 in January and salary increases for Post Office staff last month

Mr Smit again avoided giving details of the salary increases but at the Press conference Mr Bester said

the increases were in line with those granted to the railways staff. These increases averaged 15 percent.

SATISFIED

Mr Bester said the staff associations, although they had wanted more, were satisfied with the amount in view of the economic situation of the country

Mr Smit concentrated on informing Parliament of big modernisation schemes for the post office, including improvements to the post office savings bank, postal services and telephone and telex communications.

The Post Office expected to earn R1 716.2 million in the forthcoming year with operating expenditure estimated at R1 475 million.

By CHARLENE

REPORTAGE

THE message from economists this weekend is: Buckle down and listen to Finance Minister Owen Horwood's Budget on Wednesday with a box of tissues and a bottle of whisky, if you can afford it.

It is going to be a mean and nasty budget.

A year ago Mr Horwood disclosed that three out of four South African taxpayers earned less than R10 000 a year, or a broad average of R834 a month, or less

The Housewives League followed up his disclosure by compiling a budget for a white family of two adults and two adolescents with an income of R700 a month

Mrs Yvonne Forshaw, vice president of the league, gave some indication of how they battled to make ends meet

"We tried to find accommodation and ended up with a house in Triomf at a rental of R300 a month. Food, according to Department of Health nutrition requirements, and for absolutely basic, simple foodstuffs came to R175

"Tax was about R30 a month, lights R30, water R15, the medical aid fund and chemist about R35 and burial society R7,50 — that already comes to R592,50. It includes no clothes, transport, cleaning materials, education, entertainment, hire purchase or other costs

"It is frightening to think that three-quarters of taxpayers are trying to survive on that amount. Our survey was in August last year and costs will now be far higher

"There is the 1% increase in GST (to 5%) which added 2c a litre to the price of milk. There were also increases in light and water accounts and across a wide range of foodstuffs

Tougher times ahead as Govt scrabbles for cash to pay bills

244
S. EXPRESS

21/3/82

STRUGGLING TO BUY THE BILLS

HOW well do you think a Johannesburg family of six can live on R363 a month?

Impossible? Well, there are hundreds of families struggling to make ends meet on even cash

The household effective level for blacks in the Johannesburg area of R363 was calculated by the University of Port Elizabeth's planning department.

But research by Professor Jeremy Keenan, of the department of social anthropology at the University of the Witwatersrand, has shown an alarm-

ing number of black families in Soweto are existing below this poverty line

In Soweto's White City suburb 70% of the families live on less than this amount, while in Phiri slightly more than half the families live below this level. In Moroko the figure is about 30%.

Even more disturbing, 38% of the families in White City and 23,5% of those in Phiri live on monthly household incomes of less than the Johannesburg household subsistence level for blacks of R242,49

The household subsistence level is a basic short-term survival guide drawn up by Professor J F Potgieter of UPE. It includes food, clothing, fuel, cleaning materials, rent and transport costs for a month. It does not include other basics such as education or medical costs.

These are included in the household effective level, which is calculated at 50% above the subsistence level. It is an unbelievably austere budget for two adults and four growing children — but many black families don't earn even the basic subsistence income.

"Are these people living on savings or credit? I can't see how they are coping," Mrs Forshaw said

This year, with inflation running at 15,3%, it will be harder for most families to make ends meet, but they can expect worse to come

Economists point out that demand will slow significantly this year and could pull inflation down to 13,5%

But a lower inflation rate is not going to bring much joy to consumers

Nedbank economist Dr P van Schaik said the declining gold price affected the tax revenue of the Government which aggravated its financing problems. This would mean tax increases for the man in the street

The price of imports was likely to rise as the value of

South African currency declined and this would make it easier for local manufacturers to raise their prices

Professor J Sadie of Stellenbosch's Bureau for Economic Research said the 1% increase in General Sales Tax boosted the overall Consumer Price Index by 0,7%

He said he could see no increase in food subsidies this year and he pointed out

that the Government was loathe to increase the tax burden on companies

"In the Budget everything will be sliced. The decline in the price of gold will cause the Government to scramble for funds to cover deficits"

Prof Sadie said there were too few job opportunities to provide people with a decent income and too many people were under-employed

Petrol price increase is imminent

AKGUS
23/3/87 (264)

Political Staff

AN increase in the price of petrol is imminent and an announcement by the Government is expected today.

The Department of Energy Affairs called a Press conference for 4 pm in Cape Town today to make an announcement. It will come on the eve of the gloomiest Budget in years.

Motorists will probably have to pay the new price tomorrow before listening to the Minister of Finance, Mr Owen Horwood, presenting his Budget to Parliament.

There's no indication at this stage of the likely extent of the increase.

Warning

The likely rise follows a warning by the Minister of Energy Affairs, Mr F W de Klerk, that the previous price increase would cover the country's oil-purchasing costs only until the end of March.

Since his announcement last year the gold price has dropped substantially.

Also, in the railway budget, introduced by the Minister of Transport, Mr Hendrik Schoeman, oil pipeline costs were increased.

It was generally expected that the petrol price increase would be announced in Mr Horwood's Budget, but the calling of this afternoon's Press conference is probably aimed at preventing queues of motorists making a last-minute rush to petrol pumps tomorrow.

Paraffin

The previous increase was last July, when it went up by 6c a litre.

Usually when the petrol price is increased related products such as paraffin, power paraffin and jet fuel also go up.

There has been speculation the Minister of Finance will put the squeeze on the economy — and taxpayers — in tomorrow's Budget.

The speculation ranges from the possibility of increases in sales duties on luxury articles and excise duties on cigarettes and liquor to a possible 10 percent loan levy.

Fuel price set to rise again

Star
24/3/82
244
FUE

Chief Reporter

A further fuel price increase this year is likely, according to economists. They believe another rise will be necessary as the rand continues to weaken against the American dollar if the gold price remains low.

From April 1, the coastal petrol price will increase by 2,2c a litre and the inland price will increase by 3c a litre.

The Minister of Mineral and Energy Affairs, Mr F W de Klerk, yesterday attributed the increases to the weakening of the rand against the dollar.

Mr de Klerk said any further fuel price rises would depend largely

on the exchange rate and the gold price.

Mr Louis Geldenhuys, chief economist of Senbank, predicted a further weakening of the rand against the dollar in the next two quarters of the year, as the gold price was also expected to fall during this period.

Mr Geldenhuys said a further mild increase in fuel prices was possible, although such an increase would not be severe.

One of the immediate effects of the fuel price increases could be higher bus fares.

Mr Les Pettey, general manager of the Johannesburg Transport Department, said the diesel price increase of

3,3 percent was one of the factors that could lead to a fare increase.

He said the department would probably look for a fare increase of between 12 and 15 percent. This would be considered at the council's budget in June.

The president of Assocom, Mr Gordon Stuart-Reckling, said lower world oil prices outweighed South Africa's balance-of-payments problem.

He said the price of petrol should have fallen or remained static, as might have happened if the private sector had been allowed to participate in crude oil buying.

Building material prices up

ARGUS
24/3/82

~~24~~ 244

Property Editor

NEW price increases of building materials and higher transport and electrical costs will add another R1 500 to the cost of building a small house and R2 800 to larger houses, according to the industry.

Roof tiles, which are price controlled, have risen by about 8 percent, pushing up the price of a small house by about R150 and larger houses by between R300 and R500.

Timber has also increased in the past three weeks, adding R150 to a house, while dearer joinery items will cost another R150.

ELECTRICAL COSTS

Brickmakers have been allowed to raise transport charges and this is estimated to put another R200 on the cost of an average house.

Electrical costs are expected to rise sharply as a result of higher wages, adding between R500 and R1 000 to costs.

'We are expecting increases from electrical contractors because they are being forced to pay high wages to keep staff', said Mr Mike Orpen, managing director of one of the Cape's largest home-building companies, Hudcor.

'They have been losing skilled workers to semi-government organisations such as Eskom and Atlantis Diesel Engines which are paying double wages and sometimes more with incentives'

A shortage of skilled labour was likely to get worse and the insecurity of labour could hold back jobs.

The price rises are the net cost to the builder and the house-buyer could end up paying even more.

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ROOM (1003) (244)
25/3/84

Building price controls lifted

Mall Reporter

PRICE controls will be lifted tomorrow on most building materials, Dr Dawie de Villiers, the Minister of Industry, Commerce and Tourism, announced in Cape Town yesterday.

But in the short term building costs are not likely to escalate wildly.

South Africa's largest brick producer, Corobrick, has already agreed to hold the price controller's previously granted 17% increase for at least six months.

"After that period, some prices will of course rise," said Mr K Nurcombe, group marketing manager for Toncoro.

"The products which are

expensive to make like face bricks, will be most affected. Other prices should stay constant, and we may even be able to drop the prices of materials used in low-cost housing."

Mr G Taylor, executive director of the SA Cement Producers' Association, said cement prices would rise soon, to compensate for the rail price increases due to come into effect on April 1.

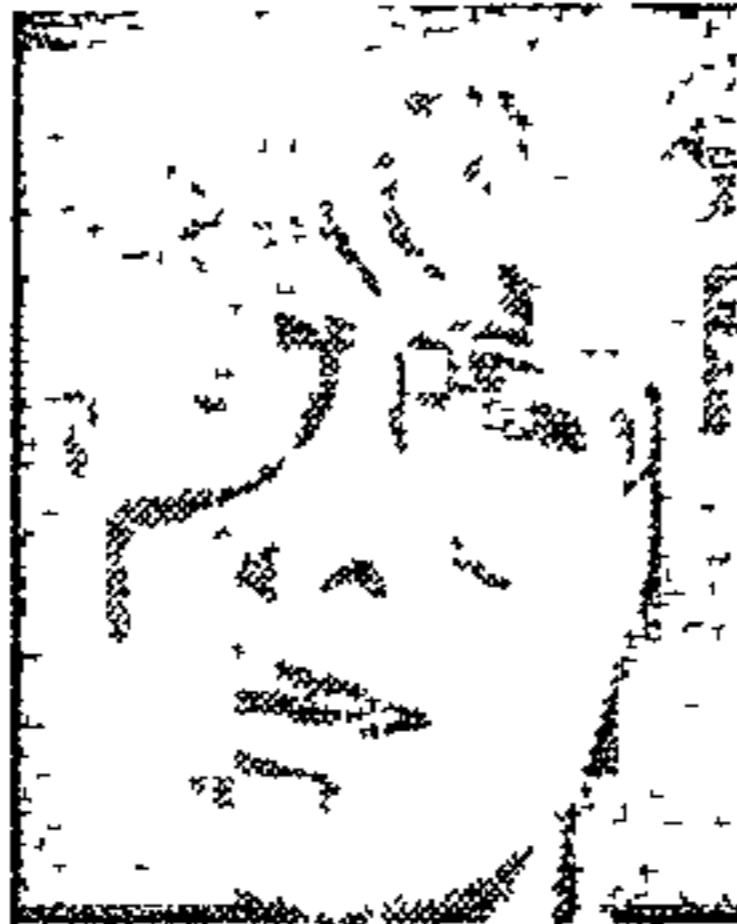
But the cement producers are due to meet Dr De Villiers on Friday to discuss the increase.

Mr Lou Davis, executive director of the Building Industries' Federation of SA, was jubilant.

love match?

stantly was a very
staff
Copenhagen they
at the same hotel
Sue's brother Neil
fore they left Heath-
together Sue said
had a great day in
Copenhagen I won my
and first prize and
cheered

'We haven't made any
definite arrangements to
meet We are both dedi-
cating our lives to Jesus
The two were introdu-
ced by the Rev Alan
Godson, a Liverpool Evan-
gelist at a concert given
by Cliff's old group The
Shadows



Cliff Richard

Bread subsidy position

4/2/64
25/3/1

(1/1)

244

'confusing'

Consumer Reporter

BAKERS and retailers
were reluctant today to
comment on the effect of
changes in the bread sub-
sidy in October

They said the subsidy
system was so complicated
that it was still
impossible to work out
what the new prices
would be

The four main super-
market chains reduced
their bread price last
month to compensate for
the 1c in the R1 increase
in general sales tax

BELOW COST

Mr Mike Palmer, direc-
tor of operations for
Checkers in the Eastern
and Western Cape said
We shall continue to sell
bread below cost, but if
the price goes up in
October as a result of the
alteration in the subsidies
we shall have to pass this
increase to the consumer

'That will have the
effect of the price going
up, although we shall still
be selling below cost'

MIND-BOGGLING

Mr Colin Boyes, secre-
tary of the Master Bakers
Association, said 'These
subsidy margins are so
complicated that it is
mind-boggling to try to
work out at this stage
what the changes will
mean

'I have no comment at
this stage'

Mr John Barry, director
of operations for Pick n
Pay in the Eastern and
Western Cape, said it
would be a 'very big blow
to the consumer' if the
bread price rose in Octo-
ber

'Something should be
done by the powers-that-
be to eliminate this par-
ticular price increase

'It will be a very big
hardship to a large part
of the community to

when bread, part of the
staple diet

Mr Norman Daniels
deputy chairman of the
Trade Union Council of
South Africa in the West-
ern Cape, said any rise in
the bread price would
have a 'tremendous cumu-
lative effect' in conjunc-
tion with higher transport
and petrol costs and other
price increases

He said the Budget had
been deceptive The sting
had been taken out of it
by announcing other
price rises a few days
earlier

Mr Daniels also said
the raising of interest
rates on defence bonds
would divert money from
the building societies and
increase housing difficul-
ties in the private sector

Price of bricks rises sharply

Property Editor

A 17 PERCENT rise in
the price of bricks
announced today could
add about R600 to the
cost of a new R50 000
house and about R500 to
a R40 000 house, accord-
ing to builders

The country's major
brick making group
Corobrick, announced the
rise with effect from
Monday immediately after
the Government today
freed bricks, cement,
doors and a wide range of
building materials from
price control

The industry had asked
the Price Controller for a
19 percent increase to
cover higher costs, said
Mr Keith Nurcombe,

otanist hurt in fall, another killed by bees

ay described their
fall
Kotze said he was
Mr Winter as he
went out to collect a
on an outcrop by
ing the branch of a
ne branch snapped
John fell heavily
the cliff top

I could see he was
badly injured and tried to
keep him warm while
Vicky went to look for
help at the nearest farm-
house' he said
Miss Botha said she
apparently disturbed a
swarm of bees as she
clambered down the
mountain

'I was stung by several
bees and also fell but
except for a few cuts and
bruises was not seriously
hurt' she said

Mr Kotze said after
waiting for two hours the
condition of Mr Winter
deteriorated and he deci-
ded to seek help as well

'Vicky was in a daze
and could only move very
slowly down the mountain
when I found her and
when I reached a farm-
house I had to get the
farmer to help her down,'
he said

An Alouette helicopter
from Ysterplaat Air
Force base was eventually
called in to airlift Mr
Winter to Cape Town

ek for UK cricket chiefs

rebels now in South
Africa
comes from India's
Minister Mrs In-
Gandhi
on a week-long
to Britain to pro-
a major Indian cul-
festival, Mrs Gandhi
she could not give
blessing to the tour
she had spoken to
Africans

'Last time also, when
we agreed to the (Eng-
land) team coming and
one or two (UN-blacklis-
ted) members joining it,
we consulted the African
countries before taking
the decision,' Mrs Gandhi
said
'This is a very ticklish
question You know how
strongly we and friendly
African countries feel on
this subject and we see

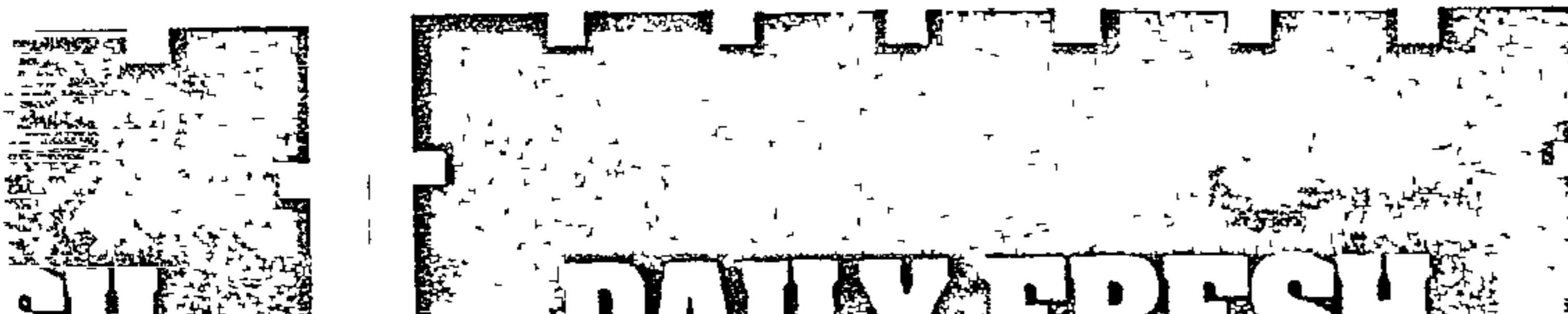
that even your own board
here has taken a particu-
lar stand
'It is not possible for
an Indian team to play
with teams which go to
South Africa'
Asked whether an
Indian team could play
against an English side
which had no rebels, Mrs
Gandhi said 'This is not
entirely in my hands, you
know

withdraw from seminar

expect a 100 per-
cent response,' Mr van
Zyl said
he confirmed that
Judge Donald Morand,
ombudsman for Ontario,
had been registered to
attend and had withdrawn
because of 'activist
Marxist' pressure
report that Austra-
lian ombudsman had not
been invited was dis-
puted by Mr van Zyl

'The fact that the invita-
tions were issued inter-
nationally in pamphlets
contained in professional
magazines means that
everyone who read the
pamphlet was invited No
one can claim he has not
been invited' he said
The idea of the seminar
was to investigate the
possibility of establishing
a high-powered but inde-
pendent Ombudsman's
office in South Africa
The seminar had been

organised by the Ombuds-
man forum of the Inter-
national Bar Association
in association with the
International Ombudsman
Institute and the Associa-
tion of Law Societies of
South Africa
Dr Randall Ivany of
Alberta, Canada, who was
to have attended the
seminar has also with-
drawn because he broke
his hip bone His assist-
ant, Mr Bob Wyatt, will
not be coming either



Tramways: We must go for higher fares

G.P. Times 25/3/87 (244)

Staff Reporter

THE increase in the price of diesel would make it inevitable for City Tramways to apply for a bus fare increase a spokesman for the company said yesterday

"The full implications of the fuel price increase have not been worked out but it is inevitable that we will have to go for an increase in fares" a City Tramways spokesman, who did not wish to be named, said

He added that no details could be given at this stage

The increase in diesel fuel to City Tramways would be three cents a litre

Cahac

Mr Wilfred Rhodes, chairman of the Cape Areas Housing Action Committee, responded to the news from City Tramways by saying his organisation had become very pessimistic about fighting applications for fare increases

"The last time we appealed against an application for an increase, we stated all the facts, describing the hardships it would cause and showed that things were actually improving for the company — and the increase

was still granted" he said

"We will naturally lodge our objections again if and when the application is announced and hope for the best

"The effect of another increase will be to once again hit the poorest man the hardest," he said

He pointed out that City Tramways was a private company that naturally had a profit motive. But Cahac saw the provision of public transport as a social need and saw this need being financially exploited

● Mrs Eulalie Stott, chairman of the Cape Town City Council's Housing Committee said food, rent, clothing and transport costs were the most essential items in the budgets of lower-income families and that these absorbed almost the entire income

"In view of the fact that the bus company intends to apply for a fare increase, I hope the Government will increase its subsidy or that employers will provide the extra money for transport costs" she said

● The Afrikaanse Handelsinstituut said the increase in the fuel price was not unexpected, but its adverse ripple effect on all economic activities

could not be ignored and would be inflationary

The chairman of the the AHl's Motor Chamber Mr Sarel Steyn, said in a statement to Sapa that although the 3c a litre increase was relatively slight the full effect of the GST and Rail Tarriffs, as far as petrol was concerned, had not yet been passed on to the consumer and the increase should therefore be seen in perspective

The AHl noted the drop in the international price of crude oil. However South Africa paid for crude oil in dollars, and because of the weakening rand/dollar exchange rate the increase was unavoidable

Higher profit

Mr Steyn said an investigation by the Institute's chamber the Motor Industries Federation and the Department of Mineral and Energy Affairs had concluded that the retail trade could lay claim to a higher profit margin, and the chamber was grateful that the Cabinet had approved this

In view of this, the chamber had supported the request of the minister concerned to postpone recovery until the end of the year

"However, the attention of the motor trade is drawn to the fact that the existing gross retail margin will now be levied on the increased fuel price so that monetarily they will in any case be in a better position Mr Steyn said

[Handwritten notes and bleed-through from the reverse side of the page, including phrases like 'The increase in diesel fuel...', 'higher profit margin...', and 'recovery until the end of the year']

22/3/82

Cape Times 26/3/82

Students hiss De Klerk

De Klerk said the NP would uphold white self-determination but the applause was more hesitant when he emphasized the importance of joint responsibility and decision making between whites coloureds and Indians in certain areas

He said he did not want to comment on "possible" constitutional proposals of the President's Council, but he emphasized that any proposals which jeopardized white self-determination would be unacceptable to the NP

Students hissed

Many students hissed when a student asked Mr De Klerk if he agreed with a statement by the Minister of National Education, Dr Gerrit Viljoen, about South Africa becoming an "integrated" society

The student quoted from a French newspaper and Mr De Klerk asked him if he believed everything printed about South Africa in the overseas press

"Do you believe it when

Too late for classification

BIRTHS

DEBONO — Anyta welcomes her new baby brother at the Somerset Hospital on March 25 to Cyrelle (nee Jones) and Selwyn. Thanks to doctor and staff

DEATHS

DEBONO — Dennis our beloved brother passed away suddenly March 24. The Lord gave and the Lord has taken away. Deeply mourned and fondly remembered by his loving sisters Maxie and Marilyn. RIP

LOST

DOG, Sheba black/tan Alsatian bitch. Please will you send her back to us? Reward Phone 903 3878

they say that we oppress people in this country?" Mr De Klerk asked to a mixture of hisses and applause

Asked why the expelled NP MPs were not allowed to address their divisional councils after they were expelled Mr De Klerk said to laughter that the NP would not provide platforms for "opposition politicians"

Mr De Klerk yesterday also addressed a meeting of about 100 businessmen in Pretoria

He said the NP was determined to implement its policy of constitutional reform with regard to coloureds and Indians

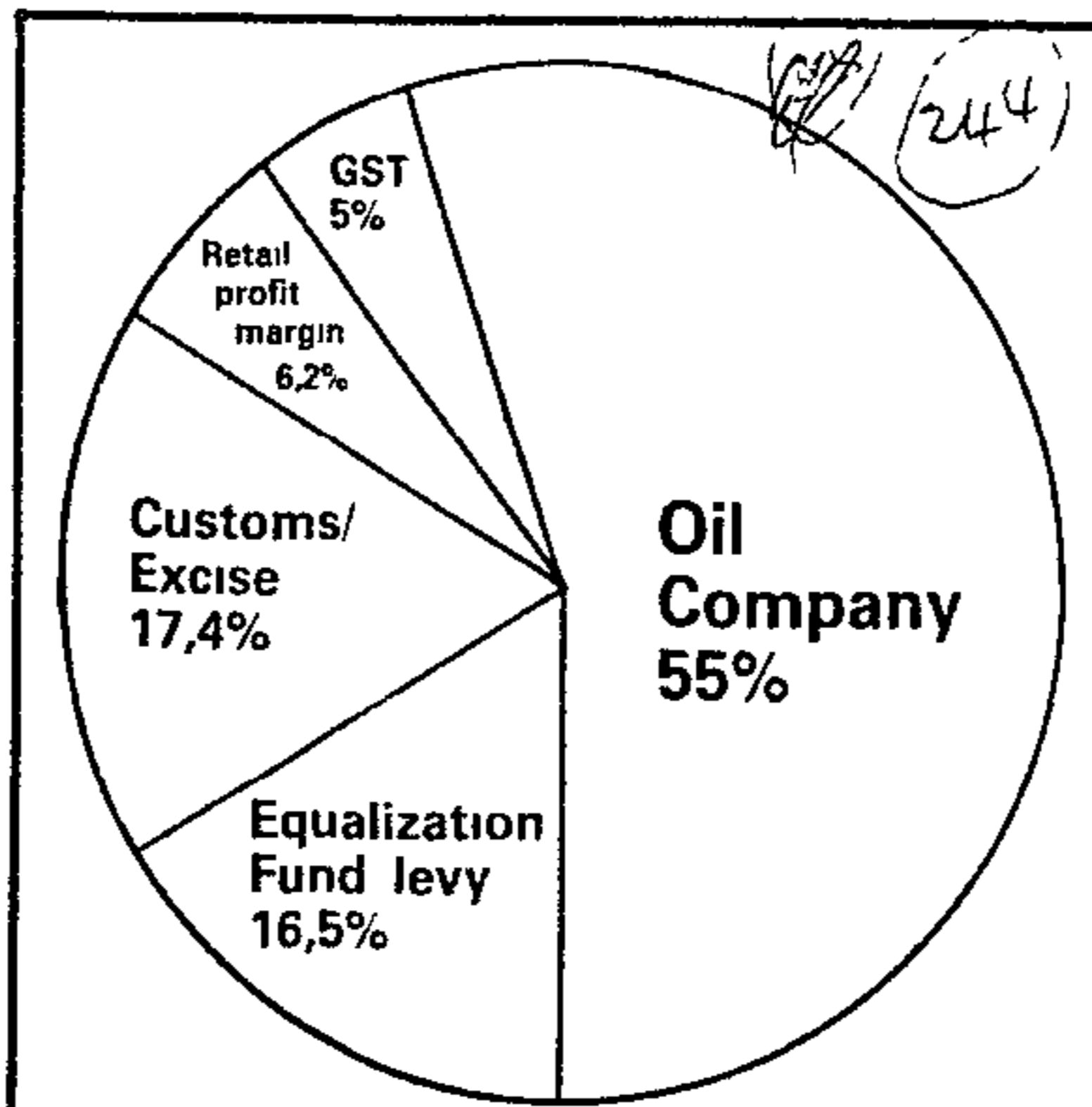
He added that violent confrontation would not solve South Africa's problems

At present the coloureds had fewer political rights than any other group in the country and were ripe for communist exploitation

The NP's policy had never been to secure white self-determination and security at the expense of other groups, and it would ensure that the same justice and fairness it demanded for whites was applied to other groups as well Mr De Klerk said

In spite of the breakaway by the group of MPs led by Dr Treurnicht the NP would not alter its course and was determined to go ahead with its policies, he said

The NP had no argument with other political groups about the maintenance of white self-determination. The "real debate" was how to give other population groups the same rights



This is how the retail price of petrol at the coast will be made up from April 1. The Minister of Energy Affairs, Mr F W de Klerk, announced a 3,8 percent increase in the petrol price on Tuesday, which will push up the coastal price to 59,4 cents a litre. Oil companies will take the biggest cut, followed by the State in the form of customs and excise duties, and sales tax. The State-run Equalization Fund is used to help stabilize prices in a frequently fluctuating oil market. The retailer gets 6,2 percent. The percentage given for customs and excise duties includes amounts for the National Road Fund, stockpiling, fighting oil pollution, and for Sasol. On the Witwatersrand, the price on April 1 will be 64,6 cents/litre. Rail and pipeline tariffs, and additional sales tax of 0,2 cents/litre account for the increase over the coastal price



A mock KO for the "champion" of local boxing enthusiasts, Mr Jossel Lipschitz, managing director of a motor company, from two world title boxing contenders, Bashew Sibaca and Jose Fernandes, who were among guests last night at the official opening of Cape Town's fully-equipped new boxing gymnasium at 51 Long Street. Fernandes, who made a bid for the world junior middleweight boxing title in Puerto Rico in 1977, now manages welterweight Manuel Jimenez, who will meet Mzwandile Biyana in Cape Town on Wednesday night. Jimenez will have a public sparring session at the new gymnasium from 1pm today

Woman weeps as tells of a

Staff Reporter
A GORDON'S BAY man facing four charges of rape and two of murder forced a woman he had just raped and throttled to promise "before Jesus" not to tell the police the Supreme Court heard yesterday

Mr Israel Ficks, 26 is charged with raping four women and murdering two of them over a period of five years. He also faces one charge of robbery and one of attempted robbery

He pleaded guilty to three of the rape charges, not guilty to both murder charges, guilty to robbery with aggravating circumstances, but not guilty to attempted robbery. On one of the murder charges, he pleaded guilty to culpable homicide

A 40-year-old Gordon's Bay woman, who may not be identified, wept continuously as she described how she was raped in her own home on March 8. Mr Ficks had previously admitted raping and robbing her

She... at home... man in b... tried to... leave b... the bed... I sca... grabbed... and sta... and sque... "I felt... knew I w... She to... her stu... off as w... face an... with an... thought I... just die... said

During... lost con... was not... been ra... came to... left he... money... was very... had done... The w... court he... res had... During th... fered fr... and at t... skull... severe... day

"Every... down a... night I c... have to... said

A young woman admitted her 1981 child when a door look... She we... when he... and found... sage wh... He thre... ground... consciousness... "My chi... and he s... her to k... said... speak as... pressing... realised... kill me... During... struggled... hit her... throttled... times and... she had... She sa... had made... impressic... children... all the...

Buthelezi: Transkei a homeland

DURBAN — The Transkei, Bophuthatswana and Venda should not be regarded as anything else but "homelands", the Chief Minister of Kwa-zulu, Chief Gatsha Buthelezi, said yesterday. Chief Buthelezi said figures announced by the government in Cape Town

One man, one vote to be proposed by West

Own Correspondent will be counted twice,

into effect next Thursday are
● A 125 percent in-

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GES
Hotel

Cape Times
26/3/82
From page 1
49

You name it, it's going up

Mercury Reporter

TOMORROW, being April Fools' Day, is a traditional day for laughs — but it's no joke that this year it will be a day also for increases in costs of a variety of products and services.

For starters, the travelling public faces increased air fares of between 3 and 12,5 percent, mainline rail fares of 10 percent and commuter tickets of 15 percent. Harcourts charges go up from 17,5 to 25 percent. Pulco bus company have announced fare increases

for late April of between 15 percent for cash transactions — and 30 percent for season tickets.

And if you're still smiling because you've got a car, consider this: Petrol will cost 2,2 c more a litre at the coast.

Furthermore, the price of motor vehicles, which was hiked by an average of 15 percent earlier this year, is set to increase still further. A spokesman for General Motors said people who planned to buy their new passenger models next month would have to part with up to 5 percent more.

Consumers should keep in mind that increased transport costs would ultimately rub off on virtually all aspects of the economy — not only in the motor industry, the spokesman added.

Letter-writers also have little to smile about — although postal tariffs increase by an average of 17 percent, certain popular services have more than tripled in price.

Express delivery of postal items rises from 30 c to R1, and registration from 20 c to 40 c. The cost of public (booth) telephone calls has doubled to 10 c. Standard-

used postal articles, which form the bulk of postage, go from 5 c to 8 c.

The lifting of price control in the building industry last week allowed an immediate 17 percent increase in the cost of bricks, and in the wake of the 1 percent across-the-board increase in mortgage-bond rates, home-owners will have to pay another R20 to a month from tomorrow.

And here's something to drop, posed smiles. A graphic industry spokesman said, the price of graphs will be 10 percent higher by next month.

(24)

Place

3/3

10

Lean times ahead for black worker

THE black worker faces a lean time during the coming months, when various increases announced by the Government come into effect.

Pensioners, too, in spite of increased income, will find it difficult to make ends meet.

In his Budget address, Finance Minister Owen Horwood announced a change in the bread subsidy system which will see this basic commodity rise by between 20 and 30 percent.

From October brown bread will cost about 46 cents a loaf and white bread 48 cents.

On the eve of the Budget the petrol price was also increased, which will have its spinoff in a hike in the paraffin price and increased bus fares.

Bus companies do not have to make a special application to increase fares if there has been a petrol price increase.

TRAIN

Travelling by train will also be more expensive. An average 15 percent increase in rail tariffs comes into effect on April 1. This is likely to cause an increase in a whole series of household essentials as retailers pass on increased rail tariffs to the public.

Postal charges also increase next month.

Home building and alterations will also cost more. Price controls have been abolished and a major producer has already pushed up its price.

Further increases are likely to follow as price

control on cement, crushed stone, burglar proofing and wooden blocks has also been done away with.

RETURNS

People earning under R585 a month will in future no longer have to submit income tax returns. They will have a predetermined tax deducted.

The higher wage earners will in addition to normal tax, also pay a five percent loan levy.

Some good news is that the tax deduction of married women is to be increased from R1 400 to R1 600.

The taxable income of life assurers has also been increased, which will inevitably lead to an increase in premiums.

For the pensioner a slight consolation was offered in last week's budget.

The pensions of 'coloured' and Asians was increased by R12 to R83 a month, while African pensioners will receive R9 a month more to bring their income to R49.

This falls far short of white pensions which have been increased by R16 to R138 a month.

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Watchdog

A Cape Times guide for consumers by BOB MOLLOY

All coked up about fuel

A CRY of exasperation from Somerset West — why does coke, which is the residue left after coal has been degassed and the gas sold off, cost so much?

The complainant, who lives in a smokeless zone and is forced to use an anthracite stove, says anthracite costs R4,95 for a 40kg bag and in winter one bag is needed every four days

Coke, traditionally regarded as a cheaper fuel, cost R5 for a 40kg bag delivered to his home. To save money he decided to buy his coke in Cape Town at the wholesale price of R2,75 a bag, only to find that his local coal merchant can supply coal to his home at R2,73 a bag

Mr D B Breeze, sales manager for Capegas Limited, explained that the ex-works price of R2,75 for coke prevailed until March 31 this year. Since April the price has been R3,15 a bag delivered to city suburbs "providing the order is for a reasonable number of bags"

Distance

The firm was unable to deliver to Somerset West due to the distance involved

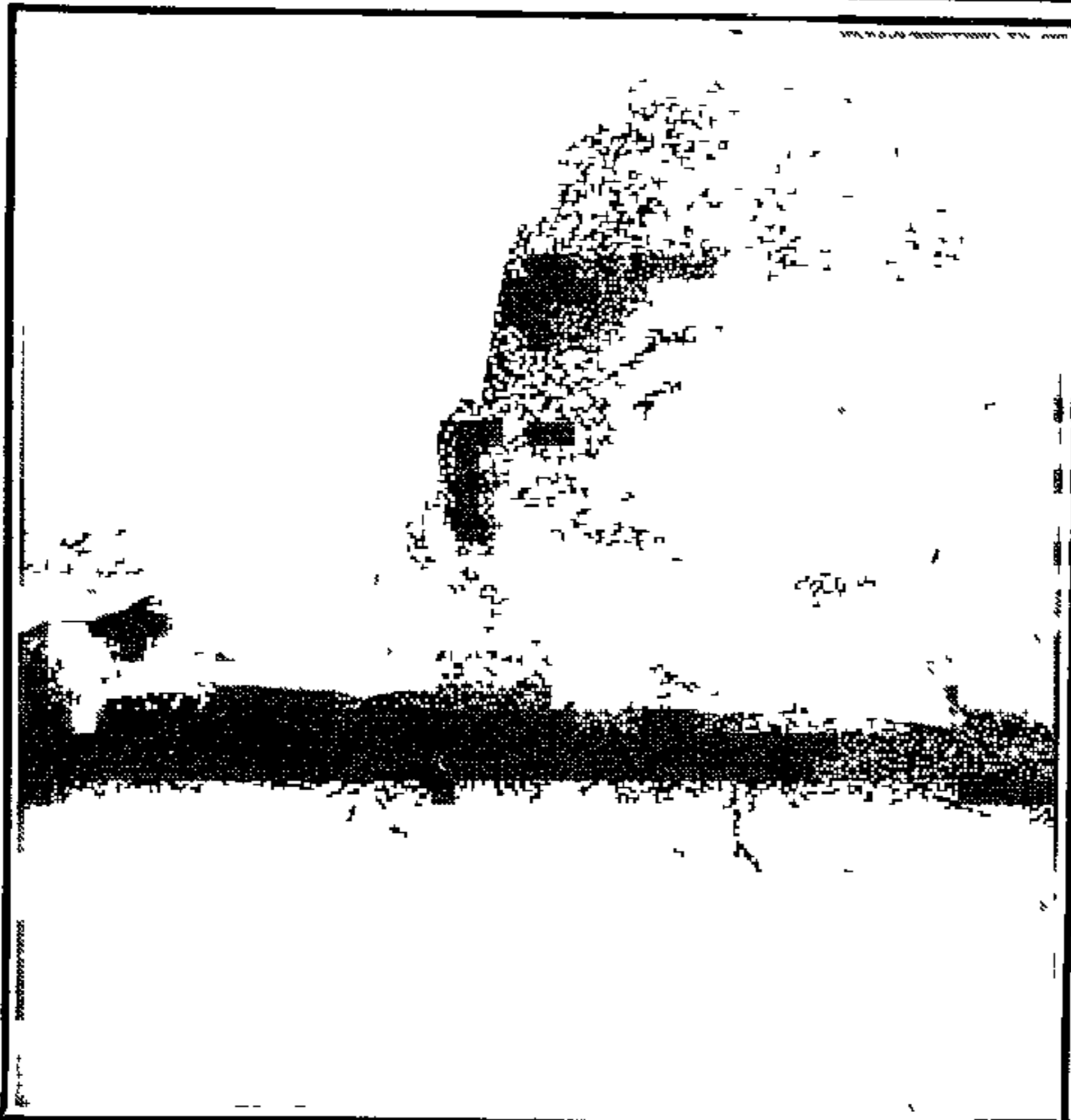
Factors involved in determining the price of any product included not only the price of the source material but also manufacturing costs, size of market, competition, and the advantage of the product over competitive products

In the case of Capegas, coke was one of a number of products manufactured from coal. The selling price had to be related to all the other products and the general cost structure

Domestic coke sales were a "very small percentage" of total sales. As a result delivery and labour costs were high in relation to sales. All these factors affected the final retail price of the product, Mr Breeze said

Watchdog safeguards your rights

Readers with complaints regarding retail or wholesale trading or professional practices are asked to ring WATCHDOG ☎ 22-4632 between 9am and 12 noon, Monday to Friday, or write P O Box 11, Cape Town 8000



Bread — a mouthful for some

The staff of life — what it costs

THE cost of bread, the range of bread available, and the price changes brought about by the new GST have all been queried by readers in the past few weeks.

WATCHDOG approached the general manager of the Wheat Board for an official statement on the situation. We received the following telexed reply:

Apart from the ordinary subsidized classes of bread, various other types of bread are available on the market. The prices of these are not controlled.

These are super white bread, high protein bread and special bread or "fancy bread" because it is prepared in a wide range of different shapes. Wheat Board regulations stipulate that these types of bread must be clearly marked so that the consumer can identify them from ordinary

bread

The price of ordinary subsidised bread is based on bread manufacturing costs and the amount which the government has available for bread subsidy.

The wholesale prices are normally fixed at a level below that of bakers' manufacturing costs and the difference is made good to bakers in the form of a subsidy.

Subsidy payments are strictly controlled and checked by the auditor general who

submits regular reports on this matter to Parliament.

Gazetted maximum selling prices to the consumer include the retailers' handling and profit margin of 2c per 900g loaf.

The prevailing gazetted maximum selling prices of subsidised bread are as follows:

White bread 40c per 900g loaf
Brown and whole-wheat bread 28c per 900g loaf

These prices are arrived at after the deduction of the subsidies which at present amount to 5,2911c per 900g white bread, 13,3431c per 900g brown bread and 13,2747 per 900g whole wheat bread.

Prices exclude GST. Consumers in the Western Cape are asked to bring all complaints regarding subsidised bread prices to the attention of the Wheat Board's inspectors in Bellville, ☎ (021) 974 342.

PROFIT

Mr H Sackson, of Claremont, wrote to WATCHDOG to query supermarket claims of selling bread at cost and maintained that the profit is a quarter cent on a 50 cent loaf or half a cent in the rand.

From this he reasoned that as bread is one of the highest turnover items, and as fresh bread is received daily, then the capital invested was "turned over" at least 300 times a year or on six shopping days a week for 52 weeks.

At a daily profit of half a cent in the rand this represented 150 percent profit on the original capital at the end of the trading year, Mr Sackson said.

REPLY

His views were put to Mr M Marsden, a director of Pick 'n Pay, who assured WATCHDOG that "each and every loaf" currently sold in the company chain of supermarkets was offered below cost.

"In fact, on white bread we are selling at two cents below cost and on brown bread at one cent below cost."

"We are trying to feed the needy and hungry and to offset the increased sales tax that these people have to bear. The cost to our group will be well over R300 000 per annum, which I think demonstrates our policy on this issue."

He added that claims of a quarter cent profit on a loaf were "completely unfounded."

Soft drinks — latest prices

FOR those readers who queried the cost of soft drinks Pepsi Cola Africa has just released to WATCHDOG its latest retail price list. Container deposits and GST should be added to the prices given. Readers should note that there is no control on soft drink prices and those quoted are recommended take-away prices only.

Product	1 500 ml	1 000 ml	750 ml	500 ml	300 ml	175 ml	Cans
Pepsi	56c	44c	29c	23c	19c	15c	32c
Diet Pepsi	56c		29c		19c		32c
Mirinda	56c		29c	23c	19c		32c
Ginger Ale		44c				15c	
Soda		44c				15c	
Lemonade		44c				15c	
Tonic		44c				15c	
Cream Soda				23c			
Raspberry				23c			
Ginger Beer	56c		29c	23c			32c
Iron Brew							32c
Mirinda Lemon				23c			
Mountain Dew	56c	44c	29c	23c			



Creaming it off

WHEN is fresh cream fresh, and how do you describe synthetic cream?

The query comes from a Muizenberg reader who bought two cakes from a Mowbray confectioner.

The cakes were labelled "cream cakes" and, on inquiry to the assistant, he was told that the cream was "real fresh dairy cream."

A later sampling showed that the cream was artificial. The proprietor admitted this when challenged and said he would have had to charge more for real cream.

Smart move

"I told him it was not the price that was in dispute, but the fact that the public was being led to believe that the cakes were fresh cream cakes when in fact they contained no cream at all. His final comment was 'So what?'"

"Rather than shove his face into one of his cream cakes I decided to write to you," the reader said.

Smart move. The issue was put to the Department of Trade Inspections who sent out an inspector. His ruling: No synthetic cream may be sold as 'fresh cream' or labelled to give the impression that it is a dairy product.

Cape Times 24/4/87 244

THE Wheat Board's general manager, Mr Dennis F van Aarde, does not dispute calculations that indicate a staggering 20 to 30 percent rise in the price of bread on October 1.

In an interview in Pretoria this week, he emphasized that he was not categorically stating the extent of the rise — the board would not be in a position to provide figures on which the next official price increase would be based till July — but he could not find fault with reasoning along the following lines

● The actual cost price of brown bread is now 41,3c a loaf with a subsidy of 13,3c, that is 34 percent of manufacturing costs, leaving a selling price of 28c

● The actual cost price of white bread is now 45,3c a loaf, with a subsidy of 5,3c or 12 percent of manufacturing cost, leaving a selling price of 40c

● In terms of an adjustment to the subsidy system in Mr Horwood's national budget, these percentages will drop respectively to 20 percent and five percent

● Increases in manufacturing costs will closely parallel the inflation rate of about 15 percent

● Bread consumption rises by between six and seven percent a year

New system

Put another way, the new subsidy system means a R2-million decrease in the subsidy to R158-million from October 1, when bread should cost about 15 percent more to make and when consumption should have grown by a good six percent. Even before taking the rise in production costs into account, Mr Van Aarde says brown would have to go up by about 18 percent if it were applied right now and white by eight percent.

But the cost rise is inevitable and application of a 15 percent rise to a

Big bread price rise will hit consumer

DEMANDS for a better deal by key links in the entire bread production chain, coupled with a change in the government's subsidy system stand to leave consumer's bearing the brunt of a big price rise in October. After talks with the Wheat Board in Pretoria this week, GORDON KLING reports.

loaf of brown would bring its cost price to about 46c, which with the new subsidy system would mean a subsidy of about 9c causing a 32 percent rise in the selling price of the most basic staple of all to 37c a loaf

The Wheat Board doesn't like the outlook, admits Mr Van Aarde, but if the government isn't prepared to pay up, somebody has to and it can't be wheat farmers, millers, or bakers

Abolition

What about abolishing the subsidy on white and increasing it on brown, as suggested by a member of the Opposition in Parliament recently? The board doesn't want to get involved in politics but it is pointed out that the extraction rate would be boosted by such a move, meaning more bread from the same amount of grain. On the other hand, too high a subsidy could lead to abuse

"Imagine what would happen if the cheapest

chicken food for example, was brown bread," says Mr Van Aarde, who maintains that the gap is already narrow

It's impossible to predict the success of the next wheat harvest at this stage or justify the growing effort in purely economic terms, but one thing is for sure South Africa, because of its unpredictable climate and shallow, inferior soils isn't really suited to wheat-growing. But to abandon local production in favour of imports would leave the country with an Achilles heel which could prove more vulnerable than the one already existing from lack of oil

Mr Van Aarde can speak authoritatively for all three groups in the bread process since all are members of the board, it comprises eight seats for grain producers, two for millers, one for bakers and one representative for consumers

Both the millers and the bakers have been

stuck with a 15 percent return on capital since 1974 when it comes to calculating the cost price for subsidy purposes. They could, for the time being at any rate, get a better return by selling out and simply collecting interest from the bank

Mr Van Aarde isn't sure Mr Horwood will permit an improvement on this aspect, even in these days of high interest with the banks' prime rate at 20 percent, but he is adamant that compensation for higher costs is a must

Fuel, fertilizer, and farm machinery for example account for 70 percent of total wheat production costs and the increases in these have exceeded the inflation rate in the past year

Farmers

Most of the 26 000 wheat farmers, says Mr Van Aarde, would like to see the subsidy done away with entirely since they get no direct benefit from it and many believe it prejudices the government when it comes to granting them the annual wheat price increase from October 1st

It doesn't make a lot of difference to the 20 milling companies either, since it is paid out only to the 450 or so bakers on their production, which requires the board to keep a score of inspectors in the field to monitor their books and laboratories to check up on abuse of the system through cutting quality

As for the retailers, they aren't happy either with a margin of 2c a loaf

"There are complaints all along the line," Mr Van Aarde concludes

And the way the battle lines are being drawn for the all-important pricing sessions with the government due after July, the consumer doesn't appear to have much clout. Unless a rescue attempt begins soon, come October this will be a devastating blow for the great majority of the population, at a time when the downturn in the economy is already causing belts to be tightened

be determined by the Senate

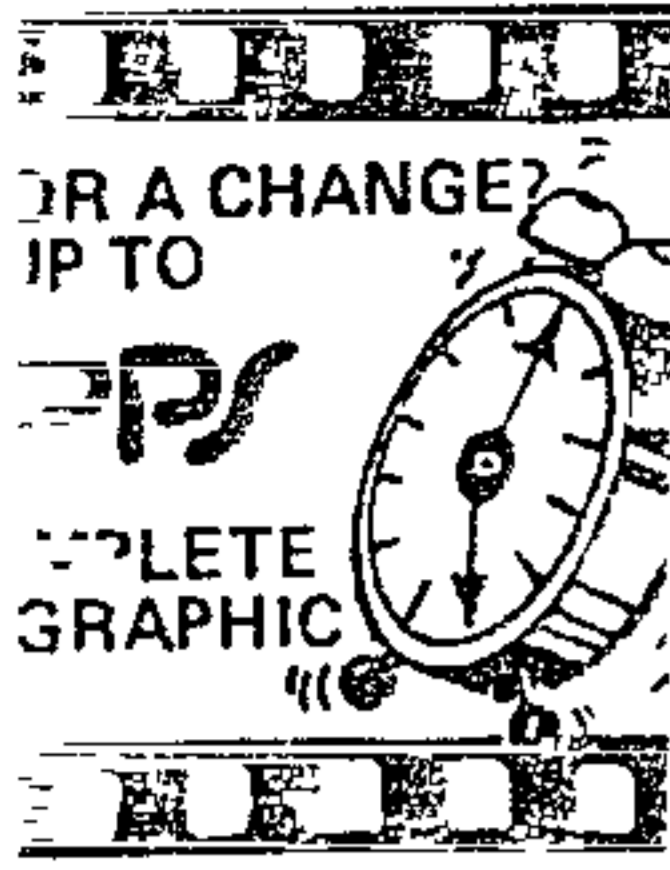
5 A candidate must not take out of the examination room any examination books supplied by the University

6. Pages must not be extracted from this book

Senaat nodig mag

5 Geen eksamenskrifte deur die Universiteit verskaf, mag uit die eksamenkamer weggeneem word nie

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By SHELAGH BLACKMAN

THE cost of living for an African family of six in South Africa rose by 16,3% during the past year — the highest increase in 10 years according to the University of Port Elizabeth's Institute for Planning Research

But the institute's latest six-monthly Household Subsistence Level survey reveals that of the major urban centres surveyed, Port Elizabeth remains one of the cheaper places for African families to live

It costs a family of six a minimum of R231,23 a month to live here compared with R63,98 in 1972

The same family would need R256,53 a month in Johannesburg today

The HSL is the minimum monthly amount an African household of six and a coloured household of five can be expected to live on

It is more expensive for an African family to live in Uitenhage than in Port Elizabeth — the difference being R7,29 Uitenhage is slightly more expensive than Cape Town, where the HSL is R238,16

The survey also reveals that, with an HSL of R216,74, a coloured family of five lives cheaper in Uitenhage than an African family

African living costs up by 16,3% in 1981

244
E.P.

Of the major urban centres, East London is the cheapest for a coloured family, the HSL being calculated at R232,83 a month — well above the level for Uitenhage

As with Africans the most expensive city for a coloured family is Johannesburg The HSL there is calculated at R258,19 a month

The cheapest major urban centre for Africans is Bloemfontein, where the monthly HSL was found to be R229,86

The survey points out that the 16,3% HSL increase for Africans in the past year is "substantially" higher than the Consumer Price Index of 13,6% for the period February, 1981, to February this year

The HSL increased at a lower rate than the CPI for

only two areas — Bloemfontein, 12,8% and Windhoek, 11,8%

If the current rate of inflation remains more or less unchanged then the average HSL for an African household in South Africa's five major urban centres could reach R357,96 a month by 1985, the head of the institute, Professor Johan Potgieter warns in his report

The graphs drawn by the institute reveal that a six-month period of high increase is usually followed by a "levelling off" period In the present six-month update a low increase of 4,7% was calculated for African families in the five major centres compared with a relatively high 11,1% for the previous six-month period ending in September, 1981

The pattern for the coloured population was very similar

Generally speaking, price increases during the past six months were "very moderate", Prof Potgieter said, but added that fuel and light had increased "substantially"

As far as possible all price increases, effective from April 1 were included in the update, he said in his report

The HSL calculations included the following elements

- An adequate balanced low cost diet
- Clothing
- Fuel, lighting and cleansing materials
- Transport for the breadwinner to his place of work and back.
- Housing

Of 775 people cremated only 21 black

OF the 775 people cremated in Port Elizabeth last year, only 21 were black

The number of people cremated in the city was the sixth highest of any centre in South Africa — way behind the front runner, Johannesburg

There, 3 071 whites and only five blacks chose to have their mortal remains disposed of in this way

At the Brixton Hindu Crematorium though, 134 Asians were cremated

Other tallies are Cape Town with 2 710 whites and 319 from other race groups, Durban with 2 601 whites and only eight from other race groups Pretoria with

Open verdict recorded at inquest on buried babies

HUDDERSFIELD — An open verdict was recorded yesterday on two babies whose decomposed remains were discovered buried in the garden of the home of their parents, who concealed the children's deaths for 12 years

The coroner, Mr James Turnbull, told an inquest he was unable to determine the cause of the deaths of the babies, Harry Frost, who died in 1967, and his

sister, Helen, who died a year later Both lived only a few months

The children's remains were found by police buried in the garden of their parents' home at Hanging Heaton in 1980

The father, Harry Frost, and his wife, Elizabeth, were both convicted last May of preventing a proper burial for the children and jailed for five and four

years respectively

At their trial the Frosts said they found their son dead in his cot and Helen dead in her pram They said they panicked and buried the children

During the investigation the Frosts first maintained that the children were adopted by an Australian couple they could not identify and then accused each other of maltreating the children — Sapa-Reuter

SA views Mishra appointment as 'provocative'

CAPE TOWN — The South African Government views the appointment of Mr B C Mishra as the United Nations' Commissioner for SWA/Namibia as provoca-

larly at this sensitive stage of the negotiations

"This appointment again demonstrates that the United Nations has no desire to depart from its

Eight trophies for PE Moto-X club

221
336



GST and price rises take toll of shoppers

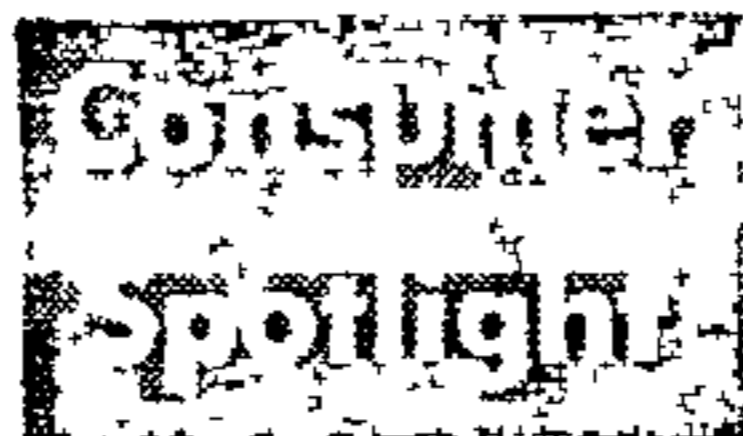
1/5/82 (20) (244) star

By Caroline Braun, Consumer Reporter

Increased GST and rising prices have added 86c to the cost of our regular shopping basket since the last survey in February

The basket of basic foodstuffs now costs R33,04, compared with R32,18 two months ago. Both amounts include tax.

The rate of increase over the two-month period is approximately 2,7 percent.



The highest percentage price increase was for chicken which went up an average of 18c a kg. Checkers in Sandton had no frozen chickens in stock but a spokesman for the store said they should be on the shelves with-

in a few days. The price of large eggs went up an average of 5c a dozen. Consumers would be wise to shop around for eggs, as prices vary as much as 8c a dozen from shop to shop.

Five Roses teabags were up 8c but Nescafé coffee was down 2c due to a promotion in one of the shops surveyed.

The price of cornflakes continued to rise steadily. In June last

year the average price for 500g was 74c. In November it had risen to 67,5c and by February it had reached 72c. Today cornflakes sell at an average price of 73,5c.

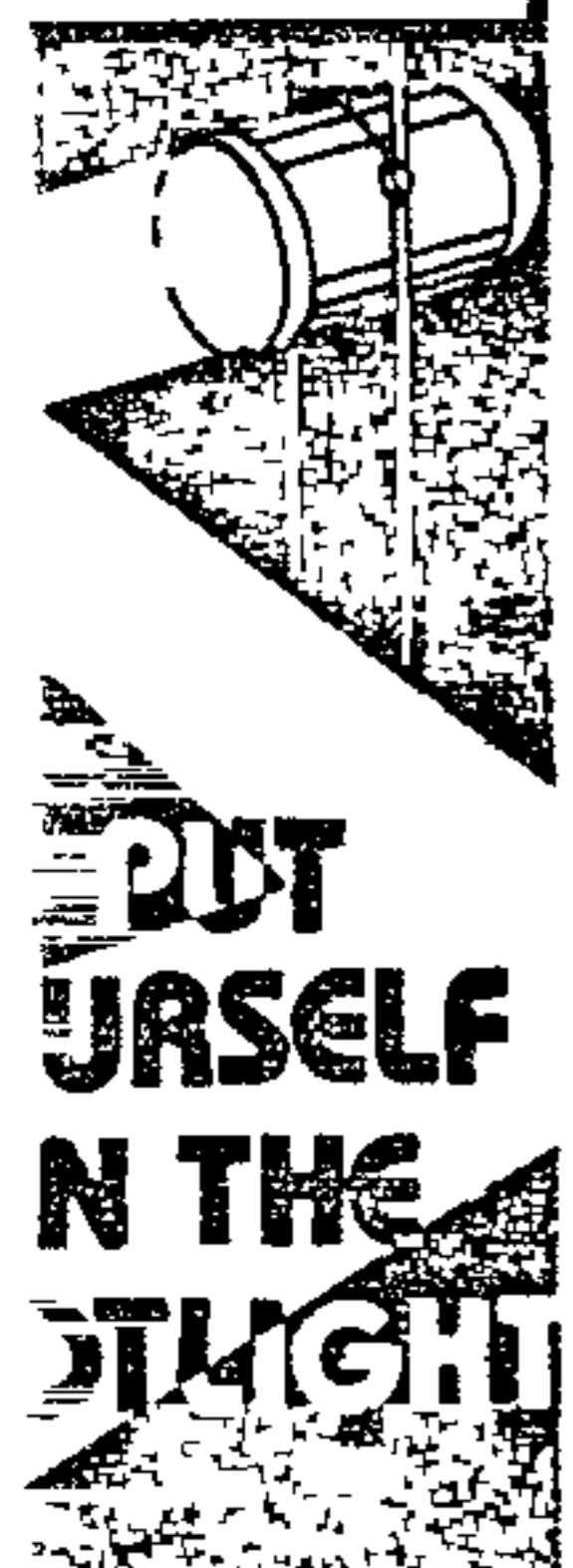
The price of lamb chops has increased by a staggering 24c a kg but porterhouse steak is 7c a kg cheaper.

Milk is a bargain at Checkers, Sandton, where it is selling for 2c below prices at other supermarkets.

27/4/82 Prices exclude GST

	Pick 'n Pay Hypermarket, Norwood	Pick 'n Pay, Benmore	OK Bazaars Sandton City	Checkers Sandton City	Average price	Average price on 5/2/82	Percentage increase or decrease
1 kg Porterhouse Steak	7,03	7,19	7,32	7,32	7,21	7,28	-1%
1 kg Frozen Chicken, Grade A	1,69	1,65	1,88	-	1,74	1,56	11,5%
2 kg Medium Potatoes, Grade A	86c	1,18	99c	1,25	1,07	1,08	-0,5%
1 doz Large Eggs	82c	86c	84c	78c	82,5	77,5	6,5%
1 kg I & J Hake Fillets	2,65	-	-	-	2,65	2,68	-1%
250 g Escort Middle Cut Bacon	-	1,52	1,45	1,53	1,50	1,48	1,5%
1 kg Super Lamb Loin Chops	6,52	6,78	6,76	6,76	6,70	6,46	4%
1 kg Tastic Rice	98c	99c	1,05	1,04	1,01	1,00	1%
500 g Choice Butter	1,52	1,56	1,58	1,53	1,55	1,53	1,5%
1 litre Milk	49c	49c	49c	47c	48,5c	49c	-1%
500 g Buffalo Salt	38c	39c	42c	43c	40,5c	39,5c	2,5%
500 g Kelloggs Cornflakes	65c	85c	75c	69c	73,5c	72c	2%
250 g Nescafé Instant Coffee	3,89	3,99	4,09	3,89	3,96	3,98	-0,5%
250 g Five Roses Tea Bags (Tagless)	1,49	1,59	1,77	1,69	1,63	1,55	5%

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ROPLE

Poor need 14 percent more for 'decency'

Consumer Reporter

POOR black and coloured families in Cape Town now need nearly 14 percent more money than they did a year ago to maintain a "minimum level of health and decency."

A report to this effect by the Institute of Planning Research at the University of Port Elizabeth is quoted in the current issue of the Cape Chamber of Industries bulletin.

The consumer price index shows that the average cost of living in Cape Town as a whole went up by 16,06 percent in the 12 months ending in March this year.

FAMILY

The Institute of Planning Research compiles regular reports on the minimum needed by a family of six black people or five coloured people in different cities.

The figures for Cape Town, based on price surveys carried out in March, show that the black family now needs at least R238,16 a month.

Last September it was estimated that the family would need R231,64 and in April last year R209,01. This means they now need 13,9 percent more than in April last year.

COLOURED

The figure includes R18,09 for rent and R14,60 for transport.

The figures show that the coloured family, who needed R231,82 last September and R213,52 in April last year, now need R242,96. This is 13,8 percent more than in April last year.

The figure includes R27,08 for rent and R12,88 for transport.

1974 affiliated to TUCSA other unions formed FOSEA

Registration: Yes

Founded: 1939

Area of Operation: We

Officials: Secretary:

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Cape Town

Corporation 5

Address: 201/4 City Ce

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Fosatu Annual
1980/81

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JEWELLET

Maize price rises 15,9 pc

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Political Staff
THE Government has agreed to raise the selling price of mealies by a whopping 15,9 percent to an effective consumer price of R155,30 a ton.

This was announced by the Minister of Agriculture, Mr P T C du Plessis, yesterday.

The price is bound to send an inflationary ripple through the economy.

Mr du Plessis said the Maize Board had asked for

- A gross producer price of R155 05 a ton
- A net producer price of R134 05
- A selling price of R155 30

To obtain the net price of R134,05 a ton the Maize Board asked him to use his authority to negotiate loans to make up the shortage.

"It is a special privilege to say it gives the Government great pleasure to agree completely to this request."

In considering the increase of 15,9 percent it should be noted that last year's increase was only 9,5 percent in spite of a higher inflation rate.

Mr du Plessis said the Government had also decided to add R25-million to the R50-million provided as a subsidy in the estimates.

To offset the shortage in the subsidisation account the Government had agreed to make further loan facilities available to the industry over five years at 10 percent.

The new price will come into operation immediately.

The Minister announced a floor price for sorghum grain of a nett R119,96 for producers, an increase of 23 percent.

This is, however, only a guaranteed minimum price, usually well below the market trading price.

Food rises

(Continued from Page 1)

have stocks which should last three weeks.

"But of course maize is used as food for livestock so it will not be long before the prices of eggs, chicken milk butter cheese and a variety of meat products also have to go up."

One of the main egg producers near Cape Town said, "Maize accounts for 75 percent of our costs. This increase means that egg prices will have to go up."

He said egg and poultry producers were faced with an increase in feed prices which would also include the increased rail tariffs which came into operation last month and possibly larger profit margins for the millers.

Mr Utian said, "While we recognise that the farmer must be kept on the land we are horrified by this price increase in what is the staple food of millions of the poorest section of our population."

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Durban Rubber Industrial Union
Chemical Workers Union
Chemical Workers Industrial Union
Chemical and Allied Workers Union
Cape Explosives Industrial Workers Union
Black Allied Workers Union

Chemical & Chemical Products, Coal, Rubber & Plastic Products

Consumers are angrily questioning the Government's 15,9 percent increase in the maize price which brings South African maize to R155,30 a ton — well above general world prices.

The Singapore price is about R90 a ton. In Chicago it sells for R112 a ton and from the Florida Gulf for export R123 a ton.

Mr H Nel, general manager of the Maize Board, said the South African maize price was higher than prices in other countries because the country's conditions and production costs differed.

"In America, for example, cost inputs such as fuel, fertiliser and implements are far lower than in South Africa.

"Drought is almost unknown in America and the American maize farmer can produce many more plants a hectare because of regular and widespread rainfall.

"The South African farmer has to accept drought as a way of life.

"His production costs are substantially higher than those of his American counterpart," Mr Nel said.

The Minister of Agriculture, Mr du Plessis, yesterday announced that from last Saturday the new consumer maize price would be R155,30 a ton.

The nett producer price, after levies, would be R134,05 a ton.

The Government has also given the industry a further subsidy of R25 million, bringing the total maize subsidy for the 1982/83 financial year to R75 million.

The Minister said the maize price increase was "reasonable," considering that last year's increase had been only 9,5 percent — well below the inflation rate.

Farmers and consumers, however, are angry and disappointed by the increase. XXX

XXX →

Inadequate

Mr Hennie de Jager, vice-president of the National Maize Producers' Organisation, said maize farmers felt the increase was "inadequate."

"The farmers are concerned that they will not be able to meet their financial obligations.

Last year farmers lost R640 million.

"The agricultural co-operatives, which helped finance the crop with loan funds from the Land Bank, will have to carry over to next year debts totalling R420 million.

"Debts from previous years - added to last year's debt - came to R650 million in farm debts.

"Farmers cannot survive if they have to pile up debt upon debt," Mr de Jager said.

Consumer spokesmen expressed dismay at the new price which they said would bring immense hardship to pensioners, people on fixed income and to the unemployed.

Mr Jan Cronjé, director of the Consumer Council, said it was inevitable that the maize price had to be increased but he appealed to manufacturers of feed and food products containing maize not to shift the increase primarily on to the consumer.

"Rising prices have already knocked the consumer hard this year.

"Consumers have to cope with the serious responsibility of budgeting judiciously in these trying times and to

By Caroline Braun, Consumer Reporter

Consumer rage at new maize price

244 Star 6/5/82

Star 5/5/82
Consumer rage at maize price

SUGGESTED SOLUTION

WORKSHEET

DEBITS

Stock 1.1.1905
 Purchases
 Selling Expenses
 Admin. Expenses
 Depreciation on Vehicles
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From page 1

curb impulsive spending," he said

Mrs Joy Hurwitz, national president of the Housewives' League, said the increase was "disgraceful" because of the tremendous ripple

Farmers get R134

Chief Reporter
 The farmer will put all but R21 of the new R155,05 maize price into his pocket

Mr H Nel, general manager of the Maize Board, said that R155,05 a ton was the gross amount paid to farmers

From this a levy of R21 was deducted, giving the farmer R134,05 a ton

More than R20 of the levy was put into the maize stabilisation fund to subsidise the loss on the export of maize surpluses

Less than R1 went to finance the board and for research, Mr Nel said

Increase will hit shopping trolley

The ripple effect of the maize price increase will affect products ranging from eggs to peanut butter

Maize is a major component of poultry and animal feeds as well as oil products and the direct effect of the increase will hit a wide range of items in the housewife's shopping trolley

Eggs will go up by 3c a dozen in about a week, the general manager of the Egg Board, Dr A H Olivier, said today About two thirds of poultry feed is maize

effect it would have on the prices of other commodities

"Eggs, meat, poultry and dairy products will all go up to add to the burden of the poor"

Mrs Hurwitz said last November the Minister of Agriculture had assured the Housewives' League that prices would stabilise this year

"There is certainly no sign of this yet," Mrs Hurwitz said

Mr Gordon Utian, managing director of Checkers, said he was "horrified" by the increase in the price of what was the staple food of millions of the poorest section of the population

He said the price of maize had increased almost 60 percent in the past five years

In spite of the growth in population the demand for maize and maize products had dropped, which indicated that people were eating less

Mr E Roux, general manager of the Dairy Board, said price increases were now being discussed with the Minister

These would affect the price of milk, butter, cheese and other dairy products

Mr Richard Cohen a director of Pick 'n Pay, said today that meat, notably beef, would become more expensive

Maize oil was used in products such as margarine and peanut butter which would also go up in price So would poultry prices, Mr Cohen said

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Maize up by 15,9 percent

CAPE TOWN 6/5/82
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Fosatu Annual Report Nov. 1980/81

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Staff Reporter

AN IMMEDIATE 15,9 per cent increase in the consumer price of maize and a 23 percent increase in the floor price of grain sorghum was announced yesterday by the Minister of Agriculture, Mr Pietie du Plessis.

He said at a press conference in Cape Town that the maize price increase was necessary because of a wide range of production cost increases and a poor crop expected this year.

"Taking into account the fact that the increase in price to the consumers last year was only 9,5 percent — which was below the general inflation rate — the 15,9 percent increase is reasonable in my opinion," he said.

Meeting

At a special meeting with the Maize Board yesterday, the minister approved requests for a gross producer's price of R155,05 a ton, a net producer's price of R134,05 a ton and a consumer price of R155,30 a ton.

Mr Du Plessis said the increase was effective immediately but that producers would be paid according to the new price from May 1.

The minister congratulated the Maize Board for the "responsible manner" in which they had acted in the interests of this vital industry.

He also announced that the government had made another R25 million available to subsidize the industry besides the existing R75 million for the 1982/83 financial year.

Storing

"This will go towards the cost of storing and handling maize for domestic use and can therefore be regarded as a consumer's subsidy," he said.

To meet other shortages in the vital industry, he added, the government would make another R104 million available in the form of loans at four percent a year over a period of five to seven years, and further loans at 10 percent a year over a period of five years if necessary.

Mr Du Plessis also announced that the new floor price of grain sorghum for this season had been set at R142 a ton, compared with R134,20 a

ton last year, for Grade GC1.

This meant a net producer's price of R119,96 after R20 was subtracted for the stabilization fund and R2,04 for administrative costs.

The minister pointed out that there was no distinction between yellow and white maize in the new price structure.

'Unbelievable'

Approached for comment, Mrs Gwen Wheelan, chairman of the Cape branch of the Housewives' League of South Africa, said the increase was unbelievable.

"They had a bumper crop last year — something like 14 million tons. We used about six million tons and some maize was exported too. This means that a lot of the crop was not disposed of."

"Why is this surplus not used to offset the poor crop this year? Why is the government not able to set aside last year's excess for use this year?" she asked.

The increase would have a tremendous effect on the black community and have a ripple effect on fodder, chicken feed and many other products. Anyone having anything to do with maize would just put up their prices.

"I think we are beginning to see the consumer digging in his heels. This increase is going to make the consumer sit back and rather save his money. This in turn is going to have an adverse effect on the market."

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Rugby visitors tackled after club fracas

By STAN MAHER

AN URGENT application is to be made in the Pretoria Supreme Court today to seize the passport of at least one member of the visiting Gloucestershire Rugby Team from Britain. The move follows a fracas in a Pretoria night club on Tuesday in which a barman, Mr Frikkie van Schalkwyk, 21, was seriously injured when a broken beer glass was allegedly pushed into his face.

Although the owner of the night club claims he laid a charge of assault with the Pretoria police, a spokesman for the Police Division of Public Relations said last night he could find no record of a charge having been laid.

Mr Van Schalkwyk, who is now in Pretoria West hospital, "almost lost an eye" in the incident, club owner Mr Salmon Potgieter, 30, said last night.

"He looks terrible. His nose is cut open and his cheek is cut through to the muscle. The doctor fears he may lose the feeling in his cheek and that his lip may just hang down."

Mr Potgieter said he would make the court application today, in spite of requests from the rugby team members not to press charges.

"One of the team took a cap from a waiter and wouldn't give it back. When I went to talk to them, their manager asked me 'Are you the heavy they have sent to sort us out?'"

"I said I was the owner and asked them to give the hat back. But when I went to the stairs to leave they tried to grab me and started hitting in my direction," said Mr Potgieter.

A melee ensued and the barman was injured.

Mr Potgieter said that when the police arrived, a Sergeant Blignaut had said he couldn't do anything "because these people are guests of the government," said Mr Potgieter.

"But Frikkie has told me he wants to go all the way with this charge. He signed the charge sheet in hospital today and I took it back to the police, but they said they would hold the charge pending their investigation."

Mr Potgieter said he met the team's manager, Mr Mike Nichols, and two other players yesterday to dis-

Maize price rise ups other foods

By GERALD REILLY
Pretoria Bureau

THE food price rise triggered off by the 15,9% increase in the maize price has started.

Before the end of the month the prices of butter, cheese, fresh milk, eggs and poultry will rise because of the increase.

Consumers and consumer organisations have expressed shock at the huge ripple effect the maize price rise will have on a whole range of food prices. Meat prices, too, are also likely to rise.

The Government's food committee is now studying recommendations from the Dairy Board for substantial rises in the price of dairy products.

These are certain to be granted.

The chairman of the National Dairy Committee of the South African Agricultural Union, Dr Louis Theron, said yesterday the higher maize price would further aggravate the deteriorating financial position of producers.

He said the producer would pay a new bulk purchase price at silos of R164 a ton. This in turn would mean a 1,25c a litre increase in the price of milk, without taking into account other cost rises.

Maize, Dr Theron pointed out, constituted 25,6% of the total production costs of milk and 50,14% of total feed costs.

The secretary of the SA Poultry Association, Mr Z B Coetzee, said the poultry industry was alarmed at the extent of the maize price increase.

The increase of R21 a ton represented a 3,85% increase in the production cost of eggs.

Mr Coetzee said oil, cake and fish meal prices were also expected to rise. Millers' margins might also be increased.

Packaging materials had also been increased by 15%.

Mr Coetzee added that the international maize price had dropped to below half of the SA maize price, which made SA poultry products uncompetitive.

Meanwhile, the Progressive Federal Party's finance spokesman, Mr Harry Schwarz, claimed yesterday that the political clout of the maize farmer had been a factor in the fixing of the 15,9% hike in the maize price.

"It seemed clear that consumer interests were totally neglected and that the producer won the day with the backing of the Government."

Mr Schwarz called for a thorough investigation into the system used to determine Government-administered price rises, particularly food prices.

Sapa reports that the Consumer Council appealed yesterday to manufacturers of food products containing maize not to pass the burden of the new maize price increase on to the consumer.

The director of the council, Mr Jan Cronje, said he was concerned about the effect the price increase would have on other agricultural products such as red meat, eggs, and dairy products, as maize was the most important element ingredient in cattle and poultry food.

Fort Hare ultimatum

ALICE — Students who did not return to classes by 11.15 this morning would be told to leave the campus immediately, the rector of Fort Hare University, Prof J A Lambrecht, said yesterday.

He said despite attempts to solve the problem, it was apparent there was a group of students who were not prepared to attend classes, no matter what the university authorities did — Sapa.

Breakfast Quip



Barnard denies he is resigning

Pretoria Bureau

THE head of the National Intelligence Service, Dr Niels Barnard, yesterday denied that he was on the point of resigning and said in a statement that he was breaking his policy of remaining silent about reports and speculations about NIS's staff or activities.

The 31-year-old former political scientist from the University of the Free State, was responding to a report in yesterday's Rand Daily Mail that he was believed to be on the point of resigning.

The Mail pointed out yesterday that attempts to contact Dr Barnard about the report had been thwarted by members of his staff.

In a statement issued yesterday in response to the RDM report, Dr Barnard said "I would like to refer to a front page report in your paper (the RDM) this morning about my being on the

point of quitting as head of the National Intelligence Service and I am doing this with the knowledge of the Prime Minister.

"I have no doubt that you full well know that it is customary for an intelligence service not to comment on reports and speculations about its staff or activities, regrettable, unfounded or far-fetched as these reports may be."

"Since this particular report concerns my own person and may lead to a train of inquiries and speculation, I have decided to deviate from this principle and to set the record straight."

"The rumour, if such there be, is devoid of all truth."

"May I add, sir, that I strongly deplore reporting of this nature, which can serve no useful purpose and can be nothing but detrimental to this service and to the national interest."

Enjoy one of South Africa's

Maize rise — dissatisfaction widespread

CAP Times
7/5/82
244

Industrial Reporter

DISSATISFACTION over government approval of a 15.9 percent increase in the price of maize on Wednesday continued to mount yesterday with calls for a meeting on the rise by retailers and widespread complaints from consumers

"We are appalled at the lack of sensitivity surrounding the whole thing," said the general manager of the Pick 'n Pay hypermarket in Brackenfell, Mr Dave Goldberg

He reiterated a call by the chairman of the group, Mr Raymond Ackerman, for a meeting with government and representatives of other parties concerned about the maize price and subsidies

"One of the most disturbing factors is the discrepancy between the world price of maize and the much higher price here. We have not been adequately informed as to why this is so," Mr Goldberg said

Maize Board

The general manager of the Maize Board, Mr H Nel, was not available for comment yesterday

In a press statement released in Pretoria, the chairman of the dairy committee of the South African Agricultural Union, Dr Louis Theron, said the rise would deal another serious blow to the deteriorating financial position of the dairy industry

The committee had made a submission to the Dairy Board at the end of January based on costs as of last December based on a maize price of R142,05 a ton, but the 15,9 percent rise meant a new bulk purchase price of R164 a ton, an increase of 1,25c a litre in the production costs of milk. Maize constituted 25,6 percent of total production costs of milk and 50,14 percent

of feed costs

It was to be expected that rising costs and drought would mean a rise in the maize price and it was important the farmer be kept on the land, said the director of the Consumer Council Mr Jan Cronje

The council, however, was concerned about the ripple effect the increase would have on other agricultural product prices such as red meat, eggs, and dairy products

Mr Cronje appealed to manufacturers of feeds and food products containing maize to do their utmost not to summarily shift the price increase on to the consumer

The general secretary of the South African Poultry Association, Mr Z B Coetzee said the maize price increase had made an egg price rise imminent

"The increase of R21,00 per ton of maize represents an approximate 3,85 percent increase in production cost of eggs", he said in a statement

"The poultry industry is without doubt the most efficient sector in the production of protein, but is constantly forced into a position where price-administered inputs such as maize make it impossible to ward off price increases

Oilcake

"As if the maize price alone is not enough, the poultry industry took note from certain feed industry officials that other feed ingredients such as oilcake and fishmeal prices are to be increased — the last mentioned due to the necessary importation of fishmeal reportedly without the Protein Reserve Fund being put to use to assist in softening the blow

"The fishmeal and oilcake may represent a 2,57 percent to 3,85 percent increase in the cost of production of eggs"

Total egg production costs had increased 11,54 percent

FOOD PRICE BLOW FOR THE POOR

244

Tribune

By Anthony Swift

9/5/82

IN A single inflationary blow, food prices which will be triggered by this week's 15,9 percent maize price rise could add six percent to the total living costs of poorer South Africans.

This is the off-the-cuff prediction of the Institute for Planning Research at the University of Port Elizabeth, which estimates the Household Subsistence Level (HSL) for different race groups in different parts of the country. The HSL is the minimum cost of supporting a family of six.

According to Mrs Sally Motlana, chairwoman of the black Housewives' League, the rise, which was designed to relieve drought-stricken farmers, will result in "real starvation" in equally drought-stricken black rural area.

Mr Johann Potgieter, of the University of Port Elizabeth, said that the maize price increase alone — assuming that it would be 16 percent to the consumer and "it could well be higher" — would add three percent to the cost of food in the HSL estimates and one-and-a-half percent to the total costs.

"But, the HSL is worked out on a range of foods, whereas many blacks eat a high proportion of maize. Those in rural areas will be hardest hit.

"The increase in the maize price alone is likely to add more like six percent to their food bill."

It has already been predicted that the maize price rise will trigger increases in the

price of eggs and all dairy products, as maize is a major livestock feed. Eggs are likely to go up by seven cents a dozen and milk by three cents a litre.

Mrs Motlana said blacks in rural areas were already experiencing great hardships.

"There is already malnutrition but the maize price increase together with the lack of other staples, such as milk, will lead to high levels of malnutrition."

Progressive Federal Party MP Mike Tarr, secretary of the party's agricultural economics, said the rise in the maize price had to be seen in the context of the country entering a recessionary phase with a problem of unemployment.

Unlike the middle classes the people at the bottom of the ladder had no substitutes to fall back on when food prices rose.

Mr Tarr said the maize price rise was government determined. "It's one of these administered prices. The economy is full of them — steel, coal, wheat. The trouble with administered prices is that they do not come down. Most economists would agree that administered prices are one of the problems relating to inflation."

Repeating his party's call this week for a total review of the price

ing system, Mr Tarr said: "Prices are based on rising production costs and it is hard for maize farmers to make a loss because the prices are based on guys who struggle along in the marginal areas."

"That means that a farmer who is farming in a good maize area is laughing all the way to the bank. In fact there are people in agriculture who say areas are being planted with maize that shouldn't be planted with maize at all."

A Pietermaritzburg agricultural consultant, Mr John Harrison, said that in terms of the inflation of costs faced by maize farmers the price rise was justified.

"Last year's maize price increase was nine percent while the inflation in farm costs was something like 15-16 percent and even this year with a 15,9 percent increase that's below the inflation in farmers' costs."

"It was unfair to pick on the farmer whose problems arose from the prices of supplies from protected industries — things like diesel engines, fertiliser, higher fuel taxes, which we have to incur here on top of higher than world prices, and higher chemical prices or substantial tariff protection for local industries."

Unions have been classified according to the Standard Industrial Classification of All Economic Activities. The full extent of the operation of the following general workers unions has not been established:

- National Federation of Workers
- Orange-Vaal General Workers Union
- General and Allied Workers Union

AGRICULTURE, FORESTRY AND FISHING

Black Allied Workers Union

Farmworkers Union

Food and Canning Workers Union

National Certified Fishing Officers Association

Orange-Vaal General Workers Union

Trawler and Line Fishermen's Union

MINING AND QUARRYING

Amalgamated Engineering Union of S.A.

Amalgamated Society of Woodworkers of S.A.

Black Allied Workers Union

Black Mineworkers Union

Federated Mining Employees Union

Iron Moulders Society

Mine Coloured Staff

Mine Surface Office

Mine Workers Union

S.A. Boilermakers, Welders and

S.A. Electrical Workers Union

S.A. Engine Drivers Union

S.A. Technical Office

Underground Office

MANUFACTURING

Food & Beverages

African Food and Canning

Amalgamated Engineering

Bakery Employees Union

Black Allied Workers

Boland Inmaakwerke

Brewery Employees Union

Cadbury In-Company

East London Meat

Food and Canning

Food, Beverage & Amalgamated

General Workers Union

General Workers Union

Natal Baking Industries

Natal Sugar Industries

National Milling

National Union of

National Union of

National Union of

Operative Bakers, Pretoria

Pretoria Bakers' Union

Egg prices up 7 cents on Monday

By SARAH HETHERINGTON

THE price of eggs will rise by seven cents a dozen on Monday and a further increase is expected next month.

This was announced yesterday by the South African Poultry Association.

In a statement the association said that leading egg producers in the Western Cape were to put up their prices from May 17.

The egg industry regrets these increases and has full appreciation of the effect it has on the consumer, the statement said.

"Our members are however forced into doing this because these price increases are entirely outside our control and cannot be absorbed by egg producers."

The increase was necessitated largely by a three cents a dozen increase in production cost as a result of the maize price increase. Additional factors

were other feed price increases including maize and imported fish meal, increased cost of packaging material and higher interest rates.

These increases did not include the millers margin increase which is expected to come into operation on June 1. Consumers would have to be prepared for another increase at that stage, the association said.

The Cape chairman of the Housewives League, Mrs Gwen Whelan, said the increase was expected after the 16 percent maize price rise.

The price of chicken was also expected to go up soon.

Eggs were the "last resort for protein. People turned to eggs, cheese, milk and poultry in the face of high red meat prices and the price of cheese was already exorbitant."

The league was beginning to notice resistance to high prices with people thinking twice about what they bought.

Amalgamated Engineering Union of S.A.
Amalgamated Society of Woodworkers of S.A.
Black Allied Workers Union

Black Allied Workers Union
Farmworkers Union
Food and Canning Workers Union
National Certified Fishing Officers Association
Orange-Vaal General Workers Union
Trawler and Line Fishermen's Union

AGRICULTURE, FORESTRY AND FISHING

National Federation of Workers
Orange-Vaal General Workers Union
General and Allied Workers Union

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CH. TIMES 14/5/82

7/2

Welders Society

Hard-hit shoppers seek refuge in plastic money

By Charlene Beltramo in Johannesburg

CREDIT card spending is increasing rapidly as people try to maintain the standard of living they aspired to in South Africa's boom years before inflation devastated the real value of their money, according to bankers and retailers

Mr Richard Cohen, a director of Pick 'n Pay, says the supermarket chain has noticed more shoppers using credit cards to pay for their grocery bills

"What gets me about inflation is that although

the overall rate is 16%, food inflation is 25% — and it's going to get worse

"The maize price increase will push up cooking oil by 10c a bottle, margarine is due to go up, canned goods are up again and plastic containers will push up the price of a wide range of goods

"The main plastic supplier has had three price increases since November

"Imported raw plastic costs R600 a ton while the local product costs R1 500 a ton — before the price increase

"If they can't supply and one has to import, then the difference in cost has to be paid to them. If that isn't inflationary"

Mr Cohen said consumers were buying fewer luxury goods, such as imported lines, pickles, syrups and certain fish items

A senior economist at Nedbank said there had been a sharp increase in the amount of credit buying by consumers in recent months

"The ratio of savings compared to incomes is at a record low of 5,7% — the lowest recorded since the end of the Second World War. In 1980, the figure was 7,8%

"People are borrowing more to finance continued spending and the maintenance of their lifestyles

"New car sales have stopped rising and sales of durable goods such as furniture are dropping

"The economy has started a pretty sharp downturn

"This year the drop will be enormous, with no economic growth and an increase in unemployment

"As an example, last year's growth in the economy was about 4,7%. This year it will be about 0,5%,

and next year it will be zero or lower"

Credit card companies have noticed an upswing in demand for plastic money

Diners Club has 41 650 card holders for their travel and entertainment charge card

Mr Hugh Peatling, managing director of Diners Club, said they had noticed a significant increase in applications for the card in recent months

"Our growth rate is already up 8% or 9% on last year," he said

This is despite Diners Club tightening their stringent qualifying level to prevent bad debts

Mr Peatling said their volume of business for the year up to the end of last week was up 47%

The average card holder spent R1 500 a year on his card, but this year they expect the figure to be up to R2 000

"There has been no increase in bad debts, but the trend we are noticing is a slight delay in payment

"Money is tight and companies and individuals are taking full advantage of the credit period afforded, and are often taking an extension on that period"

Standard Bank, which has 400 000 card holders, said there had been a drop in bad debts, but a spokesman attributed this to the tighter screening measures the bank introduced about 18 months ago in anticipation of the worsening economy

Barclays, which boasts 600 000 credit card clients, has made no recent analysis of the credit card situation

But its senior economist, Dr Johan Cloete, said it was clear the man in the street was being badly affected by inflation

"In the decade from 1970 to 1980 the real wages of

Latest price rises (244)

THESE are some of the increases consumers have had to cope with in recent months

- General Sales Tax up 25% from 4% to 5%
- Sugar up 12%
- Petrol up 7,5%
- Air fares up 12%
- Local stamps up from 5c to 8c
- Bond repayments up 1% (following other increases)
- Maize up 15,9%
- Railway freight charges up 15%
- Eggs up 7% a dozen
- Brandy up 10%
- White spirits up 7,2%
- Liqueurs up 7,5%
- Whisky up 4,6%

Next month, expect price increases for red meat, milk, cooking oil, margarine, canned foods and steel goods

*E. Post
3/6/82*

whites decreased inflation reduced their standard of living and wage earners who moved into the next tax bracket felt taxation nip more from their earnings, giving their real disposable earnings an even greater decline

"Normally interest on savings is lower than the inflation rate, so part of an individual's savings gets lost to inflation

"The greatest percentage of savings in banks is forced savings by institutions — pensions, insurance"

Mr Meyer Kahn, of OK Bazaars, said a marginal increase in the incidence of bad debts at OK stores showed people were pressed for money. The real crunch would come later this year

He said OK Bazaars budgeted for bad debts and while it had normally operated above the budget it was now running on the limit

Professor Jan Sadie, of the Bureau for Economic Research at the University of Stellenbosch, said the rate of growth in the economy would be tardy this year. He estimated 1%

compared with an increase in population of 2,5%

Food prices in South Africa were low, he said, until one took comparatively low salaries into account

Bread costs nearly three times as much in the United States as it does in South Africa. It is double the South African price in Britain and Italy, five times as much in West Germany and four times as much in France

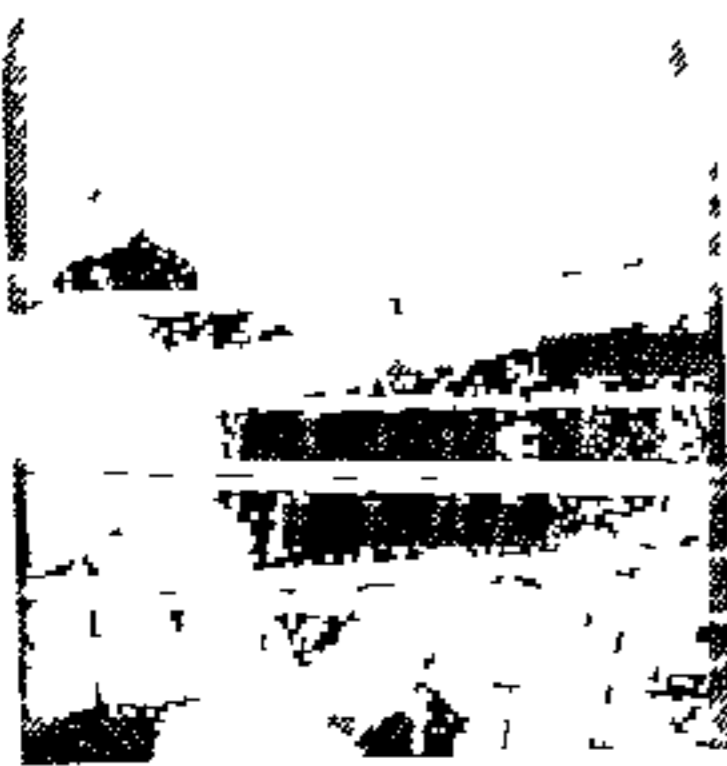
Beef is double the South African price in the US, nearly three times as much in Britain, five times more in West Germany and 11 times costlier in Japan

Butter is 150% costlier in the US and Britain than here, 250% more in West Germany and France and four times as much in Japan

Both eggs and milk enjoy massive government subsidies in most Western countries, so eggs cost the same in the US and Britain as in South Africa — before the recent 7c a dozen price increase

In France and West Germany eggs cost 200% more and 150% more in Japan

A mournful shopper learns the miserable facts of the soaring inflation rate.



Bread ⁽²⁴⁴⁾ price soon up 12,5%

Mail Reporter 6/3/82

WHITE and brown bread prices increase by at least 13,75% and 12,5% respectively when the Government's lower bread subsidy comes into effect on October 1

And the Wheat Board chairman, Mr Denis van Aarde, said yesterday consumers could expect even bigger increases — the new wheat price is also effective from October 1

Mr Van Aarde said if the new subsidy were to take effect immediately, white bread would increase from 40c a loaf to 45,5c and brown bread by 3,5c to 31,5c

He urged consumers to be "realistic" — and accept millers and bakers had to cope with cost increases. The higher costs will push up the wheat price — causing the bread price to rise further. The new wheat price is at present "being negotiated", Mr Van Aarde said.

The Minister of Finance, Mr Owen Horwood, announced earlier this year that from October 1 white bread is to be subsidised with 5% of the manufacturing cost and brown bread with 20%. Currently, white and brown bread is subsidised by 12% and 34% respectively.

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Remember when a RAND was worth a RAND?

By DOREEN
LEVIN

THE RAND you held in your hand in 1963, is today worth 25c. And it's buying power is still diminishing.

Meanwhile, food prices have risen — by 276.2 percent since 1972, compared with 43.9 percent in the previous nine years. Of course these figures mean little to a hungry belly

Date

Degree/Diploma you are registering

Subject (to be completed)

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3. The name of the exam
4. Any dish

ESON 1235

That was in 1963.

Now it's worth 25c

medical care, alcoholic beverages, cigarettes, furniture, household operations including cleaning materials and the salaries of domestic workers. In the first nine years, from 1963 to 1972, we suffered a 41.7 percent increase. Since then it has rocketed to 217.5 percent. And as if this is not enough to give you a blinding headache, here's more bad news: Even panhandlers cost more than twice what they did in those good old days of 1963!

Food price spiral is nearing crisis point

By DOREEN LEVIN

MRS Joy Hurwitz, national president of the Housewives' League, is hopping mad. The prices of essential foodstuffs are soaring, in spite of her claim that the Minister of Agriculture gave her his personal assurance last December that these prices would level off this year.

And the Government's Central Statistics Services have officially reported a Consumer Price Index rise of 5.2 percent since January. Mrs Hurwitz said this week that she had met the Minister of Agriculture, Mr P du Plessis, in December to plead that basic food prices were too high.

"At the time, the Minister assured the league that food prices would level off this year, and we would not have horrendous increases as in the past. Yet look what has happened. Maize, which is the staple food of the average South African consumer, has already been increased by 18.9 percent. "And because it's the keystone of the agricultural industry, it has had a marked inflationary effect on nearly all other agricultural products.

Up, up, up

"We have had an increase in the price of eggs. The cost of chickens will go up because of feed costs, and we can expect increases in the price of pork, pork products and meats sold in the delicatessen.

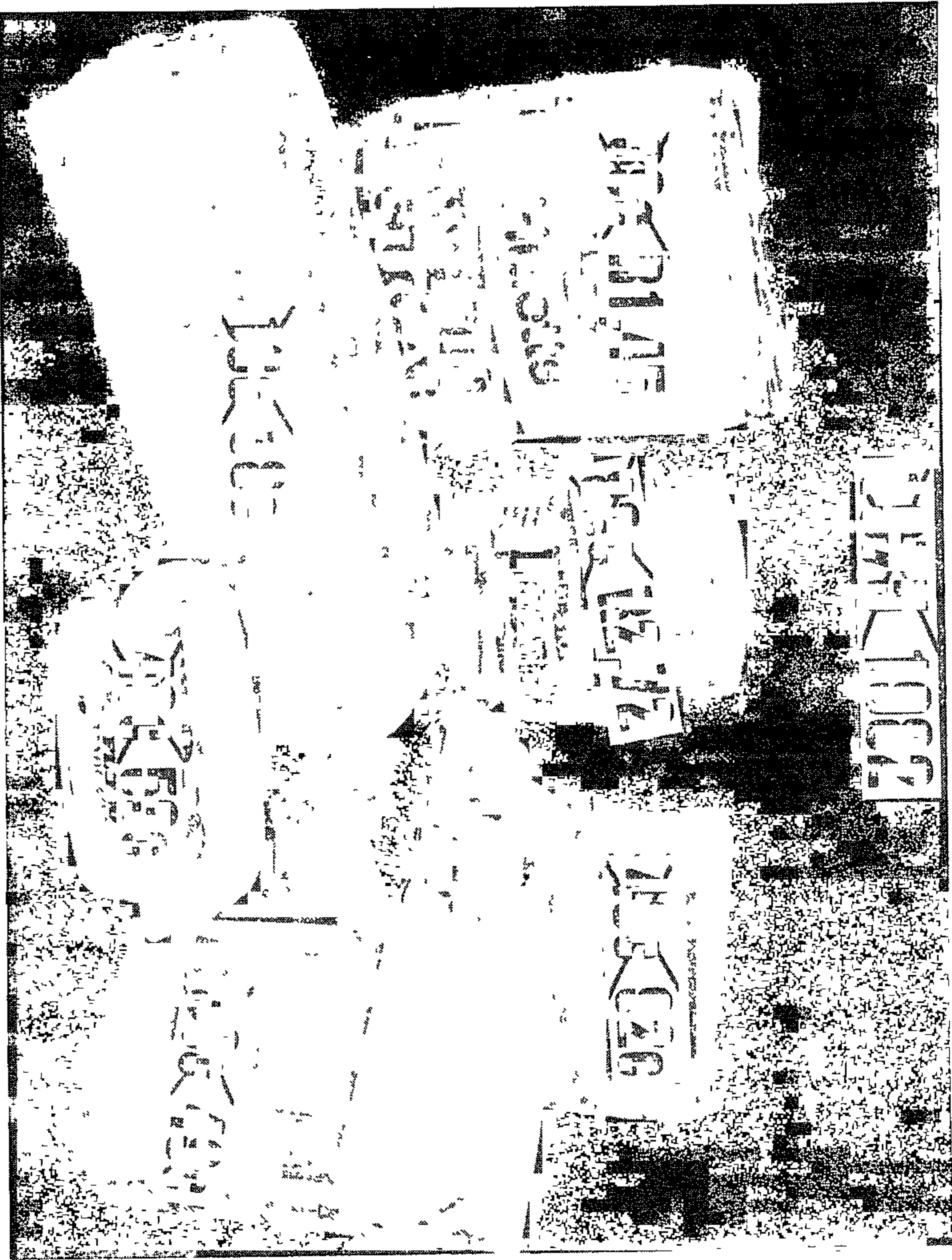
while bread "The wheat price is usually decided at the end of August, and Minister Horwood has already announced that the subsidy will be changed," Mrs Hurwitz said. She is also awaiting a rise in the milk price, and said it was due at any moment.

"That is also why we wanted a commission of inquiry into the meat industry. We were the only consumer body to give evidence, and we still want the support price of meat removed, because it is keeping up the price of meat artificially.

then created to do something about food inflation. And for the first time in history four supermarkets, manufacturers, wholesalers and consumer advocates came together to make a concerted effort to do something about food inflation.

Profit

"The one percent increase in GST is a disaster for the middle and lower income groups. And still the Minister will not exempt all basic foods from tax. "We didn't ask for many — only meat, eggs, maize products, bread, dairy products, paraffin, domestic coal, candles, matches and pilchards — which are all essentials for poor people. "I think it's frightening. It's an inflationary spiral that doesn't end at any sphere," Mrs Hurwitz said.



Dairy product price rise under fire

CAPE TIMES

19/6/82

244

THE six-cent increase in the price of delivered milk, due to come into effect on July 1, has been criticized by consumer representatives and the private sector

The assistant director of the Consumer Council, Mr Bill Heunis, said yesterday the escalating price of fresh milk would "definitely affect" the price of several other dairy products and "certainly add to the burden of the hard-pressed consumer"

And this "further blow" to the consumer would probably cause them to buy less fresh milk and more substitute or part substitute products

He said consumers who could not cope indefinitely with constantly rising food prices should be assisted in some way by the authorities

The managing director of Checkers, Mr Gordon Utian, said the government should urgently review the situation Basic nutritional foodstuffs were becoming unattainable to a large part of the population

He said his company would continue to sell milk and butter at cost prices, but five or six cents could be saved on a litre of milk if home deliveries were discontinued, thus allowing supermarkets to sell milk in glass bottles

● Sapa reports from Johannesburg that black leaders expressed shock and anger and called for more government subsidies

A director of the Urban Foundation, Mrs Deborah Mabiletsa, said she was alarmed at how the expenditure of people with low incomes was gradually increasing without corresponding increases in wages

She said dairy products were being put out of reach of the ordinary black person

In response to the protest, the chairman of the Cape Dairy Producers Association, Mr M Henning, said dairies could not absorb any cost rises this year

(244) E-Post 30/6/22

No change in positions of four cheapest stores

THERE was no change in the top four (least expensive) positions in this month's Evening Post Price Check, with the two Port Elizabeth hypermarkets again found to be the cheapest stores

The June price survey was undertaken at the Pick 'n Pay Hypermarket, the Checkers Hypermarket, the OK Superstore, and the Walmer stores of Pick 'n Pay, Checkers and OK Bazaars

Pick 'n Pay Hypermarket was found to be the cheapest outlet for the ninth consecutive month, with the 32-item grocery basket checking out at

Post Price Check

R30,96 (excluding GST)

This was R1,08 less than the next cheapest store — the Checkers Hypermarket, where the same basket cost R32,04 (excluding GST)

Third cheapest was the Walmer Pick 'n Pay, with the basket totaling R32,45 (excluding GST)

Retaining its fourth position was the OK Superstore (R33,87)

Fifth and sixth position

were held by Checkers, Walmer and OK Bazaars, Walmer with the baskets costing R34,32 and R34,35 respectively

This is a reversal of the April position when Checkers, Walmer was the most expensive store, and OK, Walmer was in fifth position

A wide selection of goods — 50 items in all — were chosen at random in this month's survey Those

found to be identical in brand and size and available in all six stores (totaling 32) were included in the price check

The biggest price difference noted on a single item was for Lecol orange squash 2 litre — it cost R1,09 at the Pick 'n Pay Hypermarket and a whopping 63 cents more at OK Walmer, where it cost R1,72

The difference in the basket prices between the cheapest and the most expensive stores this month was R3,39 or 11% — down on the 13% difference in April when the Walmer stores were last surveyed

How the stores compare	Pick 'n Pay Hypermarket	Checkers Hypermarket	Pick 'n Pay, Walmer	OK Superstore	Checkers, Walmer	OK, Walmer
Canned peas (All Gold 410g)	38	48	39	52	52	55
Baked beans (Koo 410g)	39	38	42	45	49	51
Spaghetti (Koo 420g in tomato sauce)	39	39	44	55	40	45
Moisturising cream (Vaseline 200ml)	1,09	1,09	1,09	95	1 29	95
Shampoo (Silvikrin 300ml)	82	88	82	92	99	92
Cough syrup (Vicks 150ml)	1 49	1 69	1 69	1 65	1 45	1,65
Deodorant (Shield 100g)	1,29	1,19	1,29	1 35	1,39	1,35
Toothpaste (Macleans 100ml)	95	98	97	97	95	97
Milk formula (S26 500g)	2,59	2 68	2,75	2,69	2 73	2 89
Cheese wedges (Nestle 200g)	1,14	1,24	1 35	1 35	1 29	1 35
Fish paste (Redro 125g)	49	49	49	55	60	62
Jam (All Gold apricot 900g)	78	1,14	79	95	1 27	95
Meat balls (Gants 400g)	75	69	79	82	92	82
Corned meat (Bull Brand 300g)	99	85	1 09	89	1,09	89
Canary seed (Lopis 500g)	79	72	75	76	65	76
Dog food (Husky 425g)	35	36	37	36	37	36
Spaghetti (Fattis & Monis 500g)	61	69	69	63	66	73
Freezer bags (Glad 25 large)	1 02	1 04	1,22	1,23	1,15	1,23
Tin foil (Huletts 5m)	53	59	65	69	74	69
Roller towels (Carlton)	1,19	1,19	1,12	1,32	1,19	1 19
Polony (Eskort 1kg roll)	1,85	1,88	1,85	1 89	1,99	1,99
Fabric softner (Comfort 2l)	1 44	1 38	1 29	1 47	1,49	1 47
Wash powder (Omo 1kg)	1,55	1 58	1,55	1 57	1 55	1 57
Bleach (Jik 750ml)	35	34	35	34	32	34
Wash up liquid (Sunlight 750ml)	94	1,05	95	95	99	97
Tea bags (Glen 100)	94	1,08	99	1 12	1,65	1,12
Coffee (Van Riebeeck 250g)	1,18	1,18	1 19	1 19	1,25	1 25
Biscuits (Bakers Tennis)	49	56	49	66	55	66
Tomato sauce (All Gold 750ml)	95	94	99	1 05	99	1,05
Cereal (Nestle Jr 500g)	1,26	1,23	1 35	1 39	1,35	1,39
Cake mix (Moirs chocolate)	89	77	89	99	69	99
Fruit squash (Lecol orange 2l)	1 09	1,29	1,39	1,65	1,36	1,72
TOTALS (without tax)	30,96	32,04	32,45	33,87	34,32	34,35

Price of red meat to go up

CAPE TIMES 1/7/82

SAPA 244

PRETORIA — The floor price of red meat is to go up by an average of eight percent on July 5, and the price of milk will rise by an average of six cents a litre — 12,8 percent — tomorrow

The biggest price increase, of 13,6 percent, is for mutton, from 189c/kg to 214,7c/kg, the Meat Board announced yesterday

Beef will go up in price from 192,1c/kg to 205,5c/kg, representing a 6,9 percent increase, while the average floor price for pork will go up by 3,7 percent, from 150,3c/kg to 155,9c/kg

The increases were approved by the Minister of Agriculture and Fisheries, Mr Pietie du Plessis

The increases are below the current inflation

rate, which presently stands at 16,5 percent

● Of the 12,8 percent increase in the price of milk, dairy farmers will receive 3,85c a litre or slightly less than for industrial milk

The price of cheese will also increase by 15 percent and that of butter by 16,4 percent. Choice grade butter will cost 184c for 500g, first grade cheddar cheese 424c a kg and first grade gouda cheese 429c a kg

According to the vice-chairman of the Dairy Board, Dr J H Grey large quantities of butter and milk powder had to be imported, making higher prices necessary as an incentive to produce more milk — Sapa and Own Correspondent

(1842) (244)

Chamber fears big rise in clothes prices

Industrial Reporter
RECENTLY imposed customs duty hikes on various clothing items will more than double landed costs and push up prices to the consumer by even greater amounts, according to calculations made by the Cape Town Chamber of Commerce

In addition past experience had shown that when customs duties were increased, the price of locally produced equivalents invariably rose to

the higher levels of the imports, the chamber said in its latest weekly bulletin

"Therefore, it is not a case of only imported clothing affected by the new duties going up in price, but locally produced clothing as well. The chamber believes the imposition of these new duties to be both ill-timed and unfortunate"

Examples of increases included denim jeans which would go up from a

landed cost of R8,05 to R19,00, men's T-shirts from R3,65 to R5,35, and brassieres from 97c to R2,07

Some of the duties applied to items not even made in South Africa

The chamber believed the increases to be ill-timed because in addition to tariff protection which it already enjoyed, the industry was helped by natural protection and bonuses in the form of the depreciated rand (down

34 percent against the value of the United States dollar over the past 18 months), as well as the 10 percent import surcharge introduced earlier this year

The chamber intended to recommend to Assocom that urgent representations be made to the Minister of Industries, Commerce and Tourism, Dr Dawie de Villiers, to have the duties to reduced

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Date 7/11/79

Degree/Diploma/Certificate for which you are registered (e.g. B.A., B.Sc) B.BUS.Sc.

Subject ECONOMICS II (to be copied from the heading on the Examination Paper)

Paper No II MONEY (to be copied from the heading on the Examination Paper)

Examiners' Initials		

NOTE CAREFULLY

- 1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
- 2 Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
- 3 Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used
- 4 Do not write in the left hand margin

WARNING

- 1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed
- 2 Candidates are not to communicate with other candidates or with any person except the invigilator
- 3 No part of an answer book is to be torn out
- 4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

Farmers' debts may push up food prices

Handwritten: (244) E. Post 3/7/82

By CHARLENE BELTRAMO

FARMERS' debts have increased three-fold in as many years and their worsening debts are likely to cause even worse food inflation to consumers

An agricultural economist warned this week that farmers will ask for a price increase of at least 35% in the wheat price at the end of September. This, coupled with a slashed Government subsidy on bread, could push the bread price to at least 70c a loaf.

Following on three milk price increases in the past year, pushing milk to 56c a litre, a general sales tax increase to 5%, several egg price increases, a maize increase of 15.9%, this week's meat floor price of 10% for top grades — an increase which will be as much as 15% by the time it reaches consumers — and other food price increases, consumers will have no option

but to tighten their belts. Eating will become a luxury.

Farmers' production credit this year, loaned from the Land Bank, is up to R3 135 million. In 1980, it was R1 200 million and the following year R2 300 million.

Mr Johan Willemse, agricultural economist with the South African Agricultural Union, said the average farmer had borrowed production credit from the Land Bank of R100 000 for this season.

Land Bank interest rates rose to 17.75% at the beginning of this month, which will push the average farmers' interest repayment burden to nearly R18 000 on top of the R100 000.

Mr Willemse said that in one farming area, more than 20% of the farmer members of a co-operative — which organises Land Bank loans — were unable to pay their debts this year.

The bad debt situation of farmers had been worsened by poor crops, which were on average half the size of those last year and in some areas only 30% of their normal size. Mr Willemse said farmers needed crop yields to be 80% before they could repay their input costs.

"Most farmers are sitting with two years of poor harvests and have average debts of around R240 000. They will need massive crops to be able to meet their debts."

Mr Willemse said farmers were battling with high input costs and many complained that high import costs for vital input items like tractors, fertilisers, trucks and pesticides, were further eroding their financial position.

The Department of Commerce and Industry is currently investigating tariff protection and its effect on farmers' input costs.

Mr Willemse pointed out that, during recent bumper farm years, many farmers had bought a lot of machinery for which they could deduct 130% from their tax liabilities.

It has now left many farmers with high fixed expenditure items. Mr Willemse criticised the fact that, in South Africa's Third World situation, capital intensive production and not labour intensive methods were favoured by the tax man.

Angry women plan to fight price hikes

244

5/7/82

Sowetan

BLACK WOMEN'S organisations warned last week that the rapid hikes in food prices will lead to many people suffering from malnutrition.

They were reacting to an announcement that meat prices were to go up by eight percent from today

Dairy product prices went up on June 30

Ms Marjorie Mohlala of Ikageng Women's Club, said it was high time black organisations united and formed a strategy to "fight" and protest against the high food prices

"This is a blow to all housewives because we are going to find it hard to meet the demands of life. How are the black people expected to cope with the meagre salaries they earn?" Ms Mohlala asked

Ms Amanda Kwadi, for the Federation of South African Women, said blacks were the most hard-hit as "some cannot afford the present cost of meat."

She said the increases in the prices of dairy

products made our lives more miserable"

"People will encounter problems of how to supplement protein in their food and this will result in a deficiency causing malnutrition," Ms Kwadi said

Most of the women interviewed by **The SOWETAN** expressed anger at the fact that "nothing is being done to improve black people's salaries." They said the Government should subsidise basic foods

"That, we feel, will save most of the underprivileged from suffering from diseases such as pellagra"

Ms Marjorie Manganye of the Itlhokomeleng Care of the Aged Society, called on other women to augment meat with other foods

"Most people overlook some highly delicious and nutritious food, thinking

meat is everything," she said

Ms Manganye said women should teach their families the correct way of eating and that meat could be used at least three times a week

244

Food prices to soar in interest squeeze

By JOUBERT MALHERBE
Pretoria Bureau

FOOD prices are set to rise sharply in the next few months following the recently announced increase in the Land Bank interest rates.

The increase would mean an additional expenditure of R85-million for the agricultural section and a large portion of the increase would be passed on to the control boards, said Mr Theuns Pienaar, managing director of the Land Bank.

This would inevitably be passed on to the consumer, he added.

Mr Pienaar spoke at a Press conference arranged at the weekend by the Minister of Agriculture and Fisheries, Mr Pietie du Plessis, who said "much confusion" had been caused by the announcement of the new interest rates last week.

Mr Pienaar said the farmer would absorb about R35-million of the increase, while the balance of nearly R50-

million would be passed on to the control boards.

At the conference, Mr Du Plessis announced a new subsidy scheme to assist farmers in the wake of the recent crop failures.

According to the scheme, farmers who could not pay their debts because of crop failures would be entitled to borrow money at greatly reduced interest rates.

They would be allowed to repay the loans over four years and the Government would subsidise the interest rates, Mr Du Plessis said.

But yesterday Mrs Joy Hurwitz, national president of the Housewives' League, slammed the move, saying consumers were never entitled to similar "hand-outs" from the Government.

Reacting to the looming price increase in agricultural products as a result of the increased interest rates, Mrs Hurwitz said this meant, in effect, that

the consumer now had to pay the farmers' debts

She stressed it was more essential now than ever before that basic food stuffs be exempted from general sales tax.

At the Press conference Dr Japie Jacobs of the Reserve Bank said commercial banks felt it was "unfair" that they had to "subsidise" agriculture by funding the Land Bank.

The increase of the Land Bank interest rates on short-term loans from 15,5% to 17,75% was still much more favourable than if farmers had to borrow money on the open market, Dr Gerhard de Kock, Governor of the Reserve Bank, said at the Press conference.

Asked whether the Nationalist Government would not lose the support of many farmers to the Conservative Party because of the increased interest rates, Mr Du Plessis said farmers would realise the move was unavoidable.

8/7/82

Advocates' fees up by 33 pc

(248)
Star

By Sheryl Raine,
Pretoria Bureau

The simplest unopposed divorce suit which now costs R85, will cost R120 from August 1 when advocates' fees go up by 33 percent on average.

Ten years ago the same divorce suit cost only R40 if junior counsel handled the legal details.

The Pretoria Bar Council in conjunction with the Johannesburg Bar Council said yesterday that the minimum pay scales for advocates would be increased by an average of 33 percent. Increases will come into effect on August 1 in Johannesburg and on a date to be decided in Pretoria.

"This will compensate junior advocates for an inflation rate which has stuck at about 16 percent over the last two years,"

said a spokesman for the Pretoria Bar Council.

Minimum fee adjustments have been made only three times in the last 17 years, the spokesman said.

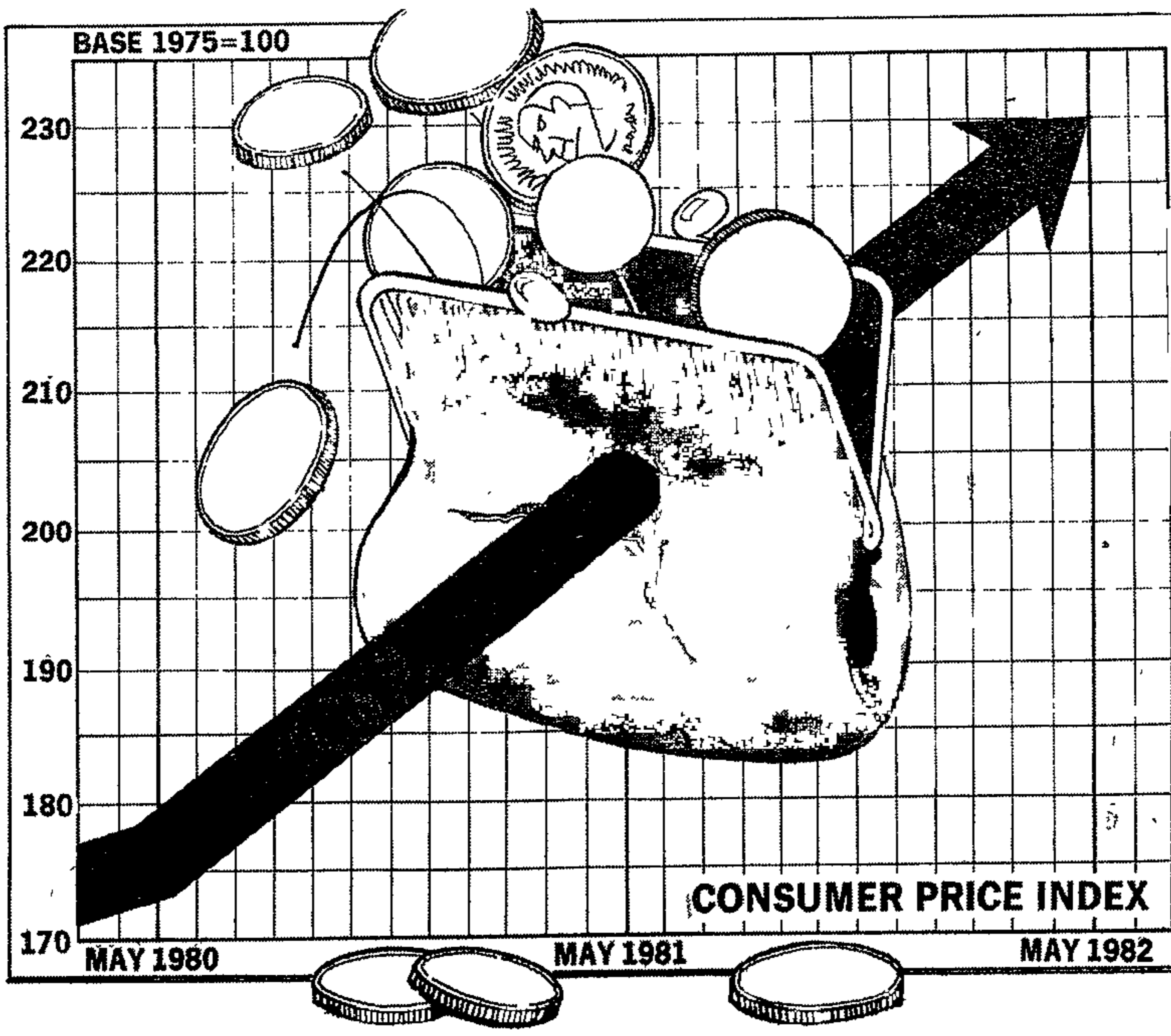
The increases will affect mainly junior advocates who usually adhere to the minimum fee scale. The fee rise will not necessarily cause senior advocates to adjust their fees.

Senior Counsel usually base their fees on their years of experience and reputation.

In the last decade, junior counsel fees for unopposed divorces have risen by about 140 percent.

Criminal trials which do not involve complicated legal proceedings and which can be handled by junior counsel will cost about 33 percent more.

Handwritten scribbles and initials at the bottom of the page, including 'sc.', 'mrc.', and other illegible marks.



Enter in
 the question
 flights out of South Africa, which means all international fares are up by 8,7%. It will now cost almost R170 more for a Johannesburg to London return ticket.
 From next month, when advocates' fees rise 3%, the cost of an unopposed divorce will increase by 8%.
 Getting to a supermarket to buy price-inflated necessities is also costing more. Premium petrol is 64,6c a litre for Witwatersrand motorists. That is 10c more than in 1980 and 55c up on 1971.
 Economists expect further increases this year because of the still declining value of the rand.
 Bus fares also seem to be creeping up by 5c or more a year.
 Parking your car in a municipal garage now costs R4 a day — 400% more than in 1980.
 And the fine for parking in a restricted zone has gone up 50% since 1980.
 Medical and legal fees

● Inflation burns a hole in even the strongest of purses — this graph shows the weighted average of price increases for all income groups since 1975. In May, for example, the weighted average of 230,3 reflected an increase of 16,5% on the previous year — the inflation rate.

YOU name it, and it's happening.
 Food, legal fees, clothes, air fares, cars, fuel, transport and even divorce costs are all rocketing in price.
 With the inflation rate running at 16,5%, you could pay more than R100 for a litre of milk by the year 2000.
 The price of 1kg of rump steak has jumped from R3,88 in 1980 to R6,30 this year — an increase of 62%.
 Milk has jumped from 36c a litre in 1980 to 50c now — that's a 39% increase.
 That staple food, bread, has rocketed in price for white from 31c in 1980 to 42c in 1982 — an increase of 36%. Brown bread which cost 21c in 1980 now costs 29c.
 Vegetables have not been spared. Potatoes, for example, cost 40c/kg in 1980, and now sell for 53c — an increase of 33%.
 So it goes on, year after year — and there is still worse to come.
 Economists predict more price increases later this year, despite the recession.
 The increase this week in Land Bank interest rates will mean an additional expenditure of R85-million by farmers. This will be passed on to the control boards — and then to consumers.
 Mrs Joy Hurwitz, national president of the Housewives League, has called on the Government to exempt foodstuffs from General Sales Tax (GST).
 IATA (the International Air Transport Association) has cut surcharges on all

That prices rocket soars higher and higher

244
 S. Exp. News
 11/7/82

By LESLEY LAMBERT

have also felt the pressure of inflation. The former Minister of Health, Dr L A P A Munnik, announced a 6,6% rise in medical tariffs in June — making daily rates in a general ward at provincial hospitals R10 dearer than two years ago.
 As the load on the consumer increases, the belt has to tighten, and the only choices are to go for cheaper commodities, eat less, or find substitutes.
 But there is a limit to even these choices, and unless salaries rise in proportion to the 16,5% inflation rate, or the Government subsidises basic consumer goods and services, the fixed and lower income groups will not be able to afford to survive in the year 2000.

Dr Johan Cloete, chief economist for Barclays Bank, said "Wage increases reflect price increases. They keep pace — otherwise how could we afford to buy what we produce?"
 But Professor J L Sadie, head of the Bureau for Economic Research, predicts that the inflation rate should drop in the next year to 18 months.
 Who knows? Maybe 1983 could be a good year.

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STATISTICS

Country	1975 to May 1982	May 1981 to May 1982
Italy	192.7	15.2
Great Britain	138.9	9.5
South Africa	130.3	16.5
France	107.6	13.9
Canada	88.3	11.8
United States	78.1	6.7
Belgium	57.5	9.5
Netherlands	51.0	6.4
Japan	48.9	2.3
West Germany	35.7	5.3
Switzerland	25.4	3.9

The table shows the rise in consumer prices in South Africa since 1975 has been outpaced only in Italy and Britain and is currently outstripping price rises in any of South Africa's trading partners.

Own Correspondent
Average consumer prices have risen by 130.3 percent since 1975 and the rand of 1975 is now worth only 43.4 cents in real terms.

It is estimated the inflation rate this year will increase on average to 15 to 15.5 percent.

A Volkskas economic survey shows a Consumer Price Index increase of 1000.5 percent since 1915 — or an average of 3.7 percent a year since 1915. Anyone who put aside R1 in 1915 would find today its purchasing power had diminished to a mere 9 cents.

The consumer Price Index rose by 130.3 percent between 1975

1975 RANDED NOW BUYS ONLY R3,10 WORLD OF GOODS, ETC

and May this year. The price of food products rose at a higher than average rate of 146.8 percent.

Of basic foodstuffs, sugar recorded the largest price increase—218.6 percent — followed by wheat (162.4 percent), and coffee

and tea (133.1 percent). The only prices which did not double between 1975 and 1982 were clothing, housing, furniture, household appliances and communication services.

In the 12 months up to May this year there were sharp increases in the price of public transport services (93.2 percent), communication services (24.9 percent), cigarettes (2.1 percent) and hotels (2.1 percent) and educational services (23.0 percent).

Increased sharp inflation because of the rise in the cost of mortgage bonds. The bond rate in turn led to an increase in house and flat rental costs.

Factors influencing current price increases include the sharp decline in the external value of the rand, high interest rates, the increase in general sales tax and the 10 percent surcharge on imports.

During the past 18 months the rand has declined in value by about 19 percent on average. In relation to the United States dollar its value has sunk by 31.4 percent.

On the positive side the inflation rate of South Africa's major trading partners is declining. This usually has a variable effect on the price of imported products and therefore on general domestic price levels.

But at the same time it makes it more difficult for South Africa to compete internationally.

At the same time wages and salaries will rise more slowly. But if this were not to happen the report says a sharp increase in unemployment could be expected.

Volkskas says the inflation rate as measured by the Consumer Price Index probably reached its peak in the past two months and should decline in time possible to 10.5 or 13 percent.

Volkskas says the inflation rate as measured by the Consumer Price Index probably reached its peak in the past two months and should decline in time possible to 10.5 or 13 percent.

244

Bread heads for 50c or more

Mercury News
Correspondent

PRETORIA—Next week's Wheat Board meeting here will be a key factor in determining the extent of the expected big bread price rise from October 1.

Early indications are that the price of a white loaf will rise at least to and probably above, 50c a loaf.

This will be the last of the Government-authorized increases in basic foods.

The prices of others — such as dairy products, maize and other summer grains — have all been raised substantially this year.

Wheat

And the Government has firmly rejected appeals from the PFP and the trade unions to the Minister of Finance to eliminate GST on basic foods and to raise subsidies.

In fact the bread subsidy for the new wheat season has been drastically cut — one of the reasons why a big hike in the price of bread is seen as unavoidable.

Other reasons — and they will be discussed at next week's meeting of the Wheat Board — are the expected increase in the price of wheat and higher margins for millers and bakers.

The board will submit its crop price recommendations and its recommendations on millers' and bakers' profit margins to the National Marketing Council after the meeting.

Authorities in Pretoria said there was no reason to hope the Government would reject recommendations for a rise in the wheat price, because it had submitted to all demands by primary producers for increased prices this year.

Currently the cost price of brown bread is 41,3c a loaf with a subsidy of 13,3c or 34 percent — a selling price of 30c when GST is taken into account.

The actual cost of white bread is 45,3c a loaf. The subsidy is 5,3c or 12 percent, and the selling price is 42c including GST.

In his Budget the Minister of Finance, Mr Owen Horwood, announced the brown bread subsidy would be cut to 20 percent and the white bread subsidy to 5 percent.

Shoppers showing bad temper

ARGUS
27/7/82
244

A HOME economist employed to advise supermarket customers told me she had noticed shoppers becoming more tense and aggressive. She put it down to the strain of trying to budget with constantly rising prices.

"They become very aggressive on coming into the shop, at the thought of having to spend so much on basic necessities," she said.

"You notice them shouldering each other aside and bashing into each other's trolleys."

"People used not to be so bad-tempered. I am sure it is because they find themselves faced with such big rises in prices."

"I would not be surprised if she is right."

An economic survey carried out in Volkskas Bank shows that the cost

of living has risen by over 130 percent in the past seven years, which means that R1 now buys as much as 43 cents did in 1975.

Food products alone have gone up by more than that. The average for them is 146,8 percent.

SUGAR PRICE

The survey shows that the biggest price increase was in sugar, which has gone up by 218,6 percent since 1975.

Meat has gone up by 162,4 percent and coffee and tea by 153,1 percent.

The only prices not to double between 1975 and this year are clothing, housing, furniture, household appliances and communication services.

The survey shows an astonishing speeding up in the rate of inflation in the past seven years.

Between 1950 and 1960

it was only 3,5 percent a year and from 1960 to 1970 only 2,6 percent a year. Yet in 1975 it was 13,5 percent and since then it has never fallen below 10,9 percent, the figure for 1979.

Last year it was 15,2 percent and the Volkskas survey anticipates that it will be 15 percent to 15,5 percent for this year as a whole.

RAY OF LIGHT

But the survey gives one ray of light.

It suggests that the worst is over and that the rate of inflation reached its peak in the past two months and should decline in the rest of the year.

Prices usually do fall during a downturn in the economy and there is no doubt that we are in one now.

Zipira men orde

lost all hope of owning property dealers who had taken thousands of rands from blacks who wanted a roof over their heads, had closed down without notice

From page 1

Masuku, deputy commander of Zimbabwe National Army and M Dabengwa, former secretary of Zanu's military

Hais (2-54 0) 20%
 Hold NIP (2-54 0) 20%
 Betting 2-2 Gallant 20%
 22-10 Fish Harv 7-1
 Election Tide Gate 10-1
 Deciph Charge 16-1 College
 Kid Powerstrip 20-1 the
 others
 Tote win R6 30 Place
 R1 60 Swinger 11 x 18
 R16 00 Swinger 11 x 18
 R3 40 16 x 18 R24,50 1
 x 16 R19 10
 GUY
 Tote favourite (1) Gallant
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 3 gr f (Houelabille Tomlin)
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 4TH (5) LAUGHING
 PRINCESS 3 ch f (Houelabille)

Location	Max	Min	Rain
Bryanston	19	7	—
S. Suburbs	18	6	—
Pretoria	24	12	—
Roosendorp	19	7	—
Spring	22	10	—
Valentia	25	10	—
Joubert Park	25	10	—
Today	8 am	7 deg C	Wind south east
Yesterday	19 deg C	Minimum	5 deg C
SUNSET today	5 40	SUNRISE tomorrow	6 48
SUNSET tomorrow	6 48	SUNRISE tomorrow	6 48

Temperatures and rainfall for the 24 hour period ended 8 am today

TRANVAAL — Till 6 pm tomorrow fine and mild but cold over the south. It will be warm over the north and hot over the Lowveld today. It will become somewhat cooler over the central parts.

GENERAL NEWS

HÄGAR the Horrible

By Dik



Hold on — here come more price increases

By Colleen Ryan
 Consumer Reporter

South African consumers — already hard-hit by an inflation rate of more than 16 percent — can brace themselves for more price shocks in the months to come

The prices of many foods — from basic commodities to luxury items — will increase dramatically

The new wheat price to be announced in September is expected to be one of the factors certain to lead to a big increase in the price of bread from October 1

The cut in the bread subsidy, announced earlier this year by the Minister of Finance, Mr Owen Horwood, is also certain to have an effect on the new bread price

The subsidy on white bread is to be cut from 12 percent to five percent and for brown and wholewheat bread from 34 percent to 20 percent. Retailers estimate a loaf of white bread will cost at least 50c

All milk-based products will become more expensive in September and October following the increase in dairy product prices. Condensed milk, skim milk, blends, yoghurt and ice-cream are some

of the products which will increase between five percent and 15 percent

Dog food is to go up another seven percent in September — bringing the total increase for 1982 to 15 percent

Consumers can also expect to pay seven percent more for baby food in September — the third increase this year. The total increase for 1982 is 21 percent

The new biscuit price — increased by 7.5 percent — is effective from September

The new sugar price is expected to be announced in four to six weeks. This may in turn lead to higher soft drink prices.

This gloomy news hits consumers shortly after the announcement that they are expected to pay higher mortgage rates from September 1.

The Association of Building Societies recently announced a one percent rise on all bonds. The lowest category rate was increased from 13.25 percent to 14.25 percent, and the top category rate was increased from 15.25 percent to 16.25 percent

Building societies say further increases in bond rates are inevitable as long as money markets continue to remain at record levels.

W

WHEN PAUL...

O'Gold Soft Softener
 1,12
 2L

White bread up by 10c a loaf

244 Star 9/8/82

By Hannes Ferguson
and Colleen Ryan

The price of a loaf of white bread will rise to 55 cents from October 1, and brown to 35c, the Minister of Agriculture Mr Greyling Wentzel announced in Pretoria today.

The basic price of a white loaf will increase from 40c to 50c plus 3c general sales tax and brown will increase from 28c to 33c, plus 2c GST.

This is a 25 percent increase for white and a 17.8 percent increase for brown bread.

Consumer and Opposition spokesman described the hefty increase as shocking and outrageous.

The agricultural spokesman for the Progressive Federal Party, Mr Errol Moorcroft, said the increase made the Government's earlier promises of a more stable bread price ring hollow.

Retailers also expressed indignation.

Miss Peta Lombard, spokeswoman for Checkers, said it is shocking and despicable that the food system is so inadequately managed that the most basic of foodstuffs can be increased by such a large amount.

The increase is substantially above the inflation rate of 14.1



WHITE

1976 — 16c to 20c

1978 — 20c to 25c

1980 — 25c to 30c

1981 — 30c to 40c

1982 — 40c to 50c



BROWN

13c to 16c

16c to 20c

20c to 28c

28c to 33c

percent for the past year. In the second quarter of this year inflation fell to 9.2 percent.

Mr Greyling said the bread subsidy has been increased from R160 million last year to R191 million.

Last month the Minister of Finance, Mr Owen Horwood, promised to make additional funds available for the bread subsidy because of the one percent increase in GST.

The wheat price has been increased by 13.9 percent — from R241.40 a ton to R275. Mr Greyling said wheat production costs had soared by as much as R57 a ton — 23.6 percent.

Hefty increases in the margins of millers and bakers had contributed to the problems the Government faced

in determining the new bread price, he said.

Mrs Joy Hurwitz, national president of the Housewives League, said the wheat price increase was excessive.

"The increase in the bread price will fuel inflation and is a further burden to beleaguered consumers," she said.

Although we appreciate that additional subsidy funds for bread have been made available by the Government, there is still a R43 million shortfall which has been covered by the increase."

White bread has increased by more than 200 percent since 1976.

In 1976 white bread went up from 16c to 20c in 1978 from 20c to 25c, in 1980 from 25c to 30c, in 1981 from 30c to 40c and in 1982 from 40c to 50c. These prices exclude GST.

BUSINESS

INTERBOU '82

Spiral in costs is scary reading

Jan 12/82
400
244

As the building industry is set to raise the curtain on the Interbou '82 Exhibition at Milner Park Johannesburg next Wednesday, the builders, while bracing themselves for the expected downturn might also ponder over the increase in costs which lie ahead.

RENT MARKET

One of the most interesting areas revealing spiralling costs over the next three years is in the residential market particularly with its growing shortage of rental accommodation.

According to the latest property Economist the research and forecasting report of property economists Neville Berkowitz and Associates, a simple high rise flat block which at present will cost R375 a sq m, will hit R550 a sq m by 1985.

An even more frightening prospect is the cost of building a minimum standard house three years from

now — R610 a sq m compared with the current R400.

Houses with maximum realistic standards will soar from R700 a sq m to R1.065 sq m.

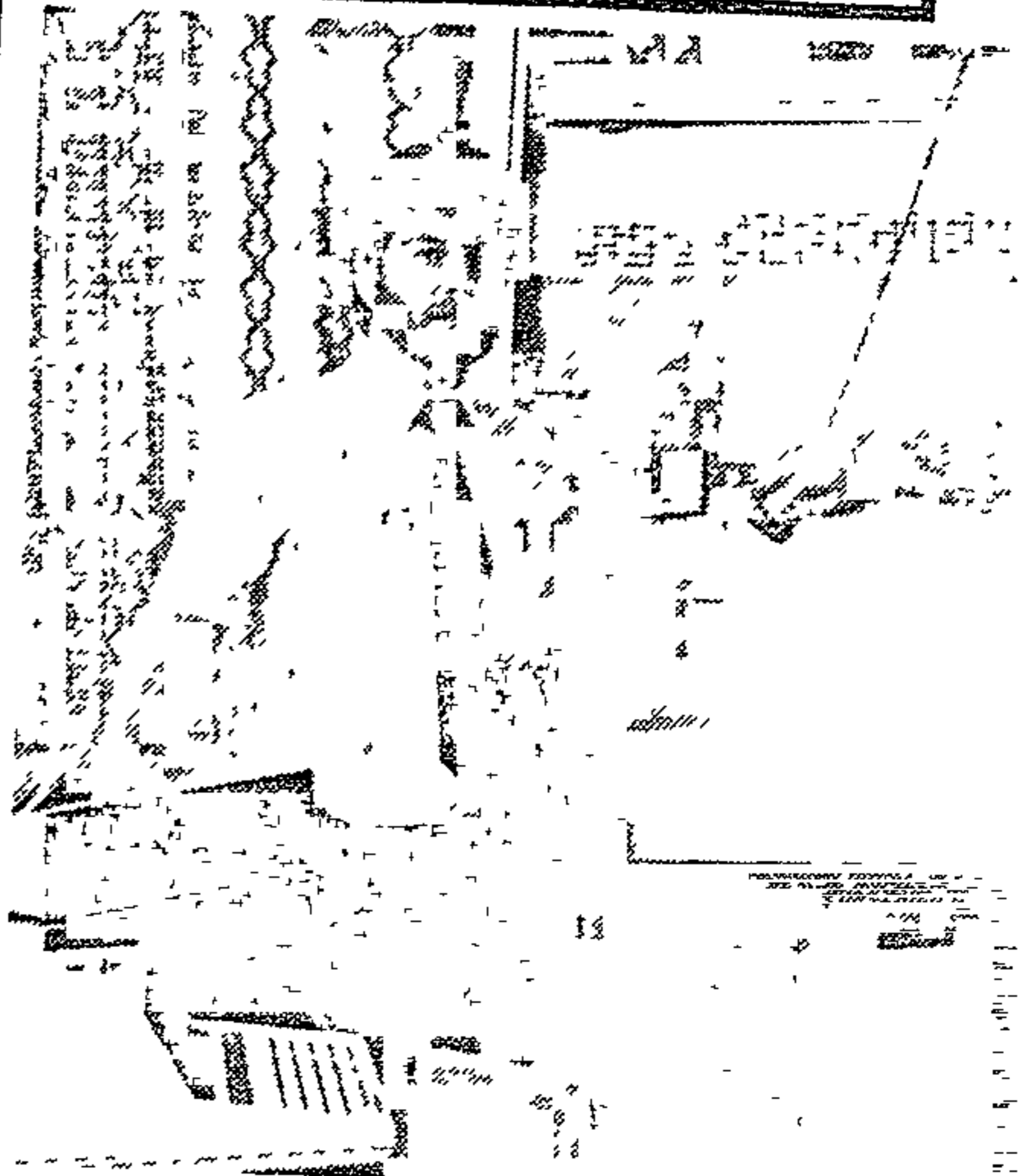
And coming down to that little bit of luxury — the swimming pool looks like costing the property owner a great deal more by 1985.

At present, The Property Economist estimates that a pool today costs R7.500, while by 1985 the figure will be about R11.400.

INDICATIVE ONLY

The report emphasises, however, that the projected cost rates are 'purely indicative' and should be used with circumspection as they are dependent upon any number of variables.

In assessing the forecasts of the rand per sq m for the 1982-85 period the report assumes that building costs will rise annually at a rate of 15 percent a year.



Gordon Schachat (left) and Sydney Brett demonstrating package which enables the user to 'take-off' quantities.

Carlton spas on display

The Carlton Hotel group might well have begun a trend with the installation in its new Carlton Court executive block linked to the main hotel by a sky walk — of 70 jacuzzi spas in every suite.

At Interbou the jacuzzi operation in South Africa, under the banner of Summer Place Spas, is displaying a replica of the Carlton Court bath — the Premiere Roman — to let the rest of us know how a company's top man likes to get rid of everyday hassles through hydrotherapy.

Mr Bill Varrie of Summer Place says "When people pay to stay at a leading hotel

GOLD FIELDS PROPERTY COMPANY LIMITED

(Incorporated in the Republic of South Africa)

PRELIMINARY ANNOUNCEMENT OF RESULTS

The audited consolidated results for the year ended 31 December 1981 are as follows:

On display
 company
 included
 which

Reef food prices the highest in the country

244

Star

17/8/82

By Colleen Ryan,
Consumer Reporter
Food is still more
expensive on the
Witwatersrand than
in any other urban
area in South Africa,
according to the
latest survey of the
Department of
Statistics.

A report on the average retail prices for food in June shows Reef prices to be the highest.

Pretoria and Durban also rate as expensive areas where food is concerned.

Maritzburg customers get best value for money. Port Elizabeth shoppers also fare well.

Food prices in Port Elizabeth are the second lowest.

The survey shows meat, dairy products and fruit to be the most expensive in Reef shops.

Bloemfontein, also one of the most expensive areas, has the highest vegetable prices, followed by the Witwatersrand and Pretoria.

A shopping basket consisting of 64 items cost R108,75 on the Witwatersrand, compared with R101,05 in Maritzburg.

Durban is the most expensive coastal city.

The shopping basket cost R104,74 in Durban, R103,46 in East London, R102,83 in Cape Town and R101,50 in Port Elizabeth.

The shopping basket cost R105,21 in Pretoria and R104,56 in Bloemfontein.

Meat products are also the most expensive on the Witwatersrand. Bloemfontein has the cheapest prices.

A selection of meat cuts, chicken and processed foods cost R55,43 in Bloemfontein and R57,73 on the Witwatersrand.

Food prices have increased by 11,5 percent since June this year, according to the statistics.

● See Page 23.

(244) D. Dispatch
26/8/82

Railmen urged to fight rising prices

EAST LONDON — Members of the Artisans Staff Association (ASA) of the South African Transport Services here were told last night that an organised approach should be made to control the ever-increasing cost of living

The secretary of the Eastern Cape ASA, Mr A Helfrich, suggested that an organised process of consumer resistance could be employed to stop retailers from making excessive mark-ups in prices on commodities, especially essential items

"If this could grow on a nationwide basis with all union members standing together it would work," Mr Hel-

frich said

The ASA union represents 1 300 wage earners in East London, and there are more than 24 000 members nationwide

"Are we going to stand by and let this disease of inflation eat through our pay packets?" he asked the technicians

He told the meeting that local businesses were continually showing good yearly profits and increased dividends, but were still making excessive mark ups in prices

"We are being taken for a ride"

The technicians were invited to comment, and they reaffirmed that

something had to be done to control rising costs

There was support for a resolution proposed by the chairman of the Cape Eastern divisional council of the ASA, Mr Paul Koekemoer, who called for consumer resistance to certain products

There was also a suggestion from the audience that a representative from a large retailing concern be invited to try to explain the rise in costs

One member of the audience said "It is about time that the man-in-the-street be allowed to have his say to put his case across" — DDR

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27/8/82 *Asst. Editor* (244) 1007
Transport costs send food prices soaring

TRANSPORT costs in the South African food industry probably account for as much as 50% of the final product cost claims an editorial in the latest issue of "Food Industries of South Africa"

It says the figure is more than double that of other consumer product industries

The editorial asks whether the food industry can afford to consider transport a necessary evil

It says that as every link in the food transport chain adds to the end product cost a more efficient approach could result in a saving of up to 20%

The editorial says present shortcomings include

- Packaging material is too elaborate and adds weight.
 - Non-standard cartons and pallets prevent full vehicle use
 - Over-emphasis on truck purchase price against under-estimation of the effect of subsequent operating costs such as fuel consumption, reliability and residual trade-in value
 - Neglect of proper driver training
- The editorial says the difference in trade-in value could be as little as 10% or as much as 50% of purchase price

depending on the type and condition of the truck Purchasing decisions are made with a short-term view without considering hidden costs

Transport specialists have estimated the hidden or subsequent costs in food distribution to be as high as 75% of total transportation costs

The magazine says proper pre-planning and pre-packaging combined with pre-ordering and correct route planning of deliveries, not only reduce travelling time, distance refrigeration and handling but they also increase a truck's lifespan and improve product quality - Sapa

was 25% of the annual wage, i.e. R1 469, or in total ± R11 720 suffered from alcoholism. The cost of each employee

Of these six, the largest single area of economic cost is undoubtedly the lost production of goods and services which

the reduced productivity of alcohol-
 11 and O'Alonzo, 1973, p. 121), have
 source of lost productivity among al-
 on and non-affected except we drinking
 up of several components, including
 misanthropism, lost time on the job,
 p, accident, impaired morale of co-
 of high litigation programmes. A sig-
 nificant economic impact of alcoholism also
 quality and death, resulting in the
 their prime who have skills that
 Alcoholism, New York, U.S.A., has
 as, on extensive research, to deter-
 able drinkers create for their employ-
 114, 25% of the average annual wage or
 for every alcoholic that the firm em-
 led to the Greater Cape Town area
 ily active males between the ages of
 cost estimate can be calculated
 71 white economically active males,
 income of R5 867. Of these, 68 or

million rand. If the cost of excessive drinking (not alco-
 holism) is added, which is roughly estimated as one third
 of the latter amount, or 3.6 million rand, the total estima-
 ted cost to employers of problem drinkers for this sector
 adds up to between 14 and 15 million rand during 1977

Turning to the "Coloured" population, it is calculated that
 there were 177 338 male economically active of which 10 000
 (5%) were alcoholics 25% of an average annual income of
 R1 890 multiplied by the total number of alcoholics, adds
 up to a total annual loss of ± 5 2 million rand to entrepre-
 neurs.

If the number of Coloureds in the so-called pre-addicted
 phase of alcoholism is included in this calculation (± 22%)
 a grand total of 18,4 million rand is reached

Thus, economic entrepreneurs in Greater Cape Town have lost
 during 1977 an estimated total of 33 million rand due to pro-
 blem drinking among their employees.

Another economic cost of alcoholism, involves the medical
 treatment of the disease. This includes costs for hospital
 care, physicians services, drugs, construction of rehabili-
 tation and administration. Unfortunately no reliable data
 on the actual expenditure by medical and health institutions
 on alcoholism is available for South Africa. In America it
 accounts for ± 13% of the total health bill for adults in
 1971 (Cooper et al, 1973, p 40).

The significant role that alcohol plays in the creation or

Hypermarkets still lead the way

FOR the 11th consecutive month, the Pick 'n Pay Hypermarket at Hunters Retreat has emerged as the cheapest outlet in the Evening Post Price Check

This month's survey was undertaken at the northern suburbs supermarkets of Pick 'n Pay, Commercial Road, the Grand Bazaars Ultramarket, OK Bazaars and Checkers, Constantia Centre, and the Checkers Hypermarket and OK Superstore at Greenacres as well as the Pick 'n Pay Hypermarket

It was found that 34 items of the wide selection chosen at random were available in identical brand name and size at all seven stores and therefore, included in the Price Check

The last time that the northern suburbs stores were checked was in January of this year.

The imaginary shopping basket at the Pick 'n Pay Hypermarket checked out at R36,09 (without GST).

This was exactly R2 less than its nearest rival — Checkers Hypermarket,

where the basket checked out at R38,09. In January, Checkers Hypermarket was in fifth place on the table

The third-cheapest outlet in the August check was the OK Superstore, (R38,83) which was second in January. Next came OK Bazaars, Constantia Centre, (R39,13), which moves up from sixth position to

Post Price Check

fourth position

Fifth position is held by the Grand Bazaars Ultramarket (R39,24). This store was the third-cheapest in the January check

Pick 'n Pay, Commercial

Road, is sixth on the table, with the imaginary basket checking out at R39,59, which is a drop from fourth position

The most expensive outlet in the August check was

found to be Checkers, Constantia Centre, (R41,57), which was also the most expensive store the last time the survey was done in this area

The difference in price between the cheapest and the most expensive store was R5,48 or 15,2%. This is considerably higher than in January when the difference was 9,2%

How the stores compare	Pick 'n Pay Hypermarket	Checkers Hypermarket	OK Superstore	OK, Constantia Centre	Grand Bazaars Ultramarket	Pick 'n Pay, Commercial Road	Checkers, Constantia Centre
Cheese (Nestle S/Milk, Wedges)	1 35	1 38	1,36	1,29	1,45	1,35	1,48
Soap Powder (Punch 1 kg)	1 42	1 29	1,35	1,35	1,69	1,42	1,62
Scourer (Vim 99)	40	46	40	40	42	42	45
Air Freshner (Airoma 150 g)	79	82	83	86	85	84	84
Cleaner (Handy Andy 750 ml)	88	93	93	93	92	94	99
Tea (Five Roses Tagless Bags, 100)	1,49	1,54	1,55	1,52	1,49	1,65	1,95
Coffee (Ricoffy Instant 750 g)	2,99	2,99	3,05	3,05	3,09	2,99	3,09
Milk Powder (Carnation Blend, 500 g)	1,79	2,19	1,75	1,79	1,79	1,79	2 20
Baby Food (Nestum No 2, 500 g)	1,29	1,18	1 39	1,39	1 46	1,39	1 39
Corned Meat (Bull Brand 300 g)	99	1,06	99	99	95	1,09	93
Soup (Royco Cup a Soup)	66	68	66	69	69	67	69
Custard Powder (Crosse & Blackwell 500 g)	87	88	93	99	89	95	1 06
Canned Fruit (Koo Peach Slices 825 g)	65	85	79	89	72	69	79
Peanut Butter (Black Cat 410 g)	72	89	63	63	72	75	85
Fish Paste (Pecks 125 g)	49	46	63	63	52	55	64
Spaghetti (Fattis & Monis 500 g)	69	66	67	67	73	72	72
Chutney (Mrs Balls 470 g)	69	56	59	59	69	69	69
Sugar (Hulett's white 2,5 kg)	1,34	1 34	1,34	1,40	1,36	1 37	1,37
Samp (Invicta 2,5 kg)	99	99	1,12	1,12	1,09	1,17	1 09
Condiment (BBQ Spice)	59	58	55	69	59	64	64
Cooldrinks (Coca Cola 1 litre)	68	62	64	65	67	69	68
Pet Food (Din Din)	28	36	38	38	38	32	47
Biscuits (Pyotts Salticrux 200 g)	54	57	54	76	62	54	77
Frozen Veg (Harvestime carrots 1 kg)	1 18	1 18	1,18	1 29	1 39	1 29	1 42
Frozen Veg (Harvestime peas 1 kg)	1,49	1,99	1,99	1,85	1 99	1 99	1 99
Frozen Meat (Renown beefburgers 1 kg)	3,98	3,98	5 15	4 59	4 69	5,29	4 69
Margarine (Floro tub)	1 15	1 09	1 09	1,18	1,13	1 12	1 09
Canned veg (Koo mixed veg 410 g)	26	48	29	29	32	34	45
Canned veg (Koo cream sweetcorn 410 g)	34	48	58	58	49	49	56
Disinfectant (Dettol 500 ml)	1 15	1 17	1 15	1 29	1 25	1 29	1 25
Shaving cream (Gillette foamy)	1,08	1 24	1 25	1,25	1 09	1 15	1,37
Soap (Lux)	32	32	33	33	34	34	33
Toothpaste (Macleans)	97	99	97	97	99	97	1 03
Deodorant Spray (Impulse)	1 59	1 89	1 78	1 85	1 78	1 69	1 99
TOTALS	R36,09	R38,09	R38,83	R39,13	R39,24	R39,59	R41,57

Subject (to be copied)

Paper No (to be copied)

NOTE CAREFULLY

- 1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
- 2 Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
- 3 Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used
- 4 Do not write in the left hand margin

WARNING

- 1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed
- 2 Candidates are not to communicate with other candidates or with any person except the invigilator
- 3 No part of an answer book is to be torn out
- 4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

Tucsa calls for halt to bread price rise

By GERALD REILLY
 Pretoria Bureau

TRADE unionists called on the Government yesterday to use the additional R330-million from the GST increase — effective from today — to avoid a steep rise in the bread price from October 1.

The general secretary of the Trade Union Council of South Africa (Tucsa), Mr Arthur Grobbelaar, said although the Minister of Finance, Mr Owen Horwood, had made a vague reference to raising bread subsidies, what was needed was a clear commitment that basic goods would be cheapened.

Tucsa, Mr Grobbelaar said, had appealed repeatedly to the Minister over the past three years to abolish

GST on basic foods — but in vain.

Mr Grobbelaar, whose views were supported by other unionists, called for a rethink on the whole principle of the tax. It was a tax on the unemployed, he claimed, and the dangers of abuse were ever present.

"It has become too easy for the Minister, without parliamentary approval, to raise the tax to get himself out of difficulties, which his own policies might have caused," Mr Grobbelaar added.

Other sources said unless the Minister reversed his decision to cut the existing bread subsidies — brown bread from 34% to 20%, and white bread from 12% to 5% — bread prices would rise sharply from October 1.

Supermarkets have reported that consumers have been stocking up with basic commodities during the past few days to escape the full impact of the 20% GST increase. Record sales have been rung up at many of them.

From today the prices of petrol will rise by 06c/l to 65,2c, and the price of home delivered milk will go up by 1c/l to 57,5c. In cafes the price will rise to 66c/l.

Virtually all services and commodities will increase in price from today as GST goes up from 5 to 6%.

GST, according to the budget estimates, will net the Government R3 500-million this financial year — just under half the Government's total tax revenue.

Wire Gang 'tied children'

By SOPHIE TEMA

MEMBERS of the Wire Gang — one armed with a gun — gagged the four-year-old child of a well-known Soweto shebeen queen and demanded money when they raided her Diepkloof home last year, the Soweto Regional Court was told yesterday.

Miss Grace Gwala told magistrate Mr J J Muller that her son and other members of the family were tied with coathangers before the gang robbed her of R200 and goods worth more than R1 000 in December.

Miss Gwala was giving evidence in the trial of 14 alleged Wire Gang members who have pleaded not guilty to 32 counts of attempted murder, rape, robbery, illegal possession of firearms, theft and escaping from custody.

Accused are Mr Jack Mabaso, 33, Mr Koos Sibeko, 27, Mr Elliot Baloyi, 20, Mr Raxon Mathebula, 24, Mr Mack Ngubeni, 30, Mr Vusi Manana, 23, Mr Sydney Ratladi, 24, Mr Morris Macebele, 22, Mr Samuel Ngubayi, 22, Mr Vincent Ninigiza, 22, Mr Tuki Madala, 28, Mr Carlson Nangovhala, 21, Mr David Zwane, 22

and Mr Freddy Machaba, 28.

Miss Gwala said she had been at home with friends when six men wearing balaclavas and armed with knives entered the house.

She said Mr Jack Mabaso, Mr Mack Ngubeni and Mr Samuel Ngubayi, were among the group. Mr Mabaso was holding a gun.

The gang used coathangers to tie people together in twos before going to the children's bedroom and tying the children.

Miss Gwala said "After tying the children, they asked them where I kept the money."

"The children showed them my wardrobe and Mr Ngubeni took a screwdriver, broke the locks and took R200 from it."

Earlier another woman told the court she had been raped by three members of the gang at a Central Western Jabavu house where she had been visiting.

She could not identify any of them because one was wearing a balaclava while the others covered her face with a blanket while raping her.

The trial continues tomorrow.

White man, black woman admit sex

Mail Reporter

A MIDDLE-aged white man and a young black woman admitted to a Johannesburg magistrate yesterday that they had sex even though they knew it was illegal.

Terrance John Pretorius,

49, of Cambridge Street, Kensington, Johannesburg, and Esther Catyeni, 21, of Zelta Street, Springfield, appeared before Mr A G du Plessis.

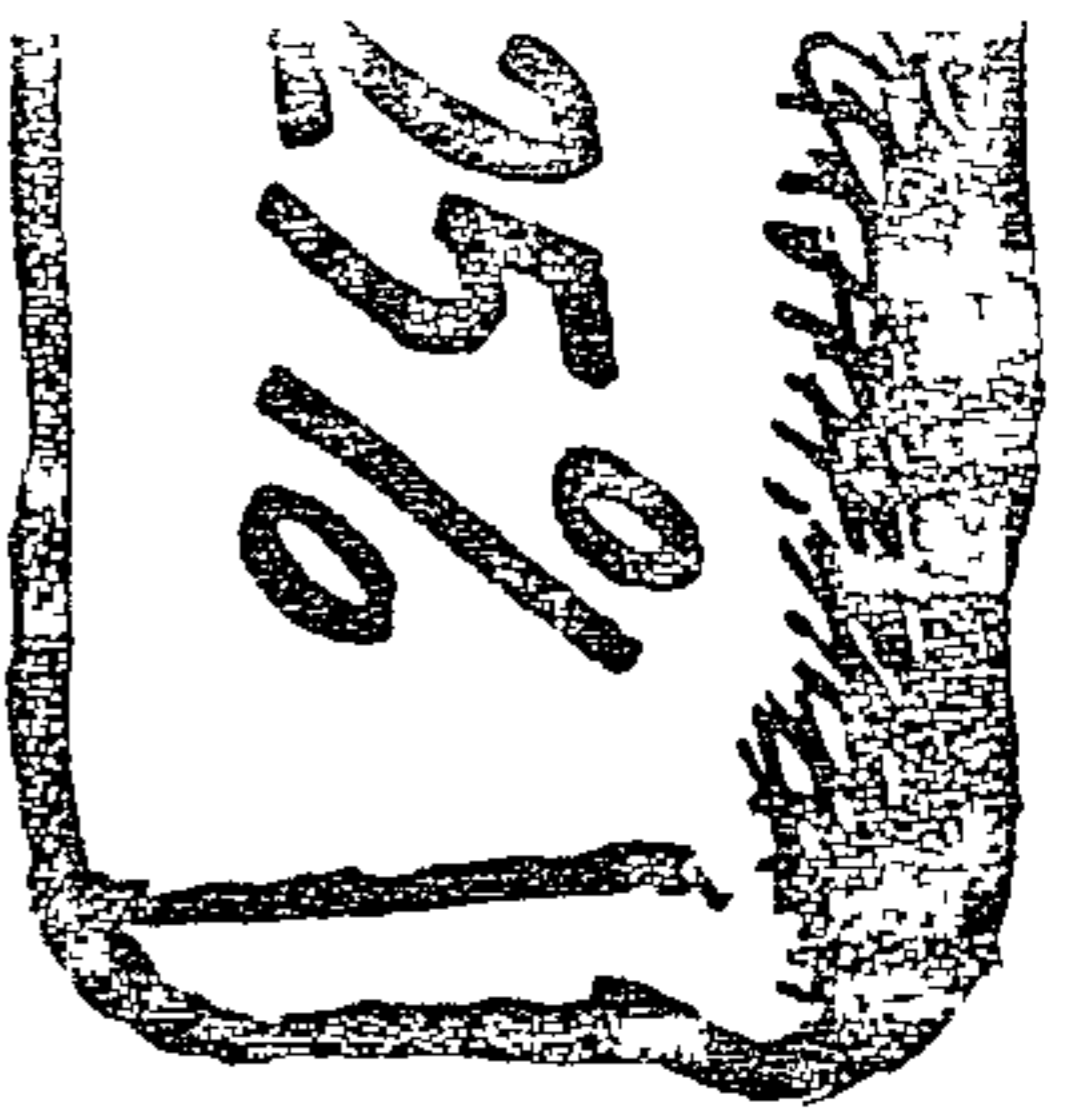
They said they committed the offence in Montagu Street, Kensington, on August 1 this year and both pleaded

guilty to a charge of contravening the Immorality Act.

They were found guilty and sentence will be passed on October 1.

Bail of R300 for Pretorius was extended. Catyeni was remanded in custody and bail was fixed at R100.

day in anticipation of the



White loaf
to rise 10c;
5c on brown

READ

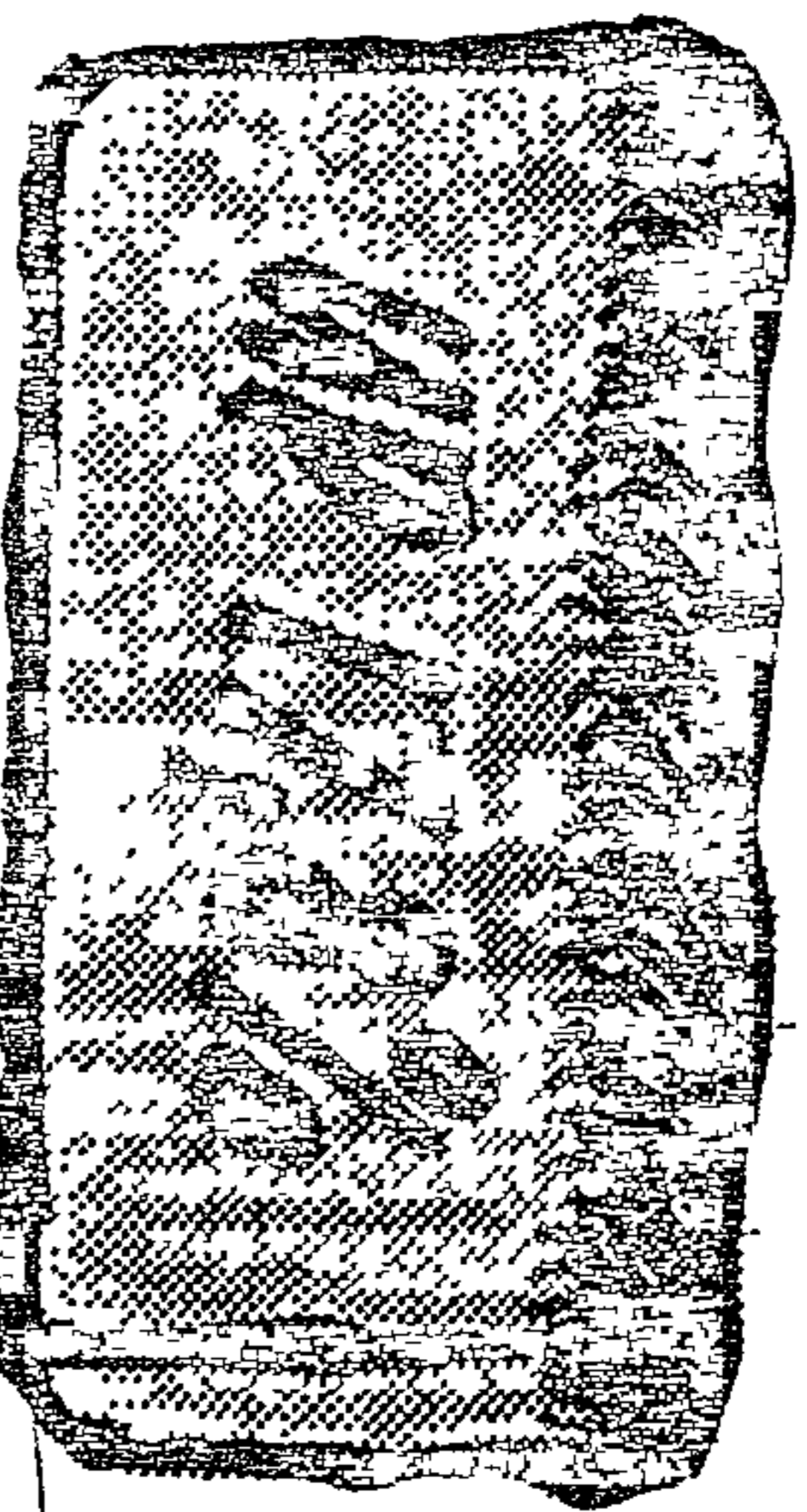
S

THE

BOOK

20c

~~30c~~



Areas 9/9/82

20c

~~30c~~

HEALTH Wc

NEW

Volume

AN increase in the price of bread — 10c on a white loaf and 5c on brown — was announced today.

The increase, hard on the heels of an increase in general sales tax, was announced in Pretoria today by the Minister of Agriculture, Mr Greyling Wentzel

From October 1 a white loaf will cost 53 c (including tax) and a brown loaf 35 c

No longer will a R1 coin meet the price of two white loaves

The reason for the increase — 25 percent on a white loaf and 17,8 on brown — has been given as the 13,9 percent increase in the wheat price

The increase substantially above the inflation rate, was described by Mr N F H Freeman, organising secretary of the Peninsula School Feeding Association, as "absolutely catastrophic".

Appealing to people to help the association to continue to provide 650 000 loaves a day for children at schools in poor areas, Mr Freeman said this would cost an extra R650 000 a year

Malnutrition

Poor families existed mainly on bread and bought two or three loaves a day

An increase of this magnitude would hit them hard and would cause increased malnutrition

Church leaders were shocked

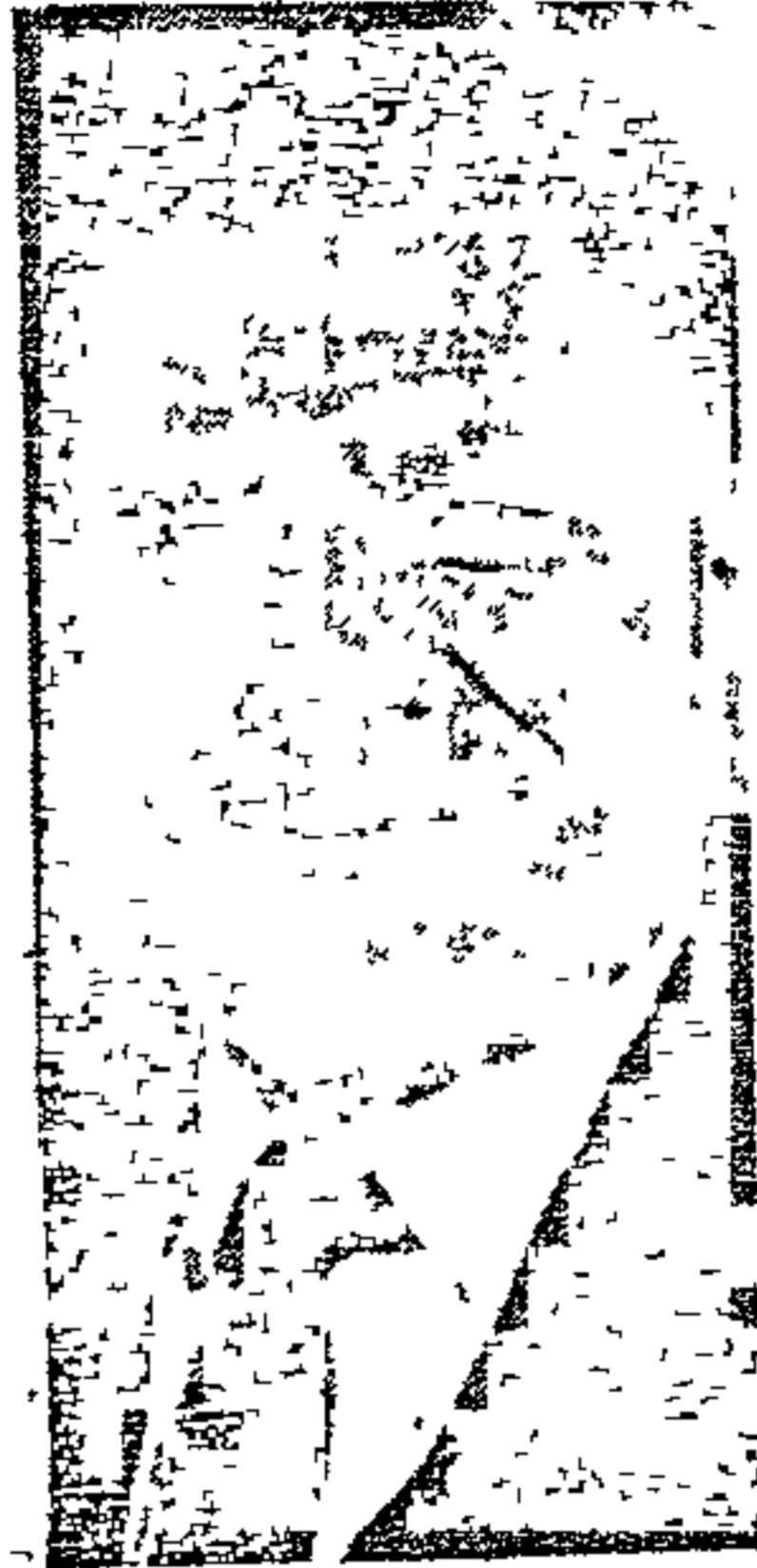
"It's iniquitous," said Owen Cardinal McCann, Roman Catholic Archbishop of Cape Town "I find it shocking I just cannot understand it

"I thought we had been told there would be no increase What happened to the subsidy?

"Bread is the staple diet for our poorer people Where does it all end — and how are our poorer people going to live?"

"Terrible"

The Rt Rev George Swartz, Anglican Bishop Suffragan of Cape Town, said "This is terrible The people who can least afford it are the people



Mr Greyling Wentzel announced the bread price increases in Pretoria today

who will be hardest hit — it's their staple food

"One gets the feeling that the people who

make these laws seldom eat bread They can afford meat and vegetables But for many families, and especially their children, there is little they can afford except bread

"With all the money being spent on other things, I really cannot see why something cannot be done to keep the price of bread at a level the poor can afford"

"Dreadful"

The Rev David Botha, Moderator of the Ned Geref Sendingkerk, described the increase as "dreadful"

It was obvious that the producer had to be kept in the market as a producer, but, said the Moderator, it was in the Government's power to keep down the price of basic foods

"The poor live mainly on bread This will hit their very existence It

(Turn to Page 9)

(From Page 1)

makes worse their struggle for survival"

Mrs Peggy Borckenhagen, public relations officer of the Housewives' League, was not available for comment after the announcement, but earlier, when questioned on her feelings on a possible increase, she said she was "horrified and depressed" at the thought of the effect on poor families

Mr Brian Goodall, MP for Edenvale, one of the Opposition's spokesmen on consumer affairs, said the increases would be a shock for consumers, who were already reeling from the increase in sales tax

The increases could help to accelerate the recessionary tendencies in the economy and would obviously be a spur to inflation

"The time has come to look at the role of administered prices in the creation of the inflationary cycle

"This continuous trickle effect of increasing ad-

ministered prices is a major cause of inflation, as people become accustomed to accepting inflation," said Mr Goodall

He warned of political implications of the increases With the economic recession there was increasing unemployment among unskilled workers and the increases would affect the poor and the old more than anybody else

It could cause political unrest

It was surprising that with the increase in the price of gold and the beneficial effect this would have on the economy, the consumers were being hit even harder by the Government

Big rise in bread price on cards

~~Wheat~~
244 C-Tinis
9/9/82

Own Correspondent
DURBAN. — A substantial rise in the price of bread was forecast yesterday by the general manager of the Wheat Board, Mr D F van Aarde.

He said the board was optimistic that a rise in wheat prices would be authorized and expected bread subsidies to be cut soon "unless the Finance Minister, Mr Owen Horwood, has changed his mind"

It followed that for either or both these reasons bread would cost more

"Farmers, millers and bakers all need to offset the production increases they have borne for some time," Mr Van Aarde said

He had been unable to get clarification over the

reduced subsidies, which he hoped would not be as drastic as he had been led to believe and which might be offset by the recent one percent rise in GST

If, as he had heard, the subsidy scheme was to be chopped by about 25 percent, the bread price rise would of necessity be "quite steep"

The Opposition's spokesman on agriculture, Mr Errol Moorcroft, described any move resulting in basic foodstuff price rises as "serious"

He blamed the rises on the government policy of giving economic protection to industries considered of key importance, such as the fertilizer, fuel and farm machinery industries

"It is of equal importance in terms of stability to the country to protect our less-privileged communities from increases to staple foods

"Where is that extra R350 000 000 from the added GST going?"

● Pretoria sources said

the bread subsidy was being discussed at a high level but a decision might have to wait for the return of Mr Horwood, from the International Monetary Fund meeting in Toronto

Mr Horwood's deputy, Mr E van der M Louw, declined to comment last night

Although Mr Horwood announced earlier this year that he intended slashing the subsidy on white bread from 12 to five percent, and on brown bread from 34 to 20 percent, it is understood that more funds may now be made available to prevent a price rise of 10 cents a loaf or more

When he announced the GST rise of one percent last month, Mr Horwood hinted at the possibility of bigger subsidies for essential foods

So there is some hope, according to the Pretoria sources, that part of the increased revenue from the GST rise will be diverted to minimize the bread price rise

Govt to curb bread price hike

244
Mercury
9/9/82

PRETORIA—The Government was considering an increased subsidy to hold down an inevitable bread price increase from October 1, it was learned here yesterday.

Mercury Correspondent

The issue was being discussed at a high level but a decision may have to wait for the return of Minister of Finance Owen Horwood from the International Monetary Fund meeting in Toronto.

Although Mr Horwood had already announced he intended slashing the white bread subsidy

from 12 percent to 5 percent and brown bread from 34 percent to 20 percent, it is understood more funds may now be made available to head off what would otherwise be a price rise of 10 c a loaf or even more.

When he announced the

general sales tax increase of 1 percent last month, Mr Horwood hinted at the possibility of bigger subsidies for essential foods.

So there was hope, according to Pretoria sources, that part of the increased revenue of R330 million would be diverted to minimise the bread price rise.

To prevent an increase in the bread price from the beginning of September, because of higher sales tax, Mr Horwood authorised a special short-term subsidy of nearly R1 000 000.

But a substantial bread price increase was forecast yesterday by the general manager of the Wheat Board, Dr D F van Aarde.

Farmers, millers and bakers all need to offset production increases they have borne for some time, Mr van Aarde said.

Any increase would have to include the higher wheat price and higher margins for the baking and milling industries, but would be reduced by whatever the minister decided to grant as a new subsidy.

Price of bread goes up

244

Sometan 10/9/82

THE price of bread goes up on October 1.
 The price is to be increased by 10 cents for a white loaf and five cents for brown

By ALINAH DUBE

Announcing this in Pretoria yesterday the Minister of Agriculture, Mr Grevling Wentzel said that since more than 70 percent of bread sold was brown or wholewheat, the Government had decided to keep the increase in the "consumer price of brown bread" to a minimum

The price of a standard brown and wholewheat loaf would now be 33 cents and a standard white loaf 50 cents. After general sales tax, a brown loaf will be 35 cents and a white loaf 53 cents

Schoolchildren in the poverty-stricken rural

areas are likely to be the hardest hit when the new prices come into effect next month. The Peninsula Feeding Association will be forced to cut down on the amount of loaves it buys daily

Mr N F H Freeman, organising secretary for the association, said in Cape Town yesterday that malnutrition would increase among the poor people, "if the price of bread goes up as expected next month"

Mr Freeman said his association relied on donations for its income and would have to cut down on the 650 000 brown loaves we buy daily for distribution to schoolchildren in poor areas

"Bread is the staple diet of poor families," he pointed out

He said if poor people bought two or three loaves a day such an increase would hit them very hard

Miss Molebogeng

Matsie, of Learn and Teach said it was time black people fought "this kind of exploitation"

She said it was insensitive of the Government to announce increases when nothing was being done about the subsidy

"Black people should organise themselves to fight these high prices. A campaign has to be launched because we cannot continue buying bread as if we are not aware of the problems we face," said Miss Matsie

Mrs Peggy Borckenhagen, public relations officer of the Cape branch of the Housewives' League, said she was "horrified and depressed" at the thought of the effect such an increase would have on poor families

Mr Gordon Utian, managing director of Checkers, has also expressed grave concern



LUNCH Enjoy it while you can. Soon that loaf will cost you 53c

about the bread-price increase, especially in the light of the one percent hike in GST announced only weeks ago

"I questioned then how much of the extra revenue — and estimated R350 million — from the increased sales tax would be used to counter increases on

basic foodstuffs

"There is no sign that the authorities are taking any action to prevent such future price increases, nor has the Minister of Finance fulfilled expectations that part of the General Sales Tax increase would be used to bolster subsidies on essential foods"

In the light of the 1979 amendments to the Industrial Affiliations Act, could you please indicate for extensions in scope.

a) where.....

b) to whom.....

5.

Federation of Salaried Staff Associations of South Africa	
Pulp and Paper Industry's Joint Committee	
Rand Water Board Unions Joint Committee	
South African Council of Mining Unions	
South African Federation of Leather Trade Unions	
South African Council of Transport Workers	
South African Federation of Chemical and Allied Workers Union	

4. AFFILIATIONS TO INDUSTRIAL FEDERATIONS CONTINUED:

Lower paid to be hardest hit

Consumers reel under bread blow

10/9/82 RDM

244

By GERALD REILLY and MAURITZ MOOLMAN
THE staggering increase of 10c for a loaf of white bread and 5c a loaf for brown has shocked consumers throughout the country.

The increases come into effect from October one.

Announcing the increases at a Press conference in Pretoria yesterday, the Minister of Agriculture, Mr Greyling Wentzel, said white bread would rise by 25% and brown bread by 17,8%



How the Mail predicted the bread price rise yesterday.

35c charged for brown

Mail Reporter
ANOTHER shopowner is risking a R2 000 fine by overcharging for bread

Last week the Mail investigated cafes which were overcharging for half loaves. And yesterday, after several complaints from members of the public, the Mail went to a cafe in Dunswart Avenue, Boksburg — and found the owner selling a loaf of brown bread at 35c and a half-loaf at 20c

The owner said he had just bought the shop and could not understand why his staff were overcharging

White bread would be increased by 10c to 50c and with general sales tax added to 53c. Brown bread will rise by five cents to 33c and with two cents GST to 35c

The current price of white bread is 42c and that of brown 29c, including GST

Economists and labour leaders said the lower income groups would be hardest hit by the price increases. For some, including more than 1 000 000 unemployed blacks, bread was becoming a luxury

They warned, too, that the price hikes would add significantly to the country's inflation problem

The Minister's announcement also meant the Government had yielded to demands for price hikes in all basic food products this year

The bread subsidy has been raised by R32-million to a total of R191-million

Mr Wentzel said at yesterday's Press conference that the Cabinet had approved a 13,9% increase in the wheat price, although more had been asked for by the Wheat Board

He said it would have cost a total subsidy of R234-million to have kept the bread price stable, taking into account the higher wheat price and bigger margins for millers and bakers

The stringent financial climate and a sagging economy dictated that no more than an additional R32-million could be made available

He said the Government had tried to keep the price at as low a level as possible because more than 70% of bread consumed was brown or whole wheat

The subsidy on brown bread would be 13,8c a loaf from October 1, or 41,8% of the retail price before GST. The white bread subsidy would be 1,5c a loaf, or 3% of the retail price before GST

Mr Wentzel said the Minister of Finance had, when announcing the 1% increase in GST from September 1, indicated that a further subsidy on bread and other basic foods was being considered

Asked whether the Government had totally rejected the removal of GST from basic foods, Mr Wentzel said the complicated administration and costs made this impossible

He also said to have lowered the price of brown bread to 34c to simplify the sale of a half loaf would have cost an additional R5-million to R12-million. This the Government could not afford

He conceded that the 17½c half loaf would create problems for cafe owners as the half cent had gone out of circulation. Solutions were being looked at, he said

Cafe owners said yesterday that if they sold half a loaf at 17c they would lose and if they sold it at 18 cents they would be prosecuted

However, a source in the Department of Agriculture, said yesterday it was expected that the price of half loaves of brown bread would be fixed at 17c plus 1c GST when the bread price is finalised at the end of this month

Cafe owners have refused to sell half loaves because they could not sell it at 14½c

But, according to the Department of Agriculture source, cafe owners will be allowed to sell half loaves at 18c, scoring a ½c on each half loaf

Meanwhile, GORDON KLING reports that the chairman of Pick 'n Pay, Mr Raymond Ackerman, said he was appalled at the extent of the rise and pledged to put a "seven figure" amount of money into a fund intended to prevent implementation of the increase

"We call on other retailers and milling companies to do the same," he said

● **Man in the Street's view — Page 5**

SA loaves still the cheapest in the West

By GERALD REILLY

THE Minister of Agriculture, Mr Greyling Wentzel, claimed yesterday that South Africa still has the cheapest bread in the West, in spite of the big price increases from October 1 — and he is right. According to figures released by the Wheat Board in Pretoria yesterday, South Africa's bread is cheaper than in other developed countries.

The price of a 900g loaf in Berne, based on late 1981 figures, was R1,64, in Bonn 94c,

in Brussels 91c, in Buenos Aires R1,59, Copenhagen R1,36, London 95c, Mexico City 80c, Ottawa R1,09, Rome R1,35, Stockholm R2,57, the Hague 74c and Washington R1,46.

The higher bread prices come into force from October 1. White will rise to 53c and brown and wholewheat to 35c.

Had the subsidy not been raised by R32-million to R191-million, the 25% increase in white bread and

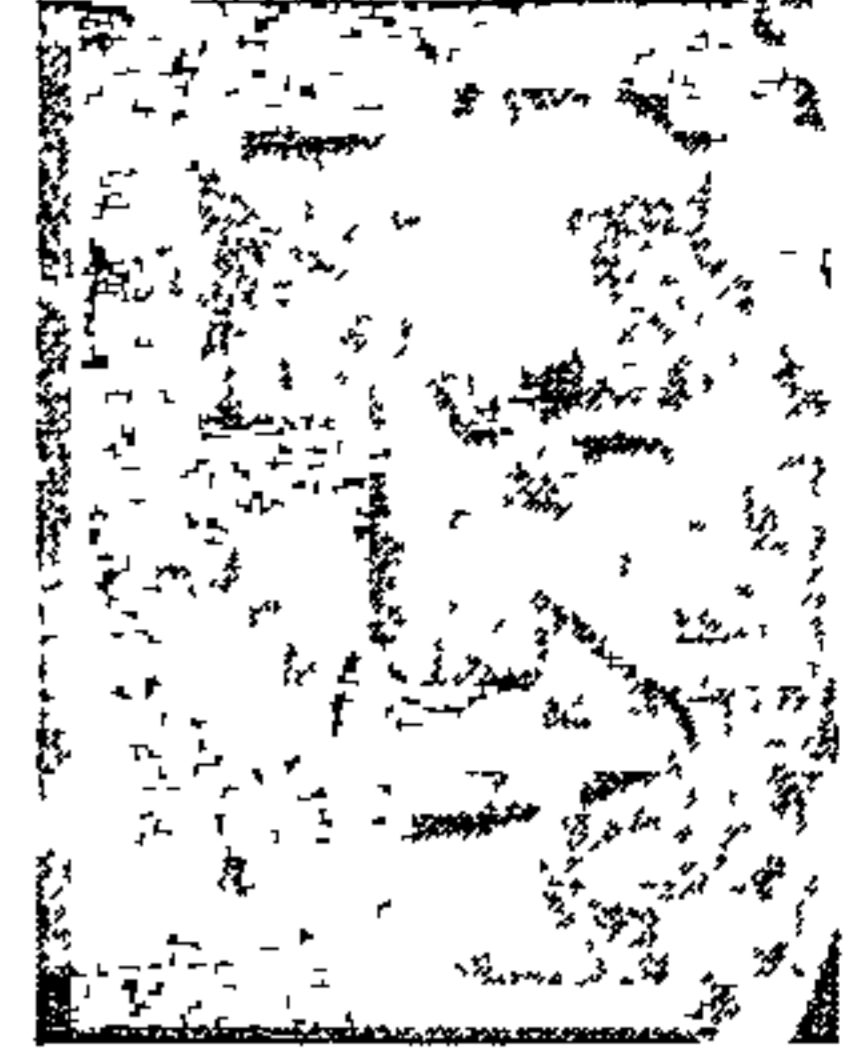
17,8% in brown would have been much higher. To have kept bread at current price levels would have cost R234 million.

In terms of the undertaking to consider bigger food subsidies given by the Minister of Finance, Mr Owen Horwood, when he announced the 1% rise in GST, R10-million has been added to the maize subsidy to prevent an increase of R2 a ton because of mounting storage costs.

An economist has pointed

out that South Africa, because of its large population of low-income earners, is one of the world's biggest bread eaters, and even with the steep price increases from October 1, consumption is expected to continue its steady rise, for with mealie meal, it is the staple diet of about 10% of the population.

During the 1981-82 financial year, according to Wheat Board figures, the country consumed 1 609-million loaves of bread.



MR J G WENTZEL
Minister of Agriculture

Adding fuel to inflation . . .

Mail Reporter

Consumers still reeling under the price increases in all Government-controlled basic foods — that of bread, the latest — may not have seen the last of 1982's price rises.

Another petrol price increase within the next four or five weeks is on the cards, according to motor industry sources.

A senior official of the Department of Mineral and Energy Affairs could not confirm the likelihood of a fuel increase in the near future.

"We are constantly looking at the price and the various factors affecting it. When the time is ripe we will make recommendations to the Government," he said.

The sources said they had reason to believe the fuel price stabilisation fund was emptying and causing concern. Price adjustments would have to be made unless there was a spectacular improvement in the Rand-dollar rate, they said.

The Government pays for SA's crude oil in dollars and in the past 18 months the Rand has depreciated by 35% against the dollar. So SA is paying 35% more for its crude oil.

Sources also recalled a warning by the Minister of Mineral and Energy Affairs, Mr F W de Klerk, when he announced the 3c per litre increase in April — another rise was possible before the end of the year.

~~Instant~~ (244)
ROOM 11/9/82

The first recipe of success in the Bread Bake-Off

Mall Reporter

FOR the seven members of the Thomas family of Kensington, the staggering increase in the bread price will have little effect

The Thomas family have found the secret to a plentiful bread supply — they bake their own

And three times a week the unmistakable aroma of freshly baked bread fills their house

Dad, the Rev Clyde Thomas, does the baking — and loves it "It is no trouble at all I bake my usual white loaves on Mondays, Wednesdays and Fridays and I want to start baking brown bread as well," he said yesterday

His wife, Beth, bakes a special wholewheat loaf at weekends

"We find there is absolutely no waste with homemade bread — it gets eaten to the last crust," he said

Mr Thomas's recipe entry for the Great Bread Bake-off competition is called "Super Instant Bread"

2kg white bread flour
810ml warm water
2 spoons of sugar
½ cup of cooking oil
2 teaspoons of salt
3 teaspoons of dry yeast

METHOD

Dissolve yeast and sugar in a little warm water. Add remaining water and stir well.

Mix dry ingredients and oil. Fold in the yeast liquid.

Knead for a while and leave to rise for 75 minutes.

Knead again.

Divide mixture into three bread tins and leave for 75 minutes.

Put into cold oven set on 200° and bake for 50 minutes.

Reverend Thomas finds if the bread is placed in the cold oven it rises more.

Mrs Thomas's wholewheat bread recipe
2 cups wholewheat flour

2 cups bread flour
1½ teasp bicarbonate of soda
1½ teasp salt
1½ teasp brown sugar
1 500ml carton plain yoghurt

METHOD

Mix the dry ingredients, then mix in yoghurt very well.

Bake in a greased bread tin for an hour in a 350° oven.

● Mrs Thomas is in line for one of the prizes in the Mail's exciting Great Bread Bake-off competition.

The main prize, a Genus microwave oven, will make her baking easier than ever.

Its computer measures cooking time so it's impossible for anyone to have a flop and its electronic touch control makes it easy to use. It's big enough to cook a 10kg turkey and you'll get free cooking lessons and a recipe book.

1 No employees of SAAN or OK Bazaars, their immediate families or those in their employ, can enter the competition.

2 The Editor's decision is final, and no correspondence will be entered into.

3 All recipes must be printed, with your name, address and telephone number on each entry.

4 There is no restriction on the number of recipes that can be submitted.

5 The closing date is September 24, 1982, at 5pm.

6 Send your entries to "The Mail's Great Bake-Off", c/o Promotions Department, PO Box 1138, Johannesburg, 2000. Or hand your entries in at SAAN Building, 171 Main Street, Johannesburg.

7 The 10 finalists, who will take part in the Great Bake-Off, will be announced in the Mail on Wednesday, September 29, 1982.

● The date of the Bake-Off will be announced next week.

THIS BREAD
PLAN COULD
HELP BUT

244 ~~Stewart~~
Food giants
snap their
wallets on
a subsidy ^{S. Express} 12/9/82

BY CHARLENE BELTRAMO

FOUR food giants with a combined annual turnover of nearly R5 000-million are resisting making a contribution of R1-million each toward a fund that could prevent the bread price being raised 10c a loaf on October 1

The scheme is the brain-child of Mr Raymond Ackerman, chairman of Pick 'n Pay, who has already pledged R1-million toward such a fund

Mr Ackerman said if the Government donated R30-million — making a total of R35-million with the company contributions — and added this to the R190-million bread subsidy, the price would remain at present levels

The day after the bread price increase was announced, Mr Ackerman cabled Checkers, the OK Bazaars, Premier Milling and Tiger Oats, asking them to join him in pledging R1-million each toward the bread subsidy

"I then intend taking the pledges to the Minister of Finance, Mr Owen Horwood, and will ask him to channel R30-million of the extra R600-million the Government will get from last week's 1% GST increase to the bread subsidy"

But when the Sunday Express contacted the Big Four Mr Ackerman cabled, the response was far from enthusiastic

OK Bazaars' managing director Mr Meyer Kahn said he thought the bread price increase was "very sad" But when told of Mr Ackerman's scheme he laughed and said he thought it ridiculous "But in fairness I would like the details," he said

"If anyone has the type of influence to get Mr Horwood to give R30-million then why doesn't he ask for the whole amount?"

OK Bazaars' turnover last year was R1 061-million, of which R590-million was from food sales Pick 'n Pay, by contrast, had the lowest turnover of the five companies last year with R744-million passing through their supermarket tills

A director of Tiger Oats, who did not want to be named, asked where Mr Ackerman thought they would get the money

Tiger Oats, the biggest food corporation in South Africa, had a turnover of R1 399-million last year

Mr Gordon Utian, managing director of Checkers, said bread subsidisation was the responsibility of the Government and not the private sector

He believed Mr Ackerman was staging a publicity stunt. Checkers is part of the Greatermans group which had a group turnover of R1 003-million last year

A spokesman for Premier Milling, which had a turnover of R1 204-million last year, said the company could not comment on the issue until the matter had been fully explored

Mr Ackerman said "When GST was increased the Minister said more money would go to food subsidies but the extent of the increase has negated this"

"I hope to see the four companies I cabled next week to persuade them to contribute toward this symbolic pool," said Mr Ackerman

"I want to be able to go to Mr Horwood and say the private sector has put down R5-million of hard-earned money, to help South Africa"

By RAYMOND HILL

THE Wheat Board, in Pretoria, has appealed to the Government to avoid half-cents in the new bread price structure

The general manager of the board, Mr A A Liebenberg, said today he was aware of the problems created by the shortage of half-cents, which sometimes resulted in consumers having to pay more than necessary

He said the board was aware there was a half-cent shortage

"The board is busy making representations to the Government to avoid half-

No 1/2 c in bread price, requests Wheat Board

(Handwritten: 244, E. Post, 13/9/82)

cents in the new bread price. We are waiting to hear what the position will be before the increase comes into force on October 1," he said

A loaf of white bread will then go up by 10c and brown bread will go up by 5c

Consumers in Port Elizabeth have complained about having to pay 15c for a half-loaf of brown bread,

instead of the correct retail price of 14½c

Some Port Elizabeth shopkeepers charged 14 cents for an unsliced half-loaf

Mr Liebenberg said shopkeepers who overcharged by a half-cent were contravening the Bread Price Control Act and could be prosecuted

Customers, he said, were entitled to report such inci-

dents to the authorities

White and brown half-loaves, of the "ready made" variety, are available in Port Elizabeth, according to a spokesman for a large bakery

Unsliced bread is also sold to shops and cafes on a wholesale basis

The loaves are sliced by shopkeepers, who may divide and sell it in halves at the controlled price

Help for small business

'Subsidise workers' city retailer

244

ARGUS 14/9/87

MANY small businessmen, struggling to keep going in the economic downturn may be unaware how much help is available to them

Mr Henrie Boshoff senior consultant at the unit for entrepreneurship and small business management at Stellenbosch University, tells me they can obtain bank loans for up to R25 000 with the help of the Small Business Development Corporation which will guarantee up to R20 000

A variety of services, including a book-keeping service, can be arranged and advice is available from the universities of Stellenbosch, Cape Town and the University of the Western Cape

Details of all this will be given by Mr Boshoff at a seminar in the Cape Town Civic Centre on Thursday morning, with advice from other speakers

A CAPE TOWN retailer believes all employers should give a bread and transport subsidy to weekly paid workers

Mr Ivor Garb said he had been doing this for about a year and thought it the duty of all employers in times of high inflation

"I think the suggestion of Mr Raymond Ackerman, that there should be a bread subsidy fund, is a very good one, but we cannot leave it all to the supermarkets," he said

RESPONSIBILITY

"I think the entire private sector has a responsibility to help. The situation is getting serious"

He suggested figures could be published every six months or so, advising employers how many extra cents they should give workers to help

meeting rising costs for bread and transport

Mr Garb also criticised employers who paid the minimum wage in inflationary times. He said he now started labourers at R55 a week, but he knew of a firm that was paying R38 to a man who had been with it for many years

SUPERMARKETS

Incidentally, three of the four main supermarket chains have been subsidising bread by selling it below cost since GST was raised to 5c earlier this year

Grand Bazaars, Pick 'n Pay and OK Bazaars sell bread at less than they pay for it, and Checkers sells it at cost

The biggest subsidy is by Grand Bazaars, which has the cheapest bread

fer, which will be completed by next Monday, will be that the fishermen will meet before the season to appoint their own board of directors

What the ownership means to the 186 fishermen is that now for the first time they have the established corporate protection of their own company

SCATTERED

Although owning the company will for the moment not result in financial gain for the fishermen, it is expected that each year they will receive a comfortable return on their "investment", he said

The seasonal fishermen are scattered along the West Coast between Witsands in the south and Lamberts Bay in the north

Ex-traffic official denies R45 'gift'

A FORMER Gallows Hill traffic official denied in the Cape Town Regional Court yesterday that he received money from a taxi driver in return for a taxi licence

Mr Stanley George Marshall, 35, of Vrijzee, and a Lotus River taxi driver, Mr Solomon Jassiem, 31, are facing charges of corruption

The State alleges that Mr Marshall, while employed by the municipality of Cape Town, received R45 as a gift from Mr Jassiem in return for a taxi licence issued to Mr Mogamat Sadien

Mr Jassiem is alleged to have handed over the money to Mr Marshall to obtain a licence for Mr Sadien

The men originally faced two charges of corruption, but one was withdrawn. They both pleaded not guilty

DROVE AROUND

Mr Marshall told the court he at no time received money from Mr Jassiem or Mr Sadien and did not know either man

Mr Jassiem said he received R45 from Mr Sadien for driving him around for three days. They drove to various places



'Pensioners spend quarter salary on bread'

Black Sash slams bread price hike

THOUSANDS of black pensioners could spend a quarter of their R40-a-month income on bread after October 1.

According to Black Sash's adviser Mrs Jillian Nicholson, many black pensioners bought a loaf of bread because it was the only filling food they could afford.

The staggering increase of 10c for a loaf of white bread and 5c a loaf of brown bread announced by the Government last week has shocked consumers throughout the country.

Trade unionists and economists have reacted strongly against the Government's decision

By JOSHUA RABOROKO

to hike the price while the country is entering a recessionary period and thousands of workers, especially blacks, are facing large-scale unemployment.

Mrs Nicholson said that when the new prices came into effect black

pensioners would be the hardest hit because the money they got from the Government would just make it impossible for them to live.

The pensioners could find themselves spending R10 a month just on bread, she said.

"The effect on their health will be devastating," she said.

She said that when one considered that these pensioners also paid house rentals, fed and clothed their children and had to face the escalating cost of living, it was just unthinkable how they were going to manage.

Other consumers interviewed on the price hike have said that it would affect their budgets drastically.

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Examiners' Initials		

NOTE CAREFULLY

- 1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
- 2 Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
- 3 Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used
- 4 Do not write in the left hand margin

WARNING

- 1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed
- 2 Candidates are not to communicate with other candidates or with any person except the invigilator
- 3 No part of an answer book is to be torn out
- 4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

Hesitation over price control

Govt may act on price rises

25m
20/9/82
244

PORT ELIZABETH. — Unless prices were kept down the Government would be forced to take steps to protect the poor, Mr Barend du Plessis, the Deputy Minister of Information, said in Port Elizabeth on Friday night.

Addressing the annual dinner of the Afrikaanse Sakekamer, he said that if prices kept rising at the present rate the Government would have to use a greater share of the gross domestic product to improve the lot of the poor.

Mr Du Plessis said the Government did not want to impose price control because this was counter productive to the Government's views on the free economy system.

The possibility that the Government would be forced to act placed considerable pressure on manufacturers and producers to contribute as much as possible to keeping prices down.

He said that on the other hand the consumer also contributed to the high cost inflation

because of continual wage and salary demands.

Another factor affecting inflation was the low level of education among a large sector of the population which made it difficult to provide proper training and led to poor productivity.

Because of the threats of boycotts and shortages, South Africa was forced to manufacture certain commodities some of which had high marginal production costs.

A sudden upswing in the economy triggered off a demand for labour which exerted an upward pressure on inflation while there was also a lack of competition in many instances, he said.

The economy was basically healthy enough to survive the difficult times but people would have to make sacrifices. There was a need for the economy to remain finely tuned to meet the demands placed on it for job creation and improved living conditions.

He said that if the economy became unstable it would affect the income and material security of many people. This would make them less susceptible to political reform and more open to political agitation.

While the Government was busy with far reaching constitutional reforms it was important for all people, particularly those involved in the economy, to think not only in economic terms but also in political terms, he said — Sapa

Prices go bananas in inflation riddle

S. Post 22/9/82

244

By LOUIS BECKERLING
Business Editor

THE rate of inflation as measured by the consumer price index (CPI) now stands at 13,8%

Figures released yesterday by the Central Statistical Office for the month of August show a further 1,2% increase on a monthly basis and the CPI now stands at 236,8, compared with 234,1 in July (which in turn showed a 0,9% increase over June)

On an annualised basis the rate has apparently shown a decrease (from 14,4% to 13,8%), but this is accounted for by an unusually steep increase in the CPI in July last year and in no way indicates a downward trend in prices

Bear in mind also that all it takes to push up the index a few points is another round of price hikes forced upon commerce by a rise in administered prices — and already rumours are circulating that petrol is shortly due for a further increase in price.

Consequently the short-term difference in a monthly rate is clearly no reliable guide to what may happen in a matter of weeks, let alone 12 months. A trend will only emerge over a sustained period of months, and for the year to date the rate of change on a monthly basis has been stubbornly high — and rising

In January the index stood at 217,6, which represented a 0,6% increase over December 1981 and a 13,9% rise in prices when compared with the same month last year. In February prices rose by another 1,2%, in March by 2,3%, in April by 1,6%, in May by 0,6% and in June by 0,8%

The CPI is calculated on the basis of a hypothetical collection of bills faced by families in the lower-, middle- and higher-income groups. The monthly food bill is given the greatest "weight" when calculating this index (25%), followed by the cost of housing (17,6%), and transport (15%). Lowest on the ladder is education, at only 0,82% in the case of the upper-income group

In order to measure the monthly change in food prices, for instance, officials of the Central Statistical Office call on a select group of stores in 12 different regions and price the items in their "basket". The officials call on the same shops in the first week of every month and price the same items every month, and are thus in a position to measure with some accuracy what changes have taken place

The Central Statistical Office publishes the findings made by these officials, but warns that in view of the select nature of the shops concerned the prices between regions are not necessarily comparative in the long-term

Nonetheless the findings do give an idea of the trend between regions, and Business Post has extracted at random some of the prices quoted in the July comparisons (see table)

Significantly the difference between regions on a basket of groceries costing around R100 is not substantial — in our sample Port Elizabeth provided the cheapest shopping and Pretoria the most expensive and the difference between the two was no more than R6,18c (or the price of a kilogram of rump steak).

Thus the first observation that can be drawn is that rises in the cost of living occasioned by transfers can be offset by a fairly modest sacrifice once a month

Of some consolation to Port Elizabeth and East London shoppers is that their bills are below the national average (R2,24 cheaper in the case of East London and R2,91 in the case of Port Elizabeth)

Surprising to those not familiar with the techniques of marketing men and the sometimes tortuous relationship between supply and demand is the fact that in our sample bananas were most expensive in Durban, and oranges most expensive in Port Elizabeth

(The totals reflected in the table are the sum of all the items contained in the shopping basket whereas, for reasons of space, the table contains only a few of those items)

IN years ago a loaf of bread cost less than 10c and from next month the price is going up to 53c for white and 38c for brown

The present increase of more than 10c a loaf for white bread is really a very serious matter for so many people living on a low income, and I feel very strongly that this could have been avoided if certain steps had been taken

Firstly, however, I would like to give a bit of background

In March this year, the Minister of Finance, Mr Owen Horwood, stated that in view of the policy of the Government to reduce food subsidies, the public must expect the subsidy to be reduced in October 1982, when the stated wheat increase would be announced. Not many people realised the significance of this and it has only come home recently with the announcement of the huge price hike on bread

So much has been written recently about this particular increase and the effect on the consumer, that I will not go into any further background but merely try to put certain practical steps forward as to what could be done to keep the price of bread at the old level

Practical steps to keep the price of bread down are

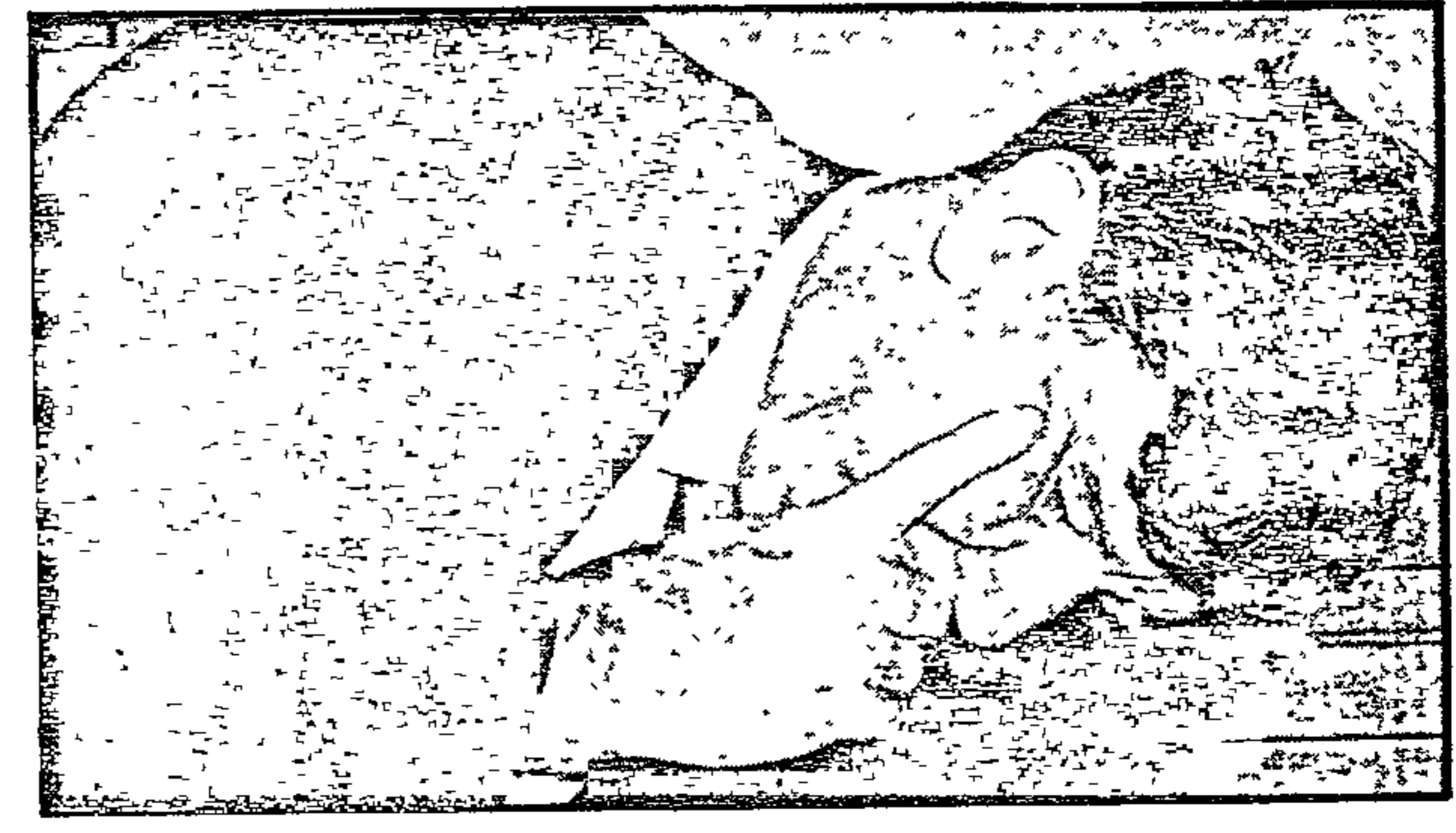
● In a country such as South Africa, with its huge gap between rich and poor, it is essential to establish a principle that food subsidies for basic items be maintained, even though certain economists feel it is against economic theory



USE
YOUR
loaf,
Mr
HORWOOD

ARE you listening, Mr Horwood? RAYMOND ACKERMAN (left), chairman of Pick 'n Pay, offers you a practical suggestion on what could be done to reduce the bread price. And he's backing it with R1-million from his own company.

Raym 23/9/82
244



that this would be impossible to control

Supermarkets could easily control having certain lines at a differentiated GST or at no GST. This again would reduce the price of bread to the consumer

● The Government has just taken an extra one percent GST, which represents more than R300-million for the whole year. If only another R35-million of this extra money could be taken to subsidise bread even further, there is no question that the entire increase announced 10 days ago would be eliminated, and bread could remain at the present price

● If there was his increased allocation for bread subsidy flowing from

GST, then, despite the increase of wheat to farmers — which I am not quibbling about because they have had increased fertiliser costs, increased cost of equipment and so on — the farmer could still get his increase to keep him on the land

● In the light of the Cape Town Good Hope and Carlton conferences of the Prime Minister and businessmen, I feel sure that if the private sector and Government would only work together, the bread price could be maintained

To illustrate this point, I made a call 10 days ago that if five major companies, such as Pick 'n Pay, OK and Checkers, together with two milling companies, Premier and Tiger,

each put in R1m-million, this would serve as a symbolic gesture to Government that they should put in the balance of R30-million to make up the required R35-million to keep the price at the old level. To date, unfortunately, the above companies have refused to join me in this particular venture. They feel it is the Government's duty to keep down basic foods

But I feel the Government has a point when it says the private sector should assist Government, and I am very disappointed there has been a nil response to this particular appeal

However, my company has decided to go ahead and see Minister Horwood and try to get him to put up

R34-million towards increasing the bread subsidy. And they will still put up the R1-million

To summarise, the Government must use the increased GST to prevent the bread increase and they must stop reducing subsidies on basic foods. Even though they may have increased the amount of money on subsidies for basic foods, they have reduced the percentage and this has been the kernel of the problem

If the avowed policy is to reduce percentage subsidies in the ensuing years, this can only cause trouble in a country with endemic problems of rich and poor, black and white

The consumer is powerless against big business and big government. I felt the symbolic gesture of five companies each putting in R1-million would bridge the gap and show that big business and big government cared

Minister Horwood, who has just returned from the IMF conference, may well consider these points, and as the decision was taken while he was away, could well reverse it, and use part of the GST money to prevent the price rise

Another crucial aspect is that major companies, such as our company and other chain stores, have been selling bread at below cost price since March this year, when GST went up from 4% to 5%

Now that it has gone up to 6%, it is even more important for these companies to keep their bread prices at cost or below, and this applies even if the present increase is retracted by the Government

The bread price is a matter of extreme urgency which has to be settled before the end of September, otherwise the poor people of this country will face a most severe problem which will affect all of us

The poor must not feel we are playing politics with poverty

The recent gold price increase, let alone the GST increase, could easily pay for the extra R34-million that is required

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'Symbolic bread boycott' urged

Staff Reporter

TWENTY-THREE Cape community trade union women's and student organizations yesterday resolved to oppose the October 1 bread price increase — possibly by calling for a limited boycott of bread

At a mass meeting in Athlone, the organizations and the crowd of about 600 people decided to liaise with trade unions, civic organizations and other community groups to discuss the possibility of a "short term, symbolic boycott" of bread

This would be co-

ordinated on an area basis with October 1 being a possible date for implementation

A petition would be drawn up to oppose the price increase, and this would be launched nationally

The meeting called by the non-racial United Women's Organization (Uwo), called on the government not to implement the bread price rise, to exempt basic foodstuffs from General Sales Tax, and said bread should be more heavily government-subsidized

It was also demanded that free bread be distributed to primary schools,

pensioners and the disabled, and employers were called on to increase wages so workers could afford to buy food

Introducing the speakers Ms Cheryl Carolus said "Over the past few months many things which the poor people cannot do without have gone up in price

"Somewhere there must be a limit, and the Uwo feels this bread price increase is the limit"

The secretary of Uwo Ms Zo Kota told the meeting the increase was "a vicious attack on the people" and the money from the increased bread price would go towards "making the homelands system work" and to the Defence Force

To applause, she said "Thousands of people in South Africa are dying of hunger — we demand food for the people and not for profits We demand that bread be made to fill the stomachs of the masses and not to line the pockets of the bosses"

The chairperson of UWO, Mrs Dorothy Zihlangu, addressed the audience as "a mother from Guguletu"

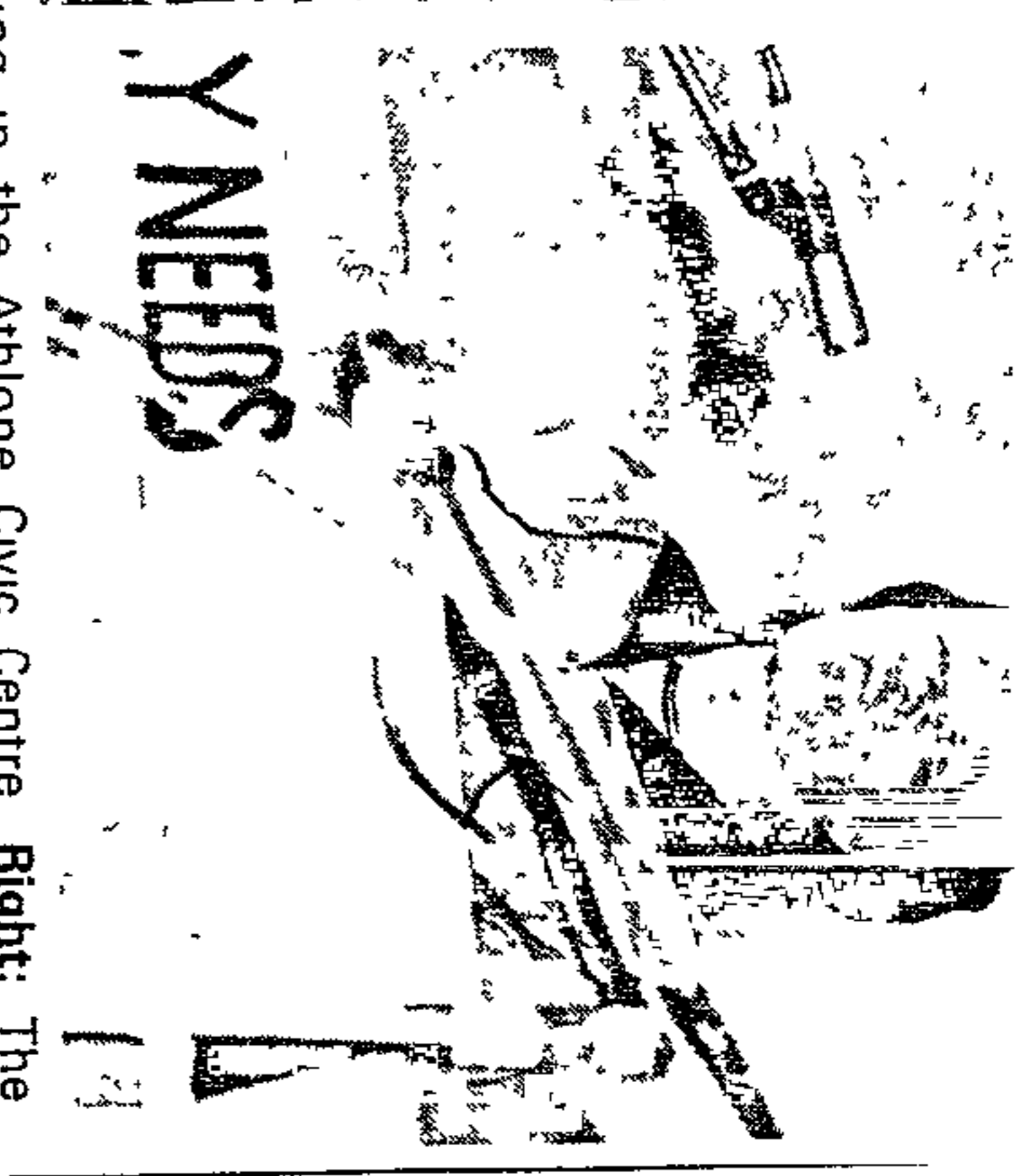
"If this increase comes in, my children are going to suffer

"We must unite, mothers, we must have one voice, we must fight this increase, we must fight this government."

Speakers from the floor emphasized that it was the working class who would suffer most from the increase, and although profits of the farmers and the milling companies would go up, the wages of workers in the two industries would not

Political comment by A H Heard, G E Shaw, R A Norval, J N Scott and M P Acott Cartoons by A M Grogan Headlines and sub-editing by A J Moth and W Odendaal All of 77 Burg Street, Cape Town

Left: Part of the crowd of about 600 at yesterday's mass meeting in the Athlone Civic Centre Right: The chairperson of the United Women's Organization, Mrs Dorothy Zihlangu, tells the crowd: "We must unite, mothers, we must have one voice, we must fight this increase"



Lower salaries push down buying power

By David Braun

Goods and services in South Africa are reasonably priced by world standards. But a recent survey by the Union Bank of Switzerland of 47 cities throughout the world shows that comparatively lower wages and salaries mean the purchasing power of South Africans is lower than that in many other countries.

If you earn a higher than average salary in South Africa your standard of living ranks with the highest in the world. If you have an average or below average income you could do a lot better elsewhere.

SA citizens earn half of Swiss counterparts

They are 50 percent higher than in Johannesburg, while the Tokyo resident is 44 percent better off than the South African. Salaries are higher by 16 percent in Paris and by 30 percent in Düsseldorf. The Londoner earns 10 percent more than the Johannesburg.

Cities in which salaries are lower than Johannesburg's include Dublin (16 percent lower), Madrid (18 percent less), Milan (nearly a quarter less), Athens (38 percent lower), Rio de Janeiro (less than half) and Lisbon and Mexico (each only 38 percent of the Johannesburg income).

The people of Cairo earn 22 percent of what they could in Johannesburg while those in Bombay get a mere 14 percent.

Living costs surveyed were calculated by means of a merchandise basket consisting of 119 products representing everything one needs for daily living — from bread and other food to toilet articles and clothing.

On this basis Johannesburg was in the bottom quarter of the list — every RI needed in Zurich could be mat-

ched by 73c in Johannesburg. Mexico was the most reasonable at 52c and Tokyo was the most expensive at R1.32. The "basket" of goods and services in Johannesburg costs R388 a month. In Tokyo it costs R1 613 and in Mexico R641.

Meat in the most expensive cities could cost up to 10 times as much as in the cheapest centres. The average price of bread was R1.16 a kg but in a few cases it was as much as R3. In nine cities bread could be bought for less than 60c.

Wine costs R1.16 or less for a 750 ml bottle in French, Italian and Portuguese shops. The average price in all 47 cities was R4.

If the average Johannesburg woman buys one summer dress, one blazer or jacket, one skirt, one pair of tight-fitting shoes in a medium-priced shop it costs her R240. In an expensive shop the same outfit would cost R460. In Buenos Aires the expensive outfit would cost R954 and the medium-priced clothes would be R520.

In New York the clothes would be R701 and R387 respectively, in London R379 and

R220 respectively, and in Paris R587 and R298 respectively.

In Bombay they would be R113 and R99, while in Manila they would cost R107 and R74.

A furnished four-room flat in the medium-price bracket in Johannesburg costs R406 a month to rent. In the expensive bracket the same flat would cost R707. In Buenos Aires the medium priced flat would cost R962 and the expensive R1 368. In Chicago the equivalent accommodation categories would be R2 088 and R3 132 respectively.

Hong Kong would be R2 215 for the medium and R4 628 for the expensive, while London would be R1 218 and R1 461. In Tokyo you would pay R3 480 and R5 405 respectively.

The most used forms of public transport — subway, tram and bus — cost an average of 44c a trip of 10 km or 10 stops, the bank said. "Mexico boasts the cheapest fare at 5c, whereas passengers in Oslo pay the highest at R1.31." The Johannesburger pays 53c.

Car prices? The cost of the most frequently bought average sized cars were Johannesburg R9 121, Athens R11 514, Bogotá R19 368, Buenos Aires, R16 062, Helsinki R17 304, London R11 014, Mexico R7 650, Sydney R9 254 and Tokyo R6 310.

For every RI spent on hotel accommodation in Zurich 81c could buy the same in Johannesburg. In Athens you would need

R1.24, in London R1.50, New York R1.38, Sydney R1, Tokyo R1.21 and Buenos Aires 80c.

In Dublin you would need 74c, Copenhagen 66c, Luxembourg 51c, Madrid 49c and Tel Aviv 65c.

An assessment of the cost of living in various cities can be only partially achieved by comparing prices, says the bank. Only when incomes are also considered is it possible to form a clearer picture.

A primary school tea-

cher in Johannesburg earned R15 776 a year and his disposable income (after taxes and social service contributions) was R13 572. In Athens the same job paid R8 700 (R7 076 after deductions), in Buenos Aires R3 248 (R2 784) and in Cairo R1 160 (R1 044).

In Amsterdam the same teacher would get R20 230 (R14 500) and in New York R28 652 (R20 300). In Geneva the teacher would get R38 744 (R28 072).

A bus driver in Jo-

hannesburg earned R11 368 (R9 860), in London R14 732 (R10 904), in Chicago R30 276 (R21 112) and in Bangkok R2 320 (R2 204).

How much does a particular income buy? The purchasing power index based on prices and earnings shows that wage earners in San Francisco are able to purchase more than anywhere else in the 47 cities surveyed," said the bank.

	SALARIES	RENT	HOUSEHOLD ITEMS	FOOD	CLOTHES	RESTAURANT	BUYING POWER
ZURICH	100	R 359	R1221	R 354	R 315	R 20	100
JOHANNESBURG	54	R 279	R 888	R 222	R 240	R 16	69
LONDON	51	R 500	R 1112	R 249	R 220	R 15	60
NEW YORK	88	R 790	R 1229	R 325	R 387	R 33	98
SYDNEY	72	R 523	R 1075	R 266	R 287	R 23	85
PARIS	59	R 325	R 1010	R 281	R 298	R 17	70
BUENOS AIRES	20	R 290	R 1102	R 198	R 520	R 18	N/A
TOKYO	78	R 337	R 1613	R 642	R 501	R 46	54
MEXICO CITY	23	R 232	R 664	R 154	R 172	R 12	N/A

Johannesburg compares favourably with other major cities in terms of prices but salaries are relatively low. So the purchasing power of South Africans is lower than in many major centres. The salaries indicated are expressed as a rating compared with those earned in Zurich, which scores 100 points.

The purchasing power index is similarly based on Zurich as 100. Rents are actual values of averages local people are prepared to pay for accommodation. Household goods comprise a basket of 119 items, including food, which an average family needs to live on for a month. The food prices are based on the net prices of 39 items in large supermarkets. Tax is included, where applicable.

Clothing prices are for one woman's outfit with shoes in a medium-priced store. The restaurant is the price of a dinner that consists of surlon or rump steak, two side dishes and dessert — including service but not beverages.

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SECTION R

3rd Party up 75c: AA wants results

28/9/82
244

Mail Reporter

THE announcement of a 100% increase in road safety levies in third party insurance payments was welcomed with a guarded statement from the Automobile Association yesterday.

The 75c increase will bring the levy for the National Road Safety Council up to R1 50 and will reap an added R3-million for the NRSC.

The deputy director-general of public affairs for the AA, Mr Hannes Rall, said the 100% increase came as a shock irrespective of the figure it amounted to.

"The AA would be happy if the sum was earmarked for a co-ordinated programme of action and research that saw tangible results, like a substantial decrease in accident rates.

"We would be most unhappy if the money was used simply to increase the body of the council or for increased salaries for staff".

The AA acknowledged that the accident index in South Africa was very high.

Last year there were more than 379 000 deaths in South Africa, which cost the taxpayer R1 400-million. This amounted to a death every 58 minutes, Mr Rall said.

By GERALD REILLY
Pretoria Bureau

BIG increases in meal and flour prices will come into effect on Friday

This is the inevitable result of the higher wheat price and the slashed Government subsidy

Because of this the prices of brown and white bread — already announced — will also rise steeply, brown to 35c a loaf and white to 53c

A 5kg pack of white bread flour will go up by 16.5% — from R2.72 to R3.17 — and cake flour from R3.07 to R3.60

Because of a cut in the subsidy on brown bread and wholewheat meal the prices will rise sharply

A 5kg pack of brown meal will be increased from R1.78 to R2.39 and wholewheat meal from R1.77 to R2.38

And a half kg pack of brown meal will go up from 99c to R1.32. A 1kg pack of brown meal goes up to 54c from 40c and so does the price of wholewheat meal — a rise of 35%.

The subsidy on brown and

RDM 29/9/82

Big increases in the price of meal, flour

24x

wholewheat meal has been cut from R125 a ton to R95 a ton.

Economists said yesterday that the lower income groups would be the hardest hit by the higher flour and meal prices

Meanwhile, the Minister of Mineral and Energy Affairs, Mr Piet du Plessis said in a statement last night that there will be no increase in the price of petrol at least before Christmas

He said speculation in recent newspaper reports that the price of fuel would go up necessitated a statement from him "to give certainty to the consumer public on the issue".

"In spite of a further weakening in the exchange rate of

the rand against the dollar since the previous price increase in April this year it had been possible with the co-operation of the oil companies, and through other measures which can be taken, to avoid a fuel price increase for the present"

Another hike in the price of steel of up to 20% — is in the offing say some retailers but officials are keeping quiet at this stage and would not confirm reports of the increase

The chairman of Iscor, Dr Tom Muller, said yesterday that he could not comment on the rumours as price increases were never made known before hand

The Rand Daily Mail correspondent in Durban reports

that despite the oversupply of red meat and skim milk, the South African consumer is paying much more for the local product than he would if he imported it from overseas

This is the conclusion drawn by Durban ships' chandler Mr Carl Walker who says he could get cans of evaporated milk cheaper from Holland, and pay less for steaks from Australia, than he would buying them from local wholesalers

He said ships' chandlers could import foodstuffs from overseas without paying import duties, although these goods could only be supplied to vessels which called at Durban for supplies

One year as cheapest in survey

Post Price Check

A HUNTERS RETREAT hypermarket can chalk up a full year as the cheapest Port Elizabeth food and grocery store surveyed by the Evening Post

For the 12th consecutive month, the Pick 'n Pay Hypermarket has emerged as the cheapest outlet in the Post Price Check

The September survey was undertaken last week at the Pick 'n Pay Hypermarket, the Checkers Hypermarket (before its changeover to the Big D Discount Hyper) and the OK Superstore at Greenacres, and the three Walmer supermarkets — Pick 'n Pay, Checkers and OK Bazaars

Of the wide selection of items chosen at random at the various stores, 36 were found to be of the identical size and brand name, and therefore included in this month's check

The imaginary basket checked out at R41,19 at the Pick 'n Pay Hypermarket, this was R1,97 less than its nearest rival — Checkers Hypermarket, where the basket checked out at R43,16. The last time this particular area was covered in the check, was in June of this year, when Checkers Hypermarket was also in second position

In third position this month, and one up from June, was the OK Superstore, where the basket cost

How the stores compare

244
E. Post 29/9/82

	Pick 'n Pay Hypermarket	Checkers Hypermarket	OK Superstore	Pick 'n Pay, Walmer	Checkers, Walmer	OK, Walmer
Wash up liquid (Sunlight 750ml)	95	99	99	95	99	99
Soap powder (Omo 1kg)	1,59	1,66	1,59	1,59	1,79	1,59
Disinfectant (Sanpic 750ml)	1,55	1,64	1,12	1,15	1,79	1,69
Insecticide (Doom space 250g)	1,14	1,15	1,40	1,39	1,48	1,49
Cleaner (Brasso 200ml)	1,05	1,09	1,20	1,19	1,19	1,24
Toilet paper (Carlton one-ply 4 s)	99	1,36	99	1,09	1,49	99
Paperware (Waxrap 10m)	37	39	39	37	29	44
Sandwich bags (Glad 100 s)	1,32	1,34	1,45	1,49	1,39	1,45
Milk flavouring (Nesquick 500g)	1,49	1,42	1,25	1,53	1,37	1,29
Condensed milk (Nestle 397g)	68	79	69	75	74	72
Instant pudding (Royal)	20	25	23	22	29	25
Marmite (125g)	75	83	73	79	77	88
Pasta (Fattis & Monis macaroni 500g)	69	69	71	72	78	77
Tomato sauce (All Gold 750ml)	99	1,09	1,05	99	99	1,05
Mayonnaise (Cross & Blackwell 750g)	1,75	1,89	1,75	1,79	1,95	1,79
Cake flour (Snoflake 2,5kg)	1,28	1,42	1,45	1,29	1,45	1,53
Gravy powder (Bisto 250g)	52	52	49	54	50	51
Salt (Cerebos plain 1kg)	29	30	29	32	34	34
Condiment (Robertson s wt pepper 100g)	98	1,15	1,13	1,12	1,35	1,24
Cake mix (Moirs chocolate)	95	90	89	99	1,12	1,09
Budgie seed (Lopis plain 500g)	49	43	47	52	48	47
Dog chunks (Epol 10kg)	5,65	5,79	6,59	6,29	5,99	6,79
Biscuits (Pyotts romany creams)	58	68	62	64	84	90
Rusks (Outspan plain 500g)	89	89	85	92	79	85
Frozen veg (Harvestime cauliflower 1kg)	1,59	1,89	1,59	1,99	1,99	1,99
Frozen fish (Golden Smackeros 1kg)	2,09	2,09	2,20	2,29	2,29	2,79
Margerne (Stork brick 500g)	83	87	86	84	88	89
Ice Cream (Farmhouse vanilla 1 litre)	2,65	2,18	2,95	2,99	3,09	2,95
Can veg (All Gold spaghetti in tom sauce)	39	44	49	39	57	51
Shampoo (Silvikrin 300ml)	82	99	99	82	1,06	99
Body Lotion (Dawn 400ml)	1,12	1,09	1,19	1,37	1,35	1,19
Nappy Liners (Johnsons 100)	1,69	1,98	1,89	1,89	2,12	2,25
Soap (Palmolive 150g)	32	37	32	32	32	33
Deodorant (Mum for Men roll-on)	99	1,09	97	99	1,16	97
Toothpaste (Aquafresh)	97	99	95	97	99	95
TOTALS (excluding GST)	41,19	43,16	43,36	44,05	46,66	46,82

R43,36

In fourth position was the Walmer branch of Pick 'n Pay (R44,05), which was in third position in June. There is no change in the

fifth and sixth position held by Checkers, Walmer (R46,66), and OK Bazaars, Walmer (R46,82), respectively

The biggest single price

difference noted on a single item was for Epol dog food chunks, with the most expensive store being R1,14 more than the cheapest store

The difference in price between the cheapest and most expensive store was R5,63 or 13,6%. This is higher than in June when the difference was 11%

Star 30/9/72
**External
air fares
up 7 pc**

CAPE TOWN — Air fares on all international flights in and out of South Africa go up by seven percent from tomorrow

Mr J C van Rooyen, PRO for South African Airways, said today the increase in fares would be world-wide following a decision taken at an emergency meeting of IATA in July.

Tickets for flights after October 1 that were paid for before last Monday are not affected by the increase

Swoop on bread marchers

NINETEEN placard-carrying women youths and children were arrested and held under the Riotous Assemblies Act when they marched on the Sasko Milling Company in Paarl today in protest against tomorrow's bread price increase

Earlier two youths standing on a street corner near where the protesters later gathered were bundled into a police car, and a third youth was put in the back of a police van which already held seven or eight prisoners

From 7 am women and children had formed small groups outside Gabby's Corner in Van Riebeeck Street, Paarl. Three unmarked police cars and a police van patrolled the area

CARRYING PLACARDS

The women and children moved 100 metres along the road to a bus stop

At 7 35 am 40 women and children, holding placards, began walking towards the Sasko Milling Company. Some of their placards read "Ons is honger, bring pryse af" (We are hungry, bring down prices), "Low wages, but high prices", "Now another blow for the hungry people" and "Bread for people not for profit"

Within minutes they were apprehended by uniformed policemen, many of whom carried batons who were waiting with riot vans and police dogs

Nineteen of the protesters were searched, photographed and ordered into a riot lorry. They were then taken to the Paarl police station. The posters were confiscated by police

Among those held are two officials from the Food and Canning Workers Union

A police officer said the arrested people may be charged later today

Ackerman

to cut bread price

CPA/T/T
30/9/82

~~240~~ ~~240~~ ~~240~~

Staff Reporters

FRUSTRATED by a lack of government response to his proposals for holding down the bread price Pick 'n Pay chairman Mr Raymond Ackerman is going ahead on his own and has earmarked R1-million which will be used to sell bread at the old price.

This will enable Pick 'n Pay to maintain its brown and white bread prices for some three to six months.

Last night Mr Ackerman slammed the government's apathy towards his three-month campaign to prevent the October 1 bread price. He had proposed raising R5-million from the private sector which, with a R30-million government grant, would have enabled the cost rise to be avoided.

Image

It was put to Mr Ackerman that move was merely marketing strategy to enhance Pick 'n Pay's image.

"I totally reject this. We have devoted three months trying to stave off the price rise to enable both government and the private sector to work together. We are deeply concerned at the impact on social peace not only in the cities but also in the black homelands.

"The government could easily have used part of the recent one percent rise in GST, which could

net R600-million in a full year to subsidize bread. Gold revenues have also been running ahead of budget.

Incensed by insensitivity in official quarters Mr Ackerman threatened to form a consumer's action party to represent consumers in Parliament.

He claimed he had had a "poor meeting" with the Prime Minister on the bread issue, and had been referred to the Minister of Finance and then the Minister of Agriculture who had refused to see him.

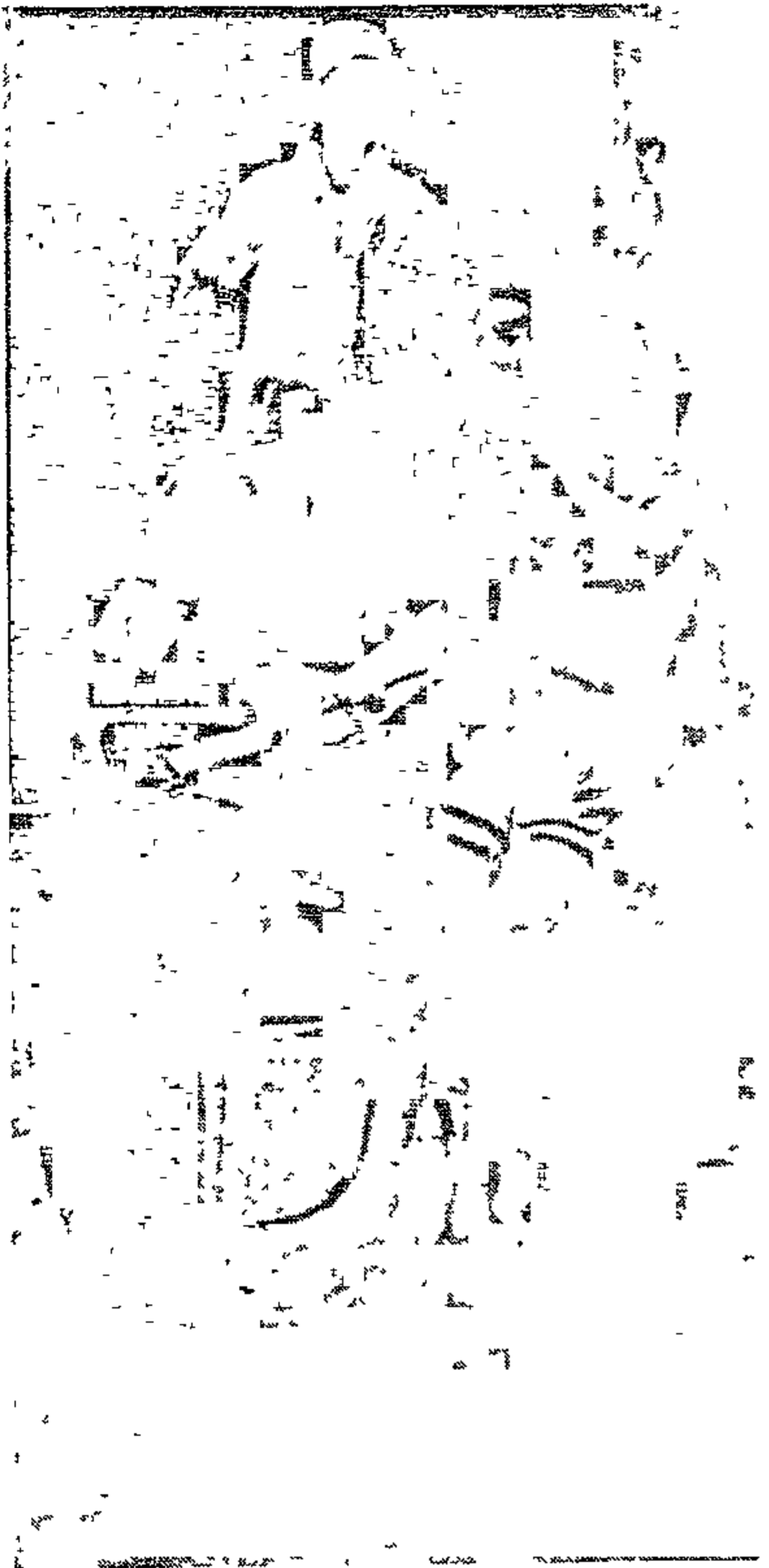
Given the understanding no bread price would be announced before Mr Owen Horwood returned from the International Monetary Fund summit in Canada, he had been most surprised to hear the Minister of Agriculture's announcement.

"Since Mr Horwood re-

To page 2



C.T. 30/9/82



A Palestinian child sits on the lap of a French paratrooper in the Sabra refugee camp in Beirut. French and Italian troops are now in and around the camps. Troops of the multinational force returned to Beirut following the massacre of refugees in the Sabra and Chatila camps.

turned about 10 days ago — and let me make it clear I have great admiration for the Minister of Finance — I have been phoning his secretary some three times a day to no avail.

Mr Ackerman said the inactivity made a mockery of recent attempts at the Good Hope conference to bring the business sector and government closer together.

Asked what response there had been from the private sector to his appeal for R5-million, Mr Ackerman said that there had been a flat rejection. "But we are not discouraged and hope our competitors will also play their part in preventing this increase."

Spokesmen for both Mr Horwood and the Minister of Agriculture Mr Grevling Wentzel, denied yesterday that the ministers had refused to see Mr Ackerman.

A spokesman for Mr Horwood said there had been no attempt to avoid Mr Ackerman but Mr Horwood had a very tight programme.

Mr Wentzel's office said that when Mr Ackerman's secretary requested an interview, she had been asked to provide a short memorandum on the subject for discussion. This was still awaited and, when it was received a meeting could be arranged.

Backing for bread boycott

Staff Reporter

THE call for a short-term symbolic boycott of bread in protest against the October 1 price-increase gained momentum on Tuesday night when a protest meeting in Paarl voted for a two-day boycott of the foodstuff.

The crowd of about 300 people voted not to buy or eat bread on October 1 and 2 and called on the government to remove general sales tax on basic foodstuffs to increase the bread subsidy and to provide free bread for pensioners, the disabled and primary schools.

Cafés and supermarkets were asked to reduce their profits on basic foodstuffs.

Another public protest meeting is being held tonight in Kayamandi Township Stellenbosch.

and one was amazed at the dexterity of some of the competitors.

Midweek was given over to a discussion between Christopher Dingle and the New Zealand policeman who wrote "Red Squad" — an investigation of the Springbok rugby tour of that country. The extraordinary observation was made that a spin-off of the tour was the introduction to sleepy hollow New Zealand of the harsh realities of the modern political world — riots, teargas and special police units, previously unheard of in that neck of the woods. Dingle handled the interview well but the policeman stuck to his basic points that the media covering the tour was unfairly pro the demos.

Try as government spokesmen might, their arguments attempting to justify the proposed hike in the bread price rang hollow.

NEIL VEITCH

TV 2 and 3

IT was unfortunate that so much was left out of the documentary *Ulimo Leziqhamo*, which featured the Cape fruit industry.

This showed how programmes with a historical background prepared solely for black television are scantily done.

The documentary should have focussed more attention on the migrant labourers who work in the industry.

Apart from showing the significant role these men play in the production of one of South Africa's major exports, the most important aspect — the living conditions of these men on the farms while they are under contract — was missing.

The issue was probably too hot to handle.

It has been quite some time since we were entertained by a true jazz singer. Freda Payne's superb performance in *The Other Broadway* reminded jazz diehards that this idiom is very much alive.

JOE GUWA

Political comment by A H Heard, G E Shaw, R A Norval, J V Scott and M P Acott. Cartoons by A M Grogan. Headlines and sub-editing by A J Moth and W Odendaal. All of 77 Burg Street, Cape Town.

Too late for classification

BIRTHS

STERN — To Hilton and Jill (nee Blumberg) a son and brother for Bradley on September the 29th. Both well thanks to doctors and staff at the Somerset.

597 DIE AVONTURE VAN... Lollapop and Kraai... the trail of the... captive

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'No' to town's

Own Correspondent

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Bursary Fund tops R600 000

● Latest donations received	
Previously acknowledged	R598 065
Mrs L M Chagan	20
Anonymous	50
Miss M C Vane	25
B T B	1 000
Vilene SA (Pty) Ltd	200
Trek-Petroleum (Pty) Ltd	300
M Z Brown	15
Anonymous	4 000
Anonymous	107
	R603 782

● Contributions should be sent to The Cape Times Bursary Fund, P O Box 11, CAPE TOWN 8000

message from

COLOUR DEVELOPING



IN two years the price of brown and white bread has gone up 65% — more if you count the extra 1c GST that we now have to pay

The experts tell us that our bread is the cheapest, that we would have to pay at least a rand for a 900g loaf anywhere else in the world. But I don't believe these countries are making the same pared-to-the-bone standard loaf that we are. I just don't see the Dutch or Germans eating our austerity loaf as their basic daily bread. And I bet that Mexicans don't eat that. Perhaps they don't even have a 900g loaf! So what is being compared to what?

You can't compare two unlike things, even if you are trying to prove a one-sided point of view.

So let's forget what other countries are paying. Anyway, that is starting to be rather a touchy point. Only five years ago we were told that our agricultural products were the cheapest in the world. It is an embarrassing puzzle that with our cheap labour, our wheat, maize and sugar are now among the most expensive.

IT is wrong to say the Government is doing nothing about the bread subsidy — they are, to the tune of R191-million, which is R30-million more than last year.

It is easy to lose your perspective when dealing with astronomical figures and a few noughts more or less hardly seem to matter. (There are so many noughts involved in bread calculations that the Wheat Board deals in tons rather than loaves so that the figures will fit on to their calculators.) Remembering that there are

Crumbs from the Govt's table



You can't compare the price of bread in South Africa with bread prices overseas, argues JEAN TATHAM, vice-president of the Housewives' League.

South Africa, a subsidy of R191-million actually averages out to about R7,00 per person per year. To keep the bread price unchanged it would mean nearly R8,50 per person, or R234-million.

What gets me is the Government's illogicality. When GST was increased to 6% at the beginning of September they generously rushed in with an extra million rand so that we would be cushioned from the blow of an extra cent tax. But two weeks later they happily tell us that they are going to sock us an extra 5c (brown) and 10c (white) as from tomorrow. Generous, huh?

OF course, the bigger the subsidies the further we move away from capitalist free enterprise, and the Government can't keep tipping more and more money into the bottomless pit of rising food costs. Heavier tax on luxuries would cover the increased prices for a year or so, but it could never be a permanent solution.

Where can they save?
● Fertiliser costs, particularly imported urea, is

● Retailers get 2c a loaf and pay for the wrapping of it. It's not much really.

● If GST were removed we could immediately save 2c (brown) and 3c (white). Not much perhaps, but definitely a step in the right direction.

There isn't an easy solution and I'm sure that no single solution would be big enough to solve the problem. But the problem must be tackled, so when are those guys up at the top going to roll up their sleeves and actually do something?

The Housewives' League has been asking that basic foods be exempted since GST was

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first proposed in 1978. The Government's big NO was only to be expected. They had the chance of all this lovely jolly coming in and they didn't want to lose one cent of it. And if they started granting exceptions, where would it end — you know those blithering consumers give them a km and they'll take a km.

No one was interested in supporting our plea — new cash registers, inclusive or exclusive, tax returns — were all more important. But in this last year, as money has become tighter and prices are vanishing out of sight, women's institutions are sitting up and taking notice.

Of course the solution isn't easy — it never is.

The big supermarkets would have no problem in excluding a few items from tax as you go through the till. It's just another button to press. The machine keeps those prices on one side in its head and then pops them in at the end after it has added on the tax (or something like that). But we can't all nip off to a supermarket for our daily bread and milk.

And this is where the problem lies. Is the local corner shop going to like adding the tax on to some items and not on others? His cash register isn't one of those electronic Gen-

uses. Then he's got the added headache of working out his GST returns to the Government. No longer can he add up the day's receipts and deduct 6%, because now he has all those items that weren't taxed.

It's a big problem, but other countries have faced it and solved it. If Zambabwe could do it, there is no reason why we can't.

If GST were to be removed on bread it would mean that brown bread had gone up by 4c (29c including GST) to 33c without GST) and white bread by 8c (42c including GST) to 50c without GST). A hefty increase but not as bad as 6c and 11c.

BEAUTY SALON & MINI GYM
Telephone: 869-0606
40 Voortrekker Road
Alberton 1450

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Chain freezes bread price

By Caroline Braun
Pick 'n Pav is to spend R1.2 million to keep the price of bread at its present level for as long as possible.

This means that tomorrow, when the bread price goes up to 53c (including tax) for a white loaf and 35c for brown Pick 'n Pav stores will continue selling bread for 38c for white and 25c for brown.

Mr Raymond Ackerman, chairman of Pick 'n Pav, said the R1.2 million would subsidise 16 million loaves, and

the lower price should be in force for three to six months.

"For five months, I have tried to see the Minister of Finance and the Minister of Agriculture to sort out a way to keep the bread price down. Neither would see me and each said the bread subsidy was the responsibility of the other."

"I was appalled that the Government could ignore the hand of friendship from the private sector, so I decided to go it alone."

He said that shortly after he announced the Pick 'n Pav subsidy he received phone calls from the Ministers of Agriculture and Finance saying they would speak to him.

"But as they are not prepared to keep the price down from tomorrow I will see them in my own time," said Mr Ackerman.

Mr Ackerman said he was also seriously considering forming a new consumer political party in South Africa.

A Checkers spokes-

man said they would not be providing a subsidy, but would continue to sell bread at cost price.

Mr Ralph Horwitz, general manager of OK Bazaars, said his company would sell brown bread at a cent below cost (32c with tax) and white bread at cost (51c with tax).

The Housewives' League has organised a four-day national petition to protest against the higher bread price.

Brick price rise 'being considered'

Property Editor

WHILE brick price increases for the Free State and the Cape have been announced discussions are still taking place on possible increases for Natal and Transvaal. Mr Keith Nurcombe marketing manager Toncoro the holding company for the country's biggest brick manufacturers, said yesterday prices were now being formulated, product by product and factory by factory instead of the across-the-board increases stipulated during the days of price control.

Prices will not be increased without two weeks notice being given to customers and the media he said.

Current thinking in the industry is that prices of popular common bricks should be kept as low as possible to help keep down costs of ordinary and low-cost housing.

But fancier styles and speciality products could carry a greater price increase.

"The exercises on the new prices have not been completed in Natal and Transvaal," said Mr Nurcombe. "Any increases in those provinces will come later in the year, possibly November, because we will stick to our policy of giving two weeks' notice and any recommendations on prices have to be approved by the Toncoro Board."

Last day to buy bread at old price

By GERALD REILLY
Pretoria Bureau

TOMORROW sees the last of this year's round of basic food price rises when white bread goes up by 25% to 53c a loaf and brown bread by 17,8% to 35c a loaf

The effect on the budget of lower income groups will be serious, as the biggest eaters of bread are blacks

And from Cape Town it is reported that the move for a symbolic boycott of bread in protest against the price increase gained momentum on Tuesday night when a protest meeting in Paarl voted for a two-day bread boycott

The crowd of about 300 people voted not to buy or eat bread tomorrow or the next day and called on the Government to remove General Sales Tax on basic foodstuffs, to increase the bread subsidy and to provide free bread for pensioners, the disabled and primary schools

Cafes and supermarkets were asked to reduce their profits on basic foodstuffs, while the head of Pick 'n Pay Mr Raymond Ackerman was called on to keep his promise to hold bread prices down

Meanwhile the Government, economists said, had submitted to demands from all primary producers this year for higher prices

All dairy product, maize, and sugar prices had increased they said, and the "whole mad merry-go-round" would start up again next year

Early in the new year the commodity committees of the SA Agricultural Union will meet to determine the extent of price demands for the new season

The Minister of Agriculture, Mr G Wentzel, has said South Africans had the cheapest bread in the West

Economists said South Africa, because of its large population of low income earners, was one of the world's biggest bread eaters

And even with the steep price rises from tomorrow consumption is expected to continue its steady rise

With mealie meal it is the staple diet of more than 10% of the population

Bread: Pick 'n Pay go it alone

Staff Reporter

THE major supermarket chains in the country have decided not to align themselves with Mr Raymond Ackerman's plan to maintain the old bread price for between three and six months

Mr Ackerman, the chairman of Pick n Pay, has set aside R1-million for the purpose.

The other supermarket chains have, however, agreed to sell bread at cost or below cost prices but most cafes and smaller supermarkets will be selling bread at the new control prices today.

'Not the answer'

Miss Peta Lomborg, public affairs manager for Checkers, said yesterday that Checkers would be selling bread at cost price, but the company did not believe that subsidies from either the public or private sector were the answer.

She said her company believed money should be channelled directly to the poor instead of being used to subsidize bread which would benefit the public indiscriminately.

'We are putting money directly into funds for senior citizens for pension schemes, medical aid and so on instead of subsidizing the price of bread,' she said.

Checkers will be selling white bread at 48c and brown bread at 31c a loaf, excluding the six percent general sales tax.

Mr R Horwitz, director and general manager of OK Bazaars, said his company would be selling white bread at cost price

and brown bread at 1c below cost.

'The reason we are selling brown bread below cost is because the nutritional value of brown bread should be made freely available to the lower income groups,' he said.

'We are probably the largest retailers of bread, selling between 20- and 25 million loaves a year. If we subsidized the bread we would be losing something in the region of R25m a year,' Mr Horwitz said.

Mr M Sachar, chairman of Grand Bazaars, said his firm would be selling bread at below cost but they had not yet made up their minds on the prices.

He said he would not like to comment on Mr Ackerman's proposal but reiterated that none of the large chain stores were prepared to go along with Mr Ackerman's suggestion.

Control price

Cafe and small supermarket owners throughout Cape Town will, on the whole, be selling bread at the control price which has been quoted by a spokesman for a Cape Town bakery as 53c for white bread and 35c for wholewheat or brown bread. Prices include the 6 percent general sales tax.

A Rondebosch supermarket owner said the public should be made aware of the fact that a loaf of bread only has a life of one day.

'This means if we do not sell all our loaves in one day we lose a lot of money — we just can't afford to sell the bread below the control price.'

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Protest petition on bread price hike

Mercury Reporter
OPPOSITION to today's bread price hike is mounting with the nationwide launching of a petition by the Housewives' League

From today the price of brown bread rises from 29c to 35c and white bread goes up from 43c to 53c

The petition, which will be available outside all major supermarkets from today until Tuesday, registers 'anger and concern' at the 'excessive' bread price increase

It calls on the Minister of Finance, Mr Owen Horwood, to 'reduce the increase immediately'

The Natal chairman of the Housewives' League, Mrs Cynthia Blom, said the petitions will be collected in their Johannesburg head office and then will be taken to the minister by a delegation

She said they were particularly concerned at the effects that the continual increase of basic foods were having on the lower income groups

Signatures

Meanwhile, the petition launched earlier this week by an ad hoc committee representing Durban community organisations and trade unions has collected more than 1 000 signatures

The petition is being distributed through community organisations throughout Natal and the committee is aiming at collecting 250 000 signatures

About 40 people yesterday

staged a symbolic protest against the bread price increase in Paarl and walked about 50 m into the arms of waiting policemen, writes our Cape Town correspondent.

Nineteen of the group were arrested for contravening the Riotous Assemblies Act by a strong contingent of uniformed policemen who had been waiting for at least an hour for the march to take place

Names taken

Three others were 'snatched' from groups of people waiting on a street corner by uniformed policemen shortly before the march started

Their names were taken, their posters removed and they were filmed before being placed in a truck. They sang songs as they were driven away

Maj George Kershoff, who later came to the scene to 'clear the pass', said some hours afterwards that 19 people had been arrested during the march and three had been detained earlier

They would all be charged with contravening the Riotous Assemblies Act

Twenty-two people later appeared briefly in the Paarl Magistrate's Court. They were not asked to plead and no evidence was led

The adults were granted R50 bail each and the minors were released into the custody of their parents

Koornhof
FROM PAGE 1

ing in another Court
Dr Koornhof said yesterday he had nothing to add 'at this stage' to the statement by the Department of Foreign Affairs

Mr Swart said Dr Koornhof's department appeared to have acted 'with unseemly haste and reckless irresponsibility'

It had sponsored two proclamations which had been declared invalid by the Supreme Court but had not hesitated to pursue the matter to the highest court in the land

'In many other Western countries heads would have rolled in a matter such as this but it will not happen here because they are not as sensitive to the democratic processes

'Yesterday's ruling shows that Dr Koornhof's department is not functioning efficiently'

Dr Treunicht believed the Government's actions had not been thought through, even purely on an ethnic basis

'The people in the Ingwavuma district are not Swazis and attempting to transfer them to Swaziland would be in contradiction of the Government's own policies

Mr Raw said there appeared to be something seriously wrong with the Government's legal advice and with the department responsible

'To lose two court cases at Supreme Court level and one in the Appellate Division on the same issue seems to indicate either inefficient advice or arrogant contempt for resistance to Government plans' Mr Raw said

Swaziland's Foreign Minister, Mr Richard Dhlamini, said last night the decision did not interest the Swazis

'It has nothing to do with us. It is an internal matter between the South African Government and the KwaZulu administration

'We still want that land,' he said

See also Page 6

TOUGH TO

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Rom 11/6/82

Rise in steel price deals a further blow to economy

By GERALD REILLY
Pretoria Bureau

THE price of steel, which is to be raised from today, will affect the entire economy creating new pressures on a wide variety of prices

The price rise, sources said, would be lower than the inflation rate — about 10% — and follows a 5% price adjustment earlier this year

Local consumers are being made to pay more for steel because recessionary conditions on world markets have virtually closed them to Iscor steel

The main impact will be on the cost of building and on prices of cars and household appliances

Barclays Bank chief economist, Dr Johan Cloete, said steel was basic to the entire economy and the price rise would have "a multiplier" effect on a wide range of products

What Iscor was losing on the international

market it was apparently trying to make up on the local market

The senior economist at the economic research bureau at the University of Stellenbosch, Dr O D J Stuart, said the price rise would be passed on to consumers

It would affect the building industry the motor vehicle industry and the household appliances industry especially "white" goods such as refrigerators and stoves

A senior steel industry executive said South Africa "could hardly even give away its steel on overseas markets"

Iscor is expected to announce a substantial loss in its annual report due to be released towards the end of October

The Progressive Federal Party's finance spokesman, Mr Harry Schwarz, said because the international market was virtually closed to South African steel local consumers were being made to pay more to compensate

"The Government and the country is caught up in a price spiral which, if something is not done fast, will get out of hand"



The creation of a chair of pharmacy at the University with a R100 000 donation from the South African P received by the Vice-Chancellor of Wits, Professor chairman, Mr B A Jacobson. Wits is already rui Technikon, and so far there are already 228 registered the end of next year.

Zambia's ruling party takes over papers

Mail Africa Bureau

LUSAKA — Zambia's ruling United National Independence Party (UNIP) takes over the Lonrho-owned Times of Zambia and Sunday Times of Zambia today, it was announced by the party yesterday

A spokesman said all employees would be retained at all levels with no changes in their present working conditions "The party is confident that these employees will continue to discharge their duties conscientiously "The party is conscious of

the newspapers' large readership and is committed to continue to serve the newspaper readers efficiently"

The take-over will be effected under the auspices of the Zambia National Holdings, the wholly owned party company

Ripper's home may

London Bureau

LONDON — Victims of the Yorkshire Ripper, Peter Sutcliffe, are preparing to institute bankruptcy proceedings against him

Solicitors acting for his victims — awarded thousands of rands in damages by the courts — are to seek a court registrar's order for the sale of Sutcliffe's R70 000 Bradford home. It is his only asset

The action is being taken in an attempt to force Sutcliffe, who killed 13 women, to release his half share in the house

The house is presently occupied by Sutcliffe's wife, Sonia

"If she intends forced to start against Peter Sutcliffe, the sale of the house to Bill Tate who is mother of the Javne, 16

"We will press her intentions on her house" Mrs McE by the courts but survived Ripper Long and Miss M received a cent.

Prices - Day Low!



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2 Ply Toilet Rolls **R1,09**
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300g

Prince gets honour after Falklands

London Bureau

LONDON — Prince Andrew has been given command of his own Sea King helicopter after completing 400 flying hours, more than 200 of them during the Falklands conflict.

Fellow pilots in 820 Squadron described the prince's elevation from second pilot to first pilot as "well deserved"

He earned congratulations from his commanding offi-

missions flown by 820 Squadron from the carrier HMS Invincible

Prince Andrew, 22, will be captain of his own Sea King when he returns from leave on October 18. The squadron is expected to rejoin Invincible

The prince, who has signed on for 12 years, has already risen from midshipman to sub-lieutenant. His cool acceptance of both routine and dangerous missions dur-

An increase in the price of cars, fridges, stoves and property was predicted today with the announcement of an average 145 percent increase in the price of steel.

The announcement was made by M. F. P. Kotzee, chairman of the South African Rolled Steel Producers' Co-ordinating Council.

It is estimated the steel price increase will add R29 to the cost of a small car, R41 to a medium-sized car, R6 to a fridge and R5 to a stove.

244 Steel Star

price 1/11/82

gets a 'spring'

The cost of an average three-bedroom house could go up by R160, says a statement by Mr Kotzee.

But a spokesman for the Sigma Motor Corporation said if there were an impact on the

price of cars it would take a while to filter through to the buyer.

"We don't respond to these price increases with panic pricing," he said.

"Whether the entire increase will be passed on to the buyer — part of it, or even none of it — will depend on many factors, including competition.

"In the highly competitive circumstance in the market today the consumer is getting the best deal yet because manufacturers

To Page 3, Col 8

WEEK TIMES 1/10/82 (1982) (244)

Steel repercussions

Own Correspondent

PRETORIA — The price of steel to be raised from today will surge through the entire economy, creating new pressures on a wide variety of prices

The price rise sources said, would be lower than the inflation rate — about 10 percent. Today's increase follows a five percent adjustment earlier this year.

The main impact will be on the cost of building

and on prices of cars and household appliances

Barclays Bank's chief economist Dr Johan Cloete, said steel was basic to the economy and the price rise would have a "multiplier effect on products

BUSINESS BRIEF

Gold (close)	\$396,50
FT index (close)	578,10
RDM 100	681,20

Bread protest petition launched in PE

244 (2) West Post Reporter S. Post 11/10/81
A PETITION calling for an immediate reduction in the price of bread will be circulated at hypermarkets and supermarkets in Port Elizabeth from today until Tuesday

The petition, which has been launched nationwide by the Housewives League, registers "anger and concern at the excessive bread price increases" which came into effect today

It also calls on the Minister of Finance "to reduce the increases immediately"

Mrs Linda O'Connor, the second vice-president of the

Port Elizabeth branch of the league, said members would be on duty on a roster system at tables at the "Big D" hypermarket at Greenacres, the Pick 'n Pay Hypermarket at Hunter's Retreat and Pick 'n Pay supermarkets in Walmer Newton Park and Commercial Road

Housewives League branches throughout the country are collecting signatures which will be passed on to the national chairman, Mrs Joy Hurwitz, in Johannesburg

As from today, the price of white bread goes up by 25% and brown bread by 17%

"It's a serious price hike for a staple food," said Mrs O'Connor

BREAD PETITION QUINCE

244

C. Herold

2/10/78

By Ryland Fisher

ANGRY consumers at an Athlone meeting on Sunday decided to launch a petition against the pending bread price increase — and this could see the start of a national campaign against high food prices.

The meeting, called by the United Women's Organisation (UWO), was marked by spontaneous participation and calls

for action from the 600-strong audience

After much discussion, it was decided that any decision on a bread boycott, symbolic or prolonged, would have to be taken back to community organisations, trade unions and other bodies all over the Western Cape

A bread co-ordinating committee consisting of various organisations was set up to fight the high price of bread. This

committee would call on organisations all over the country to join the campaign

A UWO member said it was difficult to stop the bread price increases on October 1, but they hoped to gain enough support for their demands before the next sitting of Parliament

The petition to be distributed this week will include the demands made at the meeting

- They are
- the bread price should not go up,
- the bread subsidy should be increased,
- basic foods should be exempted from GST,
- FREE
- free bread should be given to primary school pupils, pensioners and the disabled;

● all shops and supermarkets should make less profit on basics,

● Supermarket tycoon Raymond Ackerman should keep his promise to sell bread at a low price.

Opening the meeting, UWO member Ms Cheryl Carolus said: "Over the past few months, everything has gone up. Somewhere there is a limit. The UWO believes this bread price increase is the limit".

UWO secretary Ms Zo Kota said the Nationalist Government increased the bread price to retain the votes of farmers who were moving towards Dr Andries Treurnicht's Conservative Party and the Herstigte Nasionale Party

The UWO chairperson, Mrs Dorothy Zihlangu, of Guguletu, said food price increases would result in children stealing food. "Our people will die of hunger," she said

BOY'S BOOK



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sketches

...d Kramer, and a few hours before the launching of ... off in the pool of his Oranjezicht home. The man ... the rise and fall of Blokkies and Budgie in his book ... ch goes on sale today

Picture Ivor Markman

Missing golfer safe on Rand

By ANDREW DONALDSON

CATHERINE Sarah Dale, 17, the Junior Western Province golfer who disappeared from her Pine-lands home last week, was tearfully reunited with her family by telephone late yesterday after she had been traced to Johannesburg.

Catherine's father, Mr J P R Dale, a chief medical technologist at UCT's medical school said last night he was "very pleased that this little bit of nonsense is over" and that she was being "looked after" until her return.

He said Catherine, last seen by her parents on Wednesday after she had attended a Rotary leader-



Catherine Dale

the former neighbours, who were friends of the Dale family, and had told them she was on holiday. "When they contacted me and said Catherine was staying with them, I ...

Another chain keeps bread price down

By KAREN LE ROUX
GRAND Bazaars has joined Pick 'n Pay in its fight to keep the price of bread down.

In a bid to protect customers from the substantial bread price increase of October 1, Grand Bazaars is selling white bread at 13c below cost to all social pensioners and at lower income group outlets.

Mr N Bernstein, merchandising director of Grand Bazaars, said yesterday that the group had decided to set aside a large sum of money to subsidize basic foods.

White bread will be sold at 35c — 13c below cost — at the Elsie's River, Matland and Epping branches and at 35c

at all branches to all social pensioners who produced their pensioner cards.

Mr Bernstein said the special offer would continue until the subsidy money ran out.

Before the latest increase the control price of white bread was 43c, and brown bread 29c including GST. The control price from October 1 is 53c for white bread and 35c for brown.

Mr A Baxter, senior buyer for Pick 'n Pay's Western Cape supermarkets said yesterday that the daily bread sales had doubled on Friday.

Mr Baxter said there was no limitation on the number of loaves a customer could buy.

City has hottest day since March

Staff Reporter

CAPETONIANS experienced their hottest day since the winter and the second-hottest day this year when the temperature soared to 33.4 deg C at DF Malan Airport yesterday afternoon. The highest temperature recorded this year was 30.1 deg C higher on March 9.

Yesterday's temperature was also the hottest for October at the airport since 1973, when 36.2 deg C was recorded. The hottest temperature ever recorded at the airport was 40.7 deg C in March 1973.

The 12.7mm rain that fell at the airport last month — the hottest September in the past seven years — was well below the 42.4mm average for the month.

It was also the driest September since 1975, when only 9.3mm was re-

corded — the lowest since recordings were first made at the airport in 1957.

In the central City area, 20mm was recorded in the three days that it rained in September. The average for that month is 73.7mm.

In Newlands, 98mm fell over four days in September. The average there for September is 164mm.

The lowest rainfall ever recorded in September was in 1945, when 4.8mm fell in the City and 5.3mm fell in Newlands.

But in spite of the dry September, this year's rainfall was still "well above" the annual average and Boland and Swartland farmers could still look forward to bumper crops, a spokesman for the weather office said yesterday.

● Pictures, page 2

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BALL STUD

FARRINGS

Stores

report

bread

sales

slump

Mercury Reporter

BREAD sales have slumped and many corner stores in the Durban area reported being left with as much as 30 percent of their normal bread order

A Prince Street dealer said 'People in my area are poorer and therefore bread is an important part of their diet But not for 53 c

'They now buy half a loaf,' he added

Another store owner, who said Monday sales were usually 20 percent up during holiday periods, declared 'I had to cut Monday's order because I've still got a third of my weekend stock. People are now buying more brown than white bread, as well'

Dealers

North of Durban, in the wealthier suburbs, owners also reported a drop in sales, and said their orders had been cut to match a fall in demand

'Said one dealer 'I suppose people are buying from the supermarket'

Bakers said they had experienced a 'small drop in volume', attributing it to dealers anticipating a downturn in sales

Our Cape Town correspondent reported that the Cape-based group, Grand Bazaars, joined Pick 'n Pay in its fight to keep the bread price down by selling white bread at 13 c below cost to all social pensioners and at lower income group outlets

Mr N Bernstein, merchandising director of Grand Bazaars, said yesterday that the group had decided to set aside a large sum of money to subsidise basic foods

(244) D-Dispatch
Strong resistance to white bread price *8/10/82*

EAST LONDON — Most bakeries in the Border and Transkei have reported a drop in sales of white bread following the increase in price from 42c to 53c from October 1

And the biggest resistance to new prices seems to have been shown by Transkei consumers as a bakery in Umtata yesterday reported a 30 per cent drop in demand for white bread and a 15 per cent drop in sales of brown bread

But Queenstown bakeries do not seem to have been affected to the same extent. The two bakeries contacted both reported no change but managers added there was normally a high demand for bread around the end of the month

"Maybe we shall know in two or three weeks whether there has been a drop," one manager said

Another said "We are selling as much bread now as we did before the beginning of the month. We had geared ourselves for a cut in production but there was no drop"

A bakery in Butterworth reported a slight drop in sales of brown bread and a marked drop in demand for white

But the manager added it was hard to judge the extent of the effect of resistance to the new prices because they came soon after they had installed new equipment which had meant they were producing an improved product which was attracting more customers

In King William's Town there has been a decline in sales — both white and brown with a bigger percentage in white bread

But that was not unexpected, the manager of the bakery said

He added that in the past when there had been increases in price there had been resistance to new prices for about two to three months and sales had then levelled up again

Although there had been a marked decrease in demand for white bread from the three main bakeries in East London there was no corresponding increase in brown bread sales

One bakery reported an increase in wholewheat bread sales

"It appears many people who have stopped buying white bread are not buying the standard brown loaf but have switched over to wholewheat," Mr Tony Hart, production manager of one bakery, said

He felt there was a "definite resistance" to white bread

"But this is a quiet time of the year for business and the drop might continue for a short time," he added

Sales of brown bread were holding but there was an indication they might slacken gradually

Mr Johan Le Roux, bakery manager, said there was a definite drop in sales of white bread

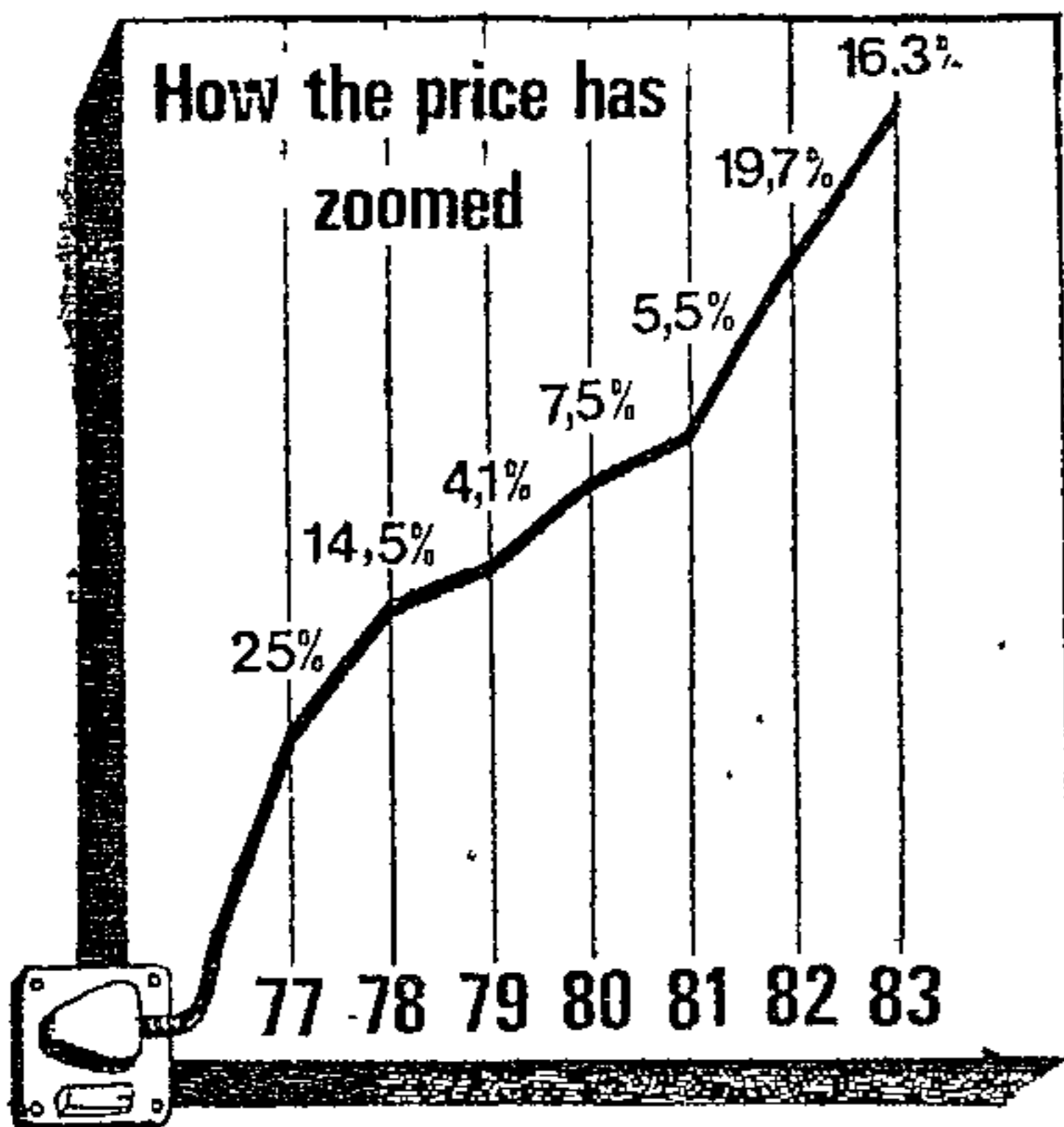
"And we are not selling more brown bread either," he said

The manager of another bakery, Mr K Whitfield said there had been a 15 per cent drop in white bread sales and a slight but noticeable drop in brown bread

He had not noticed any change in demand for wholewheat bread — DDR

KRP

(Signature)



Escom shock as power costs rise by 16 pc

Escom's tariffs are going up by an average 16,3 percent from January 1. And expected increases in the price of coal may force Escom to increase its tariffs by another two percent later in the year.

Escom's senior general manager, Mr I D van der Walt said in Johannesburg today the commission regretted that such a large increase was necessary especially at a time when the economy was slowing down and efforts were being made to keep down prices.

Next year's tariff increases will vary from region to region.

The highest increases will be in areas which have the lowest electricity prices — the Rand, the Free State, Natal and Eastern Transvaal.

The lowest will be in areas where the price is historically higher than in areas closer to the coalfields.

Although the adjustment will not do away with regional differences in prices, it represents a move towards a more uniform tariff for the country, Mr van der Walt said.

Regional increases in electricity prices, excluding increases in the coal prices, are Rand/Free State Rand licence area 17,2 percent, Rand and OFS extension area 16,3 percent, Natal 17,1 percent, Eastern Transvaal 17,9 percent, Western Cape 11 percent, Northern Cape 12,4 percent, Orange River 15,4 percent and Border 10,1 percent.

The weighted average Escom total is 16,3 percent.

INFLATION

Increases apply only to electricity used.

Extension charges and other fixed service charges remain unchanged.

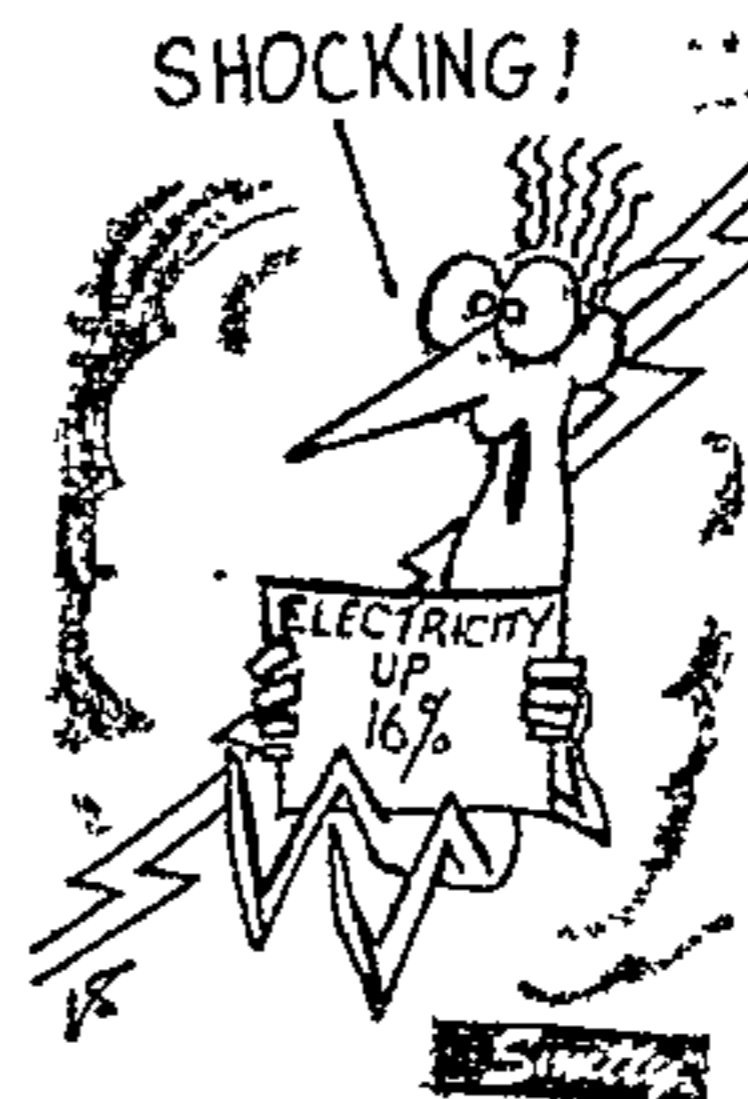
"Interest rates have increased drastically. This has had a profound effect on our loan servicing costs.

"Another factor is that capital expansion is financed from loan capital and about a third of our annual costs is in respect of debt servicing.

"The value of the rand compared to the US dollar declined by as much as 30 percent.

"This means that the cost of imported equipment and technology has shown a considerable increase.

"The need to protect



the electricity supply system has necessitated improved security measures and techniques at all our installations. This unfortunately, adds to the price of electricity."

JOHANNESBURG

Home owners in the Johannesburg area will pay 8,6 percent more from January 1.

Users elsewhere on the Rand face a 17,2 percent increase.

Johannesburg generating some of its own power and buying the rest from Escom, has an automatic formula enabling it to increase its own tariff to recover half of whatever the power undertaking levies. In this case, 8,6 percent.

Johannesburg's acting city electrical engineer, Mr R A Leigh, said that working on the basis that the average domestic user used about 900 units of power a month at a cost of R35,37 at the moment the bill at the end of January would be up by R3,04.

Pretoria residents will probably not have to pay more next year but residents of Verwoerdburg and other areas around the city can expect to pay about 16,3 percent more.

A Pretoria City Council spokesman said they had anticipated the Escom tariff

To Page 3, Col 1

Escom increases tariffs

increases for the year ahead and already adjusted tariffs by an average of 22,5 percent. Industry and commerce were today counting the cost of the new tariffs.

The gold and coal mining sector face paying an extra R647 million a year for electricity in 1983 and the steel industry another R13,8 million. They paid R397 million and R85 million respectively in 1981.

"It was a severe blow to the mining industry," said the president of the Chamber of Mines, Mr W W Malan. "In the difficult environment in which the industry is operating, this increase is unfortunate and could not have been more badly timed."

A spokesman for the Confederated Chamber of Industries predicted that the tariff increases would have a ripple effect on domestic inflation.

Assocom said it was regrettable that Escom, a monopoly, could not have set a better example of "showing productivity gains which would at least have kept the tariff rises below the current rate of inflation."

Volkas economist Mr Jacob Adams said large electricity users, such as the Railways and Iscor would be affected most by the increased price. He expected them to absorb the new tariffs.

Press sent out of bread trial

NR425 12/10/82

Boland Bureau

PAARL. — The Press was ordered out of a magistrate's court here today at the start of the "bread protesters' case."

The 22 accused in the case were arrested in Paarl at a protest meeting against the bread price increase on Sep-

tember 29. Seven of them were minors.

At the start of the proceedings today, Mr G J Badenhorst, for the State, asked that the case be held in camera because minors were involved.

Miss Y S Meer, who appeared for the accused, then made an application that the case

not be held in camera. She told the court that the case was of great concern and interest to the community.

If members of the community were allowed to stay it could be educational for them, she said. They could learn from the proceedings how they could deal with their

grievances and cope with similar situations.

A precedent had been set in the Mpepha trial in the Cape Town Supreme Court. Many of the accused in the trial were under 18 yet the public and the Press were allowed in court.

After a short adjournment, the magistrate, Mr

G Rossouw, said an exception could be made only when the presence of members of the community was "imperative for the proceedings" and this was not the case in the bread protesters trial.

Mr Rossouw also turned down an application that friends and rel-

atives of the adults be allowed to stay and the hearing continued in camera.

Charged with attending an illegal gathering were

Arden Jean Blaauw, 20, Joseph Meyer, 20, Patrick Charles Truter, 20, Lizzie Dina Abraham, 47, Calvin Fre-

dricks, 19, Chantel Jemdricks, 19, Lawrence, 18, Lucy Zegwana, 43, Willem Simonse, 20, Leroy Truter, 19, Lizzi Phike, 44, Ruth Tisana, 56, Godfrey Abraham, 18, Vivian Mathae, 25, Ruben Richards, 20, all of Paarl-East, and seven youths who may not be identified.

~~20/10/82~~ 244 ~~20/10/82~~

Boland Bureau

LEADING Cape advocates and Paarl community leaders today expressed anger and dismay over a Paarl magistrate's decision to bar the Press and the public from the bread protesters case

The case has generated wide community interest and the courtroom in Paarl was packed before the case started yesterday

The 22 accused in the case were arrested on September 29 during a protest march against the bread price increase

Bread case: Anger at bar on Press, public

Seven of them were minors

A Ned Geref Sending Kerk minister of Paarl, the Rev Abraham Maart, warned that the matter would "boomerang" if people were not kept informed of the proceedings

This is a matter which affects all the people here. The bread price is an important issue

It would have been extremely helpful if people had been allowed to

attend the case so that they could have seen the implications of their actions if they decided to take a stand again

Other leaders said people in Paarl were very unhappy and angry over the decision

Many friends and family members of the accused had taken the day off from work to attend the proceedings and after they had been told to leave the court crowds formed in the corridors

of the building

The magistrate, Mr G Rossouw, refused an application that the case be not held in camera. Quoting from the Criminal Procedure Act No 51 of 1977 article 3 (4) he said the presence of members of the community was not necessary in connection with the proceedings

The Act stipulates that when an accused at criminal proceedings is under 18 years, no per-

son, other than the accused his legal representative and parent or guardian may attend the proceedings

A Cape Town advocate who may not be named for professional reasons said that with regard to minors, the bread protesters case was very similar to the Mpetha Trial in the Supreme Court, Cape Town

In the Mpetha trial Mr Justice Williamson authorised the general public to be present even though a number of the accused were minors

He said the case was "obviously one of great interest and concern to that section of the community living in the general area where the incidents giving rise to the charges took place"

"The crush of spectators both inside and outside of court speaks eloquently enough of this," he said

In addition every single one of the accused and the guardians of the young people wanted the trial to be held in open court

Mr Justice Williamson said it would be wrong for him in that situation to force a "sort of semi-private trial on all 19 of the accused where not one of them wanted it"

Paarl's chief magistrate, Mr J T P Swart, declined to comment on the matter

● See page 5

Medical fees set to rise up to 30%

24/4
14/10/82

By LIZ MCGREGOR

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THE South African Medical and Dental Council yesterday agreed to fee increases of up to 30% - which could mean a massive R60 000 000 medical bill for the public

However the proposed increases still have to be vetted by the Minister of Health and Welfare Dr N A K van der Merwe who can either ratify the increases or refer them back to the SAMDC for reconsideration

The SAMDC agreed to an average 17,8% increase for medical practitioners contracted into medical aid schemes 30% for dentists and 13,8% for physiotherapists

This will be the fourth increase for doctors in three years In November 1979 they were granted a 52% increase Last November fees were raised by another 9% and in August this year they were raised by 6%

Dentists received a 25% increase in February this year

If the increases are passed the average medical aid member will pay an extra R3,75 a month for medical care R3,00 for dental care and 75c cents for physiotherapy

This means a total of about R7,50 a month of which employers generally pay 50%

The increases were opposed by the Representative Association of Medical Aid Schemes at an earlier hearing of the SAMDC's medical and dental tariff committees

Bread protest called off



Mercury Reporter

A MARCH planned for today from Grey Street to the Durban City Hall to protest against the recent bread price increase has been called off by the organisers, a group of organisations including the Natal Indian Congress because Durban's Chief Magistrate had refused permission

Dr Farouk Meer acting president of the NIC, said it had been planned to have about 1 000 people of all races taking part in the procession to the City Hall where it was intended to ask the Mayor, Mrs Sybil Hotz, to head a petition calling for lowering of the price of bread, staple food of countless families

SA World workers' wage low on demand

244



Poor demand at sale

WOOL sales continue to reflect abysmal demand, and this week's auction in Port Elizabeth was no exception.

Buyers were found for less than half the 15,513 bales of merino and other wool on offer and only 40% of the 1,672 bales of karakul wool were sold. In the process prices for 20- and 23/25-micronetre dropped 2.5%, while those for 21/22-micronetre fell 4%. The market indicator declined by 3% to 587 points.

Of small consolation to farmers is the Wool Board announcement that an agreement has been reached with the conference lines whereby freight rates on wool will be reduced by 6% for the 1982-83 season. And as incentive for better container use an additional discount of 4% will apply where a certain minimum mass is packed into a container.

Next week's sale will take place in Port Elizabeth on Wednesday, October 20, and 22,000 bales of merino and other wool will be on offer.

Details of this week's sale: Offerings: merino 12,000 bales, crossed - 2,857, coarse and coloured 524, Carakul - 20, Karakul - 1,672. Total: 17,155 bales. Composition: 10% wool, 61% merino, 15% short-wool, 14% locks, 14% crossbred. (100kg cents per kg dry-cleaning basis) 17/82, 49/81, 52/82, 54/82, 56/82, 58/82, 60/82, 62/82, 64/82, 66/82, 68/82, 70/82, 72/82, 74/82, 76/82, 78/82, 80/82, 82/82, 84/82, 86/82, 88/82, 90/82, 92/82, 94/82, 96/82, 98/82, 100/82. 114/503, 115/484, 116/420, 120/520, 129/494, 131/432.

The survey included an analysis of the most frequently-purchased standard-sized motor car (with a 1.5-to-two-litre engine). The Johannesburg choice was the Volkswagen Golf, at a price of \$7,863.

Mr TAFFY HUGHES (centre), sales training manager for Firestone SA (Pty) Ltd, was guest speaker this week at the annual awards dinner in Port Elizabeth of the business training school, Training for Management.

In his address Mr Hughes emphasised the benefits that on-going study of this nature offered businessmen.

Students in three business courses were awarded diplomas.

The top students in each course, with their courses in brackets, are (from the left) Mr DANIEL DE WAAL SMIT, of Dairy Maid (management accounting); Mr DAVE WORBOYS, of Goodyear Tyre and Rubber Co (marketing management); and (right) Mr KEVIN BUCKLEY, of Kwikot (East Cape) (business management).

With them is Mr DALTON MEYER (second from right), national director of Training for Management.

The school will shortly commence a new course on understanding and analysing financial accounts.

However, an average hourly rate calculated for a more representative sample of workers (see table titled "Earnings per hour") shows that Johannesburg workers emerge at 24th spot on the earnings table of 47 cities.

When comparing rentals (see our table), bear in mind that the prices are all quoted in dollars and with the relatively stronger position of the dollar over the intervening period, rentals in Johannesburg appear to



By Louis Beckerling Business Editor

BUS DRIVERS
Top 3
Chicago \$26,000
Geneva \$24,400
Los Angeles \$23,200
Bottom 3
Jakarta \$1,100
Bombay \$1,300
Carro \$1,400
JO'BURG (16th out of 45) \$9,800
(13th out of 45)

MECHANICS
Top 3
New York \$40,800
Los Angeles \$38,000
Zurich \$35,000

SOUTH AFRICAN workers enjoy mixed fortunes in comparison with workers elsewhere in the world — prices, by and large, are competitive, but wages and salaries are not.

This emerges in a detailed breakdown of prices and earnings around the globe, conducted by the Union Bank of Switzerland.

The survey reveals, for instance, that Johannesburg is the cheapest major city in the world when it comes to renting a four-roomed, furnished apartment, 10th cheapest (out of 47 cities) when it comes to shopping for a family of three, and 13th cheapest after paying all the bills.

However, average earnings across a broad spectrum of professions and trades compares poorly with most European and American cities, and the net result is that effective purchasing power of the rand places Johannesburg low down on the list.

Selected annual earnings surveyed in the first half of this year reveal these findings:

Top ten	Gross	Net	% Tax†
Geneva	11.9	8.8	35.2
San Francisco	11.7	8.3	29.1
Chicago	11.6	8.5	26.7
Zurich	11.3	8.6	23.9
New York	11.1	8.3	24.8
Los Angeles	11.0	7.7	30.0
Montreal	10.1	7.4	26.7
Toronto	9.0	6.8	24.4
Stockholm	8.7	5.5	36.8
Copenhagen	8.6	5.1	40.7
Others (rank):			
Paris	6.5 (19)	5.1	21.5
London	6.2 (21)	4.4	29.0
JOHANNESBURG	5.7 (24)	4.7	17.5
Bottom ten			
Bombay	0.8	0.7	12.5
Jakarta	0.9	—	—
Manila	1.0	0.9	10.0
Cairo	1.2	0.9	25.0
Bangkok	1.5	1.4	7.1
Bogota	2.1	2.0	4.8
Mexico City	2.1	2.0	4.8
Buenos Aires	2.1	1.7	14.3
Lasbon	2.1	1.6	23.8
Singapore	2.1	1.6	23.8

* Effective hourly earnings in 12 occupations or professions, adjusted for working hours, legal holidays and vacations, and weighted by occupational distribution † Tax payments plus social insurance contributions

Top ten	RENTS (US\$ per month)*	'82	'79 (rank)
Tokyo	3 000	2 990 (2)	
Abu Dhabi	2 950	1 430 (10)	
Singapore	2 300	1 950 (11)	
Jidda	2 150	3 220 (1)	
Bahrain	2 100	1 580 (8)	
Hong Kong	1 910	2 750 (3)	
Caracas	1 800	1 300 (11)	
Chicago	1 750	1 200 (12)	
Panama	1 720	2 200 (4)	
New York	1 710	1 110 (14)	
Caracas	—	—	
Others (rank):			
New York	1 050 (14)	1 080 (15)	
London	830 (17)	990 (17)	
Paris	—	—	
Bottom Ten			
JOHANNESBURG*	350	360 (2)	
Losbon	350	240 (3)	
Luxembourg	370	840 (16)	
Tel Aviv	450	720 (10)	
Dublin	480	530 (5)	
Stockholm	490	550 (6)	
Copenhagen	540	640 (8)	
Amsterdam	590	640 (8)	
Athens	600	820 (14)	
Helsinki	610	640 (8)	

MONTHLY LIVING COSTS (US\$), excluding rent*

Top ten	'82 (index†)	'81 index	rank
Tokyo	1 388	1 32	132
Abu Dhabi	1 251	119	106 (4)
Oslo	1 247	118	125 (2)
Bahrain	1 177	112	104 (5)
Caracas	1 152	109	124 (3)
Helsinki	1 148	109	84 (17)
Seoul	1 088	103	81 (19)
Geneva	1 078	102	—
Stockholm	1 069	102	103 (6)
Chicago	1 065	101	89 (15)
Others†			
New York	1 057 (11th)	100	84 (16)
London	957 (18th)	91	81 (21)
Paris	869 (28th)	83	83 (28)

Bottom ten	'82	'79 (rank)
Mexico City	552	53 (4)
Istanbul	570	52 (3)
Lasbon	627	47 (2)
Manila	654	46 (1)
Sao Paulo	708	75 (18)
Luxembourg	711	83 (32)
Bombay	733	70
Milan	734	70
Madrid	751	65 (12)
Carro	755	71
JOHANNESBURG	764 (31st)	72

* Effective hourly earnings in 12 occupations or professions, adjusted for working hours, legal holidays and vacations, and weighted by occupational distribution † Tax payments plus social insurance contributions

Weekend Argus
Correspondent

JOHANNESBURG —
The South African
Consumer Council and
the Consumer Union
have called on the SA
Medical and Dental
Council to curtail "un-
justifiable" percentage
fee increases

Spokesmen for the two
consumer bodies ap-
pealed to the Medical
and Dental Council to re-
consider its new tariff
structure in the light of
the present economic
squeeze

Earlier this week, the
Medical and Dental
Council announced its
proposals to increase
doctors fees by 17,8 per-
cent, dentists' fees by 30
percent and physiothera-
pists' fees by 13,8
percent

The disclosure was
slated as excessive and
inflationary by the Na-
tional Association of
Medical Aid Schemes
which believed that prac-
titioners had been placed
well ahead of their costs
after two fee adjust-
ments since August 1981

According to Mr Fritz
Steyn, the economic ad-
viser for the South Afri-
can Medical Association,
spiralling costs in sala-
ries, rentals and travel-
ling had resulted in the
fee rise application

Mr Bill Heunis, the
Consumer Council's pub-
lic relations officer,
called on consumers to
be more diligent in send-

Medical fee increases 'excessive'

ing their medical and
dental accounts to their
medical aid societies

He said consumer re-
luctance to return their
accounts caused havoc as
practitioners were forced
to wait for their money

Mrs Betty Hirzel,
chairman of the Consum-

er Union, appealed for
fairness

'The plight of the con-
sumer should be more
carefully considered. The
Medical and Dental
Council should adjust its
fee increase application
to a level not more than
the inflation rate,' she
said

W/E ARGUS
16/10/82

~~244~~

244

~~244~~

Bricks

RDM 17/10/82

to rise by

average (244)

of 9,5% (10/11)

Mail Reporter

THE price of plaster bricks in the Transvaal will rise by 5,2% and that of standard face bricks by 5,7% on November 1

Over all types of bricks, including superior face bricks, the rise will average 9,5%

Plaster — or common — bricks make up 86% of the bricks used in the construction of a R50 000 plaster and paint finished house, with standard face bricks making up the balance

The effect of the increases on the cost of such a home is expected to be about R120

The biggest increase is on superior grade face bricks, used for high grade brick exteriors on houses in the R80 000 bracket, which will rise by 13,7%, from R138 to R157 a thousand. The cost of this type of house will increase by about R265

A R60 000 home with a standard face brick exterior finish will cost R135 more

The price of common bricks will go up from R57,50 to R60,50 a thousand and that of standard face bricks from R105 to R111 a thousand

Announcing the increases yesterday, Mr Errol Rutherford, managing director of Corobrick Transvaal, said "We have tried to keep price adjustments on those products which most affect the cost of a new family home, such as the plaster bricks, as low as possible"

When the price increases were mooted last month, Corobrick announced that prices would henceforth be reviewed quarterly, by product categories and individual regions, and be related to cost of manufacture

The price hikes had been caused by increases in costs, said Mr Rutherford. These included a 6% wage increase at all factories on October 1. An earlier wage increase — 14% in April — was absorbed

At present Corobrick has a stockpile of 47-million bricks — one week's production above the normal stock of 27-million

The next revision in brick prices is due on February 1. Will there be another increase? "I regret to say there probably will be. It will be compounded of Escom's 16,3% rise in electricity prices due on January 1 and any increase in the New Year in the price of petrol and diesel fuel," said Mr Rutherford

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Mandela warns of road to way of peace

Rom 78/10/82

Prime Minister
Africa had
of Union ever
blacks formed
the South African
from that point of
he had consult-
agency and he
his pocket their
implement the
proposals
expect him to
steps during the
mentary session
these so-called
proposals
Government is able
is constitutional
that will be
the strategy of
not resist these
plans we will

have been successfully
flushed out of the arena of
democratic opposition and
the only alternative left will
be violence" he said
The KwaZulu Chief Minister
stressed that unity was
the only key to a successful
liberation struggle
Earlier the Rev Allan Hen-
drickse of the Labour Party,
an executive member of
Saba, told the crowd the alli-
ance was working towards
the attainment of a non-racial
society
The Government's constitu-
tional proposals had suffered
a severe blow earlier
when they were in effect re-
jected by Saba at a confer-
ence in Johannesburg
Saba includes representa-

tives of the coloured Labour
Party (LP) and the Indian
Reform Party (RP) both of
which were being relied on
heavily by the Government
to support the "reform plan"
Although the Saba resolu-
tion is not binding on either
the LP or the RP it is likely to
strongly influence their atti-
tudes to the proposals at
their respective congresses
early next year
The Saba conference also
adopted a resolution reject-
ing "with contempt" the no-
tion that the African
National Congress and/or the
Pan Africanist Congress
were the sole and authentic
representatives of black
South Africans
● Picture — Page 3

Bread boycott support spreads

244
900
10/10/82

By CHRIS FREIMOND
Political Reporter
SUPPORT for an Inkatha-
initiated white bread boycott
spread at the weekend, when
the South African Black Alli-
ance (SABA) conference in
Johannesburg called on all
blacks as well as "men and
women of goodwill in the
white community to stop
buying white bread
The call will be the first
test in recent years of the
ability of black consumer
power on a country wide
scale to influence white po-
litical decisions If it is suc-
cessful it could mean the
start of similar campaigns to
squeeze concessions from the
Government
Inkatha resolved last week
to urge its 360 000 members
to boycott white bread in pro-
test against the recent price
hike
The boycott call is the first
made by Inkatha and has
been backed by the KwaZulu
government which has in-
structed schools hospitals
and other institutions under
its control not to buy white
bread
At the SABA conference on
Saturday a resolution was
adopted condemning the
Government for not increas-
ing the bread subsidy and
calling for a boycott of white
bread in favour of cheaper
brown
SABA comprises Inkatha,
the coloured Labour Party,
the Indian Reform Party and
the Inyandza national move-
ment of KaNgwane
The latest price increase
pushed the cost of a white
loaf to 53 cents and that of
brown to 35 cents

Rains relieve drought areas

Mail Reporter
LARGE parts of the country
including several drought
stricken regions, received
much-needed rain over the
weekend and will continue to
do so today, according to a
Weather Bureau spokesman
in Pretoria
Rain fell over the central
parts of the country, mainly
in the Transvaal on Satur-
day The southern Transvaal
and northern Free State re-
gions experienced the most
significant falls
The spokesman said the
highest rainfall on Saturday
— 40mm — was at Bospoort,
near Potchefstroom Pot-
chefstroom had 22mm
He said heavy rains also
fell over the Free State
Transvaal and northern
parts of the Cape yesterday
although these falls had not
yet been measured
It was predicted that most
of the Transvaal and north
eastern parts of the country
would continue to experience
cloudy conditions today
These conditions may extend
to the Karoo
Occasional rain and isolat-
ed showers are expected over
Johannesburg today

Police probe baby battering

By EMILIA JAROSCHEK
Crime Reporter
A POLICE investigation has been launched
into the possible battering of a two-year-old
Johannesburg boy, after he underwent an
emergency operation in the Johannesburg
Hospital for a burst bowel
The boy, who may not be identified was
rushed to hospital last week after he suddenly
started vomiting at his grandparents' home
in Doornfontein
Yesterday his condition was described as
stable by a hospital spokesman
The boy's grandmother said yesterday that
the boy was seen in perfect health last
Wednesday, when she went to work and her
husband went out
"When my husband returned he found the
boy lying on the bed vomiting
She said the boy had been living with them
since her daughter had divorced her husband
a year ago
She said her daughter's boyfriend and the
maid were with the child after her husband
went out
The boy allegedly suffered a burst ilium,
bruises to the forehead the right eye right
chin, buttocks and lumbar vertebrae



was crowned Miss
by Goodwin.

ie Pink
anther

London's most famous landmark — Tower Bridge



Chief Buthelezi calls for black unity and a . . .

BREAD

BOYCOTT

244
Sowetan
18/10/82

MORE than 5 000 people chanted "white bread stinks" at the South African Black Alliance meeting at Jabulani Amphitheatre, Soweto, yesterday after a resolution was taken to boycott bread.

Addressing the crowd at the amphitheatre, Inkatha President Chief Gatsha Buthelezi said the government would not subsidise the bread price while they used money from the General Sales Tax for the Defence budget. He appealed to the 10 000-member National African Federated Chamber of Commerce to support the boycott.

The meeting was called to pledge solidarity with the people of the Ingwavuma and KaNgwane territories which the government planned to cede to Swaziland before being defeated by three Supreme Court rulings.

• A surprise speaker at the meeting was former executive member of the anti-homelands Soweto Committee of Ten Mr Douglas Lolwane, who took a swipe at black leaders who claim they have a sole

By LEN MASEKO

prerogative to determine the political paths for individuals."

He said his presence at the meeting would provoke "great" criticism from "certain quarters."

"Some black leaders have criticised others for participating in government-created institutions. What does this all mean? What are these institutions?"

"They say these structures are homelands. The Presidents' Council, community councils, hospitals, schools, provincial and town councils are government-created institutions."

"Let the nurses at Baragwanath and teachers resign because they serve government institutions. People have been living in the homelands and will continue to live there long after apartheid is dead." Mr Lolwane said. He pledged his support for the Inkatha leader.

Drivers killed by bus

FOUR Putco drivers died when a Putco bus collided head-on with the car they were driving to work in over the weekend.

The drivers died not far from the newly-built Putco depot next to Baragwanath Hospital, Soweto. It is believed they were all employed at the depot.

A spokesman at the hospital could not furnish The SOWETAN with the names of the dead men at the time of going to press yesterday.

The four drivers, The SOWETAN learnt, were travelling together, as they usually did, on their way to work when the accident happened.

Chief Buthelezi launched a scathing attack against educationist Mr T W Kambule, "for persistently criticising me in the Press as if I owed him something." He said Mr Kambule acted as a "tool for whites" by doing their "dirty" work.

He said that the African National Congress had degraded the non-violent strategy of its former leader, Chief Albert Luthuli.

244 ~~238~~

Whites face year increases of only

By Michael Chester

A nationwide survey has revealed that firms forecast average pay increases of about 12 percent for white employees in the next round of wage reviews.

The average level reflects a reduction from the 14 to 15 percent granted over the past year, although the cutbacks may be less severe than had been widely predicted as the recession starts to bite.

But employers still make the proviso that the scale of rises will depend on the degree of the economic slowdown and on the inflation rate staying between 12 and 17 percent.

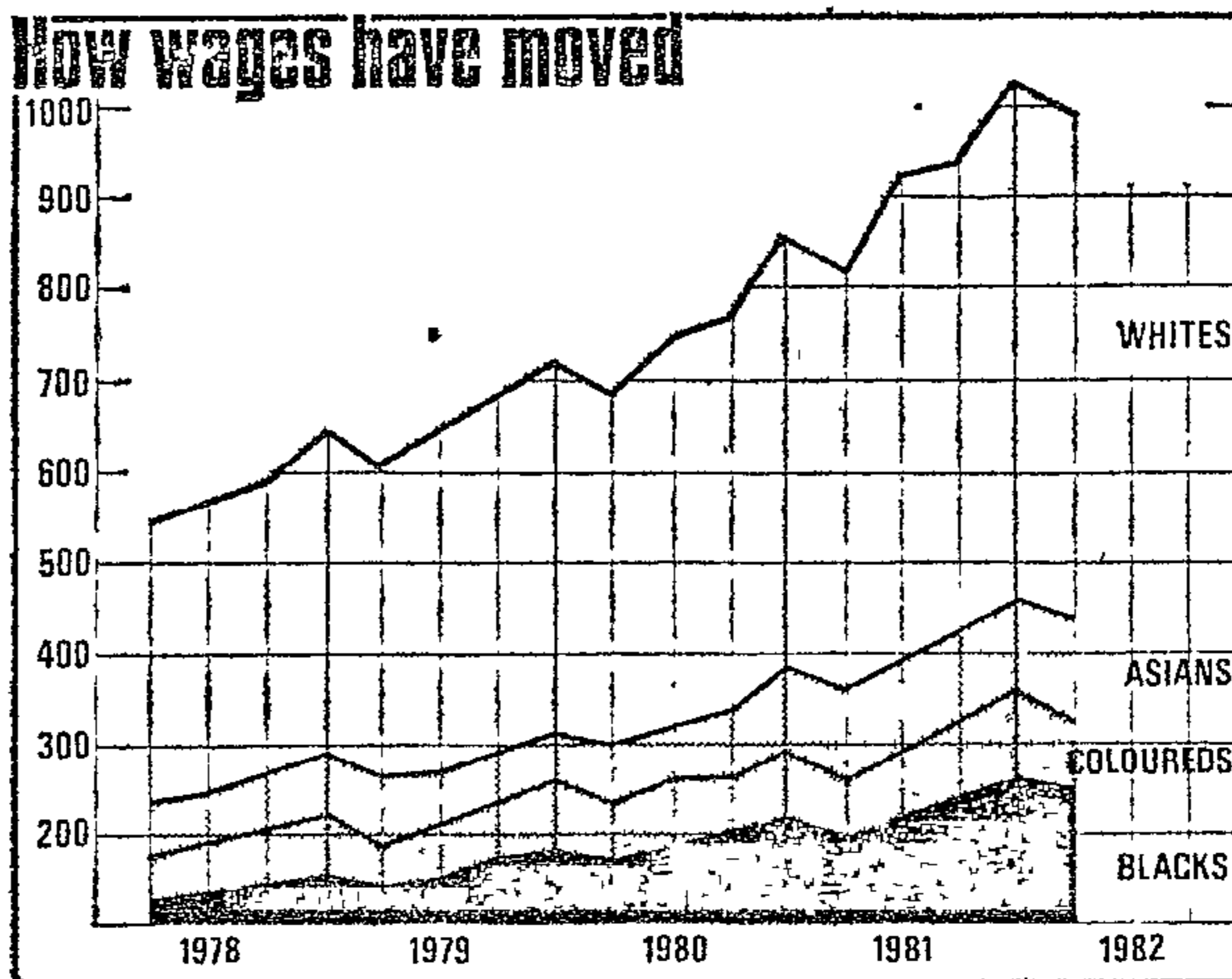
The survey, conducted by the P-E Consulting Group, covered 825 companies employing more than one million workers in all sectors of industry and commerce. The results are expected to provide guidelines to all firms.

Following the pattern of recent years, pay increases for black and brown workers will be on higher percentages but here too the trimming back has been noticeable.

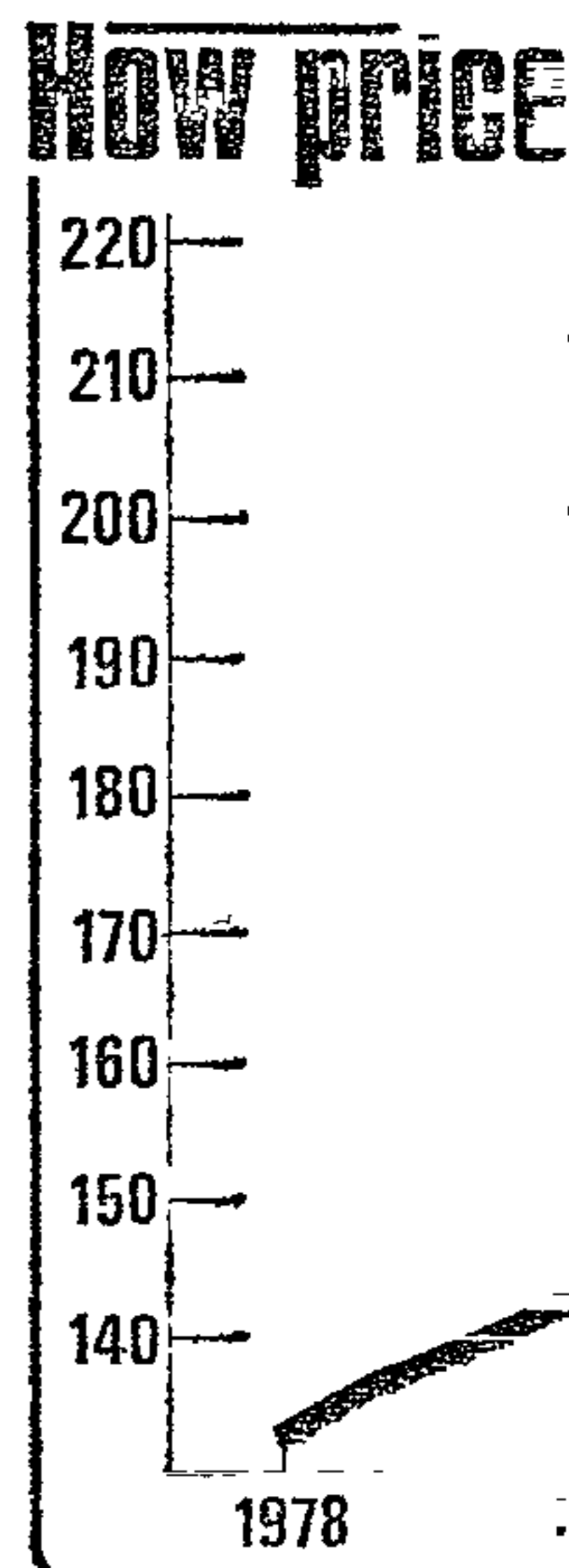
Negotiations

The number of firms planning increases of between 12.5 and 18 percent for non-whites has slipped from 63 percent to 61 percent. Only 10 percent — a drop of four percent — are considering rises above 18 percent.

The period covered is mid-1982 to mid-1983 to ensure that forecasts embrace not only New Year wage and salary reviews but also wage negotiations.



The graph (above), compiled from figures prepared by the Central Statistical Services, shows how monthly average wages have moved since 1978. The temporary additional increases at every year-end mainly reflect Christmas bonuses. On the right, the consumer price index shows that from January 1978 to December 1981 the cost of living rose 66.9 percent. Inflation since January 1982 carries the increase to 81.5 percent.



"We have taken that into account in our final analysis, which indicates that average rises will be around 12 percent, down from 14 to 15 percent over the past year."

"But much may yet depend on the course of the economic downturn and whether it worsens more than expected."

The attitude of the unions has still to be

To Page 3, Col 4

On white employee pay proposals, more than two-thirds of firms surveyed intend to hold increases to between 10 and 15 percent.

Nearly 40 percent of the total aim at 12.5 to 15 percent. 30 percent plan to hold rises between 10 and 12.5 percent.

Only 10 percent intend to offer increases in the 5 to 10 percent bracket and one in every 100 plans less than 5 percent.

Downturn

The number of firms willing to grant 15 to 18 percent has dropped from 26 to 18 percent compared with a year ago when the boom was petering out. No more than two in 100 foresee increases going above 18 percent.

"Employers tend to lean on the optimistic side about the precise size of pay increases ahead of the event," says Mr Ian Hipkin, P-E Group salary survey manager.

CHANGE IN WAGES

244

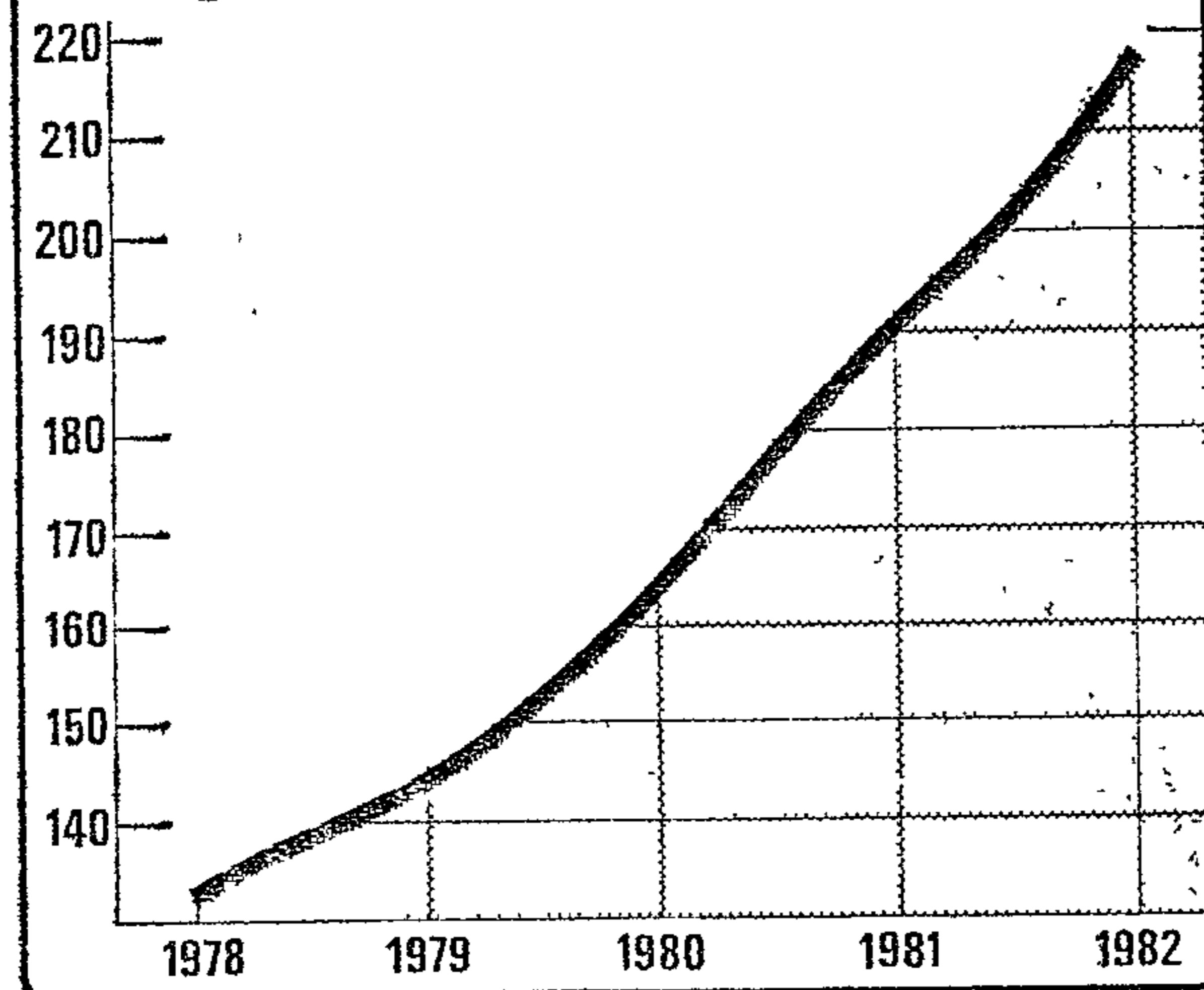
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Sts 18/10/82

Year-end only 12pc



How prices have moved



Central Statistics since 1978. Only reflect that from percent. Inflation cent

14 to 15 percent over the past year. "But much may yet depend on the course of the economic downturn and whether it worsens more than expected." The attitude of the unions has still to be

To Page 3, Col 4

was petering out more than two in 100 foresee increases going above 18 percent. "Employers tend to lean on the optimistic side about the precise size of pay increases ahead of the event," says Mr Ian Hipkin, P.E. Group salary survey manager.

from 19/10/82

244

267

Minister warns rise in rail tariffs unavoidable

By GERALD REILLY
Pretoria Bureau

A SHOCK increase in the tariffs of SA Transport Services (Sats) is likely from the beginning of next year, according to informed sources in Pretoria

The rises are expected to be up to 15%, and will coincide with the big Escom power tariff increase of more than 17% from January 1

On his return from an inspection tour of Richards Bay at the weekend the Minister of Transport Affairs, Mr Hendrik Schoeman, said further tariff increases were unavoidable, but he did not say when they would be imposed

However the sources claimed Sats was losing more than R30-million a month and it was essential to increase revenue within the next three months

The Progressive Federal Party's finance spokesman, Mr Harry Schwarz, agreed that tariff increases in January, or before the Railway Budget in March, could be anticipated He said it was obvious the administration was moving into deep financial waters

The substantial decrease in railway and harbour traffic because of the recession was the primary reason for the



MR HENDRIK SCHOEMAN
Tariff Increase unavoidable

railways' worsening financial plight

Another was the big increase in Escom tariffs from the beginning of the year The SAR was among the biggest users of power, and the increase would have a substantial impact on total operating costs

"Escom is the villain of the piece Instead of funding development from current revenue, Escom should borrow funds In this way the load is spread to

future users"

Mr Schwarz emphasised that another round of tariff increases on top of the 15% increases which came into effect in April, would seriously aggravate inflation and intensify the "stagflation" conditions already afflicting the economy

The president of the Artisan Staff Association, Mr Jimmy Zurich, said railway revenue continued to drop and tariff adjustments would probably be made before the Railway Budget He said a case could be made out for more than one adjustment of tariffs a year

Economists said it was obvious from the latest revenue figures that the administration was running into serious financial difficulties

For the first five months of the financial year — from April to August — the loss exceeded R130-million This is expected to rise steeply during November, December and January, traditionally the lowest revenue months of the year

Despite cuts in overtime and reduction of uneconomic services, the situation has become so desperate that the administration, it is understood, has suggested to shocked railway trade union leaders that instead of increases next April, they should accept a cut in their earnings

~~11/12/82~~ (244)
~~11/12/82~~
More join
bread
120m 19/10/82
boycott call

By CHRIS FREIMOND
Political Reporter

THE 60 000-member Council of Unions of South Africa (Cusa) and the 20 000 strong Commercial Catering and Allied Workers' Union (CCAWU) came out yesterday in support of the white bread boycott

But a number of other unions said the issue had not yet been discussed

The boycott call in protest against the latest price increase came last week from the 360 000-member Inkatha movement

The call was endorsed at the weekend by the South African Black Alliance (SABA) which comprises Inkatha, the Inyandza national movement of KaNgwane, the coloured Labour Party, and the Indian Reform Party

In a statement yesterday Cusa asked "like-minded trade unions and community organisations to support the call"

The president of CCAWU, Mr Isaac Padi, said yesterday that while the matter had not yet been discussed by the union, CCAWU would fully support the boycott call

Bread boycott gains support

By LEN MASEKO

BLACK leaders and community organisations yesterday declared their support for the nation-wide "boycott white bread" campaign.

This follows a call by Inkatha and the South African Black Alliance, which resolved to boycott white bread following the Government's failure to prevent a recent price hike. The price of white bread increased by 10 cents to 53 cents (including sales tax) on October 1.

Organisations which declared their support included the Council of Unions of South Africa, Durban branch of Black Sash, Azanian People's Organisation and the Women's Federations of South Africa. The Reform Party of South Africa and Coloured Labour Party of South Africa have also thrown their weight behind the campaign.

Secretary-general of the South African Council of Churches, Bishop

Tutu said he was backing the boycott, adding that anything that helps our people has my full support.

Azapo's publicity secretary Mr Ishmael Mkhabela said "Blacks have for some time been carrying the economic burden without responding purposefully for their gain."

Inkatha president Chief Gatsha Buthelezi has accused the Government of using the money from the General Sales Tax on bread for the defence budget.

SOLUTION

But Committee of Ten executive member Mr Tom Manthata said

there was no simple and ready solution to the problem. Bread companies may increase the production of brown bread to off-set the financial loss of white bread.

• Meanwhile the Johannesburg branch of Black Sash is to make representations to the Government with the aim of persuading them to its level prior to the increase.

244

Fedsaw nods bread boycott

Sowetan 20/10/82 (244)

THE FEDERATION of South African Women (Fedsaw) have added their voice to the outcry against the recent increase in the price of bread and have issued petitions to be signed by members of the public opposed to the increase.

In the petition, Fedsaw calls on the public to resist the high prices by not buying white bread.

On October 1, the price of white bread rose by 10 cents to 53 cents and brown bread rose by six cents to 35 cents.

Fedsaw condemned the increase and accused the Government of choosing to pay for defence 'instead of things like housing, education and bread'.

"Last year the Government spent eight times more on the de-

By SAM MABE

fence budget than on housing and bread together. They raised the General Sales Tax in September. This gives them an extra R350-million which they could use to subsidise bread."

Fedsaw also said in the petition that many South Africans were suffering from malnutrition and that children and old people in the rural areas were starving.

"Everything is expensive, all costs are in-

creasing — transport costs and rents are soaring daily. But wages are low and many people are losing their jobs. This country's laws make people's lives harder.

The Government is not interested in the needs of the voteless majority. It only worries about keeping the minority rich and privileged. It also sells our food to other countries at cheaper prices than what we pay. And food is thrown away to keep the prices high," says the petition.

Soweto
24/10/82
244

Nafcoc stall on bread boycott

THE National Federated African Chamber of Commerce (Nafcoc) has not yet made a decision on the recently called for boycott of white bread.

This was stated yesterday by the organisation's executive director, Mr Stanley Khubeka. The Chief Minister of Kwa-Zulu, Chief Gatsha Buthelezi, told a public meeting in Soweto last weekend that Nafcoc would be asked to support the boycott.

Already two trade unions, the Council Union of South Africa and the Commercial Catering and Allied Workers Union have come out in support of the boycott.

Mr Khubeka said Nafcoc had not yet been approached, and if it were, the organisation's executive council would have to make a decision.

He said: "Our policy is negotiation. We believe that negotiation is still a weapon in solving our problems. Boycotts are the last resort. However, we have not yet been approached and our executive council has not made any decisions."

In calling for the boycott, Chief Buthelezi slammed the Government for raising sales tax and using the proceeds to boost the Defence budget.

The Government recently increased the price of white bread from 43c to 53c and that of brown bread from 29c to 35c.

Σ +

r faces sequestration

George: JSE

JOHN GILMORE

nd Mr of higher than when they were bought, and that in the extra 3½ weeks he had before the application for final sequestration their value could rise

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ve re- worth bank indi- three of- JSE to and said fused egedly to the shares which George as now

Mr George said that "the way the JSE has behaved is clearly vindictive. They want my head not my money"

For so-far luckless clients of Saunders & Taylor, final sequestration would mean that all claims for payment or undelivered scrip could soon be met by the JSE Guarantee Fund — almost a year and a half since the firm was declared in default

The president of the JSE, Mr Paul Ferguson, told the court that Mr Palmer and Mr George ceased to be members of the JSE on June 15 last year when a resolution was taken by the JSE committee

He said Saunders & Taylor drew a cheque in favour of the JSE Clearing House, a department of the JSE, for R210 954 on June 12 last year. The cheque was dishonoured. Mr Ferguson said the balance was later reduced to R204 954

Saunders & Taylor advised the JSE on June 15 that it was unable to pay the full

amount.

The firm also owed the JSE R19 685,79 for rent, parking charges, rent of computer equipment and services rendered from May 1 last year to April 30 this year

Mr Ferguson said that according to a financial statement of April 13 this year, the company's liabilities exceed its assets by at least R1 040 000

Mr Ferguson said that Saunders & Taylor claimed a stockbroker in America owed it R300 000. It was doubtful whether this debt could be recovered

Mr George and his family allegedly owed the firm R2 327 425, and Mr Ferguson claimed they had failed to meet any part of their indebtedness and were apparently unable to meet the debt

Mr Ferguson said there were two major stumbling blocks in the settlement of the financial situation of the company — lack of cash available to settle creditors and the downturn in the stock market during 1981-82 which had adversely affected the value of securities held by Saunders & Taylor

Mr Ferguson said Saunders & Taylor was insolvent. It would be to the benefit of all creditors if the firm were placed under provisional sequestration.

GST boosts CoL 1,8%

By HOWARD PREECE

CONSUMER prices rose by 1,8% in September — mainly because of the increase in general sales tax from 5% to 6%

This boosted the 12-month rate of increase in the consumer price index to 14,1% from 13,8% at the end of August

This rise in the annual CPI was, however, more modest than might have been expected after the GST increase

The reason was that prices rose by a hefty 1,6% in September 1981, almost as much as in the same month this year

Leaving aside the GST factor, therefore, it can be seen that the underlying inflationary trend was still downwards in September

This table, showing the annual rises in the CPI to the end of the following months, indicates the downward trend previously

April 1982 16,5%
 May 16,5%
 June 16,1%
 July 14,4%
 August 13,8%

In September this year the CPI was 241 compared with 236,8 in August and 211,3 in September 1981

At the end of May the index was 230,3. That means that in the four months to the end of September the CPI rose at an annual rate of 13,8%

If the GST increase is excluded, this means that the basic inflationary rise was below 13% over those months

That is some cause for relief, but any rejoicing needs to be tempered by several factors

● It is reasonable to exclude GST so far as an analysis of the wider trend is involved

The fact is, though, that GST still has to be paid and so far as shoppers are concerned what matters is how much prices are going up at any time, whatever the reasons

● In October last year the CPI rose by only 1% and in November and December by less than 0,7% each month

This will make it difficult to push down the annual rate of the CPI over the last quarter of 1982

● That difficulty will be compounded by price rises, such as that for bread, which have already taken place or are in the pipeline

● South Africa's 14,1% annual inflation rate compares with rates of 3,1% in Japan, 5,1% in West Germany, 5,9% in the US and 7,8% in Britain

We have a long, long way to go to get anywhere near those levels.



Mr Marcel Bolsens has been appointed assistant general manager of Rentmeester Insurance Company

Oil price falling

SINGAPORE — The chairman of Caltex Petroleum Corp, Mr William Tucker, forecasts that oil prices are likely to fall in real terms over the next 20 years because of a continuing decline in its use

He told an American Business Council luncheon the trend could be arrested only in the event of a significant interruption of supply from some major producing area. More efficient use of oil and less costly forms of energy coupled with current low economic activity had reduced world oil demand in 1982 by about 4%

"Without a strong economic recovery in 1983, it is likely there will be little or no growth in consumption. For the next 10 years or so, demand for oil will probably grow at 1% or less a year — or about half the rate of free world energy growth

It is expected that oil consumption as a percent of energy use will decline from about 48% in 1982 to 38% by the year 2000 — Reuter

MARKETS AT A GLANCE

Trade volume

A TOTAL of 3 605 904 shares were traded on the Johannesburg Stock Exchange yesterday, valued at R20 156 067 compared with 4 047 237 shares (R18 854 641) on Thursday and 5 552 921 shares (R19 813 905) on Friday last week

Money market

RATES continued steady

Taxi on go

THE taxman was again the star performer in the gold-mining industry in the September quarter, his income leaping 67,9% to R519-million from R309-million

The tax bill soured the quarter for gold producers, leaving taxed profit only 17,6% higher at R634-million compared with R539-million in the June quarter

Gold mines have now amassed a tax bill of R1 199-million for the nine months to September compared with 1981's total tax charge of R2 099-million

Assuming the gold price holds about \$400 mark for the rest of the current quarter, mine profits and tax are likely to be higher than in the September quarter, and the Receiver of Revenue's take may well be about the same as it was last year

The positive aspect of the September quarter was the gold price improvement, which not only boosted earnings for the low cost producers but in most cases lifted the marginals way out of the danger area and into good profits

Overall costs were contained satisfactorily considering the higher wage bill that came into effect on July 1 and the 6% electricity price increase in the quarter, but the outlook for costs is alarming

Escom's 16% tariff increase and the higher railage costs due to come into effect on January 1 will impose heavily on the mines ability to maintain costs from the start of 1983

In the September quarter costs rose by an average of 5%, although this disguises some particularly high increases, notably at Doornfontein and Winkelhaak

One Johannesburg mining analyst said yesterday he doubted whether the industry would be able to contain cost increases at less than 4% a quarter for the foreseeable future. The gold price would have to at least hold its current level for the mines to continue in profit and to E.

ill a of scrip

SA Breweries slightly to 585c yesterday from 590c on Thursday. It closed 28c up on last Friday's price. A broker said the sudden rise was caused by a shortage of scrip in London which was relieved yesterday

Tedex was a feature of the day's trading moving from 590c to 620c on another bout of takeover rumours

Gresham closed 53c up on last Friday's 190c

Platinums rose slightly, partly because of a revival in demand by jewellers and on hopes of revived demand by US motor manufacturers

Industrials "are a little" off their all-time highs, said a broker

Gold shares were weak yesterday and many closed lower than they did last Friday

Among the losers was Free



Mr Desmond Smith has been appointed a general manager of Sanlam from 1983

5% for inflation

Farmers

ARGUS 21/10/82

unfairly

~~blamed~~ (244)

blamed

on price'

THE farmer's product price increased by 11,3 percent last year, but consumer food prices increased on average by 14,6 percent, the South African Agricultural Union says in its annual report

The report, to be tabled at the union's congress next week, says critics of food prices always blame the farmer and never take the trouble to investigate. Farmers were particularly blamed last year for high food prices, but no attention was paid to the fact that although the product price increased by 11,3 percent, farm production costs increased by 13,9 percent

The farmer's share in the consumer price of food was only 47 percent. Food prices also increased much more — on average, 14,6 percent — than the product price

SILENCE

The report asks "Why does everyone remain silent on this state of affairs?"

Producer prices of grain products increased on average by 8,8 percent, while consumer prices increased an average 23,7 percent. The report says this indicates that the price increase was not caused by the producer

Similarly, producer prices of fruit and vegetables increased by 1,8 percent and 5,6 percent respectively, while consumer prices increased by 12,4 percent and 9,9 percent

However, the producer prices of meat increased an average 15,5 percent and the consumer price increased by 14,9 percent

Living costs rise... and fall

244
23/10/82

There is good and bad news for the consumer this weekend

The good news is the price of cheddar cheese will be reduced by almost 10 percent and meat prices are expected to be decreased by about 20 percent next week

The bad news is electricity prices seem set to go even higher in future as consumers are asked to foot the bill for new power stations which use less water

The Dairy Board's chairman Mr Jan van Vuuren, said the price reduction of cheddar cheese was part of the board's dairy month promotion

Two million kg of cheddar cheese would be distributed among the board's agents for supply to the retail trade at 35c/kg less than the current price

The cheese will now cost 389c/kg instead of the usual 424c/kg

At the same time, an oversupply of meat, especially beef, has resulted in a drop in auction

prices and it is expected this drop will be passed on to the consumer next week

The decrease is expected to be up to 20c/kg in controlled meat areas

The oversupply was caused by the drought which forced farmers to sell large numbers of their stock

A R6 million subsidy has also contributed for the expected reduction of price which however is dependent upon butchers' co-operation

However consumers could soon be getting higher electricity bills because of the dry cooling system used in new power stations

Dry cooling adds on an extra five percent to the present R200 million bill for building a new conventional plant

A Water Affairs Department spokesman said a final decision was just around the corner

The department told Escom to stop building wet-cooled stations as they tied up water resources for too long



Cars wrecked in Spanish floods

43 die in floods

Own Correspondent
MADRID — The death toll in the flood disaster in south-eastern Spain has reached 43 with many more missing and thousands stranded in towns and villages

One of the worst hit areas was Alora, 32 km south of Valencia

Altogether 4 500 town-people were

evacuated to high ground above the 6m-deep flood waters. In Valencia 15 000 refugees were being cared for by Red Cross workers and volunteers

The flooding followed torrential rain and a burst dam on the Júcar River

Yesterday a 15 000-strong rescue team was at work

Red Cross abduction

LISBON — The official Angolan news agency Angop said yesterday that 15 Red Cross workers had been kidnapped in the southern Cunene province, which Angola says is controlled by South Africa and anti-government Unita guerrillas

Angop quoted Roman Catholic Church sources as saying the Red Cross

A golden new era lies

Sport

By Andrew Walker and Joao Santa
The ban-breaking Sri Lankan cricket tour of South Africa could herald a golden era for South African sport, sports experts.

The defiant stance taken by the Sri Lanka team, coming after last season's trail-blazing visit by Graham Gooch's English XI, is seen as the start of a flow of star-studded "rebel" sports tours to South Africa

Top sports administrators predict that an increasing number of sportsmen will defy their governments and sporting authorities to play in South Africa

The Sri Lanka tour could encourage other sportsmen to ignore the sports boycott and tour the Republic, says Transvaal Cricket Council director Dr Ali Bacher

"I don't think the tour will put pressure on governments to change their policies

"But it will encourage cricketers worldwide to come here. I have talked to many sportsmen from all over the world who are afraid to play in South Africa

"This could encourage them"

Nervous

Some countries were already nervous about South Africa's becoming a disruptive influence in world sport, Dr Bacher said

Sports expert Mr Maurice Deift, who is writing a book on political influences on South African sport sees the world of sport being split by rebel tours of South Africa

Within the next 10 years countries such as England and New Zealand will have full sporting ties with South Africa, he predicts

Mr Deift believes

'Rebels' vow: we'll stick together

By John Kennen

The Sri Lankan cricketers will re-unite together as a team and play where they are welcomed. The 25 year ban imposed on them and their cricket board control is not muted

The tourists, stunned by the severity of their sentence, will regard South Africa as "home-home" at least in the foreseeable future

That was the reaction of the team's manager Mr T Opatha at the visit to Johannesburg last night after the ban had been lifted

Mr Opatha confessed that the tourists were surprised at the severity of the sentence but said it made them more determined than ever to give a good account of themselves in South Africa

ANGER

"If the sentence is reduced we will re-unite together as a team," he said "and would certainly like to return to South Africa"

South African Cricket Union president Joe Parnisky expressed anger at the ban lifted on the team's arrival Thursday. The follow-up tour to

PROBING THE PRICES: Today, a survey on what six different supermarkets

Don't pay more than you

ACCUSATIONS of profiteering are certainly not confined to any one supermarket — in this week's mail three different stores were labelled "the worst in town" and as the charges were about high prices, it seemed time to do another survey.

At the request of one store I have given total basket figures and where a store did not have an item, the average price was substituted.

Someone reported that Gillette G2 blades were R1.62 at Checkers and 69 cents at Clicks, and also that "some" brand had three prices at OK Hyperama. Well, it looks like the big boys buy much cheaper but I didn't notice some low-priced packs came from Sparu, and some high-priced ones weren't selling. Jik bleach was chosen because it declares percentage active ingredient — 3.5



Talking Shop WITH COLLEEN SHEARER

Spray 'n Cook got a broadside from a reader who has now reverted to "a soft brush and oil" I use marg and butter wrappings to grease pans.

Check tuna before buying. If labelled "savoury" it contains onion and is not solid pack fish, and is usually suspiciously cheap. OK Hyperama had savoury at 79 cents, and also Veribest solid pack for 79 cents — but only 185 grams. John West is superb.

A reader asks if all grain products are susceptible to weavils? Most are. I store items like sunflower seed, wheat germ and soup mix in the freezer in their boxes. So easy and they keep perfectly. A tongue-in-cheek remark from a reader in Schroeders is that she uses Quaker Oats

with added bran (she wouldn't be hurted by another brand's advertising that it doesn't need to add bran as it hasn't been removed in the first place) Anyway, there was a price difference of 16c in Quaker's with and without bran at Pick 'n Pay

Bread

Bread news is that Molly of Hout Bay sent two samples of wholewheat, one from Duen's Bakery which was very good, and one from Enterprise which was also good. So it CAN be made.

Harveld's Farmstyle Bread Mix is included today and this is very good indeed BUT very expensive. This is because it costs more than a rand, and then one has to add 500

millilitres yoghurt Harveld is looking at ways of reducing this price by using a new formula.

Every Day milk powder must be for high days and holidays because the price has shot up lately. A reader claims this product was R5.19 in August, then three weeks later it went up to R5.39, two weeks passed and it was R6.15. The following week it shot up to R6.65.

The same man complained about chocolate biscuits going up 14 cents in eight days. The sad fact is that we are so conditioned to rising prices that we express pleased surprise when an item stays at a set price.

Another target was Maltabella — up 26 cents in one jump. When this happens it's time to look for alternatives.

alternatives.

Check unit prices when possible. For example, the large tin of Husky is not twice the weight of the smaller and yet often it is more than twice the price. If the 425 gram tin costs 35 cents then don't buy the 820 gram unless it is less than 67 cents.

The specials usually seem to be on the 425 gram

A reader pointed out that Sea Harvest Cape Whiting is declared on the label as Hake. I wrote to that company, mentioning that although both hake and whiting belong to the cod family, they have different Latin names.

A prompt reply explained that the name Cape Whiting has official approval as an alternative for Hake, and the reason is that Whiting is more

universally known

Anyway either name describes a bland, white, flaky fish. The product is good, that is Oven Crisp Cape Whiting

Pizzalana on Durban's beachfront advertised "A free slice of pizza" if anyone went in with the coupon I did but was told I could have it only if I sat down — it wasn't a takeaway.

Didn't say so on the blurb but anyway this explains our including I & J Peppercorn Pizza on the chart. Very tasty in an emergency

Stored

Where can I buy volunteer cases, asks a woman? I tracked some down at Buxton's Spar, made or them by that master baker, Bob Wareing. They can be bought baked or unbaked and can be

stored in the fridge for about three weeks, or the freezer. Quality excellent, price 10 cents for small and 16 cents for medium

Welcome to Rondo and Ole from Tongaat — it's nice to have fresh competition in the marg and oil fields

Note that the controlled price of 1 litre minerals is now 79 cents plus five cents GST, and the deposit on the bottle is 30 cents.

Domestos toilet cleanser has come to Durban, and seems to be a good buy for 750ml. It declares the active ingredient whereas Checkers and Jik's are still not telling. But what has happened to Blitz the all-purpose cleaner by Henkel? I found only OK Bazzaars had it. Another good product, Gouard's Brass and

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Meat and cheese prices are cut

Stg 25/10/82 244

By Colleen Ryan,
Consumer Reporter

Meat prices will drop by 40 to 60 cents a kilogram and cheddar cheese by 35 cents a kilogram today in a bid to boost sales

The drop in meat prices comes after the Meat Board's announcement of a R6 million subsidy

The subsidy is meant to cut prices 20 cents a kilogram, but supermarkets have promised to drop them a further 20c to 40c

Consumers in some areas could see prices come down 60 cents a kilogram because of competition between retailers

Cheddar cheese prices will go down from R4,24 a kg to R3,89, a spokesman for the Dairy Board said today

The cut is limited to two million tons of cheddar cheese, and

will last for only a short period, he said.

The price reductions in meat and cheese are the result of efforts by the control boards to increase demand for the products

A spokesman for the Meat Board, Mr Koos Blignaut, said the reduction was the result of a drop in auction prices and because of a surplus in red meat

The general manager for fresh meat sales at Checkers, Mr Ernie Smit, said there would be a 50c reduction in prices at its stores

"We expect these prices to hold for the next two to three weeks"

Retailers expected to lose money on the sales

of meat as profit margins were low, he said.

OK Bazaars and Pick 'n Pay have also guaranteed a minimum 40c a kg drop in meat prices

Mr Ralph Horwitz, a director of OK Bazaars, said prices might drop by as much as 60c in some areas if there was stiff competition from other stores.

The president of the Housewives League, Mrs Joy Hurwitz, said the reductions were welcomed by consumers

"Although these price drops will benefit shoppers considerably, they are only short term reductions," she said.

Big cuts in price of meat

Cape Times 25/10/82
244

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Own Correspondent

MEAT PRICES will drop throughout the country today by 40 to 50 cents a kilo as supermarket chains plunge into a price war after the Meat Board's announcement of a R6-million subsidy on present prices.

On Saturday the Meat Board announced that they would provide a short-term R6-million subsidy — equivalent to a drop of 20c a kg of red meat. But supermarkets who have entered the price war are offering at least double the subsidy, with one offering a 50c reduction on every kg.

A second is offering a minimum 40c reduction, while a third supermar-

ket chain will cut meat prices by a straight 40c a kilo, and will subsidize the "uncontrolled areas", where subsidies have not yet been fixed, to the same extent.

Mrs Joy Hurwitz, president of the Housewife's League, said the League had waged a limited boycott on red meat for more than a year and the only way to combat the spiralling price of meat would

be to reduce the Meat Board's floor price.

Mrs Hurwitz said the present campaign would not affect the floor price. When the surplus evened out, consumers would be back where they started.

'Overmarketing'

Professor J L Weyers, chairman of the Consumer Council, said yesterday that the subsidy was part of a brief campaign to stimulate meat sales to "deal with immediate problems of overmarketing."

Welcoming the subsidy, Professor Weyers said some of the reasons for the present overmarketing of meat related to drought which had led to overgrazing.

The national fresh food merchandise executive for Checkers stores said yesterday that his group would pass on the Meat Board's 20c subsidy and an additional 30c — a total of 50c a kilo — while the subsidy lasted.

Exami- ners' Initials	
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Pick 'n Pay, Mr Guy Hawthorn said 'This is the healthiest thing that could have happened to the meat market'

Pick 'n Pay, like the other major supermarkets has also pledged to subsidize meat — by an additional 20c a kg — until the R6-million subsidy runs out. They have also pledged a subsidy on meat in "uncontrolled areas".

Mr Hawthorn said he would like to see the campaign last for the whole month of November and added the campaign did not mean a "price war but healthy competition."

Mr Manuel Sachar, chairman of Grand Bazaars, said his company would follow the lead of other major supermarket chains and cut its prices by 40c or more, "for a week or more."

Meat Traders

The chairman of the Cape Retail Meat Traders' Association, Mr D C Joubert, said he had not discussed the issue with his members and was waiting to see what happened today.

"But I do know that we will be immediately carrying over the 20c announced by the Meat Board to the consumer."

What supermarkets do is none of our business. All I know is that our reductions will not be more than 20c. If members of the association want to increase that amount it will be for them to decide.

- 1 Enter at the top of each page and in the top right corner of the block on this cover the number of the question you are answering
- 2 Blue or black ink must be used for answers. The use of a ball point pen is not acceptable. Red or green ink may be used for underlining, emphasis or for diagrams. Pencil may also be used.
- 3 Names must be printed on each separate sheet of paper (e.g. graph paper) where sheets are used.
- 4 Do not write in the left hand margin.

books, notes, pieces of paper, etc. may be brought into the examination. Candidates are so instructed. Candidates are not to communicate with each other.

'Price activity'

Mr Ralph Horwitz, a director of OK Bazaars and general manager of the food division — whose company has entered the price war with a minimum 40c a kg reduction — said the subsidy would not lead to a price war but to "a lot of price activity."

His firm "would pass on every single cent and another 20 cents minimum to the consumer."

The meat director for

Any dishonesty will render the candidate liable to disqualification
University

RUSH FOR

meat sends abattoir prices soaring

ARGUS
26/10/82

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Consumer Reporter

INCREASED demand for meat has sent wholesale prices soaring to an extent that has cancelled out the Meat Control Board's subsidy of 20c a kg. Butchers are paying 40c a kg more for super beef today than they were on Friday.

It has led to a wildly confused situation because the big chains are continuing with their price war — at least one has slashed prices by 60c a kg below last Friday's level — and some of the more affluent family butchers are selling at a loss in order to retain their customers.

Other butchers have put their prices up because they are paying more, in spite of the subsidy.

Mr D C Joubert, chairman of the Cape Retail Butchers Federation, has appealed to the Meat Board to "saturate the market" with meat in order to keep prices down and to ensure an adequate supply of top quality animals.

Lower floor price

He has also suggested that instead of paying the 20c subsidy to retailers the Board should use it to lower the floor price at abattoir auctions, to ensure a reasonable wholesale price.

Mr Joubert said the wholesale price of the best quality super beef, which was R2,32 a kg on Friday, had risen to R2,77 a kg today.

Cape Town wholesale prices for meat were now on average 40c a kg above those in Johannesburg.

Mr Joubert said family butchers who were keeping their prices down because of the low prices still offered by the supermarket chains, were incurring huge losses.

A spokesman for Blue Riband, the butchery section of Pick'n Pay, said "The meat we are selling now was bought last week, when auction prices were lower. We are selling it at 60c a kg below last week's retail prices."

"Going crazy"

"But the meat we are buying today is costing us a lot more. This is to be expected because the auction prices are governed by supply and demand and people are going crazy buying meat."

"We estimate that our sales are up by 60 percent."

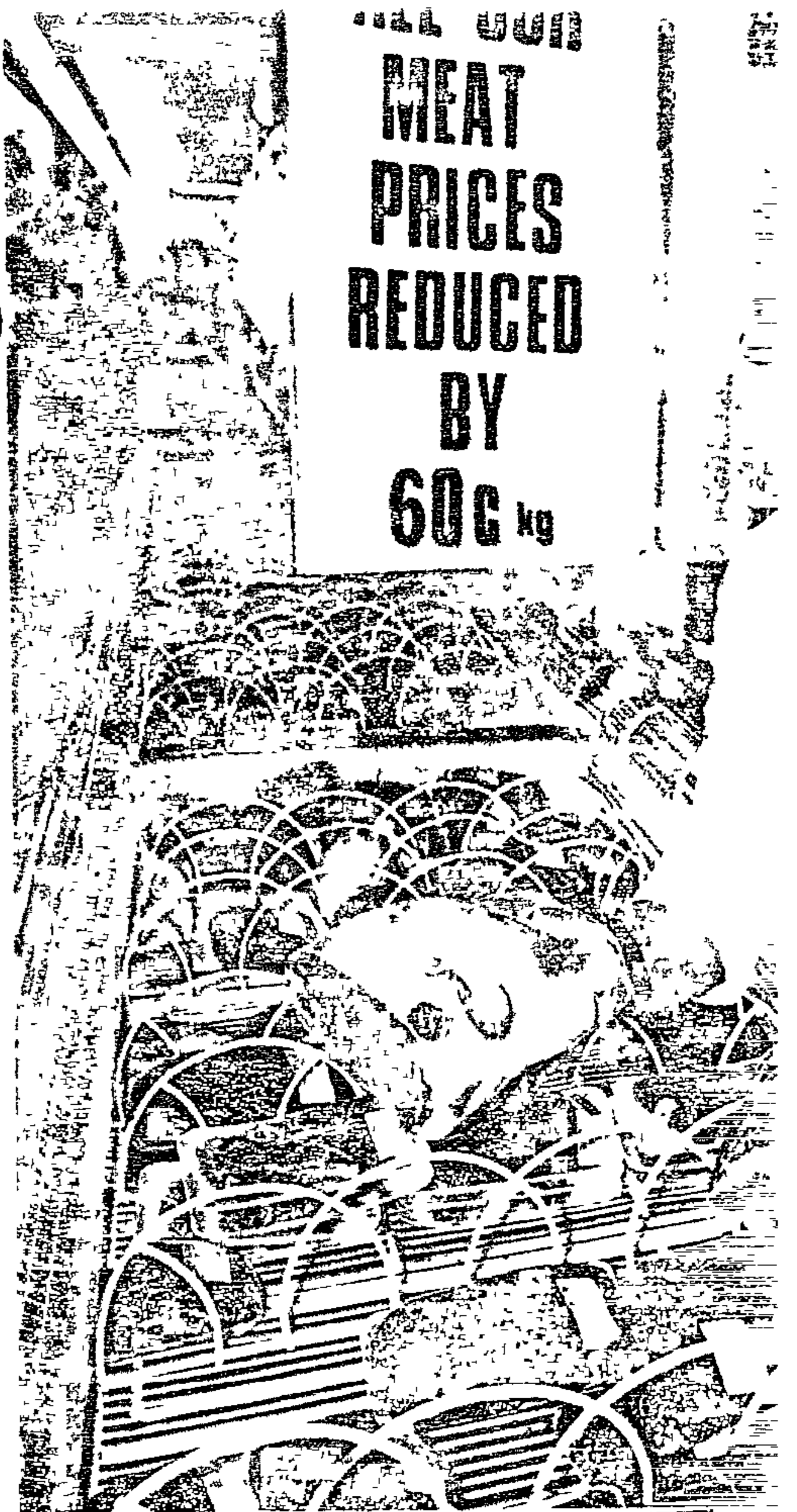
He said the chain was paying a 60c a kg subsidy on all the meat it was selling at Brackenfell hypermarket and other stores outside the controlled area, where the Meat Board's subsidy did not apply.

An independent family butcher, Mr Aubrey Faber of Wynberg, said he had not yet received any official notification from the Meat Control Board how the subsidy was to be paid.

Meanwhile, the prices he was paying cancelled out the effect of any subsidy he would receive while cus-

(Turn to Page 5)

MEAT
PRICES
REDUCED
BY
60c kg



February 5 Mr van "lasertheque"

(Contd from Page 1)
ARGUS 27/10/82
director of operations for OK Bazaars in the Eastern and Western Cape, said his chain would continue to subsidise meat "by a minimum of 20c a kilogram" in addition to the board's subsidy.

Lamb

unlikely the group would increase the subsidy.

A spokesman for the board said Cape Town abattoir was slaughtering above its normal capacity to meet the increased demand.

Chain

Mr Don Smith, area director of merchandising for Checkers, said his chain would continue to add a subsidy of 30c a kilogram to the subsidy, giving a total reduction of 50c a kilogram.

But if wholesale prices continued to stay above normal it was

Average prices at the abattoir auctions early today were R2,99 a kilogram for super lamb, from R2,12 to R2,35 a kilogram for super pork and R2,05 a kilogram for super beef.

Later in the morning super beef rose to R2,77 a kilogram because of a shortage of good quality animals.

Bread boycott planned

CAPL TIMES 26/10/82

Staff Reporter

OPPOSITION to the October 1 bread price increase was boosted on Sunday when a protest meeting in Guguletu voted to stage a one-week "symbolic" boycott of bread and flour.

Despite alleged attempts on Sunday to broadcast false information about the meeting, more than 500 people attended.

The boycott, from November 22 to 29, will be coordinated by a committee

formed by community, student, labour and women's organizations

Sunday's meeting was called by the non-racial United Women's Organization (UWO), which has spearheaded the campaign in the Western Cape.

The meeting called on other organizations not represented at the meeting to mobilize members to join the boycott

Attempts to advertise the meeting with a banner

and loudspeakers in Guguletu on Saturday morning were stopped by police

UWO members said yesterday that on Sunday morning they received reports that a white panelvan had been moving around Guguletu, broadcasting a false venue for the meeting

Despite this, 500 people attended the meeting, a UWO spokesman said — "an indication of the strength of feeling on this issue".

Consumers gain as meat prices fall

Mail Reporter

CONSUMERS, for a change, were in the pound seats yesterday as butcheries and supermarket chains slashed their red meat and Cheddar cheese prices in accordance with a call to do so by the Meat and Dairy boards.

But a survey showed some butchers claimed to be "in the dark" about the R6-million subsidy from the Meat Board. They said their prices would remain the same until they learned more about the scheme.

However, many butcheries and supermarkets in Johannesburg said their prices had dropped significantly. Reductions ranged from the minimum 20c a kilo to as much as 50c a kg.

The Meat Board announced recently that it would subsidise all red meat in controlled areas to the tune of 20c per kilo.

In the wake of the reduction, spokesmen for retail outlets, reported brisk business.

A spokesman for Pick 'n Pay said there was a definite upturn in business. Apart from the Meat Board's 20c subsidy, the company had also put in its own subsidy — an additional 40c a kilo.

He said the subsidy was also in force in outlying areas like Klerksdorp and Welkom.

The Pick 'n Pay Butchery reported that its prices had also dropped by 60c per kilo.

Mr David Katz of Checkers said the company had put in an additional 30c per kilo to make all their red meat pro-

ducts 50c cheaper. This was in line with Checkers' promise of "quality and caring".

He said Cheddar cheese prices had also dropped as the Dairy Board had brought down prices from R4,24/kg to R3,89/kg.

Mr Gerald Manne, general manager of Hyperama, said meat prices at Hyperama stores had dropped by 40c/kg. There was no "mad rush" to buy meat yesterday, but he expected this to begin soon.

A spokesman for Mosterds Butchery in Delarey, Mr Gregory Valjulo, said all red meat prices had dropped by at least 50c/kg. A leg of lamb which last week cost R3,99/kg now cost R3,20. The price for a hind quarter of beef had fallen from R2,63/kg to R2,39/kg, while tenderised steak now cost R3,50/kg.

Mr Koos Blignaut, a spokesman for the Meat Board, said yesterday that dealers who "would not cooperate" would lose out. He said he could not believe anyone connected with the meat industry did not know of the subsidy's details.

"Consumers must see to it that they don't get ripped off. If a butchery owner has not received forms about the subsidy and just sits pretty, he will lose out," Mr Blignaut said.

"The success of the scheme depends on the co-operation of the meat trade and the vigilance of the consumer."

A spokesman for the Johannesburg Abattoir said at least 1 800 cattle and 7 000 sheep were being killed a day.

Meat price

ARGUS
26/10/82 (Cont from Page 1)

244
258
tomers were insisting that he should cut them by 20c a kg

Mr E Kasker, general manager of Eskay Butcher-ies, one of the few small firms which buys directly at the abattoir auctions, criticised the Meat Board for introducing the subsidy scheme at the end of the month

"Prices are always lower in the middle of the month and go up at the end when demand rises," he pointed out

"It was obvious that to introduce the subsidy scheme at the month end, increasing demand by more than the usual amount, would result in much higher prices at the abattoir auctions

"This has lost the customer the benefit of the subsidy and has placed butchers in a very embarrassing position. We are paying more for meat but customers expect it to come down and suspect us of pocketing the Meat Board subsidy"

His chain, which normally works on a small profit margin, was selling meat today at 10c a kg less than last week in spite of the rise in auction prices

It has added a subsidy of its own to the Meat Board's 20c a kg

Extra cattle and sheep were slaughtered at Cape Town abattoir today to meet the increased demand

A Meat Board spokesman said that 5 300 sheep and lambs had been slaughtered — 300 more than usual — and 800 cattle instead of the usual 760

Blue about brown bread

By MAURITZ MOOLMAN

THE Minister of Transport, Mr Hendrik Schoeman, was wrong in telling a National Party meeting in Viljoenskroon on Monday that brown bread sales had only now overtaken the sales of white bread.

But the Wheat Board has confirmed a statement by Mr Schoeman that more funds will be needed to subsidise brown bread.

Mr A A Liebenberg, administrative chairman of the board, yesterday said brown bread had 35% of the market and white bread 65% before 1978, when the difference in price was only 4c.

With the previous increase in August last year, when the price difference widened to 13c a loaf, the proportionate sales changed to 28% for white and 72% for brown bread.

The latest price increase, which brought the difference in price between white and brown bread to 18c a loaf, has caused a further decline in the sales of white bread.

Asked whether the plan was to price white bread out of the market Mr Liebenberg said: "Not intentionally."

He said the decision to increase the price difference between white and brown bread was an "arbitrary" decision by the Government in which the Wheat Board did not want to become embroiled.

Mr Schoeman told the NP meeting that the Government's bread subsidy was now R132-million.

Mr D Michos, chairman of the Tearoom, Restaurant Proprietors and Caterers Association, yesterday said the subsidy for brown bread was already higher than for white.

At the same time bread seller's profits were 2% higher on brown bread sales.

Mr Michos said cafe owners made 4% profit on white bread and 6% on brown.

"If you sell 30 dozen loaves a day you need a full-time assistant to put the bread in plastic bags. No business can survive on that profit margin."

Mr Michos said his association had asked the Wheat Board to directly subsidise cafe owners but they had been told that this was "impractical".

White bread sales still down

D. Dispatch
27/10/82

244

EAST LONDON — White bread sales in the Border area are still below levels prior to the price increase at the beginning of the month

Most bakeries in the area are still selling less white and brown bread, but the general consensus is that demand will pick up again soon.

The Border regional manager of a supermarket chain, Mr D K McManus, said white bread sales had dropped by as much as 20 per cent in the chain's stores in the first two weeks after the price increase, but the situation was "levelling out" again

"We are getting back to normal again and brown bread sales are a little above average," he said

His view was echoed by the manager of a King William's Town bakery, Mr E W Muller, who said he expected consumer resistance to the new bread price would "settle down" within another month

"The pattern is similar to the last increase, but generally sales seem to be improving now," he said

White bread sales had dropped more than that of brown bread as a result of the larger price increase from 42c to 53c compared with the six cents increase in the price of brown bread

Another King William's Town baker, Mr A Papas said he had cut production by 50 per cent as result of the drop in demand

He intended putting bread on special for a month to stimulate sales, said Mr Papas.

A spokesman for a milling company with bakeries in several Border towns said demand for especially white bread had dropped at most bakeries

"It is difficult to say whether the demand for white bread will revive again. The increase was quite large and the drop may be permanent," he said

The Eastern Cape and Border manager of another supermarket chain, Mr Terry Carroll, said the initial "mad scramble" for the chain's bread, which is sold at subsidised prices, was over

At one stage since the price increase sales had trebled in most stores, but demand was returning to normal mainly because consumers were not stockpiling bread, he said

The East London branch of the chain is still enjoying double sales and brown bread sales are 30 per cent higher than that of white bread

Transkei bakeries, which reported a considerable drop in demand for both brown and white bread two weeks ago, were closed owing to independence celebrations yesterday and could not be reached for comment

Most Border bakers approached yesterday responded cautiously to the possible effect of the Inkatha call for a white bread boycott

"It is very difficult to predict the effects of a staple food boycott like the call to boycott white bread. It may serve a useful purpose," one said — DDR

AUCTION PRICES OF LAMB SOARS

Consumer Reporter

THE auction price of lamb at Cape Town abattoir soared to nearly R3 a kilogram today — well above the R2.51 a kilogram it fetched last week

But some butchers are still selling meat more cheaply than last week, in spite of the rise in wholesale prices, and shoppers are taking

the opportunity to stock up

At least one supermarket chain is selling meat at 60c a kilogram less than the prices charged last week and has pledged to continue doing so as long as the Meat Board's subsidy, announced last week, lasts

Busier

Butchers who have cut their prices say they are busier than

they have been for years and are selling the meat almost as soon as it is delivered

Meanwhile the general manager of the Meat Control Board, Dr P H Coetzee, has threatened to withdraw the R5-million subsidy, which will be paid to the butchers on the basis of the amount of meat they sell, unless auction prices come down

He has asked the

public to "buy normally" so that this will happen

The board has been criticised by butchers and wholesalers for the way the subsidy is paid, and for failing to ensure extra supplies to meet the increased demand

Floor price

Mr D C Joubert, chairman of the Cape Retail Butchers Federation said it would have

been better for the board to reduce the floor price at abattoir auctions by 20c for the period of the subsidy than to pay it to the retailer

This would have kept the auction prices down, provided supplies were adequate

Mr Joubert said most retail butchers had reduced their prices by more than the 20c sub-

sidy and he was sure that most of them would make no profit at all unless auction prices came down soon

Reduced

A spokesman for Blue Riband, the butchery department of Pick 'n Pay, said "We have not changed our counter prices since December last year, and we have reduced them by 60c a kilogram

for as long as the 20c a kilogram subsidy lasts

"So it is quite wrong for Dr Coetzee to suggest that higher wholesale prices mean the consumer is not getting any benefit from the subsidy"

He said that bulk sales, however, would be affected by the higher wholesale prices

Mr Aubrey Coppen,

(Turn to Page 3)

ARBUS

27/10/82

244

SPS

Butchers will honour subsidy

ARR 4528/10/82

244

Consumer Reporter

ALTHOUGH the Meat Control Board has withdrawn its subsidy scheme, supermarket chains and some family butchers are still subsidising prices and will do so until Saturday

This means that prices vary widely and it is well worth shopping around for the best value

Sea Point butcher Mr D C Joubert said he and many others in the trade felt "honour bound" to keep prices down because customers had been promised cheaper meat this week

He said the big increase in turnover helped to make up for profits lost as a result of this

But some of the small-

er butchers could not afford to subsidise prices because of the steep rise in prices at Cape Town abattoir auctions

Most butchery chains and some smaller butchers added subsidies of their own, varying from 10 c to 40 c, to the Meat Board's subsidy of 20 c a kg which came into effect on Monday

But auction prices soared all over the country as a result of this, because of the increase in demand

The Meat Board announced last night that the subsidy would be withdrawn because the increased auction prices cancelled out its beneficial effect

Retail and wholesale

butchers have criticised the board for not foreseeing a huge surge in demand when prices dropped, and making more good quality meat available to meet it

They have also suggested that the scheme would have worked better if the board had subsidised auction prices rather than at the retail level

Meanwhile, a leading wholesaler said he had received many telephone calls from people "beside themselves with rage" accusing the wholesalers of profiteering

"It is nothing to do with us," he said "It is the auction prices which have risen because of the increased demand"

You'll pay less for sterilised and long-life milk

Mercury 244
28/10/82

Mercury Reporter

THE price of sterilised, flavoured and long-life milk has been cut by about 7 percent in an attempt to increase sales to cope with the current milk surplus

Durban Milk Association chairman Ian Baxter said yesterday the initiative for the price cuts had come from the Natal dairy farmers who had offered to finance the reduction by 5c a litre.

'We welcomed the move and agreed to support the farmers by adding to the price cuts,' Mr Baxter said.

The reductions are 6c a litre off sterilised milk in plastic bottles, 8c to 10c off sterilised flavoured milk in plastic bottles, depending on the container size; 6c a litre on UHT (long-life) full cream and flavoured milk in cartons

'The farmers are really taking a gamble and have

reacted courageously to the surplus. We now call on the retailers to pass this reduction on to the consumer,' Mr Baxter said

He said all the major supermarket chains had agreed to do this

He added that sterilised milk was bought primarily by rural people who did not have fridges in which to store fresh milk.

The nutritional value of sterilised milk was only slightly less than that of fresh milk because of the heating process it was subjected to.

'In the past there has been negative public comment about how surpluses have been handled. If this promotion works, the farmers will be inclined to look favourably at using this approach again at a time of surplus,' Mr Baxter said.

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Meat Board

CAPE TOWN 28/10/82

scraps subsidy

THE R6-million red meat subsidy has been withdrawn, the general manager of the Meat Board, Dr P H Coetzee, announced last night.

In a statement, Dr Coetzee said he had made the decision in the wake of a big demand that had "destroyed the whole object of the subsidy"

He said he had held discussions with representatives of the meat trade yesterday to try and find ways of stopping the rise in prices, but the talks had been unsuccessful

"The trade could not put forward any suggestions or solutions, claiming that the demand is

there and they will have to bid for the meat," Dr Coetzee said

He added that he would now "go back to the drawing board" to try to find a way of stabilizing meat prices

However, meat would continue to be sold at subsidized prices at Checkers and Pick 'n Pay outlets till Saturday

The general manager (administration) of Pick 'n Pay's Blue Ribbon meat corporation, Mr Dennis

Cope, said last night he was "sad" to hear of the subsidy's withdrawal

"We will, however, continue to reduce the price of red meat by 60c a kilogram until Saturday"

Checkers' public affairs manager, Miss Peta Lomborg, described the subsidy's withdrawal as "confusing" She said Checkers would also continue to discount red meat till the weekend

● Cape Town butchers yesterday predicted that red meat prices would rocket during the festive season, when they expected a shortage of quality meat

One butcher said that by the end of the year retailers and the consumer would be "paying through their necks" for meat.

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered); leave columns (2) and (3) blank.

	Internal	External
(1)	(2)	(3)
2	26	
Examiners' Initials	JW	

Abattoir

Yesterday prices rose steeply at the Cape Town abattoir and this was attributed to the promotional effect of the Meat Board's subsidy on red meat.

Fears have been expressed that the present rise in price could encourage farmers to market their stock early this year, leading to shortages during the festive season

Auction prices at the Cape Town abattoir yesterday ranged from 290 to 299c/kg for super lamb and 268c/kg for super beef, in comparison with last Wednesday's figures of 234 to 244c/kg for super beef and 242 to 258c/kg for super lamb

● Chicken prices lower this year, page 3

- Block on this cover the number of the you are answering
- Blue or black ink must be used for written. The use of a ball point pen is acceptable. Green ink may be used only for underlining or for diagrams, for which pencil may be used.
 - Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to the examination book(s) are used.

Any dishonesty will render the candidate liable to disqualification from the University

Meat war to ^{31/10/82} go on next week ^{24/10/82}

Consumer Reporter

THE meat price war, which most people expected to end tomorrow, will continue for at least another week

Pick n Pay announced today that it would continue to subsidise the price of meat sold across the counter by 40c a kg, and would sell bulk meat at cost price plus a mark-up of 10 percent

Other chains are almost certain to match this and some family butchers may also keep their prices down

Cape Town shops which reduced their meat prices have been crowded today with people who thought today and tomorrow their last chance to stock up. Prices at the abattoir auctions soared even higher because of the increased demand

The Meat Control Board withdrew its subsidy of 20c a kg, introduced on Monday to stimulate meat sales on Wednesday because wholesale prices had risen too much as a result of the increased demand

But the supermarket chains continued to subsidi-

dise meat, by as much as 60c a kg, for the rest of the week and some family butchers also slashed their prices by between 10c and 50c a kg

Pick 'n Pay's announcement may not have taken other chains by surprise. An executive of OK Bazaars said this morning that he did not know whether it would end its subsidy for meat on Saturday or continue it next week

Business has been very hectic," he said "I do not know where people are finding the money to buy all this meat"

SECTION B

UNIVERSITY OF CAPE TOWN

WRITER BOOK

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered), leave columns (2) and (3) blank

		(1)	(2)	(3)
Initials	External			
	Internal			
Examiners' Initials				

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(Examination Paper)

WARNING

- 1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed
- 2 Candidates are not to communicate with other candidates or with any person except the invigilator
- 3 No part of an answer book is to be torn out
- 4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

Call for bread boycott

24/11/82 C. Howard

MORE than 500 people at a meeting in Cape Town on Sunday called for a one-week boycott of all bread and flour, as nationwide opposition to the recently increased bread price grows.

The meeting, organised by the Gugulethu branch of the United Women's Organisation (UWO) in the Moravian Church, decided to boycott from Monday, November 22 to November 29. They called on the support of all other organisations who did not attend the meeting.

A UWO member said police had tried to stop them from advertising the meeting with loudspeakers and banners on Saturday and a white panel van reportedly went around advertising a wrong venue for the meeting.

"However, we still had very strong support at the meeting."

"We felt we could not only boycott white bread. It would not have been effective because our people only eat brown bread," she said.

More protest meetings are being planned in other areas.

In Durban, an Adhoc Bread Committee representing political, community, student and church organisations, decided against supporting a white bread boycott called by Inkatha's Chief Gatsha Buthelezi.

The committee said they had already collected more than 75 000 signatures on a petition protesting against the high price of bread.

They aimed to hand in 250 000 signatures to the Minister of Agriculture, Mr Wentzel Greyling, at the end of their campaign.

EXPRESCOPE INVESTIGATES THE INFLATION-PAY SPIRAL

Inflation feasts on that 12% rise as you starve

S. Express 31/10/82

BY JEAN LEMAY

THE 12% salary increase which, according to a recent survey, most firms plan to give this year will mean a R180 increase for a man earning R1 500 a month — but he'll have only an extra R24 in his take-home pay.

The balance — R151 — will be eaten up by increased tax deductions, higher pension and medical aid payments and higher prices for almost every item in his monthly budget.

How one couple battles to balance the books

GEAR and Kathy MacFarlane run their own business designing and building sets for commercial TV.

They bought their Norwood, Johannesburg, house 'cheaply' in 1978 and R420 a month goes on bond repayments, including insurance. Their two children are Andrew, four, and Kirsty, 18 months, so there are no school fees — yet.

"Kathy does a bit of free-lancing. We're trying to save this income but making improvements to the house eats into savings," Mr MacFarlane said.

	1982	1983	Reason for
MONTHLY INCOME	1 500	1 680	Increase 12% pay rise
DEDUCTIONS			
Tax	185.25	236.55	higher bracket
Pension fund (6.5%)	97.50	109.20	higher bracket
Medical aid	35.60	39.10	10% increase
Total Deductions:	318.35	384.85	
Take-home pay:	1 181.65	1 295.15	
EXPENDITURE			
Bond repayment:	420.00	428.40	2% increase
Rates and taxes:	25.00	28.00	CPI 12%
Light and water:	60.00	67.20	CPI 12%
Car (running costs only)	110.00	124.70	CPI 13.4%
Food (meat, fish, eggs, dairy products, groceries, bread, fruit and vegetables, liquor)	300.00	342.00	CPI 14%

DOMESTIC WORKER

But that is not where it ends. Prices will continue to rise next year, although probably not as fast as they have up to now. It has already been announced that electricity will go up 16% on the Witwatersrand, of which increase consumers will have to pay half, and there has been speculation that the prices of coal and petrol will also rise.

Next year could well see a repeat of random price increases this year commodities which rose in price were petrol (15%), postal rates (17%), air fares (12.5%), train fares (10% to 15%), mortgages (2%), car licences (15%), liquor (8% to 14%), sugar (12%), bread (up to 50%), eggs (12%), cigarettes (16%) and clothing (13%).

Other items went up, too — fish, meat and poultry,

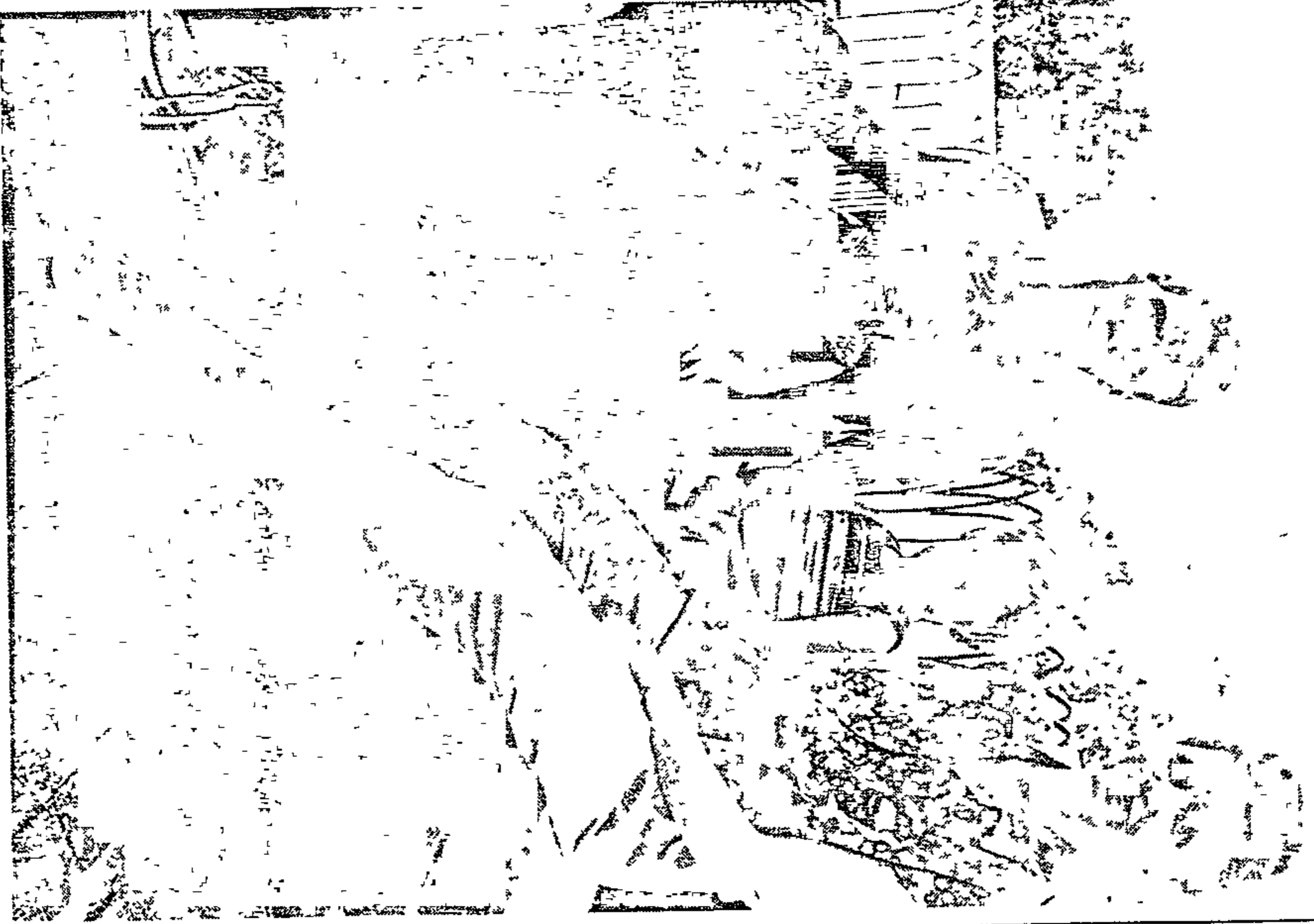
His budget will swell with an expected inflation rate of an estimated 13%. An Expresscope investigation this week examined the way in which inflation has bitten into the average white wage-earner's pay packet.

It found that a married man with two children who gets the average 12% increase will have R382.35 deducted from his pay cheque in tax and pension

fund deductions — R63 more than before as he will move into a higher bracket.

Medical aid contributions will take a bigger bite out of his budget as doctors, dentists and physiotherapists have all asked for increases. Allowing for a 10% medical aid contribution increase, the breadwinner will pay R39.10 instead of the present R35.60.

These deductions (tax, pension fund and medical aid) add up to R384.85 leaving R1 295.15 out of his new R1 680 salary.



● Gear and Kathy MacFarlane with Andrew (4), Kirsty (18 months) and their dog Silky — willing guinea-pigs in a cost-of-living experiment.

Picture by DOUG LEE

Granting a 12% increase, you can forget about blowing

wood, Johannesburg, house 'cheaply' in 1978 and R420 a month goes on bond repayments, including insurance. Their two children are Andrew, four, and Kirsty, 18 months, so there are no school fees — yet.

"Kathy does a bit of freelancing. We're trying to save this income but making improvements to the house eats into savings," Mr MacFarlane said.

"We included only a portion of the phone account in the budget since many of our calls are on business. "I don't carry any personal insurance."

Mrs Kathy MacFarlane, 29, said they had not had a holiday for years.

"I think we live frugally, even modestly. We don't smoke and spend a minimum on entertaining. We have a small TV and have included the cost of the licence in entertainment.

The table at right is the budget given to the Sunday Express by the MacFarlanes next year's inflation rate (the Consumer Price Index) was taken at 14% for food, 12% for services and 13.4% for all other commodities.

- This budget shows that.
- Salaried workers and wage-earners are already struggling to make ends meet and that next year will be worse — despite expected pay increases.
- In most cases wives are obliged to work, even if they have young children.
- Middle-level workers cannot afford comprehensive car or personal insurance, giving their lives an enforced element of insecurity.

Tax: Pension fund (6.5%): 185.25 236.56
 Medical aid: 87.50 109.20
 Total Deductions: 35.60 39.10
 Take-home pay: 318.35 384.85
 1 181.65 1 295.15

EXPENDITURE

Bond repayment: 420.00 428.40
 Rates and taxes: 25.00 28.00
 Light and water: 60.00 67.20
 Car (running costs only): 110.00 124.70
 Food (meat, fish, eggs, dairy products, groceries, bread, fruit and vegetables, liquor): 300.00 342.00

DOMESTIC WORKER

Cleaning and laundry: 80.00 95.00
 Personal care (toiletries etc): 30.00 34.20
 Medicines: 20.00 22.60
 Clothing: 20.00 22.60
 Entertainment: 15.00 16.60
 Phone: 50.00 56.70
 30.00 33.60

SUMMARY
 Take-home pay: 1 181.65 1 295.15
 Monthly expenditure: 1 160.00 1 271.10
 Balance: 21.65 24.06

prices of coal and petrol will also rise.
 Next year could well see a repeat of random price increases this year commo-

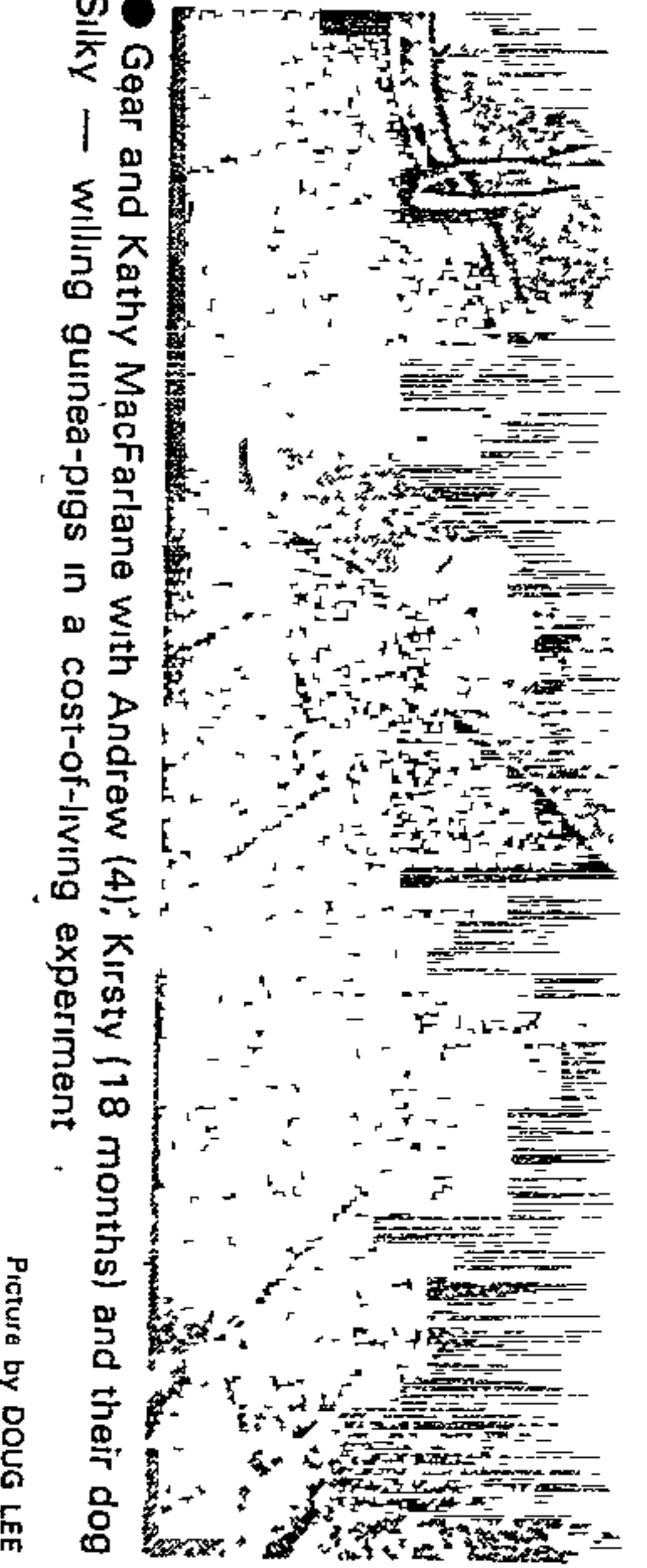
petrol (15%), postal rates (17%), air fares (12.5%), train fares (10% to 15%), mortgages (2%), car licences (15%), liquor (8% to 14%), sugar (12%), bread (up to 50%), eggs (12%), cigarettes (15%) and clothing (13%).
 Other items went up, too

— fish, meat and poultry, fruit, and fresh and frozen vegetables. Rises in the cost of soft drinks, cakes, biscuits and confectionary followed the rise in the sugar price, breakfast foods, cereals, pet foods and tinned meats went up with the price of meat, maize, wheat and other grains.
 So the breadwinner, having suffered substantial de-

ductions from his pay cheque, is still facing erosion caused by inflation he must pay more than ever before for almost every commodity that he must buy to keep himself and his family alive.
 According to a family budget supplied to the Sunday Express, the R1 680-a-month man will this year spend R1 271.10 on living expenses leaving him R24.06 for sav-

ings, holidays and emergencies.
 This is the stark reality of a survey made by a Johannesburg firm of research consultants which found that most companies are likely to grant end-of-year increases of 12% to their white employees.
 So, if you earn R1 500 a month and your firm falls in line with most others in

granting a 12% increase, you can forget about blowing part of your new wealth on a celebratory meal at a good restaurant.
 A family outing to a steak-house — at about R25 for two steaks, two hamburgers, coffee and cold drinks — will take care of it.
 You'll probably have to dig into your savings for the tip.



Picture by DOUG LEE

● Gear and Kathy MacFarlane with Andrew (4), Kirsty (18 months) and their dog Silky — willing guinea-pigs in a cost-of-living experiment.

75 000
say

NO

to the
bread
increase

S. Tribune 31/10/82



Virgil Bonhomme
Petition organiser

By Ingrid Stewart

THE six-week-old anti-bread price rise campaign is beginning to bite as more than 75 000 signatures on a petition testifies.

The public is saying NO to the massive increase.

The bread price rise has become the most important issue in the townships as families battle to cope with the rising cost of living.

Mass meetings protesting against the bread price hike are held weekly in black areas and the petition is being circulated door to door.

The petition points out:

- The Government bread subsidy has been slashed but GST has been increased to 8 percent

- Since 1971 the price of brown bread has gone up almost four times from nine cents to 33 cents, and white bread almost five times from 13 cents to 53 cents

- Bread is a staple food for most South Africans

- Many live below the bread line and almost three million people are unemployed

- The price hike is causing greater hardships and increased hunger and malnutrition

The petitioners say the increase is unjust and that the Government subsidy is far too low.

They demand there should be no increase in the price

Professor Ali Moosa, head of the Paediatrics Department at the University of Natal's medical school, claims that every hour three or four children die from malnutrition in South Africa

"We are extremely concerned that the increase in the price of bread will have grave repercussions on the already very serious level of malnutrition"

He said in 1980 four out of every 10 children admitted to Durban's King Edward VIII Hospital were suffering from malnutrition.

Of these, 20 percent died. Professor Moosa estimated that 30 000 of the 8-million black children in the country would die every year from malnutrition

"That's three or four each hour," he said

Virgil Bonhomme, chairman of the Bread Committee which is behind the petition, said "The people are sick and tired of the many increases they have to face. The increase in the price of bread comes at a time when rents, bus fares, GST and other things are going up. The insensitivity of the authorities could easily result in an explosion of the frustration of the people

Referring to a poster on the wall reading 'Bread or Guns' he said "Our money is being used to keep the white minority in power"

Bishop hits out at bread boycott

244

Sowetan 2/11/82

THE National Association for the Advancement of Coloured People (NAACP) has slammed the white bread boycott and strongly attacked the architects of the campaign.

Bishop Joe Joshua, said in a statement that the boycott, supported by numerous trade unions and other organisations, was a "grievous mistake"

The boycott call in protest against the recent price hike of white bread was made by the 360 000-member Inkatha movement, and later endorsed by the South African Black Alliance and its affiliates. Several other black organisations are backing the boycott.

The price of a loaf of

By LEN MASEKO

white bread went up by 10 cents to 53 cents on October 1

Bishop Joshua added "We are not happy about the boycott call made by Inkatha president Chief Buthelezi and other black organisations. They are making a grievous mistake because the boycott will not help bring down the price of bread

"On the contrary, the escalation of prices of all essential consumer commodities will continue as recession bites deeper and deeper. There is no guarantee that even the price of brown bread will remain static. We feel rather than calling for a boycott of white bread we

should educate our people on the economics of making bread at home"

Bishop Joshua said more increases on the price of bread could be expected next year

He described Saba as a "group of collaborators", adding that. "We should never accept credibility from these organisations. We can't see how Chief Buthelezi and organisations like the Labour Party, which have been receiving salaries from the Government, could ever guide and lead black people,

"We should in future adopt a more positive stand on crucial issues which are of interest to black people. Co-operation and collaboration are two different things", he added.

Bread protesters found guilty

CARE T. J. J.
3/11/82

Staff Reporter

200

TWENTY-TWO Paarl East "bread price protesters" were found guilty in the Paarl Magistrate's Court yesterday of having attended a gathering prohibited under the Internal Security Act on September 29.

Fifteen of the accused were fined R120 (or three months) At a previous hearing, the magistrate, Mr G Roussouw, ordered that the trial be held in camera as seven of the accused were minors. One minor received a sentence postponed for four years while sentence on the other six was postponed to November 29.

On October 12, the 22 accused pleaded not guilty to a charge of attending an illegal gathering at "Gabby's Corner" near Lady Grey and Jan van Riebeeck streets in Paarl. They had staged a protest march against the increase in the price of white and brown bread.

Mr G J Badenhorst appeared for the State. Miss Y S Meer represented 11 of the accused. Mr E Mohammed appeared for the other 11 accused.

Ceteris Paribus
Price
Function
Inferior Good
Substitutes
Complements
Perfect Competition
'Rise' in Demand (or Supply)
'Increase in Quantity Demanded' (or Supplied)
Equilibrium
Maximum Price
Minimum Price
Rent Control
Minimum Wages Legislation
International Trade
Transport Costs
Tariff
Economic Rent.

City meat prices sliding

MRGAS
4/11/82
244

Consumer Reporter

MEAT prices are continuing to fall at Cape Town abattoir auctions because demand has slackened off after last week's buying spree.

But prices vary widely in city shops

Pick n Pay which is still selling meat at 40c a kg below its normal prices this week has cheaper lamb than the other chains

But at OK Bazaars, Grand Bazaars and Checkers beef is cheaper and it might be possible to find lower prices at some smaller butcheries

The following is a price comparison of super grade cuts at various shops except the Maitland branch of Grand Bazaars where the prices apply to both super and prime

Price guide

It is intended only as a guide and not as a recommendation to buy. An exact comparison of quality is not possible because there are different grades of super

Prices and quality might vary at different branches of the same supermarket chain

Pick n Pay Topside, R4,48 a kg, rump steak, R6,98 a kg, leg of lamb, R3,78 a kg and braai chops R3,58 a kg

OK Bazaars, Adderley Street Topside, R3,98 a kg, rump steak, R6,28 a kg, leg of lamb, R4,80 a kg and braai chops, R4,80 a kg

Grand Bazaars, Maitland Topside, R4,48 a kg, rump steak, R6,68 a kg, leg of lamb, R4,28 a kg and braai chops R4,48 a kg

Checkers, Gardens The butchery manager was not certain of his beef prices at the time of going to press but said topside would be between R3,96 and R4,20 a kg and rump steak between R6,80 and R7,00. Leg of lamb would be R3,88 a kg and braai chops, R4,34

Woolworth's, Adderley Street Topside, R6,09 a kg, rump steak, R8,35 a kg, leg of lamb, R4,75 a kg and braai chops, R5,69 a kg

In comparison, a small family butcher at Hout Bay is charging R4,98 a kg for topside, R7,68 for rump steak, R4,55 for leg of lamb and R5,20 for braai chops

Eskay Butcheries' counter prices for prime grade this weekend are topside, R3,95 a kg, rump steak, R5,75, leg of lamb, R3,89 and braai chops, R3,39

Cheaper meat but only in 1983

CAPE TIMES
6/11/82

~~meat~~
244
245

Own Correspondent

JOHANNESBURG. — The Meat Board's R6-million red meat subsidy scheme is to be reintroduced, but only after Christmas and New Year, the general manager of the Meat Board, Dr Pieter Coetzee, said in Pretoria yesterday.

A consumer organization and a large chainstore group criticized the decision

They claim if the money is available, and there is a surplus of meat, consumers should get the benefit now

Before the scheme collapsed ten days ago, the board had spent between R600 000 and R800 000 on the subsidy

Dr Coetzee said the balance of the R6-million would be available when the scheme was launched again

The decision to launch the subsidy again was taken in Pretoria yesterday at a meeting of members of the board and representatives of the wholesale and retail meat trade

Dr Coetzee said that the meeting decided that the appropriate time to start the scheme again was after Christmas, when consumers would need cheaper meat

The board expects a plentiful supply of beef and other red meat for the Christmas and New Year season

Nevertheless, a board spokesman warned that prices could be expected to rise during the festive

season, as they normally did

Mrs Joy Hurwitz, president of the Housewives League, said consumers needed the subsidy now

"The subsidy would help neutralize the price increases which normally take place at this time of the year"

The general manager (food) of the OK Bazaars, Mr Ralph Horwitz, agreed He said the board's decision was a bad one

Surplus

"If there is money to be spent, which there is, and if there is a surplus of meat, which there is, then the consumer should benefit in this period — the run-up to Christmas," Mr Horwitz said

Dr Coetzee denied that during the brief period of the subsidy the board had tried to offload frozen beef on the market — a move which, the league claims, consumers resisted

He said "Last Friday, 4 000 lambs were slaughtered On Tuesday we slaughtered another 7 000 and this was still not enough to satisfy the demand from traders"

TELEGRAM FOR YOU 17

	Pick n Pay Hypermarket, Norwood	Checkers, Sandton City	OK Hyperama Sandton City	Pick n Pay, Bonmore	Average Price	Average for 12/6/82	Percentage increase or decrease
Porterhouse steak 1 kg	6 79	—	7 49	6 88	7,05	6 72	+4.9%
Grade A frozen chicken 1 kg	1 58	2 95	1 89	1 78	2 05	1 50	+36.6%
Medium potatoes 2 kg	1 50	1 55	1 18	1,38	1 40	1 10	+2.7%
Large eggs 1 dozen	94c	88c	94c	96c	93c	91 5c	+1.6%
I & J Hake Fillets 1 kg	2 54	—	3 09	2 49	2 70	2 88	-6.25%
Eskort middle bacon 250 g	1 44	1 55	1 40	1 52	1 47	1 44	+2%
Super lamb chops 1 kg	5 98	6 09	6 86	5 98	6 22	6 06	+2.6%
Tastic Rice 1 kg	1 04	1,09	—	1,12	1 08	1 02	+5.8%
Choice butter 500 g	1 78	1 88	1 82	1 79	1 81	1 78	-1.6%
Milk 1 litre	55c	56c	55c	55c	55c	55c	—
Buffalo salt 500 g	35c	32c	42c	33c	35 5c	43c	-17.4%
Kelloggs cornflakes 500 g	76c	96c	79c	—	84c	84c	—
Nescafé classic coffee 250 g	3,89	4 07	4 09	3 89	3 98	3 87	+2.8%
Five Roses tagless teabags 250 g	—	1,89	—	1 59	1,74	1 70	+2.3%

SEE HOW THE PRICES VARY OUT OF TOWN



By Colleen Ryan,
Consumer Reporter

Food prices are still rising steadily. The Star's latest shopping basket survey has shown

Increased GST and higher prices have added R1,76 to the basket since the last survey in August. The rate of increase over the three months is about 5.4 percent.

The selection of foodstuffs now costs R34,10, including GST, compared with R32,34 in August. GST was increased in September from five to six percent.

Only two items in the survey, hake fillets and salt, are cheaper than they were three months ago.

There have been hefty increases in the price of potatoes and frozen chicken, according to The Star's pricing at four northern suburbs supermarkets in Johannesburg.

The price of potatoes has doubled in the last 12 months. In a comparable shopping survey of November 1981, 2 kg of potatoes cost on average 70c. The average price now is R1,40 for 2 kg.

Chicken prices are generally still lower than they were a year ago. The average price of 1 kg Grade A frozen chicken is now R2,05. This price was inflated because one store in the survey had only a small selection of expensive frozen chickens.

According to the survey there have been significant increases in two cuts of meat. The average price of 1 kg porterhouse steak has increased by 4.9 percent in the last three months.

The average price of 1 kg of super lamb loin chops increased by 2.6 percent over the same period.

Modest basket is heavy on pocket

24.4

20/11/82

Property market trends analysed

Business Editor

PORT ELIZABETH homeowners have seen the value of their houses double in only four years — and, last year alone, prices were 50% up on those in 1980

But the soaring spiral is slowing, judging by the latest property survey conducted by the University of Port Elizabeth

In the 12 months to June this year, prices were indeed up on these to June, 1981 — but by the relatively modest amount of 23%

The exhaustive report on property transactions for the Port Elizabeth/Uitenhage/Despatch area is analysed on today's Business Page (Page 10)

Coinciding with the release of the report today, the director of the University's Institute for Planning Research, Dr Jan Erwee, appealed for sponsors to underwrite future property surveys

"We have published annual surveys for 12 years now and hope in future to do so twice a year," he said

"This will cost around R2 500 to R3 000 a year — including the two major items, salaries and printing costs

"The benefit to a sponsor is that we will be in a position to supply him with updated information on the local property market on even a monthly basis"

By LOUIS BECKERLING
Business Editor

THE heat has gone out of rocketing house prices in Port Elizabeth

This is arguably the most significant conclusion to be drawn from the latest property survey conducted by the University of Port Elizabeth's Institute for Planning Research

Of course that does not mean prices are not still climbing — and significantly. Merely that, inevitably, the rate at which they're doing so has slowed in the last 12 months

In the report, titled *Trends in Property Sales in Port Elizabeth, Uitenhage and Despatch, July, 1981 — June, 1982*, authors J A Erwee and M Myrdal point out that overall median* (see footnote) house prices in Port Elizabeth increased from R39 000 in June last year, to R48 000 in June this year — and clearly no homeowner would quarrel with the substantial 23,1% appreciation in the value of his home

Nonetheless, the increase in the previous comparable 12-month period was a whopping 50%

The report is the 12th in a series published annually, and this year the authors have introduced a handy ready reference to the historical information they have gathered, in the form of price indices

Using median prices for the period January to June 1975 as a base (100), a table contained in the report clearly sets out the price record for the three areas surveyed (see Table 1)

Port Elizabeth is way ahead, with prices 121,5% up on those ruling seven years ago, followed by Despatch, where a house today costs just less than double its 1975 price, and then Uitenhage, some 50% up on 1975 prices

A closer look at the record shows that prices see-sawed for the first three years of the review, and in the case of Port Elizabeth were actually marginally lower in 1978 than they were three years earlier. Which means prices then took off, more than doubling in only four years

Another new feature of the report, liberally illustrated with four-colour graphs, bar-charts and tables, is a graph recording the cumulative distribution of prices in Port Elizabeth since 1979. At a glance it becomes plain that in the

second half of 1979 almost 90% of all houses sold in the area were priced at R40 000 and under

In the following six-month period this slipped to 85%, in the second half of 1980 it was down to 75% then 50%, and finally, in the first-half of this year, less than 30% of houses were sold at below R40 000

Naturally on the other side of the coin the share of the heavyweights in the price stakes was on the increase. In the second half of 1979 barely one in a hundred sales took place at R70 000 and above. But by June this year one in every 10 sales in Port Elizabeth were struck at prices over R80 000

Another feature of the report are the maps of Port Elizabeth and Uitenhage (the PE map is reproduced in miniature on this page), with a cross-reference to house prices ruling in the designated residential areas in the first half of this year and the second half of last year (see Table 2)

From the map and Table 3 it becomes plain that the residential areas which have come under the greatest demand and consequently shown the largest price movements in the 12 months from June, 1981 to June this year are

Kabega	+48%
Newton Park	+43%
Humewood	+43%
South End	+40%
Parsons Vlei	+33%

At the other end of the scale, showing negative growth over the same period, were

Algoa Park	-20%
Mount Pleasant	-7%
Lower Walmer	-6%
North End	-6%
Fernglen	-3%
Theescombe	-3%

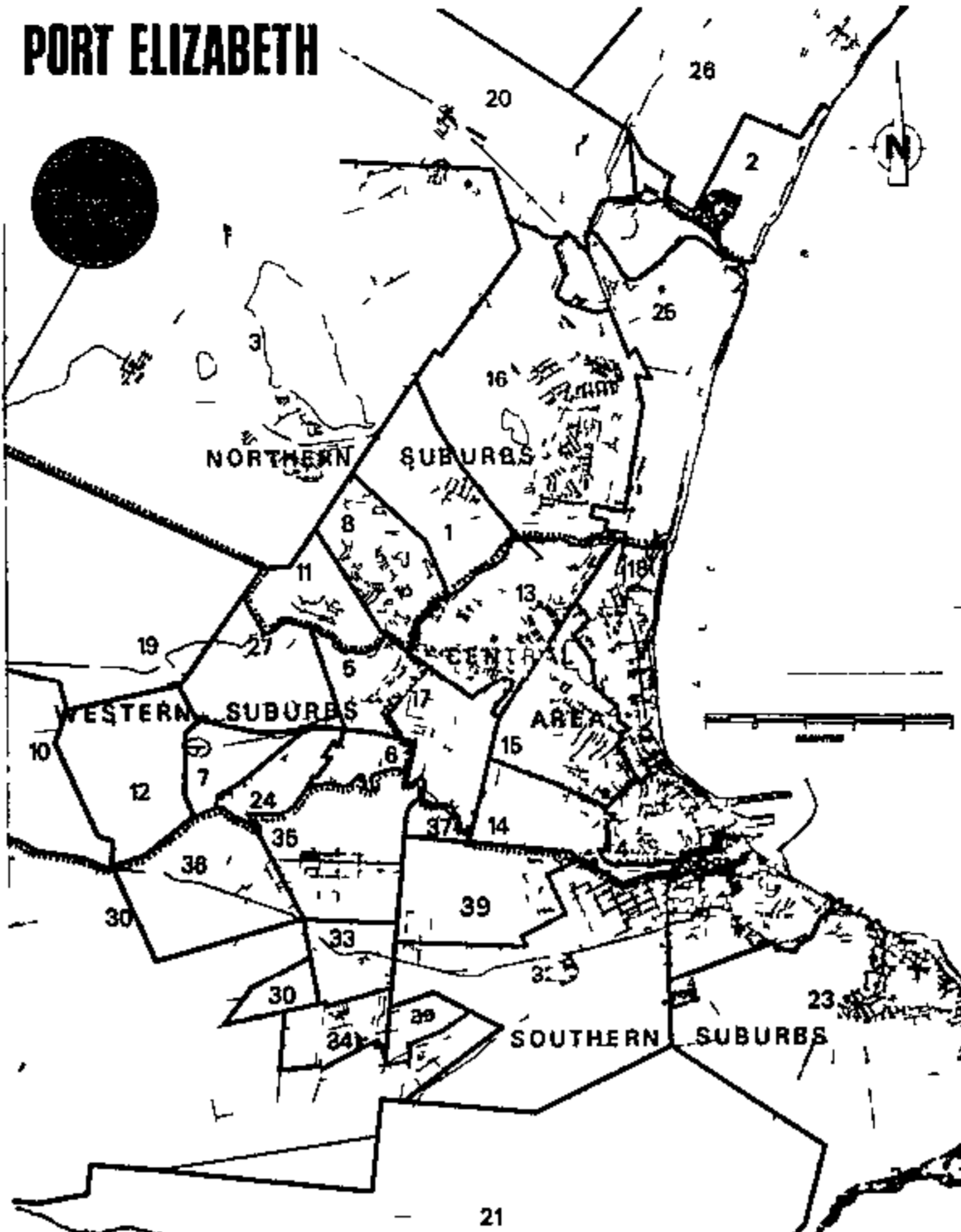
Taken over the six-month period to December, 1981, median prices were R45 000 overall, and rose to R48 000 in the first half of this year. Measured from June to June, say the authors, prices rose from R39 000 to R48 000 — or 23,1%

Similarly detailed analysis are tabulated for Uitenhage and Despatch, and the report also covers the sale of dwelling units under sectional title and the sale of plots

Among the additional highlights of the reports are

Volume of sales:

While the number of transactions for the 12-



The numbers on the map cross-refer to the numbers in brackets in the first columns of Tables 2 and 3.

TABLE 1
MEDIAN HOUSE PRICES EXPRESSED AS INDICES
(Base January - June 1975 = 100)

PERIOD	Port Elizabeth		Uitenhage		Despatch	
	Median	Index	Median	Index	Median	Index
1975	21 675	100,0	15 425	100,0	13 000	100,0
	20 000	92,3	15 000	97,2	14 500	111,5
1976	22 800	105,2	16 575	107,5	15 500	119,2
	23 000	106,1	16 375	106,2	17 500	134,6
1977	22 300	102,9	16 000	103,7	14 250	109,6
	22 000	101,5	15 500	100,5	15 000	115,4
1978	21 500	99,2	16 500	106,9	14 200	109,2
	23 000	106,1	16 550	107,3	16 365	125,9
1979	23 500	108,4	16 500	106,9	16 050	123,5
	24 900	114,9	18 000	116,7	18 000	138,5
1980	26 000	112,0	21 250	137,8	18 000	138,5
	29 000	133,8	23 000	149,1	19 000	146,2
1981	39 000	179,9	22 325	144,7	22 250	171,2
	45 000	207,6	23 000	149,1	25 025	192,5
1982	48 000	221,5	23 750	153,9	25 850	198,9

month survey period (1508), was "considerably lower than the previous year's total", notes the report, the volume recorded in the period January to June this year shows an increase over the comparable six-month period last year

"Thus a less noticeable fall-off in terms of number of sales during the latter six months of the current survey is apparent"

Bond financing:

"The overall decline in sales transactions must be ascribed largely to the non-availability of housing bonds during 1981-82 — a situation which was further aggravated by increasing price levels"

In a table detailing the average value of mort-

gages granted in the country as a whole from 1980 through to the present, the report notes that for the purchase of existing dwellings mortgages rose 33% on average, from around R23 300, to R31 000

Interestingly, in the same period, the average price of existing dwellings in Port Elizabeth rose 73%, from R28 611 to R49 587

Average tops R50 000

The average house price in Port Elizabeth exceeded R50 000 for the first time

* Footnote Median is a type of average which is often used when the mean is inappropriate. The median of a set of numbers is that number which has the same number of values less than it as there are greater than it

House prices in PE rising more slowly

Business and Shipping

E. Post 19/11/82

cont

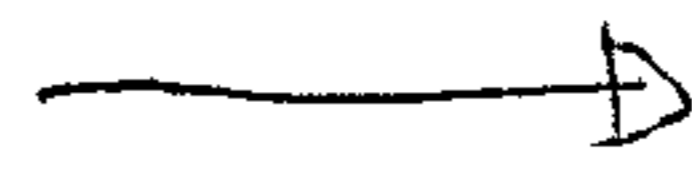


TABLE 2

PORT ELIZABETH - MEDIAN PRICES OF DWELLINGS
JULY - DEC 1981 AND JAN - JUNE 1982

SUBURBS	1981		1982	
	July - December		January - June	
Cotswold (5)	43 000		49 000*	
Fernglen (6)	54 250		58 000	
Framesby (7)	56 000		64 000	
Hunters Retreat (10)	40 000		43 500	
Kobega (12)	49 925		51 900	
Parsonsview (19)	36 610		40 000	
Sunridge Park (24)	65 500		69 000	
Westering (27)	40 000		46 000	
SUB TOTAL P E WEST	45 000	(46 427)	49 000	(50 111)
Humewood (9)	67 500*		89 750*	
Schoenmakerskop (21)	50 000*		-	
South End (22)	37 500		42 000	
Summerstrand (23)	89 000		86 000	
Theescombe (30)	68 250*		78 000*	
Lower Walmer (32)	38 000		45 000	
Charlo (33)	47 000		48 000	
Mount Pleasant (34)	48 000		34 000	
Fairview (35)	43 000*		-	
Lorraine (36)	46 300		49 771	
Mangold Park (37)	53 500		57 000*	
Upper Walmer (39)	67 500		70 000	
SUB TOTAL P E SOUTH	50 000	(55 316)	52 000	(58 707)
Central (4)	30 000		30 500	
Korsten (13)	17 500*		15 000*	
Mill Park (14)	70 000		81 000	
Mount Road (15)	48 000		51 000	
Newton Park (17)	40 500		43 000	
North End (18)	19 998		20 000	
SUB-TOTAL P E CENTRAL	35 000	(39 893)	39 500	(42 814)
Algoa Park (1)	19 000		19 250	
Amsterdamhoek (2)	47 000		58 000	
Redhouse (20)	68 500*		53 000*	
Swartkops (25)	-		-	
Wells Estate (26)	34 750*		-	
SUB TOTAL P E NORTH	23 000	(30 940)	32 000	(39 166)
GRAND TOTAL P E	45 000	(47 050)	48 000	(50 644)

TABLE 3

PORT ELIZABETH - ACTUAL AND PERCENTAGE CHANGE IN
MEDIAN PRICES OF DWELLINGS, JUNE 1981 - JUNE 1982

SUBURBS	Increase		Decrease	
	(R)	%	(R)	%
Cotswold (5)	2 000	4,3	-	-
Fernglen (6)	-	-	2 000	3,3
Framesby (7)	11 000	20,8	-	-
Hunters Retreat (10)	10 000	29,9	-	-
Kobega (12)	26 900	48,3	-	-
Parsonsview (19)	10 000	33,3	-	-
Sunridge Park (24)	11 750	20,5	-	-
Westering (27)	8 000	21,1	-	-
SUB-TOTAL P E WEST	11 500	30,7	-	-
Humewood (9)	27 250	43,6*	-	-
Schoenmakerskop (21)	-	-	-	-
South End (22)	12 025	40,1*	-	-
Summerstrand (23)	25 500	20,3	-	-
Theescombe (30)	-	-	2 500*	3,1
Lower Walmer (32)	-	-	3 000	6,3
Charlo (33)	8 000	20,0	-	-
Mount Pleasant (34)	-	-	2 500	6,8
Fairview (35)	-	-	-	-
Lorraine (36)	7 521	17,8	-	-
Mangold Park (37)	10 000	21,3*	-	-
Upper Walmer (39)	12 000	20,7	-	-
SUB-TOTAL P E SOUTH	4 000	8,3	-	-
Central (4)	4 500	21,2	-	-
Korsten (13)	250	1,7	-	-
Mill Park (14)	19 500	31,7	-	-
Mount Road (15)	7 750	17,9	-	-
Newton Park (17)	13 000	43,3	-	-
North End (18)	-	-	1 250	5,9
SUB-TOTAL P E CENTRAL	9 750	32,8	-	-
Algoa Park (1)	-	-	3 250	20,3
Amsterdamhoek (2)	11 000	23,4	-	-
Redhouse (20)	10 500*	24,7	-	-
Swartkops (25)	-	-	-	-
Wells Estate (26)	-	-	-	-
SUB-TOTAL: P E NORTH	8 000	33,3	-	-
GRAND TOTAL P E	9 000	23,1	-	-

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ments are allowed to continue but are hoped to be phased out in the future. Africans will now be allowed to register membership of registered trade unions and will therefore improve their training potentialities and also their bargaining power. These legislative measures have definitely lowered the industrial colour bar and should improve the supply of skilled workers. To what extent it will be effective depends on the relative significance attached to legislative as opposed to institutional factors which lower the supply of skilled labour.

Influx control is a very important ~~institutional~~ factor which restrains the supply of skilled labour. Also various other Acts have not been given any attention to. Institutionally Black workers are assumed to be "second class" and therefore may not be as readily acceptable as white workers. However I feel that this will change as soon as Blacks are given

Clothes prices set to rise

244
~~241~~
~~242~~

Mercury 19/11/82

Financial Editor

CLOTHING prices must rise because of wage increases, electricity and rail rates and clothing manufacturers face a gloomy year, Mr Hugh Yorke-Mitchell, president of the National Clothing Federation, said in Durban yesterday.

The cost of the raw material is rising, domestic markets are sagging and export markets are losing their competitive edge

The Stellenbosch economists expect the clothing sector to fall by four percent in real terms next year while the whole economy will record a negative 0.9 percent growth rate, Mr Yorke-Mitchell said

He felt that the answer lay in a long-term export programme. But with British clothing inflation only rising by one percent in each of the past two years, it would be difficult to remain competitive

This compared with a ten percent rate in South Africa.

He said manufacturers could not look to import control to keep out cheap imports.

The major problem was textile costs — about 50 percent for clothing companies. Textile companies had done very well in the past few years. But with orders falling and the need to export, the textile manufacturers would have to reduce their prices to encourage business.

He called on the Government to give a dispensation for goods that would be exported

The Government was moving towards a much more open market. The textile sector could not hope for greater import control and duties, rather less.

'Our industry is going to have great difficulty in maintaining turnover in real terms in 1983 and we will not be in a position to

pay higher prices for our inputs.'

He went on to criticise the textile industry which had applied for massive new duties on woven and knitted textiles and without waiting for the result was asking for 'even higher duties' on corduroy and georgette (which is not made in South Africa) and the withdrawal of rebates on woollen tweeds where 'supplies and service are minimal'

He warned that if duties were increased local prices of fabrics would rise because of the 'oligopolistic nature of

the textile industry' and in the current climate clothing manufacturers were not able to pass on the increases

There was a 'dreadful muddle with textile deliveries' — this was understandable in the hectic period of 1980 but now business had levelled off and the problem persisted

Clothing manufacturers had found it better to import material to ensure their deliveries to retailers who were becoming increasingly critical of delays and 'only too ready to cancel where sales are under downward pressure'

Textile manufacturers were criticised for diversifying into materials like corduroy which only had a short winter season

'Most of the investment will be tied up in stocks and this will cost a lot in interest charges'

If the tweed rebate is withdrawn another small winter fabric plant is likely 'which cannot be economic'

Mr Yorke-Mitchell said that the call to the textile sector was 'greater reliability, not higher prices'

1st year
" 2nd
" 3rd
" 4th
" 5th
" 6th
" 7th
" 8th
" 9th
" 10th

Section C



Cape Times 24/11/82
**Black townships
 boycott bread**

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Staff Reporter
 A SPOKESMAN for the United Women's Organization said yesterday that the first three days of a bread boycott had been "a great success" in Langa, Guguletu and Nyanga.

"These are the only areas where the boycott has been carried out on a large scale," she said.

Large supermarket chains in Cape Town said their bread sales had not been affected.

The week long boycott was called by various labour, student and women's organizations in protest against the October 1 bread price increase. They have urged the government to reintroduce the old prices.

A spokesman for Checkers in Mitchells Plain said he had not been aware of the boycott and bread had been sold out.

Mr John Barry, general manager of Pick n Pay, Western Cape, said bread sales had not dropped but had increased considerably.

"We are the only chain store selling bread at the old prices — white bread at 15c less than other stores and brown bread at 10c less. Because of this people are pouring into our stores to buy bread," Mr Barry said.

Mr A Baxter, senior buyer of Pick 'n Pay's Western Cape supermarkets said the sale of bread had grown by 60 percent in the case of white bread and 41 percent for brown bread compared with November last year.

"If one looks at our figures for the first weeks of November the sales of white bread have increased by 11 percent and brown bread by 15 percent since the first week of November," he said.

A spokesman for OK Bazaars in Mitchells Plain said the branch was still taking normal orders from the bakery and no change had occurred in bread sales since the start of the bread boycott on Monday.

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered), leave columns (2) and (3) blank

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Examiners' Initials		

NOTE CAREFULLY

- 1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
- 2 Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.
- 3 Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.
- 4 Do not write in the left hand margin.

WARNING

- 1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.
- 2 Candidates are not to communicate with other candidates or with any person except the invigilator.
- 3 No part of an answer book is to be torn out.
- 4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

Third-class fares to soar

Cape Times
26/11/82
244

Chief Reporter

WHILE rail fares will go up by an average 10 percent from January 1, increases of as much as 100 percent in some third-class fares on routes in the Cape Peninsula are reflected in examples given yesterday of the SA Transport Services' revised tariffs

The increases were announced by the Minister of Transport Services, Mr Hendrik Schoeman, on Wednesday.

The examples quoted yesterday show that while the first-class single fare from Cape Town to Wynberg, and from Cape Town to Langa will in each case remain unchanged at 60c, the third-class fares will go up from

the present 25c to 50c (RI return)

A third-class weekly ticket to these two destinations will, however, go up by only 20c — or 15,4 percent — from R1,30 to R1,50. The first-class weekly ticket will go up by 60c, from R3,90 to R4,50.

The first-class single fare from Cape Town to Simon's Town will go up 20c, from R1,30 to R1,50 and a third-class single ticket will go up from 55c to 70c

● There will also be substantial fare increases on mainline routes. A third-class return fare from Cape Town to Johannesburg will increase from R62 to R71

● Reaction to increases, table of fares, page 3

AP, O .

as the consumer surplus decreased to AP_2B and to EP_3O

as P_2P_3ED represents the amount of surplus will receive as a result of a small area left over.

the angle is not accounted for and this as a result of the tax

and central authorities has resulted

as there has been net welfare loss.

Therefore - one both occasions, the free price system has provided a more efficient and more equitable system for the allocation of resources than has that by a centralized system.

256
 Questioning but wrong
 and irrelevant

Evening Post 26/11/82 244

Gap narrows between stores

THE gap between the cheapest and most expensive store surveyed in the Evening Post Price Check has narrowed considerably from 12,2% last month to 7,7%

Post Price Check

The Pick 'n Pay Hypermarket at Hunter's Retreat emerged — for the 14th consecutive month — as the cheapest outlet in this month's check

The difference in price between it and the most expensive store surveyed was R2,09. The imaginary basket which this month contained 24 items, checked

out at R27,20 (without GST) at the hypermarket

This month's price check was undertaken at the "Big Three" stores — Pick 'n Pay Hypermarket, Big D Discount Hyper and OK Superstore — as well as as the three Walmer supermarkets

The second cheapest

store surveyed was Pick 'n Pay in Walmer, where the basket cost R28,12. This store was in fourth position in the September check, when last the Walmer stores were included

In third place was Big D Discount Hyper at R28,43, followed by the OK Superstore (R28,81). This store

was in third position in September

The fifth and sixth positions have remained unchanged with the basket costing R29,21 at Checkers in Walmer and R29,21 at OK Bazaars in the same suburb

Of the numerous items chosen at random from supermarket shelves this month, only 24 were found to be of identical brand name and size and therefore included in the check

The prices in the table do not include GST

How to

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815 29/1/82 244

Rail and airfares up again in January

By Richard Paris

Travellers will have to pay up to 20 percent more for rail journeys and 10 percent for domestic SAA flights from January 1

Rail fares go up by 10 percent on first and second class main line services (20 percent for the Blue Train); 12,3 percent on suburban services and 16,2 percent on all third class services.

Sample one-way rail fares are as follows

Johannesburg - Cape Town Current — first class R101; second class R67,50; third class R31 New fare — first class R52, second class R74, third class R35,50

Johannesburg - Durban. Current — first class R52, second class R35; third class R16 New fares — first class R57; second class R38,50; third class R18,50.

APEX

Samples of all fares, which were last increased on April 1, will be

Johannesburg - Cape Town (1271 km) Current-first class R183, economy class R141, advance purchase excursion fares (return) from R198-R240 New fares — first class R202; economy class R155; advance purchase excursion fares (return) from R218 to R264

Johannesburg-Durban (504 km) Current-first class R101, economy class R78, advance purchase excursion fares (return) from R110 to R123 New fares — first class R112, economy class R86, advance purchase excursion fares (return) from R120 to R146

Johannesburg - Port Elizabeth (909 km) Current — (no first class), economy class R120, advance purchase excursion fares (return) from R168-R204. New fares — economy class R32, advance purchase excursion fares (return) from R185-R225

Sowetan
24/11/72
244

Bread boycott grows

THE WHITE bread boycott campaign initiated by the South African Black Alliance (Saba) is gaining momentum as many shopowners in Soweto are stocking 50 per cent less white bread than usual.

This was revealed in a snap survey undertaken by The SOWETAN in the area.

The Maponya Supply Store in Dube, which used to stock 12 dozen loaves of white bread during the week, are only stocking 6 dozen at present. During the weekend they are now stocking 15 dozen loaves instead of 25 which is an average decrease of 45 to 50 percent.

A spokesperson at the store said many people no longer bought white bread as before, but she did not think it was because of the boycott. She attributed the drop in sales of this basic commodity to the high cost of living.

At Dube Dube stores a spokesman said they stocked very little white bread because many people no longer bought it.

"Our sales dropped over the past four weeks and we felt it was a waste of money to stock something which the consumer did not buy.

"When asked if this was due to the boycott he agreed that people seemed to be responding positively to this call.

Mr Gibson Thula, an executive member of Inkatha, said the findings of The SOWETAN corresponded with their reports concerning the boycott.

"We had a meeting on Wednesday and the reports we got from various members of our committee show that considerable progress is being made in this campaign.

"We wish to extend our appreciation to all organisations and individuals who are also taking part in this campaign. The campaign will continue until something urgent is done to reduce this price," he said.

Saba launched the white bread boycott after the Government increased the price of white bread to 53 cents a loaf, a price which Inkatha officials as well as the leadership of most consumer organisations agreed was too high.

People have now turned to homemade and brown bread and even school children have come out in support of the boycott.

In Mohlakeng township traders told The SOWETAN that local students had been campaigning from shop to shop warning them not to allow bakeries to bring white bread into their shops.

Bread boycott tastes success

Staff Reporter

THE one-week symbolic boycott of bread which ended last night has had almost total success in the Peninsula's black townships

Bakers were yesterday talking in terms of a 25 to 80 percent drop in sales in the African townships of Nyanga, Langa and Guguletu.

And a spokesman for the Western Cape Traders' Association (WCTA), which mainly represents traders in the Indian and coloured townships, said there had been a "significant drop in sales" in these areas

'Effective'

Coloured townships where the boycott was most effective were Manenberg, Bishop Lavis and Bonteheuwel, the spokesman said

The boycott was initiated on October 24 at a Guguletu mass meeting called by the United Women's Organization in protest against the increases of 20,7 and 26,2 percent in brown and white bread respectively

A committee on which various community, worker, student and women's organizations were represented was established to co-ordinate the campaign

A spokesman said yesterday the committee was "satisfied" with the success of the campaign and that, through the boycott, "the unity of the people has been revived"

'Police escort'

Shopkeepers in the townships had stuck to their agreement with the committee not to sell bread despite an almost daily police escort for vans attempting to deliver bread in Nyanga, Langa and Guguletu

The three major bakeries supplying Nyanga, Langa and Guguletu all reported significant drops in sales during the week.

A spokesman for Enterprise, the main supplier in Nyanga and Guguletu, said sales had dropped by "75 to 80 percent"

Duens, which supplies Langa, experienced a drop of "about 25 percent", a company spokesman said

'No drop'

A spokesman for Silverleaf Bakeries, which supplies Langa and Guguletu, initially said there had been "no drop", but later said there had been a "noticeable decrease"

A WCTA spokesman said he found it "interesting" the boycott was strongest in the working class townships

"The government must take heed of this. They are spending millions of rands on military mobilization and are taking bread from the mouths of the people to pay for this

"There must be bread before bullets," he said

Petrol price set to fall in March

244

SRS
11/27/82

By Peter Sullivan, Political Correspondent

The petrol price will be going down by one cent a litre as from March 1 next year if nothing unforeseen occurs, and Escom has been asked to rethink its tariff increases, the Prime Minister, Mr P W Botha, said today.

He gave the good news to a special Press conference at the Union Buildings in Pretoria after the last Cabinet meeting of the year.

The bad news for holiday motorists however is that the speed limits will not be changed in time for the Christmas rush. Mr Botha also gave an overview of the recent meeting of his Economic Advisory Council.

The Government shared the council's concern with the inflation rate, he said.

A strong case can be made out for a substantial rise in the price of petrol from the beginning of January, Mr Botha said.

But this would probably be avoided and there was a strong possibility that in sympathy with the underlying tendencies in the market, the price of petrol could be reduced by one cent a litre from the beginning of March 1983.

The Prime Minister said he hoped this information would be taken into account by the private sector in its future wage and price decisions.

Speed limit

Immediately afterwards, the Minister of Mineral and Energy Affairs, Mr P T C. Plessis, announced the Government had decided not to amend the statutory speed restrictions.

Asked why the price of petrol was now likely to go down when he had said recently it would probably rise in January, Mr du Plessis said there were various factors which had been taken into account.

These included the restructuring of the oil supply to South Africa, a restructuring of the State financing obligations towards Sasol and a change in the accumulated petrol reserves.

Psychological

At the Press conference, the Prime Minister's economic adviser Dr Simon Brand, was asked how this would affect the inflation rate.

It was difficult to give precise figures as these would be misleading, Dr Brand said, but the Government hoped it would influence the private sector in its decisions, which would in turn indirectly affect the inflation rate.

Mr du Plessis said he believed the psychological and disciplinary effect of the price drop would be most important.

Petrol price to drop in March

ARGUS 1/12/82

(244)

Argus Correspondent

JOHANNESBURG. — The petrol price will go down by one cent a litre from March 1 if nothing unforeseen occurs, the Prime Minister, Mr P W Botha, said today.

He said this at a special Press conference at the Union Buildings after the last Cabinet meeting of the year

The Government has also asked Escom to reconsider the higher tariffs it announced recently for electricity. Escom is expected to respond soon, Mr Botha said

Overview

Mr Botha was giving an overview of the recent meeting of his Economic Advisory Council.

The Government shared the council's concern with the inflation rate, he said

"A strong case can be made out for a substantial rise in the price of petrol from the beginning of January."

Market

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The Prime Minister said he hoped this information would be taken into account by the pri-

P.T.O. →

Argus Correspondent

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41 arrested in pass raids

ARGUS 1/12/82

29
206
30

Staff Reporter

FIFTY-ONE people were arrested in pass raids in southern suburbs today

There were 47 men and 34 women, according to a spokesman for the Administration Board of the West-Cape.

Inspectors arrested 135 people in an early morning raid in Langa yesterday.

Those arrested today will appear in the Langa Magistrate's Court to face charges of being in a restricted area without permission or failing to produce identity documents on demand

British yacht chases leader

Staff Reporter

He was helped by the French Argos satellite-position-fixing system, the Royal Cape Yacht Club, Maritime headquarters at Silvermine and a Natal amateur radio operator

A spokesman for the BOC race committee said Stokes would not be criticised for having two men aboard his yacht, but "will probably be given a hero's accolade".

It was also reported that Jacques de Roux, whose yacht Skoern III has no self-steering gear and whose engine being damaged by a wave, will not withdraw from the race

De Roux has decided to call at Amsterdam Island, home of a 12-man French weather research station where he hopes to repair his yacht before heading to Sydney.

Bertie Reed, sailing the Altech Voortrekker, reported that his arms, painful and inflamed from the spill diesel oil on deck at the weekend, were much improved

THE 17-metre British ketch Gipsy Moth V was making a dramatic bid today to catch and overtake the French sloop Credit Agricole and recapture the lead it lost last week in the second leg of the BOC single-handed round-the-world race.

Latest positional reports indicate that Gipsy Moth V, which is being sailed by Desmond Hampton, has narrowed the gap between itself and the race leader during the past 36 hours and was only about 75 miles behind Philippe Jeantot today — and only about 40 miles ahead of Springbok Bertie Reed in the 15-metre sloop Altech Voortrekker

According to race headquarters, the leaders in the 7 000-mile leg from Cape Town to Sydney were just over 3 000 miles from Table Bay today

The other nine yachts left in the race are trailing the leaders by between 475 and 1 500 miles

He said this at a special Press conference at the Union Buildings after the last Cabinet meeting of the year

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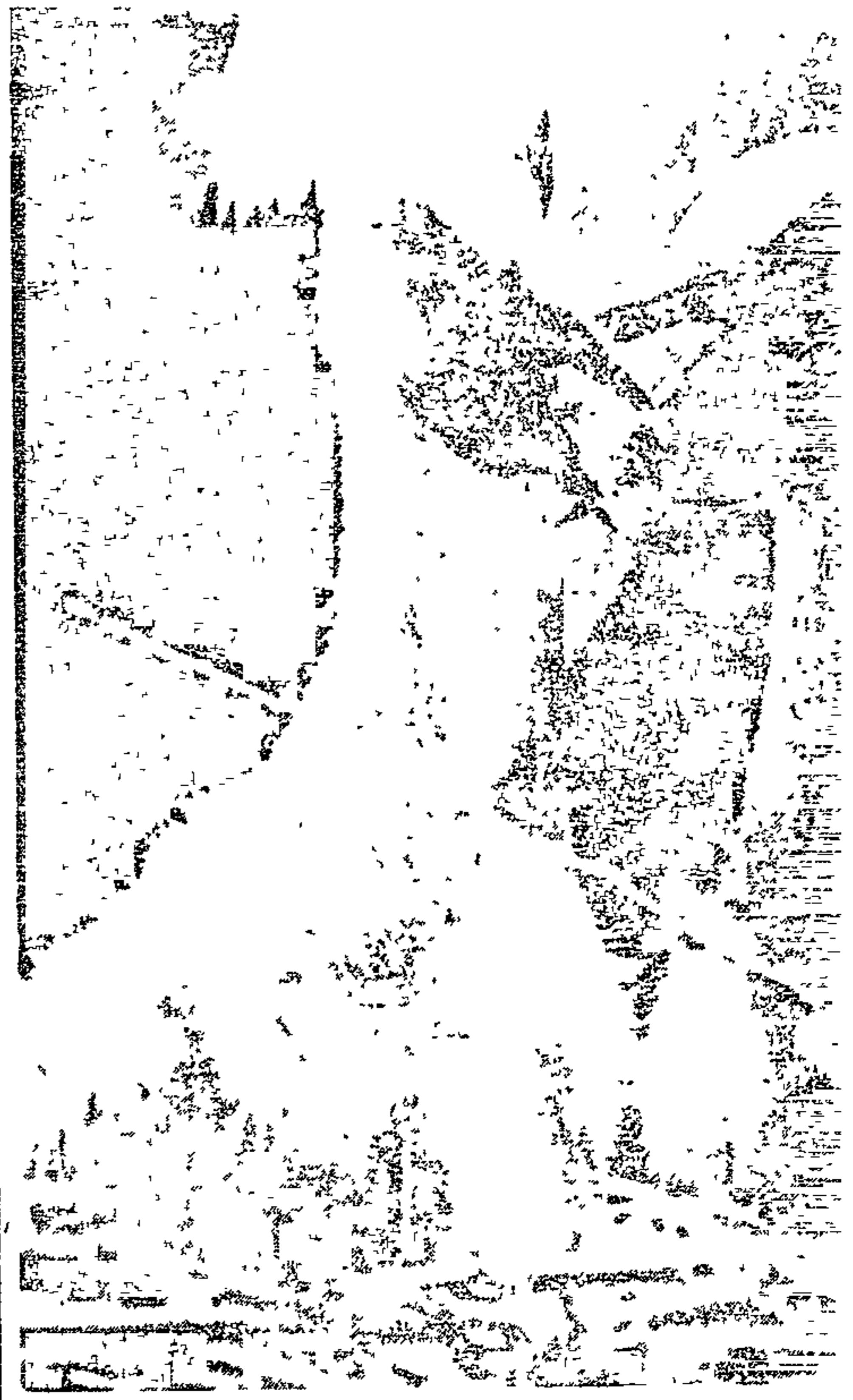
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Factors

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These included the restructuring of the oil supply to South Africa, a restructuring of the State's financing obligations towards Sasol and a change in the accumulated petrol reserves



THE latest happy event to occur at Tygerberg Zoo was the hatching of these two baby storks — born to a proud mum who has been watching over the eggs in her nest at the top of an old tree stump for a some weeks. The Argus visited the nest in October, soon after the eggs were laid, and returned this week to complete the happy story. Father Stork was reared at the zoo, but released more than a year ago. He returned in September, bringing his mate along, and set up home on the trunk.

Bottoms for Hear Club in C

Staff Reporter

PROBABLY the most exclusive club in the world will meet in Cape Town tonight — a group of people who each have two hearts, one of which belonged originally to someone else, and the medical team who made it possible for these people to go on living

At the meeting — in fact, a jolly cocktail party — Professor Chris Barnard, the city surgeon who has become a legend, will be the host

But the Very Special Guest was not herself a heart-transplant patient

Mrs Ann Washkansky stood anxiously on the sidelines exactly 15 years ago tomorrow while her

husband Professor Barnard's cardiac surgery

Mr Lou 55, was in the final stages of a heart operation on December 2,

He received a 25-year-old heart from a young girl, who died in a car accident

Sadly, she survived only a few days, but Professor Barnard and his team persevered. The piggy bank for the heart transplant patients' fund is now open for donations

IN N
A special
fessor

Index-linked stock urged for pensions

ARGUS 2/12/82 (200) (244)

PENSION funds and other savings institutions should be allowed to buy Government stock with the capital value linked to the consumer price index to protect it against inflation

Mr J G van der Horst, chairman of Old Mutual Life Assurance Society, suggests this in his annual report today

He says these investments should be available only to people saving on a long-term basis to support themselves in retirement or ill-health, or to provide for their dependants

They are hardest hit by inflation and the least able to protect themselves from its effects

A FAILURE

Widespread indexation has been tried in several countries to cushion the effects of inflation, but it has been a failure

Another type of indexation has been introduced recently in Britain

"This type of indexation has primarily been motivated and implemented as a tool to reduce inflation, by the is-

suing of index-linked Government stock with a guaranteed real rate of return

"This indexation is quite deliberately limited to one specific area and has been introduced in the context of strict financial policies designed to control inflation"

HAS LIMITS

The application of strict monetary and fiscal policies to reduce inflation has limits in this country "because of the unacceptable political implications of the necessarily severe short-term economic consequences

"On the other hand, the continuation of high inflation poses the real threat of drastic curtailment or even destruction of our savings industry and with it the largest part of the stable capital formation system so vital to the continued growth of our relatively free market economy

"Those who save for their old age, possible long-term ill health and for their dependants in the event of their untimely death are in my opinion the people most disadvantaged through inflation"

Indexation would simultaneously promote savings in spite of inflation and give the Government an incentive to reduce inflation by cutting its borrowing costs

GREATER RISKS

"There are risks in this scheme, but in my opinion there are probably much greater risks in maintaining the status quo

"If the inflation rate, or the expectation thereof, falls, such indexed stocks will not be in demand

"But if inflation or its expectancy increases, the demand will justifiably be more substantial"

Tokyo peaks

TOKYO — Speculation that Japanese interest rates were set to fall pushed Tokyo share prices yesterday to their highest level of the year

In active trading, which saw 480-million shares change hands, the market average jumped 71.15 to close at 7 966.77 — Sapa-Reuter

Wholesale prices soar 2%

244
207
212

By HOWARD PREECE

WHOLESALE prices soared by 2% in October, taking the annual rate of increase up to 14.6% from 13.5% for the 12 months to the end of September.

After showing a declining trend from June to September this inflation indicator is now back near its mid-year peak.

The wholesale price index was 260.1 in October compared with 255 in September and 227 in October 1981.

This is how the WPI annual rate has moved to the end of the following months this year.

April 14.3%.
May 14.8%.
June 14.6%.
July 14.2%.
August 13.8%.
September 13.5%.
October 14.6%.

Escom lowers tariff increase

11/6/82
3/12/82

244

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JOHANNESBURG — Escom is to lower its 1983 tariff increase from an average of 16,3 percent to 14,5 percent, the commission announced today

The move is the result of a request by the Government to assist in reducing the inflation rate

The new tariff will apply from January 1983

CAMPAIGN

Making the announcement, Escom's chairman, Mr Jan H Smith, said "The move will be accompanied by an even more intensive campaign by Escom to cut costs and increase productivity

"We are hopeful that these measures, together with a lower inflation rate, will enable us to meet South Africa's demand for electricity at the lowest possible cost

"We hope that Escom's efforts towards reducing the rate of inflation will help other sectors of the economy to contain rising costs. Escom trusts that this reduction will be passed on to all consumers in full.

CONSUMERS

"We must do our utmost not to overburden consumers but, on the other hand, Escom has to safeguard South Africa's electricity supply, not only in the short term but in the long term as well. This has to be done even in terms of financial stringency

Mr Smith said there was no easy solution to the problem of coping

with essential expansion during a serious recession. An organisation such as Escom found itself in an unenviable position since the generation and supply of electricity was not only a long-term undertaking, but a highly capital-intensive one

Escom was also particularly exposed to inflation, high interest rates, unfavourable exchange rates and other phenomena usually associated with a recession

RECESSION

"We realise that one of the major causes of the present recession is South Africa's persistently high inflation rate, particularly now that the inflation rate of many of our trading partners has been materially reduced

"If a lower inflation rate in South Africa can be achieved, the cost of electricity can be contained as well

"The Commission is anxious to contain tariff increases as much as possible in the interest of its consumers and it is hoped that an upswing in the economy of the country next year would result in an increase in Escom's income so as to avoid further increases in the course of the year," he said

Mrs Bhutto has

SA should consider indexation

— Van der Horst

CAPE Times 3/12/82 ~~355~~ 244 ~~155~~

SOUTH AFRICA should consider a limited form of indexation, along the lines of the scheme operating in the United Kingdom, Dr J G van der Horst, chairman of Old Mutual, said at the general meeting of Old Mutual policyholders yesterday.

In his chairman's address, Dr Van der Horst said the scheme should be available to those who had saved and were saving on a long-term basis for their old age, possible long-term ill-health and for their dependants in the event of their untimely death.

Dr Van der Horst emphasized that these suggestions were not offered in a spirit of criticism of what the government was trying to do to combat inflation, but rather in recognition that this was a difficult task and that an improvement in the position of the saver could substantially contribute to this goal of combatting inflation.

Arguing the case for indexation, Dr Van der Horst said "Since World War II, several countries, including Finland, France, Denmark, Brazil and Israel, have experimented with widespread indexation as a method of coping with the ravages of inflation.

"Key prices in the economy, including the interest and capital values on loans, wages and salaries, and pensions, have been tied to a general indicator of the price level, such as the consumer price index.

"The primary purpose of this indexation was to adjust as smoothly as possible to inflation, to remove the arbitrary unfairness of inflation and to protect certain sectors in particular pensioners.

"Our studies have shown that this very generalized form of indexation has been a failure, in that in most cases it has had to be abandoned when it became clear that it was preventing the workings of disciplined adjustment processes, particularly in

relation to balance of payments problems.

"In the two cases where it has been most extensive and has not been abandoned (Israel and Brazil), it appears to have had severe adverse economic consequences.

"In particular it has led to endemically high inflation and structural balance of payments problems. Furthermore, indexation has probably only been sustained, even in these cases, by special factors which normally do not apply to other countries.

"Another type of indexation has, however, been introduced recently, in this case in the United Kingdom. This type of indexation has been primarily motivated and implemented as a tool to reduce inflation, by the issuing of index-linked government stock with a guaranteed real rate of return.

"This indexation is quite deliberately limited to one specific area and has been introduced in the context of strict financial policies designed to control inflation."

Advantages

The main advantages of this innovation have been

- The reduction of inflationary expectations, by removing or reducing the government's vested interest in the continuation of inflation, and by promoting an increased level of savings.

- The focussing of attention of the "real" rates of return available on financial assets, as opposed to an illusory "money" return.

- A substantial cut in the costs of government borrowing in the short-term because of the initially low interest payment, and in the longer term if inflation falls.

Dangers

The principal dangers, however, are

- That pressures to extend the scheme may in the end result in the gradual emergence of the kind

of widespread indexation we discussed previously.

- Should inflation continually tend to increase rather than decrease, then government borrowing costs will be raised rather than reduced.

"Clearly, there are important potential implications for South Africa.

"As we have discussed already, the application of strict monetary and fiscal policies to reduce inflation has clear limits here, because of the unacceptable political implications of the necessarily severe short-term economic consequences.

"On the other hand, the continuation of high infla-

tion poses the very real threat of drastic curtailment or even destruction of our savings industry, and with it the largest part of the stable capital formation system so vital to the continued growth of our relatively free market economy.

"The disastrous economic consequences are equally unacceptable, even though this may only show up in the long-term.

"We therefore face a great dilemma, a situation in which there are no clear and obvious solutions. We should thus be prepared to debate alternatives and to experiment."

Cheap beef for the holidays: Hopes dashed

AR64S
6/12/82
244

Consumer Reporter

HOPES of cheap beef for the holidays as a result of the Meat Control Board's new subsidy scheme were dashed at Cape Town abattoir auctions today

Increased demand kept beef prices well above the new, subsidised, floor price at the auction

They were a few cents lower than at this time last week, but there was no sign of any dramatic fall and lamb prices, unaffected by any subsidy, were higher than last week

Under the new scheme, introduced today, the board has lowered the floor price for beef, using about R5-million from its stabilisation fund to make up any loss to farmers

Bad luck opening n of Oklaho

Staff Reporter

THE DAY before the Camps Bay Opera and Dramatic Society (Cods), production of Oklahoma was to go on stage, bad luck struck. At the final dress rehearsal yesterday, principal dancer Gabi Badings injured her leg and will not be on stage at tonight's opening performance

She will be replaced by choreographer Dot Douglas, who will dance the part after spending only this afternoon learning it with partner Mr Ian Hall

The director-producer, Mr Ken Savage, said Miss Badings had been rehearsing her role for three months

HAMSTRING

"In the final rehearsal yesterday morning she did an energetic split and pulled the hamstring in her upper leg"

He puts this bad luck down to the fact that on Saturday morning he put up two long mirrors, donated to Cods by lead singer Joy McNab, in their Phoenix Theatre dressing room

"When I returned later in the afternoon one of the mirrors had cracked straight down the middle



Gabi

"I think my penal said

"It's that you only Miss Bad of her las

She is ment from pish an months o hearsal f tion she t to dance to performa

Miss B: the wing productio pm in th are in C runs for



CARRIAGES which were derailed when an express train crashed at San Benedetto del Tronto, Italy. Four people were killed and dozens injured.



Consumers cut spending

26/11/85
2448

All answer

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First Name

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CONSUMER spending is falling because of a sharp drop in public confidence.

This is a major finding of the survey among black and white consumers conducted in September on behalf of the Stellenbosch University's Bureau for Economic Research.

It says "The overall level of consumer confidence is in fact not statistically different from that of 1976-77 and the index figure of 60 measured in the Free State is the lowest figure ever."

This means consumers are reducing spending because their financial situation has tightened in the past 12 months. Further tightening is expected in the next 12 months.

They also favour saving because of the fear that economic conditions are likely to deteriorate further as price increases put greater strain on their finances.

"The drop in consumer demand is likely to be felt by those sectors producing and selling goods of which purchasing can be postponed, such as furniture, white goods, certain types of clothing, motor cars — in fact most goods for which the demand is income elastic."

Dr O D J Stuart, of the BER, says this state of affairs will cause difficulties for employers and employees — employers because of lower profits and possible bankruptcies, and employees because of lower increases in earnings and possible retrenchments.

For SA as a whole, however, the outcome will be beneficial because strains on the balance of payments will eventually be removed, most of the existing bottlenecks will be eliminated, or at least alleviated, and the economy will have time to adjust to the present unfavourable overseas conditions before the next export-led upswing begins.

By HAROLD FRIDJHON

Although the mood is gloomy, Dr Stuart notes that most white respondents to the survey are more optimistic about the five-year future than they were some months back.

Of the white families polled, 45,6% believe their income is sufficient to meet their liabilities. They are thus able to increase their assets. But 6,3% (4,9% in the last survey) had to incur debts and 18,9% (last survey 14,1%) are being forced to use savings to meet their liabilities.

Fewer people — 25,1% — are in a position to save a little.

The weighted index figure of 101 (109 last survey), the lowest yet recorded in the BER surveys, suggests that the financial position of households is "pretty tight", having deteriorated sharply over the past three months.

Attitudes for the future make show that households are bracing themselves for lean times, with conditions for savings not too favourable.

In these circumstances it is not surprising the survey shows fewer people who consider now is the time to spend. The index number has dropped in three months from 98 to 85.

Most consumers have noted an acceleration in the increase in prices and expect price rises to quicken — hence a reluctance to save.

The expectations of black households, polled in the major metropolitan areas, excluding Cape Town, follow a similar pattern to that of whites. But their circumstances appear to be more straitened.

Increasing debts are reported by 24,1% (17,9% in the

previous survey), and 24,1% are using savings to meet liabilities (23% last survey). In contrast 1,5% (2,6%) can save a lot and 31,2% (24,1%) are merely making out. The final index number of 77 implies "a substantial degree of income debilitation is taking place".

It appears from the survey that savings and spending are likely to suffer from the tightness of black householders' positions.

Summing up the position, Dr Stuart says:

"Consumer confidence indicators which were computed from the various expectations and attitudes show that consumers are, on balance, rather pessimistic and this is likely to favour savings. The trouble is that consumers are not likely to have a substantial amount of discretionary income at their disposal and it would consequently not be surprising if the savings ratio remains at its current low level."

(Examination Paper)

NOTE CARE

- 1 Enter at the block you are writing in.
- 2 Blue or black ink is acceptable. Red ink is not acceptable. Use pencil for names.
- 3 Names (e.g. examination paper)

Any dishonesty

WARNING

- 1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.
- 2 Candidates are not to communicate with other candidates or with any person except the invigilator.
- 3 No part of an answer book is to be torn out.
- 4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination room.

column (1) of the question paper is accepted only for separate sheet additional to the question paper.

Candidates are liable to disqualification and to possible exclusion from the University.

Bread boycott support varies across Natal

(244) 8/12/82

Mercury Reporter (244) said the marked drop in white bread sales came before the boycott, but admitted it was having a 'slight effect'

A NUMBER of trading stores in Northern Zululand have come out in support of the bread boycott by refusing to stock white bread, causing a drop of about 18 percent in bakers' bread orders. Mercury

And near Stanger recently a bakery's van was waylaid by a crowd objecting to its supplying white bread to a local store (2) Wheat (186)

This was revealed in a survey undertaken by the Mercury yesterday to measure the extent of the white bread boycott initially introduced by Inkatha. 8/12/82

A spokesman for Richards Bay Bakery said the effect of the boycott was 'fairly' dramatic with 'certain of our black customers' not taking any white bread at all

The assistant manager of Stanger's Betta Bread Bakery, Mr T Stansell,

He said shops in the rural areas were wanting white bread but because of threats that had been made to the firm's van drivers it had been difficult to supply them

Mr Stansell said recently a driver had been mobbed and the police had to be called in to rescue him

A police spokesman said by the time the police had arrived the crowd had dispersed

However, it appears that the boycott has not been taken up in any significant way in the Natal Midlands or South Coast areas

A spokesman for Godwin's South Coast Bakery at Port Shepstone said there had been initial resistance to white bread at the time of the bread price increase but the situation had soon reverted to normal

In the Midlands, Checkers' regional general manager, Mr John Snyman, said the swing to brown bread experienced after the price increase was being maintained in certain areas

Meanwhile, the general manager of Pick 'n' Pay, Mr Colin Clarke said that the company's bread subsidy would still run up until Christmas and might continue to the end of the month

RDM 9/21/82

Standard of living crawls in seven years

(244)

Financial Reporter

LIVING standards in South Africa have risen only very moderately in the past seven years, according to Barclays Bank's December Business Brief.

It says that although real gross domestic product — that is, excluding inflation — rose by 2,9% a year over 1975-82 this has to be set against an average annual population increase of 2,6%

The report, compiled by Dr Johan Cloete, the bank's chief economist, says "Other measures of the progress made in regard to raising real living standards in South Africa yield no better results

"Total private consumption expenditure in real terms, as well as the principal categories of consumption, durables, semi-durables, non-durables and services all increased at rates little above that of the population growth

"Retail sales volumes actually increased at a rate considerably below that of the population

"The low rates at which the levels of total new fixed investment and employment have increased between the September quarter of 1975 and the September quarter of this year are also worrying

"In both cases the increases registered were well below that of the population growth"

Barclays refers to the "widely held view that while the general level of economic activity might have decreased over the four quarters to September 1982, this decrease has been from the high level attained during 1980-81"

It says "As it stands, however, the argument overlooks the fact that the total population has also risen to a considerably higher level and that unless the important economic quantities should have increased at rates significantly above that of the population growth over the period in question, no real economic progress would have been made"

More alarmingly, the number of people available for work in the South African economy "actually increases at a rate faster than that of the population — at about 3,2% per annum"

This means "we shall witness a considerable increase

in unemployment during the current business cycle downturn"

Barclays makes some comparisons between this year's economic downswing and its predecessor (in 1975-77), concluding that because the present downswing has been significantly steeper in its first year than the previous downturn its ultimate trough might also be significantly deeper.

Gross domestic expenditure in real terms has contracted more sharply, falling by an estimated 6% in the four quarters to September 1982 compared with the decline of 2,9% in the corresponding period of the 1975-77 downturn

Real gross domestic product for the third quarter of this year is expected to decline by 1,9% on the figure for the third quarter of 1981. In the first year of the 1975-77 downswing, real gross domestic product still grew at a positive rate of 1,8%

Looking ahead, the bank says that having failed to smooth out the 1978-81 cyclical upswing, "it is unlikely that the monetary and fiscal authorities will be in a position to moderate the current downswing and hold the growth rate at least at a level somewhat in excess of the annual population growth"

Accordingly, SA will have to rely on a better-controlled business cycle upswing next time round

**80 000
sign
bread
petition!**



Mercury Reporter

244

Mercury 23/12/82

A PETITION protesting against the recent bread price increase launched by the Durban-based Bread Committee — an ad hoc group representing community organisations, trade unions, student and church bodies — has collected 80 000 signatures.

A Bread Committee spokesman said the petition, which had been circulated to the country's major cities, was presently being collated and would be sent to the Minister of Finance, Mr Owen Horwood, in the New Year.

The petition condemns the September price increases — which raised the price of brown bread from 29c to 35c and white bread from 43c to 53c — as 'totally unjust'

Staple

It also criticises the Government for slashing the bread subsidy at the same time as it introduced the GST increase

The petition said that since 1971 the price of brown bread had gone up four times and white bread five times

As bread was the staple food of most South Africans and because many lived below the bread line, the price hike would cause greater hardship and increased hunger and malnutrition, the petition concluded

These prices are the next to go up

By Colleen Ryan
Consumer Reporter

Prices of a wide range of essential goods and services are set to soar in the next five months

Economists predict hard times ahead with salary increases quickly being swallowed up by rising inflation next year

In the next five months consumers can expect a percentage increase of about:

- 7.5 percent on deodorants

- 10 percent on toilet soap
- Seven percent on soap powder
- 20 percent on all canned goods
- Seven percent on biscuits
- 10 percent on paper products
- 10 percent on kitchen and household cleaners
- 10 percent on tinned dog food
- Five percent on tea

These increases are the result of big administered increases in electricity and rail tariffs said Mr Richard Cohen director of Pick n Pay.

The 145 percent increase in Escom tariffs and the 151 percent increase in goods trains tariffs will have a ripple effect on the price of agricultural products

There will be an immediate rise of 1c to 2c in the price of 25 kg

packs of sugar, said Mr Cohen

The increase comes after the 15 percent increase in the distribution cost of sugar

A general increase of about 10 to 15 percent in sugar is expected in the first quarter of next year said Mr Cohen

"This will cause a chain of increases in confectionery, biscuits, cold drinks and canned goods"

An increase in the price of maize is also expected next month because of the higher rail tariffs

This will lead to higher prices of dry dog food cooking oil and poultry

South Africans should brace themselves for another round of general price increases in June because rail tariffs are expected to go up again he said

Rumour at the top...

The Star Bureau

WASHINGTON — As the Reagan Administration approaches its third year in office Washington buzzes with rumours of top level changes in and around the White House

For weeks now there have been reports that the differences between presidential counsellor Mr Ed Meese and presidential chief of staff Mr James Baker would lead to Mr Baker's resignation within the first few weeks of 1983

IGNORANCE

The reports claimed that Mr Baker would be replaced by Judge William Clark a long time friend of Mr Reagan who joined the Administration as Deputy Secretary of State (despite a self admitted ignorance of foreign affairs) and who became national security adviser earlier this year

Now there are rumours that Secretary of Defence Mr Caspar Weinberger will resign because of ill health that he will be replaced by Senator John Tower chairman of the Senate Committee on the Armed Services that Senator Tower's Texas seat will go to Mr Baker and that Judge Clark will replace Mr Baker

● See Page 15

Smith estate court order

A court order freezing the trust account of convicted murderess Maureen Smith, was made final by a Rand Supreme Court judge today

In terms of the order Smith's attorneys may not draw or release R24 000 they hold for her in a trust account

The order, applied for by the executor of Mr Rodger Smith's estate, was consented to by Smith's attorneys, Van Hulsteyn, Duthie and Saner



Allan... "It was hell"



the lioness lives
pictures by Trevor Samson.



Help a child

the lioness lives
charlton toburg

Motlana slams increases

By SINNAH KUNENE

THE president of the Black Housewives' League, Sally Motlana, has deplored the Government's move to increase the prices of various basic commodities during the first quarter of next year.

It was recently reported in an afternoon newspaper that there would be a 7,5 percent increase on deodorants, 10 percent on toilet soap, 7 percent on soap powder, 20 percent on canned goods, 7 percent on biscuits, 10 percent on paper products, 10 percent on kitchen and household cleaners, 10 percent on tinned dog food and 5 percent on tea

Another increase of between 10 and 15 percent is expected on the price of sugar, which will consequently bring about a soaring price increase in things like cold drinks, biscuits, etc

According to economists, the price hike results from the increase in electricity and rail tariffs

Also, maize is said to be going up next year, which could cause a further hike in dairy products

A furious Mrs Motlana told **The SOWETAN WOMAN**: "One stops thinking with annoyance, especially with some of us who deal with plights like transit camp inmates who would not know where their next meal will come from. It is shocking and disgusting to increase the prices of essential things like soap"

Mrs Motlana's women's league has "adopted" the inmates of two Naledi Houses, numbers 726 and 1799A. These comprise of sickly pensioners and the disabled who have lost contact with their next of kin. Most of them are ex-patients from the hospital near New Canada

The inmates are also under the care of West Rand Administration Board social worker, Mr Ben Nteso, who helps them with applications for pension or disability grants and food rations

- An inmate at 1799A, Ms Martha Radebe, recently died in hospital. According to Mrs Motlana she would probably get a pauper's funeral as there are no funds to bury her. The South African Council of Churches may not at this stage offer any assistance as investigations are continuing, says Mrs Motlana



Popular Soweto shebeener and member of the Ladies Night Stokvel, Ms Irene Mothel (left).

Women gather to provide for community

A stokvel for a noble purpose

WHEN women put their heads together to start an organisation, their priority is for the needs of their families.

Bearing names such as stokvels and burial societies the groups aim at giving its financial backing to members to improve their lifestyle

But for many such organisations, their prime concern is the welfare of the community. This is the reason why the classy Ladies' Night Stokvel, which boasts prominent Soweto shebeeners, have decided on an annual fund-raising for charity organisations

"We only started at the beginning of this year, but we felt we should close our books for the year with a focus on the needs of the community. Our first target became the senior citizens, as 1982 has been declared the Year of the Aged," says the Ladies' spokesperson, Ms Irene Mothel of Orlando East

Other members are Beryl Khambule (chairperson), Martha Rasedumo (deputy), Sophie Sojane, Madu Tshaba-

lala, Thembane Madi, MatiaPadi, Diputo Matia Padi, Diputo Kolokoti Alcock, Mammono Lukhele and Matilda Kubeka

The 12-member group donated R30 each towards the fund-raising gala night fashion show recently held at the Pelican Night Club. About R2 400 was collected. This included donations from the Lulaman Hair Salon in Dube and some clothing shops in the city

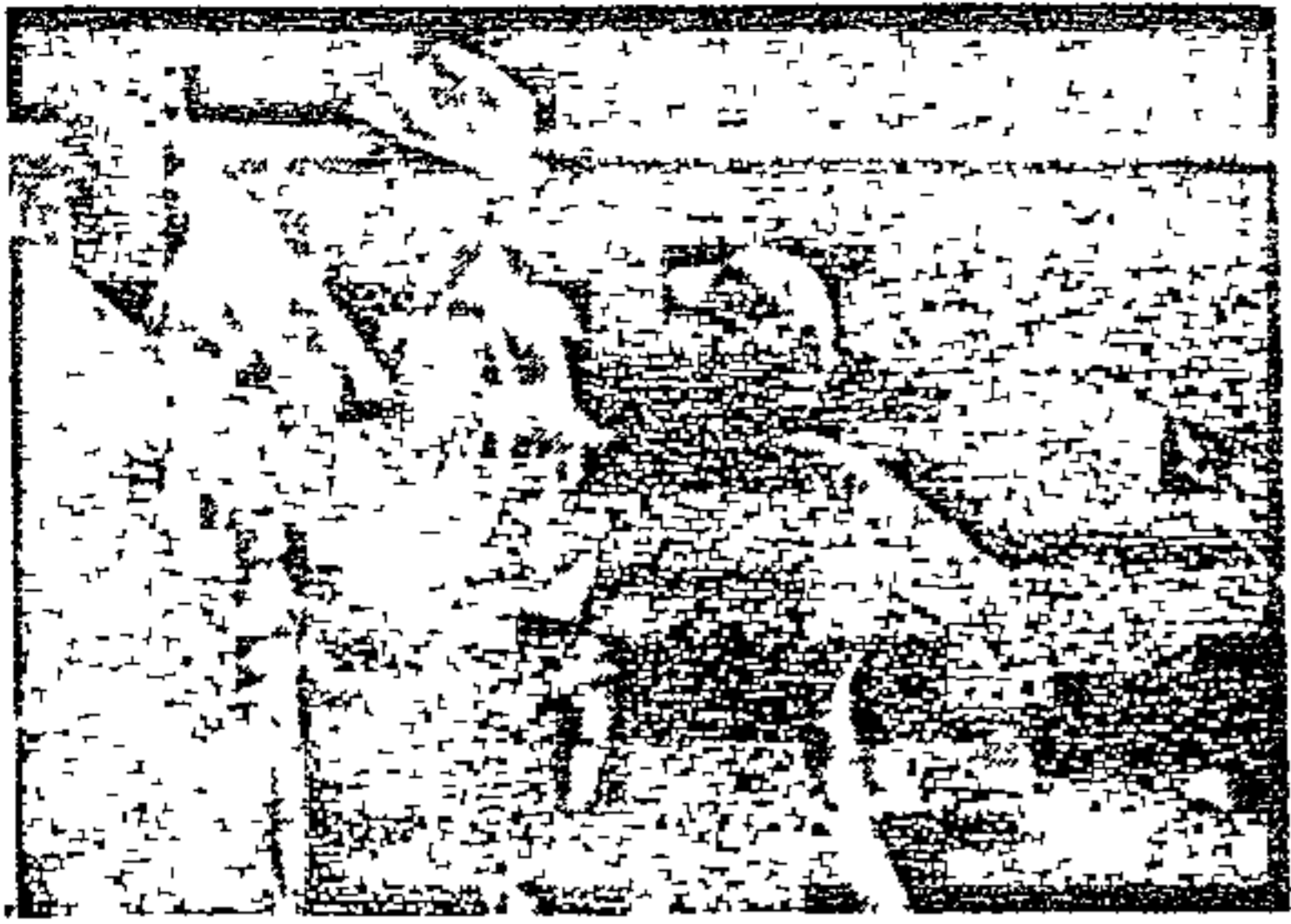
Ladies

According to Irene, the Ladies' Night Stokvel members meet every alternate Wednesday and the hostess has to prepare a traditional meal comprising of 'pap and mogodu'

"We realised that many people have abandoned this traditional dish, maybe because of the easy-to-cook Western dishes. Well, some people would only have tripe when there is a traditional feast. I for one always opt for sour porridge and tripe at such occasions," says Irene

PRICES-GENERAL
1983

JAN. — DEC.



Flashback to an incident between Australian bowler Dennis Lillee, left, and Pakistan captain Javed Miandad in Perth in 1981. Lillee, nearing the end of his test career, is thought likely to be among the players invited to tour South Africa

27pc rise in canned fruit price

Cape Times 5/1/03
244

Staff Reporter

CONSUMERS already reeling from the effect of massive price increases on basic foodstuffs, were yesterday hit with a further 27 percent increase in the price of canned jam, fruit and vegetables

Although all shoppers will be affected, blacks will be hardest hit as many of them have no fridges and freezers and rely mostly on tinned foodstuffs

Retailers have expressed deep sympathy with consumers and given assurances that stocks in hand will not be marked up until replaced — although a check has shown some products have already jumped in price

Yesterday's price rise was met with claims by supermarket spokesmen and consumer watchdog bodies that a monopoly in the R120-million-a-year industry is to blame for the increases

The chairman of the Cape Town branch of the Housewives League, Mrs Gladys Whelan said an assurance was given when the merger of the Langeberg Co-op and the Picardi Group was announced that its purpose was to keep prices down

"According to a survey we did, none of the prices were kept down. Prices continued to rise every three months" she said

Cape Town community leader Mr Rommel Roberts said the public was expected to subsidize "inefficient bureaucracies"

"The poor section of the community is expected to bear the brunt of price increases. This can only be attributed to inefficient bureaucracies in areas of marketing and management"

Dr Johan Mouton, general manager of South Africa's biggest canning concern, Langeberg Co-operative, yesterday hit back strongly — and angrily — at the criticisms and denied the "monopolistic" charges

The company holds an estimated 75 percent of the country's tinned fruit, vegetable and jam markets selling its wide range of products under the Koo All Gold and Silver Leaf labels among others

Dr Mouton insisted that Langeberg had had no alternative to putting up its prices because it had absorbed a series of rising costs throughout the year and the "cut-off point" had finally had to be drawn

He blamed rising transport and raw-material costs, increased salaries and "bad weather", and confirmed that it was the second increase since the merger with Picardi Canners two years ago

Dr Mouton dismissed allegations that Langeberg Co-operative controlled a monopoly because he said the company continued to "face stiff competition" from producers of fresh and frozen fruit and vegetables

Drinking, driving

HAS the case against drinking and driving as a major cause of road deaths been proved by the breathalyser campaign and the drop in the accident rate during the festive season? Do you think there are other reasons for road accidents which should receive more attention from the authorities? Should the breathalyser system be stepped up and used throughout the year?

Readers are invited to



☎ 41-3361
ext 219

41 3361 ext 219 between 9am and 12 noon today. Please keep comments short and be prepared to

Motlana pays R500 bail

Mail Reporter

MR Karabo Motlana, the 22 year-old son of Dr Nthato Motlana, chairman of the Soweto Committee of 10, was released on R500 bail after appearing before Mr M Jungbluth in the Ermelo Magistrate's Court on a preliminary charge of possession of prohibited publications on Monday

Also appearing was Miss Ninki Maleka, whose bail was fixed at R200. They were not asked to plead and were remanded to February 2

Mr Motlana and Miss Maleka were arrested at Oshoek border post last Thursday after a holiday in Swaziland and held after the police allegedly found ANC documents and political letters in their car

Mail Correspondent

DURBAN — Canned jam, fruit and vegetable prices rocketed by as much as 27% yesterday amid claims by supermarket spokesmen and consumer watchdog bodies that a monopoly in the R120-million a year industry is to blame for the increases

Retailers have expressed deep sympathy with consumers and given assurances that stocks in hand will not be marked up until replaced — although a check has shown some products have already jumped in price

Although all shoppers will be affected, blacks will be hardest hit. Many are without fridges and freezers and have to rely heavily on tinned foodstuffs

Dr Johan Mouton, general manager of South Africa's biggest canning concern, Langeberg Co-operative, yesterday hit back angrily at the criticism and denied the monopolistic charges

Canned fruit and veg price rockets

5/1/83
The company holds an estimated 75% of the country's tinned fruit vegetable and jam markets, selling under the Koo All Gold and Silver Leaf labels, among others

Dr Mouton dismissed the allegations that Langeberg Co-operative controlled a monopoly because, he said, the company continued to "face stiff competition" from producers of fresh and frozen fruit and vegetables

"One can't shut one's eyes to these facts — and one should remember that we have also somehow to make a living"

Mr Martin Rosen, general manager of Durban's Hypermarket, said there were no

alternative suppliers to whom retailers could go — which went for other consumer goods as well

"They're sitting in pound seats," Mr Rosen commented

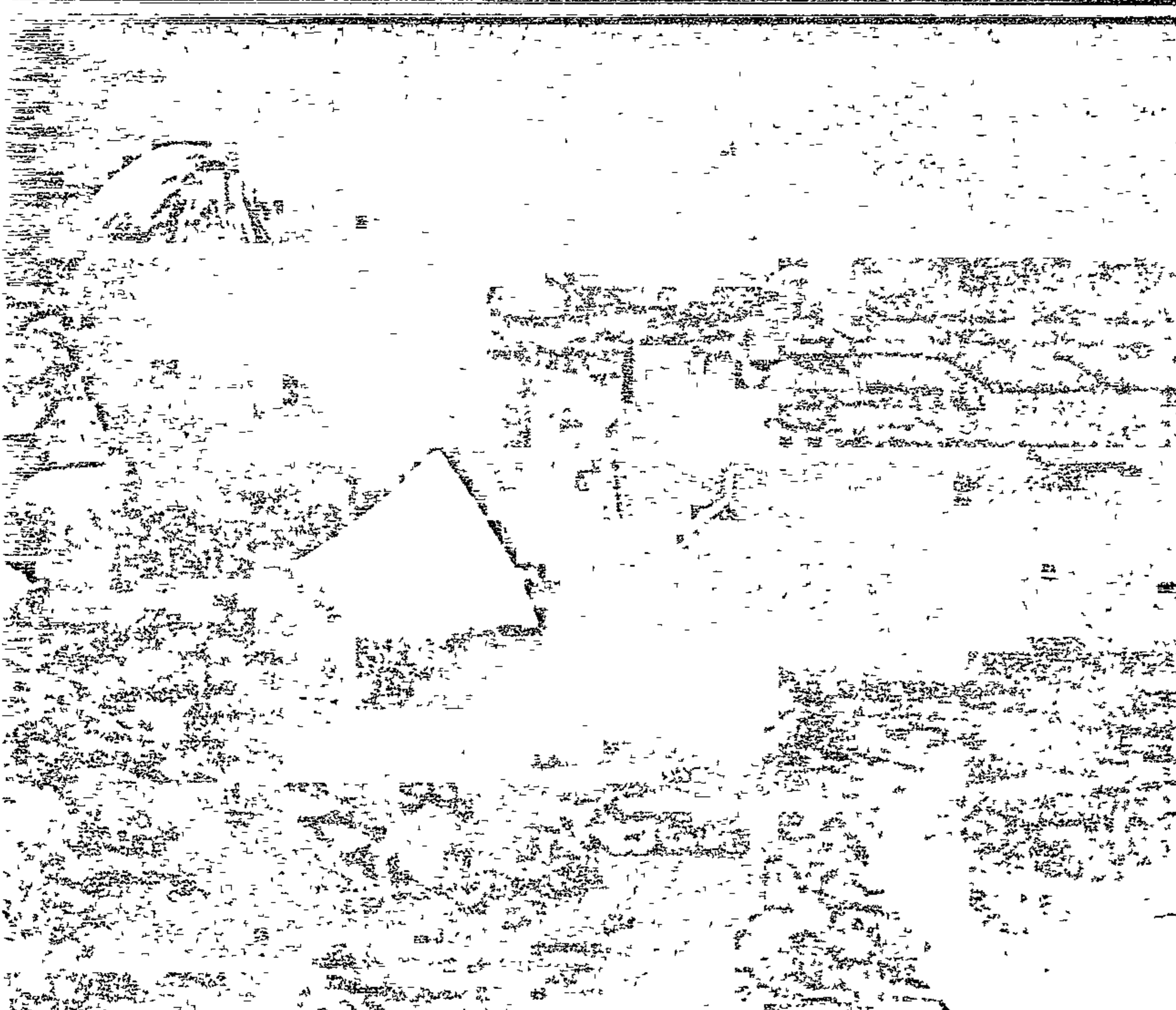
A vice-president of the Housewives' League, Mrs Jean Tatham, said she was "appalled" at the increases but not surprised because the shopping public had come to expect to pay more for goods as a result of conglomerate take-overs

Mrs Margaret Cooke, of the Natal branch of the Housewives' League said it was up to consumers to demonstrate their resistance to

price increases by not buying

Meanwhile a further shock dealt to the public last week, with the announcement that fertiliser was to rise in price by 133% is expected to set off wide-scale ripple effects regarding price structures of almost all other consumer commodities

Farmers have already indicated they will be among the first to press for higher prices for their crops as a result — which means the consumer, as end user will once again be the ultimate victim in the never-ending battle to contain the rising cost of living



turned home from Cape Town and took to the pool, where he enjoys a belated birthday celebration with his... a Currie Cup victory over Western Province while Keith was enjoying his fourth birthday. Picture: Steven Goldblatt

Boycott as SA's in new

By IAN HOBBS
London Bureau

LONDON — Geoff Boycott, the banned England cricketer, was yesterday named as the main agent behind bids to sign world cricket stars to tour South Africa

The players include between five and seven West Indians

Mr Sam Ramsamy, chairman of Sanroc yesterday told reporters in London they have been given irrefutable proof that Boycott has been recruiting for a so-called World XI tour of South Africa. He is offering large sums of money to players who are willing to go to South Africa

He said though they regarded Boycott as the main recruiting agent several others were operating in

'That' 1st da

IT'S BACK to school for thousands of Transvaal children next Wednesday and for a great number of 6-year-olds it will be a completely new experience

Pages 10 and 11 of today's Mail carry a report on whether pre- or nursery school

ir Party 'yes' to TV men

Prices set to rise in wide range of items

(244)
D. Dispatch 6/1/83

EAST LONDON — The prices of basic consumer goods are set to go up again this year according to commerce and consumer sources

Tough times for the average consumer lie ahead, the observers said yesterday, unless consumers are careful and spend their money wisely

The national merchandise manager of the Checkers supermarket chain, Mr Paul Susan, said foodstuffs and groceries would increase in price during the next few months

Among the increases expected or already approved, he said, were

- Between five and 21 per cent increase in canned fruit and vegetables,

- A seven to eight per cent increase in paperware products,

- A six to eight per cent increase in soap powders and toilet soaps

- A six per cent increase in cigarettes

Mr Susan said the supermarket chain had negotiated with suppliers for the increases to be staggered over three to four months.

He said that as a result of the drought and agricultural cost increases, there could also be increases in the prices of fresh foodstuffs

He said most companies worked on an equation of sales multiplied by price margin less expenses to get profit

"If sales drop a company can do one of two things cut expenses or increase prices," he said

The secretary of the East London Chamber of Commerce, Mr Jock Allison, said prices would almost certainly rise during the next six months

"Retailers are not making much profit and they cannot cut prices," he said

The national president of the Housewives' League, Mrs Joy Hurwitz, warned that price rises this year would be met by stiff consumer resistance for the first time

"It has taken a long time for consumers to reach this stage, but I think this year consumers will not be able to afford high prices and there will be tremendous consumer resistance"

She said shoppers would become more discriminating on tighter budgets

The executive director of the Free Market Foundation, Mr Leon Louw, said that if

attempts to curb the country's money supply were successful, prices should drop

He said it was completely false economic theory to believe that prices increased because of cost increases, and that price increases caused inflation

"Prices are determined by supply and demand and not costs and price increases are not inflationary but a consequence of inflation

"If a person has a certain amount of money and decides to buy a TV set, it means he will have to spend less on something else"

Mr Louw said that inflation was caused purely by an oversupply of money in the economy and that if the money supply was reduced, inflation would drop and as a consequence prices would drop

"I sincerely believe that the Governor of the Reserve Bank, Dr Gerhard de Kok, and the Minister of Finance, Mr Owen Horwood, are making genuine attempts to curb the money supply

"My expectation is that they will succeed and that prices will drop"

The public relations officer for the Co-

ordinating Consumer Council, Mr Bill Heunis, said there were "ample indications" given by decision-makers that this year would be tough

"We feel that we are in for a difficult year, but we as consumers can still handle the situation in a responsible manner"

He said consumers would have to budget and buy carefully, and avoid buying on credit

"I know that the word budget doesn't go down very well with many households, but if companies and organisations have to budget, why shouldn't households budget?"

"Consumers will have to look at the basics and identify purchasing priorities to be more responsible" — DDR

DO you think South Africa is justified in resorting to the cheque book to break its sport isolation? Will the policy pay dividends or will it be counter-productive? Readers are invited to comment on this issue by phoning Teleletters between 9am and 12 noon today. Please keep comments short and give your name and address.

Continued on page 7

Canned food up 13,35pc

Staff Reporter
CANNED jam, fruit and vegetable prices are being increased by an average of about 13,35 percent and not 27 percent as stated yesterday in the Cape Times.

Dr Johan Mouton, general manager of South Africa's biggest canning concern Langeberg Co-operative, said the increase would be greatest

on those products in the production cycle, while others would go up by only a minor amount.

Langeberg's calculations were that the average price across its range of canned foods had gone up 8,35 percent but in addition a five percent discount had been withdrawn meaning an effective rise of about 13,35 percent.

It may be some time before consumers will have to bear the full burden of the new increases.

Pick 'n Pay's general manager in the Cape, Mr John Barry, yesterday said retailers had been warned of the impending rise several weeks ago and most would have bought in stocks.

"We have vast quantities of some of the popular sellers, particularly the vegetables which should last for a month or two if there is no panic buying."

Mr Barry said canned fruit and jams were hardest hit in the new price schedule, going up by about 15 percent, while the increase on canned vegetables was about 10 percent.

crack of dawn



"At the rate the price is increasing, cigarettes are fast becoming a wealth hazard."

Cape Times Finders back

AFTER a brief break during the holidays all the Cape Times "finders" will be back at your service tomorrow. The first Weekend Homefinder of 1983, a bumper edition — makes its appearance on Saturday, Jobfinder is back on the job on Monday, week Homefinder reappears on Wednesday, as the special feature "Property Business, Commerce and Industrial," and Carfinder comes back on Thursday. Funfinder, the one finder that — without a break during the holidays, makes its Friday appearance tomorrow.

Rod Stewart for Sun City

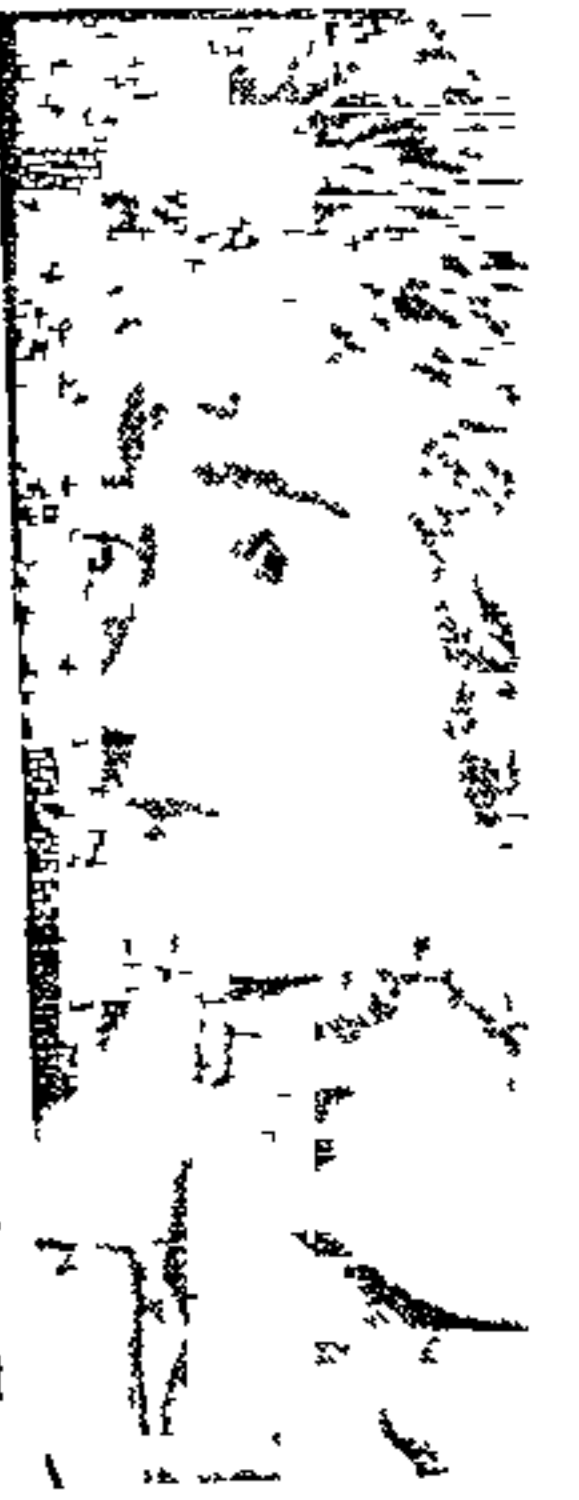
Own Correspondent
JOHANNESBURG — Rock star Rod Stewart will perform in ten concerts at Sun City from July 28.

Mrs Hazel Feldman, Superbowl organizer, said last night Sun City would be a stop in a world tour.

Stewart will visit South America at the end of April then go to Europe and Israel before coming to the Superbowl.

He and his party of 30 will then tour Australia, New Zealand and the Far East.

Ex-gravedigger Stewart turns 38 next Monday.



ackermans
NEW
YEAR
COME
SALE
STARTS
TODAY!
ackermans

Woman's 2 days in

Own Correspondent
SYDNEY — A 28-year-old skin-diver is recovering in hospital after drifting in shark-infested waters off the Great Barrier Reef for two days with only a buoy to keep her afloat.

She was rescued by chance when a helicopter pilot spotted her yesterday on a deserted coral island.

Sue Docker was last seen at noon on Sunday diving off the Great Barrier Reef about 42km north-east of Gladstone, on the Queensland coast.

She was one of 71 scuba enthusiasts who took to the water around the reef for a spearfishing competition.

Mrs Docker, an experienced diver, vanished with another competitor about noon.

Her companion, Mr Bob Morrison, was found about five hours later on Erskine Island.

Mr Morrison told police Mrs Docker was swept away when she tried to swim back to a boat.

A massive sea and air search failed to find any trace of her. She is still too weak to be in-

terviewed by newsmen. Police said yesterday she was swept many kilometres into the ocean.

She kept afloat with the aid of a buoy and her flippers, hoping the current would take her back to the reef.

It turned four times each, bringing her closer.

When after two days in water, she was about 4km from Erskine Island she abandoned her buoy and made a desperate attempt to swim to it.

She reached the island exhausted.

INSIDE

TV	2	Racing	16	Aircraft
Focus	4-5	Classified	10-15	Burger
Weather	15	Look at today	15	Business
				Chess notes
				Cinema

in 1983 TMR

MOTOR LICENCE FEES SET TO GO UP

ARGUS 10/1/83
By BRIAN STUART
Provincial Reporter

CAR licence fees are expected to increase sharply this year in the first major provincial tax hike in the Cape since 1976. Hospital fees may also go up.

\$	257
\$	242
\$	251
⌘	228
⌘	222
⌘	204
∅	171
+	171
∅	193
∅	204
∅	220
	Total

The Administrator, Mr Gene Louw, is expected to announce new motor vehicle licence fees among other tax increases when he presents his 1983-84 budget in the Cape Provincial Council next month.

The other provinces have all increased taxation in the past two years, but Mr Louw has consistently pared provincial expenditure in order to save the man in the street from higher taxation.

"Inevitable"

Two years ago the Administrator said he would "defer" tax increases for as long as possible, but added that a rise in motor licence fees was "inevitable". A rise in hospital fees was also possible, he said.

Motor licence fees in the Cape have only increased twice in the past 15 years. In 1967, the fee for a car with a mass of 1 251 kg to 1 500 kg was R32, increasing by 50 percent to R48 on April 1, 1976.

Based on a 12 percent a year inflation rate since 1977, the same licence would now cost R94,73 and rise to R106,10 this year, without increasing the real revenue of the Provincial Administration.

There are about a million vehicles registered in the Cape, which means that each R1 rise in the licence fee would give the Province an additional R1-million in revenue.

Luxury cars

While all motor licence fees are expected to be increased, the rise for medium-sized family cars is expected to be less than that for luxury cars and heavy commercial vehicles.

Since the last general Cape provincial tax increases affecting vehicle licences and hospital fees, announced in the 1976 budget, there has been a simplification of the motor vehicle licencing system, with some adjustments, but no real increase in taxation.

In the past year, the cost to the Province of repairing roads alone has increased between 20 and 25 percent. Building costs are up about 30 percent, so to cut expenditure the Province has concentrated on the maintenance of existing roads rather than embarking on new projects.

Gap widening

Hospital fees were "adjusted" in February last year, involving some increases over the schedule of fees which came into force in 1967.

But while hospital costs increased by R49-million in the past year alone, the increased revenue from the adjusted fees will be about R8-million, widening the gap between expenditure and receipts.

Mr Louw has bridged that gap largely by cutting expenditure in other departments. Higher hospital fees are also inevitable.

● See Page 5

Industrial		1980
Registration		1979
Founded:		1978
Area of		1977
Official		1976
Address:		1975
		1974
		1973
		1972
		1971
		1970
Asian	African	Year

TANTS UNIN

CONCESSION STORES AND

SHOPPING AROUND

by Audrey d'Angelo

Real cost of food, services high in SA

Fish 'n chips on the cheap

POLITICIANS and spokesmen for control boards have often told us that we are lucky because our prices for food and clothing are so much lower than in countries such as Britain or Germany

But, even without taking their higher rates of pay into account, we are catching up as our inflation rate continues at 14 percent while theirs has fallen

A friend in the clothing business tells me he noticed, on a recent visit to Germany — regarded as one of the most expensive countries — that good quality suits cost almost the same as in Cape Town

Survey

And a survey published by the Union Bank of Switzerland in 1982 showed that the real cost of food and services, in terms of wages and hours worked for them, was higher in Johannesburg than in American cities or in Paris but slightly lower than in London

Johannesburg came 19th in a list of cities arranged in order of the average citizen's purchasing power for a total food basket, Paris 18th and London 20th



JOHANNESBURG ... more expensive than Paris.

American, Swiss, Dutch, German, Scandinavian, Australian, Canadian and Belgian cities were shown to be cheaper in real terms

Figures

The figures showed that the purchasing power of the average person in Johannesburg was little more than half that in San Francisco, but twice that in Lisbon

A newer survey just published by Volkskas

Bank in their quarterly review, Economic Spotlight, makes it clear how misleading price comparisons between different countries can be unless wages and salaries are taken into account

Food prices in Russia, for instance, are much lower than in America judged purely by the exchange rate of the rouble for the dollar. A kilogram of beef costs \$2,80 in Moscow but \$6,60 in Washington

But the review points out that, because of the difference in wages, the average Russian has to work more than twice as long as his American counterpart to buy the same amount of food

According to the survey, carried out by Radio Liberty of Munich, the real cost of food is lower in Washington, where it takes 18,6 work hours to pay for the items in a weekly shopping basket, than in Paris, where it takes 22,2 hours, Munich, where it takes 23,3 hours, London, where it takes 25,7 hours, or Moscow, where it takes 53,5 hours

List

According to examples from the detailed list, it takes an average worker in Washington 28 minutes to earn enough for 2 kg of noodles, 69 minutes for a kilogram of beef, 37 minutes for a kilogram of minced beef, and 33 minutes for a kilogram of sausages

It takes 28 minutes for the average Londoner to earn enough for the noodles, 115 minutes for the beef, 63 minutes for the mince and 51 minutes for the sausages

It takes 68 minutes for the average Muscovite to earn enough for the noodles, 123 minutes for the beef, 123 minutes for the mince and 160 minutes for the sausages

Unfortunately, no South African city was included in the survey

IF you enjoyed a portion of fish cooked in batter, with French fries, in a hotel or restaurant recently you may find you can eat exactly the same thing at home for a much lower price

The current issue of the magazine *Hotelier and Caterer* informs its readers in the trade that a frozen foods firm has improved its hake in batter by dipping it in breadcrumbs and then in batter again to "ensure a delicious crispiness"

The magazine advises caterers "Good tips to remember are to pre-heat the oven fully and to line the baking tray with tinfoil in order to cook the crunchy coating to perfection

"Add a packet of oven bake chips for traditional fish 'n chips"

So there you are Now you know how some of the professionals do it

● We have got used to vending machines which supply us with hot drinks alleged to be coffee or tea, sandwiches and even — if you have the right bank or building society card — money

Now there is one which supplies hot chips

It has been produced by a firm in Britain where hot chips are almost a basic necessity and is now available in South Africa at a cost of R8 500

ROOM 240
17/1/83
Wholesale
liquor costs
more today

Mail Reporter

WHOLESALE selling prices of wines and spirits will be increased as from today, the director of the Cape Wine and Spirit Institute announced yesterday

This follows on last week's announcement by KWV of the pending price rise for wholesale traders

Mr Riaan Kruger, a director of the institute, said the institute had recommended its members increase wholesale selling prices of standard priced natural and fortified wines by an average of between 9 and 10%, and local spirits by an average of 5%

The recommended price increase for non-returnable packs was, on average, 14%, due to increased packaging costs

The institute did not recommend prices for estate and noble price class wines

Outcry at latest ADE price hike

Industrial Week 18/1/83
792
244

ATLANTIS Diesel Engines (ADE) has announced a 7,5% across-the-board price increase in heavy commercial vehicle engines that will send truck assemblers scurrying back to their costing as the market slumps to 50% of last year's figures

Reactions have been sharp and predictable. Many truck manufacturers are angry that the local content programme for trucks, including engines, gearboxes and rear axles, is pushing up costs beyond levels that are acceptable in the

Staff Reporter

market place

Many bus and truck assemblers asked the State-owned engine producer to reconsider its latest increases in light of a firmer rand that makes imported components cheaper, an inflation rate that in the motor components industry stands at virtually zero because of price cutting and seriously under-utilised capacity and further reductions in interest rates

It is doubtful whether ADE is going to bend to industry pressure

It will point out that the latest increase, effective from March 1 and intended to last until September when the next increase is due - will give ADE an escalation rate of 24,5% per two years

Overstocked

Barry Osler, director of marketing at ADE, told Industrial Week "We are in a R50-million overstock position at the moment and the reason for this is related directly to the importing of engines, before protection for ADE became effective

"We accept this situation but find that recently ADE engines have been fitted to only 40% of all heavy vehicles sold. Manufacturers are carrying excessive stocks and we don't see these running down to normal levels before the end of the year"

One worrying factor for industry is that assemblers have been given only until February 28 by Government to build the engines they imported before December 3, when new 20% excise measures were introduced, and sell them

Impossible

This is impossible. Manufacturers have cut truck assembly down to the bare minimum in order to run down inventories and could not possibly assemble the CKD kits they are holding inside little more than a month

The only solution, to avoid an inflationary situation developing, is for Government to extend its February deadline indefinitely, a move it might be reluctant to make

The heavy truck industry is nearing crisis point, and manufacturers are sure to be asking for a period of consolidation so that they can absorb costs incurred in rede-

ARGUS 20/11/83

Medical fees rise refused

244

Argus Correspondent

PRETORIA — Proposed tariff increases for doctors and dentists have been turned down by the Minister of Health and Welfare Dr Nak van der Merwe

The South African Medical and Dental Council recently agreed to an average 17,8 percent increase for doctors contracted into medical aid schemes and 30 percent for dentists

The registrar of the council, Mr Nico Prinsloo, said today the Minister had not approved these increases and the matter had been referred back to the tariff committee

A 13,8 percent increase in fees for physiotherapists was approved

Tariff rise 'no'angers doctors

Comp. 24/1/83

Own Correspondent
JOHANNESBURG — Doctors here are outraged at the government's refusal to increase their tariffs

They warned that the failure of doctors' in comes to keep pace with rising costs might force many to contract out of medical-aid schemes or to leave private practice

The Minister of Health and Welfare, Dr Nak van der Merwe, last week

turned down a recommendation by the SA Medical and Dental Council that doctors' fees be increased by 17.8 percent.

The SAMDC is expected to make a new recommendation next month

Doctors were granted 6.6 percent in October last year their first since a 5.2 percent increase in November 1979

A doctor with a busy central Johannesburg practice said he had re-

cently been forced to change premises as his rent had been increased from R650 to R1 835

His overhead costs — which included rent, salaries petrol drugs and the services of an accounting company — came to R6 000 a month His income on paper was between R9 000 and R10 000 but some patients were slow to settle their bills and medical-aid societies took up to four months

70 percent overheads

"When I started practising overhead costs were 34 percent of my total income, they are now 70 percent," he said

A Soweto doctor with a half-day practice said his overhead costs were Rent R80, wages R500, water and lights R15, petrol R150 and medicines between R1 200 and R1 500 His income was about R3 500 a month

Costs for medicines were high as his patients did not have access to chemists and he dispensed them during consultations

'Cannot afford house'

A doctor in Johannesburg's northern suburbs said that although he had been practising since 1968, he could still not afford to buy a house

A survey by the Human Sciences Research Council in 1981 showed that the average yearly salary of a GP was R30 000 for a gynaecologist R43 000, a physician R35 600 and a surgeon R44 000

According to an article in SA Practice Management, the average net income of British doctors is R38 000 a year, while that of American doctors is R100 000 a year

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered), leave columns (2) and (3) blank

	Internal	External
(1)	(2)	(3)
1b	10	
2b	7	
Examiners' Initials		

First Name(s)

Date

Degree/Diploma/Certificate for which you are registered (e.g. B.A., B.Sc.)

Subject

(to be copied from the heading on the Examination Book)

Paper No

(to be copied from the heading on the Examination Book)

NOTE CAREFULLY

- The answers only on the right hand pages marked The left hand pages may be used for rough work, but no credit will be given for work
 - Enter at the top of each page and in column the block on this cover the number of the question you are answering
 - Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
 - Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.
- notes, pieces of paper or other material brought into the examination room unless so instructed
- Candidates are not to communicate with other candidates or with any person except the invigilator
- Each answer book is to be torn out.
- Answer books must be handed to the commissioner or to an invigilator before leaving the examination.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

Sugar men seek price increase

Natal
Mercury Reporter 16/2/83

THE sugar industry is seeking the Government's approval for an increase in the local price and loans to cover a loss of about R50 million in the 1981-82 season

If the industry does not receive assistance, the loss for the current season could be more than R150 million

The last price hike in the domestic market was in March, 1982, when refined sugar was increased by R50 a ton and brown sugar by R42

In April there was a further increase in consumer prices to off-set higher rail and motor transport tariffs. These did not affect Durban

The industry, which already has a debt of about R130 million, has been driven into a corner by drought and the low export price

Last season the industry sold 1 152 027 tons on the local market and shipped 802 417 tons to Japan, Canada, South Korea and the U S

Much of these exports were priced forward when world prices were standing at a level of £300 to £400 a ton

Today, the world price is down to £110 a ton — well below the cost of production

World price

Natal companies which are having to face large losses in their sugar divisions, are making drastic economies. In addition, due to the drought and the poor quality of the cane, their mills are expected to crush for a much shorter period this year

Much of the blame for the low world price can be laid at the door of the Common Market countries which have previously set their faces against joining an international sugar agreement. Their producers receive official price support

However, meetings are now taking place in London with a view to a new agreement coming into operation at the beginning of 1984. The International Sugar Agreement's Committee will have its next session in March

Meanwhile, all sugar-producing countries are in difficulties and the more sugar they export the more desperate is their position

If the Government does not come to the assistance of the local industry, and there appears to be no alternative, a wide range of consumer goods will be affected by a price increase

Among these are mineral waters, sweets, canned foods, ice cream and jam

~~23~~ 18/2/83 Howard
Agricultural products price increases
Q Col. 219-220
(244) 119 Mr E K MOORCROFT asked the
Minister of Agriculture

- (1) Whether any applications for price increases of any agricultural products in 1983 have been received by his Department, if so, from what organizations;
- (2) what in each case (a) was the increase requested, (b) were the reasons given for the application and (c) was the response of his Department,
- (3) whether any increases have been or are to be granted, if so, what is the increase in each case,
- (4) whether any representations have been made against such price increases, if so, (a) by which organizations and (b) what in each case (i) were the reasons for the representa-



FEBRUARY 1983

220

tions and (ii) was the response of his Department?

The MINISTER OF AGRICULTURE

(1) No

(2), (3) and (4) Fall away

tion portion (R5,33 per head of cattle) of the total levy of R10,15 per head was paid to the outside area butchers for December 1982 with the request that the benefits be passed on to the consumer

(c) The Meat Board has, until further notice, decided to sell frozen mutton at a special discount of R1,00/kg to State subsidized old age homes and orphanages on the following basis

Old age homes=3½ kg per person per month
Orphanages=6½ kg per child per month

The total subsidy granted by the Board amounted to R30 000 at 31 December 1982. This amount is included in the total subsidy mentioned under question (a)

18/2/83 Howard
Agricultural products price increases
Q Col. 219-220
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tions and (ii) was the response of his Department?

The MINISTER OF AGRICULTURE

- (1) No
- (2), (3) and (4) Fall away

Howard Q Col. 220 (244)
Subsidies: bread/maize/butter
138 Mr R W HARDINGHAM asked the Minister of Agriculture

What amount was paid out in subsidies in respect of (a) bread, (b) maize and (c) butter for consumer use in 1982?

The MINISTER OF AGRICULTURE

- (a) R181 968 823,44 (1981/82 financial year)
- (b) R82 949 863,32 (1981/82 financial year)
- (c) R3 210 715,75 (1981/1982 financial year)

18/2/83 Howard Q Col. 220
Rail commuter services
142 Mr A SAVVAGE asked the Minister of Transport Affairs

Whether the South African Transport Services made a profit or sustained a loss on rail commuter services in the 1981-82 financial year, if so, (a) what was the amount of such profit or loss and (b) (i) in which areas and (ii) in respect of which services was the profit made or loss sustained the highest?

The MINISTER OF TRANSPORT AFFAIRS

- A loss was sustained
- (a) R382 million
- (b) (i) All areas (ii) Third class

18/2/83 Howard Q Col. 221
Road transportation inspectors
143 Mr R E ROGERS asked the Minister of Transport Affairs

(1) Whether in the execution of inspections of vehicles on the open road road transportation inspectors of his Department are required to indicate their presence, if so, by what means

(2) whether they are accompanied by members of the South African Police while carrying out such inspections

(3) whether they are entitled to carry fire-arms openly when stopping approaching vehicles, if so,

(4) whether they are permitted to carry automatic rifles, if so, who supplies them with these weapons,

(5) whether they are trained in the use of such weapons?

The MINISTER OF TRANSPORT AFFAIRS

(1) No. However, in terms of the provisions of regulation 26 (1) of the Road Transportation Regulations, every inspector must wear an identification card issued by the Director-General Transport. When so requested an inspector must show his identification card to any person with whom he is dealing in his official capacity. For their own safety and to make them clearly visible, especially during the night hours, inspectors wear luminous sleeves and girdles and make use of luminous stop signs, blue flickers and lights and identification plates on their motor cars.

(2) No. Not during the normal course of their activities. However, occasions do arise during which inspectors are assisted by the South African Police or when they assist the South African Police, e.g. during boycotts, organized road blocks etc.

(3) Yes

(4) No but they are issued with semi-automatic fire-arms by the Department of Transport

(5) Yes

Weeds Act

152 Mr M A TARR asked the Minister of Agriculture

(1) How many prosecutions were instituted under the Weeds Act, No 42 of 1937, during the latest specified period of 12 months for which figures are available,

(2) what was the total expenditure incurred by the State in respect of section 5 of the said Act for the latest specified period of 12 months for which figures are available?

The MINISTER OF AGRICULTURE:

- (1) One
- (2) R2 209 933

18/2/83 Howard Q Col. 222
Identity documents/influx control
153 Mr D J DALLING asked the Minister of Law and Order

How many Blacks in (a) the Sandton municipal area and (b) Alexandra were charged with offences relating to (i) identity documents and (ii) influx control laws in 1982?

The MINISTER OF LAW AND ORDER

- (a) (i) 987 (ii) 139
- (b) (i) 987 (ii) 67

18/2/83 Howard Q Col. 222
Patrol vehicles
156 Mr D J DALLING asked the Minister of Law and Order

Tractor challenge by maize farmers

Financial Correspondent

PRETORIA — Maize farmers have issued a multimillion rand challenge to the government's policy of protecting the tractor industry.

At a conference in Bothaville on Friday, the chairman of the Maize Board, Mr Crawford von Abo, showed three Fiat model tractors imported with private funds from Rumania and manufactured at the State-owned Brasov Tractor Factory

Mr von Abo said nobody cared who bought South Africa's wool or export maize. Some of South Africa's best maize customers also had agricultural implements to sell, making it possible to get an excellent price for maize by organising a barter deal

"Why should we care where the implements come from? The maize farmer is in a desperate position and must claw at every opportunity to remain solvent," he said

Landed costs before import duty for a model 640 45-kW two-wheeled tractor was R6 220. With R2 488 duty it landed for R8 708

The equivalent South African model 640 carried a cost of R18 300, Mr von Abo said. The world-market related tractor represented a saving of nearly R10 000. Similar savings were possible in the case of the two other tractors shown

Mr von Abo said that the three tractors had not been bartered but did show what could be done. The Maize Board's selling policy, including the barter deals, clearly had merit.

Agricultural economists said that with an annual market of about 10 000 tractors the Government's protection policy had now been shown to add a total of R100 million to the annual cost of maize and other farm products — a bill ultimately paid by the consumer

After the Bothaville demonstration, they said, it would be more difficult for the Minister of Industries, Commerce and Tourism, Dr David de Villiers, to carry on with his high-cost policy



By SIMON WILLSON

THE STRATEGIC decision to manufacture all diesel engine requirements in South Africa had led to cost pressures far beyond the rate of inflation, said Mr Colin Adcock, managing director of Toyota SA, yesterday

In a speech read on his be-

ADE adds 30% to truck price

half at the opening of premises for engine reconditioners National Machinery Supplies in Germiston, Mr Adcock said the engines made by Atlantis Diesel Engines (ADE)

had caused a 30% average increase in the price of heavy trucks

"Major users of heavy trucks will therefore, be seeking to renew their en-

gines when the normal first life cycle has been completed I anticipate that engine rebuilding, already a major industry in the country, will become even more important in the years that lie ahead," Mr Adcock said

National Machinery's managing director, Mr Glenn Cartwright, agreed that the higher costs of ADE engines had influenced his company's decision to increase investment in automotive retooling

production and pricing crisis, with two Ministers saying a concerted price cut was likely

Oil Ministers of the four key Opec (Organisation of Petroleum Exporting Countries) members face what oil analysts described as possibly irresistible pressure to cut prices, following large reductions by other exporters trying to revive flagging sales in a glutted market

24/2/83
2001
23/2/83

Commerce and industry hail cut in petrol price

By GERALD REILLY
Pretoria Bureau

THE price of petrol is to be reduced by 1,6 cents a litre from Sunday, the Minister of Mineral and Energy Affairs, Mr Pietie du Plessis announced in Parliament yesterday

In addition, diesel would be reduced by one cent a litre, aviation fuel by 1,5c and household and power paraffin by 1,5c

Mr Du Plessis said the drop in world crude oil prices may lead to a further fuel price reduction in future

News of the cut — the first major administered price reduction for years — was welcomed throughout commerce and industry yesterday.

Economists and businessmen said it should make a significant impact on the current 14,4% inflation rate — provided it was passed on by manufacturers and traders to the consumer

The SA Agricultural Union (SAAU) welcomed the cut in the diesel price, and claimed it would save farmers about R10-million a year

However, Mr John Malcolm (PFP Port Elizabeth) said the petrol price could have been brought down by a minimum of three cents a litre, and Mr Ron Miller, the New Republic Party's chief

spokesman on energy affairs, said prices could comfortably have been reduced by five cents

The AA estimates the reduced petrol price will save motorists a collective R80-million a year

Other sources said had it not been for the threatening world oil price war, and the fact that Britain, Norway, Nigeria, Mexico had announced big reductions in their crude oil prices, the cut would have been one cent a litre by the Minister in December last year.

The deputy director of the SAAU, Mr I M van Rooyen said his organisation welcomed any reduction in farmers' costs

"But we would have liked to have seen the price of diesel come down to the same extent as petrol"

The annual saving in fuel costs, based on last year's consumption figures for farmers, would be in excess of R10-million, he said

A spokesman for the AA, Mr Denzel Vermooten, said

"We believe that as petrol constitutes 60% of motorists' running costs, the reduction

Earlier reports indicated the four would be joined at the talks by fellow Gulf Co-operation Council members Bahrain and Oman

But Gulf news agencies said yesterday the two non-Opec members were not at the meeting, although Iraq's Oil Minister, Mr Qassem Ahmed Faqi, was flying to Riyadh to join the talks

The Libyan Oil Minister, Mr Kamel Hassan al-Maghour, who earlier this month shuttled between Gulf capitals in an attempt to assemble a full meeting of Opec, might also join the talks, informed sources said

Kuwait's Oil Minister, Sheikh Ali al-Khalifa al-Sabah, was earlier quoted by a Kuwaiti newspaper as saying the Gulf states would not cut their oil prices

But Qatar's Oil Minister, Sheikh Khalid bin Ahmed al-Thani, said he would be in Riyadh

"We have to cut prices to get out of the crisis"

Asked about reports that a \$5 a barrel cut was planned, he added "I tend to support these expectations"

The UAE's Oil Minister, Dr Mana Said al-Oteiba, also said price cuts were likely Speaking to the official Emirates news agency, WAM, in Abu Dhabi before leaving for the Saudi capital, he said the present \$34 benchmark price was no longer relevant

"We have to look for a new base that should be agreed upon by all the 13 Opec members, who will also have to defend it and abide by it," Dr Oteiba added

Nigeria, a key Opec member unilaterally cut its price by \$5.50 a barrel to \$30 a barrel last week

The Nigerian move, the first public breach of Opec price rules, followed a proposed \$3 cut to \$30,50 a barrel by North Sea oil producers Britain and Norway, announced last Friday

The cuts plunged Opec into the gravest crisis in its 23-year history and raised the threat of unleashing an unlimited price-cutting war

Oil analysts said Saudi Oil Minister Sheikh Ahmed Zaki Yamani and his colleagues faced an agonising choice if they decided to cut the \$34 benchmark

A reduction of \$4 a barrel as widely forecast in the industry until the unexpectedly large Nigerian cut would do little to revive flagging sales but would cut the Gulf states revenues by about R27-million a day, they said

But a larger reduction to perhaps \$28.50 to restore the recent quality differentials against Nigerian crude would almost certainly invite matching cuts by Lagos, they added — Sapa-Reuter

Be a P.T.O. double winner!

OH BUT it is getting close! Now you have only until 5pm on Friday to put yourself in the driver's seat of a brand new Daihatsu Charade with the compliments of Alfa Romeo South Africa

Ah, but there is more like a week's trip for two to Geneva, all expenses paid

On their return, the winners will be given the use of the spanking new Daihatsu Charade for a whole year including free insurance

Now for a hint the Daihatsu Charade has been voted 'Car of the Year' in Japan, it was recently winner in its class and first car ever of 1000cc to finish the gruelling East African Safari Rally, won first place in its class in the 1981 Monte Carlo Rally, and was overall winner of the Mobil Economy Run in France



How to be a capitalist overnight
● See Page 4

INSIDE

- Appointments 28
- Auctions 28
- Bridge 28
- Car Specials 26, 27
- Comics 25
- Crosswords 27
- Legals 20, 28
- Metro Mail 2
- Parliament 8
- Radio 28
- Weather Mail 2
- World News 4

Ring the Rand
Daily Mail 710-9111

Mexico train crash toll 64

Some of which had and France

Ch... the is l

Mail... CAPE TO bat-ear confiscation of and Na jumped when it her ov Bekefi... has been out I w at the

Petrol price cut welcomed

of 1,6 cents a litre will be significant"

He calculated that on a mileage of 15 000 km, a motorist would save about R30. It would also bring about an overall saving in the total spent on petrol of about R80-million.

"We also estimate that the saving per kilometre will be 0,2% across the whole range of cars, big and small," he added.

The president of the SA Federated Chamber of Industries, Mr Rod Ironside, congratulated the Government on its decision to cut the fuel price.

The move reflected the significant changes now taking place on the world oil scene.

However, he cautioned against possible future adjustments which could wipe out the benefit of the present cut.

Costs throughout industry would be lightened — costs of transportation of raw mate-

From Page 1

rials and finished products — "and we can only hope the advantage will be passed onto the consumer."

Barclays Bank chief economist, Dr Johan Cloete, said the price cut would have a significant indirect effect on the inflation rate.

The Government could now more easily hold administered price rises down to below the current inflation rate of more than 14%.

The vice president of the Afrikaanse Handelsinstituut, Mr Henne Klerck, said the cut was a positive step in the fight against inflation.

He estimated the inflation rate would drop by one half a percent because of the lower price, provided the full benefit was given by traders to the consumer.

The AHI appealed to businessmen to pass the benefit of the price cut onto the consumer, and help the Govern-

ment in its fight against the price spiral.

The president of the Motor Industries Federation, Mr Cecil Jowell, said fuel was a significant cost factor throughout commerce and industry and the lower price should make an impact on inflation.

However, he said there was a danger some businessmen might be tempted to offset other cost increases for which they had not been compensated against the reduced fuel price.

An Assocom spokesman also welcomed the move. It provided further proof of the Government's commitment to its anti-inflation drive, and its intention to have a hard look at all administered prices, he said.

Sapa reports that Mr John Malcomess said he did not believe the 1,6c/l cut in a petrol price in excess of 60c/l was really sufficient.

"If you consider that the drop in prices of Opec and

other oils like British, Norwegian and Nigerian range from four to seven dollars a barrel, and when you consider that an average five dollar drop in the price of a barrel of oil reduced the pump price of our petrol by some 3c/l, 1,6c against that is not very high," he said in Parliament.

Also reacting to the news, the NRP's Mr Miller said. "In our opinion, based on present producer prices which have plummeted, the Minister could comfortably have reduced petrol prices by at least five cents per litre."

Meanwhile, Associated Press reports from Riyadh that Saudi Arabia's Oil Minister was quoted yesterday as warning that his country was not prepared to "take any more" pricing infringements by Opec's other member states and as vowing to "take the measures necessary to protect our (petroleum) wealth".

Price of petrol is to be cut by 1,6c a litre

CAPE TOWN 23/2/83

244

HOUSE OF ASSEMBLY

The price of petrol would be reduced by 1,6 cents a litre from Sunday, the Minister of Mineral and Energy Affairs, Mr Pietie du Plessis, announced here yesterday.

And the drop in world crude oil prices might lead to a further fuel price reduction in future he said.

"The government has been anticipating the oil price reductions of the past week."

The government trusted the price reductions in petroleum products would play an active role in fighting inflation and make a meaningful contribution to everyone's material welfare, Mr Du Plessis said.

The following price reductions would come into effect on Sunday, February 27.

Petrol reduced by 1,6 cents a litre, diesel by one cent, aviation fuel by 1,5 cents, household and power paraffin by 1,5 cents.

● Opposition parties

said yesterday that the petrol price should have been reduced by more.

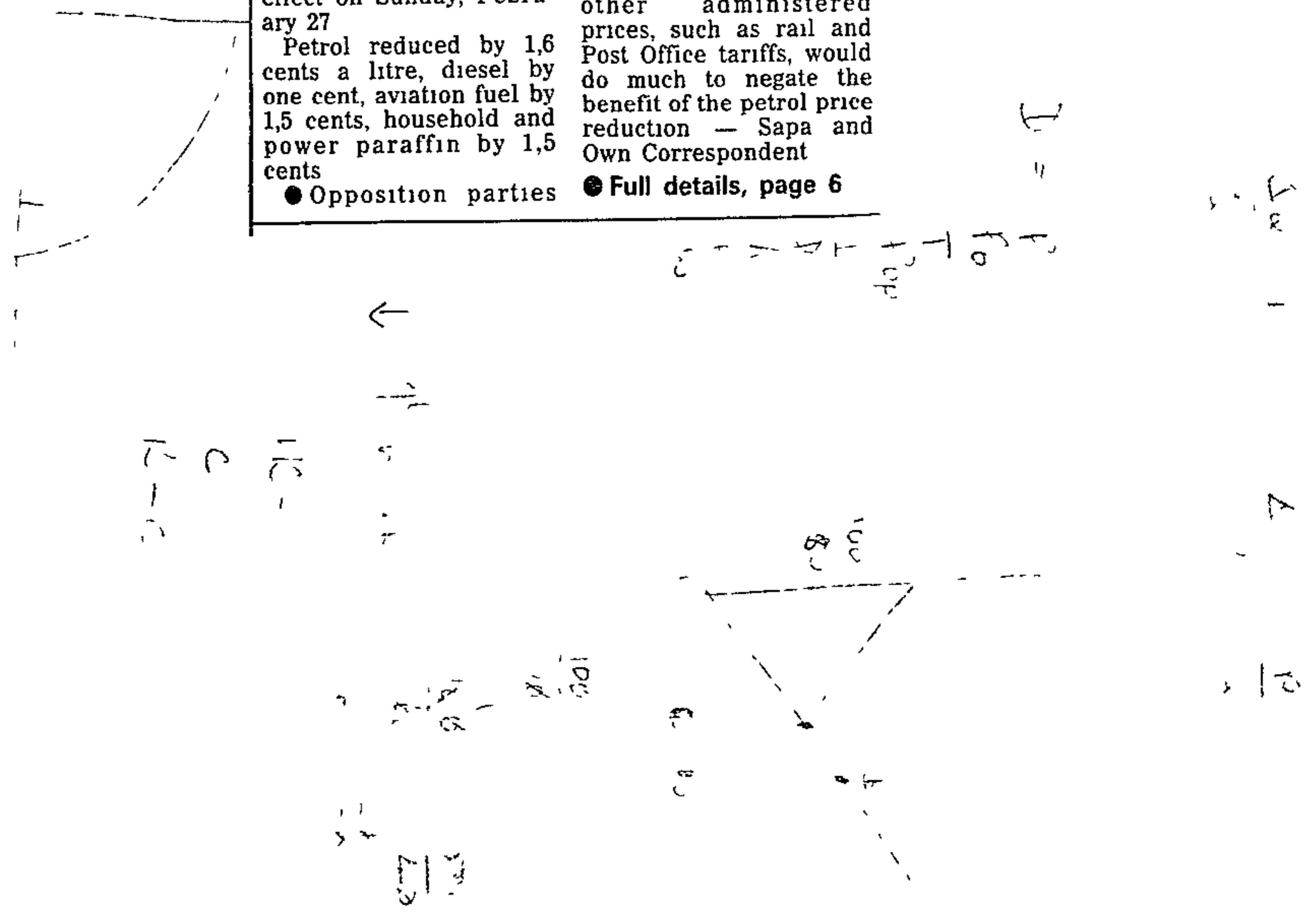
The Progressive Federal Party called for a minimum reduction of 3 cents a litre, while the New Republic Party said the price could have been cut by at least five cents a litre.

Mr John Malcomess (PFP) and Mr Ron Miller (NRP) welcomed the decrease. They said, however, that the larger reductions would have helped the fight against inflation and could have been afforded in view of falling world oil prices.

Mr Harry Schwarz, the PFP consumer spokesman, said he hoped manufacturers would pass savings on to consumers.

He said increases in other administered prices, such as rail and Post Office tariffs, would do much to negate the benefit of the petrol price reduction — Sapa and Own Correspondent.

● Full details, page 6



Fuel price cut welcomed

(BF) 244
CARE TIMES 23/2/83

Own Correspondent

PRETORIA — The 1,6 cents a litre fuel price cut — the first major administered price reduction for years — was welcomed throughout commerce and industry yesterday

Economists and businessmen said the cut should make a significant impact on the current 14,4 percent inflation rate — provided it was passed on by manufacturers and traders to the consumer

The SA Agricultural Union (SAAU) also wel-

comed the one-cent a litre cut in the diesel oil price, and claimed it would save farmers about R10-million a year

The deputy director of the SAAU, Mr I M van Rooyen, welcomed any reduction in farmers' costs

The annual saving in fuel costs, based on last year's consumption figures for farmers, would be in excess of R10-million, he said

The AA estimates that the reduced petrol price will save motorists a col-

lective R80-million a year

A spokesman for the AA, Mr Denzel Vermooten, said "We believe that as petrol constitutes 60 percent of motorists' running costs, the reduction of 1,6 cents a litre will be significant"

He calculated that on a mileage of 15 000km, a motorist would save about R30. It would also bring about an overall saving in the total spent on petrol of about R80-million

"We also estimate that the saving per kilometre will be 0,2 percent across the whole range of cars, big and small," he added

The president of the SA Federated Chamber of Industries, Mr Rod Ironside, congratulated the government on its decision to cut the fuel price

The move reflected the significant changes now taking place on the world oil scene, he said

However, he cautioned against possible future adjustments which could wipe out the benefit of the present cut

Costs through industry would be lightened — transportation costs of raw materials and finished products

Barclays Bank's chief economist, Dr Johan Cloete, said the price cut would have a significant indirect effect on the inflation rate

The government could now more easily hold administered price rises down to below the current inflation rate of more than 14 percent

If salary increases in the private and public sectors were minimized, then the fuel price cut could help pull back the inflation rate to 12 or 13 percent, with the possibility of 10 percent by the end of the year, Dr Cloete said

The vice-president of the Afrikaanse Handel-sinstituit (AHI), Mr Henrie Klerk, said the cut was a positive step in the fight against inflation

Cost factor

The president of the Motor Industries' Federation, Mr Cecil Jowell, said fuel was a significant cost factor throughout commerce and industry and the lower price should make an impact on inflation

However, he said there was a danger some businessmen might be tempted to offset other cost increase for which they had not been compensated against the reduced fuel price

An Assocom spokesman also welcomed the move and said it provided further proof of the government's commitment to its anti-inflation drive and its intention to have a hard look at all administered prices

More fuel price cuts?

Political Staff

PETROL, diesel and other fuel prices were cut by a cent and more yesterday — and there could be more cuts on the way

The price cuts announced yesterday by the Minister of Mineral and Energy Affairs, Mr Pietie du Plessis will amount to "a couple of hundred million rands"

From Sunday petrol is down 1,6c a litre which means motorists on the coast can tank up for 58,3 cents a litre. Diesel users will pay 59,1c

Other cuts are 1,5 cents a litre for paraffin and jet fuel

These will be the first petrol price cuts since 1964 when the price was 8c a litre

Mr Du Plessis pointed out that South Africa compared favourably with other countries such as Britain (60,6c), Germany (61c), Belgium (67c), Portugal (83c) and Italy (88c)

Mr Du Plessis said the cuts were largely due to the over-supply of crude oil on the world market, the willingness of the oil companies to recoup their accumulative losses over a longer period and the agreement of filling station owners to delay an increase in their profits

'Over-supply'

South Africa had been able to restructure its buying programme because of the over-supply on world markets and "the impact of more permanent lower crude oil prices will be taken into account."

Asked if this meant more cuts he replied "Yes, that is possible"

He explained when petrol prices were increased on 1 April, last year, the total amount needed was not passed on to the consumer and oil companies carried the loss

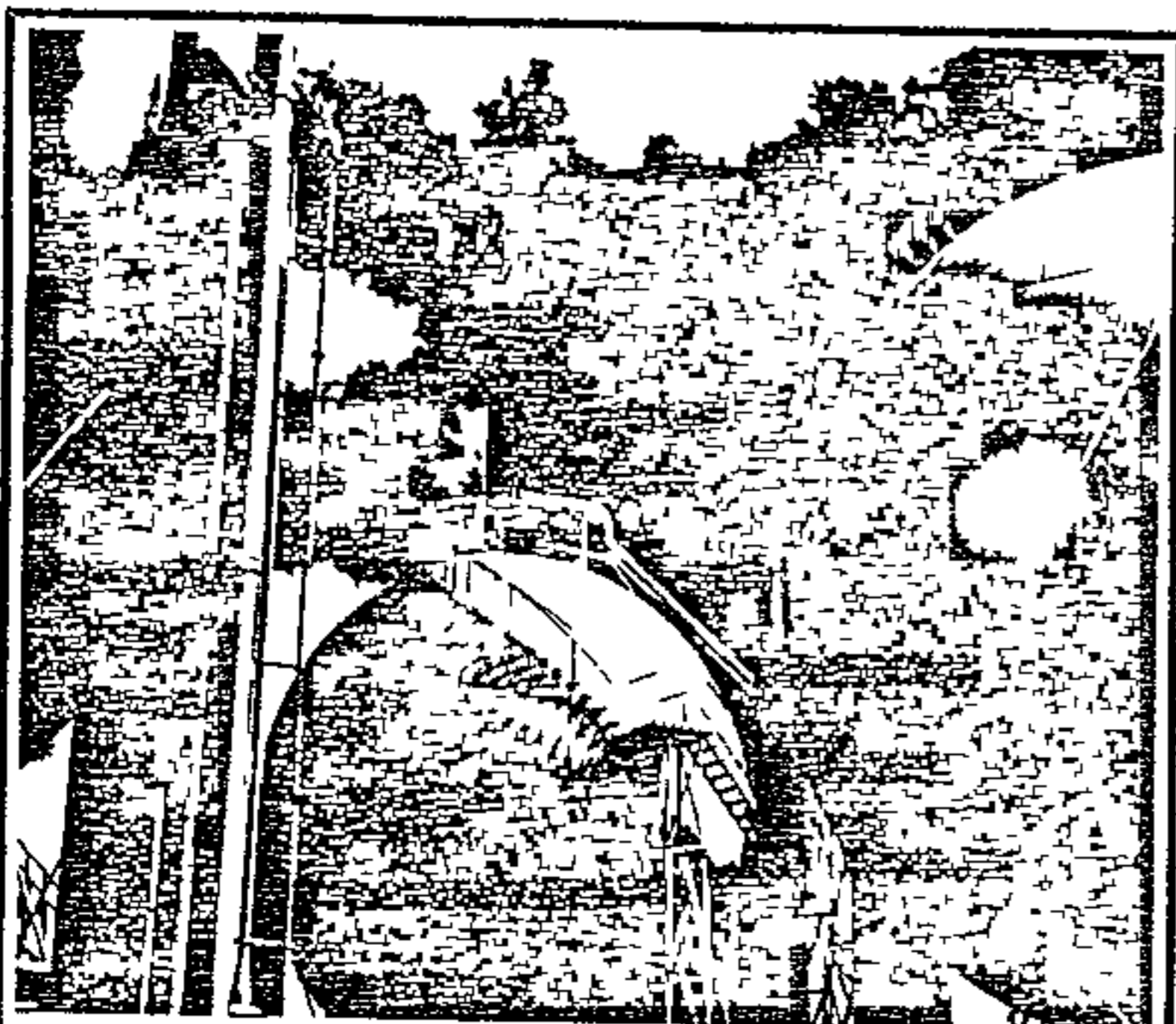
Mr Du Plessis said the lower world price had been expected and the cuts had taken this into account.

"A reduction in the price of any commodity in today's conditions is indeed an occasion for which to be grateful. It is trusted this will play an active role in our fight against inflation and make a meaningful contribution to our economic welfare"

"I call on private enterprise to pass on whatever benefits they can to the consumer"

He pointed out fuel costs had a large effect on production costs

Mr Du Plessis warned however obtaining crude oil was still a "sensitive" matter and it was everyone's duty to conserve fuel



Oil embargo and the petrol price.

'Marge' prices slashed

244
XBB
E. Post
24/2/83

By SALLY KERNOHAN

YELLOW margarine prices have dropped sharply as manufacturers wage a cut-throat war to improve their shares of the market.

The good news for housewives is that prices are at their lowest level in two years

Manufacturers and retailers believe it could be at least a month before prices bottom out

Prices today averaged between 67c and 70c a 500 gram pack, with tubs marginally more expensive at about 90c. This means a drop of up to 7c on packs and about 10c on tubs

Local retailers say the price war is a result of a Durban-based manufacturer — Tongaat Oil and Food Products — entering the margarine market for

the first time towards the end of last year

The company has launched three brands of yellow margarine — Ole, Rondo and Margot, which is a catering pack

Its main adversary is Van den Bergh and Jurgens, a subsidiary of the giant Unilever Company — also based in Durban — which previously had 60% of the yellow margarine market.

SA Margarine and Premier Foods accounted for the other 40%

The divisional marketing director of Tongaat Foods, Mr André du Chenne, said

the company's entry to the market was "responsible"

"We believe that our main competitor, Van Den Berg and Jurgens, dropped prices to the current unprecedented levels because of our entry. They have lost a major share of the market and are reacting by slashing their prices."

He thought the low prices would hold beyond the beginning of April. Then prices would increase.

"But it could be several months before they return to the August, 1982, levels of 90c to 95c a 500 gram pack," he said

Mr Dave Pickett, mar-

keting director for Van Den Bergh and Jurgens, blamed the price slump on the economic downswing.

"The fact that there is a new competitor in the market has aggravated the situation a bit but it is not the main reason"

However, Mr Pickett did not believe prices would stay down "all that long"

"After all, manufacturers are selling at a loss and they cannot continue to do this for too long," he said

Meanwhile, local retailers have welcomed the price war, saying it proved that free competition could only benefit the consumer.

Mall Reporter

YELLOW margarine prices are at their lowest level in two years as manufacturers wage a cut-throat war to improve their market share

The price-war is a result of Durban-based Tongaat Oil and Food Products, who slashed margarine prices after their entry into the margarine market at the end of last year

They have launched three brands of yellow margarine - Ole Rondo and Margot which is a catering pack

Prices yesterday averaged between 69c and 89c for a 500g pack, with a drop of about 10c on tubs

The company's main competitor is Van den Bergh and Jurgens, a subsidiary of the giant Unilever Company -

(244) (2) ~~Oil~~ (3) ~~Oil~~ + Seeds
RPM 25/2/83
Prices are slashed as margarine war rages

also based in Durban - which previously had 60% of the yellow margarine market SA Margarine and Premier Foods account for the other 40%

Mr Andre du Chenne divisional marketing director of Tongaat Foods, said the company's entry into the market was a responsible move

"We believe that our main competitor Van den Bergh and Jurgens dropped prices to the current unprecedented levels because of our entry

They have lost a major share of the market and are reacting by slashing their prices he said

He thought the low prices would hold beyond the beginning of April and said it could be several months after that before they returned to the August 1982 levels of 90c to 95c a 500g pack

Mr Dave Pickett, marketing director for Van den Bergh and Jurgens blamed the price slump on the economic downswing, but could

not be reached for further comment yesterday

The public relations officer for Checkers, Miss P Lomborg said they only expected the current prices to last until March 5

She said the new price war was a good thing because "margarine was getting to be such a ridiculous price"

Margarine price reductions for a 500g brick this week were Flora 99c to 89c, Yellow Band 82c to 69c, Rama 84c to 75c, and Rondo 76c to 69c

Govt grants 7 1/2 % hike in sugar price

244
ROM
25/2/83

CAPE TOWN — The Government has approved an immediate 7 1/2% increase in the consumer price of sugar but turned down a request from the industry for an increase of between 14% and 15%.

Announcing this in a Press statement in Cape Town yesterday, the Minister of Industries, Commerce and Tourism, Dr Dawie de Villiers, said the consumer could not be expected to assist in solving the problems of the sugar industry by means of large scale price increases. Sapa reports.

He said the industry had requested that the annual adjustment of the sugar price for 1983/84 be considered with due allowance for cost increases, the exceptionally poor export price of sugar, and the generally distressful position in which the industry found itself.

"The request, if granted, would have meant that the price of sugar at the retail level would have risen by between 14 and 15%."

Dr De Villiers said it was not possible to accede to the sugar industry's request in view of the Government's determination to reduce the rate of inflation to a more acceptable level.

He said the sugar industry already had loan commitments of R130-million and that further substantial loans would have to be negotiated to finance the large deficits.

The Government had decided that no further production quotas would be considered until such time that the position of the industry improved, Dr De Villiers said.

The Mail's Durban Correspondent reports that the sugar industry considers that the 7 1/2% increase is not enough.

"We are dismayed," said Mr Dick Ridgway, chairman of the Sugar Association, noting that the new price would be below the cost of production.

"This decision is unacceptable and we will be talking to the Government," he said.

There will be a shortfall of R108-million on the current crop season, which ends in April, and the industry will be forced to raise R60-million in loans to keep farmers, millers and refiners solvent.

Two seasons ago the industry obtained R130-million in loans and these have not been liquidated. It will start the new season owing about R190-million.

Mr Ridgway said that in the last decade the domestic sugar price had not subsidised shortfalls on the export market.

"Indeed, some high prices on the export market meant that we were able to divert R190-million to subsidise the local consumer."

Mr Ridgway pointed out that in this period the Government had forced two price decreases on the industry which resulted in a price well below the cost of production — this was followed by "a series of disproportionately high increases which had adversely affected sales."

The consequences of this policy were that 'profits' on the export market could not be used to build up reserve funds to meet the sort of situation facing the industry.

Fruit and veg ~~prices rocket~~ prices rocket as quality ξ . Post takes a dive 26/2/83

THE drought in many of South Africa's vegetable producing areas has affected prices, which are starting to bite into the pockets of consumers nationwide and worse is probably on the way.

Buyers for supermarket chains in Cape Town say the situation is certain to get much worse before it improves and some expect many prices to be double last year's

In their efforts to offer customers a higher quality standard of fruit and vegetables, one major supermarket chain is using refrigerated trucks to bring produce from as far as the Transvaal and Western Cape to Port Elizabeth

Farmers in the Transvaal are no longer planting potatoes because of the drought, so the current price of about R7 for a 15-kilogram pocket is already double the lowest prices last year

The price could approach R9 a pocket when the second crop from the Ceres area, which will have to supply the Transvaal and Natal as well as the Cape, comes on the market in April

A spokesman for the municipal market in Port Elizabeth said the Port Elizabeth public was feeling the delayed reaction of the drought and prices would surely worsen even if there were substantial rainfalls. Almost all the prices of fresh produce were up on last year

The supply of fruit is fair at the moment, but quality has suffered as a result of the dry weather

Potatoes are in very short supply, as are lettuces and most greens. Customers have been charged as much as 90c a lettuce in cafes in the city and this week's prices at the market soared as high as R7 a carton

The spokesman said R1,50 to R2 a carton was a fair price for lettuces. Cartons usually contain between eight and 16 lettuces

Although most of Port Elizabeth's lettuces are produced in the Gamtoos Valley area, this year's hot weather affected the crops. Even the irrigation systems in the Gamtoos area could not improve the quality of the lettuces. Because they are grown above the soil's surface, scorching temperatures had damaged their quality

The spokesman said the supply of greens at this time of the year was usually fairly good, but this year was exceptionally bad

"Even if we get rain soon, it will still take another three months before we see the results," he said

Beer price hike takes retailers

W. Post 26/2/83

by surprise

By SIMON BLOCH
HOTELIERS and bottle store owners in Port Elizabeth have been "caught with their pants down" by the announcement that beer prices will be increased from Monday.

Retailers have complained that the first they knew about the price increase was when it was announced on the television news last night.

The wholesale price of beer is to go up by 6.8%, but most retailers are still in the dark as to the details of the new price structure.

A statement issued by South African Breweries in Johannesburg said the increase was due to a 14% rise in the cost of imported and local barley, malt, hops and packaging over the last year.

The SAB marketing manager, Mr Peter Savory, could not comment on the fact that retailers were informed of the increase only yesterday.

SAB said returnable quarts and pints would go up by only about half the amount on other packs.

The last price increase was in March last year, when wholesale prices went up by 7.4%.

At liquor outlets around the city today, consumers were pushing trolleys laden with their favourite brands in a last-minute bid to beat the increase which comes into effect from Monday.

And at the city's more popular pubs regulars were making the most of the old prices.

While there is expected to be initial consumer resistance, most beer drinkers and pub owners reckoned "once a beer drinker, always a beer drinker," although one client swore he would switch to cheap wine.

The chairman of the liquor affairs committee of the local Liquor Vicualers' Association, Mr Fred Godwin, said he had not received the new price list from SA Breweries, who hold the monopoly of beer manufacturing and wholesaling in South Africa.

Mr Godwin said he imagined that alcohol retailers in Port Elizabeth had been "caught flat" by the announcement of the increase.

Asked if the last minute announcement by the breweries was unfair on consumers and retailers, Mr Godwin said he thought everyone would have liked advance warning so they could stock up.

But I doubt if the breweries would have given premature warning because it would have allowed retailers to stock up with thousands of cases.

He said the Liquor Vicualers' Association would hold a meeting on Monday when the prices would be made known.

Mr Jannie de Ridder of Port Elizabeth said the increase was inflationary.

"I really think it's unfair to the beer drinker. Beer is a working man's drink."

Increases in bars at hotels in the city are expected to vary from 4c to

10c.
Mr S Stonimsky, manager of the Summerstrand Hotel, said he thought the increase was ridiculous.

"The consumer always has to suffer, no matter where the increase comes from. Everything is escalating."

He said his increase would not be as great as the new price in some hotels.

"Beers are currently 66c in my hotel, and I'll probably increase to a round figure of 70c."

Mr Butch Richardson of the Victoria Hotel said he did not have sufficient stocks to hold down prices for long, but he would maintain present prices while stocks lasted.

He said it was ridiculous that prices have jumped 20c in only two years.

"It's cheaper to drink imported whisky," Mr Richardson said.

Dr Ernst Uken, director-general of the Federated Hotel Association of South Africa, said in Pretoria yesterday the increase in the wholesale price was unlikely to affect the consumer to any great extent.

He was pleased the increase was well within the inflation rate, particularly when other costs were taken into account.

He said the increase would not affect the consumer much as it was a relatively minor one.

Fedhasas 11 associate members would have to meet, probably within the next few days, to discuss how they were affected by the price hike.



Wholesale beer prices go up by 6.8% on Monday, and the prices consumers will pay are expected to rise by even more. Here Mr ROBERT CRAIG of Central signs a cheque to pay for his stock of beer while cashier Mrs MARIE VAN GREUNEN looks on. The beers cost him R10.36 a dozen — a price customers will never pay again.

ARGUS 25/2/83
**Beer price
up by 6.8
percent**

Argus Correspondent

PRETORIA — South African Breweries has announced an increase of 6.8 percent in the wholesale prices of its beers

This represents 3c on a quart and 1½c on a pint of beer. The increases become effective from Monday

A statement released today said SAB does not influence prices in bars and bottlestores and therefore can not say when or by how much prices to the public may increase

PUBLIC PRICES

"Public prices are set by the retail liquor industry according to its needs

A significant factor taken into account by South African Breweries in balancing the increase is that those packs bought mainly by the lower income groups — returnable quarts and pints — go up by only half the amount of other packs

"Furthermore SAB has kept its increases at 6.8 percent, well below the inflation rate and has done so now for the past six years"

D. Dimpfel 20/2/83 (244)

EAST LONDON — The price of some brands of yellow margarine had dropped by more than 30 per cent over the past month, a spokesman for a major supermarket chain said from Port Elizabeth yesterday

A typical 500 g pack of yellow margarine that sold for around R1.09 a month ago was now selling for between 69 and 79 cents, the spokesman Mr T Carroll, said

The price of yellow margarine sold in tubs had also dropped substantially he said

In East London spokesmen for three major supermarkets re-

ported that they had been steadily lowering their yellow margarine prices during the past several weeks

Most brands of yellow margarine at one supermarket here were sell-

ing at between 69 and 79 cents for a 500 g pack yesterday

The price of a 500 g tub varied from 89 to 94 cents

A report from the

South African Pres. Association said that margarine manufacturers were engaged in a cut-throat war to improve their shares of the market

Retailers according to the report, said the drop in prices was a result of a Durban-based manufacturer — Tongaat O and Food products entering the margarine market for the first time at the end of last year. DDR

Marge price falls in price war

EAST LONDON — The price of beer will go up on Monday, the South African Breweries announced yesterday

In a statement, SAB said the wholesale price of beer would be increased by 6,8 per cent because of a 14 per cent increase in the cost of imported and local barley malt, hops and packaging during the past year

However the price for returnable quarts and pints will rise by only half the amount on other packs

The marketing manager of SAB, Mr Peter Savory, said the last increase of 7,4 per cent, was in March last year and inflation had been rising all the while. He said the company had managed to contain the increase to less than the current inflation rate

He could not comment on the fact that retailers had been told of the increase only yesterday morning, even though the increase would become effective on Monday

The probable effect on retail prices in the East London area would be an increase of about six

Beer will cost more next week

per cent on returnable 375 ml and 750 ml bottles and an increase of about 10 per cent on all beer sold in non-returnable containers, an official of the Licensed Victuallers' Association said

Mr Dave Johnstone, chairman of the association's pricing committee, said the increase had been expected after the general liquor price increase of last month

Meanwhile, the sugar price increase of 7½ per cent has been met with concern because of the number of other commodities that will be affected

The Housewives League asked manufacturers to reduce the amount of sugar used in commodities to off-set the price increases

It said it welcomed the

margarine price war because it seemed to be the only means of bringing prices down

The director of the Consumer Council Mr Jan Cronje, said he was grateful the increase in sugar prices had not exceeded the inflation rate of 14,4 per cent — DDR DDC

PE heart op patients well

PORT ELIZABETH — The Provincial Hospital's first two open-heart operation patients are both doing "very well"

The medical superintendent of the hospital Dr Leon Cilliers said yesterday that Mbuzeli Rawana, 16, and Mrs Blossom Kangwana would probably be moved from intensive care at the weekend — SAPA

Lure TEL

EAST LONDON — A power failure hit large parts of the Cape Province early this morning, an Escom spokesman told SAPA in a statement

Most of East London was in darkness and only sections of the city served by the power station on the West Bank had electricity

Escom officials were investigating the Escom information officer in the Western Cape, Mr A van Heerden, said

He added "Sabotage is not suspected" The power failure came into effect at 12 20 pm

Another Escom spokesman said the whole of the Western and Eastern Cape, including East London, Port Elizabeth, King William's Town and Cape Town was affected

The fault had occurred on the main power line from the Transvaal, probably at a major sub-station

Night life in East London was badly affected as dance bands and other entertainment had to pack up and leave early

● Power was restored in

Exiled king transferred

ROME — Italy's exiled former King Umberto was transferred from a London clinic to a hospital in Geneva yesterday, informed sources said

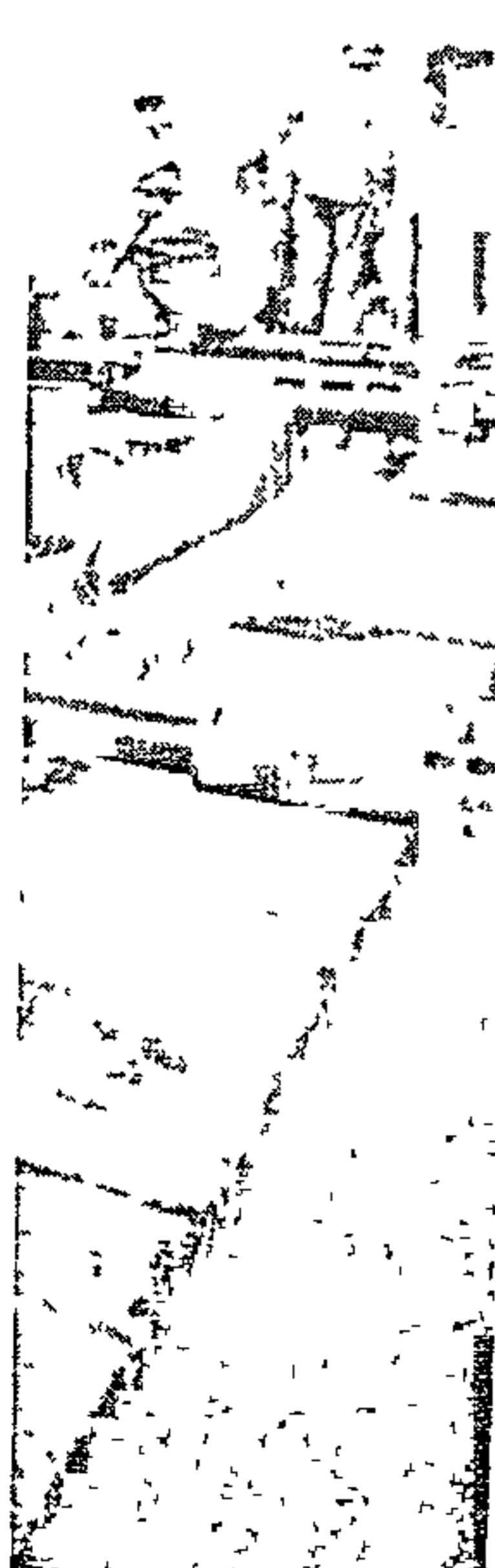
The move came as a

debate raged here whether Umberto, who newspaper reports have said is suffering from bone cancer should be allowed to return to his homeland before he dies — SAPA-RNS

INSIDE

Stocks	7
Business, shares	2
TV, entertainment	5
Weather fine	8
Radio, aircraft	8

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SHOW MAIL
JEREMY ON ROAD AGAIN
● See Page 6

Unions may block MAAWU bid
● Page 4
NEWS

Beer prices are to rise from Monday

26/2/83
244
RDM

Mall Reporter
THE price of beer will go up on Monday, South African Breweries announced yesterday.
SAB said in a statement the wholesale price of beer will be increased by 6.8% because of a 14% increase in the cost of imported and local barley, malt, hops and packaging during the past year.
However, the price for returnable quarts and pints will rise by only half the amount on other packs.
The marketing manager for SAB, Mr Peter Savory, said the last increase, of 7.4%, was in March last year and inflation had been rising all the time.
The chairman of the Hotel Liquor and Catering Association of the Transvaal, Mr M Matusohn, said he expected the retail price to go up on Tuesday.
"Beer is a bulky commodity and retailers tend not to keep massive stocks. Deliveries are made mostly on a weekly basis and because beer sells quickly, the increase will hit the consumer's pocket very quickly."
The general manager of Benny Goldberg's Liquor Supermarket, Mr J McDermott, said the increase had come with no warning at all,

giving the supermarket no time to place orders before the increase became effective.
He said they received deliveries daily and although they would hold stocks at the old price for as long as possible, this would only be for a few days. He said beer would be sold at the old prices today.
The director of Rebel Discount Liquors, Mr T Pearman, said there was no time to give the consumer a "period of grace" before implementing the increase.
He said beer sales were very high at the moment and he expected a huge demand for beer today.
Meanwhile, the sugar price increase of 7 1/2% has been met with concern by retailers because of the number of other commodities that will be affected.
A spokesman for OK Bazaars food division said "We are most unhappy about the sugar increase. We're hitting the consumer where it hurts most."
The Housewives League has asked manufacturers to reduce the amount of sugar used in commodities to offset the price increases.
The director of the Consumer Council, Mr Jan Cronje, said he was grateful the increase of sugar prices did not exceed the inflation rate of 14.4%.

Baby orphaned in shoot-out

BATTERSBY
Political Correspondent

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Meat Board does it again — now pork prices set to soar

244
~~Meat~~
~~Restrict Pork~~
27/2/83

By ANGELA GILCHRIST

MANY of South Africa's pig farmers are up in arms over a new permit system to be introduced by the Meat Board — and have warned that prices of pork will rise substantially within the next few weeks

They also warn that the new permit quota will lead to increased production costs which in turn will set off a growing shortage of pork products in most major centres

Farmers also believe that the new permits, which come into operation on Thursday, will force many of them out of the industry and off their farms

The controversial move by the

Meat Board — which could disrupt other sectors of the meat industry as well — comes just four months after the board bungled its R6-million subsidy when it withdrew it before it could get off the ground

But now pig farmers will need permits to market their pigs, though many are either not aware of this, or have not yet received their permits from the Meat Board in Pretoria

The board remains adamant the new system is needed to curb a surplus of pigs and restore stability

to the industry

Board public relations officer Mr Koos Blignaut confirmed that pigs could not be marketed without permits after Thursday. He said producers were informed "months ago" that the onus was on them to register and apply for permits

"Farmers who have not received their permits should contact the Meat Board and establish whether they will be able to sell their usual quota next week. Permits will be backdated accordingly"

Mr Blignaut said the Meat Board had to know in advance what it could expect from the market, and indications were that it was mov-

ing into an 'over-supply situation'

Mr Blignaut said that last year the board encouraged farmers to expand, "but no-one told them to go overboard, regardless of the consequences"

But the pig farmers don't agree. One said yesterday "Until we have a free enterprise system in this country, farming is doomed. Last year a Meat Board deputation came to my farm and encouraged me to expand my operation. I'm glad I didn't"

The farmer — who refused to be named for fear of victimisation — said "Permit quotas have been based on last year's production figures, and farmers will have to pay a levy on each pig they try to sell over quota. We stand to lose thousands of rands

"The permits will become black market commodities"

He said he had not received his permits from the Meat Board and had no idea how many pigs to take to the abattoir on Tuesday

"In the end the consumer is going to pay dearly. Producers will be forced out of the industry and this, coupled with this year's drought, will cause drastic shortages"

Another pig farmer, Mr Richard Drummond, said he had not received the permits he had applied for

"Restrictions on production will force many of us out of the industry," he said

"I don't know how the board can claim to have a surplus. South Africa hasn't entered the export market for pig meat."

Pig farmer Mr Arthur Webber said anybody who increased his production since last year would be in "big trouble"

And Mr Ivan Peterson said "The outlook for farmers is bleak

"If there is an over-supply, it means that pork products are insufficiently advertised," he said

Inflation: 'Mollycoddled' farmers in firing line

UNNECESSARILY HIGH FOOD PRICES TAKE MAIN BLAME FOR UPTURN IN CPI

By John Spira

INFLATION, which accelerated to 14,4% for the 12 months to the end of January, could be significantly reduced if the South African policy of mollycoddling the inefficient farmer were abolished.

This is an amalgam of the views of several produce traders canvassed by Business Times this week, following the release of the latest consumer price index (CPI) figures, which showed that a whopping 1,9% rise in food prices in January was primarily responsible for the overall upturn in the CPI.

One of the traders interviewed pointed out that the artificially high

prices of farm land in South Africa is a telling symptom of food prices, which are considerably higher than they need be.

He says that under normal climatic conditions a good maize yield in this country is five tons a hectare. Such land has a value of around R1 000 a hectare.

In Argentina and Australia, by contrast, a similar piece of land with a similar yield has a value of R500 a hectare.

The wide divergence in values is all the more remarkable when it is appreciated that much of the farming land in Argentina produces high yields without the need to add fertilizer to the soil.

Another trader whose views were sought drew attention to the impact

of the interest factor on land, which is twice as expensive as it should be.

If one applies an interest rate of 15% to the difference in the cost of farming land as between South Africa and Argentina, then local farming land costs an extra R75 a hectare a year.

This is equivalent to a R15 difference in the cost per ton of the land's produce — an important factor in light of the fact that the local cost of maize production of around R300 a hectare is already high by world standards.

Moreover, the farmers of few countries elsewhere enjoy the same tax privileges as they do in South Africa.

In spite of these privileges, food production costs here are a good deal

higher than in other advanced countries.

The high average cost of South African maize production is especially disadvantageous when it comes to the export market.

This is because transport costs South Africa (where the produce has to be transported long distances to the coast) are higher than in other countries (where the farming areas are generally situated close to port facilities).

A third trader called for the abolition of the use of the inefficient farmer as the base for determining subsidies.

"Until this system is scrapped," said, "food prices will continue to hamper efforts to reduce inflation in the CPI."

Another ^{Har} rail tariff ^{2/3/83} increase on ²⁴⁴ the cards

Political Staff

CAPE TOWN — Another rise in railway tariffs can be expected before the end of the year, Mr Hendrik Schoeman said today after introducing a bland and gloomy South African Transport Services budget in Parliament

Working on a negative growth rate of minus two percent and an inflation rate of 12 percent for the country as a whole, Mr Schoeman has budgeted for a deficit of R634,2 million

In the budget, totalling almost R8 700 million, there are no pay increases for railway workers

Mr Schoeman devoted most of his speech to the enormous losses of revenue suffered by the Railways last year as a result of the recession

But despite the situation he felt that further tariff increases could be warded off until October. The last increase was 15 percent in January

Mr Schoeman said that although there were signs of economic recovery by South Africa's major trading partners, demand for South African exports could not be expected to improve over the next year

He added that the severe drought would also negatively affect the position

2
5
3

	University of Pretoria			
	(a) White	(b) Coloured	(c) Asian	(d) Black
1973	13 752	—	—	—
1974	14 313	—	—	—
1975	15 389	—	—	—
1976	15 368	—	—	—
1977	16 192	—	—	—
1978	16 726	—	—	—
1979	16 584	—	—	—
1980	16 658	2	—	—
1981	16 510	2	—	—
1982	16 378	2	—	—

	University of Natal			
	(a) White	(b) Coloured	(c) Asian	(d) Black
1973	6 828	86	384	244
1974	7 197	91	356	256
1975	7 186	80	351	254
1976	7 216	83	359	304
1977	7 501	107	409	338
1978	7 490	131	521	334
1979	7 346	156	623	356
1980	7 286	179	646	374
1981	7 425	180	835	408
1982	7 370	190	1 012	467

	University of the OFS			
	(a) White	(b) Coloured	(c) Asian	(d) Black
1973	5 841	—	—	—
1974	6 685	—	—	—
1975	7 073	—	—	—
1976	7 189	—	—	—
1977	7 830	—	—	—
1978	8 195	1	—	3
1979	8 312	1	—	7
1980	8 324	2	—	6
1981	8 240	3	—	16
1982	8 074	5	—	16

	Rhodes University			
	(a) White	(b) Coloured	(c) Asian	(d) Black
1973	2 163	—	40	—
1974	2 299	—	43	—
1975	2 325	—	45	—
1976	2 425	—	55	—
1977	2 568	—	86	—
1978	2 671	26	64	15
1979	2 649	40	89	31
1980	2 728	59	84	43
1981	2 766	61	80	75
1982	2 879	78	109	135

	Potchefstroom University for CHE			
	(a) White	(b) Coloured	(c) Asian	(d) Black
1973	5 892	—	—	—
1974	6 421	—	—	—
1975	6 611	—	—	—
1976	6 474	—	—	—
1977	6 560	—	—	—
1978	6 639	2	—	6
1979	6 521	1	—	10
1980	6 688	3	—	5
1981	6 770	3	—	6
1982	6 874	2	3	20

	University of Port Elizabeth			
	(a) White	(b) Coloured	(c) Asian	(d) Black
1973	1 735	—	—	—
1974	1 980	—	—	—
1975	2 179	—	—	—
1976	2 418	—	—	—
1977	2 700	—	—	—
1978	2 897	2	—	4
1979	2 919	16	—	23
1980	2 952	38	—	28
1981	2 882	88	—	54
1982	2 800	146	17	91

	Rand Afrikaans University			
	(a) White	(b) Coloured	(c) Asian	(d) Black
1973	1 897	—	—	—
1974	2 143	—	—	—
1975	2 493	—	—	—
1976	2 945	—	—	—
1977	3 251	—	—	—
1978	3 787	2	—	1
1979	4 220	2	—	3
1980	4 797	2	—	3
1981	5 150	10	—	8
1982	5 401	17	3	7

WEDNESDAY, 9 MARCH 1983

†Indicates translated version

For oral reply

Handwritten signature Q Col.

Shipping registers

565-566

* Mr D J N MALCOMESS asked the Minister of Transport Affairs

Whether it is the practice of port authorities to check shipping registers with regard to the ships which dock or moor at any South African port?
 †The MINISTER OF TRANSPORT AFFAIRS

(e) All students enrolled at universities are included under (a)---(d)

Yes
 †Mr D J N MALCOMESS asked the Minister of Mineral and Energy Affairs
Handwritten signature Q Col. 566-567

567

WEDNESDAY,

Whether the recently announced decreases in the price of fuels will affect the price of household gas, if not, why not, if so, to what extent?

THE MINISTER OF MINERAL AND ENERGY AFFAIRS

No The price increase for household gas to which the oil companies were entitled has totally depleted the financing source from which the price increase had to be cushioned and consequently, a price reduction could not be effected. The Government is aware that certain sectors of the community employ household gas as an illuminating and 'eating fuel. In respect of domestic consumption the Equalization Fund levy on household gas is already the lowest of all petroleum products which contribute to this Fund. For a considerable time household gas is not dutiable, which constitutes a further advantage for the consumer.

THE PRESS (244) FM 11 3 83
RDM will not close

The *Rand Daily Mail* is not about to close. Saan MD Clive Kinsley says closure is not one of the options being considered to solve the paper's problems.

And, in a morale-raising meeting with RDM staff, he said that management was committed to maintaining a morning opposition newspaper.

Options, of course, can change. But for

the moment Saan is committed both to saving the RDM and to limit, and eventually end, its escalating losses.

How this will be done remains to be seen but Kinsley says a number of alternatives have been considered.

It seems that Saan has hopes for at least one of them. Kinsley says a major research project, which it is hoped will provide positive guidelines for the future of the paper, is about to be launched.

He declines to say what the project involves. It would be reasonable to assume, however, that it is into the feasibility of one of the alternatives being considered.

Perhaps even the much-discussed idea of turning the RDM into a national financial daily.

Understandably Kinsley refused to debate developments publicly, "involving, as they do, basic principles of competitive strategy and marketing." His position is understandable. But it is unlikely to dampen speculation or ease the fears of RDM staff.

One thing is clear. Some sort of rationalisation at the RDM is bound to follow the reorganisation of the Afrikaans daily market in the Pretoria/Witwatersrand area.

Then, perhaps, it will be the turn of that other loss-maker, *The Citizen*.

It seems the long-predicted shake-up of the overtraded daily newspaper market is well underway.

Political reasons have, of course, helped keep some SA papers alive. In some, losses could reach the point where they outweigh politics.

R10 000-m

SHOCKER!

Out-of-line pay and price hikes cost SA 'hidden' billions in growth



HOW UNEQUAL PRICE AND PAY RISES HAVE COST A FORTUNE IN GROWTH

By Stephen Orpen

AT least R10 000-million in growth potential has been lost to South Africa in the past 10 years

This is equivalent to more than 12% of the country's current annual gross domestic product (GDP) at factor cost

The lost billions are the result of prices rising faster overall than real wages and salaries and productivity — if one measures price inflation by the so-called GDP Deflator

It is also the result of the unequal way in which inflation impinges on the rich, the poor and on various business sectors, all with a different propensity to add to the national wealth and to national growth

There are two common yardsticks of inflation the well-known Consumer Price Index (CPI) and the GDP Deflator

Thus, between 1970 and 1981, there was a 12,5% average annual jump in the Deflator compared with an 11,1% yearly rise in the CPI

Even using the "kinder" Consumer Price Index, nominal salaries and wages, which grew at an annual average rate of more than 13% in 1973-82, reflected a paltry real increase (that is, after allowing for CPI inflation) of only 1,8% a year

By contrast, the average increase in the "general price level" was a whopping 12,6% a year

Moreover, signs are that

the discrepancy has got worse rather than better in the recent months of severe economic recession

Pay packets have been frozen or increased very little, whereas prices have continued to steam strongly ahead, albeit at a rate some claim is gradually slowing

As a result of the skewed pay and price rates of increase in 1973-82, wage and salary earners have collectively been able to buy propor-

tionately less each year than in 1972 — if one applies the Deflator to their earnings so as to arrive at the real purchasing power of their money

In 1973-82, preliminary calculations show that this has cost the country R10 000-million in lost sales

Again using rough yardsticks, this has acted like a loss of steam in a locomotive — substantially slowing up the economic train behind

A special Reserve Bank study shows that in 1973 the remuneration of all employees in SA was R10 116-million at current prices, compared with a Business Times estimate of about R34 000-million (240% up) for 1983

In the same period prices of the goods and services bought by all income earners has remained about one-to-one, suggesting that, as employees were gradually able to buy less and less with their

earnings, income from other sources like investment enabled those who received investment income to make up the shortfall, but not to improve the ratio

The value of goods and services bought by employees at current prices seems to have risen from around R10 000-million in 1973 to much more than R34 000-million for the same or equivalent shopping basket today

The country's gross GDP has meanwhile moved from R19 274-million (at current prices) in 1973 to more than R65 000-million estimated for 1983

However, it could have been much higher by the end of the period if employees had kept pay and productivity increases ahead of the erosion of the GDP Deflator

First to uncover the matter in detail and publicly (although it was always there for those who knew where and why to look in official statistics) was the chief economist of Barclays National Bank, Dr Johan Cloete, well known for his unpopular lobby for a price-and-incomes policy

In Barclays' latest Business Brief, Dr Cloete notes "The uneven pace at which wage and price inflation proceeds has resulted in deficient aggregate demand, which has kept economic

To Page 3

By
**AUDREY
D'ANGELO**

Readers complain over price mark-ups

ONE of the most frequent complaints I get from readers is of supermarkets "marking up" the prices of goods on their shelves

As I have mentioned before, there is no law against raising the price of goods already on the shelves

But all four of the main supermarket chains make a point of stating that it is their policy to hold prices down until all existing stocks have been sold

So customers tend to be disillusioned when they come across assistants marking up goods, or (as more often happens) see them being taken off the shelves to be brought back soon afterwards with a higher price

It's strange that supermarkets, who are so conscious of the value of customer goodwill, so often make this mistake

(3)
External

MUST enter in of each question in which it has columns (2) and

Bid to block cheap meat

ARGUS 15/3/83 *244*

BUTCHERS are trying to stop a plan to let the public benefit from the meat surplus by buying it directly from the Meat Board at the floor price - the minimum at which carcasses can be sold at abattoir auctions

The South African Federation of Meat Traders is believed to have asked the Minister of Agriculture, Mr J J G Wentzel, not to allow it

The butchers' reaction is of course, understandable because they will lose business if the plan goes ahead

But it will give us all a wonderful opportunity to buy meat in bulk at the cheapest prices for years, without any middleman's or retailer's profit

Sabotage

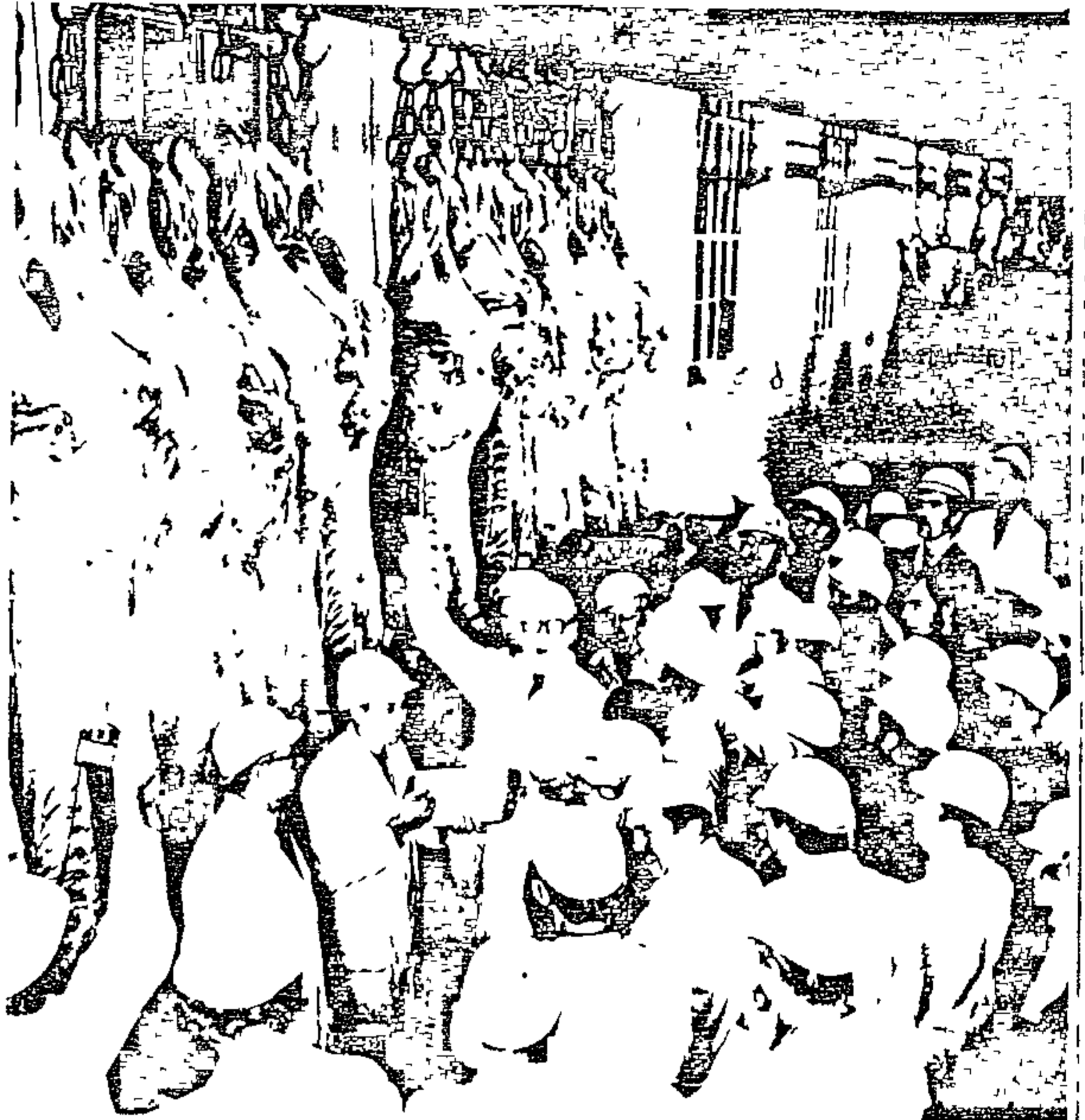
The general manager of the Meat Board, Dr Pieter Coetzee said he did not think the butchers would succeed in sabotaging his plan to clear the enormous surplus of 80 000 carcasses in the board's cold stores because they had no alternative suggestion

"I asked them for ideas and they failed to come up with anything," he said

The surplus, which in the Western Cape is mostly of lower grade carcasses, but includes super and prime, has built up because of the drought. This has forced farmers to send animals for slaughter at a time when shortage of money is keeping demand for meat low

The Meat Board is trying to sell the surplus and to help the consumer and it was defeated in the past by market forces which stopped its subsidy scheme from working properly

When it subsidised



meat sold through the normal channels the rise in demand forced the price up at the abattoir auctions so that the only people to benefit in the end were the wholesalers

This cannot happen, of course, with direct selling where a rise in demand will not alter the fixed price

Meat from the board's cold stores is usually sold for manufacturing purposes and I have been told in the

past that South African housewives will not buy frozen meat

It will be interesting to see if this is true, if the board is allowed to go ahead with the scheme. Housewives in Britain have happily bought frozen imported meat for years

Another interesting development is that the Meat Board is considering an auction system for offal, which at the moment is sold at fixed prices, so that it will be

cheaper when supplies are plentiful

Staff at the board's regional headquarters in Goodwood said no preparations had been made yet for selling meat to the public. They are waiting for instructions

But at the Durban headquarters, where staff "jumped the gun" through a misunderstanding, and sold meat directly for a short time, whole sheep were sold and it was intended to sell beef in quarters

UNIVERSITY OF CAPE TOWN
EXAMINATION ANSWER BOOK



SECTION 14

Price of ^{C. Tyres} tyres goes up by 4 1/2 percent

JOHANNESBURG — The price of tyres, tubes and associated products goes up by 4 1/2 percent on March 26

This was announced yesterday by the director of the South African Tyre Manufacturers' Conference, Mr Michael Waterson

In spite of this increase, the tyre industry would still be absorbing 37 1/2 percent of all raw material and service cost increases experienced since July 1982, Mr Waterson said

● The 4 1/2 percent increase announced by South African tyre manufacturers was "unavoidable but extremely reasonable", the chairman of the National Tyre Dealers' and Retreaders' Association, Mr Alex Hawes, said in a press release yesterday

Mr Hawes said escalating manufacturing costs and the drop in sales as a result of the recession had exerted tremendous cost pressures on manufacturers — and the plants were to be commended for passing on only a fraction of the costs to the consumer

Because the move would result in an increase in the cost of their raw materials, South African retreaders would also have to raise the price of retreads, "but this increase will also be minimal", Mr Hawes said — Sapa

ELECTRICITY tariffs in Cape Town will probably be increased by about six percent on July 1.

The expected increase follows an eight percent rise at the beginning of the year

The City Electrical Engineer, Mr D C Palser, recommended the six percent increase for the next financial year to meet "anticipated inflationary cost increases" and to enable the customary 10 percent contribution to be made to the rate fund

In a memorandum to the Utilities and Works Committee, Mr Palser said a "welcome improvement" of R5,5-million in the electricity stabilisation fund made it possible to limit the increase to six percent

Improvement

He ascribed the improvement in the fund to a slight increase in income, lower Escom prices, coal costs and capital charges and the scrapping of additional staff posts

If the City Council approves the increase, income from the sale of electricity will rise to about R186,4-million in the 1983/1984 financial year

Mr Palser also recommended that further concessions be made to consumers who pay their accounts after the due date

Limit increase

Now, the 10 percent levy for late payment is not applied to monthly accounts of R40 or less Mr Palser recommended that the limit be increased to R50

The council will have to get permission from the Electricity Control Board to increase tariffs outside the municipal area

Mr Palser said if permission for the increases could not be obtained before July 1, the new tariffs for the entire area would come into effect only the day after the council received permission from the board

Cost dropped

In a separate memorandum to the City Administrator, Mr Palser said the cost of electricity had, in real terms, dropped steadily since 1977

Comparing graphs of the Consumer Price Index, Escom tariffs and the council's electricity tariffs, Mr Palser said "Relative to costs generally, there has been no real increase in the cost of electricity over the past 30 years, despite frequent protestations to the contrary"

Another power price hike

AKSUS 18/3/83 (244)

Cabinet pledge put to the test

Pretoria Bureau

THE Cabinet's commitment to an all-out fight against inflation will be put to the acid test during the next few weeks

It will have to decide on the prices of dairy products and maize — foods which are basic to the diets of virtually the entire population, particularly the black population

The Dairy Board met last week to study the recommendations for higher butter, cheese and fresh milk prices from the South African Agricultural Union's dairy committee

And next week the Maize Board will meet to review yesterday's recommendation by the National Maize Producers' Organisation (Nampo) that the internal selling price of maize for the present season be increased by 25% to R195,16 a ton

Nampo's recommendation has taken into account this year's negligible crop of 4 600 000 tons — less than half what is needed to meet local demand — and that many farmers are crippled financially by debts accumulated after two consecutive seasons of drought

So far this year government-authorized price rises have been in excess of the inflation rate, currently 14,2%

Railway and post office tariffs were raised by 15%, Escom power charges by 14,6%, and only the sugar price increase was "reasonable" at 7½%

Yesterday a 4,5% increase in new tyre prices was announced

Mr Alex Hawes, chairman of the National Tyre Dealers and Retreaders Association, said the recession had exerted tremendous cost pressures on manufacturers — and the plants were to be commended for passing on only a fraction of the costs to the consumer.

ECONOMICS

PRICES RISE FASTER THAN DOUGH

BREAD PRICES AND SUBSIDIES

Another bread price increase was introduced as from October 1st, 1982. The resulting 33c for brown bread and 40c for white bread is a far cry from the 9c paid for a loaf of bread ten years ago. Since April last year, the prices of brown and white bread have risen 119 per cent and 104 per cent respectively, a rate of increase of about six times faster than the inflation rate.

When the 1 per cent rise in general sales tax (GST) was introduced early last year, the cries for bigger subsidies for essential foods were ignored in favour of a R49 million cut in the bread subsidy. This in fact resulted in a direct increase in the bread prices.

'Farmers, millers and bakers need to offset the cost increases they have borne for some time' was the reason given for the increase in the price of bread by the general manager of the Wheat Board. Although wheat farmers stand to benefit from a subsidy (lower prices result in increased consumption), he stated that 'Most of the 26 000 wheat farmers would like to see the subsidy done away with entirely, since they get no direct benefit from it, and many believe it prejudices the government when it comes to granting them the annual wheat price increase' (Cape Times - 7/9/82 and 24/4/82).

Any increase in the price of bread has staggering repercussions on the welfare of the poor members of the community. As bread is the staple food of most South Africans and as many live below the bread line, the price hike will directly increase hunger and malnutrition.



BREAD AS A NUTRITIONAL INSTRUMENT

For decades the government has attempted to use bread as a nutritional instrument, by means of subsidization, standardization of bread make, and the introduction of enriched bread. The concept of a bread subsidy arose during the early years of World War II (to counteract price increases). The subsidy was initially paid to producers, millers and bakers, but from 1977 only bakers received it.

At the outbreak of the war (WW II) the shortage of wheat forced the Smuts government to introduce a compulsory standard loaf made from unsifted meal.

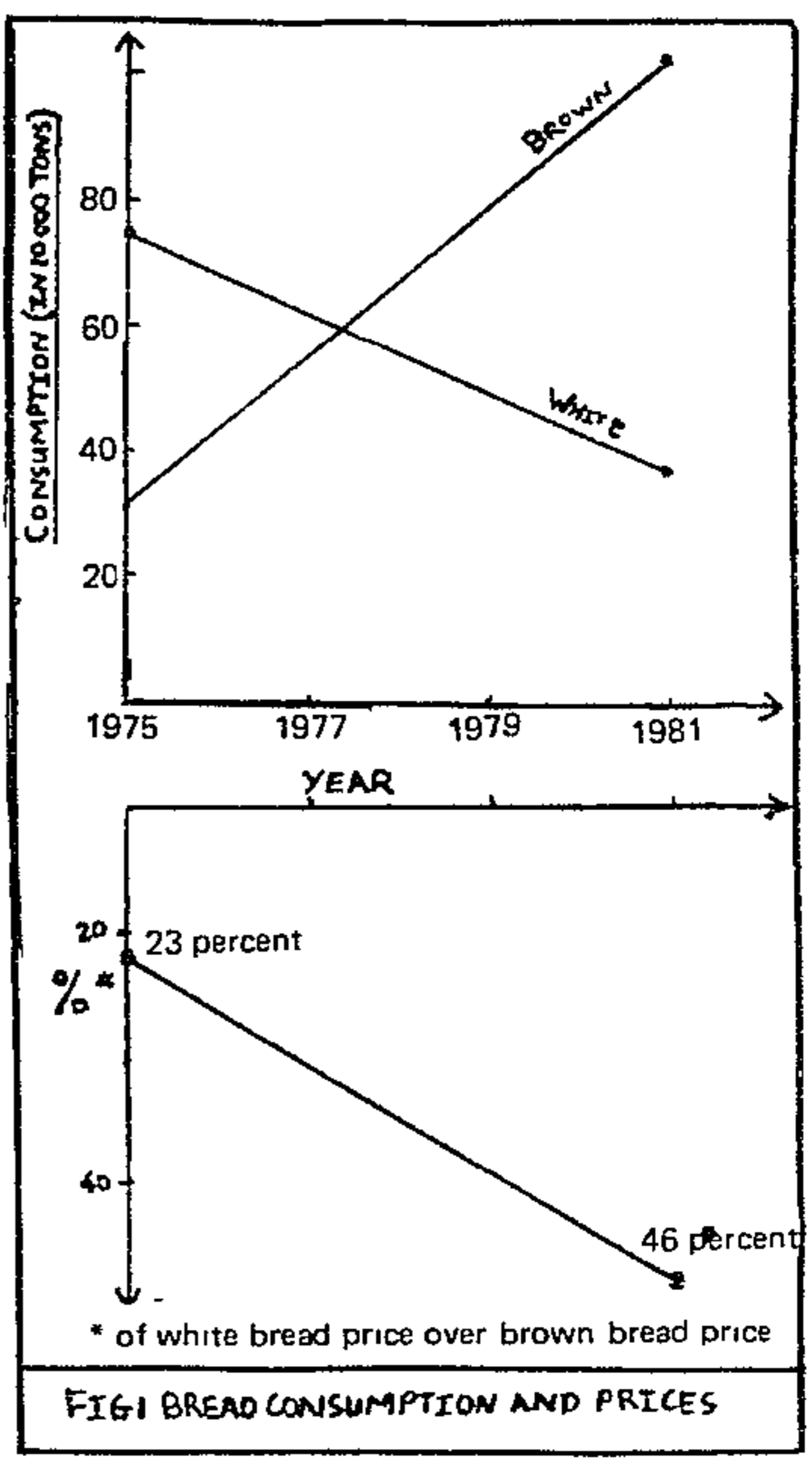
During the election campaign of 1948, the Nationalists promised that white bread would be made available again should they be voted to power. They were elected and duly fulfilled their promise. To reduce wheat imports and to encourage consumption of brown bread, a special subsidy was introduced.

Brown bread consumption subsequently rose from 8 per cent to 20 per cent of total bread consumption.

A specially subsidized enriched loaf was introduced in 1952 but although it was shown that poor consumers bought relatively more enriched bread the Wheat Board insisted that this programme was a failure. They argued that, 'brown bread is consumed almost exclusively by the well-to-do-classes', and suggested that the authorities should provide nutritional education rather than pay subsidies. The subsidy was abolished, and consumption of enriched bread decreased.

SOME FACTS

- * Figure 1 illustrates the point that prices have been a major factor (rather than the increasing awareness of nutritional content) in increasing the consumption of brown bread.
- * Taken as a whole, blacks consume more than half of all wheat products.
- * A survey conducted by the Bureau of Market Research in 1975 revealed that the ratio of consumption of brown bread to the consumption of white bread was virtually identical in black and white households.



* Another finding was that black households' consumption of bread as a proportion of total household consumption was increasing.

The above evidence not only disproves the conventional belief that whites eat more brown bread and therefore stand to gain more from differential subsidies, it also shows that intelligent government subsidization of wheat products could have a marked effect on the household economics of the poorest South Africans.

This is possibly the appropriate place to introduce a question that is seldom asked: Why is it that economists in South Africa spend so little time considering the practical aspects of bad distribution and pricing while they spend so much time ruminating over gold and stock prices and foreign investment? If they really had the country as a whole at heart, they would surely see that certain simple policies such as bread subsidies could have a marked effect on the nutritional status of a huge portion of South Africa's 'workforce' and thus productivity. This is simple economics (not just compassion).

by Ruth Katzmen

(POOR) WHITE MAGIC

Fifty years ago one fifth of all white South Africans were considered to be Poor Whites. Since most of these "armblankes" were Afrikaners, this means that about one third of all Afrikaners were economically destitute. Today it is Black poverty which makes the headlines, and White poverty has all but been forgotten. This is a pity, for although there are important differences between the two phenomena, there is still much to be learned from the similarities.

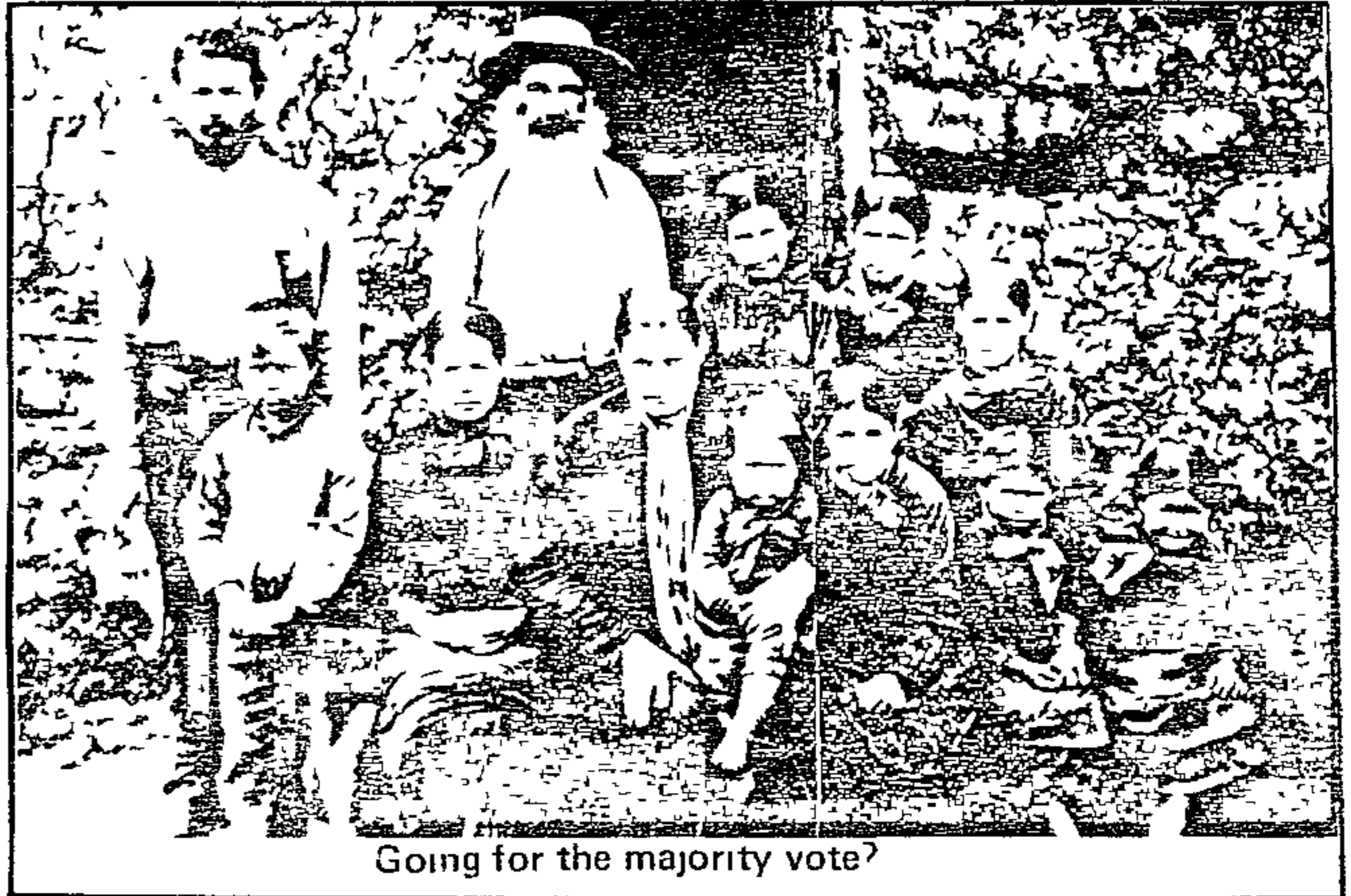
When one reads through the reports of the commissions that investigated White poverty, it is interesting to note the readiness with which many of the English witnesses blamed the Afrikaners, or their "genes", for their poverty. They "are lazy", "breed like flies" and "are only fit to be pioneers" (ie to fight and hunt), are some of the explanations which were given to the Transvaal Indigency Commission of 1908.

The Afrikaners, in their turn, sought the root of evil elsewhere. They blamed the capitalist system, and many of them believed it had to be destroyed if the Poor White problem was to be eliminated. At the Volkskongres of 1934 Dr D F Malan, a former minister of the Dutch Reformed Church and that stage a National Party M P claimed, for example, that

"... whether it comes about with or without war, through revolution or gradually, the capitalist system, which is based on self-interest and the claims of the strong, is in my opinion in any case doomed."



Smuts eyeballs a capitalist



Going for the majority vote?

History repeats herself. The explanations Whites give concerning Black poverty are often very similar to that which the more outspoken witnesses gave to the early indigency commissions.

As interesting is the fact that the solutions proposed today are very similar to those attempted when the Poor White problem was first given some attention. "Back to the land!" was the slogan then. "Back to the 'homeland'" is the cry today. There are important differences, though, which should not be ignored. For what would the Poor Whites have done if they had not had the vote?

"DUMB RABBITS" SAY RACIST DOGS

The mono-causal explanations so readily given by those who put the blame on the poor themselves, ignore the lessons history has taught us since the beginning of this century. Although one can understand the prejudices of the English magistrate who had little understanding for the Poor Whites, it reflects badly on the level of social scientific understanding that the same type of prejudices can be found in professional circles even today.

Obviously a high birthrate worsens the problem of a poor community. But the evidence is clear that it should be seen as a consequence rather than the cause of poverty.

As experience has taught us all over the world, birthrates only drop when socio-economic structures change. Thus in recent years the birthrate of those classified as Coloured has, in the urban areas,

shown a dramatic decrease, as did that of the Afrikaners once their economic situation had improved.

OKAY DNA?

The belief that a specific group of people are poor because they are genetically inferior is, I fear, very common, even today. Critics are simply more guarded in expressing their conviction openly. The scientific arguments against this type of explanation are quite conclusive.

* Firstly, as many multiple correlation studies in the USA and other countries have shown, there is a weak association between an individual's income and his measured IQ (Casual observation in one's own circle of acquaintances is likely to confirm this finding!)

* Secondly, the evidence supporting claims that the average IQ's of different groups do in fact differ, is of a very dubious nature. It is well-known that it is virtually impossible to design culturally neutral tests. Furthermore these tests will in any case not measure true potential if the studied group of subjects suffered from malnutrition during childhood development.

SOLUTION: REMOVAL?

As far as the solutions to poverty are concerned, the idea of resettling people in rural areas does not take into account the economic realities. In the case of the Poor Whites this "solution" failed miserably, as it is bound to do in the case of Blacks. Today about one third of all Blacks living in the "homelands" have

Capetown 19/3/83 (244)

What it costs to live!

BASIC living costs for a Westernised family of two adults and three young children have now reached R468,79 a month, according to the latest Human Sciences Research Council.

This applies to a family with children under the age of eight years

The monthly cost of living for a family of two adults and four children

whose ages range between nine and 16 years is R638,85

Although problems related to housing receive attention in the report, housing costs are not included in these estimates

APPLY

As a result of the Group Areas Act it was difficult for the council to calculate housing costs which would apply to all race groups

The fact that a high percentage of Indian, coloured and African people made use of economic and sub-economic housing schemes also complicated the issue

Basic living costs were thus calculated for food, clothing, personal expenses and general expenses

CONSIDERATION

"The committee took into consideration the human dignity of the individual when constructing the scales," the report states

The report is an updated version of a 1978 report on family costs in South Africa

Requested by the South African National Council for Child and Family Welfare and the Social Workers' Association of South Africa, this earlier report was compiled for different categories of whites

LIFESTYLE

However, the latest report could be applied to people of all races whose lifestyle could be described as Western

Of interest is the fact that food now costs the family of three younger children R234,40 a month and clothing R125,05

Food for the larger family of older children costs R339,26 and clothing R199,87 a month

To feed a baby from its first month to its second now costs R10,08 and from six to nine months R22,16

To clothe a baby during its first year cost R199,51

The report also deals with living costs for an elderly couple

It now costs the couple R232,10 a month for food, clothing and personal expenses. Housing costs are excluded

Six percent general sales tax has been added to these figures

Maize and dairy prices set to rise

By GERALD REILLY
Pretoria Bureau

CONSUMERS can brace themselves for big increases in the price of maize and dairy products next month, say Pretoria sources

After the worst drought in living memory the 1982/83 maize harvest will not reach 5-million tons — against a local demand for about 6 500 000 tons

The small crop, and the fact that thousands of farmers are in serious financial difficulties, will influence the extent of the price rise

The National Maize Producers' Organisation (Nampo) has asked the government for an increase of 25% — far less, Nampo claims, than is justified by the economics of maize growing

The increase for dairy producers would push the milk price to 61c/l in the PWV area, sources said

In the Port Elizabeth and East London areas the price has been increased by 7c/l — from 58c to 65c. There is no control on dairy products in the two areas

Economists said yesterday the poorer section of the population would again be hardest hit as they spent a greater percentage of their income on food than most whites, and a big proportion of the percentage went on maize meal and milk

The price rises will also boost

inflation

Food prices — mostly because of the severe drought — are expected to continue to rise during the winter months

In Durban, the Department of Agriculture has released a shock report predicting massive crop failures in Natal with a total write-off in some areas because of the drought, and gloomy prospects for winter, reports Sapa

At the same time farmers are experiencing crop damage from monkeys because of a lack of their natural food army worms have appeared in the Mkuze and Hluhluwe areas and sugar cane has been struck by Mosaic, particularly in the higher-lying areas

If no rain falls soon, citrus-packing sheds will close as crops are expected to be 66% lower than average while dairy farmers in particular have been hard hit

Grain yields in Vryheid, Ngotshe and Paulpietersburg are expected to be only 10% with most farmers turning their ruined crops into silage

The potato crop at Utrecht and Newcastle is expected to be only one-third of normal, while in southern Natal serious problems are being felt in vegetable production, particularly along the Ixopo River

Mount Currie farmers expect the maize crop to be a total write-off

In Dundee, the maize yield should be

slightly better than last year when it was also severely affected by drought while in Klipriver and Bergville maize yields are expected to vary between 10% and 50% of normal

The Tala Valley and Camperdown vegetable production areas of the midlands have been limited to 10 hours irrigation a week, so crops are suffering badly and yields will be cut to a quarter

Potato producers at Winterton have had severe crop damage from scorching Umvoti and Kranskop cabbage-producers have established only very small areas because of a lack of water

Midlands maize producers expect crop losses of up to 50% of the average

Winter pastures and crops have been planted but unless good rains fall soon these too will be drastically hit

The seed maize crop in the Umvoti and Kranskop areas is expected to be halved while in the coastal sub-region both the quantity and quality of vegetable production has been severely cut

The coastal sugar cane crop has also been hit, and the cotton crop has suffered badly

"The general situation in the southern sub-region is entirely dependent on immediate heavy rains. Unless these fall the entire area will have critical conditions with very bleak prospects for the coming winter," the Government report said

244
2/11/83
S. J. ...

Govt holds down maize price rise

Inflation rate drops to 13,6%

244
JNDH
23/4/83

By GERALD REILLY
Pretoria Bureau

SOUTH Africa's inflation rate dropped to 13,6% — a fall of 1,3% — for the year to the end of March, according to the Consumer Price Index released in Pretoria yesterday.

And a Volkskas economist, Mr Adam Jacobs, said it appeared the downward trend in the rate had begun

Hopefully, he said, the rate for the whole of 1983 would decline to between 12 and 13%

The 9,6% increase in the maize price announced yesterday seemed to indicate, too, that the Government was taking a tougher line on administered prices

But he warned that consumers should prepare for rises of the order of 15% in the price of maize products

Farmers had asked for an increase of 25% in the price of maize

The price was announced after a prolonged wrangle yesterday morning between the Minister of Agriculture Mr Greyling Wentzel, and the Maize Board

However the Minister, it is understood, refused to budge on the Government's decision, and told the board it would have to work on an increase of 9,6%

And at a Press conference the chairman of the board, Mr Crawford von Abo, claimed "the price the Minister has announced will mean a loss to producers of R1 000 million"

A National Maize Producers Organisation (Nampo) spokesman said the disaster which had struck the mealie industry after two years of drought would be greatly compounded by the small price increase

Thousands of farmers were in a critical financial position

"Already we have indications that some farmers are considering switching to other farming operations. A situation could arise where we will have to pay farmers a premium to persuade them to grow maize"

The Minister gave three reasons for rejecting a 25% increase

- It would have been an incentive for planting on marginal ground,
- The high price would have created problems if large quantities of maize had to be exported next year,
- Consumer resistance to too high a price
- Farmers would themselves be large users of maize this year because of the drought

The Minister said the Government had given the Maize Board the go-ahead to import maize to supplement the expected shortfall on the local market, and had agreed to finance any losses caused by importation

The director of the Consumer Council Mr Jan Cronje, said the increase was regrettable, and it would hit the lower-income groups hard

It was heartening however that the 9,6% increase was lower than the inflation rate

Maize he warned, was the staple diet of millions of South Africans, and a base for a large number of products. The increase would not be limited to maize meal, but would hit the consumer at different levels

The lower income groups would find it increasingly difficult to provide for daily needs

Consumers were under great financial pressure. This was shown by the 770 000 summonses issued for debt in 1982. It should be remembered, too, that few workers received wage adjustments this year

● Mealie export contracts with Taiwan worth many millions of rands have been cancelled because of South Africa's drought ravaged crop, it was revealed yesterday

After discussions between the Board of Foreign Trade in Taipei and a Maize Board mission headed by Mr von Abo, it was decided.

● That the 165 000 tons maize which should have been delivered by May 31 has been cancelled

● That the 600 000 tons maize due for delivery by the end of May next year also has been cancelled

Stand on prices is welcomed

CAPE TIMES 25/4/83
(244) (Zimbabwe Board)

Own Correspondent

JOHANNESBURG — The government's tough new stand on administered price rises has been welcomed by consumers and economists

In recent years consistently big increases in prices controlled by the government were a major cause of South Africa's high inflation rate, they say

The government has been told repeatedly by leading economists, the parliamentary opposition and the Prime Minister's Economic Advisory Council that an essential element in the fight against inflation was the curbing of administered price rises

And the government has at last been listening, economists say

Shocked

Earlier this year the sugar industry was shocked when its demand for a 15 percent increase was slashed to 7,5 percent.

At the time, the Minister of Industries and Commerce, Dr Dawie de Villiers, said that although he had sympathy

for the problems of the industry, it could not expect the consumer to solve its problem

Last week the Minister of Agriculture, Mr Greyling Wentzel, announced a 9,6 percent increase in the mealie price in the face of a demand from the National Maize Producers' Organization and the Maize Board for a 25-percent price increase

Pressure

Economists claim a farming lobby, particularly mealie-farmers, was probably the country's strongest pressure group, and the fact that the government had cut the 25 percent price increase demand to 9,6 percent confirmed its commitment to reducing the country's excessively-high inflation rate

And before the cabinet food committee now is a demand from the SA Agricultural Union and the Dairy Board for substantial increases in dairy product prices

The new prices are likely to be announced within the next two weeks

Another big test of the anti-inflation commitment will come later in the year when a decision has to be taken on the wheat price

But according to Pretoria sources, wheat farmers can expect the same shrift given to mealie farmers

The bread price is due for review at the end of October and if a big wheat price were granted, another substantial rise in bread prices would be unavoidable

Maize increase ³ under heavy fire



KWADI - Government is forcing people to starve

BLACK women leaders have reacted strongly to a 9,6 percent rise in the producer price of maize

They pointed accusing fingers to the Government for having agreed to the rise, which is likely to affect thousands of blacks whose staple food is mealie meal

The Minister of Agriculture, Mr Greyling Wentzel, last week refused to agree to an increase of 25 percent demanded by maize farmers but settled for the 9,6 percent increase, a decision that left many farmers unhappy

The killer drought that has gripped the country for the past two years was said to be the main factor that led to the demanded increase

But Miss Amanda

By **ALI MPHAKI**

Kwadi, a member of the Womens Federation of Southern Africa, said the Government was taking advantage of the drought in order to raise the price of maize. She said with 85 percent of the country's population depending solely on mealie meal for food, the Government was forcing people to die from starvation

"The Government instead of subsidising maize, is busy pouring millions of rands into defence. They have no reason to increase the price of maize when so many people are out of jobs and thousands are facing the prospect of retrenchment. The industrialists are just selfish

and greedy," she said

Mrs Deborah Mabiletsa of the Housewife League said the cost of living was becoming increasingly beyond the buying power of lower income groups. She said this was a matter of grave concern as the Government was driving the people to the point of starvation

"It does not matter to them whether we are going to die or what because we are black and there is absolutely no reason why they cannot subsidise maize. It is a struggle for survival," she said

A Soweto mother of seven, Mrs Martha Thopeng, said the increase would be a terrible blow for her family. "These are the signs of the times," she said

Dairy product prices expected to rise by 10pc

Mercury Correspondent *Henry*

PRETORIA—The Cabinet's commitment to fight inflation means that this year administered price rises will be kept below the inflation rate, according to Pretoria sources.

STOP PRESS

The Natal Mercury
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JUVENTUS BEATEN

Athens—West German's Hamburg beat Juventus of Italy 1-0 (halftime 1-0) in the European champions' soccer cup final here last night. Scorer: Felix Magath (8th minute). — (Sapa-Reuter)

And this is borne out so far this year by the producer maize price increase of 9,6 percent, the oil seed price rises which ranged between 5,8 percent and 12,2 percent, and the sugar price rise of just over 7 percent.

The Cabinet is expected to agree on an increase in the prices of dairy products at its meeting in Cape Town on June 7.

Although producers have asked for a solid increase in the region of 15 percent they are unlikely to be granted more than 10 percent, it was learned.

However, when the higher-priced milk reaches the consumer, and distribution costs and retail mark ups are added, the increase could escalate to at least the inflation rate of just under 13 percent.

The chairman of the national dairy committee of the S A Agricultural Union, Dr Louis Theron, said after a meeting in Pretoria yesterday that dairy farmers would face huge problems if the price were not adjusted soon.

Water thieves

Mealies

Liege, the Comrades Legend

Mercury Reporter

WHEN 74-year-old Liege Boulle winds his way up Field's Hill, pads past Inchanga, Cato Ridge, up Polly Shorts, and runs into Pietermaritzburg next week, it will be to collect his 39th medal for what is regarded as the most arduous road race on earth.

For this 'grand old man of the Comrades', the challenge and exhilaration of the marathon is everything.

'What else would I do I can't let myself get creaky like an old gate,' Mr Boulle, who still runs to work at a furnishing firm in Johannesburg every morning, began his distinguished athletic career in Durban in 1929.

In 1933 he ran his first Comrades. In the 1936 race he finished third, and 'about 17 years later' he picked up his second gold for finishing sixth. In 1940 and 1947 he ran to win, but said his seconds let him down and he 'blew out'.

Mr Boulle has never considered missing the race. *Print in 1970, 11,000,000*

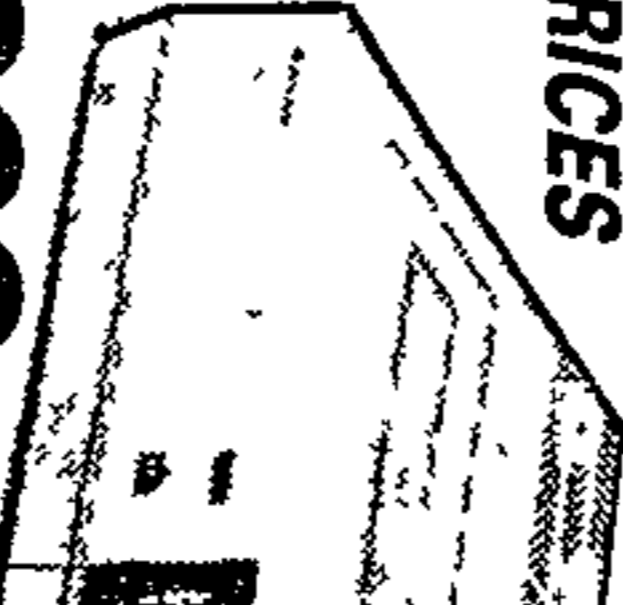


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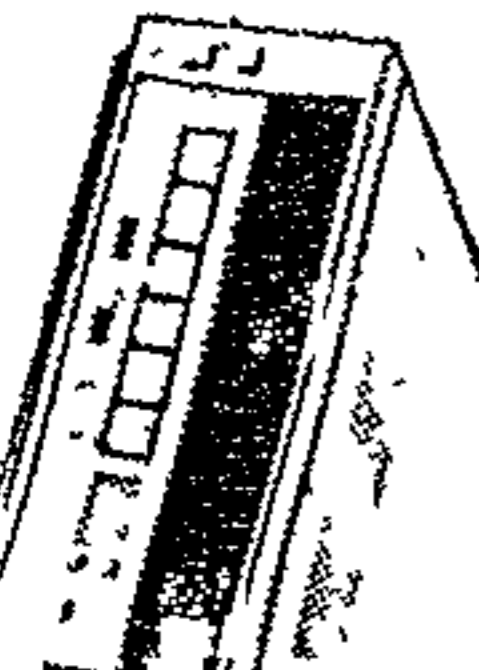
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Mercury Correspondent *Merry* 244

PRETORIA—The Cabinet's commitment to fight inflation means that this year administered price rises will be kept below the inflation rate, according to Pretoria sources

Liege, the Comrades



Liege Boule, 74, running for his 39th med'

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Mealies

Dairy farmers had to accept the big additional cost of mealies. He pointed out that the increase of nearly 10 percent to the producer could end up in a 25 percent increase in the price of concentrates

The maize price increase, when it reached the consumer, represented a hike in the mealie meal price of between 11 and 12 percent, according to a Checkers spokesman

The Government in its approach to food price rises, according to a Government source in Pretoria, was sensitive to the fact that there were hundreds of thousands of black unemployed who were struggling to survive

There was also a basic fear that if hunger were allowed to intensify and spread further, this could destabilise black townships

In April food prices rose by only 0,3 percent — one of the smallest increases for months. But drought, it was pointed out, had taken a heavy toll of production and this would maintain pressure on prices.

Water thieves at work in city

Pietermaritzburg Bureau

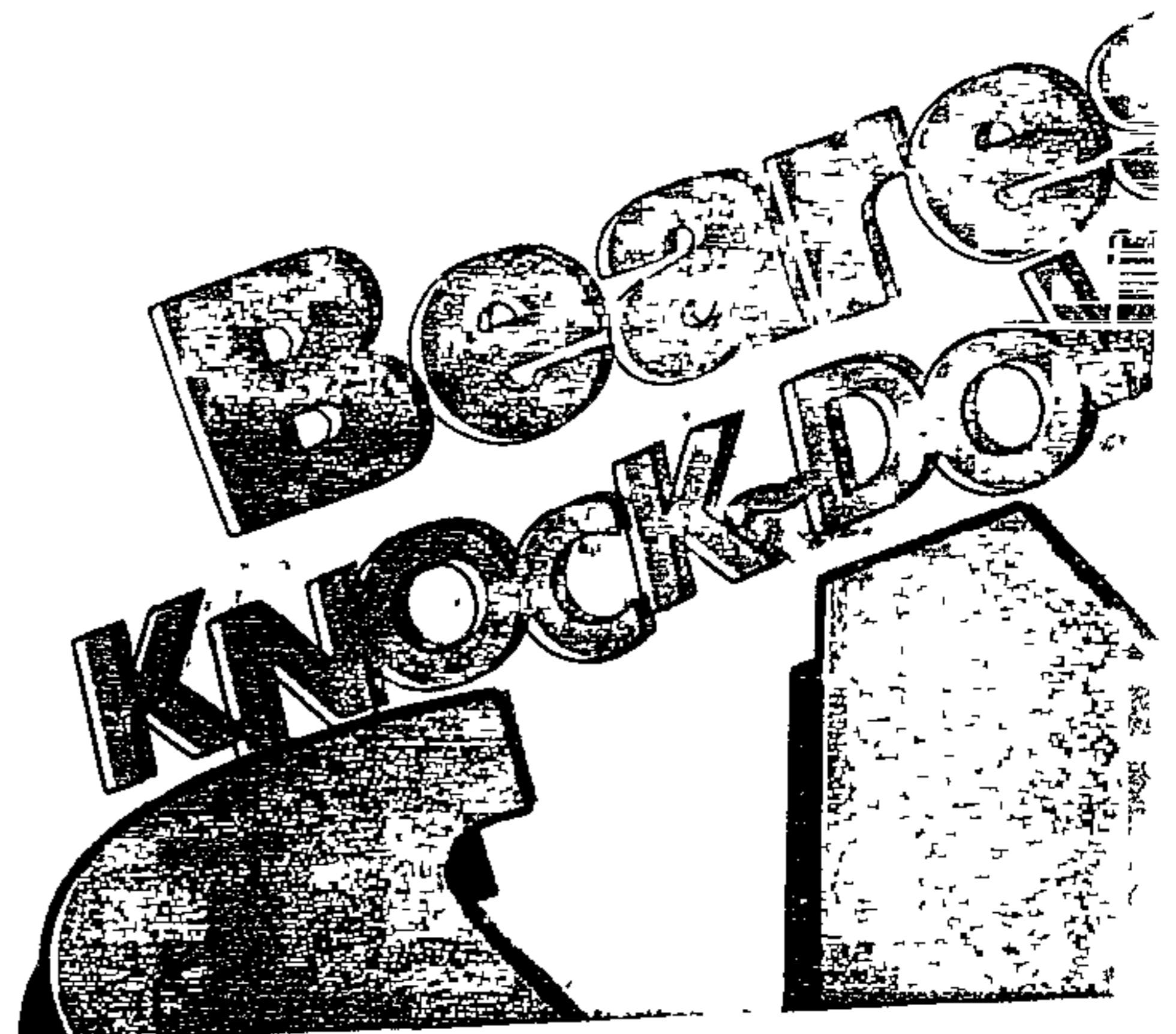
HOUSEHOLDERS in Pietermaritzburg have been warned to be on the lookout for sneak thieves who are helping themselves to water from garden taps.

A spokesman for the City Engineer's department said they had received a number of complaints from consumers who believed their water was being stolen.

One caller, who monitors his water consumption regularly, was 'most perturbed' to find that it had shot up to 4 000 litres almost overnight, the spokesman said.

Similar incidents have been reported in Newcastle.

He said a charge of theft had been laid against the driver of a vehicle who allegedly made off with a quantity of water from the grounds of Maritzburg College.



Food glut price shock

W/E ARGUS 4/6/83
~~Weekend Argus~~ the fifth increase in the last year

Correspondent

JOHANNESBURG — Shoppers face dairy product price rises this winter despite the biggest glut in history

The dairy industry has been warned it could meet massive consumer resistance as the cost of eggs, butter, milk and cheese soar

This is despite the fact that warehouses are bulging with surplus dairy products — including butter for enough toast to go half-way round the world accompanied by a mountain of cheese

The general manager of the Dairy Board, Mr P E Roux, confirmed today that price increases could not be ruled out

However, the Consumer Council today called for price restraint from food producers and distributors

Mr Jan Cronje, director of the council, warned "The dairy industry must realise that if it increases its prices, it will lose more of its market share"

Consumers would turn to cheaper, substitute food to dodge higher prices

Egg producers admit there is already a surplus of eggs and retailers say the glut is likely to increase

The price of eggs will be increased by at least 6c a dozen on June 13 —

Asked how producers could justify a price increase when they expected a glut, Mr Zach Coetzee, chairman of the Poultry Association said farmers running costs had soared during the last year and the drought was aggravating the problem

7/6/83
Stamp in
at Verre

65

Big leap ~~in dairy~~ in dairy (244) RDM prices

7/6/83
By GERALD REILLY
Pretoria Bureau

THE Cabinet is expected to approve an increase in the prices of dairy products at its meeting in Cape Town today, according to Pretoria sources

And in line with government policy to keep administered price rises below the inflation rate the rise is not expected to exceed 10%.

Farmers submitted their demand for a price adjustment in January and asked for increases in fresh and industrial milk prices of between 15 and 20 per cent.

However maize (9,6 per cent), oil seed (below 10 per cent) and sugar (7,6 per cent) producers were granted substantially less than they asked for and, according to Pretoria sources, dairy farmers can expect the same treatment

Consumers are in for another price increase shock when canned jam, fruit and vegetable prices rise by an average of 5,6% from July 11

Dr Johan Mouton, general manager of South Africa's biggest canning concern, Langeberg Co-operative, announced the increases yesterday

Most canned fruit, vegetables and jams, tomato sauce and pickles in the Koo Range are affected by the latest increase

The price of jams will increase by 4,8%, fruit by 3,4%, and vegetables by 6,8%

Milk price increase 'justified'

Cape Times 17/6/83

Staff Reporter
PRODUCER milk price increases announced by the Dairy Board yesterday were "justified", according to Mrs Sheila Baillie, chairman of the Cape Town branch of the Housewives' League of South Africa.

With a four cents a litre increase in the producer price of milk in the Western Cape home-delivered milk is expected to increase by about seven cents to 62 cents a litre (tax inclusive) on the token-delivery system and to 63 cents a litre on the cash-on-delivery system.

The price of milk in cafes, currently 60 cents a litre without tax, has not been fixed yet.

"Of course the increase is quite shattering — we get boxed from every side — but the producers' costs have risen substantially this year and the increase is justified," Mrs Baillie said.

"Having been to a meeting of milk produc-

ers, one realizes what they are up against."

Mrs Baillie does not believe that the scrapping of milk price control will lead to retailers charging exorbitant prices.

"It won't be in their interests to go through the roof. If they do, the consumer won't buy. An advantage of scrapping price control is that it may become possible for producers to take milk direct to the townships at lower prices."

Mr W J Nutt, deputy general manager of the Dairy Board, confirmed yesterday that the producer price of milk in other controlled areas had been increased by three cents a litre from July 1.

He also confirmed that the price of butter and cheese would increase by about 11 percent on July 1.

While these prices will be valid from July 1, Mr Jan van Vuuren, chairman of the Dairy Board, expects that leading retailers and supermarkets will continue to make butter and cheese available from existing stocks at the old prices for an appreciable period.

Slabbert divorced

Supreme Court Reporter
THE Leader of the Opposition, Dr Van Zyl Slabbert, and his wife Mrs Mana Slabbert, were divorced in the Supreme Court this week.

They had been married for 18 years and have two children, Jania, 16, and Riko, 12.

Thatcher 'likes bc

LONDON — The Conservative British Prime Minister, Mrs Margaret Thatcher, 57, likes it when men find her sexy but is "far too entrenched in her Victorian morality ever to admit it", a new biography says.

"The men she likes are strong, bold and intelligent, and these are the ones who flirt with her," biographer Penny Junor writes in "Margaret

Thatcher — Woman Mother Politician".

"She responds with charm, providing it is in appropriate circumstances and not when she has come to talk business" according to the biography, extracts of which were published in a British newspaper yesterday.

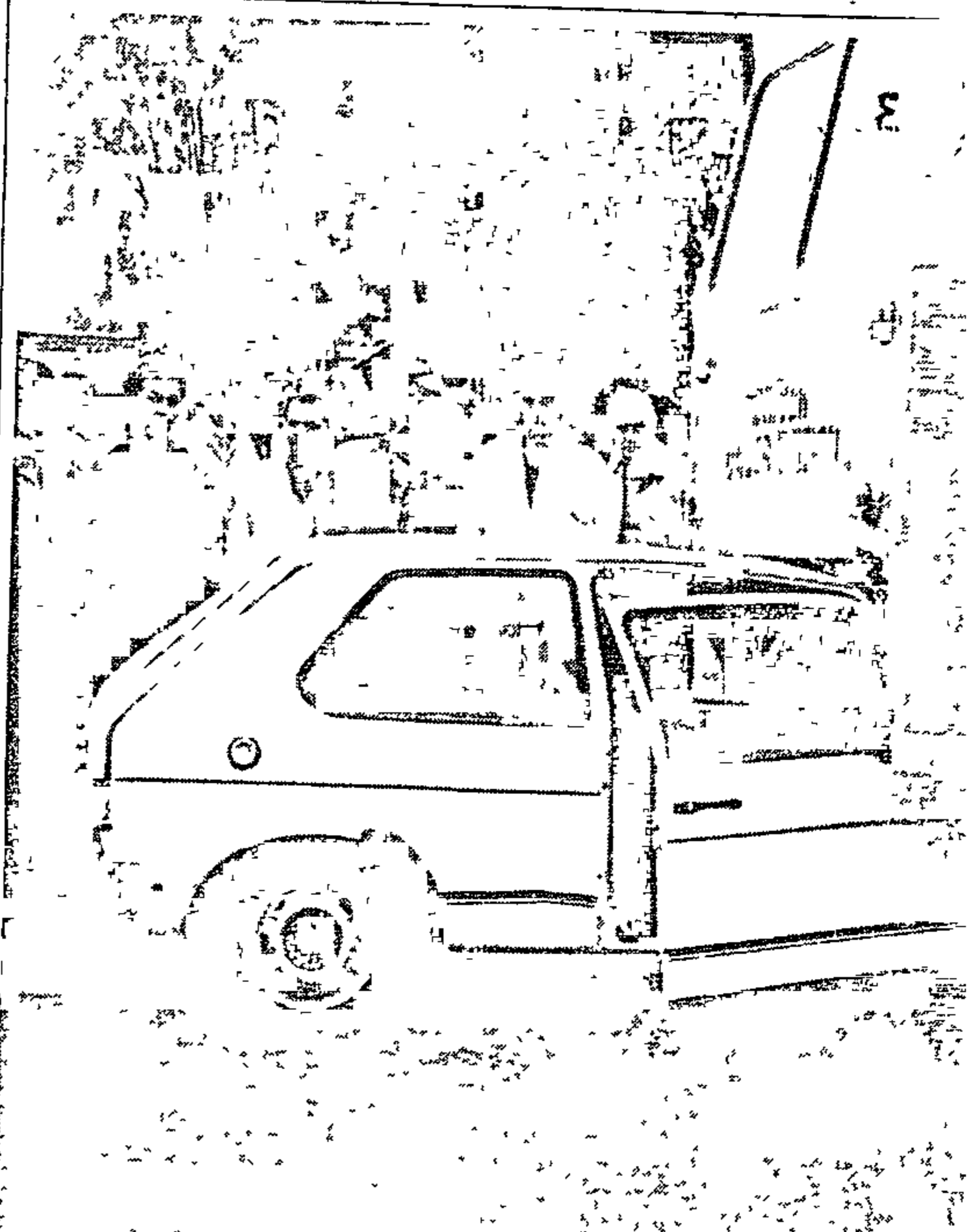
Mrs Thatcher and her husband Denis, 68, were married in 1951.

Fellow Conservative

politician Mr Neave, killed in a bomb attack before the May election which first brought her to power, is described as one of Thatcher's greatest sets.

Mr Neave made her successful bid for leadership of the Conservative Party in opposition.

Miss Junor said she had discussions with the



This car was jammed under the back of a bus in Somerset F about 10am yesterday. The driver of the car was treated.

the facts

IT was incorrectly stated in the caption of a photograph which appeared in the Cape Times on June 1 that Mrs Pauline Skele was searching for her baby daughter who was stolen from her on March 31 during a West Cape Administration Board raid on the KTC squatter camp.

A spokesman for the WCAB has pointed out that the child was stolen from Mrs Skele's

Officer tells court why I slashed wrist

Cape Times 17/6/83

From ANDRE VILJOEN HARARE — A white Zimbabwean Air Force officer, who slashed his wrist in a police cell, left a message in his own blood as a sign that he was not guilty of a crime. The officer, who lost about 250ml of blood and was taken to hospital, pleaded his innocence at the beginning of the trial but eventually he was found guilty.

M & H FACTORY SHOPS

KIDDIES FORDURO DINGARIES
 KIDDIES FORDURO DINGARIES
 KIDDIES FORDURO DINGARIES

Milk to cost 10c more a litre — cafe owners

20/6/83 ~~Dairy~~ 44 RDM

By HELENE ZAMPETAKIS

A LITRE of milk is likely to cost you 76c at your corner cafe from July 1 — 10c more than the old price, and 18,5c more than the new current delivery price

The price of a delivered litre of milk will rise from 57,5c to 63c

Mr Demosthenes Michos, chairman of the Tearoom Restaurant Proprietors and Caterers Association, said yesterday that cafe owners planned to mark milk prices up by 15% — which would give them a 4% increase in their profit margin

After the last price rise, cafe owners had marked milk up by 11%, but "people

can't expect us to make a living on these prices," Mr Michos said, pointing to refrigeration, service and other overhead costs

Last week, the chairman of the Dairy Board, Mr Jan van Vuuren announced that milk prices should increase by no more than 10%

He said cafe owners were no longer subject to retail price tariffs laid down by the Dairy Board, and that the cafe owners were reportedly threatening to raise the price of milk by as much as 14c

Responding to these comments, Mr Michos said cafe owners had, in the past, abided by prices suggested by the association

Cafe owners were fully conscious of

the fact that milk was a staple diet, but until now they had been making a very narrow profit margin on the sale of milk

The association was waiting for the results of a meeting today of the South African Milk Distributors to decide at what level the wholesale price of milk would be set on July 1

"We can then fix our prices per litre and half litre. But cafe owners won't go berserk and charge the public exorbitant prices," Mr Michos said

"We can't enforce our suggested prices, but we send out circulars to our 3 000 members and we find that cafe owners charge these prices"

ROM 22/6/83

(244)

Jo'burg to pay 6% more for services

By JEANETTE MINNIE

AN AVERAGE across-the-board increase of 6% on the monthly municipal account was the message to Johannesburg residents yesterday when the Johannesburg city council announced its budget for the 1983/84 financial year.

Calculations by the City Treasurer, Mr Manie Venter show that homeowners will pay an average total of R5,15 a month more on both services and assessment rates.

The increases include 21c or 4% for electricity, 29c or 5% for refuse removal, 56c or 12,5% for sewerage, 81c or 8% for gas, R2,05 or 15% for water and R1,23 or 9% for assessment rates.

Assessment rates increases will be between 4,1c to 4,47c on the Rand

Homeowners will continue to receive a 60% rebate and some sectional title developments an 18% rebate.

In addition, remissions on assessment rates varying from 1% to 46% will continue, as will special remissions for senior citizens with an average gross monthly income of R600 or less. It is expected that senior citizens will pay 20% of the actual rates.

Most of the increases — excluding water — are well below the inflation rate, which this year varied between 14,9% and 12,6%.

The new water tariffs, which were approved last month, are linked to consumption.

The use of 20kl of water will show an increase of only 1,03% a month, 40kl — which is average consumption — will show an increase of 15% a month and

50kl will register a 20% hike.

However the record annual budget of R157 700 000 — 17% up from last year — also makes provision for an average 9,5% increase in bus fares as well as for increases of up to a 100% in some daily municipal parking ground tariffs.

These include the Rokeby Street parking ground where the tariff is to increase from 50c to R1,00 and the M2 Loveday Street parking grounds where the tariff will go up from R1,50 to R3,00.

There will also be some increases for services of the building survey branch.

Parking grounds and garages are expected to swell the coffers by R1 250 000 and income from the building survey branch by R234 000.

The capital budget of R147 000 000 is up 46% on last year and the operating budget of R610 300 000 is up 12%.

ROM 25/6/83 (244) (198)

Tyre price rolls up again

By DAVID CAPEL

TYRES, retreads, tubes and tyre repair material will go up in price by 7,85% from July 4, the Tyre Manufacturers Association announced yesterday

Its statement comes three days after the association's chairman, Mr Michael Waterson, denied to the Rand Daily Mail that a rise in the price of tyres was imminent

The Mail reported the denial on Thursday, and quoted sources in the trade who said a hike was to be announced shortly

The increase means the price of tyres has risen by 12% in the past three months — with an increase of 4% in March

When asked on Tuesday to

comment on the rumours that have been doing the rounds in the trade, Mr Waterson said rumours were frequently rife in the industry and often had no substance and no price hike was due

Asked yesterday to clarify the situation, Mr Waterson said at the time of the query no agreement had been reached on a price hike. A meeting of the association was held on Thursday and it was then the decision was made

He said it was "difficult to deal with every rumour in the market". Besides, the decision "could have gone the other way" and prices might not have been increased

In yesterday's statement

the association said the industry had been absorbing costs for some time. It had become essential to make the adjustment

The increase was slammed by the Housewives League, the Automobile Association and one of Johannesburg's largest tyre dealers, who first broke the news that an increase was pending

The President of the Housewives League, Mrs Joy Hurwitz, said the league intended investigating the tyre trade with a view to assisting consumers

AA spokesman Mr Denzil Vermooten said the association was dismayed that tyre manufacturers saw it necessary to increase prices at present

ARGUS 23/6/83

W Cape outrage at Govt's maize policy

244

Staff Reporter

WESTERN Cape farming and business interests today expressed outrage at Government policy which prevented local consumers enjoying the benefits of maize landed in Table Bay

"We are being made to pay for the drought up north," said Mr Gert Bosch, secretary of the Western Cape Agricultural Union

FIRST BATCH

This follows confirmation in Parliament yesterday by the Minister of Agriculture Mr Greyling Wentzel that Western Cape consumers would have to pay the same price for imported maize landed at their doorstep that they paid for maize from the interior of South Africa

The price paid for interior maize is R170 a ton plus between R30 and R40 for railage costs

The first batch of im-

ported maize landed in Cape Town last week cost R172 a ton. Railage costs would be much lower due to shorter distances

The second consignment to be landed shortly will cost the Maize Board only R160 a ton

Mr Philip Myburgh, the deputy Opposition spokesman on agriculture said the price of imported maize could drop to as little as R151 a ton

He said local farmers could have saved between R10 and R20 a ton on the first consignment if they had been given the advantage of their close proximity to the harbour

This advantage would have increased by another R10 a ton for the second load

He said the fact that local consumers would not benefit was unfair to the Western Cape, which depended on maize for

milk and meat production

Western Cape agricultural interests recently sent a delegation to the Minister and the Maize Board, and there was great dissatisfaction at the reply they received

OFFSETTING

Mr Myburgh said the Maize Board profit on imported maize was offsetting the loss caused by the poor crop due to the serious drought in the interior. This meant Western Cape consumers were effectively paying for the drought

Mr Brian McLeod, the director of the Cape Town Chamber of Commerce said the Western Cape was in a no-win situation

"If we have to pay railage for maize from the Transvaal and Free State, should we have to do the same when the maize is landed right here?" he said

Pity the poor consumer

~~Handwritten signature~~ (244)

At a meeting this week, sugar planters and millers agreed that a substantial increase in the local sugar price is essential if the industry is to survive its current crop crisis (*Business*, June 17)

Their argument is that SA is exposed to the export market where low prices have prevented the industry from covering its full costs of production and allowable margins. About half SA's annual production of 2,1 Mt is sold abroad.

Increasingly, the world market is being perceived as a residual market where producers, whose own earnings are bolstered by high domestic prices or subsidies, dump their surpluses. SA, so the argument goes, can compete only if its domestic market absorbs a higher proportion of fixed costs than the current price control formula permits.

The industry is known to be unhappy with the 7,5% local price increase granted by government this year. Vice-chairman of the Sugar Millers Association (SMA), Case van der Pol, says an increase of around 15% would be more appropriate.

Much, he says, depends on how government views the international sugar situation. Until now, its attitude has been that the world market is in a temporary trough and that the industry needs only short-term handouts. However, Van der Pol contends that the weight of evidence

suggests that it has experienced a structural change — the recent surge in world prices notwithstanding.

A new international sugar agreement, he admits, could change things for the better. But quota restrictions and the huge sugar surpluses exclude SA from benefiting fully. "We must expect that restoring the balance between supply and demand will be a long and painful process," he says. Withdrawing from the fickle export market does not appear to present an option — though it has been widely discussed. The industry has too big an investment in sugar and international sales, even at their current low prices, to make a contribution to costs.

Chairman of the Cane Growers Association, Laurie Gordon-Hughes, points out that farmers' actual realisation on cane used for export sugar last season

was only R9/t. It was the injection of R46m from the stabilisation fund and R58m in loans that enabled a payout of R22/t to growers.

In the event of a price rise producers would not want it to come all at once.

Says SMA chairman Frank Jones: "We would want to avoid disruption in offtake as well as substitution by other sweeteners."

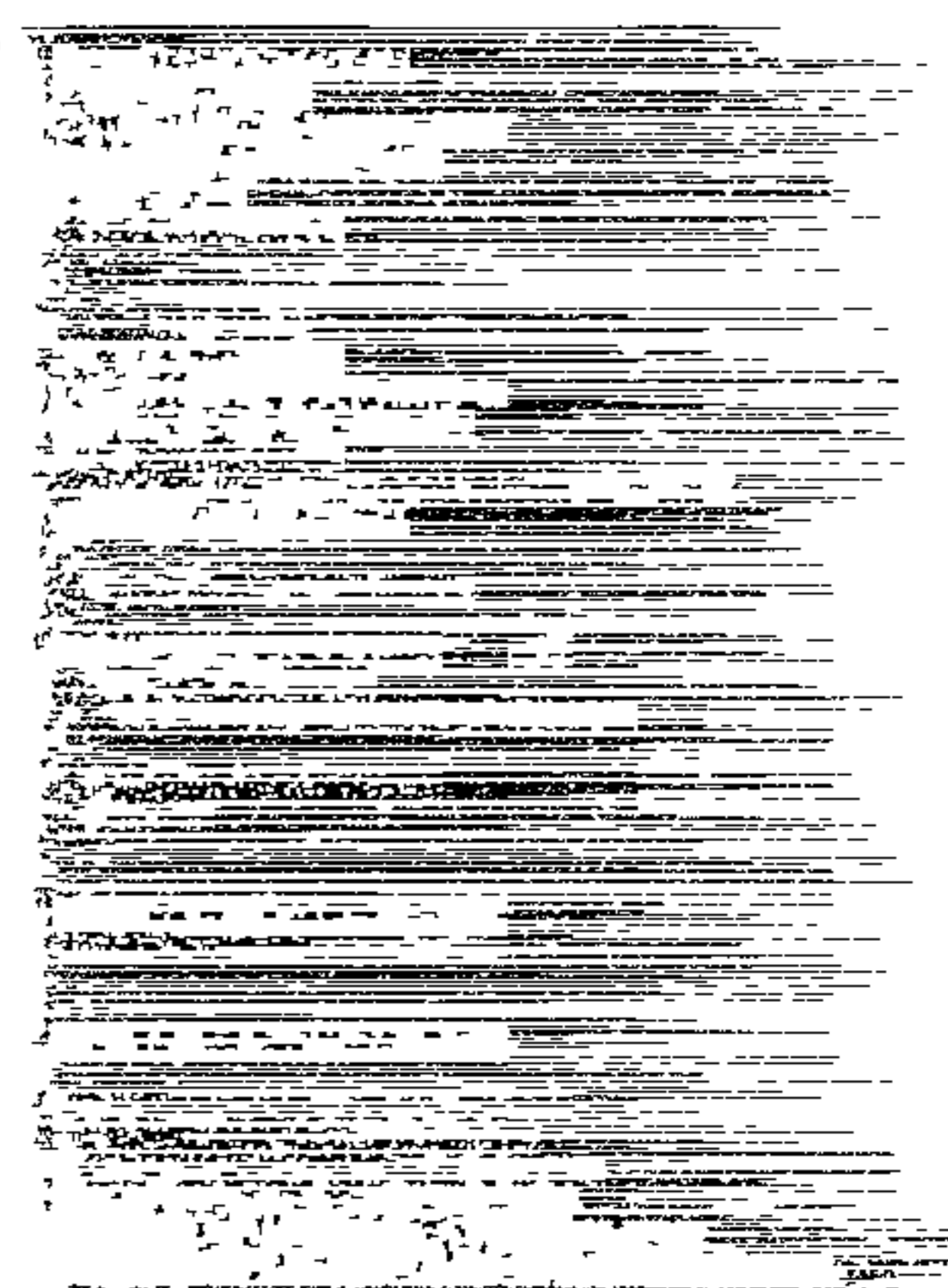
The industry may not get all its way as government is increasingly sensitive to raising administered prices. Moreover, within some years world sugar prices could be buoyant once more, giving SA producers the chance of a killing. So Pretoria will be wary of too big a price increase. Some pressure for a thorough cost and depreciation investigation could also be forthcoming.

But all that is messing about with

symptoms. The only real answer is for government to abolish controls over the sugar industry, especially over price and returns on capital employed. But there must be no protection from cheap foreign imports. Then, if the sugar barons believe it is worth preserving export markets and sitting out the doldrums, they will find the money to do so. Under the present scheme of things, they are asking, with tacit government approval, for the consumer to bear all or part of the cost.



Sugar workers ... labouring for cheap exports



Milk ~~344~~

244

price ~~50~~

rise of
10 pc ^{Mercury}
^{24/6/83}
expected

Mercury Reporter

CONSUMERS in Durban and Pietermaritzburg face a 10 percent increase in the price of milk when price control is abolished

The regional manager for Clover Dairy in Durban, Mr Ian Baxter, said yesterday price control would be abolished from July 1

The wholesale price would be raised by 5,5c a litre

He said the present wholesale price of a litre was 55c but from July the price to the trade would be 60,5c

Mr Baxter said Clover would recommend to cafe owners that they sell milk to the consumer at 66c before tax

Profit

At present the controlled price to consumers is 60c

Mr Baxter said that at present cafe owners were making a profit of 5c on every litre. By selling it at 66c from the beginning of July they would make a profit of 5,5c

He added: We have been encouraged by reports in the media that many cafe owners in Durban and Pietermaritzburg intend sticking to the recommended price

The present price of home-delivered milk in glass bottles was 59c a litre after tax

But the new after-tax price would jump to 65c — a 10,2 percent increase

Mr Baxter said: 'On average we have stuck to the 10 percent undertaking we gave to the authorities when it was decided to do away with price control'

Up goes price of tyres

Mercury
25/6/83

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Mercury Reporter

TYRES, retreads, tubes and tyre repair materials are to be increased in price by 7,85 percent with effect from July 4

The increase means the price of tyres has risen by 12 percent in the past three months — with an increase of 4 percent having been introduced in March this year

The new price increases are still below the rate of inflation, according to Mr Michael Watterson, the director of the South African Tyre Manufacturer's Conference

'The matter is a little out of control. We are in the hands of our local raw material suppliers and live in the hope that they don't squeeze us too often,' said Mr Watterson

Truck and car tyres are to be increased by 7,8 percent, L3 shallow tread earth mover's tyres by 3 percent and L4 and L5 earth mover's tyres by 14 percent

Motorcycle and bicycle tyres are not affected by the increases because these are imported

Prices of tyres will dif-

fer from dealer to dealer and consumers are advised to shop around

Mr Denzyl Vermooten, the AA's economic affairs executive, said another increase could be anticipated before the end of the year

Contracted-out doctors get 12% increase in fees

By GERALD REILLY
Pretoria Bureau

DOCTORS contracted out of the Medical Aid Schemes Act have been granted a 12% increase in fees, according to the Medical Association of South Africa

According to the association the unit charge has been increased from between R1,40 and R1,90, and R2,10 in exceptional cases, to between R1,55 and R2,10, and in exceptional cases to R2,85

In terms of the new scales the general practitioners charge remains at six units a visit, which means that a visit charge at a consulting room will rise from R7,70 to R9,20 based on the R1,55 unit charge

Last May contracted-out doctors were granted an

overall increase of 15%

The Medical Association has urged doctors to use the new tariff with "responsibility and circumspection"

All patients, according to the association will not be charged at the higher rate, depending on circumstances. Factors determining the rates include the experience of the doctor and the financial status of the patient

The recommended charge for a night visit is 20 units — R31 compared with R25 — calculated at the lower rate

At the maximum of R2,10 a unit a GP visit will cost R12,60 and a night visit R42

Meanwhile the Minister of Health, Dr Nak van der Merwe, has angered "contracted in doctors" for the "incomprehensible" delay in

responding to the submission last October for an increase of 17,5% in their fees

The Minister rejected the original demand in January and referred it back to the S A Medical and Dental Council. It was resubmitted in April and doctors are still awaiting his decision

The Medical Association believes the task of determining fees should be left to the profession. The Minister has indicated recently that he is considering returning the fee fixing responsibility to the profession

The president of the Representative Association of Medical Aid Schemes, Mr J Erntszén, said the new tariff widened the gap between what medical aid societies and the patient would pay

CME Tint's 25/6/83
246

Tyre prices to increase again

Own Correspondent

JOHANNESBURG — Tyres, retreads, tubes and tyre repair material would rise in price by 7.85 percent from July 4, the Tyre Manufacturers' Association announced yesterday

The increase means that the price of tyres has risen by 12 percent in the past three months — a four percent increase was instituted in March

It is impossible to ascertain what consumers will pay, as prices differ from dealer to dealer

In yesterday's statement the association said the industry had been absorbing costs for some time. The costs were "substantially in

excess of recovery" and it had become essential to make the adjustment.

The president of the Housewives' League, Mrs Joy Hurwitz, said the league intended investigating the tyre trade

She said rather than pass increases on to the consumer, the tyre trade should look towards more efficiency and productivity

Mr Denzyl Vermooten, the AA's economic affairs executive, said the association was dismayed that tyre manufacturers had found it necessary to increase prices

He anticipated another increase before the end of the year

Cosas newsletters —

DDR

O. Disputa
Cheque
28/6/83
duty (244)

now 5c

JOHANNESBURG —
Stamp duty on cheques, drafts, travellers cheques, sight bills and promissory notes will be raised to 5c from 3c from July 1

Cheque forms bought from banks before July 1 and negotiated after that date will not be affected but customers will pay the additional stamp duty on cheque books bought after July 1 irrespective of whether the cheques are franked 3c or 5c duty paid

Revenue stamps should not be stuck on cheque forms as this will tend to jam the electronic equipment

Users of suppliers cheques must make arrangements for the additional 2c duty to be franked on them —
DDC

244

~~245~~ 106

NRGWS 28/6/83

'R26-m bread mistake'

Parliamentary Staff

THE official Opposition in the Assembly has called for an investigation of the bread subsidy system

The move follows disclosures about an "inexplicable" error which resulted in unauthorised expenditure of nearly R14-million by the Department of Agriculture

A Government explanation that the mistake was caused by "technical reasons" was described by Mr Andrew Savage (PFP Walmer) as "entirely unsatisfactory"

Mr Harry Schwarz (PFP Yeoville), the chief Opposition spokesman on finance, said there had been an error involving R26-million and so far nobody had been able to explain how the error arose

Speaking in the second reading debate on the Finance Bill, he said it was now argued by the Gov-

ernment that in those circumstances the matter had to be ratified. But R26-million in terms of a bread subsidy meant many loaves of bread

"The whole system relating to the bread subsidy needs to be investigated because one cannot allow this kind of error," Mr Schwarz said

Mr Savage said that in March last year the Department of Agriculture had investigated "sudden indications" that there would be a substantial increase in bread sales

The department found that a R26-million cost over-run could be expected in the bread subsidy for the 1981/82 year, which had already elapsed. Payments of the subsidy were based on bread sales

Mr Savage said the department's accounting and statistical work was done on its own computer — one of the biggest



Mr Andrew Savage

in the country

The department "suspected" that the error happened in August, was carried forward in projections, and was not even picked up in November when statistics had to be furnished for the reviewed budget

Even by mid-February 1982 — at the end of the financial year — there was still no indication of excess expenditure

The Treasury had determined that the

amount had to be regarded as unauthorised expenditure. The department had managed to reduce it to R13-million after a "frantic search for any small change lying around"

Evidence before the parliamentary select committee on public accounts had indicated that there were certain difficulties inherent in estimating the amount of the bread subsidy

The explanation of the director-general of the department, Dr D W Immelman, was that an "inexplicable" error of calculation of about 10 percent had happened

"Perhaps the most extraordinary aspect of all is that we are told that the person who was working on the matter could unfortunately not be questioned because he had resigned early in December," Mr Savage said

"Now R26-million of public money has gone without a trace and we cannot get hold of an ex-employee and ask him some questions about it"

Mr Savage said nobody could be satisfied with the "grotesque" explanation which had been given

Mr George Bartlett (NRP Amanzimtoti) said the matter gave cause for "considerable concern" as the bread subsidy came from taxpayers' money and totalled about R90-million

Replying, the Minister of Finance, Mr O P F Horwood, said the matter of the bread subsidy had been thrashed out in the select committee and agreement had been reached

As far as he was concerned the matter had been dealt with satisfactorily. There had been no overpayments and no irregularity

Graph of SA road deaths rising fast

If the road accident rate continued unchecked, no fewer than 46 500 people would die in more than a million collisions in South Africa in 1990

This was the gloomy picture painted today by Mr Louis de Waal, president of the Automobile Association, at the organisation's annual meeting in Johannesburg

The cost to the country would be R4 000-million

Mr de Waal said the cost of accidents to the country had risen from R1 150 million in 1981 to about R1 322 million last year

Last year more than 9 000 people lost their lives in road accidents and another 27 000 were seriously injured

Mr de Waal said this was a matter of national concern which called for national remedial action

On seatbelts, he said there appeared to be widespread apathy among motorists to obey

Reports by
J.M. J. J. J.
Correia

the law Many of those fatally or seriously injured at the Easter weekend had not been wearing seatbelts

A national survey by the National Institute for Transport and Road Research in February had

disclosed that the wearing rate had dropped to 50,1 percent.

"The wearing of seatbelts prevents fatalities and reduces the severity of injuries, and the least to be expected from a responsible motorist is that he should wear it.

"There have been cases where the courts have reduced a third-party insurance claim because the claimant did not wear a seatbelt," he warned.

The cost of owning a typical 1600cc car in the R9 000 to R10 000 price range and travelling 18 000 km a year was now more than R5 400 a year, Automobile Association president Mr Louis de Waal said.

At the AA's annual meeting in Johannesburg today, he said "In its continued efforts to keep motorist costs within reasonable limits the AA has investigated tyre and parts pricing and other related matters.

"Where necessary suitable representations were made to the appropriate authorities for possible action and we shall continue to monitor the position."

On roadworthiness testing, Mr de Waal said the AA was not convinced that periodic testing should be



Mr Louis de Waal, president of the Automobile Association

'Typical' car now costs R5 400 a year to run

244
5 four
29/6/83

made mandatory, other than for heavy and public service vehicles

However the AA supported a controlled system of roadworthy tests on used vehicles requiring change of ownership, tests on unlicensed vehicles and vehicles built up from parts, and roadside screening tests to check and select vehicles for more thorough tests.

During the past year, the AA had investigated numerous complaints over privately-owned tow-away firms and their business methods.

Unsuspecting motorists had often been exploited, Mr de Waal said

The best solution to the problem was that the tow-away industry should regulate its own affairs or fail-

Authorities slated over poor roads

The Star Wednesday Ju

ing that, the AA extend its 24-hour breakdown service.

"Discussions were held with our insurers and a joint decision was reached in principle to introduce additional facilities for the extension of the AA's tow-away services in the main centres if tow-away operators did not put their house in order," he said.

In the interim tow-away operators in Johannesburg, where the situation appeared to be most serious, had formed a new group to fix charges and allocate areas of operation to members

The Johannesburg Accident Towing Association had the support of the AA, the Johannesburg Traffic Department, the SA Police and the Motor Industries Federation.

The Automobile Association has called for a substantial increase in licence fees for heavy vehicles and criticised the authorities for letting the road infrastructure lag behind demand

The AA president, Mr Louis de Waal, said "Inadequate, badly maintained and below standard designed roads are undoubtedly a major contributory factor to road accidents

"For years road users as a group have been contributing by way of direct and indirect taxes, levies and fees, amounts far in excess of what is being spent on the provision and maintenance of road facilities

FUNDS

"The authorities have allowed the road infrastructure to lag behind demand and we are now being given to understand that this is because of insufficient funds.

"Valuable time was

wasted in catching up with this backlog while arguing the case for and against tollroads as a new means of sourcing much needed funds

"In the meantime, a slight restructuring of the present tried and proven road cost recovery system would immediately secure millions of additional rands and allow the authorities to proceed with the urgent road building and maintenance programme

"Vehicle licence fees constitute a major source of revenue which should be specifically earmarked for roads

"The present system is, however, iniquitous in that heavy commercial vehicles are not contributing their full share towards the repair of the damage caused to road surfaces and are in effect being subsidised by light vehicles

"A substantial increase in licence fees for heavy vehicles is not only fully warranted but long overdue."

Reef milk

prices go up

Consumer Reporter

Tomorrow the price of milk on the Reef goes up by an average 6 c a litre. Cafes will charge 69 c a litre (excluding GST), said a Tearoom Restaurant Proprietors and Caterers Association spokesman. Supermarkets will still sell milk at cost price — 61 c a litre. Home delivered milk will cost 63 c a litre.

Cheese and butter prices will rise by an average 11 percent.

By Audrey d'Angelo

House prices and flat rents levelling off

AR645 30/6/83

~~170~~
~~170~~
244

A STRANGE thing about the present recession is that although consumer resistance kept other prices down, there was a boom in property and house prices and rents soared

So it's cheering for most of us that house prices seem to have stopped rising — for the time being at least — and the shortage of flats to rent seems to be over

Estate agents report that it is no longer as easy to sell high priced houses

Shareholders warned

And shareholders in Ovenstone Investments, of which Bellandia Homes is a subsidiary, were warned by their chairman, Mr ADP Ovenstone, at the annual meeting this week that they could not expect property prices to continue at the same rate

Flat rents don't seem to have come down yet. But, for people who

can afford R300 a month or more there seem to be plenty on the market. This should stop the rents from rising further

One of Cape Town's leading estate agents, Mr Joe Abel of Syfrets, confirmed this week that landlords who asked too much were coming up against consumer resistance and that prices of flats sold under sectional title seemed to have reached a plateau

Hedge against inflation

"I don't see prices dropping but I don't see them increasing at the rate they have in the past"

Buying flats under sectional title was a hedge against inflation rather than a source of income, since people who let them would receive only a reasonable return to cover their expenses

He thought developers and converters of blocks for sale under sectional title would make smaller profits

Increase in medical fees runs into flak

244
E. Post
30/6/82

JOHANNESBURG — The 15% increase in tariffs for doctors and dentists contracted to medical aid schemes has come under fire from the Consumer Council

In a statement the council said the increase had come at a most unfortunate time, and was "a serious setback for the older members of the community who have to rely increasingly on medical assistance"

The council expressed the fear that the increase could harm the relationship between practitioner and patient since it could typecast — "quite unjustly" — the average medical practitioner as being more interested in an excessive profit margin than in rendering an essential service

The council appealed to the authorities and the medical profession to limit themselves to moderate tariff rises

Approval for the increase was announced yes-

terday by the Minister of Health and Welfare, Dr Nak van der Merwe. The increase will come into effect on September 1

Sapa reports that the Medical and Dental Council had proposed to implement increases of 17% and 30% in March this year for doctors and dentists respectively

These proposals conflicted with a Cabinet decision that no price increases of more than 10% should be approved this year, and they were referred back to the council for negotiations, which are still in progress

"I am of the opinion that an adjustment of the tariffs or fees is justified," Dr Van der Merwe said

However, medical aid schemes would not be able to implement any adjustment before September 1

Over and above the 10% that would have come into effect in March therefore, he felt a further 5% was justified

Medical, dental fees to go up

744
Consumer Reporter
Stw 30/6/87

Patients will have to pay 12 to 15 percent more for medical and dental treatments and also face an increase in medical aid subscriptions

The Minister of Health and Welfare, Dr Nak van der Merwe, has announced a 15 percent increase in medical and dental tariffs from September 1. The price rise applies to doctors and dentists contracted into medical aid schemes.

Earlier this week the Medical Association of South Africa (Masa) recommended an immediate increase of 12 percent for doctors contracted out of medical aid schemes.

Subscriptions to medical aid schemes will also be raised soon, said a spokesman for the Representative Association of Medical Schemes.

Doctors contracted into medical aid schemes will charge about R8,80 for a consultation (previously R7,70).

Doctors contracted out of medical aid schemes will charge between R9,30 and R12,60 a consultation (previously between R8,40 and R11,40).

Dentists contracted into medical aid schemes will charge about R6,50 a consultation (previously R5,65). A one-surface filling will cost about R8,60 (previously R7,50).

Most dentists, who are contracted out, charge about R8 to R13 for a consultation.

Because the price adjustment was usually granted earlier in the year, the Cabinet had decided to approve a 15 percent increase instead of the earlier guideline of not more than 10 percent.

Steel (244)
prices ~~1.81~~
rise ROM

THE controlled maximum producer-prices of all steel products — with the exception of tinplate — would be increased with effect from today, the chairman of the South African Road and Steel Producers' Coordinating Council, Mr F P Kotzee, announced in Pretoria yesterday

The Council represents the primary steel producers — Highveld Steel and Vanadium, Dunswart, Usco, Seaw, Davsteel, Stott, McWillaw, Cisco and Iscor

"The prices of the individual products are being adjusted in a differentiated manner and increases range from 5,0% to 12,5%, with a weighted average of under 10%," said Mr Kotzee

"As is customary, the price of tinplate was adjusted on April 1, also at a rate of less than 10%. It had been decided previously that price adjustments in respect of this product would be effected once a year in about April, which would fit in better with the seasonal needs of the fruit and vegetable canning industry, one of the major consumers of tinplate containers

Most steel prices go up today *Stan 1/7/83*

The controlled maximum producer prices of all steel products — except tinplate — are to rise by 5 to 12,5 percent today.

The chairman of the South African Rolled Steel Producers' Co-ordinating Council, Mr F P Kotzee, said rising prices were hitting the entire primary steel industry.

Costs of raw materials, spares, services, railage and labour were all up, raising the industry's expenditure by two or three percent above the general inflation rate of 13 percent.

The latest statutory price increase was on the average more than 3 percent lower than the inflation rate, he said.

Despite this, the industry felt it was in the national interest for it to continue absorbing part of the cost increases and compensate by further improving productivity and efficiency.

Iscor, the country's largest steel producer, was already attaining a 5 percent annual increase in productivity, Mr Kotzee said.

Going by the industry's input-output tables, the new steel prices would have a minimal effect on the general rate of inflation.

Mr David van Coller, director of Seifsa, said: "Everyone is trying to reduce inflation and steel producers themselves are making every effort.

"It will hit the engineering industry most of all. Any price increase in a recession is difficult to absorb and at this stage it is impossible to say what effect it will have on the consumer."

Prices of steel go up by 10 pc

ARGUS 1/7/83
~~189~~ 244

PRETORIA — The controlled maximum producer prices of all steel products — except for tinplate — have been increased from today by an average of about 10 percent

This was announced here by Mr F P Kotzee, chairman of the South African Rod and Steel Producers' Coordinating Council

The council represents the nine primary steel producers, Highveld Steel and Vanadium, Dunsward, Usco, Scaw, Davsteel, Stott, McWillaw, Cisco and Iscor

Details of the new maximum basic prices are published in today's Government Gazette

The price of tinplate was raised on April 1, also by about 10 percent. This date was chosen to fit in with the seasonal needs of the fruit and vegetable canning industry, one of the major consumers of tinplate containers

Mr Kotzee said "The

prices of the individual products are being adjusted in a differentiated manner and increases range from 5 to 12,5 percent, with a weighted average of under 10 percent

"The whole of the primary steel industry continues to experience exceptional cost increases in regard to its inputs, such as raw materials, spares, services, refractories, railage and labour, which are largely beyond the industry's control

MUCH LESS

"The average actual increase of these inputs to the industry amounted to about two to three percentage points above the current general rate of inflation of 13 percent

"However, the statutory price increase now granted is even more than three percent lower than the rate of inflation and consequently much less than is required for the industry to offset increases in its input costs

"In the light of the serious inflation problem

with which the country is faced, the industry feels itself compelled, however, in the national interest, to continue as in the past to absorb part of these costs increases itself and to compensate for it by further improving productivity and efficiency

MINIMAL EFFECT

"Intensified efforts in this regard are already yielding significant results for each of the nine producers

"For example, Iscor, the largest single producer, is maintaining its achievement of a productivity improvement of five percent a year

"According to input-output tables relating to the whole of the steel processing industry, this steel price increase will have a minimal effect of only 0,3 percent on the general rate of inflation"

— Sapa

Homes on sale Friday

244
C. Herald 2/7/83

THE Government's massive sale of 500 000 economic and sub-economic houses kicks off this Friday — as rent, water and electricity for all Divisional and City Council tenants are increased.

Indications are that the selling scheme is not being received with the enthusiasm the Government wanted and the Cape Town City Council's housing committee chairman, Mrs Eulalie Stott, has warned that it would aggravate the present housing shortage

The Minister of Community Development, Mr Pen Kotze, has warned that those people who did not buy their houses would face rent increases

The Divisional and City Council have announced that their rent, water and electricity charges will be increased from Friday July 1

ADVERTISING

A circular sent to local authorities throughout the country by the Department of Community Development last week said that the Government would embark on a large-scale advertising campaign involving the Press, radio television and pamphlets to advertise their selling campaign

The Divisional Council has accepted the selling scheme in principle and planned to discuss the issue in more detail this week

Houses in the African townships are not affected by the selling scheme, according to an Administration Board spokesman. In terms of South African law, Africans cannot become home-owners in the Western Cape

City Councillor Mrs Eulalie Stott said that Cape Town's biggest landlords, the City Council, were still undecided on how they should respond to the scheme

"The Government's circular does not leave us with any choice as to whether or not we want to sell. We will just have to sell.

"This will lead to many problems. We will have no more houses left for transfers for those people wanting to live in specific areas.

"We have gone through the Government's circular but there are still many cardinal points which will need to be clarified. The housing committee will have a special meeting as soon as our questions are answered," Mrs Stott said.

SHORTAGE

Mrs Stott said that the housing problems stemmed from the shortage of houses for the 30 000 people on the waiting list and from overcrowding in existing houses.

"One cannot expect enthusiasm to buy from people who are already living in these houses. One could expect enthusiasm if people without houses learn they will at last get a house."

Mrs Stott said that the response to the council's pilot selling scheme in Hanover Park and Heideveld could be an indication of tenants' attitude towards the sale of houses.

"In nine months, fewer than 40 out of 330 people came forward to buy their houses," she said.

Many community organisations have rejected the selling scheme, calling on the Government to make more money available for housing and to

Milk 55c to 74c as control lifts

246

Mercury 2/7/83

Mercury Reporter —

MILK in Durban now costs anything between 55c and 74c// including tax after the abolition yesterday of price-control

And it has caused such an uproar that Mrs Mercia Watkins, chairman of the Pietermaritzburg branch of the Housewives' League has threatened to arrange public protests outside stores if the rises continued unchecked

It was reported last week that consumers in Durban and Pietermaritzburg could expect a 10 percent increase in milk prices as a result of the removal of price-control

Mr Ian Baxter, regional manager of Clover Dairies in Durban, said the wholesale price of milk was raised yesterday to 60,5c// — an increase of 5,5c//

The controlled price to consumers was 60c// on

which—cafe-owners—made a profit of 5c//

Clover was to recommend to cafe-owners that they sell milk for 66c before tax. In this way they would make a profit of 5,5c//

Greater profits

However, some stores were making greater profits

Durban's Cafe Cosmos in West Street was yesterday selling milk at 74c including tax, and a spokesman for the store explained that cafe-owners in the area had got together and decided to charge this price

'There's nothing now to stop us charging even 80c,' a woman shop assistant told a reporter

A litre of milk sold yesterday for 70c at Dunvegan Cafe in Gale Street, Glenholme Supply Store in Moore Road and Wolsely Tea-Room in Umbilo Road

The Family Tea-Room in Umgeni Road was selling milk for 71c

According to a spokesman for Checkers a litre was now selling at all branches for 61c 500 ml for 31c, 250 ml for 17c and two-litre containers, available at selected branches, for R1,20

Mrs Watkins urged consumers who felt they were being exploited to contact the league 'All this will be ammunition for representations we intend to make to have price-control restored,' she added

R100 000 loss

However, Pick n Pay decided yesterday to sell milk at the old wholesale price of 55c//

Mr Colin Clark, Natal general manager, told the Mercury the chain was maintaining this price, in Durban and Pietermaritzburg, for the whole of July and was shouldering

a loss of more than R100 000

The chain had also bought R4 000 000 worth of cheese and butter — certain makes of which also rose in price yesterday — which would be sold to customers at low prices

A spokesman for the Dairy Board in Pretoria confirmed yesterday that price-control was also dropped yesterday on 'non-standard' cheese and butter

This meant he said, that there could be about a 10 percent increase in the prices of some cheese and butter

Cheese classified as 'non-standard' was that which was not specially matured, had a mass of more than 2 kg and which might be cut up, by retailers, for distribution

'Non standard' butter was not wrapped in ordinary parchment.

Firms indulging in price over-recovery

(244) S. Times 3/7/83

SECTIONS OF INDUSTRY ARE HAVING THEIR CAKE AND EATING IT

By Amrit Manga

MANY industrial companies in South Africa are propping up profits through the unhealthy practice of price over-recovery.

Industry is trying to have its cake and eat it at the cost of the consumer

Although it is normal for manufacturers to build inflation-related rising input costs into their prices, a study by the National Productivity Institute (NPI) shows that industry is passing on a lot more than it should.

Manufacturers are explaining away additional costs as unavoidable because of inflation, while in effect their higher input costs are in many cases a direct result of so-called negative efficiency contribution.

This form of "price over-recovery" — where product prices increase at a faster rate than resource price — is often resorted to in improving bottom-line results.

Increased competition from exporters taking advantage of favourable prices can result in countries characterised by low productivity and price over-recovery, as South Africa, being priced out of the world market.

A spokesman for the NPI explained that "although profits in one case which we analysed under the Realst productivity measurement improved by R110-million, serious questions could be raised as to the source of these gains".

On analysing this profit

variance to determine its source "it was found that the increase was primarily due to price over-recovery".

"The end result is often directly translated into short-term profit improvement," the spokesman said.

But price over-recovery camouflaged the efficiency loss, in this case valued at almost R46-million.

In another case study involving an industrial-machinery-manufacturing firm, adjusted profits declined by R1,4-million, almost 2,5% of the return on investment.

The decline was identified as being primarily the result of negative efficiency contribution, which amounted to R4,7-million, of which R3,6-million was offset by capacity and price recovery gains.

"Had the efficiency held constant, profits would have increased by R3,6-million, which is 6,25% of return on investment, rather than declining by R1,4-million," according to the NPI.

Price over-recovery instead of productivity improvement as a means of increasing profits can significantly reduce a firm's long-term competitive position.

"Although management

cannot always influence price recovery, it can significantly control productivity to effect profit gains.

"Underpinning all company revenue and costs are networks of uncontrollable factors which ultimately translate into the firm's bottom-line results".

Instead of the conventional profit analysis, several corporations are examining profit variance as the result of changes in productivity and price recovery.

Two distinct measurable components are changes in capacity utilisation and efficiency variance.

"If profit variance is driven mainly by efficiency and capacity utilisation, an equivalent profit improvement can be achieved along with significant gains in the company's market share".

It was pointed out that, where food prices could have increased by almost 18%, efficient resource allocation had offset product cost by 4%, reducing the actual increase to 14%.

Profitability improvements, derived mainly from efficient resource allocation offsetting price under-recovery, can significantly lower inflation in South Africa.

Anger as milk jumps by 9c a litre

By ANTHEA TASKER
and RUTH GOLEMBO

HOUSEWIVES were dealt a double blow this week when the price of milk was increased and price control was scrapped.

A recommended 5c increase in the basic price saw cafe owners charging 9c and more on the old carton price.

A snap survey of cafes around the country yesterday showed that in some cases the milk price has risen to as much as 75c a litre. The old recommended carton price was 66c.

Cafe owners have taken full advantage of the new no-price control situation to pounce on unsuspecting consumers who run out of milk after shopping hours.

But prices differ dramatically for each area.

A cafe in Blairgowrie, Johannesburg, was selling milk at 69c a litre including sales tax.

In Bezuidenhout Valley milk was going for 73c, while a Bramley cafe sold it for 75c.

A cafe in Booysens charged 70c and in Orange Grove the price was 73c a litre.

The larger supermarket chains have pledged to keep the price of milk down for at least a month.

Pick 'n Pay has announced that milk prices will not increase until the end of July.

Below cost

The price for cartons sold in the Transvaal remains fixed at the old price of 55c.

After July the situation would be reviewed according to a Pick 'n Pay spokesman.

Other supermarkets in an attempt to keep prices rock-bottom, are selling below cost.

A spokesman for Checkers said their stores on the Reef would sell milk at 81c and half litres at 31c, excluding sales tax.

OK Bazaars is selling litres at 60c and half a litre at 31c.

Witwatersrand housewives spoken to yesterday were horrified at the cafe price increase.

"I will only buy from a cafe if I run out of milk at an awkward time," Mrs Marge Cooksley of Kensington said.

Like other housewives, she uses powdered milk as well, which costs between 40c and 50c a litre.

Dairy prices for milk have been fixed at 63c a bottle.

Mrs Joy Hurwitz of the Housewives' League said an executive meeting of the league would be held tomorrow to check on price rises of milk.

In Port Elizabeth cafes a litre of milk cost 72c and in Durban, milk was being sold at between 66c and 74c a litre.

In Cape Town some outlets were charging as much as 78c a litre.

3/7/83
244
S. Van der Berg

3/7/83 (244) ~~3/7/83~~ S. Times

By Elizabeth Rouse
INDUSTRY and agriculture are appealing desperately for Government aid in drought-stricken areas.

"The Government has been approached to make aid available through the State Revenue Fund to help subsidise the consequences of an act of God," says Roland Freakes, executive director of the Natal Chamber of Industries.

He claims that his chamber's members have cut water use by 40% in response to the call by the Minister of Environment Affairs and Fisheries, Sarel Hayward, for a 50% reduction in Natal's industrial areas.

This saving has involved higher costs to industry, which has had to renew water-supply lines to increase efficiency of reticulation and/or to install water-recycling plants.

In addition, costs of water have risen.

The Umgeni Water Board's rates have been increased by 70%, first by 9c a kl, now by 12.5c a kl.

■ ■ ■

The 40% cut in use does not necessarily mean that the differential is 30% because of the extra costs involved in factory water reticulation, says Mr Freakes.

Industry in the Johannesburg area, although the smallest percentage individual user of water in the area, will take the brunt of the water-price increase effective from this coming Friday.

Rates have gone up 51.5% for industry. Industry pays more even though it uses only 45% of the water in the Johannesburg area.

The city council, hospitals and general city administration consume 13%, white households 36% and Soweto

Farmers, industry appeal for Govt help

36%, according to a survey by the Transvaal Chamber of Industries.

Hennie Viljoen, president of the chamber, says the water-rate increase is highly inflationary and will have to be passed on to the consumer of manufactured goods.

Industry has cut water consumption by 20% and will meet the objective of a 30% cut, but is baulking at paying 51.5% more for its water.

However, representations to the city council on June 15 have elicited no reply.

Damage to the sugar industry is running into multi-millions. Normally a significant exporter, because of drought the industry will have to import this year.

Its earnings last year were R153.2-million lower than the price-control formula permits, and the price-stabilisation fund is R188-million in the red.

The industry claims it has subsidised local sugar prices with export earnings in the past and, now that there is no sugar available to export, will be looking to higher domestic prices to prevent a disaster in sugar country.

SA Agricultural Union

president Jaap Wilkens this week called on the Government to take steps to curb the exceptional agricultural price hikes.

Prices of agricultural inputs have increased by 169% since 1975 compared with a 116% rise in product prices and an increase of 132% in the general inflation rate at the same time.

Government aid to agriculture was recently increased by R50-million from the earlier R150-million.

This amount was still not sufficient and aid measures served no purpose if no serious attempts were made to improve the long-term financial viability of agriculture, said Mr Wilkens.

Farmers in the summer-grain areas of the Western and Eastern Transvaal and north-western Free State are R1 000-million in debt. Hundreds are facing bankruptcy.

■ ■ ■

Tobie Loubser, chairman of the huge Sentraalwes cooperative, warned in his financial report this week that the call for support for co-ops would be tremendous.

Sentraalwes's turnover was up at R1 202-million in the year ended February 1983, but net profit fell by R7.4-million to R15.5-million. Members' debts rose 29% last year and are expected to rise another 43% this year.

The average inflation rate covering supplies such as tractors, other farming equipment and fertiliser was 15.2% in 1981/1982.

Meanwhile, farm-machinery and farm-supplies companies have felt the impact of a dramatic fall in farming income to R1 900-million in 1982 from R2 600-million in 1981, and they face another decline of around R1 000-million to R1 200-million this year.

Building costs to 'go up by 3,4%'

4/7/83 E-Port

~~244~~

244

By SHARON LI GREEN
BUILDING costs are expected to rise by 3,4% due to the brick price increase which came into effect on July 1, coupled with an increase in the cement price, which comes into effect on July 18

The removal of the price control which became effective from March 26 last year after an announcement by the Minister of Industries, Commerce and Tourism, Dr Dawie de Vilhiers, was intended to stabilise prices in the long-term although initial price increases were expected

Mr Willie Landman, director of the Port Elizabeth Master Builders' and Allied Traders' Association, said the total increase in the cost of building a house would amount to about 3,4%, which he described as "substantial"

"Nothing can be done to stop the increases which are expected because of the abolition of price control on steel, bricks and cement," he said

"Inflation, too, is running

at about 14%, so the increase in building materials is still below the inflation rate," he said

The increases come in the wake of a steel price increase of a just under 10%

However, manufacturers and marketers of building materials feel the price increase in bricks and cement are not significant

Mr H Roodt, regional manager of Cement Distributors (SA) Pty Ltd, said the price increase in cement was "not significant"

There would be a 10% price increase in bulk cement, bringing the cost to R3 (excluding sales tax), for 50 kilograms

The price of a 50-kilogram bag of cement would be increased by 12% to R3,26, without sales tax

Mr Roodt said cement constituted only about 2% of the building costs of a house

The price of railed cement would also increase by various percentages. The increase for East London would be 5,07%

The increases came as a result of the higher railage and electricity charges absorbed by the cement-producing companies

Since the abolition of price controls on March 26 last year, consumers had experienced three price hikes, he said

Immediately after the lifting of controls, the cement price was increased on April 1 by a 16% hike (or 26c) on a 50-kilogram bag which was "higher than usual in order to recoup losses", according to Mr Roodt

This was followed by another increase of 8,9% (or 22,3c) on October 1 last year

Mr Roodt said these price increases were not more frequent or much higher than before the removal of price control

Mr Geoff Bird, Press liaison officer for Corobrick, South Africa's largest brick producer, said he did not think the R7 increase in the price of bricks was significant

The price of common

bricks had been increased from R81 per 1 000 to R88 since Friday

A R75 000 house would use about 50 000 bricks, resulting in an additional cost of R350 in the cost of the house, he said

"Previously the price of bricks was controlled and, like rent control, the price was kept artificially low. The price adjustments might bring it to a more realistic level"

Since the abolition of price controls, Corobrick has had two increases — 17% in March, 1982 and the other later last year

Mr W Offerman, chairman of the Brickmakers Association of Eastern Cape, said today it would definitely increase its brick prices. But it had not decided on the size of the increase

"We've been at full production now since 1978, with demand exceeding supply all the time. To expand, more capital is needed and the only way to get this is to increase prices regularly," he said

~~(244)~~
~~(422)~~
Bus fares
D. Gish
up July 13
5/7/83

EAST LONDON The
increased bus fares
announced recently by
the CTC Bus Company
will come into effect on
Wednesday, July 13

Workers' 10-ride clip-
cards will be sold at the
old price up to and in-
cluding Thursday, July
14 All clip-cards sold
from Friday, July 15, will
be sold at the new price.

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Wholesale prices surge

244
RUM
7/7/83

WHOLESALE prices rose sharply by 1,25% in May. This pushed up the 12-month rate of increase to 12,05% from 11,99% at the end of April.

The wholesale-price index (WPI) was 274,3 in May against 270,9 in April and 244,8 in May 1982.

In May 1982 the WPI rose by 1,2% and it looked, on the evidence of the early months of this year, as though the increase in May 1983 would be less.

The fact that this did not happen will be a disappointment to the authorities.

In June 1982 the WPI was up by 0,78%, so it is unlikely that inflation as measured by wholesale prices will have changed much last month.

However, the WPI increased by 1,09% in July 1982 so there is some chance that the running 12-month rate could ease by the end of this July.

But that presumes that the 1,25% increase in May was a one-off rise and not the harbinger of a generally renewed upward trend.

This is how the 12-month wholesale-price trend has changed in the past eight months:

October 198214,6%
November 14,4%
December14,15%
January 198313,6%
February 12,9%
March13,35%
April 12,0%
May12,05%

In its June quarterly bulletin the Reserve Bank said: "The slowdown of the increase in production (wholesale) prices in the last two quarters of 1982 continued in the first quarter of 1983.

"The increase in the prices of imported goods, which had remained at a high level throughout 1982, moderated significantly in the first quarter of 1983.

"It would appear, therefore, that the appreciation of the rand during the second

half of 1982 was beginning to have its effect on import prices in early 1983.

"On the other hand the deceleration of the increase in the prices of domestically produced goods, which had been responsible for the overall slowdown in production prices in the second half of 1982, was not maintained in the first quarter of 1983.

"These production prices rose on average at the same rate as in the fourth quarter of 1982.

"Higher rates of increase than in the preceding quarter were in fact recorded in the prices of domestically produced agricultural products, electricity, transport equipment, wood products, food, beverages and tobacco."

South Africa continues to show an inflation rate — however defined — well above that of the main Western nations.

Consumer-price inflation in the industrial countries continued to ease in April to a level not seen since 1972-73, says the International Monetary Fund in Washington.

The 12-month rate of consumer-price increases fell to 5,3% in April from 5,5% in

February and March, representing a decline from the 7,8% rate of April 1982, the fund reported.

Lower inflation rates among industrial countries were reported by eight nations in April, the 12-month pace moderating most in Switzerland, Austria, West Germany and Canada.

Six nations recorded increases in their 12-month inflation rate in April, two others holding their rates stable.

Inflationary pressures in the non-oil developing area, in contrast, have been strong and rising, says the fund in its monthly publication, International Financial Statistics, reports Sapa-AP.

The non-oil developing nations registered an annual rate of price inflation estimated at 51,6% in the first quarter of 1983, with steady increases in each month of the quarter.

Oil-exporting nations made progress against inflation in 1982, recording an average inflation rate of 7,8% compared with an annual rate of 13,5% in 1981, says the IMF.

By HOWARD PREECE

Brick ²⁴⁴ firm ~~115~~ raises ^{7/18 3} & past prices

Post Reporter

THE manager of EP Brick and Tile Company, Mr W. Martin, announced yesterday that his company had increased their ex-yard price of bricks from R75 to R80 for 1 000 bricks, with effect from July 1,

This 6,25% increase follows Corobrik's recent announcement that the ex-yard price of their common bricks had been increased from R81 to R88 a thousand.

Mr Martin said the delivered price of bricks from EP Brick and Tile Company had been increased by 5,5% from R90 to R95 a thousand from July 1.

These increases come close on the heels of a rise of just under 10% in the price of steel, which was announced last week, and the increase in the price of cement, which comes into effect on July 18.

MILK

'Some people complained, but ^{they've} stopped moaning now . . .

244

Mercury Reporter

DURBAN cafe owners claim milk sales have dropped only 'slightly' during the past week since the retail price control was lifted — while a supermarket chain reports a 20 percent increase

In a Mercury survey yesterday most cafe owners reported sales down by as little as 12¢ a day, while others said their sales had not fallen off at all. It was being sold at between 70¢ and

74¢ including tax

Mr George Nathan, owner of a cafe on the Victoria Embankment, said he did not know price control had been abolished. He was selling at 66¢ plus tax — the price recommended by the dairy.

Owners claim they have had few complaints, but one woman — who preferred not to be named — said it was 'ridiculous' to have to pay as much as 74¢. 'It's an absolute outrage. Milk is a necessity in most people's lives. Why should

we have to pay whatever shop owners feel like charging?'

'In fact, in future I'm going to buy powdered milk.' An assistant in a Smith Street cafe, where milk was selling at 74¢, said some customers had complained for a few days.

'But they got used to the new price pretty quickly and don't moan about it now.' The general manager of the Durban

North Hypermarket, Mr Martin Rosen, said milk sales had increased 'tremendously.'

All Pick 'n Pay stores are selling milk at the old wholesale price of 55¢ during this month. The Natal general manager, Mr Colin Clarke, said milk sales had risen by about 20 percent — from about 51 000 £ to 66 000 £ a week — during the past week.

'People are buying from us now instead of the cafes.'

Cost will decide Durban grand prix

Mercury Reporter

DURBAN will host the world championship status 1985 South African Grand Prix if the Kyalami organisers are satisfied that the event will be financially viable.

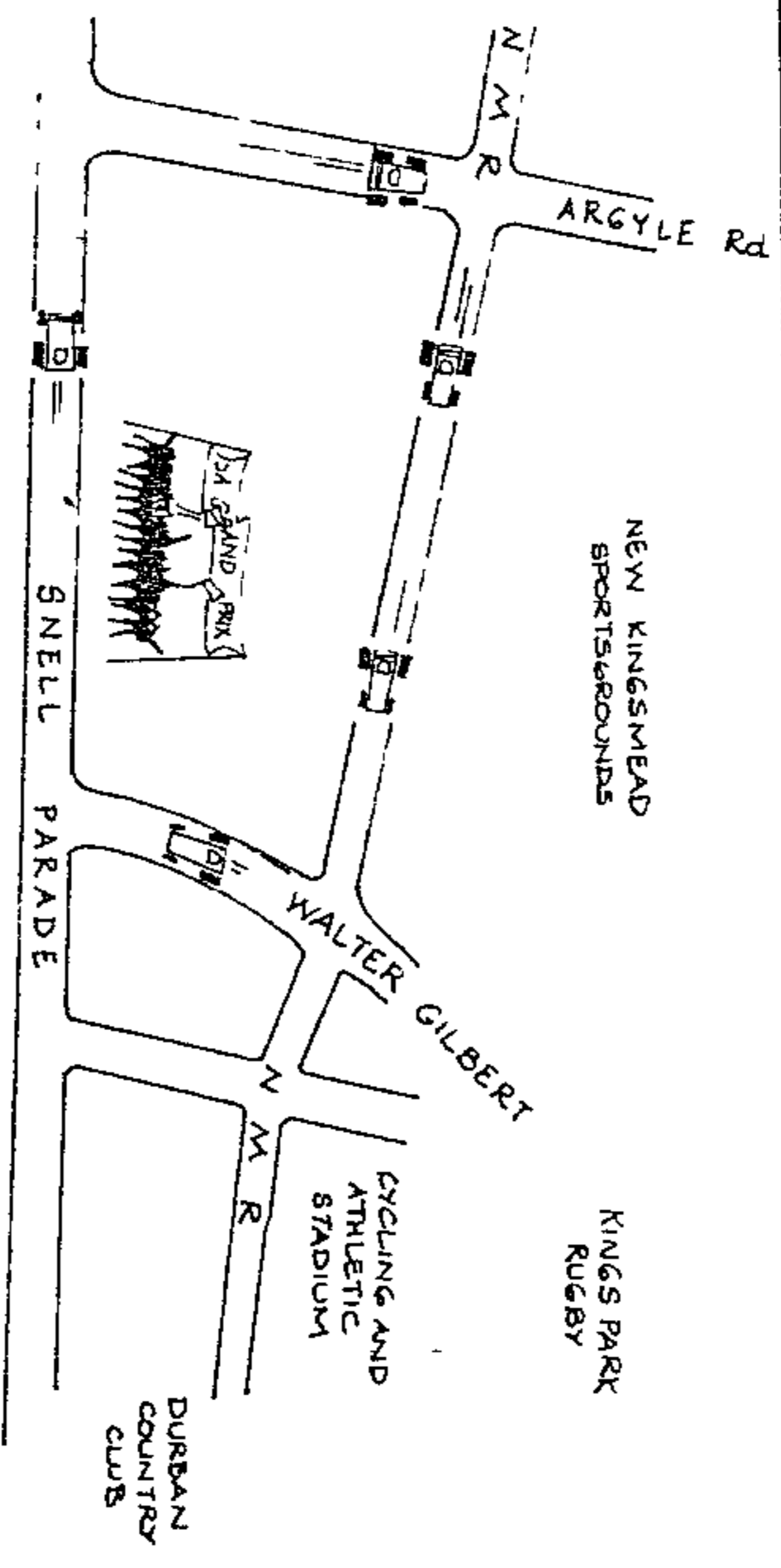
The event would be held in Durban for one year only and would move

tract to run a grand prix. Where we run that grand prix really doesn't make any difference.

When the Durban people approached us we said okay provided the logistics problems could be overcome, said Mr Hartshel. Attending the meeting was the chairman of the

Kyalami grand prix to Durban with world status, he said.

'I wouldn't like to estimate the considerable additional expenses attached to having it in Durban at this stage, but it would be very expensive — an additional R2 000 000 would have to be found,' said Mr



The proposed route for the grand prix

Fined over bier

Court Reporter

THE son of the proprietor of Durban Funeral Services was convicted in the Durban Magistrate's Court yesterday of being in pos-

Armed ANC men seek Swazi asylum

MBABANE—Two members of the banned African National Congress have appealed for political asylum in Swaziland to Swaziland because they had spent time in detention in South Africa for their activities with the outlawed ANC. They

HYPER

SATURDAY

9.30 a.m.

GAME, AND P

10.30 a.m.

BLOSSOM

11.30 a.m.

FR

Another bread price increase is on the cards

By GERALD REILLY
Pretoria Bureau

ANOTHER increase in the price of bread is considered certain from the beginning of October unless the Government is prepared to raise the subsidy, it was learnt in Pretoria yesterday

The prices of all basic foodstuffs administered by the Government — dairy products, maize meal and sugar, among them — have been raised this year

Last month wheat producers met officials of the Department of Agriculture to discuss increased production costs of the previous 12 months

Against this background the SA Agricultural Union is expected to recommend a price increase of between 12% and 15% at a meeting of the Wheat Board scheduled for July 21

Sources said the Government has committed itself to limiting price rises to 10% or less

But, they say, even if the producers get 10% an increase in the bread price would be justified when the expected increases in bakers' and millers' margins are also taken into account

The manager of the Wheat Board, Mr Denis van Aarde, said a crop of about 1 500 000

tons was expected this year. That was about 400 000 tons less than was needed to meet the local demand

However, the board, because of the destructive effects of the drought, stopped exports at the beginning of the year

Because of that the board expected a carry-over into the new season of about 1 000 000 tons

Mr Van Arde said it was unlikely, therefore, that South Africa would have to import wheat during the coming season

Commenting on the possibility of another bread price increase, the Progressive Federal Party's spokesman on consumer affairs, Mr Harry Schwarz, said spiralling food prices were placing an unbearable burden on thousands of families

"The Government must act urgently to cheapen basic foods by lifting GST and channelling more funds to food subsidies," he said

Mr Schwarz warned that the rise in the prices of farming products had only just begun

The full impact of the drought would be reflected in rising prices during the remainder of this year and in the first half of next year

By GERALD REILLY
Pretoria Bureau

RAILWAY tariffs, air and rail fares and harbour charges may go up next month, the Minister of Transport Affairs, Mr Hendrik Schoeman, said in Pretoria yesterday

If this happened, it would be the second time this year that the tariffs have been raised — SA Transport Services increased tariffs by an average 10,3% in January

Rail tariffs alone were raised by 12,3%

Mr Schoeman said the loss for the financial year to March amounted to a huge R413-million

This was in spite of the stringent economies imposed by the administration.

"Tariffs are being reviewed and it is possible that adjustments will have to be made in August," Mr Schoeman said

Part of the economy drive

244 ~~267~~ RDM
8/7/83
**Govt hints
at rise in
air, rail fares**

was the laying off of re-employed pensioners and not replacing staff that went on pension if at all possible

Mr Schoeman said because of the continued recession revenue from the high-rated import traffic and from exports was down by about 30%

Because of this the country's harbours were virtually empty

The administration's defi-

cit estimated at the beginning of the 1982-83 financial year was R372 700 000. However, the final deficit was R413-million

Railway revenue was down by R628 700 000 compared with the original estimate.

SA Airways' deficit for the financial year totalled R98 200 000. Harbours, however, showed a surplus of more than R225-million

Govt warned: Rethink farms policy or food price will soar

244 ~~Journal Star~~ 8/7/83

Monopolies will increase their stranglehold on South Africa's food industry and prices will continue to soar if the Government does not change its agricultural policies.

That is the opinion of Mr Danie Scholtz, who recently resigned as chief executive of the South African Federation of Livestock Auctioneers and Agents.

"It is time that private enterprise and the State became more marketing oriented," he said.

Mr Scholtz, who served the federation for 10 years, said South African agriculture could prosper only if costs were brought down.

"South Africa is far too expensive to compete on foreign markets and this is a direct result of Gov-

Mr Danie Scholtz, former chief of the South African Federation of Livestock Auctioneers and Agents, told consumer reporter COLLEEN RYAN that Government control and monopolies were making South Africa too expensive to compete on foreign markets.

ernment control and monopolies," he said.

The meat industry, now dominated by three large organisations, was an example of the monopolistic trend.

Mr Scholtz pointed to the changes he had witnessed in his organisation in the last decade.

"Even the name of the federation is a misnomer," he said.

The federation originally had a strong corps of independent auctioneers and agents but now

their representation had been reduced from hundreds to a mere 50. Scores of agents had been swallowed up by the giant companies, he said.

Mr Scholtz has broken away to form a new livestock foundation, the Africa Livestock Foundation.

"South Africa has great potential as a food exporter to its African neighbours and I believe we must build up this market," he said.

The new foundation



Mr Danie Scholtz

will be open to all traders in Africa and its aim is to promote the livestock industry on the continent.

"We hope to bring together different voices, including the producer, the distributor and the consumer," he explained.

The foundation will place great emphasis on research in an effort to improve standards.

Own Correspondent
EAST LONDON: local policeman ing he will have telephone serv the rest of his life. The Police-liaison officer der, Major W Brown, now "only" has a R13 906 with the Post Office. But Major B said today the massive credit clearly a mistake. The mix-up started two months ago. Major Brown rec

Hungry

By Dirk Nel
Northern Transvaal Bureau

Buffalo and other have been foraging food in some of Phalaborwa's residential area cause of the critical drought in the Kruger National Park.

Residents with no fears, but many things in Steyn Street not even have fear around them, expect gardens to destruct the hungry animals.

Mr Frikkie Scholtz counted seven buffaloes the veld across the from his home at being woken by snoring sounds at midnight recently.

The Phalaborwa trance to the Kruger National Park is only 2 from the town's business

Giant sports complexes planned for Pretoria

Pretoria Correspondent

Giant sports complexes are being planned south-east of Pretoria and in Verwoerdburg.

A site on the Tierpoort/Welbekend road has been set aside by the Pretoria City Council for a complex which will probably cater for all major sports.

The Verwoerdburg town council is soon to call for tenders for facilities for rugby, soccer, hockey, cricket, bowling and tennis in the first R5 million phase of its planned complex near the new central business district.

It will also build an indoor complex with a swimming pool, saunas, squash courts and gymnasium as well as a fun park for children, and in a second phase extend the indoor facilities to cater for sports such as tennis and boxing.

The facilities for Pretoria's fast growing south-eastern suburbs will be adjacent to the new bus depot - recently resited from Atterbury Road extension in Garsfontein to the Tierpoort Road.

The University of Pretoria's indoor sports complex costing more than R6 million is almost completed and will be inaugurated in October.

THE DAILY COLUMN

The sublime delights of a hearty steak

Being a man who always enjoys a tasty steak, I shall do my best next time I am in London to become a member of an organisation that has been in existence since 1735 - the Sublime Society of Beef Steaks.

The society held its annual out-of-Town meeting on Monday

Ron Graham
Stoep
Talk



DIOD

BLASTS HIGH PRICES on winter

Famous make one-bar Electric Heaters

• For bedrooms study etc • 11 kW output • Highly economical - save electricity • Keeps the whole room warm

539



Cement to pass on rail costs

By SIMON WILSON
Industrial Editor

CEMENT producers will pass on to the consumer any increase in freight rates as soon as they occur

In the 1982 review of the South African Cement Producers Association, the three main members — Anglo-Alpha, Blue Circle and Pretoria Portland Cement — reiterate their policy on freight-rate increases, first stated after the lifting of price control on cement last year

This pricing policy will also be followed by Sacpa's three associate members — Cement Marketing Organisation, Cement Sales and Durban Cement

The Minister of Transport Affairs, Mr Hendrik Schoeman, says he will probably be forced to raise South African Transport Services freight rates in September or October

Freight rates last triggered an increase in the cement price in January this year when pocket prices rose by between 2% and 5%, depending on the delivery distance

The association says that rail transport of the industry's raw materials and finished products was maintained at a high level of efficiency by Sats

Member companies will absorb for as long as possible increased costs — estimated at R1-million a month — of raw materials and electric power

The industry had an installed capacity of 9 400 000 tons in the year under review. Capacity use averaged 85%, although regional demand varied

Western Cape producers operated at 17% lower capacity use than the national average

The Transvaal cement market continued to grow, but demand elsewhere was either static or declined

League slams

~~244~~
244
rail

and

Mercury
air

19/7/83
tariffs

Mercury Reporter

SOUTH Africa's double-digit inflation rate would never come down as one sector after another put up tariffs and prices with the excuse that rising costs were hitting them and their increases were inevitable

This was said yesterday by Mrs Joyce Hurwitz, president of the Housewives' League of South Africa

In a statement to the Mercury she scorned the proposed increases in rail and air tariffs as being too hard on the heels of the April increases which saw rail tariffs rise 15 percent and air tariffs 10 percent

Now consumers were expected to accept a further 6.5 percent increase in rails tariffs and a 4 percent rise in air fares

Cut-backs

'The additional price increases in rail travel will affect so many consumers that have to commute to work by train. And these are the very people who cannot afford any increases in goods and services,' Mrs Hurwitz said

Further hikes in air fares would result in further cut-backs on domestic flights. As there was no alternative airline, consumers would revert to travelling by car or train

'Government services, public utilities and State-imposed control board systems are helping increases along. Our country is in the throes of a recession, cost of living has gone through the roof and we are experiencing the worst drought in living memory.'

'Still we are bombarded with price increases. When will it stop?' she said

'It is a time when everyone should tighten his or her belt — not just the man in the street'

244 ROM
22/7/83

Escom rise could up home power bills

Mail Reporter

HOUSEHOLDERS could be paying a maximum of R2,80 extra on their electricity bills if the predicted Escom increase becomes reality.

A spokesman for Escom said this week that electricity tariffs would have to increase by up to 35% to cover the costs of emergency measures to maintain electricity supplies during the drought.

However, Escom's chairman, Mr Jan Smith yesterday issued a statement saying no decision had been made as to what the increase would be nor when it would be announced.

Mr R A Leigh, Senior Dep-

uty Electrical Engineer for the Johannesburg Municipality said the council tariffs were automatically adjusted to half of any Escom increase.

The rate per unit for electricity from Escom was 1,6c per unit and at the maximum expected increase of 35%, householders would pay 0,28c more per unit.

The average to large household is estimated to use 1 000 units a month which would mean a monthly increase of R2,80 per household.

But Mr Leigh said the municipality had had no notification of any increase.

Another bread price rise likely

(244)
~~211~~
R04

Pretoria Bureau 22/7/83
A RECOMMENDATION for a substantial increase in the wheat price was submitted by the Wheat Board to the Marketing Council after a meeting of the board in Pretoria yesterday.

Although the Government is expected to cut the recommendation to 10% or less, it is certain producers will get a price rise, and that this will lead to an increase in the bread price, from October 1.

The general manager of the board, Mr Denis van Aarde, said earlier this week that a higher price was the only alternative if the Government refused to increase the yearly R200-million bread subsidy.

The Government, other sources said, was committed to a policy of keeping administered price increases below 10%.

So far this year the maize price has been raised by just over 9% and the sugar price by 7%. Dairy product prices were also kept down to a level "unacceptable" to dairy farmers.

So it is expected that wheat farmers will get the same treatment.

However, even if the increase is kept below 10%, to be taken into account, too, when the price of bread is determined, is the increases in margins expected to be granted to the baking and milling trade.

State's final say in new bread price rise

Pretoria Correspondent
22/7/83 *244*

The price of bread is set to increase by about one-tenth unless the Government decides to absorb the costs by increasing the R200 million bread subsidy

After a round of crucial meetings held by representatives of the Wheat Board and the milling and baking industries in Pretoria this week to determine new wheat, barley, oats and rye prices, it became clear that an increase was inevitable.

Mr Dennis van Aarde, general manager of the Wheat Board, said that costs had to keep up with constantly rising production and marketing prices

The recommended increases had been referred to the Mar-

keting Council, which would scrutinise them before approaching the Minister of Agriculture

Mr van Aarde said that if the Government decided it could not increase its subsidy, dearer bread would be "inevitable".

It would not only be an increase in the price of wheat which could affect the price of bread, but also the increasing cost of producing bread for the milling and baking industries

Current price for a ton of A1 grade wheat is R275. An increase of one-tenth would push the price to about R303.

Current average price of bread is 53c a loaf of white and 36c a loaf of brown. A one-tenth price increase would take white to 58c and brown to 40c

CML Times 23/7/83

New City rail fare increases

Staff Reporter

DAILY train fares on the suburban lines will not be affected by the Railway fares increases which come into effect on August 1, a spokesman for South African Transport Services said yesterday

Other train fares that will remain the same are first class fares on Main Lines, non-white sleeper class fares and fares for the Blue Train

The spokesman said the increases, which affect mainly weekly and monthly season tickets, were being instituted because the Railways were "still in the red and we have no choice in the matter"

The new prices are as follows

First class weekly tickets from Cape Town to Rondebosch and Pinelands, previously R3,40, will be R3,50. Third class tickets will rise from R1,10 to R1,20. First class monthly tickets to these stations will be R13,00 and third class tickets will be R5,10

First class monthly tickets to Wynberg, Plumstead, Goodwood and Parow will go from R16,50 to R17,50, and third class tickets from R6,30 to R6,70. First class weekly tickets will rise from R4,50 to R4,70 and third class tickets from R1,50 to R1,60

The new first class monthly price for tickets to Mui-zenberg and Kuilsriver will be R26,50 — they were previously R25,00. Third class

monthly tickets to these stations will rise from R8,70 to R9,10, while weekly tickets (third class) rise from R2,00 to R2,20 and (first class) R6,80 to R7,10

First class monthly tickets to Simon's Town, previously R37,50 will be R39,50 and third class, previously R10,50 will be R11,00. Weekly tickets, first class, will rise from R10,00 to R10,50 and third class from R2,50 to R2,70

Wetton and Bellville tickets cost the same, first class monthlies rising from R21,00 to R22,00 and third class from R7,60 to R8,00. First class weeklies to these stations will rise from R5,70 to R5,90 and third class from R1,80 to R2,00

The fares from Mitchell's Plain, Kapteinsklip and Kraafontein to Cape Town are also the same. First class monthlies, previously R33,50, will be R35,00 and third class monthlies, previously R10,00, will be R10,50. First class weeklies, previously R9,10, will be R9,50 and third class weeklies, previously R2,40, will be R2,60.

The Stellenbosch and Somerset West first class monthly prices rise from R44,00 to R46,50 and third class from R11,50 to R12,00. First class weekly prices rise from R12,00 to R12,50 and third class from R2,70 to R3,00

Strand commuters, who previously paid R46,50 for first class monthly tickets and R12,00 for third class monthly tickets, will have to pay R48,50 and R12,50 respectively. Weekly tickets which previously cost R12,50 and R2,80 for first and third classes respectively, will cost R13,00 and R3,10

Durban

244

power

Mercury
price

23/7/83

shock

Mercury Reporter

AN ELECTRICITY price increase of almost twice the annual inflation rate was experienced by South African consumers in 1982/83

This was revealed in a survey of prices in 12 countries carried out by the National Utility Services — international fuel and energy cost consultants

The survey showed that the price hike was 23.6 percent although the country's inflation rate was 13.6 percent

Cape Town people paid the highest rates for electricity with Durban consumers filling second spot. Pretoria had the lowest rates in the country

Of the 12 countries covered in the survey, Italy's electricity costs were the most expensive, while people in Sweden paid the least for their power

National Utility Services has carried out the annual survey since 1975

Retread

244 ~~137~~
tyre

Mercury
prices

26/7/83
to rise

Mercury Reporter

THE price of retread tyres is likely to go up over the next few weeks following the recent across-the-board increase on new tyres

New tyre prices went up 7.85 percent from July 4

A spokesman for one of the bigger retread companies said yesterday that had retreaders not already increased their prices, they would probably do so in the near future

He added that since there was no controlling body for retreaders, the increases would be not be the same — probably between 5 and 10 percent — and retailers would put them up when they saw fit

He gave the reason as an increase in raw material prices — the same reason that had pushed up new car tyre prices

244
Retread tyres

price likely
26/7/83
to rise soon

Mail Reporter

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He said since there was no controlling body for retreaders, the increases would not be the same — probably between 5% and 10% — and retailers would put prices up when they saw fit.

The reason for the expected increase was the rise in raw material prices, he said.

Services' costs ~~244~~ boost COL

By HAROLD FRIDJHON ^{28/7/83}

THE cost of services is a major item contributing to the rise in the consumer-price index

In June when the CPI rose by 12.4% compared with June 1982, the cost of services increased by 15.7%. The cost of services is 32.9% of all the items in the index

Apart from food which is reckoned to cost 25.5% of the average family budget on which the CPI is based, the other biggest single item is housing. Theoretically it takes 19.5% of a household budget

But with the prices of houses and flats rising and mortgage rates going up there must be few white families who pay as little as 19.5% of their budget for a roof. From all accounts, the cost of accommodation is higher than 19.5% of take-home pay. Perhaps on these grounds alone one might dispute the validity of the CPI

But be that as it may, in June the housing component of the CPI rose by 18.4% — six percentage points higher than the final numbers. All items without housing increased by 11.2% against 12.4% for the CPI as a whole

Other items which increased faster than the total index were fuel and power which rose by 19.1%, cleaning materials 22.6%, medical

care 15.5% and education 15.8%. Personal care which probably includes toiletries and cosmetics, rose by 14.1%.

The cost of commodities rose by 10.9% and that includes food, clothing and footwear, and furniture and household equipment. The index number of the price of clothing went up by 9.4% and that of footwear by 9.9%. Furniture increased 13.4%. The cost of appliances was only 8.9% higher and "other" 8%.

Prices of clothing, furniture and other household equipment probably showed a relatively low increase only because retailers have cut prices to induce sales in a recessionary environment. It is most unlikely that the slower rate of increase flowed from lower costs of production

The food index rose by 12%. Prices of grain products were up by 19%, fruit 16.3%, vegetables 30%, dairy products 14.5% (before the latest increase) and coffee and tea 16.2%

Meat prices rose by only 2.6% in a year, probably because the drought brought a surplus of cattle to the market — which carries an implicit warning that the price of meat is due to soar when all surplus stock has been sold. Fish prices were up 7.7% and sugar by 6.9%

yesterday - Sapa

~~210~~ ~~244~~
Milk price is to go up in SWA

2004 29/7/83
WINDHOEK - The price of milk in South West Africa is to rise by 5c to 76c a litre from August 1

The two major dairies in Windhoek - Milkcor and Bonmilk - announced that the price hike was prompted by increased transport and packaging costs - Sapa

Minister rejects farmers' call to drop protection

w/c ARG45

30/7/83

~~Final~~
244

By PHILIP VAN DER MERWE

THE Minister of Industries, Commerce and Tourism, Dr Dawie de Villiers, refused to bow this week to strong pressure from Cape farmers to abolish protection of local industries.

He told them the best way to push up South Africa's exports was to reduce the country's high rate of inflation

Dr de Villiers was speaking at the annual congress of the Western Cape Agricultural Union at a Sea Point hotel

He replied firmly to at times bitter criticism of

Government policy by angry delegates who said the protection of local industry was costing farmers dear, especially in regard to exports

Some delegates claimed local industry protection was pushing up their production costs by as much as 12 percent and that certain items could be imported up to 45 percent more cheaply than they were made locally

Dr de Villiers said if South Africa's inflation rate remained more than twice that of Europe and the United States then the country's exporters would continue to struggle

to compete in those markets

Government concessions to exporters to cover cost increases as a result of local industry protection were sufficient for them to make their export prices competitive

The protection of local industries which created jobs was essential if South Africa was to avoid the dangers posed by widespread unemployment

It was inconsistent for farmers to complain about protection of local industries when at the same time they were asking for protection against cheaper grain imports

Dilemma

But their position served to illustrate the dilemma in which the Government found itself

Farmers should realise they were being protected by the Government against imports of cheaper foodstuffs

Although consumers

could argue that they could import certain produce cheaper than they could buy them locally, it would not be in the country's long-term interests to allow them to do so at the cost of local producers

Depression

By protecting local industries by means of selective tariffs on imported goods the Government was nevertheless allowing overseas goods to enter South Africa's market and compete subject to such tariffs

When comparing prices people should remember that the West was going through a depression in which there was overproduction and a temporary dumping of goods cheaply on export markets

Dr de Villiers also heard delegates blame decentralisation subsidies to industries, the cost of capital, unrealistic land prices and the slow decision-making of a centralised public service for harming the growth and profitability of agriculture

Views on soft drink prices

Mercury Reporter

THE scrapping of retail price control on soft drinks should not lead to any price increases according to Mr Henrie Viljoen, president of the South African Federation of Soft Drink Manufacturers

And a spokesman for the Consumer Council said they were confident that retailers who tried to abuse the system in 1971 had been taught a lesson

Since it was accepted that price control was counter-productive in a free-market system the announcement should be to the advantage of consumers in general

Biggest

Producers, distributors, bottlestore and cafe owners in Durban yesterday said the move would have little effect in the short term, but said the implications for the long term were anybody's guess

A senior spokesman for the Coca Cola Bottling Company, the biggest producer of soft drinks in South Africa, said although the recommended price of their products would not be affected, they had little or no control over cafe owners

A list of recommended prices was attached to the freezers in the stores, so customers could always gauge the situation

He said natural competition should keep prices down, but it would be surprising if they went below the recommended price

It was up to the individual customer to use his discretion and favour those outlets which were the cheapest.

Cheapest

Mr Eric Hornby, divisional manager of Clover Natal, said there were a lot of fruit juices on the market, and competition had always been keen

Clover's products would not be increased in price over and above any normal increase that might be in the pipeline

The general manager of Game, Mr Alec Hurter, said their policy was to always be cheapest, so it would not affect them to any extent.

For a 340 ml can of Coke, the recommended price of which is 40 c, Game charged 32 c, he said. A 1 1/2 bottle sold for 69 c, 16 c cheaper than the recommended price, and a 2 1/2 plastic container for R1 08, 27 c less

The manager of Barbara's Coffee Shop on the Victoria Embankment said he charged the recommended price and would continue to do so

Brick industry slammed over new price rise

Mail Reporter

THE CONSUMER COUNCIL has criticised the latest brick price increase last week and has hinted that a virtual monopoly exists in the industry

"This is inevitably going to push up the price of housing all over the country," a council spokesman told the Mail from Pretoria yesterday

"The increase is an even greater cause for concern when one considers that two building societies recently put up their interest rates on bonds

"Higher financing costs and higher brick costs are going to have a ripple effect and the consumer is going to have to pay more for his home"

The price of bricks had risen from R57 to R152 a thousand in just under three years. Since the Government removed price control on bricks recently there had been several increases

"There is a lot of talk about free enterprise, but in a situation like this the free enterprise should be put in inverted commas" he said

"Another strange thing is that the moment there is the slightest hint of a price increase in the offing, there is suddenly a shortage of

bricks. Once the new price comes into operation there is no longer a shortage — at the new price

Ever-increasing brick prices were serious especially when one considered the trend towards using more and more bricks to save on maintenance costs

Thus townhouses would become more expensive, and if sectional title blocks using a lot of bricks were put up, costs would rocket. Sectional title had originally been designed as low-cost alternative housing

The spokesman added that it appeared as if there were a virtual monopolistic situation in the industry with market leaders setting the price and other factories following

"This cannot be described as free enterprise by any stretch of the imagination"

A spokesman for Brickor, one of the country's brick giants, said the latest increase had been unavoidable because the cost of materials, labour and cement had risen

Three or four price increases in a relatively short space of time might seem a lot, but the big companies preferred to stagger increases in order not to hit the economy with one big increase

Meat prices ~~3/10/83~~ rise — more ²⁴⁴ in pipeline ^{E. Post} ^{5/8/83}

By BESSIE BOUWER

MEAT prices increased substantially in the Eastern Cape this week and further increases are in the pipeline

Mutton prices showed the biggest hike with a 49% increase. Lamb prices increased by 25%.

The price of beef, which soared by 19% in the past two days has, according to a spokesman for the Port Elizabeth, Uitenhage and Despatch Meat Traders Association "rectified itself and prices today are back to normal."

The price of pork went up by about 5% due to lack of supplies.

The spokesman said "Drought conditions caused the demand to outstrip supplies and when this was announced it caused panic and the public tended to buy like crazy, thereby adding to the problem of supply."

White meat such as

chicken and rabbit remained stable this week but future increases are imminent.

A spokesman for a large broiler company said whole birds would cost 4c to 5c more a kilogram from next week, but the prices of chicken portions remained unchanged.

Rabbit prices have increased about 12% since the beginning of August and will be increased by a further 7% within the next week.

"People in the Eastern Cape are not really buying rabbits and as sales decreased the price of rabbit meat was reduced until the end of last month," said a spokesman for the Rabbit Breeders Association.

Port Elizabeth butchers said the public had reacted extremely well towards the price increases this week because they realised the drought was the main cause.

Delight ²⁴⁴ at 12c ²⁴⁴ cut in ^{from} egg price ^{5/8/63}

Mail Reporter

THE decision by South Africa's biggest egg producer to bring down the price of its eggs has been welcomed

Steinbro Eggs announced yesterday it would cut its price by up to 12c a dozen from Monday

The company said the price cut was made possible by an egg surplus often experienced during Spring

Other egg producers could not be reached last night to comment on whether they would also reduce prices

Mrs Joy Hurwitz, national president of the Housewives League of South Africa, welcomed the Steinbro decision

She said "I am very pleased, because the consumption of eggs has dropped following the last price increase for eggs"

The president of the Black Housewives League of South Africa, Mrs Sally Motlana, said the price cut would help offset other high food prices being caused by the drought

The public affairs manager for Checkers Stores, Miss Peta Lomborg, said the supermarket chain was "delighted" by the reduction and would cut prices by 12c a dozen on Monday

A spokesman for OK Bazaars, Mr Ralph Horwitz, said its stores would also reduce prices by 12c from Monday

Sweden

Putco to up fares in north

11/8/83 (244)

By MONK NKOMO

PUTCO'S application for a 12½ percent fare increase in Pretoria has been approved and will come into effect as from August 29.

The increases which range between 5c and R1,10 for return trips and weekly tickets respectively, were announced by Mr Charl Byleveld, Putco's northern area executive in Pretoria yesterday

The increases, Mr Byleveld said, were imperative due to the continuing rise in operating costs over the past twelve months and the R1,3-million estimated losses incurred during the first six months of the financial year

However, scholars' fares in the Pretoria area remain unchanged Presently Putco subsidise tariffs paid by students travelling between Mabopane, Mamelodi, Soshanguve and KwaNdebele

"The company is mindful of hardship in many black communities and has made representation to the Department of Transport for subsidies to be granted," said Mr Byleveld The Government had however refused to grant the subsidies because a parallel rail service had been provided

The bus fare increases will also affect workers and students in the Valschfontein, Bronkhorstspuit, Dennilton and Marble Hall areas The increases there range between 5c and R1,10 on return trips and between 30c and R1 on the five- and six-day weekly tickets

Big surplus of mutton, lamb

By
AUDREY
D'ANGELO

CONSUMER
COUNSEL

THERE will be an enormous surplus of mutton and lamb this summer

So many farmers have applied for permits to send sheep and lambs to Cape Town abattoir for slaughter between September and the end of January that emergency arrangements have been made to divert thousands of the animals to other parts of the country

Meanwhile, the Meat Control Board has built up huge stocks of frozen beef in its stores again — I am told it now has about 70 000 carcasses — because supply exceeds demand

May export

But there are no plans to sell any of this meat at below cost as was done earlier this year

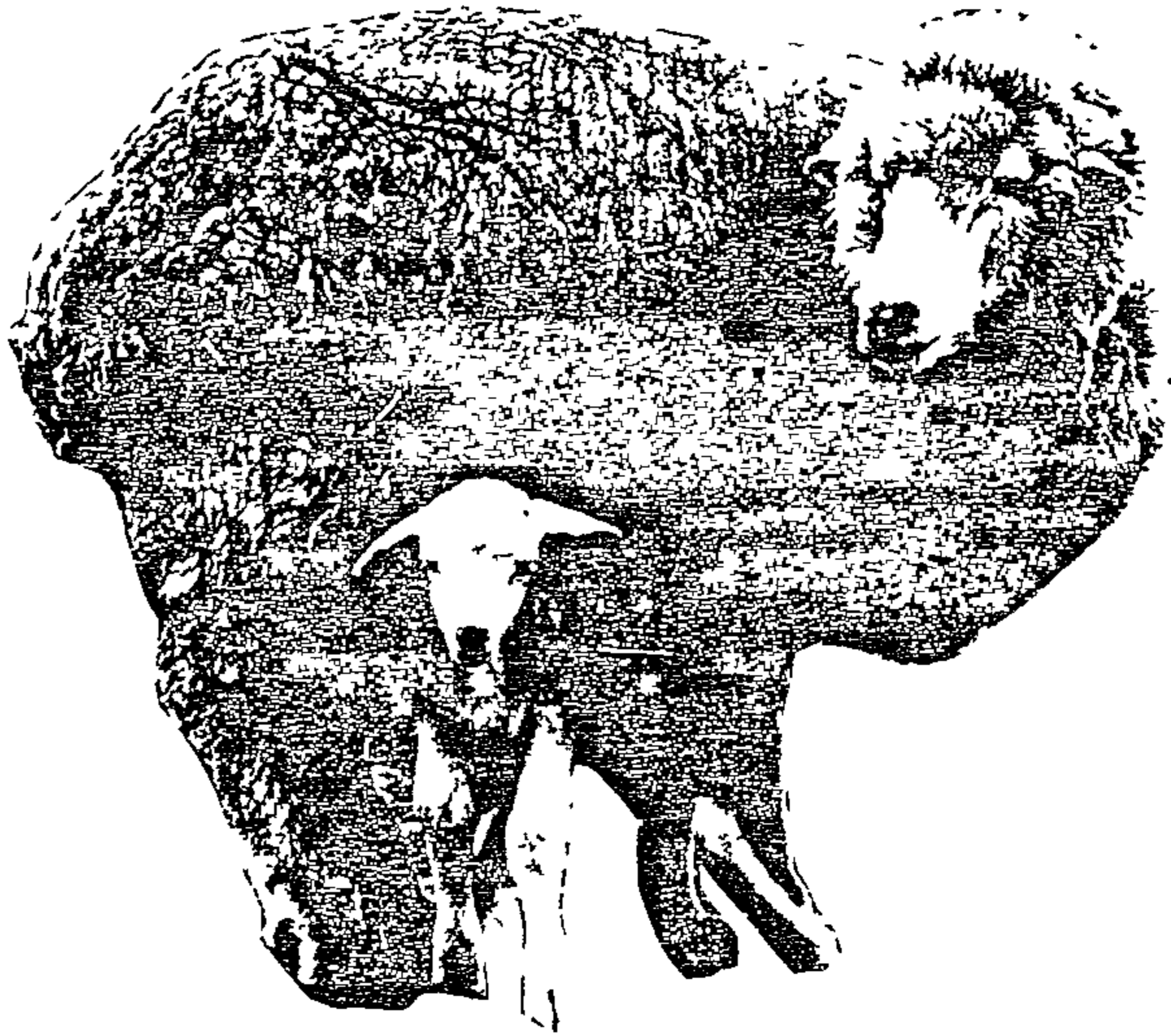
Instead, the board is looking into the possibility of exporting the surplus

Its public relations officer, Mr Koos Blignaut, explained that this was because subsidising beef prices earlier this year had not caused people to get back into the habit of eating more meat, as had been hoped

Instead, they had stocked up their freezers with the cheap meat and demand had fallen again for several weeks until they had used it up

This had caused a further build-up of stocks in cold storage

"Meat prices are reasonable now," he said "Carcasses are being sold at only a little above floor prices at abattoir auctions because demand is low



But no plans to sell below cost — as done last year

"We would not be justified in subsidising prices again from the levy paid by the farmer since this does not result in increased sales in the long-term"

I asked why the board was planning to export the surplus meat rather than keep it in store to avoid a shortage and sky-high prices in a few months' time

We have been warned that herds are now being depleted because the drought is forcing the farmers to slaugh-

ter breeding animals, and there will eventually be a shortage

But Mr Blignaut said "It seems unlikely there will be any shortage before the end of the year, and there is a limit to the time meat can be kept in cold storage

Prices down

"We hope the shortage will not come before there is an upturn in the economy, when people will be able to afford higher prices"

The Cape Town abattoir is already slaughtering sheep and lambs to full capacity, and auction prices have fallen since last week

Super lamb fetched from R2,88 to R2,95 a kg at the auction on Tuesday, compared with between R2,92 and R3 a kg last week

Prime B mutton fetched from R2,44 to R2,69 a kg at Tuesday's auction, super beef from R2,43 to R2,57 a kg and super pork from R1,80 to R1,99 a kg

Go through the...

ARGUS 11/8/83 244

Groceries may be cheaper after cut in petrol price

(Contd from Page 1)

Mr Bill Chambers, general manager, finance and control, of OK Bazaars, said fuel was a major component of the cost of goods supplied to supermarkets

He said any price cuts would be passed to the consumer

A spokesman for Cedar Taxis in Cape Town, one of the taxi firms

granted a 30 percent fare increase by the Local Road Transportation Board last month, said it was highly unlikely that an application would be made to the board to reduce fares

CITY TRAMWAYS

City Tramways, Cape Town's bus operator, is expected to release a statement shortly

It has applied for an

8,5 percent fare increase. In May this year it was awarded a 12 percent increase by the National Transport Commission

A spokesman for the Department of Mineral and Energy Affairs said the wholesale price of liquid petroleum gas (LPG) would go down by 6,8c a kg

However the retail price reduction for gas contained in cylinders

sold to the public would be somewhat less, he added

The Consumer Council has voiced the hope that the fuel price cut will stabilise or even lower the price of consumer goods

The announced price reduction came at a most opportune moment in view of the average consumer's precarious position, the Council said.

Political Correspondent

THE Government would take steps to ensure that the benefits from the cuts in the petrol price were passed on to the public, the Minister of Mineral and Energy Affairs, Mr P T C du Plessis, said today.

At a Press conference following the announcement of the petrol cuts by the Prime Minister last night, Mr du Plessis made it clear that the Government would be prepared to pressure commerce and industry to pass on the benefits to the public



Mr du Plessis

It emerged, however, that there was no way in which the Government could compel businesses to do so

Mr du Plessis said persuasion by the Government and pressure from the public and the Press would be the best means of ensuring that the benefits were passed on

In his announcement, Mr P W Botha made a "friendly yet earnest appeal" to the private sector to put this significant price reduction into operation in a way that would ensure that every consumer received his legitimate benefit

No definite date

Mr du Plessis said the price reductions would come into effect early in September but he could not give a definite date

Reasons Mr du Plessis gave for the price cuts were a restructuring of the programme to obtain crude oil, a restructuring of the financing of the latest Sasol project, diversifying sources of supply, more favourable oil contracts, a strengthening of the exchange rate of the rand against the dollar, and a decrease in international oil prices

One of the reasons why the price had not been decreased earlier was that oil companies had to be compensated for the R400-million loss they had suffered at an earlier stage

Mr du Plessis declined to speculate about the possibility of further price reductions

Lowest in world

He said South Africa's petrol prices would now be among the lowest in the Western world but it did not mean that the country had unlimited supplies. There was still the need to conserve fuel

Another Sasol-type synthetic fuel project would have to be undertaken and there was also a need for an energy bank with a capital of up to R8 000-million

The Minister said he also wanted to build up a stabilisation fund to cushion fuel prices against fluctuations in exchange rates

Cuts welcomed

The Opposition today welcomed the fuel price cuts. The Progressive Federal Party's chief spokesman on mineral and energy affairs, Mr John Malcomess, said he wanted to echo Mr Botha's call to the private sector to pass the full benefit on to the consumer

Food prices in particular needed to be kept as low as possible in this time of low employment

Between February, the time of the last decrease, and now, the international oil markets had been relatively stable and for seven months petrol was overpriced

If prices internationally continued to be stable, a further decrease should be possible at the stage when the funding for Sasol has been largely taken care of

What you will save

ASSUMING a motorist does 1 200 km a month in a small car which uses eight litres a 100 km he can expect to save R3 72 a month. A medium family car consuming 12 litres a 100 km will save its owner about R5 50. A heavy car using 16 litres a 100 km will be about R7 30 cheaper to run a month

The fuel price cuts are (cents a litre)

- Petrol 93 and 87 octane 4 c
- Petrol 98 octane 3,4 c
- Diesel for non-road-users 4,4 c
- Diesel retail at pumps 3,3 c
- Diesel wholesale to road-users 3,1 c
- Power-paraffin and jet fuel 3 c
- Paraffin retail plus 5 c

Bunker fuel for ships is excluded from this round of price cuts because it is coupled with the international price and not subject to direct control

Prices for 93-octane fuel abroad, at current exchange rates, include Britain—66,3 cents a litre, France—68,7, Germany—62,3, Italy—83,9, Portugal—70,2

Date to be decided

Political Correspondent

THE new, lower oil and petrol prices will come into effect early in September but not necessarily on September 1

The main reason why a definite date cannot be given now is that a "break even" stage has not yet been reached in financial arrangements between oil companies and the Government

This is an on-going process in which oil companies are compensated for over-payment to the Government for oil supplies affected by minor price adjustments in the international markets

The director general of Mineral and Energy Affairs, Mr S J P Du Plessis, said today that three or four days' notice would be given before the new prices came into effect

Government insists benefits from fuel cuts be passed on to the consumer

244

NR605

11/8/83

HOUSE OF ASSEMBLY. — The price of petrol is to drop by about four cents a litre next month in a government effort to reduce the spiralling inflation rate.

The large decrease, which also affects diesel, power-paraffin, jet fuel and household paraffin, was announced last night by the Prime Minister Mr P W Botha.

He said this would make South African petrol among the cheapest in the world. It would also mean a saving of millions of rand in the agricultural, mining and food distribution industries.

Mr Botha appealed to the private sector to ensure that consumers benefited from the price reduction.

He announced that 93- and 87-octane petrol would drop by "at least" four cents a litre from September 1, and 98-octane by 3,4 cents a litre.

This will bring the coastal price of 93-octane down from 58,3 cents a litre to at most 54,3 cents and 98-octane from 59,1 cents to 55,7 cents from September 1. Inland, 93-octane will drop to at most 59,6 cents and 87-octane to 59 cents a litre.

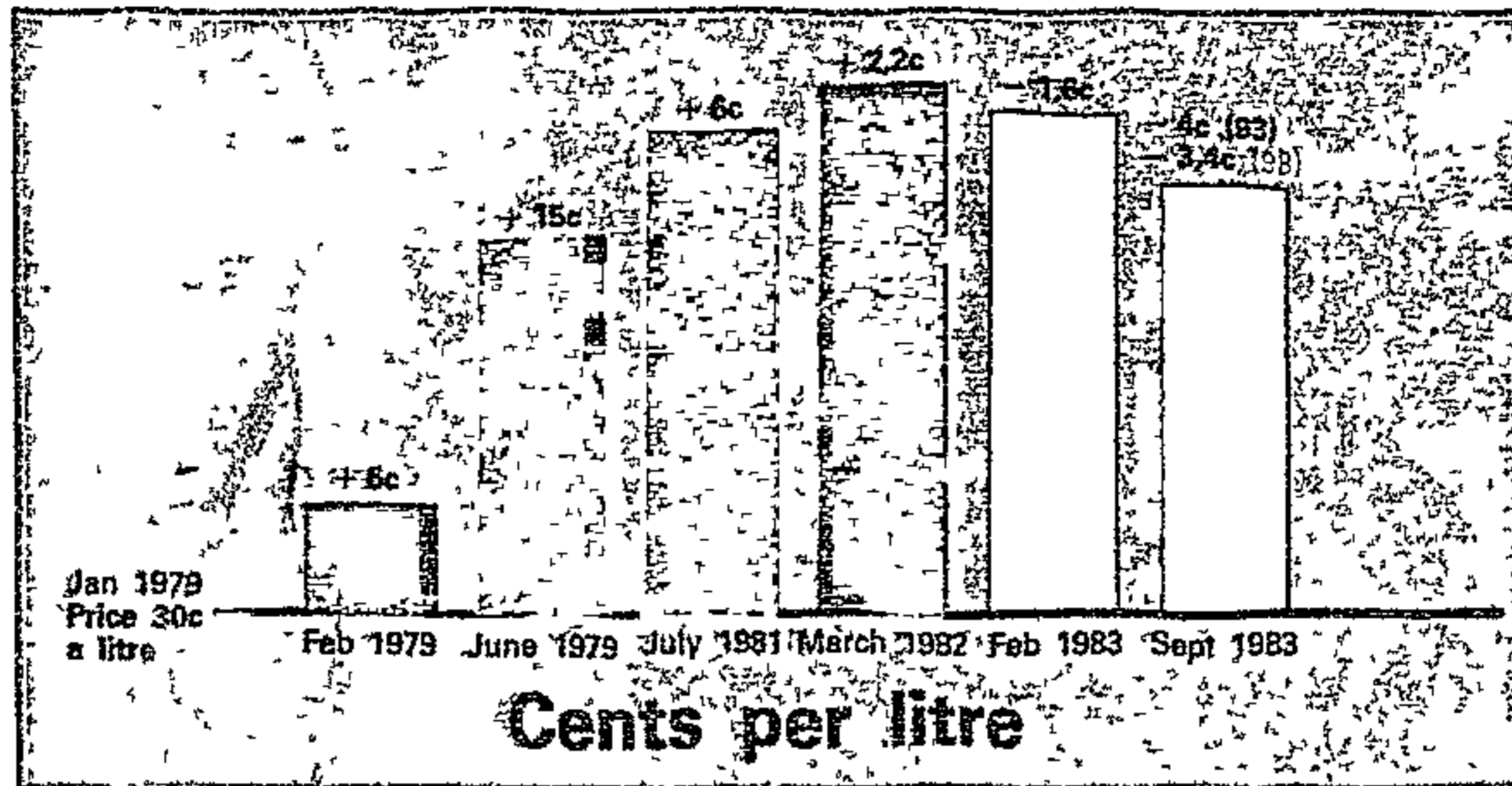
After years of sharp increases following the oil-price rises in the mid-1970s, this is the second drop in petrol prices this year. The possibility of further cuts was mentioned when petrol went down by 1,6 c/l in February.

The two price cuts follow an oil-price war as oil producers who formerly held the world to ransom fight to sell an oversupplied product. This has enabled South Africa, which used to pay a heavy premium for all oil supplies because of an official Arab embargo, to obtain oil at competitive prices.

'Must still save'

The Minister of Mineral and Energy Affairs, Mr Pietie du Plessis, is expected to deal at a press conference today with the implications for speed limits and petrol-selling hours.

However, he warned last night that South Africans should not believe petrol was suddenly plentiful.



"We have not got more oil and we have not discovered oil. People should not have the impression that we can waste petrol."

"South Africa still has to conserve fuel," he said.

Government sources explained last night that the factors which enabled South Africa to take this step included a restructured oil-acquisition programme, a restructuring of the financing of Sasol, the expiry of some oil-supply contracts and the appreciation of the rand against the US dollar.

Mr Botha told Parliament last night that there were times towards the end of 1979 when South Africa had no more than a few days' commercial supply of crude oil.

Other cuts

Mr Botha announced that other reductions from September would be:

Diesel Direct sales to non-road-users such as agricultural, forestry, fisheries and industrial consumers 4,4 cents a litre, retail 3,3 cents a litre, wholesale to road-users 3,1 cents a litre, power-paraffin and jet fuel 3,0 cents a litre, and retail paraffin by more than 5 cents a litre.

It is understood that the price of bunker fuel will not be affected as this is set by the world market.

PM's plea to fight inflation

Political Correspondent
HOUSE OF ASSEMBLY

— The need to bring down inflation was stressed in last night's fuel price announcement by the Prime Minister, Mr P W Botha.

Appealing to the private sector to pass on savings from the lower price, Mr Botha said the government was seriously concerned at South Africa's relatively high inflation rate.

"The government is deeply conscious of the crippling effect of inflation on the economy in general and particularly of the erosion of the purchasing power of the pensioner, the wage-earner and others."

"Indeed it directly affects the welfare of every inhabitant of our country and results in our being less competitive on overseas markets."

"Since inflation is clearly one of the most important problems threatening the growth and stability of our economy, the government affords the highest priority to the combating of this evil," Mr Botha said.

High and continually rising costs, largely influenced by fuel prices, had been one of the most significant factors

in the inflationary process of the past decade.

Mr Botha said the price reductions could mean savings of R50-million for the South African agricultural sector and about R12-million for the mining sector, particularly open-cast mines.

"The cost of food distribution will also be favourably influenced since it is estimated that fuel costs account for 42 percent of the total delivery costs of bread and 15 percent in the case of milk," he stated.

All three opposition leaders welcomed the petrol price reduction last night.

The Leader of the Opposition, Dr Van Zyl Slabbert, hoped the reduction would be passed on to the consumers who were most affected by inflation. The Conservative Party leader, Dr Andries Treurnicht, said the step would benefit agriculture in particular.

The New Republic Party leader, Mr Vause Raw, said appeals were not enough and asked the government to consider "active steps" if the private sector did not voluntarily pass on the benefit to consumers.

11/8/83
244
by Michael Scott

11/8/83
By
POI

PETROL PRICE TO QTR

PETROL PRICE CUT

Yes, we can afford it. And more?

SA can now provide for its liquid fuel needs better than most other oil-importing countries, despite the UN mandatory oil embargo. And government's reducing local retail fuel prices — already among the lowest in the world — shows that sanctions are not getting significantly into the consumer's pocket.

Sanctions have also failed to prevent the build-up of strategic stockpiles, as, relative to the size of its economy, SA holds more crude oil than any other oil importer — enough to meet normal demand for several years. What is more, the investment in these reserves has brought the government a book profits.

Stockpiling began after the 1967 Arab/Israeli war when oil cost less than R\$2 a barrel. By 1974, when much of the stock had already been established, oil was only US\$11/barrel compared to a price of around US\$30 a barrel today. But the prices actually paid by SA for some of its purchases were probably lower, as it is believed there was a long term supply contract with the Shah's government in Iran.

This probably helped to balance under-counter premiums paid to other sources. Last week's announcement of the petrol price reductions suggests that government must be satisfied that stockpiling is no longer a priority. Probably storage facilities are full. From the pump price of 59,6c/l premium petrol on the Reef, government levies a mere 0,22c/l to pay for strategic stockpiling as against 2,354c for road construction. Clearly priorities have swung (see table).

By contrast, most other oil-consuming countries have allowed their inventories to drop in the last two years and must restock for the economic upturn at

The present oil glut gives government a breathing space for planning the supply and pricing of fuels. It should use this time wisely.

prices which have already begun to firm.

SA is also the only country which operates a fuel from coal industry. At the end of next year when Sasols Two and Three are fully on stream, it will provide a large proportion of the country's liquid fuel needs. This compares well with western Europe and Japan, which together produce less than one quarter of their total crude oil needs.

Recent Customs and Excise statistics give some indication of the country's declining expenditure on imported oil. This must reflect not only a fall in rand prices paid but also a drop in volume imports owing to increasing production by the new Sasol plants. The figures are lumped together with arms and other strategic imports under the heading "other unclassified goods and balance of payments adjustments".

It is believed that oil currently accounts for by far the largest proportion of this expenditure, which dropped 34% from R2 447m for the second half of 1981 to R1 611 for the first half of this year.

The world oil glut and the scramble by some producers to sell to all comers no doubt played some part in allowing the recent local fuel price cuts. This may have saved the country about R1 billion over the last two years.

But the advantage to be gained from the drop in crude prices has, to some extent,

been offset by the depreciation of the rand against the US dollar over the past few years — and it now appears that world prices have passed their trough and are on the way up again.

Also important to local pricing are the taxes on fuel which pay for Sasols Two and Three. Some 3,725 cents a litre is paid into the State Oil Fund for Sasol Two and earlier this year a possibly greater amount was paid into the Equalisation Fund for Sasol Three. The need for these levies could now be greatly reduced because Sasol Two will be paid off next year and Sasol Three's financing was recently restructured. From this saving alone the fuel price reductions this year could be justified. They are the 1,6c price reduction in February, the 4,0c reduction scheduled for next month, and two increased fuel levies which were not passed on to the consumer: these were an extra 0,7c contribution to the National Road Fund and a 0,8c railway tariff increase.

Whether the price cuts could have been greater — or whether there should be more in the pipeline — is open to argument. But without knowing the current prices of oil imports, it is difficult even to make assumptions.

Furthermore there is every possibility that levies will be needed to help finance new fuel from coal plants. As fuel consumption grows, these will be required simply to maintain the self-sufficiency provided by the three Sasols when they reach full production. New plants will also make more economic sense when the real price of oil starts creeping up again, as it is bound to do.

Although international interest in synfuel projects has waned in line with falling

oil prices, a government spokesman has said "Careful planning by both the public and private sectors towards the attainment of greater security by way of local production of liquid fuels, is at an advanced stage notwithstanding the present oil glut"

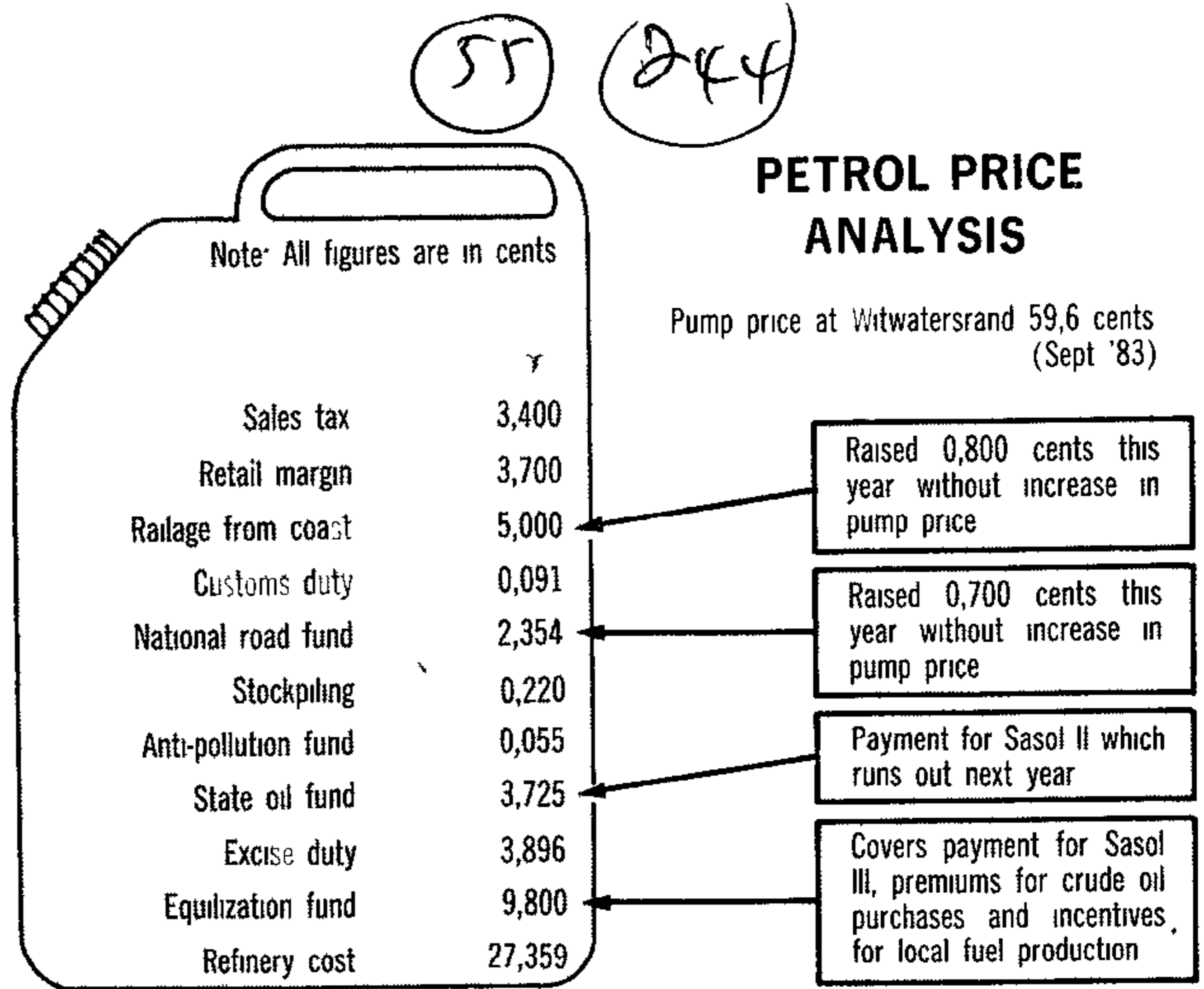
Government has made no official statements, but it is highly probable that AECI will put up the country's next synfuel plant. It is believed that government has to decide only on the details of incentives and the timing of the scheme.

The plant would produce methanol to be used as a diesel fuel substitute. But the efficacy of the fuel will depend on the performance of an ignition improver additive developed by AECI; this has not yet been proven over the long term in wide scale commercial use.

Apart from this possible drawback, the project fits in well with the country's requirements. It is far less capital-intensive than current Sasol plants and the plant employs known technology, unlike other proposals which cost less than Sasol plants on paper but have yet to be commercially tested.

It will also help overcome periodic imbalances in the supply of petrol and diesel. In order to satisfy the country's diesel requirements, local refineries sometimes produce more petrol than the country needs. This imbalance between petrol and diesel, which is primarily a function of high diesel demand, could be more unmanageable if diesel sales continue to outgrow petrol sales. This could mean either the importation of additional diesel fuel or the exporting of surplus petrol.

In fact, the latest fuel price cuts could also be related to this problem. As petrol, which is used largely by private motorists,



is more price sensitive than diesel, which is used largely by government, business and agriculture, a reduction in all fuel prices would thus boost petrol sales more than diesel. This would bring consumption of the two products more in line with what can be conveniently produced. It would not necessitate increased imports of crude oil as the lower limits of imports are set by country's diesel requirements.

The latest price reductions will probably shave about 0,3% off the consumer price index. And over the longer term, it will cumulatively help to curb rising costs of a multitude of many fuel-dependent goods and services, thus reducing inflationary pressures in the economy.

There is no doubt that the decision to cut fuel prices was economically sound. It will help stabilise the general level of prices without impairing the country's capability of supplying its future fuel needs. Maybe the cuts were rather too little, too late. The world price of oil has been declining for some years. But it is hard to say.

The point is that even with the world price of oil rising again and the rand weakening, the supply situation is such that the general price implications of the cuts should, under present circumstances, take priority. It is more important now to reduce the rise in prices than to hedge against sanctions, if indeed we have the storage capacity still to do so.

WHAT ABOUT INFLATION?

The fuel price reduction, which comes into effect in September, must be seen as part — but not the major part — of government's campaign against inflation. Not only will it have an impact on prices generally, it should help to reduce the inflationary expectations currently gripping the country.

But it is not of itself capable of stabilising prices.

The new prices — petrol will drop 4c/l, 4,4c/l and paraffin more than 5c — will save the average motorist R75/year.

The cost of fuel as a proportion of the Consumer Price Index (CPI) is in the region of 3%. If there is a 10% decline in fuel costs, the direct impact on the CPI would be about 0,4%. "If everything is taken into account over time, the effect might be 1%. The impact on the CPI will not be immediate and must be seen as long term," says Andre Hammersma, of Standard Bank.

Joubert Botha, Professor of Econo-

mics at Wits, warns that as middlemen might not pass on the decrease to the consumer, an immediate dramatic fall in the CPI is unlikely. He feels, however, that transport firms and companies such as Putco, where fuel plays an important part of overall costs, will benefit.

Adam Jacobs, of Volkskas, says that even the indirect effects on the CPI will be minimal, as it is doubtful that SATS or private transporters will reduce their tariffs.

Nedbank's Rudolph Gous feels the direct impact the lower fuel prices will have on the CPI is not at the heart of the issue. It must be seen, he says, in the context of a broader process of declining inflation in overseas countries, where the spot oil price has declined for the past three years. He warns that only "tight monetary and fiscal policy can effectively bring inflation down."

A spokesman for the South African Agricultural Union says the reduction in fuel costs will alleviate the present cost-

squeeze on farmers. "The decrease will mean a R50m reduction in input costs and a 1,5% reduction in the overall input cost for the agricultural sector." However, he adds that there will be no immediate effect on food prices because, with the exception of maize, wheat and some dairy products, prices are determined by market demand rather than supply factors.

Pick 'n Pay's eight hypermarkets dropped their petrol prices last Friday. Says chairman Raymond Ackerman: "The Brackenfell store sold 31 000l on Friday alone, where it normally averages 150 000l a month, an indication of the profound psychological effect any lowering in the fuel price has on the public."

He sees the cheaper fuel only marginally reducing grocery prices and only if suppliers pass it on. "We are refusing to accept any price increases at this stage," he says. If other bulk buyers follow suit, the impact won't be negligible.

Escom 'won't lower its power tariffs' ²⁴⁴

720M 2078/83
Mail Correspondent

PORT ELIZABETH — Escom will not reduce the price of electricity because of the reduced price of fuel, and the possibility is strong that electricity tariffs will be increased "to equal, or not very much higher, than the present rate of inflation"

That was the opinion of the president of the SA Agricultural Union, Mr Jaap Wilkens, who is also a member of the commission investigating Escom. He was speaking this week in Port Elizabeth where he attended the annual congress of the the Eastern Cape Agricultural Union.

Mr Wilkens said that last year a 1% decrease in tariffs had represented an extra R30-million which Escom needed to compensate for the reduction.

He said Escom had wanted

to increase tariffs last year by up to 18,3%, but to combat inflation increased tariffs by 14,2% — equal to the rate of inflation.

Therefore the reduction in the increase cost Escom R120-million Escom compensated for this reduction with a 10% saving on working capital.

Mr Dave van der Walt, Escom's senior general manager, said in Johannesburg this week that the cost of generating electricity was rising and the situation was being aggravated by additional expenses associated with the drought.

As a result of the recession, Escom's revenue was also lower than estimated. Electricity tariffs would have to be adjusted to match the cost of supplying electricity, Mr Van der Walt said.

Up, up and away those private hospital fees

Report by WILLMAR UTTING

SOUTH AFRICA'S private hospital bed fees are set to soar again by 20% from September 1 — the eighth increase to be approved by the Department of Health since 1980

The new tariff for medical aid patients, due to be gazetted and granted by Minister of Health Dr Nak van der Merwe this week, brings the cumulative increases for all private hospital services to more than 115% during the four-year period

Bed fees have gone up in the same period by a staggering 157%

This means that from September 1 a bed in a general ward will cost R56 a day — compared to R21,50 in 1980. These prices apply to hospitals with more than 70

beds. Smaller hospitals charge slightly less

The increase has been recommended by the powerful and autonomous tariff committee, a sub-committee of the Central Council of Medical Schemes

The five-man tariff committee has the final say on fees for private hospitals in cases where agreement is not reached between the hospitals and medical aid schemes

This week the recommended increase was strongly criticised by a member of the committee, Mr John Ernstzen

"There is no sense to this escalation. In my 14 years' experience of tariff negotiating, I have never seen escalation go as wildly and increases achieved without justification. The evidence put forward by the private hospitals is merely hypothetical. But nobody pays very much attention to us. And of course the man in the street always pays," he said

Mr Ernstzen is also the chairman of the Representative Association of Medical Aid Schemes (RAMS)

The increased fees will come into effect on the same day as the recently announced 15% increase in doctors fees

Increases in bed fees to private patients — non-medical-aid patients — are almost certain to follow the latest increase

Costs to private patients at the Sandton Clinic, for example, are currently R54 a day for a bed in a general ward, R76 for a semi-private ward, R100 for a private ward and R130 for intensive care

At a provincial hospital the total maximum cost to a patient is R35 a day. This includes not only the ward fee, but all treatment from surgery to medicines

Mr Ernstzen's colleagues on the tariff committee are

- Mr Dave Tabatznik, who heads an empire of private hospitals for blacks and has extensive contracts with the Department of Health for black patients
- Mr H. Harmsworth, managing director of Entebem, a large private hospital in Durban
- Dr J J du Toit, manager of the entrepreneurial Midland Medical Plan in Port Elizabeth
- Mr Daan de Villiers, chairman, a retired attorney

Mr De Villiers was asked whether it was possible for committee members to be objective about setting fees in cases where they could have vested interests

"You would be surprised," he said, "how even businessmen are keen to keep prices down"

The demand from the Representative Association of Private Hospitals had been for a 15% increase for all services provided by the hospital, he said

"But we felt this would simply give them 15% more in profits. I feel pleased we

managed to cut this request back to an increase in ward fees only," Mr De Villiers said

How hospital costs have soared

- In 1980 an internal X-ray examination, a cystoscopy, which takes five minutes in an operating theatre, and about four hours' stay in hospital, cost R87. The price today — excluding doctor's and anaesthetist's fees — is R230
- A simple appendectomy and a four-day stay in a general ward presently costs

more than R450. This includes the specialist's fee (R115,20), the anaesthetist's fee (minimum of R52), theatre fee (minimum of R95) and four days in the hospital ward at R46,50 a day

To this must be added the cost of medicines and requisites used in the theatre

From September 1 the price will be a minimum of R511, excluding drugs

Although the tariff committee members are selected from members of the central council, the Medical

Schemes Act vests full power in the tariff committee to set fees, and it does not report back to the central council

The central council recently took legal opinion on whether the sub-committee should report back to it, but was advised that the Act clearly vested all powers in the tariff committee

And RAMS is currently involved in making representations to the Department of Health to have the entire system of fee-setting changed to allow the protes-

sions to set their own fees without interference from government

Officials of the country's two associations for private hospitals, the National Federation of Private Hospitals and the South African Association of Private Hospitals, referred all Press inquiries to Mr Barney Hurwitz, the president of the umbrella organisation, the Representative Association of Private Hospitals.

Mr Hurwitz is overseas, as is Mr Tabatznik



● Dr van der Merwe gazettes fees this week



● Mr Hurwitz is overseas, as is Mr Tabatznik

Illness will cost even more

Medical aid subscriptions likely to rise

22 18/83

244

By GERALD REILLY
Pretoria Bureau

DOCTOR'S fees and private hospital tariffs will rise sharply from the beginning of next month, forcing many medical aid schemes to raise members' subscriptions

Doctors and dentists' fees are set to rise by 15% and ward charges at private hospitals by 20%

Medical aid patients also now have to pay for medicine at provincial hospitals. This was at one time part of the total service. A continual increase in the prices of medicines and drugs have also sent the cost of illness spiralling.

The president of the Representative Association of Medical Aid Schemes (RAMS), Mr John Erntszen, said increases in medical and hospital costs would mean aid societies would have to raise subscriptions.

"Some schemes have already decided to increase their subscriptions. Those who don't raise them this year will find they will have to impose substantial increases next year."

Mr Erntszen, who is a member of the tariffs committee of the "central council of medical schemes, said that in the past four years private hospital fees had risen by more than 150%.

However, theatre and other fees were not affected by the increase.

The increase in the total bill for a patient in a private hospital can be as little as 4% or as much as 11%, depending on the length of the patient's stay in the hospital.

Nurses pay, he said, was a big component in private hospital costs. In the past three years nurses had been given three special increases to keep them in line with nurses in provincial hospitals.

"The increase of 20% in ward fees is as reasonable as it could be, taking into account all the circumstances."

Mr Erntszen said, however, he was strongly opposed to the present system of determining tariffs, including those of doctors and dentists.

RAMS had made representations to have the present system reviewed.

Price ^{CAPK Times} ^{23/8/83}
cuts on
basic ²⁴⁴
foods

Staff Reporter

A MAJOR supermarket chain yesterday cut prices on a wide range of basic foods by between 7½ and 10 percent following the petrol price reductions.

The initiative, by Pick 'n Pay, affects certain brands of coffee, tea, breakfast cereals, frozen chicken, flour, condensed milk, margarine, canned fish, vegetables and fruit, most toiletry items and paperware.

Mr Raymond Ackerman, chairman of Pick 'n Pay, said prices often rose with an increase in the fuel price "and there is no reason why they should not decrease when the fuel price drops".

The supermarket chain's suppliers had provided "100 percent support" and he was delighted to be able to pass the savings on to the consumer.

Country-wide

Mr Gordon Hout, general manager for the chain's Southern Transvaal supermarkets and co-ordinator of the country-wide price reduction campaign, said the government had "done an outstanding job in boosting public confidence in the economy with the fuel price reduction. Various companies make many excuses as to why they can't lower prices".

The move has been welcomed by the chairman of the Western Province branch of the Housewives' League, Mrs Shiela Baillie, who described it as "displaying a sense of social responsibility".

She expressed reservations about how long the reductions would last, but commended the supermarket chain for "taking the lead".

Food prices tumble

244

Mercury

23/8/83

A MAJOR supermarket chain yesterday reduced prices of a wide range of basic foods by between 7,5 percent and 10 percent following petrol price reductions, and another organisation forecast further cuts in a new wave of competitive retailing.

The initiative, by Pick 'n Pay, affects some brands of coffee, tea, breakfast cereals, frozen chicken, flour, condensed milk, margarine, canned fish, vegetables and fruit, most toiletry items and paperware.

Mr Raymond Ackerman, chairman of Pick 'n Pay, said prices often went up with an increase in the fuel price and

Mercury Reporter

there was no reason why they should not go down when the fuel price went down

The chain's suppliers had provided '100 percent support' and he was 'delighted to be able to pass the savings on'

Natal's regional director, Mr Colin Clarke said not only would stores in this province be reducing their prices, but the management intended to negotiate with manufacturers again for further reductions which would also be passed on to the public.

About 100 lines of the fastest-moving goods would be affected by the price reduction

Mr Gordon Hoult, general manager for the chain's southern Transvaal supermarkets and co-ordinator of the countrywide price reduction campaign said the Government had done an

outstanding job in boosting public confidence in the economy with the fuel price reduction

Our Cape Town correspondent reports that the move has been welcomed by the chairman of the Western Province branch of the Housewives' League, Mrs Sheila Baillie, who described it as 'displaying a sense of social responsibility'

She expressed reservations as to how long the reductions would last.

The managing director of Checkers supermarkets, Mr Gordon Utian, said the competitive reaction from other supermarkets was understandable in the light of Checkers' activities over the past few months.

Mr Utian foresaw more major price reductions and even greater competitive reaction in future

But the national marketing director for Spar, Mr Robin Burnell, said that not only would Spar wait for suppliers to make the first move in bringing prices down before passing on savings, but warned of an imminent 'big price rise'.

● See also Page 5.

Big chains cut price of many foods

Consumer Reporter

A MAJOR price war has started among the four largest supermarket chains

Pick 'n Pay slashed the prices of 150 items today and OK Bazaars plans big cuts tomorrow

Grand Bazaars has cut some prices. Others are likely to be reduced soon

Mr Gordon Utian, managing director of Checkers, said this was a competitive reaction to price cutting.

Mr Raymond Ackerman, chairman of Pick 'n Pay, said the cuts in his stores were in response to an appeal from the Government for retailers and manufacturers to cut prices following the decreased cost of petrol and diesel.

A senior Pick 'n Pay executive said the chain and some of its suppliers were cutting profit margins on certain items for a four-week period in response to the Government's appeal

Sample reductions were a drop of 16c a kg on all brands of frozen chicken, 9c on a 2,5 kg bag of sugar and 8c on a 397 g tin of condensed milk

Mr Aubrey Coppen, director of operations for OK Bazaars in the Eastern and Western Cape, said "We are cutting our prices but so far we have had no reduction from manufacturers."

"We planned a big price-cutting campaign a fortnight ago, to take effect tomorrow morning when a wide range of prices will be reduced

"If any manufacturers do cut prices, this will, as a matter of course, be passed on to consumers."

Sample reductions are frozen chickens down to R1.25 a kg from R1.45, a 300 g packet of frozen hamburgers down to 99c from R1.39 and a 200 g packet of Marie biscuits is down to 48c from 65c.

Mr Norman Bernstein, a director of Grand Bazaars, said prices were being cut in anticipation of lower prices from some suppliers as a result of lower petrol and diesel prices.

Price war
ARGUS 24/8/83
opens with
(244)
stores 'busier
than normal'

Consumer Reporter

SUPERMARKETS report that they are "busier than normal" today as a result of the price war that started this morning

But they are expecting the main rush to start tomorrow or on Friday when people receive their monthly pay cheques

The opening shots in the price war were fired by Pick'n Pay yesterday when deep cuts were made in the prices of about 150 items ranging from washing powder and toilet paper to sugar, instant coffee and frozen chicken

SIMILAR CUTS

Some of the items had recently gone up and have reverted to the price levels of two or three months ago.

OK Bazaars is making similar cuts today

Grand Bazaars has reduced some prices and is planning further cuts.

Checkers is also likely to introduce cuts and promotions to counter what the other chains are doing

Even Woolworths has cut the prices of some basic items such as bread and eggs

CAMPAIGN STARTS

A spokesman for Pick'n Pay said today "There was not much response yesterday because our main advertising campaign starts today and many people were unaware of what was happening

"But we are expecting a Christmas-like rush to start today. These are significant price cuts and we are sure many people will stock up"

He said there had been no falling off in sales to trigger off the price war

"THINGS TIGHT"

"But things have undeniably been tight in the past few months and we have had to sell very aggressively

"Manufacturers seem to have realised that they must cut their profit margins if they are to achieve the volume of sales they need

"There have been comparatively few price rises in the past two or three months and they have been in the seven to 10 per cent range"

Carl Tuis 25/8/83

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244

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The big 'SA is a free market' lie

BY PHILLIP VAN NIEKERK

A JOHANNESBURG morning newspaper commented recently that "it is a sad fact of life that most of the things you eat, you drink and you wear can in some way or another be the end result of price-fixing, cartels or outright monopoly".

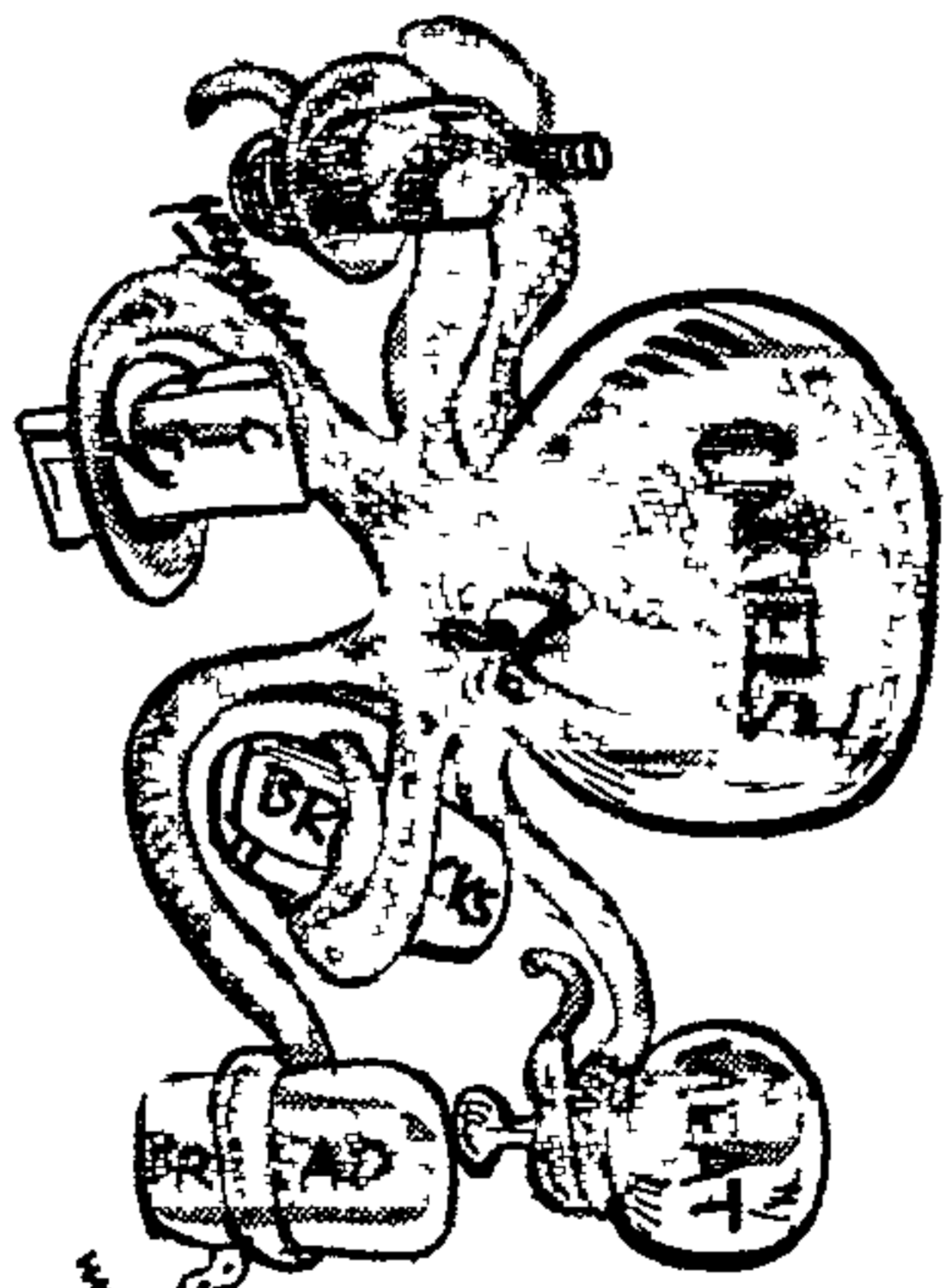
Widespread concern the fixing of prices by has been voiced in the control boards and the past few weeks at the elimination of interna-tional competition fact that just seven large through import tariffs corporations with tenta-further give the lie to cles which reach into the belief that South nearly every corner of the economy dominate a large slice of the local Africa has a "free mar-ket" economy.

There are monopolies Mr Robin McGregor, or "oligopolies"—a few compiler of Who Owns Whom, believes that the large firms controlling the effect of all this on in-flation is quite simple. the market—in bricks, "Prices go up all the packaging, meat, liquor, time because there is no competition. Monop-olies and cartels—infor-mal arrangements between businessmen to control the market—are a major contributing cause of inflation."

Farmers' co-opera-tives, the fixing of prices... the elimi-nation of interna-tional competition... give lie to the belief that South Africa has a "free market" economy.

canned foods, cigarettes and a host of other com-modities. Recently, through a take-over by Bakers, biscuits joined the pile.

In addition, there are state or semi-state monopolies covering a wide range of industries and services such as air and rail travel, electric-ity and telephones. Farmers' co-operatives,



Cape Wine and South African Breweries monopolies of the liquor industry be broken up.

However, Dr David Mouton, chairman of the Board, denies that things are as bad as is being made out and says they have recently pre-vented several take-overs and mergers which were against the public interest.

Either way, the con-sumer seems to suffer constantly rising prices, perhaps nowhere more than in the most basic commodity of all—food.

In February 1973, white bread cost 11 cents. Last year it went up to 50 cents. Over that period, brown bread has risen from 9 cents to 33 cents. A litre of milk has shot up from 13 cents in 1970 to 63 cents today.

Two gigantic com-panies, Premier (which is now effectively con-trolled by Anglo Ameri-can) and Tiger Sugar (controlled by Barlow Rand), by and large dominate the local food market.

Two gigantic com-panies, Premier (which is now effectively con-trolled by Anglo Ameri-can) and Tiger Sugar (controlled by Barlow Rand), by and large dominate the local food market. Apart from the fact that Anglo owns 13,4 percent of Barlows, the possibility of these two giants ganging up as a cartel is very real.

As Mr McGregor points out, a cartel is hard to prove. It is always tempting—and makes good business sense—for competing firms to get together to avoid competition which would cut prices

and profits, particularly if there are only a few competitors on the market. He believes that the existence of such cartels is widespread.

University of Cape Town economist Dr David Kaplan says that in an economy where the primary motive for busi-ness is to make as large a profit as possible, a competition is the only safeguard for the con-sumer.

In South Africa there are no anti-trust laws such as exist in the United States to restrict monopolies and cartels and a big question mark hangs over the effective-ness of the Competition Board.

The consumer seems to suffer con-stantly rising prices, perhaps no-where more than in the most basic com-modity of all—food.

Thus there has been growing pressure on the government to bring in tougher anti-monopolies legislation to rectify a situation many believe should not have been allowed to happen in the first place.

● Tomorrow: The social implications of the monopolies.

Putco fares going up 12,5 pc in spite of fuel price cut

25/8/83 Municipal Reporter

BLACK commuters expecting Putco fares to drop in line with the lower fuel price are in for a shock — they're going up 12,5 percent

The increase is on the cards in Johannesburg and Pretoria from September 26 and a little later in Durban

Putco spokesman Pat Rogers said the procedure for fares decreases was the same as for increases

Operators had to process these through the Local Road Transportation Board. There was an added complication in that there could be only one application in the pipeline at a time and the fares increase applications had been submitted some time ago.

The date for the LRTB hearing in Durban had not yet been set, so perhaps the fuel saving could be built into the application.

Mr Rogers emphasised that although Putco anticipated being able to pass back its fuel savings with a 5c across-the-board reduction on weekly tickets, this would be dependent on other factors.

'We will save R2 600 000 in diesel costs this year, but we could be hit by an increase in other costs such as oil lubricants,' he said.

Duty-bound

The Putco announcement of a 5c drop in weekly coupons, the day after the Minister of Transport announced the drop in the fuel price, was widely publicised.

Mr Rogers did not think the company had acted prematurely. The statement had been comprehensive and careful not to overstate the case and, as a major operator running an essential service, Putco was duty-bound to react — even if it did not make good business sense.

Last December's 13 percent increase in Durban fares was met angrily by commuters. More than 200 buses were damaged and at least one driver was badly beaten up. It also resulted in a widespread boycott.

Yesterday the Durban Transport Management Board decided not to pass on the fuel saving to commuters using municipal services.

Deputy general manager Alan Bray said the saving to the board 'is so small we would be able to reduce fares by only a fraction of a cent'.

On the white service the saving in fuel costs would be R57 000 annually and on the black service R260 000 a year.

These would offset the deficits in both services.

MILK PRICE RISE

AGUS 3/8/83

Consumer Reporter

244

MILK will go up by 2c a litre in some shops tomorrow.

Dairies notified supermarkets and other retailers yesterday that the wholesale price would be increased from 58c to 59,6c a litre. The price of milk delivered at home will not be affected.

News of tomorrow's rise shocked retailers, some of whom were hoping for a drop in price as a result of the lower cost of fuel

Mr John Barry, director of operations for Pick 'n Pay in the Eastern and Western Cape, said "We have asked representatives of the dairies to meet us today and we will fight this increase, which we consider totally unjustified

Price control

"This will be the third increase in the price of milk this year and the second since July 1"

Milk was freed from price control in shops on July 1. The dairies increased the cost price from 54c to 58c a litre and recommended that shops should charge 64c a litre

Some charged more than this, while the main supermarket chains sold it at cost

Mr Maarten Henning, chairman of the Cape Dairy Producers Association, said dairies had not put up the price to retailers by the full amount they were allowed to on July 1

Fearred

They feared that some cafés would overcharge to such an extent that price control would be brought back

But most cafés were not overcharging and the dairies had found it difficult to carry on without a further rise

The cost of plastic bottles had gone up on August 1 and the cost of cardboard cartons would go up tomorrow

He said that on current costs a rise of a further 3,3c a litre would have to be phased in over the next 18 months for

Turn to Page 3, col 1

ARGAN 5
31/8/73 244

Milk price increase

(Contd from Page 1)

dairies to get a fair return for their investment

On July 1 7c a litre had been added to the price of home delivered milk in returnable bottles, but no increase had been applied to cafés and supermarkets

"This 7c was made up of 4c for the farmer and 3c for the distributor. The increase being applied to cafés and supermarkets now constitutes the second phase of our gradual application of the increase granted two months ago

"We have saved the consumer a lot of money by holding back for so long — and now again by not applying the full allowable increase"

While the price of home deliveries of milk will remain the same, householders today received notices with their milk that dairy-delivered fruit juices would also cost more from tomorrow

MEETING

The transport element in milk cost was only 0.098c a litre which was such "a very tiny amount" it was not possible to pass it on to the consumer

A spokesman for the Checkers supermarket group said executives would be meeting today to discuss the increase, and would issue a statement

All Cape-based executives of the Grand Bazaars chain were out of town

A number of café owners canvassed said they had had no notification of the increase and could not comment

DISAPPOINTED

A café owner in Southfield said he would increase his price from 68c to 70c a litre, but added that he was extremely disappointed

"I expected a drop in price following the fuel-price adjustment," he said

One cafe owner said he would raise his price from 68c to 69c a litre, and would absorb the remaining 0.9c himself. He did not expect any consumer resistance to the increased price

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Milk price
rise not
the last
this year

AGUS 1/9/83

244

TODAY'S rise in the price of milk will not be the last this year

Mr Maarten Henning, chairman of the Cape Dairy Producers Association, tells me at least 38 c a litre will have to be added during the next 18 months

This is if the dairies are to make what they regard as a satisfactory profit with costs remaining at their present level

If costs go up, shoppers will have to pay more — provided, of course, they can afford it

Supermarket executives believe a higher price will simply mean a drop in sales and a swing to the blends containing vegetable matter

Pick'n Pay executives said sales of blends were increasing at 25 percent a year while consumption of fresh milk was not growing

"Milk is more expensive now than petrol," Mr John Barry of Pick'n Pay said

"The blends are much cheaper, even though we make a profit on them while we sell milk at cost

"Blends cost 37 c a litre or less compared with the 58 c a litre we charge for milk, but their nutritional value is less.

"It is worrying to think that some mothers may give their children blends instead of milk because of the price difference"



Another price rise on the way this year.

Today's rise in price applies only to shops, and some may absorb the increase of 1,6 c a litre on the wholesale price.

Others will round it up to another 2 c a litre.

A fortnight ago, Mr Henning told me there would be no increase in the price of milk for seven or eight months

But yesterday he said the dairies had changed their minds last week

Dairies in other parts of the country had raised their price by the full amount allowed by the Minister of Agriculture.

The Cape Town dairies increased on July 1 the price of milk delivered at home by the full amount the Minister allowed.

But they increased the wholesale price to shops by only 4 c a litre

Medical aid

fees to rise

15 percent

1/9/83 Mercury Reporter

NATAL'S largest medical aid scheme yesterday announced it would be increasing members contributions from October 1.

The general manager of National Medical Plan, Mr R H Basson, said the scheme's 45 000 members would have to pay about 15 percent more for their medical aid

In response to a report that some medical aid schemes would not be implementing increases this year, Mr Basson said it depended on each individual scheme's budget and claims rate.

'Some may have budgeted in advance for increases in doctors' and dentists' fees and hospital charges, and others might have waited for the actual increases to be announced before adjusting their rates

'I know that most of the major schemes throughout the country have increased their premiums as from today,' he said

The president of the Representative Association of Medical Aid Schemes, Mr J Ernstzen, yesterday said schemes which were not increasing members' contributions this year were in the minority

'The general picture I have got is that most are looking at increases of between 15 and 20 percent

'Those which aren't putting up their prices must have very substantial reserves or they introduced large price hikes at the beginning of the year,' he said

Mr Ernstzen said those schemes which were able to put off price hikes this year would more than likely increase their premiums at the beginning of 1984

Fees for doctors and dentists contracted into medical aid schemes go up by 15 percent today while private hospital ward fees rise by 20 percent

W. ...

Milk price rise 'unjustified'

Staff Reporter

THE increased price of milk meant that poor people, already hard-hit by inflation, were going to be even less able to provide properly for their children

This was last night's response by Mrs Joan Huskisson of the Department of Nutrition and Diabetics at the University of Cape Town, to yesterday's announcement of a 2c increase in the wholesale price of milk.

"This must escalate the problem of malnutrition, which is already a huge problem in this country," she said

The managers of two large food store chains said yesterday that the increase was "unjustified", in view of another recent increase and the lowering of the petrol price

Mrs Huskisson said calcium and protein requirements were particularly relevant in infants and small children

"Of particular concern is the impoverished, unsophisticated mother who might be tempted to substitute tea for milk.

It could also lead to more gastroenteritis among malnourished children, who were more prone to it

Mrs Penny Borckenhagen, vice-president of the Cape Town branch of the Housewives' League said the increase was incomprehensible as the price had been increased so recently

"Fewer and fewer people are drinking milk," she said "This upsets me because it is such an important part of people's diet"

With further increases in the price of milk likely later this year, the general manager of Pick 'n Pay for the Western Cape, Mr John Barry, yesterday criticized the "cloak-and-dagger" approach of the two major Western Cape dairies

At an urgent meeting with the dairies yesterday, called by Pick 'n Pay in an attempt to prevent today's increases, Mr Barry said he was "shocked" to learn that the dairies intended applying for a further increase on November 1

"We already feel the present increase is completely unjustified in the light of the recent petrol price drop. Now they tell us they have a backlog of 3,3 cents per litre from increases which were granted by the minister"

Mr Barry said he had voiced his strong disapproval at the meeting and labelled the increase as "ill-timed"

The managing director of Shoprite, Mr Wellwood Basson, said he would call for an urgent meeting with the dairies to object to the increase, which he described as "totally unjustified"

"Not only was the milk price increased earlier this year, but it was also freed from price control in shops on July 1. The petrol price was also subsequently lowered. An increase was the last thing we would have thought was justified"

Shoprite's Cape stores sell about 50 000 litres of milk a month

Cape Times

2/9/83

244

Govt warned on rent, price rises

7/9/83

Labour Reporter C. Times

THE CAPE Areas Housing Action Committee (Cahac) yesterday warned the government that if they continued to force rent and other price increases on to starving people the "bitter experiences" of Lamontville, Mdantsane and Mbekweni would "sweep across the country"

In a statement issued by their general secretary, Mr Trevor Manual, Cahac said the current unrest in Mbekweni township outside Paarl was no different from that seen at Lamontville and was "epitomized by the current unrest in Mdantsane"

The statement said the situation arose from the inability of the government to control the economy, with mass unemployment and starvation wages resulting

"Coupled with this, there is the definite insensitivity by the government and its arms To increase rents, bus fares or the bread price when people are unemployed and starving is open provocation "

● A Paarl community councillor, Mr Mathew Scott, has called on Dr Piet Koornhof, the Minister of Co-operation and Development, to freeze the 25 percent service charge increases at Mbekweni

He warned that if this were not done "I foresee trouble and violence — even loss of life"

Unrest erupted at the township last weekend following the distribution by the Western Cape Administration Board of pamphlets announcing the increases and the arrest of 167 people

● The Western Cape Region of the Congress of South African Students (Cosas) has "rejected and strongly condemned" the arrests during the demonstrations against rent increases at Mbekweni last week.

PARAFFIN SHOPAROUND

OUTLET	Price/20ℓ can (ex-GST)
248 244 C. Times 13/9/83	
Westerford Stores Newlands	R11,99
WP. Hardware Sea Point	R11,99
Checkers Durbanville	R9,69
Pick 'n Pay Hyper Brackenfell	R9,99
Sherwood Hardware & Gardening, Bergvliet	R10*
Mitchell's Plain Hardware	R10,50*
Kismet Supply Store Wynberg	R8,99
Hawkes & Findlay Observatory	R12,07
Hout Bay Hardware	R12,75
Hammer & Tongs Gardens Centre	R11,99
Camps Bay Hardware	R14,53
Levensons Hardware Mulzenberg	R12,50
Southfield Hardware Southfield	R10* R11,05
Handy House Hardware Sea Point	R11,08*

0 L-d

to place the money in deposit by account

~~244~~ Bottle deposits ^{13/9/83}
244 _{Times}

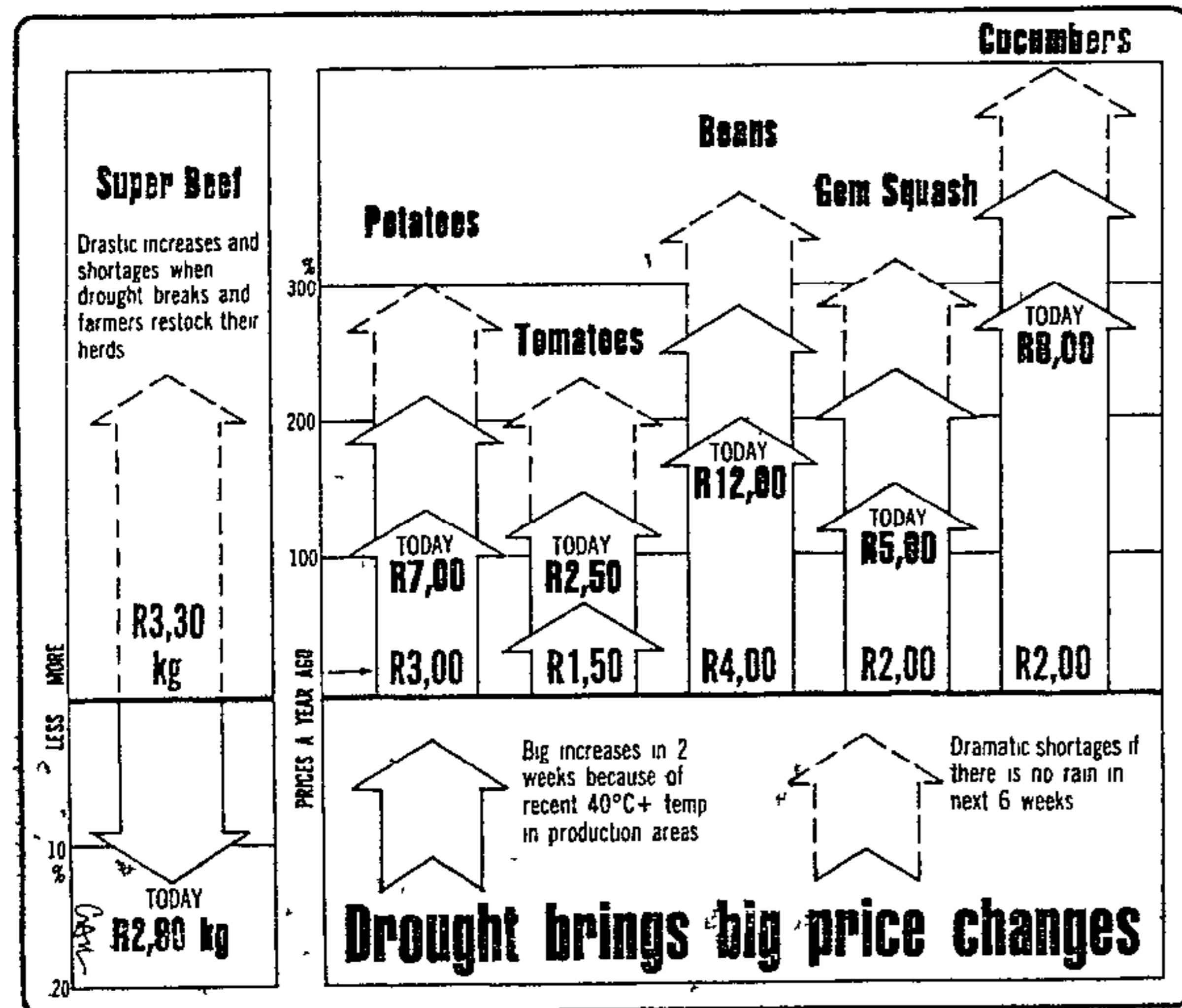
CONSUMERS have complained about soft drink bottle deposits.

WATCHDOG talked to Mr P J V du Plessis, regional inspector in the Department of Trade Metrology, who said:

Deposits are enforced by law but vary according to the bottle size. On a bottle containing less than 750 ml the deposit is 15c; 750 ml to 1 l 30c; more than 1 l 40c.

THE drought has brought with it soaring food prices — many vegetables have doubled in cost — and when the rains do come, the price of red meat will zoom.

Sources disclosed yesterday that when the drought breaks, stock farmers will withhold animals from the market to force up prices so they can afford to replace herds decimated by the drought



While meat prices continue to drop, fresh produce and even sunflower oil prices are skyrocketing

And inflation is being fuelled as the Government pours in public money to hold down the prices of imported and controlled staple foods, while the consumer is faced with rising food bills

Yesterday supermarket buyers on the Reef said temperatures of up to 42°C had hit Transvaal fruit and vegetable production areas, and predicted drastic price increases in the next fortnight

They say that unless there is heavy rain before November, South Africa will be hit by a fresh produce shortage

Yesterday potatoes were selling to the supermarkets at R7 a pocket — more than double the normal price of R3 for this time of year

Similarly tomatoes were going at R2,50 a case (normal price for the time of year R1,50); beans were selling at R12 a pocket (R4), gems at R5 (R2) and cucumbers at R8 (R2)

There are fears that poultry prices could hit the ceiling by Christmas, with birds dying from respiratory diseases aggravated by the heat

Meanwhile farmers are R1 800-million in the red, according to Dr A S Jacobs, deputy Governor of the Reserve Bank

The price of maize has not been increased, even though more than R2-million tons of maize is to be imported this year following the failure of the local crop. Last season's production was only 3 800 000 tons, instead of a projected 14 600 000 tons

South Africa normally uses 6 500 000 tons, and the surplus is exported

The cost of importing maize is being met by the Government

The milk price is also being held steady, but the price of bread could rise next month unless the Government is prepared to increase the R200-million annual subsidy, according to Mr Denis van Aarde, general manager of the Wheat Board

In the red meat industry farmers are being forced to sell off carcasses at a floor price of about R2,23/kg as they cannot afford to feed the animals

"The market is in a complete over-supply situation with 80 000 carcasses (two weeks supply) in cold storage," a spokesman said.

"There is a glut on the market with 80 000 carcasses, (two weeks' supply) in cold storage," a spokesman said

The Meat Board is supposed to buy everything offered at the floor price, but the coldrooms are full

"We haven't got refrigeration space, and we can't create freezing space to cope with a situation that only happens once in 200 years," a Meat Board spokesman said

A buyer for one of the country's major supermarket chains said sunflower oil, which used to cost 99c/l, was now being imported at R1,55/l, forcing up the price of margarine

Groundnuts were also being imported, and the price of peanut butter would rise as a result

"It will get very much worse before it gets better," the buyer said

Rain will push up cost of meat

Food prices

soar as hot

days begin

By GEOFFREY ALLEN

2. Alternative
2. Alternative
244
CDM

Western Cape Produce Prices Soaring

Prices
15/9/23

THE drought has pushed the price of fruit and vegetables in the Western Cape through the ceiling. In one of the more extreme cases, a pocket of squashes which sold for R1,50, now sells for between R5 and R5,50.

Staff Reporter

Although the Western Cape was not directly affected by the drought, the long term secondary effects are beginning to be noticed.

The flow of farm produce from the Transvaal and other drought-stricken areas of the country has slowed — hence the price increases demanded by up-country farmers, a

views with stall owners and attendants

Earlier this year — before the pinch of the drought was felt — a pocket of squashes sold for R1,50 at the market, a stall attendant said.

Now, the same pocket is sold at between R5 and R5,50, she said.

Prices of other farm produce, local and from up-country, have risen.

These include tomatoes, baby marrows, green peppers, egg-fruit, beans, butter-nut, Hubbard squashes, cucumbers, lettuce, onions, apples, peas, oranges, pawpaws, carrots, pineapples, pumpkins, guavas, nectarines and pears.

A stall attendant at the Salt River market, Mrs Mirram Gool, with some of the produce that has risen in price because of the drought up-country and the heavy winter rains in the Western Cape.



Staff Reporter

THE drought has pushed the price of fruit and vegetables in the Western Cape through the ceiling. In one of the more extreme cases, a pocket of squashes which sold for R1,50, now sells for between R5 and R5,50.

Although the Western Cape was not directly affected by the drought, the long term secondary effects are beginning to be noticed

The flow of farm produce from the Transvaal and other drought-stricken areas of the country has slowed, — hence the price increases demanded by up-country farmers, a survey at the Salt River vegetable market yesterday revealed

The price increase on gem squashes was one of the highest determined during inter-

views with stall owners and attendants

Earlier this year — before the pinch of the drought was felt — a pocket of squashes sold for R1,50 at the market, a stall attendant said

Now, the same pocket is sold at between R5 and R5,50, she said

'Washed out'

Potatoes were another expensive commodity, although their price had dropped from about R12 a pocket. They now sell at R8,50 a pocket, with second grade potatoes fetching R6,87 a pocket

Prices of other farm produce, local and from upcountry, have risen. These include tomatoes, baby marrows, green peppers, egg-fruit, beans, butter-nut, Hubbard squashes, cucumbers, lettuce, onions, apples, peas, oranges, pawpaws, carrots, pineapples, pumpkins, guavas, naartjies and pears

Mrs Miriam Gool, a stall attendant at the market for the past 22 years, said the winter rains had "washed out" certain crops in the Western Cape

"Lettuce has had to be brought in from George and carrots were picked earlier this year, while they were still young, otherwise they would rot in the water in the flooded fields," she said

Another stall attendant, Mrs Fazlin Ally, said prices might drop towards the end of the year — provided local produce, due to be harvested soon, was sufficient to cover the gap in fruit and vegetable produce the drought has left

Production drop

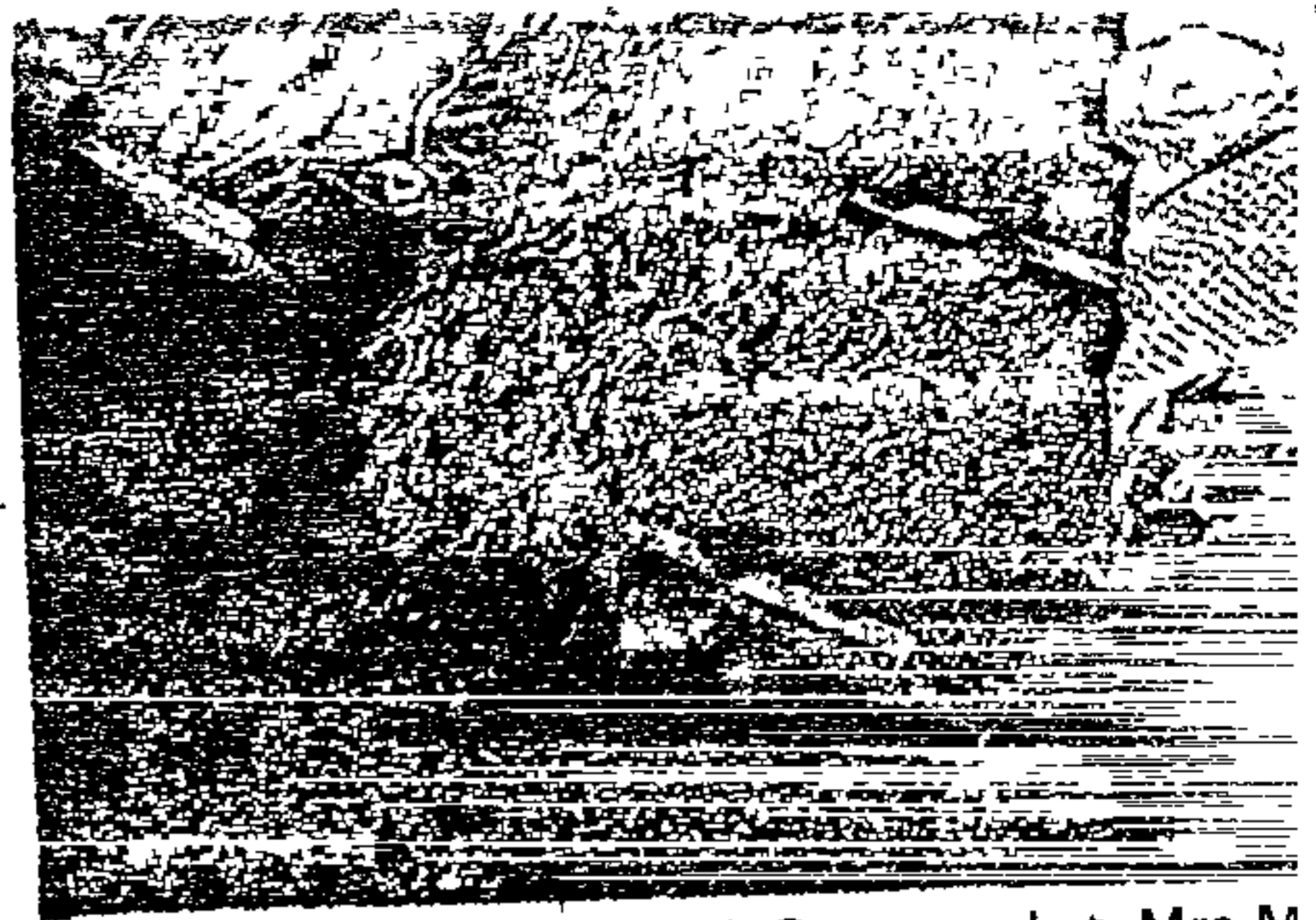
Last week, the Minister of Finance, Mr Owen Horwood, said the country's mean agricultural production had dropped by 34 percent in the first half of 1983 because of the drought

In Johannesburg potatoes were selling to the supermarkets at R7 a pocket yesterday — over double the normal price of R3 for this time of year

Similarly, tomatoes were going at R2,50 a case (normal price for the time of year R1,50), beans were selling at R12 a pocket against the normal price of R4, gem squash cost R5 against the usual R2; and cucumbers were R8 a pocket against R2

In the red meat industry farmers are being forced to sell off carcasses at a "floor price" of approximately R2,23

"We haven't got refrigeration space, and we can't create freezing space to cope with a situation that only happens every 200 years," a Meat Board spokesman said



A stall attendant at the Salt River market, Mrs M price because of the drought up-coun

Increase in funeral tariffs

244
C. T. T. W. S.
17/9/83

Municipal Reporter

THE RISE in all funeral tariffs from October 1 has made many people wonder whether the poor can still afford to die.

The cost of a public grave, digging fee and administration fee will in future be R190 instead of R120 for adults, and R140 instead of R80 for a child. These costs rise by R80 and R50 respectively on Saturdays, Sundays and public holidays.

The cost of a permit to erect any memorial work or grave-guard will from now on be R70 as opposed to the previous charge of R50. A permit to add an inscription to an already-erected gravestone now costs R35 instead of R25.

Besides these costs, anyone burying a relative also has to pay for the coffin — at about R250 or more — and the monumental mason's fees if they wish for a gravestone. Inscriptions cost about R2,50 a letter.

Cremation fees will in future be R80 for adults and R60 for children. These fees have until now been R60 and R50. These costs will rise by 50 percent on Saturdays and 100 percent on Sundays.

A charge of R180 is charged for a double niche and R110 for a

single niche. Memorial spaces cost R70, R80 and R90, depending on size.

The burial of paupers and anatomy subjects may not take place on Saturdays, Sundays and public holidays and now costs R80 for an adult and R50 for a child. These fees have risen from R60 and R30. The cremation fee for paupers and anatomy subjects is R20.

Mr Charles Goodall, a City funeral director, said the rise in fees would hit poor people very hard. "Many of these people don't even have the R200 to bury someone in a public grave — let alone the money they need to buy a coffin," he said.

A spokesman for the Divisional Council, which acts as the cemetery authority, said the price rise was made necessary by inflation and a decision taken by the council to make cemeteries self-supporting.

The idea of this policy was to phase out the subsidy paid to cemeteries from rates over a few years.

There were other options for people who could not afford a burial — the crematorium costs for indigents was only R20, he said.

THE size of the bread subsidy over the years has dramatically shifted the eating patterns of bread consumers, providing a direct link between the price of the bread and its consumption

It has changed most white bread eaters into brown bread eaters

Since bread is a basic and staple food for many of the poor — particularly the urban poor, its role in avoiding malnutrition could be crucial

In 1974-75, when the subsidy of R35 700 000 was split into R18 700 000 on white bread and R17-million on brown about 738-million white loaves were sold and 378-million brown loaves were sold. In those days the price of a loaf of white was 20c and loaf of brown was 16c

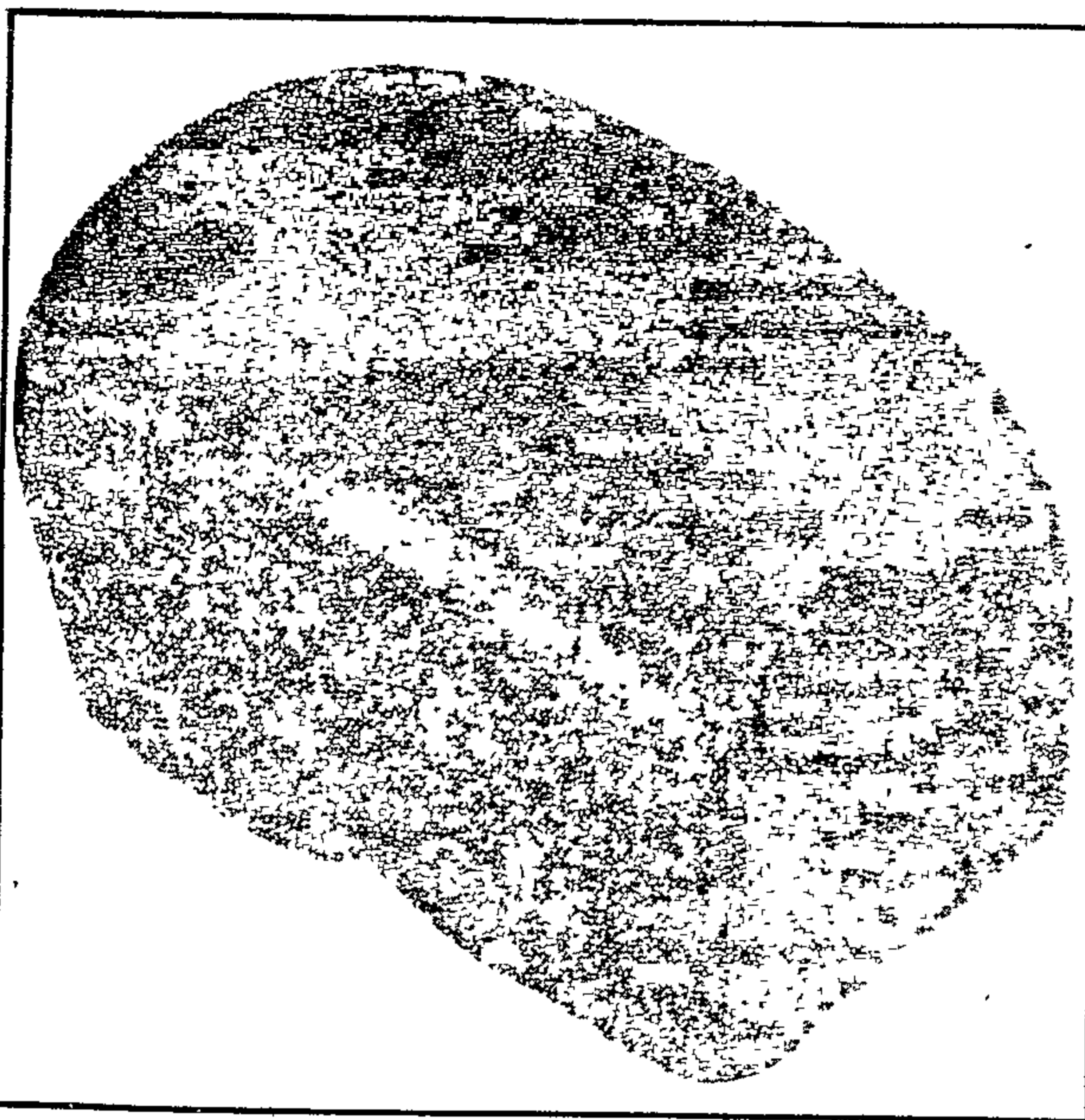
Around 1978 the Government decided to switch its focus from white bread to brown and provided R40 300 000 for brown bread and R5 400 000 for white. That year 900-million loaves of brown bread were sold and 379-million loaves of white were sold. The subsidy that year kept the price of brown bread down to 16c a loaf and white bread went up to 25c

Till then the pattern had been that about 65% of bread consumed was white and the rest brown

But 1982/83 estimates show that the R200-million subsidy, paid almost entirely on brown bread, shifted sales so that of the 1 600-million loaves of bread sold about 75% were brown and 25% white. The price of the brown loaf was (and is for the time being) 35c with tax and a white loaf 53c with tax

These figures illustrate dramatically that when the size of the subsidy alters the prices, eating patterns change radically

This means if the Government were to reduce the subsidy — or allow costs to millers and bakers — and the price of brown bread moved up by 8c, consumption of brown bread would drop, a spokesman for Premier Group, one of the largest food companies in the country, said



How the slice gets thinner and thinner

RDM 24/9/83

244

By PAT SIDLEY, Consumer Mail

For the very poor urban adults who may be malnourished, this could exaggerate their problems. According to researchers in the Community Health Department of the University of the Witwatersrand Medical School, malnutri-

tion in adults is mostly a combination of protein and energy deficiency. This is treated by increasing carbohydrates.

Mealie Meal would provide similar and sometimes cheaper nourishment and when times are hard and

cash is shorter than usual, the move tends anyway from bread to mealie meal

The Wits research shows that for 100 kilojoules of mealie meal the consumer is likely to have to pay about 0,2c and for 100 kilojoules of

brown bread it would cost about 0,5c

An increase in the cost of any basic food would exaggerate malnutrition and when fuel for cooking mealie meal is hard to come by bread is an easy solution

Over the years the subsidy has forced white taxpayers to transfer some of their incomes to black taxpayers — effectively a net income transfer from high earners to low earners

This justifies the subsidy and is a reason to maintain it, Mr Peter Moll maintains in a research and policy paper produced for the South African Labour Development Research Unit (SALDRU)

This is borne out by both Saldru's figures and the Wheat Board's quoted above

Though it would seem the size of the subsidy has increased dramatically, it has in fact been dropping in recent years, Mr Moll's research shows

This is reflected by the fact that the subsidy as a percentage of the Gross Domestic Product (GDP) was about 1,88% in 1980-81. The GDP then was R65 531-million. Between 1960 and 1970 however, the subsidy as a percentage of the GDP was between 1,15% and 2% and in the late 40s through 50s the subsidy represented between 2% and 5% of the GDP (In 1947 a white loaf cost 7pence and a brown cost 6½pence)

Whites in 1975 ate about R13,35 of bread in 1975 — and blacks bought about R5,47 worth per head in the same year. The average white eats more food anyway

Despite the need for low prices for the poorer sections of the population however, farmers and on occasion the Wheat Board have asked the Government to drop the subsidy as they believe it is taken into account to their detriment when the wheat price is set

This year the price of wheat did not rise at all and so it is quite likely there will be some pressure from this very powerful lobby at the very least not to raise the subsidy and possibly to drop it

The consequences for the health of the nation would be severe

^{2. Post}
~~(2) 1/10/83~~
**Prices at
market**

up 35%

Municipal Reporter

THE prices of fruit and vegetables handled by the Port Elizabeth Municipal Market in August showed a 35% increase over the prices paid in August last year

Prices at the East London and Uitenhage markets increased by 37% and 42% respectively

These increases are contained in a report by the Director of Markets, Mr J H D McKenzie, to the council's Utilities Committee, which meets this afternoon

Turnover increased in Port Elizabeth from R1 208 294 in August, 1982, to R1 575 028 in August this year — a 30% increase

Tonnage handled by the market decreased by 4% from 6 278 metric tons to 6 026 metric tons

Mercury
Fares up

~~267~~ 244
Pietermaritzburg

Bureau 7/10/82

BUS fares on Pietermaritzburg's municipal buses are to go up by 5 c a trip on October 26

Clipcard fares on the African service will increase by 3 c a trip

This is the second bus fare increase this year, cash fares having gone up 2 c in January

Keep your eyes open when buying drops

By PAT SIDLEY
Consumer Mail

CONSUMER MAIL

CONSUMERS may get more than they bargain for when they buy nose or eye drops over the counter.

A Consumer Mail survey shows that although some of the popular brands have less fluid in them than the manufacturer states on the box, many brands contain more

Consumers' pockets are likely to be dented, however, if they buy eye drops frequently. experts agree that although they do little harm, eye drops do not have much more effect than a mild salt solution — and some popular brands of eye drops are expensive

Consumer Mail bought 16 brands of well-known nose drops and eye drops from a range of stores

The trade inspections branch of the Department of Industries and Commerce in Johannesburg then measured the contents

Of the 16, six brands had less than the amount stated. All the rest had slightly more, including one brand of nose drops — Nazene — which had over 4ml more

Those that fell under the stated quantities were Gemini eye drops, Safyr Bleu eye drops, Insto eye drops, Visine eye drops, Otrivin nasal drops, ENT nose drops

Those which contained more were Nazene nose drops, Drixine nose drops, Sonarex nose drops, Eye-gene eye drops, Clear Eyes drops, Preferin eye drops, Nozef nose drops, Iliadin eye drops and Brolene eye drops

The prices of these drops vary considerably and consumers should note what the respected Consumers' Association magazine "Which" told its British readers after a comprehensive survey of eye drops — many of which

Brand name	Stated quantity	Measured quantity	Approximate price
Preferin eye drops	15 ml	16,7 ml	R3,60
Nozef Nox drops	20 ml	20,6 ml	R1,78
Gemini eye drops	15 ml	14,7 ml	R3,32
Iliadin nose and eye drops	10 ml	10,7 ml	R2,58
Oculosan eye drops	10 ml	10,2 ml	R4,20
Safyr Bleu eye drops	10 ml	9,4 ml	R1,60
Eye-gene eye drops	15 ml	15,6 ml	R1,69
Insto eye drops	10 ml	9,1 ml	R1,78
Visine eye drops	15 ml	14,7 ml	R2,75
Clear eyes drops	15 ml	15,6 ml	R3,72
Otrium nose drops	10 ml	9,7 ml	R3,09
Nazene nose drops	10 ml	12 ml	R2,25
Drixine nose drops	10 ml	10,5 ml	R2,63
Sonarex nose drops	15 ml	15 ml	R3,95
ENT nose drops	25 ml	24,5 ml	R2,59
Brolene eye drops	10 ml	10,1 ml	R2,73

are sold in South Africa

"It is certainly not necessary to use any of these preparations regularly. And it may even be harmful if it means that you don't see the doctor or ophthalmic optician as soon as you should, since you may well be masking the real source of the trouble

"Used occasionally, they should do no harm — except possibly to your pocket

"If you want something to soothe your eyes occasional-

ly, and which is cheaper, we suggest you mix half a level teaspoon of salt in a half pint of warm, freshly-boiled water"

They warn contact-lens wearers to check with their optometrists first

● FOOTNOTE Consumer Mail asked trade inspections to survey a random sample to provide a guide for consumers. They would normally select a far larger number from one batch in particular for a more thorough test

Spot the pill that kills the pain but hurts the pocket

244 RDM 14/10/83

CONSUMER MAIL

By PAT SIDLEY
Consumer Mail

THE cost of buying relief from pain can vary by more than 64% for the same drug, depending on where you buy your painkillers — and which ones you choose to buy

Although many of the simplest painkillers contain exactly the same ingredients, made by reputable pharmaceutical firms and passed by the Medicines Control Council, prices in one store can vary by almost 30% among brands

Consumer Mail decided to buy basic painkillers found in both chemists and supermarkets

The most basic painkillers were selected for comparison. They are aspirin and paracetamol — in different brand names but without any added chemicals intended for further effects

The basic brands chosen were Aspro, Aspirin (where it could be found), Bayer Aspirin, Panado, Tylenol and Dolorol.

The results of the survey show that Panado, Tylenol, and Dolorol each have 500mg of paracetamol — and all have different prices

Dolorol is only available at chemists, however.

Although Tylenol is marketed as "maximum strength Tylenol", it is, in fact, no stronger than Panado or Dolorol

Tylenol recently came on

the South African market

It is sold in South African stores now with a "safety seal" which consists of a piece of sticky tape, or a yellow sticky disc, covering part of the opening

Consumer Mail found that supermarkets are gradually stopping the marketing of plain aspirin, as they find other drugs sell better.

Where Aspro was on sale, however, the difference between a chemist and a supermarket for a package of 48 Aspro was almost 60%.

And for a tablet containing similar amounts of aspirin, the price varied by 138% depending on the brand

The cheapest aspirin, sold simply as aspirin, however, was packed in a bottle and according to medical experts could deteriorate

One Aspro containing 324mg of aspirin would cost about 1,8c a tablet in a chemist (and about 1,2c in a supermarket). A Bayer Aspirin, with 300mg of aspirin, would cost about 3,1c a tablet.

An Aspirin (made by SA Druggists using only the generic name) would cost 1,26c a tablet

Professor Koppel Furman, of the pharmacology department of the University of the Witwatersrand Medical

	Checkers	OK Bazaars	Pick 'n Pay	Chemists on average
48 Aspro	56c	—	68c	89c
100 Aspirin	—	—	—	R1,26
20 Bayer aspirin	—	—	—	56c
50 Panado	R2,03	R2,29	R2,09	R3,33
50 Tylenol (tablets)	R2,62	R2,49	R2,69	—
24 Dolorol	—	—	—	R1,26

School, told Consumer Mail aspirin could deteriorate with time and it was best sold in blister packs

If many were in an opened bottle they could deteriorate with time and exposure.

Aspro and Bayer Aspirin are blister-packed. SA Druggists' Aspirin is in a bottle of 100 tablets — and the efficacy would drop off with time if it were not sealed efficiently

Prof Furman said the 24mg extra in Aspro would make no difference to the drug's effect.

He told Consumer Mail there would be no difference between the three tablets containing 500mg of paracetamol.

There would always be slight differences in purity in the manufacture of drugs. Different factories used differing procedures and quality controls, he said.

Dolorol is sold only in chemists and costs about 0,05c a tablet

In a chemist it would be a better buy than Panado, which costs about 0,06 a tablet in a pack of 50

Panado and Tylenol, however, are much cheaper in supermarkets than in chemists. Tylenol is also sold in 500mg capsules, which are

more expensive

Many chemists charge the same prices as one another and do not compete as keenly among themselves as supermarkets do

● NOTE All painkillers can have harmful side-effects. Consumers who buy them should read the package insert carefully, even though it is often in complicated medical language

15/10/83 ~~(244)~~ (244) ~~(244)~~ RDM
Flour price decreased to soften voters'

By GERALD REILLY

THE expected decrease in the prices of flour and meal on the eve of the November 2 referendum is seen as part of a package aimed at influencing voters to support the Government's "yes" campaign, political observers claim.

The price reduction is likely to come into effect on November 1.

So far, the "softening up" package includes the 12% increase for nearly one million public sector workers, a drop in the price of fuel, a delay in the announcement of a new bread price — and now lower meal and flour prices.

Although Ministers have firmly denied claims that the Government had any intention of influencing voters with

a string of concessions, "it won't do their campaign any harm", comments political scientist, Professor Willem Kleynhans.

It is understood that the expected price decreases have been made possible by lower interest rates for short term credit for the baking and milling industries to buy stocks of wheat, flour and meal.

Meanwhile, the Minister of Agriculture, Mr Greyling Wentzel, has confirmed the price of bread would not be raised "at this stage".

He indicated the Government was withholding a decision until there was an improvement in the economy.

Political observers take this to mean

that until the referendum was over, the Cabinet would accord the bread price issue low priority.

However, they point out that, although the price of wheat was not raised this year, the production and operating costs of the baking and milling industries had increased sharply.

So either the bread price will have to be raised or the Government will have to increase the R200-million bread subsidy.

However, if the Government had decided to raise the subsidy, it need not have feared a political backlash and therefore need not have postponed an announcement about the bread price.

(178) (244) RDM 20/10/83

Council slates new drinks price

THE Consumer Council has slated the latest price increases of up to 7,5% for cold drinks

In a statement, the council said the increase came in the wake of the recent price control lift and a 6% increase on

12 April this year

"The unacceptable escalation of 13,5% for cold drink prices during the past six months is higher than the consumer price index of 12,1%," the statement said

Mr Bernard Hellberg, assistant director of the Con-

sumer Council, says consumers should bear in mind cold drinks are not necessities

"Consumers should give serious consideration as to whether cold drinks should in fact form part of their diet at all," he said —Sapa

UNRECORDED NAME

Key price increases on the way next year

244 ROM 1/11/83

By GERALD REILLY
Pretoria Bureau

SOUTH AFRICA could face the threat of a number of key price rises early next year, according to Pretoria sources.

They include probable increases in the bread price, and higher railway rates and Escom power charges

According to sources, the subsidy on white bread was raised from 3,8055c to 4,6344c a loaf from October 1 and on brown and wholewheat bread from 16,2655c to 17,2883c a loaf

This amounts to an annual increase of R16 500 000 on the subsidy

The Treasury is footing the bill for

the higher subsidy until the Cabinet decides whether to increase the subsidy or the bread price

The Minister of Finance, Mr Owen Horwood, is known to be concerned about the size of the bread subsidy, which now exceeds R200-million a year

It is speculated, too, that the bread subsidy may even be reduced to make possible an increase in the relatively small maize meal subsidy

So, sources claim, a bread price rise is likely from the beginning of the year

Earlier this year it was speculated that Escom tariffs would be raised from the start of the new year. So far this has not been confirmed by Escom

However an Escom spokesman said

yesterday that costs had risen during the year, aggravated by Escom's financial involvement in the emergency pumping of water from the Vaal River to the dams serving the big Eastern Transvaal power stations

The Minister of Transport Affairs, Mr Hendrik Schoeman, said in Pretoria yesterday that tariffs were under review, but any changes would only be made from the start of the new financial year in March

He said he expected a budget deficit of about R300-million, compared with a budgeted R600-million loss. But the 12% salary increase for staff from the beginning of January would cost an additional R380-million

What's your salary worth? (244)

C. Herald 3/11/83

IF you earned R200 a month in May 1980, and your earnings hadn't reached R299 in May this year, you were actually worse off than three years ago, according to the findings of a UCT department

And it is particularly poor people who have been hit by rising costs and inflation in South Africa in recent years

But while everyone knows that costs have gone up, it is a lot more difficult to work out whether wages have really kept pace with inflation.

Now, a University of Cape Town researcher, Delia Hendry, has produced a relatively simple paper, based on the Consumer Price Index, which enables one to find out if wages have indeed effectively gone down or not

LEVEL

She says, for example, that if someone earned R160 a month in December 1980, they

should have been earning R208,11 in December 1982 merely for their wages to be kept at the same level

If, on the other hand, they had been paid R200 a month in December last year, their real income will have declined to R153,76 at the levels in December 1980. In other words, they would effectively be earning less than they were two years previously

Delia Hendry's useful paper — fact sheet No 3 — is available from the Southern Africa Labour and Development Research Unit (Saldru) at UCT

CALCULATIONS

But it is illuminating to make some calculations on the latest available figures

If, for instance, someone was earning R200 a month in May 1980, they should have been paid R299,22 in May this year to have been kept at the same effective wage

If they were paid R200 a month in May 1981, they should have been paid R262,09 in May this year, an average increase of R2,59 a month over the last two years

DECLINED

If the same person who earned R200 a month two years ago was now being paid R250 a month, his or her wages would have effectively declined to R190,77 at the 1981 figures

Then, if one takes a person who was earning R500 a month in May 1981, we can work out

that they should have been earning R655,24 in May this year, without any increments or promotion. Or R6,49 a month more for each of the last 24 months

Someone earning R1 000 a month in May 1981 should have earned R1 310,47 in May 1983, merely to have kept their wages at the same effective level.

Sugar may

~~Sugar~~ cost more

244

4/11/83 Merany

out of town

Finance Reporter

SHOPPERS in remote areas will probably have to pay more for sugar now that control on the wholesale and retail price has been abolished from today, although this should not affect the price of sugar in metropolitan areas.

In a statement yesterday Dr Dawie de Villiers, Minister of Industries, Commerce and Tourism, announced the lifting of control, but said the industry price of sugar would still be controlled.

Dr Frans Oosthuizen, national market and communications manager of the South African Sugar Association, said most stores had been selling sugar at less than the set maximum price and he was confident the trade would act responsibly and prices would not be increased or reduced.

Supply and demand and competition should set the price levels, he said.

No change

'Personally I believe there will be no change in prices in the metropolitan areas, although there may be in the more remote areas, where competition is less fierce,' Dr Oosthuizen said.

Wholesalers and retailers can now set their own prices for sugar.

But the price of sugar sold by the industry to manufacturers is still subject to control, and prices of products made with sugar, such as soft drinks, will not increase.

Dr de Villiers said prices of sugar in the wholesale and retail trade would continue to be monitored. The authorities would not hesitate to introduce rectifying measures in the event of unjustifiable price increases, he added.

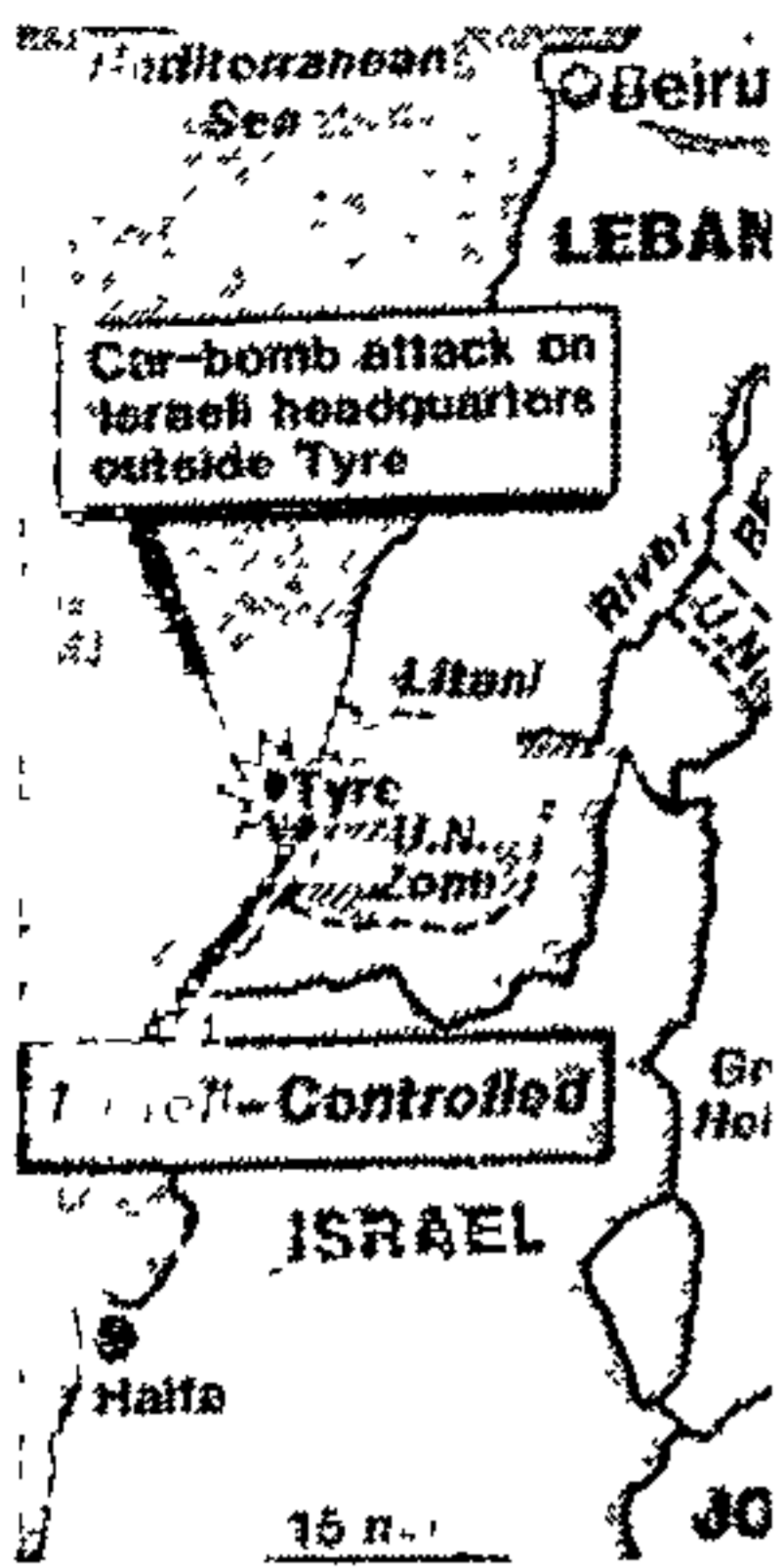
Mr Gordon Utian, managing director of Checkers, said the price would not be increased in his stores, but he thought smaller stores may raise the price in search of greater profit margins.

Dr de Villiers said there was strong competition in most areas and it could be accepted that retail prices determined by demand and supply would be realistic.

'Although the trade margin allowed at present in the retail price is lower than margins on many other groceries, it is regarded as reasonable, since sugar has a fast turnover and is not subject to ageing and quality deterioration.

'In fact, sugar has for a considerable time been sold, especially by departmental stores in metropolitan areas, at prices generally below the maximum controlled prices.

'After the abolition of price control, no unreasonable price increases should, therefore, occur,' the minister said.



Meat prices rise bread could follow

2004 5/11/83

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By GERALD REILLY
Pretoria Bureau

A RASH of basic food price rises — and there are others in the pipeline — which will hit consumers hard, has followed the completion of the referendum campaign.

Price control on sugar has been lifted — which will almost certainly lead to a higher price — the floor price of beef has been raised and the price of milk is to be increased soon by 2c/l.

And, according to the general manager of the Wheat Board, Mr Denis van Aarde, a rise in the price of bread, possibly from the beginning of next year, is likely.

Mr Van Aarde said in Pretoria yesterday that the bread subsidy was now running at R20-million a month, or R240-million a year, and the authorities would be reluctant to raise it further.

Informed sources said the bread subsidy might even be reduced to make possible an increase in the subsidy paid on maize meal.

If this happened the bread price rise could be even greater.

When he announced the lifting of control on sugar the Minister of Industries and Commerce, Dr Dawie de Villiers warned that if there were abuses the Government would not hesitate to act.

The general manager of National Consolidated Dairies, Dr M Hermann, said a milk price rise of 2c/l would be imposed at a date still to be determined.

He said demands earlier this year by distributors for a 13,5% increase were justified. They had, however, agreed to take only 10%

"The other 3,5% is represented by the coming rise of 2c/l," he said.

Meanwhile, the chairman of the Dairy Board, Mr Jan van Vuuren, said this week the board had decided not to raise the producers' price of fresh milk.

This meant the price of butter and cheese would not be increased. This was in spite of the fact that dairy farmers were producing at a loss.

Meanwhile, the Housewives' League has said that when milk was de-controlled in June distributors took a 2,56c/l increase. Now, five months later, there was to be another 2c hike "and the promise of yet another 2,6c".

The leagues' president, Mrs Joy Hurwitz, said dairies had amalgamated to such an extent that in most areas there was only one. "We are moving from control to cartel," she said.

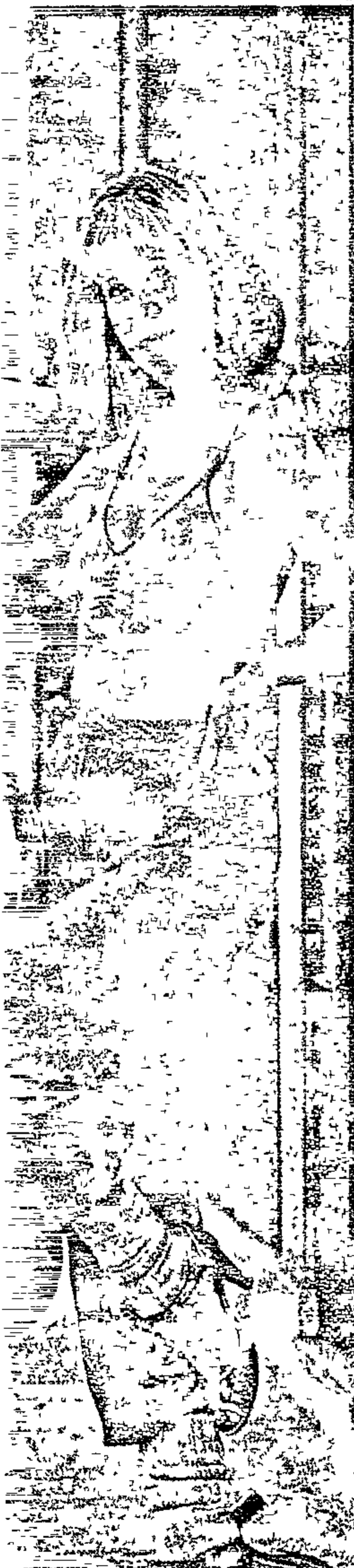
She said the league would urge the Minister of Agriculture to reimpose price control.

Yesterday the Minister of Agriculture announced a rise in the floor price of beef by 7% — from 205,5c/kg to 219,9c, that of mutton by 10,58% from 214,7c/kg to 238c, and that of pork by 3,3% from 155,1c/kg to 160,5c.

The SA Agricultural Union's meat expert, Mr Jan van der Walt, said farmers would welcome the floor price increase. The price had not been raised since July last year.

A spokesman for the Meat Board said because of the drought beef farmers' costs had spiralled.

Turning to mutton, he said there was so great a gap between the floor price and auction prices that the 10,85% increase was "purely academic", and the increase in the floor price of pork was insignificant.



'Lucky day' ends in the cooler

Mail Correspondent

CAPE TOWN — A man who thought it was his "lucky day" when he was sold 20 frozen chickens for R20, was yesterday jailed for 12 months for being in possession of stolen property.

Mogamat Lakay, 37, of Jordaan Street, Mannenberg, had pleaded guilty in the Wynberg Magistrate's Court to having had the chickens in his possession on October 18 while he had a reasonable suspicion that they could have been stolen.

He had pleaded not guilty to a main charge

of theft.

Lakay, a laundry deliverer at the time, said someone had approached him at Smuts Hall at the University of Cape Town and offered him the 20 frozen chickens for R20. "I thought it was my lucky day but the cook came down and found the chickens in the truck," he said.

Pleading in mitigation, Lakay said he was married and had four children. He had also not recovered his R20.

Passing sentence, the magistrate, Mr N Jones said Lakay had had previous convictions and had been convicted for stealing a bottle of whisky and a torch.

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CRUISE

ON THE HISTORICAL MAIDEN VOYAGE
OF R.S. "W. G. DE VRIES"

11TH JANUARY '84 TO 28TH JANUARY '84

AP/60/5
8/10/83

(244)

Dairy man says milk price rise 'will stay'

Consumer Reporter

THE chairman of the South African Milk Distributors' Union has denied that the increase in the price of home-delivered milk was introduced unnecessarily without consultation with the Minister of Agriculture, Mr Greyling Wentzel

Mr Maarten Henning said today that the 2c a litre rise, which came into effect yesterday, had to stay

The Minister and the Dairy Board had been consulted in advance

"I saw them both," he said "I nearly fell off my chair with surprise when I heard the Minister say on television last night that our milk price rise was 'gekonkel' (cooked up)

"Dairies must make this extra charge if we are to make a fair profit

"If the Minister or the public think milk should remain at last week's price, the Government must subsidise it. We cannot afford to do so"

The dairies plan to put up the wholesale price of milk, which did not go up yesterday, by 2c a litre next Monday

Milk was freed from price control for distributors and shopkeepers, but not for farmers, last July

DISCUSSION

A spokesman for the Minister's office in Pretoria said today he would meet representatives of the milk distributors' union before the end of the month to discuss the price increase

● The director of the Consumer Council, Mr Jan Cronje, said today that statements by national milk distributors that the "adjustment" of 2c a litre was purely co-incidental, was indicative of cartelisation

He said the abolition of price-control would, in the long run, benefit consumers provided cartels and monopolies were not created

He said the situation was being watched carefully and the Consumer Council would not hesitate to take action if it became evident that certain organisations were using only certain components of the free market system to further their own interests

[Handwritten signature]

Milk price hike is on, says Henning

By GERALD REILLY
Pretoria Bureau

THE South African Milk Distributors' Union intends going ahead with its controversial 2c a litre increase in the milk price "in terms of agreements reached with the Minister", the chairman of the union, Mr Maarten Henning, said yesterday

Earlier this week the Minister of Agriculture, Mr Greyling Wentzel, expressed surprise that the price had been raised, and that he had not been consulted

He said an urgent meeting would be arranged with the union

This meeting, it is understood, is now scheduled for November 23

However, Mr Henning said the issue at the meeting would not be the price, but the apparent misunderstanding between the Minister and the union

He said the distributors in the various provinces would decide when increases in their areas would become effective

According to Pretoria sources the union has apparently ignored the Minister's implied disapproval of the price hike, "and there's nothing he can do about it unless he reintroduces control"

Mr Henning said the Minister's request to the industry had been to clear any increase with the Dairy Board — "which I did in discussions with the board last week

The distributors were merely trying to eliminate a backlog which had accumulated during the control period, and

to ensure reasonable return on capital

The Minister's own costing investigation confirmed the backlog, and he agreed to a 2½-a-litre increase in July. He also suggested the phasing in of a further price rise in November

In fact, Mr Henning said, the official investigation indicated a 7c increase was justified in July, to give a conservative 15% return on capital

Mr Henning said inflation had dumped a huge burden on the industry. This included higher costs of vehicles, repairs and spares, more costly packaging and escalating staff wages

He regretted the price rise had become an emotional issue. It was presented in the media in a way which gave the impression the milk distributors had acted in an irresponsible manner

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7/11/83

Milk increase sparks anger

By MARTINE BARKER

THE announcement of a 2c-a-litre milk price increase — the fourth increase this year — has provoked angry reaction from consumer organizations and retailers.

And while dairy producers have not criticized the increase, they have emphasized that it has nothing to do with them.

In a statement released last week by the South African Agricultural Union, the chairman of the union's National Dairy Committee, Dr Louis Theron, said dairy producers were "very dissatisfied" that the increase had been linked to them.

The committee and the Minister of Agriculture had agreed that a producer price adjustment would come into effect each January. Consequently, farmers at this stage would still receive "the price which in the previous adjustment was proved to be inadequate", he said.

The managing director of a national supermarket chain, Mr Gordon Utian, said a milk increase "at this time" was "shocking".

He said the situation in the milk industry, where two parts of the production and distribution chain were decontrolled and the third was not, together with "ridiculous zoning regulations", had prevented competition and made price increases easy.

The managing director of another supermarket chain, Mr Wellwood Basson, said the cost of milk had already gone up by 16 percent this year.

"This is completely unjustified, especially when one takes into account the lower price of petrol and subsequent cheaper delivery costs."

The Consumer Council described the system of demarcating areas in which specific distributors operate as "essentially incompatible with free-market principles". It expressed "concern" at milk distributors' "evident efforts towards cartelization".

Call to fight milk price increase

HOUSEWIVES in Pretoria's black townships yesterday criticised the move by local dairies to increase the milk price by 2 cents a litre from next Monday.

They were reacting to an announcement that an independent costs in-

244
vestigation had revealed that dairies were forced to cope with a loss of 4 cents a litre which had resulted in the price hike

The announcement was made by Mr Edwin Morgenrood, chairman of the Pretoria milk distributors, who said the decision was made following the investigation

A nursing sister, Mrs S Letwaba, said she

foresaw a time when many people would suffer from various diseases because of the unavailability of vital food

"It amazes me why authorities always take it upon themselves to carry out investigations to find out how much they lose when nothing is being done to help the needy get balanced food," she said

Saweta
By ALINAH DUBE 9/11/83
A mother of three, Mrs Nono Mphuti, said it was high time black women organised themselves to fight the increases. It was up to women, she said, to see to it that the nation did not starve

When the milk price was to be controlled in June this year, an appeal was made by the Minister of Agriculture, Mr Greyling Wentzel, for dairies to be moderate with increases

Blame is put on 'rising costs'

Price of bricks to increase by 4,8% today

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16/11/83
244

By J MANUEL CORREIA

THE Consumer Council yesterday expressed concern at the latest increase in the price of bricks, which comes into effect today

Corobrik has announced that the price of clay plaster bricks will go up by 4,8% in the Transvaal — an increase of R3 per thousand — from R70 to R73

Corobrik is also putting up the price of two face brick products by 4,8%. It has put the increases down to "rising costs and the price of maintenance spares"

A spokesman for the Consumer Council said he was disturbed at the number of price increases since the Government lifted price control on bricks

"One cannot say that some increases are not justified, but it is very easy to shelter behind the magic phrase 'rising costs'

"I believe Corobrik holds about 40% of the market and I would be very curious to know on what grounds these latest increases are

based

"I think the consumer is also entitled to know, in black and white, the reasons for increases

"This applies not only to the brick industry but to all other instances where prices are put up and rising costs are given as the excuse. The consumer should not be kept in the dark"

The chairman of the National Consumer Union, Mrs Betty Hirzel, who is also a member of the council, said yesterday not all price increases could be criticised, but that it was to be hoped that the brick industry was not in a monopolistic situation

"If it is, then I think the Competition Board should look at it"

She said she felt that if the price of bricks rose to unacceptable levels, this would particularly affect the ability of blacks to buy and build houses and secure loans

Housing for blacks was a stabilising factor and a disruption through unacceptably high brick prices could well have dangerous consequences

Consumers applaud Escom's restraint

Mall Reporters

ESCOM's announcement of an average tariff increase of 6% from January has been greeted with relief by major electricity users

A much higher increase had been feared

Throughout Reef municipalities, town and city electrical engineers welcomed the moderate Escom increase

Spokesmen said that it was significantly lower than forecasts earlier this year which put it as high as 14%

The increase, which takes effect from lower than the 15% Escom levied at the beginning of 1983

"Dramatic measures were necessary if the country's inflation level were brought down to that of SA's main trading partners," said Escom's chairman, Mr Jan Smith

He pointed out that 80% of all electricity was used by industry, SA Transport Services, mining and commerce

A spokesman for SA Transport Services said the increase would amount to an additional expenditure of R3 300 000 to the end of March

"A contained electricity tariff increase for 1984 is our contribution to assist our consumers in their fight against inflation," said Mr Smith

But, though internal financing levels have been temporarily lowered, Escom warned that this could not continue indefinitely although the cost-cutting campaign has been successful

Mr Smith said these savings, together with the deferment of project expenditure, were expected to total R85-million this year

The Commission has also decided not to reduce the accumulated deficit, at

least during 1984

Escom's decision to contain tariff increases had, Mr Smith admits, been taken as a calculated risk in view of serious short-term problems

These include the effects of the drought and present marginal growth in electricity sales

The 6% increase in tariffs has been based on predictions that inflation will be reduced to below 10%, and that electricity sales will be increased by at least 7% in 1984

"Consumers will pay the usual quarterly adjustment for any increase in fuel costs This should not exceed 2% in the full year," said Mr Smith

But despite this, the Johannesburg City Council will pay an effective 8% increase Half of this will be passed on to consumers

Johannesburg's City Electrical Engineer, Mr Wessel Barnard, said yesterday that technical rationalisations by Escom earlier this year, which affected different municipalities in different ways, meant that Johannesburg had to pay an added 1½% over and above the 6% increase announced yesterday

Mr Barnard said he had decided to round off the 1½% to 2% to allow for expected increases in the coal price

He said the average domestic consumer who used 900 units of electricity of month would pay an increase of R1,53 a month from R38,25 to R39,78 from January 1

The account of small domestic consumers using 500 units a month would increase by 85c from R21,25 to R22,10

Mr Barnard said industrial consumers would also face a 4% increase

And Roodepoort's City Electrical Engineer, Mr Piet Botes, said the city's

domestic consumers could expect increases of between 3% and 4% from January

Big industrial consumers would have to shoulder the burden of the whole 6% increase

Small non-domestic consumers using about 10 000 units will face an increase of about 2,4%

In Germiston the domestic increase will only be about 2,4% on average and the electricity bill of residents using a thousand units will increase from R40,02 to R40,97

The Acting Germiston City Electrical Engineer, Mr Steve Verster, said industrial consumers would, however, also have to shoulder the full 6% increase

According to the Sandton Town Electrical Engineer, Mr Tony Hugo, Sandton domestic and non-domestic consumers would shoulder the full 6% increase

The monthly electricity bills of domestic consumers will increase on average between R4 and R5

The Randburg Town Electrical Engineer, Mr Max Clarke, says the council will still have to decide how much of the increase will be paid by consumers and how much will be absorbed by the council

● The Consumer Council has welcomed the responsible manner in which Escom has handled the increases

The director of the council, Mr Jan Cronje, said in a statement issued in Pretoria, that this positive step could play a role in the lowering of the inflation rate to under 10%

"I wish to appeal to municipalities as well as the private sector," Mr Cronje said, "to keep their own increases to within the announced levels"

A ppf car also swift much, when there has been a loss of technical assistance (country) or persons - agriculture, land use, forest, its capability to produce so ppf forests would be

ppf shifts cost due to factors

(1) the industry

(11) the industry

Silence over brick price rise

By J MANUEL CORREIA

COROBRIK, which has increased the price of clay plaster bricks and of two face brick products by 4,8% in the Transvaal, yesterday declined to react to criticism by the Consumer Council of the latest increase.

The increases came into force yesterday and will result in an increase of R3 per thousand — from R70 to R73 — for clay plaster bricks.

A Consumer Council spokesman expressed concern at the latest increase. He made it clear that not all increases were unjustified but that he believed the public was entitled to know exactly why the increases were necessary. Corobrik has put the increases down to rising costs and the price of maintenance spares.

The chairman of the National Consumer Union, Mrs Betty Hirzel, said she felt that if the price of bricks rose to unacceptable levels this would affect the ability of blacks to buy and build houses and to secure loans. Since housing for blacks was a stabilising factor, a disruption through unacceptably high prices could well have dangerous consequences.

She also suggested that if there were monopolistic conditions in the brick industry these should be looked at by the Competition Board.

The Consumer Council spokesman said he believed Corobrik held about 40% of the market and that he would be "very curious" to know on what grounds the latest increases were based.

A Corobrik spokesman declined to discuss the points raised.

"We have issued a Press statement about the increases and we will stay with that," he said.

244

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Cafes asked to keep milk price rise to 2c

Pretoria Bureau
THE Tea Room, Restaurant
Proprietors and Caterers'
Association has asked cafes
not to increase the price of
milk from Monday by more
than the 2c/l added to the

Dairy 240
price of milk by distributors
The chairman of the asso-
ciation, Mr Demosthenes Mi-
chos, said yesterday "We
could easily have justified
adding another cent, or even
two cents, a litre to the price,

ROOM 12/11/83
but in the interests of con-
sumers we have recomm-
mended to our 3 000 mem-
bers that they do not do this"
Mr Michos said with GST
added the price of milk in
cafes would rise to 40c/½l

and 75c/l from Monday
Meanwhile the Minister of
Agriculture, Mr Greyling
Wentzel, is to have discus-
sions with the SA Milk Dis-
tributors' Union in Pretoria
on November 23

Plunge in the price of butter and cheese

244
Today
18/11/83

By Hannes Ferguson, Farming Correspondent

The Dairy Board is offering cheddar cheese and butter at a 10 percent discount as a Christmas promotion scheme to clear surpluses.

The retail price of cheddar cheese will drop from R4,70c a kg to R4,23c a kg and the price of butter will drop from R4,08c a kg to R3,67c a kg. The price of Gouda cheese will not be affected.

At least one supermarket chain — Pick 'n Pay — dropped its prices from this morning even though the reductions are officially scheduled for Monday. OK Bazaars will wait for Monday, but instead of only 41c a kg for butter and 47c a kg for cheese it would be a 50c reduction on both.

Checkers said its prices would drop from Monday.

The price reductions were forecast in a story in The Star more than a month ago.

The cost of the promotion scheme will be R2,5 million, which farmers will pay out of the board's stabilisation fund.

The promotion will involve 4 million kg of cheddar cheese and 1,2 million kg of butter.

The surpluses are the result of increased milk production following the drought. Hoping to retrieve a part of their losses, farmers have fed their failed crops to cattle.

Estimates

From the beginning of the winter, cheddar cheese production has consequently been running at the level of 500 000 kg a month above the consumption level — and butter production was 200 000 kg a month above production.

Farmers estimate that surpluses of about 2 million kg of cheddar cheese and 500 000 kg of butter will still be in stock after the promotion has ended.

These quantities will be kept in stock against any possible production decrease in the coming season.

NRP will contest many Tv seats

Chief Reporter

THE New Republic Party is likely to contest a number of constituencies in the Transvaal should the Prime Minister call a general election next year, the party's Transvaal leader, Mr Alex Anderson, said yesterday.

In a statement, Mr Anderson said a number of constituencies showed substantial support for the concept of evolutionary change by virtue of the number of voters who supported the yes cause in the referendum.

"These voters are, at the same time, strongly opposed to the National Party. They are unimpressed and demotivated by the persistent and unimaginative boycott mentality of the Progressive Federal Party.

"These reform-minded South Africans now find that their political aspirations cannot be readily accommodated in the PFP," Mr Anderson said.

He said this was particularly so since the PFP campaigned in opposition to the moderate views of the yes voter.

"The strong yes vote in the referendum is confirmation of the fact that inexorable reform is under way.

"With the progress of that reform in 1984, must come the removal of hurtful and discriminatory laws that have long plagued the structure of South African society."

MATTER OF FACT

TO CORRECT specific errors of fact, write to the Editor at P O Box 1138, Johannesburg, or telephone the Editor's secretary at 710-9111 between 9am and 5pm on weekdays.

If you have broader complaints about the Rand Daily Mail these can be taken up with the Mail Ombudsman, James McClurg, c/o the Editor's secretary.

POLITICAL comment in this issue by Benjamin Pogrand, newsbills by Michael Stent, headlines and sub-editing by Paul Holroyd, cartoons by David Anderson, all of 171 Main Street, Johannesburg.

(TV) 2637

One-stop shopping is good business for chains

Consumer Mail

ONE-STOP shopping is weaning consumers away from individual shops and making them increasingly dependent on the giant chains.

Independent butchers are managing to survive, but find it more and more of a battle.

It is not only the convenience of being able to drop everything from pantihose to sausages in one trolley that attracts shoppers.

They have forgotten, or have never learned, how to order meat. They browse around and eventually pick up a packet of chops that looks just right. Chump or loin? It's no longer important.

There is also the suspicion that an individual butcher must be more expensive than one belonging to a chain-store.

Consumer Mail did a survey of 12 supermarkets and butchers to see if this is so.

CONSUMER MAIL

Four representative cuts of beef, leg of pork and leg of lamb were taken. Smaller cuts of pork and lamb were not chosen as there is not complete uniformity in the names of popular cuts.

All butchers except Swanepoel stock super beef and lamb.

Swanepoel, the Hypermarket and Killarney had lower grades of pork.

Prices between branches of a supermarket chain seldom vary, except for a Special Offer. The same applies to branches of a big wholesaler like SA Meat Supply.

Prices at independent butchers vary markedly according to the demands of their different clientele.

Supermarket butchers belong to the giant wholesalers.

— Checkers and OK butchers are Renown (ICS), or are jointly owned by the supermarket and wholesaler, Blue Ribbon being owned by Pick 'n Pay.

The average price for the six independent shops was R27,44, while the supermarket chains with their greater buying power averaged R30,03.

In spite of competitive prices, the independent butchers are struggling to keep their customers. They have several disadvantages. They have account customers, they do not buy enough to qualify for bulk discounts, they have limited capital to draw on.

Most important, they don't have funds, expertise or time to carry out efficient advertising campaigns.

Meat prices always rise over the Christmas season, and the coming increase in the floor price (about 7%) will eventually sift through to the consumer.

MEAT PRICE SURVEY

	Beef				Pork Leg	Lamb Leg	Total
	Rump	Topside	Chuck	Brisket			
Bez Valley Meat Market	6,00	4,80	3,00	3,00	3,50	3,80	24,10
Swanepoel's Meat Market Westdene*	5,75	4,50	2,99	2,89	4,25	4,75	25,13*
Park North Butchery, Parktown North	7,20*	4,20*	3,20*	2,80*	3,90*	4,98	26,28
Braeside Butchery, Parkhurst	7,40	5,50	3,22	3,11	4,00	4,95	28,18
Hyperama, Sandton	7,58	5,98	3,88	3,58	3,38	4,88	29,28
Pick 'n Pay, Rosebank	7,58	6,18	3,68	3,58	3,48	4,98	29,68
Hypermarket, Gardens	7,48	6,18	3,78	3,63	3,48	5,18	29,73
Woolworths, Rosebank	7,79	5,69	3,79	2,89	4,45	5,15	29,76
Rosebank Meat	7,29	5,89	3,59	3,59	3,99	5,49	29,84
OK, Randburg	7,58	6,62	3,98	3,79	3,48	4,98	30,42
Checkers, Hyde Park	7,58	6,62	3,98	3,78	4,38	4,98	31,32
Pick 'n Pay, Rosebank	7,58	6,62	3,98				
Kensington Meat Centre	7,47	6,29	3,66	3,66	6,11	4,89	32,08

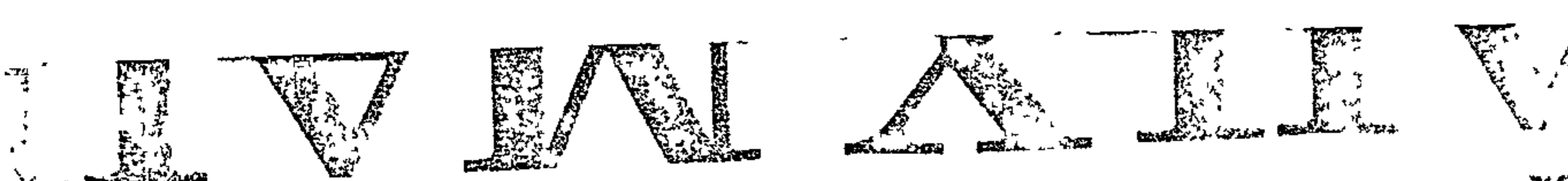
* Beef Grade A1, Pork Grade 2

Prices taken 4 November 1983

Campaign to fight disease

ACCRA — Health authorities have launched a major campaign to eradicate an outbreak of yellow fever in various parts of northern Ghana, the Ghana News Agency reported yesterday. A Ghana Air Force plane had flown several boxes of

yellow fever vaccine, donated by the United Nations Children's Fund, to the affected areas in the northern, upper east and upper west regions where a vast immunisation campaign was under way, it said — Sapa- Reuter



Mercury
**Milk likely to
go up extra 2 c**

Dairy 244
18/11/83

Mercury Correspondent

PRETORIA—Another milk price increase of at least 2 c a litre is expected to be approved by Minister of Agriculture Greyling Wentzel from January 1, according to sources here

This is on top of the 2 c-a-litre increase imposed by distributors from November 14

The expected January increase would be for producers. They last got an increase in June this year of 3 c a litre

However, 2 c had to be paid into a stabilisation fund to help cope with a large surplus. Since June, producers claim, production costs have risen sharply

It is understood that the Dairy Board may soon announce a 'price promotion' campaign in which butter and cheese prices will be substantially reduced. This is aimed at easing a large surplus

which has accumulated

The Dairy Board is also struggling to reduce its massive surplus of powdered milk, and plans to export about 10 000 tons in the next few months

January could be a difficult month for consumers, say economists

In addition to the likely new milk price rise, electricity tariffs will rise by 6 percent, and it is strongly speculated that the bread price will also go up

Dairy
Price slash is festive cheer
244
204
19/11/83

By GERALD REILLY
Pretoria Bureau

THE Dairy Board's reductions are part of a special Christmas promotion — to sell 4 000 000kg of first-grade cheddar cheese at 47c less a kg and 1,2-million kgs of first-grade butter at 47c less a kg

According to Mr Jan van Vuuren, chairman of the board the "bonus" was brought about by a surplus of supplies, following the recent abnormally high production of milk

He hopes the promotion will not be used by retailers to get rid of old stock

Checkers' public affairs manager, Mrs Peta Lomborg, yesterday said the surplus was expected to last for three to four weeks and would benefit consumers

The director and general manager for food for OK Bazaars, Mr Ralph Horwitz, said the OK would sell cheddar and butter at below cost price from Monday Cheddar will be reduced from R4,70 a kg to R3,88 and butter from R4,08 a kg to R1,68 for 500 g

Mr Geoff Kahn, senior buyer for Pick 'n Pay's supermarkets in the Southern Transvaal, said the chain had also slashed prices From yesterday, cheddar sold at R3,89 a kg and butter at R1,69 for 500 g Milk would cost 61c a litre till the end of the year.

MARGARETHA GOOSEN reports that elderly people may benefit by the reduction in the price of cheddar cheese from Monday, but butter — even at the reduced price — will still remain a luxury item

"Elderly people will not change their habit of buying margarine — and will also not trust the reduction in the butter price," Mrs Zerilda Nel, Transvaal director of the National Council for the Aged, said yesterday

Canned fruit gives a poor show

Consumer Mail

AT THIS time of the year canned fruit is in heavy demand, apples and citrus fruits are expensive and deciduous summer fruits are not yet in the shops.

Consumer Mail surveyed branches of five leading supermarket chains and found the range of can-sizes available in each brand seldom complete

Only two stores had 825g tins of apricots and there was little choice of fruit in the 410g size

The canned fruit market is dominated by the Langeberg Co-op (Koo and Silverleaf) but there are many other brands on the shelves which are competitive

The price survey shows every brand that was available for each type of fruit, with its grade

The purpose of the survey was to show

- Price comparisons of brands in different stores

- The range of prices available in each store

The cheapest brand of each fruit in grade-categories Choice and Extra Choice/Fancy grades found in the five stores is marked with a star (Pot O' Gold Extra Choice was often cheaper than the Choice grades)

GRADES — Extra Choice used to be the name given to the top grade of canned fruit. When it was renamed Fancy, manufacturers were given the option of retaining the old name Extra Choice and Fancy are therefore the same (Canned Foodstuffs Marketing Regulations of the Dept of Agricultural Economics and Marketing)

This top grade is distinguished by uniformity of size, colour and texture

Grades in descending order of quality

- Fancy/Extra Choice
- Choice
- Standard
- Sub-Standard
- Caterers (manufacturers)

Since all canned fruit has to pass rigid tests on the hygiene and quality of the canning process, unless one needs fruit

with an excellent appearance, it is worth looking at the cheaper grades

SYRUP — Gants and Pot O' Gold state "heavy syrup" on their labels, but this is very little sweeter than the South African average. According to the Marketing Development Division of the OK Bazaars, our canned fruits average 16 — 18% sugar in both the syrup and the fruit, less in caterers' packs

FRUIT versus SUGAR — Canners are required to have a specified drained mass of fruit in their cans. This varies with different fruits. For example, in 825g tins, the following minimums apply

Apricots	543g
Peaches	467g
Pears	543g
Pineapples	481g

All Apples in the survey are "solid packs". If the only ingredient listed is "apple" and no sugar is added, there will be no syrup. A tin that normally holds 410g will only hold 385g of solid apple — syrup weighs more than fruit!

	CHECKERS Hyde Park	HYPERAMA Sandton	HYPERMARKET Gardens	O.K. Rosebank	PICK 'N PAY Rosebank	
PEACH SLICES	Gants Choice 410g Koo Choice Silverleaf Choice	69c Gants Choice 69c Koo Choice 72c Silverleaf Choice Natur Fruit, Choice Sunshine, Sub-Std	49c Gants Choice 55c Koo Choice 55c Silverleaf Choice 59c 39c Lesmel, Sub-Std	65c Pot O' Gold Extra Choice 64c Gants Choice 68c Koo Choice 39c	*39c Ceramin Fancy 49c Gants Choice 59c Koo Choice	65c 61c 68c
GUAVAS	Ceramin Choice Checkers Choice 410g Gants Choice Koo Choice Silverleaf Choice	61c Gants Choice 56c Koo Choice 72c Natur Fruit Choice 75c Silverleaf Choice 77c	69c Koo Choice 75c Silverleaf Choice 95c 69c	68c Pot O' Gold Extra Choice 65c Gants Choice	*57c Ceramin Choice 71c Gants Choice Koo Choice Farm Girl Sub-Std	62c 72c 74c 47c
APRICOTS	410g Ceramin Fancy Silverleaf Choice	63c Gants Choice 74c	65c Koo Choice Silverleaf Choice	69c Pot O' Gold Extra Choice 64c	*59c Ceramin Fancy Koo Choice 74c	65c
PIE APPLES	Gants Choice 385g Koo Choice Silverleaf Choice	58c Gants Choice 75c Koo Choice 71c Silverleaf Choice	59c Gants Choice 65c Koo Choice 65c Silverleaf Choice	56c Pot O' Gold Extra Choice 69c Gants Choice 77c	*54c Ceramin Fancy 65c Gants Choice	63c 55c
STRAWBERRIES	410g Don Cook Choice 445g Hero 410g	119c 166c	Don Cook Choice Silverleaf Choice 128c	*109c Don Cook Choice	116c Hero Silverleaf Choice	235c 125c
PINEAPPLE RINGS 440g	Checkers Choice	*49c Silverleaf Choice	65c Koo Choice Farm Girl Std	64c Pot O' Gold Extra Choice 49c Koo Choice	51c Koo Choice 69c Farm Girl Std	68c 52c
FRUIT COCKTAIL 410g	Ceramin Choice Checkers Choice Gants Choice	74c Koo Choice 59c Silverleaf Choice 79c	75c Gants Choice 79c Koo Choice Silverleaf Choice	75c Gants Choice 82c 79c	81c Ceramin Choice Silverleaf Choice Lesmel Std	74c 72c 43c

PRICES TAKEN 15 NOVEMBER
* Lowest price in Fancy/Extra Choice and Choice Grades

O S I T

expenses into account

The University of Port Elizabeth's Institute for Planning Research says that, generally speaking, price increases during the past six months have been very moderate. Rents and transport costs remained unchanged, or increased only slightly. While prices of some basic foodstuffs rose moderately, prices of others appeared to have declined marginally.

The institute reports that the average HSL increase for 13 major centres in the six months leading up to September this year was 5,3%. For the year up to September it was 8,8% — significantly lower than the 12,2% CPI increase for the same period.

The lowest HSL increase in the six months leading up to September was recorded in Johannesburg, where for blacks it was only 1,5%, and for coloureds, 1,9%.

HOUSEHOLD SUBSISTENCE LEVEL SEPTEMBER 1983 SURVEY

CENTRE	HSL	% Increase since	
		Sept 1982 12 months	March 1983 6 months
Cape Town			
Blacks	279,28	8,6	4,2
Coloureds	281,07	8,0	3,9
Port Elizabeth			
Blacks	277,07	10,6	5,1
Coloureds	281,29	10,5	4,6
East London			
Blacks	268,91	6,1	5,5
Coloureds	265,30	8,3	6,3
Kimberley			
Blacks	279,86	13,7	10,2
Coloureds	280,29	12,1	7,0
Durban			
Blacks	270,57	10,0	4,5
Coloureds	290,16	10,8	2,8
Indians	310,10	9,3	8,5
Pretoria			
Blacks	264,91	6,8	3,7
Coloureds	303,50	19,9	14,3
Johannesburg			
Blacks	281,86	3,7	1,5
Coloureds	298,53	8,7	1,9
Bloemfontein			
Blacks	269,60	5,8	4,1
Coloureds	282,22	7,1	3,4
K. Williams Town			
Blacks	265,69	10,6	7,3
Coloureds	292,29	20,2	9,3
Uitenhage			
Blacks	277,02	6,2	3,9
Coloureds	260,66	12,2	3,7
Umtata			
Blacks	256,75	10,0	8,5
Springs			
Blacks	262,06	5,7	4,5
Vaal Triangle			
Blacks	291,18	6,6	6,4
Windhoek			
Blacks	301,48	6,3	2,6
Coloureds	360,70	11,1	8,9

LIVING STANDARDS

Low HSL increase

A general levelling-off of commodity prices has resulted in low rises in the household subsistence level (HSL) for blacks and coloureds in most of SA's major centres during the past six months.

The HSL is a theoretical monthly minimum income needed by a black family of six and a coloured family of five to survive. It includes only basic essentials such as food, rent, clothing, fuel and transport to and from work. It does not take medical

No great burgers out there on the road

Consumer Mail by PAT SIDLEY

IF YOU expect to find a great American-style juicy beef hamburger, wait till you get to Cape Town or home to Johannesburg.

This is what travellers should bear in mind when looking for somewhere to buy a hamburger on the way to Cape Town.

Consumer Mail surveyed 20 hamburger "joints" in 19 towns on the two main routes.

In each restaurant Consumer Mail asked for a hamburger, chips and coffee and looked for vegetarian food.

In country roadhouses, you take your chances. If you want good home cooking, pack a hamper at home before setting out on holiday.

Here are some of the hamburger survey results.

There were only three "good" hamburgers. Only two venues said they would allow blacks in.

Most of the hamburgers contained little meat and a lot of gristle, and some tasted as if they contained bread.

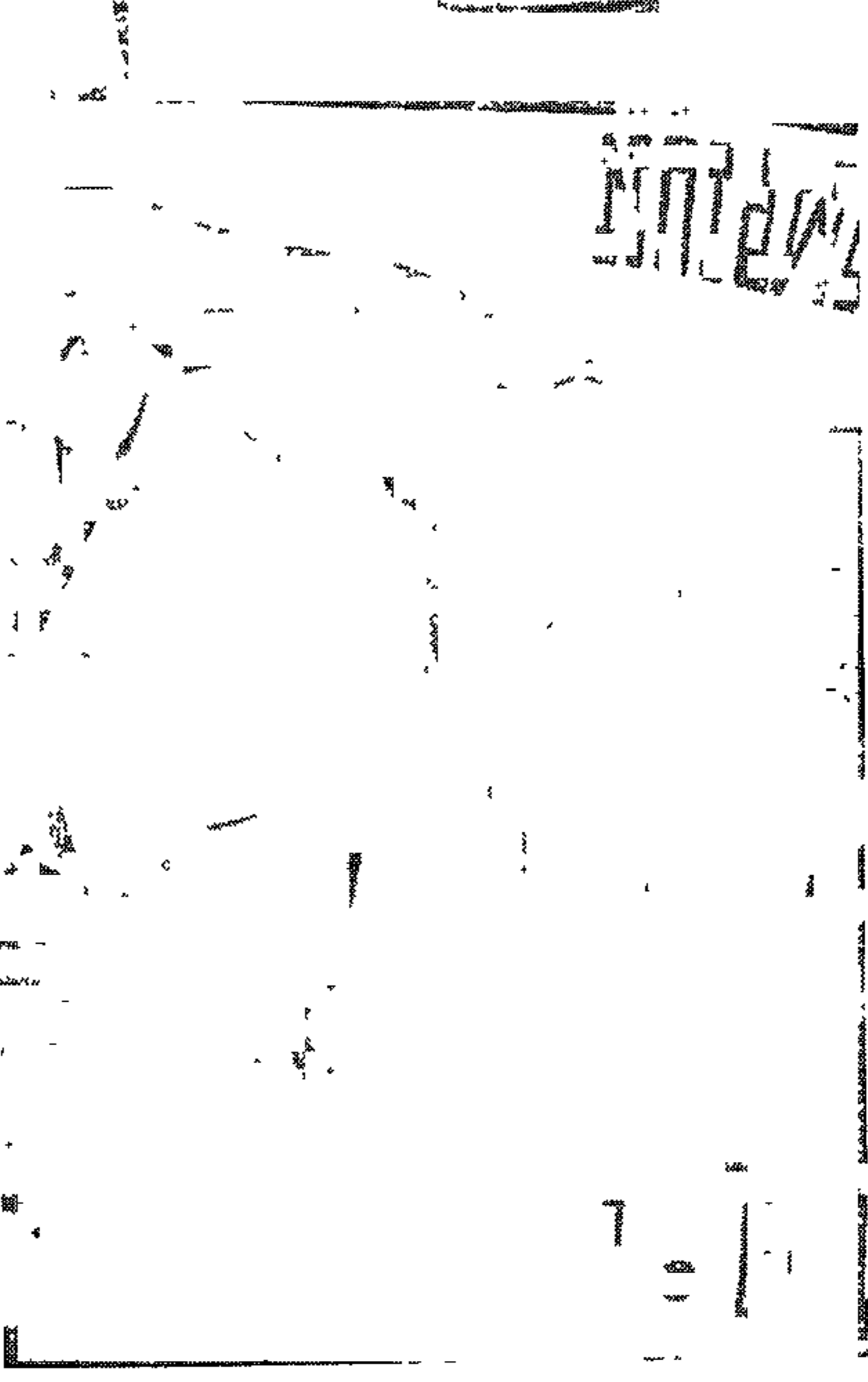
All seemed to have onions in the mix — whether you wanted onions or not. The Orange Free State hamburgers were the worst, with almost all of them tasting of bread. Cape ones contained a bit more meat.

None of the coffee was worth drinking unless you happen to be fond of chicory.

The acceptable hamburgers were to be found at the Palomino Restaurant in Coleberg and together a superior place with pleasing owners anxious to help. The only place in the entire investigation where the black waiting staff were able to sit down when not working. The owners, a young couple, said they would serve blacks, and the toilets were not segregated. The meal was the most expensive encountered and well worth the difference in price.

The coffee, though mixed with chicory, was served with the "Ricoffy" sachet so the customer would know it was not pure coffee and could refuse it. The restaurant is not in town but at the top of the exit from the national road on the way to Cape Town.

Koffihuis in Christiansburg a pleasing small coffee shop — unfortunately a misnomer as the coffee had chicory in it. They served a large meal in pleasant crockery with the hamburger patty in a sesame



The interestingly decorated Oasis Restaurant in Victoria West served an edible hamburger.

Picture: HETTIE ZANTMAN

seed bun. The burger was juicy, beefy and was bigger than most. The service was pleasant and the atmosphere delightful.

Kentucky Fried Chicken in Potchefstroom on the main road. Probably the best burger as it has to conform to the relatively high standards of the franchise. But it is purely a take-away service with no facilities for sitting down or toilets.

Both Bloemfontein and Kimberley offer a wide choice of hamburger "joints" and both have Kentucky Fried Chicken franchises.

The Oasis Restaurant in Victoria West was also of a higher standard, with careful decorating and an edible hamburger.

Only the Palomino in Coleberg and the Halfway Restaurant in Richmond said they would serve blacks.

Black travellers therefore would normally be forced to stick to take-away places with Kentucky Fried Chicken's system of roping off the "in" and "out" sections probably allowing for first-come first-served instead of a studios serving of whites first.

Where there were toilet facilities for blacks they were generally of a poor standard but nothing rivalled the filth in the black toilets at the Parys Wimpy. The home

of the hamburger. The owner of the Wimpy assured us he had applied for permission to have black customers was distressed that it was unlikely he would ever get this permission and assured us black customers using the take-away would use the same crockery. His black toilets lent the lie to his statement they had no seats, no cover on the cistern, were not in working order, stank, had not been cleaned for a considerable period and had no toilet paper.

Wimpy's "pure beef hamburgers" are very small (their "gigantic" one is only 110g). They are grey and grisly and obviously frozen. A surly but considerate owner in Vredevort provided fly swatters for us on the table. Traces of dead flies remained on it. Her hamburger was salty and burnt.

Stop Take-Aways in Verterburg should be avoided at all costs. The roll round the patty was stale and the burger among the worst, but the ambience takes some beating. Lending local flavour were barefoot un-uniformed waitresses, and two parrots and a parakeet flying loose in the shop part of the restaurant. The place looked filthy. Birds frequently carry lice. However is another place to avoid. Its only restaurant-

Almost everywhere the hamburgers were served with the tomato sauce already on the burger. If you like tomato sauce, this is acceptable. I don't like tomato sauce.

All hamburgers were served with slices of tomatoes and a piece of lettuce. Sometimes this was called a "salad" and sometimes a bit of extra salad was served. Occasionally the tomato and lettuce was served in the hamburger.

Service was adequate everywhere, taking a bit longer when there was a better quality meal provided.

Where waitresses were unkempt, there were no toilet facilities for blacks and no uniforms provided. The restaurants looked unappetizing and the waitresses were probably paid extremely low wages. Certainly had the owners wanted them to look different they could have provided clean uniforms and shoes and somewhere for the staff to wash.

Bloemhof, where the order was incorrectly served (there was cheese in the burger) a baby slept in his cot in the shop/restaurant. There were no facilities for blacks — but there was a "Bantu Eating House" at the other side of the town.

Vegetarians can generally find a cheese sandwich. They will find no fresh fruit on the route and only occasionally an omelette. There is no concerted attempt to cater to vegetarians. However at three hotels Consumer Mail stayed in — the President in Bloemfontein, the Oasis in Beaufort West and the Savoy in Kimberley — vegetarian platters were served.

Chips varied between being crisp and starchy. Frequently the toilets were those belonging to the filling stations attached to the restaurant.

Calx and its "white rabbit" emblem make a feature of clean toilets, but few were as clean as one would expect them to be.

All the international petrol companies, whose names were attached to petrol stations provided toilet facilities separately for whites and blacks.

It was disturbing that few of them were completely clean and fresh with toilet paper and cisterns in working order.

But it was particularly noticeable that multinational

244

Town	Venue	Hamburger & Chips	"Coffee"	Quality	Appearance	Hygiene	General Remarks	Toilets	Black Facilities	Vegetarian
Parys	Loyds Steakhouse	R1.40	40c	Mediocre Chips soft	Pleasantly decorated	Few flies Clean	Pleasant	Shabby No paper	None	Omelette Sandwiches
Parys	Wimpy The Home Of The Hamburger	R2.00	40c	Small thin grey tasteless	Standard Wimpy Wall decorated	Clean	Pleasant Airconditioned	White toilet Adequate No paper	Not allowed in Wimpy Toilet disgusting	Egg Fruit Salad
Vredort	Waggeky Padkatee	R2.12	53c	Salty burnt soggy bun Chips crisp		Fly swatters on tables	Surly service	Calx White Rabbit No paper Whites only	Black too smaller but clean	Nothing
Koonstad	Pink Panther Roadhouse	R2.18	58c	Burger tough and grizzly grey Chips crisp	Basic	Flies everywhere		Calx toilets clean No paper	Black toilet clean but smaller	None
Vanderburg	Stop Take-aways	R2.50	30c	Stale bread Chips crisp Burger grizzly	Dirty	Flies Birds in store	Groby	Calx toilets No paper	Black toilet lower standard than White	None
Wierberg	Mecca Restaurant	R1.80	45c	Thin grizzly pepper	Basic	Clean		Not working No paper Dark	Black toilet locked up	Tinned fruit Omelette
Edenburg	Impala Restaurant	R1.80	40c	Coffee stopped Little meat Poor	Pleasantly decorated	Few flies Waitresses dirty	Owner shouted at staff through meal	Clean No paper	None	Omelette
Trompsburg	Frank's Inn	R2.10	40c	Burger thin but tastier and meatier	Pleasantly decorated	Flies But clean	Coffee had less chicory	None	None	None
Coleberg	Palomino Restaurant	R3.50	50c	Meaty thick juicy, good burger	Large room Pleasant well served	(Flies) Clean	Recommended Share for Black and White Clean adequate	Clean (Calx) adequate	Black's welcome in this restaurant	Owners will help
Hanover	Halfway Kafee	R1.20 No chips take away	50c	Thin, grey grizzly	Shabby	Dirty owner	Do not stop here	None	None	None
Richmond	Halfway Restaurant	R1.38 No chips	50c	Better quality burger but grizzly	Pleasant	Fewer flies Cool	Adequate	Spotlessly clean	None	None
Beaufort West	Wooden Shoe Roadhouse	R2.07	53c	Better than most Chips soft	Pleasant	Clean	Pleasant outdoor seating	Clean (Calx) adequate	Toilets clean for Black and White	Sandwiches
Victoria West	Oase Restaurant	R2.13	48c	Better — huge helping Slightly oily	Well decorated Pleasant	Clean One fly	Pleasant Tires hard	Out of Order Near-side phone on doors	None Won't serve Blacks	Many options
Bristown	Mirage Restaurant	R1.01	43c	Grizzly, thin but tasty	Pleasant	Clean	Menu invites comment Hot but pleasant	Dirty, out of order	None	Sandwiches
Hopetown	Victoria Supermarket	96c	43c	Thin grizzly burger Tasted off		Flies arrived with food	Coffee unidentifiable Sauer chipped	Locked but clean and bright	None	Eggs
Warrenton	Oase Padkatee	R2.13	53c	Unappetizing bread instead of roll but tastier and meaty	Grubby	Dirty room Cistery clean	A sad run down place	Calx Fairly clean No lights	Not as clean as white	None
Christiansburg	Koffihuis	R1.91	48c	Sesame seed bun Good meaty large helping	Clean and pleasant	Clean	Recommended	Adequate No paper	Separate "sitting" house	None
Bloemhof	Ruskatee	R1.70 No chips	32c	Order wrong	Grubby room and chairs	Flies Sticky tablecloth	Baby asleep in cot in shop	None	None	None
Wolmaranstad	Wollies Snack Bar	R1.80	45c	Meat tasted awful — spread	Fair	Fly catcher with dead flies	See story	Calx "White Rabbit" not good enough	None	None
Potchefstroom	Kentucky Fried Chicken	R1.51		See story						Eggs and Fruit salad

Angus CONSUMERISM 2/12/83



Price drop: A seasonal gift from the stores

END of the month — Christmas looms — and prices have fallen.

It is interesting to note that at Grand Bazaars this fortnight there have been seven price drops and no increases at all in our shopping basket selection

Against this, Pick 'n Pay — the store which has pledged itself to keeping down prices for Christmas — showed a total of four rises to two drops. Checkers had more drops — drops in five items to rises in two, and OK were stable with two drops to two rises

The cup that cheers costs less at Checkers this week as both tea and sugar have come down in price. Also at Checkers, while some Baby Soft toilet rolls (4s) were marked at R1.49 (the same as a fortnight ago), others were marked R2.99

When we pointed this out to the manager he said this was obviously a store packer's error and it would be rectified right away.

Stores canvassed were OK Bazaars, city; Grand Bazaars, Mowbray; Pick 'n Pay, Claremont, and Checkers, Blue Route. Price changes are in brackets where these apply

November 30 11 30 11.03 7 43 10 55

	OK BAZAARS	G BAZAARS	CHECKERS	PICK 'N PAY
Five Roses tea (100) tagless	1,79 (1,69)	1,69 (1,79)	1,75 (1,79)	1,75 (1,89)
Koffiehuis 750 g	3,09	3,09 (3,25)	3,15 (3,09)	3,09
Condensed milk Nestle	79	79	79	81
Lucky Pet	64	—	62	61
Chutney Mrs Ball's 470 g	83	79	85	75
Hulett's sugar 2,5 kg	1,52	1,45	1,43 (1,45)	1,45
Gant's meat balls 400 g	85	79 (83)	75	75
Saldanha pilchards in tomato sauce 425 g	81	79	79	79 (75)
Gant's peeled tomatoes 400 g	69 (62)	—	59	58
Helderberg peas std grd 400 g	45	39 (42)	45	42 (39)
Marmite 125 g	1,05	95	95	95
Jungle oats 1 kg	1,25	99	1,29	1,05 (99)
Kellogg's cornflakes 500 g	1,07	79	1,06	89
Baby Soft toilet rolls (4)	1,49 (1,85)	1,45	1,49	1,49
Skip washing powder 1 kg	1,89	1,69 (1,79)	1,79 (1,83)	1,75 (1,69)
Sunlight dish-washing liquid 759 ml	1,13	1,09	1,09 (1,14)	1,09
Lux toilet soap	40	39	38	38
Colgate tooth-paste 100 ml	99	99 (1,05)	97	97
Renown pork sausages 500 g	1,95	—	1,68 (1,58)	—
1 doz extra large eggs	1,14	1,14	1,14 (1,18)	1,1
Tastic rice 1 kg	1,17	1,09	1,07	1,07
Fatti's & Moni's spaghetti 500 g	85 (93)	79 (95)	78	—
Kleenex tissues (200)	99	95	89	—

244 3/12/83 RDM

Holiday travellers in f



The "white" side of a restaurant in Warden ... clean and modestly decorated.

THERE are hardly any tasty burgers, no strong coffee and only a few tasty French fries awaiting the thousands of holidaymakers preparing for the annual mass migration to Natal this month.

That's on the basis of a survey of restaurants checked by Consumer Mail

The burgers are relatively cheap, the coffee is seldom strong enough and the chips are often best smothered with ketchup

But not all roadside restaurants offer such bad fare. Some clearly try hard to please. Only one, however, served a "good" burger

In every case except one the coffee was instant. Once it was cold

As for service, this was reasonably fast — but then most places were deserted

Facilities for blacks at the restaurants visited were sadly lacking. Most offered none at all and in one case where there were facilities, they were dismal.

The Rand Daily Mail went on the "great hamburger run" on both main routes to Natal, the N3 and the R23. A total of 10 restaurants were visited — one in each town at which the team stopped

Except in one case, the toilets visited were at garages adjacent to the restaurants

At some garages there were separate toilets for blacks, and these were sometimes shocking.

However no "Whites Only" signs seen and it was difficult to establish toilets were for black travellers or garage staff

The survey results for the restaurant toilet facilities on the N3 and R23:

● Warden Tearoom and Bakery

Here the service was slow. It took minutes for a hamburger, chips and coffee

But, the burger was the best one. It was fresh, thick, very beefy with tomato sauce and onion. The coffee was very good

The separate section for blacks was dingy

It consisted of three dilapidated iron garden furniture tables, with a concrete floor. No glasses were offered to blacks who sat at the tables and ate out of cartons

No toilets for blacks could be seen for whites, in the restaurant, were

● Wimpy in Harrismith

This restaurant, close to the road, was the obvious choice for holidaymakers for a quick bite. The Wimpy hamburger, chips and coffee were served after we sat down

The burger patty was thin, a little cooked, not very tasty and was served with a slice of tomato and lettuce

There was a dirty ashtray on the table

That ugly not ours —

SA WIMPY LIMITED has challenged comments and statements made in a Consumer Mail survey published on Thursday and dealing with the state of hamburger outlets on the road to the Cape

Mr E M Kristal, legal and estates director of Wimpy, made the following points yesterday about the Parys Wimpy

● The admittedly disgusting state of the toilet complained of has nothing to do with Wimpy. It is on adjacent premises and neither the toilet nor the premises are in use as part of the Wimpy. Some time ago an effort was made to keep the toilet in reasonable order, but after repeated vandalism the effort was abandoned.

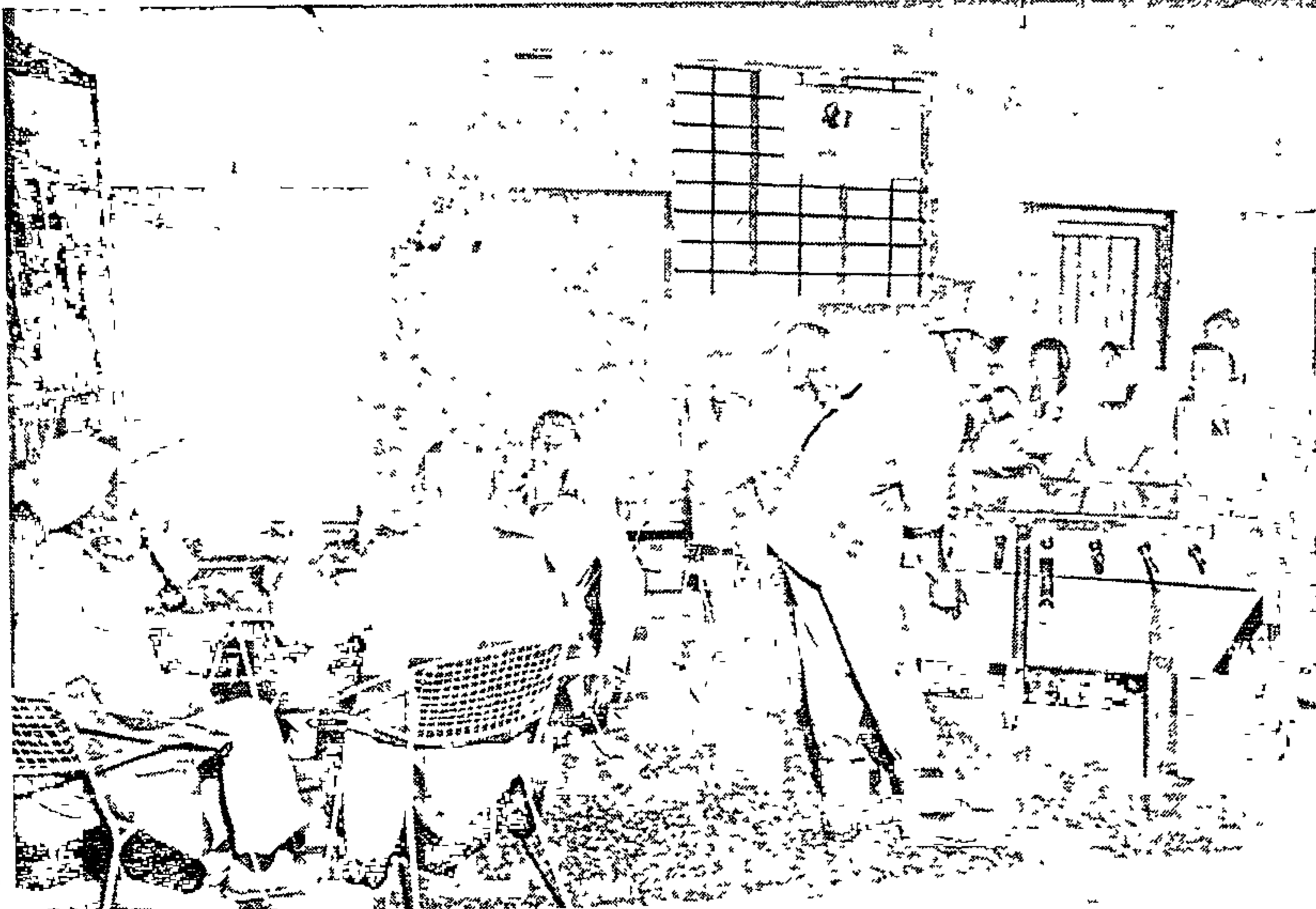
● It is true that black customers are not permitted table service in this Wimpy. The fault lies with Proclamation R228 framed under the Group Areas Act. While Wimpy encourages franchi-

ter for staff and their facilities," he said

Miss I Pienaar, town clerk of the Northern Cape town of Hanover, was shocked to hear the criticism against the owner of the town's only cafe

The owner was a town councillor and was "very meticulous", she said.

Miss Pienaar promised to investigate



The "black" side of the same restaurant ... dilapidated tables and a concrete floor.

Pictures: JILLIAN EDELSTEIN

By MARGARETHA GOOSEN

VENTERSBURG in the Free State will be able to offer holidaymakers on their way to the Cape a better, beefier burger.

The town clerk, Mr Kemp Scholtz, assured the Mail he had wasted no time in beefing up hamburger "joints" after a Consumer Mail survey of 20 hamburgers served along the main routes to Cape Town came up with unappetising results

Officials beef up the burger trail

Mr Scholtz said he had taken immediate action after reading the survey on Thursday, and had not only investigated the Stop Take-Away — where the Consumer Mail found birds flying loose in the restaurant — but the two other cafes in town as well

He found the Stop Take-Away and its kitchen clean and tidy, and the hamburgers

being freshly prepared. Guests he spoke to had no complaints, but the owners were told to put the birds away

Mr Scholtz also checked on the Caltex toilets and found them "spotless"

All the owners had assured him they would do their best to keep their cafes and toilets fresh and clean

The Parys Wimpy also came under criticism in the Mail report because of the shocking condition of the black toilets

The Parys town clerk, Mr J K Ferreira, said yesterday he had not read the report but would investigate.

"Unfortunately we have no control over toilets for guests. Our by-laws only ca-

for a disappointment

By DAVID CAPEL

signs could be established whether for black or for white. The restaurants and R23 routes are Bakery. It took 17 minutes and coffee. best on both routes beefy and served. The chips, too, blacks was appalling. lapidated wrought with a concrete to the few local drinking milk out. be seen Those were spotless the main road, is makers looking Wimpy "pure beef" came five minutes, a little under-served with a on the table and

it remained there throughout the meal. Generally the place was clean. The Mail was told blacks could be served outside where there were a few concrete tables and plastic chairs on a patio. But what if it was raining, as it was when we were there? "That you'll have to ask the manager," the lady at the till replied. He was not available. The men's toilets at the adjacent garage were well kept. Staff said the toilets at the back of the garage were for blacks, although they were not sign-posted. They had no paper or soap. ● The Rendezvous in Ladysmith This is a clean, modest establishment. Service was good, the order taking six minutes. The hamburger patty was on the thin side. It was not succulent or tasty. The owner said she served blacks, but they had to be accompanied by whites. She was at pains to point out she had nothing against serving blacks, but that she had had "trouble" in the past from white locals. The men's toilets at the adjacent garage were dirty. According to an attendant, there were separate toilets for blacks.

● Pravlis Highway Restaurant in Mooi River This was a spacious, bright establishment set in attractive surroundings. The burger was served on a dry, open bun. A small salad was included. The patty was thick, but small — and not tasty. Blacks were not allowed in the restaurant. The owner said this was due to strong opposition from locals and he was "in a spot". The same toilets at the adjacent garage served blacks and whites. They were in a fair condition with soap, towels and toilet paper. ● Wimpy in central Maritzburg This restaurant was nicely decorated and clean, with fast service. But a dry burger was served on a dry bun. ● Mac's Tasty Eats in Estcourt. About eight kilometres off the main road, Mac's offered a tasty burger. It came with fried onion, lettuce, tomato and sauce. The chips were soft and greasy. The owner said no blacks were served there and the waiter was very abrupt. The toilets which garage staff at the adjacent garage pointed out for blacks were in a poor condition. A muddy path, after the heavy rains, led to them. The windows were broken. The toilets had no soap.

● Tugela Restaurant in Colenso The place was basically clean, although the floor was in need of a sweep. Service was fast and courteous, but not worth waiting for. The burger was smothered in tomato sauce. This was the only place which sold percolated coffee — but it was cold. ● Golden Egg in Newcastle The burger was under-cooked and unappetising. The restaurant itself was clean and air-conditioned. The service was poor. The lady at the till said blacks were not served. She said she could "take him something to the car". The toilet at a garage adjacent to the restaurant was also dirty. Blacks and whites had the same toilets. ● Welcome Restaurant in Volksrust. Spotless establishment, with a waitress who wore a shower cap. The burger was burned and not tasty. Blacks are not served at this restaurant either and they had separate toilets in the adjacent garage. These were clean. ● The Vaal River Restaurant in Standerton This restaurant forms part of a garage complex. We had the fattest chips here that we had yet seen. The burger roll was burned and the service was mediocre. Blacks were served at tables outside. The garage toilets were dirty.

Why toilet is Wimpy

sees to apply for permits — and some simply ignore the proclamation — Wimpy obviously cannot force anyone to break the law. ● Wimpy coffee is pure coffee without any chicory. All franchisees are obliged to purchase the specially prepared and packaged Wimpy coffee on pain of a penalty fine for breach of contract. ● Wimpy hamburger patties are made from pure beef, and are subjected to extremely rigorous quality controls and do not contain gristle. Most grilled meat could be described as "grey" when cooked. ● All Wimpy businesses are subjected to regular and frequent inspections by field staff. Wimpy assures readers, black and white, that where toilet facilities are the responsibility of a specific Wimpy, they will not have cause for complaint. ● There are at least 10 or 12 Wimpy bars on the Johannesburg-Cape Town run and about the same number on the Durban run. Many of them serve blacks at the tables; and ● Wimpy has not raised menu prices since May nor are any increases planned until March 1984 at the earliest. Wimpy is proud of the high standards in the Wimpy franchise and of the fact that a growing number of franchisees are happy to recognise and meet the travelling requirements of black customers.

Town	Venue	"Coffee"	Quality	Hamburger and chips	General Remarks	Black Facilities	Toilets*
Warden	Warden Tea room and restaurant	35c	Very good burger	R1,70	Pleasant	Had separate place to eat. Poor.	In restaurant spotless
Ladysmith	Wimpy The Home of the Hamburger	55c	Burger not tasty	R2,00	Service very fast	Can be served outside	Fairly clean separate for blacks
Ladysmith	The Rendezvous	50c	Burger not succulent	R2 60	Clean modest establishment	Will be served if accompanied by whites	Dirty Urinal blocked Separate for blacks — Also dirty
Mooi River	Pravlis Highway Restaurant	47c	Burger fair chips good	R2,20	Spacious, bright	Not served in restaurant	Same for blacks and whites Fair
Maritzburg Central	Wimpy The Home of the Hamburger	55c	Burger not succulent	R2,00	Nicely decorated Clean Service fast		
Estcourt	Mac's Tasty Foods	60c	Burger fatty but fairly tasty	R2 23	Waiter very unhelpful, almost rude	Blacks not served	No soap mirrors or towels Toilet for blacks poor
Colenso	Tugela Restaurant	50c Percolated, cold	Burger rather tough	R2,20	Tried hard to please	Blacks not served	Clean No soap
Newcastle	Golden Egg	55c	Burger not tasty and under-cooked	R2 00	Pleasant surroundings	Don't serve blacks Can eat in car	Towel in men's filthy
Volksrust	Welcome Restaurant	50c	Burger tasteless	R2 50	Small, fairly well-kept	Don't serve blacks	No soap Separate for blacks
Standerton	Vaal River Restaurant	45c	Chips very big Badly prepared	R1 35	Moderate	Serve blacks outside	Poor condition No towel Separate

Star
9/12/83 (244)

Christmas taxi fare increases anger users

Taxi fares in two more East Rand townships are to go up next week — on some routes by up to 25 percent — amid cries by regular commuters that the move is “unfair”

The Vosloorus and Tsakane Taxi Associations announced this week that fares will rise by 20 c a trip on the Tsakane/Brakpan and the Vosloorus/Boksburg routes from Monday

The new fare on both routes will be R1
Fares for local trips in

Tsakane are to be raised from 50 c to 60 c, while those in Vosloorus stay unchanged

The taximen are to revert to the old fares on January 3

Taxi fares were increased because most of the people using taxis during the season are casual travellers going shopping and not people going to work

The move has angered commuters, some of whom claimed that the taximen were out to “make a fast buck”

Growers hit hard by drought

Price of jam, canned fruit to rise by 9%

244
R.D.M.
10/12/83

By PAT SIDLEY
Consumer Mail

THE PRICE of jam, fruit and vegetables canned by Langeberg Co-operative will increase by an average of 9% in February next year.

Canned fruit will increase by an average of 14,7%, vegetables by 8,7% and jams by about 13,3%.

This means that a can of guavas which costs about 75c in a supermarket now, will cost about 89c in February

Peach slices are likely to increase by even more as Langeberg is to pay its peach growers about 32% more for fruit next year

This will be the third increase since the beginning of this year by Langeberg, which estimates it has around 60% — but could have 70% — of the canned foods market in South Africa

The price was increased in 1981 when it took over the interests of the beleaguered Pican canning company for about R6 800 000

Prices rose by about 19% this year — with about 13,5% on average in January and the rest in July

A statement from Langeberg said that "in the new season deciduous fruit, in particular, would cost the canner much more than was the case a year ago"

"In an effort to keep the productive producer in the industry, the price of deciduous fruit has been dramatically increased by comparison to that of the previous season. For example a ton of the new season's peaches is expected to cost the canner 32% more than was the case a year ago"

Depending on stocks, Langeberg believed consumers would not feel the increases before April next year

"While profit margins had been under pressure the whole year, Langeberg had kept the new price increases to a minimum, in line with the Government's fight against inflation

"In addition, we decided to postpone until February 1 these increases, which normally become operative on January 1. At the same time we tried to further accommodate consumers by keeping to a minimum the prices of high volume lines like baked beans in tomato sauce," the statement said.

A spokesman for Langeberg told Consumer Mail that the drought had hit the co-operative very hard and many deciduous fruit growers were leaving fruit growing. In order to keep being supplied the co-op was having to pay more to fruit growers.

Langeberg lost R7 700 000 in the 1982 financial year and this year (its financial year ended in October) is expected to be a similar disaster.

It lost R1 100 000 in 1981. It attributed most of the R7 700 000 loss to Land Bank interest rates — which were lower than commercial banks' interest rates at the time

Major supermarket chains had mixed reactions to the announcement yesterday.

One chain believed that with consumers resisting, and demand lower, it was unwise to put prices up. Another believed that because of Langeberg's problems, the drought and the necessity for imports, the increase was both expected and reasonable.

Both chains agreed yesterday that although Langeberg had a huge slice of the market, the market remained competitive. If Langeberg's prices rose too far it could price itself out of the market, one chain warned

"If we find their prices are too high we buy from one of the small independent canners. Langeberg has to take cognisance of this," another said.

Production in the canned fruit industry has dropped by about 50% over the past three years.

This is partly because of cutbacks in the export market, the recession and the drought

ROOM (244)

Putco fare increase of 12% in January

Mall Reporter 10/12/83

PUTCO is to increase its Reef bus fares by an average of 12,5% from January 16

Black consumer leaders have greeted the announcement with disquiet, saying 1983 had been a year of hardships, when a lot of people were laid off work

The increase means commuters will pay 10c more a trip for casual fares, and up to 80c more for weekly tickets. In a statement yesterday, Putco said their application in March was originally aimed at an increase from September 1 this year. Its introduction was complicated by the decrease in the price of fuel

The fuel price decrease meant a saving to the company from the effective date of the reduction on August 22 to the end of the financial year June 30, 1984, of R1 090 000. The delay in the implementation of the approved revenue increase on the Reef has cost the company about the same every month. Putco therefore lost the whole benefit of the fuel price reduction by the end of September," Putco said

Mr Mohamed Dangor, a Commuters' Watchdog Association executive and chairman of the Institute of Race Relations, Southern Transvaal, said transport should be seen as a social service

Canned foodstuff prices are on the increase again

By Zenaide Vendeiro

The price of canned fruit, vegetables and jams will rise by about another nine percent from February 1, the biggest national canning company announced yesterday.

This is the third price increase announced this year by the Langeberg Co-operative, which holds an estimated 75 percent of the fruit, vegetable and jam markets.

Canned jam, fruit and vegetable prices went up by an average 14 percent last January. A five percent trade discount also fell away, making an effective increase of 19 percent

Prices of certain lines went up again in July and trade discounts were further eroded

The prices of canned fruit and jam are those most affected by the latest increases. The average price increase in the case of canned vegetables, which make up the largest part of Langeberg's local sales, will be slightly more than eight percent

The increases, the co-op said, were necessary because of the crippling, protracted drought.

Dr J A Mouton, Langeberg's general manager, said that while profit margins had been under pressure the whole year, Langeberg had kept the new price in-

creases to a minimum, in line with the Government's fight against inflation.

"In addition, we decided to postpone until February 1 these increases, which normally become operative on January 1. At the same time, we tried to further provide for consumers by keeping to a minimum the prices of certain high-volume lines like baked beans"

A retail-chain spokesman said that the increases would be met with consumer resistance.

"Customers were paying 89c to 95c for a tin of apricot jam this time last year. Now the cost is R1,20," he said

All in a stew over big canned food pr

THE CANNING industry has priced itself out of reach of the bulk of South Africa's consumers — and has done so deliberately.

By far the largest canner, the beleaguered co-operative Langeberg, has announced that it has had to raise prices once again — after two controversial rises this year. Langeberg holds at least 60% of the canned fruit and vegetable market.

It hoped with increased prices, production cutbacks and rationalisation within its very large group to improve its profitability, according to its general manager, Dr J A Mouton. And losing consumers was a function of this.

But the strategy has yet to prove itself. Production is down, consumption is down and Langeberg is likely to have at least as bad a year financially when it reports its 1983 results as it did in 1982, when it lost R7 700 000.

During the past couple of years five canners have stopped canning fruit, 5 000

jobs of about 14 000 have been lost, and a major canner — Piccan, whose biggest label was All Gold — had to be taken over by Langeberg to save it from bankruptcy and a further loss of jobs.

The canning industry is worth about R400-million to R600-million annually, and if Langeberg was to face closure it would mean the loss of a major portion of that sum to the Western Cape as well as the loss of tens of thousands of jobs.

That is possibly why the general secretary of the Food and Canning Workers' Union, Mr Jan Theron, is not commenting about the recent price rise. But he is not approving of it either, and questions its wisdom.

He notes that most of his workers — many earn R46 a week and would face lay-offs

if further canners closed down — cannot afford canned food. He believes this bodes ill for the industry in the long term.

About 87% of South Africa's canning produce is exported — and the export market has dropped back drastically. The proportion of exports to local sales has not changed much over the past three years, but the local market has shrunk too — partly because of price increases.

In 1982, about 1 500 000 cartons of canned fruit were sold in South Africa (A carton is 24,41kg of canned food). In the same year, 10 300 000 cartons were exported. This gave sales of 13% local and 87% exported, according to the SA Fruit and Vegetable Canners Association.

In 1980, total production was 15 300 000 cartons and

PAT SIDLEY reports

just three years later, in 1982, production was 9 800 000 cartons (Not all that is produced in a year is exported and sold that year).

The local market is dominated by Langeberg, but while other canners are going through hard times, none face problems of the magnitude of Langeberg.

Other "major" canners are Gants, Ceres Fruit Juices and Canners and Northern Canners. Gants is the largest. None of these are co-operatives. At least 10% of the market is taken up by many even smaller canners — some of which have not survived the recession.

Though the automatic accusation of consumer watchdogs and supermarkets is

that Langeberg is an inefficient, unwieldy monopoly, Dr Mouton says this is largely because, as a co-operative, it faces structural financial difficulties that other private companies do not.

Langeberg depends on the Land Bank for its financing and, as a co-operative, is unable to shop around for more beneficial rates when it borrows money.

Though the Land Bank used to supply loans at interest rates well below the market, the rate is now only half a percent below commercial rates. Interest rates have been sky high for two years now, and Langeberg has not been able to shop around as private companies have for

other arrangements to finance itself.

Keeping stock on hand also costs money in interest rates, hence the cutback in production to sell as much existing stock as possible.

Langeberg had hoped for benefits of the Piccan takeover to be more apparent — but the soaring interest rates wiped out any hope of that for the time being.

Meanwhile, Langeberg has grown into the crippled giant it is today. Canners involved in exporting cite among the reasons for export cutbacks, ● SA's higher inflation rate, than overseas buying countries, ● High interest rates here and abroad, ● The recession abroad, and ● Heavy subsidies for European Common Market coun-

tries producing canned fruit and exporting it within the EEC.

Local canners are also subsidised for exports. As well as the normal range of export benefits SA exporters are allowed, canners have interest on loans subsidised for export purposes to the tune of about R1 200 000. But this is a drop in the ocean of a R400-million industry.

However small the drop, it causes embarrassment. The spokesman for the Fruit and Vegetable Canners Association, refused to confirm, deny or comment upon the subsidy.

Canned vegetables are hardly exported at all. About 4-million cartons are produced annually and about 96% of that is sold here. The market for these has remained largely static and

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177 ~~244~~ 244 Stew Over big canned food price hike

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PAT SIDLEY reports

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Canned vegetables are hardly exported at all About 4-million cartons are produced annually and about 96% of that is sold here The market for these has remained largely static and

shown minimal growth, but the drought has forced imports and price increases
Locally consumers are resisting canned food for a variety of reasons, the chief one being the price And with each increase, this phenomenon is exaggerated Adding to the gloomy picture is the current recession and a change of taste from canned to fresh foods
The Canning Workers' Union is unlikely to have particularly strong feelings about the price increase The workers cannot afford the product, but if canners are unprofitable they will lose more jobs
Canned goods are not basic foods They are not included in poverty datum line assessments, nor in the Department of Health's delineation of a minimum healthy diet, nor in

the Consumer Price Index which reflects what most people must buy
But Mr Theron comments that the reduced local market may not pay off in the long term and price increases cannot win consumers back It's too much of a gamble
The union has to accept that the EEC subsidies have helped reduce the market share SA canners have abroad Mr Theron believes canners have concentrated on the overseas market to the exclusion of local considerations like the well-being of the population
SA canners, he says, have relied on low production costs like labour, to export relatively cheaply
With so much of the output being exported, this is probably true
He finds it "ironic" that

canning workers cannot afford to buy canned goods particularly as many of the cannot own refrigerators a need canned food as it do not go off
He is not certain Picc would have gone out of business entirely had Langeberg not taken it over — someone else might have
Dr Mouton, too, is not certain the Piccan company and workers might not have done better had they been taken over or merged with another company He sees the question can't be answered
The conditions like drought and local and overseas recession have eased and the oversupply to EEC has eased as well Canners believe 1984 holds more hope
Dr Mouton is gambling regaining consumers here and abroad at the high prices to recover his volume when the long-awaited turnaround in the economy takes place

Supermarkets surprised by 9pc increase on canned fruit, vegetables

Staff Reporter

TWO major supermarket chains have reacted to Saturday's announcement by the Langeberg Co-operative of a nine percent increase in the price of its canned fruit and vegetables

The increase, which will take effect on February 1 next year, is the third since January this year

The managing director of Checkers, Mr Gordan Utian, said in a statement that his company had been informed by Langeberg that the increases were to be much higher

"We received a letter from Langeberg Co-op indicating that their average price increases would be Canned fruit — 14,75 percent, jams — 13,3 percent, and canned vegetables — 8,7 percent," he said

"We find all these increases strange and unacceptable as the fruit canning industry has had one of its worst years for sales, and certain smaller independent canners have not felt the need to increase their prices to the same extent.

"Does this mean that Langeberg, a giant organization virtu-

ally controlling the canned food industry, is wanting the consumer to foot the bill for their lack of progress in the market-place?"

The senior buyer for Pick 'n Pay supermarkets, Mr Alan Baxter, said he found the increases difficult to understand

"The industry has been in the doldrums for the past couple of years and I don't think this is going to do it any good," he said

"I know they need to make a profit but I feel that this increase, coming on top of two other substantial increases in the past year is a bit excessive and will drive customers away from branded products"

Both supermarket chains said they would delay passing the increase on to customers for as long as possible

Langeberg's general manager, Dr J A Mouton, explained that the discrepancy between the average figure of nine percent and the figures in the more detailed breakdown given to supermarkets, arose because nine percent was a "weighted average increase" designed to

restrict the hike on high-volume lines and to place most of the burden of the increase on less popular products

"We have tried to keep the prices of staples like canned vegetables and spaghetti to a minimum," he said

Dr Mouton said that the previous two price rises had been normal inflationary increases for summer and winter crops

"This latest increase is the usual annual summer increase," he said

Dr Mouton said that the canned-fruit and vegetable market had been stagnant for some time

"There has been no growth in the canned-fruit and jam market in the past few years," he said "We are hoping that things will improve with the expected economic turnaround next year"

• Dr Mouton said his company had done all it could to absorb the increases in the prices of raw materials and labour.

"But we can't absorb it all," he said "We've also got to eat."

Planned meat price increase criticised

ARGUS 14/12/83

~~244~~ 244

Argus Correspondent

KIMBERLEY — Mr George van Heerden, chairman of the Kimberley Meat Traders' Association, has strongly criticised a planned 3c-a-kilogram increase in the price of all meat purchased from abattoirs controlled by the South African Abattoir Corporation (SAAC)

Mr van Heerden, who was interviewed after information about the planned increase had been received anonymously, said an official announcement of the new levy would be made on December 23. The levy was provided for in a 1976 Bill, but had never been enforced.

He said the apparent reason for the move was to reduce farmers' slaughter fees by 3c a kilogram, or to curtail them if it was not possible.

He said the move had been necessitated by the vast amount the SAAC had to pay back on the loans taken to build and improve abattoirs round the country.

"The huge amount had been spent when the SAAC insisted on improving local standards to match those of the European Economic Community," he said.

"The meat trade complained about it at the

time and we were told not to worry as we would not be paying for it.

"But clearly now they have found it impossible to write off the vast amount of money necessary, and now the trade — and ultimately the consumer — are being asked to pay for it."

Mr van Heerden also questioned whether the new tariff would apply only to abattoirs controlled by the SAAC, or those controlled by the three largest meat companies as well.

He pointed out that this could develop into a monopoly situation.

If these abattoirs were able to slaughter 3c a kilogram cheaper than those controlled by the SAAC, they would operate at maximum "throughput" — at the expense of centres like Kimberley.

SAAC abattoirs would find that with higher costs and lower "throughput" they would be earning only as much as they had been earning before. Because this did not cover capital costs, they would be obliged to raise prices yet again.

Mr van Heerden also complained that the meat traders were not consulted about the new developments by the SAAC and the other controlling organisations.

ARGUS 16/12/83

246

Supermarkets honour Christmas promises

It looks as if supermarkets are keeping their Christmas promises. Prices have stabilised well and, for our fortnightly sample shopping basket of items, in four outlets there were only 12 changes. Of these, four were for the better.

Pick 'n Pay (Claremont) and OK Bazaars (city) both show no changes at all. The other two shops canvassed were Checkers (Blue Route) and Grand Bazaars (Mowbray).

Where changes are applicable these are given in brackets

Dec 14	11 45	11 00	9 45	10 30
	OK BAZAARS	GR BAZAARS	CHECKERS	PICK & PAY
Five Roses tea (100) tagless	1 79	1.69	1 79 (1 75)	1 75
Koffiehuis 750 g	3 09	3 09	3 15	3 09
Condensed milk Nestle	79	79	85 (79)	81
Lucky Pet	--	--	62	--
Chutney Mrs Ball's 470 g	83	79	85	75
Hulett's sugar 2,5 kg	1 52	1 45	1 45 (1 43)	1 45
Gant's meat balls 400 g	85	79	75	75
Saldanha pilchards in tomato sauce 425 g	81	--	79	--
Gant's peeled tomatoes 400 g	69	--	59	58
Helderberg peas std grd 400 g	45	--	45	42
Marmite 125 g	1 05	95	93 (95)	95
Jungle oats 1 kg	1.25	1 09 (99)	1 29	1 05
Kelllogg's cornflakes 500 g	1 07	99 (79)	1 00 (1 06)	--



	OK BAZAARS	GR BAZAARS	CHECKERS	PICK & PAY
Baby Soft toilet rolls (4)	1 49	1 45	1 49	1 49
Skip washing powder 1 kg	1 89	1 69	1 79	1 75
Sunlight dish washing liquid 759 ml	1 13	1 09	1 09	1 09
Lux toilet soap	40	40 (39)	38	38
Colgate toothpaste 100 ml	99	99	1 05 (97)	97
Renown pork sausages 500 g	1 95	1 39	1.68	--
1 doz extra large eggs	1 14	--	1 18 (1 14)	1 18
Tastic rice 1 kg	1 17	1 09	1 07	1.07
Fatti's & Moni's spaghetti 500 g	85	79	75 (78)	78
Kleenex tissues (200)	99	89 (95)	89	85

Cashing in on bid to beat inflation

244
20/12/83
Spar

Consumer groups welcome price cutting challenge

By Michael Chester

Consumer groups have roundly welcomed a challenge to retailers to bring inflation down by offering special rebates to customers paying cash rather than using credit cards.

The challenger is a Kensington butcher, Mr Steve Grgurin, who wants all retailers to follow his lead in cutting prices for cash customers by the three to five percent that goes in bank fees if credit cards are used as an alternative.

His proposal was welcomed with enthusiasm by the Housewives' League and the Consumer Union

Among the major retailers, the Spar chain of nearly 500 stores was fast to react

SOUND

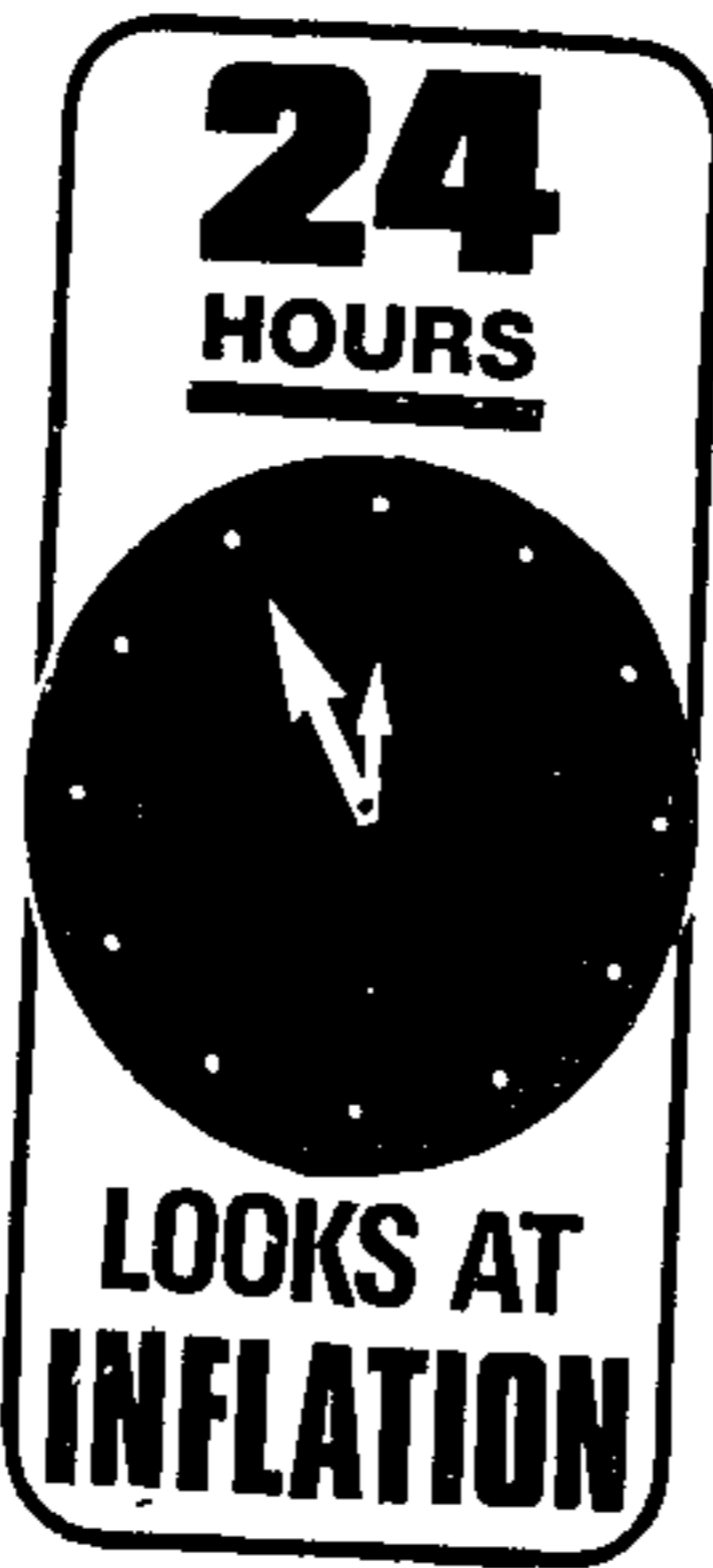
"The whole idea seems to be sound in theory and in principle", Reef managing director Mr Mike Dobson said

"We will sit down and think about sales policy and wait for a possible trend to set in.

"Our problem at Spar is that we have little elbow-room on prices because of a low proportion of customers using credit cards anyway.

"However, we are anxious to explore any avenue that leads to price reductions".

"It's the best idea about bringing down living costs in years."



league vice-president Mrs Jean Tatham said "We would dearly love to see a return to the cash discount routine that has dropped out of fashion — much to the benefit of retailers — as credit cards have become popular.

"Retailers have no reason to grumble about discounts when cash is offered instead of credit cards, because they lose nothing

"The benefits would be enormous in stretching the household budget for many families"

The union's Mrs Betty Hirzel asked everyone to support the idea

Shops accepting buying society cards, particularly popular in Pretoria, should be able to cut prices by up to 4,5 percent overnight for cash customers, she said.

"The credit card is a

useful way to carry really large amounts of cash on the shopping rounds, but cash is still the best discipline for family budgets"

Pick 'n Pay's Mr Raymond Ackerman was less enthusiastic. "The credit card has become the cash of the future," he said.

"The slight addition to business expenses has become accepted as a cost similar to electricity and rent.

"To differentiate now between credit card and cash customers would create administration problems that would cause more bother than advantage in the final analysis."

Mr Grgurin said: "The rebate scheme costs the retailer absolutely nothing, since the cash would otherwise go to the banks, but it could mean a lot to many household budgets, especially in the lower income brackets where credit cards are a rarity

BENEFIT

"Black families in particular should benefit since most of them have no plastic card alternative to cash anyway. Many pensioners are in the same boat, too.

"It would be a super Christmas present to customers if everyone joined in with the cash rebate scheme,

CU18187 (244) 120081

SAB keeps beer prices well below inflation

Mail Reporter

CONSUMER Mail's annual survey of Christmas liquor prices, published yesterday, did South African Breweries a serious injustice by blaming it for the average 13% increase in retail beer prices since Christmas last year.

In fact, SAB has kept its beer price increases well below the inflation rate for the last six years.

The liquor survey implied that because SAB was a monopoly and faced no competition it was able to exceed the inflation rate. This is incorrect.

The fact is that SAB last increased its prices on February 28, 1983 by an average of 6,8% — almost half the existing rate of inflation.

The biggest seller, the 750 ml returnable, increased by only 5,1%.

The survey also claimed that the beer price rise was the only one above the inflation rate. Later, however, it was made clear that wine prices had risen by 17%, 4% more than beer.

SAB has no control over retail prices.

The Rand Daily Mail apologises for its error.

● A mistake crept into the table of liquor prices. The price of Tia Maria 700 ml at Magnum was quoted as R14,99 (the litre price) instead of R9,49. When that adjustment is made, Magnum rises from third to second place in the economy stakes for a mixed lot of selected purchases.

**'Maize ²⁴⁴
hike not
likely to
affect ^{S. Post}
bread' ^{30/12/83}**

Post Reporter

THE increase in the price of maize from January 1 is not expected to lead to a rise in the price of bread, according to the chairman of the Master Bakers' Association in Port Elizabeth, Mr John Vieira

Mr Vieira, who is also the general manager of Britos Bakery in Port Elizabeth, said today that wheaten products were entirely separate commodities from maize products and the two did not influence one other's cost structures

The maize price increase might, however, have a spin-off with more people buying bread rather than maize products

This could result in a rise in the bread price, but previous years had shown this not to be the case.

His comments followed yesterday's announcement by the Minister of Agriculture, Mr Greyling Wentzel, that the basic selling price of maize would be increased by 10% — or R17 — to R187 a ton from Sunday

Mr Wentzel said the revenue from the price increase would be used for the credit of the maize import account

He said that if the price increase was passed on by millers and other processors to the trade, there would be a rise of less than 2% in the consumer prices of certain basic foodstuffs

● See Page 3

Store
slates
maize
price
rise

7/11

244

2. P. 77

30/12/83

JOHANNESBURG — The latest increase in the selling price of maize was "ridiculous" and made a mockery of drought-relief schemes, a spokesman for Checkers supermarket chain said

He was reacting to the announcement by the Minister of Agriculture, Mr Greyling Wentzel, that maize prices would increase by 10% from January 1

"To expect the major consumers of maize meal and also those hardest hit by the drought to be able to stomach a further increase in the price of maize — this time caused by the drought and price of imports — is ridiculous," the spokesman said

"We can only expect maize consumption to drop and the problems related to inadequate nutrition to increase

"It makes a mockery of the emergency and relief feeding of thousands of South Africans that has been undertaken over the past year"

Mr Wentzel said that maize prices would rise R17 to R187 a ton

"The price increase, if passed on by millers and other processors to the trade, should result in a rise of less than 2% cent in the consumer prices of certain basic foodstuffs such as eggs, chicken and dairy products and of less than 1% in the case of red meat," he said

"The consumer price index should increase by no more than 0,15% "

Mr Wentzel appealed to maize millers and stock feed manufacturers to absorb the greater part if not all of the price increase for the remainder of the current maize season, which lasts until the end of April

"This will prevent the maize price increase from having an effect on the prices of related food products," he said

The maize crop had been the poorest in 23 years

The Maize Board had estimated at the beginning of the season deliveries to its agents would be in the region of four million tons and that local consumption would amount to 6,6 million tons

It had initially appeared, after taking the previous season's carry-over into account, that the total shortfall would be 1,5 million tons

But the drought had been worse than expected and the expected shortfall had risen to about two million tons — Sapa

Maize

price

R20.4
spirals

30/12/83
by 10%

Pretoria Bureau

THE basic selling price of maize is to be increased by 10% or R17 a ton to R187 a ton from January 1

This was announced by the Minister of Agriculture, Mr Greyling Wentzel, in Pretoria yesterday

The price increase will have a ripple effect on basic foodstuffs such as eggs, chickens dairy products, and red meat, he said

Mr Wentzel has appealed to maize millers and stock feed manufacturers to absorb the greater part of the increase for the remainder of the current maize season which ends in April

He said the revenue from the price increase would be credited to the maize import account

He said the action to increase the maize price had been necessitated by several factors, but mainly by the recent drought

Because of the drought the maize crop this year has been the poorest for the past 23 years, he said

He said it was estimated that the loss on the maize import account would be R30-million

Responding to the Minister's announcement, Sapa reports that Checkers last night described the latest increase in the selling price of maize as "ridiculous," and made a mockery of drought-relief schemes