

Extracts from three articles are reprinted:

Soweto residents are being fleeced by unscrupulous black traders since the Government's request to civil servants to keep out of Soweto because of the riots.

The poorest suffer the most as they buy small items daily. price control covers coal, bread, cake flour, butter, cheese, sugar and yellow margarine, cool drinks and fruit juices. In each case the legally fixed price is the maximum that can be charged.

Coal is a tremendous burden to the poorer Soweto inhabitants who can seldom afford to pay R9,70 for five bags of 90kg each - which is the minimum load a coal merchant will deliver to the area.

Most blacks go to the nearest trader for a bag once or twice a week. The controlled price is R1,94 for 90kg. Traders are now selling half and three-quarters full bags for R2,00 and R2,20.

(Sunday Tribune, 4/9/77).

A comparative price survey carried out by the South African Council of Churches Ombudsman Office shows it is substantially cheaper to buy groceries in Killarney than in Soweto.

Differences were substantial. For example, baked beans cost 24c in Killarney and 34c in Soweto - a difference of 11c - or 45%.

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The ombudsman, Mr Eugene Roelofse, said: "There is not a single supermarket in Soweto and this means the poor must purchase their food at higher prices than the wealthy."

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He said Government interference and restrictions on black traders in urban townships had been directly responsible for this situation.

These restrictions, he said, had largely strangled free competition and the development of low cost, mass marketing.

"We welcome recent moves to lift these trading restrictions, but point out that the damage has already been done.

"Not all restrictions have been lifted. The Deputy Minister of Bantu Affairs, Mr Cruywagen, is still dithering on this vital issue. The Government should stop looking at urban black areas as places which feed white business areas with customers."

(Rand Daily Mail, 6/10/77).

Black traders in Soweto charging high prices are not profiteering but fighting bankruptcy because of Government restrictions.

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Commenting on Mr Roelofse's survey, Mr Norman Herber, chairman of Greatermans, said: "Given the restrictions and the inadequate stores black traders operate from, there is no way they can run a contemporary business.

"They are not overcharging - they are charging what they have to to keep out of bankruptcy."

Even if these restrictions were lifted, black traders would still be at a disadvantage, said Mr Raymond Ackerman, chairman of Pick 'n Pay.

"They would still be faced with lack of capital and expertise. The key issue is that lower paid people need food at lower prices. If legislation provided for black and white capital working together, these problems could be overcome."

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The president of the Johannesburg Chamber of Commerce, Mr FN Haslett, said: "The forces of free enterprise are not being allowed to operate."

(Rand Daily Mail, 7/10/77).