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JOHANNESBURG. - Widespread rain since last night seemed to have broken the back of the drought, an official at the weather bureau in Pretoria said today, and more was expected.

The official said a high-pressure system to the south-east of the country and an upper and surface air trough created the conditions that led to rainfall of as much as 111 mm at Schweizer-Reneke in the Transvaal.

It was highly likely that the soaking rain, at a vital time for - most summer crops, would continue for at least the next two days.

In the Transvaal, heavy rain was recorded in Warmbaths ( 77 mm ), Messina ( 61 mm ) and Heidelberg ( 85 mm ). The measurements are for the 24 hours to 8am today.

## Free State

In the Free State, Bethlehem had $34,5 \mathrm{~mm}$ and Harrismith $42,8 \mathrm{~mm}$. In Natal 60 mm fell at Van Reenen, $35,3 \mathrm{~mm}$ at Ladysmith, $46,5 \mathrm{~mm}$ at Cedara and $47,5 \mathrm{~mm}$ at Underberg.

In the Cape $34,8 \mathrm{~mm}$ fell at Kuruman and 24 mm at Mafikeng in Botswana.
"Besides breaking the three-year-long drought that has ravaged large parts of the country, the rain has ended a heatwave that caused losses of dam water by evaporation.
$\mathrm{M}_{\mathrm{Mr}} \mathrm{H}$ Giel van Zyl , head of ad- ${ }^{-}$ ministration of the National Maize Producers' Organisation . Nampo), said between 22 mm and 40 mm of rain had fallen "in" the nick of time" over the past few days in Bothaville in the inorth-western Free State.
""The earlier maize plantings have already been devastated but this is welcome relief for the later plantings and changes the whole situation. However, one inch of rain does not make for a recovery. It must now be followed up by good rains," Mr ,van Zyl said.

> Eastern Cape
> Mr K P Odendaal, secretary of the East Cape Agricultural Union, said farmers in most pärts ofthe Eastern Cape were pleased with the rain and hoped it would last.
"Things have not normalised yet. But-it is heartening to see that the rain is widespread and not isolated as in previous falls," Mr Odendaal said.

Between 43 mm and 60 mm were recorded over Ciskei yesterday, a spokesman for the Ciskei Agricultural Board said. - Sapa and Argus Correspondents.

## Fickle showers bring little relief to Namaqualand

 Staff ReporterDROUGHT still has Nama-
qualand firmly in its grip in spite of rain this week.

In Garies, which the showers avoided, the only borehole has dried up and water is being trucked in at heavy cost. $\therefore$

More than 100 mm of rain is needed to break the drought, say municipal officials in the region. But the highest rainfall was at Upington, where 90 mm was recorded this week.

BOREHOLE DRY
The rain, which fell over large portions of Namaqualand, missed the drought-stricken town of Garies, which received only 6 mm . The 'town's only borehole, in the dry Groen River bed, has dried up.
$\because$ This week Garies municipal workers started trucking in fresh water.
Town Clerk Mr W S Jordaan is negotiating with Provincial officials to install a pipeline from a farm borehole 13 km away.
"Each load of 90 kilolitres, a one-day supply for our 1340 inhabitants, costs us R50 to truck in - certainly a prohibitive price to pay for water," he şâid.
The dusty little town has always relied on the Groen River borehole.
"Oour borehole usually fills ip once each year, depending 'on the rainfall, but as it didn't rain enough last year. It's as dry as a bone now," said Mr

Jordaan.
NEED 110MM
Springbok Town Clerk Mr A Ellis said the town received -about 13 mm rain this week. "We need about 110 mm of rain to break the drought," he said.

In nearby Okiep about 20 mm of rain fell within a few hours and some of the children, who had never seen rain before, were delightedly dancing in the streets in the downpour, residents reported.

At Kakamas, between 9 mm and 17 mm were measured at different places after Sunday's storm,




AGRICULTURALLY the country is infinitely worse off than most South Africans believe because it is only a week away from disaster - unless it receives above average rains.
According to the Transvaal Agricultural Union, there are only seven days left of the rainy season to save crops in the province.

And, according to Mr Gerrie Smit of the SA Agricultural Union, South African food producers face a "calamity" if rain does not

## Disaster

fall within a fortnight in the area north of Pietersburg and west of the town.
He said every hot day caused incalculable damage to crops because ground moisture continued to drop at an "alarming rate".

And Mr Fanie Hugo, deputy secretary of the Trans-
vaal Agricultural Union said that the production of fruit and vegetables in the lowveld could be severely affected - especially in the Tzaneen area, if it did not rain within the next week
He said cattle farmers were already barely maintaining basic stocks.
$\qquad$

Argus Cörrespondent PRETORIA. - The SA maize crop is "tottering on the brink of disaster" and is expected to be far worse than last year's, says Dr Piet Gouws, general manager of the National Association of Maize Producers (Nampo).
"We will have to import masses of grain, but where can we get the money?" he said.

The causes' of the expected crop failure have been the lack of rain and the above-average temperatures experienced during the festive season.
"We went into December without any sub-soil moisture and now with the heat the whole Highveld is affected, with the western Transvaal, our major maize-producing area, an absolute disaster," said Dr Gouws.
"Next 2 weeks critical"
Mr Jan Human of the Transvaal Agricultural Union said: "The next two weeks will'be critical." He said the younger plants needed rain and the sun was scorching the seed from the cobs of older plants.
"If it rains and the heatwave breaks, we expect a reasonable harvest, although it will still be below the normal averáge.
"With the heat, however, the situa-
tion worsens every day."
A spokesman from the North West Co-operative in Lichtenburg said, they were at a "critical period" where the weather could make or break the harvest.
"It last rained two weeks ago and the sub-soil moisture is really drying out. If it rains before the end of next week, we could get 80 percent of a normal crop, but otherwise we could lose a great deal."

## Increased prices

Prices have also increased lately for farmers, he said.
"Fertilizer was increased by between 21 and 28 percent, Escom will increase its tariffs, we expect a rise in the petrol price and the cost of tractor parts and tyres have gone up. We are going to have an inflation rate of 15 percent and farmers will have to ask for an increase of about 20 percent on what maize they have.
"There is nothing that we as farmers can do - we cannot make rain or stop the rand from slipping against the dollar."

Dr Gouws said he had no statistics on how many plants had been lost in on how "but I have been speaking "to the major co-operative managers and it is a disaster story everywhere".


drought
JOHANNESBURG. - The drought which is affecting most of South Africa - and which has cost more thäan R2 000-million in lost crops - may come to an end if the weekend rain which fell over most of the country continues.

According to the Central Weather Bureau in Pretoria, conditions for more rain in the next few days are favourable.
Rain has been forecast for the Eastern Cape, the Transvaal, Natal, the Free State and the Cape norith of the Orange River.
On the West Rand, however, the muchneeded rain that fell on Saturday had catastrophic effects.

And in Natal a violent tornado struck'a tarm at Impendhle at the week end, tearing off the roof, breaking windows and cracking the walls.

Seven workers on the farm Heronvale, belonging to Mr Anton Bryant of Durban, were injured during the weekend tornado, which lasted only a few minutes but wrecked the farmhouse and outbuildings and uprooted massive trees. Employ-
ees' homes on the premises were also destroyed.
In the Transvaal, the rain came in the form of heavy downpours: that occurred over most of the province on Saturday:A flash flood hitiothe Krugersdorp areá, "causing extensive damage to homes and property
About 58 mm of rain fell in central Krugersdorp between 5 pm , and 6 pm on Saturday.
The highest rainfall figure of 77 mm was recorded at De Deur, near Vereeniging. At Swartruggens 20 mm of rain fell within 45 minutes. Potgietersrus ${ }^{\text {had }}$ 55 mm , and Klerksdorp, Orliney and Stilfontein all reported about $14 \mathrm{~mm}^{\prime}$ Hailstorms
In Pretoria yesterday, thunderstorms caused a number of power disruptions, and $34 m m$ tofrain was recorded: - Hail accompanied the storm in the "Transvaal, causing severe ${ }^{* *}$ damage in some areas: Worst-hit was Krugersdorp, where 50 cm of hail fell.

A shattering hailstorm hit farms north of Bronkhorstpruit, east of ${ }^{\text {Pre- }}$ toriá, iast night. In In hother hailstorm on:Saturday, hundreds of hectayes of maize which woult have been worth millions of rands, was'destroyed.
Yesterday hundreds of water melons were reported to be drifting on an irrigation dam.
Hailstones "as big as tennis balls" fell in pläces, and on one farm the roof of a barn collapsed under the'strain. *'Sapa and OWM Correspondent

Wéathor
page 7
dr

ilding are President P W Botha a, chief whip, back to camera. Ventzel Greyling, Dr Dawie de Hendrik Schoeman, Mr Chris isis, Mr Kobie Coetsee, Mr' D W si.

## l-price talks

 crippled financially by successive droughts.President Botha indicated that weather was on his mind when he remarked to people leaving the Cabinet room before the start of discussions: "Enjoy the rain."
An important decision expected to be taken by the Cabinet concerns the price of petrol, which motor industry sources expect will rise sharply.


Argus Correspondent PRETORIA. - About R1 $000-\mathrm{m}$ in Government aid might be nec essary for drought-stricken farmers, the president of the South African Agricultural Union (SAAU) Mr Kobus Jooste said here.

The SAAU would approach the Government for additional interest subsidies of not less than R1 $000-\mathrm{m}$.

This estimate was based on the situation of farmers before the rains.

- Mr Jooste said the SAAU would first wait to see what the results of yields were after the widespread rains before approaching the Government.

Their own interest :
He appealed to consumers for:anderstanding that agriculture's continued existence would be in their interued - should the Government decide to grant additional interest subsidies to the agricultural sector.
$\cdots$ According to a report on the financial situation of farmers released by Mr Jooste at the Press conference; the position of summer crop produce ers gave reason for special anxiety.

Although they were receiving cer ${ }^{\text {s }}$ tain interest subsidies from the state,, the "weighted average interest rate," to be paid by summer crop producers amounted to about 18 percent a year at the end of 1984.

At this interest rate their debt, even in normal production years, would increase further.
A deputation'headed by Mr Jooste discussed the farmers' situation and handed a copy of the report to the Minister of Finance, Mr Barend du . Plessis and the Minister of Agricul-, ! tural Economics and Water Affairs, ; Mr Greyling Wentzel.

The report was compiled by Professor PA Nel of Unisa and Mr A T Davel of Saau. $\qquad$ $\therefore \because \underbrace{\prime}$

## - <br> 

4in


JOHANNESBURG. - South Africa's three-year drought could be over. Steady soaking rain is falling over large parts of the country and weather office officials predict the showers could continue for another couple of days.

Until 8am yesterday, rainfall figures of 168 mm at Ixopo in Natal and 111 mm at SchweizerReneke in the Transvaal had been recorded and farmers in the droughtravaged Northern and Western Tranṣvaal say the rains have come "just in time" to save crops.
Mr Giel van Zyl, head of the National Maize Producers' Organization, said that earlier maize plantings had been "devastated" but the current rains were a welcome relief for the later plantings and could very well have saved the situation.
"We just hope the rains keep coming," he said.
An official of the Pre-

## BUSINESS BRIEF

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toria Weather Bureau said a high-pressure system to the south-east of the country, compounded by an upper and surface air trough, led to the high level of rain recorded in some parts of the country.
It was highly likely that the soaking rains - coming at a vital time for most summer crops would continue for at least the next two days.

The rain will affect large areas of the Transvaal, the Free State, Natal and the North. Eastern Cape.
Widespread rains have fallen over the Western Cape and adjoining areas since the weekend.

In the past three days the weather office at DF Malan has reported the following rainfall: Touws River ( 0.8 mm ), Calvinia ( 28 mm ), , Stellenbosch ( $2,5 \mathrm{~mm}$ ) and Swel-
lendam ( 3 mm ). The
weather office at Beau- planted recently would fort West yesterday re- have a good chance. ported $60,2 \mathrm{~mm}$ at Beau- However, the office of fort West, 21 mm at the Minister of AgriculFraserburg. 54 mm at ture has reacted with Sutherland and 37 mm at caution to reports that Prince Albert.
The weather office at George recorded $29,1 \mathrm{~mm}$ while 12 mm fell at Willowmore, $33,7 \mathrm{~mm}$ at Riverdale and $51,6 \mathrm{~mm}$ at Mossel Bay. Laingsburg recorded 42 mm .
In Natal, the senior agro-meteorologist at Cedara Agricultural College, Mr W H Reynolds, said the rains were "most welcome" and hoped they would continue.
He said Ixopo had recorded 53 mm on Sunday and a massive 168 mm yesterday. He said the rain was still falling and dams like the Midmar had filled up slightly.
Mr Reynolds said it was a pity the rains had come too late for many of the crops, but those
the widespread rains may have saved the maize crop.
: A spokesman for his office said yesterday that the minister, Mr Greyling Wentzel, would issue a statement only after the crop had been harvested and figures were available.

- In: Johannesburg, play in the Lexington PGA golf tournament at the Wanderers was suspended at 1.15 pm yesterday, with only six of the 144 players having completed their opening rounds and half the field not having started. A PGA official said firstround play would resume at 9.30 am today, weather permitting. Sapa
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## into CO

THE National Marketing Council has been instructed to investigate the country's 21 commodity control board schemes, the Deputy Minister of Agricultural Economics and Water Affairs, Mr Gert Kotze, said in Pretoria yesterday.
Addressing the Agrocon (Agricultural Outlook) conference, he said although the results could not be anticipated, changes and adjustments could be expected.
The Minister stressed the current sorry plight of the country's agricuiltural industry.
One of the severest droughts
this century had afflicted vast tracts of land over the past three years.

Other parts of the country had suffered from cyclones.
This, and the fact that substantial quantities of maize had to be imported, stressed the great need for a strategy to provide sufficient food for a growing population.
Until recently, the present high interest rates were "unthinkable", farm debt was not nearly such a pressing problem and, going back a little further, the inflation rate was practically at the same level, or even lower, than the country's main trading partners.

## schemes

"Never since the thirties has there been such a severe economic recession as the world is now experiencing," he said.

Not only was SA's production adversely affected by the droughts, but agricultural land had deteriorated alarmingly.

Estimates were that in the year 2020 only 1,5 ha of agricultural land per head would be available, compared to $5,5 \mathrm{ha}$ in 1970.

The seriousness of the situation was emphasised by the fact that only $12 \%$ of South Africả's total land area could be cultivated.

- More Reports
See Business Day




## SAAU's R1 000m aid plea <br> \section*{Own Correspondent} <br> made at the meetling and that a motim

JOHANNESBURG. - The South African Agricultural Union is to ask the government for R1 000 -million to aid farmers crippled financially by successive droughts, the president of the SAAU, Mr Kobus Jooste, said in Pretoria last night.

Earlier in the week, a deputation from the SAAU headed by Mr Jooste
discussed the crisis in agriculture with
the Minister of Finance, Mr Barend du
Plessis, and the Minister of Agriculture, Mr'Greyling Wentzel.
Mr Jóoste said at a press conference that no direct appeal for aid had been
vated submission for subbitantial assistance would be made in about six weeks' time.

To keep large numbers of farmers in production "not less than R1 000 -million" would be needed.
An SAAU investigation submitted to the ministers emphasized that at the end of 1984 farmers were in a critical financial situation, mainly because of drought and punishing interest rates. Mr Plet Swart, director of the SAAU, said farmers' debts could by now have reached a point between R9 000 -million and R10 000-million.

# Stock washed away, dams burst in East Cape floods 

## Argus Bureau

PORT ELIZABETH. -
Dams burst and hundreds of cattle and smaller stock were washed away and drowned when the Greatit
Fish River flooded.
A cloudburst in the Graaff-Reinet/Cradock: area of the drought-stricken Eastern Cape on Wednesday caused hundreds of thousands of rands in damäge.

Homesiwere flooded when more than 100 mm of rain fell in less than an hour.

One of those hardest hit was Mr Godfrey Collett of Katkop farm. Without warning, floodwaters hit about 3am yesterday, washing away 300 angora goats and equipment
worth an estimated R60 000 .
Graaff-Reinet was deluged with 54 mm of rain in less than 30 minutes. Ear lier in the week shops in the town were flooded.
The centre of the cloudburst was in the Agitersneeuberg and Grasiland Kop areas, where 100 mm
of rain was recorded.
The Loots bridge at the entrance to Cradock was closed for several hours while the Great Fish poured over it.
But the rain also brought relief.
"We had three dams washed away," said Mrs Esther Jordaan of the farm Kareebosch in the Agtersneeuberg. "But at least we think the drought has broken and we can look forward to better times now."

## Dam levels rise, maize crop saved after Vaal rain

 $\because$ Argus CorrespondentPRETORIA. - As rain water begins flowing into the Vaal Dam, maize experts have changed their expectations of a "disastrous" crop to predictions which include the possibility of self-sufficiency this's year.
"The widespread rain of the last few days should increase the Vaal: Dam level by three percent to 20 percent, a spokesman for Wäter Affairs, Mr Anton Steyn, said today; $\mathrm{f}^{\prime}$
Continued rains and another 35 mm . downpour over the catchment Grea would push the level up 10 percent to 27 percent by the end of the weekend,

GLOOMY
A few days ago, the Maize Board and the National Maize Podúcer̂s Organisation (Nampo) were gloomy about the maize crop and thought maize would have to be imponted this year.

Predictions are now changing and Mr Hennie Nel, general manager of the Maize Board, says he expects 5000000 to 5250000 tons if widespread, rains continue until March.
Meanwhile, farmers in Montagu are counting the cost of flood damage after the Langkloof River broke its banks, destroying farm dams, fences and washing away roads and livestock.

Some farms are still cut off after a cloudburst which brought more than 100 mm of rain within hours.

7 TORRENT
Mr Pieter Wolfaardt ..estimates about R65 000 damage tra his $\cdot$ farm, Langkloof, where a torient of water washed away boundary fences, sheep and about two-thirds of his lucerne land.
Another farmer in the district, Mr JD le Roux, has lost at least $100^{\circ}$ goats, his wife, Mrs J H le Roux, said yesterday.
In Upington, municipal workers are clearing broken branches and trees blown down during a storm on Wednesday. Low-lying houses were flooded when an irrigation canal near the Northern Cape town burst its banks.
'Reports of damage also came from Cradock, where the Frans Loots Bridge was closed to traffic after water streamed over it, and from Pear ston;"where houses were flooded'and dams.'destroyed.

## Chears, fears after deluge

RAIN soaked most of the country for the third day yesterday, causing jubilation; a few mishaps, and steadily rising dam levels, as well as hopes for a better-than-expected mealie harvest: '

Maize Board general manager Mr Hennie Nel said the steady rains this week had checked the decline of summer grain crops and stabilized the maize.harvest.

But he cautioned that a change in the weather pattern could still mean a setback for the anticipated 1985 crop yield of 5,5 million tons.

A copious run-off of water is draining into the main storage dams after penetrating rain over most of the summer rainfall region in the past two days.

In the Eastern Cape, flooding after a storm during which up to 100 mm fell over the Agtersneeuberg and Grasland Kloof area near Cradock resulted in some damage.

The torrents broke dams and carried away 300 angora goats and fencing and damaged tracts of cultivated land.

Ixopo, Natal, was deluged by 149 mm rain in the past two days, and the Sacred Heart Convent Catholic mission there is cut off by washaways. Houses in the low-lying part of the town are flooded,

In the Peninsula, the wet weather appears to be abating. -Sapa and Staff Reporter

## Farmers deep in

 TRBy GERALD REILLY -Pretorla Bureau
F'RMERS' debts - aggravated by three years of drgatht - have soared to neariy R10 000-million, the president of the South Africritagricultural Union, Mr Kobus Jooste, said yesterday
graxservice this vast debt buiden demanded interest payments of about R1800mplion a year - a crippling burden for most farmers.

This was why SAAU had decided to ask the Government urgently for further farmer aid amounting to about R1 000-million.

Mr Jooste said the Minister of Finance, Mr.Barend du Plessis, had been told by SAAU there were two alternatives - either the farmer must be assisted with subsidies or the country's monetary and fiscal policies had to be amended.

He stressed it was important that taxpayers be made to appreciate agriculture's urgent need for help.
It is in the interests of the country, the consumer and the man in the street that farmers be kept on the land," he said.

Mr Jooste said organised agriculture wanted to get away from subsidies. "We don't want the farmer to be locked into a situation where he is permanently dependent on the State." This was the long term aim, but in the short term aid was "urgently necessary".

Mercury Reporter

FRESH produce farmers in Natal are angry about the enormous disparities between the prices they get for their products and the eventual prices on supermarket shelves.
But both supermarket representatives and agencies say that they are not to blame.
Last week a Howick farmer was paid between 30 c and 34 c a kilogram for his crop of green peppers.

## Commission

At the fresh produce market in Flower Road on the Bluff they were sold to dealers at R2 a pocket On supermarket shelves: they fetched, on averağe, R299 a kilogram.
Where does the price
difference go?
According to supermarket buyers, agent representatives and municipal officials it goes into administration costs.
Every product sold at the market has a 12,5 percent commission imposed, which is deducted from the price eventually recieved by the farmer.
On potatoes and onions 5 percent of the commission goes to agents and 7,5 percent to the municipal market.
Agents get 7,5 percent for fresh fruit and vegetables and the market 5 percent.
This, they say, covers staff salaries, transport, security and administration costs such as stationery.
Mr Peter Hattingh, an agent representative - Durban market - says he is on the side of the farmer.
'The higher price we get for the product the bigger our commission so of course we look after them,' he said.
The commission was neccessary to pay for services they offered the farmer.

## Wastage

market chains claim they rely on direct deals with the farmer for the benefit of the consumer.
'It pays. We build up good relationships and try to keep prices at a fairly constant level throughout the year and cut out any middleman who would want his share,' said the buyer of one large operation.
"The farmer benefits by getting paid what he
wants immediately and the consumer benefits by getting top, fresh quality.'
Other supermarket chains have giant warehouses from where the fresh produce is distributed to their branches.
As a result, the price the consumer pays has to cover the cost of,the warehouse, labour, offloading, refrigeration and tranport to the branch were it is sold.

The 'big mark-ups' took
place somewhere between the market place and the supermarket shelf, he said.
He pointed out that the supermarket - in which the fresh produce department is a top profit-making area - has to contend with wastage in its pricing structures. : mowever, many*super-
 TAE increase of 12 c a litre in , agricultural dlesel fuel will take R162-mililion a year out of the farming community says the South African Agri0 cultural Union (SAAU

When the diesel subsidy of
$4 \mathrm{c} / 1$ is removed in June it will cost farmers another R135-million a year
$0^{n}$ At the current price of R220 a ton, it costs a farmer
R440 to harvest a hectare of maize and his return is R482, leaving a profit of R42.

## Subsidy

The fuel-price increase will boost maize farmers' costs a hectare from R70,50 to R88, reducing the profit at current prices to R24,50.
Hennie Nel, general manger of the Maize Board, says is unlikely that a maize subsidy will be paid this year. It has been suggested that a maize price of about R300 will be demanded by Nampo an increase of $36 \%$.

Wheat farmers are in a slightly better position. Dennis van Aard, general manager of the Wheat Board says the fuel-price rise will lift input costs by $3 \%$ immediately, with bigger increases to follow.
"Last season we increased the wheat price by only $8,5 \%$ compared with the farmers cost increases of $16 \%$. The average return on a hectare of wheat is R375 compared with a cost of $\mathrm{R} 303,5$, leaving a profit of R72,5."
A 3\% increase in total costs will push up input costs to RS94 a hectare, so that farmers will make a loss of R19 a hectare at current prices. The average wheat price is currently R260 a ton and seems likely to be raised to more than Resoo.

## TRACTORS AT DAWN:

## Angry farmers choose their 'weapons' for 3 )

 protest over fuel cered price rises ${ }^{271105}{ }^{2}$ mass demo in MaritzburgTHE shock Increased price of fuel has made a group of angry and frustrated farmers more determined than ever that a "tractor" demonstration and protest meeting which they are planning will be the most vociferous heard in South Africa.

This week the bitter Natal Midlands farmers, who early next month plan to shatter the peace in sleepy Maritzburg as they parade through the centre of town in at least 1000 tractors, spoke of the reasons which have spurred them to mount their protest.
They lashed out at what they call illegal price fixing, cartels and lack of support from their legitimate representatives - the farming coops and agricultural unions. And this week's shock petroo price increase announce blow on top of a list of crierbonces that have been building up for several years.
"The petrol increase is the absolute last straw," said Mr Gerrie de Jong, a Howick farmer and one of the organisers of next month's protest.

When fertilizer companies threatened to increase their price we were talking about one in three farmer going under.
With the new petrol prices one in t.

BY SHAUN HARRIS

To vent their anger at what hey call illegal and unfair this week making final preparations for their "tractor parade", the likes of which have never been seen before in South Africa.
Early next month more than 1500 farmers from the Natal midlands, driving at least 1000 tractors, will parade through the middle of Maritzburg and converge on for a protest meeting.
And the organisers of the demonstration are having to restrain farmers from outside Natal joining the tractor parade because the numbers
might get too big to handle.
"We are getting We are getting phone in the Free State and Trans vaal who support our demonstration and want to join in, said Mr de Jong.
"I wouldn't be surprised if some of them drive their tractors down the nationalhighway to join our dem an stration on February 7, although the town hate accommodate the Natal farmers who will be at the meeting.
Maritzburg city police are taking special measures to accommodate the tractor parade.
Senior Superintendent Matin Beaker said one of the city's main roads would be
blocked to traffic for an hour on the morning of the demonstation.
"Although the farmers are angry, we have had full cooperation from them.
"With their help the demonsistration should not cause too much of a traffic hold-
up," he said. up," he said.
The dramatic move by the farmers, traditionally conand long suffering in the face of hardships, has taken many people by surprise.
Many farmers involved in next month's protest expect it to have a ripple effect throughout the South African farming industry, and say, from other provinces where farmers are discussing similar protests.
Mr de Jong said the main aim of the demonstration was to show farmers' "anger and frustration" at rocketing farming costs and to try and work, out prating industry to save the farming with cartels and price fixing. The Government always promiss to look into these illegal "activities, but nothing is ever done about them.

Ready to march on Marltzburg . . . Chris, left, and Sam Knox, centre, with farming adviser Jerry MçComb
Mr de Song said farmers blamed cartels for the recent increase in the price of fertilwere unhappy about the high cost of farming equipment.
"And what is crippling farand new farmers, is the high interest rates.

## Pinch

There are many farmers who owe more than hel farms are worth,", he said.

But it is the smaller far mors who say they are really feeling the pinch, and many are being forced creep their farms going allot a loss for the past three 'years.

Sam and Chris Knox have been farming in the Natal midlands for three years, and their farm.
"We are sitting ducks. We cant just sell our farm and move off like somebody else could sell their busniness or factory - it takes years to get your money
He believes fewer controls and more free enterprise is needed
A number of guest speakers from the maizetairy and livestock producers as and livestock producers, as well
as Joy Hurwitz of the Housewives League', will address the protest meeting on February 7 vt,


The Fertilizer Society says the meeting was held to discuss mutual problems As the society was unable to negoti ate on prices, it invited the SAAU to dicuss the matter with individual producers
tion of Sasol, increased prices By Don Robertson FERTILISER producers have been warned of "drastic steps" against them by the South African Agricultural Union (SAAU) unless they compete on prices, discounts and sales conditions.

Fertiliser producers were forced to increase prices on January 1 by an average of $20 \%$ beacuse of rising raw material costs. The SAAU says the increases could cost farmers an extra R100-million a year.

Producers, with the excep-
the the offered similar rebates
The fertiliser advisory committee of the SAAU told the Fertilizer Society of SA at a meeting that farmers were not prepared to accept unjustified increases.
The SAAU sard farmers had been compelled to cut costs and the fertiliser industry should follow their example.

Fanie van Rensburg chairman of the advisory committee, says price control on the fertiliser industry was lifted to allow effective competition among producers, "and if this does not happen, the union will have to

## Friendly

The SAAU appears to be holding fire on confrontation with fertiliser producers. none of which has been approached.

The fertiliser industry, however, insists that it does not fix prices. Referring to the common problem of increased prices for :aw mate. rials, producers say it is natural that the cost of the end ral that should be similar product sbould be similar They also point to the competitive position in the Cape where there is a mini price where
war.

John Skeen, managing director of Kynoch, says the discussions between the SAAU and the Fertilizer Society were amicable and his company is doing all it can to reduce costs.

# R225m more from farm exports 312185 

By Ciaran Ryan
THE sickly rand will pull in an extra R225million in agricultural export earnings this year than in 1984.
In spite a poor maize season, some farming sectors are doing well. Export crops, such as citrus and deciduous fruit, are expected to be worth $37 \%$ more this year purely because of the weak rand, although freight charges will reduce the profit.

## Cyclone

Favourable climatic conditions mean that citrus exports will rise by $17 \%$ over 1984. A surplus of 150000 tons of wheat is available for export this year. Last year South Africa was forced to import because drought scorched the crop.

South Africa will export about 28 -million boxes each weigh 15 kilograms 'of fruit in 1985, mainly to Europe. Last season's exports were down to about 24-
million boxes because of drought and Cyclone Domoina.

Cameron McOnie, general manager of the Citrus Exchange, told Business Times: "There is good demand for South African exports because of bad harvests in Florida and Spain. Although prices haven't been settled, we expect export earnings to be $20 \%$ up on last year's 200-million"

## Competitive

South Africa normally exports $60 \%$ of the citrus crop. Deciduous fruit, mainly grapes, apples and pears, exports are likely to exceed 25 million boxes which is on a par with 1984.
Louis Kriel, general Manager of the Deciduous Fruit Board, says export earnings are expected to be R420-million in 1985 compared with R360-million last year, largely as a result of the exchange rate.
South Africa's wheat surplus of 150000 tons will probably be sold to neighbouring states, says Dennis van

Aarde, general manager of the Wheat Board
"Our wheat is competitive for countries to the north. The landed price of imported maize is about R400 a ton compared with a domestic price of R280 a ton. So we can undercut overseas producers by a large margin."
Wheat exports of 150000 tons at present prices will be worth R42-milion.
Wool exports are expected to remain constant in volume terms but to increase in rands by $26 \%$. Latest estimates from the Wool Board project exports of 25,3 -milion kilograms for 1985 about the same as 1984. The receipts will be worth about R400-million compared with R317-million in 1984. Woo production is down by $2 \%$ on 1984 as a result of the drought.

But the exchange rate does not always work in favour of exporters, says $\mathbf{M r}$ Kriel. "Shipping and promotional expenses must also be paid. The shipping charge for last year's deciduous fruit exports was R88-million and this year it will be about R130-million."





von

 No 42 on 8 February 1984 . how many ar-


 Eee ーN||
ล The results of the monitoring and
sampling in 1984 again revealed no ers and streams mentioned in that re-
ply is being continued. 1984 . The action in respect of the rivvironment Affairs and Fisheries to his
 (घ)
 spect of which rivers and streams and (c)
with what result?
 rivers and streams which flow through Whether his Department took any ac-
tion in 1984 in regard to the pollution of




 Trespassing
Registration and production of
documents/Foreign Blacks 283


 Possession of pornographic material
Fraud
Possession of and dealing in dagga Possession of stolen property
Serious assault
Possession of pornographic ma Theft from motor vehicles





ayl 101 yueg puri The MINISTER OF FINANCE:
 (a) On 31 December 1984 farmers were (a) What was the total amount of loans
granted to farmers by the Land and







 56. Mrs H SUZMAN asked the Minister
Law and Order: under section
curity Act were made by (a) inspec-
tors and (b) magistrates in 1984; (1) How many visits to detainees held pov syunoas ieuapuI cases in which three persons are in-
volved, has not yet been concluded. -u! are suosiad әary upilu ul sose sion of the attorney-general for a
Note: Five cases in which 56 persons are

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$\downarrow \varepsilon$
－ 418

TUESDAY， 28 JULY 1987
 （with positive blood tests）．How－
 every carrier will get the disease．
Blood tests are also not $100 \%$ reliable．

The Stigma and implications of wrongly being labelled as a po－ reaching．
．3 Compulsory notification，with the stigma implied，might drive
 feet on the control of the prob－ lem．Compulsory notification is
not general policy in Western countries．

 under the supervision of experts
品

 warranted victimisation and har－


5 The Minister of National Health淢







$$
25 \text { April } 1987 .
$$

Medical Association of South
（c）（i）A decision by the Executive Committee．
（ii）Discussions took place be－
tween officials of the De－ partment and the Associa－
TUESDAY， 28 JULY $1987 \quad 416$
415

$*$ Mr DG H NOLTE asked the Minister
（a）How many agricultural extension offic－ ers were employed by his date for which figures are available and（b）（i）for what

 what are the main reasons for their leav－ | $\dot{0}$ |
| :---: |
| 空 |
| 0 |
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| 0 |

＋The MINISTER OF AGRICULTURE
AND WATER SUPPLY：
（a） 149 on 31 May 1987.
（i）（i） 25,7 years in senior cadre．


## －5


（a）


# We're spitting mad Sayy fariners 

## Pietermaritzburg Bureau

NEARLY 2000 furious Natal farmers oined forces yesterday against fertiliser manufacturers, stock feed suppliers, marketing middlemen and the Government in an unprecedented protest that took the capital and the province by storm.
One speaker after another at a City Hall rally raged against the people they felt were responsible for rocketing farm costs and made it clear their frustration and anger had become too great to be ignored any longer.
The city was staggered by the size of the demonstration, which began with the procession of a massive four-deep column of tractors
The centre of town was brought to a standstill as thousands lined the streets to watch the farm vehicles, old new, large and aot so large, roll towards the City old, ne
Hall.
About 1000 rumbled down Commercial Road from About 1000 rumbed in a spectacular procession the Royal slad tarmers at the wheel, therr friends with khaki-chlfreuds in support and banners bearing wive and chachting their complants, prominently slogans
displayed.
displayed.
The parade lasted 40 minutes and was monitored by more than 50 traffic policemen who
ing into the capita's man street.

## Resolved

At the end the farmers filed into the City Hall to proat and accuse $九$ upplars and middlemen who market test and aral products f taking them for a ride
agricultural produnanıously to call on the Natal AgriThey resolved unanimously within 30 days, a meeting cultural unon them the committee, cowith a delegation rom to plan a strategy to of operatives and exchanges, to plan a statege miveng Natal farmers maximuni joint negotia
power whici will in turn certure che farmers who decided to form an action committee.
decided to orm arrie de Jong said the meeting proved Organiser Mr Gerrie de Jong said ared to take a strong hat farmers were united and prepast, had taken undue dvantage of them
The meeting felt that unnecessary restrictive laws, ules or regulations that adversely affected the mar keting of farm products should be removed immediate k.

It called on the Government to remove sales tax and all tariffs, taxes, import duties and licence fees levi on products bought by farmers for food producion told Farmers said they were sick and of life.
that they had to pay for their manufacturers, industrial-
They saw no morality in manuacturns of between 15 ists and distributors insisting in investments, while percent and 25 percent on their invest of between 3 parmers were lucky to maintain a return of between 3 percent and 4 percent.
One of the most controversial issues raised at the

## Tractors growl their protest

IPACLOPS gRON


Farmers' Day. Some of the 2000 who staged a tractor parade through the centre of Pietermaritz-
burg yesterday protesting rocketing farm costs. The parade closed roads leading to the capital's main street.

Picture by ALAN COXON

 By Sue Leeman;
an Pretoria Bureau
South frican farmers are now in debt't the tune of more than R11 000 million - and co-operativés are under great financial pressure, according to chief director of the North Western Cóooperative Dr AP Scholtz
Dr scholtz told a conference of agricultural co-operatives in Pretoria yesterday that about R2 739 million - 24,6 percent of farmers' overall debt had been financed by co-operativés.
At the end of 1985, he'said, the co-operatives owed the Land Bank a total of R2739 million; R1698 of which was emergency aid to farmers.
Dr Scholtz said there were considerable risks for the coops in extending this kind of credit and most administered these loans on exceptionally low margins.
Since 1982, there had been a rapid decline in the finances of co-ops; as a result of the emergency aid they were supplying.

For one thing, their own capital now made up only 27,7 percent of their total financing and they were becoming more dependent on loans with everincreasing interest rates.
'PERTINENT'
"The co oporatives are going to hàve to ask themselvés if they are happy to and capable of continuing to take the responsiblity for emergency aid - particularly that of farmers' rolled-over debt.
"This question is particularly pertinent because the Government does not guarantee unqualified security to co-ops for such emergency aid.
"In reality; the co-ops are still held accountable for any claims until, they have proved that any credit granted complies with the Land Bank's regulations.
"'rne padidebt which can arise from this is not taken over by'théstate." ". Fot
Dr: Scholtz' believed "that de-:" spite this the co-ops should go on financing faitmers ${ }^{2}$ to the ex-co tent they hadin the past - but they should look for ways to augment their, own capital.
Minister of Agriculture and Water Supplies Mr Sarel Hayward, who opened the conference, said he had initiated negotiations between financial institutions to formulate a clearer strategy for granting credit to farmers.

## GREATEST INCREASE

He said the private sector had an important role.

Between 1981 and 1984 agricultural assets increased by 40 percent while its debts rose by. 147 percent:
The greatest increase in debt had been amohg those offering largely short-term credit, such as commercial banks and co"operatives. "
Producers'were now finding it difficult to meet their debts, even in good years.
Poor financing norms, the unco-ordinated granting of credit and too much liquidity among credit institutions in times of prosperity were some causes.
It was vital for all interested institutions to work out a joint 'strategy:

- Hé had requestéd ân investigation minto merging the Land Bank ańd the Agricultural Credit Board.
"These are institutions which arovide credit largely on the basis of ability to pay rather than pure security - an excepthanally healthy approach phich must be expanded:"


Travelling four abreast, about 1000 vehicles, mostly tractors of all shapes and sizes, rumbled down Commercial Road yesterday bringing the centre of Martizburg to a standstill as farmers held a spectacular protest against

## further price increases and to emphasize to the goyernmeny any the public the pligh of farmers. <br> Spectacular tractor protest <br> Own Correspondent <br> vehicles mostly trac- <br> support. Many dis- <br> lasted 40 minutes and <br> country"; "Monopolies

MARITZBURG. - The centre of Maritzburg came to a standstill yesterday morning as thousands of people lined the streets to watch a seemingly endless column of tractors roll towards the City Hall to mark the start of the biggest rally of farmers ever held in South Africa.
Travelling four abreast, about 1000
tors of all shapes, sizes and ages rumbled down Commercial Road from the Royal Showgrounds in a spectacular procession to emphasize the farmers' plight to the public and the government.

At the wheels were khaki-clad farmers, many of whom had friends, wives or girlfriends lending moral
played prominent banners bearing slogans to highlight their predicament.
There was an air of excitement as the crowds of shoppers, office workers and schoolchildren cheered the farmers as they moved slowly through the city centre on their powerful machines.
The orderly parade
was monitored by more than 50 traffic policemen who closed roads leading into the provincial capital's main street.
Slogans were also posted around the City Hall where the mass meeting took place after the parade.
Many slogans bore serious messages such as: "Bankrupt our farmers - starve our
must be removed'' "Curtail cartels" and "Food producers - an endangered species".
Others were more humourous. "We work till the cows come home, then they milk us dry"; "I'm down to my last piston", aind This tractor runs on water'.
*Action call by Natal farmers, page 2
(a)

Staff Reporter
THE area around Springboo in Namaqualand has experienced its heaviest summer rainfall in memory - a total of 17 mm on Wednesday and early yesterday morning.

Mr Andres Kotze, a businessman and farmer at Springbok, said yesterday: "Any rain in Springbok is unusual.
"Woe sometimes do have a little rain as late as March, but never as much as 17 mm ."

The rainfall had been encouraging to the townspeople as it meant a good winter rain and a bumper crop of spring flowers in September/October, he said.

Not since 1976
Farms in the Bushmanland area of Namaqualand had not had any summer rain since 1976 but on Wednesday the farm Hunetees had had. 21 mm , Dikbek 26 mm . Agenhuis 11 mm and Beenbreek 16 mm .
"This cannot break the drought, but 14 days after the rain, the grazing will improve and farmers can stop feeding the animals for a while."
The Sandveld area, which is along the coast, had received between 6 mm and and 20 mm of rain.

- The flow of mail from South Africa and Windhoek to Walvis Bay, had been cut off for three days because of rail washaways, a spokesman for the General Post Office said last night.
He said even air mail from Johannesburg; Pretori and Durban distined for Walvis Bay had been delayed, as the last leg of the journey was-by train.
The; first train to reach Walvis Bay since Monday was expected at midnight last night.


## Pat. Hail

- Sana reports that heavy rain, accompanied by hail, washed away fences and caused externsive damage to grazing lands on a farm in the district of Middle burg, Cape, yesterday

About $38 \mathrm{~mm} /$ of rain and heavy hail fell i within 10 minutes in the area.
The MiddleburgeRichmond road was damaged in places by the flood.

A spokesman for the weather bureau at D F Malan said the rain and óverc̈äst conditions of the past two days had been'the result of a low pressure area from the south-west of Cape Town.

agrees
to meet
farmers
Own Correspondent
MARITZBURG. - The Natal Agricultural Union has agreed to meet a delegation of the farmers' rally committee together with co-operafives and exchanges, following Thursday's realby in the capital.

NAU secretary Mr Alwy Bisschoff said the union was "certainly willing and ready" to respond and was presently negotiating a date for a meeting at which the problems raised at the rally would be discussed.

## Strategy

Farmers hope to formulate a strategy which would offer them maximum joint negotiating and buying power which would in turn reduce input costs.
Nearly 2000 farmers from all parts of Natal descended on the capital to protest at soaring costs which threaten to force them off the land.
They resolved unanimousy to request the NAU to convene a meeting with a delegation from the rally committee
1 to be attended by a dele-
gation from farmers co-
operatives and exchanges.

Mr Bisschoff, however,
described the event as "unorthodox" and "possibly the most unusual manner we have seen of highlighting problems".
"Ultimately one has to sit down at the table to discuss the problems. This is the way the NAU normally functions and I don't want to comment too much on the unorthodow approach", as it was the choice of the organizers.
'Tragic'
Both the NAU and the SA Agricultural Union have been criticized for not supporting the rally.

One of the chief orgnizers, Mr Gerrie de 'Song, said it was "tragic" that even after the meeting, the president of the SAAU;Mr Kobos Jooste, had "seen fit to say this was not the right way to go about things".


## Pietermaritzburg

 BureauTHE Natal Agricultural Union has agreed to meet a delegation of the farmers' rally committee together with co-operatives and exchanges as a result of Thursday's rally in the capital.
NAU secretary Alwyn Bisschoff said the union was 'certainly willing and ready' to respond and was presently negotiating a date for a meeting at which the problems raised at the rally would be discussed.
Farmers hope to formulate a strategy which would offer them maximum joint negotiating and buying power which would in turn reduce input costs.
Nearly 2000 farmers
from all parts of Natal descended on the capital to protest at soaring costs which threaten to force them off the land.

## Unorthodox

They unanimously resolved to request the NAU to convene a meeting with a delegation from the rally committee and to be attended by a delegation from farmers' co-operatives and exchanges.
Commenting on the unprecedented gathering, Mr Bisschoff said the rally had been very well supported and had very aptly underlined the dilemma in which the farmer found himself.
However, he described the event as 'unorthodox' and 'possibly the most un-
usual manner we have seen of highlighting problems'.
'Ultimately, one has to sit down at the table to discuss the problems. This is the way the NAU normally functions and I don't want to comment too much on the unorthodox approach to the event; it was the choice of the organisers,' said Mr Bisschoff.

## Cross

Both the NAU and the S A Agricultural Union have been criticised for not supporting the protest rally.
One of the chief organisers, Mr Gerrie de Jong, said it was 'tragic' that even after the meeting the president of the SAAU, Mr Kobus Jooste,
had 'seen fit to say this was not the right way to go about things'.
'If the SAAU is going about the right way of doing things then why are farmers so cross? There must be something very wrong with the system. We are not asking for the world, we just want a fair deal,' said Mr de Jong.
He personally felt elated at the success of the rally, saying that for once farmers were prepared to stand up and be counted.
'The feeling of unity was something too beautiful.'
It has been claimed that the Broederbond exerted pressure on farmers not to take part in the rally.

## COLOURFUL SCARF

FROM ITALY
Our very newest imports. There's a wide selection from R5,99 to R12.99.
City
Scarves

over the Mpambiyoni River was washed away at Scottburgh after heavy rains in Natal at the weekend

## 4 dead, 4 lost ${ }^{\text {and }}$ in floods

## Own Correspondent

DURBAN - At least four people drowned and four are missing after violent rains lashed Natal at the weekend, washing away three major bridges, engulf ing hundreds of homes and wreaking havoc on roads
In what must rate as the heaviest rains to hit the province since Cyclone Demoina, $282,1 \mathrm{~mm}$ has fallen in Durban since Thursday - more than double the normal February average - with some falls along the South Coast topping 300 mm .
An all-day police search for a Durban man feared drowned in Cato Manor's Mkunbaan River proved fruitless yesterday Mr Gert Erasmus disampeared down the raging river after his car was washed off a small bridge on Saturday. His wife Linda managed to escape and was later treated for shock Police will resume thear search for her husband today

Mamedran Guptat, 14, drowned when he tried to cross a stream on a Stanger sugar farm on Saturday. His body was recovered yesterday

Mr Kookie Mbambo. 27, is still missing after being washed down the Nkobi River near Margate on Saturday He was trying to cross the river on his way home from work
A Margate woman, Ms Selani Mbele, is also feared dead after betng washed off the banks of the Mvubazaki River Her body has not yet been found

An unidentified black womandrowned on the farm Frasers near Tongaat in the Tongaat River yesterday. The flooded Emona River near Tongaat yesterdeysuept an unknovn black mañ from its baink. His body is also missing.
An umidentified black woman died in the Nonoti River near Stanger on Saturday Her body was recovered yesterday
A black man drowned at Maydon Wharf's Pier 1. Detals of the incident are not known
Areas of northern Natal have only one dirt road link to the outside world after two bridges were washed away by the swollen rivers

The temporary bridge over the White Umfolosi River, erected after the destruction caused by Cyclone Demoina. crumbled in two places yesterday.

The national road over the Pongola River near Jozini Dam has also been washed away

## 'Nothing can be done'

Mr G P Maras, acting Director of Roads in Natal, said nothing could be done until the waters began to subside
Homes in Scottburgh, Chatsworth, Verulam, Stanger, Tongaat and Umlazi, were flooded at the weekend. leaving peoplestranded after being forced to evacuate ther homes

Damage of thousands of rands was caused to fac toner, hrints, and larms along the Umdloti Rover in Verilam whin the river burst its banks

Flood water, have devastated farm lands and left hundrek : 1 , wife itranded near Port St Johns.

# zaxa <br> Conitrol: Options dispute 

## By CHRIS ERASMUS

Science Reporter
A SIX-YEAR-OLD scientific study on tsetse fly pesticides has suggested the possibility that there are known effective alternatives to dieldrin for the control of the flies, in spite of claims to the contrary.

Undertaken in Nigeria specifically to investigate alternatives to dieldrin, the study - published in a respected international journal says at least three synthetic pesticides belonging to the pyrethroid group are not only many times more toxic to tsetse flies than dieldrin, but are less harmful to other organisms in the environment and do not accumulate in the food chain.

The research was conducted by a group working under a German scientist, Dr U Spiel. berger, in the Tsetse Fly and Trypanosomiasis (sleeping-sickness) Division of the Federal Livestock Department, Nigeria.

## More toxic

It compared various concentrations of the three synthetic pyrethroids, permethrin, cypermethrin and decamethrin - man-made improvements on a wide-ly-used natural insecticide, pyrethrum - to the usual concentration of dieldrin used in groundspraying of tsetse fly resting sites.

The group found that all three pyrethroids eradicated tsetse flies with one application. All were far more toxic to the flies than dieldrin at concentrations far lower than the three percent concentration used in ground-spraying with dieldrin.

Decamethrin, for example, at concentrations between 0,0375 and 0,075 percent was found to be 40 to 80 times more toxic to the flies. At 0,5 percent concentration, permethrin was six times more toxic and at 0,3 percent cypermethrin was 10 times more toxic.
The managing director of Shell South Africa's chemical division, Mr Ron Land, said he had contacted Shell's Lon. don office in connection with the study.
"Although pyrethroids - into whwh Shell has proneered research are effective ditrinatuves to dara! ! in for
general agricultural uses, they are not adequate alternatives in the specific applications for which dieldrin is being employed in the Botswanan, Namibian and Zambian parts of the Caprivi Strip."

He said the Nigerian study's results could not have been positive, as the pyrethroid control programme designed for those trials were not developed further in Nigeria or elsewhere.
'Not relevant'
"Also, we have been supplying the Botswanan authorities with cypermethrin, and a deriva. tive of cypermethrin called alphamethrin or Fastac, at no cost for trials. So far these substances have not proved viable alternatives to ground-spraying with dieldrin because the pyrethroids have a repellant effect on the flies, undermining their value as residual pesticides on fly resting sites."

He pointed out that Ni geria and Botswana were environmentally different and therefore the study's results were not directly relevant to Botswana's conditions.

However, the study's authors sard their tests suggested the possibility of replacing both DDT and dieldrin with any of the three pyrethroids tested.

Although the pyrethroids were more expensive than dieldrin on a weight-for-weight basis, their much-increased strength against tsetse flies meant the final costs of their use would probably not be prohibitive.
They also said "comparatively little harm was done to non-target organisms in the environment" by the pyreth. roids.

One of the co-authors of the study. Mr H H Coutts, was at the time of its publication in 1979 in volume 69 of the Bulletin of Entomological Research, employed by Shell Research Limited at that corporation's Sit. tingbourne Research Centre in Kent, England.

Mr Land said Mr Coutts was no longer employed by Shell but he was certain that if the study had produced useful results, these would have been taken up and the pyrethroids tested would have been emploved eagerly by Shell as dternativen lo deeditran

The company was extremely conscious of the potential hazard to the environment associated with the use of dieldrin and was actively trying to find alternatives for it in the control of tsetse flies, he said.

According to Dr John Ledger, former head of the department of medical entomology at the SA Institute for Medical Research in Johannesburg, who unearthed the study, statements that there was no alternative to dieldrin for groundspraying against tsetse flies in Botswana and Namibia and against the black sugar cane beetle in Swaziland were unjustified.
"There is just no research that has been done into dieldrin alternatives to combat the black sugar cane beetle, Heteronychus licas. The beetle has, however, a very close relative, the black maize beetle $H$ ara. tor, which is vulnerable to at least 12 chemicals more acceptable than dieldrin.
"I would be very surprised if at least several of these would not also be effective against the black sugar cane beetle."

Dr Ledger, now direc-tor-designate of the Endangered Wildlife Trust, said the continued easy access to dieldrin was delaying the introduction of environmentally more-acceptable chemicals.

## Research

However, Mr Land said research had been dene into alternative pesticides to combat the black sugar cane beetle, but again no adequate alternative had been found

Dr Ledger said the Endangered Wildlife Trust and the Wildlife Society of Southern Africa, together with other major conservation bodies, were unconditionally opposed to the use or sale of dieldrin in Southern Africa.

He was prepared to offer copies of the study to all interested parties, he said.

MrJohn Comrey-Greig, editor of African Wildlife, said conservationists reiterated their feel. ing that South Africa had a moral obligation not to allow dieldrin to be channelled through this country into neighbourang stat, whure controls on ll, $\cdot$.' 'e more lax けht1, .: " Vt!ta.
2 Cape Times, Thursday, February 14, 1985 Floods cause
massive damage

Own Correspondent JOHANNESBURG. The deluge of rain during the past six days has caused massive damage throughout Southern Africa, including neighbouring states such as Swaziland, Lesotho, Botswana and Mozambique゙as well as Kwazulu.
The floods in Swaziland have claimed at least'six lives. The latest victim was a baby girl who was crushed to death when her family's home in the Manzini district became so soaked with rainwater that it collapsed.
Sapa reports that it has now been raining solidly for a week in Swaziland. Government officials in Kwazulu are still trying to determine the extent of damage caused by the rain, but are being hampered by communication problems.

Financial help
And in Lesotho, the
Minister of Home Af-
: fairs, Mr Vincent Makthe heads of diplomatic missions in Maseru on flood damage, as the country might need fi-
nancial help from

will visit the flood-ravaged areas tomorrow.
Areas of Lesotho which have been hardest hit by the floods are parts of Mokhotlong, bordering on Natal and Mohaleshoek. Several important bridges have been washed away, isolating inhabitants from the outside world
In Natal a group of about 20 adults and 14 children, stranded at the Injasuti resort in the Giant's Castle area of the Drakensberg since last weekend, were brought to safety by rope across a swollen stream by Natal Parks Board officials yesterday.
A spokesman for the board said the people had been stranded at the resort when heavy rain turned a usually small stream into a strongly flowing river and a bridge across the stream had become impassable.
Two people elected to stay at the resort yesterday while the others were taken to Maritzburg in Parks Board vehicles.
Earlier this week a man, who had to fly to Australia, had crossed the river by rope strung between the two banks -
has been cut off from the north of the country by
the rising flood waters of north of the country by
the rising flood waters of the Nkomati River.
Yesterday afternoon the flood reached
national highway num. the flood reached
national highway number one, the most important road in the country, which links the capital to the province of Gaza, and then northwards to Inhambane, and eventually Beira.

Yesterday afternoon at least 200 to 300 metres of the road had been washed away between Palmeira and Incoluane, about 110 km north of Maputo.
to bring the rest of the stranded people out using the same method the spokesman said.
An unknown number of people in Zululand remained cut off yesterday, and contingency plans had to be made to keep several farmers and a black community in the lower regions of the Mkuze district supplied with food.

The threat of further flooding appeared greatest in northern Natal and Zululand.

The farmers' association at Hluhluwe is making preparations to get food to farmers and blacks isolated by the rising floodwaters, according to the report.

The chairman of the association, Mr Gert Gauche, said at least three farmers had been cut off from the outside world for the past few days.

Blacks in the lower Mkuzi area had also been cut off by the washing away of the Mkuzi bridge. About 26 low-water bridges and drifts have been flooded, and telephones are not working.
Meanwhile the capital of Mozambique, Maputo,

Yest 200 to 300 metres of


$=2$
$\dagger$ The DEPUTY MINISTER OF AGRI- in the territory of origin of such im†The DEPUTY MINISTER OF AGRI-
CULTURALECONOMICS:
No. No person or body is obliged to no-
No. No person or body is obliged to no-- $\begin{gathered}\text { During the past twelve months the } \\ \text { Board of Trade and Industries did not re- }\end{gathered}$ ucts. where controlled foodstuffs are in- ceive any application for action against utcts. where controlled foodstufis are in- ceive any application for action against
volved, the agricultural marketing boards
dumping in respect of either fruit or milk.
 South West A frica: capital/revenue accounts
 Whether the
Whether the South African Transport
Services keep separate (a) capital and (b)
 the territory of South West Africa; if not,
in what manner are profits and losses on specific services in this territory calcu-
lated?
The MINISTER OF MANPOWER (for
the Mininiter of Transport Affairs):
and (b) No. Services in South West
Africa areoperated as an integral part
of SA Transpor Service. The prift
and losses are calculated scientificily
and are based on moderna and widyly
recognized accounting practice and
principles.
International airline: agreement
*15. Mr D J N MALCOMESS asked the
Minister of Transport Affairs:
(1) Whether the South African Airways
have reached an agrement with an have reached an apreement with an
international airine. the nime of 9
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 this agreement and (b) why was it entered into;
 been entered airlines: if so. (a) with
ternational
Whether any surplus (a) fruit and (b)
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The DEPUTY MINISTER OF TRADE
AND INDUSTRY:
(a) and (b) Section 56 of the Customs

 "their export price to the Republic is less than the price at which identical or
comparable grods are being sold in the ordinary course of trade in any market

# TUESDAY, 26 FEBRUARY 1985252 

for the prevention and combating of
pollution of the sea by oil. (a) R77736 565-up to 31 October 1984.
(b) Draw prizes and interest amounting respectively were paid out during the respectively were paid out ${ }^{\text {period }} 1$ March 1983 to 31 October
$\dagger$ Dr W J SNYMAN: Mr Speaker, arising out of the reply of the hon Minister of $\mathrm{FI}-$
nance, can we then assume that the actual reason for discontinuing the bonus obligation scheme is the relative small difference
between the answer on the (a) and (b) parts?
$\dagger$ The DEPUTY MINISTER: Mr Speaker,


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\text { Hansoud Q.ld. } 252
$$

*10. The Leader OF THE OFFICIAL OPPOSITION asked the Minister of De-

 wounded in 1984?

The MINISTER OF DEFENCE:

# Farmers' debts soar to R9-billion 

By TOM HOOD
DEBTS of South African farmers have soared to more than R9 000-million and the debts of 22700 - about a third of all farmers - have reached "alarming proportions."

This is disclosed today in an agricultural survey published by Volkskas, which often claims to be the farmers' bank.

It says the industry's total debt rose by 77 percent in the past four years and the interest burden by 364 percent.
In nine years the total debt burden of farmers has risen from R2 300 -million to R9 000-million, owing largely to inflation, high interest rates and the drought.

Commenting in the report, Dr Andre Low, the bank's agricultural economist, says inefficient farmers should no longer qualify for subsidies.
"Banks tend to grant relatively easy and too much credit on the value of the land and not on the basis of a client's management capabilities or his ability to pay.
The industry's assets amount to about R40 000million, so a general debt ratio (liabilities as a percentage of assets) of 22,5 percent can be regarded as favourable. But there is an uneven distribution of the debt ratio.
The debt burden of Western Cape farmers is lower than that in the Transvaal, Free State, Northern Cape and Natal. But almost 27 percent of them have a debt ratio of more than 30 percent, and this is sharply higher than the 15,2 percent for 1983.
The State can hardly afford to help farmers any more, although it could try to use fiscal and maneteary policy measures to make agriculture as financially sound and independent as possible, says Dr Low.


$\dagger$ The DEPUTY MINISTER OF AGRI- in the teritory of origin of such im.

 ceive any application for action aga!"
dumping in respect of either fruit or milt V Southwest Africa: capital/revenue acpounts
$26 / 28$. 26 V V RAW asked the Minister of
Transport Affairs:
Whether the South African Transyrert Services keep separate (a) capital and ( h :
 in what manner are profits and losses "N
specific services in this territory calc:"

The MINISTER OF MANPOWER (for
the Minister of Transport Affairs):


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International airline: agreement
*15. Mr D J N MALCOMESS asked the
Minister of Transport Affairs:
(1) Whether the South African Airways have reached an agreement with an
international airline, the name in




 rare; if so, (a) what are the terit en tered into;
(2) whether any similar agreements hors:
been entered into with any other 1,



Finance Reporter
THE DEBT burden of Natal farmers soared by: more than 13 percent last year over the previous year's figures to 31,4 percent, which is regarded as 'critical' by the South African Agricultural Union.
$\therefore$ In the Volkskas Economic Spotlight, the SAAU says that a debt burden of more than 30 percent should be regarded as critical for farmers in these times of high interest rates.
The report says there has been a general worsening of the debt position from 1983 to 1984, with the number of farmers It says that agriculture is in no position to absorb these increases, 'which will inevitably weaken the financial position of farmers even further,' and notes that financial planning and discipline will have to become' the watchword in future'agriculture with available funds being used more judiciously.
whose debts exceeded the eritical mark of 30 percent, reaching the 'alarming proportion of about $22700^{\circ}$
Hardest' $h$ he Transvaal havesbeen plagued by drought since plagued by drought since 1982, where the debt burden has risen from; 29,8 percent in 1983 to 41,4 percent last year andorange Free state from 27,1 percent to 40,3 percent.
Cape
The Western and Eastern Cape regions also had big increases, with the Western Cape up, from 15,2,percent to 26,7 percent and Eastern Cape from 10,9 percent to 16,6 percent.
The number of farmers 'with 'little or' no debt (a debt ratio of 10 percent or less) declined from 49 percent in 1983 to an estit matéd 38;7'percent ât'the end of 1984 .
The report says osts have risen far more sharply in agriculture than in other sectors.
It Tists the price of fertiliser rising by another $20^{\circ}$ percent, fliel for agriculture by 30 percent and says further in creasès are expếctéd in the prices of tractors; chemicals and anfithals feeds.

# Shell: profit <br> By DI MEEK <br> portion of the profit," he 

Environment Reporter
PESTICIDES accounted for more than $\$ 825-\mathrm{mil}$ lion (about R1 640 m ) of Shell's agrochemical group sales world-wide in 1981, of which at least five percent represented the sale of dieldrin and the closely related chemicals, aldrin and endrin.
However, Shell South Africa have said that their profits from dieldrin are miniscule. A spokesman for the company said yesterday that they did not have figures for sales or profits for dieldrin worldwide. Even if they did they would not be at liberty to make them public.
The figure of $\$ 825-\mathrm{mil}-$ lion is given in a publication "Getting Tough, Public Policy and the Management of Pesticide Resistance", authored by two top American pesticide scientists and published late last year by the World Resources Institute in the United States.

## Inflation

It is among information gathered from overseas sources including the World Health Organization, scientists and published scientific papers by Mr John ComrieGreig, editor of African Wildlife Magazine.
Mr Comrie-Greig said that allowing for inflation and at the present exchange rate the 1985 figure for Shell's pesticide sales world-wide could well be in the order of R2 $000-\mathrm{million}$.
"Although Shell has refused to disclose the quantities of dieldrin sold in Southern Africa their sales of dieldrin world-wide by no means contribute a miniscule
said.
Mr Comrie-Greig said the multinational oil company was listed as the fourth-biggest supplier of pesticides after Bayer, Ciba-Geigy and Monsanto.
"It seems to me that the real reason why Shell South Africa will not back down on the dieldrin issue is that it would create a precedent world-wide, and eventually lead to the cancellation of multi-million-dollar contracts." he said.

Dieldrin (along with aldrin and endrin) are banned or severely restricted in most Western countries.
Mr Comrie-Greig said the extent of the pesticide problem was clearly illustrated by figures supplied to him by Oxfam, the international famine-relief organization, and the United Nations.

## Poisoned

Oxfam estimated that by 1981 there would be 750000 cases of pesticide poisonings worldwide with pesticides accounting for 14000 deaths.
But more recent figures from the United Nations suggested that about two million people are poisoned by pesticides each year, particularly in developing countries.
An American scientist had also written to the Wildlife Society and produced evidence which showed that dieldrin and endrin were listed among the pesticides most commonly responsible for poisoning cases in the Third World.

- When asked to comment, a spokesman for Shell said yesterday that Shell South Africa did not have information on

There existed a privity of contract between a company and its customers, and to disclose this
information would be in ers, and to disclose this
information would be in breach of that relationship.
worldwide pesticide sales which involved numerous other companies and suppliers. Similarly they could not comment on the percentage breakdown of worldwide sales.
He said Shell South Africa had already stated that its profits from dieldrin were miniscule. As far as the group was concerned Shell South Africa did not have figures and in any event would not be at liberty to make public what constituted group proprietary information.
He said that in a recent television interview the chairman of Shell South Africa, Mr J R Wilson, was asked whether the continued sales of dieldrin were worth the "hassles" and whether it wasn't much easier to give in and cease supply.
Mr Wilson replied that he had agonized over the question for hours: "If one looks at commercial advantages only, then the answer to that question is clear - no, commercially it just wasn't the hassle.
"Already, in terms of man-hours spent on the issue, it has cost us a few years' profit from dieldrin sales. But then this is not a simple, commercial debate.

## Supplied

"I sincerely believe that Shell's responsibility towards the people in Southern Africa outweighs any other consideration. As a company with a highly developed social awareness, our primary responsibility is to preserve the lives and livelihoods of people, and to maintain stable economies in those countries where need is greatest. There is no easy way out."
In reply to questions and how much was sup-
THURSDAY, 28 FEBRUARY 1985350


$61 \varepsilon$

$88 \varepsilon$

## THURSDAY, 28 FEBRUARY 1985

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## The MINISTER OF AGRICULTURAL ECONOMICS:



Sanden: national monuments Sandton: national monuments
s9. Mr D J DALLING asked the Minister
of National Education:
(1) Whether any properties in Sandton
have been declared national monu-
ments; if so, which properties;
(2) whether any properties in Sandton
are presently under consideration in
this connection; if so, which proper-
ties?
The MINISTER OF NATIONAL EDU-
CATION:
(1) Yes. The so-called Weber House and
the Old Laboratory, both situated on
Portion 44 of the farm Driefontein 41
IR, Sandton, were provisionally de-
clared to be national monuments on
22 June 1984. This declaration will
lapse on 21 June 1989 if not renewed
or altered into a permanent declara-
tion.
(2) No.
Imports/exports: loss of foreign exchange
134 Mr H H SCHWARZ asked the Min-
ibici 0 Agricultural Economics:
What is the estimated loss of foreign ex-
change suffered by the Republic in 1984
HoA
or the latest specified 12 -month or other

respect of (a) additional imports and (o)
loss of exports attributable to drought

(a) R1 057 million in respect of 1984.合合

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 (2) No. Sandton: national monuments
59. Mr D J DALLING asked the Minister
of National Education:
(1) Whether any properties in Sandton
have been declared national monu-
ments; if so, which properties;
(2) whether any properties in Sandton
are presentty under consideration in
this connection; If so, which proper:
ties?
The MINISTER OF NATIONAL EDU-
CATION:
(1) Yes. The so-called Weber House and
the Old Laboratory, both situated on
Portion 44 of the farm Driefontein 41
IR, Sandton, were provisionally de-
clared to be national monuments on
22 June 1984, This declaration will
lapse on 21 June 1989 if not renewed
or altered into a permanent declara-
tion. 252. Mr E K MOQRCROFT asked the
Minister of Agricultural Economics:
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 The MINISTER OF AGRICULTURAL
ECONOMICS:

 or the latest specified 12 -mionth or other
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JOHANNESBURG Blacks should be allowed to buy or rent land from stuggling white farmers as part of a rational planning strategy for South Africa.
This call has come from Professor Lawr ence Schlemmer and Professor Hermann Giliomee in studies on influx control which they presented to the Coping With City Problems conference held here this week.
Blacks might welcome the opportunity to acquire land, while the estimated 40 per cent of white farmers who were in'serious financial diffi-
culties might be inent mith "new commit terested in sup- ment to the free-market
plementing their incomes by letting or selling land to small-scale black producers, the professors said.
The government should consider whether the Land Act of 1913 which prohibited blacks from buying or renting land in the white rural areas, had not become obsolete.
The act was aimed at providing cheap black wage labour to the farms. This' was no longer necessary - there was a huge black labour surplus and the number of blacks employed on white farms had actually dropped by 13 per cent between 1970 and 1980
philosophy" the government should consider whether, on many underused white farms, it would not make economic sense for smallerscale production to be carried on by black farmers who bought or rented the land, the professors said.
Prof Schlemmer, a Natal University social scientist, and prof Giliomee, of the department of political studies at the university of Cape Town, outlined a strategy which would balance urban and rural life. It included:

- Buying extra land for black housing near the cities. If this was coupled with a dismantling of influx control, loans
could still be raised overseas. These should be used for site and service schemes at very low minimal standards where people paid low site rentals and could build houses for R1 000 to R2 000.
- Setting up joint stateprivate sector urban development corporations to provide finance for small loans.
- Applying economic service levies which would limit demand. - Issuing more lớdgers' permits to houses̃ in-existing townships where pressure is reduced iby the new settiements! - Limiting overcrowding by a penalty in the service charges of the householder. - SAPA.

By DI MEEK
Environment Reporter
PESTICIDAL poisoning has been seriously un-der-reported in South Africa, and registered pesticide deaths probably represent as little as 10 percent of the true total, four conservation organizations have claimed in a statement.

The Wildlife Society, the Endangered Wildlife Trust, the Southern African Ornithological Society and the South African National Section of the International Council for Bird Preservation issued the statement in response to the letters sent to the staff of Shell South Africa by the chairman, Mr J R Wilson, and printed in the Cape Times yesterday.

Their full statement is as follows:

Dieldrin: We deplore Shell's decision to continue to supply dieldrin to Southern African states. The chemical is dangerous to the environment because of its longlasting properties and its accumulation in the tissues of animals.

It is particularly lethal to birds of prey and a danger to other animals including man, at the end of food-chains in which dieldrin is known to be concentrated.

The dieldrin being used in Botswana, SWA. Namibia and Swaziland is contaminating the marine ecosystem of the Indian Ocean. This is unacceptable and must be stopped at once.

## Unconvincing

Shell's statement that dieldrin is indispensable in combating tsetse fly is unconvincing. The continued availability of dieldrin is postponing the introduction of environmentally accepted insecticides, such as the synthetic pyrethroids of which three kinds were shown to be effective against tsetse fly in Nigeria six years ago.
Similarly, it is unlikely that dieldrin is the only remedy for the black su-gar-cane beetle in Swaziland, when in South Africa (where dieldrin is banned) 12 insecticides are registered for control of the closely related black maize beetle.

Despite the fact that dieldrin is banned here for very good reasons, to
continues to pass through this country to our neighbouring states.

The possibility of acci dental spillage in Dur ban (where it is imported, formulated and packated) or damage to containers while in transit to end-users, poses an unacceptable threat to the SA environment.
Shell's "concern": If it is no mere advertising catch phrase that Shell is "a company with a conscience"; that "the protection of the environment has always been and will remain a major concern of Shell South Africa"; that the company competes with others when tenders for the supply of dieldrin are called for; that Shell makes "a minuscule" profit from the sale of dieldrin and that there are no commercial advantages in continuing to supply it, then let Shell demonstrate its concern by not submitting any more tenders, and by closing down its diel-drin-formulating facility in Durban.

If other chemical companies then supply dieldrin in Southern Africa, they in turn will have to contend with public condemnation both here and overseas.
Pesticidal poisoning in man: The numbers of deaths of humans caused by agricultural remedies was raised by us, not to imply that dieldrin alone was responsible (although we do have records of mortality caused by dieldrin), but to refute the claims by Shell that end-users of pesticides are fully aware of the properties of this chemical.

In a radio broadcast of 25/1/1985 a spokesman for our organizations claimed that an annual average of 68 deaths caused by pesticidal poisoning occurred between 1966 and 1980, with 113 deaths in 1980.

Shell SA has disputed this, claiming that only six people died in 1980 and that 113 notifications of pesticidal poisoning were recorded that year. Our statement was based partly on the figures supplied by the Central Statistical Services, RSA (1982), but we also took into consideration two other official documents.
from the SA Department of Agricultural Technical Services (Wiese Bot, 1973, Entomological Memoir No. 30) stated that 6000 cases of pesticidal poisoning among farm workers were reported to the Workmen's Compensation Commissioner for the five-year period 1962-1966, or an average of 1200 a year.

Secondly, in a press release from the Department of Agriculture, Mr M V Orban, the registrar of the Fertilizers, Farm Feeds, Agricultural Remedies, and Stock Remedies Act (Act 36 or 1947) stated that 103 persons died in South Africa between 1 April 1982 and 31 March 1983 from in gesting agricultural remedies.

## Investigation

We have conducted a limited investigation into the incidence of pesticidal poisoning in South Africa, in an attempt to resolve the anomalies in statistical reporting.

This has revealed some startling facts which indicate that pesticidal poisoning - a notifiable condition - has been seriously under-reported.

For example, the official figures released for pesticidal deaths by the Department of Health and Welfare for the fiveyear period 1979 to 1983 total 52.

## 229 deaths

However, according to our information, 229 cases of death from pesticidal poisoning were recorded by the Johannesburg chemical laboratory of the department in the same period.
Therefore it appears that the Johannesburg laboratory alone registered $4^{1 / 2}$ times the alleged national total. When pesticide deaths from other areas of South Africa are added to this total, we maintain that reported pesticide deaths probably represent as little as 10 percent of the true total.

We regard this as a matter of national concern and request that an investigation of the situation be instituted by the appropriate medical authorities.

452
ively, during the latest specified 12 -
month period for which figures are
available;
been made public; if so, (a) how
many and (b) of which commissions many and (b) of which commissions
and committees;
(4) what is the total estimated cost relating to each of these commissions and
committees?
The MINISTER OF FINANCE:

(b) None.
(2) (a) One interim report.
(b) Commission of Enquiry into the

$451 \quad$ WEDNESDAY, 6 MARCH 1985
sions in regard to removals no p
ticulars can be given at this stage. tuculars can be given at this stage
(2) (a)(1) and (ii) and (b) fall away.
Air pollution monitoring points
355. Dr A L BORAINE asked the Minis-
ter of Health and Welfare:
ter of Health and Welfare:
(1) Whether there are any air pollutio
monitoring points in the areas comprising the electoral division of Pine-
where are they located, (b) what
and (iii) level of other specific signi
points in winter and summer, respect (i) Lead $\ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots$
(ii) Sulphur dioxide.$\ldots \ldots \ldots \ldots \ldots$
(iii) Smoke pollution $\ldots \ldots \ldots \ldots \ldots$
(2) The results indicate very low levels of
pollution in this area so that no fur-
ther action is deemed necessary.
Commissions/departmental committees
404. Mr K M ANDREW asked the Minis-
ter of Finance:
(1) How many (a) commissions and (b) departmental committees of inquiry
were appointed in respect of his Dewere appointed in respect of his De-
partment in 1984;
(2) whether any of the reports of such commissions and committees have and (b) of which commissions and and (b) of which commissions and
commuttees;
whether any of the reports of such
commissions and committees have (2) The results indicate very low levels of
pollution in this area so that no fur-
ther action is deemed necessary.
Commissions/departmental committees (2) The results indicate very low levels of
pollution in this area so that no fur-
ther action is deemed necessary.
Commissions/departmental committees
( (1) (2) the average recorded atmospheric
lead level, (ii) sulphuric acid lev

"raw milk," from which blacks traditionally make a form of nutritional cheese.
"This could be one of the reasons why blacks die of kwashiorkor, while the Milk Board sits with unsold surpluses," says De Jong. And, in order to protect butchers, the Meat Board prevents cafes selling frozen red meat. As a result, rural blacks buy frozen chicken. "Neither the producer nor the consumer benefits," he says.

Another regulation prohibits the sale of undersized potatoes. "This means that farmers have to destroy good food while people starve," De Jong adds.
The son of a civil servant, De Jong was born and bred in Pretoria. He matriculated at the Afrikaanse Hoer Seunskool before enrolling for a BSc at the University of Pretoria. But winning a swimming scholarship from the University of Oklahoma after only one year at Tuks changed all that. As a result, he spent nine years studying in the US and obtained a Bachelor degree in business administration and a Masters degree in geology.

Returning to Pretoria in 1960, he started Gerrie de Jong Construction, which in 1970 became the quoted De Jong Holdings. "I built thousands of flats and became well acquainted with the rent-control issue," he says. This helped launch a short political career as NRP MP, from 1977 to 1980. But he soon discovered "that the caucus system kills individuality."

Selling his $1,5 \mathrm{~m}$ De Jong shares in 1972 for R2,1m to the Ovenstone group, De Jong decided to go farming and bought a 1000 ha ranch in Natal's Howick district. The "De Jong Ranch" is today "the largest kikuyu grass farm in the world," and 3000 cattle and 2000 sheep grow fat on the lush grazing. However, he recently sold it.
This type of specialised farming requires huge amounts of fertiliser (about 1 t /ha/year) and when fertiliser companies announced their joint $24 \%$ price hike in January this year, the fat was in the fire. With agricultural chemicals and weed-killers also going up by between $30 \%$ and $40 \%$, diesel by $25 \%$, and tractors and implements by a similar $25 \%$, it was more than farmers would put up with.
"The farming sector has steadily been losing its lobbying power against organised commerce and industry, who have used their powerful financial and job-creating clout to twist government's arm in their favour. We hope to restore a measure of balance in this area," says De Jong.

Initially, organised agriculture opposed the protest action, while the Broederbond, according to De Jong, also played a role in trying to stymie the protest. "They thought we were launching a politically motivated attack on government. Various farmers told us they couldn't participate for fear of losing their financial lifeline."

But the protest transcended politics.


De Jong . . . leading the great tractor trek down Maritzburg's main street

Members of all parties took part in the Maritzburg march. "The latest Natal stand has served to highlight some very important issues, at a time when it is estimated that 17000 of SA's 70000 farmers are already technically insolvent," says De Jong.

With reactions to the "tractor protest" still reverberating through the fields, it's clear that farming will never be the same again - at least not in Natal.

## JUNE KRITZINGER

## Watching the soaps

June Kritzinger, one of SA's most successful businesswomen, has been gearing up for the challenge of running SA's largest discount, toiletry and gift chain for some time now. In April, when Clicks' MD Harry Goldin becomes executive chairman, she'll step into his shoes.

Despite gloomy economic conditions, Kritzinger (37) radiates optimism about Clicks' future. She's already eloquent about plans to add new stores to the group's existing 55 . "We're definitely opening six this year, though that could well end up as eight or nine," she says. "In the current climate, premises are becoming available at short notice so we're keeping our options open."

After that, says Kritzinger, the sky's the limit. "We're aiming for 200 stores ultimately. There's huge expansion potential, particularly in the Transvaal, and then there's the Diskom chain we purchased last year. The potential there is equally great."

Overly-optimistic words at a time when the retailing sector is reeling? Kritzinger believes Clicks is poised not merely to weather the storm, but to grow: "We're $20 \%$ up on turnover for the first six months of the financial year. Our interim figures will be out next month, and there's no doubt we're still respectably profitable."

Indeed, the company is better off than many. Interest rates are not really a problem as the company's substantial capex programme over the past five years has largely been cash funded. "That means we're not as liquid as I'd like to be, but we're not highly geared, thank God. Whatever borrowing we do have is short term," she says.

Like all other retailers who import, Clicks has obviously been hurt by the forex burn. "Imports account for some $12 \%$ of sales which doesn't sound very much," she explains. "But it does, of course, bring in a lot of our profits - one doesn't survive on soap and toothpaste."
English-born, Kritzinger first came to SA almost by accident on a French teaching job. She returned to London - but, after Cape Town, couldn't handle the English winter. Within months she was back in Cape Town, working as a toiletries buyer for Garlicks.
"I wanted to progress but found I wasn't getting anywhere fast. Then I heard that

As the first rooinèk mayor of Bloemfontein in 30 years, one would expect Colin Hickling's major task to be smoothing ruffled Afrikaner feelings. On the contrary, Hickling considers harmony between Bloemfontein's Afrikaans and English communities an absolute fait accompli.
Hickling (46), MD of the Bloemfontein Board of Executors, says "the English and Afrikaner live in a nice sort of vrede and mutual respect here. It represents the true South Africanism we're all striving for. Bloem is a lekker place to live."

As the only independent member of the Bloemfontein City Council, and the only non-member of the NP-aligned Action Committee, Hickling served alone for years before being voted mayor on an unopposed ticket.

Hickling is one of the city's greatest fans. His feelings run so deep that he was partially responsible for the creation of a Bloemfontein Old Boys' Club. "I think that many people in the corridors of power have lived in Bloem at some time and can be of use to us in boosting the city's image," he says. "People like Wim de Villiers, Basil Landau and Warren Clewlow are just a few."

He doesn't regard overcoming the language barriers as too difficult a task so presumably his next challenge will be fostering racial harmony.

Those who know him say he believes in non-confrontation and working behind the scenes to achieve changes in administrative attitudes and strategies. But he says he's made a deliberate affort to remain apolitical.

According to Hickling, "Bloemfontein is something of a trailblazer. We were one of the first SA municipalities to allow Coloured Management Committee members to attend our management meetings and they have attended every month for years," he says.

Jack Goldin was opening a new chain and was looking for staff. I applied and got a job as a buyer when the Clicks chain was started in 1968."

From there, she says, she's been running: "I got onto the treadmill. It got faster and I've never got off." Not that she sees herself as a workaholic. "I work from around 7.30 am to 7 pm , and usually take some reading home at night. But I ride horses at weekends to relax." Also, says Kritzinger, she and her husband, who is legal adviser for an oil company, both enjoy good food and wine. They do not have children.

As for surviving the rough months ahead, Kritzinger says retailers will simply have to get out there and hussle. "We have to create the action ourselves, and follow all possible avenues to get the prices down.


Born in Maseru where his father was a trader, Hickling came to boarding school in Bloemfontein when he was in Standard 3, and has been there ever since.

His priority will be to promote the industrial township of Bloemdustria. "We have very good decentralisation incentives," he explains. "If this gets off the ground it'll create jobs for Bochabella, Bloem's black township."
Though many might disagree, Hickling considers Bloemfontein to be "the total city," and intends promoting it this way.

People always find the money from somewhere if you can make it attractive enough," she says. "We simply have to come up with new ideas all the time, because things that worked last year don't necessarily work this year."
She has no immediate plans to change the direction Clicks has taken: "The formula works, and I think we'll stay more or less the same for the moment, although obviously we're always watching trends." If she has any mission, it's to improve communication channels within the group. Having just returned from the Advanced Management Programme at Harvard, she's full of fire about productivity and believes communication is the key.
"There's a tremendous gap between management and staff in SA. We've never


## Reply to De Hoop complaint <br> Chief Reporter <br> of the property at a spe-

IN reply to specific complaints about "unfairness" in the expropri ation of their properties by residents in the De Hoop area, the Departmend Land Affairs yester and Lay Afrairs the Times to a statement by the Deputy Minister Development and Land Affairs, Mr B H Wilkens Affairs, Mr BH Wikens. In this, Mr Wilkens people were "ignorant of the procedure which is followed with regard to the determination of prices and the process by which property is acquired for governmen purposes.
"As in normal practice expert private valuer were appointed to un dertake the necessary valuations for the De Hoop project.

Imperative
"These valuers, who operate independently did intensive market re search and submitted valuation reports, taking into consideration recent sales and ruling market prices. The fully motivated reports were submitted to the Com munity Developmen Board for consideration and a decision regarding the offers.

It is the objective throughout to come to an agreement by negotia garding the price. In gases where property is urgently required or where it would appear that an agreement would not readily be reached and it is imperative that the State has possession
cific point of time, expro-
"I wish to stress that "I wish to stress that negotiations continue in after expropriation has taken place.
"There is greal understanding of the situation that some owners are disoffered them, and therefore the door is always ore the door is always open for negotiation.
This process takes place on a personal basis between the parties concerned.

This is indeed the only and established line of action. Any owner who is of the opinion that he has not been offered a reasonable price for his property is welcome to submit factual motivation as to why his property is worth more, and I gladly give the assurance that such motivation will be considered carefully

I firmly believe this is the correct and only manner to deal with the matter rather than trying to find a solution for the problems by means of he press."

- The office of the Di rector-General of Publi Works and Land Affairs, at Skipskop that the posi tion of coloured families there had not been clari thed said this was a mat ter to be dealt with by the Regional Director of the Department of Local Government Housin and Agriculture.
-It has been ascer tained from that officia that the matter is receiving his attention," the re ply added.
 The offer they have made me for my farm of 377 ha works out at R180 a hectare, and the worst ground in this area is worth at least R500 a hectare."


Mrs Dinah du Toit: "They want to give us R26 000 for this four-plot property. Where are we going to find another place to stay at that price?'


Mr Willy Norman outside his property in Skipskop for which he has been offered R127648. Mr Norman claims the property on 0,2 ha is worth well over R200 000.

\title{

Anger over 'unfair' De Hoop land deals Cart Tins 9 $9 / 3 / 85$ (36emon

\section*{By ROGER WILLIAMS

## By ROGER WILLIAMS Chief Reporter




ABOVE: Mr and Mrs Willem Nefdt have been offered R27 500 for their five-bedroomed house, plus R8 880 for one hectare of ground. BELOW: The payout offered for this 3,3 ha piece of undeveloped land, containing uninhabitable buildings, was R227 000 - or about R69 000 a ha.

Pictures: Ivor Markman


ANGER is mounting among homeowners in the De Hoop area, now being cleared for an Armscor missile-testing range, over the "shabby, inconsistent and unfair" treatment they have received in the expropriation of their properties.
The Deputy Minister of storey house he rebuilt They say no accepted a new home for that?' Development and Land Affairs, Mr B H Wilkens, concedes that "there is great understanding of owners are dissatisfied with the prices offered them.
"Therefore the door is always open for negotialion."
Mr Wilkens's statement was sent to the Cape Times yesterday after specific complaints from De Hoop had been referred by this newspaper to the Directorger to the Directorand Land Affairs.
Individual complaints referred to were not dealt with in the official reply.
'Shocking'
Property owners in the De Hoop area have told the Cape Times they must be out of their homes by the end of this month. But a number of them, including pensioners, complain that payouts offered by the government will not enable them to buy a plot of land, let alone a new Mr
Mr Willy Norman, 64, a resident of Skipskop near Bredasdorp, told last week: "The way we have been handled is shocking, to say the least - and the worst of it is that we appear to have no redress."
"We have to be out this month, on compensation offered on a take-it-or-eave-it bass"
Pointing to the double-
in 1980 Mr Ne rebuilt They say no accepted "My wife and I put every- pears to have been used thing we had into this in the valuations in the place; this was our re- area and that widelytirement home, in a varying prices have been

## Reply to De Hoop complaint, more pictures, page 11



Mr Bob Harman has been offered one of the highest prices for undeveloped property. "I agree that some people have been treated unfairly," he says.
quiet, out-of-the-way area w
"Now, we've got to start all over again somewhere else, with insuffi client means to find a phis one we all feel that if it is in the national in merest that we should move out of here we must accept that - but then surely it is up to the government to ensure that we are fairly compensated."

Mr Norman and other De Hoop residents say they have been "pushed from pillar to post" in the expropriation process.
offered for properties of comparable size and situation. They also say their properties were no properly surveyed for valuation but were mere by "paced out" for size.
In several cases, the payout offered for seaside properties is less than R30 000 . A despondent Mr and Mrs Danie du Toil told me at Skipskop they had been offered R26 000 for their four-plot house with three bedrooms and its own water supply - and a four-car garage.
"Where on earth are we going to be able to get

Mrs Du Toit asked In the small commonity at Skipskop, where most residents are pensioners, I was introduced to one dissatisfied property owner after another. Mr Hennie Groenewald, 38, who owns farmland and holyday shacks, said: "My grandfather was a cent at Skipskop Everything I have is here, and what the Department of Public Works and Land Affairs is prepared to pay me out will not enable me to buy anything comparable elsewhere.
"And no-one has been able to tell me what is going to happen to the coloured families who have been working for us."

## Uninhabited

- As an example of the department's inconsisency" in its property payouts. I was shown a 3.3-hectare piece of land behind the dunes with three uninhabitable structures on it for which, 1 was told, the payout was R227000, or R69 000 a hectare, while owners of developed seabeen made offers have effect are less than R9 000 a hectare.
2000 a hectare
the owner of the 3,3 ha former Cape Town restaurateur, while declining to give his reaction to the payout for his own property. conceded that other owners had been unfairly treated"




## COAL CONTROL BILL

## Pretoria backs off

United private sector opposition to the proposed Coal Control Bill (Business January 23) appears to have paid off. The Department of Mineral and Energy Affairs (DMEA) has withdrawn the offending draft and, on March 1, will present a revised version to the Parliamentary Standing Committee on mineral and energy affairs.

Chairman Michael Veldman confirms that the committee's request for the public to be given the chance to air its views drew widespread response. He says there were "a vast number of representations" against the draft Bill considered at the first committee meeting last month.

The revised Bill - now known as the Coal Resources Bill - contains important changes, but there is still a widely held view that the latest proposals do not go far enough. Some changes are superficial, an industry source tells the $F M$, and "show more concern with semantics than the needs of the industry."

Since the outcry, the DMEA has met the Chamber of Mines and coal distributors, and Assocom has come out strongly against the proposals.

The revised Bill scraps the much-criticised post of Coal Controller. Indeed, the very word "control" has been scrubbed and is replaced with a more acceptable "regulate."

The new version gives the Minister of Mineral and Energy Affairs power to regulate coal. But, more worrying for the private sector, is that he will be entitled to delegate the authority "to the Director General or any official in the public ser-
vice." This has raised fears that a "controller" in another guise is still lurking in government's mind.

Another concession to the private sector is the proposed appointment of an advisory committee "which is to be consulted before any powers conferred upon the Minister under this Bill may be exercised."

The committee would include representatives "from all sectors of the coal industry, but primarily from the distribution sector," says DMEA Director General Louw Alberts.
Major consumer representatives, such as Sasol and Escom, are also likely to be included, says PFP spokesman for Mineral and Energy Affairs Brian Goodall.

Alberts stresses that the DMEA will confer with the industry before appointments are r..de "to get as representative a selection as possible," but much depends on the final composition of the committee. If too many representatives from major distributors who supported the original Bill are included, the whole object could be defeated.
Opponents of government participation in the industry are also concerned about the continued wide powers of the Minister to regulate almost all aspects of the industry.
In defence of the Bill, Alberts says the clauses are designed to cater for the future. He explains: "We are looking at export programmes for $10,20,30$ years ahead." On the other hand, he adds "the sooner industry can convince the DMEA that it can regulate itself, the sooner we will hand over the reins." And he says he expects the Advisory


Coal distribution ... a new look

Committee to hasten the process.
He refers to conflicts between large and small distributors which highlight the need for regulation. An unregulated industry, with no price control may lead to unreasonable price hikes, which would hit "the small consumer who only wants one bag of coal a month," says Alberts.

However, Goodall, a one-time Standard Bank economist, says the revisions have been made only to make the Bill "less unacceptable." He is particularly concerned at the lack of provision for redress.

## FARMERS' REVOLT <br> Cracking cartels



Flushed with the success of their Maritzburg rally (Business February 15), Natal farmers have formed a joint action committee to unite provincial buying power and break private-sector cartels.

Bypassing the traditional SA Agricultural Union (SAAU) because they feel they can get quicker results on their own, the province's 7000 farmers are planning direct action that could change the face of agriculture in SA.

If they succeed - and they have already forced fertiliser prices back to 1984 levels - other provinces will not be slow to follow. SAAU president Kobus Jooste says he is watching developments with "great interest."

Last Friday, members of the independent rally committee met representatives of the Natal Agricultural Union (NAU), Natal farming co-ops and farmers' exchanges (private companies formed and managed by farmers to act as joint buyers) and decided on three more steps:
$\square$ To ask the President's Council (PC) to ensure that government removes restrictive laws, by-laws, regulations and other bureaucratic interference in the free marketing of farm produce. This, they say, will effectively reduce the price of agricultural produce to the consumer;
$\square$ To meet Agriculture Minister Greyling Wentzel early in March to spell out farmers' complaints on restrictive and inflationary measures, as well as the cost-push effect of private-sector cartels on farm input costs; and
To make separate submissions on the Natal farmers' plight to the SAAU and control boards.

Describing the meeting as "very positive," rally committee spokesman Gerrie de Jong (see People) says the PC submission will fit in with its current investigation


Argus Correspondent JOHANNESBURG. - Several parts of the country have received late summer rain and the outlook for more is good.
A heavy downpour brought traffic to a halt in Pietersburg's main business centre yesterday afternoon, where streets became rivers and most shoppers had to wade to their cars.

Several Pietersburg shops and homes were flooded when about 60 mm of rain fell in just over an hour.
Cattle farmers in the district are rejoicing at the prospect of improved winter grazing. More than 50 mm was recorded at Naboomspruit after a 30 -minute cloudburst, and many farmlands on the Springbok Flats are waterlogged.
Good rain was also reported from Ellisras, Marnitz and Alldays.

## Storm damage

Fruit farmers in the Levubu district, near Louis Trichardt, have suffered heavy losses after storms and the Fanie Botha Dam at Tzaneen has risen to 23 percent, its highest level in two years.

Places as far apart as Thabazimbi and Cape Town had rain as a cold front reaching the Cape and a low-pressure system further north combined to break the heat.

The Western Cape weather was expected to remain cloudy and wet all day, a spokesman for DF Malan Malan weather office said.

Rain has been falling since early today and by $8 \mathrm{am}, 9 \mathrm{~mm}$ was measured at Cape Point.

## Littlé Karoo

At Willowmore in the Little Karoo, 52 mm is reported to have fallen last night.

In the Transvaal, Lydenburg had 34 mm ," while Kroondal near Rustenburg received a much-needed 25 mm .

Welkom in the Free State reported overnight rainfall of 18 mm while Bloemfontein had 12 mm . ${ }^{\text {. }}$

Nätal was less well off last night, with most centres receiving only a few millimetries of rain.


Game farming provides a viable alternative for
struggling border communities.

Game farming provides a viable alternative for

The task of improving the roads presents a serious
task of improving the roads.

## exodus

 ern Transvaal Command pointed out that good co-op-eration existed between the army and border comeration existed between the army and border corce
men already involved in mintary trainig. border are at present our most serious problems," he. commented, adding that the electrification of secur--
were priorities at this stage. both Messina and Louis Trichardt have developed notably since being de-
clared official growth points in terms of the Government's decentrall devised to make Alldays an impor-

 However it, is clear that the economy will no longer
allow for a R100 million handout, such as occurred at the peak of the border exodus in 1979-80. The reinjection they have received, is now a vital factor. - Financial help for new border farmers will continue. Considerable progress has been made with the improvement of infrastructure. - There are no serious security problems according to a Defence formers have been able to convey their complaints to the Government via the task force. ministrative delays in the handling of loan applicaministrative delays in the havich only provides for financial aid for border farmers occupying their land.
Mr Jack Klaff of Messina summarised the dilemma of the border farmer when he pointed out that it costs the average beef producer re train. He appealed for the establishment of local abattoirs, and Brigadier M Fourie of the Defence Force's North-
PIETERSBURG - Government efforts to stabilise the country's sparsely-populated northern border region, though hampered by a prolo, appear to have achieved a measure of success. This emerged from recent meetings between a highlighted the following trends: border has been - The population drain along farmers between Elchisras and Messina to consolidate all land into economically viable units, according to Mr Flip Radement and Planning. © Low interest-rate loans are available for droughtravaged farmers to restock their cattle ranches nowable winter grazing.

## Staff Reporter

RECORD rainfall figures have been recorded at D F Malan Airport so far this month－just over 400 percent more than the average figure for March．
With winter still round the corner and an ＂Indian Summer＂ex－ petted before the cold， wet weather really sets in，dams in the Western Cape are full or near ca－ pacity．

The rainfall recorded by the weather office at DF Milan Airport for the month so far．is $72,5 \mathrm{~mm}$ ．According to a spokesman，the average rainfall figure for March over 31 years is $14,4 \mathrm{~mm}$ ． Last March 31，9mm fell．

## Dams

Dams around the Pen－ insula reflect the above－ average rainfall this year．According to the City Engineer＇s Depart－ ment，the Wemmershoek Dam is 74,1 percent full （46，8 percent this time last year）；the Voèlvlei， 89,2 percent full（ 69,7 percent last year）；the Steenbras Upper， 100 percent full（92 percent

Record ontic rainfall

## $2013 / 85^{\circ}$


last year）and the Steen－ bras Lower， 78,3 percent full（ 52,8 percent last year）．
On Table Mountain the Hey Hutchinson Dam is 66,9 percent full and the Woodhead，which takes its overflow，is 35,7 per－ cent full．
The rainfall figure in Ceres is also a record with about 215 mm for March．The previous highest figure for March was 125 mm －in 1902 ．
According to Mr John Lingenfelder，general manager of the Ceres Po－ tate Cooperative，about five to 10 percent of the potato crop has been badly damaged by the heavy unseasonal rains．
－The good news for Capetonians who are feeling the cold is that to－ day promises to clear with fine weather follow－ ing，according to the weather bureau at DF Milan Airport．
The cold snap has spread inland during the past twa days and the coldest recorded them－ peratures yesterday morning were at Souther－ land（ 4 deg C ）and Tours River（ 9 deg C ）．


Official estimates released by the Department of Agricultore show this year's maize crop at 6,7 -million tons - a big improvement on last year's 4,3 million tons.

The general manager of the Maize Board, Mr Hennie Vel, said it would not be necessary to import maize for the $1985-86$ year.

## Higher price

In spite of this good news, consumers are likely to pay more for maize products when the new maize price is announced in May.

The National Maize-Producers Organisation is to meet the Maize Board on March 26 to ask for a higher price. The prosent producers' price is about R214 a ton and Nampo is asking for R270 a ton.

Nampo economist, Dr Kit le Clue, said farmers needed a big increase to meet soaring production costs.

The Government is likely to agree to an increase but analysts say it will not be as high as the Nampo demands.

## Communist

Meanwhile the last few shiploads of imported maize for the 1984-85 year will arrive in South Africa in the next few weeks.

Mr Neil confirmed that 20000 tons of yellow maize had been bought from communist China as part of the import programme.

He said the Chinese maize cost R18 a ton less than US maize and was of a very good quality. The maize shortfall from June 1983 to today amounted to 4,3 -million tons.

- Last year South Africa inported 2,5 -million tons of maize at a cost to the taxpayer of R700-million, reports The Argus Financial Staff.


## Normal

If the Maize Board's astimate proves correct, the country could see huge savings in foreign exchange.
In a normal year exports of maize earn between R 400 -million and R500-million.

The higher cost of overseas maize and the transportation cost meant the Government had to pay out R 200 -million in subsidies last year.

## 23000 chicks die as wind destroys batteries

## Tygerberg Bureau

THE unseasonably cold, wet weather has damaged fruit and vegetable crops in the Roland and R200 000 damage was caused on a Durbanville farm when wind destroyed five chicken batteries and killed 23000 hatchlings.

Rainfall in the Peninsula this month seemed to be breaking every record, a DF Malay airport weather office spokesman said today.
.So far over eight rainy days, a. total of $71,9 \mathrm{~mm}$ has been recorded. Last March $31,9 \mathrm{~mm}$ was recorded over nine days and the average for March was only $14,4 \mathrm{~mm}$.
Ceres has had record rainfall -213 mm in the past two days which is almost double the record of 125 mm in March 1902.

The average March rainfall for the region is 24 mm .

Snow fell on Friday night on the Brandwacht and Waaihoek mountains near Worcester and there are fears that the wet weather will rot grapes still on the vine.

Brown rot has already appared on yellow peaches, and potatoes and onions are also rotting.
TUESDAY, 26 MARCH 1985 838
837 TUESDAY, 26 MARCH 1985 .
837 (

- equivalent of 162650 beef car-
casses was imported from the caslevant countries under quotas in terms of long standing marin terms of ong stand th arrens
keting anreements and the Cus-
toms Union Agreement. (b) R66,6 million.
(2) Botswana, Swaziland and South West
†Dr F HARTZENBERG: Mr Speaker, arising out of the reply of the hon
ter, what quantity of surplus beef and car-
casses is now avaiable in the conntr? ter, what quantity of surplus beef and
casses is now available in the country?
The MINISTER: Mr Speaker, the hon member must have that question placed on
the Question Paper: I shall then be able to the Question Paper: I shall then be able to
give him an accurate reply. [Interjections.] $* 41 . \operatorname{Mr~PR~C~ROGERS-Sefance~[Re-~}$
ply standing over I What is the estimated area that was lost
for agricultural pproposes as a result of ofrfor agricultural purposes as a result on
ban development as at the latest specified
date for which figures are available?
The MINISTER OF AGRICULTURE
ECONOMICS:
It is estimated that since 16523.7 mil-
lion hectares agricultural land was made lion hachar for urban development. Since
available the beginning of 31971 until the end of was lost for the same purpose.
Mr H H SCHWARZ: Mr Speaker, arising out of the hon the Minister's reply, could he
tell the House what happened in this respect prior to 1652 ? [Interjections.] Questions standing over from Tuesday, 19
Area lost for agricuttural purposes
TUESDAY, 26 MARCH 1985
${ }^{+}$Indicates translated version. For oral reply:
General Affairs:
*2. Mr R W HARDINGHAM asked the
Minister of Agricultural Economics:
TUESDAY, 26 MARCH 1985
†Indicates translated version.
For oral reply:
General Affairs:
Questions standing over from Tuesday, 19
March 1985:
$\qquad$

(iv) other pressing debts incurred in These loans are limited to the
production value of the security production value of the security
as determined by the Land Bank Board, taking into account any Board, taking into account any
existing Land Bank bond debt
on such security.

6-YEAR SCHEME (Extension for
repayment of Cash Credit Ad-
vances by co-operatives)
This scheme does not entail any
oans by the Land Bank direct to farmers. The co-operative
drought-stricken
but $\begin{aligned} & \text { accounts of } \\ & \text { still } \\ & \text { credit- }\end{aligned}$ worthy producer members of co-op-采
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0 lyzed by the directorates of co-opera-
tives in the summer rainfall areas to ascertain the carry-over debt in respect of production credit qualifying
for inclusion under this scheme. De-


 by the debtor to the co-operative,
whereupon such proceeds will be paid over to the Land Bank in settlement of the co-operative's debt under
the Cash Credit Advances. (3) 22 YEAR SCHEME
(a) $38,9 \%$ (R222,0 million). (b) $26,1 \%$ (R148,9 million).
(b) R1 155,9 million production
 co-operatives and by co-opera-
tives to the Land Bank under the 6 year scheme on 28 Feb-
ruary 1985 .
(3) what proportion of the above loans represented debts incurred from (a)
co-operatives and (b) commercial
banks?

Yes.
22-YEAR SCHEME (Secured by
mortgage bonds over farm proper-
Only applications received by the Land Bank up to 31 March 1985 from
creditworthy drought-stricken crop farmers in the summer rainfall areas
are considered for the redemption of:
(i) one-third of applicant's production credit with his co-operative;
(ii) one-third (increased to one-half under the 1984 scheme) of his
commercial bank overdraft incommercial bank overdraft
curred for production credit;




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imported agricultural doing well, with acreage products valued at about under cultivation about R500 million net.

Taking into account and 1983-84
more favourable climatic The yield should be conditions since the be- much improved because ginning of the year, grain the growing conditions distributors Kahn \& Kahn predict that the maize crop will not be less than 6,5 million tons, assuming that countrywide the average yield per hectare will be about 1,67 tons.

Even if present maize estimates are on the optimistic side, a very substantial rise in the outturn of grain sorghum is expected and this can be used as a substitute for maize to the extent of about 400000 tons.

More drought resistant than maize, the grain sorghum crop estimate is 650000 tons which is calculated on a yield of only 2 tons per bectare.

## GROUNDNUTS

A further advantage for sorghum is the fact that a considerably larger area is being cultivated this year than at any time in the past five years.

The groundnut crop is
have been favourable, particularly in the critical months of January and February

It adds up to a confident future for groundnuts, with $\mathrm{K} \& \mathrm{~K}$ forecasting a crop of about 100000 tons, compared with 47500 tons last year and 61500 tons in 1983.

Another strong performer is the sunflower crop with a. much larger yield than that in 1984 when the seed was ravaged by drought. The current estimate for this commodity is 300000 tons as against 197000 tons last year and 201000 in 1983.
"This figure might, indeed, be pessimistic because there has been a large increase in late plantings which are showing exceptional progress and the sunflower crop could well be in excess of estimate," says Kahn \& Kahn.
n
fi fi

overloading AFICA is turning into a desert as stock CF Garbers, president of the deteriorate, says Dr GRarbers, president of the CSIR R䋨:
Research had shown that by 2050, large tracts in the Triansvaal and Natal would be like the Karóo.
Dr Gerbers called for ecological research into the effective use of South Africa's natural resources.
Opening the congress of the SA Society of Animia Production, at Stellenbosch this week, he said, In the field of crop and horticultural research our scientists have placed our industry on a lével equal to that of most first world countries. But the reả pröblem lies in our veld management situation.

1022
1021
WEDNESDAY, 10 APRIL 1985
leptic, autistic and physically offer a variety of educational phases and handicapped. that pre-primary, primary, secondary and Training Centres for Mentally
Retarded Children-Schools of In- education may be offered in the
same school. dustries; Reform Schools. The teacher to pupil ratio applied by this Department on 1985.04.04 is:

> It is important to note that the schools
$\left.\begin{array}{l}\text { Hearing impaired } \\ \text { VIsually impaired } \\ \text { Cerebral palsied } \\ \text { Specific learning disabled } \\ \text { Epileptic } \\ \text { Physically handicapped } \\ \text { Training centres for mentally retarded } \\ \text { children } \\ \text { Schools of Industries and Reform schools }\end{array}\right\}$
> $\left.\begin{array}{l}\text { Hearing impaired }\end{array}\right\}$ an average of 8 pupils per teacher
> Cerebral palsied
> an average of 10 pupils per teacher
> \} an average of 10 pupils per teacher
> Schools of Industries and Reform schools \} an average of 15 pupils per teacher
Wheat
(a) Favourable climatic conditions (b) Exports to neighbouring States Exports to neighbouring States
and sales of lower grades as stock feed at reduced prices.
 pue uopionpord doso uo ju8norp


(b) Sales at reduced prices from

su! 1 ds Sump uo!jonролdiəлO (в)
(b) Sales of processed products at market related prices. Rooibos Tea
(a) Exceptionally favourable pro1sed әчł дәло suo!̣!puos uo!lonp

## WEDNESDAY, 10 APRIL 1985


(1) Whether any surpluses of agricultural

(2) what in each case are the (a) reasons for such surpluses and (b) price impli-
cations; (3) what ste
(3) what steps have been taken or are

(1) Yes, wheat, dairy products, eggs,
rooibos tea, leaf tobacco and beef. K. Mon . rooibos tea, leaf tobacco and beef.





S86I TIYdV 0I' AVGSANGAM
(a) Favourable climatic conditions in most of the production areas.
(b) Exports to neighbouring States
and sales of lower grades as
stock feed at reduced prices. Dairy Products
(a) Due to the adverse effect of the drought on crop production and
therefore also on their income. e vi उuisitep ui paunil siampoid

(b) Sales at reduced prices from time to time. Eggs
(a) Overproduction during spring and early summer
(b) Sales of processed products at
 Roobos Tea
(a) Exceptionally favourable pro-

+Indicates translated version.

(1) Whether any surpluses of agricultural products exist or are expected in
1985 ; if so, of which products:

1985; if so, of which products:
 for such surpluses and (b) price impli-范
(3) what steps have been taken or are contemplated in each case to (a)
counter the effect of such surpluses
and (b) avoid them in future?

The MINISTER OF AGRICULTURAL
ECONOMICS:
(1) Yes, wheat, dairy products, eggs,

్ㅡㄹ

| (2) | 196 on 25 March 1985. |  |  | (i) | (ii) |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | 42 as a result of police action | (a) | White | 3884 | 636 |
|  | and 10 by civilians. | (b) | Coloured | - | 906 |
|  |  | (c) | Indian | - | 23 |
|  | mounts lent to Mozambique | (d) | Black | - | 4240 |

1019
:


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This was revealed yesterday by Mr Alwyn Bisschoff, director of the NAU, who sảid two types of discount structures had been negotiated for Natal farmers.

A 17 percent discount on listed price, payable on September 30 1985, would apply in the case of fertilizer purchases by farmers on a direct delivery basis through their co-ops.
This would also apply to co-ops which buy in reserve or buffer stocks.
The second discount structure would apply to consignment stocks to cooperatives for. which the following would apply:

## Increase

Sales during April less 12 percent less R4 a ton; May less 11 percent;June less 10 percent; July less 10 percent; August less 8 percent, and September less 6 percent.

Mr Bisschoff said that during last December the chamber of Natal Co-ops. had become aware that a substantial increase in fertilizer prices would occur this year.
'All the Natal cooperatives were invited to a meeting on January 24 to discuss the possibility of single channel purchases of fertilizer for the whole of Natal.'


## Minister warns farmers

 nit wat a on exploitation of land MM $8 / 5 / 85$UPINGTON-The wastefurl exploitation of land by farmers could no longer be tolerated, the Minister of Agricultare and Water Supply, Mr Sarel Hayward, said here last night.
Opening the 1985 congress of the Karakul Farmers' Association, he said land in karáakul farming areas 'wa's overloaded by an average of 30 percent.
Too many farmers did not use efficient grazing systems and to change as some had, from pelt to meat production, meant larger flocks which made veld management more difficult.
'The farmer who overloads his veld and disobeys the principles of correct veld management, is" busy with wasteful exploitation of resources,' Mr Hayward said.
'He is "mining" his farm, which in the fid will be turned into a desert. In' the light of the comprêhensive Governmeat spending programme aimed at making conservation farming practicable, farming practices that

engage in wasteful exploitation carr no Tong. er be tolerated.'
In many areas of the world large areas of natural grazing land had been destroyed.
Mr Hayward said farmers
who practised wasteful exploitation made a doubtful short-term economic gain' but would in the long-term not only lose money but their farms as well. (Sana)

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African Affairs Correspondent
 Forestry. Chief Langalethu Dhlamini, says South Africa may not be producing enough food to feed a Frojexted population of 80 million by the year 2020 . $\rightarrow$ 家
Delivering his policy speech in the Kwa eulu Legoslative Assembly yesterday. Chief Dhlamini stridthe country could not rely on imports because at this stage already. 200 million people went hungry in the world every day. $\square$
The minister prediteted theif oy the year 2000 the only foodstuff that would be exported from South Africa would be sugar. The rest would he-00msunted tirestiady.
He emphasised that thme was short and that hig ppiority should be given to projects which would provid for the future.
-Chief Dhiamini sadid more land walld have to be made available for KwaZura
He said industrial development within Kwitulu was a very urgent requirement, on the one hand, while it was essential to promote intensive development of the rural areas on the other hand, to support as many people as possible.
Referring to the drive of the Chief Minister, Chief Mangosuthu Buthelezi, to control expenditure on staff. Chief Dhlamini said his department needed at least eight times the staff it had at present.
However much he would have liked to support the drive for staff reduction, his department could not do it because of the development of rural areas. This would actually mean job creation at home.
The minister spoke on the importance of conserving the Upper Tugela catchment area and said a special catchment committee had been formed to probe the potential of this region.


As the big maize price row simmers on, South Africans might take heart from the fact that their food bill in the past year would bave been much more if producers of other main items had not held prices.

According to the latest figures from the South African Agricultural Union (SAAU), consumers paid 13,6 percent more for food last year, although the inflation rate up to January this year
was 13,9 percent. 3 - Gever retary on media services The union gives of the SAAU
breakdown, for example on milk, which reveals that while the retail price has gone up regularly, the dairy farmer's share per rand spent went down.

In 1978, the producer received $56,6 \mathrm{c}$ out of each rand spent on milk. In 1984, be got $51,9 \mathrm{c}$ and in February this year only 48,2c.
"It is a fallacy, too, that meat is expensive," says Mr Gerrie Smit, sec-
"The floor price of meat - the minimum at which it can be bought was lowered by 5 percent in 1984 and producers did not request any rise in 1985.
"In the first quarter of this year, the beef producer received on average R2,29 a kilogram for all grades of beef."

Mr Smit says the public can achieve substantial savings not only in bulk buying of meat but
in the timing of purchases.
"The best time to buy is in June or the earlier months of the year," he says, "when meat prices are relatively cheap
"In December and holiday months, when people have bonuses etc, the butchers are well aware that they can buy at any price for it is sure to sell."
South Africans spent nearly 25 percent of their income on food during the year.



# Completely new policy for agricultureneeded <br> There is more to the current maize <br> Mike Tarr, Progresive Federal Party MP for 

crisis than a clash between the Government and farmers over prices.

Numerous reports by the South African Agricultural Union (SAAU) and the National Maize Producers' Organisation (Nampo) have highlighted the severe cash flow problem of maize farmers.

In 1984 income on some 60 percent of farms did not cover costs.

The problem started in the 1980/81 and $1981 / 82$ seasons when maize producers had record crops and were also given a 14 percent increase in 81/82.
Maize producers were now flush with money and spent and borrowed heavily in buying additional land and implements. Interest rates were low and with high inflation additional investment in land seemed a safe bet.
Farmers have also always been insulated against any market forces by the method used in determining the price of maize.

In a nutshell, an annual survey of production costs is made and, on tie basis of this, a price is negotiated with the Minister.

In response to strong pressures from the agricultural lobby in Parliament these prices have generally been set above market equilibrium. This has also encouraged expansion of production and shifts to marginal farming areas.

The crunch came in the 82/83 and the $83 / 84$ seasons. Drought combined with market-related interest rates precipitated most farmers into a severe cash flow problem. Price increases of 60 percent over these two years did not help most farmers because they had no maize to sell.

A completely new policy for agriculture and particularly maize is needed. The low farm incomes and low rates of return are simply a symptom of the problem which will not be cured by demands for higher and higher prices.

Consumption of maize has already declined by about a million tons a year and farmers are destroying their own markets.

Resources must be withdrawn from maize production until competitive rates of return are achieved by producers.

Efforts to maintain competitive rates of return by high maize prices will only aggravate the problem in

Pietermaritzburg South, a member of the parliamentary Standing Committee on Agriculture and former senior lecturer in agricultural economics at the University of Natal, looks at the problems that have caused the current mealie war and suggests solutions.

the long run and prevent the market from making the necessary adjustments.

Another point is that there has been a substantial change in the structure of agriculture over the last 30 years. Government policy has always been to keep the maximum number of farmers on the land. Farm numbers have declined from 116000 to 70000 over the last 30 years.
Size distribution has also become more slewed with some 30 percent of farmers now producing 80 percent of our gross agricultural output.

High prices usually do not help the 70 percent of farmers with low outputs who policy makers often wish to help - rather they provide a strong incentive for the 30 percent of larger, more efficient farmers to expand production and thus aggravate problems of overproduction.

This, in turn, can only be prevented by some form of supply control which is what the maize industry is now asking for with its quota system.

Fixed prices based on production costs have no role in a market economy. These must be replaced by an alternative policy which must move resources out of maize production, reduce price uncertainty for farmers and reduce yield uncertainty.
By doing this, production in mar"ginal areas would be discouraged because prices would invariably drop and, in turn, would bring down land values.

Livestock laimers ernment would HOUSE OF ASSEMBLY. - The gove land deterioration not hesitate to take action could be ascribed to ind Water Supplies, Mr ter of Agriculture and Water suis vote in the comter of Agd, said yesterday du
mittee stage of the budget.
He said the government was succeed because of He sational Grazing Strategy succeed.
the Nationing deterioration of the veld.
"It is now accepted policy that in future no unless cial aid for land owners would utilization and resting the provisions relating to veld
are strictly complied with." have to reduce stock be-
In future farmers would hav drought aid.
ore they would qualify for drought aid. Areas "not ecologicaly supa
ing would be identifie


THE METAL an Atied Horders Union has launched a boycott of shops in Howick，Natal， to put pressure on local business to persuade BTR Sarmcol，a British multi－national，to nego－ tiate with the union．

In another development about 2000 workers at Dunlop SA in Durban have threatened to strike this week if BTR refuses to conclude a recognition agreement with Mawu．
This follows Sarmcol＇s dismissal of more than 900 striking workers almost three weeks ago，and will bring the number of strikers at Dunlop and Sarmcol －both subsidiaries of British Tyre and Rubber－ to 2970.
$\cdot$ A Mawu spokesman said workers at Dunlop had
 thonegotiate with the union药efd this week．

Workers at Sarmcol were dismissed for going on an＂illegal＂strike，according to the company．The union，however，has claimed that the industrial ac－ tion was legal in terms of the Labour Relations Act．

Mawu also claimed that none of Sarmcol＇s work－ ers had returned to work and that Dunlop had threatened to seek an interdict to prevent the strike action．

The company＇s spokesman said about 400 people， most of whom had been laid off by Sarmcol，had been employed to replace the strikers．Twenty of the sacked workers had asked to be re－hired or re－ instated．

The company had agreed to sign a preliminary recognition agreement with the union in 1983，but had not negotiated with the union over the strike．

# Second-tier government plan will dominate debate 

## Nat MPCs 'lag behind' P W <br> \section*{Provincial Reporter}

NATIONAL Party members far behind Presid Council are far behind President PW Botha and it is time they caught (PFP Claremont).

He told day - the first council yesteryear's main session - that he had been asked how that he

Conservative Party members were on the Provincial Council.
"I said 43 (the total National Party complement). If I look at the attitudes here, I can only say that if the State President is giving the lead, that side (National Party members) are behind him ... but very far behind and it is
time they caught up." time they caught up."

## Provincial Reporter

 IMPLICATIONS of the Government's blueprint for second-tier government is likely to domi-no-confidence Princial Council's sion.Progressive Federal Party members will debate in favour of a new form of democratic, non-racial second-tier government with legislative powers.
A motion to this effect from Leader of the Opposition Mr been debated yesterday to have been debated yesterday in pri-
vate members' motion was withdrawn so the issue could be "fully aired" in the nine-hour no-confidence debate

## coutis

## grandfather:

have been judgment on whether extenuation existed or
Mr Justice Thirion said that the case could be re-opened heid.

Mr Gideon Scheltema, for John Steytler, said that the defence would call a brother and sister, Mr Philip Steyther and Mrs Elaine Combrinck, to tes-
tify. Mr Scheltema tify. Mr Scheltema said they
would testify on John Steytler's would testify on John Steytler's

## starting on Friday.

There is increased interest in future provincial government following the announcement of the end of the Provincial Council system next year by Mr Chris Heunis, Minister of ConStitutional Development and Planning, earlier this month.
Mr Hirsch said in a statement yesterday that if his motion had not been withdrawn, debate on it would have been restricted to about two hours.
He said it was agreed to withdraw the motion so that "this fundamental and vitally "fuportant matter" could be "fully aired" in the could be dence debate.

## Provincial Reporter

 THE Government is controlling prices instead of providing technical expertise to improve farm production, Says Mr Eddie Trent (PFP Port Elizabeth
## Central).

"Farmers do not need handouts. . they need technical assistance," he said in a debate yesterday on a motion from Mr R Derckson (NP Beaufort West) calling on the Province
to try to stop depopulation of rural areas.
Mr Trent introduced an Op position amendment saying the Government should assist.
He said the prosperity of country districts was linked of directly to the potential of the land and expertise of the farmers, and that "as the district grows, so will the towns"

## Expertise

"But the Agricultural Tech nical Service is hopelessly understaffed and one gains the impression that the Government is controlling prices instead of providing technical expertise to improve the production capacity of farms." He said more should be spent on training young farmers and research and he also believed opening facilities such as cinemas and schools to all races would boost country towns. Mr P F de Klerk (NP GraaffReinet) said strict regulations could not be met by small country enterprises and stood in the way of the development.
He urged the Provincial Administration to create jobs in
country towns.
Mr Rupert Hurly (PFP Claremont), who believed more
should be spent by the Govern should be spent by the Government on mining and agricultural research, said: "We believe that the depopulation of the country areas is a serious threat to the whole economic structure, and we believe it is essential that something should be done to reverse the trend of the past 80 years."
relationship with his father. He said that they felt the full be brought relationship should we brought out and that they wanted to amplify on the eviMrs Brenda Bentley.

Mr Justice Thirion asked why these witnesses had not been called during the trial at Vryheid. Mr Scheltma replied that at the time they did not want to be involved in the case as it might bring the family
into conflict.

and increase productivity but, in our sector of the agricultural industry, there are very few buyers."
Despite hard times, Phillips said the industry remained highly competitive with too many suppliers.
"The US market has declined steadily and the European market has shown very little resilience. Because of the state of these markets, major suppliers are trying to maintain their positions in SA.
"They're coming in with all sorts of offers to farmers such as interestfree terms, discounts and overseas trips for buyers. Manufacturers are really doing all they can to stimulate the industry."
Phillips said credit to farmers had been flexible - with both private and quasi-government sectors willing to assist.
"There has been no large-scale foreclosing."

However, National Maize Producers' Organisation (Nampo) spokesman Dr Kit Leclus said farmers were going bankrupt on a large scale and repossesions were increasing daily. The real effect would be felt in "a couple of years" when farmers had to replace equipment.
"Farmers are consuming their capital and are not able to recover depreciation costs."
TUESDAY， 26 MARCH 1985838

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（iii）arrear instalments under hire
purchase agreements entered into for the purchase of farm implements；
（iv）other pressing debts incurred in
These loans are limited to the production value of the security as determined by the Land Bank 1qәр puoq yueg puet supsixy
Kue tunoove oluil suryet＇pieog on such security．
6－YEAR SCHEME（Extension for
repayment of Cash Credit Ad－
vances by co－operatives）
This scheme does not entail any loans by the Land Bank direct to
The co－operative accounts of drought－stricken but still credit－
 lyzed by the directorates of co－opera－ of seəェe п！eјu！ea səuums әч！u！sas！


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 by the debtor to the co－operative，
whereupon such proceeds will be whereupon such proceeds will be
paid over to the Land Bank in settle－ ment of the co－operative＇s debt under the Cash Credit Advances．

（a） $\begin{aligned} & 38,9 \% \text {（ } \mathrm{R} 222,0 \text { million）．} \\ \text {（b）} & 26,1 \% \text {（R148，9 million）．} \\ & 6 \text { YEAR SCHEME } \\ & \text { Not applicable．}\end{aligned}$




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TUESDAY, 28 MAY 19851610

> (2) whether any conditions have been laid down in regard to such passengers; if so, what conditions? †The MINISTER OF MINERAL AND ENERGY AFFAIRS (for the Minister of Transport Affairs):
(1), (a), (b) and (2) Yes. Passengers who a train whilst ticket offices on stations are still open, are required to pay the above the normal train fare. When passengers entrain at sidings and

 mal fares. Hem and Unlawful road tratisportation
*4. Mr A SAVAGE asked the Minister of
(a) How many persons or companies charged with alleged unlawful road transportation during each quarter of the 85 financial year were (i) acquitted and (i) 85 financial year were (i) acquitted and (ii) tence imposed on each person or company tence imposed on effece?
convicted of this offer
$\dagger$ The MINISTER OF MINERAL. AND ENERGY AFFAIRS (for the Minister of Transport Affairs) (Reply laid upon the
Table with leave of House):
(3) whether the total area of land avail-

 hectares?

The MINISTER OF WATER AFFAIRS:



 (a) and (b) Fall away.
(a) First quarter-1 April to 30 June 1984.
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(i) 175.
(ii) 1081.


(i) Because he had a suspected epi-
leptic fit.
(ii) At 17 h 20 on 4 May 1985 .
(iii) Provincial Hospital, Odendaalsrus.
(3) Yes.


Hospital,
 ing inquest proceedings.
(4) Yes.
(a) The State Pathologist
(b) On 9 Mav 1985.
(c) The finding is still being
(5) Yes.
(a) The Divisional Commissioner
(b) The docket has been referred to
the Attorney-general who in-
structed that an inquest be held.
structed that an inquest be held.
(6) No.
(1) Whether the Western Cape Develop-
ment Board has received any rement Board has received any re-
quests to trasser the control of
swimming pools in the Black townquestsing poois in the Black town-
shimps in its area to (a) the Cape Town

Hon (d) (i) and (ii) Section $50(1)$ of the ships in its area to (a) the Cape Town
1611
TUESDAY, 28 MAY 19851612

## resentations in each case and (bb) his

 response thereto;(2) whether he intends (a) introducing other action in regard to (i) smoking in public places and (ii) control over why not; if so, (aa) what action and
(3) whether he will make a statement on
OF

## DEPUTY MINISTER

 HEALTH AND WELFARE: $\cdot \operatorname{sod}$ (q)$\cdot \operatorname{sod}$ (e)
(i) 3 April 1985 .






(2) (a) I refer the hon member to Han-
(b) (i), (ii)(aa) and (bb) An answer
 mentioned in (i)(b), (ii)(bb). (3) Not at this stage.
Mnr A B WIDMAN: Mr Speaker, arising
out of the hon the Deputy Minister's reply,

苞
The DEPUTY MINISTER: No, I am
afraid not during this session.
(a) Studies have shown that it is the De Mistkraal Diversion Weir on the Little Fish River upstream from Wellington Grove than the high level canal.
(b) The approved funds will be used (b) The approved funds will be used Weir. A canal and syphon through the River will link the
River with the existing canal at Wellington Grove.

 duced.
*. Maj R SIVE asked the Minister of Constitutional Development and Planning:

How many South African citizens returning to the republic from visits to countries abroad filled in BI 55 forms during 1983 and 1984, respectively?

TThe MINISTER OF LAW AND ORDER (for the Minister of Constitutional De-
velopment and Planning):

Figures relate to South African resi-
dents. Data for South African citizens are not available.
*8. Dr M S BARNARD asked the Minis-
ter of Health and Welfare:
(1) Whether he has recently received any representations from the South African Medical Research Council cerning (a) smoking in public places cerning (b) control over the advertising

Smoking in public places/advertising of cigarettes

$$
\begin{aligned}
& \text { 8. Dr M S BARNARI } \\
& \text { ter of Health and Welfare: }
\end{aligned}
$$

 public of South Africa; if not, (ad)
why not and (bb) what facillties are
 so, what was the nature of the assistance given and facilties avallable to such Black armers durng the latest
specified period of 10 years for whulh spechied period of 10 years for whul
infurmation is available; information is available;
 S the Republic: if not, (a) why nut, (b)
in what respects do they differ tuld (c) when is it anticipated that these differences will be eliminated;
(3) whether such Black farmers are subject to the same provisions of the Conservation of Agre
sources Act, No 43 of 1483 , as are White famers; if not, why nut;
(4) whether he will make a statement on
the matter?

TThe MINISTER OF CO-OPERATION.
DEVELOPMENT AND EDUCATION.
There are two categories of Blach own-



The provision of services to land owners
 is a function which vests in each of the
national states concerned. Any applcicible national states concemed. Any applicible
research results are available to the nat-解 to Black land owners by means of their
葠 owners by the Departments of Agriculture
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 reples to the questions are as follows:
(Imn Ajfars.

## TUESDAY, 28 MAY 1985

## †Indicates transiated version.

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General Affairs:
State president: How many White (a) male and (b) fe-
male persons over the age of 85 years were in receipt of war veterans' pensions ds at the latest specified date for which
figures are available?

The MINISTER OF HEALTH SER-
VICES AND WELFARE:
(1) Whether he has received the report of the commission of inquiry under
the charmanship of Mr Justice Kannemeyer on the investigations into the shooting in Uitenhage on 21
March 1985 ; if so,
 not, why not; if so, when?

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\begin{aligned}
& \text { tThe MINISTER OF PUBLIC WORKS } \\
& \text { (for the State President): }
\end{aligned}
$$

(2) Falls away.

แO!1]
(1) No.

Minusters:
Question standing over from Tuesday 21
May 1985:
31. Mr R M BURROWS asked the Min-
ister of National Edur ister of National Education:
(1) Whether the registration of teachers

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 Kauntu sipi ilim osodind reqm iof (q) be used;
(3) whether the total area of land avart-

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The MINISTER OF WATER AFFAIRS
(1) No. the announcenent by the blatc

 Forh River Schemes.

 a train whilst ticket offices on stations are still open, are required to pay the prescribed booking fee over and
above the normal train fare. When pue sริupis 1e urinua siaguassed


 *4. Mr A SAVAGE asked the Minister of
satueduros so suossad Kurus moH (e)





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 $\stackrel{\text { n }}{\text { 플 }}$ (ii) 1081 .
 (i) 219 .
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Political Staff
HOUSE OF ASSEMBLY. - Loans and subsidies were not a long-term solution to the farming community's financial problems, the PFP MP problems, Albany, Mr Errol Moorcroft, said yesterday during the own affairs budget debate.
It would be unfortunate if farmers took emergency aid for granted;and did not see it as a privilege.
"It has been said that improvident farmers, who abuse their farms during the good years and spend their money on fancy cars, beach cottages, and other non-essentials, are usually the first to stand in the queue for hand-outs and subsidies when the hard times come."

In this respect the new grazing strategy, whereby farmers would have to comply with strictly decomply conservation pracfined conservatished to apply for financial aid; was to be welcomed.

If the authorities were able to "identify those who truly need aid, as opposed to chancers, and if they are able to couple aid to strict conservation practices and make this policy work, then the need for large amounts need for large amount be necessary in future".

TUESUAS, 28 MAY 1985 1608
money has been budgeted for the 1985-86 financial year for the construction of (a) houses, (b) serviced sites at Site C, (c) seropments in Khayelitsha; if so, (i) for what developments, (ii) what total amount is involved and (iii) when are these develop-
ments due for completion? The MINISTER OF CO-OPERATION (aa) Falls away. $\quad$ DEVELOPMENT AND EDUCATION:

SEM 086 दृS IIX (!!!) pur (!!) ( $(\mathrm{I})$ -วora ayp jo padsas ui mernuos tion of 5000 houses.

(i), (ii) and (iii) R350 000 was bud-
 the project cannot be determined as yet. Funds for development of the sites have indeed
been applied for. (d) Yes. (ii)
R5 568 621 in respect of
all these developments $\begin{gathered}\text { (iil) } \\ \text { October 1985 } \\ \text { December } 1986 \\ \text { December } 1985 \\ \text { September } 1985 \\ \text { December } 1985 \\ \text { December 1985 } \\ \text { Already completed }\end{gathered}$ of reservations offices at main-line stations are entitled to (a) obtaining
seatug from the conductor and (b) paying their fares on such trains; if not, why not; if so,

-3. Mr W V RAW asked the Minister of
iansport Affairs:

1) Whether passengers seeking to travel
 the findings;



(6) whether he will make a statement on
tThe MINISTER OF LAW AND OR-
DER:
DER:
(1) Yes.
(a) (1) On 4 May 1985.


$i$
Mer
Mercury Correspondent


the respective main estimates during
the past three financial years:

 1984/85: R101 574000
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The following amounts were voted in

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WEDNESDAY, 29 MAY 1985
WEDNESDAY, 29 MAY 1985
(c) Section 1 (vii) of the mentioned Act makes the recognition of teachers or-
ganizations dependant on the test ganizations dependant on the test
whether they are representative of the relative profession, or not, and
 National Education in this regard, he has to consult with the concerned
Minister of education.
flndicates translated version.

807. Mr R M BURROWS asked the Min-
ister of National Education:

Whether his Department recognizes, for consurs' associations and fen puposes, not, why not; if so, (a) which associations and federations are recognized by his Department, (b) what number of teachers
are represented by each of these recog. nized bodies and (c) what criteria are aping recognition to a teacher organization?

The MINISTER OF NATIONAL EDUCATION:
"药" Yes, the Department recognizes specific


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## AGRICULTURE Who gets the jam?

If you disembowel your jam sandwich, you will discover three messy components. The bread on the outside is subsidised by the SA taxpayer, ostensibly to keep the cost of living down. The butter and jam are both sold at inflated prices to push the price up again.
The thin layer of butter is sold to you at a fixed price, way above that prevailing on world markets. The pretext is to keep SA farmers in business.
The jam contains sugar which is, likewise, sold at an artificially elevated local price. In this case, the lion's share of the premium is used to subsidise people in Canada, Japan and elsewhere, who are now able to purchase SA sugar at roughly half the cost of its production.
Half a century of protectionism and economic intervention has distorted most farm prices.
Farmers, who follow prices, have been lured into enterprises and systems of production that are both nationally and internationally inappropriate. Control boards have imposed quotas to prevent even more following suit. And these have trapped them into costly habits and businesses that should otherwise have been relinquished long ago.
It's a mess. Everyone knows it's a mess.
The problem is that no one knows how to get out of it without losing an election. Food prices are politically sensitive; and farmers are politically sensitive animals.
When comparatively free trade gave way to protectionism in the Twenties and Thirties, it all seemed so simple. A fractional increase in the price of food at home seemed to be all that was needed to keep the farmer on the land, and his cross in the right space on the ballot paper.
Nobody gave a thought to the repurcussions abroad. Production would be stimulated at home. That was good. A large surplus would be sent overseas to earn foreign currency. That was good. And the lucky importer would be everlastingly grateful for the augmented supply of nice, cheap food. That would be good, too.

Nobody foresaw that the lucky importers would turn the stuff away. Neither did they expect the rest of the non-communist world to start "mixing" their economies the same way for the same reasons. Had they done so, they might never have fouled up in the first
place.
Belatedly, they have discoverd the complexities of unscrambling omelettes.
Approximately threc-quarters of the EEC budget is now spent annually on maintaining the CAP (Common Agricultural Policy). The name is a euphemism for something which is neither a policy nor common. The CAP's main preoccupation now lies in the administration of steep tariff barriers, which effectively place a penal food tax on Europe

In that case, we would be better advised to accept the dumped produce (and the European subsidies offered with them) than continue flogging a dead farm horse at the expense of our own taxpayers and own consumers.
There would be a transitional stage during which many of our farmers would have to make substantial and, in some cases, drastic structural changes. This is what happened in Australia, where they came to a broadly similar conclusion a few years ago.
But it would not be the end of the world, provided the agricultural input manufacturers were opened up to competition at the same time. Indeed, the long-term outlook for SA agriculture would brighten overnight.

The immediate effect would be seen in a diversion of resources from the production of things like sugar, maize, dairy fat, lamb, nitrogenous fertiliser, diesel engines and complicated herbicides in which we
that is used to subsidise food for Russia, so that Russia can make missiles and point them back at Europe. The US employs similar tactics on a similar scale, but prefers, where possible, to pay its farmers to produce nothing.
Before being dumped on Russia, most of the world's surpluses are offered at ridiculously low prices to countries like SA. Our current policy is to refuse them, add to them (at the expense of our own, mainly black. consumers) and then grumble incessantly about the three-pronged threats of inflation, black unrest and Russian imperialism, "which are all part of the total onslaught being waged against us."
We believe it's in SA's interest - strategically, economically, politically, socially and even agriculturally - to break the logjam now, to lower protective barriers and concentrate limited resources on the production of goods and services that we can produce competitively and for which there is demand in the West, where we need friends instead of enemies.

If agricultural protectionism is going to subside, we need no longer fear dumping. If it is going to be intensified, we should now face up to the fact that butter, sugar, eggs and maize will be oversupplied for the foreseeable future.
are not at present competitive.
Most of the land freed would be handed over initially to wool, mohair, beef, venison, groundnuts, seed crops. fruit, flowers and vegetables, at which we are competitive internationally, and the factories would do more processing of cheaper primary produce. This could only be good for our balance of payments.
Some of the capital and labour released would doubtless drift into secondary or tertiary industry. But that's where we want it anyway.
As long as the government didn't attempt to channel it into the wrong places, it could only help to make the country more efficient and thereby enhance our national growth rate.
Thence, the long-term payoff for SA agriculture. Even an additional $2 \% /$ year on our gnp implies a $37 \%$ larger local market than they could otherwise expect by the turn of the century.
That's the sort of thing that peace is made of - and prosperity in town and country alike.
Shortsighted farmers and inefficient manufacturers of farm inputs should not be allowed to delude themselves that they can be made either wealthy or secure by policies that render the rest of the nation poor.

1835
(3) MONDAY, 17 JUNE 1985 . 1836
 date prior to the announcement date,
i.e. backdated; if so, (a) in respect of which posts were they to be backdated, (b) on what dates were the increases announced and (c) from what
date were the increases paid;
(2) whether payments were made only to of the announcement; if not, from what date were employees eligible for such payments;
(3) whether persons who retired between the above-mentioned two dates were
able to benefit from the increase; if not, why not;
(4) whether, during the period of five years which ended on 31 December
1984, any payments of increases were made to persons who were not in service at the date of the announcement of the increase; if so, (a) in respect of
which persons and (b) why?

> The MINISTER OF COMMUNICATIONS:
(1) Yes, in a press statement released on applicable cases salary adjustments
that might flow from the investigation into occupational differentiation would be implemented retrospectively from a common date. In a follow-
 their regional directors that the effective date would be 1 January 1984
and that, in accordance with standing policy, officials who leave the Service prior to the announcement of the sal-
ary adjustments would not be entitled thereto;

[^1]$\Delta$



## Post Reporter

HUNDREDS of jobs are being created - mannly for blacks - on two multi-milhon rand water schemes started in the Eastern Cape on May 1.

In the Sundays River Valley. 276 Africans. 19 coloured and 15 whites have been set to work building accommodation and making a start on excavations.

Each month. a further 100 jobs are expected to be created for Africans until the work force totals 600 Africans, 100 coloureds and 40 whites, whose jobs should be secure for some years, according to the resident engineer. Mr Mike Nitzche

This scheme, for which R6 million is earmarked this year and R10 million each year after that, will see the flow from Lake Mentz doubled from 10,5 cubic metres a second to 15 cumecs in 30 months and an ultimate flow of 21,5 cumecs.


An additional 7000 hectares will be brought under irrigation by the project
The second scheme a storage dam at Committees Drift - will see an additional 4000 hectares brought under irrigation (2000 in Ciskei) and will cost R6,5 million this year. South Africa's share of the total cost is

R40 million. The scheme will also supplement Grahamstown's water supply.
So far, 38 Africans and seven whites are busy on the project - again building accommodation.

By the end of the year these figures are expected to have risen to

100 and 24. respectively.
The Committees Drift scheme will take between three and four years to finish. and the water works alone in the -Sundays River Valley between four and five. Both schemes involve three phases - water works, settlement of newly-1rrigated land. and production.


Phase one of new Herschel water scheme on schedule

By JOHN GLEN-LEARY
UMTATA - A R2.7 mil. UMTATA - A R2.7 milscheme in the Herschel scheme in the Herschel
area was on schedule. with the first two phases now complete. Mr M . Shaker, acting chief director of engineering services branch of the Department of Agricultore and Forestry reported here yesterday.

He said the second phase of the Herschel rural water supply scheme had been completed with the third and fourth phases now in progress.

It was the first time a project of this nature had been undertaken with a minimum of machinery and was designed to be labour intensive, using the large labour resources available in the area.
He said 4169 people had been employed during phase two, and a survey conducted among local businesses in Sterkspruit indicated a positive improvement in turnover since the start of the phase two construction which on the average was about 40 per cent.

He said materials not obtainable in Transke1
such as pipes. valves, control equipment etc were purchased from East London and other areas close to Transkei.
Commuter labourers from Transkel were also employed by these suppliers and manufaccurers.

Also, a sizeable propportion of wages earned by commuter labourers were actually spent inside Transkei by deependents.
"The Herschel rural water supply scheme resuited from studies undertaken by the Deapartment of Agriculture and Forestry during 1977, with the first report submitted to the department by the consulting engineers, Messes O'Connell, Manthe and Partners, in November 1977.
"After the acceptance of this report, the department embarked on an active construction and development progname to meet the objectives of the scheme," he said.

The first White Paper, Report on the Proposed Sterkspruit Rural Water Supply Scheme was tabled in 1978 and the First Supplementary Re-


This map shows the locality of Herschel arrowed), where a R 2.7 million
port of the Proposed Supply Scheme in June 1980

- He mentioned that the objectives of the scheme were to improve health as some 14 communicable diseases were wa-ter-borne or suspected to be so, some of the well-known ones being cholera, infectious hepatitis, poliomyelitis, schistosomiasis and typhoid fever.
"Training and involvement of the local populadion in any development project contributes greatly to the success of development as well as to the general economic momentum lacking in many developing areas.
"By concentrating on labour intensive construction methods and by phasing the implementation over a reasonably long period, maximum involvement of the local population and the training of local expertide to entrepreneur level will ensure a meaningful end result," he said.
He said that too often the economic activities ceased as soon as the contractor left the area, therefore projects of this nature were ideally suited for the development of the local potentaal by direct employment or indirect subcontracting.
He said that as the prosperity of the rural population in Transkei depended greatly on the state of the stock farming, any rural development should take cognistance of this fact.
"Stock farming depends, among others, on the judicious use of available grazing. Unreliable and poorly distrimuted watering points cause concentration of anim als around a particular waterpoint, overgrazing and the inevitable sheet erosion of the top soil.
"The proposed rural water schemes incorporate all grazing camps either by providing a drinking trough or by making windmills available for stock watering previously used exclusively for domestic parposes," he said.
He said the combined effect of better cattle farming conditions, rotatonal brazing and emor red standards , oh he.

money economy in th: region that would resul. in bigger government in come by means of dire*, and indirect taxation.
"The changeover fri" a barter to a money based economy could $t$ enhanced and the ripon!effect in the ecoñumy should also reach miry wider than the immedi ate area of the develop ment," he said.
He said the purpose oi the bulk rural water supply scheme was thai: to put within reasonab:reach of the consumer ${ }^{-1}$ all reasonable times th:needed quality of $\mathrm{a}^{-}$ acceptable quality at an acceptable price.
He sand very few of th:smaller schemes sue cessfully met with these criteria. which made a well planned and prop erly maintained bulk water supply scheme a far superior long term water supply system.
He also reported that the completed scheme would supply water to E rural struts.

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! d rest inof direct xation.
er from moneycould be ertpple economy $\therefore$ much immedi-develop-
ryose of
1 water was thus Esnnable -umer at imes the $y$ of an ty at an Ew of the os sucith these made a nd propzd bulk sheme a 3g term stem.
ied that scheme :er to 30

The administrative areas and wards to be served with water under the various development phases

| Phase <br> 2 | Administrative Area | Ward |
| :---: | :---: | :---: |
|  | Sterkspruit | RA 1 |
|  | Sterkspruit village | MR 1 |
|  | Empilisweni Hospital |  |
| 3 | Esilindini | R 1 |
|  | Bamboesspruit | R 1 |
|  | Madakana | R 1 |
|  |  | R 2 |
|  |  | R 3 |
|  |  | R 4 |
|  | Tugela | RA |
|  | Herschel village |  |
|  | Khiba | R 1 |
|  | Witten bergen | ${ }_{R} 2$ |
|  | Witten bergen | R 18 R 2 |
|  |  | R 3 |
| 4 | Josanas Hoek | R 1 |
|  |  | R 2 |
|  | Bensonvale | R1 |
|  | Bensonvale Mission | R 2 |
|  | Mlamli Hospital |  |
|  | Kromspruit | R1 |
|  |  | R 2 |
|  | Thabalesoba | R 1 |
|  |  | R 2 |
|  | Governor's Drift | MR 1 |
|  |  | MR 2 |
|  |  | WR 1 |



A motion he proposed, calling on the media, newspapers especially, to excercise greater discretion in their teports and hêadlines announcing Statee aid to farmers, was accepted.

## Struggle

Mr Robertson then asked the congress to express its "strong protest" at the intention of the SABC to abolish its regional broadcast services.

Mr D C J van der Merwe, of the Ladysmith Farmers' Union, said farmers had to struggle in the face of price increases of fuel, fertilizer, building materials, motor-vehicle spares, building materials and farming implements.
Mr'Jannie le Roux, of the KWV, proposing a motion on production inputs, said faruers' income had degreased in the past 10 years. Prices had increased in an abnormal manner

Seyenty-six percent of farmers' capital was invésted in fixè assets and a cash flow was one of farmers' biggest probfems, he said.

Agriculture poised to ${ }^{(3718}{ }^{\text {Gened }}{ }^{85}$

AFTER two very tough years, in which crop failures left South Africa with substantial food import bills, the agricultural sector is poised to contribute to the country's growing export receipts.
Early indications are that agriculture will increase its foreign earnings and at worst not drain foreign exchange reserves this year.
SA will be able to export a limited amount of maize, perhaps as much as 1million tons, after two years of imports, while rand earnings from citrus fruits, mohair and wool are likely to reach record levels.

The only dark cloud is the likely R100million import bill for wheat. The overall impact on the balance of paymants is unlikely to be dramatic.

This means the situation should move back to normal, with the performance of agriculture relative to other sectors close to the past eight-year average.

Figures released by SA Agricultural

ANDRE VAN ZYL
Union (SAAU) show over the last eight years agricultural earnings accounted for an average of $19,4 \%$ of export earnings excluding gold.

The steady trend of about $20 \%$ of non-gold earnings held over that period was broken only in the disasterous maize crop years 1983 ( $16,9 \%$ ) and 1984 ( $13,5 \%$ ).
SAAWU senior economist Dries Davel estimates that, while foreign earnings by agriculture will be closer to normal, they will not be exceptional.
He says in spite of a wetter summer drought conditions still persist and SA still lacks significant agricultural products to export.
Maize Board acting general manager Pe ter Cownie confirms that SA will be able to export maize this year but cannot give an estimate of the magnitude as yet.
The fifth estimate (one is made every month) this year was 7,4-million tons but estimates for domestic consumption were
not available. A crop of this size is worth more than R1,5bn at producer prices.

Last year the maize crop was 4,4-million tons and SA had to import more than 2 million tons at a cost of R 900 m .

While it is too early for the Maize Board to make predictions on the actual size of the maize surplus, last year's figures suggest 1 million tons may not be too wide of the mark. Local consumption is depressed because of the slump.
A spokesman for the Citrus Board reports that the exchange rate, as well frost damage in Florida and Spain, will boost export earnings which could surpass last year's total and prove to be the best ever.

Gross earnings from wool totalled a record R403m for the year ending June, up from R290m the previous year, according to the annual report of the Wool Board just released.
Volumes were up on last year but this was largely due to the exchange rate, according to managing director Faan van Wyk.
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 South Africa neets a new revolution in a ricuture, matily toy genetic engineering of new crops; topprevent food shortages for a population of 45 millioniby the turn of the century, says a prominent scientist til In a University of the Witwatersrand senate specialilecture last night, Professor Helen M Garnett, hhead'of the university's department of microbiology, saidif the country continued its present agriculturral practices would not be able to feed its population within' 15 years
The Green Reyolution had not helped the whrd World part of Southerin Africa and the new turn should be frombending the environment to suit the crop plant, to bendingthe plat to fifithe environment.
This would beikthrough microbiological methods
such as gene transfers"
from one plant to
other, cell cultures and
other forms of genetic manipulation. :
About 80000 of the
 variéties were edible Professor Garnett said, yet three quarters of the world's diet was based on only eight crops:

There was much scope in South Africa for manipulating crop plants to grow in salty soil and to tolerate ,. droughts and certain plant diseases

Research at the university thad shown that'some indigenous grasses deve-
lóped high metabolic ac"tivity genes might be transferred ${ }^{12}$ other plants to achieve r short , growing seasons and soextend the potentialuof grazing land in the country ${ }^{2}$

## Farmers call for

## new

Mercury Reporter WITH many farmers facong financial crisis in the coming year, one of the most important resplutions accepted at the
1985 congress of the Natal Agricultural Union (NAU) in Durban yesterday was one calling for farmers to be allowed to produce ethanol-based fuel for on-farm consumption.
Mr P Dermot, of Paddock and Plains Farmers' Association, moved that in view of the high cost of fuel and its importance as an agricultural input, the appropriate Acts be amended to authorise farmers to produce fuel for their on-farm consumption without incurring any Government tax or levy'.
He said all farmers would remember the 1973 fuel crisis and the resultent astronomical rise in the fuel price which had pushed the price of tank diesoline from R90 in

1972 to R1 1000 today.
'With the rand at 35 U S cents, what will it be tomorrow?' asked Mr Dermont.
'Liquid petroleum reserves will be running out by the year 2000 and yet, incredibly, we place our faith in Sasol.'
The most important aspests highlighted by the resolution were the high cost of fuel and its absolute necessity for abriculture.
'As far as cost is concerned, we are all aware of the fact that the fuel industry is highly protected and the whole business shrouded in secrecy,' said Mr Dermot.
He told the congress that a few farmers had got together and 'took the chance' of sending their own delegate - qualified chemical technologist Erroil Nicolas - to the international conference on sugar and ethanol in Braail in June this year.
Mr Dermont said Mr Nicolay's viability study
had showed that while there were technical ifficulties in producing ethanol from maize or surgar cane, the main problem in South Africa was a legal one.
Firstly, farmers could produce ethanol but would then become ommediately liable for a R9,50 a litre duty on
spirits. spirits.
Farmers could then organise their plants so that ethanol was automatically denatured by the addition of petrol, but then they would become liable for road tax, Sasol levy and Strategic Oil Fund levy amounting, in all, to about 30 c a litre, with no rebates as in the case of diesoline.
In Natal, farmers had shown that they could produce ethanol for $14,5 \mathrm{c}$ a litre and a farmer using $10000 \ell$ a year would need set aside only 5 ha of land for, say maize, for this purpose.
'We as farmers need a
break,' said Mr Dermont. 'We need to be given the go ahead from Government using our own money and presently available expertise. We ask no subsidies or anything else and we look to congress to ensure this for us.'
Later Mr Lewis Miller, of Beaters Farmers' Assocation, addressed congrass on the high input costs which farmers incared.
His resolution that 'congress urges all farmers to use their bargaining power to minimise the ever increasing rise in farm input costs' was accepted.
'Whereas most of the products which the farmers sell are subject to price control, the input costs are not and supplyers of inputs are allowed to get away with murder,' said Mr Miller.
'The time has come when farmers must stand
together to try to achieve a breakthrough into starting a price-cutting war among,ourinput suppliers.'
Mr Besterused fertiliser costs to illusrate his point.
He said that last year a buying group from a farmers' association had asked fertiliser companres to tender for an order of about 1000 tons of fertiliser.
The buying group had found the tenders were virtually identical in price, discount and terms of payment
Price control on fertiliser was abolished, but it seems that the industry has formed a cartel,' said Mr Bester.
'What has the Minister of Trade and Industries done to eliminate this obvious monopoly?'.
The congress closed yesterday with Mr JJ Fourie being re-elected president for a further






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## \section*{} <br> $\therefore \quad$ YOSNA VGNIT



















Pretoria Bureau Some of South Africa's many agricultural contron boards must . be phased out in the move towards a more marketoriented economy.

This was the view expressed by the general manager of the Standard Bank Investment Corproration, Mr Andre Hamersma, at a joint conference of farming and business leaders in Arethoria yesterday.
Mr Hamersma said the practice of price fixing on a cost basis must be replaced by market-related pricing. The phas-ing-out of some control boards would bring down marketing costs.
Mr Hamersma said this was not the only measure that had to be adopted if the country was to see renewal in its agricultural and produceion sectors.

Other steps which needed to be taken were: - An end to hidden government interference in pricing. State aid must be by way of direct payments by the Treasury.

- Simultaneous, co-ordinted deregulation across a broad front.
- Farmers must become less dependent on the Government.

Political comment in this
$\checkmark$ issue by HW Tyson; headlines and posters by D Rink; cartoons. by A Berry, D Fedier and D Anderson; all of 47 Suer Street, Johannes) burg.
$x$ argues for control STAR boards

Pretoria Bureau
3 Pretoria Bureau
Control boards are play-
ing a vital role in-protecting farmers from the vagaries of drought, recession, dwindling land values and disinvestment, according to the Minister of Agricultural Economiss and Water Affairs, Mr Greyling Wentzel.

Mr Wentzel told a conference of farming leaders in Pretoria last night that co-operative action and the limited control which the Marketing Act gave certain producers were helping many farmers survive the current crisis.

However, there had been growing criticism of the control boards by consumers.
Mr Wentzel said almost every country in the world applied certain control measures in agniculture.
In South Africa it was the Government's apbroach to find a sound balance between limited control and the free marret system.

The Marketing Act was supple enough to be adapted to changing needs. For example, the National Marketing Council was now looking into the activities of the control boards with the aim of pinpointing masure which must be abolished or amended.

THE proposed incorpora-
tion of Indian farmlands
into KwaZulu wir be indi-
cussed by the Natal ndi-
an Agricultural Union at
an emergency meeting of
Dits working dy.

Mr Robin Mortan,
tary of the atsoct more
said yesterday: that more
than 300 Indian, farmers
and about 500 families in
Emona, outside oted:
aced being putting up a
"We are putting up a
strong fight wel may con-
proposals. We may con-
sider takjur terar act Mr
if nece sary isad.
Mohan. Z大e Junana
Mr Natantuk ates MP
House of North Coast, ad-
for the North coting and
dressed the meeting and
also pledged farmers.
port to the farmers.
$\therefore$ Afive-man action com-
mittee was elected to
monitor and co-
the opposition! '
Today's meeting will be
Today's meeng Clairwood
held at the Cale Market at
Bulk Sales
${ }_{3} 30 \mathrm{pm}$.
$3,30 \mathrm{pm}$.

## farmers'

parts of Natal into KwaZulu.
Mr S Ramkalowan, the union's vice-president, and working committee member Mr Nad Govender, were given a mandate by the unfor at its he proposed take-over of housands of hectares of ndian farmlands at Emona, outside Tongaat. The commission is to sit

## in Durban tomorrow to <br> Call to scrap KwaZuiv merger <br> Pietermaritzburg Bureau <br> He acdepted there was a need for ad-

THE New Republic Party MK for Mooi River, Mr Ralph Hardingham hos called for the immediate scrapping of the recently announced consolidation the recently announced con
proposals for Natal/KwaZulu.
Speaking at a public meeting in Mooi River last night, Mr Hardingham said the proposals as presented were meaningless and irrelevant in the context of providing a basis on which the affairs of Natal/KwaZulu could be administered in the future.
'The recommendations represent outmoded philosophies and should be scrapped forthwith,' he said.
justments to le made in certain sensitive ecologicil and catchment areas where settlenent had taken place but that this should be achieved by direct negotiation and consultation with the KwaZulu Government.
'The genera proposals as submitted are also impractical from a financial point of view. The enormous costs involved could be better spent in updating the urbanisation requirements of the country.'
Mr Hardingham said there appeared to be doubt as to whether the Government would go ahead with the proposals. Chief Minister Amichand Rajbansi has pledged 'vehemently to oppose' any take-over.
Mr Robin Mohan, secretary of the union, said Indian farmers in Emona were panic-stricken after receiving letters from the Tongat Indian Mill Group requesting details of their assets and descriptions of their farms.
Mr Johnny Singh of the mill group said the information was required by Mr Y S Chinsamy, vicechairman of the Natal Indian Cane Growers' Association, to enable the association to prepare its objections and lodge them with the Department of Co-operation and Development in Pretoria.
 Although various estimates have put the total indebtedness of South Africa's farmers at close to R9 billion, final figures from the annual report of the South African Agricultural Union show the position is even worse
By the end of 1984, the farming community, feeling the effect of drought, soaring interest rates and input costs, owed R9,5 billion - a 28 percent increase over the R7, 4 billion in 1983.
Added to this is an ever-increasing .interest burden - R1,3 billion compared with just over R1 billion previously and almost double the R784 million-in 1982.

Emphasising that agriculture was now "fighting for economic surviv$\mathrm{al}^{\prime \prime}$, the report says that as a result of the deteriorating financial position of farmers preceding the drought, most producers have almpst no reserve funds. $21 / 10 / 85$
"Further production, must' therefore, be financed entirely from borrowed funds.
"ij "It'should further be borne in mind that the current high interest rates have become a big cost factor for the farmer, causing him serious financial and cash-flow problems.
"Interest still has to be paid in spite of drought conditions and therefore, under present circumstances, there is little the farmer can do to diminish his debts," says the report: :

## 

Pietermaritzourg Moicu Rureá THE Natal Agkicultural Union has expressed 'moderate general opposition' to the Kwazulu consolidation proposals in a memorandum submitted to the Commission for Co-operation and Development which sarhere yesterday.
The Lions River Divi-- sion Agrictulturat Society
said the principle behind the consolidation of land in Natal and the concomi-- tant forced removal of people was 'in direct conflict with the basic Christian principles on whieh South Africa was founded. 3-Genosal :The-Rietermaritzburg Chamber of commerce said it was opposed to any further proposals for the geographical consolidation of KwaZulu. $24 / 10 / 85$ prieve to drought-stricken farmers in some areas and causing havoc in others.
Nine people were admitted to Johannesburg Hospital with serious injuries after vehicle accidents during yesterday's fierce storm which darkened the city
Parts of the Lowveld were lashed by storms which interrupted telephone and electricity services and flooded houses and business buildings.

In Cape Town a raging black south-easter, gusting up to 60 knots and accompanjed by freezing hail and rain. disrupted electricity shattered wndows, overturned at least one caravan and bowled several pedestrians clean off their feet

Agricultural authorities say the rains - as much as 56 mm fell in some places in the Transvaal last might - have come just in tıme to allow planting

However, they warn that substantial backup rains are needed to restore the severely depleted underground moisture so that crops can flourish

## More optimistic

A spokesman for the South African Agricultural Union. Mr Gerrie Smit. said the rains meant farmers were now more optumistic of a good crop

The general manager of the National Maize Producers Organisation, Dr Piet Gouws, said
jocaranda tree fell on them. Ms across the roots of both cars, smashing them and wner of one of the cars parked in breaking all their windows. No one was hurt in the owner of one of the cars parked in total write-off. The tree trunk landed
breaking all their windows. No one was hurt in the and saw up the trunk before they could remove it. planting deadlines had now expired in areas like the Eastern Transvaal but farmers had managed to get their crops in.

There were reports from Wolseley, Worcester and Malmesbury in the Cape of severe crop damage due to wind and rain.

The Free State has experienced good rainfall since the weekend. During a heavy thunderstorm over Bloefontein last night about 15 mm of rain fell

Central Johannesburg had $9,3 \mathrm{~mm}$ of rain in yesterday's stormi. The city's southern suburbs had 13 mm and Bryanston $8,5 \mathrm{~mm}$.

Nelspruit recorded close on 56 mm of rain last night while Phalaborwa had 44 mm and Pietersburg 36 mm . Places on the Natal coast, including Durban, had up to 036 mm , according to a spokesman for the Weather Bureau.

He said there was a 30 to 60 percent chance of further rain in the Transvaal today.

damaged when a jacaranda tree fell on them. Mr Dean Burdett, owner of one of the cars parked in Broadway Street, said he arrived from an errand to find his car a total write-off. The tree trunk landed
across the roots of both = breaking all their windowe incident. Workmen had to and saw up the trunk ! :

Yesterday's storm was bad news for the owners of (16), who welcomed the much-needed rain. The cars, parked in a Bez Valley street in Johannesburg, were

Barberton suffers extensive hail damage aftc



Lcexypldi burpin
BARBERTON -A violent Hailstorm yesterday caused extensive damage to buildings and property in Barberton.

The storm, which last about 30 minutes, started shortly after 3 pm .

It was accompanied by lightning and thunder and within minutes, the hail lay 30 cm deep in places.

Telephone and electricity services were interupted and several businesses, flooded by stormwater hand taxpose.

Barberton's mayor, Mr Boet Pohl, tdday said visitors at the town's caravan park were given shelter in municipal chalets after they were stranded in the hailstorm.

Many of the town's historic buildings were badly damaged when roois and ceilings collapsed under the weight of the hail.

Elderly people living in the town's well-known Fountain Baths House were treated for shock wher
part of their home collapse Damage is expected to Good rains have been sof the Lowveld.

In the White River $\mathrm{I}-:$ hail were received.

The Kruger Park and had good downpours and were measured

Nelspruit bad 55 mm .
Good rains alsr fell in :

The sroppinu basket this week visled Ekuphumuteni Subermar． Ket in Mofalo North and hayibuve Snopping Centre in Fholetsane
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Good\＆Clean \＆Fresh 1 k ： 50 H －
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Sunseed $755^{\prime} \mathrm{m}^{\prime}$
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Sugar
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2.5 kc

Selati 12.5 kg
2.5 kg

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## AGRICULTURAL DEBT <br> Banks call for action

Commercial banks, which have the biggest exposure to SA's massive R10,25 billion agricultural debt, are pressing government for urgent action to prevent an economic collapse in certain drought-stricken areas.
A top-level meeting was convened by Agriculture and Water Supplies Minister Sarel Hayward in Pretoria last week to create a united front to meet the looming debt problem.

The meeting apparently followed threats from some banks to dishonour farmers' cheques in the drought-stricken western Transvaal.

Government, the banks and coops fear the domino effect of insolvencies and collapsing farm prices in some regions. Such failures would clearly lead to heavy losses to creditors.

But there is also growing pressure to start a gradual - and orderly - shaking-out process of those farmers who cannot make the grade even if the rains return this year. This was clearly spelt out to this week's SA Agricultural Union (SAAU) conference in Port Elizabeth by Finance Minister Barend du Plessis.
Attending the debt meeting at the Reserve Bank offices of Jacobs Committee on Agriculture chairman Japie Jacobs were representatives of the "big five" commercial banks, agricultural co-ops, the Land Bank and the Department of Agricultural Land Tenure.

The debt- and crop-servicing crunch has been caused by the looming R1 billion-plus crop financing requirements for the summer rainfall farming sector.

Maize farmers, hit hard by three years' drought and already deeply in hock to private sector banks, will expect the commercial banking sector to extend further facilities to ensure the planting of the new year's crops.

But the banks are understandably worried about extending credit in a time of drought and recession. Already they have R3,73 billion direct exposure to agriculture - $36 \%$ of the total farming debt. And they are not even preferential creditors.

Co-ops have a statutory lien over the total crop proceeds of all farmers who owe them money, and the banks have to wait while the co-ops take the first bite of the cherry. Coops also benefit from government's subsidised six-year debt-extension scheme, while the banks qualify only for the 22 -year debtconsolidation scheme - with no subsidies.
Apart from their direct, and ill-secured,


SA farming ... drought's bitter harvest
"But the platteland economy is also strongly dependent on a healthy farming sector," Daymond notes. "This adds another dimension to the problem. What worries us most, though, is the legal lien coops have on farmers' crop production, which pushes banks to the back of the queue when debts are paid."

Co-ops' total debt exposure to farmers had increased by some R 450 m to $\mathrm{R} 2,23$ billion - or $21,7 \%$ of total farming debt - by the end of last year. And about R1,3 billion of unpaid co op production credit was consolidated in terms of the six-year subsidised scheme in the year to August 31.
exposure to farmers, the commercial banks are also the major source of Land Bank and co-op funding through the capital and money markets. And the Land Bank holds the first bonds.

So no one can reasonably point a finger at the banks - who finally provide some $80 \%$ of total funding - for their concern.
Says Standard Bank GM (credit) Arthur Daymond: "Nobody wants to pull the plug in this very sensitive situation, as everyone will suffer. But we do feel that some farmers, especially in the west, have extended their crop farming too far into traditional stockfarming areas. This has increased credit risks, especially in tough drought years."

Daymond adds that banks are fully prepared to extend support to farmers who cannot service their debts as long as there is confidence that the farmers will recover financially when the rains return.

Standard's agricultural lending is limited to some $6 \%$ - or R 780 m - of its total R13 billion book, so it is not unduly worried about its exposure.

## STILL CLIMBING

The Financial Mail continues to go from strength to strength. An interim certificate from the Audit Bureau of Circulation (ABC) for July, August and September shows the FM had average weekly sales of $\mathbf{3 3} 072$ in that period - the first time the publication's ABC figures have topped 33000 .

This achievement follows the FM's best six-month period from January to June, when average weekly sales climbed to 30843 .

This carries an interest rate of only $8 \%$ in the first year.

Banks do not qualify for this scheme at all while, in terms of the 22-year scheme, they again have to play second fiddle. Only a third of their overdrafts can be included in the scheme. And the mortgages are held by the Land Bank. About R600m was consolidated in the first two years of this scheme.

With the total agricultural interest burden of some R1,3 billion/year adding to the sector's dismal economic scenario, the time might therefore be ripe to call a halt to the perpetual subsidy spiral.
The SAAU is not sitting still, and two of its interesting proposals are now being considered. The Margo tax commission is busy considering its recommendation to create a tax-free fund where farmers could save their profits in the good years to help tide them over the lean times.
But the second suggestion has more direct relevance to the debt problem. At a recent meeting in Namaqualand, SAAU president Kobus Jooste suggested that some $20 \%$ of the farmers in a certain district consider the possibility of selling out to their neighbours as their debt:asset ratios virtually made further farming impossible.
Such action might just hold the solution to agriculture's massive debt problem - if followed up resolutely and supported by the banks, the co-ops and government.

## PUBLISHING

## Free Press

Despite the print media's problems, the Argus Group and its Caxton associate are pushing ahead with plans for four new knock ' $n$ ' drop newspapers in the Pretoria region.


Fiygerberg Bureau
A TRAINING programme aimed at giving farmers greater management skills and developing greater promotion potential for farm labourers nas been announced by the Western Frovince Agricultural Limor.

Mr Frans Malan, chairman of the union. said the programme would pe run with the Rural Foundation whict. he said nad aiready acineved remartable success in its countrywiae trair: ing programme for farm labourers
:Researcn nas found that a course in pruning was the greatest single need and that the development of supervsory management and labour relations skills were also requred

Mir Jannie le Rour, a spokesman for the union. said that better-educated farm labourers had a tendency to migrate to the cities for higner-pand industrial jobs and that those who re-
mained behind theretore were the minast educated members of their communities.
Training programmes should be instituted to develop this fuman-potentional remaning behind on the farms
${ }^{\text {s }}$ White farm managers are becoming scarcer ano more expensive anc we couid. with these new traming programmes. also create manageria: jobs for farm labourers' ne saic
"Anolner way in whet labourer: are atreaoy being given more sar is through the workers committees nok developing on tarms. Tnese commitees aiso give tarm workers greater skills in negotiating anc management " ne saic

The proposed courses are being put togetner by the Unversitv of Fotcief: stroom the Eoskor Traming Centre and the Fural Foundation. while ali-dio-visual aids will be providec by the KWV, Stellenbosch Farmers' Winery and Oude Meester
White farm managers are becom grammes. aiso create manage -_一_ _ـ____



## Cash slump drives farmers to cities

FARMERS are heading for the cities in increasing numbers to try to stave off financial ruin.

Piet Gous, GM of the National Maize Producers Organisation (Nampo), says more farmers are looking for city work to avoid selling their farms and leaving the land for good.
Contrary to some reports that the drift from the land is accelerating, Gous believes relatively few farmers "much less than $10 \%$ " - have moved permanently to the cities since 1982, when the drought became serious.
"Very few farmers have left the land because of the massive loan programme, reduced interest rates and production credit available to them," he says.
He says it is a buyer's market and farmers cannot obtain good prices if they sell. The commercial value of farms has dropped in real terms by between $20 \%$ and $40 \%$ compared to 1982.
Spokesmen for Transvaal farming cooperatives point to the growing number of liquidations as proof of the financial pressures on farmers.

LINDA ENSOR
Most of those going under are small-to-average-sized farms, says one, with small creditors forcing the liquidations.
A spokesman for the South Western Co-operative - an area hard hit by the drought - confirms that farmers there are temporarily leaving their farms to get work in the cities.
Farmers working in the cities sometimes let their farms to neighbours while they are away.
In other instances, especially in the Northern Cape, the farms are abandone until the drought breaks, says Gerrie Smit, of the South African Agricultural Union (SAAU).

Another trend is for farmers to sell portions of their farms to neighbours to settle debts.

Gous believes the trend is towards greater concentration in farm ownership, with small farmers selling out to bigger farmers.
'There are hard times
ahead,' said one chainstore spokesman. The general manager of the Pick ' $n$ Pay Hypermarket in Durban, Mr Martin Rosen, said: 'Already suppliers are talking about increasing prices and by Christmas expect at least 98 percent of food items on the shelves to have increased between 5 percent and 10 pểcent.
${ }^{\text {'Even }}$ the price of rice which was to have dropped by about $8 \mathrm{c} / \mathrm{kg}$ following a Government decision to drop the sur charge, will be affected. The drop will now only be about 3 c,' he said
'Spar managing director Mr Brian Beavon agreed that increases of between 5 percent and 10 percent
could be expected because of the fuel price in-
bréase' but said most of
These would probably not be felt before the new year:
Manufacturers have to
 of price increases and we will take advantage of that to buy in stocies ${ }^{\text {a }}$.
r • We definitely willt see price increases in the Spar group until the new year, apart from those already announced in the past three or four weeks?
Weak rand
The weak rand, however, could push increases onsome products up by another 5 percent
The senior buyer for Pick ' $n$ Pay in the Western Cape, Mr Allan Baxter, said yesterday: 'The writing is on the wall.
'It-looks at this stage as if we will be able to absorb increases up to Christmas by selling off stocks we already have, but in January, oritpossi: bly February, there will be price increasest right across the board.'
Almost every product carried by the inhain would go up by anything from 5 percent to 15 percient, depending on the distance the product had to travel from point of manufacture to retail outlet.
'We carry 10000 basic food lines alone, and the increases could affect the lot.
Major factors pushing up prices are the in crease in the petrol price and increases in the cost of packaging and printing
Mr Len Clench. divisional director of Checkers, said the exchange rate had had a serious effect on the cost of ropinting and packaging abs

## Mercury Correspondent

creases there would be next year.
'But when all the bits and pieces are added up, we will be left with nooption. We will have to pass it on.'
Our correspondents in Paarl reports that an increase in the price of fresh fruit sold to the canning industry is likely to hit the consumer from March next year.

Prices paid by the canning factories for fresh fruit would increase by between 7 percent and 18 percent, and this would be passed on to the consumer.

## Pietermaritzburg Bureau

THE latest petrol price rise and the fear of yet another early next year could be the proverbial last straw for some farmers in Natal who already have their backs to the wall.
The director of the Natal Agricultural Union, Mr Alwyn Bisschoff, said
he could see farmers having 'a very hard look' at whether their industry was still a viable one.
What concerned the NAU terribly, he said, was that the farming sector was extremely vulner able to fuel price rises.
'Farmers have long distances to travel to car their input requirements and produce is very de-
pendent on road transport, so ancther fuel price increase will have a tremendous effect on them.'
Mr Bisschoff said the new petrol price would have an obvious ripple effect through the entire economy and in every sector of agriculture.
The NAU was alarmed that another petrol price increase was in the pipeline.
The president of the S A Agricultural Union, Mr Kobus Jooste, said although the increase had been expected because of the value of the rand it would be a further blow to farmers who were struggling to recover from unfavourable seasons
The SAAU was als "extremely concerned' about the increases in input costs, particularly im ported implements.
'The spate of increases agriculture has had to deal with is seriously undermining the financial independence of farmers,' Mr Jooste said, adding that the survival of a large section of the farming community was being threatened even more.


HARARE - The Zimbabwean Government last night set new minimum wages for more than 40000 workers threatened with losing their jobs after their farm employers complained they could not pay a previous higher wage.
Acting Labour Minister Mr Edgson Zvobgo said the Government decided to grant a partial wage exemption on those farmers who grew but did not process their crops, because it had been proved they were unable to afford the minimum of about R217 announced in August and backdated to July.
He was speaking in Parliament after a Cabinet meeting earlier yesterday had examined the pay row between the workers and their employers - estate farmers growing tea, coffee, sugar, flowers, fruit and timber. The dispute sparked demonstrations and vio-
lence by workers who charged that employers were deliberately underpaying them.
Farmers said they would go out of business if they met the pay demand.
Mr Zvobgo announced wage rises varying from about R22 to R37 a month for workers employed by farmers who grew crops but did not process them.

Workers on farms growing and processing the produce were awarded monthly pay rises ranging from about R22 to R67.
The new wages, effective from next month until June 1986, are well below the previous minimum, although a few farmers will still pay the old rate because some of their workers were already earning that amount before
last July. - Sapa-Reuter become legendary, the United States, unlike South Africa, partly also because large parts of its farming lands are unproductive six months out of a year.
All over the world, and helped by mechanisation and biological engineering, farm productivity goes up. In West Germany
productivity doubles about productivity doubles about Revolution has even caused surplus crops this year in exported 20000 tons of maize to
 countries which previously
could not feed themselves.

> Did you know that the average South African farmer feeds well over 400 people? On paper, at least, that
compares mpst favourably with countries like Russia and even the United States. But that is not quite the whole story - there are other factors involved, re-
ports Science Writer JAAP BOEKKOOI
represents 46 per cent of all productive per man-on-the-field
productive per man-on-the-field
than his South African
Farmers in Belgium/Luxem-
bourg feed an average of 88, in
Britain 85, in France 44 , Ireland
30 and Italy 21 . Lowest on the
list is stony and mountainous
Greece where one farmer feeds
10 other Greeks. grazing land in the country, and
which is used chiefly to grow
The actual productivity of
South African farmers is difficult to work out because no one knows exactly how many
 the SAAU estimates 65000 ), the presence of many gentleman, plot and subsistence farmers; and the shifting of farmer Figures in the European Economic Community, for instance, are much more precise are state-registered, in family units, and employ only seasonal Therefore a farmer in Holland or Denmark, officially average, may well be more

## Forecasters say wet summer still likely

## Dam Ievels drop further despite rain

By Sue Leeman, Pretoria Bureau

Reservoirs in the Vaal system are on average 6 percent down compared with levels this time last year and many centres recorded exceptionally low rainfall figures for November - despite good rains early in the month.

The Department of Water Affairs and the Rand Water Board have warned that the 30 percent saving target now in force will remain until good rains fall.
Andmany farmersinizthe arid Western Transvaal are still unable to plant their summererops because the ground is so dry.
However, weather forecasters
say all the signs point ito this summer being the wettest fin the past four years.
, Water department spokesman Mr Anton Steyn said the rains in late October and early Novem'ber had made "very little' impression" on the catchment area:
It would he said, take at least 600 mm of hard rain in a short period for the dams in the Vaal scheme to reach 50 percent of capacity on average:
At the moment they stand at. an average of 21 percent; compared with 27 percent this time last year.
$\therefore \mathrm{Mr}$ steyn said these reserves could see the Reef through until next summer but by then the situation would be desperate
The chief forecaster at the
Weather Bureau in Pretoria, Mr Mike Edwards; said the past two
months had been conspicuously dry despite one short period of good rain.

Joubert
hadrecelive Novem ber $86, \mathrm{smm}$ - rst da
the month we down ont the
average of 127 nm This was also far less than the 163 mme corded therelast Novembers riothe Northem Transual
m SMe 35 mm after having 100 mm last
November ajo wh However, partsof the catch: ment area had much more rain in the past month than they did lastiyear.

[^2]


. Staff Reporter
FLASH FLOODS caused severe damage in Bushmanland and Namaqualand and a Loeriesfontein farmer, his four-year-old daughter and a young friend had a narrow'escape when a two-metre high "wall ot water" swept his van away.
Mr Martiens van Jaarsveld's van was washed away on Wednesday.

A spokesman for the Loeriesfontein municipality said yesterday it had been raining for nine days. "In the town, the rain has caused furrows in the road and has washed silt on to the pavements. Our dam is overflowing for the first time since. 1978." A railway line between Carnarvon and Calvinia was washed away earlier this week.
A Divisional Council spokesman for the Calvinia area said roads there were also in a bad condition. The national road at Vioolsdrift; where washaways occurred earlier this week, was again damaged by floodwaters on Wednesday.
The.road between Port Nolloth and Alexander Bay has been washed away and it is not known when it will be reopened.
A Divco spokesman said they were watching the road ass there was a'swollen river nearby"wwhich could run over its banks again at any time".
Floods caused serious damage in the Karoo and a Ladismith farmer, Mr Koos van der Horst, lost twothirds of his apricot crop. Farmers in the Boland have also suffered crop losses, due to rain.
-


## Govt to fight locusts ${ }^{\text {BuS }}$

AGRICULTURAL authorities are to use a R7m government job creation grant to help fight a locust mental projects.
This was announced in Pretoria yesterday in a joint
statement by Agricultural statement by Agricultural Economics and Water Affairs Minister Greyling Wentzel and Agriculture and Water Supply Minister Sarel Hayward.
They said R2m would be used to combat a serious outbreak of brown locusts, which could cause extensive damage to natural grazing and crops in the Karoo and adjacent. grasslands if it was not brought under
Other projects to be launched included the planting of drought-resistant forage plants, cleaning of irrigation canals and the repair of unserviceable farm roads.

Eristing projects such as the combating of weeds, bush control and the erection of smaller soil conservation structures would also benefit from the grant. Sapa.
$\qquad$

NEW ON the anti-apartheid bandwagon front is none other than Libya. Spearheaded by Colonel Gaddafi - known for bankrolling radical movements and terrorist activities around the world - the little-publicised Anti-Apartheid Conference in Tripoli was funded by him a week ago.
Invitees included 225 lawyers from 37 countries, as well as members of the Association of African Jurists.
Prominently represented were delegations from the ANC, Swapo and the Palestine liberation movement.
In the forefront of the activiies was SA-born poet - and author of "True Confessions of an Albino Terrorist" - Breyten Breytenbach.

## Personal coup

The outcome of the jamboree was the "Declaration of Tripoli". Anti-SA action is called for on a broad front. Blueprinted is a Steve Biko university in Libya.

Meanwhile, the intention is to structure an international fund to further solidarity with international liberation movements.
-American anti-apartheid activist George Crockett was awarded the Nelson Mandela prize for his anti-apartheid endeavours.
Not surprisingly, Gaddafi senses the mileage which accrues from aligning himself with Black frica on the emotive anti Black Arrica on the emotive anti-apart heid issue.

At this moment his image in Africa sorely needs a touch of polish. Libyan expansionary movements in Africa - notably Chad - hardly endeared him to Blac states on the African continent

The successful outcome pro

## HELLOUISETRUSWELL


$\square$ GADDAFI . . . his image in
Africa needs a polish
vided the polish and the timing was perfect. Gaddati could point to the fact that the previous Jurists' conference - scheduled for last January in Cameroon flopped dismally at the last moflopped dismally at the last mo-
ment. The Tripoli conference was ment. The Tripoli conference
a coup for him personally.
coup for him personally.
Back in Paris - and not to be utdone - is the French Socialist Party, which in the recent past has scored in the vanguard of the anti-apartheid sanctions campaign.
Coinciding with the Tripoli conference, French Prime Minister Laurent Fabius orchestrated his own anti-apartheid get-to-
gether at the Parisian cultural Pompidou Centre.
The occasion was the launching of a new book on SA. Breytenbach divided his time between Paris and Tripoli for maximum exposure on the anti-SA front.
Also present at the Pompidou Centre were Nadine Gordimer, featured on French television news slots, and Beyers Naude, who made a particularly vibrant appeal for sanctions.
Trade unionist Donsi Khumalo was there as well. And Khulu Sibya, from City Press, stood in for Percy Qoboza.
On the calling list of the visitors from SA was President Mitterrand's top adviser on SA, Guy Penne. The SA visitors also met other members of the Foreign and Co-operation Ministries.
The rendezvous in the Pompidou Centre was seen as a dress rehearsal for this week's threeday Franco-African summit conference, which started yesterday.

## Disconcerted

Although the Franco-African summit is an annual affair, this year's summit is scheduled to bear down heavily on the SA issue.
Among those taking part is the current head of the OAU, President Diouf of Senegaly who recently visited all frontinge states.

He noted that he wastiottonly struck by their economiginterde pendence with SA, buterasozb their commitment to the diferation struggle. The duatuty fear ly disconcerts him. 3
ly disconcerts to endeath hioniself
Diouf, eager to endear whase
to the French Socialist Party, describes France as a "locomotive", the anti-apartheid struggle.
France, openly committed to this "locomotive" role, includes" on the summit platform this year members of all the front-line states.
It is obvious that this occasion will mark yet another milestone for the Socialist Party in its avowed intention to intensify the assault campaign against SA.

## Concerned

Desmond Colborne, SA: Foundation director in France and a keen student of Francophone African affairs from his Paris base, comments that in the last year Airica's Francophone states have undergone a major con-sciousness-raising process".
"They are now much more concerned with SA. In happier days, when President Houphouet Boigny spoke up for dialogue with SA, there seemed toibe a serious chance that SA could come to terms with Black Africa.
"If we had made ourselves politically more acceptable, the African states could have come out of the closet as regards their economic relations with SA.".

As he says, there could have been a Nkomati-type formula on a bigger scale - political realism traded off against economic realism.
Now, even with record exports from SA to Africa, the tide appears to be running in the opposite direction.
Behind the inevitable rhetorical overkill, the Paris summit should give us some indication of where the African states are headed on the anti-apartheid issue.


## Dairy cows, hens, woodlots and vegetable gardens transform the land

 letic-looking scrub cattle and sour ngongoni veld, it is a surprise to see four into a lush fenced pasdock In adjacent padyoung - three heifers and this year's tiny The daily milk yreld from kwaZulu's serub cows is rarely more than to Mr Gideon Biyela's aged, Mr Gideon Biyela's produce 20 litres each produce 20 tres a day He sells the rich milk for ace a lire - half the price of packaged milk in local shops. He bas no distribution costs because "at the farm gate" milk One rosts for
Once costs for pasture grass seeding, fertiliser, lar spraying of cow's lar spraying of cow's ed, Mr Bredact-three-hectare dairy unit generates an annual ingeme of about R2 000 Scarlet hibiseus
scarlet hibuscus flowleading down from the Meading down from the meimoth-Eshowe Road to a corrugated iron-

## most promising

side comes a steady con- ing clean sawdust under versation of mellow clucks the dav's water supply to A sign at the roadside a roof tank proclaims, "Egg Produc- The eggs are sold at Natural Resources" of R1,40 a dozen After costs Natural Resources". In of hens and feed, the an-
the shed are 500 brown nual income for laying hens, producing up Myandu is about R2 000. to 34 dozen eggs a das It is an "all in/all out" system After 72 weeks the hens have passed their egg-laying peal and go to market. There are 10 days for a clean-up and then 500 new hens come in.
Managing the egg production unit takes about an hour a day of Mr Walter Myandu's time distributing feed, spiead

## PUZZLE

These are two pleces of a Jgsaw puzzle called the Biyela Multi-Facet Rural Development Project A 23000 -ba area selected by the kwaZulu Goverament and the Institute of Natural Resources for a pilot venture in "integrated land management planming", it is already showing the benefits

## 'The people can't eat politics'

With the traditional dignity of royalty Prince Gideon Zulu was quiet. Other did most of the talking during a recent tour for representatives of corpora tions sponsoring rural developmen projects in kwaZuiu.
Whed he spoke it was to sum things
up: "People can't eat politics," he said.
The combined problems of poverty
unemployment and overcrowding
meant serious environmental degrada-
tion which worsened existing problems and componoded the downward spiral. he said.

Thanking corporate Johannesburg sponsors for their support, he pointed Afticat whatever the future of Sout Arrica tield, people would need to eat. swaidulu bad a stable government, Legislative Assembly. It made sense to contribute to development where there were no riots or bombings.
"People are tnemployed and projects like those the Institate of Natural Resources is bailding up with the kwaZulo authorities creste earnings, be sald

Phase I involved a sur vey of resources and con straints on development the drafting of a prelimi nary regtonal plan and the establishment of demonstration units like those described.
Phase II involves a more detailed study of land rights and marketing systems to ensure that further development meshes with local traditions and needs.
There are five egg and broiler chicken units in Biyela as well as numerous woodlots, vegetable gardens and market stalls. As people begin to enquire about starting their own, the institute provides expertise and co-ordination
The Biyela plan shows
about 70 percent of the area to be suitable only for low-density grazing done on a rotational btee, 20 percent (the priate for forestry and small areas of level land with higher rainfall or access to river water are suitable for dairy pascommunal gardens.
Community woodlot


From the doorway of Mr Walser Myandu's egg producton unit Prince Gideen Zulu welcomes corporate visitors inspecting the results of tholy dontations.

## Blyela's demonstration And

And wattles units. Paper companies seven metres tall at less donated the young trees than three years old, ar and villagers formed grown primarily for and parces to prepare building lumber becaus four hectares to plant treatment. Fuel wood is the trees and keep them Byproduct of trimmin watered for their initial trees for poles. critical first few months. On a three-year-old woodiot, pines are the size of Christmas trees The wood will be ased for building and farniture. Gum trees, already much larger, are also a cash crop, grown for pulp and mining timber.

The institute, the government and individuals putting thelr efforts into project will not turn kwaEden. But they are transforming subsistence or below-subsistence lands to productive purpose on to productive purpose on

GOVERNMENT is set to introduce far-reaching changes to its agricultural control policies.

In an end-of-year statement to farmers today, Agriculture Minister Greyling Wentzel will say a new marketing ling Wenteg, combining "orderly" marketing and free market principles, must be introduced.

This is likely to lead to major changes
in the entire control board system.
According to Roelf Kotze, chairman of Wentzel's advisory committee, National
:Marketing Council (NMC) recommenda-
F.tions include abolition of the single-channel, fixed-price marketing system in the - dairy industry.

Investigations into the operation of the System in the maize industry would be findertaken, he told Business Day .
IIn his statement, Wentzel says some Controls must be retained in certain agriculturà industries.

Those measures which we will retain, thowever, will have to be applied in such a 'manner that agriculture will move clos"ere to the free papriset system."

## LINDA ENSOR

Kotze said the NMC had investigated each of the 21 agricultural control boards since January with a view to rationalisation.
He said a major principle on which the NMC was basing investigations was maintenance of a "reasonable degree" of price stability for farmers. Another was provision of "a regular supply of foodstuffs at reasonable prices" to the consumer.

He said the dairy industry - one of the most strictly controlled - had been the subject of most discussion. The NMC recommended the abolition of the restrictive registration of fresh milk distributors and industrial milk factories and the elimination of the single-channel prohibition of sales of butter and cheese enopany body other than the Dairy Board.慜 Retail price fixing was abolished in June this year and the abolition of wholesale price fixing would come into force
the Dairy Board had accepted this.
Kotze said the NMC wanted to see less government involvment in fixing producer prices. He added that elimination of the one-channel, fixed-price marketing system for barley, rye and oats, which fall under the Wheat Board's ambit, was also under consideration.
Regarding cotton, the council has recommended the abolition of the restrictive registration on ginners and the maintenance of the remainder of the cotton scheme "already strongly oriented to free market principles".

Industry sources said last nightyuthat Wentzel and Kotze's comments 3 ignalled a significant move in the right direction. Leon Louw, executive director of the Free Market Foundation and chairman of the SA-Meat Forum, welcomed the statement. "It is a long overdue shift in policy," he said.
Milke Tarr, one of the Progressive Federal Party's agricultural spokesman, said, however: "It's a complete nonstatement consisting of vague generalities.


Weekend Argus Correspondent JOHANNESBURG. - The plight of the South African farmer crushed by years of drought and mounting debt, has become so severe that a widespread drift away from the land is now a reality.
After a series of drought failures, the financial problems of summer grainiproducers, especially in areas of the Western Transvaal and the Free State, are practically insurmountable.
Carry-over debt at the grain co-operatives in the summer rain areas has risen from R106-million in the 1980-81 season to as much as R1,5-billion at the end of this season.
Most of the badly hit farmers have poor cash flow and insufficient produiction credit facilities. Indeed, some halve no credit lines open to them at ally
"The possibility of farmers being forced out of business due tor lack of finance must not be excluded," says Dr Koos du Toit, chief economist of
the Soutratrican Agricultural Union. "A migration of farmers from their farms will not only cause large scale unemployment among labourers but ancillary businesses which depend on agriculture will also suffer."
One farming expert goes so far as to say that if the "alarming debt situation" snowballs, it could lead to the coliapse of the economy in large parts of the summer-grain cropping areas
of the country. the country.
Aggravating the problems is the present high cost of froblems is the
of interest rate patterns.

## Owe R44-million

A microcosm of the problem is seen in the Ottosdal district of the Western Transvaal, where a survey disclosed that 65 farmers owe a total of more than R44-million. They farm on a: total area of 34103 ha, which means the debt on the land amounts to an average R1 302 a hectare.
While Dr du Toit believes droughtravaged agriculture is slowly starting
to recover, immediate prospectsireto recover, immediate prospectsire-

Even recent rains have brought only temporary relief, and only $\div 50$ percent of the maize crop in some areas fiad been planted by the end of the Novernber.
On, the other hand, farmers in the Low weld and in regions which received heavy rains are optimistic about future harvests.
The livestock farmer, too, faces the problem of thinned-out stock, and becauise of late rains and drought, grazing in many areas has not yet recoveredi

## Sright side.

There is a bright side, however, to the agricultural scene, with other commodities contributing well to the sector's R2-billion in exports.
-Here is a focus on other
commodities:
Deciduous fruit this sector hàd a record export season which generated R470-million in foreign exchange and played a vital part in boosting the overall economy of the Western Cape.
Wool the average increase of about 24 percent in prices so far this, season can be ascribed mainly to the variations the the radexchange rate varia Wheat the harvest is estimated at about 2,1 million tons compared at lastyear's 2,3-million tons These fig.
ures are well down on ures are well dôwn on onsilitevels.:
Business Times Reporter
A SURVEY of farmers in the Ottosdal district in the West-


rresiaent kenneth käurnag or
President Ali Hassan Mwinyi of Tan-
ago, with the alm of creating an African common market by 1992. Heavy aricula
Heavy agricultural debts
Says Hudson: "At this stage climatic conditions indicate a reduced crop, although the most important growth months still lie ahead and good growing
conditions can still impact on the crop."
Du Toit says carry-over debts at the grain co-operatives in the summer rainfall areas escalated from R106m in the 1980-81 production season to as much as R1 500 m by the end of the $84 / 85$ season.
"Most of the affected farmers are experiencing a poor cash flow and a growduction facilities."

He adds present interest rates and the shortage of production capital could result in farmers producing less than opti-
mally this season which would worse their financial difficulties.
"Looking at the summer grain season, only an average harvest at best can be expected," Du Toit says. "If the crops turn out to be below average the financial recovery of many farmers will be hampered if not made impossible." This year's wheat crop is expected to be about 700000 tons less than last year's
due to severe drought due to severe drought conditions in the OFS and also to excessive, untimely ains in the Cape.
Wheat Board GM Dennis van Aarde Says the provisional estimate for the 1985/86 crop was $1,5 \mathrm{~m}$ tons compared to the $2,24 \mathrm{~m}$ tons for the previous year. prediction was made the season a $2,03 \mathrm{~m}$ prediction was made.
with gearing down to $42 \%$ revious $60 \%$. This, coupled


FARM CREDIT

As the burden of the agricultural industry's debt - already carrying an annual interest bill of R1,5 billion - becomes more apparens, industrialists and retailers supplying the sector have become more jittery about their prospects in 1986.

Although commercial banks lead the farm creditors' pack with some $36 \%$ (R3,73 billlion) of SA's massive R10,5 billion farm debt (Business October 25), they are far less vulnerable than the agricultural co-operative movement.

Coops are $100 \%$ exposed to the farming sector, with no diversification to ease the burden. Their outstanding debt has soared in the past 15 years, from R113,4m, or $6,3 \%$ of total farming debt of R1,384 billion, in 1970 to some R2,23 billion in 1984, or $22 \%$ of total farming debt.
"Today, co-ops' assets are largely made up of outstanding farming debts," a banking source tells the FM. "In the past they advanced credit too easily, partly because they also sell farming inputs. The greater the turnover, the greater the apparent profitability," he says.

The latest figures on coop carry-over production credit - money advanced by the Land Bank to coops to lend to farmers will only be available early in January.

But the reality of the massive agricultural debt overhang is forcing coops to devise new strategies to ensure survival of at least some of their customers.

The coops have generally been covered by the lien on crops, but recent droughts have added to their exposure and they've been forced to look at new safeguards. Now they are registering bonds against farmers' outstanding debts.

In addition, they are backed by a two-year-old government scheme allowing six-


Farm equipment ... tough times ahead
year repayment of production credits.
Banks are not unduly worried because their exposure to agriculture represents only some $10 \%-12 \%$ of total risk. It's also reduced because it's spread over all farm and forestry sectors, and some sectors, like wool, mohair and deciduous fruit, are doing well.
The co-ops are also protected as government has cushioned the blows resulting from past indiscretions. Some R1 089 billion of unpaid production credit to summer-rainfall farmers has already been consolidated under the six-year debt extension scheme, says Land Bank (LB) GM Jan Sit.
The coops' statutory lien over farmers' crop proceeds, ranking ahead of first bonds, is also seen as an unfair advantage. Acrimong between banks and some coops on the coops' "unfair" action to safeguard their interests has already led to government's emergency input assistance scheme (Business November 22).

Coops have recently registered more bonds to cover their weakening equity capital bases and outstanding debts. "In effect, coops are not that badly off," a banker says.
The new Banking Act could lead to the coops' being phased out of their traditional role as farm credit interest rates become increasingly market-related.
"Coops get their finance from the LB, via the private sector, and have to add administration and handling costs, further pushing up the cost of their money. It could in future become cheaper for farmers to borrow direct from banks," says a bank spokesman.

The LB's budgeted short-term financing
requirements for the July-June year is now R4,85 billion, compared with last year's R3,89 billion.
"We'll raise this on the money market when, and if, required. We expect no problems in short-term financing at market-related rates," Smit tells the FM.

While the LB's accumulated reserves still enable it to grant cheap - $14 \%$ - long-term credit these reserves cannot last forever. The medium-term rate for farm implements still stands at $15 \%$, while seasonal loans to the coops for crop financing come at the subsidised rate of $16 \%$.
"Government does not subsidise these loan rates - this results from the pooling of our accumulated reserves with current financing," says Smit. He adds that farmers owe some R1,978 billion on direct long-term financing.
"Banks increasingly concentrate on farmes' repayment capacity when considering new advances - the days of extending credit on the basis of mushrooming farm values are over now," says a bank spokesman.

Although security is still important, farm cash flow has now become the determinant, he says.

Whatever the debt worries, eyes will first turn to the sky to see if this year will turn in bumper crops - and so help thousands of farmers to try again in 1986.

## THE ECOHOMY

## FARM POLICY

## More damp squibs



SA's immense farming crisis snowballed in 1985 and was moved sideways - and not over the brink of disaster - by Agriculture Minister Greyling Wentzel's Christmas statement. Echoing cabinet colleagues' promises on related issues such as privatisation and deregulation, Wentzel says farming must move to a combination of "orderly" marketing and "free market" principles.

The earliest change expected is further relaxation of draconian dairy industry rules. Wentzel's policy statement must, however, be considered cant until widespread farming tentacles are relaxed.
Critics say that without fundamental reform the farming crisis will deepen. As a long-term industry the damage could be inestimable. At the root of the problem are 21 Control Boards constituted 48 years ago under the 1937 Marketing Act.

Hailed as farmers' Magna Carta, the Act was seen as a panacea for the "chaos of depression, drought and excessive profiteering." Moreover, it "recognised the futility of voluntary effort for effective stabilisation and security." Today that panacea is a nightmare for consumers and producers.
The authorities have ignored revolutions in world commodity and financial markets and their will, as imposed on farmers, has produced today's unprecedented historical quandary. Farm debt is a record proportion of gnp; wine (albeit on an academic definition), beef, sugar, milk, butter, cheese and other surpluses continue, amongst shortages
of other commodities. Moreover, bust farmers are streaming off the land, and ad hoc reforms limited to individual commodities are usually debated into boredom's point-of-no-return.

At grass roots level, it is difficult to quarrel with a farmer who produces for a totally over-regulated market. He argues: "One farmer alone cannot reform agriculture. If your market allows production on marginal land and subsidised interest rates, the potential profits cannot be ignored."
The farming sector's current financial crisis cannot be overstated. Combined debt is worth almost $10 \%$ of 1985 's gnp and could mushroom into an impossible cash-flow scenario. So fundamental reform is necessary for farmers and consumers who devote exactly $33 \%$ of private consumption expenditure to food, beverages and tobacco (the next largest items are clothing and footwear at $8,4 \%$ of pce).

The latest SAAU Farmer reports that in the western Transvaal's Ottosdal area 65 farmers have aggregate debts of R44m - a staggering R1 300/ha.
As interventionist umbrella, the control boards exercise various powers for their farmer "members," the strictest being sin-gle-channel, fixed-price schemes. At the other pole are municipal markets for fresh fruit and vegetables where buyers meet sellers and haggle until a price is agreed.
Problem is that the strictest controls apply to the most important farm produce: beef,
maize, dairy products, mutton, wheat and pork. In the big markets control boards have failed to meet the Marketing Act's main stated objectives, namely:
$\square$ A measure of stability in the supply and prices of farm products (prices rise monotonously; supply can be wiped out by drought, to wit, last season's maize crop failure which left consumers compelled to foot an immense import bill);
$\square$ A reduction in the price differential between producer and consumer (latest government figures show the producer's share falling from $54 \%$ in 1975 to $48,4 \%$ at 1985 's outset, the fall continuing to $45 \%$ in August); $\square$ To assure consumers "consistent and good quality at reasonable prices" (subjectiveness aside, the cpi for food has risen $247 \%$ in the past decade. Grain products, SA's staple foods of maize meal and bread, rose $308 \%$ ).

Modern economic theory can be applied to South African farm policy in simple terms, answering the vested interest lobby groups en route:
$\square$ SA is not smaller, more over-concentrated, or dualistic than many other countries (SA has the 30th largest population of 188 countries, ahead of countries such as Canada; Australia; Netherlands; Sweden and Portugal);
$\square$ Interventionist attempts to maintain "stable" farm prices hurt consumers and producers. On the other hand, "unstable" prices would promote stable farm incomes and eliminate recurring shortages and surpluses; and
$\square$ Sustaining inefficient farmers by bureaucratic process ignores the vital role of insolvencies in an efficient economy. ment's decision to review the control board system and to scrap unnecessary regulations.
: The president of the Housewives' League, Mrs -Joy Hurwitz, said greater free enterprise would benefit the economy as well as all consumers.
"We have always called for more free enterprise in the marketing of agricultural commodities. However, we realise a certain amount of control is necessary," Mrs Hurwitz said.

- The chairman of the Consumer Union, Mrs Betty Hirzel, said the announcement was welcomed "wholeheartedly".
"We believe tremendous changes should be made. Farmers should be given some stability in the form of a floor price, but there should be more competition," she said.
i. The Minister of Agricultural Economics and Water Affairs, Mr Greyling Wentzel, recently announced that certain control measures were like'ly to be abolished next year.

Mr Wentzellisaid the Government was in favour of greater competition in the agricultural sector and would giye attention to the functions of the control boards.

Mrs Hurwitz told The Star that basic food prices had risen at an alarming ratein recent years.
"Consumers are cutting back and farmers are disillusioned," she said.
"We need to create a situation where the market will respond to supply and demand. Consumers should expect prices to drop when there is a glut and to rise when there is a shortage."
The Control Boards, which are controlled by the National Marketing Council, perform a variety of functions from determining producer prices to marketing of products.
Products affected by the boards include maize, wheat, dairy commodities, oilseeds, meat, tobacco, chicory, rooibos tea, wool, mohair, bananas, eggs and potatoes.

- The Banana Board has issued a statement warning consumers that it expects a shortage of bananas next week because of production problems.
Production should be back to normal by Jan : uary 6 , the board said.
"The board has decided not to increase the price of bananas to the wholesale trade so that'no additional burden is placed on the consumer," the statement said.



## Staff Reporter

WIDESPREAD rains have fallen over much of the Cape, bringing relief to farmers and raising hopes that the critical drought in many areas will be broken.

In Meiringspoort Cutting, between Oudtshoorn and Beaufort West, a mother and her daughter narrowly escaped drowning yesterday when they escaped from their car seconds before it was swept away by floodwaters.

Nearly 30 mm of rain fell in a 30 minute cloudburst over Meiringspoort:

Mrs Anna Collins, 45, and her daughter Brenda were returning to Kimberley from a holiday in Knysna when their car was struck by a wave of floodwater.
In Laingsburg 46 mm of rain has
fallen since Sunday afternoon.
Calitzdorp in the Little Karoo re ceived as much rain in 24 hours as it did the whole of last year. Ladysmith has had its best rains for 10 months.

Widespread rain in the Border, Ciskei and Transkei have brought hope that the drought may be eased.

Railway traffic between Queenstown and Burgersdorp were disrupted for more than 10 hours after a 110 m section of the line was washed away last night.
A fall of 20 mm in King William's Town since the weekend caused the Maden dam to overflow. Falls of between 7 mm and 17 mm were recorded in Ciskei.

## Hopes raised

Two days of heavy soaking rains over the Eastern Cape have raised hopes for the beginning of the end of a two-year drought in the region.
Thé weather disrupted air traffic into the city and flights were diverted of cancelled yesterday. But the rain has also meant that recently imposed water restrictions may be lifted soon.
A spokesman for the weather of fice in Port Elizabeth said the city had had 70 mm to 90 mm in the last two days, and the was expected to continue at least until tonight.

Between $20 \mathrm{~m}_{\mathrm{m}}$ and 30 mm have been reported frorigslaces in the
drought-affected region.
The regional director for the Department of Agriculture in the Eastern Cape, Mr Bill Smart, said today he had "high hopes" that the crippling drought had ended.

## Right time

"The rains have come at the exactly the right time, at the beginning of the grass-growing season" said Mr Smart. "If they can continue for a bit longer it could be the beginning of the end of our drought.
"Working on a 73-year average rainfall chart, the last two years have been far below the norm, but the figures for this year so far conform to the average, and we are hopeful that it means the drought is finally at the end of its cycie.
He said 15 areas in the Eastern Cape were listed as "disaster drought" areas, but he hoped several could be taken off the list soon.
The acting city engineer in Port Elizabeth, Mr A Fraser, said that while no exact figures were available, he hoped the rain would produce enough run-off for water restrictions to be lifted.
The Acting airways manager for SAA in the Eastern Cape, Mr John Le Roux, said HF Verwoed airport was back to normal today after being closed for nearly 24 hours from about
10.30 am yesterday.

AGRICuLTure-Emanal
1986
Jan - Aug.

# Things seem brighter for the farmers <br> THE outlook for 

SA's farmers in 1986 is considerably brighter than it was a year ago.
In spite of fears that another dry year would spell
disaster for the farmers 1985 turned out to be a good year for most.
After excellent rains throughout the country in are hoping for a return to boom crop levels.
Fruit and sugar notched up mpressive export earnings for SA in 1985, but the meat industry began to fall apart, putting many farmers out of business.
The wheat crop was not able to meet domestic demand and the shortfall will be met with imports costing R120-milion.
The country's marketing free marketeers for tampering with free-market forces, are under threat of reform.

## Disastrous

The Minister of Agriculture and Water Affairs, Greyture and Water Arfairs, Grey"
ling Wentzel, indicated that the modus operandi of the 21 "control boards" - which in most cases pre-set the producer prices for crops needs to be changed.
Maize is SA's single most important crop and annual lion tons.
Hown.
maize crop stmilar to that an 1983, when a record 14 -million tons were produced would be disastrous for the country, because any surplus Would have to be exported at a substantial loss, paid for
er.
The world price for maize to about US $\$ 100$ (R263) a ton SA farmers are paid R220 a ton. When storage and:trans port costs are added this ex ceeds the international price, thus any surplus is sold internationally at a loss despite of the rand since 1984.

## Abolished

The National Maize Pro ducers Organisation(Nampo) by Mr Wentzel that the fixed price, one-channel system of marketing maize was under review.

- Nampo is behind a proposal for a R12-milion mazze export terminal at Richards Bay, but saye the present marketing system is abolished.
The maize cropin 1985 was 7,4-million tons and the Maize Board is trying to find markets for more than 1-million tons:
Consumer resistance to maize-price increases by 1-million tons in: 1984 two years' ago the producer price for maize was R160/ton compared with the present R220/ton.


## Imported

Nampo lobbied for the price to to be increased to R270/ton earlier this year, but the Government flatly reNampo in the face by appointing its own nominees to the Malze Board in preier ence to Nampo candidates Relations between the Gov ernment and Nampo PThe est mated wheat

By Ciaran Ryan
for 1985 was 1,7 -million tons, 300000 tons short of SA's will have to be imported at a cost of about R120-million, or R400/ton. SA farmers are paid R325/ton for wheat. The Wheat Board says the drought damaged the Free State crop, which normally accounts for half the total heat crop.
The Meat Board took a basing from all sides last red-meat surplus of 37000 tons, and for months watched it accumulate without doing anything to reduce it.

## Interference

The board blames the surplus on the drought, which lorced farmers to destock, but its critics - notably the Prganisation of Livestock Producers (OLP) and the Federation of Country Retail board's interference in freemarket forces.
The national beef herd has dropped by $20 \%$ to 8,1 -million since the onset of the rrought. The Meat Board started issuing slaughter permits more reely beiore demand for fresh seasonal sulting in a massive restock ing programme by farmers The surplus declined 18000 tons when declined to the trade were offered a $10 \%$ discount on surplus meat
Fruit farmers had their best year ever. Because of the weak rand, decid $\operatorname{l470}$ million in 1985 compared
with R359,4-million in 1984 More than $55 \%$ of the gross from apples and $25 \%$ from grapes. Citrus-fruit exports grossed R350-million in 1985 compared with R300-million the previous year.
One cloud appeared on the fruit-export horizon in the form of threatened boycotts of SA produce. This may force SA producers into copossibly abandoning SA trade marks to avoid identifying the fruit's origins The suit's origins
had a record year. In also 22,5 -million tons were har vested but the world marke looked extremely gloomy with a surplus of $40-\mathrm{millio}$ ons depressing prices.
A crop failure in Brazil re suted in world prices firm goked as if demand yond exceed supply.
The world price touched 6 US cents a pound compare with an annual low of 2 US cents.
In spite of a $3,4 \%$ decline in production between 1984 and 1985 the wool industry year compared with R290 million in 1984.

# Development must speed üp - farm chief Idle farms g d blame for mines 

By Dirk Nel, Northern Transvaal Bureau

ELLISRAS - The terrorist incursion near Ellisras at the weekend was not completely unexpected, a leading farmer has told The Star.
Mr WA Lewies, chairman of the Ellisras Farmers' Association, believed the Stockpoort area was an obvious target because of its remoteness and the fact that several farms were unoccupied.

It had proved to be a popular access route for illegal immigrants and terrorists would naturally take advantage of this, he said.

He hoped a more effective infrastructure would soon be developed to combat the threat of infiltration.

## Pik urges Botswanate take measures against tetorism

The Department of Foreign Affairs yesterday urged Botswana to take measures against terrorism and said South Africa reserved its right to take appropriate measures to protect its citizens.
The text of the message, sent to the Botswana Government, was released by the Minister of Foreign Affairs, Mr Pik Botha. It said evidence had been found indicating those responsible for the E1lisras landmine murders came from, and returned to, Botswana.
"The Botswana Government is aware that South Africa has over the years, in the interests of promoting peaceful and good neighbourly relations, proposed that effective measures be introduced to control terrorist activities," says the message.
"In view of the use of Botswana territory in the case of the Ellisras attack the South African Government again seriously urges the Government of Botswana to institute effective measures to eliminate the menace of terrorism." - Sapa.

- The Star's Africa News Service in Gaborone reports that Botswana today acknowledged receipt of the warning.

Radio Botswana today repeated yesterday's statement from the Botswana Government that it did not allow anybody to use its territory for operation's against neighbouring states.
The Botswana Defence Force is maintaining a highly visible presence in the north-east. There is growing public anxiety that South Africa will cross the border for a retaliatory attack.

Mr Lewies acknowledged that Government financial aid during the last five years had helped to keep most established border farmers on the land but had not attracted many new farmers.

## Unoccupied land

"There are enough farmers here to consolidate existing farms into economically viable units our main worry is the unoccupied land in between which is owned by people who live elsewhere", he said.

At current land prices it was simply impossible for border farmers to buy up the unoccupied farms, he added.
The advent of Escom electricity over a wide area, the improvement of roads and the development of Ellisras as a commercial centre were all to be welcomed but development would have to be accelerated.

- No more landmines have been found in the Stockpoort area, where a blast claimed the lives of Mrs Elize de Beer (32) and Mr Hubert de Beer (63) on Saturday, a senior Defence Force spokesman said.

Colonel J van der Walt confirmed in Ellisras that strict security measures would remain in force.
Many untarred roads were still being patrolled and minesweeping operations were continuing.

- The security situation in the border farming areas of the Transvaal is expected to get top priority at a meeting in Nylstroom on Thursday.
The meeting, convened by the Transvaal Agricultural Union, is to be attended by MPs and provincial councillors.


Own Correspondent JOHANNESBURG. The cost of bread may rise by at least 20 percent this year following the increase in the price of fuel and the shortfall in the wheatcrop.
The general manager of the Wheat Board, Mr Dennis van Aarde, yesterday said the government's R200-million subsidy could not make up for the increase in the cost of transport.
Sources in the wheat industry say an overall increase of 20 percent is
a conservative estimate Mr Van Aarde said it was unlikely the government would be able to increase the subsidy so the increase would be passed on to the consumer.
"Further increases in the cost of bread are also likely if the government accepts the finding of the Davin Commission of Inquiry which recommends that the bread subsidy be phased out."

There were two bread price increases last year, each of 5 c a loaf.


WINDHOEK - The weak rand has caused a mini boomia-small mining in SWA.

Atlas Copco SWA managing director Peter Edmunds said his company, which specialises in compression air and mining equipment, had received a number of requests in the past six months for small compressors and petroldriven rock drills.
"The inquiries came from the ordinary man who wants to sell his

MOEL BRUYNS
farm, for instance, to begin prospecting," he said.
This was because minerals yere fetching lucrative prices overseas because of the rabdedollar exchange rate.
Edmunds said there was "ha whole atray" of minerals and semi-precious stones in the Namib desert and elsewhere in SWA.
Next month the company is
holding a wo-day sxmoposium on small-mining, after receiving numerous inquiries on drilling and rockbreaking techniques.
Topics to be covered include: claims procedures; prospecting, exploration and evaluation; underground mining methods; drilling and surface mining; SWA mining
law, sampling, assaying and concentration; mineral processing techniques; and marketing of mingerals.

## Hapm exports cound reapisis

million ton crop was a possibility. This would leave an exportable surplus of at least 3 -million tons, which could earn up to R800m
But even if the rand dropped to 35 US cents, maize would still sell at a loss.
The major reasons for an expected maize export loss, Du Toit said, were escalating production costs, a heavily over-supplied world market and a price slump.

SOUTH AFRICAN agricultural exports could earn a record R2,5bn this year, depending on the weather and the rand-dollar exchange rate, SA Agricultural Union economist Koos du Toit has estimated.

The weather and the rand-dollar exchange rate, he said, would be important contributory factors in pulling the economy out of recession.

Export earnings in 1880, 1981,

## GERALD REILIY

1982 and 1983 averaged slightly more than R2bn.

In 1984 they fell to R1,8bn and the figure for last year was R2,2bn.

However, if the rand continued to appreciate against the dollar and other currencies, the R2,5bn estimate would have to be revised.

The season for summer grain farmers had started well, and a 10 -

Shortwnive Riolo Recever
 KENWOOD MODEL R-11 PORTABLE RNDIO



Journalis fecquted PIPPA GREAEN, an Argus journalist charged with contravening the Gatherings and Demonstrations Act, was acguitted int Cape Town Magistrate's Court yesterday.

Green was arrefed on- November 7 outside The Argus building in St Greprge's Street, while holding a placard saying "Blackout: Journalists protest."

Magistrate M J Tolken said Green went out to protest after 12 of her colleagues had picketed. Evidence was that police were aware of the protest.

As far as she pas concerned, her actions could not have been unlatful because the others had not been arrested.

Green had consulted legal advisers, who told her the law was not clear as to whether the picket would be legal or not. - Sapa.


## Wentzel warns of cost

 Privatisation being consideredTHE Department of Agriculture is giving attention to the privatisation of certain services in the agricultural sector currently being rendered by the State, Agriculture Minister Greyling Wentzel said in Brits at the weekend.

Opening the headquarters complex of ensako (Co-operative) Limited, Wentzel said it was government
privatise wherever possible.
This would hopetuly spenilis
pubbic service.
Wentzel said he was convinced that Wentzel said he nas organisations, by private agricultural certate services in taking fields, could be of great service to many fiedas, coulis could result in a posimany inustry. This could result
the al
tive stimulation of the nationial eco-
nomy. however, that piptoducers He warned, however, would have to be prepas as Statei'iservices for these services, as son mic rates. were provided at sub-economich as SenA private organisain to provide these sako could not afford to ps.
services at such low rates.
Wentzel said it was sune critics did, that funds claim, as some critices research were not spent on agricull.
spent 1983-84, R64m was devoted to agricultural research.
In developed countries, $2,5 \%$ of the gross value of farm production was gross
spent on research.
spent on research.
In SA, only $0,84 \%$ of the gross value of agricultural products went to research.

## Border farmers want aid <br> COSTS INCURRED by border farmers in protecting the border should by shared by the rest of South Africa, the president of the South African Agricultural Union, Mr Kobus Jooste, said yesterday. Mr Jooste, speaking at a large gathering of farmers in Bloemfontein, said farmers had to pay for reinforced fences, house fences, mine-proofed vehicles, mine detectors and weapons. <br> He said border, farmers intended to stay where they were and were therefore, entitled to be be ?quipped for survival by the rest of the country. "Apart from helping to protect the country; they are also helping as producers' to establish South Africa as an important food exporter, by which the whole country benefits," said Mr Jooste:

The worst-affected areas are to the east and north of Carnaryon, the Prieska and yosberg districts. There, four-kilometre' swarms have been feeding on lucerne. They are devastating the veld after recent good rains.
A train was stopped when the rail lines became slippery with the dead insects. Farms are surrounded and Carnarvon residénts hàve closed doors and windows.

## d Exodus

Mrentman, who is pione control officer in the aqua sayst tre thate is on to halt the mass breelling ànd the exodus of the locusts to the wheat and maize lands in the east and to pro-: tect local grazing.
"we've always had a problem in summer/bit, ironically; throughi, the good rains in the past two months we have not been áble to get into the veld to spray the newlyhatched insects $5 \times 296,5 i$
"The locusts' swarm in the late evenings and wipe out all green feed for hundreds of metres. This is when we start spraying, catching themin large groups.
"In the early morning. we are out again from about four to catch: more swarms while they more still asleep.
"Operations carry on until about 10am. During the day teams are out in the veld to localte the swarms."

> TA A crisis
> The Carnarvon district has been divided into sectors and a team equipped with poisionspray vehicles is assignied to"each. "A heli: copteris also used

> Things are under control But if we háve morer rain and cannot get into the veld we will have a crisis.
> "A miracle could happen bút we still have to face this situation for another two months when winter starts"

## Drought areas may again be declared in Transvaal

## Pretoria Bureau

Farming conditions in sections of the Transvaal have deteriorated to such an extent that these parts may again be declared drought areas.
According to the Transvaal Agricultural Union (TAU), among the worst hit places are the northern and North Western Transvaal, which are entering a critical period.

Dam levels and underground water reserves are very low, said a TAU spokesman.

Cattle farmers are experiencing major, problems with graz-
$\qquad$
$\rightarrow$
ing, feed and the availability of water.

The authorities are, therefore, considering, declaring some parts to be drought areas.

The Western Transvaal is also feeling the effects of the protracted drought and is now expecting its fifth consecutive bad crop, he said.

Some farmers in this area will be forced off their farms if good rains do not fall soon.

The Eastern Transvaal and the Lowveld are the only areas where crops look promising. Dams are an average of 50 percent full and grazing is good.

TZANEEN - Damage to fruit and vegetable crops, estimated at R250000, was caused by hail in the Tzaneen area at the weekend.

Mr Bokkie Fernandezrof Deer Park, 10 km east of the town, lost 10000 cabbage plants and almost his entire naartjie and papaw crops. A neighbouring farmer, Mr Jeff Botes, said, the damage to his mangoes, papaws and bananas totalled'about R150 000. Rainfall of $147 . \mathrm{mm}$ was recorded in Tzaneen; 127 mm at Deer Park and 110 mm at Duiweiskloof.

## Own Correspondent

THE alarming rate at which dericultural debt is rising sharply, is illustrated by the latest audited accounts of the Land \& Agricultural Bank of South Africa.

It-also indicates the degree to which the financial institutions are having to cushion the strains being experienced by the farming community.
Advance warnings
Tabled in Parliament this week by the new Audi-tor-General, Dr Joop de Loor, it only covers the financial year to December 31, 1984.
The statistics are, therefore, somewhat dated, but they provide advance warning of the picture likely 1985 bepainted by the Land Bank's annual report for $1985 \frac{1}{\text { a year which saw a further serious deteriora- }}$ tion in the agricultural sector's financial health in
most areas. ost areas.
This report is scheduled to be tabled in Parliament, within the next two weeks.

## Capital and interest-

The audited report published this week revea that in the three years from 1982 to the end reveals the total amount of unpaid capital and interest due to the Land Bank jumped by more than 132 percent
to $\mathrm{R} 83,4 \mathrm{~m}$. to R83,4m.
More than R69m of this is due by individual farmers, of which almost $R 12 \mathrm{~m}$ is in respect of farmments that are more than 12 months in ar instal-
This includes 415 cases involving R10 000 or more, Which in total amounted to R8,2m. The largestindividual amount was R101 630 .
$\qquad$
As debt rises by $132 \%$... Farming chief
turns' on govt

FARMERS are fighting for survival. With Land Bank figures showing a 132\% increase in farm debt, SA Agricultural Union president Kobus Jooste yesterday accused government of helping to bring farming to its knees through uncertainty and political expediency.
Latest audited accounts of the Land Bank show that capital and interest due soared by $132 \%$ between 1982 and 1984.
Of this figure, over $75 \%$ is owed by individual farmers.

The accounts indicate the degree to which financial institutions are having to cushion the strains felt by the farming community.
Farmers' total debt had reached R9,5bn by mid-1985. Some officials believe it could now be as high as R11,5bn.
They say interest repayments alone cost farmers nearly R1,5bn in the 1984-85 financial year.

## PETROL prices could fall in March or April, the Automobile Association said after government anngunced yesterday that there za atit be no immediate increase in fuel prices. <br> According to Mineral and Energy Affairs Director-General Louw Alberts the stronger rand hadeliminated the need to adjust the price upward for the present. <br> But dashing hopes of a fali in price, Alberts said a later adjustment in



The Land Bank's 1984 accounts were tabled in Parliament earlier this week by Auditor-General Joop de Loor. They provide advance warning of what could be in store from the bank's annual report for 1985 - a year which saw a further serious deterioration in the agricultural sector's financial health.
The report is to be tabled within the next two weeks.
The 1984 audited report reveals that in the three years from 1982 to the end of 1984, unpaid capital and interest due to the Land Bank rose to $783,4 \mathrm{~m}$.
Jooste said in Natal yesterday that with inflation approaching $20 \%$, farmers' problems were becoming more serious almost by the day.
Making the situation still worse was the growing threat of foreign boycotts.

Government had for too long been afraid of drastic action against inflation - "too long afraid of unemployment, of salary freezes because of repercussions at the polls, unwillingness to lower living standards".

Jooste said the "sick" economy was in need of drastic surgery and needeä bold moves to rock it to its senses.
He said the effects of the sudden increase in the national debt were only now reaching farmers in the form of high inflation and costlier imports.
"When the exchange-rate bomb burst, agriculturf usions were bargaining for renewed state aid for stricken farmers."

This, and the fact that SA had been transformed into a poor country almost overnight, had forced agriculture to scale down demands. In the circumstances, more subsidies were unlikely to bring about any real change in the finan-

## Farmers turn on govt

 as debt risescial plight of farmers. Drastic measures. had become necessary.
He said farmers were becoming increasingly frustrated by government's unwillingness to see their point of view.
The consequence was fewer and
poorer farmers, more dependent farmers, less food for export, food of inferior quality and more state aid in the struggle to remain self-sufficient.

## Only farmers <br> The new fuel-linked third party insurance

 dispensation has been hailed by some as a courageous step forward, but lambasted 'by others who fear it will impose an even greater burden on the South African economy.". Major companies, particularly those who have a reasonable fuel bill, will be hard hit -by the levy. But individual motorists stand to score, particularly in the light of speculation in recent months that the present premium of around R19 would more than double to R45.

Hailed as a more equitable system of 'insurance, only South Africa's farmers remain totally opposed to the plan unless some form of protection from higher costs ican be worked out.
$\because$ Business spokesmen and consumer bodies conditionally welcomed the proposal and reservations centred on the actual cost increase at the pumps.

It is not clear if the introduction of the levy - expected to be around $2 \mathrm{c} / \mathrm{litre}$ $\rightarrow$ will also mean a petrol price hike.
${ }_{i}$ For the moment the price of petrol will rremain the same with the rand steadying around US 45 c as the Government consid, ers a major restructuring which will bail -qut the National Road Fund, the Motor Vehicle Assurance Fund and build up reserves.

A substantial increase is needed to rescue the Motor Vehicle Assurance Fund, ' 'which according to the latest Auditor-General's report has a R353 million excess of expenditure over income.
Those who favour the plan say it will substantially reduce administrative costs - which in 1982/83 amounted to R17 mil".lion.

However, insurance companies stand to loose millions of rand in commission.
Another aspect was the number of people who had circumvented the present system and used South Africa's roads without insurance. It was believed revenue totalling about R12 million a year was being lost in this way.

The levy system is due to come into effect on May 1, after nearly a year of deliberations which followed the release of the Grosskopf commission of inquiry's report rejecting by a majority of 6 to 1 , the proposal to impose the levy as an alternative to the present Motor Vehicle Assurance system.
In a minority report favouring the levy, Mr Johannes Keyser attacked the present scheme for not being cost effective and for failing to provide motorists with the greatest benefit.

## REALISTIC

In the past 20 years, 37,5 percent of the income of the MVA fund had been spent on administration and commission to agents. If the fuel levy system was introduced, administration costs could be reduced from the R17 million spent in 1982/3 to R4 million, he said.
The third party system may have been necessary when it was introduced in 1965 , but it contained inherent weaknesses and was not cost-effective.

He said commission to insurance companies and their agents amounted to about R202 million in 20 years, compared to R539 million paid out to claimants.

The proposed levy would benefit the motorist, the claimants and the State.

The advantages of introducing a fuel levy for collecting third party premiums was that funds collected would be used for
their intended purpose, he said. Mr Jack Webster, executive director of the Public Carriers Association, which represents about 60 percent of the public hauliers on South Africa's roads, yesterday welcomed the new scheme as realistic and fair.

He said those who exposed themselves to greater risks, such as transport firms, should be paying more for insurance. But he dismissed speculation that the financial implications of the levy would hit major road users, such as trucking companies, hardest.

Speculation on the increased cost of fuel was premature, as the levy was expected to be absorbed in the petrol price.

The fuel bill was the biggest single cost factor for cartage firms, accounting for about 28 to 35 percent of road transport costs, Mr Webster said.

Director-General of the Department of Mineral and Energy Affairs Dr Louw Alberts announced yesterday that since the November increase in the petrol price, the rand/dollar exchange rate had improved to such an extent that it was possible to avoid a further price increase.

However, an increase later in the year has not been ruled out as investigations into the structuring of the fuel price, especially in the light of the financing of the third party system by means of a levy, continue.

Other factors to be considered are the stability and further improvement in the exchange rate, the effect of the cost of crude oil, the lowering of lead levels in fuel and its cost, the questions concerning retail price control and the effect of the termination of rounding-off at petrol pumps when they are able to handle fractions of a cent

## Half of SA's farming wealth is 的家 <br> sources. <br> Further, 6 percent-of-farmers provid-

The distribution of South Africa's agricultural wealth was distorted - with a mere 6 percent of farmers owning more than half of the country's farming resources, delegates at the Agrocon ' 86 conference in Pretoria were told today

The Deputy Director-General of the Department of Agricultural Economics and Marketing, Mr Harry Hattingh, was speaking on the distorted income distri bution in agriculture as a challenge in the formulation of agricultural policies. He warned that attention had to be turned towards dealing with the problem of an increasing concentration of farming land in a few hands.
The argument that 20 percent of farmers provided 80 percent of all agricultural products was not correct, he added. It was perhaps more accurate to say that 30 percent of farmers provided 75 percent of the total agriculture products. However, this was not because of more efficient farming methods, but because they owned 75 percent of all re-
ed 40 percent of agriculture products only because they owned more than half of the country's farming resources.

This tendency to place greater concentrations of the wealth in the hands of fewer people, and the increasing distortion in the distribution of agriculture income, was not only a South African phenomenon - it was present in all captialist countries in the world, said Mr Hattingh.

## FINANCIAL POSITION

On average, the financial position of South Africa's farmers in 1985 was satisfactory, in spite of the abnormal unfavourable natural circumstances and price increases.
The debt position for 59088 farming units last June stood at R184 334, while capital assets totalled R728 490. Capital assets include investments in ground
and fixed improvements. and fixed improvements.
In an investigation by the South African Agricultural Union into the finan-
cial position of the farmer in 1983, it emerged that 0,9 percent of farmers contributed 15,9 percent to the total gross income, while 5,8 percent contributed 38 percent, and 27,5 percent were responsible for 73,8 percent of the total agricultural income.
If this was applied to the net farming income of 1985 - an expected R9 664 million - then 1 percent of the projected 59088 farming units contributed 16 percent to gross income, with an average gross farming income per farming unit of $\mathrm{R} 2,62$ million

The white depopulation of the platteland was also causing security problems, Mr Hattingh said.

In the past, much was done to turn small farms into larger viable units. However, no steps had been taken to deal with the problem of excessively large ground ownership.
As the size of a farm would vary from farmer to farmer and product to product, any implementation of curbs must be done as sensitively as possible to avoid being counter-productive.

## Davin reporecould change wheat sector <br> GOVERNMENTS acceptance df Davin Commission recommenda- <br> GERALD RETLIY

tions would drastically transform the wheat industry in a year or two, says a Wheat Board document tabled at the Agrocon conference in Pretoria yesterday.

The Davin commission, recommended:

- Price controls on wheaten meal and standard bread should be'gifted from October 1: jaber on sab if arm $\square$ Restrictive registrationindthe millifig. and baking industrieashould dapse frim ithe same date; ser!" amot
$\square$ Subsidies on bread should also, lápse from October 1.
- In its comments on the recommendations, submitted to government, the Wheat Board said thaf if the total subsidy on bread was abolished from October 1, the price of, brown bread at the present level and subsidy would rise immediately by $24 \%$.

It could be accepted that bakers and millers would adjust prices, as they had


CONTROL board reports submitted to the conference reflect big increases in export earnings last year, mainly attributed to the weak rand.
The Deciduous Fruit Board had a smaller crop in 1985 , but-gross value increased by $27 \%$ to R 355 m .

Exports increased by $38 \%$ to R243m even though tonnage was down $3 \%$ to 306000 tons.
Wool Board production-fell 3,4\%, against a price rise of $43,5 \%$.
Total market realisation for 1984/85 was R402,8m.
The Sugar Association reported record cane production in the 1984/85 season.
Average yields were high, reaching nearly 80 tons/ha.
Total industrial revenue in excess of Ribn for the-first time, however, was unable to restore financial stability. After covering costs and returns, it provided a mere R 2 m towards return on capital - less than $5 \%$ of growers' and millers' entitlement.

- The Canned Fruit Board said that over the past two years there had been an improvement in the industry's financial situation.
The Dried Fruit Board reported a huge increase in production, from 13000 tons in 1976 to more than 47000 tons projected for this year.
been making representations for an increase in cost margins, the board said. Retailers had long been opposed to the Exed retail margin of $2 \mathrm{c} / 10 \mathrm{af}$ ( $2,9 \%$ on white bread and $4,2 \%$,on bxpwn), and-a considerable increase could be expect-: ed 4 staid.
Whiti"restrictive registration was abolished, a large number of new bread pakers ewpuld enter the industry, the
ghard gata. At present there are about


 registored confectióneriés would enter the bread-baking industry if restrictive registration were abolishied, the board reported
Quality control woüld be further hampered. A considerable increase in the price of bread would have a detrimental effect not only on wheat consumption, but also on spending by a large section of the population in whose daily diet bread was an indispensable item, it added.


## Backlash ter debt stand antin

## GERALD-RELLY

THE abnormal steps of imposing a debt standstill and reinstituting exchange control on non-residents from September were necessary but, until January, counterproductive, said Reserve Bank Governor Gerhard de Kock.
These steps focused so much attention on South Africa's liquidity problems that they contributed to a large outflow - or non-inflow - of various types of capital and credit..
"Loans which might otherwise have been rolled over, possibly at a higher interest rate, had to be repaid."
Foreign credits for many imports suddenly dried up, and importers had to pay cash "upiront".
urhe expectation that the rand would depreciate producet unfavourable lead and lags in foreign exchange payments and receipts.
Capital left the dountry, in other ways which were perfectly legal.
De Kock said South Africa was able to accommodate the outflow of funds because the restrictive monetary and fiscal policy of the year before had helped to bring about an exceptionally large current-account surplus.
"However, in spite of the debt standstill and the strictest exchange control in the country's history j, capital wand credit for a whilit triemed out ory the
 tralised the current surplus, tand placed the rand under 'dowh pressure on the foreign exchange 'market.'

BUSINESS advisers should "intensify their vigil" for factors affecting the economy so that early action could be taken to counter damaging influences.

Opening the 1986 Agricultural Preview Conferepce in the CSIR conference centre in Pretoria yesterday, Agricultural Economics and Water Affairs Minister Greyling Wentzel urged business experts and consultants to refine their interpretation of such developments and come forward with "carefully considered previews".
"On this basis it should be possible to act timeously in avoiding or mitigating unfavourable trends," he said, adding that adverse factors in the past few years had posed a serious threat to the survival of a viable"agricultural sectór.
Wentel said government's White Paper on agricultural policy, which focuses on effective and profitable farming, should serve as a guideline for the future of SA's agricultural industry.
"Since agricultural production is a med primarily at the provision of food for the population, and our country has only limited agricuitural resources from which a rapidly-growing population will have to be fed, the pursuit of the goal of self-sufficiency cannot be over-emphasised.
"The volume of food production up until the present has grown faster than the population. There are indications, however, that the rates at which population and food production are growing are moving closer together," the minister said.
Because agriculture in SA was bound closely with weather conditions, the country's food production Was yulnerable, he said:
"A striking example.was the drought of the past two years when, for two consecutive seasons, we were unable to prodice enough maize for our own needs.
"The emphasis on self-sufficiency does not mean, however, that it must be pursued... at any price.
"If this should happen, it could result in irrational business operations which would not be economicalIy justifiable and would probably not be reconcilable with the maxims of reasonable prices or optimal utilisation of agricultural resources," Wentzel said. - Sapa.

## Inflation 'the enemy'

THE economy was in the early stages os a new cyclical upswing, Reserve Bank Governoreferhard de Kock said in an optimistic address to the Agricultural Outlook Conference (Agrocon) in P etoria yesterday.

De Kock appealed to farmers to support the monetary authorities when they applied macket-orientated policies to bring about an optimal rate of increase of the money supply and total spending.
He told farmers their true enemy was not temporary high interest rates - "your true enemies are the twin evils of inflation and economic instability".
To combat these, the monetary authorities had to curb and stabilise the growth of the money supply. De Kock warned if the new upswing developed entmentum faster than expected and, if at the same Wt the the money supply showed signs of rising excestake action and interest rates could rise again.
If the inflation rate could be reduced to any material extent, interest rates would probably fluctuate at significantly lower levels than in recent years.

$S T A R 13 / 2 / 88$.
Farmers want Goyt to cordon off Lebowa
By Don Holliday, Crime Reporter 3 Gen The farmers are said to have. attacked the Gov-
About 400 Eastern Transvaal farmers, who met About 400 Eastern Transvaal farmers, who met ornment the meeting been attended by local farm-
at Laersdrif yesterday to discuss the security sit Had the specifically to see what could be done uation in the area, called on the Government to to stop the attacks - it would have served a purestablish a military cordon around the n According to police, the meeting developed into pose," a police spokesman said.
"One suggestion was that a "mud-slinging match": as members of the audi$\because$ The meeting was called by local farmers following a string of attacks over the past three
months on elderly farming couples in the area. insurgency. insurgency. although petty crime area has decreased a lot months on elderly farming couples in the area area are of a criminal, not political, nature."


## FIRE-RISK CRITICAL IN TINDER-DRY CAPE FYNBOS

## SUE LUPTON

Staff Reporter
SCORES of fires have trans formed vast tracts of indigenous vegetation into charred wastelands in one of the driest summers in the Western Cape in many years.
Since the beginning of February alone, tens of thousands of hectares of fynbos have been devastated in the Cape Point nature reserve, the Hermanus area, Paarl Mountain, Simonsberg near Paarl, the Matroosberg range near Ceres and Dutoitskloof.
D F Malan Weather Office statistics show that the average rainfall for the November to February period over the past 31 years was 56 mm . But only 28 mm of rain has fallen since the beginning of November 1985.
Some of the worst blazes this summer:

- In mid-October a bushfire started in the Langeberg near Swellendam and, fanned by a gale, destroyed more than 1000 ha of vegetation
- A fire raged on Paarl Mountain for four days from November 17, threatened residential areas, schools and the frikaans Taal Monument and burnt about 1000 ha of fynbos.
- A few days later, helicop ers were used to water-bomb blaze which swept across S misberg above Simon's Town. Hundreds of naval, police, mu nicipal and Divisional Counci irefighters were involved in he four-day operation. An in vestigation into the cause of the fire is in progress.
- A blaze raged in the Ce darberg for a week in late November, ravaging more than 16000 ha of fynbos and burning rare cedar trees
About 1000 ha of vegeta tion on private land at the foot of the Groenberg near Wellingon were destroyed by a fir which started on December 16 and burnt itself out in a fire break two days later
- At the beginning of January, three cottages at Goudin Spa near Rawsonville were gutted.
- A mountain fire which started near Dutoitskloof at the end of January burned for 1 days high on the ridges of the Matroosberg, destroying about 4000 ha of vegetation
- On February 1, a fire flared up near the Hermanus lagoon and was brought under control only the following day fter the Fernkloof Nature Re serve and huge tracts of fynbos had been devastated The blaze was described by residents worst in the area in 10 he wor years.

The worst fire in the histo ry of the Cape of Good Hope Nature Reserve started on February 2 and claimed about 000ha of vegetation

Three homes were razed and others damaged when the Paarl Mountain again exploded into flames on February 10.

- Dutoitskloof's most devas tating fire in 15 years, which

has claimed about 4000 ha of vegetation, started on February 19 and is still burning, although forestry staff have brought it under control

While the Western Cape's fynbos is tinder-dry and high temperatures continue, the fires risk will remain critical Dr 0 Wolheim, assistant secretary of the Cape Peninsula Fire Protection Committee, has asked people to exercise extreme caution in lighting braais - only in authorised ar eas - and disposing of cigarette ash.

Picture: JIM Mclagan, The Argus

Devastating fires have caused terrible destruction in the Cape this month. The fire hazard is described as still being critical, and the fynbos still tinder-dry. And February's rainfall is lower than last year.

Staff Reporter

A full-scale war" is being 'waged against millions of locusts which haye devoured vast tracts of grazing in one of the worst plagues to hit South Africa in the past:20 years, according to Mr Pikkie Baard, chief director regulatory services of the Department of Agriculture, Ecónomics and Marketing. :
He said yesterday that the locusts were a "national pest".
The insects were being fought in 38 magisterial districts, mainly in the Karoo and adjacen't grassueld areas, and "huge swarms". had descended as far south as Beáúfort West.
$\therefore$ The locusts had devastated grazing: in semiaridregions but had also moved to the cash-crop irrogation areas along the orange and:Vaal rive erst
Swarms as large as
50 sq km - enough to black out the sun - had
been sighted in the Douglas area. A farmer had sighted seven large swarms including one Which' was 10km long.


## Talks <br> By ANDRE JORDȦAN Business Editor

ELLIOT - The difficulties facing farmers, the ageing of the white rural population and the lack of local authority financing are some of the issues being discussed at a symposium here on the development of the Region D hinterland.
The symposium has been arranged by the regional development advisory committee for Region D to compile a guide plan for positive action and development of the area
Keynote speakers introduced various topics to be discussed yesterday: - Movement away from towns and farms sto the cities - Mr C. J. Nel, of Region 11 (Aliwal North) said the composition of thé population was changing as whites left and black numbers increased.
writhe average age of -white farmers was increasing with less than one per cent being under 25 and more than 45 per cent over 50 .

Consequences of the
on rural
population shift were a change in the types of services in the towns, the disappearance of entrepreneurs and consequent loss of job opportunities and lower living standards for blacks.
Housing and education could not keep pace with the increase in black numbers and state aid was becoming an important source of income in these areas, Mr Nel said.

- Commercial development - Mr N. P. R. van der Watt, of Region 8 (Humansdorp) emphasised the need for positive marketing, objective analysis of possibilities and the identification of problem areas like inadequate aid and "funding, unfair competition, inadequate infrastructure and inefficient bureaucracy.
- Education - Dr G. H. Craven, of Region 9 (Aberdeen) pointed to the backlog in the provision of school facilities for blacks and also a decline in the number of white schools and the disappearance of white farm schools.

Rüral children were sent to city schools, while the rural schools depended on "imported" children from other areas.

Dr Craven said the nature of South African society today also meant that questions relating to race could not be separated from a debate about education.

- Agriculture - Mr J. Erasmus, of Region 12 (Cradock) said agriculture was an important decentralised activity and provider of jobs.

He said there had
been a tendency oo
emphasise industial
and mining developments.

Agriculture was "hurting" at present with a huge debt burden and an aspect to be investigated should be more favourable financing arrangements and ways of encouraging young farmers to stay on the land.

Other areas were the availability of and training of labour, bargaining procedures between employer and employee, and the provision of
housing for employees.

- Local authorities' lack of funds - Mr Cyril Manthe, of Beacon Bay, said this led to a vicious circle in which a lack of qualified staff, equipment and facilities hampered developments.
Mr Manthe also referred to lengthy delays in obtaining authority for projects from the first and the second tiers of government and to confusion and lack of coordination among local authorities since the new'constitutional proposals. - mended that farm schools pupils found it difficult to for'colotired child en in the fadjust to normal schools Karoot towns. of De Aar and after they had left the farm Britstown be closed imme schools.
diately.
Writing in the Union of Eduction and Culture De-
Teachers: Association of partment in the House of
South Africa's annual, of 'Representatives said "he unnamed teacher said the shad not seen the article. conditions on färm schools The joint SRCs of high. were "precatious".
"Coloured teachers" forced to live in shanties.
their support to a call for
"White women use these" black pupils in the Peninschools to supplement their: March to write exams in income. They are normally March.
addressed , as kleinnooi,", "All. pupils: must write said the teacher, adding exams in "November nor that white teachers were changed the syllabus' be ? "arrogant and" conserva in anged because this year tive
Itw was not surprising,
year,", the organisation
said.

SADF called in to help fight locust plague

QAPE TOHIN - The Defence Force has been mobilised to help fight South Africa's lastest problem - one of the worst locust plagues in decades. Deputy Agriculture Minister Mr G J Kotze says combating the outbreak is "a massive task", with thousands of people and aircraft already involved.

Now the Defence Force is coming in. Mr Kotze said: "Assistance by the Army will bring relief since a shortage of vehicles and reliable driv-
ers/supervisors is creating seriou forobents.
The plague is centred in the Karoo, the'northern Cape and south-western Free State. There has already been serious crop damage.

The Star's Africa News Service reports from Windhoek that Namibian authorities are working flat-out to combat a similar infestation of the pest in the south of the territory.

The locust swarms in South Africa àre reported to have devoured hundreds of hectares of grazing land and are theatening OFS irrigation schemes.

BUSINESS DAY: What do yon see as the major problems facing agrlculture in 1986?
WENTZEF: The farming sector is still suffering from the effects of the severe drought of the past few years. The total larm debt amounts to R11 500m and this is having a detrimental effect on the farmer's ability to recover from his poor economic posituon.
The interest payments of R1 698m in 1885 made it almost impossible for farmers to repay any outstanding capital, and alfhough interest rates charged by the commerclal banks and the Land Hank have decreased since May 1985, interest on loan capital remains one of the farmer's mosi important inputs.
Financial management is therefore a very important factor. It must be borne in mind the agd more capitalintensive.
From 1975 to 1984, capital investment per farming unit fincreased from about K 219000 to about R672000, an increase of $13,8 \%$ per annum.
THES loan capital used by farmers tncreased over the same pariod from about 12000 m to about 29500 m , an increase of 18,4\% per annum, thus exposing them to greater risk during an economic downturn.
The continued Increase in the price of agricultural inputs is another tural requisites increased by $19 \%$ in 1085, and the tndications are the prices will continue to increase during 1986.
The prevailing rand/dollar excuange rate has benefited certain resulted in a tremendous increase in the price of imported recruisites, such as tractors, combines and pesticides.
The price producers recelve from their products has not kept pace with the increase in the price of farming

# We're still in trouble 1 down on the farm 


inputs. During 1985, producer prices Increased by $8,6 \%$ while the price of lncreased by $8,6 \%$ while the price of
farming requisites fncreased by $10 \%$.
WHAT does government intend to do to deal with non-viable, melficient tults?
NON-VIABLE farming prits have been experienced in SA for centuries. The current economic decllne only accentuates the seriousness of the problem.
The department has no specific programme to deal with it but encomrages consolidation of uneconomic units and keeps strict control over the sub-division of agricultural land. WHAT does government intend to do to revive entreprenenrial shills
 MANY farmers are experiencing financial problems due to the pro-
longed drought and poor crops. The debt burden of farmers is often 80 high that the viability of many farming units is affected.
To assist farmers, government made additional production credit available for them to plant and caltavate the present crops. Due to the good crops are generally expected good crops are generally expected o also erpected to improve moder ately ately.

The agricultural extension branch of the Department of Agriculture and Water Supply has launched an agricultural extenston programme on a cultural extension programme on a training of target audiences is recelvtraining of target audiences is receiving high priority
GOVEANE ANPartares from the 1984 Governmenthrite Paper on Agricul-
taral Policy envisaged in the forthcaral Policy envisaged in the forth-

## Wine industry goes sour

FACED with what will be the smallst and possibly finest viatage of the last decade, the Cape wine industry is now forced to coniront many of the contradictions in its marketing strucpre.
Lower yields mean less surplus: the 986 crop will only exceed normal lemand by $20 \%$ to $30 \%$. The compulorily higher ievels required of spirit ales in this country - $\mathbf{4 3 \%}$ alcohol by rolvme and not $40 \%$ or less, as is the case in most civilised countries ogether with the effective forced use f more expensive grape spirit rather han cane or grain spirit for vodka nd gin may actualiy work the surlus down to around the $15 \%$ mark. Less surplins means more of the rop actually sold promptly and proftably. Ordinarily, the surplus gets isposed of by the KWV on what are uphemistically described as "com-poditemortats"-manantivito mohinh
price - income may not exceed expenditure. Admittediy, the crop is gmallest in the coastal region - tradithonally a fine wine producing area - but there are still many grape farmers in this part of the Cape whose businesses cannot afford the $20 \%$ to 40\% drop in Devenue.
The myth that wine farming is a profitable business has, over the past few years, taken something of a battering. Many Cape wine estates have started planting and producing other crops: frult and table grapes are beginning to feature as important rev-enue-producing aiternatives agqin.

Hit by dollar

MICHAEL FRIDJH 0 N
their selludg prices have not covered these risiog agricultural costs, since the bull of cost-related increases have been aimed at soaring packaging and transport charges.
Now, with the total wine market in decline, and with this year's ylelds conslderably reduced, many wine farmers doubt they will be able to bear this unprofitable structure on their 0wn.
This year will certainly be the first in many of outright wine farming bankruptcles. It will also produce the first marked elongation of the retall wine price pyramid:-good wines, par ticularly in the prenium sector of the wine market, will increase in price by: rease py! substantial amounts.
coming year? If 80, what are they and what are the reasons for the change?
NO. Spectal circumstances may from time to time necessitate more emphs. sis on a particular aspect of agricultural policy.
WHAT changes, if any, are envisaged to the policy of subsidies particniariy to the policy of anbsiates, partuculariy be prit into effect?
GOVEERNMENT's bread subsidy scheme was recently investigated by scheme was recently investigated by a commission under the commission's ship of FJ Davin. The commission's recommendations are still under COD
sideration.
As a final decision has not been reached and as acceptance of the recommendations may affect the broad subsidisation policy of government, I can give no indication at this stage whether or not there will be any change of policy.
WHAT other plans - apart from in vestigations by the National Marteting Conncil into the marketing chemes of agricultrisil products are envisaged to introduce free market principles into agricalture?
STEPS taken in thls direction will depend on the outcome of the investigation presentiy being conducted by
Jatlonal Marketing Councll.
It should be polnted out that agricuitural control boards under the Marketing Act are established at the request of producers of the products concerned and they are normally also consulted.
In order to promote efficiency in agriculture and to restrict govert. ment intervention, my department is at present also giving attention to the deregulation of the agricultura inment of obsolete legislation.
Programmes are also under way for the scaling-iown or privatisation of certain functions presently performed by the state.
WHAT local and intermational precantions have been talen or are planned to cope wlth the boycott by poreign conntries of SA agricaitural products? Are these boycotts seen as serions threas to the export maritet? IT HAS never been the policy of the IT HAS never been the policy of the with trade boycotts of any nature I to not feel myseif called npon to commot teel myseir called upon imposed by other countries on the free flow of SA products into their markets.
Where certain countries impose e
Where certain countries impose effective embargoes on SA products,
alternative markets will have to be alternative marzets will have to be 2cteloped.

Soldiers and
Pretoria Bureau
evere drought, but with the drought-breaking rains
ad hatched and grown to plague proportions.
-I!u zu fnoqe opise qas ospe peq quowuxənon aul
 cust. Efforts to combat the outbreak were being severely hampered because large numbers of locusts
Reports of severe damage to the veld and crops centred mainly in the upper Orange and Vaal river
irrigation areas with concentration points at. Hopetown and Douglas, where maize crops were vulner-
With the means at its disposal, the Department of Agricuitural Economics and Marketing was doing
everything possible to keep the plague under control, said Mr Kotze.

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* The bursary scheme for agricultural
colleges is not similar to that in respect
of the universities. Amounts allocated
are actually grants.



 1979, since its commencement, (b) how
many applications were successful and (c) in respect of what date is this information The MINISTER OF AGRICULTURE
AND WATER SUPPLY:
(a) 912
(b) 457.
yok



## Karoo farmers battle worst locust invasion in 20 years 

HOPETOWN - Plants of all kinds are being destroyed in 38 districts in the Karoo part of Northern Cape and South-Western Free State by the worst locust plague to hit the area for 20 years.

Mr Fransie Wiid, a farmer in the Hopetown district, said that large, cotton and potato crops had been destroyed by the locusts but their favourite food was mealies.
"It takes them only a few minutes to strip a mealie plant. When you look again only the stem of the plant remains," Mr Wiid said. Mealie crops over an area of 50 ha on Mr Wid's farm were ruined by the locusts.

Mr Wiid estimates the damage at between R6000 and R7 000 . Another farmer, Mr Frankie du Toit, lost 8000 morgen of veld. Mr du. Toit said he had nursed the veld for many months and it was heartbreaking to see, it destroyed in a single night.
"This means that I will have to buy feed for my cattle for the coming season - unless it rains again," he said.
Mr du Toit, who is also the Mayor of Hopetown, said the district first suffered from the drought, then more than 5000 sheep were lost because of cold weather. And now there were the locusts.
He added that there was no sign that the plague would be curbed in the immediate future.
"There are still thousands of grasshoppers around and I get the impression that not enough is being done to stop them," Mr du Toif said.
Mr Wiid explained that one of the main problems in combating the locusts was that some of the poison used to kill the insects also affected edible plants such as mealies, corn and potatoes.
"I have been farming in this area since 1954. This is the worst locust swarm I have ever seen. At times you get ábig black cloud of locusts about two or three kilometres wide."



## Cost of combating locusts 'staggering, (3) ${ }^{\text {F }}$ By Hamestewei 282486

 KIMBERLEY $\qquad$ locust plague fro cost of combating the Free State is ream Upington to the western Since the beginning of February the bill fors. locust poison in the fing of February the bill for ern Cape has been in the region of R122 000 . per day, according to Mr Kion of R122 000 chief soif protection inspector for the areal. Salaries paid to workers used in the battl against the locusts in these areas ran into R110000 for the month of February.These figures, Mr Vermeulen said, did no
nclude the cost of fuel for the aireraft used The locust outbreal for the aircraft used. ton in the West to Pietersburg in from Uping. He said the battle against the locusts st. ed in October last year. "But it was only year.
ruary that we have combated thing of Febsuch a large scale." combated the plague on Mr Vermenlen
swarms were now said that some locust Inarms were now moving into Botswana. provided by South Africa. poison was being Mr Isal Vouth Africa.
Mr Isak Venter, assistant director of the Directorate for Soil Protection, said there
were 398 combating units in the were 398 combating units in the field, of
which 23 were provided by the which 23 were provided by the SADF.

## Insect plague likely to disappear in six weeks

By Hannes de Wet
KIMBERLEY - The locust plague in the Northern Cape and surrounding regions will probably not last longer than another six
weeks. "It will be broken by the cold when winter comes," said Mr Isak Venter, assistant director of the Directorate for Soil' Protection.
conditions and needed were dormant in cold come active.
Mr Koos Vermeulen, the chief tion officer in the Northern chief soil, protecState, said about 70 to 80 grasshopper swarms were being wiped out a day and "we swarms killed hundreds of thousands of "we have also so far".


## WATER

## Liquid asset crunch (3) GEN

The rain, it raineth on the just and also on the unjust fella: But chiefly on the just, because the unjust steals the just's umbrella.

In the PWV water context, Lord Bowen's celebrated observation means simply this: the recent heavy rains have been good for the crops but they have not made a ha'p'orth of difference to dam levels.

So now come the dire warnings that unless the Vaal catchment area gets a soaking over the next five weeks, tougher water restrictions may be imposed on the Rand Water Board's (RWB) six million customers to plug dwindling water supplies this winter.
Parliamentary approval, incidentally, is not mandatory for the introduction of water


RWB's Hobbs . . . the timing is crucial
rationing as the Department of Water Affairs (DWA) has long had the authority to regulate the PWV's taps at will.
Part of the problem is that the weather prophets cannot predict rainfall levels for more than five days at a stretch. Thus, as the DWA's Anton Steyn says: "It's in the hands of the gods."
Steyn reckons the amount of water needed to see the PWV through 1986 is 800000 M l, but he points out that the burden of Kimberley's quota, the Vaalharts irrigation scheme and the needs of riparian irrigators brings the figure closer to 1000000 MI .
As matters stand, says Steyn, "we'll scrape through 1986." Water stored in the Vaal Dam stands at $540000 \mathrm{M} /$ and in the Sterkfontein Dam near Harrismith at 700000 M 1 . The Bloemhof Dam is not vital to the PWV water equation since it was built

The reasonably good rains have been a lifesaver for farmers, but dam levels in the PWV remain worryingly low. The question now is whether there will be sufficient rain in what is left of the season to avoid further rationing.
to take the overspill from the Vaal.
The country's top hydrologist, Desmond Midgley - often sharply critical of government's water management - is similarly in no doubt that the PWV will "scrape through." But this is not good enough.
Speaking at the $F M$ s investment conference two years ago, Midgley said the mainstay of government's water management since the mid-Seventies has focused on saving water to protect short-term supplies. SA cannot afford such offical short-sightedness: models show that the country's water balance will become critical in the inland economically active areas within the next 40 years.

Importing water from neighbouring black states is widely seen as the best safeguard to the PWV's water supply. The 30 -year-old and oft-negotiated Lesotho Highlands Water Scheme is at last on, with a water treaty between Pretoria and Maseru due to be signed in March (Business February 21). But the political spadework needed to pipe water from the Zambezi to the PWV has hardly started.

Government will consider lifting its unpopular water restrictions, implemented in March 1983, when dams in the Vaal river system are at least half-full. Currently, they contain less than a quarter of capacity, on average.
But the timing of an end to water cuts is also crucial. Says RWB chairman Dale Hobbs: "Government would have no hesitation in scrapping water restrictions if the Vaal Dam is half-full in October and the rainy season is still to come."

But he adds that a halffull Vaal Dam in April or May would cause government to think twice about lifting restrictions with seven dry months ahead. The RWB expects to use $425000 \mathrm{M} /$ of water over this period.
Roughly $52 \%$ of the water supplied by the RWB goes to the domestic sector, $34 \%$ to industry and commerce, and another $14 \%$ is lost, mainly
through pipe leakage. The latest RWB figures, for February 21, show the average of the Vaal, Sterkfontein and Bloemhof dams stands at $21,1 \%$, significantly less than the $24,2 \%$ measured during the same period last year.
The Bloemhof Dam is $4 \%$ full but the DWA is confident it can still supply Vaalharts irrigators with their quota, which will take $60 \%$ of the reserve. After that, says Steyn, "the remaining water will be used for downstream industry until the dam is empty."

Water experts reckon $250 \mathrm{~mm}-300 \mathrm{~mm}$ of rain is needed in the Vaal catchment area before the end of March to bring the water level of the Vaal Dam up to $50 \%$. But obviously no one is betting on it.

Weather Bureau records since 1921 list only 18 seasons in which March has had more than an average of 100 mm of rainfall in the Vaal catchment area. Only three of those months in the last 60 years brought average rainfall of more than 150 mm . The record is 194 mm in 1948.
Says a Weather Bureau spokesman: "General rains followed by widespread thunderstorms over the catchment area are needed, but the chances of a sustained soaking in March are not great."

The first 18 days in February stumped up only 59 mm of rain, which is $64 \%$ below the long-term average for this period. But January showed a marked improvement with rainfall $36 \%$ above the norm. Monthly rainfall figures since October 1, the official beginning of the rainy season, are $13 \%$ below the historic 511 mm .

The pattern of this season's rainfall has not caused substantial run-off into the Vaal River system or added materially to the level of the water table. "It's

- February 10
 $20-$
ideal for the crops, but the ground is still too parched for it to make much difference to dam levels," says Steyn.

Here lies the rub: a dry catchment with virtually no base flow in the river means that roughly 270 mm of rain in a month is needed to raise the level of the Vaal Dam by $30 \%$, and, presumably, bring an end to water restrictions. A low flow in the catchment area rivers - around $20 \mathrm{~m}^{3} / \mathrm{s}-25 \mathrm{~m}^{3} / \mathrm{s}$ - means that 220 mm is needed to raise the level by the same amount. If there's a strong inflow - $60 \mathrm{~m}^{3} / \mathrm{s}-100 \mathrm{~m}^{3} / \mathrm{s}$ - only 140 mm is needed to restore the levels.

Rainfall readings for February 5 show just how unevenly this year's rain has been spread in the Vaal catchment area: it did not rain in Cornelia; Ermelo and Amersfoort had only 4 mm ; Verkykerskop registered 30 mm and Harrismith 39 mm . The net result was that the Vaal Dam's waterline edged up just $1,4 \%$ on an average of $10,3 \mathrm{~mm}$ of rainfall that day.

Offset against this gloomy outlook for the PWV, however, is the fact that the eastern Cape's 18 dams are three-quarters full, although still lower than last year. And in Natal, 12 of the 14 dams are nearly overflowing, notes Hobbs.

Now the well-rocked hobbyhorse of re-

last August (its lowest level ever), water was pumped from the Tugela to the Sterkfontein Dam and released into the Vaal Dam at a rate of 3456 M/a day. This was a last resort because of the expense, but Steyn says "we may have to do it again if there is a sharp deterioration in dam levels."

Government water managers are also reluctant to top up the Vaal because of high evaporation from the dam - the Vaal Dam has a surface area five times greater than that of the Sterkfontein Dam.

In addition, the Sterkfontein Dam does not lie in a catchment area (unlike the Vaal Dam) and replenishment can be achieved only by pumping. As Hobbs notes: "It's expensive water."

On the restrictions front, government still faces heavy flak. "It's all very well to say scrap the quotas," says Hobbs, "but it's ridiculous to expect government to run the risk of even more drastic cuts in the event of a crisis."

More hopefully, he adds: "We're not out of the woods yet, but I cannot see existing water restrictions becoming more stringent."

## KANHYM

# Out of the abyss 

In Jume, 1984, Donald Masson had the role of Kanhym chief executive (CE) thrust upon him. Masson was a reluctant candidate for the job. His previous 16 years had been spent successfully building Trek, SA's only indigenous oil company, and he enjoyed being its CE. Kanhym challenged his cherished business principles of low debt, solid cash flow and management efficiency.

Twenty months on, Masson can report progress in putting to rights the meat, farming and coal mining conglomerate, whose turnover is R1,S billion. When 1985 operating profits are announced all four divisions - the farm; meat processing and fresh meat trading; auctioneering, agency, hides and skins; and coal - should turn out to have done better. As recession led to further deteriorations in trading in 1985, success is largely the result of stringent cost controls.

Finance charges and hefty - mostly nonrecurring - write-offs continue to take a toll. But the bottom-line loss should be less than in 1984. Coal performed best, almost offsetting red ink from the farm, the biggest loser. Both fresh and processed meat were still hit by recession, but the agency and hides and skins sub-sectors enabled the auctioneering division to earn a good overall profit.

The best news is that better news is to come, as the negative factors of 1983-1985 improve. The drought's impact has weak-

Gencor's meat, farming and coal conglomerate should be over the worst of its troubles. But it may still be a few years before ordinary shareholders can reap any benefits.


Kanhym's Masson ... more confident for 1986
ened, interest rates are falling, meat margins are improving, off-shore borrowings have been repaid, and the coal interests are solidly in the black (but likely to make a smaller contribution in 1986, owing to the stronger rand).
"We certainly don't want to sell or close Kanhym," says Masson, who in the early days considered this option. "Returning rains have made the crop look really good, meat prices are rising and the feedlot, after being in loss for 15 months, has been in profit for the past threc. The biggest single change has been in staff motivation, and I make no bones about displaying some confidence for 1986."

This changed scenario certainly contrasts with the snarl-up which Masson inherited. Kanhym had become one of the most spectacular of Gencor Industries' disasters, hit simultaneously by recession, drought, high interest rates, off-shore loan losses and poor coal markets. These events triggered the resignation of previous CE Harold Kramer, in the nearest thing Gencor has seen to management accountability for failure.

The share price fell from a 1550 chigh in 1982 to 800 c at the time of Masson's arrival and hit a low of 160 c in late-October 1985. Except probably for the preference shares, Kanhym may not represent investment potential, but it is on the road to recovery.

The introduction of profit centres and


Mabekend Argus Bureau
PORT\%ELIZABETH. - As swarms of locusts continue to eatitheir way through almost a third of the country angry Eastern Cape farmers claim the plague is out of control because of "hit and miss" spray. ingit

And an entomologist said the Government had not monitored breeding. and had táken action too late.

Ecologists have warned thät
 abortions in most mammals ${ }^{2}$, datas $^{2}$ Mr Dave Herold of Ordonghantie Farm outside Graaff-

Reinet "Locust swarms have already eaten 100 morgen of my lucerne crop, as wéll as much of my winter grazing. Almost every farmer spoken to said that he bélieved the outbreak was "completely control and blamed the Gov ernment for not having had the foresight to stockpile equipment necessary to contannt. Moreroports ofic-



986 HD\&VWがXVGSARL
 293. What amount of financial assistance was made available by his Department to each specified in-service traitural trainees in 1985?

The MINISTER OF MANPOWER:
Boskop Training Centre-R215 000.

(1) With reference to his reply to Ques-

 specified date for which figures are available;
2) how much of the amount of R131,5
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## TUESDAY, 4 MARCH 1986

$\dagger$ Mr J H CUNNINGHAM: Mr Speaker, on a point of order: Is the hon member for ber across this floor that he is a "bleddie
$\ddagger$ Mr SPEAKER: Order! Did the hon
> $\ddagger \mathrm{Mr}$ S
never said "' $n$ B bleddie meid",
$\dagger$ Mr SPEAKER: What did the hon mem-
ber say?
$\dagger \mathrm{Mr} S$ P BARNARD: 1 said he is a sissy. [Interjections.] I will never here call a sissy a place. I will never call an hon member a
$\dagger \mathrm{Mr}$ J H CUNNINGHAM: Mr Speaker may I please address you? Here on our side of the House are at least ten hon members ber for Langlaagte said that. I will not get uphere and tell you such an absolute lie. I
$\dagger \mathrm{Mr}$ SPEAKER: Order! It is of course
"law", if I may put it that way, in this House that an hon mey put it that way, in this House is indeed the case as the hon member for

 At this stage, however, I accept the word of the hon member for Langlaagte.
†The MINISTER OF LAW AND OR-
DER: Mr Speaker, on a point or order: Is
duty to do so.
प!

 apparent that a number of farmers in the
Queenstown district
peopie are themselves responsible to protect
theires and property. [Interjections.] Queenstown district had been called away
from their farms overnight, does he believe from the circumstances justified he believe called away from the farms; dres he think that the Army is justified in leaving women
and children alone on their farms overnigt and children alone on their farms overnight in areas where there is a great deal of unrest,
and is the Army prepared to assume re-
 of these wives and children are attacked? the hon member does not need to become so indignant about this matter. I have explained to him what the general guideline is that we follow. We try not to call away the men. take care of guarding hearth and home. may be necessary that the services of such a member of a commando are deemed more vital elsewhere. Then we do use the services
of the member of the commando in such葛
 the hon member that where at all possible, it will not be done.
$\dagger \mathrm{Mr}$ T LANGLEY: Mr Speaker, arising reply, I want to know whether one can interpret it that in certain circumstances people are themselves responsible to protect their
own lives and property? [Interjections.]

##  a bloody quitter. [Interjections.]






 the hon the Minister's reply, I should like to the hon the Minister of Agricultural Econ-
omics to import such powder into South omiss to import such powder into South
Africa.
TThe MINISTER: Mr Speaker, I am not
 Corn soya milk

(1) Whether a portion of a consignment
of American corn soya milk intended of American corn soya milk intended
for famine relief in Third World countries has been sold in the Republic; if so,
 lic; if so, on whose authority; if not, (3) whether any action has been or is to
 The MINISTER OF AGRICULTURAL
ECONOMICS:
(1) I am only aware of the press reports
(2) No, not as far as my Department of Agricultural Economics and Market-
ing is concerned; in fact, it would appear that such imports may be ef-
fected without a permit from the
(2) whether permission was granted for this to be done; if so, on whose authority,


TThe MINISTER OF COMMUNICA-
TIONS (for the Minister of Transport Af-
fairs):
(1), (2) and (3) Large consignments of World countries were transhipped in South African harbours and conveyed by rail to the countries concerned. A quantity
of the milk powder was left behind in the
(a), (b) and (c) No. According to the
consolidation proposals for KwaZulu made by the Commission for Co-operation and Development, it is proposed that the farms Groenenberg 844, Buffelsdraai 829 and Inanda 818 are to be incorporated
in KwaZulu, pending the final decision of the RSA Government.


象定
$i^{\text {ºn }}$


Department. (3) Falls away.
moy sulsure 'rayeads JN: GNIS y fen

$\dagger$ The DEPUTY MINISTER: We will not call up anybody if we do not need him. I
would like to make that clear to the hon member.
$\dagger$ Mr R F VAN HEERDEN: Mr Speaker, arising out of the hon the Deputy Minister's
reply, I would like to ask him whether he is reply, I would like to ask him whet last year aware of from as far away as Petrusville had to stand guard in the Black location at De
$\dagger$ The DEPUTY MINISTER: Mr Speaker, I am aware that farmers from the hon member's constituency were indeed called up a the
that they indeed had to render service in the township of De Aar. We are aware of that. Because it is not in line with the generan
policy, we are already busy taking steps. [Inpolicy, we are
terjections.]


 main silent. The hon the Deputy Minister may continue.
†The DEPUTY MINISTER: Mr Speaker,


 ket protection cities as well as in the platteland. We nevertheless hope to rectify the situation
as soon as possible so that it does not hapas soon as
$\dagger$ An HON MEMBER: Mr Speaker, aris-
$\dagger \mathrm{Mr}$ SPEAKER: Order! I will not allow enough questions in this regard. $\dagger$ The DEPUTY MINISTER: Mr Speaker, we in the Defence those inhabitants and with the families who remain on the farms. However, canno givethe hon member thing like that will hot happen again. We are busy implementing a system in terms of which we will have a
 great caution because we are concerned about the safety of the women and children
on the farms. Mr J NALCOMESS: Mr Speaker,

 question I raised on this subject in this

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the hon member for Langlaagte entitled to

- inat dids. yes.
$\underset{\text { Interjections.] }}{\dagger \mathrm{Mr}}$
†An HON MEMBER: Yes, but you also
said something else.
$\dagger \mathrm{Mr}$ S P BARNARD: I said he is a quit-
ter. [Interjections.]
†Mr SPEAKER: Order! I do not think the
word "quitter" is unparliamentary.
Mr D J N MALCOMESS: Mr Speaker, arising further out of the hon the Deputy
Minister's reply, may I ask him whether the
Army, in view of the fact that they have in Army, in view of the fact that they have in have done so on more than one occasion in the area to which I am referring-although to do appreciate that they are not going to make a arrangements for the protection of the make arrange the wives should be allowed to come into the central community where they rangement should be made for them to enjoy protection on ther for men who are doing
 at night to know that their wives
dren are unprotected on their farms.


Our teams are trying to keep the swarms from the summer cröp area. We have 33 mobile units in the area:"

SOLDIER SWATTERS
Large swarms were also gathering on the border between the Northern Cape and the Western Transvaal; saidMr Baard.

Hum
Four hundred motorised units, one helicopter ând four light aircraft were fighting the plague:
Soldiers and vehicleskitom the:South West Africa Terito ry Force (Swatf) are to be de ployed to help in the battle. against the locust plague ${ }^{\text {in }}$ in southern Namibia.

A spokesman said in Windhoek yesterday that troops would soon go into action on a number of farms" in the Karasburg'district, where the plague appeared to be worst.





 PORT ELIZABETH. - Eastern Cape farmers, who feel the locust plague is "totally o fight the swarms asked the S.
themselves.
to the vice-president of the GräaffReinet District Farmers Union, Mr David Ferod inadexisting. control measures, are hopelessly equate.
He said they had applied to the DeparmentioAgricultural Economics and Marketing for egayagAgriculturalit the massive swarms which were rat ment their grazing and crops.
 "We have asked the Department to providy the labour, with poison and pumps. We wid. vehicles and drivers, the Graaff-Reinet Soirt Mr A representative from Eastern Cape farmert, Mr servation commeten said: "If something isn't done Henry McNaughton said be in very seriousle." we will be in ver from the Department of Venter, $\because$ A spokman and Marketing, Mr Izaas had běen turaidecond that pest control measures the locusts said yesterday but the vast area covered
steppedup made:their eradication a huge task. made
, $\mathrm{ra}_{4}^{2}$

Environment Reporter as an ultra-low volume A NEW locu'st-killing chemical ${ }^{\text {with }}$ a high success rate and low toxicity for humans and animals is being tested for immediate use in the war against the insects.

The chemical - pirotroides - will replace those currently being used in the 38 magisterial districts being plagued by: swarms of locusts, currently concentrated in the region of Kuruman, Barkly West and Vryburg.
Mr Pikkie Baard, chief
director of regulatory
services for the Department of Agricultural
Economics, said yesterday that he was aware of reports that his anti-locust campaign was using the controversial dieldrin', and DDT, but. denied this.
The chemicals being used were:
used were:
phósiazinote com organophosphate compound, "we also doznot"use This is being used in two lindane 能d ${ }^{(w B H C}$ on formsias a water emul- crops orivirrigation siondonown as EC30 and areast

## AGRICULTURE

## Titan in the shadows

Control boards are high-profile affairs. Consumers generally look upon them as insidious cabals designed to destroy free competition, look after producers at the public's expense, raise prices during times of oversupply and export at a loss.

And, of course, much of the time they are right. But in the South African agricultural sector an even more dangerous force has emerged which has somehow managed to remain largely in the shadows. It goes by the benign-sounding name of farming co-operative.
Agricultural co-ops now turn over R10,7 billion a year, employ 50000-60 000 people and hold first rights over a farming debt running to R11,5 billion - although most of it is owed to commercial banks (see graph).

The transition of the co-ops from farmer helpmates to financial juggernauts dates back to the Seventies when government handed them the right to channel Land Bank (LB) funds to the agricultural community. It was inevitable, perhaps, that in the process co-ops achieved immense additional power.
With most farmers now in debt, many of them deeply so, they are virtually dependent on the co-ops for credit favours. The co-ops, in turn, have a statutory lien over the proceeds of farmers' crops and ensure that their own charges are met before other creditors get a show in.

The commercial banks thus have to rely largely on fixed asset security (for example, bonds) rather than farmer cash-flows to protect their exposures. And with the total debt now standing at more than R11 billion there is understandably an increasing disquiet in banking circles. Certainly the last thing anyone wants at this stage is a fire sale of farming assets.

The monopolistic powers of co-ops also have political implications. Says Free Market Foundation CE Leon Louw: "Battles are raging quietly between supporters of the NP, the CP and independents for control of some co-ops. At stake is massive political leverage and power and, of course, huge financial benefits." And, as Louw says, "these are not relinquished without a fight."

The massive size of the co-op movement - and the vested interests of some administrators - are evident from the statistics.
SA's 315 agricultural co-ops served 286000 farmer members, many belonging to more than one co-op, and turned over R10,737 billion in 1984. Against this the 255 retailer trading co-ops, which also sell to the public, turned over R352,88m. Fixed assets, nominally controlled and owned on behalf of farmer members, stood at R2 billion $921 \%$ more than the R 217 m held in 1970 .

Current assets, at any given time, would add hundreds of millions to the total.
SA Agricultural Union (SAAU) deputy

Working outside the limelight, agricultural co-operatives control billions in agricultural debt and exercise pervasive powers over the lives of farmers. Government is moving to clip their wings, but there are political dangers.
director, co-operatives, Inus van Rooyen, tells the FM that the 1984 turnover figure of R10,737 billion had three major components: product turnover, R7,552 billion; farming requisites, R2,717 billion; and services rendered to members, R468m.

Co-ops add margins of $1-2$ percentage points to the funds they handle - a huge cash benefit considering that the LB's budgeted short-term financing requirements for the year till June is R4,85 billion. They also add their margins to the requirements they stock and sell to farmers - often at gunpoint.

Major movers in 1984 were the grain coops, mainly maize and wheat, which had a combined turnover of R4,7 billion. Livestock co-ops weighed in with a hefty combined turnover of R3,2 billion.
Growth has been phenomenal since 1970. Total co-op turnover has increased $827 \%$ from 1970's paltry R1,3 billion, product turnover has jumped $756 \%$, farming requisites turnover is up $1000 \%$ and services turnover has jumped a huge $1708 \%$. Respective turnover figures for these three components in 1970 were R1 billion, R271m and R27m.
Although co-ops theoretically belong to their farmer members, like many bureaucratic institutions they have become a virtual law unto themselves. The fact that they administer massive amounts of subsidised credit to debt-ridden farmers has merely given them added power.

But in recent times government has been moving cautiously to trim their wings. Since June 1982 there have been strong moves towards a more market-related dispensation in LB funding. This process received renewed momentum with the recommendations of the latest De Kock Commission report which has led to changes in the Banking Act.
The most important changes for farmers lie in the revised definition of liquid assets in the Banking Act. Credit instruments for production credit will no longer qualify as liquid assets and rates will become market-related.

At a Pretoria agricultural outlook conference last month, senior Reserve Bank deputy governor Japie Jacobs indicated that most Land Bank rates will become fully marketrelated within three years. And as co-ops would still have to add their margins it would then become more profitable for farmers to
borrow directly from the banks, rather than from co-ops.

In this way, the costly and disruptive financing chain - from commercial banks to the Land Bank and then through the co-ops to farmers - would be broken. This would also remove the financing hold co-ops can still exercise over many of their farmer members.
Jacobs says the massive flow of funds from the banking sector through the LB to farmers disrupted financial markets and damaged the effectiveness of monetary policy. This is why government has decided to amend the liquid asset definition in the Banking Act. In the process, it should assist in keeping down money supply and inflation.

The figures he quotes are enormous. In February, the balance due on LB bills sold on weekly tender stood at R1,08 billion, bills held by commercial banks in terms of a separate agreement stood at R1,95 billion, the Corporation for Public Deposits held bills for R 500 m and LB overdraft balances at commercial banks stood at R600m. Apart from this, the outstanding balance on LB debentures had reached R1,971 billion.

Outstanding medium- and long-term loans to farmers and co-ops amounted to R2,775 billion, while outstanding cash credit loans to co-ops stood at R4,807 billion and total LB assets at R7,562 billion.
Current LB rates are $15 \%$ for cash cred-


Although these are close to the prime overdraft rate of $15,5 \%$, "few farmers currently qualify for prime rates," says the SAAU's Van Rooyen. He adds that the union has asked government to refrain from implementing the De Kock Commission proposals and he is confident that co-ops will remain competitive.
A commercial bank spokesman is less sanguine. He doubts if co-ops could remain competitive in a market-related farm credit system, once official protection is removed. "The higher rates they will have to charge will distort their competitive edge," he says.
National Maize Producers' Organisation (Nampo) CE Piet Gous says normal, mar-ket-related funding must be distinguished from emergency funding by government at subsidised rates. Nampo welcomes government's moves towards market-related structures in agriculture and Gous says he is convinced that co-ops which have "done their homework" will be able to stand up to equal competition in the agricultural credit field.

Whatever the outcome, it is a grim fact that subsidised funds were largely responsible for the over-use - and outright abuse of credit by farmers, the mushrooming farm prices and record debts. The latest drought has burst the bubble of false optimism and many farmers now face the spectre of financial collapse:

With their power citadels under siege from the government's new market-related policies, many co-ops are fighting to retain their power. A highly placed source says farmers are being told that government's new measures will mean a return to the


Japie Jacobs . . . market-related rates on the way
"chaos of the Thirties," and that they are being thrown to the wolves.
"But," he adds, "there is a huge, underlying resentment among farmers at the virtual dictatorial powers exercised by co-op staff. At the root of this problem is the agricultural debt, which made thousands of farmers dependent on co-op goodwill to obtain credit."
Co-op involvement in the manufacture and sale of fertiliser, tractors, implements, seed and other major input requirements, as well as strong co-op resentment of any form of competition also aggravates the situation.
"Some farmers find that unless they play ball with their co-ops and buy the fertiliser,
chemical and other input requirements specified by co-op staff, their credit lines suddenly disappear. As the alternative is often insolvency, farmers have to agree or lose out," says Pretoria University agronomist Willem Folscher.

Farmers are understandably loath to speak out, but the $F M$ understands that some co-ops refuse to insure members' crops unless they buy the inputs specified by the co-op management. Many co-ops stock only single product lines, giving members no price choice. Another contentious issue is the use by some co-ops of huge, accumulated reserves to buy into manufacturing and processing plants, including battery chicken production, maize and wheat milling, tractor and implement manufacture and feedlotting. Farmers are "influenced" to use the co-op's facilities, while private sector competitors complain that they are sidelined.

The Small Business Development Corporation (SBDC) has lodged complaints of unfair co-op practises with the Competition Board (CB), claiming that small businesses are being prejudiced. It was asked to refer these to the Registrar of Co -ops and is now awaiting his reply.

Meanwhile, the SBDC is also awaiting the amended Competition Board Act - due to come into effect on May 1 - to see if the commercial banks will also act against coops in terms of the Board's increased powers.
What it could mean is that the growing power of the coops is coming under attack on several fronts and that changes may be at hand. It's a prospect which the private sector, including banks and thousands of farmers, will certainly welcome.

five weeks has scorched 3-million tons off the expected maize crop and threatened South Africa's economic prospects.
Three weeks ago the maize crop was estimated at $10,5-$ million tons. Now it is 7 -mil Iion tons: The direct cost is R650-million. This comes straight off farmers' incomes and, because of lost exports off the current account of the balance of payments.

## Water dearer

The wider economic effects will be serious. Because of the smaller crop, farmers will require bigger price increases to survive. This means a spurt in the consum-er-price index and hardship to millions on the bread-line.
Farmers' continued distress means continued hard times in the fertiliser, tractor and the motor sectors.
The Vaal Dam is only $25 \%$ full as the dry season approaches. The Rand Water Board will raise tariffs by $10 \%$ from April and warns of another increase if water re-

By Ciaran Ryan
strictions have to be tightned.
The increase is due to increased costs of raw water purchased from the Government, chemicals, electricity and coal.
National Maize Producers Organisation economist Kit le Clus says if no rain falls Within the next two weeks the crop will fall below 6 -million tons. SA would then have to import maize to meet domes tic demand.
He says: "My estimate of the crop as things stand is 7,3 million tons, It is shrinking by $7 \%$ a week because of the lack of rain.
"We will have to import white maize again this year Most of the white maize is produced in the western part of SA where the least rain has fallen."

## Zimbabwe

SA has begun importing 200000 tons of white maize from Zimbabwe. More than $50 \%$ of SA's maize is white, which is preferred for human consumption. Yellow maize is used for stock.

Natal and the Eastern

Transvaal have recelved good rains and a crop of 4,5 million tons is expected: The million tons is expected: The produces $40 \%$ of the mealie crop, is facing a fiftit suicces sive year of drought. About a sive year of arought. About a
million tons of mealies has been lost every week for the past three weeks there.
Some parts of the Western Transvaal had $40 \%$ less rain last month than in February last year.

## Little hope

The Vaal Dam at $25 \%$ fưll is better off than last year when it held $21 \%$ of capacity. The Bloemhof Dam is $3 \%$ fuli compared with $9 \%$ last year. Sterkfontein, the Vaal's reserve supply, is $27 \%$ full compared with 38\% last year.
Public relations officer for the Department of Water Af fairs Anton Steyn says there is little hope for an improvement in the Vaal system as the rainy season is almost over.
The Weather Bureáu says there is a $40 \%$ chance of rain in the western part of SA in the coming week.




















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# coot fin＇s $1213 / 86$（36emel） 

 Less needed for agricultural aidOwn Correspondent
JOHANNESBURG．－The drought＇S grip on vast tracts of agricultural land is loosening and it is likely that sig－ nificantly less will be spent on finan－ cial assistance to farmers this year．

Last year R 447 million was allo－ cated for this purpose and informed sources expect this to be substantially reduced in the March budget．
Mr Piet Swart，director of the South African Agricultural Union（SAAU）， said the drought is not as widespread as a year ago and summer grain and livestock farmers in some areas were no longer in need of assistance to the same extent．
＂I anticipate，the total amount neces－ sary for financial assistance will de－ cline，＂he said．

However，as the price of subsidized inputs such as fodder for stock farm－ ers has increased dramatically，the drop in the amount allocated would not be directly $r$ proportional to the de－ cline in the applications for asses－ stance．

## Aid adequate

Minister of Agriculture and Water Supply，Mr Sarel Hayward，said he considered the present aid schemes adequate．
＂The situation，is however，moni－ tored on a continual basis，＂he added．

Dr Koos du Toil，chief economist for the SAAU，said the government want－ ed to minimize its involvement in agri－ culture and to foster an attitude of self－help among farmers．

Once agricultural conditions re－ turned to a measure of normality and it wat＇s easier for government to with－ draw aid，farmers would find，said Dr Du Toit，that＂they have to lean on a colder shoulder than in the past＂

They were realizing，he said，that their political power was dimishing．

The SAAU has recommended to the government that it continue with the scheme to subsidize the carryover debts owed by summer grain farmers to various agricultural cooperatives．

Last year R202，7 million of the total of R447 million appropriated was ear－ marked for this subsidy．The second largest amount，R174 million，was for the consolidation of debts，production loans and loans for farmers in desig－ noted areas，and the third largest was R39 million for the subsidy on fodder ${ }^{\text {t }}$ stock．
purchases and rebates on the port of fodder．
（6）Ty w farmers owe Ry 400 y－over debts to their cooperatives．The total farm debt 1500 million on R11 500 million on which R1 698 mil－ lion was paid in interest in 1985 ，

The subsidy scheme－which came into operation in August last year allows farmers to pay these debts over six years and for the current year is subsidised to the extent of the differ． ence between the Land Bank cash credit loan rate and 7\％
＂The SAAU has made represent－ tons that this subsidy continue bet cause the financial rehabilitation of these farmers will be a long term pro cess，＂Mr Swart said．

The SAAU has also recommended that production credit continue to be provided to those summer grain farm－ ers who had subnormal crops during the 1984／85 season and who have sui－ taine substantial losses．
These farmers qualified for a $35 \%$ subsidy of ruling Land Bank cash credit loan rate on production credit obtained from cooperatives．
Another distressed area of concern to the SAAU is the border areas in the northern and north western Transvaal which have had no rain．Theydcould require aid of several millions wand， Dr Du Toot believed．rid W en： Delinting $\quad$ jig ry
A further indication of imp roping conditions is the fact that the minister has decided to delist all distressed areas and relist only those which have had insufficient rain and still have to contend with drought conditions．

The 1985－86 budget allocated R447． million for financial assistance made available in the following ways：
$\square$ Low interest－rate loans for the purchase of the means of crop produc－ dion，namely，seed，fertiliser and fuel and for the purchase of livestock by farmers within 50 km of the Northern Transvaal border．
$\square$ Low interest－rate loans for the purchase of agricultural land within 10 km of the border areas．
$\square$ Loans for the payment of farming debts，including mortgage debts
$\square$ Disaster aid in respect of the stock feed scheme in scheduled graz－ ing distress areas，including the trans－ portation of drinking，water for live－ portal
stock．



By Kym Hamilton, Pretoria Bureau

The worst brown locust plague in 20 years is continuing to ravage the South African veld as units battle to control outbreaks along an 800 km front.
The locusts are now threatening' the mealie farms of the Western Transvaal, but crop damage has so far been minimal, said Mr Pikkiè Baird, director of regulatory services of the Departmient of Agriculture and Water Affairs.

The three worsthit areas up until yesterday were the Christiana and Scweizer-Reneke districts in the Western Transvaal, the Bloemfontein and Winburg area in the Free State and the Graaff-Reinet and Cradock districts of the southern Karoo.

The locust swarms extend across 42 districts in the Northern Cape, Free State and West-, ern Transvaal and have caused extensive damage to the grasslands in these areas - but the plague was under control, said

The latest reports showed 10 cust destroying teams in the western Transyaal area have been successfull in keeping the pests away from crops. But an outbreak in Taung in Bophuthatswana was now also threatening this major maize producing area.

Mr Baird said hoppers had been detected in the Vorstershoop area near the North-Western Cape and Botswana borders and this was causing concern. The deep sands of the Kalahări were ideal conditions for egg laying and there were lots of hopper bands in this area:

Since the outbreak in October last year, 427 motorised units, one helicopter and two crop spraying aircraft have been employed in the battle

- So far 234000 litres off liquid pesticide, 248000 kg of lindáne (a powder based pesticide) and 2,4 million kg hexa chloride bẹnzine (also in powder form) have been used in attempts to destroy the pests.

Fanthe resolution of political dif, serences between South Africa Wandeits neighbours could influance the availability, and cost opf water in this country, a business conference was told today:
volithis was because the most suitable schemes for augmenting South Africa's water resources would involve co-oper'ation with neighbouring states, said an expert on water affairs, Dr D M McCallum.

He was speaking at the 1986 Manufacturing Management Convention ins Sandton;"'near Johánnesburg.

Fears of a water crisis arising from the drought were not fully justified, Dr MćCállum said.

EXPENSIVE SCHEMES
"There are feasible schemes for augmenting water resources which will be capable of satisfying demand well into the next century," he said.
$\because$ These schemes were expensive and could be expected to result in -an increase in the price of water. The estimated cost of the proposed Lesotho Highlands Project, for exam:ple, exceeded R2300 million.
"'However; when one considers the vital nature of water supplies and the relatively low price paid at present, some in* crease in price does not seem unreasonable, Dr McCallum said.

$40-$ million
hectares
threatened
by locusts
Weekend Argus Correspondent SOUTH AFRICA'S locust plague is spreading rapidly.

According to the Department of Agricultire, 42 magisterial districts covering 40 million hectares have been attacked - from Vryburg and Kuruman in the north down to Jansenville and Somerset East.

Swarms are now approaching the coast between Port Elizabeth and East London

Wherever the locusts land they devour anything that grows tithe soil. And in some districts grazing hastate almost completely destroyed.

Damage runs into millions of rads
The general direction of the locust migraton is west to east. A big effort is being made to save the drought-ravaged maize fields of the Western Transvaal and OFS. F.
Thousands of farmworkers under the direction of the Department of Agricultural Economics are fighting the plague, moving

from farm to farm
in private andyarmy
transport
A large quantity of insecticide has been suppliedjto Botswana Assistance to Bọphúthatswana will also "be given, but arrangements have not yet been completed.
Highly poisonous organo-phosphates such as BHC are being used.

Farmers are accasing State departmints of being inefficient. They say it was common knowledge that swarms had for some time been hatching and building up in the Kuruman area, but that little had been done.

The Department of Agriculture (Own Affairs)" and the other Department of Agricultore (General Affairs) were passing the buck back and forth, farmers say.

Department of Agriculture spokesman saidithe clamp on State expenses had caused serious undermanning of locust control services.

WATER reserves are still precarious as the rainy season comes to an end.
Latest figures show the combined capacity of the Vaal, Bloemhof and Sterkfontein dams down by $6 \%$ compared with this time last year.
A Rand Water Board spokesman declined to comment but indicated government would consult it before imposing restrictions.
Water usage is administered by the Environment Department through the Directorate of Water Affairs.
Directorate spokesman Anton Steyn told Business Day: "'South Africa is in the grip of the worst drought ever recorded. The situation now is more critical than it has been over the past 200 years.
"There is an anomaly in that farmers in some areas are expecting biumper crops, but we must differentiăte between urban and agricultural drought.
"Agricultural drought can be broken by light rains of 50 mm over three days, but these rains do little for ground water or dam levels," he said.

Steyn added that the second half of

## MICK COLLINS

the 1970s saw substantial rains pushing Vaal Dam capacity to overflowing.
"But the crunch came in 1981/82 when only 440 -million $\mathrm{m}^{3}$ flowed into the dam. We need a minimum of 800 million $m^{3}$ to cater to the needs of the PWV area, where $80 \%$ of heavy industry is.
"We are now at the end of our rainy season for this year and we still have not had 400 -million $\mathrm{m}^{\text {a }}$," Steyn said.
He said that, in the winter of 1982, water authorities pumped water from the Tugela River via the Vaal to Eastern Transvaal power stations, where $85 \%$ of all SA's electricity is generated.
"These power stations were in serious trouble and some had only one week's supply of water remaining when we came to the rescue.
"What could have been a catastrophe was averted and the wheels of industry were kept turning.
"Fortunately, good rains have fallen in the eastern regions this year

and the same type of emergencey is. not foreseen."
He appealed to industrialists, especially those involved in forward planning, to locate factories near a constant water supply.
"I also appeal to industry at large to educate workers in the conservation of water.
"We still have enough water to see us through this winter, but should similar conditions prevail next year, we will be in a disaster situation."
Rivonia-based consulting engineer Douglas McCallum told the Maniufacturing Management Convention last week that the drought had highlighted the need for engineers to appreciate the relationship between water availability and cost.
"Recent experience has shown that domestic use can be reduced by as much as $50 \%$ without detrimentally affecting the financial state or health of the community.


## A KRIUGERSDORP

farmer this week re-
fused to help a 54 year-old woman give her husband a decent burial - telling her:
"He's not my brother."

When Sarah Jonas asked farmer Moses Enacio for help with the burial of her husband James, she was bluntly told to do it herself.
Jonas, who stays in a one-roomed hoiuse on Vlak fontein farm, said her husband. died a fortnight ago after working as a shepherd on the farm for the past six years.
"When I approached the farmer - who also thas a cafe nearby - for financial help to bury my husband, he said my husband. was not his brother:
"He asked what had happened to dhl his earnings," Jonas said.
"While my. husband worked for him, the farmer had promised to pay him R100. a month - but he never brought home thàt much.
-"The farmer used to let him buy on crèdit and at every month-end he deducted from his pay.".
Jonas said she onty managed to bury her husband fafter Cebekhulu Burial So-

ciety had heard of herplight.

The farmer eventually donated a sheep -after she begged him.

Enacio was not available
for comment. $\cdot \mathbf{A}$ woman who answered the phone said: "My husband is not here - and this has nothing to do with newspapers."

- A Krugersdorp Depart ment of Manpower spokesman said the department could not help - they have no legal authority to intervene in farm affairs.
"The best for these people is to consult a lawyer," he said.
- Women interviewed on the farm said they worked
"for nothingeg".
They said their boss sometimes gave them R3 each.
They claim that insteed of paying them for working on the farm, their boss let them stay rent-free in one or iwo-roomed houses.
"We only eat meat once a year when he slaughters a cow," they said.

One of the women, from Lesotho, said she left her live-in domestic job in the city in 1983 because she had not been registered.

She had worked on the farm since then, earning R3 "now and then".
"I have 10 children to support but cannot afford
to - because I work for nothing," she said.
"My eldest son had to leave school in Standard Seven because 1 couldn't pay his fees. The others are starving in Lesotho.
"My husband is a painter, but what he earns can never make ends meet."

- A 20-year-old mother of a three-year-old girl said:
"At one stage we asked for pay so we could buy food but Enacio refused.
"He said our husbands should buy food for us.
"He said he could not pay us because he gave us rent-free bomes," she said.
"We often go to sleep without food."


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(a) and (b) Fall away



1Director

 Americas or the Far-East; if so, how many staff members have undertaken (a) free or Whether any South African Transport
Services staff members and families of Whether any South African Transport
 Air journeys: free/discounted
499. Mr D J N MALCOMESS as Air journeys: free/discounted 64 members for 3 years

 2 members for 180 days
Failing to report for or to bo 180 days 1 member for 40 days Drunkenness 1 member for 120 days , under control of another person Using or taking an article issued to or


TUESDAY, 18 MARCH 1986

## Yes.

The MINISTER OF TRANSPORT AF-
FAIRS:
when, and (c) with what salary adjust-
ment, in each case? 87 financial years; if so, (a) how many, (b) are to be regraded in the 1985-86 or 1986African Transport Services from the level
of assistant director and higher were or Whether any positions in the South Minister of Transport Affairs: 500. Mr D J N MALCOMESS asked the Posts regraded
(i) and (ii) The information is not readily
available and will take much time and
expense to gather.

1984-85: (a) and (b) Yes.
(i) and (ii) The information
1984-85: (a) and (b) Yes.
The MINISTER OF TRANSPORT AF-
FAIRS:

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829

(1) Yes, R40 million. The MINISTER OF TRANSPORT AF-
FAIRS:
 (z) savings;




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 504. Mr D J N MALCOMESS asked theMinister of Transport Affairs: Reduction in fuel price
504. Mr D J N MALCOMESS


 (2) aircraft fuel. The fuel price reduction
does not apply to avionic kerosene
used by aircraft.
 The MINISTER OF TRANSPORT AF-
FAIRS: (2) whether, in the light of this reduc-
tion, he intends reducing any air
fares; if not, why not; if so, (a) which
fares, (b) when and (c) by what
amount?


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 4 ANSIPR 1638 TUESDAY, 18 MARCH 1986
 :GDNGHEC IO צGILSINIW 24L (a) None.
(b) Falls a
 tries registered for national service in 1985


 90 and 120 days', (iii) less than 90 days' them rendered (i) 120 days', (ii) between


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葡寝 （1） For written reply：
General affairs：
HクN SMR
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39．Mr R R HULI
of Law and Order：


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## WEDNESDAY， 19 MARCH 1986



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| farming areas should be cail il d |  |  |  |
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| the country, Mr James - gram |  |  |  |
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| dorf), said yesterday in |  |  |  |
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| dustry so that an ad- moved. The Group Areas Act a tax on land to ensure |  |  |  |
| equate food supply for a He said many should be abolished and that farmland |  |  |  |
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| could be ensured. given sub-economic freehold rights, hesaid. - He said |  |  |  |
| South Africa could | units on which to farm | Mr Abe Williams (LP | farmers lived in the |
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| present but in the fu- |  | vised to improve |  |



## "CAPITAL

"4his"system restricted brown farmers in the same way that the Group. Areas Act restricted brown people in towns and cities, Mr Swigelaar said.
The Erika Theron Commission had already recommended the scrapping of the permit system in the 1970s.
Giving more land to coloured farmers would be an investment in the country because mäny white farmers were leaving the land:

The coloured farmer's biggest problem was lack of capital. Thé Agricultural Credit Act extended state loans at five percent interest to white ' farmers only.

White training centres shouldibe open to all, he said.

Last yeảr R7 261000 was budgeted for brown farmers :and R576 959000 for whites.

A STRONG argument for the introduction of a new marketing system for maize - especially yellow, maize - was to enable it to compete effectively with grain sorghum. :
e Producer's Organisation (Nampo)
National Maize Producer's Organisation (Nampo) setting up a new system. Nampo endorsed the new marketing proposals at its annual congress last week.

Tnstead of having a fixed price determined by the Mäze Board and government at the beginning of the year, the board - which has most producer members represented upon it - would be able to adjust prices regularly in response to market conditions under the new system, Gous said.
Consumption of yellow maize decreased by nearly 1 -million tons since 1982/83 when 2979 tons was used, butuse of grain sorghum has risen from 70000 tons in 1982/83 to 265000 tons last year.
Grain Sorghum Board deputy GM Wessels Venter said grain sorghum and maize were now in direct. fompetition for the animal feed market, which consimed an estimated 3 -million tons of feed annually.

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the Minister of Health Services and Welfare:


 No. The facilities, however, make

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## The MINISTER OF EDUCATION AND CULTURE:




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 . Onderstepoort Veterinary Faculty (2)

whether the lowest tender has been accepted; if not, (a) why not and (b)

 furnished to the Minister's Depart-
ment for the purposes of his reply,
 force base south of the Soutpansberg,
 15. Dr W J SNYMAN asked the Minister
of Finance: $\dagger$
 For written reply:
General Affairs: $\dagger$ Indicates translated version. - \&GS HLTVAH : HZ YZGAM GNV SGDIA


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Details as at March 1986. suo!̣suәd 4 M!!!qes!a (p) (c) War Veterans' Pensions 12780
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THURSDAY, 20 MARCH 1986
from the ravages of drought.
Research tests on pigweed, a drought-resistant plant which originates in South America but is widespread in Zimbabwe, could establish it as a food and cash crop.
The tests are part of a concerted drive to give farmers the upper hand on drought. Zimbabwe emerged from a four-year dry-spell last year in better condition than most African countries with abundant harvests of wheat, maize and tobacco. But the nation's food supply was severely affected nonetheless.
To avoid a repeat, an early warning system and improved storage facilities are being introduced, and pigweed is one of several potential crops being studied for its ability to thrive with little water. Tests so far show tha: although irrigated yielos are higher, dry land yields of the plant, at 70 percent of wet yields, compare weli
Another importan: feature is the plant's dual nature. It can serve either as a vegetable or grain crop. There is even a variety from which in theory both leaves and seeds can be harvested, although how to manage this in practice has yet to be resolved. Researcher PJ Schwerzel, who ploneerec study of the plant in Zimbabuc. found thas its leaf yield was higher than that of cabbage, the highest-yielding vegetable crop now grown. Pigweed could yield up to 40 tonnes a hectare compared to 25 tonnes per hectare for cabbage.

A weed that thrives where no vegetable will grow could save Zimbabwe from drought,
reports SJPHO SISO in reports SIPHO SISO in Bulawayo
A local food company, Willards Foods, has already expressed interest in using the grain as an additive in breakfast cereals and soup noodles.
Known also as bonongwe, pigweed grows to a height of $1,5-2$ metres and has ribbed stems, full seed heads reminiscent of sorghum, and a reddish colour. Although its potential as a food source has been largely ignored in Africa, in some tropical regions is is eaten widely as a leaf vegetable.
The plant's high protein content means it can be used to enrich other cereals.
Taste tests have found that local vegetable. varieties are generally popular. although the red coour of the plant seems to cncounter resistance.
Mixing pirweed flour with an eoua. amount of maze meal improved the taste. but unmilied and black seed caused resistance. Pigweed flour does not rise and must be combined witt. wheat flour to make bread.
$Z_{1 m b a b w e ' s ~ e f f o r n s ~ t o ~ i m m u n i s e ~}^{\text {a }}$ itself Iromi $\therefore$ potentially disastrous effects of drought are among the most advanced in Africa. Researchers hope sturdy plants like pigweed will become an integral part of theidisaster prevention plans. - Gem.:i News Servic?




FARVIERS are finding themselves in an increasingly difficult position because product prices have not kept up with input price increases, says the latest issue of Volkskas's Economic Spotlight.

Field crops will have to be exported at a loss yet again if output is larger than the rate of consumption (there was only an 8,6\% increase in product prices in 1985, compared with a $19 \%$ increase in farm requisites).
The net result of. changes in production and the terms of trade increased fro $100 \mathrm{in}_{4} 1975$
 thereafter to below 100.

As a result of agricultural input-price trends, farmers are showing a greater degree of cost awareness. This has led to elimination of unnecessary cultivation by tilling the land less frequently, using less fertiliser and employing fewer workers.
Government should take the low level of productivity in agriculture seriously, as it restricts new farmers from entering agriculture, causes a decline in the number of full-time farmers and se-
riously limits farmers ability to recover after a drought.
The farming debt-burden ratio has deteriorated gradually from $11,5 \%$ in 1975 to $26,5 \%$ in 1985 , while the short-term component of this debt has increased from $28,5 \%$ in 1970 to $54 \%$ in 1985.

The report adds that the most rapid price increase ( $121,5 \%$ ) for consumers from 1980 to January this year was; in the OFS goldfields. It was followed by Pretoria ( $120,6 \%$ ), the Vaal Triangle ( $120,1 \%$ ) and Maritzburg (117,5\%).

The areas showing the slowest growth were East London ( $99,3 \%$ ) followed by Bloemfontein ( $104,9 \%$ ) and Klerksdorp (105,1\%). The discrepancy be comes even more evident with the price of foodstuffs, which went up $15 \%$ in East London and $22,4 \%$ in Port Elizabeth. Foodstuffs rose $17,6 \%$ on the Witwatersrand compared with $22,3 \%$ in Pretoria.
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The South African Agricultural
Union has protested to the Govern－ Plea on the bread subsidy
The South African Agricultural
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By David Braun, Political Correspondent
CAPE TOWN - The total debt of farmers soared 374 percent to more than R9 495 million in nine years to 1984 , the Land and Agricultural Bank's annual report said.
And, the bank warned such debt was getting worse.
$\vdots$ Figures released in Parliamont yesterday showed the debt total for 1984 was already close to the value of the coon--try's total agricultural production of R10 600 million for 1985.
The report said the rise in farmers' debt since 1975 averaged 18,4 percent a year, against an average inflation rate of 15,6 percent.
) And the amount of loans to farmers falling into arrears was climbing rapidly from R10,7 million in 1981 to R78 million in 1985.
!. It said: "Despite a number of favourable years as regards climatic conditions and rainfall, it would appear that in general the agricultural industry did not succeed in attaining greater self-sufficiency and had to rely to an increasing extent on credit facilities for working capital.
"In consequence of the seWere drought which prevailed for three successive seasons in

certain parts of the country, it seems likely that the total debt for farmers will show a further increase in 1985.
"Droughts are, however, not uncommon and cannot be regirded as the sole factor responsible for the present unfavourable financial position of the agricultural sector in gen-
The report said in addition to the setbacks of nature, the farmer also had to contend with spiralling production costs.

General economic conditions coupled win a rising consist structyre and an increasing debt burden on the rising indebtedness of the farmer had a diminishing effect on available farming income.
Together with the low price elasticity of agricultural produts, those conditions were the basic causes of the instability in the agriculturual industry.
But the report said the problems could not be solved by price adjustments alone.

Farmers could help themselves through scientific farm planning and by economising to increase production and reduce costs.
One of the biggest problems facing agriculture was that sound financial planning was not yet generally applied to
farming ventures.

By LINDA ENSOR
JOHANNESBURG.
The price of agricultural
land in some debt-ridden areas has dropped so'sharply over the past year: that farmers wishing. to: sell farms have withdrawn them from the market.
'3Séveral sources claim' prices have crashed to an all-time low in distressed areas - by as much as one third in some cases.
The director of the
South: African Agricul-
tural Union (SAAU), Mr
Piet Swart said: "We
know that in certain
hard-pressed'areas farm values have gone down.
When farms are put to
audtion; the bids are so low'- that they are withdrawn."
A combined index of rural land prices using 19980/81 as a bașeline re-
veals an increase of 84 percent by March 1985:
"Part of the reason"for the increase could be that certain areas were not negatively affected by the drought," says one economist.
However, Dr Kobus du Toit, SAAU's chief economist believes they have declined "drastically" over the past year.

Mr Eekart Kassier, professor of agricultural economics at Stellenbosch University, believes land prices would collapse if banks and financial institutions were to start "pulling the carpet out from farmers" on a large scale.

He did not believe they would do so, however, 'as they would' be not be able to obtain good prices to cover the farmer's debts.



## Farmland (5) prices drop in some parts

 LINDA ENSORPRICES of agricultural land in some debt-ridden areas have dropped so sharply over the past year that-farmers who wanted to sell farms have kept them.

Prices have crashed to a record low, some by as much as a third, say sources.

South African Agricultural Union (SAAU) director Plet Swart said: 'We know that in certain hardpressed areas farm values have gone down. When farms are put to auction, the bids are so low they are withdrawn."

But land prices have risen in mohair and sheep farming areas where farmers have received good prices for their products, he says.

Using 1980/81 as a baseline, a combined index of rural land prices reveals an increase of $84 \%$ by March this year.
"Part of the reason for the increase could be that certain areas were not negatively affected by the drought," says an economist. "In certain areas, land prices rose above the inflation rate."

In summer grain areas, land prices rose consistently each year, from 1980/81, to give an $88 \%$ rise by March 1985.
However, SAAU chief economist Kobus du Toit says prices have de' clined drastically over the past year.
"With large-scale liquidations of farmers in the Western Transvaal, and the forced sale of their land, we can assume that land prices have dropped far below the market price," says Du Toit.
Prices in cattle-grazing areas
$\because$ dropped $6,4 \%$ between March 1984
, ańd March 1985. But land prices in "sheep-grazing areas rose $30 \%$ in the 1984/85 year.

# Farmers' debts have now reached R9,4bn 

FARMERS high interest burden - a major component in input costs could be disastrous, according to the 1985 annual report of the Land Bank. Released in Pretoria, the report warns farmers agaist injudicious spending and execessive use of credit.

Farmers total debts amounted to R9,495bn at the end of $1984-374 \%$ up on the debt figure for 1975.
This was an annual average yearly increase of $18,4 \%$ against an annual increase inflation rate of $15,6 \%$.
The total debt was likely to increase further, because of drought, crease the end of 1985 . The deterioration in the financial situation of the agricultural sector was a matter of concern.

The report says in spite of a number of favourable production years, the industry had to rely to an increasing extent on credit facilities
for working capital.
Periodic drought, the report tresses, is normal in South Africa, but in addition to drought farmers had to contend with spiralling production costs.
The rising cost structure and increasing interest burdern on rising indebtedness, had greatly diminished farmers incomes.

Inflation was one of the biggest roblems facing agricuiture, and alproblems facing agh the control boards contributed to greater prices stability, they could not fully compensate for the price spiral.
The report stresses, too, that although farmers had no control oyer production costs, increased , icosts could be reduced by scientific planning and by economies to raise production and reduce costs.

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Department of National Education on the
provision of sporting facilities in the RSA．


## South African Development Trust <br> Account <br> 601．Mr P G SOAL asked the Minister of Education and Development Aid：

（a）What total amount was spent on projects in each specified independent Black state from the South African Devel－ opment Trust Account in the 1985－86 financial year and（b）on what projects

The MINISTER OF EDUCATION AND
DEVELOPMENT AID：
（a）Transkei $\ldots \ldots \ldots$ ．．．．．．．．R 4150000
853

WEDNESDAY， 26 MARCH 1986 （3） $\mathcal{G} \mathrm{CN}_{852}$
851 WEDNESDAY， 26 MARCH 1986 （3） G $_{852}$


How many accommodation units for aged White persons were built in the Cape
Town municipal area with financial assist－ Town municipal area with financial assist－
ance from the State in 1985？

MENT，HOUSING AND WORKS：
 persons．

Aged persons：accommodation 19．Mr B B GOODALL asked the Minis－
ter of Local Government，Housing and
Works：

How many accommodation units for
aged White persons were built in the Jo－ aged White persons were built in the Jo－
hannesburg municipal area with financial hannesburg municipal area with financia
assistance from the State in 1985 ？

The MINISTER OF LOCAL GOVERN－ The MINISTER OF LOCAL
MENT，HOUSING AND WORKS：

Accommodation for 368 aged persons．

## SA in grip of worst drought this century <br> JOHANNESBURG. - South Africa is <br> Though the 1930 d drought started off

in the grip of the worst drought this century.
Officials said yesterday the country's water resources continue to dwindle - with the run-off into the major dams still below average for the eighth year in a row.

At present there are no new water restrictions envisaged for the Preto-ria-Witwatersrand-Vereeniging area, but officials said the possibility should always be kept in mind.
However, in the Vaalharts Irrigation Scheme - covering about 45000 hectares - water restrictions were extended yesterday to limit users to a quarter of their quota of 1983.
The Department of Water Afairs called a press conference in Pretoria yesterday to detail the extent of the drought.
Dr C P R Roberts, the manager of scientific services, said the drought was the most severe since records began being kept in 1923. It had also been established that it was the worst been establ
since 1898.
Dr Roberts compared the present drought to that which gripped the country in the 1930s.
Between 1930 and 1938, double the amount of rainwater entered the Vaal River system as in the past eight years,
worse, the present one is ilonger and therefore more critical.
He said one of the major dams in the Vaal River system, the Bloemhof Dam, is really dry, but is kept at about three percent of capacity by using water from the Vaal Dam.
'It is mainly the Bloemhof Dam which serves farmers in the Vaalharts scheme.
The Vaal Dam is, presently kept at about 25 percent of capacity by water from the Tugela River Scheme.
Dr Roberts said the present water restrictions in the industrial and urban sectors of the PWV area are at 39 percent of the annual quota of April 1983.

## Review of Vaalharts

There was no chance of water consumption in this area being curtailed further in the immediate future.
He added that the position of farmers in the Vailhairts Scheme would be reviewed in september.
"Apart from water restrictions, the Department of Water Affairs has undertaken various projects to supplement the Vaal River system, Dr Roberts said.
He added that heavy storms are needed to break the critical water shortage. - Sapa

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The water level in dams serving the PWV area continues to drop. as the inland rainy seasonrnears its end.'
$\therefore$ Rand Water Board (RWB spokesman warned that with the dry season looming and little hope of sustained widespread rains in the catchment areas, the' PWV area was in a serious situation and there was no hope of restrictions being lifted.
Latest RWB figures show the
level of the Vaal Dam yesterday was' 22,6 percènt, Sterkfontein 28,2 percent, Bloemhof 3,1 percent and the Woodstock Dam


The rainfall total for March stands at $68,3 \mathrm{~mm}$, below the Märch 1985 figure of $72,8 \mathrm{~mm}$ and the long-term average for the month of $92,5 \mathrm{~mm}$. The total in the dams was 25, percent down on plast week 6,9 percent and last year's'31,7,percent:

CAPE TOWN ${ }^{\text {WS South Africa's agricultural marketing boards racked up }}$ expenses totalling R188 million in 1984-85 - R65 million of which was in'administrative costs alone.

And these figures do not include the direct operational expenses incurred by the 21 boards through the marketing of products - for example for storage, handling, treatment, processing, fumigation and shipping.
"The five biggest spenders were the Maize Board (R35 million)", the Meat Board $\therefore$ (R34,9 million), the Wool Board. (R24,9 million), the Wheat Board ( $\mathrm{R} 21,9$ million) and the Chicory Board (R17,7 million).
Replying to a question from Mr Philip Myburgh (PFP Wynberg), the Minister of Agricultural Economics, Mr Greyling Wentzel, said the administrative expenses of the Meat Board were R13,2 million during the year under review.
The expenses incurred by the Lucerne Board to-
talled R210 000 - R117 000 of this was in administrative expenses. The administrative costs for the Karakul Board were only R30 000 during 1984-85, with total costs of R288 000 .

## Extent

Mr Wentzel said the costs incurred-included the boards' expenditure on product promotion, stabilisation, research and contributions to industry organisations.
The minister said in reply to a question from Mr Mike Tarr (PFP Pietermaritzburg South) that the investigation by the:National Marketing Council (NMC) into the operation of the control boards had not been completed yet 'owing to the extent of the investigation'.
However, the investigation into the Dairy and Coton Schemes had been
completed and reports had been submitted to the boards concerned and the South African Agricultural Union. The investigation into the remaining boards should be completed within the next 12 months, he said.
The NMC had found that in respect of the Dairy Scheme that various control measures were not justified.
The NMC's findings on the Cotton Scheme were that the existing control measures were justified and should remain unchanged.
The Progressive Federal Party's spokesman on agriculture, Mr Errol Moorcroft, said yesterday that the expenditure being incurred by the boards' 'would seem to indicate that an investigation into their structure and functioning is well overdue'.



SMALL-SCALE farmers Would prodüce much more if given the necessary resources, security of tenure and institutional support.
This was said by $T \mathrm{~J}$ Bembridge of the Department of Agricultural Extension and Rural Development; at Fort Hare University, Transkei.

Writing in the latest issue of $D e$ velopment Southern Africa; the quarterly review of the Develop. ment Bank, he said that a central multi-sector body was' neéded in each state to co-ordinate and control planning:
Such bodies could report directy to the Cäbinet
He added that there was a dire need for a common ragricultural policy in Southerin Africa
Longterm cooperation was needed among government devel opment institutions, the private sector and local communities
Such planning could work only if people recognised it was necessary: Influential leaders and village level orgainisations would help the people understand the benefits of long-term plans:
The emphasis, he said, should be on "participatory "projects"which fulfilled basic needs.
He cited examples of these as: $\square$ Clean domestic water supplies; Basic putrition; fuel, health and adult education;
Smallscale pilot rural development programmes based on simple innovations and the use of local
The flow and reliability of pro duction requirements had to be increased along with credit faclitities, he said.
Bembritge iso suggested the es
 areas,manaded by specially-desighed insthems assisted by gove ernuentudeclopmeńt finarice.

## Veld in crisis ${ }^{8}$ ) ${ }^{f}$

The national grazing which veld grazing had strategy must be seen as to comply before it a joint effort of the State could be regarded as and all land users to bring an end to the alarming abuse of the country's grazing - a practice that had been prevalent for many decades, says Dr J. J. (Roker) Coetzee, deputy director (extension) of the Highveld region.

He said this onslaught must not be allowed to fail. A failure of the attempt would be the last straw.

All efforts over the past 50 years to stem the alarming veld deterioration had paid no divilends. In fact the process of deterioration was gaining momentum. If farmers failed to implement the strategy with ${ }^{\text {s }}$ sustained commitmeñt and strict discipline, they would have to: forget about producing profitably' from the veld in future:

Dr Coetzee says it wàs ironical that many farmers remained aloof to the problem of veld deterioration mainly because they did not believe the problem was as serious as the Department of Agriculture and Water Supply described. it.

Most ' farmers' " were still convinced the situation was being exaggerated, reflected by the, common view that with good rains' the veld would recover to its full potential.

This was a fatal approach and proved the abysmal ignorance about the criteria with

> Farming on Friday presents another new warning on grazing abuse

Edited by Glyn Williams

termites.

- A further 84 per cent of the farmers said their veld grazing improved over the period they had spent on their farms.
cent of the farmers were convinced that the velduse practices followed by them were as good as or better than the principles propagated by the department. On-going monitoring by the department of veld condit-
ion and grazing practices applied by farmers presented a totally different picture

Nowhere in the country was sustained veld improvement detected over the past 20 years. while only a small percentage of farmers apply grazing practices that met even the minimum requirements of correct veld management.

Moreover, many farmers had a totally wrong perception of veld potential and correct veld use.
"This is no longer only a suspicion, but a proven fact," Dr Coetzee said.



| 871 | MONDAY, 7 APRIL 1986 |  |  |  |  |
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| (2) | Conciliation Board Agree ments. |  |  |  |  |
|  |  | (a) | (b) | (c) | (d) <br> Members of the Black Population Groups |
|  |  | Whites | Coloureds | Asians |  |
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|  |  | - | 116 | - |  |
| (c) | Arbitration Awards | - | - |  |  |
| (d) | Wage Determinations ... | 229100 |  |  | - |
|  | (Estimated figures) |  | 126200 | 45200 | 626900 |
|  | Orders: All races-133 | par |  |  |  | The figures are as at 31 Desemher 1985.

urban development, (b) desert encroachment and (c) industrial expansion as at the available?
What was the average (a) cost per ton The MINISTER OF AGRICULTURAL
per year of the coal purchased by Escon and (b)(i) cost and (ii) selling price of, ECONOMICS:
each of the latest sperated by Escom, in (a) and (b) Approximately 3703
hectares as at the end of 1985 .
(c) Approximately 32 million hectares are affected by aridification. This
area is, however, not necessarily lost for agricultural purposes.

 540. Wh A MYBURGH asked the Min-
What was the total cost, (a) including
and (b) excluding and (b) excluding administration expendi-
ture, of each board established in terms of the Marketing Act No 59 of 1968, for the
financial year 1984-85?
The MINISTER OF AGRICULTURAL



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\% $\qquad$ *Final audited cost not yet available.

$\infty$ MONDAY, 7 APRIL 1986





 (2) whether milk-powder was imported
in this year; if so, (a) by whow, (b)
from what country or countries and
(c) at what price in each case; (c) at what price in each case;
(3) ' whethet any South African individ' whether any South African individ-
uals or companies acted as agents in


 (5) Whether any South African individ-
uals or companies are actinge, as
agents in such transactions at present; agents in such transactions at present, (6) whether this milk-powder is being ex-
ported at a loss; if so, (a) what is the ported at a loss; if so, (a) what is the
nature of the loss and (b) bow will The MINISTER OF AGRICULTURAL
ECONOMICS:
(1) (a) 24719 ton skimmed milk powder
11214 ton full cream milk pow-:
der.
(b) 16248 ton skimmed milk pow
the Blue Train in 1985;
(2) whether all such passengers paid the (2) whether all such passengers paid the
HoA

 TVYOLTMOIXOV $\$ 0$ YALSINIW OML: ECONOMICS:
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 The MINISTER OF AGRICULTURAL
ECONOMICS: (a) (i) 1343.
(ii) 1 .
(iii) 1 .
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> Scheme, specific control measures are not justified and has therefore recom-
restructive registration of fresh milk distributors be abolished;
restrictive registration of industrial milk manufacturers be abolthe single channel prohibition in respect of butter and cheese be
the fixation of wholesale and retail prices in respect of butter and the Dairy Board will only purchase surplus butter and skimmed
milk.
The findings of the National Marketing Council in respect of the Cotton
MONDAY, 7 APRIL 1986 measures are justified and should re-. measures are justified and should re--
main unchanged except that the Cotton Board should substitute its presof cotton gimiers for a system of formal registration. Such a recommendation is contained in the report.
(3) No, the reports have been submitted to the Boards concerned and the
South African Agricultural Union. Certain recommendations in respect of the Dairy Scheme are being ap-
plied already.

## Telephones

642. Mr E K MOORCROFT asked the
(1) How many (a) applications for telephones were received and (b) tele-
phones were installed for (i) private and (ii) business purposes in Gra-
hamstown in 1985 ; hamstown in 1985;
(2) whether there is a backlog for this area at present; if so, (a) what was date for which figures are available and (b) when is it anticipated that the backlog will be eliminated?
 rand are very low and still dropping.
Rand Water "Board" chairman Dale Hobbs saysioswe have had reasonable rains viewed from the agricultural point of view, but the type of rainfall needed to create meaningful flows in rivers just hasn't come.
"Although the position is still serious, it is no more so than at this time last year."

Hobbs says that - provided $\mathrm{in}^{2} ;$, "This means it will be possible to Hobbs says that - provided $\sin ^{2}$ i extract a greater
dustry and the public continue to
from the Tugela River than was
use water wisely - the need for tighter restrictions will be unlikely
"The public and industry have already shown us that they can behave responsibly in this regard."
He says the Department of Water Affairs' plan to increase the capacity of the Tugela-Vaal project from 11 to $20 \mathrm{~m}^{3}$ a second is nearing completion.
nearing completion.

feasible last year." The combined capacity figure for all dams in the PWV area is $6 \%$ down on last year (see graph), but figures from other provinces are more heartening.
Dam capacity in the Orange Free State is $13 \%$ up on that of last year while dams in the Eastern Cape show a massive increase of $34 \%$.

Both Natal and the Western Cape show decreases of $5 \%$.

## Vaal Dam faces even drier prospects <br> "Both dams have aboutthe same

RESIDENTS and water sports enthusiasts at Vaal Dam have for a long time been looking at a vast area of sun-baked mud.

Farmers at Jim Fouche plant wheat in ground once' 3 m under water. Boats are high and dry.
A Water Affairs department
spokesman in. Pretoria says the
Voal will be allowed to dwindle to $14 \%$ of capacity if the drought gets
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MICK COLENAS worse. will we dame mor
"We will use dams lower down on the water system before touching Sterkfonitein' reserves. $\gamma^{\text {wW We have }}{ }^{4}$ had requests from boatyards and sailors to release water from Sterkfontein to raise the leyel of the Vaal.
capacity, but the area of the Vaal is five times that of Sterkfontein ${ }_{j}$ with consequent massive evaporation."
He adds that the department is aware people have invested a lot of money in property and boating.
"The economic wellbeing of this, country comés first: Many farmers aré already făcing ruin because of the present drought."

THE March-April drought in the western maize growing areas has cost farmers tens of millions of rands in lost income.
"At least $90 \%$ of them will be totaliy dependent on credit from commercial banks and the Land Bank to finance the 1986-87 crop;", said National Maize Producers' Organisation (Nampo) GM Piet Gous.

The weather bureau's chief forecaster G C Schulze said the rainfall iñ the summer crop areas was slight.

Gous said the sub-normal rains in March and" early April had lopped tens of millions of 'rands from farmers' incomes in the Western Transváal and North-Western Free State.
"The 8 -million ton crop estimate is now under pressure. The Western Trans;" vaal has been hardest hit by drought."
In a normal year the area produced about $40 \%$ of the crop, but this year it would be reduced to $25 \%$ or less.
The lack of rain had destroyed large areas of plantings, delayed because of the early summer drought: Gous said the majority of Western Transvaal farmers would not recover input costs.

## top



FOR more than half of the last century, blacks were farming succesṡfully in South Africa, growing a variety of crops, raising stock and selling their surpluses, according to impeccable historical sources.

By the 1880 s black farmers in the Eastern Cape were winning many agricultural show prizes in open competiton with whites. The more prosperous of them hired white builders to build them brick houses, and they were keen customers for such items as furniture, cutlery, crockery and stationery. Someof their children attended multiracial boarding schools.

By 1890 there were between 1000 and 2000 of these affluent black commercial farmers. Now, 100 years later, you would have difficulty finding even one. What went wrong?

The answer to that question is written in SA's statutory law, which has systematically and deliberately denied blacks economic freedom as well as political rights.

In a new book, South -Africa: The Solution, published by Amagi Publications, Leon Louw, executive director of the Free Market Foundation, and Frances Kendall, editor of The Individualist, trace the development of enforced black social.ism and the hideous consequences of a century of cynical social engineering that has led SA to be regarded by many people as the world's most evil state.

Their prescription is the sweeping away of this canon of restrictive and unjust law and the formation of a canton system of government similar to that which works very well in Switzerland--iike SA, a heterogenous, multilingual country.

Socialism, they argue, is foreign to the traditional way of life of blacks. Tribal society was based on a system of voluntary
> "By 1890 there were between 1000 and 2000 of these affluent black commercial farmers. Now, 100 years later, you would have difficulty finding even one. What went wrong?" Matthew White reports on a new book that discusses a little-known aspect of South Africa's past, as well as a road out of the country's present dilemma.
exchange and private ownership, and blacks were moving readily into the developing economy - until they were prevented from doing so.

In the case of the commercial farmers, Acts were passed by whites to protect other whites from competition and to provide unskilled cheap labour for white-owned farms, factories and mines.

Without doubt there were blacks then, as there are today, capable of acquiring the skills to hold down any job in industry. But again, legislation was introduced to prevent them from competing with whites for skilled jobs.

In virtually every area of endeavour, when blacks - and to a lesser extent coloureds and Indians - began to compete on equal terms with whites, legislation was passed to make criminals of them if they tried to do so.

In the late 1880 s most transport riders responsible for conveying people and goods huge distances across Southern Africa were black.
"Today there is apparently not a single back licensed road haulier operating in SA," say the authors. "The handful of blacks who do have road haulage permits are not using them because there is no demand on the routes for which they are authorised."

Socialism, justifiably feared by many whites, was forced on blacks by
means of more than 500 Acts and numerous ordinances, by-laws, regulations and policies to prevent them from applying their skills and acquiring capital.
"While this has worked to the short-term benefit of those whites who have been protected, it has unquestionably damaged the long-term interests of all of us and has made our country, which is immensely rich in natural and human resources, a Third World nation instead of one of the wealthiest."

Despite the appalling damage wrought by this ill-considered legislation, the authors argue that justice, peace and prosperity can still be attained - but only in a free society.
"The free society paradigm is neither unrealistic nor extreme," they say. "On the contrary, it takes full account of SA realities and is the only system which offers massive and rapid wealth creation and a just distribution of wealth.
"It offers the kind of "caring" that works, a real prospect of depoliticising life and reducing inter-group conflict, personal freedom for every individual and neither imposed segregation nor imposed integration."
They give three political requisites for a free society .- democracy, limited government and decentralised government - and argue that this can best be achieved by a canton sÿftem.

Basically each canton (intially based on the present magisterial districts) would run its own affairs, leving the confederal (central) government responsible only for foreign affairs, finance, defence, infrastructure and such functions of internal affairs as delegated by the cantons.
Individual cantons could opt for Marxist or free market policies; they could be entirely black, entirely white or mixed. Extreme Afrikaner nationalists could have their boerestaat; dyed-in-thewool communists could have their workers' paradise.

All would operate within the framework of a democratic constitution and a Bill of Rights ensuring equality, citizenship, universal franchise, freedom of speech and movement, freedom of association and dissociation, and the rule of law.

With such a system, say the authors, it would soon be apparent which economic and social policies work best.
"We, the people, would influence the canton gov-
ernments through elections and referenda and, if we decide that things are not to our liking - be they economic, political, cultural or environmental we could always vote with our feet and move to another canton more suited to our preferences. Democracy and voting with one's feet were, after all, characteristics both of black tribal and early Afrikaner societies."
Louw and Kendall, who are husband and wife, have no doubt that, if allowed to, a free market system would triumph. They point out that there is virtually direct correlation between countries with free market policies and prosperity.
"Countries with a high degree of government intervention typically exhibit low growth and underdevelopment, instability, conflict and oppression.
"A recent World Bank study found that this correlation generally holds true regarless of the size of a country, its ethnicity, its natural resource endowment or its level of development."

They discuss many other issues, including taxation, education, justice, the fallacy of subsidies, the negative effects of too-rigid standards, and a viable reparation scheme which would help blacks to overcome the disabilities they have suffered from discrimination while neither depriving the rich nor damaging the economy.

Louw and Kendall's book is a major contribution to the reform debate. ${ }^{\text {? }}$













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## SA faces dry winter with poor water reserves (3) <br> Pretoria Bureau <br> Dams in the Vaal system are only an average of 24 percent full - a level well down on this time last year, when the dams were on average 31 percent full. <br> With January and February - the two main rainy months - now past, the outlook seems bleak for further good rains to boost the country's water reserves. <br> The Department of Water Affairs says the water remaining in reservoirs will see the country through <br> the dry winter monthis - but by the end of that season water stocks will be severely depleted. <br> The Vaal Dam has: been badly affected, dropping from 23 percent to 22 percent in the past seven days <br> Nevertheless, the levels of some other dams vital to the PWiy ârea are still holding their own. mond <br> Sterkfontein has remaired. 28 percent of capacity over the past week and the Grootdraai Dam has held steady at 83 percent: <br> The Hartbeespoort Dam has allso ${ }^{\circ}$ retained its 37 percent level.

AN ANNOUNCEMENT on the Lesotho. Highlands water scheme appears imminent.
After years of protracted crossborder negotiation, the scheme which will double the water supply from Yaal Dam - looks set for the green light.

Foreign Affairs Department deputy director-general Neil van Heerden says the talks are on track.
"We had hoped to reach agreement by the end of March, but a few last-minute technical details had to be cleared up."
Asked if the signing was being delayed over a cash disagreement, Van Heerden said: "Absolutely not true. At the last round of talks, on March 26, both parties agreed there were some minor technical aspects to be looked into. That is all that is delaying the signing.
"We are looking at the feasibility of some of the dam sites and the possibility of siting them elseWhere. Once that has been cleared up, both parties will come together for the final round.";
Under the proposed agreement, SA will buy water from the mountain kingdom, while Lesotho will

## MICK COLLINS

benefit from water revenues and electricity supplies generated by the scheme.
Van Heerden said Lesotho -would also benefit from the construction of power lines and a large number of feeder roads, which would have to be built before any work started.
"This is part and parcel of the deal. While we haven't signed on the dotted line yet, we are very close," he said.

After their recent Cape Town meeting, State President PW Botha and Lesotho leader General Metsing Lekhanya confirmed the scheme was still very much alive.
The project entails building four dams for water reserves and two dams harnessed to hydroelectric schemes.

Areas to benefit in SA will include the PWV, the Free State goldfields and the Eastern Transvaal.
Tenders for the mammoth scheme have not yet been called for, but one consortium says if the project gets under way immediately, phase one could be completed by early 1996.

In the early stages of a cyclical upswing, the important - given unemployment and surplus capacity elsewhere.
Dr Andre Louw, in the March Volkskas Economic Spotlight, says the farming sector has been more seriously hit than others. Overall terms of trade declined from an index of 100 in 1975 to 78 in 1985, the index of farming requisites climbing to 393 against a consumer price index of 340 .

Cost-push factors are making farmers more conscious of using inputs more effectively. They are eliminating unnecessary cultivation by tilling land less frequently, using less fertiliser and employing less labour.
Volkskas quashes the view that the agricultural producer is pampered, pointing out that he is a price taker for input and output prices. A combination of adverse factors has decreased farmers' purchasing power considerably. This "increases the lopsided distribution of income and encourages a greater concentration of megafarmers."
The Spotlight warns government to view low profitability and crisis measures by the
sector in a serious light. "The solution is not to be found in product price increases," or exports will become uncompetitive.
The sector's debt burden is sobering, the ratio rising from $11,5 \%$ to $26,5 \%$ in the past 10 years. Moreover, the short-term component rose from $28,5 \%$ to $54 \%$ in 15 years and, as a result, is assuming a long-term character. Total outstanding debt is now R11,4 billion, a growth of $19,3 \%$ a year since 1975 .
Louw says interest payments are the largest single cost factor in agriculture, now $83,5 \%$ of net farm income or R1,7 billion.


By DIRK VAN ZYL Political Correspondent CAPE TOWN - The construction of the Lower Sundays River Water Scheme had been advanced to contribute to the creation of job opportunities in the Eastern Cape and to promote agricultural production

This is stated in the seventh supplementary report on the Orange River Development Project, tabled in Parliament yesterday by the Department of Water Affairs.

Completion of the Lower Sundays scheme the purpose of which is to bring up to 11000 hectares under irrigation in addition to the approximately 9500 hectares at present scheduled by the Sundays River Irrigation Board - is scheduled for 1992 at an estimated R234 million cost (at March, 1986, prices)

The scheme's main works are about 75 kilometres of new or upgraded canals, two kilometres of tunnels, two balancing dams and extensive piped water distribution systems.

The report says a Lower Fish River Scheme - not mentioned in White

Papers before - will make it possible to develop about 3000 hectares of irrigable land along the Great Fish River in the Committees Drift area north-east of Grahamstown.

The land is on both sides of the river in South Africa and Ciskei, and the irrigation development will be a joint undertaining between the two countries.

This scheme is being implemented for the same reasons as the Lower Sundays River one and also to make additional water avaialble to Grahamstown.

The main works are a five-kilometre diversion tunnel for Fort Brown, an off-channel storage dam, a 13-kilometre canal and a pipe distribution system for irrigation water.

Completion is scheduled for 1989 at an estimated R 75 million cost (March, 1986, prices).

The report says the Lower Sundays scheme has been identified as a high priority project, its main object being the creation of job opportunities in the shortest possible time in the economically depressed Eastern Cape.

## Drought pattern

 to hit s s againBy PATRICIA CHENEY 13 . The changes include a reWashilngton
EL NINO, the bizarre weather pattern that caused the catastrophic drought in southern Africa three years go, will strike again later this year, weather experts have predicted.
But, they say, it will not be as severe as in 1982 and 1983, when searing drought in Auswhen searing drought in Ausern Africa, as well as floods in South America, caused more than 1000 deaths and extensive damage to economies.
According to scientists at the Lamont-Doherty Geological Observatory in New logical Observatory in Nino will develop 'in about July and peak in November, with a return to normal expected early next yéar.

Research
This is the first time that weathermen have been able to predict the onset of the EI :
Nino phenomenon - thanks. to the close study made of the ". -82/83 pattern.

Scientists from several countries have set up-research ships; sensors on buoys and other equipment to measure thè transformation of the ocean and atmosphere of the characterises. Fi Nino. '

The name Eil Nino mas meaning "boy child" - was first given to the unusual weather pattern by Peruvian fishermen, who noticed that the surge of uniusually warm waters off théfrcoast: often occurred around Christmas.为.名:1

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3）whether the use of this poison was
monitored；if so，by whom；
（4）whether all the persons applying this poison were issued with the recom－ mended protection equipment；if so，
with what specified equipment；号
（5）whether those applying the poison， suffered any ill－effects attribuab is the nature of these ill－effects；

6）whether this poison is still being
 available；if so，why were these sub－ stitutes not used？
$\dagger$ The MINISTER OF AGRICULTURAL ECONOMICS：
（1）Yes．
（2）（a），（b）and（c）Yes．
（i）The Registar of Fertilizers，Farm Feeds，Agricultural Remedies （ii） 4000 ton．
点品 Ech 1974 was kept in stock．Dur－ ing 1981 a prophibition was
placed on the manufacture of
BHC． （3）Yes，by officials of the Department of
Agricultural Economics and Market－ （4）No special protective equipment is
prescribed in respect of the use of


Push for Orange River plan

GOVERNMENT has decided to speed up drastically development of the Orange River irrigation scheme.
It will also be substantially expanded.
The decision was taken this year but details of the revised R 540 m project, which now comprises three linked schemes, were contained in a recently-released report in Cape Town.
It says the implementation of the three schemes - two of which have not been mentioned before - have been "drastically" advanced for various reasons, the main one being unemployment relief.

> New project

The project now includes the original proposal, the Lower Sundays River Government Water Scheme, and two new projects - namely the Lower Fish River Government Water Scheme and the Orange-Douglas Government Water Scheme.
The purpose behind the Lower Sundays River Scheme is to bring 11000 ha under irrigation, in addition to about 9500 ha now con-

## CHRIS CAIRNCROSS

trolled by the Sundays River Irrigation Board.
The main components of the scheme include 75 km of new or upgraded canals, 2 km of tunnels, two balancing dams and extensive piped water distribution systems.
This project is scheduled for completion by 1992.

Budgeted cost of the original scheme was R197m. The revised figure is now about R369m. The increase has mainly been incurred to cover the enlargement of the project.
The Lower Fish River Scheme will make it possible to develop about 3000 ha of irrigable land along the Great Fish River in the Committee's Drift area north-east of Grahamstown.

The reason for the project is also to bring land under irrigation and to make additional water available to Grahamstown.
The main works are a 5 km diversion tunnel near Fort Brown, an off-channel storage dam, a 13 km canal and a pipe distribution sys-
tem for irrigation water.
Estimated total building cost is around R97m. Construction has already started and is expected to be completed by January' 1990.

Owing to the shortage of water in the Vaal River system, the Douglas Co-operative constructed an emergency scheme to supply water from the Orange River to the Douglas Weir, serving irrigable land near Douglas.

## Emergency scheme

It is now proposed that the State takes over this émérgency scheme and expand it to serve a possible additional 4000 ha .
This takeover is expected to remove the crippling debt incurred by the co-op in constructing the scheme, relieve the pressure on the already over-committed resources of the Vaal River and promote higher agricultural production.

Total cost of the takeover and the further addidtions to the scheme is estimated are R 48 m .

Construction on the additions are scheduled to start next year and be completed by 1991.


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| THE SA Agricuitural Union <br> (SAAU) isito appealito government for further aid for destitute farniers. <br> have good prospects of recovering <br> This was decided at a meeting of the SAAU economic committee in from severe financial blows, Pretoria yesterday. caused mainly by high interest <br> SAAU difector Piet Swart said yeates, over the past three or four many fauders had reached the point of no return and would prob- <br> The amount of aid required had ably be lost to the industry. not yet been determined but'a sub- <br> "Our aim is, however, to give all possible aid to those farmers who mission would soon be made to Ag. riculture Minister Greyling Wentricul, Swart said. |
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＂Our aim is，however，to give all possible aid to those farmers who
have good prospects of recovering from severe financial blows， caused mainly by high interest rates，over the past thriee or four years．＂
The amount of aid required had not yet been determined，but a sub－ mission would soon be made to Ag riculture Minister Greyling Went zel，Swart said．



A SHARP increase in water consumption last week has prompted Rand Water Boäd officials to appeal to the public and'industry to conserve water.
"The good rains of the past few, days have not made a significant difference," a board spokesman said.
"There is no reaction as yet on capacities of dams in the Vaal catchment area and we urge everyone to stay within their quotas."
Figures released by the board show that consumption last week was above quota by $6,07 \%$, compared with $1 \%$ above quota this. time last year.


Consumers exceeded quotas considerably in the period September-November last year (see graph) because of a prolonged spell of dry weather.
"We have had a similar occurrence this past week, when temperatures were high before the advent of the cold front which brought the rains," the spokesman said.

Total capacity in dams of the Vaal waterscheme last week was $25 ; 3 \%$, an improvement over this time last year when capacity stood at $22,9 \%$.

Vereeniging Bureau＇
An eye－witness of an alleged double murder yesterday described in the Cir cuit Court in Vanderbijpark how he watched as an elderly Vereeniging farmer chased and knocked down two young brothers with his bakkie after they were caught trespassing on his farm in July last year．
This evidence was led by a farm hand，Mr Amos Ndaweni（44）at the trial of Mr Gideon Benjamin van der Watt（73），who is facing two charges of murder before Mr Justice Kirk－Cohen．
Mr van der Watt，of the farm Harte－ beesfontein near Vereeniging，has pleaded not guilty on both counts．

## Tragedy

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The charges against him are the se quel to the incident．Both boys，William Boy（7）and Sipho Phillip Mngomezulu （9），of a neighbouring farm，died after suffering multiple injuries
In his evidence Mr Ndaweni said that he and another farm hand， Mr Daniel Mokwena，had been asked to dig holes for a fence on Mr van der Watt＇s farm on the day of the tragedy．

He explained that while they were working，Mr van der Watt approached them in his bakkie and asked them to
load some wire onto the back of the vehicle．Shortly afterwards Mr van der Watt drove off in the direction of a clump of trees．
Mr Ndawenie told the court that a short while later he heard a car hooter sound and also heard the drone of an engine intensify．When he looked up from his work he spotted two small children running in front of Mr van der Watt＇s bakkie．It appeared as if they were being chased．
Moments later he saw the bakkie strike down the one child and then sec－ onds later，the other boy was also knocked down．Mr Ndaweni said that he and Mr Mokwena immediately ran to the scene of the accident．William was already dead．His brother Sipho died shortly afterwards．

Mr Mokwena said he asked Mr van der Watt what he had done，to which he rephed：＂I was scaring them．＂Mr van der Watt then got into his bakkie and drove away from the scene of the trag－ edy．

The trial will continue today after Mr Justice Kirk－Cohen and his two as－ sessors，Mr Gert Meiring and Mr DH du Plessis，return from an inspection of the scene of the alleged crime．Advo－ cate $J$ Fouche is prosecuting，while ad－ vocate $P$ Kemp is appearing for the

Water shortage is critical, says commission Search continues for alternative resources

## By Kym Hamilton, <br> Pretoria Bureau

The critical shortage of water supplies in South Africa was again highlighted in the annual report of the Water Research Commission, which detailed the ongoing search for alternative sources.

Water had been identified as the most limiting natural resource in South Africa and the Scientific Priorities Committee had assigned a high priority to water research, said the report.

However, funds earmarked for research had reflected no growth in the past 11 years and between 1974 to 1984 had not kept pace with the inflation rate.

The period under review did not take into account the reductions in state expenditure for the past financial year and the position was therefore
worse, said the report.
The drought and water restrictions had also reduced income and caused a sharp drop in the Commission's reserves.

The commission is affiliated to the Department of Water Affairs.

It said longer-term financial planning for new research had become necessary and priorities would have to be considered even more critic ally.

Research into the use of underground water resources, irrigation losses, water savings, reclaimed drinkng water and the desalination of sea and brackish water continued during 1985, said the report.

Losses in the distribution systems of large irrigation schemes were estimated at seven to 40 percent.

These losses could also account for up to 45 percent of return flows from irrigation schemes, contributing to increased salinity and to ineffec tive utilisation of existing canals.

The commission is currently supporting a research project aimed at limiting canal losses.
It has also undertaken research into the sociological and economic consequences of water restrictions.

The report said water could be saved at the power stations in the Transvaal coal fields, though it would be difficult to provide sufficient water for the wet cooling of these stations.
UNDERGROUND SOURCES
Escom would be forced to use dry cooling on its power stations on an unprecedented scale, which could save up to 75 percent of present water consumption by power stations.
The potential of underground water sources - upon which two thirds of the country relied for domestic use, stock watering, irrigation and supplies for small local authorities - was also a high priority.

The total volume of ground water used was only about 10 percent of the total volume and better techniques were being developed.

The drought had also renewed interest in the desalination of sea and brackish water, said the report.
The cost of desalinating brackish water was an acceptable alternative to augment water shortfalls, it added.


> Agricultural output in Africtak pxpected to drop LONDON 22 Althoug foo
> Africa after the 1984－85 d production recovered in much of the continent seem liks drought，agricultural prospects for term，Mr Edouard Saouma，direteriorate over the meodifim and Agriculture Organisat，director－general of the UNFood and Agriculture Organisation（FAO），said yesterday．
> for the continent in 1986 FAO report on the food crop outlook ions for the rest of the decade reached the that the project－ sion that by 1990 the self－sufficiency ratio for low－income Africa could slip from 79 to 75 percent．
> The ratio refers to the amount of food that is produced domestically to meet a country＇s $h e e d s$ ．
> In its review，the FAO estimates that better weather helped food output in the 45 countries reviewed rise 36 per－ cent last year compared to the previous season．But six coun－ tries－Angola，Botswana，Mozambique，Sudan，Ethiopia and the Cape Verde islands－require emergency assistance．－
The Star Bureau． The Star Bureau．


Dispatch Reporter
UMTATA - Agriculture in Transkei was the springboard to all development, because the country was endowed with vast resources, Paramount Chief Kaiser Matanzima said at the opening of the Xonxa Rural Development Scheme.

He said water could be found in the White Kei, Umzimvubu, Bashee, Tsitsa, Tina, Mtamvuna and other rivers where irrigation and hydro electrical potential could be exploited.
"It is the policy of the Department of Agriculture and Forestry to exploit such resources for the improvement of the standard of living of its people and for rural development by growing enough food commodities for self sufficiency and even export," he said.
He said the Xonxa irrigation scheme was an example of an intergrated rural development programme.
The Xonxa Dam was constructed in 1971 while the district of Cacadu was still part of Ciskei.
"For some inexplicable reason, when the district of Cacadu was

South African Government failed to make any further developments," he said.
He said it was not until 1979 that the first developments were made after the Minister of Agriculture and Forestry had visited Austria in search of financial assistance for the project.
"In June, 1979, I visited Austria where the whole plan and design of the project was shown to me by Austrian experts, whereupon I gave the decision to go ahead with the scheme.
"The first phase of implementation was the development of about 300 hectares of land under sprinkler irrigation below the dam where various agricultural commodities such as lucerne, wheat, vegetables and maize were successfully grown."
He said that after a few financial problems which caused a delay of about four years, an extension of the original contract was signed in March 1984
He also said the implementation of phase two of the project was to be the responsibility of the Bauer Company, and
in January last year and completed in April this year.
He said it was a very sophisticated scheme and the first of its kind in Transkei.
"The irrigation works with a cantral pivot and covers an irrigated area of 1270 hectares, and the scheme is fed by gravity from a dam to which the water is pumped from the White Kei River.
"The main farm is designed to accommodate 400 head of cattle for fattening and meat production, as well as 200 pigs for breeding and fattening purposes," he said.

He said they would be going into contract with Transkeian meat firms for the supply of slaughter animals which would help to reduce the importation of slaughter animals from South Africa.

He said the production of fodder to feed the animals was one of the purposes of the irrigation scheme.
"The domestic water supply is meant to solve the drinking water problem in the rural area, by extending pipelines to different locations in the area.


Lelieföntein farmers (from left) Mr Samuel Cloete, Mr Dawid Koordon, Mr Abraham Fortuin and Mr Piet Klase photographed in Mr Klase's wheatfield in October last year. Mr Klase said at the time: :'It is very unfair of my big father (the government) to take the bread from my mouth like this."

## Baster farmers want ancestors' land back <br> land for a living. He added that he

By SHAUNA WESTCOTT Supreme Court Reporter SMALLHOLDERS of the Leliefontein community in Namaqualand, who have farmed communally for generations, returned with their flocks from winter pastures in September 1985 to find their homes occupied by others, the Supreme Court cupied by others,

This was evidence given on affidavit by Mr Gert Bekeur, one of four members of the community who have launched an application for an order declaring that they were wrongfall deprived of their land and ordering the Minister of Local Government, Housing and Agriculture in the House of Representatives to restore it to them.
Mr Bekeur said he and most of the community are descendants of Khoi families, described as "the Little Namaqua Hottentots" and the "Baster tribe", to whom the land was formally granted in 1854 by Governor of the Cape Sir George Cathcart.
"My ancestors" have lived in the Leliefontein area for as long as the memory of man," he said.
He said the community of about Although fthe ncustom was for each family head to be assigníd land, individuals had no right to dispose of their plots and animals grazed on communal land.

## Dependent on land

Mr Bekeur said he and most of his fellow farmers and their families fellow farmers and nedent on the
had no formal education and "no captal besides my livestock".
He was "astounded" when in 1984 he received a letter from the Leliefontein management board telling im to remove all structures and improvements from his garden plot and not to set foot on it again.
Complaints to the board "fell on deaf ears" and a meeting with the minister culminated in a ministerial request for a letter setting out the rievances of the commünity.
"I wrote this letter," Mr Bekeur said, "but to date I have simply received a letter from him telling me my letter was 'enjoying attention'.
"During June or July 1985 I sowed vegetables and as usual trekked away with'my livestock for winter'grazing. When I returned in September I was astounded to fiifd one Nico Schwartz had occupied the whole area in which my garden plot is situated.
"He drove cattle in and destroyed my whole vegetable harvest. When approached him he told me the land was now his and I had no right to be there."
Mr Bekeur said the land had been
Mr bekern $4^{\prime}$ farms of which 30 had been "allocated" to strangers to the area.
An application for an order allowing papers to be served on the new "tenants" by means of letters, newspaper advertisements and centralized access to the complete docu mentation was granted Justic

$\qquad$ wer
from R32m in 1984. A similar $20 \%$ increase in turnover is slated for this year.
The spadework for a self-medication diy'sion in SA started four years ago and CGhas now drawn up a list of some 12 established over-the-counter drugg on the market that it hopes to add to the division's preduct portfo-
lio. io.
Head of CG/s pharmacentical division Johann Niehaus stresses that the company intends to slay clear of high-abuse areas, such as central nervous/stimulants.
Late last year, CG bought Salusa 45, a mpriti-vitamin onic, from Noristan for an undisclosed/sum, and the next product
launch is expected in 1987 an


## A rocky road

## ers breas s beleaguered motor industry gath-

 ers breath for a new call for help in the wake of record low first-quarter sales, another sector of the trade is also seeking urgent relief.The R 300 m a year tractor manufacturing sector has reported an "absolutely disastrous" $59 \%$ drop in tractor sales for March. Last month, only 320 units were sold against 779 in March last year.
First quarter sales of 1131 were $42 \%$ below last year's 1984 units. "And last year
we were already in a very depressed mar ket," says Rob Phillips, president of the SA Tractor Manufacturing Association (Satma) and group director of industry market leader Fedmech.

## Phillips says the

 market was worthe new farm machinery which the tractor some 600 m last year, of $50 \%$. Farm tractor industry made up about at around R 300 m a yearts sales are valued
## To ca 300 m a year

To cap it all, March tractor sales were 22\% below February's 410 units. February sales, in turn, were $41 \%$ down on the same month last year when 700 units were sold. "The decline is accelerating," Phillips tells
the $F M$.
"As a first step, government should abolish the $10 \%$ import surcharge levy on imported farm machinery parts. This would boost the industry and help farmers who are increasingly relying on repairs to existing machinery to survive savage input cost increases," he says.
Another fiscal step suggested by Phillips is the abolition of $12 \%$ GST on farm machinery
and tractors.
"Farmers, struggling with debts of R11,5 billion, have to fight sharply rising input costs, while the tractor and farm machinery industries face a disastrously shrinking market. Total industry employment has already fallen by two-thirds - from 1980's 100000 employees to the current 33000 workers,"
adds Phillips.
With 12 manufacturers in a shrinking
market there should also be scope for rationalisation because plant utilisation is inevitably running at low levels.

But most local manufacturers are either backed by multi-nationals or are subsidiaries of powerful local groups.
Fedmech, part of the Federale group, has aiready rationalised operations by replacing its dealer network with inhouse dealers. Most others are sitting out the recession and relying on their backers to see them through while cutting costs. But, faced with the heavy sales fall and grim future prospects, some of the weaker manufacturers might decide to pack up.
"A lot will depend on government's response to industry's request for tax relief," says Phillips, but "meanwhile, it is a matter of grim survival for many."

Phillips tells the FM that the March sales' plunge represents the industry's deepest trough and both the industry and governthe rot.

## Farmers invested in inflation by buying expensive land



## Parliamentary Staff

CAPE TOWN - The agricultural sector was faced with the most serious crisis in its history and despite large sums being pumped in by the state, thousands of farmers were in desperate straits, the PFP MP for Albany, Mr Errol Moorcroft, said yesterday.

Speaking during the debate on the vote of the Department of Agricultural Economics in the committee stage of the Budget, Mr Moorcroft said a major portion of the blame lay with inflation.

Looking at the current state of agriculture, Mr Moorcroft, who is the Opposition spokesman on agriculture, said:

- Summer grain-producing areas were still suffering under the "hammer blows" of adverse climatic conditions with some experiencing their fifth successive crop failure.

Farmers' profits had been slashed with input costs rising by 36 per cent over the past two years while producer prices remained static.

The agricultural debt-burden had risen from R1,96 billion in 1975 to R11,4 billion in 1985 - an average of R190 000 a farmer involving an annual interest payment of R38 000, and;

- Inflation in terms of which farmers were 50 per cent worse, off today than they had been 10 years ago.

Inflation, Mr Moorcroft said, was unquestionably of the most "malign influences" on agriculone of

Many farmers, he said, as a hedge against inflation, had bought highly priced land and the pre its of land had, as a consequence, rotential.
value in terms of its production pe could now be
The owners of this land, he added, coll said to have a "vested interest in inflation" and saidmers had become embroiled in a "bizarre vifarmers had become embroiled in the very concious circle with a vested ing the life out of their industry".

Stating that drastic action was obviously needed. Mr Moorcroft said that while the problem of inflaMr Moor being considered, the problem of agricultion was being conould also be addressed.
There was he said, a drastic need for tax reform as the present system made it virtually impossible for capital accumulation to take place - debts could not be met and reserves against lean years could not be accumulated.
Another problem, Mr Moorcroft said, concerned the question of debt repayment facing many farmers because some banks and financial institutions were starting to "feel edgy" about the situation.

He said he feared that many farmers who were essentially in a sound position might be lost to agriculture unnecessarily.
i" "We accept that there are those who are irredeemably lost to the industry, but we must try to throw out a life-line to those who can still swim."
Perhaps, Mr Moorcroft said, the time had come Pernaps, of Leutwiler like figure" who, with the for a "sort of Leutwing of the government, could negotiate on behalf of the farmers.

## Political Staff

. HOUSE OF ASSEMBLY. - The agricultural sector was faced with the most serious crisis in its history and despite large sums being pumped in by the State thousands of farmers were in desperate straits, Mr $\mathbf{E} \mathbf{K}$ Moorcroft (PFP Albany) said yesterday.

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- Summer grain-producing areas were still suffering under the "hammer blows" of adverse climatic conditions with some experiencing their fifth successive crop failure.
- Farmers' profits had been slashed with imput costs rising by 36 percent over the past two years while producer prices remained static.
- The agricultural debt-burden had risen from R1,96 billion in 1975 to R11,4 billion in 1985 - an average of R190 000 per farmer, involving an annual interest payment of R38 000 .
- Because of inflation farmers were 50 percent worse off today than 10 years ago.
Many farmers, he said, as a hedge against inflation, had purchased highly priced land and the price of land had; as a consequence, risen far above its value in terms of its production potential.
The owners of this land, he added, could now be said to have a "vested interest in inflation" and farmers had become embroiled in a "bizarre vicious circle with a vested interest in the very conditions which are choking the life out of their industry".
There was, he said, a drastic need for tax reform as the present system made it virtually impossible for capital accumulation to take place. Debts could not be met and reserves could not be accumulated.
murder
white er fen
farmer
By NELL HOOPER
AN EASTERN Transvaal farmer was murdered in the Kriel district this week by a gang of farm labourers who had been hoarding home-made weapons.
Mr Johannes Mártinus "van Niekerk was stabbed*to
death on Thursday even-
death on Thursday even-
ing by one of the men afte
ing by one of the men after
he went to confront a farm
worker who earlier had al
legedly assaulted his: two $\cdots$ teenage sons
At the family's hired homestead on the farm Onverwacht in the Kriel district his widow, Mrs Triana van, Niekerk,."yesterday spoke for the first time of the death of her 41-year-old hushand.
During the afternoon we had trouble' with the farm labourers. When ., my hus
band came home, he de-
cided to confront them. 'He took along his shotgun 'A fight just in case.
A fight developed, My husband managed to fire one
round from the shotgun (which apparently hit four of the men) before he was of the men) before he was stabbed.
'By the time the police arrived he was dead from a stab wound in the heart,"
The police arrested the wounded four and. took them to hospital: ${ }^{2}$, to Afterwards police searched the labourers! living quarters and found a'large supply of home-máde weapons," she 'added.



## Subsidised agriculture

The Minister of Trade and Industry, Dr Dawie' de Villiers, has already been approached in this regard and has been told that unless input costs drop, agriculture must be subsidised - an option farmers do not favour.
There has also been a told-level meeting recently between state officials,' banks - including the'Reserve and Land Banks' - Mr Hayward and representatives of the farming sector.

In'a statement yesterday, the Northern Transvaal Ágricultural Union. said the financial distress of farmers now outweighed drought-related problems, and few farmers had enough assets to cover their debts.
The union said this finañicial crisis was unprecedented in South Africa and called on:

- Thé authorities to consolidate farmers' debts '- estimated to be R2 004 million at the end of 1985 - under the auspices of the Land Bank:
- Government and semi-govern-
ment- organisations to impose a two-year morratorium on farming debts except in cases where ${ }_{4}$ farmers are clearly insolvent.
- Commercial financial institutions to institute a voluntary two-year debt standstill:
- The Government to launch an urgent, in depth investigation into input costs and possible. priceicontrole $x$ mot
- Farmers to practise responsi able and carefulfinancial management

 miound that the rains were to o late to "influénce grazing and" crops.
The situătion in the wéstern and northèrn Traño vaal was critičalo Many harvests had Keèn ruined: $\alpha+1$,

URGENT help is needed by-1ransvaal farmers if they are to survive, says the Transvaal'Agricultural Union (TÃU).
A survey "conducted last week revealed that in the greater part of the Western and Northern Transvaal, conditions remain critical and no or underaverage harvests are expected.
The Western Transvaal has had almost no rain, the TAU says. Dams are empty, rivers are not flowing, there is no ground moisture and the veld is in a poor state: The Lindley's Poort dam at Swartruggens has apparently closed.

The veld in the Northern Transvaal is critically dry and only about $20-25 \%$ of the normal harvest is expected.
Conditions in the Eastern Transvaal appear more favourable.


WARMBATHS South Africa was not primarily an agricultural export country, and any exports should be regarded as a windfall, the Minister of Agriculture and Water Supply, Mr Sarel Hayward, said today.
Speaking at the opening of a symposium of the Society for Agricultural Extension Services, he said there was a growing prospect the export market for agricultural commodities would become increasingly competitive.
It would be important in future that production be "in harmony with the natural resources".

Food strategies would have to take cognisance of the local strategic demand for agricultural products.

The regional organisations of his department had made good progress with the compilation of regional development plans.

PROBLEMS
Mr Hayward said there would also have to be a shift in extension priorities with an eye to the establishment of a vigorous farming community with the emphasis on human development and not on maximum potential.
He said he had studied
the report of the Committee of Inquiry into the servicing of agriculture, and the problems had been thoroughly addressed.
It should not be forgotten the investigation was done and the report delivered under the old constitutional dispensation.

Since then a totally new constitution had come into operation and so the recommendations could not be considered.

Mr Hayward isaid he had informed the SA Agricultural Union of this, and had indicated he would have no objection to further talks. - Sapa.

1496

former owners for mineral rights; if
not, why not; if so,
(3) whether this investigation has been
completed; if not, when is it antici-


The MINISTER OF EDUCATION AND
DEVELOPMENT AID:
(1) to (3) The farm Steincoalspruit was
expropriated and the former owners are to

 thens by the State Mining Engineer and
the said
connectiont following claims in connection with mineral rights proved that, with a single exception, mineral
rights did not vest in the expropriated for

 tion to determine the extent or value of
the coal deposits on the whole of the farm, but only the value of the rights of
the particular owner The Department of Public Works and -sanb әч! ภи!!eg! - esuaduos jo juauked ayt of gupejar uon consultation with the State Attorney. A final decision thereanent will be made by
the Department of Public Works and
Land Affairs. Land Affairs.
1495 THURSDAY, 1 MAY 1986

## DEVELOPMENT AID:

(2) Financial Year

## Note:

(1) Prescribed books will be bought during the $1986 / 87$ financial year for pro-
vision at the beginning of the 1987
school year.
(2) The rise in the 1985/86 financial year in respect of textbooks is a result of Department.
(3) The rise in the 1985/86 financial year new system of free stationery.


GCUR 1495
HANSARD Coardeposits
674. Mr G B D McINTOSH HKec the

Minister of Education and Development
(1) Whether, with reference to his reply
 the report on the evaluation of the-
(a) extent and (b) value of the coal deposits on the farm Steincoalspruit in the Ladysmith district of Natal has
been received by his been received by his Department; if
not, (i) why not and (ii) when is it anticipated that the report will be received; if so, what were the findings;

## Disty Jericho sell

On Sunday, the 15000 to 20000 people of Jericho, a drought-dusty village in Bophuthatswafia, will celebrate a miracle.
After years of paying R6 a drum for stagnant pool water carried 40 km by water traders, Jericho has turned on taps to receive a phenomenal gush of pure, sparkling water from a 68000 -litres-an-hour borehole.
It all started about two years ago, appropriately in the waterwashed and green fields of :England's Lake District. Mr Len Apfel, founder of Imqualife - Improving the Quality of Life - a body dedicated to improving the lot of South Africa's rural people, was on a private visit to England.

There he renewed the acquaintance of Mrs Brenda Mottershead of Alderley Edge. She had once been a teacher in Soweto and asked him to talk to her church community on South Africa's homelands.
Len told a story of drought-borne disaster, espe-
clatly relāted to' Jericho where Mrs Mottershead and her community were already paying the ${ }^{2}$ school fees for 10 children through Mr Sam Kwate, principal of a Jericho sfhool. They set up a trust fund for a borehole, making Mr Apfel a trustee in South Africa.

Correspondence burgeoned back and fonth between the two continents and money flowed into. Jericho. It was carefully spent.

With the help of World Vision and added donations from St John's Church in Parkmore, with the people of Jericho themselves contributing and the Bophuthatswana Government supplying the pump and the motor, the whole installation was completed about a month ago. It will be blessed this Sunday.
"Four boreholes were drilled," says Mr Apfel. "The first yielded nothing, the second caved into a muddy hole, and the third produced this unbelievable benison of 68000 litres. We ran this for 24 hours - and were then convinced it was a miracle."


# Bor keg, <br> By Hannes de Wet <br> to 'burn' us. This is an ugly sore <br> serious losses. <br> that is going to burst open." 

Trouble is brewing between white farmers and blacks living along the border which separates Sekhukhuneland in Lebowa and Steelpoort in the North-Eastern Transvaal.

Farmers say the area, which has been the scene of several neckiace murders and petrol bombings since mid-February, has become a powder keg.
"Unless something is done, there will be a fatal casualty on the white side within the next month. Once that happens, nobody is going to stop these farmers from retaliating," Mr Johan Wessels, chairman of the Steelpoort Farmers' Action Committee, told The Star.
"We are getting repeated threats that the ANC is going
selves," Mr Wessels said.

According to Mr Louw there were only two other choices: - That the black villages across the border be moved. - That the Government buy out the farmers and declare the area a no-man's-land.
Steelpoort is about 150 km from Pietersburg on the road to Lydenburg. Only the Steelport River separates about 20 farmers on the South African side from black villages in Sekhukhuneland in Lebowa.

The farmers began to feel threatened in mid-February when a vehicle belonging to Mr Paul Malan, of Belvedere Farm, was petrol-bombed. Several similar incidents followed.

In the past two or three weeks farmers have been the targets of theft and damage to property. Several have suffered

One morning, Mr Wessels found his game fence had been cut in 34 places. The damage was estimated at R30 000 .

- Farmers said that the African National Congress was "very active" in the area. ANC pamphlets were regularly distributed among the blacks.
"Black farmworkers living across the border in Lebowa have been threatened with violence if they do not demand higher wages from us. Many of them are scared," Mr Wessels said.
Virtually all black farmworkers in the Steelpoort area stayed away from work on May Day.
"This is unusual. Some of these farmers have people who have been in their service for up to 30 years without a single day's absence," Mr Louw said.

Farmers view the situation so seriously that they have demanded that the Government put up an electrified fence along the border.
Indications are that the Government will comply.
"We have been told that the Defence Force will take us to the Limpopo border to show us the electrified fence which is being erected there. We will then decide whether we want a similar fence," said another farmer, Mr Christo Louw.

The farmers have also asked for soldiers to patrol the border and protect their crops.
A delegation of farmers will meet their member of Parliament, the Minister of Manpower, Mr Pietie du Plessis, on Friday to discuss their demands.
"If the Government refuses

## to protect us, we will do it our- <br> 'Boy ordered to cut his father's throat'

"And then they told the boy to eut his father's throat. . ."
The farmer angrily anticipates your reaction. "If you don't believe me, I will bring you people who saw it with their own eyes!"

He continues the story about the incident close to his farm on the border between Lebowa and Steelpoort in North-Eastern Transvaal;
"I knew the victim well. He borrowed money from me a while ago and was repaying it in instalments. He still owed me R180.
"On that fatal day he was apparently on his way tome after visiting my farm. They were waiting for him and his 14 -year-old son among the bushes close to the river.
"The' lärge" group of black youths grabbed thim and put a $y$ yre around his neck. The tyre was sprinkled with petrol and set alight. But they didn't have enough petrol and the man was still alive after the tyre had burnt out.
"They then gave his soa a knife and ordered him to cut his father's throat. When the boiy refused they threatened him with the same treatment. He went ahead and killed his father."

The farmer asked that his name be withkeld - "otherwise I will be the next one to get a necklace".

The story he told was to iliustrate "how active the African National Congress had become" in Lebowa and the area along the border between Sekhukhuneland and Steelpoort.
It all started in mid-February, the farmer said.
"I have inside information on bow they went about. They started by making friends with schoolteachers and by offering them money. My information is that they are paying the teachers twice their salaries to co-operate.
"The teachers then had to provide the insurgents with class registers with the names of the brighter pupils underinet: "Theses, pupils are then summoned to be at a certain place for an evening meeting.
"The pupils are warned that their mothers or fathers will be necklaced if they don't attend the meeting. Parents were burnt to death in this way. Some pupils have become so scared that they don't even talk about the death of their parents."

 within a day or two whereafter they would have been available immedi－
ately for issue to the public on re－ quest；
（2）Yes．（a）and（b）Fall away． （3）Falls away．
（4）The required information is not readily available and to obtain it from the approximately 1600 post offices siderable magnitude which cannot be justified；
（5）No，except that I would like to con－ vey my regret to the users of our ser－
vices for any inconvenience they may vices for any inconvenience they may
have been occasioned because of the fact that the relative information pamphlet could，as a resuif of the
 available to post offices somewhat that postmasters were in possession of full particulars of the tariff in－ were therefore in a position to deal－
with enquiries in regard thereto effec－ $\frac{0}{\sqrt{y}}$
苞
（1）（a）In which Black townships were皆 E里 South African Defence Force were

会
（8）whether any（a）members and／or（b） The figure which is furnished is in
respect of agricultural machinery
classifiable in tariff heading 84.24 of
Part 1 of Schedule No 1 to the Cus－
toms and Excise Act．
It should be noted that agricultural
machinery is in the most cases free of
customs duty or subject to a rela－
tively low rate of customs duty．
（c）Fertilizers ．．．．．．．．．．．．．R1 091475
The above－mentioned statistics are for
the year 1984． ter of Communications：

 tariffs effective from 1 April 1986；if so，when were they made available to the public for the first time；
 were available simultaneously in both and（b）in which language were they produced first；


萿
 sjop
 post offices and（c）what was the（i）
nature of the complaints and（ii）re－
sponse thereto；


The MINISTER OF COMMUNICA－
TIONS：
（1）Yes，supplies of an information pam－

1635
TUESDAY， 6 MAY 1986 ＇ 1636
 The chair
Hobbs, however, does not Water Board, Mr Dale restrictions in the imnot foresee additional water sures will stay in effect. Dams are on averag weeks' 25,9 percent 25,7 percent full against last lower than the 28,8 percen figure is still significantly Vaal Dain is 20 percent measured last year. cent, Sterkfontein 24,6 percent full, Bloemhof 4,1 perNatal which feeds Sterkfontein and Woodstock Dam in There is a single ray of light 101,8 percent. in the first week of May by the differ consumption ities in the Rand Water Board area has municipal0,5 percent above the quota ailocatea has dropped to Board, compared to the 0,6 percented of Apriem by the The slight
cool shight drop in consumption is accedited to the There has been no rain in the during the past week. total rainfall for May in the first week of May. The the long-term average for May of $20,4 \mathrm{~mm}$ as against
1671

# （ii）removal of citrus plants from the 

 Transvaal to the Cape Provincecontrary to the control meas－ ures；and
（iii）refusal or neglect to furnish in－
formation to an officer who is
 request such information．
（c）R300 admission of guilt in one of five

Whether his Department is responsible
for the payment of oscial pensions to per－ for the payment of social pensions to per－
sons living in the Kwelera area near East London；in not，who is responsible for this
serrice，if so，where are these pensions
paid out？ The MINISTER OF CONSTITUTION－ The Department of Constitutional De－ velopment and Planning took over the re－
sponsibility for the payment of social pen－ sponsibility for the payment of social pen－
sions to pensioners in the Kwelera area from the Ciskei Goverment wiera afrea
from 1 April 1986 ．Payment of pensioners


 Own Affairs： Transfer of records of provincial zest $5 / 86$
 Whether，with reference to his reply to
Question No 2 on 22 April 1986，all the

（a），（b），（c）and（d）The Department of
Constitutional Development and Planning does not keep record of such detail as De－－ velopment Boards are autonomous bodies of which the financial statements are
tabled in Parliament．The hon member





WesternCape ．．．．．．．．．．．．．R34 000000
 Southern OFS．．．．．．．．．．．．．R 4160000

 HAN UANA Agricultural Pests Ace ter of Agricultural Economics：
Whether，during the latest specified
 available，his Department took any action
against persons who contravened any of
 Act，No 36 of 1983 ；if so，（a）against how
many persons，（b）for what offences and （c）what were the penalties imposed in
each case？
1671 WEDNESDAY， 7 MAY 1986
849．Dr F HAR IZENBERG asked the
Minister of Constitutional Development and
Planning：$\dagger$
What total amounts were owing to each
 other specified levies as at the latest
specified date for which figures are avail－＇


 $\stackrel{\ddot{0}}{\sum_{0}^{i}}$


䔍资

Western Transvaal
Community Councils ．Bloemhof（Boitumelong） Coligny（Ipeleng）．．．．． Fochville（Kokosi）．．．．．． Koster（Reagile）．．．．．．． Lichtenburg（Boikhutso） Orkney（Kanana）．．．

Local Authorities
1．Mamelodi（Pretoria）
2．Atteridgeville（Pretoria）
3．Belabela（Warm Baths）
Central Transvaal

WEDEDAY，MAY 1986


(b) Floor prices of certain cultivars
have been lowered to discourage production and sales promotion is planned.

## (3) Chemicals for ripening of crops is

(1) Whether (1) Whether any use sis made in the Reand (b) any other specified chemicals to regulate the ripening and improve the storage life of certain crops; if so, companies are these chemicals obtained, (b) in respect of which crops are they used and (c) what quantities
of each of these chemicals were used of each of these chemicals were used
in the Republic during the latest specified period of 12 months for which information is available;
(2) whether any steps are to be taken in respect of any of these chemicals; if
so, (a) in respect of which chemicals, so, (a) in respecs (c) why and (d)
when?

The MINISTER OF AGRICULTURAL
ECONOMICS: (1) Whether the Department of Co-operation and Development in conjunc-
tion with Development Boards cartiod out an investigation into arrear
ried rents and service charges in Black
residential areas; if so, (a)(i) when and (ii) by whom was the investigation carried out, (b) what were the
results of the investigation and (c)(i) results of the investigation and (c)(i)
what amounts in (aa) rent and (bb) service charges were in arrears in respect of each specified Black residendate is this information furnished:
(2) whether he has taken or will take whether he has taken or will take
steps in this connection; if not, why not; if so, (a) what steps and (b) when?

1657 WEDNESDAY. 7 MAY $1986 \quad 1658$

3
1655

## WEDNESDAY, 7 MAY 1986 ' 1656

- 

WEDNESDAY, 7 MAY 1986 Cotton
> $\dagger$ Indicates translated version. For writen reply:
General Affairs:
Shortages will be supplemented by
means of imports. Under normal means of imports. Under normal
weather conditions no shortages are expected.
Shortages will be supplemented by means of imports. Under normal
weather conditions. no shortages are weather conditions no shortages are
expected. xpeted.
Sunfower seed
Vegetable oil is imported. With higher prices sufficient sunflower seed will
be produced if normal weather conditions are experienced.

(1) Whether any surpluses of agricultural products exis or are expected in
1986; if so, of which products;
(2) what in each case are the (a) reasons for such surpluses and (b) price impli-
cations; cations;
(3) what steps have been taken or are contemplated in each case to (a)
counter the effect of such surpluses and (b) avoid them in future?

$1659$


## SA Farmers face debt of R11000-m

MARITZBURG - South African farmers faced a massive debt of about R11 000 million and the political unrest in the country was affecting their ability to meet their payments, the president of the Natal Agricultural Union, Mr J Fourie, said yesterday.
Mr Fourie, who was opening the Royal Agriculture Show in Maritzburg, said the repayment of this size of debt was coupled to the value of farm land and farm improvements.
He said political unrest in the country affected the value of farm land and the farmers' credit standing with the banks. The influence recent attacks on farms in the north-west and Eastern Transvaal had on production should not be underestimated.

The current turmoil and threat of revohution was foreign to the majority of peace-loving South Africans, who were beginning "to lose faith in the country's ability to solve its own problems, be said.

Mr Fourie said continued polarisation of people into lefti and right wings only led to a confrontation situation and the cosit of violence would be too great for the people to bear.

He said Natal had had a good agriculture season which wouid allow it to contribute more than its share to the gross agricultural product. This good season was evident in the quality of the livestock presented at the Royal Agricultural Show. - Sapa.

## Strive for stability,

## peace farmers told

THE negative influence of political unrest, coupled with rising input costs and the huge debt alifeady owed by South Africa's farmers, could influence the value of land and farmers' creditworthiness, Boet Fourie,
president of the Natal A

Speaking at the official opening of the Royal Agricultural Show here, Mr Fourie said farmers owed a total of R11 billion, and that the repayment of this debt was'dependent on the value of the land and its improvements.
$\therefore \mathrm{He}$ said" any negative influence as the result of political 'unrest could influence the value of the land, and consequently the ability of farmers to repay their debts.
"Furthermore, agriculture employed some 1200000 black workers, a figure which reached millions
when the number of dependants of these workers was taken into account, which illustrated that negative economic factors influencing agriculture could result in 'enormous unemployment'.

## Society

He added it was clear that agriculture would 'greatly benefit' from a stable and peaceful society
'It is therefore important that farmers should strive through their actions to bring about such a society, rather than the opposite,' he said.

Mr Fourie went on to say


THE first part of a secret report on the socio-economic consequences of water restrictions was tabled before a select meeting in Maritzburg this week.

Despite initial promises of copies of the report being available to the Press; officials at the Water Research Commission'(WRC) in Pretoria yesterday remained tight-lipped on findings.
The investigation is probing the point at which water restrictions become unacceptable and result in economic losses and undesirable decreases in the standard of living.

The science committee of the President's Council has estimated that current water resources will only bet sufficient for 80-million people, a total that will be reached in 30 years' time:

Professor Ronald Schulze, of the Department of Agricultural Engineering'at the University of Natal;' said SA's average rainfall was 475 mm , compared with the world average of 860 mm a ${ }^{\text {i }}$ year. "The' mean' annual rün-off from âll SA rivers is estimated to be 52000 -million $\mathrm{m}^{3}$. The Amazon River carries about 60 times more water to the sea each year."

The level of the Vaal Dam continues to give cause for concern with latest figures'showing capacity at $25 \%$, as against $30 \%$ last year.
In the Eastern Transvaal, levels are at $36 \%$; compared with $41 \%$ lást year (see graph). Levels in the Western Transvaal are drastically down to $23 \%$ while the Western Cape shows a reduction of 6\%
Natal levels are fairly constant, with only a slight "drop'of $2 \%$ being recorded. Eastern Cape with 73\% and Orange Free State with $76 \%$ are the only areas to show significant increases.
$\qquad$

STEELPOORT. -The in-
stallation of an electrified fence along the Lebowa border to repel "agitators and thieves" was proposed by Eastern Transvaal farmers dur-
ing a meeting with the Minister of Manpower, Mr Pietie du Plessis, and police and SADF officials here yesterday.
The Vorentoe steel-
poort Farmers' Association met the government delegation to ask for protection against "sustained intimidation and thievery" by a section of the impoverished Lebowa population.
Farmers said this week agitators from across the Steelpoort River, which forms the border between South Africa and the homeland, "neck-

want electric border fence
laced" their workers, who tried to enforce burnt their véhicles, higher wages for labourstole cattle and crops and ers by attacking workers generally made the farm- who worked for less than ers' lives miserable.
A farmer, Mr Paui Kluge of Grootboom, said after yesterday's closed meeting that police had promised reinforcements and an escort for their children's schoolbus.
"Communist agitatres"
who worked for less than
R5 a day, had threatened to attack farmers on their own land, farmers said.
Mr Kluge said farmers handed Mr Du Plessis ${ }^{-1}$ who is their MP - a memorandum about their plight, and an electrified fence was among
the proposals mooted.
"Now we'll walt a week or two to see how the authorities react," he said.
Mr Du Plessis said this afternoon from Lydenburg he would consider the suggestions contained in the memorandum.
"It was a positive meeting and the farmers are calm. There is no reason for concern," he said.
Committees would be formed for future liaison between the farmers and the authorities, Mr Du Plessis said.
The steelpoort farming community cultivate some 15 farms which lie sandwiched between the Steelpoort River and a mountain running alongside it. - Sapa

## ANC intimidation

STEELPOORT, Eastern Transvaal. - Farmers in this area have warned that the Lebowan border was turning into a flashpoint because of "violent communist agitators" operating from the homeland
Steelpoort farmers, on Lebowa's eastern border, told of their workers and vehicles being set alight and their fences being "carried away" by starving stock raiders who made repeated sorties from the homeland.
Agitators from Lebowa demanded a R1 000 -a-year "ANC pass" from farmers to enter the homeland safely, said farmer Mr Christo Louw
He knew of at least one farm
er who had bought such a per-
mit. mit.
Four farmers' trucks and 14 private vehicles had been burnt recently, said neighouring farmer Mr Paul Kluge.
"They have only necklaced blacks so far, but they are going to burn a white person one of these days," he said.

Farmers were going under as their labourers faced the necklace if they worked for less than R5 a day - a fee farmers could not afford.
"I told my labourers I'm farmer - not a mine which can negotiate with unions," said Mr Louw.
A handful of labourers

## Cape Times, Saturday, May 10, 1986

# border 

stayed permanently on the farms to escape punishment. About 18 farmers were affected by the development, which started five months ago.
But farmers had received threats that attacks would be carried out on their farms.
Said another farmer: "The situation is explosive. The only solution I can see is Paul Kruger's: Go and shoot 3000 of them.
"You must understand our bitterness. These are second and third generation farms that have costs hundreds of thousands costs hundreds of thousands of rands to develop, which have no value now due to their location," said Mr
Kluge. - Sapa

"We, have had our say - now we will shoot,' if necessary," was the last word from farmers in the Steelpoort Valley near Burgersfort, in the North Eastern Transvaal, to The Star yesterday.
The farmers, who recently discussed their grievances with Lydenburg MP, Mr Piet du Plessis, the Minister of : Manpower, refused to comment further on their situation.

They have threatened to take the law into théir own hands, alleging that activists are raiding their farms and endangering their families. The Chief Minister of Lebowa, Dr
Cedric Phatudi, was not available for comment on the proposal for an electrified fence between the farms and Sekhukhuneland. Gangs of young militants are alleged to have been carrying out plundering and intimidatory raids.
The proposal is one of several "put forward by the angry farmers during their talks with Mr du Plessis. They say their labourers are being prevented from working: on the farms by ANC and UDF activists.
Other demands from the farmers iniclude a blockade on Lebowa residents.

- $\because$ Political Reportef

Tfrepeal of this act was not possible, leased yesterday recommended che-, report suggested, then "all agrieased yesterday recommended, thitat篗ts Group Areas Act "be scrapped in of Indian agricultural land.

The report - submitted to the MinIster of Local Government, Housing and Agriculture, Mr Baldeo Dookie, by a two-man committee appointed last year - said repeal of the act "will create tremendous job opportunities and offer stability to the nation". cultural land (should) be exempted from the application and operation of the Group Areas Act". Failing that too then permits should be issued "without being subjected to the usual formalities".
The report disclosed that over the past 35 years the Indian farming community had been disowned of over 20000 ha of land through enforcement of discriminatory legislation.
the main entrance to Sekhukhuneland
it was not clear whether this would be an electrified fence.
"We need access to the river for our cattle. To have that as well as an electrified fence could create problems," one of the farmers said. Another measur road along the border on consideration is to build a patrolling.
'SITUATION 'QUIET'
as a landmine", Mr Wessels said Steelpoort was "as quiet Farmworkers Wessels said.
were staying away from ding wages of R5 per day, "One of them told $m$ work at several farms. want to stay away but that they werg that they didn't
The current average wat they were afraid." to R3 a day.



Commission for Administration's magazine.
The Deputy Director of the Hydrological Research Institute, Dr Henk van Vlièt, says the need to purify
some of this country's poorer quality water will mean the introduction of expensive new technology. $\rightarrow$,

Funds will have to be pumped into finding alternative sources of water, including desalinated sea water. A…
All this will contribute to the higher cost of water.
Dr van Vliet said South Africa, with its total annual average rainfall of 511 mm , could be classified as semi-desert.
One of the biggest problems facing this country's water resources was increasing levels of indissoived salts such as calcium, magnésium; sulphate and: chloride.

This is a natural phenomenon which is prom ted by human activity such as the intensive use and re-

It could cause high blood pressure in people coldd excessively corrode water pipes and push ${ }^{4}$ of industrialprocésses,
"In ohannesburg in 1981 there were less thian 10000 burst water pipes - but this increased to 25000 in' the follówing year. This dramatict increase has been puri down partly to higher sulphate anid chiloride in the water," the article states.

 sures.

He, was speaking in the House of Assembly's "own affairs" debate on the Agriculture and Water Supply budget vote.

Mr Tarr said other groups correctly saw land as being available only to white farmers.\%.

There was"a feeling atrong these groups that no matter what they did, they would never be able to purchase land because they had the wrong skin colour.

## MANAGERS

This made, the land issue political. The only way to depoliticise it would be to make land available to all.
Farms in many areas were no longer occupied by whites. The farms were entirely controlled and run by black managers.
Thère would be no change if blacks were permitted to purchase farms.

THE Minister of Agrtediture and Water Supply, Mr Sarel Hayward, has expressed concern about the rising debts of farmers.

He told the House of Assembly the total agricultural debt had risen from R1,3-billion in 1970 to R R11,5-billion at the end of last year.

Speaking in the white ownaffairs debate on his department's budget vote, Mr Hayward said attention should also be given to the "maldistribu-" tion of wealth". As much as 40 percent of the country's total
by just six percent of farms.

The economic and financial climate in agriculture was unsound.

In some sectors of agriculture there had been a big increase in debt, a deterioration in the financial position of some farmers, an increase in State aid and increasing bankruptcies.
Mr Hayward said the problems could not be solved by his departmënt alone. A co-ordinated effort by all interested parties was needed.

## W1M 10 186.

## Court orders (an

 against intimidationCourt Reporter
A DURBAN Supreme Court Judge yesterday granted a temporary order restraining a group of retrenched and dismissed farm workers in the Mposa District near Lower Umfolozi from assaulting or intimidating and interfering with other workers still employed.
The order was granted by Mr Justice Law after he had heard an urgent applicadion from the Zululand Creosoting Company (Ply) Ltd, Mimosa Park Estate (Pty) Ltd and Benada Park Estate (Ply) Ltd.
In an affidavit, Mr Jeoffrey Lloyd Woollatt said he was the general manager of the applicants, who did farming businesses in the area
In consequence of the poor economic climate, it had been necessary for the applicants to retrench ertain employees.
Proper notice had been given to the employees coneerned.
On April 18, all the retrenched employees had been handed their notice pay, wages and leave pay, but they refused to accept them.

A large proportion of the remaining black staff employed by the applicants had begun a strike in sympathy with the retrenched workers, demanding their reinstatement.
The affidavit said the strike action by the remaining employees in sympathy with the retrenched work ens was a clear breach of the employees' contracts.

## Intimidating

After they had been warned, their contracts had been terminated.
The dismissed employlees, like the retrenched employees, had refused to accept their wages and refused to vacate their quarters.
The affidavit said that the dismissed and retrenched workers were intimidating employees who continued to work.
They had threatened white and Indian employes with bodily harm and had blocked some of the farm roads with logs.
Mr Justice Law ordered that the dissident workers show cause on June 9 why the temporary order grant ed against them should not be made final.


## Fall-out jitters

International analysts are still pondering the full impact of Russia's Chernobyl nuclear disaster on world food markets. But, whatever the outcome, immediate reaction will have good and bad effects for South African farmers and consumers.
Fall-out contamination affecting a large part of Russia's Ukrainian breadbasket area has already forced the Soviets to appeal to the European Community for food supplies.
At the same time most members of the EEC have imposed some form of restriction on food imports from the region.
The Ukraine and adjoining Belorussia produce some $22 \%$ of Russia's wheat, $30 \%$ of the milk, $29 \%$ of the meat, $37 \%$ of the potatoes and a massive $62 \%$ of the Soviet sugarbeet crop.

Although the final loss has yet to be calculated, the disaster has already created speculative upward price movements on world grain markets.

South African maize producers, forced to

Financial Mail May 161986
export 2 Mt of surplus yellow maize at a book loss of more than R300m (Business May 9), should benefit from the strengthening of maize prices on the Chicago grain exchange on the assumption that Russia will have to import large quantities of food from the West.
Between April 28, when rumours about the nuclear meltdown first started, and May 9, the Chicago maize price for July delivery moved up some $10 \%$, from $\$ 2,18$ a bushel to $\$ 2,40$. This is equal to a jump of $\$ 8,66 / \mathrm{t}$, or about R18/t based on Friday's rand closing price of US47,6c.

Even the massive 300 Mt world grain stockpile - of which some 107 Mt is held in maize and 149 Mt in wheat - did not prevent the price surge.
If the current price is maintained it should increase SA's export revenue by more than R30m. Although SA does not sell directly to countries behind the Iron Curtain, sales to traditional Far-Eastern customers would benefit from stronger world prices.

The world sugar price also jumped sharply immediately after news of the disaster broke, and traders are confident it can only help a sugar market that is already recovering.

The price has risen from a low of $2,5 \mathrm{c} / \mathrm{lb}$ nine months ago to around $9 \mathrm{c} / \mathrm{lb}$. At least one London broker expects it to climb to around $12 \mathrm{c} / \mathrm{lb}$ and this would have a significant effect on SA's sugar export earnings.

But, countering the maize and sugar benefits to some extent, is the fact that SA faces a higher bill for the 300000 t of wheat it needs to import in 1986.

Fortunately, last Wednesday the Wheat Board clinched the first 50000 t of the 200000 t wheat imports so far authorised by government at fairly favourable prices from Canada, according to assistant GM Ivan Hemingway.
"Although fob prices shot up from some $\$ 106 / \mathrm{t}$ just before Chernobyl to the May 1 quotes of $\$ 126,50$ for July deliveries and $\$ 122$ for August's, we obtained the 50000 t for June delivery at $\$ 113,00 / t$," he says.

But the price for the next 90000 t tender due on May 14 will be far less favourable, based on last Friday's price of $\$ 2,91$ a bushel.
"Much also depends on the rand/dollar exchange rate at the time of delivery," says Hemingway. "But this is crystal ball gazing - we cannot put off purchases any longer without jeopardising wheat supplies."


1823

(a) What was the (i) adult (aa) male and
(bb) female and (ii) child population of
the Botshabelo resettlement camp near
Bloemfontein as at the latest specified
date for which information is available
and (b) how many of these persons be-
longed to each specified tribal grouping as
at that date?
The MINISTER OF EDUCATION AND
DEVELOPMENT AID:
Botshabelo is not a resettiement camp but
Township proclaimed by Goverment
Notice No. 2468 of 19 November 1982.
(a) (i) (aa) 55109.
(bb) 64820.
(ii) 150271 .

Whether records are kept of the
number of cases dealing with sex-re-
tated crimes involving minor children number of casesolving minor children
lated crimes inver
as victims tried in magistrates' and as victims tried in not, why not; if so,
 of this nature were tried by such three years for which information is available, (b) into which categories
did these crimes fall and (c) in how did these crimes fall and (c) in how
many such cases were the accused convicted;
What was the total number of Black persons resettled in 1982, 1983, 1984 and 1985, respectively?
The MINISTER OF EDUCATION AND
DEVELOPMENT AID:
(a) and (b) The figures requested are
not readily available.

## Pro deo legal aid

1009. Mr L F STOFBERG asked the Min-
ister of Justice: $\dagger$
(a) To how many members of the public and (b)(i) what amount was spent by the State in this connection and (ii) what was the nature of the cases for which these amounts were made available, in respect test five years for which information is available?


(b) (i) An amount of R973 010,00 was
spent for the period 1 April 1985
until 31 March 1986. $\begin{aligned} & \text { (ii) The information is not readily } \\ & \text { available, but pro deo legal aid is } \\ & \text { given in cases where the accused } \\ & \text { are charged with capital of- } \\ & \text { fences. } \\ & 20 / 8 / 86\end{aligned}$
(b) (i) An amount of R973 010,00 was
spent for the period 1 April 1985
until 31 March 1986. $\begin{aligned} & \text { (ii) The information is not readily } \\ & \text { available, but pro deo legal aid is } \\ & \text { given in cases where the accused } \\ & \text { are charged with capital of- } \\ & \text { fences. } \\ & 20 / 8 / 86\end{aligned}$
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spent for the period 1 April 1985
until 31 March 1986 .
(ii) The information is not readily
available, but pro deo legal aid is
given in cases where the accused
are charged with capital of-
fences.
20186
(b) (i) An amount of R973 010,00 was
spent for the period 1 April 1985
until 31 March 1986. $\begin{aligned} & \text { (ii) The information is not readily } \\ & \text { available, but pro deo legal aid is } \\ & \text { given in cases where the accused } \\ & \text { are charged with capital of- } \\ & \text { fences. } \\ & 20 / 8 / 86\end{aligned}$
(b) (i) An amount of R973 010,00 was
spent for the period 1 April 1985
until 31 March 1986 .
(ii) The information is not readily
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are charged with capital of-
fences.
$20 / 8 / 86$
(b) (i) An amount of R973 010,00 was
spent for the period 1 April 1985
until 31 March 1986 .
(ii) The information is not readily
available, but pro deo legal aid is
given in cases where the accused
are charged with capital of-
fences.
$20 / 86$
of Justice:
How many cases of (a) bankruptcy, (b)
placement under judicial management and placement under judicial management and (c) sequestration agricultural co-operatives were recorded in the Republic in each of the la-
test specified three years for which statistest specified three years for which statis-
tics are available?
next season.
The last of the worst outbreak recorded in 20 years was reported in late April. The cold and frost have now finally killed off those locusts which were still defying the seek-anddestroy battalions of farmers and department officials.

But experts fear that October could see a far worse scourge.

Mr Pikkie Baard, chief director of Regulatory Services with the Department of Agriculture and Economics, said yesterday that they had begun an intensive evaluation of the programme to establish what steps to take if there was another outbreak.

He said part of the programme will involve organised agriculture and department officials, directly involved in the battle:'Group discussions would be one way to identify problems and establish an earlywarning system.

Other steps under consideration include the use of radar to track the progress of swarms, and satellite photographs to pinpoint them. At the hopper stage - when locusts are newly-hatched and still earthbound - it is far easier to eradicate them, he said.
The weather will be crucial in determining the extent and size of the next outbreak - expected to begin in October.

Ideal conditions, such as this year, include early spring rain and high temperatures.

N
of a "brown plague" which descended late yesterday.

A spokeswoman for Agricor, the company carrying out the spraying, said the operation may continue until the weekend.

She appealed to the public to stay away from the Voortrekker Road area, where most spraying is taking place, and asked children not to pick up insects from the streets.

The locust swarm has left large parts of the town brown with the insects.

The locust plague was detected in Bophuthatswana in the Ganyesa region early this year, but this is the first time it has hit the Mafikeng area.

The spokeswoman said the locusts had been driven to the Mafikeng area by the severe drought which is gripping the southern areas of Bophuthatswana. - Sapa.

The major complication worrying the officials drawing up next season's battle plans is the vast areas over which the pests laid their eggs on their journey across the country.
Breeding grounds are usually limited to the central and north-western parts of the Karoo. But eggs are now scattered extensively over about 40 million hectares.

Mr Baard said the summer season saw R7 million committed to the locust war. Of this, R2 million was spent by the Government as part of its relief programme to aid the unemployed.

The battlefront at one stage stretched across 800 km as locust swarms devastated grasslands and crops in 46 districts in the Northern Cape, Free State and Western Transvaal.

The war against the plague was not without controversy. Conservationists accused the department of using a banned
pesticide, BHC, which has similiar long-term effects as Dieldrin. About 2400000 kg of old stocks of BHC was used.

Mr Baard said the department would in future use a synthetic pesticide more acceptable to conservationists. This was Pyrethroids, which broke down quickly, preventing a build-up of the poison in mammals. "Pyrethoids is very expensive, but very effective, and much smaller quantities will be needed."
He added that farmers also presented problems when they failed to warn the department of outbreaks on their land. Further, there were large tracts of land - sometimes as much as 30000 to 50000 hectares which were unoccupied or without effective management.
The assistance of agricultural unions was essential to exterminate the 1986/87 plague before it got off the ground, warned Mr Baard.

| 1861 | WEDNESDAY, 21 MAY 1986 |  |
| :--- | :--- | :--- | ---: |

# Water crisis caused by bad distribution - expert <br> By Sue Leeman, 

Pretoria Bureau

South Africa's water problem is not so much one of shortage, but rather the uneven distribution of water resources, according to Johannesburg engineer and water consultant, Dr D C Midgley.

He told an engineering conference in Pretoria yesterday that the country's current water demand amounted to 16000 million cubic metres a year - less than half the estimated water yield.
"It is when we examine regional water balances that the realistic picture emerges to dispel complacency."

Feasible inter-basin showed that by the year transfers from regions of 2020 the shortfall in the surplus may not provide Vaal-Olifants-Limpopo sufficient water to meet system would have risen expected shortfalls be- to around 8000 million yond the first quarter of cubic metres.
next century.
The most important area with a shortage was the Pretoria-Witwaters-rand-Vereeniging area.
However, if all phases of the Lesotho Highlands Project came into operation to supplement the Tugela-Vaal and VaalUsutu schemes, the shortfall in the Vaal/Limpopo in the year 2010, which was estimated at 3000 million cubic metres, could largely be met.

Dr Midgley added that preliminary findings tem.

These deficits were largely attributable to the upward spiralling demand of the greater Pre-toria-Witwatersrand-
Vereeniging complex.
Dr Midgley said the important question was how surpluses could be diverted to the shortage areas.
One way to augment water supplies - while promoting the interdependence of Southern African states - would be to link up with the okavango/Zambezi sys-


[^5]22 MAY 1986
（1）Yes．
（a） 10 March 1986.
（b）Routine police investigation．
（c） 2 policemen．
（d）Mrs Joyce Mthimkulu．
（2）No．（a）and（b）Fall away．
Disappearance of person
985. Mr A SAVAGE asked the Minister
of Law and Order：
.1879
THURSDAY． 22 MAY 1986


 （1）Whether the South African Police the current year regarding the（a）dis－ appearance in 1982 and（b）where－ abouts has been furnished to the South African Police for the purpose of the Minister＇s reply；if so，（i）what man－
mation，（ii）when，（iii）in what man－ mer was this information obtained， （iv）in respect of what date is the in－ formation furnished and（v）what is
the name of this person；
 ceived that this person（a）is alive or （b）was alive following his disappear－
ance；if so，（a）what information，（b） when and（c）in what manner was this information obtained

 any of the information they obtained when and（b）what information was communicated to these relatives？
The MINISTER OF LAW AND OR－
DER： （1）（a）and（b）No．
（i）to（v）Fall away．
（2）（a）and（b）No．
（a）to（c）Fall away． HANSAM Zwide：person visitan
of Law Mr A－8AVAGE askey the Order： （1）Whether，in 1986，any members of Whether，in 1986，any members of
the South African Police visited the home of a certain person in Zwide
near Port Elizabeth，whose name has uejify qinos ay of paчstumy uąq
 （b）what was the purpose of each visit，（c）how many policemen were
present on each occasion and（d） what is the name of this person
（2）whether the police took any action as a result of any of these visits；if so，
（a）what action and（b）with what re－
sult：

## （4）No．

 （2）Yes．（a）and（b）Fall away．（3）（a）to（c）No．
（1）（a）Yes，to prevent crime and to
trace law－breakers．
（b）Falls away．
（2）Yes．（a）and（b）Fall away．
trace law－breakers．
（b）Falls away．
（2）Yes．（a）and（b）Fall away．

> The MINISTER OF LAW AND OR－
> MINISTER
（1）

MINISTER OF LAW AND OR－
発莒

1877 THURSDAY， 22 MAY $1986 \quad 1878$
 ers of Kaffirskraal in which they stated to compensation in land．That was agreed to and they were accordingly compensated at market value for their land and im－
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there was no alternative land available for there was no alternative land available for
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furnish a guarantee for payment before
 South African Development Trist，in Thich ownership still vests． South Africa and the Republic of Bophu－ thatswana published by Government No－ makes provision for settlement projects of makes provision for settlement projects of agreement was entered into with the Bophuthatswana Government about the

The land was incorporated with Bophu－
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总 fer the land to the rightful owners．
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DROUGHTand unemployment has im posed a norm of abject poverty on Lebowa, bringing some of the villages to the brink of disaster.
Ravaged by unbroken drought Lebowa. is the government-designated homeland for thousands of unemployed North Sotho people who live with the ever-present threat of starvation and who rely on feeding schemes for survival.
Violence and job lay-offs - combined With the: drought that has devastated most of the agricultural land - are expected to exacerbate the already children malnutrition rate among young
Operation Hunger has started a mas sive feeding scheme to tackle the crisis.
In Lebowa alone the scheme is feeding about 180000 people and is also involved jects.

Since 1983 the scheme ha
700000 people in the rural has fed about This' weekt an the rural areas
partment of welfanan for the DeLebowà, said: sf he rate Services in children and even of malnourished Lebowa has not diminished people in definitely expecting an increase are disease since thousands in increase in have been affected by of our people and drought.
"Another factor is that no food deliyeries have been made in these areas since unrest erupted. Most of the people have run out of food and many depend on Hunger." ration provided by Operation

Between 1983 and 18812 F .
people - mostly farmiabout 250000 the maize industry farm labourers from lay-offs. lay-offs.
Since the drought peope
large numbers of the people have lost large numbers of their livestock and have been unable to to growitheir own
crops.
Althoigh i
Although there was rain in some areas during the summer months, for many malicrop. Operation late to save the norwhile, encop. Operation Hunger has, meanwhile, encouraged people to grow
drought-resistant ghum.
Most areas depend on boreholes for their water supply but many have stopped operating after deliveries of diesel oil in unrest areas stopped.
For their water supply people in villages like Ngoabe, Maepa and many others depend on cholera-infested riv-
ers.
Operation Hunger's executive director Ina Perlman said the scheme will need R12m to feed the hundreds of thousands of blacks in the rural areas
Perlman said there were about 2, million children under 15 who were below the international height-weight-age standard and who suffered from clinical malnutrition.
Faced by Lebowa's ailing economic structure, Chief Minister C N Phatudi has threatened to hand Lebowa back to South Africa unless more finance is made available to run the country.


## SA not short of water

Uneven distribution of water resources rather than a shortage of water, has been blamed for South Africa's water crisis.

It is the view of Johannesburg engineer and water consultant Dr DC Midgley.

He told an engineering conference in Pretoria last week that the country's current
water demand amounted to 16000 million cubic metres a year less than half the estimated water yield.

Regional water balances and the shortfalls and surpluses in the different areas of the country are highlighted in the graph.

Feasible inter-basin trans-
fers from regions of surplus may not, however, provide sufficient water to meet expected shortfalls beyond the first quarter of next century, he said.

The important question, according to Dr Midgely was how surpluses could be diverted to the shortage areas.


Dispatch Reporter
BISHO - Viable agriculture could not be divorced from the land question, the Minister of Foreign Affairs, Mr Ntandazo Pityi, said in the National Assembly yesterday.
Speaking during the debate of the Budget vote for the Department of Agriculture and Forestry, he said that the plight of the black man as far as the land question was concerned was a sorry one and needed no repetition in the Assembly.

Mr Pityi said that any serious student of political history knew that the Land Act of 1913 gave the South African blacks only eight per cent of the land and in 1936 they were promised 13 per cent of the land, a promise which has not been fulfilled to this day. In terms of the Land Act, 20 per cent of the
population possessed about 88 per cent of the land.
Despite the disadvantage of land, the Depart ment of Agriculture was to be commended for its forward outlook in paying attention to commercial farming.

He quoted a noted agriculturist who said that it was not so much the fertility of the soil than the fertility of the mind.

The department paid heed to this statement by sending youths to agricultural colleges and universities in South Africa and abroad.
He praised the Minister of Agriculture for showing great concern for soil conservation. He said the soil was their heritage and needed more than proper care so that they could pass it on to the next generation trina well cared for state. It was an eyesore to
see gaping and yawning dongas directly caused by carelessness of man. Of all the causes of soil erosion, man was number one.

Mr Pityi appealed to chiefs and headmen to see to it that each home had fruit trees. This would improve the health of the villagers.

If the Department of Agriculture could turn its attention seriously towards marketing channels, Ciskei could not only be respected by South Africa, but by the world at large, and could earn international recognition without much talking.

There was nothing more blessed than a nation which could feed itself and have enough surplus to market abroad.
This would not only create much needed jobs, but it would bring to Ciskei money with
which other industries might be set up.

He said that chiefs and headmen had great work thrust upon them by virtue of their positions and if they failed to discharge this duty, the nation would grovel in the "quagmire of despondency and poverty".

They should teach their subjects that gone are the days when stock was regarded as a symbol of wealth. It should today be regarded as the source of wealth and the department had made facilities for this, but one still saw oxen that had long passed their prime value.
This was a loss not only to the owners of these oxen but to the nation, as the money obtained from their sale would help in the education and welfare of their families, thus benefiting the nation.
farmian
farm

LINDA ENSÓR
ARMY and police convoys through the small beleagured town of Héndrina in the Eastern Transvaal yesterday on their way to sweep farm roads nearby for hidden landmines.
Two landmines, exploded on the road to Davel this week, killing two people and injuring eight, while another was found and detonated by the police.

White residents' say they are afraid to travel" on the dirtticountry roads which cut'through the fields of dried-out mealies,
"Life must go on", säid Hendrina town clerk Jan du Preez when asked how he felt about the series of landmine blasts in the area.
"We don't"feel happy about it, but the only people really affected are the farmers travelling on the dirt roads," he said.
Meanwhile organist and composer Arthur Miller, interviewed in Business Day this week "on his anti-apartheid views; was questioned yesterday by Er'melo Security Police at the Hendrina police station.
Miller said security policeman questioned him on his knowledge of land-

- mines in the area and raised the possibility of a deportation order.
- Police refused to comment on Miller's allegations

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 דassy, Pretoria.

He told a meeting of parliamentarians representing agricultural study groups of The different political parties that the inhib-- iting factors were the high cost of production, the marketing structure and the unfaygurable conditions for many farming Poducts, such as wheat and beef
; Whowever, there was a good chance for - fitems with low production costs, such as "wool, mohair, and high quality products such as wine and out-of-season fruit and * *etables.

- "Long-term survival for most of otstoth EAfrica's farming products will be depen*rdent on increasing footholds in mod EFEC - markets through imaginative marketing - programmes.
lost neariy 40 percent of its exports to these markets because of increased subsidies to fruit growers and canners in southern Europe and continued US dominance of the international canned fruit market."
He said that exports, in general, offered no Vong-term solution for countries with high inflation rates. On the whole, the marketing of farming products world-wide was "in a mess", with over-supply and underdemand.
Currently, Europe is faced with a surplus of 700000 tons of beef, 1,5 milion tons of butter and more than a million tons of milk powder, he said.
"The demand for food by world markets is not increasing at the pace at which surpluses are accumulating.
${ }^{\text {"A }}$ A major problem is the agricultural price support system, which encourages production well in excess of market demand.
"TThe lowering of guaranteed prices 合 in dispensable as a meain to remedy mayiket imbalances and more rapld results can be achieved by production through quota systems," he said.
 lie meal would meet with strong consumer resistancé, as it did two years
ago.


LINDA ENSOR
THE RECENT landmine explosions in the northern and north-eastern Transvaal have once again raised the problem of security in those areas.
As the situation becomes more threatening, full-time farmers are beginning to feel antagonistic towards absentee farmers as they add to their security burden.
South African Agricultural Union (SAAU) president Kobus Jooste said the union was also concerned about farmers selling their farms to non-farmers.
New government measures to attract and keep people on their border farms were expected soon. Existing incentive schemes have apparently not been successful in keeping farmers on the land.
Jooste said the new measures were likely to include rebates on input costs, improved roads and reduced interest rates.
"National Secretariat of Parttime Farmers chairman lzak Fick said there were a minimum of 10000 part-time or absentee farmers in the country, most of them in the Northern Transvaal or the Cape Karoo.
Aboat $67 \%$ of farms in the north and north-western Transvaal - mostly wild game and cattle farms - were occupied by absentee farmers, Fick said. Most such farms were uneconomic, as they were too small, and too far from markets.
Those areas had also been severely stricken by drought.
Fick said research had shown that $21 \%$ of the part-time farmers were involved in the medical field, $20 \%$ in law, $13 \%$ in engineering and $7 \%$ in teaching and the civil service.
 plough in R 485 m during the past financial year to avert catastrophe in agriculture, Minister of Agriculture and Water Supply Sarel Hayward said in Pretoria yesterday.
Addressing the biennial congress of the South African Agricultural Union (Saau) national co-operative council, he said government and the co-operatives were aware of the desperate position of farmers as a result of drought and recession.

He said credit provision which was in conflict with the basic principles of healthy financing had an adverse 'impact on farmers' fi-
nances.
On specialised agricultural financing, Hayward said he had proposed an investigation into the posed an investigation of a possible merger of the Land Bank and the Agricultural Credit Board.
Between 1981 and 1984 agriculture's asset values increased by $40 \%$, and debt by a huge $147 \%$. The biggest increase in debt came from credit provided through commercial banks and co-operatives.
That producers found it increasingly difficult to discharge their obligations, even in favourable years, indicated injudicious financ-
ing as a possible important contributing factor.

He said he had initiated discussions with interested private financial institutions aimed at formulating a strategy of credit provision on a sounder basis.

Stressing the powerful competitive power of the co-operatives, Hayward said primary co-operatives' turnover increased from R396m to R2,287bn in the 10 years to 1984.
Government was ready to lend a sympathetic ear to problems caused by uncontrollable factors but the State could not be expected to assume responsibility for hu-man-factor problems.




## 2 Disastev averted in maness day, monday, June 81886 (aize tiangie Govt aids farmers

DISASTER in the maize triangle, especially in the western areas, has been averted by government's short term financial aid for farmers, says National Maize Producers' Organisation (Nampo) general manager Piet Gous.

Gous was responding to Agricultural and Water Supply Minister Sarel Hayward's weekend announcement that R262m - R91m this fiscal year - was to be made available for crop farmers' relief.
The aid follows repeated appeals by the SA Agricultural Union (SAAU) for substantial aid, and warnings that without it, hundreds of farmers were in danger of going to the wall.
Gous said the aid meant that large numbers of farmers, who would otherwise have been forced to leave their farms, could now carry on for at least another season.
He said: "We must see this aid for what it is, short term relief. but a surviv-

## GERALD REILLY

al strategy is urgently needed. What we need now is a plan to rehabilitate the faltering agricultural industry."
Hayward said the government had approved aid recommendations from the Jacobs' committee because of the still deteriorating financial plight of large numbers of farmers.
The aid is mostly a continuation and extension of subsidised interest rates on carry-over debts, and production credit to make possible the planting of this summer's crops.
SAAU president Kobus Jooste said the union was grateful for the extended financial aid for farmers in the droughtstricken summer-rainfall cropping areas.
Jooste said: "This disaster aid will go a long way towards helping farmers cope with their problems."

GRESHAM INDUSTRIES LIMITED
Reg. No. 05/01420/06 HOTICE TO SHAREHOLDERS
Shareholders are advised that negotiations are in progress which may affect the control of the company

By Order of the Board
5 June $1986 \quad \because \therefore \quad$ (Mrs) M E Hartmann $\begin{array}{r}\text { Secretary }\end{array}$

## Editor-in-chief

THE board of SA Associated Newspapers announced at the weekend that J C Viviers had been: appointed editor-in-chief of the Eastern Province Herald, Evening Post
and Weekend Post.

## Cut-price butter could be on way

## Mercury Reporter

THE Dairy Board's 5000 ton butter mountain will probably be sold to the public at cut prices.
A board spokesman said a decision would be made later this week.
A committee appointed oby the Dairy Board in March to examine the whole question of butter, 'which nobody seems to buy any more', is delivering its report to a meeting starting today and running until Thursday.
An announcement on the fate of the surplus butter would be made as soon as recommendations had been approved by the board, the spokesman said.

Quashing speculation that the butter might be dumped overseas, she said there was no chance it

would be exported. England alone had a surplus of about 30000 tons and the European Economic Community was holding about 65000 tons of butter.
Other Pretoria sources have indicated South Africa's butter would probably be released to the public cheaply.
It has already been in cold storage for up to 10 months, but the Dairy Board says it can be kept in good condition for as long as three years.

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## 8 WEEKL.Y MAIL, June 6 to June 12, 1986 <br> THE WORLD THIS WVEK

SA S least welcome the locust

By KELLY McPARLAND
HAVING endured drought and famine, frica is now being hit by pestilence.
Swarms of brown locusts which hatched in:South Africa have moved north, invading Botswana. Large outbreaks of red locusts have been reported in Tanzania and may have spread to neighbouring Kenya and Zambia.
Zimbabwe häs had another species, the Africa migratory locust.
Sudan liagalieitidy been hard-hit by a migratory locust outbreak which has moved south towards Uganda, while scientists expect a serious problem with desent:locusts in Saudi Arabia to move across ithe Red Sea into Ethiopia and the Sudan.
It is the first time in 50 years there have been simultaneous outbreaks of all four species of locust common to Africa.
The infestation, if it gets out of hand, could seriously damage Africa's fragile agricultural recovery. Locusts can consume their own weight in crops every day. A swarm can cover more than 32 square kilometres and destroy an entre harvest in days.
Although pest control experts are making efforts to stem the spread, once the hatched insects have taken to the air they are. yery hard to track, and therefore to control. And in much of west and central Africa, the organnations and equipment needed to trem the tide have been allowed to deterionate. $\therefore$ i
Says Gcorge Popov, a locust control consultant to the Food and Agriculture Organisation: "It is the most dargerous stuation we have known for the past 12 years." He says more eggs are "sitting on the ground, like time bombs, waiting for the rains".
The timing of the outbreaks immediately after five years of devastating drought is no coincidence. The last great grasshopper plague occurred in 1974. when rains returned after the most recent previous drought.
Scientists are not certain of the confrection, but it is known that some grasshöppersil are, able to survive


The Great Locust Trek ... a swarm can cover 32 kilometres
uncertain condition of Africa's species, they feed mainly on cereals. agricultural recovery. The return of The popular image of dark clouds of normal rainfall last year produced the locusts that blot out the sun occur only
first reasonable harvest in years, but forecasters warn that the favourable weather may not last.
Adding to the danger, many of the pest problems are in areas worst-hit by the drought and ensuing famine. The grasshopper outbreak involves. most of the Sahel countries which suffered serious food shortages, easing off only in Chad where, Popov suggests, "it's possible that drought conditions were so serious even grasshoppers couldn't survive".
Grasshoppers feed on millet, sorghum, maize and rice, the staple foods of the region. Desert locusts, which are found mainly north of the equator eat "just about everything" Margaret Haggis, a biogeographer at London's Tropical Development and Research Institute, says desert locusts can survive on the bark of trees if everything else has been consumed The appedrance of red and brown locusts in cenifal and southern Africa in the worst plagues when swarms can cover hundreds of square kilometres. The current outbreaks are not that serious yet, and experts following sightings by villagers have difficulty tracking the pests by plane.
The swarms are carried on wind currents, covering vast distances in short periods. Popov says that in 1968 swarms of insects which hatched in Saudi Arabia later crossed northern Africa within five to six weeks and were identified as far west as Mali and Mauritania.
Sudan faces one of the most precarious situations at the moment, since it is in the path of the omniverous desert locusts expected from Saudi Arabia as well as suffering a major outbreak of its own, which is likely to grow worse during the JulySeptember rainy season. It is also suffering outbreaks of grasshoppers.
Popov says the mass emergence of


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THE country's social and political unrest was cited as one of the major pitfalls
facing the sugar industry by Mr Tony Ardington, chairman of the South African facing the sugar industry by Mr Tony Ardington, chairman of the South African
Cane Growers' Association, in his address to the annual meeting yesterday.

He said that in the past, policy had been to avoid political issues but the present social and political events were having such an increasingly important influence on the industry that the association and the industry would have to state where it stood.
'The horrors of township life and the appalling problems faced each day by many millons of our fellow countrymen mean that political standpoints and expression can no longer be
divorced from our business interests,' he said.
He said the country was faced with a crisis of confidence by overseas and domestic investors and until the situation changed, prospects for robust economic growth were dismal.
Reviewing the industry's past year, Mr Ardington said that while bloodied from the effects of selective disaster, drought and accompanying debt, interest rates, inflation and from the severest bear market
the world suger market has ever experienced, the industry was still poised to reap the advantages of the improved fundamentals on worid sugar markets.
The agricultural side of the industry had achieved substantial efficiencies, resulting in savings of over R40m in the 1984.85 season.
A study by the National Productivity Institute (NPI) on productivity trends within the industry over the past four years showed a 4,14\% annual improvement in productivity and a 10,54\% annual improvement by the growing sections.
'The effects of these improvements, coupled with the considerably brighter external market, will result in the industry covering its costs in full this year, the average grower returning to profitability and the first repayment of the R 327 m industrial loans being made, he said.

Most significant efficiency made in the industry had come from the Rorich Committee's transport recomendations which had brought about shorter routes, new roads, bridges and more cost-effective transport.

## Saving

The replacement of four tramline systems with road transport had resulted in an annual saving of over R6m.
Mr Ardington said last season's introduction of a two-pool marketing system had complemented the, transport arrangements by accurately exposing the industry's least efficient areas to the full impact of world market prices.
A further advantage from the system had been that a grower's security in respect of his quota, was substantially increased, thus enabling him to adjust
production according to his production according to his $f$


## Interest

However, the larger' debt burden and high interest rates coupled with very low prices had squeezed furgrowers.
Mr Ardington said that while the Minister of Trade and Industries had asked for a report on the extent to Which controls and regula-
tion within the ind tion within the industry
could be dismant could be dismantled, he cautioned that no true free
trade existed trade existed in agricultur-
al products. products.
We have to look for a second best and this could be served by replacing regulations which have served their purpose with suitable structures for negotiating
new arrangements at indinidual mill levels.
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## Commercial Union

COMMERCIAL UNION (CU) a heavyweight short-term insurer, is to enter the crop insurance market.
CU has bought a controlling interest in a Bloemfon-tein-based firm of brokers specialising in crop insurance countrywide. Chief executive of the new company - to be called Commercial Union Agricultural Services (CUAS) - is willem Piek.
Mr Piek sought a new underwriter following AA Mutual Insurance's coilapse
This will be CU's first for ay into the agricultural sector which is currently dominated by Sentraoes.

CUAS will concentrate on hail insurance for crops such as wheat, barley, oats, maize, grain sorghum and sunflower seed.
Despite the parlous state of agriculture, CU managing director Bill Rutherford says he sees this sector as an "exciting opportunity for expansion".
In fact, the underwriting experience in crop insurance has been far healthier than in the commercial and industrial risk categories.
Mr Piek, whose firm accounts for around R19-million in premium income, says underwriting losses on crops have only once exceeded premium income during the past nine years.
Mr Rutherford is adamant that CU will not embark on a rate war in this field, though
takes on
crop

## cover

he's anxious to build a market share. Neither will farmers previously insured with AA Mutual Insurance against crop failure experience any rate increases with the cU takeover. (Their city-slicking counterparts who had to find new underwriters were suddenly subjected to between $25 \%$ and $50 \%$ rate increases).

Competitor Sentraoes garners a major stake of its business through tie-ups with the multitude of co-ops.

CUAS, on the other hand, will deal mainly through agencies established with the major commercial banks.
Rates on crop insurance vary from area to area and from crop to crop, depending on loss experiences. Wheat farmers in the hail-vulnerable Harrismith area, for instance, can expect to pay around $10 \%$ on sum insured, while maize farmers in the same district may pay only $4 \%$ on their maize crops.
In the Ermelo area of the Transvaal, for example, wheat farmers may pay only $4 \%$ on wheat and $7 \%-8 \%$ on maize.
Mr Piek's team consists mainly of experts trained in agronomy. He says all claims can be expected to be met within 14 daps.



for farmers in the Further financial assistance Transvaal was annourthern and North Western the Minister of Agriculture here on Saturday by This comes in the ware, Mr Sarel Hayward standbeweging's disruption the Afrikaner Weermeeting here recently. But on Saturday conservative Afrikaners the AWB and other away from the National Party's meeided to stay The measures announced by meeting. clude: $\quad$ Mr Hayward in-
July area allowance of R500 per month from ently.
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state urgent arrangements are being made to use drinking water and water for sty farmers with
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## 1616186 get more help

where boreholes have dried up as a result of the drought. The Government will provide subsidies of between 80 and 100 percent.
tricts is incr feed subsidy in drought-listed districts is increased from 50 to 70 percent.
of transportation of livestock granted for the cost well as the rent of the gitock to leased grazing as - Applications for the grazing.

80 percent subsidy will be consideredicles at an ty basis for farmers in the considered on a priori-- Applications for fortif most sensitive areas. steads at a 50 percent subsidy will of farm homeered on a priority basis.
ern subsidy of R822 000 will be paid to the Nort ern Transvaal Co-operative.
At the same meeting Mr P T C du Plessis, MinTransvaal region of the Neharman of the Northern people to close ranks. NP , called on reasonable
mers the security－sensitive the 3 hayward said government had northern and north－western Trant－instructed à special task team to northern and nornn－wed by Agricul－ vaal was announced by Angicule Sarel Hayward at the weekend．
He said the aid was aimed at stabilising the enitire＂designated＂ area：

Government has apparently
been concerned for months at the depopulation of the stricken area， the number of absentee farmers and the threat this constitutes to security．
submit further proposals for．allevi ating the desperate fina
Reacting to the aid packet Transvaal Agricultural Union president Nico Kotze said it would bring great relief to a distressed area．
＂This has＂come after urgent dis－ cussions between government and organised agriculture，＂he said．
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There's no direct help for agriculture's biggest creditors, the commercial banks, in the government's new R262m relief package for farmers
Main beneficiaries will be the agricultural co-ops, which are owed some R2,74 billion by the country's farmers. But the banks, with an exposure of R3,5 billion, are again at the back of queue (Business June 6).
"Although banks will gain some advantage from the extension of the 22 -year miscellaneous debt consolidation scheme by another year and will indirectly benefit from subsidies of farmers' co-op loans, they receive no direct help," says Standard Bank

Igriculture manager Theo Potgieter.
The interest payable on farmers' debts to oo-ops will be subsidised by an additional R91m in the year ending March 31, 1987. The balance of the aid package will be paid out in the following financial year.
The financial assistance scheme to sum-mer-rainfall farmers has three major components:
$\square$ The existing six-year debt consolidation scheme for unpaid production debts to co-ops will be extended by 14 months after August 31;
$\square$ A new 10 -year scheme will be instituted for farmers who cannot repay their debts ander the existing six-year scheme, but who would have a chance to survive with 10 years' grace; and,
Land Bank interest on loans to co-ops to 'und carry-over debts under the 10 -year scheme will be further subsidised, bringing down interest from the current $7 \%$ to $4 \%$ a year in the first three years of the scheme.
"The combination of an extended repayment period and reduced interest rates will mean that many farmers, and the co-ops, can breathe again," says Andries Scholtz, new chairman of the SA Agricultural Union's (SAAU) Co-operative Council. The SAAU is grateful for the relief although it is less than it sought, he adds.

Banks are less happy - and understandably so.
"We have unsuccessfully asked the State to subsidise our farm debts for years," says Volkskas agricultural economist André Louw. "An arrangement must be made to put us in the subsidy net."

He says commercial banks, which directly and indirectly provide some $80 \%$ of all farming credit, must be represented on the government's committee on agricultural matters, which is chaired by Reserve Bank deputy governor Japie Jacobs.

Apart from their direct exposure, banks
fund much of the Land Bank's annual capital requirements of some R4,8 billion, most of which in turn goes to fund the co-ops. But they have virtually no say in agricultural financial policy.
"It's also essential that the Economic Advisory Council's current investigation into agriculture takes an objective, and sympathetic, look at agriculture. It must identify structural problems and devise effective measures to restructure the industry. Financing and marketing policies must be put under the spotlight," says Louw.
The SAAU plans a meeting soon with banks to discuss mutual problems and to reach an understanding.

Scholtz believes the new aid scheme will improve many farmers' chances of survival, which will indirectly benefit the banks.
Both Louw and Potgieter reject the criticism that banks are starting to shake out farmers as unfair.
"It is little help to extend credit to farmers already deeply in debt," says Potgieter.


By Mtobeli Mxotwa
EAST LONDON - Farm labourers at Komga are paid R30 cash a month and the rest is paid in kind.

This emerged during an interview with executive members of the Komga Farmers' Association yesterday.

The farmers were commenting on claims by an Engcobo man, Mr Jeffrey Mabitsi, who said in a letter that farmers in the area paid labourers between R10 and R20 a month.

Mr Mabitsi said farm labourers were fed only mealies.

He said the wage structure was unfair in the light of the prevailing cost of living.

Mr Mabitsi had appealed to the welfare organisations to investigate their plight, which he called tantamount to slavery.
The chairman of the association, Mr Roy Norton, said the average salary for farm labourers in his area was R30 a month.

The labourers were also paid in mealie rations. The combined payment amounted to about R140 a month, he said.

## Remuneration varied from farm to farm.

Some farmers gave their workers land to plough and they could sell their produce. This group did not receive any cash remuneration. Other farmers preferred to pay their employees cash and nothing else, he said.

Mr Norton said employees who held responsible positions were paid more. He said he spent R140 a month on each of his labourers.

The workers received R 30 cash, mealie rations once a month, milk, sugar, tea, tobacco, clothing, protective clothing, and subsidised blankets in winter. They received free medicine and books.

He added that the workers had cattle, goats, free houses and gardens on the farm.

Another executive member of the association, $\mathbf{M r}$ G. N. Ward, a former Zimbabwean, said he paid R90 cash to his employees augmented with free rations of mealies, milk, bread, tea and water.

He said his cash wage was "probably the highest" in the area since he was new to the area. Other farmers tended to pay more in kind.

Labourers on his farm received mielies or samp rations. The ration depended on the size of the family, he said. Workers had their own gardens and water.

A spokesman for the Department of Manpower here said there was no prescribed wage for farm labour.

The assistant director of Operation Hunger here Mrs Linda Murray, said the organisation was aware of the "food crisis" at Komga.

She said Operation Hunger had been in touch with the people of Komga and explained to them how their projects worked. The organisation could not offer assistance unless it was asked to do so by the people of Komga themselves.

Mrs Murray said Komga people had previously approached them but it seemed then that there was a split in the community.
There was no food or work in the area, Mrs Murray said.

culd ultimately pe in decisions.
tural Union Mr Nnco Kotze drew attention to the fact that farmers' capital payments in respect of Escom electricity schemes in the region would be suspended for two years.

He said the Derdepoort, Pont Drift, Alldays, Waterpoort, Ellisras, Crocodile River, Messina East and Palala/Limpopo schemes had now been completed During the next twelve months, the Dwaalboom, Sentrum, Steenbokpan, Tolwe and Mopane areas would receive Escom power.
Concern was expressed about the delay in developing the region's water resources.

It was an added strain for farmers in the border area to keep an eye on security matters, while trying to maintain their farming operations in a difficult economic climate. Organised agriculture therefore welcomed the declaration of the state of emergency, Mr Jooste said.
 bringing the car from Al- ing along Heidelberg been used in the robbery.
Plight of $\mathbf{N}$ Tvl farmers highlighted at cosinference
would be formed in several districts.
President of the Transvaal Agricul-

Northern Transvaal Bureau
NYLSTROOM -- The econcinc situation of Northern Transvaal farmers came under the spotlight at a gathering of more than 200 farmers yesterday, organised by the South African Agricultural Union (SAAU).
Inflation and its devastating effect on interest rates was an important talking point, and Mr Kobus Jooste. president of SAAU. assured farmers: "We are pushing for price freezes to stabilise the situation - the present trend simply has to be reversed."

Mr Jooste said the main object of the most recent Government aid package was to prevent farmers on the point of insolvency from leaving the land.

He announced that small crisis committees, with whom farmers could discuss their problems confidentially,

16 WEEKLY MAll., June 20 to June 26, 1986
A

| from |  | By JO-ANN BEKKER |
| :---: | :---: | :---: |
| you." | fact that he must go to make way for | But he is accustomed to being |
| ome from | an independent KwaNdebele, although | different. "I will never fit in. First, |
| anyone in the many black | he estimates 90 percent of the Ndebele | I'm an uitlander, then I'm a |
| communities which have be |  | Catholic.". |
| forcibly removed into one or other | fact that KwaNdebele Chief Minister | The 56-year-old Vandermaelen |
| "homeland". But the speaker was | Simon Skosana, whom he knows | who lived in what was then the |
| Willem Vandermaelen, a white | personally, is happy for him to remain | Belgian Congo for four years before |
| armer whose land has b | on his farm but President P W Botha's | coming to South Africa in 1960 -has |
| earmarked for incorporation into | government is not. | never been accepted by the Afrikaner |
| KwaNdebele. | W Botha says apartheid has been | parents of his second wife, Rina, 36. |
| elen is bitter about | abolished, but all that's altered is its | The couple eloped nine years ago after |
| mpensation the government has | application," he says. | learning that her parents planned to |
| offered to pay for his 375ha farm | Belgian-national Vandermaelen's | prevent the marriage. |
| ietfontein, north east of Pretoria. It | views are out of place in a district | "I always obeyed my parents' wishes |
| less than half the am | where the far-right Afrikaner | but when you find your partner things |
| rofessional evaluators judged the | Weerstandsbeweging is gaining | change," Rina Vandermaelen, a |
| nd worth and will not even buy him | support. "Many are just waiting to | qualified nurse who grew up on the |
| new smallholding. | shoot, they say blood will flow," he | East Rand, explained. |
| He is more angry, however, about | says. | "Few marriages are as happy as |

Dispatch Reporter
EAST LONDON - Consumers in East London and the rest of the Eastern Cape will not be affected by the 4c a litre increase in the producer price of milk to be introduced countrywide on July 1.
The branch manager of United Dairies here, Mr D. Barkhuizen, was out of town yesterday and could not be reached for comment, but the general manager of United Dai manager of United Dai-
ries in Port Elizabeth, Mr Fred Botha, confirmed that there would be no increase in the price of milk for consumers.
He said that the producer price increase should not affect consumers in the Eastern Cape as the area was not under the control of the Dairy Board in Pretoria.
Prices were set between local producers and the United Dairies Co-operative, and no plans had been made to increase the price of milk to consumers, Mr Botha added

He said there might be a slight increase in processed dairy products such as cheese, but this was "unlikely".

##  a record low

## Pretoria Correspondent

The Vaal.Dam is now fast approaching its lowest level yet. It is dropping at a rate of more than 1 percent a week.
The dam is at present only 17,8 percent full, compared to 19 percent last week.
The lowest level on record was in 1984 when it was less than 15 percent of capacity. In an emergency measure, the dwindling supply was boosted by pumping water from Sterkfontein Dam.

## Lower evaporation

It now seems that the Department of Water "Affairs will be left no alternative but to feed the Vaal from the bigger water reserve of the Sterkfontein Dam once again.
The department earlier committed itself to a June 20 deadline for tapping the resơurces of Sterkfontein Dam should the Vaal Dam. continue to drop at the present rate.

In normal circumstances 'it' is preferred to store most of the water in Sterkfontein Dam, which is deeper and therefore has a lower rate of evaporation.
The Vaal is experiencing a much lower inflow of water than during the infamous 1930s drought.
The Transvaal is now suffering its eighth consecutive year of below-average rainfall.
According to the department, there is no possiblity of lifting water restrictions in the near future.
Farmers irrigating from the Vaal are restricted to a quarter of the normal quota.
With no rainfall in the Transvaal last month, prospects are not good for next year.
A department spokesman has given the assurance that the level of the Vaal will be kept constant at 15 percent with water from Sterkfontein Dam for watersport enthusiasts.
Sterkfontein Dam is at present 30,2 percent full.
 By Sue Leeman;
an Pretoria Bureau
South frican farmers are now in debt't the tune of more than R11 000 million - and co-operativés are under great financial pressure, according to chief director of the North Western Cóooperative Dr AP Scholtz
Dr scholtz told a conference of agricultural co-operatives in Pretoria yesterday that about R2 739 million - 24,6 percent of farmers' overall debt had been financed by co-operativés.
At the end of 1985, he'said, the co-operatives owed the Land Bank a total of R2739 million; R1698 of which was emergency aid to farmers.
Dr Scholtz said there were considerable risks for the coops in extending this kind of credit and most administered these loans on exceptionally low margins.
Since 1982, there had been a rapid decline in the finances of co-ops; as a result of the emergency aid they were supplying.

For one thing, their own capital now made up only 27,7 percent of their total financing and they were becoming more dependent on loans with everincreasing interest rates.
'PERTINENT'
"The co oporatives are going to hàve to ask themselvés if they are happy to and capable of continuing to take the responsiblity for emergency aid - particularly that of farmers' rolled-over debt.
"This question is particularly pertinent because the Government does not guarantee unqualified security to co-ops for such emergency aid.
"In reality; the co-ops are still held accountable for any claims until, they have proved that any credit granted complies with the Land Bank's regulations.
"'rne padidebt which can arise from this is not taken over by'théstate." ". Fot
Dr: Scholtz' believed "that de-:" spite this the co-ops should go on financing faitmers ${ }^{2}$ to the ex-co tent they hadin the past - but they should look for ways to augment their, own capital.
Minister of Agriculture and Water Supplies Mr Sarel Hayward, who opened the conference, said he had initiated negotiations between financial institutions to formulate a clearer strategy for granting credit to farmers.

## GREATEST INCREASE

He said the private sector had an important role.

Between 1981 and 1984 agricultural assets increased by 40 percent while its debts rose by. 147 percent:
The greatest increase in debt had been amohg those offering largely short-term credit, such as commercial banks and co"operatives. "
Producers'were now finding it difficult to meet their debts, even in good years.
Poor financing norms, the unco-ordinated granting of credit and too much liquidity among credit institutions in times of prosperity were some causes.
It was vital for all interested institutions to work out a joint 'strategy:

- Hé had requestéd ân investigation minto merging the Land Bank ańd the Agricultural Credit Board.
"These are institutions which arovide credit largely on the basis of ability to pay rather than pure security - an excepthanally healthy approach phich must be expanded:"


20
Page IV CITY PRESS PROSPRCTE, Jane 29th, 1986
Helping to put farmers on their feet

THE Anglo American and De Beers*
Chamman's Fund has supported a Charman's Fund has supported a
number of projects to help black number
farmers
farmers
It pard the building costs of two agncultural high schools Such schools were firsi established in SA in the 1920s to provide secondary edufamilies.
Accommodation was provided al virtually no cost, though pupils gained practical experience by pro the school grounds
The sense of independence and maturity that resulted was appreciated by educators

THIS is the sixth in the series of articles on the Anglo AmeriFund. It deals with agricultural projects which the fund has supported or become involved

The Phandulwazi Agricultural 1977 - was the first such school for black pupils in SA when it opened in 1977 (Phandulwazi, meaning "the seeker after knowiedge", is a Xhosa praise-name for Harry Oppenhesmer.)
It cost R1,9-miltion and was con

The other school. the Harry Oppenheimer Agncultural High School. is sel in grounds of 500 hectates al north of Potgielersrus

Intiated by the Lebowa government and costing R5,3-mithon - re Hecting the rapid rise in building cosis after the construction of Phan dulwazs school - is opened in 1982
Borh schools hold $\mathbf{3 0 0}$ pupils
Pupilswat hetworagricultural high
schools are offered the normal range
as theoretical and practical apred tural science.
The hape is that lengthy contact with a professionally-organised agncultural project (the Lebowa school, for example, has workshops for ma-
chine maintenance as well as a milk ing parlour) will persuade some pupils, girls as well as boys, to become farmers rather than work as exterswon officers.
Other efforts to advance agriculCural knowledge are supported by the der the auspiees of the Agricultural and Rural Development Rescarch In-
stitule at the University of Fort Hare Among its projects are studies on forest farming, the production of es sential oils for the perrume and food industries, and cyaluation of "ceotopes - areas of land which have been defined or measured, for agriclimate, sól and slope.
-The nim or the ecotope study is to see which crops grow best and and what are the most economic levels of investment in seed, fertilizer and so
on for each ecotope.

When a large area can thus be divided into different ecotopes. agr cultural planners can decide wha cultural planners can decide what crops ip. grow in each and
at what intensity of cults. vátion
Ardri plans to identify whech parts of the Ciskei are sultable for crops, to class those areas into dif. which crops gtow best on the most common ecotopes and their most eco.m nomic - level cultivation, and to test experimental results under real Farming conditions so as to take account of focal cincumstances.
Within a year or two after the ecolope project started in 1979-80, it pro duced some. surprising findings.
Certain ecotopes tradiuonally thought unsuitbe as cood as others trad be as good as others tradi-
tionally rated excellent; some areas unsuitable for maize - and for this reason rejected for wheat as well - grew good wheat
However encouraging the cootope research. a greal deal of ground in
the homelands, especially in the Ciskei and Transin the Ciskei and Transeven for grazing, because it is too hilly, dry or erodit.

Ardri has undertaken a forest farming project amed at discovering wa trees or shrubs could be grown on land of this type to yield food, fodder, 12 bre. chemicals or othio rau umber
Apart from introducing the possibility of earning revenue from land now uscless. trees could help restore scourged soil by binding it with their roots and feeding it with their rotied leaves
The project also invest gates multiple land usage. anted on pasturage and amid row crops
Ardn's essential oils project, begun in 1973, is a similar effort. The aim is 10 produce oils for the cosmetic and food industhes mainly from weeds, though considerable re search has also been donc on the peppermint herb Essentral oils are attractive as a homeiand in dustry and also profitable. Gathering their raw matenats - plants sultably labnur-intensive from graing areas is made more likely by the prospect of greater proint than that afforded by itr--路? proved pasturage
For the past ten years Andn has been researching methods of growing and reaping different essential oils plants, pror cessing them by steam distillation and marketing the oits
are required to spend holsdays working on newspapers Rhodes University
also offers a one-year post-graduate conrse in media studtes. The course covers all aspects of the media
© Stellenbosth University offers a post-graduate degree in B Joumahism (Honours).
Potchefstroom Univer sity offers a four-year degree in comminications.
covering all aspects of covering all aspects or
working with the medua Working with the media Fort Hasc. Zululand. RAU, and OFS offer courses in commumeation studies. which would be beneficial to would-be joumalists

- Natal Technikon, Peninsula Technikon, ML Sultan and Prelorra Technikons offer a three-year national diploma course in Journalism The course - whd practical work - covand practical work - cov. ers ${ }^{\text {dia }}$
- An Arts degree with subjects like psychology, socelogy, history and economics will help journalists
Most newspaper groups offer bursaries to prospective journatists
Who to contact for further information
- Individual newspapers like Cty Press, The
Sowetan, The Star, The Sowetan,The Star,The Argus.The Diamond Fietds Advertiser, The Dally News Cape Times.EP Herald All corte-
pondence should be directed to The Edito - Unversities and Tech The Registrar, Rhodes University. PO Box 94, Grahamstown 6140
- The Registrat. Siellen bosch University, Private
- The Registrar, Natal Jechnikon, PO
- The Registrar, ML Sus an Technikon, PO Box 1334. Durban 4000
- Pretorsa Technikon 420 Church Streel. Pre toria 0002
- Peninula Technikon PO Box 1906, Bellville
- The Registrar, Fort Hare University, Provate Bag 314, Alice 5700 - SABC: The Director, tion SABC PO Box B60 SABC. PO Box 8000, Johannesburg

The Institute of Public Relations, PO Box 31390 Braamfontein 2017.

- Note Correspondence Colinges like CleaverHume, International Cor-
respondence Schools Ly ceum College, Rapid Results, Sucoess College and Union College offer courses in short story writung, Jiction writing and writing for media Al. though these courses wil not open doors to the jour matism world, they will help people who are if ter ested in writing


## NATIONAL

## Eat $_{1,172 f 6}^{\text {nfars }}$ locusts, don't poison 3 them scientist

## By JOHN YELD

Environment Reporter
BROWN locusts, a ma-
jor source of protein, should be harvested, not poisoned, says Dr John Ledger, director of the Endangered Wildlife Trust.

Dr Ledger, an entomologist who worked for the South African Institute for Medical Research for 18 years before joining the trust, is trying to interest entrepreneurs and Government officials in a pilot scheme to harvest part of the next outbreak of brown locusts.

He believes a valuable spin-off would be jobs for the unemployed.
The Department of Agriculture and Economics spent R7-million on the locust war this year, of which R2-mil-

lion was part of the Government's unemployed relief pragramme.
"Logic says we could use more of that money for the unemployed to harvest this very nutritional source of protein,"
Dr Ledger said.
'Even if you don't want to eat it you can turn it into animal feed, but don't go and pump thousands of tons of insecticide on it.

Ecological imbalances were a "certainty" following the use of insecticides, Dr Ledger said.
"That has been the history of chemical control throughout the world. If it's not locusts, it will be something else whose natural enemies are being destroyed."
Dr Ledger said farmers affected by the locusts needed to follow the example of the citrus industry.

Researchers success-
päratius to suck up insects at citrus estates in Zebediela in the Transvaal and the industry stopped heavy spraying when it became clear it was counter-productive.
"The logistics are formidable but with the right enthusiam and direction we could devel-

op appropriate collection methods for brown locusts and the necessary machinery such as hammer mills and roasting units to utilise this resource effectively."

- The Department of Agriculture and Economics has admitted using 2,4-million kilograms of old stocks of BHC (Lindane), a banned organochlorine insecticide with similar long-term effects as dieldrin, on locusts this year.

However, a spokesman said that in future the department would use pyrethroids, an expensive synthetic pesticide which breaks down rapidly.

- The trust is the "youngest" of the major conservation bodies in South Africa and has 5000 members, about 500 of whom are from





## Many farmers on brink of ruin

## Drought drives more from land

By Kym Hamilton, Pretoria Bureau

The drought in the Transvaal has pushed farmers to the brink of financial ruin and many are seeking other livelihoods, says the Transvaal Agricultural Union (TAU).

Crop prospects, water supply and available grazing have reached critical proportions as the long drawn-out drought continues to grip most of the province.

A survey conducted by the TAU last week showed that only parts of the eastern Highveld and the southern Lowveld had had a good season.
The optimism among farmers at the start of this year was replaced by despair as the rain stayed away and maize crop expectations diminished.

The country also faces a water crisis if the rains fail during the coming summer. Transvaal dam levels have dwindled and dams in the vital Vaal system are an average 22 percent full compared with 27 percent last year.

Bloemhof Dam, on which many farmers in the

Vaalharts area depend for irrigation, is dangerously low.

The drought, which has entered its sixth year in many parts of the country, has hit the younger farmer particularly hard. Farmers are being forced to leave their lands for other livelihoods.

The statement said the survey showed that some farmers, having disposed of their summer crop, would not continue with farming.

## Cash-flow problems

The drought in the northern and north-western parts of the Transvaal has also created serious cash-flow problems as livestock has been reduced drastically and business has come to a halt. Recovery in the short term is virtually impossible for farmers in these regions.
The locust plague has extended to large parts of the western Transvaal, where farmers are watching these developments with concern.
Under these difficult circumstances, farmers are nevertheless fairly optimistic and hoping for a better year ahead, the statement said.



# roy... may help Stan put small farmers on map (3) ${ }^{\text {caN }}$ 

## By Duncan Guy

Rural Africa could become the domain of intort generating farmers, selling their produce at the farm generating farmers, seining the example of a remote kwaZulu self-help scheme.
Biyela, covering 25000 ha in the heart of Zulu connry in steep, mountainous terrain between Melmoth and Eshow, is probably among the
surveyed rural land on the continent. Its natural resources, marketing feasibility and the educational records of its 2300 families, each averaging six members, are among the stats data to corded in a comp
Because of the hilliness, the scheme, known as the Because of Natural Resources' Blyela Multi-Face Institute of Nament Project, encompasses three eli Rural Development Project
On the mountain tops, yearly rainfall averages 1000 mm , but in the valleys below, irrigation is require Many of the slopes in between have gradient of more than 13 percent - the limit for arable land and a rainfall of about 600 mm .

The area is beautiful, decorated with Zulu kraals, gum and wattle woods, cassias, poinsettia plants and acacia trees However, It has the
of many South African homelands
Many men are migrant labourers, lack of soil onservation practices is tearing the land apart, the illiteracy rate is high and the land cannot support an ever-growing population.

LITTLE NUTRITIONAL VALUE
Patches of rain forest that once covered much of the area now exist only in some valleys.
Sour ngongoni grass dominates the countryside. Its uts help hold the soil together, but according to the institute, it has little nutritional
and its toughness damages their teeth.
So where does hope come into Blycla's people em The institute has proposed that Biyelas people em bark on small-scale dairy, poultry
bile and stock-farming enterprises.
With the financial backing of private enterprise pans and advice are provided to the farmers and, so far, two chicken batteries have emerged with dairy and vegetable enterprises on the way

One poultry producer, Mr Walter Nyandu, said he had made R8 000 from his hen unit which he stab 'fished using a R7 000 loan. After buying the birds a prides, the sells them cor it, 40 more as egg layers. "I now have my fourth batch of hens, he sad proudly. He added he was teach
the skills needed in his business.
Another chicken farmer, Mrs A 2 ulu, rear
batches of broilers a year, earning R250 a year.
The institute has estimated that there is pore
for about 25 such broiler units in the Biycla area Another enterprise upon why

## TIMBER PRODUCTIO

new strain of pasture grass, known as K II is believed to be a promising substitute for ngongon grass and Jersey cattle have proved preferable Friesland
The production of timber in Biyela is pro
most ambitious of all the instating material, it rates as Used as firewood and building material, area
an important commodity gum plantations could proKeeping in mind that gum plantations cold provide people with vale that is unsuitable for crops proposed for forestry
e used for forestry If the land owners co ur studies show, is viable pany on 4000 bastion, 400 jobs could be created," for Limber production,
explained land-use plan company could receive dive "The owners ordering an existing forestry com dends
pang.'
The project, which must have the cooperation of the people, has as a liaison man, Prince Gideon 2 ul who explains
Biyela's people
Biyela's people They are accustom convincing them that this the white man, but I am convincing the prince. is not a "buast-for-a-penknife Resources aims to have The institute of clinics and schools provided at cen facilities such

However, it would be easier for these facilities to However, it would be easier for scattered about the hills, and was not cut off from roads, said Mr Pollett.
"shul we certainly will not force them to move."

## SA to import more (8) iefuras wheat America

PRETORIA - A further quantity of 66000 tons of wheat would be imported from the United States, the Minister of Agricultural Economics and of Water Affairs, Mr Greyling Wentzel, announced yesterday.
Mr Wentzel said in a news release that this brought the total quantity of wheat purchased abroad during the last few months to 301000 tons, of which 501000 tons were purchased in Canada, 90000 tons in Australia, and 156000 tons in the US.
Due to unfavourable climatic conditions, especially during the last few years, "it became
drought-stricken
drought-stricken Afri can countries, South Africa found itself in the favourable position "of being able to supplement its food shortfalls through imports, which are settled for in cash."
Mr Wentzel said South Africa also supplied wheat to certain other African countries, "which in the current year will entail deliveries of approximately 150000 tons of wheat to neighbouring states."
The minister South Africa had until now "not encountered
unsurmountāble obstacles to trade in the traditional way and it is trusted that, in spite of alleged trade sanctions alleged trade sanctions the country's traditional trading partners will
proceed with their interproceed with their inter-
national treaty obliganational treaty obligatrade with South Africa on a non-discriminatory basis".
"Should it, however, develop differently in future, the South African Government will perforce have to drastically review its purchasing policy from abroad."
necessary for South Africa to supplement its wheat requirements from abroad," he said.
Contrary to "other


AGRICULTURAL debt increased from R1 384million in 1970 to R11,5billion last year because of abnormal harvests and an "enormous" increase in costs, says the president of the Western Cape Agricultural Union, Mr Frans Malan. al congress of thè union in Cape Town yesterday, Mr Malan said 78 percent of the total assets of agriculture were nonliquid.

This not only led to serious cash-flow problems, but also adversely affected the credit of en-
trepreneurs when the value of property Sdropped.
WHgriculture is under hheavy pressure," Mr Mâlan said.
"High interest rates have given agriculture a serious knock from which it will take long to recover."
$\because$ Implementation of market-related interest rates had also disrupted financing, at a time when agriculture was very vulnerable.
.n'"The low value of the rand, high inflation, surcharges and increased general sales tax, combined with product prices not in keeping with input costs has seriously harmed the solvency of large numbers of, farmers."
ironic that farmers häd to pay general sales tax on implements to produce food on which there was no sales tax.

The drought in the north-western Cape had been broken, but too much rain had had catastrophic effects on the barley crop in the southern Cape region, he said.
-Hailstorms followed the drought in the Langkloof and Little Karoo and the wine harvest was 13 percent smaller than that of last year.
"The economic retrogression of the past couple of years bled away the reserve power of agriculture
"High and still rising input costs make it impossible for the farmer to afford Land Bank interest rates, never mind commercial bank rates.
"The trägedy is that enterprising farmers who developed and extended their undertakings and therefore have to make use of borrowed money are the ones who suffered 'most," Mr Malan said.

. SOUTH AFRICAN shipowning interests have this month been discussing coordination of the training of deck and engineer officers for the national commercial fleet, and for better uses for the General Botha nautical college at

- the Cape.

Representatives of the two commercial carriers, Safmarine and Unicorn, and the various trawling companies pooled their ideas for improving efficiency of the training methods.
There is a major move
toward closer working
between the navigation and engineering sections,
especially in the first year when the basics are similar. There was also a suggestion that the new entry cadets to the commercial shipping should spend a period at the Saldanha naval college for instruction in officer deportment and duties.

The sea careers are now an equal opportunity source of employment and cadets this year in various companies include white, coloured, Indian, and Zulu entries, and they all have to follow the same training syllabus and secure the same certificates of competency. The fishing industry
does not call for deep-sea certificates, however.

The idea is for the deck and engineer cadets to be trained in the same complex, but provision of requisite machinery would prove costly, and in any case the marine engineers follow courses parallel in some grades to mechanical engineer students at the technikons, and it would not be practical for the non-marine students to train with their sea-going compatriots in a nautical college.

## Prospects still

Long term farming proaspects were poor in almost all the Border districts last month, the Department of Agricultore and Water Supply in Dohine said in their June report.
Short term prospects were, however, good in the East London, Komga and King William's Town dis tricts and fair in the other Border districts.

The East London, Komga and King William's Town districts had between 24 mm and 29 mm of rain.

Water provisions were goad and fodder reserves should last until August. Stock and cash crops in the area were in good condition

The Aliwal North, Lady Grey and Jamestown districts had between $25,2 \mathrm{~mm}$ and $31,5 \mathrm{~mm}$ of rain. Water provisions and grazing were fairly poor but stock were in good condition and mealie crops were good. Rain was urgently required.

The Barkly East district had $17,5 \mathrm{~mm}$ of rain and distribution was good. Water

## poor

provisions were fair for stock but poor for irriga tion. Large and small stock were in fair and good conditions, respectively.

Elliot, Ugie and Maclear districts, provisions were districts provisions were
fair to poor. Large stock were in fair condition and small stock in good condition.

In the Wodehouse district a maximum of 26 mm of rain was recorded. Water provisions were fair to poor. Fodder crops had improved with the June rainfall. Catthe and goats were in good
condition and sheep were in fair condition. Lucerne crops were in poor condition
The Queenstown, Tylden, Sterkstroom and Tarkastad districts received between 0.6 mm and 5.5 mm of rain fairly evenly distributed. fairly evenly distributed. Water provisions were fair but there was little fresh fodder. Stock was in a fair condition.

The Stutterheim and Catheart districts had between 2.5 mm and 10.7 mm of rain. Water provisions were good for stock and fair for irriea ion.

The condition of stock was good. Most cash crops were good with still suffi client irrigation water available but dryland oats crops were under pressure due to lack of rain.

The Albany and Bathurst districts had between 20 mm and $33,1 \mathrm{~mm}$ of rain. Water provisions were good and stock conditions were reported as fair to good. Dryland crops (were under stress but irrigated crops were good. $\qquad$
The Adelaide, Bedford and Fort Beaufort districts

FARMING



Edited by
GLYN WILLIAMS
received up to 15 mm of rain. Water provisions were fair to limited and the Kat River dam was 70 per cent full

Large stock were in fair condition but were deteriorating in the suurveld and small stock were in fair to poor condition. Good spring rains were vital., .

Adelaide and Fort Beaufort had a good citrus hear- vest.


DROUGHT, increasing production costs and political instability continue to harm farm prices.

Prices realised in the Eastern Cape - the worst-hit area - are down by $30 \%$ on market valuation.

Even the Western Cape, where investors from the Transvaal, South West Africa, Natal and Zimbabwe bought wine farms at inflated prices three years ago, is feeling the pinch. Bidders want value for money and not merely a "piece of history".

## Prestige

But the number of farms for sale in the Western Cape appear to have levelled off. Michael James Organisation, an auctioneer, says the de-mand-supply position is more or less in equilibrium. A few' prestige farms are available. Wine farms are stilla availt ablé, but market sources say: prices have plunged since 1983 when properties around Stellenbosch and Päarl fetched R20000 or more a hectare.

## By Udo Rypstra

Demand, although still considered healthy, has fallen. Potential buyers from South West Africa and Zimbabwe are looking at opportunities in their own countries again.

The downturn is especially worrying in the Eastern Cape where more farms are on sale than there are buyers. The Eastern Cape is also in the grip of a housing slump. In Port Elizabeth, more than 1000 houses are empty.

One auctioneer said a farm valued "realistically" at R450 000 went for R310 000 because of political considerations. The farmer was bankrupt because he could not meet rising production costs.
Agents say it is difficult to quantify the drop in prices because every farm is a spe-
cial case. However, it is known that farmers in the Western Transvaal mealie belt, some of whom are technically insolvent, have slashed asking prices by as much as $50 \%$ because of a shortage of buyers.
The picture is similar in the Free State, especially in the Bloemfontein area. Drought is the major reason for farmers quitting the land.

## Offshoot

A spokesman for Roep (Restore Our Endangered Platteland) Properties says that merely an increase in the price of essential farming aids such as pesticides could put an enterprise under.
"Farming is now considered an old man's businesses. When they look at estate duty and production costs, young people are not interested in
farming. Something will have to be done by the authorities, otherwise the big companies will take over the farms."
Roep Properties, which is a commercial offshoot of the non-profit-making organisation of the same name, has 80 farms valued more than R30million listed for sale. They range from a $1,364 \mathrm{ha}$ farm in the Free State (asking price R1,05-million) to smallholdings for R45 000. Most are in a large region around Steytlerville, Eastern Cape, from which ROEP operates. But the list is growing with farms for sale in other regions.

Roep's campaign to persuade people to live on the platteland is meeting with success and about 65 families a year are being placed in towns like Riviersonderend and Bredasdorp.

By BARBARA ORPEN
THE price of lamb has increased by as m
A prized piece of fillet steak is selling for much the same price as lamb chops at some stores.
Butchers spoken to today said lambing season and the accumulative effect of the severe Eastern Cape drought over the past few years liad caused a shortage of mutton, resulting in the price rises.
Tomorrow there will be no mutton available at the abattoir not enough sheep have come in for slaughter: .

Mutton prices have risen from R 4 to R 6 a kilogram in the past two months, with the price of lamb varying between R7, and R1i a kilogram.

A butcher said this meant that some chops were selling for:R1 each. a

Mr A Kolesky, a PE butcher, said: "We generally experience a shortageoflamb at this time of the year, but thes situation is far worse this time because the drought has aggravated conditions.
"The veld-carrying capacity has been reduced and
farmers are struggling to buy fodder, "hat .
Mr HHenen; who has worked as a butcher in PE for 26 years, shid this was the highest price rise he had experienced in the city.

He-added that butchers were expecting the shortage to continueuwell into September, when the lambing season would cometo an end: A man
MrJ_Kolesky, another butcher, said custurn on
definitely cutting down on the buying of mutton.
"They are going for cheaper cuts of beef and also for" poultry and fish," he said.

Drought shrinks
SA's
woolclip
BLOEMFONTEIN
Drought conditions had become worse in large parts of the wool-producing areas, which was one of the main reasons for a further reduction in the size of the South African woolclip.
The president of the National Wool Groweris' Association, of South: Africa, Mr H:F. Prinsloo, said this in his presidential address to the 'association's 57th annual congress here yesterday.

Compared with 1982/83, sheared wool production had dropped by 14,6 million kg to 92,7 million kg this year.
At the average wool prices' obtained in the three years, this meant that wool farmers had lost R 120 m in income as a result of the drought. This did not include the millions of rands spent on fodder.
Mr Prinsloo welcomed the '- announcement' of the National Grazing Strategy as a measure to improve ' and preserve the condition of the land; but questioned whether .: the ': 'strategy could be applied effectively without normal rainfall:

Referring to the estimate that farmers' accumulated agricultural debt was already R11,2 billion (11 thousand,million) in 1985 and could reach'R12 billion this year, Mr Prinsloo said that :" unless special assistance could be given many farmers would go bankrupt.

He asked if the country could afford farmers "going under". Drastic steps would have' to be taken to keep as many farmers as possible on the $:$ land because a strong and conservative farming community was important for the survival of the country.

In comparison with other industries, the wool industry was comparatively .-good. This could '' be $\because$ ascribed mainly to the favourable export earnings as a result of the weak exchange rate of the rand against "other curren* cies. Sapa

DURBAN - The South African Sugar Association (Sasa) has passed a resolution expressing its opposition to apartheid and is to draw up an affirmative action programme to be carried out in the near future, Sasa's chairman said yesterday.

Dr Kees van der Pol, speaking at the association's annual meeting in Durban, said the anti-apartheid resolution should be regarded as the industry's declaration of intent to do what it could to promote changes which would create an equitable South African society.
"Traditionally Sasa has kept a low profile on political issues but we can no longer remain silent, even though our members represent the entire political spectrum," he said.

While not taking sides for or against the government, Dr Van der Pol said the association "must take sides on such major issues as the aboliton of apartheid, the sharing of power on an equitable basis among all sectors of our population and in the restoration of law and order in our society."
Dr Van der Pol said although Sasa, which represents 25000 growers, 15 mills and a central refinery - employing more than 154000 people throughout the KwaZulu/Natal region - had carried out its social responsibilities and had made considerable progress towards a more equitable society, much remained to be done.
"We must not only aim to alleviate the effects of apartheid, but must also work toward the abolition of apart-
heid by setting an example and providing leadership within our sphere of influence.
"We must openly support and encourage the government to proceed in haste with its declared goal to abolish apartheid."

Dr Van der Pol said violence created violence and everyone would be losers. "The abolition of apartheid is not an end in itself to be achieved at any price - it is the means to bring about a just, peaceful and prosperous society in which we can all share."
"I also hope and trust that our overseas customers and friends of South Africa in general will accept our resolution as an expression of solidarity with their objectives to promote change in our country and not as an empty response to the threat of sanctions."
Dr Van der Pol said if economic sanctions were imposed, the many forces working for peaceful change within South Africa would find themselves on the opposite side of those seeking change through sanctions.
"There is another way to promote change, and I refer to the Natal/KwaZulu indaba in which the South African Sugar Association is playing an active role seeking to promote power sharing in Natal.
"It is my honest belief that we can find a workable structure which will enable all the inhabitants of this part of South Africa to work together towards the creation of a just and peaceful society, and which could be an example to the rest of our coun-try."-Sapa


The Deputy: Minister of Agriculture, Dr AT van Nie kerk, has banned certain deciduous fruit and wool pesticides:

He said in a statement in Pretoria it had become evident that remedies containing chlorobenzilate and stock remedies containing camphechlor and gammabhe:(lindane); could affect human health.
Their use had been placed under strict control or prohibited in most developed countries.
"Not only was this ban promulgated due to possible health hazards, but also in order to protect our couñtry's deciduous fruit exports,", he said.
"Although the Republic is not the only wool export ing country where such dips are in use, it has at this early stage been decided to place a ban on the acquisition disposal or sale of sheep dips containing the: said chémical substances.
, Howeyer, in order to give wool producers the op portunity to dispose of existing stocks still in their possession, the ban on the use of "such dips will only possession, effét on an unary 12988 ?
BAGRICULTOKX SARE 46187

Swartberg tamg goes
for nearly R2 500000
ByCHRIS STEYN
A BISHOPSCOURT man yesterday paid nearly R2 ${ }^{1 / 2}$-million for a Cale don farm"which 17 years ago sold for R153 000:
About 100 people gathered on the lawns of the farm Grootylei, on the slopes of the Swartberg mountains, "at 2 pm .
It was clear from the start that there were only two. serious bidders, and after the formalities were done with, it took just minutes to auction off the farm.
As the new owner, who did not want to be named, satt awaiting confirmation of the sale in the farm's office block, he declared: "I want no publicity."
Details of his offer'had
been telexed to the farm's owners; 'Mr and Mrs David'Hartley in Malawi.
The new owner said the 1126 -hectare farm was being acquired by the Marais Family Investment Trust (Pty) Ltd It cost him R2 450000 , excluding a R150000 commission for the auctioneers who said: "We got a good price." They said earlier that the farm was worth at least R3-million.
In addition to the homestead." the "bargain" included four houses for'managerial staff, 13 cottages, a registered airstrip, a hangar, a school, a swimming pool, a golf green; a pine plantation and an onion
processing and packaging plant.
Hundreds of hectares of land on the farm, set within the core of' the Cape Wheat Triangle have been used for grain crops and vegetables.
Among the people who attended the auction was one of the original owners of the farm, Mr D P van Brakel of Hermanus. He told the Cape Times that he bought Grootvlei for $£ 2000034$ years ago. Seventeen years later, he sold it for R153 000.
"There is still a lot of my handiwork here," he said wistfully as the auctioneer's hammer fell for the first, the second $\because \therefore$ and the last time: - Pictüré, page 3

## centre, were in South Africa <br> Flattened:

## on white do

WHILE Eugene Terre'Blanche, leader of the far-rightwing Afrikaner Weerstandsbeweging, was cheered by a capacity crowd in the Uitenhage town hall last week, bulldozers were demolishing the shanty town of Kabah which borders on the white suburb of Levyvale.
By this week an estimated 400 shacks had been demolished by the Kwanobuhle Town Council or dismantled by residents.
The demolition is a victory for would be no need for the bulldozers," conservative Levyvale and Vanes one resident remarked.

Estate whites who, fearing a backlash after police shot dead 20 funeralMarch last year, petitioned Law and Order Minister Louis le Grange to move the people of Kabah to the township of Kwanobuhle, several kilometres away.
The forced removal flies in the face of the Kwanobuhle Town Council's undertaking not to demolish the shacks pending the outcome of an
urgent application brought by 426 Kabah families contesting removal. Judgment is expected only next Tuesday. It is all the more unexpected because shortly before the State of Emergency: leaders met the committee co-ordinating resistance to Kabah's removal and assured them the - government had agreed not to go ahead with the removal, first threatened several decades ago. According to Barry Erasmus, a
nit former town clerk of Uitenhage's

* white municipality who was appointed
administrator of K wanobuhle following the resignation and murder

Families are being housed in tents in Kwanobuhle, but officials have told residents the tents will be withdrawn after the weekend, leaving people little option but to erect make-shift shelters.
Much of Kabah's razing occurs at night, under powerful spotlights, according to residents. Many are staying away from work to guard their homes, some sleep outside so they can see officials approaching. Just over the hill, whites in the Vanes Estate-Levyvale area are also on the alert. They have formed armed street guards because, residents complain, burglaries have increased dramatically, making houses on the street facing Kabah uninsurable.
A Uitenhage civic leader who asked not to be named said the Ratepayers' Association had formed the guards, but P W Kapp, who represents the affected wards, refused to comment.
Terre'blanche was not shy to give the armed commandos his blessing, albeit obliquely. He congratulated the people of Uitenhage for organising themselves into groups to help each phemselves into groups
other in times of trouble.

Agricultural legislation had been disappointingly sparse during the first session of Parliament this year, Mr E.K. Moorcroft, PFP MP for Albany, said in the first of his series of report back meetings to farmers in the constituency.
He said there was only one minor bill, the Agricultural Pests Amendment Bill, which had bearing chiefly on farmers in the Western Cape, where there were problems in the vineyards caused by the smuggling in of rootstock with a virus. The Act had to be amended.
There had been two important statements by the Minister of Agriculture and Water Affairs, Mr Greyling Wentzel.
The first was that there would be continued drought aid to farmers. While this was aimed mainly at farmers - in the summer cropping areas it was heartening to know the government was prepared to continue aid until the rains came.
The second concerned stabilisation in the
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Northern Transvaal in efforts to keep people on farms. This involved subsidies on security fencing and other measures.
Mr Moorcroft said the drought had been a hammer blow. Then there was the rapidly deteriorating input-output ratio. While input costs were up by 36 per cent, producer prices remained static.

In ten years there had been a 25 per cent increase in gross annual income but costs had risen by 43 per cent. The agricultural debt burden had risen in 10 years from R2 billion to R12 billion. On average the individual farmer was in debt to the figure of R190 000, costing the farmer R38 000 a year to service the debt.
Fortunately the Eastern Cape was better off than most.

The destruction of natural resources was a matter of keen concern, particularly of coastal bushveld, Mr Moorcroft said. The Minister had reacted sympathetically and had promised to investigate.
Mr Moorcroft said he had driven through Kinkelbos during a gale when it became a dustbowl. They had to put their lights on, and travel at 50 km . He hoped there would be action soon.
The South African Agricultural Union had presented a document in which they appealed for support from all parties on a non-political basis, Mr Moorcroft said.

It contained an appeal for appointing a commission of inquiry into
inflation which, if it went on, would mean the government continuing with heavy subsidisation or letting farmers go to the wall.
On the Orange River development project, Mr Moorcroft said the development of the lower Fish River between Carlisle Bridge and Ecca Pass was a tremendous scheme but he warned that water would not be cheap.

## Solar pon official bc

The power supply problems of farmers in the north-western Transvaal border area, which was proclaimed a preferential development area in 1982, are receiving special attention.

The Department of Mineral and Energy Affairs is currently doing its part in evaluating a solar-power system to the north-west of Thabazimbi as an alternative for Escom power.

Mr G. Stassen, deputy director, energy planning of the department, who has been closely connected with the project, said it was a golden opportunity to research and evaluate power supply which was a real problem in the area. The so-lar-power system installed on Mr J.J. Fourie's farm Canterbury largely met domestic electricity re. quirements, he added.

The system supplied enough power for Mr and Mrs Fourie's lights, radio, washing machine, iron, hair-drier, vacuum cleaner and a combined refrigerator/freezer.



PRETORIA - South African farmers are in desperate financial straits and urgently require government assistance, the president of the South African Agricultural Union (SAAU), Mr Kobus Jooste, said yesterday.
If state aid were not fortheoming in one form or another, South Africa could face "a decade of hunger".

Mr Jooste, addressing a rally of Central Transvaal farmers, disclosed, however, that "a plan to save South African farmers" had been drawn up and would shortly be put into operation.

The former State President, Mr B. J. Vorster, and the Economic Advice Council had "favourably" received representations from the SAAU, Mr Jooste \$aid.
"We find ourselves in a position where we may have to forfeit a measure of autonomy by accepting government help.
"But there is no other way out" Mr Jooste said.
Warning that not even abundant rains would substantially reduce the huge debt load currently being borne by South African farmers, Mr Jooste said it was vital farmers did not lose faith in themselves as managers and food producers.
"Widespread drought is not our only problem. We are facing. serious threats from sanctions and boycotts.
"The agricultural sector is far more vulnerable to punitive political action than are other sectors.
"There are huge surpluses of agricultural products all over the world, especially in our traditional export markets in Europe.
"Nobody is going to go hungry if South African products are no 'longer available overseas," Mr Joóste said:-Sapa

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## Sanctions

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'Nobody is going to go hungry if South African products are no longer available overseas.' (Sapa) rics to clothing manufacturers are posing, serious problems to the industry.
This is despite recent trade moves to offset shrinking import volumes.
National Clothing Federation (NCF) president Mike Getz said the situation had deteriorated sharply.
"Many orders for certain fabrics -such as shirtings and bottom-weights - are unlikely to be delivered for up to eight months," he ssaid.
"Critically bad" was how the MD'for Edgars subsidiary UPC Retail Services, Frank Wells, described delays in the delivery of finished garments.
Rebates for the import of so-called wanted fabrics to overcome local shortages were granted in May after the Board of Trade and Industries recommended the emergency import of $\mathbf{R 2 0 m}$-worth of dutyfree fabrics.
The rebates, however, were gazetted as a temporary relief measure.
On paper, imported fabrics account for about $20 \%$ of local demand, but the level of imports fell from. R374m in 1984 to Ri81m last year - in volume a $47 \%$ drop to 102 -million $\mathrm{m}^{2}$ from 195 -million $\mathrm{m}^{2}$.

The Textile Federation, however, strongly opposes extending the rebate on grounds that local shortages have been caused by "extraneous factors" over which the industry has no control.

Latest figures show the producer price index in the textile industry rose $17 \%$ in the four months to April compared with the same period last year. Mozambique's cropping land and citrus orchards has been implemented by a new company, Companhia Agro-Industrial Lonrho Mocambique.

Majority owners and sponsors of the project, Lonrho Group UK, is providing a \$3m equity investment. The Mozambican government, occupying a minority position, will transfer several State farms to the venture.

The International Finance Corporation is providing a loan of $\$ 2,5 \mathrm{~m}$ for the project which aims to develop 6200 ha to alleviate food shortages and increase agricultural production. - The lack of manpower and a shortage of foreign exchange for spares and farm inputs has severely hampered Mozambique's agricultural sector.

S Comment Page 4.

## Farmers plead for State help

SA Agricultural Union (SAAU) president Kobus Jooste said yesterday farmers were in desperate financial straits and urgently required government assistance.

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He disclosed, however, that a plan to save SA farmers had been drawn up and would be put into operation shortly.
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Warning that not even abundant rains would substantially reduce the huge debt load being borne by SA farmers, Jooste said it was vital farmers did not lose faith in themselves as managers and food producers. - Sapa.

LONDON - Australia is opening the door to foreign investment as part of an attempt to bolster the Australian dollar and revitalise the economy.
Australian Treasurer

> Australia
> opens up

Own Correspondent Paul Keating was forced to make the move on Monday after the Australian dollar had crashed to a record low of around US $\$ 0,57$ the week before. Immediately after his announcement, the Australian doilar recovered to over US $\$ 0,61$.

(3) General


Picture: DOUG PITHEY, The Argus
Nadine Cooper has good reason to feel a" little happier today, even if the Krugerrands she is holding are not the genvine article, The price of gold, the main source of South Africa's wealth, has reached its highest level in two years.

BOOSTED EMPLOYMENT
He said investors who wanted to buy into non-productive properties would be allowed only 50 percent of the purchase by way of the financial rand and would have to use the commercial rand for the other half.

Purchases of non-listed companies and those which boosted employment would be possible through the financial rand.

The currency would not be open to loans and grants to political organisations but there was no hard and fast rule on this, Mr du Plessis said.

The financial rand in recent weeks has fallen to a derisive 20 US cents, half the rate for the commercial rand. When the financial rand was introduced in September last year its use was restricted to purchases of listed securities on the Johannesburg Stock Market.

## masus Financial rand eases for use by "foreigners

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From trevor walker The Argus Correspondent

* JOHANNESBURG. - South Africa's political currency the financial rand - is to be broadened to allow foreigners to use it to buy property and invest in unlisted companies.
The Treasury informed commercial banks this morning that the new approach would be with immediate effect and that the authorities would in future adopt a more relaxed and lenient attitude when considering the use of the currency by non-residents.

Finance Minister Mr Barend du Plessis yesterday said the new approach had been approved by the Cabinet earlier this week.

[^6]THE drought and resulting starvation
in rural areas have caused some, con-
panies to focus on farming in their corporate social responsibility programmes.
IBM recently donated R7m over five years to the Computing Centre ne . of Natal in Maritzburg.

The centre aims to establish a com-puter-based system to help predict the effects of planning options on the quality and quantity of water supplied to irrigators and urban users. The centre intends to assess the impact that expansion oo use could areas and changing land uality of rehave on the flow will also monitor the ceiving rivers. it wistribition syseffects improved management and water allocations have on the flow water quality of water in rivers.
It; is putting available information on computer and will impros softyare transer among. data, erid-users and
supply organisations, its own and other researchers,

A feasibility study has beguriand the centre should become opeg a next year.
Standard Bank is also activery made ral "areas. The group ailable to tu several Vonder Rigs availableta ral development agencer a low-ontput The vonder Rig developed in Zimborehole system developed technobabwe. It uses Third drinkable water logy to bring es. Establishing a bore to rural areas ig is estimated to cost between $75 \%$ and $80 \%$ less than if between $15 \%$ and conventional systems also financing a The Standard is armo being undertak-fish-farming projecity of the North. en by the Universing undertaken into
Research is being undertaken ish as the development ource of protein in the an alternative source of Gazankulu rural areas The aim of the project is and Venda. The aition and jobopportunities which will help develop viable economic bases in these areas.

Afrikaners,
Zulus must
set example,
says King

Political Reporter ourers would be representIN A spectacular ceremony attended by thousands of people yesterday, a co-operation agreement was formally recognised between far Northern Natal farmers and black labourers.
The usually sleepy village of Louwsberg, 70 km northeast of Vryheid, was packed with thousands of Zulus, including tradition-ally-dressed armed 'impis', who crowded the rugby field on which the ceremony took place.
Several hundred local farmers and their families at the meeting saw the Zulus rise to their feet and shout approval at the arrival of their monarch, King Goodwill Zwelithini, who was accompanied by the South African Deputy Minister of Education and Training, Mr Sam de Beer.
The Ngotshe Co-oper:ation Agreement provides' for the setting up of a committee comprising farmers'. and labourers' representatives to deal with all social and labour prob. lems.
Mr Tjaart van Rensburg, chairman of the Louwsberg Farming Association, told the crowd that the lab-
ed in the agreement by Inkatha.

## Relations

He said the intentions of the agreement were to improve and develop community relations and ensure the safety of all people in the district.
Mr van Rensburg said other intentions were to see to healthy labour relations, improve the development of the district, and see to the morale of all people in the district.
'I want to warn that we must not expect Utopia tomorrow.
'The past is gone and we are looking to the future. We won't allow anybody to damage the agreement,' Mr van Rensburg said, to loud applause.

## Conquered

King Goodwill said the history of black-white armed confrontation last century produced racial enmity which had to be wiped away by the full inclusion of blacks in the South African State.
He described the agreement as evidence of a spirit of a new South Africanism. 'Apartheid has be.
queathed to many a legacy of bitterness which this new spirit must banish from our land.
'Zulus and Afrikaners have a very special duty. They both need to set an example of black/white unity.
"There are some who are saying that there will never be real reform. They say that white society must be conquered and smashed before there can be justice and peace in our country.
'What is happening in this district gives one hope that this forecast of even more terrible things to come is just not true,' King Goodwill said.n
Mr de Beer'said it' was very important that people get to know and respect each others' cultures and this would lead to them enriching each other.
'We must teach our children to live together, to respect each others' cultures and to learn from each other.
'Just as the children can come together, so can the adults. We cannot afford to live in isolation.'
Between the speeches, various groups, including traditionally dressed Zulus and Afrikaans schoolchildren, sang and danced in front of the dignitaries.





## US: wheat ${ }^{\text {dit }}$ deal wins friends for $\mathbf{S A}$

Dispatch Correspondent WASHINGTON - South Africa has won important friends in America's hard-pressed farmbelt - and is wielding a powerful new anti-sanctions weapon - with a tentan* tive offer to buy an annual 500000 tons of wheat from Kansas, Ok-, lahoma, Nebraska and Texas, starting next year,
This is triple the 156000 tons of grain. bought from US farmers this year, and considerably more than products being enacted. ably more than the i Oklahoma Senator 301000 tons. South "Don Nickles persuaded Africa bought world- "Dis colleagues to accept Thide The US Agriculture Department said it had been told the purchases of hard red w winter. wheat could go as high as a million tons a year.
elections, and its biggest problems are in farm states where its senators are in knife-edge contests with Democratic candidates.
The purchase offer, which was confirmed yesterday by the South African embassy and the Agriculture Department, had a significant behind-the-scenes impact on last week's Senate sanctions debate and could prevent an embargo on agricultura an amendment that exempt export credits for farm products from the proposed ban on loans to the South African Government and its parastatals.

## i Senator Nickles's

 move was hotly contested by non-farm state Democrats, and passed by just one vote.Knowledge of the projected grain purchase also helped kill a measure offered by Senator Christopher Dood that would have banned "the import of goods marketed or exported by

Because no contract has been signed yet, congressmen from the farm states are under notice that if sweeping new: sanctions become law they will have to answer to angry con-stituents:-
The Republican Party faces an uphill battle to retain control of the Senate in the November

## South African parasta-

 tals".Senator Robert Dole of Kansas, the majority leader, protested that South Africa would counterattack by boycotting US farmers.
The agriculture counsellor at the South African Embassy, Mr Johannes Carstens, who has been lobbying energetically with the powerful US Wheat Growers' Association, said his government had been "aware" of the political considerations when it made the grain pur-
chase offer.


AGRICULTURE in SA had reached a crossroads, Agriculture, Economics and Water Supply Minister Greyling Wentzel said in Bloemfontein yesterday.
Opening the annual congress of the Free State Agricultural Union, he said that although the Marketing Act and the various marketing schemes had played an important role in stabilising agriculture, the situation would have to change.
He stresed the Act was one of the cornerstones of the industry and would always be the magna carta of agricultural marketing. But in some cases, he said, marketing schemes had lost touch with reality.
8) Producers had failed to note changes in the marketplace. This had not only caused serious marketing problems, but also financial problems for producers.
${ }_{9}{ }_{4}$. Wentzel emphasised the co-operatives were best-equipped to advise farmers on marketing prospects. They should work closely with the control boards, he said.
He added thatit could be asked whether he single-channel marketing, fixed-price

## GERALD REILLY

system should continue for mealies and wheat.
This was one of the reasons why he had asked the National Marketing Council to investigate all control schemes, except for the meat scheme.
Although the NMC had not completed its investigations into all schemes, it was clear to him fundamental changes would have to be made to some of them.
Wentzel said the limits some schemes placed on the entry of private sector interests exposed the system of control boards to strong criticism.

He said he believed the Meat Board should consider whether the limits on entry into the wholesale and retail distribution of meat could be justified.
$\square$ Excessive hire purchases were a decisive factor in at least $90 \%$ of cases where
farmers experienced cash flow problems, union president JMJ van Vuuren said in his annual address to the congress, reports Sapa.

Interest that was capitalised monthly meant that the debt grew at an impossible tempo, he said.
$!$
$\qquad$

[^7] tempo, he said. ,

The World Bank is also willing to chip into the long-term and long-talked-of project - that will radically change SA's
 sparse water supplies.
Initial capital outlay for the giant scheme will be covered by the Lesotho Highland. Development Authority (LHDA).

News of funding of the project was. leaked yesterday to Business Day.

The LHDA, a Lesotho State body has
been, entrusted with building at least three. dams' and., the : hydro-electric schernes.
The World Bank has also shown its
will be established to $\begin{gathered}\text { fund construction }\end{gathered}$ of the tunnel into SA: ${ }^{2}$
"If TCTA's gets the go-ahead it will come to the SA capital market for an easily attainable R200m next year, says'. a merchant banker, Further issues are envisaged because the first phase of development requires a relatively modest outlay.

In Lesotho, the scheme's backers consist of a consortium of European development aid agencies and it is hoped that a part of the cost will be recouped through water sales to SA.

Negotiations, which have stretched over 30 years, were repqutédly hindered by the problem of an ANE presence in Lesotho.
Sources close to the project say an agreement has now been reached where by the ANC will be barred from Lesotho.
"This will hopefully lead to the establishment of diplomatic relations at the highest level and the expulsion of com-

## 别路

munist diplomats from Maseru," one source said.

Foreign parties willing to lend assistance include German, British and US agencies committed to aid for underdeveloped countries.
The first part of the scheme - running to 1995 - aims to provide water largely to the drough-hit PWV area at a projected cost above R1bn. This figure does not include the cost of raising the funds, which is highly sensitive to interest rate movements. Cost estimates also vary depending on the inflation and interest rates which are chosen for budgeting over the project's life of 50 years
At this stage it appears that the SA government will not foot the bill for the scheme. The Department of Water affairs has, subject to parliamentary approval, the option of taxing beneficiaries the PWV area with a tariff or a more in the PWV area why


good rains return and farmers can start to repay debts.
The bank says its budgeted short-term requirement for the 1986-1987 financial year is R5,23 billion, compared with R4,85 billion last year, R3,89 billion in 1984-1985 and R3,75 billion in 1983-1984. This will come from commercial banks and the local money market.
"We're not experiencing any difficulty in obtaining funds for 1986-1987 requirements," a senior LB source tells the FM.
The Land Bank will use the funds for crop finance - via the co-ops - and for further debt consolidation. Since 1982, about R3,9 billion has been consolidated in terms of the six-year scheme, while the ten-year scheme and further assistance under the six-year scheme comes into operation on September 1.

But things are still bad down on the farm. Speculation in some organised farm circles is that 15000 of SA's 60000 farmers are facing difficulty over debt repayment.
"It'll obviously take years to restructure agriculture," predicts a Pretoria agricultural source, "and, in the meantime, everything possible must be done to prevent the collapse of farmers who could survive with better rains."
that pricing a crop out of a market can lead to the gradual decline and possible collapse of a once-powerful industry. But, say some, this message has not yet penetrated deeply enough.
"Their intransigence has lost the maize industry a potential market of 750000 t 1 Mt in the feedlot industry alone," says an industry source. "While the MB is exporting some 2 Mt of surplus yellow maize at a net return of about R100/t, the feedlot industry would be prepared to pay R200/t - but the MB refuses to make any exception to their rules."

His views are echoed by another feedlot representative. "We are now looking at importing around 50000 t of Australian feedwheat at R200/t because we have to pay the MB R260/t for yellow maize. Surely the board could devise a system of feed maize quotas at prices below the current consumer price and keep our custom?"


There seems to be no end to SA's farm debt saga. New figures disclosed to the $F M$ by the Land Bank (LB) point to a total agricultural debt - including amounts owed by co-ops and control boards - of more than R14 billion.
This figure is some R2,5 billion higher than the official R11,5 billion figure given as the total farming debt at the end of last year (Business August 15).

The official year-end total includes farmers' debts to commercial banks (R3,5 billion), the LB (R2,34 billion), agricultural co-ops ( $\mathrm{R} 2,74$ billion), other financial institutions (about R1 billion) and smaller creditors ( $\mathrm{R} 1,8$ billion).

The LB, however, now reveals that it was owed a total of R7,62 billion at July 31 this year. This includes R2,475 billion owed by farmers and another R5,146 billion owed by co-ops and control boards.

Even if farm loans from commercial banks and other financial institutions and creditors have not increased since the year end, this brings total agricultural debt to a staggering R13,9 billion.
Some agricultural co-ops also borrowed substantial sums at favourable rates on international money markets before the rand's collapse last year. Outstanding amounts, with the rand's low value possibly pushing totals higher than the original borrowings, add to the debt mountain.

Agriculture's central role in the economy means a farm debt collapse would have a dramatic impact on the banking system, farm prices and rural economies. But every effort is being made to ensure that weaker farmers' exit from the industry will be "orderly."
The LB believes sufficient funds are available to carry the aggregate burden of farmers' negative cash-flow - at least until

good rains return and farmers can start to repay debts.

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## TENDERS

## No contest, please <br> A contract for the installation of heating

 ventilation and airconditioning worth R2,15m at the Rand Water Board (RWB)'s new headquarters, has been awarded to CRC Engineering - which is not one of the largest five airconditioning contractors in the Transvaal - without going out to tender.In a particularly competitive market, rival companies believe that they could have done the job for less and that they should, at least, have been allowed to bid.

Against traditional market practice, leading airconditioning companies, including two of the sector's five heavyweights, Bronsair and Coldair, have decided to join forces to convene a meeting of their trade association,


SEVERE water restrictions are in the offing for the PWV area if consümption levels continue to rise and dam levels fall.
In a bid to stave off such drastic action, Rand Water Board (RWB) chairman Dale Hobbs yesterday warned consumers to observe restrictions.
Consumption figures for the past two weeks - $5,6 \%$ over quota - show consimers are disregarding appeals made by municipalities. Consumption for July as a whole was only $1,4 \%$ above quota.
The warning comes as dam levels in the Vaal River "system continue to decline. With the level of the Vaal Dam at $16,4 \%$ of capacity, water experts say the situation is serious.
If present trends continue, they predict it will become necessary to release more water from upstream dams to keep the Vaal at a minimum level.
Figures published yesterday by the RWB show that two holding dams, Sterkfontein and Bloemhof, are standing at $21,5 \%$ and $4,5 \%$ respectively.


## By JILL JOUBERT

PORT ELIZABETH Sweeping measures aimed at putting agriculture on a sound financial footing were announced last night by the Minister of Agriculture and Water Supply, Mr Sarel Hayward, at the opening of the annual East Cape Agricul tural Union (ECAU) congress in Port Elizabeth. He sấad these could resultin: $\qquad$ consolidation of farming units which were too small;

The phasing out of interest rate terms and other "more favourable" credit terms;

Amalgamating the Land Bank and the Agr
cultural Credit-Board; cultural Credit Board;

Withholdingg emergency aid iñ certain
cases.

Mr Hayward" called to farmers "to put their shoulders to the wheel" in an effort to restore agriculture to its "rightful stabilising role" in the national economy.

The overall aim of a national financial strategy, along with the national grazing strategy and information strategy as an action programme, was to promote an economically sound industry for advancing the national welfare.

He identified several areas which were causing concern.

The widening gap between market and productive values of land ; was also contributing to running inflation, he said.
"Ground in the Trans.vaal bushveld border region, for example, had a market value of threè times its productive value," Mr Hayward said.

To close the gap, the Department of Agriculture was looking at rangements and price
schemes, while the government was considering phasing out interest rate terms and possibly other more favourable credit terms.

Certain forms of tenure and part-time farm ing were now recognised as intermediate steps towards new farmers gain ing full-time owner-oc cupant status.

Mr Hayward 'while existing fin said legislationting financial equate to i, Was adnew farmers, they enjoyed a low priority with specialized financial institutions because of lack of funds.
It was proposed to strengthen these funds to encourage part-timers to achieve full owneropccupant status.
"Purposeful", research would be started on the price-cost squeeze and the impact of protective measures on farmers production costs. One result of the price-cost squeeze had been the multiplication of toosmall farming units Consolidation on a national basis, for which funds would be available, would be started Mr Hayward said.

The provision
of
credit would have to be tightened up, he said.
Producers were experiencing ever greater problems servicing their debts which indicated injudicious financing was an important contributing factor, he added.
Dialogue between all agricultural financing institutions should result in a joint strategy, to place the provision of credit on a sounder basis.

An amalgamation of the Land Bank and the Agricultural Board was also being considered.
"Farmers who flagrantly ignore the prin-
ciples of optimal soil utilisation, might no longer qualify for emergency aid," he said.
Inefficient credit facilities made it difficuit to withdraw ineffective farmers from the land Their average age re mained high: only one per cent of farmers was younger than 25 , compared with 21 per cent of the total economically active male population.
$\therefore$ The level of training was low while management orientated information was inadequate.

Mr Hayẁard said there were also too many small, uneconomical farming units. The tendency was for the big enterprises to get bigger and gradually swallow up the smaller producers.

The phenomenon of large farming units was a relatively recent problem and the department would launch an investigation into the possibly adverse effects.

Lack of on-going information and research into the economics and financing of agriculture, could be a blocking process, Mr Hayward said.
"Another obstacle could be the negative effects of monetary factors and policy. These cause constant fluctuation in interest rates, ineffective granting of credit and limited financing for certain types of enterprises. "Inflation and an unfavourable exchange rate also have to be considered," he said.
Mr Hayward said state emergency aid should be applied selectively and should only be granted if an individual could not absorb the effects of a disaster as part of his normal costs, if the entire community was affected, and if the socio-economic infrastructure was seriously threatened.

By JENN Y CULLUM FARMERS in the Gamtoos Valley were chewing over the success of 50 years of co-operative tobacco farming this week.
The 650000 -kilogram crop reaped in the valley one of only two areas in South Africa where chewing tobacco is grown should fetch a record R3 million on the market.
Its success means continued employment for hundreds of workers, including 85 at the specialised tobac co co-op.
The bulk of the tobacco crop is used for cigarettes and pipe tobacco.

Mr Sarel Hayward, Minister of Agriculture and Water Supply, attended the 50th anniversary celebrations at Patensie.
Two employees joined the co-op when it first started. Mr J J Meiring has 50 years' unbroken service and Mr C J Young, has 48
years'.
In those days of the depressed 1930s, tobacco farmers were paid only about a penny or twopence a pound and the small, scattered crop was bought on a casual basis.

Today, depending on the type and quality, tobacco fetches between R2,74 and R4,22 a kilogram and makes a big contribution to the finances and plays an important part in the farm ing system of the valley.

The particular benefit of the tobacco crop is that it fits in well with citrus farming, one of the major crops in the valley, as crops are reaped at different times.

About 70 farmers - double the number of 50 years ago - cultivate tobacco on 650 hectares in the valley.

The main tobacco growng areas are Andrieskraal, Kwagga and De Mist Kraal. Tobacco is a summer crop and planting starts next month
The crop, already in the sheds, is of very good quality, according to the manager of the tobacco department, Mr F J Nel.

He comes from a "tobacco family" in the Kat River - his father was one of nine brothers who were all tobacco farmers.
"The Nels are born with a tobacco plant in their hands," he said.



Agriculture - General

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SEPT. $\qquad$ DEC. militant Afrikaner Weerstandsbeweging (AWB) not to compete with the SADF in the Eastern Transvaal.

The AWB has announced plans to form its own "brandwag" to protect farmers in the Eastern Transvaal from attacks by the ANC.
There has been a series of landmine explosions in the area in recent months and farmers have become increasingly angry.
The AWB says many are pu'tinig tside their' political differences and joining the "brandwag".
Members are being taught how to shoot and react in emergencies. They are being encouraged to maintain radio contact.

General Malan said he and Manpower Minister Mr Piet du Plessis, who is also the MP for Lydenburg, had discussed the matter and were aware of what was going on.
He said the Eastern Transvaal and Far Northern Transvaal commandos were constantly giving attention to how farmers could be helped to protect themselves.

## 

 ple were arrested in Winterveld on Sunday morning when the Bophuthatswana police and Defence Force personnel syrrounded the area and searched houses.Police spokesman Colonel Dave George said they were looking for stolen propertys caps and dangerous weapons.

A portable TY, a BMX bicycle and communist/related literature were confiscated.
Colonel George added that the sweep was carried out "to protect the legtimate, peace-loving citizens of $/$ Winterveld who are being made to suffer because of the actions of the small minority of the people in the area".
He said it was felt it was time the police and army took the ini-, tiative and did something constructive. - Sapa.

## Truckdriver dies in collision in thick mist

A truckdriver was killed when he drove into the back of another truck in thick mist in Leondale, Germiston, at 6.20 am today. Firemen struggled for almost two hours to free his body.

- Wynand Fourie (2), of Glen Marais, Kempton Park, drowned in a swimming pool on Friday. - East Rand Bureau.


## Funeral of pupil shot

 in Soweto is peacefulThe Nghunghunyane High School pupil shot dead by police in Chiawelo, Soweto, last week was buried at the Avalon Cemetery yesterday.

The funeral of Mr Mackson Mbulelo Gaga (22), of Senaoane, was peaceful. Mr Gaga died during an incident at the school last week in which several other. pupils were seriously injured.


# Capg Trint <br> Vast damage in wake of floods 

By JOHN VAN DER

## LINDEN and HILARY

VENABLES
THE floodwaters which devastated vast parts of the Southern Cape at the " weekend began to subside yesterday leaving in their wake millions of rands' worth of damage to crops, roads, bridges and railway lines.

Farmers in some areas said the floods, which began on Friday after days of heavy rain, were the worst they had seen in more than 30 years.

Huge crop losses are expected in the Riversdale-Heidelberg area where low-lying wheat, lucerne and oat fields are covered in water and farmers cannot reach their lands as the gravel roads are impassable.

Mr Bertie Bronn of the farm Schoongelegen, outside Stilbaai, said the soil was.so sodden that his young oat and wheat crops had "just fallen over".
"Now the fungi will take hold and we can't spray the crops because we can't :use machinery in the muddy soil,"'he said.

Some farms have been completely cut off, leaving farmers and their workers stranded.
Swöllen rivers washed away several bridgès in the Riversdale, Heidelberg and"Albertinia areas.

The national road between Riversdále' and Mossel Bay was closed on Friday when the Soetmelk River flooded over a bridge, blocking the road with mud and debris.
A bakkie was washed down the embankment by the torrent which ripped
the steel roadside barriers away on the Albertinia side of the bridge. No one was injured and the road was reopened on Saturday.

## Telephone links

In Rivèrsdale, telephone links were cut when underground cable tunnels were flooded. Late yesterday, Post Office workers were still trying to restore the service.

Friday night's cloudburst also washed away large sections of tarmac in Baan Street in the town.

Low-level bridges outside Riversdale are underwater and many farm roads are still impassable.

Farmers in the area have measured rainfall of up to 350 mm during the past week, compared to 100 mm for the rest of the year.

At Stilbaai the caravan park is underwater and many telephone links are down.
At Riviersonderend, floodwaters rose so fast on Friday night that cattle were trapped on high-lying ground.
Many boathouses are underwater at Hermanus where it has rained continuously for the past eight days.
Reports of heavy rain have also been received from the Overberg.

At George, a landslide on Saturday night closed the Outeniqua pass for some hours before it was cleared.
Trains between Cape Town and Port Elizabeth ran almost 12 hours late after a train was strandedrat a washaway on the line on miday night between 'Reisiesbaan' and Soetmelk River stations. :

The Minister of Defence, General Magnus Malan, has warned the militant Afrikaner Weerstandsbeweging (AWB) not to compete with the SADF in the Eastern Transvaal:

The AWB has announced plans to form its own "brandwag" to protect farmers in the Eastern Transvaal from attacks by the ANC. There has been a series of landmine explosions in the area in recent months and farmers have become increasingly angry

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${ }^{3}$ Members are being taught how to shoot and react in emergencies, They are being encouraged to maintain radio contact.

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He said the Eastern Transyaal and Far Northern Transvaal commandos were constantly giving attention to how farmers could be helped to protect themselves.



SANCTIONS must be accepted as a fact, Constitutional Development and Plat Constitutional
Minister Chris Heunis said last night.
TransHe told the annual congress of the Pretoria vaal Agricultural Union (ta forefront of the farming would be in the forms and their onslaught.

On urbanisation, he said farms primary start- haunting farmers in the Transvaal, He said there was great dissarisfected among farmers in most "Our fear is that agriculture win contribumake an excessive and unjust possibly will dion to services which farmer will have little not share and in which they say."


Northern Transvaal Bureau
MESSINA - Farmers' wives in the Soutpansberg area were every bit as well-trained militarily as their husbands, a senior SADF spokesman said this week at an information session at Vhembe, near the Bo-tswana-Zimbabwe-South African border.

Çolonel J Swanepoel, commanding officer of the Soútpansberg military area, said landmine blasts along the northern border since last November had cured the farm-
ing communities of any complacency they may have had.
"İt is especially encouraging to see the care and competency with which the women handle their firearms. They are well-prepared for any fu-
ture terrorist incursions." ture terrorist incursions."

## MINE VEHICLES

The Chief of Staff of Far North Command, Brigadier M Fourie, said most farm homesteads in the Weipe area, west of Messina, a target area for landmines, had now been fortified with electrified security fencing.
He said 48 border farmers had shown interest in buying mine-resistant farm vehicles, for which they would receive 80 percent subsidies, in terms of a Government package announced two months ago.
Brigadier Fourie also gave more details of an SADF'plan to train farm workers in the use of firearms and in other security exercises.
"Carefully : selected workers, nominated by farmers, will eventually be issued with firearms when, they go on patrols and other risky errands," he säid. ${ }^{2}$
The weapons, would be returned to the farmer every dăy.

Brigadier Fourie said the plan had been enthusiastically received by border farmers, and more than 300 workers were being trained.

Radio communications were so efficient in the border area that a count-er-insurgency unit could be mobilised within a few minutes in case of an emergency:

## LONG DROUGHTS

Co-operation between the SADF organised agriculture, nature conservation authorities and the governments of black homelands was excellent, he said.

But he pointed out that prolonged droughts and poor farming prospects made the task of populating the border area extremely difficult.


Agriculture's tale of woe - drought, debt and spiralling production costs - is mirrored by the $\mathrm{R} 375 \mathrm{~m}-\mathrm{R} 400 \mathrm{~m}$ a year agrochemical industry where volume sales have slumped some $20 \%$ in the last two years.
And if the weak rand had not been pushing up nominal sales values, turnover figures would have reflected a similar drop.

## Less cash

Farmers are often caught in a Catch 22 situation. Explains Bayer Group director responsible for the agrochemical division, Werner Lenssen: "With less cash or credit
available after the drought, they cannot af ford to buy sufficient weed and insect killer. Accordingly, their crops suffer and there's even less cash for future purchases."

Lenssen says maize is the main problem area, but sales to the cattle industry are also declining. The sheep sector remains "reason ably good."

Herbicides, fungicides, insecticides and other crop chemicals make up about $80 \%$ of total industry sales, while the livestock industry provides the balance of agrochemical sales. However, stock numbers are also steadily declining and veterinary sales are falling in sympathy.
"The reduction of the national herd by some 2 m head means we have a smaller veterinary market and the drought reduced
tick infestations, cutting sales even further," says Jerry Maritz, executive director of the Agricultural and Veterinary Chemicals Association.

## Some light

But, fortunately for the industry, there are still some areas with "normal" sales patterns. One of them is the western Cape where deciduous fruit, citrus and cotton producers provide some light in the gloom for fungicide and insecticide sales.

However, as farmers have drastically cut pest control measures, the industry has been left with unsold stock that can already meet next season's expected demand. Inevitably, high interest rates are also biting, says Maritz.

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area is extraordinary and might not occur acain within the next 200 to 300 years．
This was said by Mr C Triebel of the Dopart ment of Water Affairs when he addressed a sym－ posium on water management in South Africa held under the auspices of the Engineers Associa－ tion of South Africa in a Sandton hotel．
An important question was whether the Depart－ ment of Water Affairs should have foreseen and provided for the drought，Mr Triebel said．
The answer is that the Department of Water Affairs has only recently been able to evaluate ＂stochastic analysis methods＂allowing it to pre－
droughts＂and the probability of its occurrence．
There are sufficient conventional water re－ sources available in Southern Africa to last for three＇of four more decades，but several factors such as the uneven rainfall，erratic runoff，com－ peting interests of different sectors of the econ－ omy and of other countries in the region make the supply of water a complex problem，he said．
Another speaker，Dr LR J ván Vuuren，direc－ tor of the Water Research Institute of South Afri－ ca，said contrary to popular belief，recycling will not provide abundant supplies of water．Re－ use merely gives more＂miles to the gallon＂．

[^8]
## Vaal system dams head for record lows <br> table from one season to an-

The first spring rains did little to improve the low dam levels in the PWV area - and with at least 200 mm needed in all catchment areas to have an mmpact on the drought, there seems little hope of altering this situaion.

The total water storage in dams of the Vaal river system now stands at 19,7 percent. This is 3,8 percent lower than last year and 12,63 percent lower than in 1984. In 1983 the total storage was 23 percent.

According to Mr Dale Hobbs, of the Rand Water Board, at least 200 mm of rain over an extended period would have to fall in all good catchment areas to have an impact on the drought.

## BOREHOLES

But lack of rain is not the only reason for the water shortage. Subterranean water is drying up as more and more people sink boreholes.
"Water is being taken out of the ground but not replaced. This will obviously affect our shortage," he said.
Mr C Triebel, chief engineer (planning) of the Department of Water Affairs, said the current water situation was very seripus.
"The dam levels in the PWV area are very low. We have had drought for eight years due to

abnormally low rainfall," he the Bloemhof at 4,8 percent and said.

But there is no need to panic, Mr Triebel said.
"If we do not get good rains, we can last for the next year on what we have," he said.

Dam levels are monitored constantly and should the Vaal fall too low, water will be brought in from other dams.

Recently an additional water supply was pumped into the Vaal from the Tugela river scheme.
On Thursday the level of the
Vaal Dam stood at 16,42 percent,
the Sterkfontein at 21 percent,
ed in a drop in the subterrancan water level. With drought, the replenishment of the water
the Woodstock at 80 percent.
These dams make up the Vaal river system (see accompanying graph for comparative levels).
Mr Giel van Zyl, manager (administration), of the National Maize Producers Organisation (Nampo), said many maize farmers were sinking boreholes and installing irrigation schemes rather than relying on rainfall.

But this unfortunately result-
other had become critical.

Maize has a relatively low water requirement until the flowering season - December/ January - when it needs a lot. If there is no water, the maize won't flower and pollination cannot occur.

Farmers who usually farm three crops per season are now being limited to one because of restrictions in their water quotas.

## Poll used more than reported

A Sap report in The Star last week stated the latest Research Surveys Omnickek poll was conducted with 309 white men and women.

The poll was in fact conducted with 1309 people, made up of 809 women and 500 men.

## NEWS CLAMPDOWN

According to the poll, the clampdown on unrest news and the Government acting as sole source of information "met with the approval" of 45 percent of urban whites compared with 37 percent who said this "caused them concern" and 18 percent who said they didn't know.

The Government is considering a giant plan which aims to more than double the water supplies of the entire Vaal River system by piping Zambezi water 800 km down south through a network of canals, pipes and pumping stations.

The existence of the project was confirmed today by Mr Claus Triebel, chief engineer (planning) of the Department of Water Affairs, who said it was one of his department's long-term plans.

The Zambezi would be tapped at its confluence with the Chobe River in northern Botswana, near Katima Mulilo and the Victoria Falls, from where water would flow down to southern Botswana and the Rand, and be lifted by pumping stations across escarpments.

The plan would produce 2400 million cum of water a year, 133 percent more than the current annual extraction of some 1600 million cu $m$ from the greater Vaal River system which stretches from Standerton to its confluence with the Orange River.

This makes the "Zambezi Plan" the country's largest potential water project. It is designed to


The projected canal scheme which would bring Zambezi water through Botswana to a reservoir near the West Rand.
exceed the Lesotho Highlands Scheme supply by 200 million cu m a year.
Details of the plan have been discussed by its designer, Professor Guenter Borchert, a specialist Africa geographer of Hamburg University, with planning officials of the Water Affairs Department. They agree that at a current cost of about R9 000 million the projected Zambezi water would be too costly for irrigation purposes and should, therefore, be used exclusively for dom estic consumption and industry.

## Official agreement

"In broad terms we agree with Professor Borchert's proposals. The water that would be made available will be equal to the present consumption in the entire Pretoria-Witwatersrand-Vereeniging area," Mr Triebel said.
"But it will also require an official agreement between all the governments of Southern Africa, including Angola, Zambia, Botswana, Zimbabwe and Mozambique."

Four of these governments are already cooperating on the Limpopo Basin Technical Committee with the South African Department of Water Affairs.

## ${ }^{6}$ Farmers must work together ${ }^{3}$ Buthelezi <br> The Argus Correspondent <br> In Natal, farmers faced a serious problem. Boy-

DURBAN. - Chief Mangosuthu Buthelezi has made a strong plea to the country's white farmers to form partnerships with black farmers in order to help boost production and beat the effects of sanctions.

Addressing the Natal Agricultural Union's 96th congress in Durban, the Kwazulu Chief Minister said it was certain sanctions would lead to unemployment, unrest and increased dissatisfaction with the free enterprise system.
"There is a job that white farmers can do which nobody else can... white farmers must meet with black farmers.
"They must sit down together and become partness in the development of free enterprise in agriculture."

White farmers could not relegate the problem of the development of black agriculture to the Government.

Chief Buthelezi cited the example of assistance given over the years by Free State farmers to those in Lesotho, saying the farmers had provided expertise, equipment and "a farmer's sympathy with farmers".
cotting of coal in overseas markets was going to cause the cancellation of coal contracts, resulting in the return of thousands of black miners to their rural homes.
Every effort should be made to employ these people in agriculture.
"There is an integrated economic network of forces which could be mobilised to produce the kind of partnership between black and white which is now desperately necessary if we are going to face up to the challenges of sanctions and the upward spiralling of violence.

## Sebe against sanctions

PRETORIA. - The imposition of punitive santions against South Africa will drastically reduce employment opprtunities and by so doing drive many thousands of people in the country to poverty, says Dr Lennox Sebe, President of Ciskei.
Speaking at the official opening of the Ciskei embassy in Pretoria, Dr Sebe said the Ciskei "cannot be seen to support an operation which will hurt the very same people it is designed to assist."

## AGRICULTURE SGEN Focus on ${ }^{\text {FMr }}$ droght

With drought still too fresh for comfort in most farmers' memories, some 500 South Africans have already booked to visit one of the world's major agricultural exhibitions; Agritech '86, in Tel Aviv later this month.

Israel is the acknowledged world leader in dry-land crop production and computerised drip-irrigation methods. The South Africans will thus be exposed to some of the most technologically advanced and innovative agricultural products available today.

The exhibition, jointly organised by the Israel Export Institute, the Agriculture Ministry and the Research and Development Centre, will also provide lectures on protection against diseases to which African crops are prone. The latest innovations in agrochemicals, fertilisers, computerisation, agroplastics, machinery, seeds, veterinary pro-
ducts and livestock equipment will be exhibited.

Meanwhile, innovative Israeli scientists are experimenting with the improved use and beneficiation of wild roots, tubers, nuts and fruit with high protein potential which grow wild in many parts of the world, including Africa.

SA's marula tree is one variety being researched for commercial potential, along with other indigenous species. Scientists are also looking for plants with medicinal properties and for new spices.

So far, the Israelis have produced marula fruit in three flavours, all vitamin-rich. "One tree can produce as many as 100000 berries in one season," says an Agritech nutrologist.

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## Move to US arms $\because$

WASHINGTON - United States lawmakers are to vote this week' on a bid to halt a covert arms supply to the Angolan rebel movement Unita. : The House of Repre- Stinger missiles. Ending the covert aid would revert US policy to a situation governed by the Clark Amendment until less than a year ago when all support to Angola had to be approved by ives is expected to Congress. and the move which. The Clark Amendment debate the movely end was repealed by Conwould effectively en gress late last year. The American aid to Unita. The aid, although offi- secret as later

## cially covert, was report-

 edy here to involve arms after Unita's Di : $\$ 15$ million (about: Jons Savimbi was rreR34 milion) worth of son: ceived in Washington in phisticated arms and ame Jomuary.munition, including some yanuary.
$-1$


Tncorporation protest
 up a petition to government rejecting their planned

Last week 671 residents, under Chief Johannes Sement of Constitutional Development to the DepartThe move was taken by the Brakiaagte community after the Borders of Particular States Extension Amendment Bill was passed in Parliament. The Bill into Bophuthatswana.

Several thousand residents at Machakaneng in the
 move.
Chris Heunis"
empire to
be cut back
even "Poo Bah".
He has also been ac-
cused by opposition
members of having so
much to do that he has
neglected his prime job
of negotiating a new
constitution to the ex-
tent that the reform pro-
gramme is now off the
tracks.

Own Correspondent



be cut back.
He said yesterday the
department's officials will be cut back to about
400 from the present



 epithets such as "The






## [9 Parigigna Thostra

 (725-5620) 1AST 2 WEEKS SUIDAY AT 6 pmTAUBIE KUSHLICK presents JUDY PAGE \& KIM KALLIE in
 Mariet Thasipo (832-1841) ※mON TO FRI 8pm: SAT 6 \& S



By JILíL JOUBERT
MORE and more farmers are kicking against the burden of running schools on their properties for their labourers' children and those of neighbours.
They claim the subsidies available from the Department of Education and Training (DET) are inadequate.
Educational aids supplied to urban schools are not given to farm schools, and, when they are, often require electricity which is unavailable.
Teachers are often unwilling to accept rural posts which can be lonely and offer little recreation or social life.
They also claim recreational facilities for pupils are often non-existent.
Farmers recently called for DET to assume full responsibility for educating farm children.
Mrs F M Beckley, of the Algoa Farmers' Union, said the agricultural industry was tied to a happy and productive labour force.
"Our labourers have àccess to radio and television. They know what is going on. They also know what educational facilities are avail-
able to children in towns, facilities their children cannot share."
Mrs Beckley said DET had recently announced a 10-year programme for improving education.
The upgrading of education for farm children should be included.
Agriculture should aim at education geared to keeping children on the land.
"Once they go to the cities they are lost to agriculture," she said.
The assumption that farm labourers need "not be so bright" was a myth.
"Our workers handle sophisticated machinery and must be educated to assume managerial roles."
She said there were 701 farm schools in the Eastern Cape with 1266 teachers for about 56624 pupils, representing a pupil-teacher ratio of 40 to 1 .
Today $11 \%$ of school buildings were deemed in good order, $34 \%$ adequate, $22 \%$ needing attention and $32 \%$ "in;very poor condition".
"In the urban milieu they would be condemned," Mrs Beckley said.
None went beyond primary level.

DETT provided aid by paying the teachers' salaries.
Farmers were paid R30 a year to act as school "managers". Classrooms, which had to be built to DET specifications, were subsidised by $50 \%$ to a maximum of R6 000 .
This worked out at about R200 a square metre so farmers were always out of pocket.
Farmers also had to house the teachers for which they got no assistance.
Mrs Beckley said DET al ways argued they could not build schools on private property - farms.
"This could easily be solved.
"Farmers could guarantee land for a specified period. DET could put up one or other of the excellent prefabricated buildings now being marketed. These could then be dismantled and moved should circumstances change."
Mrs Béckley said she would like to see:organised agriculture represented on DET's policy-making bodies when it came to farm schools.
Mr Diek Merifield, of the Lower:Albany and Bathurst Border - Farmers' Association, supported the idea of State schools for farm childien:
"The State expropriates land for roads' Why not schools? "
Mr Paul Haworth, of Alexàndria; 'spoke against farm schools.
"It's just inot practical to have thisenormous duplication. If every farmer has one school: and suitable recreational grounds he must sacrifice at least two hectares."

He said the obvious thing was for DET to build State schools, primary and secondary, at identifiable central points.

## "Animals inherited"

"Many animals are inherited and many families also consider Leliefontein their land on which they have grazing rights.
"Such claims are to be submitted to the hearings and have to be carefully analysed," he said.
The investigation committee, announced by Mr David Curry in the House of Representatives on August 6, will start its hearings in Leliefontein on September 26. +3

Others will be in Paulshoek on October 1, Rooifontein on:October 3, Kharkams on October 7 . Nourivier on October 13, Tweerivier on October 15, Keis on October 17, Klipfontein on October 21 and Spoegrivier on October 23.

547
TUESDAY, 11 AUGUST 1987 548
(4) whether he will make a statement on (4) whether he will consider appointing a representative of the agricultural sector to this body?

The DEPUTY MINISTER OF ECONOMC Alant): G Alant):
(1) Yes. Quantitative import restrictions道 ploughs, harrows, cultivators, seed and fertiliser distributors and har-
vestung and threshing machines. Import permits are issued to cover the full reasonable requirements of im-
porters. In the case of agricultural porters. In the case of agricultural
chemicals, the position is that fertilis-
 .
 and rat poisons is only monitored and partment of Agricultural Economics and Marketing which is responsible for the administration of the Fertilisers. Farm Feeds, Agricultural Rem(Act 36 of 1947) in terms of which the products referred to have to be registered before they may be mar-
keed locally. keted locally.


 With regard to agricultural chemicals,
import duties have been revised in 12 import duties have been revised in 12
cases since 1 January 1982 . Comprehensive investigations are conducted at present into the possible revision
of customs tariff protection on agri-
为 (4) whether he will make a statement on
the matter?
$\dagger$ The MINISTER OF AGRICULTURE: (1) Yes.

## (a) R2067574

b) Creamline Dairies (Pty) Ltd.
(2) Yes. J. J. Du Plessis (Chairman); T. Y. Reynecke; C. J. Bester: R. R. R.
C.
C.lanan; P. W. Dempsey; C. . de Callanan; P. W. Dempsey; C. P. de
Wit: D. Osborne; P. J. Posthumus; F. D. P. Reyneke; R. B. S. Tucker; A. C. Vlok.
(a) Since the debtor was placed under provisional liquidation, a 311 of the Companies Act. 1973 (Act 61 of 1973 ), was agreed to.
20 September 1985. (b) 20 September 1985
(c) The Dairy Board and the other
(c) The Dairy Board and the oher
credtors.
(4) No.
(c) The Dairy Board and the oher
credtors.
(4) No. Agricultural machinery/chemicals
 the Minister of Economic Affairs and Tech-
nology:;
 iffs in respect of agricultural machine-
ry and chemicals are reviewed from time to time; if not, why not; if so, on how many occasions have such taniffs (2) whether the rand/dollar exchange rate is taken into account in the ad(a) to what extent and (b) what other factors are taken into account in this regard;
 tariffs includes a representative of the is this person and (ii) by whom was he nominated and (b) what (i) are the


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up against the benefits which the
country will derive from such
protection.
(3) No.
(a) (i) and (ii) Fall away.
(b) (i) and (ii) The body which ad-
whether the pension money of such
members may be used to make good
dammage suffered as a ressult of theff;
if not, why not if os, (a) in what cir-
cumstances and (b) in terms of what statutory provisions;
what is the policy of the Defence Force in respect of members who are
convicted of offences?

DEPUTY MINISTER OF DE-
(1) Each case is considered on merit. The nature and seriousness of the offence and the sentence is taken into account to determine whether the
member should be dismissed or not. $\stackrel{\dot{\circ}}{\sim}$ ๔
(a) Losses sustained by the State ity or benefit payable to a memв u! pury uo!suəd әчı jo raq पэns siuamirssuy ui uo mins durn
 sion Fund.
(b) Section (2) (3) (c)-General
(3) Eansion Act, (Act 29 of 1979).

Each case is considered on merit to
determine whether other additional administrative steps should be taken against the member. In addition to
possible dismissal a member's promotion may be held back with the proviso that a member may not be penal-
 Ratwayssharbours/airports: policing

(1) Whether the South African Police is responsible for the policing of (a) the
railways, (b) the harbours, (c) the airports and (d) other specified branches and properties of the South
African Transport Sevices; if not, (i) why not and (ii) what action is contemplated in this regard; if so, (aa) as from what date, (bb) what was the



The price of of white bread will rise from 70c to 76 c a loaf and that of brown bread from 50 c to 56 c .
Some supermarkets in Port Elizabeth will subsidise the increase in the price of white and brown bread from next month.
The regional manager of Pick 'n Pay hypermarkets in the Eastern Cape, Mr Terry Carroll, said the price increase would definitely be subsidised.
"We will make a decision later today on exactly what level," he said.

Checkers' regional manager for the Eastern Cape, Mr John De Klerk, said that bread would be
) sold at the old price until further notice.

The secretary of the School Feeding Fund in Port Elizabeth, Mrs Valerie Hunt, said the price rise was a knock for the poor.
"It is going to cost us R1 000 extra per month to carry on our work," she said.
"Bakeries are not al-- lowed to give any discount on bread so we will
be getting our bread at the set selling price."
The Housewife's League in Port Elizabeth slammed the increased prices.
"We are extremely disappointed that the Government has seen fit to push up the price when there is a glut of wheat on the world market," said a spokesman for the league, Mrs Berna Maarten.

The Consumer Council director, Mr Jan Cronje, said: "It is the consumer who buys bread as a staple food who will bear the extra expense."
"Subsidising is not the indicated method to help the needy, since it does not benefit only the needy but also the affluent consumer who does not need it.
"The subsidy of R193 million the Government the Wheat Board and the baking and milling industry has voted to keep the bread price as low as possible, is nevertheless appreciated."
A spokesman for Operation Hunger said the price increase was a big blow and would increase the need for
assistance to the hungry.
A statement released today by the DirectorGeneral of the Department of Agricultural Economics and Marketing, Dr D W Immelman, said: "The Government has decided on this price increase in view of the increase in the price of wheat.
"There have also been rises in the costs of the milling and baking industry."

He said the last bread price increase was a year ago.
"It remains the constant aim of the Government and the wheat industry, in the interests of the consumer as well as the wheat producer, to keep the price of bread as low as possible," he said.
"All possible measures have been taken to limit the increase in the bread price to the minimum."

He said this year's bread subsidy of R193 million was insufficient to stave off a price increase. Last year's total subsidy, financed mainly by the Government and the Wheat Board, was R210 million.


BUSHMAN'S RIVER - The importance of agriculture must not be overlooked in the development of Region D, the president of the East Cape Agricultural Union and member of the Regional Development Advisory Committee (RDAC), Mr Tobie Meyer, said at the opening of the annual South Eastern Areas Development congress last night.

He said agriculture was the backbone of a dynamic rural economy. Region D was no exception. Its gross domestic product in 1984 totalled 896 million, the major commodities being milk, pineapples, wool, mohair, beef, mutton and chicory.

Agriculture employed a permanent workforce of nearly 10000 .

Mr Meyer said there was room for improvement in manpower and financial management but farmers were accepting their responsibilities to improve the quality of life of their labourers.

He said incentives for industrial decentralization would enhance regional development, while developing people and natural resources would create a climate for progress. Population growth should be curbed.

Education was hampered by insufficient facilities. "Blacks often have to travel long distances if they want to attend high school. This is why trained scholars are not returning to the platteland."

The positive aspercts of the area included its sound marketing structure, potential for tourism, educational institutions, and infrastructure.

The RDAC had sought the advice of a management training consultant to formulate a strategy for the development of Region D. It was hoped the outcome would be a co-ordinated strategy embracing industrialisation, agriculture, tourism, marketing and urbanisation.




By BARBARA ORPEN PORT ELIZABETH could get a fresh fish market in the near future.
Mr George Engelbrecht, regional manager for South African Transport Serives in the Cape Midlands, confirmed today that the Burgraaff Commission was looking into the viability of a fish market in the city as part of its investigations into development of the harbour for recreational and tourist facilities.
The commission, which visited the city in July, was briefed to establish to what extent sections of the harbour could be used for this purpose, but no decision concerning the fish market would be made until the commission made its final recommendations, according to

Mr Engelbrecht.
Approached for comment, city councillor Mr Graham Richards said the establishment of a fish market in the city would be "fantastic" and added he would support the idea should it come to fruition
"I am a firm believer in the free market system and private enterprise should be encouraged to develop the idea of a fish market," he said.
Mr Richards suggested that any development in the PE harbour should be based on the popular complex at the Hout Bay.
"A porular seafood restaurant has opened adjacent to the market and it is extremely successful," he said.
The Town Clerk, Mr P K Botha, said there had been no recent requests to
the City Council for a fish market.
"The last one came from the Afrikaanse Sakekamer early in 1981 However, -nothing further was heard from the people who had made the request after various reports had been compiled," he said.

Mr Johan Stander, who owns two chokka fishing boats, said although many people felt the fisherman's wharf at Dom Pedro jetty was adequate as a selling point for fresh fish, the jetty was "a disgrace nobody cared for".
He said the jetty was "not a pleasant place to be".
A properly run fish market in the English mould, would be an asset to the city, Mr Stander said.


## AGRICULTURE (3) 9 CN <br> Festering debt

The problems of agriculture have been highlighted by Assocom. Following the 1983 Kleu Report and Pretoria's 1984 White Paper on agriculture, an Assocom memo to the State President's Economic Council, on the restructuring of agriculture, computes farm debt at the end of 1984 at R 9,5 billion, against a R10,5 billion gross value of farm production for 1984-1985
This implies that the average farmer's indebtedness in 1984 was about R150 000. Later figures suggest farm indebtedness now totals as much as R11,2 billion.
The main creditors are commercial banks (R3 billion in 1984) and agricultural co-ops (R2,2 billion, up from R113m in 1970). Coops are exposed wholly to farm activities, but R1,1 billion of debt in summer rainfall areas has been rescheduled.
Despite rising debt, farm land prices increased by $84 \%$ in the five years to 19841985, against a $66 \%$ CPI hike. Assocom explains this anomaly by reference to interrelated government farm support policies, and relatively easy access to further credit.

Farmers who have owned land for, say, 25 years, are able to burrow. This may have contributed to high land prices. So have farm support policies created a privileged group of landowners who benefit from large increases in the value of land?

Farm support policies continually undergo change, but at any time there are enough to distort markets. Some of the more common: increasing demand (bread subsidies); restricting imports (single-channel marketing); reducing input costs (subsidising inputs; tax concessions); land consolidation; maintaining a rural population; maintaining a strategic presence in border areas.
The problem is that general price support tends to increase the disparity of farm income distribution. Price support is paid per unit of output, so the largest output is given the most support in absolute terms. Budding entrepreneurial farmers on smaller farms may be wiped out by a single drought.
The importance of the agricultural sector cannot be overstressed. Excluding the TBVC states, some $1,2 \mathrm{~m}$ people work in agriculture, $14 \%$ of the $8,7 \mathrm{~m}$ workforce. And $47 \%$ of SA's population is found in rural areas, emphasising agriculture's vital socio-economic role.
"Raw" agriculture contributes $7 \%$ of GDP. SA is self-sufficient in food production, a strong counter to the developing sanctions threat.

FINANCIAL MAIL OCTOBER 101986

## Outside farmers bring coastal boom

## By MICHEL DESMIDT

T'S taken outside expertise and capital to bring the fertile Tsitsikamma coastal zone to its full agricultural potential.
About $40 \%$ of the present farming community moved into the area over the past six years, says the chaimhite head, and a full $90 \%$ are outsiders.
He is a case in point, having abandoned sheep farmng in the Northern Cape for the higher financial returns waiting to be reaped from the.loamy sois.om the Tsitsikama - a coastal zone strect of Humand the Bloukráns river tó 20 kilometres west of Humansdorp.
"There are still farmers coming in now and most, newcomers have had to develop the land from scratch." The farmers' biggest concern is finding markets for the faroduce - which cover about $90 \%$ of the South their presticural spectrum, says Mr Whitehead.
African agreuldrion of certain sub-tropical fruit, culWith the exceptom forns for export through to mainstays such as dairy, maize and vegetable farming.
Since the end of the drought last August, farmers since the end of the drought lask Aus and are inveshave focused on extendial at a time'when most foreign tigating export potential at are clamburing for ecogovernments opposed to nomic sanctions. Potential markets Far East.
eetherlands, West Germany an by sanctions, says Mr Whitehead', since if the quality and price are right, exports will get through regardless.
"Exporting is the answer to our problems.'. Although things are still in the planning stage, we are studying the possibility of establishing a vegetable-processing plant or, alternatively, exporting fresh produce."
Mr Whitehead said an alternative would be to negotithe use of apple cold storage facilities out of season.
Locally, more than 30000 litres of surplus milk is Locall, more than 30000 hitres of supplying Port rizabeth and a major-depot in Kareedouw.
Most produce is sent to Port Elizabeth, although an Most produce is sent to port cizabeth, a 10 R 46 a ton incease the Maize Boars inde "controll'ed" area - chas led farmers to look for alternative markets.


An injection of money and expertise bythe new breed of farmer to the Tsitsikama region is boosting agricultural potential to the point of over-production. The chairman of the Witels Farmers' Association, Mr EDDIE.WHITEHEAD, exaing in the Northern Dape.
the six years since he abandoned sheep farming in the Northern cape.

## Commission investigates use of Lelifontem land

By CLARE HARPER
A COMMISSION of inquiry is underway in the coloured group area of Leliefontein, Namaqualand, to investigate the use of commonage land.
The inquiry, which has been sitting since September 26, follows representations by hundreds of residents to the Minister of Local Government, Housing and Agriculture, Mr David Curry, over the division of the land into 46 farms.

In 1984 individuals were allowed to - apply for the farms but had to have at least 250 stock or R3 000 in assets and pay a minimum rent of R200 a year.
Since 30 of the 47 farms have been leased out residents are now left with only a small commonage on which to graze their animals.
Dr Lita Webley, of UCT's archaeology department, who testified before the commission, said that the farm Leliefontein in the Kamiesberg was
bought by a Kaptein Wildskut for his people to settle on in the mid-18th century.
"Their descendants have used this land communally since at least 1772 . In 1854 Lord Cathcart granted Leliefontein a ticket of occupation, the land then officially belonged to the inhabitants and was declared inalienable.

Mr E Carstens, secretary of the commission, said yesterday that the commission was investigating disatisfaction over the leasing of farms.

Chairman of the committee is Dr D A Khotze, assisted by Mr L McKenzie and Mr L le Grange.
Mr Carstens said he did not know when the findings would be made known.
Today the committee will sit at the school building at Kheis. On Monday evidence will be heard in the clinic at Klipfontein and on Thursday in the school building at Spoeg River. drought and profits crunch is sanctions. It seems, however, that farmers need not be too depressed about the US inclusion of food and farm products in its sanctions lineup.

The value of these exports in 1985 were relatively small at $\$ 65,5 \mathrm{~m}$, while major farming sectors export little, or nothing, to the US, which is, of course, the world's largest food-producing country.

But, say agricultural spokesmen, the biggest danger is that the US move sets a precedent for other countries.
"The US is not our most vital export target, although some sectors will lose important markets. The danger is that the lead-

FINANCIAL MAIL OCTOBER 171986



Pictures: FRANZ KRUGER Goqwana residents help to right a truck overturned by the strong winds.

## Six minutes, of death, devéwastation

The Argus Correspondent
EAST LONDON. - It took just six terrifying minutes for a freak tornado to rampage through two Transkel villages, killing a teenage boy, injuring dozens of people, uprooting trees and flattening homes.

Mamieli Makasi, 14, died when a house collapsed on him, and three people are still in hospital after the disaster in Hlangani and Goqwana villages in the Tsolo district of Transkei.

This week residents of the two villages spoke of the disaster which struck on Sunday, October 5 the same day an earth tremor rocked South Africa's eastern seaboard.
Mr Hansford Ntobongwana, a shopkeeper in Hlangani, was on his way home when the tornado struck: "It was about 3.30 in the afternoon. We were driving back from another village when we saw a dark cloud approaching from the west
"It was rolling in the atmosphere, and was surrounded by a lot of mist

## FEARED FOR LIVES

"All of a sudden, there was a big whirlwind. It was blowing in all directions, shaking everything in its path. We rushed to get home, but it overtook us in a forest
"We were feared for our lives. The wind blew from the front, and then immediately from the back, so strong that the car was pushed forward back. So strong that the car was pushed forward
although it was in gear and the handbreak was on. although it was in gear
It lasted only minutes."
This week, when I went to the isolated area, the tornado's path could be clearly traced

A swathe of devastation a few hundred metres wide and eight kilometres long had been cut through the two villages A community school conSisting of five buildings had been reduced to rubble. Four of the buildings had been completely flattened, only the walls of the last one remained.
Two churches and about 30 homes had also been similarly destroyed. Large trees had been uprooted and flung to one side. Sheets of corrugated iron had been snatched up from roofs, and scattered across the valley. Some hung high up in trees,
where they had been twisted around branches by the wind
The thatched roofs of other homes on the periph: ery of the storm had been ruffled like a child's hair.
Young Mlamleli Makasi had gone into a hut to close the windows when the building collapsed on him His aunt, Mrs Dorcas Gulwa, said: "There was nobody there to help him and so he died"
A young man, Mncedisi Yokwe, tried to carry two young children inside a house. "Before I could get to the house the wind took me. I could not keep hold of the children.
"I was knocked down just outside the gate, and rolled down the road."
Mr Ntobongwana tells of a prefabricated building that was scooped up and flung across the yard. A bed from inside was found several kilometres away.
He pointed to a shed in his own yard, lifted up and dashed against the ground some distance away
Mrs Matilda Temba, 70, said: "I was sitting on' my bed when suddenly there was a crash and I saw the walls falling on me. I grabbed the two children that were there with me and ran out of the house"
Most injuries were caused by collapsing walls and flying sheets of corrugated iron.

## HEAD INJURIES

According to Dr K S Gaire, superintendant of St Lucy's Hospital at nearby St Cuthbert's Mission, 35 patients were brought in.
Most were treated and discharged. "Six or seven were admitted overnight, and three are still in hos pital," Dr Gaire saıd.
The most seriously injured was a six-year-old boy head injuries. The others were a young woman with a fractured ankle and a boy of about 10 who had a fractured elbow.
"This has not happened before in the history of the place," said Mr Ntobongwana. "It is something we have never seen before.'


A house in the village of Hlangani destroyed'by the tornado.


 help finance agriculture was concluded yesterday between the Development Bank of Southern Africa and the Agricultural Bank of Bophuthatswana (Agribank).

The agreement takes the form of a back-up guarantee by the Development Bank to a guarantee provided by the Bophuthatswana Government and will permit Agribank to obtain loans up to R30 million from commercial banks in South Africa and Bophuthatswana on the strength of the guarantees.

Agribank needs the funds to finance direct crop production inputs by farmers and co-operatives in Bophuthatswana. They represent a major contribution to the financial requirements

LONG-TERM LOANS
In the five years since Agribank's inception, it has provided credit exceeding R100 million to more than 2000 individual farmers, 30 primary and secondary co-operatives and various other agricultural bodies.
The credit is in the form of longterm loans for purchases of land and for improvements such as buildings, fences and dams, medium-term loans to buy farm implements or to improve the quality of livestock and seasonal advances to finance crop inputs such as seed, fertiliser, wages for farm labourers, fuel and other production expenses. - Sapa.
14. Classical liberal capitalism:

1. is also known as laissez faire capitalism
2. seas a limited role for government
3. was a world-wide institution at the beginning of the century
4. all of the above
5. none of the above
6. State capitalism:
7. is the same as a command economy
8. means extensive nationalisation
9. means individual agents can win control over the resources without
recourse to the market
10. is brought about by pressure groups
11. none of the above
12. One of the weaknesses of a system of capitalism is:
13. it responds slowly to change as a result of the wide distribution of
monoply power
14. it lacks incentives to innovate because of monopoly power
15. that social costs are computed by private firms in their decision
making process
16. it can lead to a highly skewed distribution of income
17. all of the above
18. Gosplan is:
19. the same as Gosbank
20. Marx's ideal communist state
21. one of the repulics of the ussk
22. a statistical service from which plans are derived
23. none of the above
24. One of the drawbacks of Soviet style planning is:
25. it can lead to technical inefficiency
26. it can lead to static inefficiency
27. managers are inclined to hold stocks and hide productive capacity
28. black markets will develop in the face of growing shortages
29. all of the above
30. Market socialism:
31. refers to a Yugoslavian type of system
32. aims at planning to set prices not output
33. refers to Soviet purchases from the "free world"
34. is unlikely to be successful as it is only theory
35. none of the above
36. Historically, Soviet economic planning has stressed:
37. Consumer welfare as refflected in durable goods production
38. the full development of an efficient agricultural sector
39. rapid industrial growth and military strength
40. rapid expansion of trade with the Far East
41. none of the above
 gencrations have grazed their stock on state-owned common ground, face
mass unemployment and possible mass unemployment and possible starvation due to a House of Representatives scheme to subdiv the land into 47 individual farms
Approximately 700 peasants, descendants of the Nama-speaking Khoi who have used the land communally for hundreds of years, are likely to be forced off the land. According to a Department of Local Government, Housing and Agriculture representative, not more than 150 people can be accommodated on the new farms which will be between 1800 and 6000 hectares in size.
J Smuts, the department's agneultural officer, satd the had "no idea what would happen to the others". He is adamant no families would be forced to move, but it is unlikely many of the peasants, who barely subsist on the produce of the and, could afford the R300 rent for a plot.
According to evidence before month to investigate their grievances, the scheme is in contravention of a 1979 law governing the administration of coloured agricultural land
Advocate B Burger, representing the community, explained that an investigation is mandatory before common land is sub-divided. "Bu they have put the cart before the horse. The minister should have ordered that a survey be carried out first, and then he could divide the land.
"The community is saying it is wrong their land should be cut up like this. The land belongs to them, it was given to them by the church and through the ages they have had the right to sow, graze and erect dwellings on it."
The Department of Local Housing first proposed sub-dividing the area into "economic farming units" two years ago, arguing the land was being severely depleted by the communal semi-nomadic grazing arrangement. That reasoning has been rejected by the community.
University of Cape Town University of Cape iown evidence before the commission wamed that because families have been denied access to their winter grazing lands the common area left for them to graze their stock has been seriously depleted.
"Most families used to move
, seasonally with their stock to winter , stockposts. These movements have almost ceased and this has resulted in almost total denudation of the commonage arpund the village," she said.
"The conventional wisdom is that
the communal land tenure system was responsibie for the present overfi grazing in the reserves. The historical information suggests quite the opposite. Since rainfall is very b'sporadic and extensive droughts are common in Namaqualand, seasonal movements are a vital aspect of the ' effective utilisation of the land.'

Webley added: "The economic
$\left.3{ }^{3}\right\}$



Leliestontein resident Tant Sannle sits outside her reed home ... 'as ek die plaas vat Platuro: DAVE HAA
farming unit has resulted in the wealthier inhabitants investing the capital in livestock and farms, whils the majority of the poorer inhabitants with their small herds have been deprived of access to their seasona
pastures.'
The community is particularly angered by the fact that outsiders are being granted tenders for the plots. They claim most newcomers are no bona fide farmers.
Resident Gert Bekeur alleged in an
affidavit before the commission that
18 of the more than 30 new occupiers
vere wage eamers.
Bekeur, born in Leljefontetn and armer all his life, said "a number of the tenders were given to outsiders who had no established rights to the and and were not the traditiona inhabitants of the area.
"A lot of the grants were given to people with cash incomes, for example teachers, pensioners, policemen and land owners from other areas, while we, the smal farmers of the area, were left without land or rights, deprived of our onty source of income" he said.
"All the improvements that the small farmers have introduced over the years were handed over to the outsiders"
Bekeur said he was denied access to the communal grazing area and his garden plot was taken from him in April last year. "I lost my right to grow vegetables and sow seeds and I never reccived any compensation."
University of Stellenbosch student, Fiona Archer, who has done extensive research in Namaqualand, said some members of the community could afford to rent plots, but they had refused to and had rejected the proposed scheme as harmfui to the compreunity.

She referred to the evidence given to the commission by a witness who said "As ek die plaas vat, wat van my broer? Dis die gemeenskap se land." ("If I take the farm what will happen to my brother? It's the community's and ")
Archer warned that the Leliefontein community was being riven by conflict over whether or not to apply for the plots Families were being divided and the church, a central feature of the small community, was "split in two"
In her evidence before the commission Archer warned that the community, who were largely energy supply were suffering from shortage of firewood on the land avallable to them.

Phutugrapher Bellard Feice, who documents the tiving conditions of the kicked out
ural commuruties of the The effects of the privatisation Namaqualand told Wectly Mail he scheme are already being felt Perez knew of families who were recently satd This year for the first time the ined for trespassing on land they had Red Cross distributed mielie meal in been using for the past 10 or 20 years Leliefontein. For manny families old Andries Nero, 53, who has been age pensions are now their only farming all his iffe, recently had 44 source of income.
sheep confiscated Perez said the stock There were no opportunities for was seized late in the night and taken employment in the towns at all, he to the municipal pound. To reclaim added. Workseekers "have to go to his sheep Nero was told he would have the mines further north or to Cape to piy R10 a head. "He didn't have the Town if they want to find a job."

According to Perez, the community
ears the Leliefontein area will be treated as a test case. If the inquiry endorses the subdivision of the land it is likely a vast region of the offrough taxes of R30 to R40 a year Namaqualand will in time be "One man has even been to jail for not privatised. was auctioned off."
Perez said the community felt particularly bitter about being forced


Reserve becoming another Ethiopia' chare Tmis

THE Liliefontein coloured reserve between Pofadder and Vanrhynsdorp is being subdivided into 47 farming units because it is in danger of becoming "another Ethiopia".
This was said yesterday by the Minister of Local Government; Housing and Agriculture in the House of Representatives, 'Mr'David Curry, who was reacting to extensiye resistance from the reserve's inhabitants to its proposed subdivision.
"My heart goes out to these people and I wish I could help them, but there were just too many livestock grazing off the land.
"The area was headed for another Ethiopià if we did not do something - that's why there has been this idea to subdivide the reserve," Mr Curry said.

The area has been farmed communally and handed down to descendants of the original Little Namaquan (Hottentot) settlers since 1772 .

In 1854 Lord Cathcart granted the inhabitants a Ticket of Occupation, giving them inalienable right of tenure.

But, according to Mr Curry, the residents asked the government to assist them to "develop" the area during the 1960 s.

The 200000 ha reserve was handed back to the State, which now held it in trust for the community's use. AGRICULTURAL financial problems have prompted a major SA bank to establish AgriFokus - a financial advisory service.
A team of Volkskas agricultural finance experts will assist farmers at different levels of their financial planning.

A Volkskas spokesman said the purpose of AgriFokus was not to advise farmers on technical farming matters.

He said: "We will make use of moden computer technology to assist the farmer on his farm. We will also asgist local branch managers in their task of advising farmer clients."

Farmers were experiencing prob. lems with cash flows and the repay n ment of debt.
1" :He said: "These problems are privmarily the result of the combined effect of unprecedented drought, a cost.squeeze due to high inflation and cost. squeeze due to high
high interest notes"


COMMERCIAL banks are now owed a staggering R3bn by the agricultural sector, with agricultural cooperatives running a close second at R2,2bn.

- Total agricultural debt has soared to R11,2bn.

And it is understood certain coops are in financial difficulties as a result of injudicious lending policies, says an Assocom report to the Economic Council of the State President on the restructuring of the agricultural sector.
The amount owed to cooperatives increased from $8 \%$ (R130m) of the total debt in 1970 to $24 \%$. in 1984.
Assocom questions whether coops will be able to continue their lending role in the face of more market-related interest rates.
"In this context they obviously constitate part of the farm problem, for any collapse would have a damaging effect on both the rural economy and on the - very banking system itself. ", ${ }^{2}$ titis been argued that the coops have'advanced credit too easily To some extent coops have been protected by the government scheme for the consolidacion of R1,1bn of unpaid production cred-

it advanced to farmers in the summer rainfall area."
Assocom also questions government on whether high support prices, controls and input subsidies offer an effective solution to the farm problem.
"A characteristic of agricultural sup. port measures is that it discriminates financially in favour of agriculture at the expense of the population, either as taxpayers or consumers."

The report says: "A short-termstrategey for the rehabilitation of the industry might follow the lines taken in Rhodesia during the UDI period.
br of
"Under that programme a number of farmers who had been financially overt whelmed by successive droughts were successfully re-established."

It says such a scheme would require active participation by government, the Land Banks commercial banks and other local expertise.

Overall the report recommends:
Any . form part of an integrated rural strategy


## Farm debt soars

which ties in with other development objectives;
$\square$ The aims of the White Paper on agniculture must be reconciled with the objectives for Industrial Strategy (Kleu Re-

$\square$ The protection measures enjoyed by certain agricultural industries must be reviewed in accordance with earlier governmerit assurances;
$\square$ The existing support measures must be critically evaluated and modified where necessary.
"t The farmers' vast financial problems - their escalating debt and interest burden - will dominate the SA Agricultural Union Congress which opens in Bloem-

fontein on October 21; writes GERALD REILLY.
In a preamble to the resolutions to come before congress it is stressed that the continued viability of increasing numbers of farming enterprises is in jeopardy.

It was alarming that many farmers would buckle under the huge debt and interest burden without supplementary government aid - in addition to the existing drought aid.
Congress will be asked to request government to provide the aid on merit, and to reschedule repayment obligations.

STEEL and agriculture would be punished most by planned US economic sanctions, but the blow could be'softened by well-tried tactics of semi-clandestine trade, business experts said in Johannesburg yesterday.

The US bought $\$ 78,2 \mathrm{~m}$ of steel products and $\$ 65,5 \mathrm{~m}$ of farm goods amiong its total imports from SA of $\$ 2,17 \mathrm{bn}$ last year.
Association of Chambers of Commerce of SA economist William Lacey said: "Sanctions are not new to us, and there are people in the business of evading sanctions that seem to do it pretty effectively.
"The business community with its ingenuity will try to beat them."

Analysts said manufacturers had various ways of issuing false certificates of origin.

Business consultant Michael Perry, who has more than 60 blue chip companies as clients, said SA had been busting sanctions since the '60s.

He said: "The result is that $54 \%$ of our (export) trade is semi-clandestine, meaning no data is available on the country of origin."
On paper, the US sanctions are the most comprehensive attempt yet to pressure Pretoria to scrap apartheid.

## Steel, agriculture will b hardest hit, say experts[

Besides agriculture and steel, they include a ban on coal, computers and new investment.
Perry said SA would need to boost exports to clandestine partners by only $16 \%$ to offset the impact of even a total US trade embargo.

Business sources said SA's secret trading partners, dealt with directly or through middlemen, included countries in Eastern Europe, the Middle East and Asia.

SA Life Assurance chief economist Johan Louw said "Made in Southern Africa" instead of "Made in South Africa" could be exploited to "the greatest extent" by industries.

Louw said overproduction of steel by world producers could make it difficult to find alternative markets.
Industry sources said the US sanctions could cost SA up to 500000 tons
of steel exports a year.
Iscor, the giant government-run iron and steel company which/faccounts for more than $70 \%$ of local steel production, said the ban was a setback.

A spokesman said: "We have been involved in other overseas markets for some time and we will try to use these markets more. Our main export markets are widely spread."

The already depressed agricultural sector, which employs millions of black workers, will be further weakened by the sanctions.

Analysts said agriculture accoíunted for $7 \%$ of total SA exports last year and fruit, wool and sugar were éspecially vuinerable.

Sugar-growers alone will tose about $\$ 14,4 \mathrm{~m}$ under the US ban. -Sapa-Reuter.

Farmers want Mozambican workers back Labour ban comid
hit Low wed hard

## Lowveld Bureau

NELSPRUIT－The an－ nouncement by Manpower Minister－Mr Pietie du Plessis regarding the deportation of thousands of legally em－ ployed Mozambican la－ bourers，is ${ }^{2}$ tshattering blow to Lowveld farmers．

Many feat this could spell di－ saster for the region＇s labour in－ tensive agricultural industry，al－ ready hit by last year＇s drought， the economic downturn and <br> \section*{品家， <br> \section*{品家， <br> Mozambique loses R200－m Roodewal Farm said experience} annually by recruiting ban
MAPUTO－Mozambique stood to lose about R200 million a year following South Africa＇s ban on employing Mozambican miners，it was reported yesterday．

Mr Richard Japp，manager of the Maputo office recruiting for the South African mines，said nearly 62000 Mozambicans were working at 51 gold mines in South Africa on July 31 according to the Mozambican news ágency，AIM．
South Africa said last night it would not allow new Mozambican workers to take jobs in South Africa because of apparent Mozambi－ can Government support for black nationalist guerillas operating in South Africa．

It said Mozambican＇workers would be sent home as their con－ tracts expired．

## LANDMINE BLAST NEAR BORDER

The announcement followed a landmine explosion on Monday near the Mozambican border which wounded six South African sol－ diers．

Mozambique has denied aiding the ANC and has accused South Africa of aiding rebels in Mozambique．
Under the 1984 Nkomati Accord，each country pledged not to aid opposition groups in the other＇s territory．
Mozambique，short of foreign currency，relied partly on remif： tances from workers in South Afrića． In addition to the miners，about 30000 Mozamorder．－Sapa－
legally in agriculture would be affected by the order．
Associated Press．

In addition to the miners，about 30000 Mozambicans working
pending sanctions．
While farmers generally While farmers the Lowveld＇s security and safety is of prime impor－ tance many feel a total ban on Mozambican labour will do more harm than good．
＂Surely it＇s the illegal immi－ grant who must be responsible for acts of terror and not those who for many years have legal－ ly worked on our farms，＂one farmer said．
Mr Willem Joubert of the once deported，returned time and time again．
＂I believe the solution lay in not allowing them into the coun－ try rather than deporting them once they are legally employed， properly documented and prov－ en employees，＂he said．

Representatives of the Low－ veld＇s Agricultural Manpower Committee travelled to Pretoria yesterday for discussions with the Minister of Manpower and the directors general of Man－ power and Internal Affairs．

Problems envisaged from a total Mozambican labour ban were highlighted and it was de－ cided that a meeting be held in Nelspruit on Monday，to which representatives of all Lowveld farmers associations would be invited．

Vice chairman of the Trans－ vaal Agricultural Union，Mr Jacob de Villiers said most farmers were happy to fully co－ operate with matters regarding security．
－South Africa＇s biggest black ${ }^{\text {² }}$ worker federation，the Congress． of SA Trade Unions（Cosatu），has． described the ban on Mozabican labour as＂callous，cynical and provocative＂．
＂Cosatu views the Mozambi－ can workers as comrades，part of South Africa＇s labour power， and a part of the working class． Workers of neighbouring coun－ tries are desperately dependent on jobs in South Africa because the economies of their countries are the victims of SA aggres－ sion，＂a spokesman said． －See Page 9.

## By JENNY CULLUM

 TWO HUNDRED combat teams are fighting swarms of hoppers as farmers face a locust outbreak which threatens to be worse than last year's devastating plague.The hoppers are hatching out in the Cape MidIands the Karoo and northward towards Kimberley
Early signs are that damage may exceed the previous trail of havoc, when millions of rands of grazing and crops were destroyed.
Efforts are being concentrated on killing newly hatched hoppers while they are still on the ground before the adult locusts fly away to invade other areas.

Already, early in the season, 66 anti-locust units were busy in the Eastern Cape and Midlands, 33 in the Karoo and another 99 in the Kimberley area, said Mr J L Vosloo, the Department of Agriculture, Economics and Marketing's Director of Soil Protection in Pretoria.

Millions of hoppers have hatched after widespread rains which followed a long period of drought, creating ideal conditions for locusts.
Among areas where hoppers have been reported and are being destroyed are Aberdeen, Bedford, Coles berg, Cradock (eight teams), Graaff-Reinet, Hofmeyr, Jansenville, Middel burg (10 teams), Tarka and Noupoort.
"The position at this stage looks more serious than at the same time last year," said Mr Vosloo.
"It is about what we expected, as it is the third year of the seven-year cycle of locusts and will be one of the more difficult years."

It is vital that farmers immediately report hopper hatchings so they can be sprayed while were still on the ground.

## Vast

 new locust plague threatens E Cape farmers

## Teams of workers are fighting the hoppers which are hatching out in the Cape Midlands and

## they fly out to invade grazing and crops.

"If the swarms fly out we are in trouble," he said. Swarms on the wing dev astate crops and grazing.

Farmers are obliged by law to report swarms to their district locust officer, who then sends in a combat team. Destruction units use fentrothion, the insecticide used world-wide on locusts.
This year the more controversial gamma-BHC is not being used, according to

Mr Vosloo.
Workers spraying swarms have to wear overalls and masks and those handling the undiluted concentrate must wear gloves.

Locusts become airborne 42 days after hatching and one of the department's fears is of swarms that hatch in mountainous areas, such as those around Bedford, where they may not be detected at an early
stage.
The Karoo or brown locust is the culprit in South Africa and last year millions of hectares of grazing and crops were laid bare by the destructive swarms.

Four species of migratory locusts are threatening the African continent this year and experts are predicting a serious outbreak in at least nine heavily affected countries of the

Sahel, including Niger, Mali, Chad and Senegal.

Unless the young locusts are eliminated, what may be the Sahel's first bumper crop of sorghum, millet and other cereals for many years, could be destroyed

Millions of dollars are needed for a prevention campaign in the Sahel, according to the United Nations Food and Agriculture Organisation (FAO).

PRETORIA. - Factors which caused the "dynamic increase" in agricultural input costs were the Rand's exchange rate decrease, high inflation, interest rates, and surcharge and tariff protection on imported goods, the Minister of Trade \& Industry, Dawie de Villiers, said yesterday.

In a press statement, he said an inter-departmental committee report on the increases had just been handed to him and it was mainly the import of raw materials or components that exerted the major pressure on costs, but local input content had risen less.

Agricultural chemicals such as fungacides, insecticides, weed-killers and vaccines, as well as tracf tors and other implements, were in this category.
1 "The report concluded that price rises for ferti-
; liz
Competition
$\therefore$ Competition in the local market enabled farmers to negotiate prices, but it found producers were "in a loss situation".
Investigation into the protection on fertilizers had recently been completed, De Villiers said, and an :: 'announcement would soon be made.
In spite of strong competion on all agricultural inputs in the local market, alleged unacceptable
? practices, which could have an excessive impact on:
prices of certain imported products, "had been re-
i ferred to the Competition Board.
!' The findings regarding the import sucharges had ${ }_{3 t}$
1 'been referred to the Minister of Finance and the
3 Board of Trade and Indu'stry had been instructed to

- investigatet tariff protection on key agricultural inputs. - Sapa
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$\qquad$


WG Donald has been appointed manager of the Goodwood branch of Volkskas Ltd.

Second major award for Grabouw farmer GRABOUW apple farmer Freddie Kirsten yesterday walked off with his second major agricultural award this year.
Kirsten, who was chosen by the Agricultural Writer's Association as Farmer of the Year in the Western Cape, yesterday won R10 000 from the National Productivity Institute as owner of Sonop, for its productive farming practices.
Sonop's yield of 70 tons/ha is among the best in the country. All farming activities, including labour management, are computerized and training of the workforce receives sustained attention.
Farming enterprises presented with shields included:
region Kromfontein, best apple producer in the Ceres region. Paardekloof, best pear producer in the Ceres region.
 the start of work on the R4 000-
million project, was signed at a ceremony in Maseru's Pitso Ground by Mr Botha and Col Thaabe Letsie, a member of Lesotho's ruling Military Coun"cil.

## Act of faith .,

Mr Botha said the Lesotho Highlands scheme was "more than a project".
"""lt"is a partnership and an act of faith. It is a message," he said.
' Let the outside world know we are embarking on a joint project and we have the ability to do things together in southern Africa."
. Mr Bothá said: "We share a common destiny and, therefore, must set aside that which divides us in order to work together to build a better future for our peoples."

## Royalties

Mr Botha said the project would divert water. from sources of the Orange River into the headwaters of the Vaal, and would create opportunities for all sectors of the economy.

He said Lesotho would receive the equivalent of more than R1,25-billion in royalties spread over the length of the


South Africa would be better. off by Ri-billion because of the cheaper water' 'it would get.


PEASANTS in the Namaqualand town of Leliefontein are facing starvation and mass, umemployment because of a House of Re presentatives scheme to divide the land they've shared for generations into 47 pri-vately-owned plots.
And City Press was told that most of the farms already rented out have been snatched up by members of the local management committee and by the teachers, artisans andishopkeepers in the towns. •

## Angry

The community is angry that their land is being handed over tol virtual strangers who are new to farming, sources in Cape Town said.
Photographer Bernard Perez, who is putting together a book of photographs on the peasants of Namaqualand, said wealthy residents of the village were renting the farms and fencing off their properties.

He said the peasants, who have used the State-owned land for years, "face mass starvation".
He said families were being fined for trespassing on land they've been using for the past 10 or 20 years.

Andries Nero, convicted of trespassing, had 44 sheep confiscated. His stock was seized "late at night and taken to the municipal pound", Perez said. He was told he had to pay R10 a head to reclaim them.

## Auctioned

"He didn't have the moncy and almost his entire stock was auctioned off. Nero is 53 years old and has been a farmer all his life. Now he has to find a job."

This week representatives of the 700 -strong peasant community appeared before a commission of inquiry set up earlier this month to appeal against the move.

According to a Local Government housing and agriculture spokesman, not more than 150 people can be accommodated on the new farms. Department agricultural officer J Smuts said he had no "idea what would happenito the others".




## The Argus Correspondent

 JOHANNESBURG．－The best rainfall for the past year has fallen in parts of South Africa．Nearly the whole country had rain yesterday and it was expect－ ed to continue today．The High－ veld was likely to have light rain today but it was expected to clear over the south－eastern Cape and southern Natal．
Droughts have apparently been broken in many parts and farmers in several areas can now start planting for the next season．
Johannesburg and Pretoria both had their heaviest rain for a year －Pretoria recorded $107,5 \mathrm{~mm}$ and central Johannesburg 80 mm ．

The chairman of the Rand Wa－
ter Board，Mr Dale Hobbs，said the rain had no influence on the Vaal Dam．It would take a num－ ber of days to assess the effect of the rainfall in the Vaal catchment area．

In the Western Transvaal，there were reports of up to 125 mm of rain near Gerdau and up to 70 mm in the Lichtenburg district．Potch－ efstroom had 36 mm ．

In the Eastern Transvaal，Ly－ denburg had 60 mm ，Pilgrim＇s Rest 38 mm and Graskop 20 mm ．
In Balfour $76,5 \mathrm{~mm}$ has been measured in the district．It was raining over most parts of the in－ terior this morning．
In the Northern Transvaal，it is
raining over the entire region from Warmbaths to Messina．

Good rains have also fallen over the parched Kruger National Park and up to 20 mm has been mea－ sured in places．

It started raining late yesterday afternoon and continued through－ out the night．

Nelspruit had 11 mm ，Malelane 10 mm and Komatipoort 12 mm ．
The Free State has also had plentiful rain．Bloemfontein had between 40 and 63 mm ，Sasolburg 40 mm and the Vredefort district between 22 and 26 mm ．

In the Northern Cape，Reivilo had up to 50 mm ．

Almost all of Natal had soft， penetrating rain overnight．

## African Affairs

 CorrespondentTHE Sawoti Farmers' Association and leaders of the local black community have met in a sequel to the historic co-operation agreement between Afrikaner farmers and Zulus in Louwsburg in northern Natal in August.
A statement from Mr P S B Mkhize, representing the black community at Sawoti near Umzinto on the South Coast said yesterday 52 whites and blacks had met. the blacks were represênt ed by a magistrate, chiefs councillós and indunast.
Mr Mkhize said there was no formal agenda and it was decided to hold such gatherings on a quarterily basis.
He called the meeting the dawning of 'a'new day' In August, the king of the Zulu people," King Good: will; addressed a similar meeting of thousands of people at Louwsburg; 70 km north-east"of Vryheid.

He was accompanied by the Deputy Minister of Education ánd Training; Mr Sam de Beer.
The Ngotshe Co-operation Agreement, signed at the meeting, provided for the setting up of a committee comprising farmers; and labourers' representatives to deal with all social and labour problems.

King Goodwill said the history of black/white armed confrontation last century produced racial enmity which had to be wiped away by the full in clusion of blacks in the South African State.
He described the agree: ment as evidence of a spirit of a new South Africanism.

| Monday Air Schedule Jobannesburg to Cape Town |  |  | East London to Johannesburg |  |  | Johannesburg to Gaborone |  |  | Gaborone to Johannesburg |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 0700 | 0930 | SA400 | 0730 | 0840 | BP200 | 0730 | 0835 | BP301 |
| Dep | Arr | Fillght | 0955 | 1115 | SA401 | 1400 | 1510 | SA100 | 1600 | 1705 | SA101 |
| 0710 | 1040 | SA301 | 1050 | 1450 | SA403 | 1810 | 1920 | BP300 | 1635 | 1740 | BP201 |
| 0730 | 0935 | SA303 | 1635 | 1755 | SA409 |  |  |  |  |  |  |








 The administration has carved up four coloured
reserves in the Northern Cape - Mier southern

 by Peter Fabricius
Weekend Argus Reporter
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-8uIzed was that the communar"system was causing overly overgrazed, which was ironic "since one of the The reduced area of commònage was being bad-
 more land before the summer drought, they would
Ms Are have ben advertised for leasing.
 The smaller stock owners who cannot afford to
individuals.
units, 30 of which have already been allocated to
individuals. porting over 4000 people, has been divided into 47
units, 30 of which have already been allocated to

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## 20

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## $\square=\square$


decades they have wandered around the reserve grazing their herds. The community also grows a little wheat and some of the men have jobs in towns or on the region's mines (or had jobs until the recession).

According to government. Leliefontein and the other reserve areas - was over grazed. The only solution was to divide the area into "economic units" and lease them to "bona fide" farmers. Three other "reserves" were divided with little community resistance, but the people of Leliefontein took a strong stand against the plan. Although the Leliefontein divisions followed consultations with the elected management board of the area, the community claims the board is unrepresentative and they generally reject it.

Leases cost R300 a year payable in advance. More than half the units have been let (and fenced) mainly to tenants with other means of income such as shop owners, school teachers, local management board officials or relatively wealthy owners of large herds. To qualify to rent a unit, a tenant must have assets worth at least R3 000 or own 250 head of stock. The less wealthy stock farmers are not in this class and have effectively been cut off from their traditional land and livelihood. "Illegal" stock found inside the fences of the leased units is usually impounded. Although some commonage has been left, it is totally inadequate for their needs, the farmers say. (Researchers say a small head of stock in the region needs 10 ha .)

Last month, the coloured Minister of Local Government, Housing and Agriculture, David Curry, said that while he sympathised with the farmers, if Leliefontein was not divided up and farmed more carefully, the region was in danger of becoming "another Ethiopia." Government's alternative, suggested to the stock farmers, is to relocate the residents of eight small villages in the district to two larger towns - a scheme that has met with little support.

In an apparent move to stall planned legal action to challenge the land division in Leliefontein, government appointed a commission of inquiry which heard evidence at towns in the region from late September until last week. The findings of the commission are expected to be crucial to the future of all the coloured "reserves."

While researchers working in the area acknowledge that over-grazing is killing the land, they believe there are alternatives which the authorities have apparently not considered.

Among suggestions by Fiona Archer and Lita Webley, archaeologists from the universities of Stellenbosch and Cape Town respectively, are: the development of vegetable farms at the Nourivier dam; the promotion of tourism (Leliefontein is in the heart of the wild flower region), and an aforestation programme to revive the over-grazed land and the establishment of a home industries project

# Help from the heavens 

The best spring rains in a decade have raised hopes that SA's drought-hit farmers are within sight of their first bumper crops since 1981. But it is by no means a foregone conclusion that the vital agricultural sector is set to return to profitability.

The excellent planting rains will have to be followed by regular showers over the next three months.
However, the Land Bank is expecting farmers' short-term credit needs - to finance the new season's crops - to increase by R380m, from last season's R4,85 billion to R5,23 billion for 1986/87.

The good season will do much to increase foreign earnings, railways and harbours income, and boost employment and sales of tractors, implements, fertiliser, chemicals and other agriculture-related inputs. But it is not all good news for the consumer.
A perverse result of good rains could be that meat prices might rise even higher as farmers withhold slaughter animals to rebuild depleted herds.

Red meat prices are touching record levels due to a shortage of slaughter stock, but Meat Board deputy GM Frans Pieterse says the board will do its utmost to increase slaughter permits in December. He is confident this will halt the price climb. In May, the national cattle herd stood at $7,8 \mathrm{~m}$ 20000 below last year's level, and the sheep herd has fallen by 200000 to $26,2 \mathrm{~m}$.

Maize producers also have mixed feelings about the better crop outlook. The new sliding price system means that a season of plenty will bring penalties in the shape of lower prices. While this year's $7,5 \mathrm{Mt}$ crop grossed farmers R1,725 billion, a similar crop in 1987 will bring in only R1,59 billion. This is because the average R230/t price in 1986 would be replaced by a price of some

R210/t, Maize Board GM Hennie Davel tells the FM.
Falling export prices are the industry's gravest problem. Davel says massive world stocks have forced the price down so far that the board now nets only R65-R75/t on export maize - way below current local prices of R290/t.
So SA's two major agricultural sectors red meat retails at about R 4 billion a year, while maize grosses some R1,7 billion in good years - might not show immediate or direct bottom-line benefits from the rains.

But, says Nampo economist Kit le Clus, an 11 Mt maize crop could, nevertheless, gross farmers about R2,2 billion, against short-term production costs of about R1,5 billion. And a 14 Mt crop could add to the bonanza, depending on world market prices from May 1987.

While the Free State expects a bumper 1 Mt wheat crop, this will not be complemented by the western and southern Cape, where a combination of early drought and unusually heavy spring rains have reduced the anticipated record crop. Nevertheless, the total wheat crop should be some 400000 t above last year's small crop of $1,6 \mathrm{Mt}$, predicts Wheat Board GM Dennis van Aarde.

Other crops, like cotton, sunflowers, soya beans, sorghum and tobacco, will benefit from the combination of better rains and increased planting as farmers diversify from maize. A good wheat crop would save costly imports.

While good crops should have a positive effect on regional economies, SA's gross domestic product (GDP) could also be boosted by a full percentage point in 1987. And banks and other farm creditors could look forward to increased repayments on the

R11,5 billion farming debt.
"Agriculture contributes $6 \%-7 \%$ to the GDP, and a $16 \%$ improvement in farming returns would push up the growth rate of the economy by $1 \%$. A few years back, a $22 \%$ fall in farming returns reduced the growth rate by $1,5 \%$," explains SA Agricultural Union director Piet Swart. He adds that gross farming income could exceed R10 billion this season.

But whatever the outcome of the current season, debts still have to be paid. Debt servicing alone in 1985/86 took a massive


In a week in which the spotlight turned on exports, South African industrialists have come in for their fair share of praise.

The value of merchandise exports jumped by $37 \%$, bringing non-gold exports up to R20 billion in the last year. And it was not all due to the low rand because exports by volume have also increased - by $20,8 \%$ over the last 18 months.
But already the alarms are ringing. The incipient revival in the local economy has sparked fears that growing dontestic demand will swallow local produce that is now flowing into lucrative foreign markets. And, of course, more demand in the local market will push up imports, with a further negative effect on the balance of payments.

Industrialists are being warned that unless their sparkling performances are followed by further investment in productive plant and technology, the economic revival will kill the export drive. With sanctions already a real-

## INTO A HIGHER GEAR

Against expectations, vehicle sales surged last month. The light commercial vehicle (LCV) sector produced its best figures since September 1985.

Total car sales increased by $9,0 \%$ from 15091 in September to 16452 and LCVs chalked up an 8,5\% improvement - from 7387 to 8015 - over the same period.

However, car sales were still down by 4,4\% on October 1985. On the reckoning of National Association of Automobile Manufacturers of SA director Nico Vermeulen this puts performance on par with 1976-77.

Paradoxically, the best performer on the car side was General Motors (GM), which showed a $36,9 \%$ increase over September - 1627 units against 1188 . These results, of course, were achieved before the pull-out announcement and the strike.
GM's Opel Kadett notched up sales of 1171 to take fifth place on the best sellers list behind the Toyota Corolla, the VW Golf/Jetta, the Ford Laser/Meteor and the Toyota Cressida.
Mercedes, Toyota and VW all reported better sales, but Nissan dropped by $7,5 \%$

and Samcor by $0,3 \%$ on the previous month.

Heavy commercial vehicle sales increased by $10,1 \%$ on the September total. Most dramatically, Magnis/Nissan increased sales of its vehicles from 77 in September to 132 last month, a $71,4 \%$ improvement.

Vermeulen attributes the upturn to the impact of official stimulatory measures, improved consumer confidence due largely to perks tax concessions, pent-up demand and more aggressive, marketing by manufacturers.

## Farmers' surplus <br> up by R500 0000

PORT ELIZABETH. - Despit poor econonic con'ditions, BKB (Farmers' Brokers (Co-operative) achieved a total turnover for the year to end-June of R 979 m ( R 888 m for the previous year), on which the surplus before tax was R2,9m.
This is nearly half-a-million rand more than the previous year's surplus.
Of total turnover, wool accounted for R 417 m , followed by mohain R196m, livestock R276,4m, and hides. and skins R3,7m.

BKB's sheep shearing division was responsible foritshearing nearly $7,3 \mathrm{~m}$ sheep.
The cooperative's wholly-owned subsidiaries contribited R32,4m towards total turnover. Of this, reat estate transactions contributed $\mathrm{R} 14,9 \mathrm{~m}$.
基筑
Surplus for application amounts to $22,4 \mathrm{~m}$. The botard has recommended that $10 \%$ interest on paidup share capital, (R650 298), be paid to members, $\mathrm{Ri} 1,7 \mathrm{~m}$ be transferred to contingency reserve, and R692 271 to general reserve. Mor
More than' 000 new members joined the co-operative during the year, compared to 991 the previous yeary-Sapa

lat


## FIN MUAL 28 suld $\frac{\text { COLOURED AFFAIRS (3) GEN }}{\text { Reservé farm boost }}$ <br> Government has invested R7,3m in three

 farms in the Cape in an effort to stimulate economic development in poverty stricken coloured "reserves." The farms have been bought from (willing) white sellers by the administrative section of the coloured House of Representatives.A spokesman for the administration's Department of Local Government, Housing and Agriculture, Kobus Boshoff, says the project is a continuing one. More farms will be bought whenever suitable property is found and funds are available. Negotiations are underway for the purchase of a fourth farm in the Gordonia region.
The farms purchased so far are a property of 1500 ha near Deyselsdorp in the Oudtshoorn district, a farm of 7600 ha near Ladismith, and a property of 635 ha near Plettenberg Bay. The first two cost R3,3m each and the third R 700000 , says Boshoff. In all three cases, he says, the farmers were in financial difficulty and the prices paid were fair and reasonable.
Managers have been put on the farms and the aim is to operate them as profitable businesses. Profits will be ploughed into neighbouring coloured "reserves," of which
there are 23 throughout the country.
According to Boshoff, the coloured Ministers Council has resolved to re-establish a coloured commercial farming class. The farms may be used as training facilities or could be sub-divided if suitable, and sold or let to coloured farmers. Boshoff says it is important that the farms generate their own capital and make enough money to benefit neighbouring reserves.
"Part of the idea is to create a wider
economic base for the coloured rural areas," he explains. He believes in some cases particularly due to financial difficulties of white farmers - coloured labourers on the farms will be better off financially under government control of the properties. "We accept that there is a long way to go; it is largely a process of education, but we have to start somewhere," Boshoff says.

Despite rightwing propaganda to the contrary, he stresses that government is not
expropriating white farms to give to coloureds. "In all cases, it is on a 'willing seller, willing buyer' basis. In the case of the three farms we have bought so far, the sellers approached us when they heard we were in the market. We have had dozens of other offers as well.
"The Ministers Council has accepted guidelines with regard to the purchase of farms, and these have to be followed. We are not buying at any price," he says.

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#### Abstract

Any person who wishes to object to the intention of the Minister to effect this amendment shall lodge his objection in writing with the Director-General, South African Bureau of Standards, Private Bag X191, Pretoria, 0001, within two months of publication of this notice.

\section*{SCHEDULE}

\section*{PROPOSED AMENDMENT OF COMPULSORY SPECIFICATIONS FOR CERTAIN ITEMS OF ELECTRICAL EQUIPMENT}


## Schedule 8: Electrical stoves and hotplates

Title: Delete the existing title and substitute the following new title:

Schedule 8: Compulsory specification for the safety of electric stoves and hotplates.
Subsection 3.17.1: Delete the third paragraph and substitute the following:

Fixed electric stoves and hotplates having a total connected load exceeding 16 amperes shall have their internal connections so arranged that they can be adapted for connection to a three-phase four-wire system, a twophase three-wire system or a single-phase two-wire system or, in the case of stoves for use in d.c. circuits, to a d.c. three-wire system of supply.

Other fixed appliances (e.g. separate ovens and hobs) having a total connected load-
(a) exceeding 16 amperes but not exceeding 32 amperes shall have their internal connections so arranged that they can be adapted for connection to a two-phase three-wire system or a single-phase two-wire system or, in the case of stoves for use in d.c. circuits, to a d.c. three-wire system of supply;
(b) exceeding 32 amperes shall have their internal connections so arranged that they can be adapted for connection to a three-phase four-wire system, a two-phase three-wire system or a single-phase two-wire system, or in the case of stoves for use in d.c. circuits, to a d.c. three-wire system of supply.
In all cases, the correct manner for connecting the appliance shall be indicated by means such as lettering or labelling.
Subsection 3.20.2: Delete this subsection.

## DEPARTMENT OF WATER AFFAIRS

NOTICE ANPERMS OF SECTION 9A OF THE WATER ACT, 1956
AMENDMENT OF GOVERNMENT NOTICE 1357 OF 27 JUNE 1986.-RELAXATION OF THE CURTAILMENT OF THE USE FOR IRRIGATION AND OTHER AGRICULTURAL PURPOSES OF PUBLIC WATER FROM THE VAAL RIVER AND CERTAIN OF ITS TRIBUTARIES

By virtue of the powers vested in me by paragraph 2 of Government Notice 580 of 27 March 1986, I, Pieter Francois Pretorius, in my capacity as Chief Engineer: Irrigation and Engineering Services, hereby amend the Schedule to Government Notice 1357 of 27 June 1986 as set out in the Schedule hereto.

## P. F. PRETORIUS,

Chief Engineer: Irrigation and Engineering Services.

Enige persoon wat beswaar wil maak teen die Minister se voorneme om hierdie wysiging aan te bring, moet sy skriftelike beswaar binne twee maande na publikasie van hierdie kennisgewing indien by die Direkteur-generaal, Suid-Afrikaanse Buro vir Standaarde, Privaatsak X191, Pretoria, 0001 .

## BYLAE

VOORGESTELDE WYSIGING VAN VERPLIGTE SPESIFIKASIES VIR SEKERE ELEKTRIESE TOERUSTING

## Bylae 8: Elektriese stowe en verwarmingsplate

Titel: Skrap die bestaande titel en vervang dit deur die volgende nuwe titel:

Bylae 8: Verpligte spesifikasies vir die veiligheid van elektriese stowe en verwarmingsplate.
Onderafdeling 3.17.1: Skrap die derde paragraaf en vervang dit deur die volgende:

Die interne bedrading van vaste elektriese stowe en verwarmingsplate met ' $n$ totale aangeslote las van meer as 16 amperre moet so gerangskik wees dat dit met 'n driefasige vierdraadstelsel, 'n tweefasige driedraadstelsel, 'n eenfasig tweedraadstelsel of, in die geval van stowe vir gebruik in 'n GS-stroombaan, met 'n GSdriedraadtoevoerstelsel verbind kan word.

Die interne bedrading van ander vaste toestelle (bv. afsonderlike oonde en kookvlakke) met ' $n$ totale aangeslote las-
(a) van meer as 16 ampère maar hoogstens 32 ampère, moet so gerangskik wees dat dit met ' $n$ tweefasige driedraadstelsel of ' $n$ eenfasige tweedraadstelsel of, in die geval van stowe vir gebruik in 'n GSstroombaan, met 'n GS-driedraadtoevoerstelsel verbind kan word;
(b) van meer as 32 ampère, moet so gerangskik wees dat dit met ' $n$ driefasige vierdraadstelsel, 'n tweefasige driedraadstelsel, 'n eenfasige tweedraadstelsel of, in die geval van stowe vir gebruik in 'n GSstroombaan, met 'n GS-driedraadtoevoerstelsel verbind kan word.
In alle gevalle moet die regte manier om die toestel te verbind, deur middel van letters of etikette aangedui word.
Onderafdeling 3.20.2: Skrap hierdie onderafdeling.

## DEPARTEMENT VAN WATERWESE

No. 2583
5 Desember 1986

## KENNISGEWING KRAGTENS ARTIKEL 9A VAN DIE WATERWET, 1956

WYSIGING VAN GOEWERMENTSKENNISGEWING 1357 VAN 27 JUNIE 1986.-VERSLAPPING VAN DIE INKORTING VAN DIE GEBRUIK VAN BESPROEI-INGS- EN ANDER LANDBOUDOELEINDES VAN OPENBARE WATER UIT DIE VAALRIVIER EN SEKERE VAN SY SYTAKKE

Kragtens die bevoegdheid my verleen by paragraaf 2 van Goewermentskennisgewing 580 van 27 Maart 1986, wysig ek , Pieter Francois Pretorius, in my hoedanigheid van Hoofingenieur: Besproeiing en Ingenieursdienste, hierby die Bylae tot Goewermentskennisgewing 1357 van 27 Junie 1986 soos uiteengesit in die Bylae hiertoe.

[^9]SCHEDULE
The words in column $C$ substitute the words in column $B$, as it appears in Government Notice 1357 of 27 June 1986 in the paragraphs mentioned in column A, hereafter:

## BYLAE

Die woorde in kolom $C$ vervang die woorde in kolom $B$ soos dit in Goewermentskennisgewing 1357 van 27 Junie 1986 voorkom in die paragrawe genoem in kolom A, hierna:


## GENERAL NOTICES

## NOTICE 820 OF 1986

## PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

## INTRODUCTION AND FIRST READING OF PUBLIC BILLS ON GENERAL AFFAIRS

Pursuant to Rule 23 of the Joint Rules and Orders of the House of Assembly, the House of Representatives and the House of Delegates (General Affairs) I hereby make known that the following public bills on general affairs have in terms of subsection (1) of the said Rule been submitted to the Speaker of Parliament and are in terms of subsection (3) (b) thereof deemed to have been duly introduced and read a first time in each House of Parliament:

Insolvency Amendment Bill [B 10-87 (GA)];
State Land Disposal Amendment Bill [B 11-87 (GA)];
Unemployment Insurance Amendment Bill [B 12-87 (GA)];
National Parks Amendment Bill [B 13-87 (GA)];
Prevention and Combating of Pollution of the Sea by Oil Amendment Bill [B 14-87 (GA)];
International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties Bill [B 15-87 (GA)];
Environment Conservation Amendment Bill [B 16-87 (GA)];
Magistrates' Courts Amendment Bill [B 17-87 (GA)];
Tweefontein Timber Company Limited Amendment Bill [B 18-87 (GA)];
Criminal Procedure Amendment Bill [B 19-87 (GA)];
Nuclear Energy Amendment Bill [B 20-87 (GA)];
Town and Regional Planners Amendment Bill [B 21-87 (GA)];
Professional Land Surveyors' and Technical Surveyors' Amendment Bill [B 22-87 (GA)];
Valuers' Amendment Bill [B 23-87 (GA)];
Credit Agreements Amendment Bill [B 24-87 (GA)];
Liquor Amendment Bill [B 25-87 (GA)];

## ALGEMENE KENNISGEWINGS

## KENNISGEWING 820 VAN 1986

PARLEMENT VAN DIE REPUBLIEK VAN SUID. AFRIKA
INDIENING EN EERSTE LESING VAN PUBLIEKE WETSONTWERPE OOR ALGEMENE SAKE
Ooreenkomstig Reël 23 van die Gesamentlike Reëls en Orders van die Volksraad, die Raad van Verteenwoordigers en die Raad van Afgevaardigdes (Algemene Sake) maak ek hiermee bekend dat die volgende publieke wetsontwerpe oor algemene sake kragtens subartikel (1) van genoemde Reël aan die Speaker van die Parlement voorgelê is en kragtens subartikel (3) (b) daarvan geag word in elke Huis van die Parlement behoorlik ingedien en vir die eerste maal gelees te wees:

Insolvensiewysigingswetsontwerp [W 10-87 (AS)];
Wysigingswetsontwerp op die Beskikking oor Staatsgrond [W 11-87 (AS)];
Wysigingswetsontwerp op Werkloosheidversekering [W 12-87 (AS)];
Wysigingswetsontwerp op Nasionale Parke [W 13-87 (AS)];
Wysigingswetsontwerp op die Voorkoming en Bestryding van Besoedeling van die See deur Olie [W 14-87 (AS)];
Wetsontwerp op die Internasionale Konvensie Betreffende Intervensie op die Oop See in Geval van Ongevalle wat Lei tot Oliebesoedeling [W 15-87 (AS)];
Wysigingswetsontwerp op Omgewingsbewaring [W 16-87 (AS)];
Wysigingswetsontwerp op Landdroshowe [W 17-87 (AS)];
Wysigingswetsontwerp op die Tweefontein-houtmaatskappy Beperk [W 18-87 (AS)];
Strafproseswysigingswetsontwerp [W 19-87 (AS)];
Wysigingswetsontwerp op Kernenergie [W 20-87 (AS)];
Wysigingswetsontwerp op Stads- en Streekbeplanners [W 21-87 (AS)];
Wysigingswetsontwerp op Professionele Landmeters en Tegniese Opmeters [W 22-87 (AS)];
Wysigingswetsontwerp op Waardeerders [W 23-87 (AS)];
Wysigingswetsontwerp op Kredietooreenkomste [W 24-87 (AS)];
Drankwysigingswetsontwerp [W 25-87 (AS)];
 R8 billion in the red
PRETORIA - South liminary figures, the Africa's 68400 farms had a gross income last year of R7,929-billion, paid debts and loans totalling R1;457-billion, but still owed R8,424-billion
According to preliminary results of the Central Statistical Services' 1985 agricultural survey, released in Pretoria, the
farms cover an area of nearly

The complete report will be published before the middle of next year. According to the precountry's 1,27 million farm labourers were paid R1,336-billion during the year. This consisted of R989-million in salaries and wages and R346-mil lion in payments in kind.

Current expenses, excluding salaries and wages, totalled R6,036billion for 1985, and a breakdown showed the two biggest expenditure items were R1,056-billion for stock and poultry feed and R1,051-billion on and R1,051-bilion on Sapa JOHANNESBURG. - The Government is giving certain northern Transvaal farmers R28 000 grants and R12 000 low-interes loans so that they can buy vehicles protected against landmine blasts

About 300 farmers stand to benefit from the subsidies which may be extended next year to farmers along the Swaziland border.

The subsidy scheme has thrown the local mine-protected vehicle industry wide open and various companies are vying for guaranteed cash payments. Involved in processing subsidy applications are the departments of Commerce and Agriculture.

At least five automotive design companies are preparing to release a new range of landmine protected vehicles for use in the farming, industry and private sectors

## Competitive industry

In what is fast becoming a highly competitive industry, the new armoured and bullet-protected models moured and stringently tested by the CSIR and Bureau of Standards - will come off production lines in different parts of the country in the next few weeks.

They will sell at between R25 000 to R40000 and some of the companies are also gearing to convert most types of existing bickup trucks - one, wo and threeitonners it to the new wo and three-tonne of 012000 to specifications at a cost of R12 000 to
R15 000 .
The subsidy applies mainly to farmets of the northern and north-western Transvaal, and means they can buy a R40 000 vehicle without having to outlay a single cent.
On the production side, one automotive designer, Mr Ernest Konschel, who has designed a one-ton anti-ambush and mine resistant bakkie called the Cougar, and is building it in Ger-
miston, has been commissioned to de-

Iiver 54 units to an agricultural concern near Komatipoort next year

Four models are available, ranging from two to eight-man configurations, and all are adapted to local conditions. ッ":
According to Mr Konschel; a minedetecting vehicle, based on the celebrated Rhodesian "Pookie", which lift-
ed over 300 mines in the war against Zanu and Zapu, ,and in the process saved thousands of lives, will go into production at his Germiston plant proxt year.

## 䋣: Troubled areas

A Pretoria motor company executive. Mr Koos de Wet, the creator of the Buffel transport carrier - one of the Buffel transport carrier - one of the most successful of its kind in the world - and the Casspir, has designed the Krimpvark mine ressstant vehicle for the civil sector, and is is being built by Afrit (Pty) Ltd., of Rosslyn.

Also a one-tonner, but of a different design, the Krimpvark has a top speed of 140 kph , a fuel consumption of 20 litres for 100 km , welghs two tons, offers good all-round visibility and is well ventilated.

It is being 'made available to farmers, government agencies and to the private secton in border or troubled private sectors. The first prodiuction model has been delivered to a business concern in Witbank
At least two möre engineering firms are making tuse of at CSIR-designed basic mine protected capsule which they are adapting in projects of their own for mounting on almost any model of pickup truck.

One is the Rooibok, which will be marketed soon.
The CSIR developed the capsule as a guideline for the production bf home-built mine protected vehicles for use in the private sector, and the basic designs were' distributed to in terested parties by the Department of Commerce.
$\qquad$ model of pickup truck


# Arms, fences and landmines just part of their lives Border farmers determined 

what we have built up."
Because of the landmine threat, the farmers' children are ferried to school hostels in army anti-mine Buffels on Mondays and returned again on Fridays.

Farmhouses are surrounded by high security fencing and farmers are installing sophisticated spotlights and are even putting grenade screens over the windows of their homes.

The cost of the security measures is being heavily subsidised by the Government, but still the cost to farmers can run into five-figure sums.

The army and farmers sweep rural roads for landmines every morning and farmers will not move a vehicle until a road has been cleared. Most farmers are eagerly awaiting the development of a reasonably priced anti-landmine vehicle which can take their whole family.
"There have already been attempts to slap something together, but nothing suitable and affordable has been made available yet," said Mr Esterhuyse.

Women on the farms have been trained in the use of submachineguns and other lights weapons and army personnel say their morale is outstanding.

Even the children have adapted to living constantly under threat.
"My children accept the situation,'' said Mr Wynand Malan. One of his tractor drivers was killed when the tractor detonated a mine planted only 70 m from the homestead.
"We have drilled the children on exactly what to do in the event of an attack and they have adapted to react automatically," Mr Malan said.
Less than a decade ago the area along the Limpopo River was occupied by a few cattle farmers trying to survive the drought. Then the potential of the area for cotton and wheat farming was discovered and young farmers moved in clearing thousands of hectares of riverside bush and installing massive irrigation schemes.

Army sources say that virtually every farm along the border strip is now occupied.

Today, as the farmers wait for an expected increase in ANC cross-border raids, hundreds of sprinklers east a cloud of mist
over the cotton lands.
But below the surface of normality is the coiled spring - every farmer has been issued with sophisticated small arms ranging from sub-machineguns to pistols and , 303 rifles are to be issued to labourers in the event of an attack

The landmine attacks, which have taken their toll on everyone in the area, have resulted in the local black farm population insisting on being trained in the use of weapons, detection of landmines and in being involved in spotting illegal border crossings, according to the SADF.

The army has assisted the farmers in becoming a formidable first line of defence by giving them the expertise and incentive to protect their own properties.

Three years ago the army began registering every resident north of the Soutpansberge. It divided the region into seven strategic areas and asked the farmers in each area to elect a man to lead them in military organisation and training.

## Army radios

Colonel Johan Swanepoel, officer commanding in the Soutpansberg military area, said 300 army radios were distributed throughout the area, giving farmers 24 -hour contact with the nearest army base.
"But they can also communicate with each other and that is one of the most important things in the event of an alert.
"If there is an incident I can turn the entire population on and off at a moment's notice. If there is a confirmed terrorist crossing I can inform the farmers immediately and through the network of radios and telephones the whole area is alerted."

Colonel Swanepoel said the farmers had been alerted in this way on a few occasions during the past few months.
"At first it created some fear and worry but now they have come to terms with it.
"In a nutshell I am in command of what amounts to a hell-of-a-good force of civilian soldiers."

Colonel Swanepoel says that on the first day that weapons training was offered for labourers in the area, 56 volunteered.
"Eventually we will have 500 to 600 farm labourers trained in the use of rifles."

## Municipal Reporter

SMALL villages should be established throughout rural Natal to prevent the economic abuse of farm workers and turn farm children from 'educational Cinderellas' into employable adults, says University of Natal academic Libby Ardington.
The scrapping of the

Group Areas Act would also help those among the 6000000 black farm fam ilies who could buy or rent in small towns nearby.
Ms Ardington, a development studies unit research fellow, studied the problems facing workers and land-owner farmers along the North Coast and in the Midlands.

Independent groups of agricultural workers would relieve farmers of their al most total responsibility for farm workers' families motivate workers to self improvement, and make it more economical for the State to provide essential services.
In the latest issue of the university's Indicator South Africa journal, Ms Ardington said, that although more than half the people in black farm households were younger than 20 , employment prospects were bleak, and made bleaker still by the lack of schools.
Although logistical problems plagued the educating of rural people worldwide, apartheid magnified problems. Requiring different facilities for each race group made schooling impossibly expensive to install in rural areas.
'It is unlikely that there is a commercial farm in South Africa which, for the education of its youth, could legally make use of only one school,' she said
${ }^{2}{ }^{2}$ As $A$ caters for Natal's 7500 black farm children, the KwaZulu Department of Education and Culture, was overloaded with "the children of parents'who'could not afford boarding fees.

## Farm-Ag firmly back in the olack <br> FARM-AG is firmly back in

the black after its heavy losses last year.
Earnings of 85 c a. share for the current year are forecast by analyst Howảád Mountain of stockbrokers: Simpson, Frater, Stein and Strong, who believes earnings of "105c are easily obtainable in the next financial year.
The benefits of the recent rights issue will be reflected in
expanded, modernised production facilities, he says.
"But the broader product range of agrichemicals will be felt only in the financial year beginning March 1987."

The outlook for the group's products is favourable given reasonable climatic conditions and a continuing weakness of the rand, says Mr Mountain.

If the rand remains below 50
cant import replacement possibilities and scope for export to neighbouring states.
In spite of sanctions, he believes Farm-Ag should be successful in finding supply routes to export markets, given its highly competitive price structure.
Finally, the analyst forecasts a resumption of dividends next year with a 40 c payout. rising to 52 c in 1987-88. Tom Hood

Agriculture - General

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## AGRICULTURE

# More optimism on the horizon 

Good rains in January and February are still vital if 1987 crops are to fulfil their excellent promise. But hopes are rising that gross agricultural earnings could hit R12 billion for the first time and that the industry will boost GNP growth by $1,5 \%$ next year.

But SA Agricultural Union economist Koos du Toit warns that export growth must continue in the wool, mohair and fruit sectors if hopes of a R2 billion jump in gross earnings are to be realised.
"The return of good early season rains has come just in time to rescue thousands of farmers from bankruptcy," he says. Improved cash flow will help to ensure that credit lines remain open and that repayments will be made on the R11,5 billion farming debt, Du Toit adds.

Irrigation farmers are particularly relieved as there will now be enough water for the coming season, and perhaps even a longer carryover. For example, some 600 irrigation farmers at the Loskop Dam scheme in the south-eastern Transvaal, and hundreds more below the Hartbeespoort Dam, can now continue production of vegetables, fruit, wheat, tobacco, and citrus.

Current expectations point to good maize, wheat, sunflower, sorghum and groundnut crops. And red meat prices are touching the ceiling as cattle farmers hold back slaughter stock to rebuild depleted herds.
The new sliding-scale price for maize means, of course, that a bumper crop will lead to lower prices. And the outlook for export carnings above local market requircments of $5,5 \mathrm{Mt}$ a year is the worst in decades.

Meanwhile, farmers have been trying to slash input costs to the bone to increase gross earnings. Massive falls in sales of fertiliser, tractors and implements testify to their success, and a bumper season will improve prospects for these industries.

The final estimate of last season's maize crop puts it at $7,748 \mathrm{Mt}$, of which $42,5 \%$ is white maize and the balance yellow maize. The crop left a surplus $2,2 \mathrm{Mt}$ of yellow maize for export.

The third crop assessment of the directorate of Agricultural Technical Services in Pretoria points to a bumper wheat crop of 2,1 Mt - some 400000 t above last year's dismal $1,7 \mathrm{Mt}$ crop. This will mean big foreign exchange savings on wheat imports.

The final 1986 sunflower crop estimate of 262625 t is well above the 234725 t 1985 crop. But the groundnut crop fell to 92230 t from 1985's 136756 t after a hot, dry spell last February, and soya bean production also fell, from 37300 t to 33950 t . Farmers are being encouraged to increase production to
fill the country's protein needs, currently being imported.
While the 1986 grain sorghum crop of 431650 t was well below the previous year's 591295 t , diversification away from maize and a good growing season could lead to a substantially higher 1987 crop.

## INSOLVENCIES

## Still slipping

At the start of a new year, thoughts turn inevitably to prospects for business. There are some signs that the economy is improving, but there are still battles ahead - especially for small enterprises.
The labour force has increased by an estimated $1,8 \mathrm{~m}$ in the past five years, placing increasing pressure on the informal sector a sector which does not generate revenue for government.
On the other hand, one-man businesses receive little assistance and are liable to succumb much more quickly to a decrease in consumer spending or to bad debt manage-

ment. This is evidenced in the number of liquidations and insolvencies recorded in the past three months.
Latest figures from Central Statistical Services (CSS) show that the number of liquidations in the third quarter of 1986 decreased $8,7 \%$ when compared with the previous three months, and $3,2 \%$ compared
with the same period in 1985.
However, insolvencies increased 7,9\% compared with the previous quarter and $26,2 \%$ over the corresponding period in 1985.
Liquidations relate to companies and close

corporations placed under final order, while insolvencies relate to individuals and partnerships, where a partnership counts as one person.

The decrease in the number of liquidations would seem to indicate an cconomic upturn. In the wholesale and retail sector, for example, they fell from 78 in July 1986 to just 24 in September, according to Dun \& Bradstreet (D \& B), which puts this down to increased consumer spending. CSS figures show that total wholesale trade sales (excluding diamonds) for September showed a seasonally adjusted increase of $5,1 \%$ compared with August.
But unemployment, the erosion of real remuneration by inflation, high taxation, debt, and fear of financial commitment are likely to keep consumers from making cred-it-type purchases for some time yet.
D \& B says manufacturing, construction and financial service sectors are still under heavy pressure. Company failures in the manufacturing sector increased from 29 in August last year to 40 in September. The construction industry accounted for around $28 \%$ of September liquidations, as did financial services.
Because stock levels are low, any further increase in product demand may stimulate manufacturing and cause some demand for credit; but the banking sector is still battling to overcome the consumer memory of a $25 \%$ prime overdraft rate in 1984-1985.
And real personal wealth is still on the decline with insolvencies showing a marked increase, from 953 in the third quarter of 1985 to 1203 last year. Although the figure may be somewhat distorted by "insolvencies of convenience," used to facilitate the clearance of debt, all too many are genuine. Most of the partnerships going under are marginal businesses which simply cannot wait any longer for cash flows to improve.

FARM productivity is being scandalously hampered by bureaucratic and outdated import restrictions, according to farm consultants.

They say restrictions which curb the import of new. superior seed varieties and livestock strains are also responsible for rocketing fond prices.

In attempts to curtail costs, farmers are using less of many items - $30 \%$ less fertilizer. $20 \%$ less crop sprays, and buying 5000 instead of 25000 new tractors a year But thenr efforts to produce more are thwarted by rigid - and what some experts describe as ridiculous restrictions on the import of superior seeds and breeding stock

## Isolation

The editor of the independent publication Effective Farming, Symond Fiske, says isolation of SA farmers from the benefits of worldwide genetic research is "daft at the best of times"

To do so now is doubly stupid. A conspiracy of short-sighted plant and livestock breeders has organised a type of self-imposed economic sanctions from within with the help of parochal bureaucrats."

Mr Fiske says "The response of those in authority, pandering to a small number of pedigree livestock breeders and an even smaller number of plant breeders - whose efforts are laughable by international standards - has been to cry that 'what is avaliable locally is good enough and "extra competition would be a bad thing'
"The result is that SA's crop and

## By David Southey

livestock yields, already low compared with all other Western nations, are destumed to fall further behind. SA's dairy cows and pigs produce less mulk and pork than those in Zimbabwe, let alone those of Israel. Britain, the US or Denmark."

## Incredible

John Harrison of SA Farm cionsultants says "Our wheat yoelds are low because the Department of Ag riculture's small grain-breeding station at Bethlehem has insufficient funds to produce strams of wheat suitable for conditions ranging from sub-tropical to central Eliropean But seed imports are prohibited.
"SA's soyabean yields are notoriously poor, but seed imports are allowed only for varieties already grown here."

Ned Kerr, technical director of Starke Ayres Seeds, now part of the giant Pioneer group. describes the regulations on seed imports as incredible.
"Should any overseas country want to ban seed exports to SA, it could easily identify them because of the number of phyto-samitary and other certificates required More are required here than anywhere else in the world. Seeds have to be free of so many unknown and unheard of diseases that it is often not worth the sellers going to the trouble of trying to get certificates "
New strains of plants can be imported - provided they meet rigor-
ous health requirements -- but they have to undergo several years of lesting before being ruled sutable for SA conditions

Vested interests -- such as cooperative seed company Sensako, or the Lucerne Seeds Control Board (LCB) - can ban imports if they think SA does not need them Th protect the few SA growers, this is what they usually do, say consultants.
Many more farmers than usual wished to plant soyabeans this year Some are wheat growers whose harvests were delayed by heavy rans, making planting of an alternative crop like maze impossible. But there is in surplus soyabean seed in SA

A farmer . . but not a commercial seed company -- may umport seed of licensed strams for his own use, but not for sale New varieties have to be tested over several years before import permits for general use are issued

## Slim margins

Mr Harrison says "Because of crass stupidity, SA loses the chance of closing the gap between demand and supply for oll cake"

The seed trade contends that sufficient is known about several new varieties of soyabeans and that their profit margins are too slim to finance several years of testing

Lucerne seed provides a good example of the futility of controls Composed of a few ostrich farmers at Oudtshoorn, the LCB has complete control of lucerne seed imports and sales in SA
Only SA common lucerne seed
could be sold for many years - a variely whech is not even a pure lucerne stran but is a bastardised production harvested by ustrich farmers in bad years SA lucerne yields are notoriously low by world standards
Groolfonten College at Middleburg. Cape, has been growing plots of improved lucerne strans for many years, but they were not allowed to be marketed After decades of protection, five US strans. all aphid resistant, were allowed in two or three years ago and are being grown under licence at a few sites in the Eastern Cape and Gordoma

## Eggs smuggled in

Imports are still only allowed by the lCB when ostrich farmers make money and the growers are too lazy to harvest sufficeent seed.

Apart from the I,CB. others in the firing line are the Jucerne Cultivar Evaluation Committee and the Lucerne Cultivar Advisory Committee, alded by some members of the SA Agricultural limon

It is hardly surprising that some adventurous growers secretly mport new plant cultivars The socalled Chardonnay scandal in the Cape involving wine grape varieties is a case in point
According to Mr Harrison, the situation for livestock is "equally unbelievable" There is a virtual blanket ban on the import of new breeds of livestork, meluding hybrids resulting Irom crossing two or more
L. To Page 3


Protectionism
FARMING consultants are at odds with agricultural industry and government officials on the effect of import protection policies.
Consultants say over-zealous protection is stunting output and pushing up food prices. Officials say protection is no worse than overseas and that farmers must be protected from exploitation - particularly when dealing with sometimes extravagant claims for new livestock breeds.
But according to consultant Symond Fiske: "It's not government's role to stop idiots being idiots. If someone's going to lose money he will. And the sooner the better, so the money finishes up in the hands of someone who knows how to handle it."

Critics of import controls say they are buireaucratic and outdated. By keeping out - or delaying - seeds and livestock with a better yield than domestic strains, they impose enormous strains on the economy.
"It doesn't make sense in such a small economy as ours," says Fiske. "You have to concede at some stage that the cost of keeping disease out is too great in reiation to the costs being imposed on the economy."

Andries Cronje, assistant director of the Department of Agriculture's Directorate of Plant \& Seed Control, says
many overseas seed strains don't adapt to SA conditions.
"Any" seed can come in if it has a suitable health certificate from overseas. It is the same world-wide. If it can fulfil requirements for diseases, we take it and test it."
Consultants say, however, there is no need to test such strains - nor should co-operatives or control boards be allowed to hinder their introduction.
"The only way to find out if something is suitable is to suck it and see," says Fiske. "Try it out and if it doesn't work, too bad."

Consultants are also critical of livestock breeders' unwillingness to import new breeds that could offer better yields than existing lines.

While accepting that some overseas breeds could help improve yields, Jan van der Walt, manager of the SA Agricultural Union's Red Meat Producers' Organisation, says farmers need to be protected from exploitation.
Natal-based consultant John Harrison says: "If the farmer brings in purple and yellow pigs and no one likes them, that's his loss. He doesn't needelegislation to protect him."

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> Down on the South African farm hundreds of kilometres north of the Limpopo(3)
> In the days when Aaron Mafaje worked as a clerk in Jo'burg, farming ranked rather low in his list of interests. But today, he's on of many South African exiles working the land on a giant WALT reports from Lusaka

IT is a long way from home. Thirty kilometres outside Lusaka, where a group of South African exiles farm almost 3000 hectares of land, there are few traces of township life.
On the half'hour's drive along a bumpy dirt road, there are only occasional signs of human habitation. Here and there, huts have been built alongside the road, but the paths to the farm gate are bordered mostly by flat scrubland. It is many kilometres to the nearest shop.
And, with extraordinary irony, Chongela Estates sits next door one of Zambia's most spacious and lucrative farms - owned by the Anglo American Corporation.
Since the Swedish International Development Agency bought a second, adjoining farm for the exiles in November 1985, for $\$ 150000$ (about R270000), Chongela has more than doubled its land, and is expanding its production and developing the agricultural training given here to those who have fled South Africa.
"Very few of us come from rural areas," explains Aaron Mafaje, 34 , who runs Chongela.
Before going into exile in 1976, he lived in Orlando and worked as a clerk at an engineering firm in Johannesburg.
"I was never interested in farming," he says.
But after his training in farm management - in East Germany and Tanzania - he changed his views.
"We used to believe gold was the only thing. But it's the development of agriculture that made South Africa what it is."
"I had to be taught that it was very important. Now, I don't think I will go back into any township or town."
In the midst of widespread poverty and malnutrition, the people at Chongela have succeeded, with donated equipment, in producing crops of maize, sunflowers and soya beans.
There are also sheep and chickens, 1300 head of cattle and 300 pigs - including the two plumpest white pigs, baptised by the exiles as Botha and Reagan in an irreverant poke at their enemies. Reagan has been honoured with a pen of his own in the middle of the long piggery, in which he snorts and dribbles, shakes his head from side to side and stretches down comfortably into his warm excrement.
Before Christmas last year, Botha was slaughtered to feed 89 exiles in Lusaka over the festive period.
Chongela serves not only to introduce refugees to some new skills - it is also a possible experiment for the future agricultural production in South Africa, once the exile community is able to return home.
After decades of homeland creation and forced removals, the exiles interviewed at Chongela foresee massive land redistribution should they


Aaron Mafaje with Reagan the lucky pig. Lucky because it was his pal Botha who got eaten last Christmas.


The unlikely farmer: Aaron with wife Thoko and baby, surveying their crop
PIctures: STEVE HILTON-BARBER, Afraptx
 able to control crop production from the comfort Zambia's hard-hit Copperbelt when President of Pretoria's Union Buildings.
But whether that land distribution will imply concentrating on small, peasant-based farming or creating large, collectivised state farms, appears to be a matter still under debate.
With most of the farm management trained on farms in Eastern Europe and Tanzania, the preference is not surprisingly towards collective, state-owned farms.
Now, with the farming experience he has gained, says Mafaje, "I don't think I would encourage individual ownership. I think state farms will serve the masses".
Certainly, Chongela is something of a success story in Zambia, where years of drought and economic mismanagement have battered the agricultural sector into a state of apparent

## A rural rebel is back on the land LENFORD GANYILE stalks the

 maizefields, talking with a lucidity and passion about the Pondoland Revolt, the rebellion he led 30 years ago, as if it had all happened last eek.The younger exiles clearly revere 63-year-old Ganyile, commander of one of South Africa's few rural have followed him into exile since have followed him into exite since environment. "I have always farmed. I come from the land," he said.
But that land was threatened with the creation of "homelands" during the early 1950s, which led thousands of Pondos in the Transkei to rebel against their chiefs and government officials. Armed forces eventually had to be sent to the region to put down the revolt and impose emergency rule. "I was working as a baasboy in a
foundary in Johannesburg at the foundary in Johannesburg at the time," recalls Ganyile. "The African National Congress decided that I should go home and organise the Pondos. I started in 1956, but I did not make much progress. The movement was still very poor, so the Pondos decided to conect their own money There was a joining fee of R1; they all joined - everybody.
We pleaded with the government about the land that was being taken away.
"The people were never told about the bantustan policy. They were very the bantustan policy. They were very
cross, and decided to leave the kgotla cross, and decided to leave the kgotla (the court of tribal elde
"The chiefs did not want to join us. We decided to burn the chiefs' homes and kill them. We decided to kill the paramount chief.
"The chiefs used to come home after being trained by the government, and started to shoot those people who were not supporting the bantustans. We also not supporting the ban
killed a lot of people.
"But the revolt failed, and movement people were deported to remote areas," said Ganyile.

VIVIENNE WALT is a staff correspondent for Newsday, New
York, for whom she was in Lusaka last week on sole assignment

## By VIVIEN HORLER

CURRENT agricultural prospects in South:Africa are the best in years, according to the South African Agricultural Union.
And the wheat and maize crops are expected to be considerably bigger than they were last season.

A review of current and expected agricultural conditions published at the weekend notes a spirit of renewed optimism in the farming community.

FIRM FOUNDATION

- "Successive good agricultural years and effective reconstruction measures should place agriculture on a firm foundation," said the review.

The spring rains of 1986 brought relief to large parts of the country.

But there is a still a severe drought in some summer rainfall areas, including the Northern Cape, the Karoo, the far western Transvaal and north of the Soutpansberg.

The last of the winter grain is now being harvested, and the wheat crop is expected to reach 2,1 million tons, compared with 1,6 million tons last year. The crop has been particularly good in the Free State.

And if the good rains last, it looks as though yields of summer crops, in-
cluding maize, grain sorghum, oil seeds and cotton, will be the best in years.

About 4,2 million ha have been planted with maize, and a yield of between 10 and 11 million tons is expected, compared with 7,5 million tons last season.
The review says there is a good possibility the cotton crop will be enough for home consumption, meaning a saving in foreign exchange.
There was concern about low dam levels, and water restrictions remained a serious problem at various irrigation schemes.

GRADUAL RISE
But, said the review, there were signs of a gradual rise in dam levels, especially in the summer cropping areas, and streams and rivers which had been dry for years had begun running again, much to the relief of farmers.

Pastures are recovering in most areas, and farmers are able to build up herds again. This has led to a decrease in slaughter animals, causing market shortages and inflated meat prices.'

- A shortage of dairy products is also expected as many farmers who turned to dairy farming during the drought have now left the industry.


Farmers

## known' about



CANE and vegetable farmers should have been aware of the dangers of the misuse of the weedkiller $2,4 \mathrm{D}$ which has severely damaged vegetable crops in Natal's Tala 'Valley.
: This was said yesterday by the director of the South African Sugar Association's experimental station at Mount, Edgecombe, Dr GeraId Thompson, who added he hoped the Goverment would not extend its ban on the chemical to the whole of Natal.

The Government banned the use of 2,4 D in the Tala Valley near,"Camperdown last week after it was found to be the cause of widespread crop failures and gross deformities and degradation in surviving plants and fruit..

Dr Thompson said 2,4 D had been an agricultural chemical for about 35 years and it was common knowledge that it could cause damage to other crops and vegetation if it were not used very carefully.

- There were a number of formulations of $2,4 \mathrm{D}$ and the. one used in the Tala Valley was understood to be the Isooctylester of 2,4 D.

Even if sprayed in the mildest wind it could be carried to other crops and a number of farmers in the Tala Valley farmed sugar cane and-vegetables. It would be almost impossible to prove which farmer was responsible fos the unfortunate situation in the valley, he said.
Dr.Thompson said 2,4D was the cheapest chemical for the eradication of certain types of weeds and it would be a pity if it were banned in other areas of Natal where only sugar was farmed.

## Happy

As-2,4D formed part of a number of different registered chemicals, a blanket ban on it would mean the major chemicall producers would face financial loss and have to find alternatives to it, he said.

Meanwhile Mr Steve Shone, director of the Natal Agricultural Union, said yesterday the union was happysto see $2,4 \mathrm{D}$ banned in the Tala Valley, especially as other weedkillers were available to sugar farmers.


However, if it was useful to sugar farmers, he didnot feel it should be banned in other areas in Natal where only sugariwas farmed, he said:

Mr Shone said the union was interested to find out whethel yegetable farmers in other areas were being affected by the chemical, and he appealed to farmers experiencing crop mutations, or growth problemsin areas outside the Tala Valley to contact' a Department of Agriculture extension officer.' ${ }^{\text {. }}$
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A spokesman for the Housewives' League in Durban, Councillor Margaret Cooke, yesterday desceribéd what happened 'in the Tala Valley as 'a terrible example of what can go wrong when dangerous chemicals are used'.
But, she said, housewives should not beto áadyersely'mif' fected by what had happened in the valley as it was not Durban's only suppler of vegetables, and"lettuces in particular could easily be sent from the Transváal, where they grewin abundarice.

Housewives would just have"to shop around she said.


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## By Glenda Spiro

The drought has broken in South Africa, but experts feel there will always be a water scarcity, and there is no relief in sight on water restrictions.
Because of recent rains, the Transvaal and Free State have been taken off the "drought list". According to the South African Agricultural Union (SAAU), Natal was taken off two years ago and the Eastern Cape a year ago.
There are still several droughtstricken areas in these provinces, but the SAAU has accepted that this position will never change.
A spokesman said the six-year drought was the "longest in memory in this country".
"Internationally, 25 percent of South Africa is considered desert area."

## DAMS STILL LOW

The Northern Cape is still critical because good rains have not fallen for eight years.
Although experts are optimistic for this year, they are cautious because dam levels are still low and catchment areas are not retaining enough of the rain that is falling.

Department of Water Affairs spokesman Mr Anton Steyn said dam levels could rise only if there was constant rain in catchment areas. "If there's good rain for a week, then no rain for 10 days, we're back to square one."

This is the reason why the Vaal Dam is only 23 percent full. The Vaal catchment area, measuring 39000 sq km , has not had enough continuous rain.
"But we are gaining ground and have had a few good run-offs," said Mr

Steyn. There has been a 5 percent increase in the level of the Vaal Dam since this time last year and the rainy season is not over yet.
Mr Steyn doubts that there will be any relief on water restrictions for a long time. "The dams have to be 30 percent full on average before we can even think of lifting restrictions. I don't foresee a need for new restrictions - but people must be kept aware that there isn't a drop of water to waste."
A recent survey of agricultural conditions in the Transvaal revealed a good outlook for summer crops for the first time in five years.
A spokesman for the Transvaal Agricultural Union said farmers in the Western Transvaal will have maize crops for the first time in years.
But he feels the next two to four weeks will be the make-or-break period for farmers. "The maize is in flower and making seed now, so we need the next few weeks of rain to see the crops through to winter, when they will be harvested."

There has been a lot of rain in parts of the Northern Transvaal, but other areas are still dry.
"The Eastern Transvaal is looking good, although hail damaged some crops two weeks ago. The damage was between 5 percent and 80 percent, but most of the maize will survive," he said.
In the Lowveld, rivers are flowing and there is sufficient grazing for cattle. Rain has stimulated growth on tobacco and sub-tropical fruit farms there.

[^10]NATAL farmers have formed a breakaway organisation - ProKoop - because of wrangling over credit lines between the Natal Agricultural Co-operative (NAC) and farmers.

NAC members are up in arms over the way in which, they claim, officials are discriminating against members who accept spe cial discounts from suppliers.
"The farmers allege that the co-
to advance credit or even provide them with technical help.

Pro-Koop yesterday also olaimed intimidation of farmers , by co-operative officials.
Chairman Fran Basson said the farmers to whom the NAC had advanced credit or who might in
ithe future be dependent on the co.operative for credit were "volun.tarily compelled" to purchase ,their production inputs from the co-operative.
merthis is in spite of the fact that whese could be obtained much
cheaper elsewhere."
He cited one example where the NAC had negotiated a $15 \%$ discount on the price of fertiliser, and was now refusing to consider granting production credit to a farmer who had negotiated a bigger discount on his own with a fertiliser company.

Basson said there were cases in which farmers had been offered discounts of up to $40 \%$ if they dealt directly with the fertiliser company, and sought financing elsewhere.

In one case a saving of as much as R 80000 had been made on fertiliser purchases.

Farmers also alleged the NAC was threatening to close the accounts of fertiliser companies which granted discounts of more than $15 \%$ to farmers.

The SA Agricultural Union's cooperative council could not be contacted for comment at the time of going to press.

## Global Mining and Industrial Corpor <br> ormerly Northern Free State Motors Limited) ("Glomine")

Shareholders of Glomine are advised that ne
affect the value of a Gion in this regard will be made in due col A further announcementinary shares are advised to exercise ca in these shares.



## FARM EQUIPMENT(3) ferveral

## Rebel in the field IM

You can't keep a good man down. Midlands farmer Gerrie de Jong, who gained fame by leading a tractor parade through the streets of Maritzburg to protest against rising farm input prices, is at it again.

This time, De Jong has ruffled establishment feathers by threatening to bypass dealer middlemen in the chain bringing farm equipment to the farmer. He wants to market his range of farm implements directly to the end-user.

Last week, De Jong circularised about 5000 Natal farmers with details of his proposals. Predictably, dealers and some of De Jong's competitive suppliers who are locked into long-term dealer or service contracts with them, were furious. They threatened to bring pressure to stop component suppliers selling to his factory.

Farmers, of course, were elated. Within the first few days they had placed over R100 000 worth of business with him.

De Jong, who has conducted something of a crusade against what he perceives to be cartels in the farm supply business, says he was prompted to take his latest action by an
incident involving the sale of some of his equipment through an intermediary.
It was a small agricultural mower which sold from his factory at Howick for R1 150. But the dealer's price to the North Coast sugar farmer buyer was R2 400 - a markup of more than $100 \%$.
"That machine was going straight from me to the farmer. The fact that the price more than doubled because of a simple phone call made me see red."

According to De Jong, the average markup on farm equipment through second party distributors is between $60 \%-70 \%$. He stresses that not all dealers are exploitive and that there are many who offer value-for-money service. But there have been cases, as in the North Coast incident, where mark-ups have exceeded $100 \%$.
"We've got to call a halt somewhere," he says. "Farmers, squeezed as they are on the agricultural input side, just can't afford these mark-ups any longer."
Dealers, however, vigorously defend their pricing policies. Jack Foster, branch manager of Malcomess in Maritzburg, contends his dealership makes a gross profit of only $28 \%$ on bought-in equipment, and, he says, "we offer a $15 \%$ discount to buyers who arrange their own delivery."

However, Foster admits that the average mark-up in the business is probably closer to $50 \%$ which, he says, returns a gross profit of around $33 \%$.
Robin Phillips, group director, farm machinery, for Fedmech, says the current competitive environment in the farm machinery business would not allow for any exploitation. Margins have never been thinner, he says. "You don't see too many people rushing to invest in the farm implement business

## these days."

De Jong, however, says he's going to press his direct marketing scheme all the way, and he hopes to draw other suppliers into the fold.

Dealers and distributors who offer a good service, he contends, have nothing to fear. But those who are merely "order takers accustomed to taking their cut" had better watch out.

Cape farms pull foreigners
© PaARL - Foreigners Dennegeur, was sold forR900 000 to a Swissbuyer, Mr Hugo Schwegler.
Negotiations are at present taking place for the sale of two farms at Simondium, near Paarl, with prices in the R1 with prices in the R1
million bracket. The interested parties are a Canadian and a West German.
Last year a farm in the Stellenbosch district
was sold for R8 million.

Anor farm in the Klein Drakenstein area,
-Sapa $\qquad$

THE government is to provide R237m to assist in the reconstruction of the agricultural sector, the Minisreconstructe barend du Plessis, announced yester of

He said the recommendations of the State President's Economic Advisory Committee had beed handed to the Jacobs Committee after itmers
its probe into the problems faw completed its task Orhe Jacobs Committee had now comple proposals. in assessing the practicabiltie to announce that an ". It affords me much pleasure to anno in the main amount of R 117 m will be inent in a five-year proestimates as the first instruction of the agricultural gramme for the rought-stricken areas.
sector in the drought-stro $120 \mathrm{~m}^{\text {thili }}$ also ":"A further amount of some R120mwill also pe made available for various sector" grammes to the agricultural sector deetermine the The Minister of Agriculture, would deterin particulars. - Sapa
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## AGRICON CONFE had weakened the economic and

 financial position of farmers to a point where the survival of thousands was threatened, Agriculture Minister Greyling Wentzel told the Agricultural Outlook Conference (Agricon) in Pretoria yesterday.Agriculture contributed about $6 \%$ of gross domestic product (GDP), he said.
He stressed the importance of agriculture's role as an employer, in safeguarding border areas and as an earner of foreign exchange.
Referring to the Economic Advisory Council's investigation into the rehabilitation of the industry, Wentzel said the council had identified ten problems.
Among them were reduced cash flow, diminished ability to compete on world markets, incorrect allocation and misuse of resources, inadequate competition and the unfavourable debt ratio.
Causes identified were sustained high inflation, changes in the exchange rate, increased interest rates, excessive government regulation, inadequate man-

Farmers
price of
agement skills, unco-ordinated and excessive grants of credit and inadequate state research and extension services.
Farming was no longer such an attractive occupation. After the setbacks of the past few years, this was not surprising.
There were, however, still plenty of profit possibilities in the industry.
The realities of the industry must not be lost sight of.
There were some industries, particularly the export industries, which had good to very good results, mainly because of the weaker rand.

However, because of sanctions and boycotts, the export industry was facing serious marketing problems.
Wentzel said SA was not unique in that in most agricultural countries farmers had income and financial problems.
What was most disturbing was that prospects for rehabilitation were limited.
Stressing the problems created by excessive production stimulation, Wentzel warned that if existing policies continued, the current agricultural crisis would deteriorate into chaos. Reform of international agricultural policy was therefore unavoidable.
Farmers in need of help - summit told -
Debt-riden farmers owed a total of R11 117 million in 1985 andid their financial position has continued to deteriorate; according to the chairman of the South African "Agricultural Union's Co-operative Council; Dr.A.P'Scholtz.
He told the 'farmers' summit, Agrocon '87, in Pretoria yesterday 'that' farmers' debt had soared since 1975. Tta
;All thiese problems had been exacerbated by the drought and interest rates which had risen markedly since the start of the 1980's:
Farmers' net profits were dwinding and some were showing losses Many had serious liquidity problems
it was vital, Mr. Scholtz said, that a two opoint plan be followed to ensure agricultural recovery Firstly, there should be short-term measures to restore reasonable stabili-
 An announcement about thisjowas expected from the Minister of Agticulture, Mr Greyling Wentzel.
"The, main" goal here ought to be to positively influence the net cash flow of farmers', to halt the growth of the debt burdensadito give farmers a. 'breather until'long-term recov-' ery gets under way"
Wecond there was a need for longterm measures to improve the viability of agriculture and: allow farmers to regain their financial independence. $\qquad$


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The MINISTER OF AGRICULTURE：


What percentage of South Africa＇s total
 －IeN әцl дəpun pays！iqeisə pieoq Kue fo keting Act，No 59 of 1968 ？
The MINISTER OF AGRICULTURE：



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拿穿
The MINISTER OF AGRICULTURE：


378 cent per kg butterfat and protein
489 MONDAY， 23 FEBRUARY 198 grammed，particulars for this period are not readily available．
The increase in crime is an universal tendency，and even causes great concern
during international crime conferences． Marketing Act
$\begin{gathered}\text { 513．Mr P A MYBURGH asked the Min－} \\ \text { ister of Agriculture：}\end{gathered}$
What was the total cost，（a）including and（b）excluding administration expendi－
ture，of each board established in terms of the Marketing Act．No 59 of 1968 ，for the financial year 1985－86？
I wish to point out to honourable mem－
bers that should the above－mentioned figures be brought into perspective，it will In some instances crime reflects drastic in－ creases and in others it reflects similar de－ area to another，while the population den－ sity is also an important contributing fac tor．Increases in crime can mainly be as－
cribed to：


（c）the abuse by criminal elements of un－


Banana Board
Canned Fruit Board Chicory Board Cotton Board． $\qquad$ Dried Fruit Board




$491 \quad$ MONDAY，23 FEBRUARY $1987 \quad 492$
（b）（i）Fresh milk

| （b）（i）Fresh milk |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Area | 1／7／86 c／litre | Floor price 16／2／87 <br> c／itre |  |  |  |
| Bloemfontein ． | 4，0 | 48，54 | Prices paid by distributors to the Dairy Board for producers＇milk with 3，5\％ butterfat． |  |  |
| Cape． | 4，0 | 51，58 |  |  |  |
| Natal | 4，0 | 49，37 |  |  |  |
| Transvaal | 4，0 | 49，38 |  |  |  |
| （ii）Industrial milk |  |  |  |  |  |
|  | From 1／7／86 |  |  | Floor price from 16／2／87 |  |
|  |  | Butterfat c／kg | Protein $\mathrm{c} / \mathrm{kg}$ | Butterfat c／kg | Protein c／kg |
| Class Aplus bulk facilities |  | 540 | 540 | 450 | 674 |
| Class B． |  | 407 | 407 | 450 | 387 |
| Class C |  | 394 | 394 | 450 | 358 |
| Class |  | 378 | 378 | 450 | 324 |

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$|1| 1|1| 1|+1| 1|1-1| 1|1|$

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Orange Free State:
No steps were taken during 1986 in the Orange Free State Community Services

(a), (b) and (c) fall away.

Natal:
Natal:
No steps were taken during 1986 in the Natal Community Services area in respect of any shelters of squatters.
(a), (b) and (c) fall away.
334. Mr K M ANDREW asked the Minis-

Whether officials of his Department, ut sdars fue yool sajnas inunumog iol oh
 $\mathrm{N} N$ so. (a) what steps. (b) how many shelters Board and/or Office for Community Ser-
vices area were affected by these steps and
(c) where were these shelters located in each case?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:
5
ape Province:
Yes, only in respect of Western Cape.

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$7 \times 2-62 \pi+\frac{2}{2}$

Note: Statistics are furnished for the period 1 July 1985 until 30 June 1986. grammed, particulars for this period are not readily available.

I wish to point out to honourable mem-
bers that should the above-mentioned bers that should the above-mentioned
figures be brought into perspective, it will be noticed that crime tendencies fluctuate.

## -Lowveld needs rain to break

 the heatLowveld Bureau NELSPRUTT - Blistering heat continues to scorch the Lowveld. Rain has not fallen in some places for three weeks.
In the Kruger Park, the midday temperature has not dropped below 32 degrees for the past month and much of the reserve is very dry.

The heat was so fierce in Nelspruit at the weekend that a man almost fainted at his wedding. Family members took off his jacket and tie, and the embarrassed bridegroom took his vows seated before the minister.
At Komatipoort, the heat has exhausted townsfolk.
"This is the hottest place in the Lowveld, but we don't have a municipal șwimming bath," one perspiring inhabitant complained.
Dams in the White River are dangerously low. It has not rained in the area for almost two months. Rain is needed to avert a threat to domestic water supplies.
Angry townsfolk recently packed White River Town Hall to protest against "weather modification" (cloud seeding) in the Lowveld.

Accusing the project of dispersing rain, they demamded an immediate halt to all forms of cloud seeding.

Since weather modification was introduced in Nelsprùit lin the early 1970 s , it has been strongly criticised.

Mr Sarel van! Rensburg, chairman of the Potchefstroom Agricultural Union, shows the difference between good rainful crops and crops damaged by
< . : : , it drought.

## Wentzel hints at 'drastic steps' to aid farmers

## By Joe Openshaw

A fortnight of blazing heat in the Western Transvaal and Northern Free State has turned the promise of a good harvest into a nightmare of crop damage and deeper debt.
This was the grim picture painted for the Minister of Agriculture, Mr Greyling Wentzel, by farmers in Lichtenburg, Leeuwdoornstad and Kleksdorp yesterday.
The Minister was told that good October and November rains prompted farmers to plant bigger crops than last season. But, in these scorching, rainless February days, they are staring disaster in the face..sto
Yesterday some farmers asked Mr Wentzel to consider freezing debts by declaring a moratorium and steps to write debts off.
The Minister was told that a combination of six years of drought, high interest rates, inflation and repossession of farm implements could force 40 percent of the area's farmers to quit their lands before the harvest is reaped.
Said Mr Jan Delport of Petrusburg: "Every day, farmers are getting summonses. Many have already been sequestrated. We are on our knees and have nothing to offer the banks."
'2.
Mr Tobie Pienaar, manager of the Sentraalwes Cooperative, told the Klerksdorp meeting that tractors, other implements and hire purchase items had been repossessd and, recently, the co-operative had to write off debts of R2,3 million.
"The expected delivery of maize to Sentraalwes Co-operative was estimated at 2,6 million tons on January 13 but, a month later - on February 12 the expected delivery had decreased to 2,1 million tons.
saymat
"In, the past two weeks the size of the expected deelivery has dropped to 30 percent," said Mr Pienaar. After listening to these complaints, Mr Wentzel said "It is clear that drastic'steps are called for. The State will not allow agriculture to collapse. I hope to bé able tö announce moves soon which will prevent 5xwer 4 32 4 the wild dogs getting the land.
"We do not hatve a moratorium law but, if a settlement cannot be reached, we may have to consider a way of freezing and writing off debts.
"The Government has spent R1 000 million assisting farmers in the past few years and I wonder who gets most of the cash - the farmers or those providing hire purchase items?
"Agriculture is not only the reponsibility of the State but that of the private sector as well. Banks and hire-purchase institutions must make a contribution. All must do everything in their power to help the farmers."


## Aid for farmers

PRETORIA. - An add tional R237 million has been added to the Agriculture budget to aid farmers in debt due to "circumstances : beyond their control," the Minis
ter of Agriculture, Mr
Greyling Wentzel, an nounced yesterday.
The government considered the' agriculltural sector indispensible.
It fulfilled an important role in the national economy (volkshui'shouding), contributed to economic growth and promoted sociäl and constitutional stability, he said in a Press statement.
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Mr Wen
xistinentzel said the xising schemes for the consolidation of debt, would be amended by means of interest subsidies. This would give farmers a better cash-
flow position. The Agri-
cultural Credit: Board's
adsural Credit:Board's Would be modified accordingly.


4004
-itisyed rescue financially stressed farmers brought to the brink of ruin by successive droughts.
Agriculture Minister Greyling Wentzel said yesterday government had made R 237 m available to far9: ... mers.
Defe This was on the recommendation 2vap of the Economic Advisory Council that government should assist farmers who lacked the financial resources to survive.

The money was in addition to the -9 7 $-0 \geqslant \%$ aid provided for in the agricultural io 0 . budget.
$102=$
Atrricas

## gerald reilly

Wentzel's announcement, made at a farmer's meeting in his Bethal constituency yesterday, followed his discussions in Cape Town earlier this week with Finance Minister Barend du Plessis, senior Reserve bank officials and representatives of commercial banks.
He said existing schemes for debt consolidation - the six- and 10 - year carry-over debt schemes - were being amended with the help of interest subsidies to improve farmers' cash flows.

Agricultural credit board aid programmes would also be modified.

## FARM DEBT

SA's commercial banks are facing up to the fact that some R3 billion of the country's massive R14 billion farm debt could be at risk.

The first victims of their new stance are likely to be those farmers with the attitude that farm debt is the "banks' problem." They are in for a surprise, because the problem will be coming back to the farmhouse door as banks take an increasingly hard line on production credit support for agriculture.

The economic and financial feasibility of each farmer's operation will become paramount in assessing future support, say banking sources. But, if government decides that agriculture's strategic value to the economy outweighs other considerations, an aid package - which could provide five years' breathing space - can be expected.

Barclays Bank chief agricultural adviser Frans Venter says about R3 billion of the farm debt - less than $20 \%$ - could be in default among farmers who are unable to survive without massive State aid. With the annual $12 \%$ interest bill on the total debt running at $\mathrm{R} 1,68$ billion, a rescue operation will come dear.

Banks, of course, always have recourse to seizure of land, but that would bring down farm prices, thus devaluing the security.

Venter says banks will not be intimidated by the prospect of forced sales, if they are conducted on a structured, orderly basis. And actual execution sales could be far less in number than feared in farming circles.

Venter says additional aid will only prolong the agony in many cases. Apart from the drought and the new pricing system, bad management decisions in the good years are now taking their toll.

And, adds a banker, some farmers are still buying new vehicles and luxuries on production credit already cut "to the bone."

Venter says commercial bank commitments to western Transvaal farmers could total some R780m, while total farm debt in this drought-hit area could total R2,2 billion. If doubtful areas in the Free State are added, total risk debt would be in the region of R3 billion - about $75 \%$ owed by maize growers.

Meanwhile, three major developments directly affecting the fortunes, and even survival, of many northern maize belt farmers are anxiously awaited.

These are the size of this year's maize crop, the final decision on the maize price and government's reaction to the Economic Advisory Council's reconmendations on the restructuring of agriculture.

The final maize price will obviously influence future action by banks, other creditors and the government.

If the price remains around R240/t many creditors would be prepared to extend production credit for another year, even without more State aid. But, if it hits R200/t or less, creditors could be forced to call in their security.

The election and the need to retain the farm vote will certainly influence government's decision on emergency aid beyond the R237m already earmarked. Next week's Nampo congress at Potchefstroom should provide some pointers to current thinking.

But it is clear the current situation cannot continue indefinitely - whether change comes from short-term action by banks and other creditors, or from emergency aid to restructure agriculture.

But even without additional State aid, and with a maize price of $\mathrm{R} 200 / \mathrm{t}$, it will not be wholesale slaughter. "Blood will flow," says a banking source, "but the fear of the event might be worse than the event itself."
Dire predictions that $60 \%$ of maize farmers will be forced to sell by the end of the season - unless government helps out seem far-fetched.
But Pretoria's serious view of the problem was evidenced by last week's high-profile tour by a top echelon of ministerial, departmental and organised agriculture representatives through the western Transvaal maize belt.
It is becoming increasingly clear that restructuring will be a costly and lengthy affair. Not only will huge capital be required to diversify into new crops, but it could take years to put this into effect.

Unless government provides bridging finance or other subsidisation, many farmers face a grim prospect. But the strategic value of food and the political importance of the farm vote may still carry the day.

## DISINVESTMENT (28)

## Bouncing baby blue

Free of the restraints of forme US parent IBM, the new hnormation/Management Services (ISM) is laking ap aggressive stance.
 pation in the local electronics industry, sales of non-IBM products and entry into the second-user market The company will also review its suppor and education services with an eye to turning them into profinmakers.
One of the most important developments for the all-South African company is the end of the restriction on selling non-1BM pro-
ducts. Indeed, ISM's first outside deal, concluded this week, was to tie up exclusive local rights to software from the UK's Hogan Systems.

Hogan, the leading supplier of integrated application software to the banking and financial services industry, already has a base with several institutions in SA.
Another major area of immediate endeavour is likely to be the manufacture and marketing of personal computers.

When IBM announced its pull-out last October, microcomputer retailers predicted the new local company would seek gains in this area (Business October 31). It had already rationalised its dealer network and made it plain it would seek big new clients itself, even if it meant competing directly with dealers.

Like its former US parent, the local company lost out heavily to clones from the Far East and to retailers with local manufacturing contracts. It seems clear that ISM itself must look at the local manufacture of micro hardware, even if only to supply its dealers at competitive prices. Although ISM is the sole supplier of IBM products in SA it is free, as MD Jack Clarke points out, to market other products.

In addition, market operations director Tony Dry says ISM is examining the possibility of "participating in the local electronics industry, which is fully tooled up for the manufacture of terminals and worksta. tions."

The effect on the R250m-a-year micro sector would be enormous. As one dealer has it: "If ISM put its financial muscle behind the development of a local micro and sold it at a price to compete with Taiwanese machines, it would wipe out much of the competition. And even if it was more expensive, buyers would still have the feeling that it came with an IBM pedigree."

It is also widely held that ISM is looking at developing and manufacturing telecommunications equipment locally. Certainly, the sector is open. As Postmaster General William Ridgard recently warned, an inadequate telecommunications infrastructure could be a major obstacle to progress in SA.

On support and education services, Dry says: "There's nothing to prevent us from marketing our skills and resources in these areas, and no reason why we should not profit more directly from them." This means the traditional added-value for which IBM buyers paid a premium will be further exploited, possibly by developing separate training and maintenance facilities.

Meanwhile, ISM has the task of rebuilding customer confidence which was, despite

## day March 6 1987

## Farmers to get $R 237-\mathrm{m}^{3 \mathrm{cctua}}$ in Gôt aid sini By Therese Anders $6 / 3 /$

 MIDDELBURG -The Govern ment yesterday announced a major R237 million financial relief packàge for farmers: The programme is the form of subsidies for reduced interest payment atd the biggest financial assistance package farmers have received in three years.'it will fun for the $1987 / 88$ financial year and is in addition to the annual agricultural' bud get
'In announcing the package Minister of Ariculture Mr Greyling Wentzel sáid the aid programme showed the importance the Government was placing on agriculture and the farmer - "not only froman economic but also froma social point of view.
Mr Wentzel was given a standing ovation by the 800 farmers present at Wildebees. fontein near Middelburg where he was addressing an Eastern Transvaal Có-operation (OTK) farmers' day.
$\because$ The chairman of the OTK Mr Gert Schoonbee, t taid this was a positive move
$\therefore$ "We are very grateful to the Government for helping farmers through their financial dilèmmä."
${ }^{4}$ He said'farmers were embarrassed to approachthe Government time and a aif for help, "but we wust not forget that we are in our fifth or sixth season

Hésaid the Minister's plan of restructuring co-operatives would eventually lead to farmers being less dependant on Government aid.

One of the area's farmers, Mr Hennie Pelser,' Said the Minis ter's announcment was won'derfultêtws "Thistris" going to help the farmers the drought-ridden Western Trañsval who are on the brink of going under,"

## Jail vegetable"plan angers two <br> By Don Robertson gered by the Prisons Department's plans to open a R6-million dehydrated vegetable plant. <br> The SA Agricultural Union will raise the matter with the Minister of Agriculture, Greyling Wentzel, next month. <br> Impinges <br> The South African Dried Fruit Cooperative and the Langeberg Co-operative have slammed the plans, saying they are contrary to the principle that the Government should not be in competition with private enterprise. <br> Inus van Rooyen, sentor deputy director of the SAAU, says the union's co-operative council has investigated <br> the plan and finds it goes against the Government's commitment to privatisation. <br> "In the past, the Prisons Department has in many instances produced its own vegetable crops and it could be argued that the new plan is a continuation of the process. However, in an atmosphere of privatisation, the department should give the matter careful consideration as it impinges on private enterprise. <br> "After the discussions with the Minister of Agriculture, we will see what further action is necessary." <br> Langeberg has a dehydration plant at Hartswater in the Northern Cape. It is operating at about $70 \%$ capacity. The Langeberg plant produces dehydrated vegetables mainly for export. <br> The Dried Fruit Co-operative has a plant at Barvale, near Nelspruit, at which it processes 30000 tons of fresh vegetables a year to produce about 3000 tons of dehydrated product. It is operating at about 75\% of capacity. <br> Customers <br> Products from the two plants are marketed by the the Dried Fruit Coopertive which supplies among others the Prisons Department, SA Transport Services and the Defence Force. <br> Steve Rautenbach, retiring general manager of the Dried Fruit Co-operative, says there is no price agreement between Langeberg and the co-operative. <br> "We compete directly with cannedand frozen-vegetable producers, but we are not happy to have to compete with Government."

## Namibia bans farmland bargains

By BARRY STREEK
and JANE ARBOUS
SOUTH AFRICA is unlikely to follow Namibia's ban of the use of the weak financial rand by foreigners to buy up farmland at bargain prices, the Direc-for-General of Finance, Chris Stals said yesterday.

Stals said there was no reason to change "at this stage" the South African $50 \%$ commercial rand $/ 50 \%$ financal rand formula which was introcial rand formula for overseas buyers.

He believed that the Namibian move was an effort to encourage development as many of the farms there were left unproductive and used for hunting only.

Millions poured in
The interim government cabinet said in a statement that the reason for the decision was "to eliminate unfair competition in which inhabitants of the country find themselves in comparison with foreigners using the aide of the financial rand for the purchase of farmland.
"In practice, foreigners were placed in a position to make use of the finan cial rand for as much as $50 \%$
purchase price of farmland."
In SA foreigners have poured in mil-
weak position of the financial rand to buy property, listed securities and businesses.

## Historic farms

In the Western Cape, historic farms, such as Wilde Paardejacht and Denneguer in the Klein Drakenstein area neguer in the and Neetlingshor sold to foreigners in area, have been sold to foreigners in recent years.

The system here has been criticized because of the advantage it gives to foreigners over local investors.
The Namibian decision is, however,
The Nars move taken in Southern
the first move the negative effects Africa to counter rand practice.
The Namibian cabinet said it had The Namin principle it would be decided that in prinlow foreigners to its policy "not to allow for the puruse the financial rand for the financhase of farmand, but that the financial rand may be used for the erection of fixed improvements
owned by foreigners", purchase of Applications for the would also be farmland by foreigners would also be
considered against the background of this policy by a committee of expert this pols from various government deofficials fro

Exceptional cases would be reerceptional the cabinet, the statement ferred
said.

## Closing gold prices

(In \$ an ounce)
LONDON:
405,00-405,50
Fixing am: 404,85
Fixing pm: 405,00
ZURICH:
403,00-406,00
ira, RB Merry, MR Key, . McCay.
| RESULTS
dings Limited for the financial

| 10 months to <br> 31 December 1888 | 12 months to 28 February 1986 |
| :---: | :---: |
| R'000 | R'000 |
| 160770 | 18742 |
| 20206 | 1299 |
| 3900 | 335 |
| 16306 | 964 |
| 3019 | 188 |
| 13287 | 776 |
| 470 | - |
| 12817 | 776 |
| 210 | 250 |
| 12607 | 526 |

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He said he was wrestling at
present with all these points. $\stackrel{0}{3}$ of the industry," Jooste
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never allow to
Current aid subsidised inter-
est rates to as low as $4 \%$ or get Borehole plan


## Work has begun on a multimillion-rand project to sink a network of boreholes

 across the Reef to provide vast amounts of water if the drought worsens.* that will supply cheaper drinking water to the PWV. half the Rand Water Board's current yearly distribution to the PWV area. said extensive drilling operations were underway in dolomite areas.
"In 1984, the first drilling phase started in Vereeniging, Meyerton, Klip River and Zuurbekoms. About 70 boreholes in the PWV - particulary in Pretoria - are already in operation.
"The second phase will begin next week with the investigation of borehole sites in Carletonville, Bapsfontein and the Verwoerdburg/Kempton Park area. Accelerated drilling is on the go in Klip River and Meyerton."
Mr Mike Piché, president of the Borehole Water Association (BWA) and a drilling contractor, yesterday spoke to The Star from the Meyerton Farm drilling site.


## Gushing out

"We are pumping out 90 litres a second. Not many drilling contractors have seen this amount of water gushing out. The average borehole diameter is 165 mm and this one is 330 mm ."
may save Reef drought

The Department of Water. Affairs is now drilling hundreds of high-yield boreholes
Experts believe the R9 million project could provide 400 million cu m a year - more than
Dr Paul Mulder, deputy director of geohydrology at the Department of Water Affairs in Pretoria,

## By Adele Baleta

At that rate, it would take about 11 minutes to fill an aver-age-sized family swimming pool of 600001 capacity.

Dr Mulder said the R9 million budgeted for the project would cover only the costs of investigating sites.
"Only highly.sophisticated drilling equipment will be used, preventing interference with the water table and the possible occurrence of sinkholes," he said.
"The areas will be sited carefully and there will be no pumping of water near a built-up area."

The RWB will be responsible for laying pipes, booster pumps, extracting the water and supplying it. Ground water will be far cheaper than dam water, said Dr Mulder.
Mr Alfred Hardwick, deputy chief engineer of the RWB, said:
"If implemented, a water supplement of this magnitude will be extremely valuable to the Vaal River source.
"The water from boreholes with a small dose of chlorine will be pumped and delivered directly to consumers."
The manab:: is scientific servic is da' the lifyuinent of Water Affairs, Dr Paul Roberts, stressed that implementation of the project, which is in its exploratory phase, would depend on the amount of water stored in the Vaal Dam.
"The total storage capacity is better than this time last year and even with the present restrictions we will make it through another season."
It would be decided each May whether to implement the emergency plan, he said. Should there be a water shortage the emergency drought relief scheme would come into operation.

RESEARCH DIVISION, -HOOL OF ECONOMICS, IERT LESLIE BUILDING. :RSITY OF CAPE TOWN, RONDEBOSCH.
7700.

## Dam levels

The dam levels in the vital Vaal system yesterday were: Vaal Dam 24,3 percent full; Bloemhof 11,3 percent; Sterkfontein 25,3 percent. The Woodstock Dam, which feeds the Sterkfontein Dam, was overflowing.

Mr Piché said rumours that borehole owners would have their water taken away from them were untrue.
"All that is involved is making use of water resources that are currently untapped."

He explained that boreholes would be drilled to a depth of 150 m (to the bottom aquifer, or water-bearing formation) and that well owners pumped water from a depth of only about 80 m (the top aquifer).

Under the Expropriation Act, the Government could drill on private land. Owners would be notified and compensated.

Mr Piché appealed to property owners planning to drill boreholes to contact the BWA to enlist the services of a qualified driller.
"More than 20 percent of existing boreholes are non-operational as a result of untrained drillers," he said.

## $\frac{\text { FARM SUBSDIE }}{\text { A bit for bans }}$

While commercial banks are happy that they will - for the first time - share directly in government's new R237m aid package to farmers in the northern drought-hit debt zone, they will, no doubt, be upset over the amount.

Only R9m has been allocated to the banks as direct subsidies on their farm debts. Their exposure is expected to reach R3,5 billionR4 billion (Business March 6) this year -

zarrying an average interest rate of $14 \%$. The subsidy will thus cover only a fraction of the annual interest bill of $\mathrm{R} 490 \mathrm{~m}-\mathrm{R} 560 \mathrm{~m}$.

Three struggling farm sectors will receive the most. Livestock farmers will share a R43m subsidy package, the Maize Board (MB) will receive a R 60 m grant towards its bankrupt stabilisation fund, and the Wool Board will receive R 15 m to reduce costly levies on its US $\$ 252 \mathrm{~m}$ foreign debt exposure.

While the banks' direct benefit from the emergency aid package will be limited, they will, nevertheless, benefit from improved cash flows through aid to the farming sec-
tors. This will enable them to extend credit lines to some lucky farmers for another year.

A banking source tells the $F M$ that government's stated aim to limit assistance to individual farmers in each of its subsidy schemes is "most welcone." With individual merit determining future aid and with farmers' progress being monitored, a new element of discipline will be added.

Chris Blignaut, the Agriculture Ministry's chief director, agricultural economics and marketing, says the aid package provisionaldy includes:
$\square$ About R 45 m as extra interest subsidies on the Land Bank's existing 22-year debt consolidation scheme, which will be extended by another year:
$\square$ A combined total of $\mathbf{R} 43 \mathrm{~m}$ on the six- and 10-year carry-over schemes for unpaid production credit to co-ops; a new subsidised three-year carry-over scheme for unlisted stock grazing areas; and a two-year subsidy scheme for feed aid to stock farmers in unlisted areas (listed areas already qualify for aid);
$\square$ The new R 9 m subsidised production credit aid package to banks;
$\square$ Some R2,3m to extend the $4 \%$ subsidised production credit scheme of the Agricultural Credit Board;
ㅁ A kick-off sum of R15m for "restructuring" farming operations away from maize to alternative crops;
$\square$ A R60m grant to the MB to cut the cost of handling, storing and financing the annual maize crop;
$\square$ R15m for the Wool Board to reduce current $5 \%-7,5 \%$ production levies for repaying interest on unpaid foreign debt. Levies are expected to rise to $10,5 \%$ this year without State aid;
$\square$ A R6m grant to Umfolozi sugar producers still suffering the after-effects of the Domoina floods;
$\square$ R36m for undisclosed socio-economic purposes involving farm labour, and;
$\square$ The extension of the current subsidised production credit at co-ops.

Blignaut says the package is essentially a short-term emergency measure, while long-er-term restructuring remains a priority to get agriculture back on track - and out of debt.

Central to the aim is the need to cut the output of uneconomic maize. But as this will require new seed and breeding stock, it will take time as well as money.
"Government is aware of the restrictions and of the urgency of the problem," says Blignaut. "Our role will be to encourage and to assist - not to lay down the law. This ties up with moves towards a more free market in

## agriculture."

MB GM Hennie Davel says the stabilisation fund is now more than $R 400 \mathrm{~m}$ in the red, and the deficit will grow without State aid. Also, higher maize prices will cut local sales even further.
The current State subsidy of R152m goes towards interest and storage, handling and financing costs on the annual maize crop. The costs total some R 360 m on an 8 Mt crop. Says Davel: "There is no way out."
While the new aid package will reduce agriculture's immediate tensions, it is clear that much more effort, financial and structural, will be needed to put agriculture on a sound footing. In the end, the market must and investment in the pricing, profitability and investment in the industry. Real GDP rises marginally
by $0,5 \%$ in 1986

PRETORIA The country's real gross domestic product (GDP) increased by a marginal $0,5 \%$ last year, according to the first' comprehensive estimate made by Central Statistical Services (CSS).
CSS points out this is lower than recent forecasts and estimates from other sources.
However, it stresses, only improved agricultural conditions made a positive growth rate possible.

Real production in the agricultural sector rose by $16,1 \%$ last year, whereas real production in the non-agricultural sector declined by $0,5 \%$.

CSS says that following the poor
GERALD REILLY
economic performance in 1985, whenereal GDP declined by $1,1 \%$, the relatively serious contraction in the first quarter of last year pointed to an unsatisfactory growth rate for 1986.
However, it says, although growth did not come up to expectations, there was definite proof that the economy has moved into an upwards phase since the low in the first quarter of last year.
Seasonally adjusted total real GDP declined by $4,8 \%$ at an annual rate in January to March last year.

After this it increased by $6,1 \%$ in the second quarter, $3,4 \%$ in the third quarter and $4,4 \%$ in the last quarter.

落
 등 buildings and works."


 travagance.
Farmers spending money they don't have
 ing terms of trade for the farming poor net farming inputs had increased at a farming products.

  Results of a sample survey of
7000 farmers published by Effec-


"When it is considered expenses

 the farming sector at the end of
1986 soared to R12 bn from a low
of R3,8bn at the end of 1980 .
Johannesburg-based analysts
Davis Borkum Hare report that by
the end of 1985 the debt had inthe end of 1985 the debt had increased the more of 1986 was probably in
It said: "Of the total debt of R11,1bn at the end of 1985 , more than half - about R5,0bn - had been extended by the Land Bank, co-operatives and the Department taxpayers could end up bearing a major portion of the debt." The past two seasons had seen
some recovery in the net income of some recovery in the ne still below the levels of 1980-81.
Farmers' gross incomes for the


[^11]

## Hint of help seen as vote-buying



PRESIDENT P W Botha's promise that additional aid to debt-strapped farmers was on the way has been slammed as a blatant vote-buying ploy.

Botha's announcement at a political meeting that moves were being considered to relieve the agricultural sector's Land Bank debt - currently at R2,5bn has been slammed by political partles and analysts as electioneering.
Political analyst Willem Kleynhans said the hint of additional aid, made at a political rally in the maize-farming centre of Lichtenburg, amounted to a blatant effort to buy votes with taxpayers' money.

PF' finance spokesman Brian Goodall said the remarks had all the appearances of a vote-buying election ploy.

And a spokesman tor the CP, whose deputy leader Ferdi Hartzenberg is the sitting MP in Lichtenburg, said the party demanded that Botha's ratest move did not become "just another election promise".
Botha told a political meeting in Lich-
Bualnese Day Reportera
tenburg on Wednesday night government was giving attention to an agricultural recovery programme proposed by the Economic Advisory Council.
Among the steps he said could be used to set agriculture on its feet was a state takeover of farmers' Land Bank bonds. Most of the farmers' R2,5bn Land Bank debt is believed to be mortgaged against their properties.
Botha also said, to loud applause from the audience, that government would have to support the maize price this year in the wake of losses caused by drought and locusts.
Asked whether any official moves had been taken to step up aid to farmers, a spokesman for the President said Botha had merely said one way to keep farmers on the land and to assist young farmers would be to use Section 10 of the Agricultural Credit Act, which allowed government to take over debt.
It was not a decision, merely an opin-



THE Government's latest plans to bail out indebted farmers will apply mainly to maize producers in the summer rainfall areas, with little prospect of relief for the hard-hit Eastern Cape agricultural sector.
This is the opinion of farmers and agricultural economists who were reacting today to an announcement by the State President, Mr PW Botha, that moves were being considered to help
farmers meet their R2 500 -million debt with the Land Bank.
,. for mamer farmers in the Addressing an election, summer rainfall areas meeting in Lichtenburg one Wednesday, Mr Botha sug successive droughts.

Whether or not the Eastgestéd that the State could take over farmers' Land Bank bonds in terms of the Economic Advisory Council's agricultural recovery programme.
However, the SA Agricultural Union's (SAAU) senior economist, Mr Pretoria that what Mr : ${ }_{\text {help }}$ farmers would appeal for

Buchiner, said local ern Cape would benefit from the aid package depended on the financial hardships experienced locally.
The past president of the Paterson Farmers' Association, Mr Amedee help.

## Farming industry needs changes, says Wentzel

Pretoria Bureau tures and in the proviProfound : structural sion of aid and services in changes were needed in the industry. farming to ensure its a poor financial condiprosperity and stability, tion was threatening the Minister of Agriculture survival of agriculture Mr Greyling Wentzel said and many rural communin Stellenbosch last night. . itiés; Mr Wentzel said.

Speaking at an occa- An investigation had sion to mark 100 years of identified various probagricultural training at lems including poor cash the University of Stellen flow, unfavourable debt bosch, Mr Wentzel said ratio and the maldistrichanges were essential in bution and misuse of the production, market- sources of agricultural ing and financing struc- aid, he said.


Post Correspondent JOHANNESBURG South African farmers have been warned that they will have to look ever more to the domestic market for their products because of rapidly dwinding overseas markets.

The managing director of the SA Wool Board, Mr SP van Wyk, told agriculture faculty students at Pretoria University that all indications on the world market were that agricultural production would increase.

In many countries; there was a growing move towards agricultural self-sufficiency, and this was being aided by the use of more efficient farming methods.
"The world is sitting in the grip of big surpluses of all agricultural pro-ducts"- a dilemma for which there are a number of reasons;" said Mr Van 'Wyk.

These included world-wide- over-investment in agriculture caused by fear of food shortages, new technologies, massive subsidies, particularly in America and the European Economic

Community and the dramatic increases in food production thanks to technological developments in developing countries.
"In future SA will be ever more dependent on her domestic market for consumption of the agricultural commodities. The days when developing countries could export commodities to earn exchange to pay for manufactured goods are disappearing," he said.

Dispatch Reporter EAST LONDON - The government's decision to grant a R237-million handout to agriculture has been criticised by an agricultural economist who claims the only recipients of any relief will be co-operatives and banks - and certainly not farmers.

An agricultural economist and farm consultant, Mr John Harrison, said the R237 million appeared to be a windfall but only in the case of the Umfolosi sugar cane farmers, who suffered severe losses during the the Demonia and Emboa floods, would there be any direct payout.

For the rest, Mr Harri-
son said, the beneficiaries would be the commercial banks and the co-operatives.
Dealing with the nine million rand earmarked for the banks, Mr Harrison pointed out that it should be seen in terms of the four billion rand owed by farmers to the banks and the fact that farmers were paying R500 million alone in interest each year.
He said the Maize Board was to receive 60 million towards its stabilisation fund which is R400 million in the red. This loss was caused by the fact that the costs of running the maize board were not being met by the maize price obtained on the
export market and that charged on the local market.
Mr Harrison said the handling and storage charges for maize were so great that it was little wonder the board ran in the red.
"I see that debt as the result of overspending, so none of that money will go anywhere near the maize farmers pocket."

Mr Harrison, who is co-editor of Effective Farming, which studies trends and developments in agriculture, also pointed out that the R15 million granted to wool farmers would simply go towards building up a reserve fund to pay off a miscarriaged over-
"So once again instead of it going directly to the farmer it is going to help pay off a massive debt that farmers did not want to be involved with in the first place."

Turning to the R43 million going to cooperatives to finance carry-over schemes for unpaid production credit, Mr Harrison said in many cases credit should not have been granted in the first place.

The R45 million going to the Land Bank for subsidies on their 22 year debt consolidation scheme was a similar mistake, he said.
ers to pay too much for land, so they could not meet their commitments. If they had not lent out money it would not have pushed up the property prices because people would not have bought land. Therefore there would not be this 22 year debt consolidation scheme."

Mr Harrison said it
was remarkably that there was another R5,7 million going to the R5, 7 million going to the
co-operatives for the provision of further subsidised production loans.
"I think that's criminal. There should be no more subsidised production credit," he said.
wer remarkably

## A CRUCIAL report by govern- <br> MICK COLLINS

 ment's Economic Advisory Council on the restructuring of the farming industry is being held up, probably until after the election, sources close to the council said.The agricultural and banking sectors are anxiously a waiting results of $\rightarrow$ the EAC investigation, which includes a probe into the R12bn owed by farmers to banks. Analysts say y nothing

- short of major surgery will help. Govsorment they say, is hesitant to introduce radical changes which could cost it the farming vote.
it The report, which is said to call for the complete restructuring of the inthe complete restructuring and deliv-
dustry, has been completed ered to government.

1. The spotlight has been placed on a significant portion of the debt significant portion or for by the (R2,5bn) which is accounted relief schemes.

This is nearly half of the total financing extended by semi-public orafifisatiodis, namely the Land Bank
ganisations, cont
should never have gone into the mon-ey-lending business nor should taxpayers be placed at risk by the possibility of the debt reverting directly to government. But industry sourate sector to the exposure of the private sector the The farming debt as more mportand. Land Bank has first call on tamercial Farming debts to banks (R3,3bn), excluding mortsage bonds, private individuals (ititutions and other innancial directly covered by (R1,1bn), are not direclief schemes. A report by brokers Davis Borkum A report breaks the drought relief programmie into two broad categories.
"Firstly, assistance granted by the Land Bank whereby relief is consolidated into mortage bonds held by farmers with the bank. In this case relief is granted with repayme
over periods of 22 years.
"Secondly, relief granted
through Secondly, relief granted $/ 2$ wíhich repayment is spread over six years." .

## Farm research in SA effective - professor

 AGRICULTURAL research in South Africa is progressive and the extension system - which takes the research message to farmers - is doing an effective job.This is the view of an American agricultural expert, Prof E J Boone, of North Carolina State University, who this week-visited the Grootfontein College of Agriculture at Middeiburg, heádquarters for the Department of Agriculture and Water Supply's Karoo region.

Prof Boone was invited to South Africa by the department to evaluate agticultural extension services. He will suggest ways to close possible gaps in the services.

He is visiting all the agricultural regions for discussions with extension officers, regional staff and farmers. "I have been very impressed by the people of South Africa, particubeen yery impressed by the people of south Arrica, particu-
larly by the farmers and professionals in agriculture. SA has tremendous resources at its disposal -1 wish all Americans had the opportunity to visit this country," he said.
South'Africans showed overwhelming warmth, hospital-
ity and helpfulness:
Prof Boone spent two days at Grootfontein.


Businessis', Day Reporter

THE : agricultural industry had had a significant restraining : inflience on inflation, SA A Ericultural Economist "Koos du 'Toit said yesterday
Agriculture was frequently singled out as a chief contributor to inflation, he said. This was an unfair accusation which stemmed mainly from ignorance or the inability to distinguish 'between producer prices and foo prices at retail level.

The increase in producer prices amounted to a mere $11 \%$ ' in 1986 which showed' agriculture's restraining influence.



Good rains have brought bumper crops to KwaZulu and Natal. But they have also improved conditions for mosquito breeding and malaria is on the increase as a consequence.
The number of malaria cases reported is already almost double that of last year. About 850 people have been treated in KwaZulu and another 418 in Natal. The final figure for KwaZulu by the end of May, when the annual four-month malaria season ends, is expected to reach 1500 , according to KwaZulu's medical officer for communicable diseases, Dr Murray Short.
Another factor in the increase, Short contends, is the influx of Mozambican refugees into the area. Mozambique is an endemic malaria area and many Mozambicans carry the malaria parasite although they do not show signs or symptoms of the disease.

Director of the National Institute for Tropical Diseases Dr Frank Hansford points out that although Mozambicans have been coming into the Transvaal for many years, they have only been travelling into Natal in the last two years.
The incidence of malaria in SA peaked in 1985 when about 10000 people were treated. This was the year the "flood gates opened to fleeing Mozambicans," says Hansford. Since then Mozambicans making their way into the Transvaal homeland of Gazankulu have been given official status, and blood smears to detect malaria are taken from everyone on arrival.

Hansford says malaria control teams spraying huts and taking blood smears also operate in the Transvaal, Natal, KwaZulu, Gazankulu, KaNgwane, Venda and Lebowa. In the Eastern Transvaal, where large numbers of illegal Mozambicans are working, the local malaria control teams enjoy good relations with farmers and are able to screen people.

In KwaZulu and Natal, however, contact with the Mozambicans has broken down. Short explains: "Previously we managed to maintain good relations with incoming Mozambicans through the teams working in the different areas, and we could take blood smears by persuading them we were only interested in their health. However, over the past year intensification of government attempts to find illegal immigrants has made people more reluctant to show themselves to the teams."

The incidence of malaria remains low in SA compared with the rest of Africa where a resistant strain of malaria has been making a comeback.
In the Transvaal, says Hansford, "traditional malaria areas have been dry and the. final total for the area this year is expected to be down."

What has been worrying medics is that the Mozambicans have been bringing with them the malaria strain resistant to the traditional chloroquine treatment.
"Only a small percentage of cases are of this resistant strain," says Hansford. "And it seems there are more in KwaZulu. But it is not an insurmountable problem. Alternative treatment is available although it's more expensive and involves a longer stay in hospital."

Another aspect causing concern is that the disease is occurring in areas that have not had an outbreak for years. "One of the reasons why controls have become less adequate in KwaZulu," explains Short, "is that the population in malaria areas has increased by $50 \%$ over the last nine years."

This is not the result of natural population increase only, but also because of jobless people moving into the area from white farms and cities. The problem is the malaria teams in operation have not been increased proportionately.
"We need more funds for more manpower on the ground and have made a request for these to central government," says Short.

> SAAU calls for probe details, johannesburg
> The risA Agricultural
> Union (SAAU) has called on the government to release details of the Economic Advisory Council's investigá tion into the restructuring of the farming sector:
> The sector, has also called for "immediate and visible action" to alleviate : the farmers' plight. " The SAAU'S ' 'presi-
dent, Mr Kobus Jooste, said the situation *had reached a critical stage and action had to "be taken to give certainty concerning aid measures to; afficted farm-ers.-DDC(3) 2 y

## AxG4S27/487 3Gemal Tariff concessions for farmers using new water scheme

JACOBSDAL (Free State). - The State President, Mr Pi Botha, has announced special tariff concessions for farmers using a new irrigation canal in the northern Cape.

- Opening the 112 km Orange Ret Canal here, he said the Government gave high priority to the recovery! of agriculture and the concessions were aimed at helping farmers to "get on their feet again":"
"For this reason the State will delay implementation of its tariff policy to recover at least the working costs of the scheme and part of the capitail costs from irrigation farmers," Mr Botha said.
"Farmers will be assessed according to their ability to pay and tariffs will be adjusted."

The canal, part of the Vanderkloof Canal scheme' below the: PK! le Roux Dam, was built' to provide additional irrigation water and extensions to the Riel River State water scheme.

Mr Botha said the Orange Ret Canal would open the way for the development of 7500 ha of land, in addition to the 7750 ha served by the existing irrigation scheme.

The estimated yearly costs to run and maintain the canal were R326 a hectare, while the water tax for the 1987/88, water year had been set at R230 a hectare.

This tax would have to be adjusted yearly so that at least the maintenance and running costs were recovered ${ }^{2}$ eventually. .
"To help the irrigator on the settlements in the period before income is gained, it hats been decided that the water tax will be applied only from October 1 this year," Mr Botha said. - Napa.

| than put it in the bank where they would have had to pay a fair x , hogh tax. <br> Hix during thethe drdught farmers needed that money to biny feed for livestock. |
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When a feed shortage
started to developt
throughout the country
the state stepped in and
"kindly" offered farmers
feed and transport sub-
sidies.
But said Mr Thomson.
 When the farmer fi-
nally did get some ac-
 was nothing but "skin
and bone" and a resul:
tant low price. But there was still the
huge feed bill to pay. (6) homeland consolida-
tion. Farmers who had

 factor, he said.
Of course greater va-
ue of property meant lue of property meant
greater credit worthiThere wàs also an-
ther aspect: in 1977 there had been a change
in the Tax Act which in then allowed farmers to write off the full cost of any machinery that was year of purchase.
This meant that farm-
ers rather spent money There were very serious social implications in this loss of confl-
dence because should
they go bankrupt bethey go bankrupt be-
tween 40 and 50 per cent of them were inadetrained to enter meaningful employment "And then what on
earth is going to happen
 Farmers had a treFarmers had a tre-
mendously inflated
opinion of land values

 He said this too was
indirect subsidisation
because the home owner
was then offered a lower
interest rate on a bond.


 subsidies were effective
were another thing altowere another thing alto-
gether. Mr Thomson warned
of a growing lack of con-
fidence among farmers,
particularly those who
had started in the past
ten years or so.
He said very often
conditions beyond their

 consider the hundreds
of millions of rands in
housing subsidies the housing subsidies the their employees.

> There were also the millions of rands spent on decentralisation subsidies given to industry.

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& \text { "Just look at the mil- } \\
& \text { lions spent on export } \\
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Farmers support Maputo aid plan

NELSPRUIT - The announcement that South Africa is to make available R3 million to upgrade Maputo harbour has been welcomed here.
The Department of Foreign staffairs announcement follows an agreementit, signed
South Africa and Mozambique in March , wy wives It comestafter the dou-s bling of the railwaydine from Komatipoort to Mar: puto, the creation of cool-
ing facilities, the upgrading of facilities, the availability of export credit and agricultural development in Mozambique.

Although exporters of perishables prefer to fly their exports to Cape Town for shipment, citrus exporters are delighted.
The erection of a mul-timillion-rand cooling facility for citrus has, one exporter said, resulted in citrus ${ }^{4}$ exports ${ }^{\text {th }}$ through Maputo more thad dou-
bling last season

Upgrading harbour facilities would, he said, push up the figure.
Predictions are that Maputo, if fully used by South Africa again, copld increase its harbour in come from R23 million, to R168 million.
Chairmen of lowveld.
farmers' unions stupport the idea, but many say a good harbour is of little use until security has been restored.
At a seminar in Nelspruit last year, attended by high ranking Mozambican officials, and South African Transpô̂t Services representatives, exporters were their goods would reach the harbour safély:

Teams on ${ }^{3}$,24-hour standby are gearéd to repair any rail breakdown between Komatipoort and Maputo.
"Both countries are anxious to work together," said Mr van Schalkwyk. "Once, the harbour is ${ }_{3}$, working to capacity again and security is under control, we look forward to a return to tourism."


JOHANNESBURG. - South Africa's controversial but still thriving, agricultural control boards swallowed R274-million of the country's wealth in the 1985/86 financial year - R71-million of it in administration costs.

Excessive though that figure might seem, it is overshadowed by the losses incurred by South African Transport Services, which lost R891-million during the year on its mainline and suburban routes.
The figures, given by Ministers in Parliament and listed in the Transvaal Chamber of Industries' bulletin, paint a chilling picture of taxpayers' money being used in unproductive ways.
The most expensive of the control boards were the Maize Board, which cost R64-million, and the Meat Board, which cost R59-million. Other big spenders were the Wool Board (R29-million), the Tobacco Board (R25-million), the Deciduous Fruit Board (R23-million) and the Wheat Board (R21-million).

The smallest spenders were the Karakul Board (R46 000) and the Lucerne Board (R162 000).
Others such as the Mohair Board, the Rooibos

Tea Control Board, the Dry Beans Board and the Chicory Board swallowed millions of rands each.

The figures do not include the Grain Sorghum Board, which was set up on January 1, 1986.
While the boards themselves claim they perform a vital function without which there would be marketing chaos, their opponents say they distort freemarket forces and in the final analysis are paid for
by consumers. by consumers.
There's no argument about who pays when SATS loses money - it's the taxpayer.

## SUBURBAN SERVICES

Losses in the $1985 / 86$ financial year amounted to R660-million on mainline services (R35-million for first-class services, R110-million for second-class services, R161-million for third-class services and R39-million for catering services).

The balance of the R891-million loss came from suburban services - R246-million for first-class services and R300-million for third-class services.

Other chilling figures in the TCI ${ }^{3}$ bulletin show 58119 vehicles valued at R872-million were reported stolen between January 1 and December 311986 -36 percent up on the previous year's total.

The Deputy: Minister of Agriculture, Dr AT van Nie kerk, has banned certain deciduous fruit and wool pesticides:

He said in a statement in Pretoria it had become evident that remedies containing chlorobenzilate and stock remedies containing camphechlor and gammabhe:(lindane); could affect human health.
Their use had been placed under strict control or prohibited in most developed countries.
"Not only was this ban promulgated due to possible health hazards, but also in order to protect our couñtry's deciduous fruit exports,", he said.
"Although the Republic is not the only wool export ing country where such dips are in use, it has at this early stage been decided to place a ban on the acquisition disposal or sale of sheep dips containing the: said chémical substances.
, Howeyer, in order to give wool producers the op portunity to dispose of existing stocks still in their possession, the ban on the use of "such dips will only possession, effét on an unary 12988 ?
BAGRICULTOKX SARE 46187


## Political Staff

TAX inspectors have uncov ered a massive diesel racket which has been costing the State hundreds of millions of
But the Minister of Finance, Mr
Barend du Plessis closed the loophole by consolidating certain levies built into the fuel price which he estimates will bring an extra R300 million into State coffers.
It is understood that certain diesel consumers, such as commercial fishing boats and farmers, who pay significantly less for their fuel than ordinary consumers, have been selling their sum-
plies on the sly
By on the sly.
per litre than only slightly more per litre than they paid for the diesel, they were making a handsome profit while the buyer was showing a handsome saving on
normal price normal prices.
Long-distance hauliers with heavy fuel bills to face, are understood to have been buying cut price fuel under-the-lap from farmers only slightly off their
normal routes.
Some fishing vessels are also believed to have been transfer-
ring diesel into road tankers and selling it ashore.
Mr Du Plessis moved in on the operation yesterday and announced that: "As a result of increasing evasion of duty, levies and sales tax on fuels, it has been decided to consolidate the levies for the Road Fund, the Central Energy Fund, the Motor Vehicle Assurance Fund (third party) and sales tax in a single fuel levy.
"The consolidated levy, which will be collected by Customs and Excise direct from the oil companies, will however have no impact on pump prices," he said in his budget speech.
"Consumers who at present enjoy a rebate on fuel will in future have to pay the full duty at the time of purchase. Provision will however be made for a refund of a portion of the duty and fuel levy to consumers who qualify.
"Additional revenue of some R300 million is estimated for the remainder of the financial year as a result of this change and of improved collection proce-
$\square$ The contemplated adjustments to the fuel price composi-
tion announced by the Minister of Finance would not impose additional costs on consumers, Sapa reports the Minister of Economic Affairs and Technology, Mr Danie Steyn, as saying yester-
day.

In a statement elaborating on Mr Du Plessis' announcement, Mr Steyn said the pooling would, with the amendments to the price zones, eliminate confusion and additional administration costs.
Certain amendments to various acts were however necessary and these would be implemented as
soon as possible.

Details on how the pump price and other selling prices would be influenced would be announced as soon as the complete figures had been worked out and the cabinet had decided on the most practical method.
Mr Steyn said the existing crude-oil supply situation and a favourable exchange rate ratio enabled the cabinget to give ratio sideration to an overall simplification of fuel prices as they were now, to coincide with an amended price zone structure and the already announced new trans-
port tariffs.

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million third-class passengers
No loans to black farmers 36 evere
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ONE coloured, 15 Indian and no black farmers
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tural
tural Bank last year, the Minister and Agriculrarend du Plessis, said yesterday in ance, Mr (PFP Bryanston) from Mr Rupert a written people, 27 Inton). A total of Rupert Lorimer The value Indians and no black seven coloured ( The value of the loans and no blacks had had applied. for Indians.



HOUSE OF ASSEMBLY. - The gov- loans from 1983
ernment's attitude to agriculture was that it was the country's primary producer and, as such, had the first call on aid, the Minister of Agriculture and Water Affairs, Mr Greyling Wentzel, said today.
Speaking during a private member's motion calling for the government to give extraordinary assistance to farmers, he said the Economic Advisory Committee's report had not identified any problem in agriculture which was not already known.
However, the problem was not the government's alone.
It required the assistance of those who supplied the industry as well In answer to a question from Dr Ferdi Hartzenberg (CP Lichtenburg), who proposed the motion, Mr Wentzel said the Land Bank was to extend the
ans from 1983
It had already extended 7700 loans at a cost of R680 million.
Interest subsidies were being provided at between four and six percent. The government would also subsidize current account overdrafts with commercial banks based on a rate two percent above prime interest rates.
The major portion of the R400 million set aside in the current Budget for farmers would probably go to the summer sowing areas which had been the hardest hit, he said.
However, the test on which aid would be granted would apply to farmers in all areas and would be based on their ability to survive.
He said many factors had contributed to the present position, many of them from outside the country. Sapa
 - out:

eA short-term programme to provide financial aid and management counselling for cashstrapped farmers.
A long-term strategy to improve management techniques "and structures throughout the
The report said the economic * should be of a farming, unitit a should be taken into account * when financial aid was considered. eers who, on the basis of this re-- quirement, cannot be assisted fitis ${ }_{c}$ nancially any móre and who ${ }^{4}$ will have to leave agriculture."
The council found that agri-
ciilture was "ound that agrici, ture
 and, in addition, was "conducivè to social and political order and stability".

> SAAU welcomes farming report
> The president of the South Afriican Agricultural Unión (SAAU), Mr Kobus Jooste, yesterday welcomed the release of the Economic Advisory Council report on the restoration of agriculture. Government as a gideline to the function of agriculture.
> Mr Jooste described it as, a superb evaluation of the role of agriculture in the national economy and its probléns and said that the report endorsed various viépoints of thé SAAU
> 'It is reassurin that the council views agriculure as an indispensable sectortot the economy and sees a healthy agricul. tural séctor as essential for eco. nomic development and condu. cive to social and political ordeı
and stability" and stability," he said.
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## Fires sweep across 15 farms <br> The Argus Correspondent

It was brought under control on the western DURBAN. - Hundreds of thousands of rands damage has been caused by three veld fires which swept across at least 15 farms in the Vryheid area.
A spokesman said the fires yesterday were fanned by gale-force winds.
More than 500 firefighters and the municipal fire brigade fought alongside the farmers, but at 10pm one of the fires to the south of Vryheid was still burning.
Traffic authorities said the town was smothered with sinoke at 2 pm .
Vehicles were stopped on the Vryheid/Dundee road because of poor visibility.
' The first fire started in the Scheeper's Nek area, on Hollandia farm, belonging to Mr Danie Prinsloo, shortly before noon.
筑 Fanned by strong winds, it jumped the VryheidDDundee road and the railway line, crossed five farms and destroyed mealie fields. bank of the Klipfontein Dam about 7pm.
The second fire started in the Kambula area, in the foothills of the Skurweberg.
It also scorched five farms, causing extensive damage to plantations and grazing.
The third fire started about 2 pm on the farm of Mr A Koch and moved across four other farms, destroying workers' huts and hectares of plantations.



By-BESSIE BOUWER
FARMERS in the Eastern Cape are fighting for their democratic rights - they want permanent representation on the Algoa Regional Services Council (ARSC).

They want the Regional Services Councils Act amended so that they too can have a voice on this controversial new body, Mr Rory Moore, manager of the East Cape Agricultural Union (ECAU), said this week.
According to the ARSC chairman, Mr James Kleynhans, the rural areas would be represented temporarily in each magisterial district by two members of the Dias Divisional Council (DCC).
The DCC becomes defunct on July 1 and its functions and staff will be taken over by the ARSC
Under the new system the farmers' interests will be in the hands of a $10-\mathrm{man}$ committee representing the magisterial districts of Port Elizabeth, Alexandria, Bathurst, Albany and Hankey.

This temporary committee will make recommendations to the ARSC:

Asked whether the farmers would have any voting power on the ARSC, Mr Kleynhans said the matter had not yet been finalised.

Nor could he give ${ }_{\text {w }}$ any definite answers about.any form of permanent representation.
"This is" in the hands of the Minister of Constitutional Development and Planning," he said.

Despite lack of representation, farmers will not be exempt from paying RSC levies - a factor which has given rise to much dissatisfaction.

Mr Moore said farmers felt that they would use fewer: services than urban areas and therefore should not have to pay the same rate of levies as applied in towns.
"Farmers are complaining that any further financial' levies will be áheavy burden," he said.

The matter had been taken with the SA Agricultural Union ${ }^{\circ}$ (SAAU), which wäs now negotiating
with Constitutional Development and Planning to have the Act amended so that farmers would obtain representation on RSCs.

Mr Kleynhans yesterday assured farmers that they would eventually get permanent representation.
"I feel-strongly about all communities being represented and the farmers need have no fears about not having their say."

The SAAU had asked all the provincial agricultural unions to comment on the draft legislation. Their comments would then be handed to the Administrator for final approval, he added.

Mr Johann Erasmus, chairman of the ECAU ad hoc committee dealing with RSC issues, said it was disturbing that up till now the agricultural community had no been provided for on the ARSC.

However, he welcomed the temporary representation by 10 divisional councillors until permanent representation on a proper basis had been finalised.

He said farmers were not disturbed by the present

RSC levies but were concerned about possible high levies in the future when the RSCs needed money to further their aims.
The ad hoc committee would meet next week to finalise comments on the draft legislation, he added.
He did not know how they would evêntuaily exercise their rights.
Mr Kleynhans said farmers' complaints about the payment of RSC levies were not justified.
"People think this is an extra burden, but they don't realise that the bulk of the money will come from the Government and the large metropolitan companies."

It was expected that farmers would pay less under the new ARSC levy system than they had to the Dias DC, he said.
The Deputy Constitutional Development and Planning Minister, Mr Piet Badenhorst, was expected in PE next week to discuss the future of the DC and it was hoped that he would shed more light on the farmers' means of representation, said Mr Kleynhans.
 new heights

SA's 60000 farmers now owe an average of R220 000 each, agricultural authorities say. This is the result of four successive droughts, inflation and high interest rates which have financially crippled hundreds of farmers beyond the point of recovery.
At the start of the year total farm debt was estimated to have been in excess of R13bn and still rising, although some authorities claimed at a slower rate than before.
Volkskas agricultural economist Andre Louw said an unknown, but substantial, number of farmers were virtually debt free. "But most, among them efficient farmers battered, by conditions beyond their control, are deep in debt:" Asked what pressure banks were put ting on farmers, Louw said so far there was no large scale calling up of loans.
Any bank action depended on the profitability of farming in the immediate future and on negotiations with government on how the recently announced "R400m loan to farmers would be used. - Banks were waiting for the cash flow Banks were waiting for the cash flow
esults of farmers following the sale of the crops at the end of the season. They would know within the next few months

| GERALD REILLY and |
| :---: |
| HELOISE HENNING |

if individual farmers were solvent.
Agriculture rehabilitation committee secretary Mike Lamont said the R400m aid package could only help Category 2 and 3 farmers. Category 1 farmers, who had greater debt capacity, were generally clients of commercial banks and small amounts of government aid whould not be of much value to them.

Government's latest agricultural statistics showed farmers were indebted to commercial banks for R3,313bn, to the Land Bank for R2,338bn and to co-operatives for R2,754bn.

In the past few years, many farmers , made use of commercial bank-credif cand finaricial finstitution loans because their operations wère considered high risk by the Land Banis,

Farmers will now, through the aid package, be applying to the Agriculture Credit Board for settlement of debts.
Under the plan, a farmer will have to reduce his assets to one economic unit. If he owns only one unit his debt will be paid off. He might be put off the land but not sequestrated.
$81 \varepsilon$ 7 (ii), (iii) and (iv). These ques- $\begin{aligned} & \text { tions should be referred to } \\ & \text { the Minister of Home Af- }\end{aligned}$
TUESDAY, 23 JUNE 1987
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 $\begin{array}{ll}\text { cation South Africa have been refused: if so. } & \text { (a) } 87368 \text { ha on } 31 \text { March 1987. It is }\end{array}$ the persons concerned. (c) what media estimated that the infestation has been the persons concerned. (c) what media (b) (i) R 657900. (ii) 1064 ha.

## KwaNdebele: independence

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'Whether the Govern nen of Kwandebele has requested that this national state be granted independence: if so, (a) on what
 South African Government to this request? TVNOILNLILSNOS JO YGLSININ ว $4 \perp$ DEVELOPMENT AND PL ANNING:
 (b) During a meeting between the State President and members of the RSA
Cabinet and the Chief Minister and members of his Cabinet.
(c) The member's attention is drawn to (c) the press release issued by the Bureau for Information on behalf of the State
President after the discussions on 9 June 1987.

## Tsitsikamma toll road



QUESTIONS UNDER NAME OF MEMBER

## -W Y diw ‘azapuv

## Burrows, Mr R M-



## Barnard, Dr M S-

Cronjé, Mr PC-
Communications, 241
Constitutional Development and Plan-
National Health and Population Developmational ment, 300
Own Affairs:
Own Affairs:
Local Government, Housing and Works.
Local Government, Housing and 231 Dalling, Mr D J-
General Affairs:
Home Affairs, 262, 319
Justice, 1, 160, 261,263, 323, 331, 332
Transport Affairs,
General Affairs.
Economic Affairs and Technology, 312
Law and Order, 239
Public Works, 187
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## Embattled traders drift away



AS MANY as 80 towns and villages could turn into ghost towns if banks and other major creditors foreclose on the immense debts of the farming community.

Conservative estimates put farm debt at about R13,5bn. It is feared the R 400 m government contribution for rehabilitation of deserving farmers, plus contributons by the Land Bank, may be too little, too late to save farm-dependent towns and dorps in the summer rainfall areas.

Summer crops have been below normall for the sixth consecutive year. To enable thousands of farmers to get production credits before the planting season in October, the state-aid package cannot be delayed. But the process is slow.
It has to go through local credit committees at which all creditors discuss

## HELOISE PENNING

terms of settlement or the option of sequestration.
Traders who have already waited for years for their accounts to be paid cannot be sure of getting their money.
Tired of waiting, some shopkeepers have already cut their losses and drifted away.
In Lichtenburg, for example, 70 business properties have been vacated, laving $8000 \mathrm{~m}^{2}$ unoccupied in the CBD. However, the town has some decentralisation status: Eskom recently opened a regional headquarters there; a Defence Force unit and police unrest unit were statoned in the town and staff of the recentby acquired Roster co-operative have

To Page $2 \square$ :

## B1 Day $29 / 6 / 87$ (3) General Ghost-town spectre looms <br> filled up 200 of the 300 houses left empty

since the drought began.

Northern' Transvaal Agricultural Union regional representative Andries Brawer says the future of $72 \%$ of the 102 Transvaal towns and dorps and $80 \%$ of those under regional committees are farm-dependent.
Bethel, Lichtenburgs and 'Nylstroom, which house the head offices of the regional co-operatives, owe their entire infrastructure to agriculture.:
Townsfolk and farming spokesmen were reticent when quizzed about prospets because of the strategic and recurit problems that could arise from the decay of rural communities.
Head of Agricultural Economics at University of Pretoria, Professor Jan Groenewald, said most farmers had "bought themselves into bankruptcy".
They had mechanised at great expence. Tax-deductions on the acquisition of implements/ gave them the incentive to buy costly machinery on HP /despite cash-flow problems Inflation pushed up the price of equipment and high interest rates left farmers in capable of meeting
their current liabilities from production income.
Groenewald said these difficulties appared as early as 1979 but that no one took any notice. Inflation and random setbacks caused markets to collapse.
"As long as inflation remains above $10 \%$ the agricultural sector will continue to decline and we will increasingly become a banana republic," he said.
The larger coops were in trouble. Their balance sheets reflected "diverse creditors" and many of them were close to bankruptcy.
Northern Transvaal Cooperative GM Miss Nieuwoudt said 1000 farmers in the Nylstroom area owed a total of R200m. The coop's senior deputy manager Lem Burger said that despite severe cuts in input costs, remaining debt with the coop was R300m
Brawer said: "We don't want to talk politics but inflation is the biggest cause of farmers' problems, not the drought. And it is the government which is respon-
sidle for the rate of inflation."


## Ghost <br>  <br> 

## Own Correspondent

JOHANNESBURG. - As many as 80 towns and villages could turn into ghost towns if banks and other major creditors foreclose on the immense debts of the farming community.

Conservative estimates put farm debt at about R13,5 billion. It is feared that the R400-million government contribution for rehabilitation of deserving farmers, plus contributions by the Land Bank, may be too little, too late to save farm-dependent towns and dorps in the summer-rainfall areas.

Summer crops have been below normal for the sixth consecutive year. To enable thousands of farmers to get production credits before the planting season in October, the State-aid package cannot be delayed. But the process is slow.

It has to go through local credit committees at which all creditors discuss terms of settlement or the option of sequestration.

A positive agreement is then referred to the Agriculture Credit Board before being submitted to the farmer who has the right to accept or reject the settlement proposals.

The settlement involves an initial cash distribution of cents in the rand; the balance becomes a long-term debt. It means farmers are to sell off their assets to be left with only one economic unit.

In the event of sequestration the preferred creditors, the co-ops, the Land Bank and, perhaps, the commercial banks, will have priority in any cash distribution.

Other creditors will have to wait in the queue for what might be a few cents in the rand.
Traders who have already waited for years for their accounts to be paid cannot be sure of getting their money.
Tired of waiting, some shopkeepers have already cut their losses and drifted away.
In Lichtenburg, for example, 70 business properties have been vacated, leaving $8000 \mathrm{~m}^{2}$ unoccupied in the CBD. However, the town has some decentralization status: Escom recently opened a regional headquarters there; a Defence Force unit and police unrest unit were stationed in the town and staff of the recently acquired Koster co-operative have filled up 200 of the 300 houses left empty since the drought began.

## Townsfolk reticent

Northern Transvaal Agricultural Union regional representative Mr Andries Bruwer says the future of $72 \%$ of the 102 Transvaal towns and dorps and $80 \%$ of those under regional committees are farm-dependent.

Bethal, Lichtenburg and Nylstroom, which house the head offices of the regional co-operatives, owe their entire infrastructure to agriculture.

Townsfolk and farming spokesmen were reticent when quizzed about prospects because of the strategic and security problems that could arise from the decay of rural communities.
The reasons for the crisis do not have sudden origins. The drought was not con-
sidered to be the primary reason for the farmers' problems but it had hastened the coming of the crunch.
The head of Agricultural Economics at the University of Pretoria, Professor Jan Groenewald, said most farmers had "bought themselves into bankruptcy".

They had mechanized at great expense. Tax-deductions on the acquisition of implements gave them the incentive to buy costly machinery on HP, in spite of cashflow problems. Inflation pushed up the price of equipment and high interest rates left farmers incapable of meeting their current liabilities from production income.

Prof Groenewald said these difficulties appeared as early as 1979 but that no one took any notice. Inflation and random setbacks caused markets to collapse.
"As long as inflation remains above $10 \%$ the agricultural sector will continue to decline and we will increasingly become a banana republic."

The larger co-ops were in trouble. Their balance sheets reflected "diverse creditors" and many of them were close to bankruptcy, he said.

Northern Transvaal Co-operative general manager Mr Mias Nieuwoudt said 1000 farmers in the Nylstroom area owed R200 million.

The co-op's North-West Co-operative senior deputy manager Mr Lem Burger said that in spite of severe cuts in input costs, remaining debt with the co-op was R300 million, most of which was govern-ment-guaranteed. But it had to be vetted by Land Bank inspectors.


Widespovernment's clampdown on a unnamed fuemradket in which one operator' evaded tax amounting to R2,3 million over two years, will net the exchequer an extra R500 million a year
Figures were released yesterday by the Deputy Minister of Finance, Mr Kent Durr, at a press conference with the Deputy Minister of Economic Affairs and Technology, Mr George Bartlett, to announce new petrol prices and a new system of collecting levies and calculating prices.
Mr Durr said some of the tax evaders would be prosecuted but the government had been hampered by loopholes in the law. The government also had information on other evaders who were being closely watched.

Certain diesel consumers in the agricultural, fishing and other indus tries have been exempt from paying certain levies and have been buying low-cost stocks and selling them for more than they had paid but for less
than other consumers would normally pay.
In future sonsumers wha gnigy a rebate will have to pay the full levies and tax on what they buy and then claim a refund from the government
Asked what was to stop the illegal operators from continuing the racket simply by reclaiming their levies, Mr Durr said the government had statis tics on all people who were entitled to a rebate and their consumption would be watched.

One of the operators had avoided paying R98 947 in excise duties alone which if other levies had been included would have cost the state in the region of about R 500000 a year.

Other large-scale evasions over two years were R288 223, R113 656 and R74 103.

Mr Durr said that as from July 1 the levies for the Road Fund, Central Energy Fund, MVA (Third Party) and GST would be consolidated into one fuel levy on petrol and diesel to avoid evasions.




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PRETORIA - Up to 2000 maize farmers could be sequestrated before year-end despite government's R400m support programme, says National Maize Producers' Organisation (Nampa) economist Kit le Clue.

Due to this and oher factors, demand for production credit for the 1987/88 crop would be much lower than last year.

A Land Bank spokesman said farmers borrowed R2,146bn for production in the 1986 financial year.

This excludes borrowings from commercial banks and financial institutions.

Le Clus said one factor which would reduce the land to be planted was the condition that to benefit from the State aid package, farmers had to sell off surplus assets including marginal land.

Another was the "deteriorating price prospect". At current prices of R210 a ton, there was little or no prospect of growing a paying crop on marginal land.

He expected total maize plantings to cover less than 4-million hectares in the coming season, for the first time in years.

Le Clus said producers now only had a
meagre profit margin on their most fertile soil.

This would shrink as input and marmeting costs rose faster than the net producer price of maize.

The effect was that more land became profit-marginal each year and had to be withdrawn from maize production so that farmers could survive.

Reserve Bank Deputy Governor and chairman of government's Standing Agricultural Committee Janie Jacobs said applications for aid under the R400m scheme were taking time to process.
Local agricultural credit committees had to make in-depth investigations before recommending aid.
But he said processing should speed up from next month.


Recent changes in the diesel fuel rebate system for agriculture will close a loophole that cost the State about R 500 m a year in lost revenue. But cash-strapped farmers describe the new measures, expected to add millions to their R $700 \mathrm{~m} /$ year fuel bill, as "bureaucracy gone wild."

Farmers now have to pay upfront when they order their fuel and then reclaim the rebates from the Department of Customs and Excise (DCE) as they use up the fucl. They must be registered with the DCE, can claim only once a month, and the minimum claim for fuel used has been set at 5001. All claims must be supported by invoices.

Their problems don't end there either the rebate on fuel used for transporting farm produce has been reduced, adding to transport costs.

SA Agricultural Union (SAAU) director Piet Swart claims the DCE unilaterally changed the rebating system. Many transport operators who were not entitled to, reg. istered as farmers and misuse of the scheme was rife. He says the SAAU understood that unless action was taken, fuel prices would have to be increased.
"We suggested the retention of the old system with the necessary, built-in safeguards," says Swart. "But the new system was imposed without our consent."

The SAAU estimates that farmers will have to find an additional R350m/year to pay their fuel bills. The rebates, now included in the cost of fuel, are 24,134c// for farm
production and $12,634 \mathrm{c} / 1$ for transporting farm produce by road.
"Apart from the cash flow problem, interest on the additional funding will increase costs that farmers cannot claim from anyone," says Swart. "Furthermore, during some periods little fuel is used. Small farmers, who can least afford it, will have to hold on to their claims till they have used 5001 - and it may take weeks before they are paid."
Although restructured fuel prices mean that production fuel will in most areas be $1 \mathrm{c} / 1-1,5 \mathrm{c} / l$ cheaper, transport fuel costs will increase by $11,5 \mathrm{c} / \mathrm{l}$ as contributions to the National Road and Motor Vehicle Assurance Funds are now incorporated in the price.
But while farmers get bigger discounts because they don't use public roads, vegetable farmers making frequent trips to the market will be hard hit by the extra $11 \mathrm{c} / 1$ cost for transport fuel. Grain farmers usually deliver only once a year to depots, while those using agricultural tractor and trailer combinations will escape unscathed as this is considered production fuel.

## Sugar industry

Nevertheless, farmers using public carriers will have to pay the increased fuel cost. The sugar industry is one which will be hard hit.

Mike Norris MD of Durban-based Hultrans, which is big in transporting sugar cane, says fuel increases will have to be passed on to the farmer, exacerbating the inflationary spiral. "On short hauls we will probably have to increase our prices by about $2 \%$ and on long hauls by up to $5 \%$."
He also doubts whether the DCE will be able to cope with the avalanche of claims and paperwork.
SA Timber Growers' Association director Bruce Ferguson says the new system is very confusing. Timber growers selling to pulp mills will have to absorb the increased transport costs and reclaim these as they use the fuel. They cannot build the costs into timber prices either.
But growers who sell to lumber mills (for conversion to sawn timber) are luckier - the mills pay for transport. A point still to be clarified is whether pulling timber out of a plantation is production or transport.
DCE deputy director Danie Zietsman does not foresee any problems with implementing the new system.
"There are 60 000-70 000 farmers in SA and the 60 extra staff we will employ will be able to cope adequately. Everything will be computerised and refund applications should be processed within 30 days." Running the operation will cost R3m-R4m a year, "but this will put about R500m a year extra into the State's coffers. That's a fair profit on the outlay."

An oil industry spokesman is "delighted" with the way the rebate system now works. "Of course farmers in the so-called Maputo hinterland complain about their diesel going
up by $6 c / l$, but they now pay a cost related price. Before, they were cross subsidised by other users. The new system will benefit everyone, including the farmer."
The new price of bulk fuel, including rebates that can be claimed, delivered to farms in Johannesburg is $75,6 \mathrm{c} /$ /; 69, c/lin Durban and Cape Town; 77,7c/l in Pietersburg and $76,1 \mathrm{c} / \mathrm{l}$ in Nelspruit.
 the outskirts of the town.
said. "We grew up together








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Tony Simpson has been appointed GM of Modder B Gold Mine and Roodepoort Gold Holdings.

Own Correspondent PRETORIA - SA's net farming income soared to R3bn last year - nearly $65 \%$ up on the 1985 figure, according to the Department of Agricultural Economics and Marketing.
However, it was stressed the big increase was from a low base with production battered by drought during most of 1985. Farmers' gross incomes also increased -
by $17 \%$ against an expenditure increase of only 7\%
The main reason for the R 308 m increase in gross income is the higher income from crop and horticultural production, particularly maize - up by $95 \%$. Gross income, according to SA agricultural union economist Koos du Toit, was reduced by nearly R2bn in farmers' interest payments.

Gross income from
crop production increased by $33 \%$ and horticultural products by $13 \%$. Income from animal production increased by $8 \%$.
Producer prices increased slightly faster than in 1985.- by $10 \%$ compared with $9 \%$. And against this background, consumer food prices increased by $20 \%$. This has a major impact on the $19 \%$ increase in the consumer index price.
341 MONDAY, 27JULY 1987
The STATE PRESIDENT:

| (1) No. | ary employees when the detained em- <br> ployees are released by the Police? |
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| (2) Falls away. | The DEPUTY MINISTER OF INFORMA- |

Employees detained
TION: (2) whether the posts of such detainar employees are filled by temporary employees; if not. what arrangements
are made regarding these posts; if so,



 The MINISTER OF FOREIGN AFFAIRS: (1) No.
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 Minister of National Education:
(1) Whether any persons employed by

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(2) whether the posts of such detained employees are filled by temporary



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66. Mr S S VAN DER MERWE asked the
Deputy Minister of Information:
(1) Whether any persons employed by (1) No.


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TUESDAY， 28 JULY 1987
 （with positive blood tests）．How－
 every carrier will get the disease．
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5 The Minister of National Health淢







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Medical Association of South
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tween officials of the De－ partment and the Associa－
TUESDAY， 28 JULY $1987 \quad 416$
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$*$ Mr DG H NOLTE asked the Minister
（a）How many agricultural extension offic－ ers were employed by his date for which figures are available and（b）（i）for what

 what are the main reasons for their leav－ | $\dot{0}$ |
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＋The MINISTER OF AGRICULTURE
AND WATER SUPPLY：
（a） 149 on 31 May 1987.
（i）（i） 25,7 years in senior cadre．


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Lelieföntein farmers (from left) Mr Samuel Cloete, Mr Dawid Koordon, Mr Abraham Fortuin and Mr Piet Klase photographed in Mr Klase's wheatfield in October last year. Mr Klase said at the time: :'It is very unfair of my big father (the government) to take the bread from my mouth like this."

## Baster farmers want ancestors' land back <br> land for a living. He added that he

By SHAUNA WESTCOTT Supreme Court Reporter SMALLHOLDERS of the Leliefontein community in Namaqualand, who have farmed communally for generations, returned with their flocks from winter pastures in September 1985 to find their homes occupied by others, the Supreme Court cupied by others,

This was evidence given on affidavit by Mr Gert Bekeur, one of four members of the community who have launched an application for an order declaring that they were wrongfall deprived of their land and ordering the Minister of Local Government, Housing and Agriculture in the House of Representatives to restore it to them.
Mr Bekeur said he and most of the community are descendants of Khoi families, described as "the Little Namaqua Hottentots" and the "Baster tribe", to whom the land was formally granted in 1854 by Governor of the Cape Sir George Cathcart.
"My ancestors" have lived in the Leliefontein area for as long as the memory of man," he said.
He said the community of about Although fthe ncustom was for each family head to be assigníd land, individuals had no right to dispose of their plots and animals grazed on communal land.

## Dependent on land

Mr Bekeur said he and most of his fellow farmers and their families fellow farmers and nedent on the
had no formal education and "no captal besides my livestock".
He was "astounded" when in 1984 he received a letter from the Leliefontein management board telling im to remove all structures and improvements from his garden plot and not to set foot on it again.
Complaints to the board "fell on deaf ears" and a meeting with the minister culminated in a ministerial request for a letter setting out the rievances of the commünity.
"I wrote this letter," Mr Bekeur said, "but to date I have simply received a letter from him telling me my letter was 'enjoying attention'.
"During June or July 1985 I sowed vegetables and as usual trekked away with'my livestock for winter'grazing. When I returned in September I was astounded to fiifd one Nico Schwartz had occupied the whole area in which my garden plot is situated.
"He drove cattle in and destroyed my whole vegetable harvest. When approached him he told me the land was now his and I had no right to be there."
Mr Bekeur said the land had been
Mr bekern $4^{\prime}$ farms of which 30 had been "allocated" to strangers to the area.
An application for an order allowing papers to be served on the new "tenants" by means of letters, newspaper advertisements and centralized access to the complete docu mentation was granted Justic

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& \therefore \text { 名安 }
\end{aligned}
$$

An example of success through saving was the crowning last month of Cape wine farm－ er Danie de Wet as best Chardonnay maker in the world．

De Wet＇s 600000 vines on his 150 ha Bonnievale farm are irrigated and fertilised at the push of a button on a computer key－ board．They receive just the right amount of moisture and nutrition and he gets an instant read－out on the state of his crop．De Wet had to go to Israel to find a suitable computer system for his farm，but within a year water usage was down by $30 \%$ and electricity sav－ ings were $20 \%$ ．

Mel Miller，spokesman for Cape－based specialised agricultural services company Agserv says unless more farmers adopt De Wet＇s approach，SA will not achieve the status of Africa＇s bread－basket．

Agserv，due to be listed in the Develop－ ment Capital sector of the JSE on July 29，is aboutsto embark on an expansion pro－ gramme aimed at establishing itself as the leader in agriculture＇s technological revolu－ tion．Miller believes this is not only inevita－ ble，but vital for the survival of farming as one of the mainstays of SA＇s economy．

Through its Boland Voere subsidiary Ag－ serv already provides specialised stock feed services to Cape farmers and recently moved into the fish feed market with a product tailor－made for the local aquacultural indus－

But，adds Miller，specialised service in hi－ tech agriculture must go further in order to improve or adapt production in existing farming areas and extend it to untapped resources such as the sea，rivers and deserts．
＂Fundamental and far reaching changes must be made to our basic agricultural sys－ tems，many of which are outmoded．These changes must be made now．New technole－ gies must be employed to enhance and im－ prove production quality and quantity，＂he says．
Miller wants to see an end to inefficiency and wastage－much of which is caused by outdated farming methods－and bureau－ cratic red tape．Costs，he says，could also be cut，as with the costly administration of control boards．However，he contends con－ trol boards and co－ops both have a part to play in agriculture．
＂Agserv＇s aim is to complement the exist－ ing formal agricultural sector by providing what will in effect be hi－tech agricultural support companies capable of helping far－ mers improve their productivity and efficien－ cy and restoring the sector to a sound finan－ cial footing．＂

Agserv＇s immediate expansion plans entail the acquisition of an agricultural computer company．Negotiations are also underway to acquire other owner－managed specialist companies offering a service to the farming community．
＂If cattle don＇t do well in drought－prone ${ }_{i}$ areas then let＇s try camels，＂says Miller． ＂The Israelis do it with genetically bred animals that provide milk，meat and hides． Aquaculture is big overseas－the UK ex－ pects to have a Salmonoid harvest of 28000 t this year，while our production is expected to be only 500 t．＂
 turing of agriculture suggested a five-year R1,426 billion rescue package, with an initial R 600 m bail-out. Government then announced a R 400 m package in June, as part of a major attempt to save "worthwhile" farmers from pending sequestration. Banks, co-ops and other creditors were asked to refrain from action while the latest rescue attempt was being floated.
But commercial banks, which have long been expected to carry the brunt of the northern summer rainfall farmers' debt burden, are beginning to lose patience. Not only do the co-ops have an automatic lien on farmers' crop proceeds (even prior to registered bonds), but banks have not been coopted onto the National Assistance Advisory Committee (NAAC) implementing the new scheme. They are justifiably suspicious that vested farming interests will again try to sideline the institutional lenders.
Underlying the banks' previous hesitancy to take action against bad credit risks is the fear that precipitous action might lead to a collapse of farm prices which would obviously mean
that all creditors would lose out heavily. Nevertheless, with the total farm interest bill now growing by about R1,8 billion a year, banks feel that early action might in fact limit potential losses.
Volkskas agricultural economist André Louw notes: "With some $55 \%$ of the total farm debt being of a short-term nature, banks are worried that government's new R400m rescue package will not achieve much in the short term. Subsidies on com-

mercial bank loans still do not feature in government's various aid packages to debtstricken farmers, while the preferent lien of co-ops on farmers' crop proceeds limits the leverage of the banks to collect their dues."

Farmers could well be expected to cry "disaster" and ask for extensions. They face the mounting annual interest bill, a massive collapse in cash flows, imported inflation (based on the low rand) multiplying input costs, and flagging export revenues. But the banks also have their problems.
According to First National's chief agricultural adviser Frans Venter: "In terms of
the R 400 m agrithe $R 400 \mathrm{~m}$ scheme, curators will be appointed to monitor liquidation of assets and the
administration of administration of compromise offers to creditors. Banks are worried that their interests will not take precedence and that farming interests could again steer the system in their favour. We are the major financiers of the faim debt - not only by direct credit advances, but also by our multi-billion support of the Land Bank's annual requirements for production and crop financing."
NAAC members who will oversee the - R 400 m scheme include representatives from the SA Agricultural Union (SAAU), the coops, Reserve Bank Deputy Governor Japie Jacobs, the Agricultural Credit Board and the Land Bank - but no one from the commercial banks. Suspicion is understand-
able. able.
Others take a slightly more optimistic view. Standard Bank agriculture manager Theo Potgieter says that while farm debt is a huge short-term problem, in the longer term SA's population explosion is bound to increase demand for agricultural produce. "This is an international problem," he adds. "The US and the European Community (EC) are also struggling to change structures that have served their time. While export prospects for grain are dim, more realistic pricing policies in the local market will help increase local sales and, taken against the R40 billion-plus total value of farm assets, there is still

Seen against the situation in the US and the EC, SA's problems pale into relative insignificance. The EC's Common Agriculture Policy in 1986 devoured a massive US $\$ 24,1$ billion - or $70 \%$ - of its $\$ 34,5$ billion total budget. In the US an estimated $\$ 25,6$ billion was spent in that year to subsidise farmers. The result? Massive mountains of butter, skimmed milk, wheat, maize, meat - and oceans
of wine $\rightarrow$ that are sold to East bloc countries at bargain-basement prices.

World grain surplus stocks have meanwhile mushroomed to some 400 Mt , while former importers like China, India and Indonesia have joined the league of exporters. And with the loss of the grain export market, the Maize Board has already adapted its pricing and marketing policies to changing realities.

Bank reservations notwithstanding, it seems that the latest rescue scheme might stand a chance of at last pushing agriculture towards a long-term resolution of its manyfaceted problems. These are not only the result of the negative factors of the past five years, but also of the control structures evolved in the Thirties. Control boards, subsidies, one-channel marketing and unrealistic fixed price systems have long been the target of attacks by free marketeers who blame these structures for the farm mess.

Government appears to have seen the light. This year's new maize pricing system not only led to a reduction in producer prices, but also allowed, for the first time, direct sales from farmers to millers and other users of maize (subject to certain conditions). Ministerial speeches have also sounded the warning that farmers must produce for the market and that produce prices must reflect market realities.

The structure of the R 400 m rescue package also indicates incisive planning. Farmers applying for financial assistance to their local agricultural credit committees chaired by the local magistrate - must submit a list of all farming assets and liabilities, and can suggest a settlement offer to all creditors. This could entail the voluntary sale of redundant farm properties and production assets, with the retention of one (or more, depending on circumstances) productive unit.

The offer will be submitted to the director of financial assistance at the Department of Agricultural Credit in Pretoria. After investigation, the settlement will be circularised to all creditors who will, at a creditors' meeting, decide to accept or reject it. A casting vote will be given by a majority of $50 \%$ (in value) of the creditors, although "flexibility" will apply for individual creditors.

Should the offer be accepted, the farmer will be placed under curatorship in terms of Scction 21 of the Agricultural Credit Act; all legal action will be stayed; assets will be liquidated and distributed and the farmer can then start afresh - with the State (and the taxpay(er) as his only credi-

## FARM INCOME: MOVING UP

Gross value of agricultural production 1983-1986

|  | , Rm |  |  | 1986 <br> (Prehminary |
| :---: | :---: | :---: | :---: | :---: |
| Field craps | 2966 | 3593 | 4549 | 5897 |
| Horticulture .. . ..... | 1335 | 1539 | 2036 | 2119 |
| Anımal Husbandry | 3615 | 4113 | 4514 | 4957 |
| Total | 7916 | 9245 | 11099 | 12973 |

Contribution of agriculture to GDP 1983-1986

|  | 1983 | 1984 | 1985 | $\underset{\text { (Preiliminary) }}{1986}$ |
| :---: | :---: | :---: | :---: | :---: |
| GDP at factor cost | 82849 | 97360 | 109604 | 127112 |
| Agriculture's contribution to GDP at factor cost ... | 3550 | 4849 | 5827 | 6935 |
|  |  |  | - |  |
| \% contribution of agriculture | 4.3 | 5,0 | 5.3 | 5.5 |
| Source: Department of Ag | ulture Ec | omics an | Marketin |  |

Source: Department of Agriculture Economics and Marketing
abattoir and hygienic requirements - are in for deregulation in the foreseeable future.

Notwithstanding its losses to the Conservative Party in the May election, government has clearly realised that it has to take the agricultural bull by the horns. Taxpayers, consumers and commercial banks have lost their patience with vested interests and bureaucrats who have for too long manipulated agricultural administration for their own ends.

SAAU economist Koos du Toit spells this out: "Organised agriculture is handling the proposed restructuring of the sector as its top priority. Diversification away from the $4,3 \mathrm{~m}$ ha under maize to other crops is vital to resolving the logjam. But it could take years to effectively diversify - stocks have to be bought and built up, alternative crops will require capital investment in different implements, and it will require time and money to effect the switch.
"Market signals will also be central to the success of this long-term venture, while coops might be required to play a bigger role in the switchover. But we are hopeful that this vital experiment will be a success."

Agriculture remains central to the economy. Apart from its vital food-providing and job-creating roles, the 1986 gross farm income figure of R12,9 billion reflects the weight of a sector that keeps rural economies humming. Its impact on the national economy is wide-ranging and intricate - ask any manufacturer of fertiliser, chemicals, tractors and implements (not forgetting luxury cars). A farming collapse could reverberate right through the economy.

The combination of drought, local market collapses, disappearing export markets and political realities has nevertheless achieved what years of consumer complaints could not. Some farmers will, of necessity, lose. their farms and livelihoods - but the efficient will survive. In the process, SA will be the beneficiary of a modernised, streamlined agricultural sector.

THE general counci of the South African Agricultural Union yesterday approved in principle a retirement 'scheme for agricultural employees. "A *
The approval of the scheme comes after an investigation conducted by Sentraboer and is expected to be instituted in January next year.

Union vice-president Nico Kotze said the scheme's main objective was to provide for retirement needs of employees in agriculture, with death and disability benefits as perks.
"The scheme is unique in the sense that as employers, farmers join voluntarily and each employer, with his team.
of employees, builds up his own fund within the registered umbrella fund." Questioned about the scheme, Kotze said in the case of retirement, either a non-recurrent cash amount or a monthly pension would be paid.
In the event of death or disability, an amount equal to twice the annual salary of the employee is paid out, with a choice of pension in the case of disability.
Kotze appealed to farmers to support
the scheme. - Sapa. the scheme. - Sapa.





AGRICULTURAL chemical supplier Farm-Ag will save farmers between R8-million and R10-million this year and R25-million next year in input costs.
Farm-Ag will do so by making the chemicals.
The share looks good value at. 760 c - 110c off its April high and on a low price-earnings ratio of 8,9 . Earnings a share for the year to February 1987 were 85 c and the dividend 40 c , giving an attractive yield of $5,2 \%$.
The Farm-Ag group was founded by the Maingard brothers in 1956 and was floated in 1981 through a revêrse listing into Eddels. A year later Farm-Ag began the basic manufacture of agricultural chemicals in addition to its trading activities. It sold its retail division to ICI (SA) in 1985.
Safsan Agricultural Chemicals and the Miracle Manufacturing Company, which makes lawnmowers, werế acquired in 1986 and last week the Transvaalbased Stiletto Lawnmower Manufacturing Company was bought.
This year it took over the Potter \& Moore group of toiletry companies to provide it with an entry to the chain stores.
A rights offer was held last November to raise money for a" manufacturing plant at Canelandss in the heart of Na-
tal's sugar belt. Sugar farming is the second-largest market for agricultural chemicals in SA, but the factory has good road and rail links to serve the maizegrowing areas of the Transvaal and the Free State.
Farm-Ag has makes a weedkiller which controls jointed cactus in the Eastern Cape and weeds in sugarcane lands. The product is also exported.

## STRATRGB

The group's profile will change from predominantly a chemical trading and "contract formulating" concern to a primary manufacturer and formulator.
Many previously imported products are of a strategic nature and Farm-Ag will beat sanctions.
Chief executive Robert Maingard says: "Farm-Ag's philosophy is to reduce the farmer's input cost. Until now it was claimed that agricultural chemicals could not be produced economically in South Africa
"We realise that Farm-Ag will come up against multinational companies which will not be pleased to see such a development in South Africa."
Farm-Ag has been granted tariff protection for one of its most important products, Alachlor. It will seek protection for another five products.
Since it became known that Farm-Ag was to make
the compound, foreign com- $*$ petitors dropped their price by $25 \%$.
A $25 \%$ cut suggests that SA. has been paying through the : nose for imported agricultural chemicals.
When Farm-Ag applied for
duty tariff protection it promised not to abuse the relief. Protection is required to safeguard the new industry against dumping. The company expects to manufacture at least 10 strategically im- $v$ portant compounds by next;: year.
Production costs are expected to be lower that those : of foreign competitors and ${ }^{i t}$ the door could be opened to!: exports.
Although Farm-Ag's earn-: ings will begin to benefit this : year, in the next financial year the true potential will!s be realised.
Farm- Ag is confident that:it will be able to undercut the price of imports. The group has laboratories and research facilities, and em-: ploys experienced agronomists and manufacturing Thaff.
There are manufacturing : operations at Springs and Boksburg. The two will be; housed under one roof at the ${ }^{4}$. Springs factory to rationalise ${ }^{10} \sim$ management and services.
Another listed company tor C ? benefit from Farm!Ag's.imiou proved performance will be Rale Holdings. Rale holds-a$53 \%$ stake in Farm-Ag; $23 \%$ ot of Probear and $66 \%$ or Pact tape as well as $40 \%$ of uilist-:-: ed Hacks Holdings.

547
TUESDAY, 11 AUGUST 1987 548
(4) whether he will make a statement on (4) whether he will consider appointing a representative of the agricultural sector to this body?

The DEPUTY MINISTER OF ECONOMC Alant): G Alant):
(1) Yes. Quantitative import restrictions道 ploughs, harrows, cultivators, seed and fertiliser distributors and har-
vestung and threshing machines. Import permits are issued to cover the full reasonable requirements of im-
porters. In the case of agricultural porters. In the case of agricultural
chemicals, the position is that fertilis-
 .
 and rat poisons is only monitored and partment of Agricultural Economics and Marketing which is responsible for the administration of the Fertilisers. Farm Feeds, Agricultural Rem(Act 36 of 1947) in terms of which the products referred to have to be registered before they may be mar-
keed locally. keted locally.


 With regard to agricultural chemicals,
import duties have been revised in 12 import duties have been revised in 12
cases since 1 January 1982 . Comprehensive investigations are conducted at present into the possible revision
of customs tariff protection on agri-
为 (4) whether he will make a statement on
the matter?
$\dagger$ The MINISTER OF AGRICULTURE: (1) Yes.

## (a) R2067574

b) Creamline Dairies (Pty) Ltd.
(2) Yes. J. J. Du Plessis (Chairman); T. Y. Reynecke; C. J. Bester: R. R. R.
C.
C.lanan; P. W. Dempsey; C. . de Callanan; P. W. Dempsey; C. P. de
Wit: D. Osborne; P. J. Posthumus; F. D. P. Reyneke; R. B. S. Tucker; A. C. Vlok.
(a) Since the debtor was placed under provisional liquidation, a 311 of the Companies Act. 1973 (Act 61 of 1973 ), was agreed to.
20 September 1985. (b) 20 September 1985
(c) The Dairy Board and the other
(c) The Dairy Board and the oher
credtors.
(4) No.
(c) The Dairy Board and the oher
credtors.
(4) No. Agricultural machinery/chemicals
 the Minister of Economic Affairs and Tech-
nology:;
 iffs in respect of agricultural machine-
ry and chemicals are reviewed from time to time; if not, why not; if so, on how many occasions have such taniffs (2) whether the rand/dollar exchange rate is taken into account in the ad(a) to what extent and (b) what other factors are taken into account in this regard;
 tariffs includes a representative of the is this person and (ii) by whom was he nominated and (b) what (i) are the


TUESDAY, 11 AUGUST 1987
up against the benefits which the
country will derive from such
protection.
(3) No.
(a) (i) and (ii) Fall away.
(b) (i) and (ii) The body which ad-
whether the pension money of such
members may be used to make good
dammage suffered as a ressult of theff;
if not, why not if os, (a) in what cir-
cumstances and (b) in terms of what statutory provisions;
what is the policy of the Defence Force in respect of members who are
convicted of offences?

DEPUTY MINISTER OF DE-
(1) Each case is considered on merit. The nature and seriousness of the offence and the sentence is taken into account to determine whether the
member should be dismissed or not. $\stackrel{\dot{\circ}}{\sim}$ ๔
(a) Losses sustained by the State ity or benefit payable to a memв u! pury uo!suəd әчı jo raq पэns siuamirssuy ui uo mins durn
 sion Fund.
(b) Section (2) (3) (c)-General
(3) Eansion Act, (Act 29 of 1979).

Each case is considered on merit to
determine whether other additional administrative steps should be taken against the member. In addition to
possible dismissal a member's promotion may be held back with the proviso that a member may not be penal-
 Ratwayssharbours/airports: policing

(1) Whether the South African Police is responsible for the policing of (a) the
railways, (b) the harbours, (c) the airports and (d) other specified branches and properties of the South
African Transport Sevices; if not, (i) why not and (ii) what action is contemplated in this regard; if so, (aa) as from what date, (bb) what was the

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ture.
Up to the present, police forces of
other national states acted strictly
according to the prescribed require-
ments. The matter and the serious
implications of disregarding the pre-
scribed requirements were, neverthe-
less, once more brought to the atten-
tion of Commissioners of police
forces of the national states.
Mr R M BURROWS: Mr Speaker, arising
out of the hon the Minister's reply, can he
give us the assurance that the people who
were-apparently illegally-taken into de-
tention, were released from detention in
KwaNdebele?
tThe MINISTER: Mr Speaker, whether the

 ment and (b) participate in any type
of business of their own; if not, why
not; if so,
(2) whether such employees are per-

- mitted to become directors of companies registered in (a) the Republic
and (b) a foreign country; if not, why
not;
whether disciplinary action is taken
by the Transport Services against

(4) whether he will make a statement on (4) $\begin{aligned} & \text { whether he will consider appointing a } \\ & \text { representatuve of the agricultural sec- }\end{aligned}$ representative of the agnicultural sec
tor to this body? The DEPUTY MINISTER OF ECONOMGC AFFAIRS AND TECHNOLOGY (Diant): G Alant):
(1) Yes
(1) Yes. Quantitative import restrictions re only applicable on certain types of agricultural machinery, including ploughs, harrows, cultivators, seed
and fertiliser distributors and harvesting and threshing machines. Import permits are issued to cover the full reasonable requirements of importers. In the case of agricultural ers are exempted from quantitative import control. The importation of
 and rat poisons is only monitored and partment of Agricultural Economics and Marketing which is responsible for the administration of the Fertilis-



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 of the Board of Trade and Industry.
With regard to agricultural chemicals, import duties have been revised in 12
cases since 1 January 1982. Comprecases since 1 January 1982. Compre-
hensive investigations are conducted




## $\stackrel{\Delta}{\infty}$


 Board of Trade and Industry





the matter?
(1) Yes.
(a) R2067 574
(b) Creamline Dairies (Pty) Ltd.
(2) Yes, J. J. Du Plessis (Chairman); T.
L. Reynecke; C. J. Bester; R. R.
Callanan: P. W. Dempsey; C. P. de
Wit; D. Osborne; P. J. Posthumus;
F. D. P. Reyneke; R. B. S. Tucker;
A. C. Vlok.
(3) Yes.
(a) Since the debtor was placed Since the
under provisional liquidation, a compromise in terms Act 1973 (Act 61 of 1973 ), was agreed to.
20 September 1985 . (b) 20 September 1985 .
(c) The Dairy Board and the other

## (4) No. <br> Agricultural machinery/chemicals

 *5. Mr A J W P S TERBLANCHE asked
the Minister of Economic Affairs and Tech-
(1) $\mathrm{l}, \mathrm{gy}:$
(1) Whether import restrictions and tar-
iffs in respect of agricultural machine-
ry and chemeals are reviewed from
time to time; if not, why not; if so, on
how many occasions have such tariffs how many occasions have such tarift
been adjusted since 1 January 1982; (2) whether the rand/dollar exchange rate is taken into account in the ad (a) to what extent and (b) what other factors are taken into account in this regard;
(3) whether the body reviewing import tariffs includes a representative of the
agricultural sector; if so, (a) (i) who
is this person and (ii) by whom was he nominated and (b) what (i) are the names of the other persons serving name of this body; if not, why not;


WEDNESDAY， 12 AUGUST 1987
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## the payment of rent and service charges． charges．

Provincial Adminstration of the Cape Prov－
ince
$\begin{array}{ll}\text {（a）} & \text {（i）} \mathrm{R} 21703524 .\end{array}$ （i）R21 703524.
（ii）（aa），（bb）and （are not kept separately）
as on 30 April 1987 ．
Action taken to recover arrears in re－ （are not kept separately）
as on 30 April 1987 ．
Action taken to recover arrears in re－ spect of（a）above，are as follows Personal interviews with rent and service charge defaulters． Letters to residents notifying
them of arrears and them to make arrangements for the settlement thereof．

Negotiations with employers／em－ ployees regarding voluntary de－

Action in terms of the Housing Act（Act 4 of 1966）．

Civil action in terms of Regu－
lation 18 （1）of government no－
tice R1036 of 14 June 1968 ． tice R1036 of 14 June 1968. Supplementary reply to Question No 18 on Monday， 15 June 1987，put by Mr SS van
der Merwe（col 145） Mianning：
（1）Whether any persons have been ap－

 such chairmen be appointed；if so， （a）in respect of which councils，（b）
what are their names in each case and （c）（i）what remuneration package
will they receive and（ii）how will this will they receive and（ii）how will this
package be made up；
（2）whether these chairmen will receive管 （a）The total amount in arrears on 30 regarding（i）rent and（ii）levies for
 vices amounts to R10 929 839，00．
（b）－The effect of money in arrears is constantly emphasized during
the preparation and consider－ ation of budgets． Black local authorities take civil
action against inhabitants where payments are in arrears．

Services are in some cases sus－
pended．
Information actions are continu－
ously launched in order to im－ prove communication between to emphasize the necessity for

580

WEDNESDAY， 12 AUGUST 1987 fees due to all Black local author－ ities in Natal as at 30 April 1987 amounted to R2 822 284，03． （aa），（bb）and（cc）Fall away．
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0 means of a stop order．

 lessees concerned．

## Provincial Administration of Transvaal

（i）Separate figures for rent and ser－ vice charges are not available for the Province of Transvaal．
（ii）As at 30 April 1987 the total amount outstanding in respect of rent and service charges was
R231 569523. （aa），（bb）and（cc）Fall away．
（b）The most important steps taken by
 Members of the public who are service charges are called in to
 әie оча slueual siraje aqi juo


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During yearly estimate meetings with Black Councils the necessi－
ty that estimated revenue be col－ ty that estimated revenue be are strongly emphasized． In certain areas the system

 267．Mi J H VAN DER MERWE asked the Minister of Constitutional Development and Planning： $\bar{\prime}$

With reference to his reply to Question No 15 on 26 May 1987 ，（a）what total
amounts were owing to organizations amounts were owing to organizations
under his control in respect of arrear（i） rent and（ii）levies for（aa）water supply， （bb）electricity supply and（cc）other specified services as at 30 April 1987 or the latest specified date for which figures
are available and（b）what steps are being are available and（b）what steps are being
taken to collect these amounts？

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING：
Provincial Administration of Natal
（a）（i）As house rent and service fees

total package.
(3) No. The members of a regional services council are not appointed, but are nominated by each local body of a region from among its own mem-
bers in terms of section 6 (2) of the Regional Services Council Act, 1985 (Act No 109 of 1985).
(4) (a) Members will only receive a daily session allowance according to a decision pursuant upon section 8 (4) of the Regional Services
Council Act, 1985. (b) No.
(bb) The level of remuneration are determined on a differentiated basis according to the var-
iety of functional tasks, iety of functional tasks,
complexity and degree complexity and degree
of responsibility of a RSC. A members' applicable session allow-
ance is determined by ance is determined by
the level of responsibility and complexity of a RSC (metropolitan, urban or rural RSC). Nore.



## (c) (ii) The above-mentioned re- muneration represents the muneration represents the

|  | benefits and (b) what will be the value of these benefits; |
| :---: | :---: |
|  | whether any ordinary members of regional services councils have been appointed; if so, (a) when and (b) what are their names; if not, when will they be appointed; |
| (4) whether such ordinary members will |  |
| (1) Yes. |  |
| (a) |  |
| Councils |  |
| Algoa . . . . . . . . . . . . . . . . . . . . . . . . . . . . . |  |
| East Rand |  |
| Pretoria |  |
| Central Witwatersrand |  |
| Western Cape |  |
| Bloem-area |  |
|  | t Rand. |
|  | vis Bay | per session day. (q) J W Kleinhans

L Ferreira
P Delport
G Bornmann
P J Loubser
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## Staff Reporter

HUNDREDS of Namaqualand farmers in the Leliefontein area of the north-western Cape claim they face ruin in the wake of a Government scheme which has forced them off land awarded to their ancestors nearly 200 years ago.
A delegation of farmers told a Press conference in Cape Town yesterday of the hardships threatening the oncethriving and peaceful community of Khoi descendants.

The delegation represented about 300 farmers affected by the sub-division of the land.

At the Press conference hosted by the Surplus People Project, they said that for 170 years the community had been farming with small stock and crops on communal land which provided them with access to winter and summer grazing areas.
"I know the people as an independent, self-sufficient group with regard to their income.

They have never had to beg: They produce their own milk; meat and bread," said Mr Daniël Baard, a community leader from Tweerivier in the Leliefontein reserve.

He said the community was disrupted in 1985 when the Government pushed through a new scheme in terms of which farmers were allocated small pockets of communal land around their villages while most of the land was divided into "economic units" which were leased at R300 a year.

## Stock losses

The community was outraged that the State started the system without first negotiating with the farmers, he said.

The Surplus People Project said in a statement that most of the people who previously had communal sowing and grazing rights had been pushed off most of the land.
"They are now forced to use those units that have not been leased out and the small com-
monage around the settlements. Overcrowding hask led to overgrazing in these common areas. People have suffered stock losses as a result.
"Others have lost their traditional sowing rights because 'their' piece of land now lies in a unit leased out by the State to a private individual," the statement said.

Mr Gert Bekeur, who farms in the Leliefontein area, said the "terrible crisis" could lead to the community's extinction.

He said that while he and his colleagues had the option to rent the economic units, they felt it was "immoral" to do so as the land had been passed on from generation to generation with the blessing of several successive governments.

Lala Steyn, a Surplus People Project official, said the State had argued that the farmers had overstocked the land. The community felt the State could simply have asked the farmers to cut back on their stock. in

| grazing on 15 farms <br> EAST LONDON. - A veld fire has caused damage to at least 15 farms in the Cathcart area. <br> One farmer decribed it as the worst in' 'living memory'. An estimated 20000 ha was razed in less thàn 24 hours. <br> A farmer in the Thomas River area, ${ }^{6} \mathbf{M r}$ Aubrey Cotterell, saidilivestock Thad been left dead and maiméd, outbuiildings were razed and large areas of winter grazing reduced to ashes. <br> "Sixty to 70 percent of the farmland in the district has been buried, including barns containing lucerne for winter feeding, labourers' hưtst commercial pine forests and many thousands of rrands worth of fencing, the said. <br> The fire is said to haverbeen started by a careless smóker. - Stapa. |  |
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等 flower operation，under more An ultra－sophisticated cut is a seven year operation
said Mr Rawbone－Viljoen． lish a new apple orchard．It R35 000 and R40 000 to estab－
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 its length and severity in some areas;.
Farmers visited by The Star said Farmers visited by The Star said repeatedly they












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Farmers mechanising 'just for the sake of it'
 High unemployment results in gọvt plea to agriculture

A PLEA for agriculture to rethink its policies and attitudes towards mechanisation in the light of the high and growing levels of unemployment in SA, was made yesterday by Economic Affairs and Technology Deputy Minister George Bartlett.

Opening an agricultural engineering congress in Mmabatho, Bartlett acknowledged this proposal flew in the face of current thought and trends within the sector.

He said he believed that the level of agricultural mechanisation in a developing country like SA should be inverse-

## CHRIS CAIRNCROSS

ly proportional to that country's level of industrialisation.
"I suggest that perhaps many commercial farmers are just mechanising for mechanisation's sake."
Bartlett indicated other sectors within agriculture could do well to follow the example set by the country's sugar farmers, who chose not to go the mechanisation route in the cutting of sugar cane.
Today, 24 years on, there is not a single mechanical cane cutter operating in SA on a commercial basis, and there is also no shortage of labour in the industry.

About 20000 cane cutters have work in the industry, productivity has reached a high level and the capital cost of replacing workers with machines would probably amount to R100m, he said.
He acknowledged the farming community remained under considerable pressure, and predicted that conditions were likely to get worse bcfore they gotbetter - for some at least.

Bartlett suggested that the survivors would be those who fully understood the true meaning of productivity, the agricultural price formulae mechanisms, and the effect of current tax laws and allowances on these formulae.

Bartlett focused on the major economic dilemma facing farmers, namely that costs were outpacing revenue.

He noted that in 1973 the average cost of tractors in rands per kilowatt was R109. By 1981 this had inflated to R335, an annual compound increase of $15 \%$.
By 1984, this had further increased by $19,3 \%$ a year to R 568 per kilowatt.

Bartlett said he was unable to identify all the reasons for the hefty increases in tractor and implement prices, but said that the engines provided by IDC-controlled ADE, together with foreign exchange rates, had played an important role.

Barlett maintained tax legislation had also encouraged inefficiency in the use of scarce capital by providing incentives to farmers to buy capital goods.
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6. Mr P C CRONJE asked the Minster of
How many persons were awarting execution as at the latest specified date for
which information is avalablet? The MINISTER OF LAW AND ORDER
On 25 August 1987262 persons detention after having been sentenced to death. Nine were awating execution while
the cases of the rest werestill in stages of the post sentence process, the largest group being sentence process. the
 - دyyead IJV INFHONIQYVH A y iW arising out of the hon the Deputy Minister's
 is not $100 c_{c}$ effective? If so. has any action
The DEPUTY MINISTER: No, Mr
Speaker, I have not recesved any such

reports. | 0 |
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\begin{aligned}
& \text { Kuamevane Township } \\
& \text { *5. Mr R W. HARDINGHAM asked the } \\
& \text { Minister of Constitutional Development and } \\
& \text { Planning: }
\end{aligned}
$$

(1) Whether. with reference to his reply
 Department intends allocaung funds
for the upgrading of Kuamevane Township. near Howick: if not. why not; if so. (a) when, (b) what toral amount
and (c) for what specified projects: (2) whether he will make a statement on the matter? , , t: $\mathrm{s}^{\prime}$ ? The DEPUTY MINISTE CF CONSTI-
UTIONAL PLANNING:

## (1) Yes.




 the limits of the development
prionities of the Natal Provincial Administration.

reticulation, water reticulation
and electricity reticulation as


 and 13 Indian students who applied for admission to white agricultural colleges had been admitted, the Minister of Agriculture and Water Supply, Mr Greyling Wentzel, said yesterday in reply to a question tabled by PFP MP Mr Rupert Lorimer. velopment, the guide rate may however be adjusted upwards.
(3) Based on the records of the Depart-名苞 ?. wear. These figures do not include the year. These figures do not include the
expenditure of divisional councils and development boards. (4) No statement on the
matter is (4) deemed necessary.
*2. Mr J H VAN DER MERWE-Constitu-
tional Development and Planning-|Reply 2. Mr
tional Develapment and Planning-[Reply
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f3. Mr J H VAN DER MERWE asked the
Minister of Foreign Affairs:t
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## TUESDAY, 8 SEPTEMBER 1987

*1. Mr W J D VAN WYK asked the Minis-



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 of local authorities.



(1) (a) How many annual repprts were
 telligence Service, (b) what was the hodar yoea jo sardos রuew noy (o) were panted and (d) who undertook the pniting of each report:
 was put out to tender; if not, why not: If so. (a) what was the (i) lowest
and (ii) highest tender submitted, and (b) what was the amount of the successful tender, in each case;
whether any copies of these reports were sold: if so. (a) how many, (b) to whom, and (c) at what price, in re-
spect of each report:/
 specified five years for which information is available, (a) what was the
total cost to this Service of these annual reports. (b) how many copies were printed. (c) how many of these (ii) black and white pictures, (d) on
 reports printed and (e) (i) how many
of these reports contained a photoof these reports contained a photo-
graph or drawng of the (aa) political head and (bb) top official of this Ser-
vice and (ii) how many of these pic-




Widespread damage to vegetable crops throughout the country caused by the hormonal herbicide 2,4-D, have fresh produce-growers on the chemical warpath.

The use of 2,4-D is banned in most parts of the world and has been linked to certain forms of cancer. It is also blamed for the high incidence of deformed babies in South Africa in sugar-producing areas.
The weedkiller, which is widely used by the timber and sugar growing industries in the country, is claimed to have caused severe losses, estimated at more than R15-million, to vegetable farmers in the Tala valley near Camperdown in Natal.

The use of the herbicide in this area had been banned earlier this

Farmers who have suffered losses are meeting in Pietermartizburg next week in a bid to have the ban on the use of 2,4-D extended to other fresh produce growing areas before the new spraying season starts in October.

They will hold discussions with members of the Ministerial Advisory Committee on Hormone
year.
However, farmers in the Weenen, Greytown, High Flats and Richmond areas as well as farmers on Natal's north and south coast are also blaming crop losses on the weedkiller, which becomes windborne and contaminates nearby crops.


## HESS CUMMING

Herbicides, which was appointed in July to investigate damage caused by the weedkiller.
"We have tried our utmost to persuade other industries to voluntarily switch to other herbicides. But $2,4-\mathrm{D}$ is the cheapest and the best, and industries using the herbicide are unwilling to incur the extra costs of using other weedkillers," said Mr Roger Evans, chairman of the Natal Fresh Produce Growers' Association.

Some vegetable farmers claim that the odds are stacked against them.
Most sugar cane and timber plantations are owned by huge conglomerates which have vested interests in chemical companies distributing the herbicide, they claim.
Having 2,4-D officially banned is the only remaining solution, they say.









A NEW procedure for farmers to get their diesel fuel at rebated prices is to come into effect, on November 1, according to the Bureau for Informa tion last night.
This follows a rebate system change earlier this ear through which farmers had to apply for rebates individually.

An interdepartmental committee of cabinet ministers and government officials, in co-operation with the SA Agricultural Union and represenatives of co-operatives, agreed on the scheme following the State President's creation of the committee late last month, the bureau said in a statement.
Farmers could now buy fuel at rebated prices from agricultural co-operatives which would"buy the diesel at the full price from the bulk suppliers of fuel and would recover the applicable rebates from customs and excise.
Except for the initial registration at the directorate of customs and excise, all further recovering procedures will be undertaken by the co-operatives on behalf of the farmers.
on behalf of co-operatives would have to obtain from farmers the necessary confirmation that the diesel would be used for the purpose for which it was purrchased, the statement said.
Coo-operatives would inform their members as soon as possible of the manner in which'the system will function in future, it added. - Staff Reporter and Sapa

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PRETORIA, The president of the South Arrican Agricultural Union, Mr Kobus Jooste; yesterday expressed fears that the government's R400 million pressed fears, rhers would fail.
Heheme for farmers would fain's 1987 congress in
He was addressing the SAAU'S 1987 ,
He said"a "disappointing" part of the R400 milion He saida disappoit of about only million - hadd 10 en granted so far and too few farmers had been'heliped Even more disturbing was the fact that: the great majority of applicants who could not bêhelped were now worse off than before they applica; according to Mr Jooste.
In a-response to the speech, the Deputy Minister of Agriculture, Dr A I van Niekerk; said comprehenof Agriculture, Dr A I van Niekerk, saught conditions sive assistance to farmers under droug "andivaries was introduced by gock-farmers tô loans and subsidised, interest to crop-farmers.
dised, interest to crop-armes are regulariy adjusted
"These assistance schemes are regularly adjs and
to accommodate changing circumstan the current amountsto m
fiscal year."


## Farmers' lament

SA's farmers met in Durban last week to denounce State handouts, price-supporting subsidies and their corollary - government interference.
The occasion was the SA Agricultural Union (SAAU) annual congress. A succession of speakers agreed it was time for agriculture to shed its image of being a feckless beggar and accept the rewards and risks of the market.

Easier said than done. With the arguable exception of maize producer prices which are bound to drop due to the low world prices, consumers should not expect this new spirit of competition to quickly translate into reduced State aid for farmers or lower prices.

On the contrary. Delegates agreed that in the "short-term" and "national interest" prices must still be supported, aid budgets must increase, debts must be written off or interest rates reduced and their contribution in areas such as the defence of border farm lands must be evaluated and rewarded. The pragmatism among maize farmers, resigned to a drop in prices due to the world glut, thus
had more to do with State inducements to convert to pasture than to the daring new spirit of enterprise.
SAAU president Kobus Jooste was the first to indicate agriculture's response to government's White Paper on agricultural policy. What followed was a subjective assessment of the broad role played by agriculture in the country's economy. A related discussion explored the question of compensating farmers for "socio-economic services rendered."
Delegates appealed for greater aid for farmers operating in "designated areas," within $10 \mathrm{~km}-50 \mathrm{~km}$ of national borders. The justification was that farmers in these areas performed vital and strategic roles in the defence of the country. Deputy Minister of Agriculture Kraai van Niekerk indicated that government could budget for increased aid from the greater resources of the Defence vote, rather than Agriculture's vote.
The second debate of the congress, devoted to "optimal functioning of market forces," also reflected an ambivalent approach to State aid.

Vegetable grower Vito Rugani vigorously recommended unrestrained competition as the key to efficiency and profitability. His
contribution drew fire from several speakers, one of whom warned that winter cereal growers had a responsibility to feed the inhabitants of Gazankulu and Venda.
"Our responsibility is to ensure that they get cheap food and a free market will jeopardise this," the speaker warned. The consensus: though prices should become "marketrelated," where it was in the national interest these should be subsidised.

Given farmers' evident fear that a move towards free markets was tantamount to being thrown to the wolves, the SAAU leadership could not have chosen a worse time to broach the subject.

The mountainous debts incurred by agriculture as a result of sustained droughts and depressed markets were outlined in the SAAU annual report and in a paper presented by Koos Strauss, president of the North Cape Agricultural Union.
The picture is grim. On December 31 last vear farm debt totalled R12,8 billion, $15 \%$ up on the previous year. By comparison gross farming income was R12,5 billion and net income (before tax) R3,8 billion. Commercial banks held most of that paper (R3,8 billion), followed by farmers' co-operatives (R3,1 billion) and the Land Bank (R2,6 bil-




In an interview at the recent annual congress of the SA Agricultural Union in Durban SAAU president Kobus Jooste summed up the congress mood.

FM: Are farmers ready for unfettered free markets?
Jooste: We are not in favour of an absolutely free market. You don't find this anywhere in the world, and as farmers we are very frightened of this. But we are also not in favour of controls for the sake of controls.
Congress believes that if we must have controls then it must be with the sole objective of creating a more market-related industry. The controls must therefore be directed at encouraging the healthy principles of a free market.
Does the movement towards market-related forces suggest that domestic maize prices will fall in the context of the depressed world market?
This is a fact we will simply have to accept - not only for maize. If we export and produce in a market-related environment, we must accept market prices. Or we must artificially interfere in the market.

Congress very clearly expressed itself against market interference. We do not want subsidies to raise our prices. But this view clashes with overseas policies: for example, EEC and US farmers get large subsidies to produce cheaply. The result is large surpluses and we must compete against these subsidised products.
It will take two to four years to overcome
this hurdle and in the EEC and the US it is accepted that change must come. The strong market forces at work across the world will resolve this matter within the next few years.

Meanwhile, our farmers will have to accept that, temporarily at least, prices will be dictated by both the domestic and overseas markets.
So in the short term some maize farmers will be driven out of business?

Yes. That's why the State established a scheme to encourage structural changes in the industry so that maize farmers will have something to fall back on.

The meat and wool industries - which do not have large surpluses and enjoy reasonable prices - present directions in which maize farmers can move without causing a large disruption.
What are the major elements of your strategic plan to restructure agriculture with respect to issues like prices or number of farmers?

We want the maximum number of farmers possible to be in a position where they can make profits. But farmers will largely have to carry out their plans on their own.

We must only ask the State for help in critical and unusual circumstances. Agriculture must not become dependent on the State or subsidies to remain sound. We must do the job ourselves and only ask for State aid where this is in the national interest.

## Is this a watershed in farming history in SA?

 Will we see an end to quotas, limitations on access to markets, one-channel marketing and the like?I'm reluctant to talk of a watershed. It's rather the first time that we really examined these things honestly. In the past we dodged

I think we now have more clarity over things like subsidies, State aid, quotas, the free market system, and more or less control. Because we have that clarity we can now for the first time proceed without argument in a direction that is a lot clearer and can lead to a far sounder industry.
So the congress has been educational. Converting the principles into policy is likely to take quite a few years?
Correct. We now have consensus on many issues. But don't expect dramatic results. Over the next two or three years things will be moving in the right direction because we have found the course. Don't expect an overnight change.
How should agriculture's debt problem be handled?
Debt is growing uncomfortably. Congress agreed the process should be halted. And this can only happen if farmers are placed in a position where they can make profits. But this depends on the farmer himself. Congress felt the State could make a contribution but in future should look to ourselves.
Farm land prices are often considerably above those at which they can be profitably farmed. Congress wants the two prices to move closer. How can this be achieved?
In the past we had measures that disrupted the balance. We had measures encourag. ing people to buy ground. We had tax measures that stimulated prices. Though the Margo Commission may change the practice, businessmen can still write profits or losses made in other businesses to the account of their farms.
If we can eliminate these problems we will go a long way towards restoring a natural balance between the farming value of land and its market value.

## R12-m plan to improve farm schools

The Department of Education and Training is (DET) has launched a major programme aimed at improving the quality of education at South Africa's 5500 farm schools, the Minister of Education and Development Aid, Dr Gerrit Viljoen, said yesterday.

He said R12 million had been earmarked for the four-year programme, known as the Farm School Management and Teacher Development Project.

It was an expansion of a pro gramme which has been in exisfence at urban schools for the past two years. It had been designed to improve the managemont, teaching and learning methods at farm schools, where educational standards had fallen behind those in urban areas.

Dr Viljoen said the DET had become increasingly concerned about improving education in farm schools.

Until the development of a communications technology that made it possible to take the training to the schools, this goal had been almost impossible.
"In the past, any large-scale programme to improve the management and professional competence of teachers had to overcome the seemingly instrmountable problems of nombens, distance and cost."

Dr Viljoen said the whole spectrum of teaching would be covered and each person involved with the teaching or managing process would be activated.

In March last year, 34 percent of primary school pupils were at farm schools.

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containing the same ingredients as the notorious defoliant, Agent Orange, has set off a row between environmental groups and state departments.
The herbicide, known as 245 -T, is widely used to eliminate weeds in the forests of South Africa, despite being banned in most major agricultural countries because of its welldocumented link with birth deformities, cancer and skin diseases.
Countries that have banned 245-T include the United States, Sweden, Italy, Holland, Norway, Denmark, Japan, the Soviet Union, India, Turkey, Cyprus, Israel, Columbia and Guatemala. New Zealand is the only country in the world known to still manufacture the substance.
But in South Africa, the Department of Environmental Affairs has confirmed that its forestry division sull makes use of $245-\mathrm{T}$ as a weedkiller.
Chemwatch - a Natal-based group of environmentalists, journalists and concerned farmers - has produced a dossier which links 245-T, and a closely related herbicide called 24-D, to spate of birth defects reported in Natal this year.
The dossier tells of a mother who gave birth in November 1986 to a child without one ear. She said her husband worked in a forest near Richmond which was sprayed with 245-T. Another couple had twins in January this year. One was healthy, the other had no fingers. The father also worked in a Richmond forest.
These are only two of the 300 similar cases reported to Chemwatch in the first week after its launch in the middle of this year.
The chemicals $245-\mathrm{T}$ and $24-\mathrm{D}$ were developed in Britain during World War II as chemical weapons to destroy enemy crops. The war ended before the chemicals were used. But during the Vietnam War purpose."

A herbicide banned in many countries due to its well-documented links to birth d_formities and cancer, is teing used in our forests. The chemical, 245-T, is one of the ingredients of the notorious Vietnam war

## defoliant Agent Orange.

ERNEST SIDERIS and
SI NGOMANE report
4100000 litres of Agent Orange, a $50-50$ mixture of $245-\mathrm{T}$ and $24-\mathrm{D}$, was loaded into converted jet bombers and dumped on 800000 ha of forest. The objective was to destroy the jungle that gave cover to the Vietcong. The Americans called it Operation Hades.
After the war Vietnam veterans in
the US reported that many of their children were born with tiny hearts, small lungs, too many toes, stumps for legs and arms and other deformities.
A similar pattern was reported by doctors in Vietnam. In 1970, 245-T was banned by the US government and Dow Chemicals, the company which supplied the armed forces with Agent Orange, was forced to pay $\$ 180000$ to the veterans in an out of court settlement for damages.
The foetal damage reported in the Chemwatch dossier corresponds to the kind of deformities reported in Vietnam and America.
But South Africa's Department of Environment Affairs, in an official response to queries about the use of 245-T in South African forests, said:
"There is no valid medical or scientific evidence that 245-T herbicides harm humans, animals or the environment if they are use in the neccessary way and and for the neccessary

The official, who declined to be named but said the reponse had been vetted by Director General of Environment Affairs Bill Visagic, added that the department was experiencing difficultics in obtaining supplics of 245-T and was using up old stocks.
South Africa's policy seems to ignore numerous medical studies which point to the dangers asseciated with 245-T and led to its world-wide ban.
A survey, conducted by US experts in 1984, of research over the past 15 years into the hazards of $245-$ - concluded that "the risk of malformations in children is increased even if only the father is exposed to herbicides.
"It is remakable how little effort is spent in clarifying an issue that is of primary importance to large number of individuals wherever farming and forestry make up a substantial part of a country's economy," it added.
Such evidence has led the Progressive Federal Party to join Chemwatch in calling for a complete ban on 245 $T$ and 24-D.
"The government takes the attitude that it is okay to use these Agent Orange type chemicals until there is definitive proof of their dangers. We believe the substances should be banned until they are proven safe," said Roger IIulley, PFP spokesman on Environmental Affairs.
Chemwatch has also called for an urgent inquiry into their evidence, which they believe only scratches the surface of what could become a tha-lidomide-type tragedy.
While the PFP plans to make an issue out of the herbicide in parliament next year, there are signs that organised labour will enter the fray.
The Paper Wood and Allied Workers Union, a Cosatu affiliate, has launched a campaign against the dangers of pesticides and chemicals in the timber industry.

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| 5 | South African' Protea Prote chairman of the |
|  | Association (Sappex), Mr Barrie Gibson. <br> In the 'association's latest |
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It's raining bits of Agent $t_{23|2|}$ Orange over mid-Natal

MASSIVE doses of a component of the notorious defoliant Agent Orange on the Natal Midlands.
And traces of the two chemicals that And traces of the two chemicals hat
make up the defoliant have been discovered in the effluent of a company that supplies the government with pesticides.
A poison called $24-$ D has been found in rain samples collected and analysed by the Department of Agriculture in the Tala Valley near Pictermaritzburg, according to the ikatalbased enviromental group Chemwatch.
The menace hidden in the forest winds FORESTRY workers in South Africa are apparently unaware of the dangers to their health posed by the widespread use of Agent Orange-type defoliants as weed killers in the plantations.
like all dgricultural workers, the men and women who work in the forests are not covered by the country's laws governing minimum wages, hours of work and colliective 与atjgaining.
For them thd result is aldedy regime of hard labour that leaves little time for enquiry into the dangers of the herbicides they are exposed to.
Richmond is a small sawmill town in the Natal Midlands surrounded by sugar farms, tea estates and forests. From the cluster of rundown shops in the centre of town that make their money from the thousands of farmworkers and sawmill operators in the area, a network of muddy-red roads radiate into the green hills, where, according to the environmental group Chemwatch, the herbicide $245-\mathrm{T}$ is still extensively used.
A row of black and white brick buildings stand at the end of one of these roads. That's where Phumlile (whose surname has been withheld to protect her) lives and works with 500 other labourers on the Saligna Forestry Estate.
She told us about a day in their She told us
working lives.
working lives. She wakes very morning at four be-
fore the sun rises from behind the trees and prepares food with the three women who share her room in the compound. They eat quickly, tidy the room and rush to the tractor and trailer waiting to take them into the forest.
At Gam they reach the spot where work begins. Phumlile works in a gang of 10 . Together they must cut and clean 250 trees in order to qualify for wages of between R5 and R8 a shift.
If they fail, they must return the next day and finish the quota before the next shift begins.
Phumlile says it has sometimes taken them three days to complete a single shift. They call it itoho, the piecework system.
From 9am to 10am the workers break for lunch - mielie meal mixed alternately with fish or beans. Once week they get meat. For this, R1,60 a day is deducted from their wages.
Work resumes at until 3 pm , the of ficial end of the shift, though they sometimes continue until after 5 pm to finish their quota.
Asked if they felt it was dangerous to work in the forest, workers in the

Traces of one the two
:Ingredients of the notorious Vietnam War'defollant' Agent Orange紋have been found In ralnfall over Natal. By St NGOMANE"and TERNEST SIDERIS
Agent Orange is a $50-50$ mixture of Agent Orange is and $24-\mathrm{D}$ and $245-\mathrm{T}$; the latter contains dioxin, banned in most agricultural countries.
Chemwatch representative Kat Channiag Pierce says the depart.

ment's results showed rain containing 1,4 milligrams of 24-D per 1000 litres of water - a mullion umes more than the dose needed to cause damage to vegetable crops.
Chemwatch has produced a dossier linking the poison, widely used on sugar plantations and farms to kill broadleaf weeds, to the apparently high rate of birth defects among newbom babies in Natal. Numerous medical studies have provided strong evidence to show that 24-D causes feetal damage and cancer.
Meanwhile the government has denied that the other ingredient of Agent Orange, $245-\mathrm{T}$, is still being manufactured in South Africa. Yet traces of both poisons have been found in effluent from the Verulam plant of the themical firm Farm Ag, according to Chemwatch. Samples sent to the Organisation for Applied Science in Holland by Chemwatch scientists showed massive amounts of $24 . \mathrm{D}$ and lesser ones of $245-\mathrm{T}$.
Farm Ag MD Robert Mcingard told WM his company no longer manufactured or processed either poison Herbicides available in agricultural cooperatives around the country, containing the chernicals and carrying the Farm Ag label, were "old supplics", he said. He acknowledged state departments had been the major purchasers of Farm Ag's 245-T in the past; and the company's financial reports also indicate it was one of the government's biggest suppliers of this kind of herbicide
The Department of Enviromment Affairs has confirmed that its forestry division still uses 245-T in its plantations around the country, despite the chemical's banning by most major agricultural countries. In an official response to WM's queries, the department said 245-T was still used in parmentsts because there is no "valid evidence to show that 245 -T herbicides harms humans ... if they are used in the necessary way". A ban on the product was unnecessary because the herbicide was no longer available and old stocks were being depleted.
But Chemwatch remains uncon-
vinced. "We are told categorically that $245-T$ is not being made in South Africa. Then how does it appear in the effluent?" asked Channing Pierce. The widespread ban on 245-T stems from research into health hazards posed by Agent Orange in the wake of devastation caused by America's use of the defoliant during the Vietham war. New Zealand is the only'country definitely known to be manufacturing 245-T.
A scientist working with Chemwatch, who asked not to be named, said one reason for the continued demand for $245-T$ here is that it is cheap and extremely effective. Alternatives to 245 -T herbicides are up to four times more expensive, he sad. The organisation believes it is this economic incentive which has allowed the defoliants to be used on such a widespread and unregulated scale that it could be posing a massive risk to the health of the pcople, and their unborn babies, in the arcas where the herbicides are used.

# It's raining bits of Agent <br> 4 s resuls showed rain containing 

MASSIVE doses of a component of the notorious defoliant Agent Orange have been found in the rain that falls on the Natal Midiands.
And traces of the two chemicals that make up the defoliant have been discovered in the effluent of a company that supplies the government with pesticides.

A poison called $24-\mathrm{D}$ has been found in rain samples collected and analysed by the Department of Agriculture in the Tala Valley near Pieter maritzburg, according to the Natalbased enviromental group Chemwatch.

## The menace hidden in the forest ${ }^{2}$

 FORESTRY workcrs in South Africa are apparently unaware of the dangers to their health posed by the widespread use of Agent Orange-type defoliants as weed killers in the plantations.Like all agricultural workers, the men and women who work in the forests are not covered by the country's laws governing minimum wages, hours of work and collective baligaining.
For them the result is aldaily regime of hard labour that leaves little time for enquiry into the dangers of the herbicides they are exposed to.
Richmond is a small sawmill town in the Natal Midlands surrounded by sugar farms, tea estates and forests. From the cluster of rundown shops in the centre of town that make their money from the thousands of farmworkers and sawmill operators in the area, a network of muddy-red roads radiate into the green hills, where, according to the envirommental group Chemwatch, the herbicide $245-\mathrm{T}$ is still extensively used.
A row of black and white brick buildings stand at the end of one of these roads. That's where Phumlile (whose surname has been withheld to protect her) lives and works with 500 other labourers on the Saligna Forestry Estate.
ry Estate told us about' a day in their working lives.
She wakes very morning at four before the sun rises from behind the trees and prepares food with the three women who share her room in the compound. They eat quickly, tidy the room and rush to the tractor and trailer waiting to take them into the forest.
At 6am they reach the spot where work begins. Phumlile works in a gang of 10 . Together they must cut and clean 250 trees in order to qualify for wages of between R5 and R8 a shift.

If they fail, they must return the next day and finish the quota before the next shift begins.
Phumlile says it has sometimes taken them three days to complete a single shift. They call it itoho, the piecework system.
From 9am to 10am the workers break for lunch - mielie meal mixed alternately with fish or beans. Once a week they get meat. For this, R1,60 a day is deducted from their wages. Work resumes at until 3 pm , the of ficial end of the shift, though they sometimes continue until after 5 pm to finish their quota.
Asked if they felt it was dangerous to work in the forest, workers in the

Traces of one of the two ingredients of the notorious Vietnam War 'defollant' Agent Órange ${ }^{\text {s }}$ have 'been found in rainfall over Natal. By SI NGOMANE and为
Agent Orange is a $50-50$ mixture of Agent Orange is a ter contains dioxin, banned in most agricultural countries.
Chemwateh representative Kat Channing Pierce says the depart-


Mask worn during spraylng
gang said the pressure of working under itoho made it impossible to spend time safeguarding against accidents.
Phumlile spoke of a colleague, Bhekizitha Sithole, who died earlier this year after a wet log slipped off a pile of wood and hit him on the chest. He was 24 when he died and had two children.
Earlier this year, a woman worker spent a month in hospital after being injured by a falling tree. The workers said the employer and the chainsaw operator were fined R20 fot "negligence".
Asked for comment, Mike Edwards, spokesman for the Forest
Owners Association, confirmed that
piece-work wages of RS to R8 a shift
were standard practice in the forests. But Ron Meiring, administrative manager for the Saligna estate, denied that workers were fined for acci+ dents at work and said they were fully covered by the Workmen's Compensation Act.
He added that the use of 245-T hac
He added that the use or 24s-T hag
been abandoned last year. An alterna tive product was now in use and workers were fully trained in the use of poisonous herbicides, he said.
However, a colleaguc of Phumlile's, who asked not to be named, said her job was to spray the trees with a herbicide from a 20 -litre drum strapped to her back.
After being shown a bottle of 245 T, she said the forest had used the poison carlier this year. She has been issued with a mask, rainsuit and gloves to guard against the herbicides. But colleagucs who work nearby are left fully exposed to the spray from the herbicides she uses. spray from the hericices she ers of any of the poisons.
Nor have they enquired - for them these dangers remain hidden in the wind and their cause for anger is harsh reality of the itoho system.
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## TELEPHONING

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government launched in response to the deterioration in farmers' financial position will have significant implications for Kanhym should the maize price rise or if a substantial number of maize farmers diversify into livestock farming." Also. if Middelburg colliery goes into loss (which seems possible after last year's earnings decline), Kanhym's continued participation could prove costly.

The outlook appears discouraging. Management has, however, done well to clear the backlog of compulsorily convertible preference dividends, leaving the way open for resumption of ordinary dividends next year. Dave Edwards
ing profit. Total debt and gearing, though, remain at much the same level. The group also produced much better operating earnings. These increased from R6, 1 m in the first eight months of 1986 to R14,3m in 1987.

Best divisional performance was in the fresh and processed meat products interests. After the Doornfontein processing factory was closed (a new canning factory was opened at Pietersburg on December 3), this division posted a R $3,4 \mathrm{~m}$ profit after a R $2,1 \mathrm{~m}$ loss in 1986 - a R5,5m turnaround. The livestock auctioneering and agencies and farming divisions remained the biggest income generators.

Livestock auctioneering and agencies showed a slight decline in operating margin which could have been worse but a fall in livestock volumes was offset by higher prices; bad debts on farmer credits also fell.

## Farming margin improves

In farming the margin improved slightly, showing benefits from higher feedlot beef prices and better pig farming efficiencies. But the maize harvest was down after a hot, dry February and hail damagc. The dairy herd was sold in the first quarter of the year.

Earnings from the coal division plunged from R $5,4 \mathrm{~m}$ in 1986 to only R32 000 last year. Kanhym sold its $50 \%$ share in Eikeboom colliery in June 1986 and this resulted in a R1m loss in income. But, more importantly, an additional R4,3m fall in earnings came from the group's continuing $5,867 \%$ income and expense participation in Middelburg colliery.
As executive chairman Dirk Jacobs notes: "Kanhym's fortunes are inextricably linked to the level of consumer spending and the state of the agricultural sector." The fortunes of both appear to be unfavourable at present.

Adds Jacobs: "Maize is Kanhym's major input cost. The aid programme which the


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[^2]:    Standerton had recorded 117 to igiv November as opposêd to 87 in the same month iast year while Néw astle had had 147 mm - m to contrast tothe 95 mm which fell last November Mr Edwards said all he signs pointed to a wetter summer this year The country had yet to experience four conseculive years
    When rainfall was consistently
    Thre süd long term mean
    Three such years had now gone
    summer would see better this
    seepetter rain

[^3]:    Farmer can't throw ${ }^{3} 8$ ennern Chief court WEEKLY MAIL REPORTER © Dúrban
    A WHTTE farmer in Northern Natal has been temporarily barred from evicting a KwaZulu chief and his tribe of 20 families.
    Walter Brook, owner of Hlaza farms, had been empowered to throw the people off his newly-bought farm in terms of a ruling made by Eshowe magistrate and commissioner $\bar{P} \cdot \mathrm{M}$ van Zyl...

    Van Żyl had conducted a hearing into whether the people of Chief Nkanyiso Biyela had the right "of confirmed residence" on the farm.
    $\therefore$ Chief Biyela, a member of the KwăZulu legislative assembly, appeared before the inquify, but he is now contesting its validity on several grounds:
    According to the magistrate's order all Biyela's people wêe ordered off the farm before the end of last month.
    Biyela decided to take Supreme Court action to prevent the evictions which seemed likely to take place on March 1. In his statement he said that there had been a boundary dispute over the exact area of land he was entitled to, and that which was 'privately owned by Brook.
    As a result of his urgent application, the eviction of the people has beèn halted until the matter is settled in the Supreme Court on'March 17.

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[^5]:     creased price per ton of white and －yellow maize，respectively，following
    each increase；

    范 white and yellow maize，respectively，
    on 1 April 1987 and（b）the percent－
    
    
    （6）whether he will make a statement on
    the matter？
     Deeds and the Central Statistical
    Service have taken place with
    
    
    
    

    The MINISTER OF AGRICULTURAL
    ECONOMICS：
    （1）Yes．
    The MINISTER OF AGRICULTURAL
    ECONOMICS：
    （1）Yes．
    （a） 22 April 1986. すへ
    
     （b）Particulars are not available． （2）

[^6]:    1 Schene 4
    PRETORIA. - A special hensive aid measures assistance advisory were insufficient to save scheme to prevent the a growing number of sequestration of farmers is being developed by organized agriculture in collaboration with com-
    mercial banks, the Land Bank, agricultural cooperatives and the Department of Agriculture. This was announced yesterday by the president of the SA Agricultural
    Union, Kobus Jooste. farmers from sequestration, especially in areas where the drought still where the

    Jooste.
    "A series of sequestrations could have nega tive effects, also for tive effects, also for
    creditors, since the security value of agricul tural land and other agricultural assets could agricultural assets coul
    fall sharply."

[^7]:[^8]:    和却。
    

[^9]:    P. F. PRETORIUS,

    Hoofingenieur: Besproeiing en Ingenieursdienste.

[^10]:    Farm debteériv－8ter up

    THE total carry－over of farmers＇ debts with agriculturalacoops in－ creased to R1；047bn in 1985 from ${ }^{1984}$

    Business Dạy Reporter R42 4 m in $1976 \%$ He said 3 ．phoral $\because$ A survey conducted by the SA Agricultural Union（SAAU）among co－ops in summer－rainfall cropping areas showed that despite poor summer grain crops，the highest ànnual retention by co－ops aver－ aged $38,7 \%$ of the yield．
    Chairman of SAAU＇s Co－opera－ tive Council Andries Scholtz said the free surplus paid out to farmers． gradually declined from $79,8 \%$ of the yield in 1976 to a low of $61,3 \%$ in

    He said the survey bore out the fact that grain có－ops＇had＇main ${ }^{2}$ tained an eminently fair and flexi－ ble policy on debt collection，de ${ }^{-}$ spite the heightened exposure to risk that this involved．
    ＂I refute any allegations that co ${ }^{\circ}$－ ops are abusing their position as crop handlers in respect of prôduć ${ }^{2}$ tion credit collections on farmers crop deliveries to the detriment of other credit grantors：in their debt collecting processes．＂：

[^11]:    

