MANUFACTURING- MOTORS

1982

AUG. — DEC.

Go-slow brings VW to virtual standstill

(192) E. Post 2/8/82

By SANDRA SMITH

PRODUCTION at Volkswagen in Uitenhage came to a virtual standstill today with only 120 workers in the press shop on first shift duty and with 1 200 other workers sent home

A further 2 000 workers in the assembly and machine sections were told by management last week to remain at home today They will also stay away tomorrow

VW's public affairs manager, Mr Ruben Els, said all workers in the body shop were sent home at 9am "because of low-productivity"

They would return tomorrow

"We need a full day's production from the body shop before the machining and assembly areas can get working," Mr Els said

Production slowed at the VW plant last week after workers mounted a go-slow in protest against management's offer to increase minimum wages from R2 to R2,15 an hour

In the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape, the National Automobile and Allied Workers Union (Naawu) has demanded R2,50 an hour, increasing by 25c every six months for 18 months

A dispute was declared after deadlock was reached in the council last month

Shop stewards say workers at VW are demanding in-plant negotiations on wages and working conditions as a resolution of the dispute may take many months

A Ford spokesman said today that workers in the company's Truck plant were sent home on Friday "because employees did not adhere to normal production schedules"

All four Ford plants opened this morning

Shop stewards have said workers appeared to be involved in a go-slow at Ford's Neave, Struandale, parts-and-accessories and cut-and-sew sections last week

A General Motors spokesman said plant production was operating "normally" today

GM shop stewards said productivity last week was low and they claim GM's body shop was closed early on Thursday and Friday

ARGUS 3/8/82 (192)

VW closes plant — 6 000 sent home

Argus Bureau

PORT ELIZABETH. — Continued work disruptions at the giant Volkswagen plant in Uitenhage today led to the company sending home its work force of about 6 000 and closing the plant until further notice.

Workers streamed out of the plant's gates shortly after 9 am. In a statement afterwards, the company said it was closing all production until further notice.

"This has become necessary due to the continued go-slow strike in progress in certain areas and which is causing the whole factory to operate on a complete uneconomic basis," the statement said.

"Employees will be advised of any developments which may take place which will enable us to reopen the plant."

The public affairs manager, Mr Ruben Els, said the company was today still hoping to have discussions with shop stewards on the production problems

Early today, about 2 000 workers were sent home by the company when arriving for work, as the assembly and machinery sections remained closed for the third consecutive day because of the go-slow.

The rest of the workers were sent home later when production remained slow in the body shop, where a go-slow strike since early last week has caused major disruptions.

Yesterday, the 1 200 workers in the body shop were sent home while 2 000 other workers were idle because their work was hampered by the slow production in the body shop

Mr Els said it was not clear if there had been an intentional go-slow in other departments because they were hampered by the limited production in the body shop

The company had not been informed officially of the reason for the go-slow strike, Mr Els said.

Volkswagen shop stewards have said, however, that the workers wanted in-plant wage talks to replace the Industrial Council wage talks, which have been formally declared to be in dispute after a series of deadlocked meetings

The last wage agreement expired at the end of last month and it could now take months before a new settlement is reached.

The president of the National Automobile and Allied Workers' Union (NAAWU), Mr Jury Harris, a VW shop steward, said today that he had informed the company of the workers' demand and was awaiting its response

VW plant is closed 'until further notice'

3/8/82 (192) E.Post

By SANDRA SMITH

ALMOST the entire workforce at the Volkswagen plant in Uitenhage was sent home today as a result of a week-long go-slow by workers in certain sections of the factory

VW's public affairs manager, Mr Ruben Els, said 5 500 hourly-paid workers were affected by the shut-down

A shop steward said the workforce was sent home at 9 30am after a notice was circulated saying all production and production-related areas would be closed until further notice.

The notice, signed by labour relations manager Mr Jan Louw, said "Management regrets to advise all employees that all production and production-related areas of the plant will be closed till further notice

"This has become necessary due to the current go-slow strike which is in progress in certain areas and is causing the whole factory operation to operate on a completely uneconomical basis"

Employees would be advised of "any developments which may take place which will enable us to re-open the plant", the notice said

Production slowed at the plant last week after workers mounted a go-slow in protest against a deadlock — which led to the declaration of a formal dispute

VW workers are now demanding in-plant negotiations because the resolution of the dispute could be protracted

Yesterday, only VW's press shop was in operation after about 1 200 employees in the body shop were sent home and 2 000 in the assembly and machine sections had been told to return tomorrow

Ford and GM spokesmen have said production was normal this week However, shop stewards insisted workers in these plants were also involved in a go-slow

The last Industrial Council meeting was adjourned till Thursday to allow the parties to decide what form the dipute would take

While the employers are said to favour arbitration, Naawu feels this would take the dispute out of the union's hands

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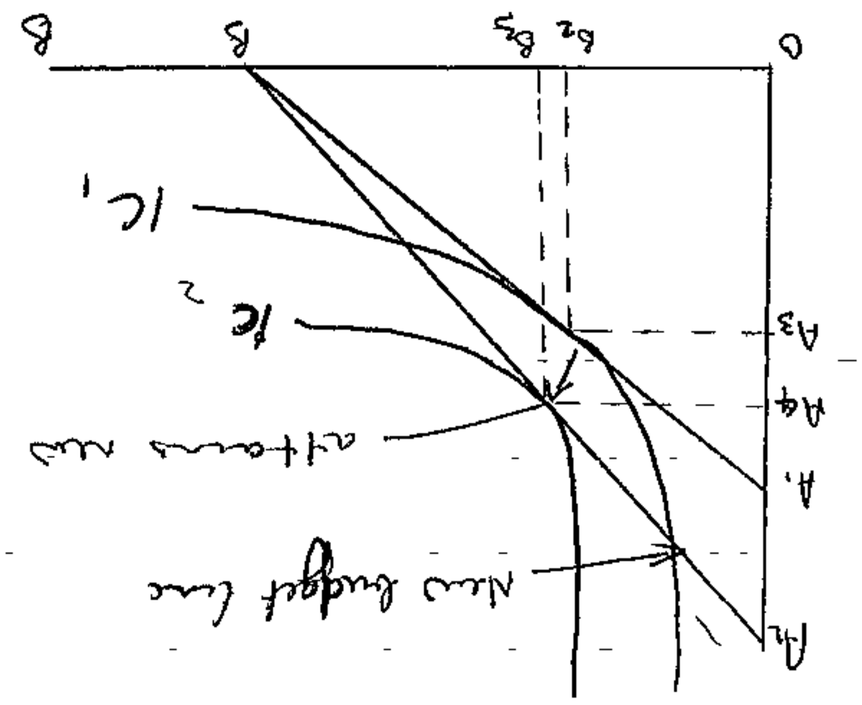

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ADE denies rumours of stock glut

(192) Industrial Week 3/8/82

Staff Reporter

RUMOURS that Atlantis Diesel Engines (ADE) has accumulated a full year's production due to the transport industry slowdown, and that immigrant engineering specialists might soon become redundant, have been emphatically denied this week

The company admits that it has cut back production in step with a drop in demand for engines and that it is not hiring new staff

Existing staff in production areas that are slack are being retrained for work in other departments

Helmut Beckurts MD of ADE said "These rumours are silly We are producing engines every day and have just set up machining lines for cylinder heads and blocks'

Production is down to 1 200 Daimler Benz type engines each month and only 800 Perkins type engines

This works out at less than six weeks supply of the Daimler Benz types and seven weeks of the Perkins

The slowdown in ADE's production has come at a bad time but it indicates that truck sales may be expected to fall even further

Cutting back

Component producers are reporting similar drops in business with order books standing at about half of last year's figures

Ray Couldridge MD of Protea Axles told Industrial Week "There is still a lot of stock on the showroom floors and we can see that truck producers are cutting back on their building programmes

"This is not affecting us too much because our overheads are not that high

But he adds "The story might be different if we had gone ahead with our R20 million programme in anticipation of the Government s protection measures for local axle production

"As it happens it was a good thing that we held back especially since it will be some time before the Board of Trade will be in a position to restore confidence among producers and original equipment manufacturers for the local axle programme' said Couldridge

Housekeeping

Most companies are making use of the lull to do some housekeeping

ADE said Beckurts is looking at quality control on components machine tool validation, general training, and a host of other things associated with commissioning the two engine lines

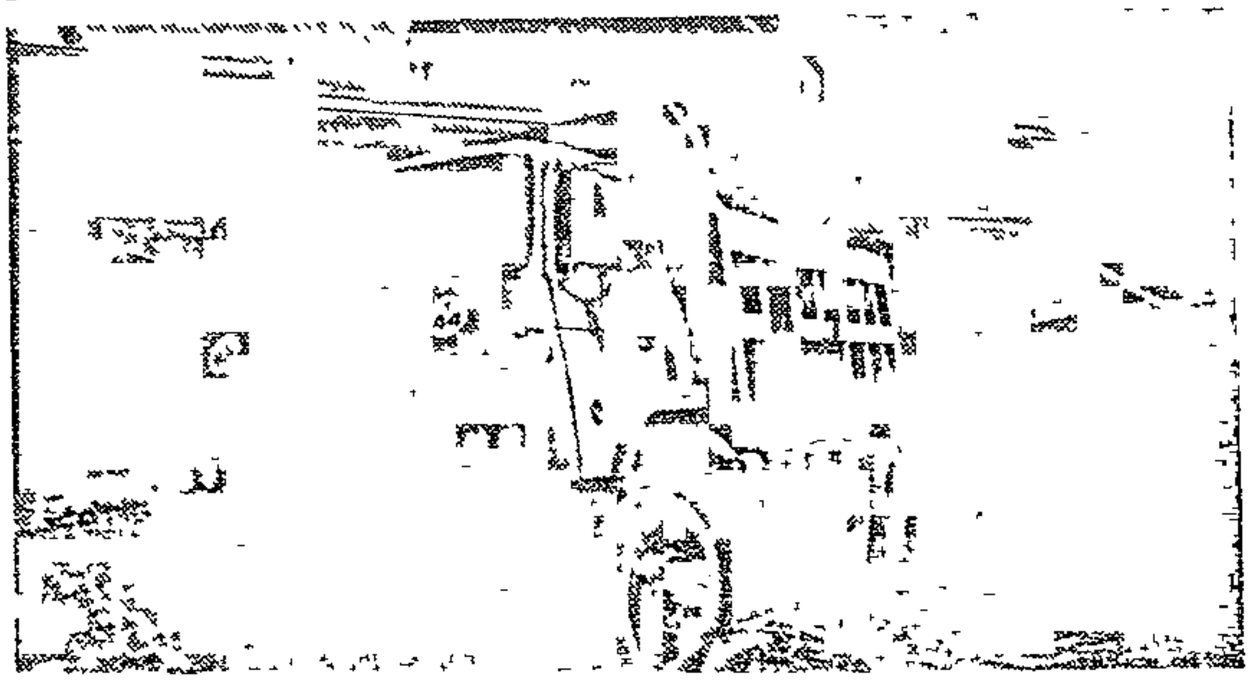
TEE Factory opens

THE new R3 million factory for Transport & Equipment Engineering (TEE) at the Devland Industrial Estate was officially opened by Brian van der Westhuizen, general product manager of Galion recently

The function, attended by over 250 clients and suppliers included a tour of the new premises

TEE plans to increase its turnover to over R1-million a month within three years from this new complex, which was owner-built and designed by the company's MD, Paul Osterberger

Rugged work at Fairy Glen



Mr Vause Raw

meaningful power They were rigged to ensure that the National Party could dominate the political scene for the foreseeable future

"It is no more and no less than tarted-up white baasskap

"The ultimate goal seems to have been white Nationalist control at all costs and in this they have succeeded When seen together with the awesome powers vested in the executive president, we are witnessing the first step towards overt dictatorship

"The so-called checks on his power are a fraud and the thought of P W Botha having even more power than he already has is a chilling one" Dr Boraine said

hoped the Prime Minister and the government would have a "considerable rethink

● After a meeting yesterday the New Republic Party leadership issued a statement on the NP proposals

It said the urgency of seeking agreement by negotiation on the accommodation of blacks both inside and outside the homelands in the final constitutional structure was a problem area which the NRP hoped to discuss with the government

At the meeting were the NRP leader Mr Vause Raw and the four provincial leaders of the party — Mr Ron Miller (Natal) Mr Pat Rogers (Cape) Mr Alex Anderson (Transvaal) and Mr Willem Barnard (OFS)

Virtual halt at VW plant

C. Times 3/8/82 192

Own Correspondent

PORT ELIZABETH — Workers operating a go slow at Volkswagen brought the Uitenhage motor company's production to a virtual halt yesterday

And today for the third consecutive working day the assembly and machinery sections will be closed because production in the press and body shops has been so low

Yesterday all 1 200 workers from the body shop were sent home at 9am because of low production said Mr Ruben Els VW manager of public affairs

The 2 000 assembly and machinery workers were sent home on Friday and told there would be no work for them yesterday There would be no work for them again today because too few units were produced in the body shop yesterday said Mr Els

The workers are protesting at management's offer of a R2 15 minimum hourly wage

City attorney suspended

Staff Reporter

A 27-year-old Cape Town attorney, Mr Julian Horak, was suspended in the Supreme Court yesterday from practising as an attorney for three years as from November 30 1980

This followed an application for Mr Horak's suspension brought to the Supreme Court by the Law society of the Cape of Good Hope The application was unopposed

Mr Horak who voluntarily stopped practising in November 1980 was implicated in the criminal trial of John Friedman on February, 1981

According to the affidavit of Mr Louis van Zyl president of the Law Society, Mr Horak turned State witness in the case, in which Friedman was charged with illicit dealing in uncut diamonds

Rewarded

Mr Van Zyl said Mr Horak acted as go-between between Friedman and the man who arranged the purchase of the diamonds He was also rewarded by Friedman who gave him R2 500 He later handed the money to the police

Mr Van Zyl submitted that Mr Horak had been guilty of unprofessional dishonourable or unworthy conduct and was not a fit and proper person to continue practising as an attorney

Mr Horak had been admitted as an attorney on May 30 1979 He had then practised as a professional assistant with the firm Bloomberg and Company until he resigned in 1980

Mr Horak stated in an affidavit that he purposely withdrew from the legal profession to try to avoid the adverse publicity which might result from his involvement in Friedman's conviction

'Ashamed'

"I am acutely aware of the seriousness of my misconduct and deeply ashamed of what I have done" he said He asked the council to consider the circumstances in which he became involved

He first met Friedman, who was in a wheelchair following a tragic accident when he was an inexperienced articled clerk he said

"My sympathy for Friedman coupled with his ability to evoke my sympathy, and the fact that I got caught up in what I can only describe as the web of what I saw as his sincere gratitude, was at all times at the root of my involvement," he said

Mr Justice Grosskopf sat with Mr Justice Vivier concurring Mr D Scott instructed by Bisset Boehmke and McBlain appeared for the applicant Dr W E Cooper assisted by Mr J Sher and instructed by Fairbridge Arderne and Lawton, appeared for Mr Horak

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Pay row closes VW plant

192

RDM 4/3/82

By STEVEN FRIEDMAN
Labour Correspondent

VOLKSWAGEN closed its giant Uitenhage plant "until further notice" yesterday and about 5 500 workers were sent home because of a continuing go-slow over pay demands by members of the National Automobile and Allied Workers' Union

NAAWU's general secretary Mr Fred Sauls said yesterday that workers at Ford and General Motors were continuing their go-slow and that there had been isolated stoppages

Production was being more seriously affected at Ford than at GM, he added

Both companies have denied that production has been disrupted by worker action

The go-slow comes in the wake of a 10-day work stoppage last month by NAAWU members The actions are a reaction to the deadlock in pay negotiations between NAAWU and the three motor companies

A Volkswagen statement said yesterday all workers had been told that production and production-related areas of the plant would be closed

Workers would be told of "any developments which may take place which will enable the company to reopen the plant", the company said

The close-down had been prompted by the go-slow in certain areas of the plant, "which is causing the whole factory to operate on a completely uneconomic basis", Volkswagen added

Mr Sauls said production had been held up to such an extent before the close-down that Volkswagen was producing "only about one unit an hour"

Workers were demanding to negotiate directly with management on their pay grievances, rather than through the industry's industrial council, and union shop stewards were seeking a meeting with management, he said

At the other two plants, workers had not demanded that the industrial council be by-passed, but were also disrupting production, he claimed

At Ford's paint shop, workers had been painting all cars one colour only, thus disrupting production schedules, Mr Sauls said

NAAWU was due to hold a worker meeting last night to decide on strategy in the dispute A meeting of the industrial council is scheduled for tomorrow, but the union may seek meetings with companies before then

Workers walk out at Ford in protest

192

E Post 4/8/82

By SANDRA SMITH

WORKERS at the Ford truck plant downed tools and left the plant today in protest against a company bulletin setting out the employers' wage offer made to the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape

A National Automobile and Allied Workers' Union official said a bulletin was displayed at Ford's Truck plant today outlining the employers' wage offer

The workers objected and left the plant, the official said

And in a further development in the dispute, Naawu has demanded that Ford, General Motors and Volkswagen pay workers for the period plants were closed last month

A statement released by the union also intimated that if a dispute in the industrial council was referred to arbitration, Naawu might decide to withdraw from the council

Ford's director of industrial relations, Mr Fred Ferreira, confirmed the workers had left the plant today

Workers at Ford and GM went on strike on July 15 after a breakdown in industrial council talks

The two motor companies and VW then closed their plants for more than a week until a return to work could be negotiated

In a letter to the companies, Naawu has accused them of an illegal lock-out and demanded the workers be paid out, the union's general secretary, Mr Freddy Sauls, said today.

Mr Ferreira said he did not wish to

● To Page 4

ROM 5/8/82

192

Pay dispute escalates as workers down tools

By STEVEN FRIEDMAN
Labour Correspondent

THE East Cape motor industry's pay dispute escalated again yesterday as General Motors's vehicle assembly plant and Ford's truck plant were closed after workers had downed tools

The two closures come only a day after a worker go-slow closed Volkswagen's entire Uitenhage plant indefinitely They follow a 10-day work stoppage involving at least 10 500 members of the National Automobile and Allied Workers Union (Naawu)

And, although the industry's industrial council is to meet today in an attempt to settle the dispute, it appeared yesterday that protracted conflict in the factories — and the collapse of the council — was possible

Employers are likely to call for arbitration of the dispute at the meeting But Naawu general secretary Mr Fred Sauls said yesterday his union's national executive had decided to "firmly resist" arbitration

"We believe collective bargaining should take place between employers and workers only and we will simply not accept involvement by third parties There are no circumstances under which we will accept arbitration," he said

He added that workers were increasingly demanding to negotiate directly with individual companies, rather than through the council "They feel their wage demands will not be met through the council," he said

Although Mr Sauls would not comment further, it is believed that deadlock at today's meeting could lead to Naawu's withdrawal from the council — the only council on which a Fosatu union has agreed to serve

There are also fears that deadlock would lead to a protracted "trial of strength" between employers and the union

At General Motors yesterday, Mr Sauls said the plant had closed because of continued disruptive action by workers in support of pay demands

A company statement indicated that only the final assembly plant had closed after a walk-out by "certain workers"

About 12 30pm, the statement said, "operations were interrupted when certain employees walked off the assembly line, thus curtailing production activities in the vehicle assembly plant"

The company said it anticipated normal production today "provided employees return to work and continue with scheduled assignments"

At Ford, a company spokesman confirmed that the truck plant closed yesterday morning after a walk-out by workers

Sapa reports that the walk-out was prompted by worker objections to a company bulletin detailing employers' wage offer, which was displayed on the company notice board

● In a statement yesterday, Naawu demanded that the companies pay workers for the period of the 10-day stoppage The union charged that the stoppage was a lock-out by employers and hinted at legal action if the demand was not met

In another PE development, Sapa reports that about 60 workers at the Veldspun textile company, a Barlow Rand subsidiary, have been fired for refusing to do the work of retrenched colleagues in the fabric picking section

They have refused a management offer to rehire them if they agree to do the work.

NDIDATE MUST enter in he number of each question n the order in which it has ered), leave columns (2) and

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you are registered (e g B A , B Sc) B

Subject Economics 1A
(to be copied from the heading on the Examination Paper)

Paper No Section A
(to be copied from the heading on the Examination Paper)

NOTE CAREFULLY

1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
2 Blue or black ink must be used for written answers The use of a ball point pen is acceptable Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
3 Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book (s) are used

WARNING

1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed
2 Candidates are not to communicate with other candidates or with any person except the invigilator
3 No part of an answer book is to be torn out
4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

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ARGUS 4/8/82

Giant car plant still closed today

Argus Bureau

PORT ELIZABETH — The giant Volkswagen factory in Uitenhage was still closed today, with no prospect of a settlement between the company and a large section of the workers who had caused the closure yesterday by their go-slow strike.

The public affairs manager for the company, Mr Ruben Els, said today that no meeting between the company and representatives of the National Automobile and Allied Workers' Union (Naawu) was being planned before tomorrow's scheduled Industrial Council meeting in Port Elizabeth.

Mr Els announced yesterday that a week-long go-slow by workers in some areas had caused the factory to be operating on "a completely uneconomical basis" and that all production would be closed until further notice.

That means that the company is closed for the second time in less than a month, the first time being three weeks ago, when more than 10 000 motor industry workers stopped work at Volkswagen, General Motors and Ford over a wage dispute.

After a week, production at the three plants returned to normal, but Volkswagen started experiencing a go-slow strike.

At tomorrow's meeting, the council is expected to consider the further negotiation options available.

Meanwhile, about 50 workers at the Veldspun International Textile Company in Uitenhage have reportedly been sacked for refusing to do work of about four workers who were retrenched last month because of production cutbacks.

It's All Happening . . .

Just tell ROBIN STEVENSON

A REGIONAl convention is being held in the great hall of the Greenbushes Motel on the old Cape Road from tomorrow till Saturday by the Full Gospel Businessmen's Fellowship International This is not restricted to businessmen

The main speaker will be Mr Mel Tari, an Indonesian who now lives in America The other speaker is Mr Bob Trench, of Durban They will be teaching "What Jesus is today"

□ □ □

THE Algoa Bay Council for the Aged is holding cake sales on Saturday morning at the Greenacres hypermarket and Constantia Centre They need more cakes as well as scones, crumpets and koeksisters If you can help, contact Mrs Freda Krupenia ☎ 29171

□ □ □

MEMBERS of the Wards 5 and 6 Civic Association should be interested to know that the association will be holding its annual meeting at 8pm on August 12 in the North End library

□ □ □

THE Wiles family exhibition in the EP Society of Fine Arts gallery has been held over a week and will now close on Saturday Almost all the paintings have been borrowed from places outside PE

Workers want full wages for 'lock-out'

192 E. Post 4/8/82

● From Page 2

comment VW and GM spokesmen could not be contacted

Naawu's national council has released a statement saying "collective bargaining is an issue for the employees and employer parties only"

Thus, any attempt by the employers to have the dipute referred to "a third party" would be opposed by the union, it said

Labour analysts feel the only path then open to Naawu would be to withdraw from the industrial council

The VW plant in Uitenhage was closed almost entirely yesterday "until further notice" because of a go-slow by workers

GM reported normal production, but shop stewards claim workers in these companies are also involved in a go-slow

Big egg surplus expected

JOHANNESBURG — A large egg surplus is expected soon and the Egg Control Board is to launch a campaign to promote the sale of eggs

SABC radio today quoted the chairman of the board, Mr Ian Bartlett, as saying the biggest surplus was expected in the Western Cape

The promotion campaign would therefore be concentrated in that area to begin with, Mr Bartlett said — Sapa

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SACC r deal as

JOHANNESBURG Leaders of major African churches after a meeting in J nesburg, declared thei tal rejection" of the ernment's plan to cede to Swaziland

In a statement is today, the South Afi Council of Chur declared that, "in cons tion with church leader rejected the transfer a legal and immoral"

It added that South can church leaders w

Sacked workers won't accept their dismissal

192 ~~152~~ ~~140~~

8/82

Post Reporter

MORE than 500 workers gathered outside the Busaf bus body manufacturing plant in Port Elizabeth today for the fourth day to demonstrate a rejection of their dismissal by management last week

They were sacked after downing tools in protest against the dismissal of members of a workers' committee and for a demand that management recognise the National Automobile and Allied Workers Union (Naawu)

The workers, mostly women, claim teargas was fired by police However, police have denied teargas was issued to members of the reaction squad deployed outside Busaf today.

The workers' committee has arranged to meet Busaf management on Monday.

CDA, unions close to agreement

D. Dispatch 5/8/82

EAST LONDON — Management of the CDA motor assembly plant here yesterday moved significantly close to a new labour agreement with both the South African Iron, Steel and Allied Industries Union and the National Automobile and Allied Workers' Union, a statement issued by the company's public relations consultants said

CDA, which assembles trucks, and the unions, said in a joint statement last night they had reached a "tentative agreement on most points in their negotiations"

They added "Further points and confirmation of the agreement will be finalised in the next few days"

CDA is the largest employer here, with a total workforce of some 2 600

Union hopes for a new wage offer after talks

E. Post 5/8/82

Post Reporter

THE Industrial Council for the Motor Manufacturing Industry of the Eastern Cape adjourned after two hours today with union delegates hoping that employers on the council would return with a new wage offer when the meeting resumed this afternoon

The council met amid speculation that the National Automobile and Allied Workers Union might withdraw from the council if the dispute is not resolved and is referred to arbitration by a third party

Union delegates confirmed a deadlock on wages had been discussed at today's meeting and said the employers had "gone to discuss the issue"

While the parties negotiate, sporadic work stoppages have continued to cripple production at all three motor manufacturers in the Eastern Cape

Volkswagen closed its Uitenhage plant "until further notice" this week after a go-slow by workers

At General Motors, workers in certain areas of the assembly line downed tools, halting production in the vehicle assembly plant yesterday

This was after bulletins of the employers' wage offers in the council were put up in the plant

Worker representatives said the bulletin "indicated to the workers that the employers were not prepared to budge from their offer of a minimum hourly wage of R2,15"

At the Ford truck plant yesterday, production stopped when the bulletins were displayed and workers gathered in groups to discuss them, Ford shop stewards said

An official "started pulling people about and told them to get back to work or clock out", a shop steward said

The official then said everyone "standing around" should leave the plant

Spokesmen at Ford were not available for comment

Closure of plants a 'lockout'

ARGUS 5/8/82

192

Argus Bureau

PORT ELIZABETH — The closure of plants by Ford, General Motors and Volkswagen for more than a week last month after a strike by about 11 000 workers was "an illegal lockout," according to the deputy general secretary of the Steel and Allied Industries Union, Mr H Ferreira

The union, one of the more conservative white unions, is negotiating on wages and working conditions at the industrial council for the motor manufacturing industry of the Eastern Cape, which meets today

Also represented are the three companies and the National Automobile and Allied Workers' Union (Naawu).

Mr Ferreira said his union had asked the employers to pay its members for the period the plants were closed Its members did not take part in the strike on July 15 by members of Naawu

Naawu has also demanded payment for the period the plants were closed,

The manufacturers refused to pay the steel union's members for time not worked The union has demanded that the matter be discussed at today's meeting

"We will go all the way if necessary to get payment for our members," Mr Ferreira said

The union supported Naawu's demand for severance pay of one month's wages, for every completed year of service

More E Cape motor plants hit by strikes

CAPE TIMES 5/8/82

Own Correspondent

PORT ELIZABETH — The current wage dispute in the motor industry in the Eastern Cape was further highlighted yesterday with the assembly section of the General Motors plant the truck plant at Ford and the whole of the Volkswagen plant closed

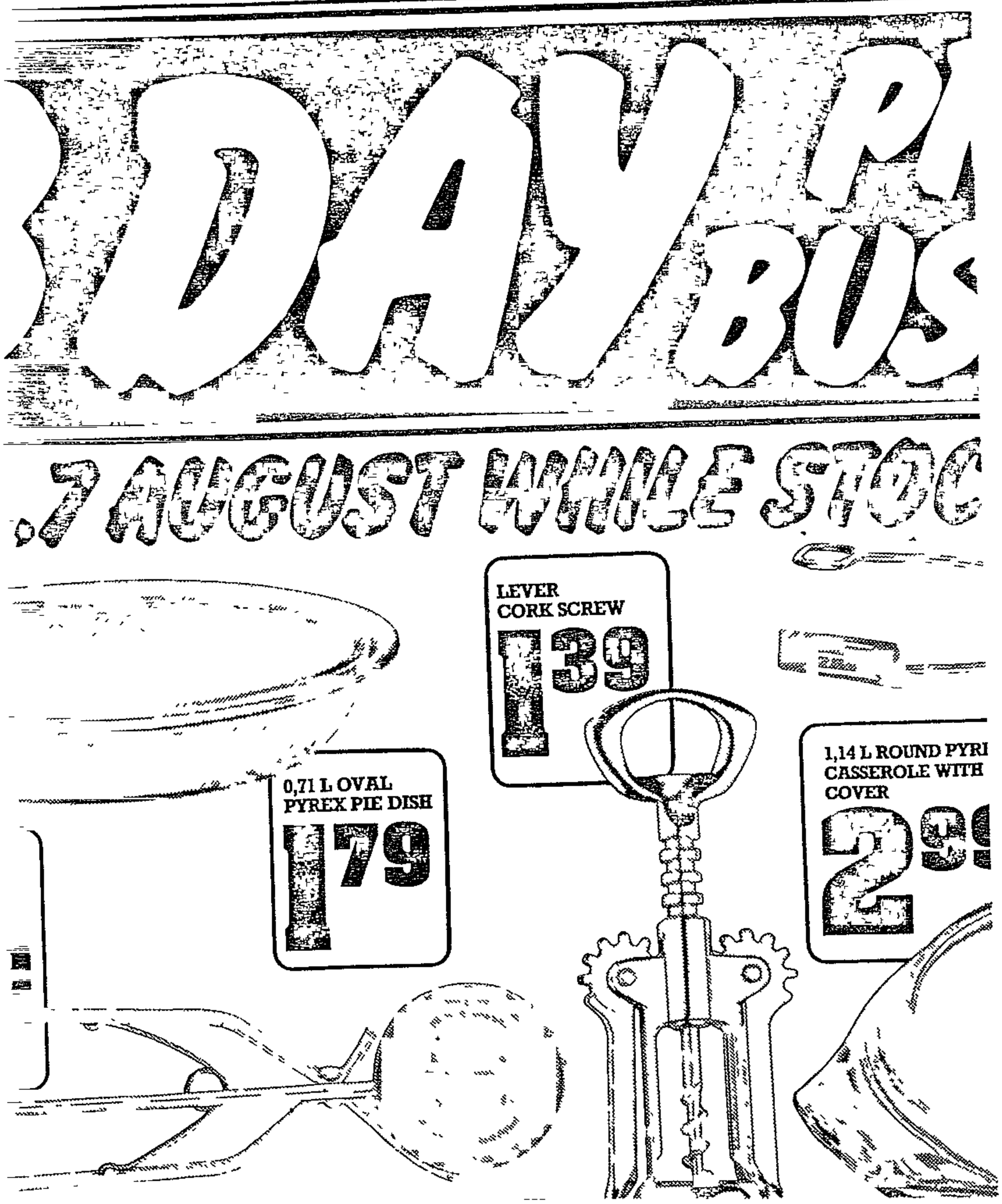
And a statement issued by the National Automobile and Allied Workers Union (Naawu) yesterday indicated that the union might withdraw from the Industrial Council if the dispute was referred to arbitration

The council meets today to discuss the procedure it will adopt to resolve the deadlock in negotiations

At Ford yesterday the truck plant was closed after workers downed tools in protest at a company bulletin which was posted in the plant detailing management's wage offer at the IC talks

A shop steward said the workers saw this as provocation and believed it indicated that the company would insist again on its offer of a R2 15 minimum hourly wage when the IC talks resumed today

Volkswagen was closed until further notice" on Tuesday after a week-long go-slow affected production so badly that the company announced it was no longer able to operate economically



pumped to another tanker — the Johs Stove

The fact that several fishing trawlers had an-

ation would cost in the region of R1 million

a one-party state platform Under the constitution, new

concept we cherish Zimbabwe became inde

Labour deal 'close' in EL

Post Reporter

CDA, which assembles Mercedes-Benz cars and trucks in East London, moved significantly close today to a new labour agreement with both the SA Iron, Steel and Allied Industries Union and the National Automobile and Allied Workers' Union

In a joint statement last night, the unions said they had reached "tentative agreement on most points in their negotiations" and that "further points and confirmation of the agreement will be finalised in the next few days"

Naawu officials said there were certain points to be resolved which the union's membership had asked the negotiators to query

White union leader joins Naawu in 'lock-out' claim

192 E. Post 5/8/82

By SANDRA SMITH

THE closure of plants by Ford, General Motors and Volkswagen for more than a week last month after a strike by about 11 000 workers was "an illegal lock-out", Mr H Ferreira, deputy general secretary of the South African Iron, Steel and Allied Industries Union, said in an interview last night

The union, one of the more conservative white unions, is negotiating wages and working conditions at the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape, which meets today

Also represented are the three motor manufacturing companies and the National Automobile and Allied Workers Union (Naawu)

Mr Ferreira said the SAISAIU had asked the employers to pay its members for the period when the plants were closed Its members did not take part in the strike on July 15 by members of Naawu

Naawu has also demanded payment for the period the plants were closed

The motor manufacturers refused to pay SAISAIU members for time not worked, and the union has demanded the matter be placed on the agenda for today's meeting

"We will go all the way if necessary to get payment for our members," Mr Ferreira said

The union had previously not made public its wage demands, as statements to the Press "could jeopardise negotiations and confuse the workers", he said

"We have now been accused by our membership of being inactive for not making statements," added Mr Ferreira

The union, a SA Confederation of Labour affiliate, has a white membership in job categories three to eight

The union put forward proposals for a minimum hourly wage for artisans in grade seven of R4,37, increasing to R5,10 by January, 1984 The employers have offered a minimum hourly wage for grade seven A of R3,80, increasing to R4,06 in August and to R4,22 in February, 1983

Mr Ferreira said "We are not satisfied with the employers' offer and think a compromise can still be reached"

The union supported Naawu's demand for severence pay on the basis of one month's pay for every completed year of service

Treason trialist tells why he became a 'soldier'

PRETORIA — Convicted high treason trialist Thelle Simon Mogoerane, 23 told the Pretoria Supreme Court today that he had decided to become a "soldier" to help in the armed struggle to free blacks from their oppression

Mogoerane, Jerry Semano Mosloli, 25, and Marcus Thabo Motaung, 27, were found guilty yesterday of high treason and alternative charges of murder, attempted murder, robbery and contravention

Mogoerane gave an account of his participation in the attacks on the Moroka Orlando and Wonderboompoort police stations He said he had not killed anyone in any of the attacks

Speaking in a mixture of Sotho and English, he told how his frustration and confusion at the injustices suffered by black people in South Africa led him to leave school in 1976, when he was in Standard 9, and go to Botswana

Lay-off pay offered

Post 18/8/82

Post Reporter

THE senior regional secretary of the SA Iron, Steel and Allied Industries Union, Mr Lieb Pretorius, has described the new Eastern Cape motor employers' offer on lay-off pay as a move which could lead to greater stability in the industry.

Calling the offer a "major breakthrough", he said one effect could be to attract more black artisans to the industry

The new employers' offer on short time payment and a new separation allowance system was also very important, he said

Under the present system workers contribute a certain amount every year, depending on their grade, and are then entitled to draw maximum benefits a year in the event of a lay-off

The new system is the latest management offer in the Industrial Council negotiations It would allow employees a certain number of days basic pay in lay-off compensation, depending on the worker's length of service

Mr Pretorius said the effect would be to give substantially greater benefits

Under the present system a person in one of the top categories with more than 10 years service would contribute R52 during the year in order to qualify for a maximum benefit of R104

Under the proposed new system an employee on the same grade and with the same number of years of service would qualify for R413 with no contributions

At the lowest grade a person presently contributing R17,94 has a maximum benefit per year of R36 Under the new system he would qualify for R84,6 with no contributions

The lay-off schedule as presented by the employers offers workers with fewer than two years service four days basic pay lay-off compensation, those with between two and five years service five days pay, those with more than five years seven days pay, and those with more than 10 years service 10 days

Another management offer introduces the idea of a separation allowance to be payable by employees in the event of permanent lay-off (retrenchment)

The allowance varies from 10 days at basic rates to 35 days pay depending on years of continuous service

Mr Pretorius will be holding a report back meeting to union members this evening The union represents more than 2 000 members on the Industrial Council

Ford truck plant is closed

By SANDRA SMITH

THE Ford truck plant ceased production today when about 300 workers were sent home after refusing to work Some workers in the Neave plant also downed tools and left the plant

This follows a rejection by thousands of Ford, General Motors and Volkswagen workers at meetings last night of new wage proposals made by employers at yesterday's sitting of the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape

Ford spokesman Mr Fred Ferreira confirmed the stoppages but said the Neave plant was still in operation

The Industrial Council declared a formal dispute in wage talks last month, but after sporadic stoppages at the motor plants and a shut-down of Volkswagen in Uitenhage, the employers upped their offer

In terms of their new offer, while the hourly minimum wage for grade one workers already in the employ of all three companies will be R2,15, they will receive a 5c increase this month to R2,20

This will increase by 10c in February and August next year and in February 1984, bringing the hourly minimum to R2,50

The employers' previous offer was for an increase from R2 to R2,15, increasing to R2,25 in February next year

Members of the National Automobile and Allied Workers Union (Naawu) have demanded a minimum hourly wage of R2,50, increasing by 25c every six months to R3,25 in February 1984

54,5 + 30 = 84

UNIVERSITY OF CAPE
EXAMINATION ANSWI

All answer books must be numbered

Number of books handed in	3
Number of this book	1

Paper No
(to be copied from the heading on the Examin

NOTE CAREFULLY

1 Enter at the top of each page and in colun of the block on this cover the number c question you are answering
2 Blue or black ink must be used for w answers The use of a ball point pen is acceptable Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
3 Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book(s) are used
4 Do not write in the left hand margin

PORT ELIZABETH — After three weeks of major disruptions in the Eastern Cape motor industry, the peaceful strikes took an ugly turn today when fighting broke out between workers at the giant Ford Neave plant

ARGUS
SUPPLEMENTARY

Authoritative sources reported that striking Ford workers were involved in brawls with workers who wanted to continue their jobs

A later report said knives were used in the fighting, and that 11 people were injured, but not seriously, and that they were being treated at the company's first aid department

The police liaison officer fo rthe Eastern Cape, Major Gerrie van Rooyen, confirmed that police were on standby outside the Neave plant, including a contingent of the reaction unit (riot squad)

Meanwhile the Neave plant was said to be on the point of closing because of walkouts there today, the Ford truck plant was closed early and the General Motors plant at noon today

With the Volkswagen plant closed since Tuesday, this brings the number of closed motor industry plants in Port Elizabeth and Uitenhage to a confirmed three, with another pending and walkouts of numbers of workers were also reported at a Ford plant at Struandale

EVADED

An authoritative spokesman said that shortly before noon, a group of workers who had walked out at Ford's Neave assembly plant, had evaded security personnel by climbing over a fence

Inside the premises th argued with workers who would not leave their jobs and fighting broke out, resulting in five people being injured and treated in the first-aid department

All Ford's top executives were said to be at the Neave plant in an attempt to "sort things out"

A spokesman for General Motors confirmed that the company has closed its production section when workers walking off their jobs "made it impossible to continue"

The workers had collected their pay before noon, when downing tools

At three report-back meetings last night, several thousand members of the National Automobile and Allied Workers Union (NAAWU) employed at three motor companies rejected outright the new wage offer made by the companies at yesterday's Industrial Council talks

The council, which is negotiating an agreement for the motor industry in the Eastern Cape, and is formally in dispute over the talks, adjourned until Monday for the union to take the offer to members

Workers were told that the employers had offered R2,20 minimum wages — 5c more than their previous offer

The union is demanding an immediate R2 50 an hour minimum with six monthly increments of 25c to an eventual R3 25 an hour

The national secretary of NAAWU, Mr Fred Sauls, said today that the union would not accept arbitration or mediation as a further procedure to try to resolve the issue as it did not want another party to decide on the issue, which was being handled by collective bargaining

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are not to communicate with other candidates or with any person except the invigilator
3 No part of an answer book is to be torn out
4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

Cape Times 6/8/82

Naawu rejects new wage offer

Own Correspondent

PORT ELIZABETH — Several thousand members of the National Automobile and Allied Workers' Union (Naawu) employed at Ford, General Motors and Volkswagen last night rejected outright the new wage offer made by the companies at yesterday's Industrial Council talks

The council, which is negotiating an agreement for the motor industry in the Eastern Cape and is formally in dispute over the wage talks, was adjourned until Monday for the union to take the offer to its members

At the three Naawu report-back meetings on the talks, workers were told that the companies had offered a R2,20 minumum hourly wage — five cents more than their previous offer

The union is demanding an immediate R2,50 hourly minumum with six-monthly increments of 25 cents to an eventual R3,25 hourly minimum at the end of two years

A severance pay offer was rejected by all three meetings on the grounds that it did not make provision for workers with less than two years' service to the companies

At the General Motors and Volkswagen meetings workers accepted a management proposal for "lay-off" pay which would provide workers with scaled guaranteed annual payment if they should have to work short-time during the year

Ford workers rejected this proposal

RDM 6/8/87

Collapse averted as motor bosses offer an extra 5c

By STEVEN FRIEDMAN
Labour Correspondent

AN IMMEDIATE collapse in negotiations between warring East Cape motor employers and worker leaders was averted yesterday as employers made a fresh wage offer — an extra 5c an hour — at a meeting of the motor industry's industrial council

And yesterday Ford's truck plant and General Motors' vehicle assembly plant resumed production after being closed on Wednesday by a worker walk-out, company spokesmen said The Volkswagen plant is still closed

Last night, Fosatu's National Automobile and Allied Workers Union was putting the new offer to workers at Volkswagen, Ford and General Motors, but the odds appeared against them agreeing to accept it.

The industrial council is to meet again on Monday to continue discussions

It is understood employers have offered a R2,20 an hour minimum wage — 5c more than their previous offer This is the first change in their offer since a 10-day work stoppage halted production at all three plants last month

They also offered yesterday to replace a four-year-old supplementary unemployment benefit scheme — which is funded jointly by workers and management — with benefits for laid-off workers funded by management only

Naawu originally demanded a R3,50 an hour minimum, but has since substantially scaled down its demands

This week the other union on the council, the all-white SA Iron, Steel and Allied Workers Union, revealed for the first time it was demanding increases averaging 20% for its members, most of whom are in the highest job grades

Its deputy general secretary, Mr H Ferreira, said the union supported Naawu on some issues raised in the dispute, but not on others Its demands aimed at compensating for inflation "and what we have lost in previous agreements"

Yesterday, the industrial council met against a background of continued worker action on the wage dispute and signs that Naawu could quit the council — the only one on which a Fosatu union has agreed to serve

Employers were expected to push for arbitration of the dispute and Naawu indicated it would reject this and possibly leave the council as a result

The council's chairman, Mr Fred Ferreira, said after a lengthy meeting that it had been agreed to continue talks on Monday

● The Iron and Steel union has backed Naawu's demand that workers be paid for the period of last month's stoppage and raised the issue at yesterday's meeting, informed sources said

Shock as 'sweet life' of contract workers ends for 120 settlers

E. Post 192 7/9/82

By ANDREW DONALDSON

THE sweet life has ended for about 120 British immigrant families who for the last year have been enjoying special concessions from contracts with motor plants in the Eastern Cape

While the contracts were running, the breadwinners paid no tax, frequently earned more than their foremen, lived with their families in furnished rent-free accommodation and could send the bulk of their earnings back to Britain

But now they have been told their special contracts are not being renewed What is more, if they want to stay on at their jobs they must pay back tax, accept a drop in salary of around R300 a month, and find their own housing and furniture

The men, mainly toolmakers and press shop workers, were recruited in Britain by a Tel Aviv-based agency, Technicon, when the motor plants were running at boom output level

Bitter and disillusioned, families this week told Weekend Post they were given to understand in Britain that the contracts with Technicon could be renewed for a second year

They also said there had been no reference to having to pay the restrospective tax if they stayed on

A few of the families have accepted the situation with equanimity, but most have complained bitterly

Their introduction to the good times came just over a year ago when the contracts offered by the agencies were regarded as a great opportunity for a new life in the sun

They were promised, they say, golden opportunities, with free accomodation, tax-free employment at a higher rate than permanent staff and many hours overtime for the length of their contract And they say they were not warned this would all come to an end after 12 months

Offers of continued employment have been made by the motor companies but without the special dispensations Some men have already accepted, others say they are quitting the country Some have already flown out

A good deal of blame — warranted or not — is directed at Technicon

Mrs Sue Owens, whose husband has been told his contract with Technicon will expire in four months, said "We were first given a 12-month contract, which we were told could be extended to two years Now that the contract is due to expire the only way we can stay and work is to accept a further two years' work at a permanent staff rate — and not under contract"

Adding that there was "no way" she would think of staying in South Africa under the new conditions, Mrs Owen explained that if her husband accepted work at a permanent rate they would lose their furnished rent-free flat, recieve a lower wage — "two rands an hour less" — and start paying tax

Another woman, Mrs Sandra Muir whose husband's contract had just ended but who had been given full-time employment with a motor company, described the accommodation offered to the Technicon contract workers as "appalling"

The "barely" furnished flats in Algoa Park — described as "basic living units" — had proved to be a shock for the families coming out to South Africa

"They were so damp that there were mushrooms growing on the foam matresses they gave us," she said

"It was useless to try taking them out to dry them in the sun because my husband was on night shift at first, and he was just getting into bed as I was getting up," she said

"My children had recurring bouts of 'flu and bronchitis"

Mrs Muir — who has since moved into a house — said she had inquired before coming to South Africa whether there would be washing machines available for her family She was told there would be a separate washing room for each family

"When I got here my flat did have a washing machine, but I then found I had to share it with six other families People were coming in and out of my home all day long with washing," she said

This made her damp mattresses worse as her flat was continually flooded because the machine was over-used, Mrs Muir said

Mr Pete Pleasance-Brown, whose contract has ended and has been granted permanent residence after being offered a post with a motor company, said he came to South Africa with an open mind — even after the promises by Technicon

He said the contract he signed stated that signatories would be offered tax-free employment in the Republic No mention was made of back tax later

"But I was told by a Technicon representative at the time that I would be liable to pay tax for the length of my stay in South Africa should I decide to here after the contract had expired," he said

Mr Pleasance-Brown said other Technicon workers did not know this when they came out to South Africa

He decided to settle in South Africa despite the retrospective tax because taxes would still be far lower than in Britain

"We were also told that the flats in Technicon were basic living units — although we just didn't ask how basic — and some of us were even shown photographs of them before we came out," he said

Mr Pleasance-Brown said he had contacted his wife before she joined him in South Africa and told her the conditions were not too pleasant, but she still insisted on coming, bringing her three children with her

Within six weeks, Mr Pleasance Brown said, he had moved his family out of the flats and into a modest house

"The country has been marvellous to me It's wonderful for a sports lover and I have never eaten so much meat before," he said

"My children are doing wonderfully well at school and I ve even managed to bring my mother-in-law out here for a month's holiday,' he said

Mr Doug Bruce — one of only four out of more than 120 workers one plant whose contracts had been renewed by Technicon — said he had nothing against settling in South Africa

He said the Algoa Park flats, where he has stayed for 13 months, were reasonably suitable, though his wife, Mrs Margaret Bruce found them a little too windy

● Mr Brin Carstens, the representative for Technicon in South Africa, said this week company representatives from Europe would be meeting the Port Elizabeth and Uitenhage car plants' managements shortly "to secure the future of the contract worker in South Africa a little bit further"

Asked for further details of the negotiations, Mr Carstens declined to detail them saying he did not want to complicate matters by speaking to the Press

Unrest industry scaring away

192

E. Post 7/8/82

Weekend Post Reporters

ALARMING signs emerged this week that the Eastern Cape's continuing history of labour unrest, aggravated by the present disruptions, is starting to scare industrialists away from the region.

A national company has dropped a plan to buy a R1 million site in the region and told its agent it feels it is more secure in South West Africa/Namibia (where it already has holdings) than it would be in the Eastern Cape

Another company's proposal to establish a subsidiary serving the tyre industry — and providing employment for 1 500 people in a large plant — has been dropped for fear of "militant black unions" The company has switched its project to Durban

Even the Government's decentralisation concessions for the Eastern Cape — offering among other things cheaper electricity and railage — will have no appeal if fears of persistent labour unrest take hold, industrialists say

An industrial property consultant, Mr Leon Hafner, told Weekend Post "I had a national company anxious to extend their operations here. They are already established here, but they wanted to expand and were talking in terms of a R1 million site

"Now they have told me they want to change their intention to buy to leasing They said what was going on in the Eastern Cape was quite unreal and they would sooner invest their money in South West Africa"

Mr Hafner pointed out "If they lease they will be committed to paying a rental, but they will not be risking capital

"I agree with people who think industrialists will be scared away Obviously there's a lot of talk going on that things aren't right"

A property consultant, Mr Chris Bartlett, said he was approached to find a large site for manufacturing work allied to the tyre industry

"At the last minute a few weeks ago the businessmen involved told me they would not open in Port Elizabeth — they were going to Durban instead — and they cited the militant black unions as the reason

"Until recently we were still under the Physical Planning Act and this was a designated preference area, so industrialists had problems employing labour here and many would sooner go to Durban

"Now we have a different problem because industrialists are aware of the militant unions' activities here, and this is doing a lot of damage to Port Elizabeth"

Yesterday, more than 15 000 men were idle in the region Two major factories were closed and at least three other plants were working below half capacity

"The windy city is becoming known as the unruly city," said Mr Peter van der Merwe, president of the Midland Chamber of Industries "This could soon discourage other industries moving to the Eastern Cape

"Whenever the Eastern Cape is mentioned amongst industrialists they say 'Oh, that's the place that's having all the trouble'

"And it's hard to live that reputation down," he said

Mr Van der Merwe said Port Elizabeth was always in the front line of labour unrest in the country because of the many big multinational companies in the area

"These companies have a high visibility overseas and this is why they have been singled out."

He said, however, that al-

● Turn to Page 16

Unrest scaring industry away

E. Post 7/8/82

192

● From Page 1

though labour unrest tended to start in Port Elizabeth it usually spread quite quickly to other parts of the country

"Companies that consider leaving the Eastern Cape will only come up against the same problem sooner or later somewhere else"

Mr Rod Ironside, vice-president of the Federated Chamber of Industries, said today that the labour situation here would definitely effect business concerns considering moving to the Eastern Cape

"Labour unrest must be an important consideration for any entrepeneur who is considering investing in this area

"This factor should not be treated lightly, nor should it be disregarded in the overall medium and long term future planning for the Eastern Cape"

He said that business activity in this region had already dropped

"Industry in the Eastern Cape has not expanded in the past few years — in fact, there has been a slight shrinkage"

Short term considerations could be overcome by a realistic approach to the question of labour unrest which was presently based on "unrealistic demands"

"The entire economy of the Eastern Cape, being heavily dependent on the motor manufacturing industry, is now at risk Of course that involves employment, the creation of new jobs, and the well-being of the region's entire economic structure," Mr Ironside said

He agreed that there could be an "Eastern Cape labour situation syndrome" developing which could be to the detriment of the entire area

Mr Rocky Ridgeway, chairman of the Greater Algoa Bay Development Committee (Gabdec), whose main aim is to attract industry to the area, said "The current labour unrest will obviously be a factor in the minds of industrialists planning expansion or establishing new industries in the area

"But in considering the labour factor, one hopes industrialists will bear in mind that although the Eastern Cape has become traditionally the area in which this type of thing begins, it's highly unlikely that strikes will be confined to this part of the Republic

"So that in the long term, I think industrialists should discount the negative impact of strikes in the Eastern Cape," said Mr Ridgway

Mr Brian Matthew, director of the Midland Chamber of Industries said "Labour unrest occurs from time to time in many parts of the country

"But in the Port Elizabeth-Uitenhage area, we have got companies with very high profiles

"Therefore whatever happens in these companies is news because they dominate the economy of this region

"We tend to take the happenings in these companies as something which is extraordinary, whereas if there is a strike at a non multinational company elsewhere it doesn't have the same impact

"We have really been going through a period of readjustment What has been happening is that the unions are now exercising the full rights made available to them through the new labour dispensations flowing out of the Wiehahn recommendations

"I think the three major companies concerned have the expertise to handle the issues involved," said Mr Matthew

The general secretary of the National Automobile and Allied Workers' Union (NAAWU), Mr Freddie Sauls, said he did not think the current labour disputes in Port Elizabeth and Uitenhage would make people reluctant to invest in the area

"I believe industry will establish itself where resources are — where there is a sound infrastructure and ample labour resources," he said

Labour dispute still crippling production

192 E. Post 7/8/82

Post Reporters

AS wage negotiations entered their fourth week of deadlock between workers and the Eastern Cape's top three motor plants — Ford, General Motors and Volkswagen — fresh labour unrest occured at Busaf and Veldspun this week

The latest situation is

● **General Motors** Thousands of workers left the plant midday yesterday after being paid Some said there had been hints of violence

The company's assistant managing director, Mr Rod Ironside, said the current motor industry unrest had kept more than R1 million out of the economy

● **Ford** At the company's Neave plant yesterday, which shut down along with their truck plant, fighting broke between workers who wanted to down tools and those who wished to carry on working Reports received indicated that at least 11 people were injured, some by knives

A police spokesman confirmed that members of the reaction unit had been deployed at the Neave plant, but not at the request of Ford

A number of workers at the Cortina and engine plants downed tools, but according to a company spokesman, Mr Fred Ferreira, work was continuing and a skeleton staff would be brought in

● **Volkswagen** According to the managing director, Mr Peter Searle, the company hopes to be on limited production on Monday

In Johannesburg yesterday, Mr Searle appealed for a meeting between Government, business and workers to establish common ground and mutual objectives

● **Busaf** About 900 workers were refused entry to the company's Port Elizabeth premises on Thursday

Yesterday they were told to collect their termination pay, which they refused to do The workers intend returning to the factory again on Monday

The executive director of the company, Mr John Herdman, said the company regarded those who had downed tools during the week, and who declined a request to return to work, as having dismissed themselves

According to workers, a dispute arose at the plant when management refused to allow their workers to join the National Automobile and Allied Workers Union (Naawu), which they support

● **Veldspun** More than 1 000 employees — 1 500, say unions — regarded by the company as having dismissed themselves, refused to collect their termination pay yesterday

Dispute arose early this week when 60 workers, refusing to do the work of 25 colleagues retrenched last month, were fired

They were offered re-employment on condition they acknowledged the work they had earlier refused to do was now part of their "new" job They refused to do so

On Thursday, workers who had downed tools in sympathy were given an ultimatum to start work by 9am When this was not met, the factory was closed and the workers were regarded as having dismissed themselves

VW may bring in robot workers

RDM 7/8/82

Labour Correspondent

THE managing director of Volkswagen SA, Mr Peter Searle, yesterday attacked the trade union stance in the East Cape motor industry's wage dispute and said employers might introduce robots into plants if the labour situation remained unchanged

Volkswagen's plant has been closed for much of this week after a continuing go-slow over wage demands and further unrest had lead to the closure of one Ford and one General Motors plant yesterday as workers rejected a fresh wage offer which would raise minimum pay to R2,20 an hour

Mr Searle was speaking at a seminar organised by his company in Johannesburg

The East Cape motor industry has been hit by continuing unrest as employers and the National Automobile and Allied Workers Union remained deadlocked on the wage dispute

The union initially demanded a R3,50 an hour minimum, but now wants R2,50

Mr Searle said the union's demand was "totally unrealistic relative to current wage levels, the state of the economy and the state of the businesses on whom the demands are made"

● See Page 2

Union pulls out of council over arbitration

E. Post 9/8/82

192

By SANDRA SMITH

IN a move which will have far-reaching effects on the motor manufacturing industry in the Eastern Cape, the nine-man National Automobile and Allied Workers' Union (Naawu) delegation today withdrew permanently from the industrial council for the industry

Leaving the council meeting after two hours of talks, Naawu's general secretary, Mr Freddy Sauls, said the union had decided to withdraw because the dispute was to be referred to arbitration

The union is opposed to resolution of the wage dispute through a third party, believing this will take control of the situation out of the workers' hands

Mr Sauls said the employers on the council — Ford, General Motors and Volkswagon — did not come forward with a new wage offer at today's sitting

Naawu reported to the council that its members had rejected a new package offered by the employers last week

"Before we can indicate where we will go from here we will have to report back to our workers' committee," Mr Sauls said

The employers had indicated that they did not favour individual in-plant bargaining

The Naawu delegation refused an employer request to extend the existing agreement — which expired on July 31 — for six months

Last week's work stoppages at all three motor manufacturing plants were raised at today's meeting

The Naawu delegation said employers should discuss the matter with shop stewards

After the Naawu delegation had left, the employers and the SA Iron, Steel and Allied Workers' Union continued talks

GM and VW spokesman said production at the two companies would return to normal on Wednesday after both plants closed last week

Workers at GM downed tools on Friday and VW closed on Tuesday after a go-slow by workers following the dispute in the industrial council

Workers at GM and Ford plants were also reported to have been involved in go-slows last week

Workers at Ford's cut-and-sew seat section and parts-and-accessories area refused to return to work today and there was a high rate of absenteeism at the Neave plant

The company would attempt to staff the cut-and-sew seat section with a skeleton staff, but if production was not at an acceptable level the section would have to be closed, said Mr Fred Ferreira

GM's manager of public relations, Mr Peter Sullivan, said "We have been informed by shop stewards that the workforce will not return until Wednesday"

However, Naawu's regional secretary, Mr Les Kettledas, said as far as the union was aware, GM workers planned to return to work tomorrow

VW's public affairs manager, Mr Ruben Els, said "After discussions with employee representatives it has been agreed to recommence production in certain areas from Tuesday Full production is planned from Wednesday, depending on output achieved tomorrow," he said

Sections where production would resume tomorrow were the press and body shops, sections of the paint shop and of the final assembly area, trim manufacturing, areas in the seat assembly and full machining sections, and the axle and engine assembling areas

CRUCIAL WEEK AHEAD FOR MOTOR INDUSTRY

W/E ARGUS 7/8/82 (192) (346)

Weekend Argus Reporter

PORT ELIZABETH — The troubled Eastern Cape motor industry will be largely at a standstill next week, and thousands of workers may lose their jobs if the situation is not resolved at an industrial council meeting on Monday.

More than 2000 workers in other industries here have lost their jobs in the past two days through strike action.

A motor industry official, who asked not to be named, said the employers were likely to set ultimatums next week for strikers to work or lose their jobs.

A spokesman at another company said only that it would regard it in a "very serious light" if employees did not return and work normally next week.

Already, more than 15 000 workers are idle at Eastern Cape factories, two major factories are closed and at least three others have been operating at less than half their production capacity.

The managing director of Volkswagen, Mr Peter Searle, yesterday told a conference in Johannesburg by one of the motor industry unions were totally unacceptable.

Go-slow action which paralysed Volkswagen for most of this week has been attributed to workers wanting in-plant wage talks. The company is reopening some sections of its plant on Monday and is hoping to be in full production on Tuesday.

Ford will open its gates on Monday. The company closed its truck plant for two consecutive days this week and many workers downed tools in its three other plants.

General Motors closed at noon yesterday because of the walkout and it is believed the plant will remain shut on Monday.

Thousands of members of the National Automobile and Allied Workers' Union (Naawu), rejected an improved wage offer from employers this week. The white SA Iron, Steel and Allied Industries Union said it believed it could get its members to accept the wage offer.

The employers are now offering R2,20 an hour on their minimum scale — an extra five cents. Naawu is demanding R2,50, with six monthly increments of 25c to an eventual

...gnizes the re... d amenities the offer said Mrs ...rmser curator of Bay Museum

...d that till now Bay community ...ed its back on the ...hich had once

...servation group which aims to stimulate a wider awareness of the river

"People just don t realize there is a river there any more It s a potential gem as a recreation area and it s just being totally ignored' said the group s secretary

CAPE TIMES 7/8/82

Kaplan: Student bodies shocked

Staff Reporter

STUDENT organizations have expressed their shock and condemnation of the deportation on Wednesday of UCT post graduate student Mark Kaplan

Immigration officials and members of the security police gave Mr Kaplan, who was detained for 51 days last year, an hour to pack before putting him on an aircraft to Zimbabwe

The UCT Community Video Resource Association (CVRA) of which Mr Kaplan was co-ordinator released a statement yesterday protesting 'in the strongest possible form'

"His deportation amounts to conviction without trial It implies guilt, where there is none of an offence for which the State has no name after imprisonment for no reason'

Video shows

His only "crime" had been to help produce video documentaries in Cape Town on such issues as poverty TB and education the statement said

The Nusas head office called the deportation an underhand means by which the State removed "so-called undesirable aliens" It was a method used by a "fearful crisis-riddled government" unable to cope with opposition

● The South African Society of Journalists yesterday condemned the deportation as a "sinister attack on the media and the free flow of information"

● Leading article, page 8

CAPE TIMES 7/8/82

Motor plants close as men down tools

Own Correspondent

PORT ELIZABETH — Almost the entire workforce at General Motors walked out yesterday and Ford s Neave and truck plants were closed after workers had downed tools

A number of workers at Ford's Cortina and engine plants also downed tools but Mr Fred Ferreira director of industrial relations at the company said production in these plants was continuing and a skeleton staff would be brought in to man the other sections of the factory essential to their operation

The closure of the plants follows repeatedly disrupted production at the three motor firms currently facing a wage dispute in the Industrial Council for the Motor Manufacturing Industry in the Eastern Cape

Ford, GM and Volkswagen — which has been closed since Monday — are trying to reach an agreement with the National Automobile and Allied Workers' Union (Naawu) and the SA Iron Steel and Allied Workers Union to replace an agreement which expired at the beginning of this month

Fighting

At report-back meetings on the Industrial Council talks on Thursday, thousands of Naawu supporters rejected the companies' new wage offer

At the Neave plant yesterday, fighting broke out between workers who had downed tools and those who wished to continue working A reliable source said 11 workers were injured, some with knife wounds

However neither Mr Ferreira nor a spokesman for Naawu was able to comfirm this

Major Gerrie van Rooven police press liaison officer for the Eastern Cape, confirmed that members of the reaction unit had been deployed at the Neave plant but said this was not at the request of Ford

The policemen had been present in case the workers spilled into the street from inside the plant and in case a public disturbance was created

'Compelled to close'

At GM thousands of workers left the plant after being paid and went home

Mr Peter Sullivan, pulic relations manager for the company said the company was "compelled to close when workers walked off the job and made it impossible to continue normal production'

He said the company was not in a position to give details of the number of people who walked out

Meanwhile, Volkswagen announced yesterday after discussions with shop stewards that it would reopen most of its Uitenhage plant on Tuesday

A company spokesman said more than 75 percent of the workforce would start on Tuesday in order to enable full production to begin on Wednesday

A union spokesman confirmed the decision had been reached after discussions with management

Diesel millions

8/9/82 S-Times (92)

By Stephen Orpen

AN advanced, new R25-million plant to supply diesel-engine forgings for Atlantis Diesel Engines (ADE) is to be erected at Atlantis in the Western Cape

In terms of a contract signed this week with Dorbyl Automotive Products (DAP), the plant will supply all crankshafts, some camshafts, connecting rods and timing gears for all ADE engine ranges

This makes DAP a major component supplier to the ADE project, which will have a production capacity of 50 000 diesel engines annually

The first of its kind in South Africa, the plant will introduce a new level of tech-

● To Page 3

(192) S-Times 8/8/82

New Atlantis plant

● From Page 1

nology and will open the door to local manufacture of other large forged components required by South African industry

The contract follows lengthy investigation and negotiations

The plant is expected to come on stream in the second quarter of 1984, with prices fully competitive with those from overseas

The forging section will be constructed during the next two years and, like the Atlantis foundry, will be situated close to the ADE complex.

Although the facility will be capital-intensive, it will initially provide work for about 150 people

Like ADE, it will also be a nucleus to attract to Atlantis other industries such as machine shops

It will extend the capability of the DAP forging and machining division in the closed die forging area to a forging of 150kg with a total annual capacity of 32 000 tons of forging

As with DAP's other facilities at Uitenhage, Rosslyn and Germiston, the Atlantis forge will be supported by the full range of services on site — namely, die design, manufacture, heat treatment, metallurgical laboratories and quality assurance

The main forging plant will include a full programme-control, spindle-type forging machine with a mass of approximately 450 tons

It will stand 15m high with a rated forging force of 11 000 tons, and will complete a typical crankshaft forging in only two blows

In addition to the Atlantis project, a further R12-million investment programme covering commercial vehicle prop shafts, constant velocity joints for front-wheel-drive cars and additional forging press and heat treatment facilities is in progress

Motor giants idle in EP

Argus 9/8/82

PORT ELIZABETH. — Most of the giant Eastern Cape motor industry was still idle today, following go-slow strikes and walk-outs last week, and there was little prospect of the wage dispute being resolved at another Industrial Council meeting.

It has been learnt that the three employer companies — Ford, General Motors and Volkswagen — would not improve their latest wage offer.

This offer, made on Thursday after a series of deadlocked council meetings and major work disruptions, has been rejected by the National Automobile and Allied Workers' Union (Naawu)

More than 10 000 Naawu members have sporadically disrupted the industry here in the past three weeks.

On Friday, after report-back meetings, thousands of them walked out again at General Motors and Ford.

Volkswagen, which closed its Uitenhage plant early last week, announced today that after consultation with worker representatives it intended to open partially tomorrow and fully on Wednesday

General Motors announced today that it would re-open on Wednesday after being advised by shop stewards that workers who had walked out at noon on Friday would return

Ford's four plants were open today, but there was high absenteeism and a vital department, cut-and-sew, was at a standstill because none of the staff had arrived

The director of industrial relations, Mr Fred Ferreira, said staff would be brought from other sections to get production going again. If this was not successful, large sections of Ford would have to close.

Cape Times 9/8/72 (192)

VW training 222 apprentices in new centre

VOLKSWAGEN'S extensive apprentice training operation has moved into a new R1m centre in Uitenhage

Announcing this, the company's industrial relations director, Mr Ollie Rademeyer, said "Apprentice training — which accounts for R3m of the total annual education and training budget of R4,5m — has expanded to such a degree that our centre at the main plant in Uitenhage could no longer accommodate the people and equipment

"Looking to the longer term, and in view of the vital need to train apprentices, the company decided to provide a specialized facility and purchased the former Cam TRW plant in Uitenhage"

This has been refurbished and equipped with the most up-to-date machinery and equipment and now consists of workshops, lecture rooms and offices

Six trades

"A present we have 222 apprentices undergoing training in six trades, consisting of toolmaking, turning, motor mechanics, machine fitting, electricians and welding We also have people undergoing general pre-apprentice training," said Mr Rademeyer

Last year, Volkswagen was the first company in South Africa to qualify black artisans through its apprentice training programme

"We will have many apprentices qualifying this year, but even taking this into account, the total number of apprentices in training will increase to just under 300 in 1983 and to more than 450 per year by 1987."

Mr Rademeyer said that greater attention was also being paid to the training of semi-skilled workers

"This former Volkswagen apprentice training centre at our main plant is now to be used for such training, which was previously carried out in a smaller area," he said.

Basic skills

"The extension of this facility will also enable the setting up of vestibule training i.e training in practical job situations away from the normal work area Here, all new operators will be trained in basic skills. There will also be an area for training key operators, such as CO_2 welders, electrical fault-finders, repair men and utility operators

"This facility will provide many Volkwagen workers with the opportunity to acquire new skills and thus advancement. It will also do much to maintain Volkswagen's high product quality"

Mr Rademeyer said a further vital area for training was for shop floor supervisors

"We are now running such programmes aimed at improving the administrative, supervisory, interpersonal and technical skills of the supervisors. The emphasis is on equipping the supervisor with the necessary skills needed to perform his very important function rather than providing him with a lot of theory"

Education

In addition, Volkswagen is concentrating on providing assistance in education to the community at large, running programmes such as

- An ongoing careers guidance programme at local high schools,
- Extra lessons for black matriculation pupils,
- A holiday school for teacher training

Mr Rademeyer said "It is no good for industry to sit back and wait for education to be improved, industry has to get involved and play its part in providing better teaching and job opportunities"

Sacked Busaf workers gather again

Post 9/8/82

Post Reporter

WORKERS at Busaf bus body manufacturers sacked after a work stoppage gathered outside the Port Elizabeth factory gates for the third day today.

The workers, about 25% of Busaf's employees according to management, refused to accept their dismissal or collect their pay

They also claimed to represent the majority of the company's work force, and not only 25%

More than 500 workers were sacked last week after they downed tools in protest against the dismissal of members of a newly-elected workers' committee

They are also demanding that management recognise the National Automobile and Allied Workers Union (Naawu), and have resigned from the Motor Industry Combined Workers' Union, which has a closed shop agreement in the plant

Workers outside the factory gates today said night shift employees had decided to join them in their demands for the reinstatement of the dismissed committee members and the recognition of Naawu

Busaf's executive director, Mr J H Herdman, said the management had received a request from the union for a meeting to discuss the issue, but that a time had not been fixed

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Argus 9/8/82

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Ford orders shutdown as wage unrest simmers

(192) E. Post 10/8/82

Post Reporter

THE Ford motor manufacturing company has closed down all its Port Elizabeth operations until August 20 after continued disruptions in production over a wage dispute

The firm's director of industrial relations, Mr Fred Ferreira, said the four Ford plants would be closed from tommorrow "because of continued disruptions"

Workers would receive a "holiday allowance to a certain degree" during the closure Details still had to be worked out

Mr Ferreira said workers at the Neave plant had walked out today and the plant had been closed This followed the sacking yesterday of six workers, one a shop steward

Mr Ferreira said the men had been dismissed "for molesting other workers"

Workers at Ford's cut-and-sew and parts-and-accessories sections returned to work today after downing tools yesterday, and attendance at the Neave plant before workers downed tools was up on yesterday

At Volkswagen in Uitenhage production was partially resumed after the plant was closed last Tuesday because of a go-slow

And at General Motors hundreds of workers gathered at the gates but were told to return to work tomorrow

Three police vehicles were outside GM, and two at the gates of Ford's Neave plant

A VW spokesman said production was satisfactory, but it was possible a number of workers in part of the final assembly area would be sent home Some had indicated they would prefer to work when the entire workforce returned tomorrow

GM's public relations manager, Mr Peter Sullivan, said some workers returned to the plant today "but we had not been notified of their intention to return" The firm expected to resume normal production tomorrow

The three motor manufacturers have been hit by work stoppages and go-slows since deadlock was reached in the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape last month

● See Page 2

Naawu calls on PE motor companies to show balance sheets

192 E. Post 10/8/82

By SANDRA SMITH

THE National Automobile and Allied Workers' Union (Naawu) has called on the three Eastern Province motor manufacturing companies to make available their balance sheets "so that workers can see if their wage demand is unreasonable"

The union, which has been involved in a dispute with Ford, General Motors and Volkswagen, and yesterday withdrew from the industry's industrial council, has also released a statement condemning "violence or intimidation in any form"

At a meeting last night shop stewards said "We totally reject statements by the company's managements that the wage demand by the auto workers is unrealistic"

The union therefore called on the companies to

- Make available their balance sheets "so that employees can see whether their demand is unreasonable",
- Make available the salary scales of salaried staff,
- State clearly what percentage of the companies' total wage cost is paid to salaried personnel and what percentage to hourly personnel

"It is high time that the real issues affecting our wage dispute were highlighted," the statement said

By refusing to make known these things the companies would "clearly illustrate their strategy to keep on ripping off the workers and the consumer"

The South African consumer paid higher prices for motor vehicles than those in the United States the United Kingdom and West Germany, "while workers in South Africa are earning poverty wages in comparison with workers in the auto factories in those countries"

VW's public relations manager, Mr Ruben Els, said the company was "not prepared to respond" to the Naawu statement

Ford and GM had not commented at the time of going to press

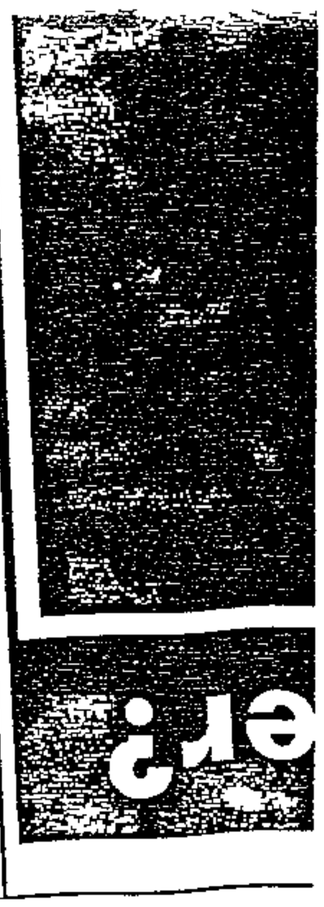
Naawu's President, Mr J Harris, also said "The union has noted reports of alleged assaults by workers on others at Ford's Neave plant on Friday

"While the union has received no reports from members or shop stewards who witnessed or were the victims of the alleged attacks, we want to clearly state our position on such occurrences,' Mr Harris said

"Naawu cannot condone violence or intimidation in any form as we believe the interests of workers should be achieved through their commitment to the workers' struggle, and not through acts of thuggery"

Police spokesmen said no charges had been laid in connection with the alleged assaults at the Neave plant on Friday

However, three men, Mr D Momberg, a foreman, Mr P A Slabbert and Mr L Slabbert, claim they were assaulted



d to S plan

final solution st crisis ap- it today as the s hastily sum- an American ation of Pales- Beirut.

and Egypt had agreed take his fighters

Mr Arafat said, however, his organisation was ll ready to fight to the ath if the Israelis cked

He said the countries ch had agreed to take O forces had only done provisionally and he sug- sted an international ference after the hostil- s to decide where Pales- ns would go in the long m

The whole world should p solve the problem at international conference all the countries con- ned, including the super- ers," he said

Mr Arafat also suggested ssible softening of the O's charter, which de- Israel's right to exist

Asked if such a charter not a weapon in the s of the PLO's en- es Mr Arafat said "We ve already said several es through our national l that armed struggle s not the only way

o put an end to these gities, I now propose eeting of Palestinian, eli and Arab thinkers er the war"

n Washington the agan Administration

Traffic island to be removed

Municipal Reporter

THE island in Baakens Street between Military Road and Whites Road will be removed to ease the traffic flow, the Port Elizabeth City Council's Works and Traffic Committee decided yesterday

This will provide four traffic lanes Motorists turning left into Whites Road will keep in the left lane, eliminating the present bottleneck

Another improvement in the area will be the creation of 11 parking/loading bays adjacent to the Feather Market Hall

No action was taken at the meeting on a proposal to recruit staff for the City Engineer's Department in an overseas campaign

The committee's chairman, Mr Bill Hayward, said the vacancies would again be advertised locally

Mr Hayward said other municipal departments were also in need of competent trained staff If a campaign was undertaken overseas it should be a "co-

SANDRA PIZZOLITTO ... going to Italy

Rotary stude to visit relati

Post Reporter

ROTARY Exchange student Miss Sandra Pizzolitto will be visiting her grandparents and relations in Italy, and holidaying in a village near Venice for about 10 days before returning to Canada after a "wonderful" year in Port Elizabeth

Miss Pizzolitto, who comes from Windsor, the twin city of Detroit on the Hudson river in Ontaria, thoroughly enjoyed her stay in Port Elizabeth

Achieving distinctions in two subjects at the University of Port Elizabeth, which she attended from the beginning of this year, and being chosen for the SA Universities' volleyball team are no small feats for a foreign student

During her stay she visited Cape Town, the Kruger National Park and Durban

She also visited Transkei and can boast a prize collection of photographs of her visits to people in the rural areas there, according to her Rundle

While in P four host f Dominic's P Port Elizabe

At UPE, English and subjects she year examin other two su tend a Rotar time

She was volleyball te versity in Ste the SA Unive

She was programmes announcer

Mr Rundl programme

Wife lied to break his death fast

MOSCOW — Soviet hunger striker Yuri Balovlenkov, 33, broke his 36-day fast today after his American wife lied to him, saying authorities here had promised he could emigrate if he re-

in Moscow on Friday, vowing she would force-feed her husband if she could not persuade him to end the fast Today was the last day he could starve himself without damaging his body beyond repair

2 arrested after robbery

Crime Reporter

THE Port Elizabeth murder and robbery squad has arrested two men for the robbery of R2 500 and a

Unions differ: whites clinch pay deal

192

E Post 10/8/85

Post Reporter

THE SA Iron, Steel and Allied Industries Union, representing more than 2 000 white automobile workers in the Eastern Cape, yesterday clinched an interim pay agreement with employers at the Industrial Council meeting

The agreement was reached after the National Automobile and Allied Workers' Union (Naawu) — one of the other parties in the council — had pulled out

According to Mr Lieb Pretorius, senior regional secretary of the union, the industrial council will meet again on August 16 to negotiate a complete agreement and to decide on the date of implementation for the increased wages

He said the union had decided — in the interests of stabilising the labour situation — to continue with mediation over pay issues rather than to opt for arbitration

Iron and Steel is also to push for an immediate implementation of the package agreement worked out at the Industrial Council meeting last week

The new interim scales range from R2,15 minimum an hour on grade one (up 15c on the current minimum rate) to R4,43 an hour on grade 8 (up from R4,06)

Across the board increases range from 15c in grade one to 30c in the top grade

Union opts for war on the floor

By STEVEN FRIEDMAN
Labour Correspondent

A LABOUR relations crisis hit the Eastern Cape motor industry yesterday as Fosatu's National Automobile and Allied Workers' Union (Naawu) withdrew from the industry's industrial council and a drawn-out shop floor battle loomed between workers and employers over wage demands

The council is the only one on which a Fosatu union has agreed to sit

Meanwhile, labour unrest continued to keep about 10 000 workers off work and the Volkswagen and General Motors plants were closed yesterday Ford's plants are producing partially, with a stayaway of about 25%

Volkswagen is planning to resume limited production today and General Motors will re-open tomorrow company spokesmen said

Despite this, Port Elizabeth sources predicted continued conflict in the factories "Things will get worse before they get better" said one source

Naawu general secretary Mr Fred Sauls said yesterday the union had left the council chiefly to avoid arbitration of its wage dispute with employers and would probably rejoin it after the dispute

"We believe it is impossible for us to resolve the dispute on the council The only way we can achieve this is to bargain plant by plant But employers insist they will not bargain with us individually," he said

The council's constitution meant arbitration was inevitable if the deadlock continued and the union would not accept a solution dictated by a third party Mr Sauls said

The dispute would now probably be settled by the degree of unity workers showed on the shop floor and the union believed that employers would now "take a very tough line", Mr Sauls said

The council's chairman, Mr Fred Ferreira, confirmed that employers had suggested arbitration to settle the dispute

But if it remained deadlocked, the Minister of Manpower could appoint his own arbitrator to settle it "We felt it would make more sense for the two parties to appoint their own arbitrator rather than accept one appointed by the Government," he said

Because the all-white Iron, Steel and Allied Workers Union is still on the council, it will continue to operate and will meet again on Monday

Now that Naawu has left the council, employers could decide to conclude a wage agreement with Iron and Steel, and extend it to all workers

They could also opt to re open talks with Naawu through their employer association outside the council or to bargain plant by plant with the union

Mr Ferreira said it was too early to say what option employers would choose, but it is understood that they are against plant-by-plant bargaining

● Naawu and employers are deadlocked on the union's demand for a R2,50-an-hour minimum wage — originally R3,50 Employers are offering R2,20 an hour

Naawu pulls out of negotiations

Cape Times 10/8/82

(192)

Own Correspondent

DURBAN — The National Automobile and Allied Workers Union (Naawu) delegation yesterday walked out of the Eastern Cape motor industries' Industrial Council meeting and the union has withdrawn from present negotiations

Naawu organizer Mr Les Kettledas said "As talk turned to whether the council should now apply for arbitration we made our position clear that we would not be party to such a decision'

Volkswagen and General Motors remained closed yesterday and Naawu members at Ford did not report for work

New offer

A formal dispute was declared last month and the resulting Industrial Council meeting adjourned last Thursday when employers made a new offer of R2 20 an hour — 5c up on their previous offer

Naawu has demanded an immediate R2,50 an hour minimum wage with six monthly increases up to an eventual R3,25

When the council reconvened, the union reported its members' rejection of the employers new offer

'Employers said they were not in a position to increase the offer and no further negotiation took place on the issue,' Mr Kettledas said

The employers and the SA Iron and Steel Workers Union then decided to settle for arbitration and the Naawu union delegation withdrew from the council he said

Mr Kettledas said the union had withdrawn because "we felt this was not the proper course of action to take, as it should have been settled between the parties concerned"

General Motors announced that its plant would not re-open till tomorrow This followed Friday's walkout by the entire workforce

At Volkswagen preparations were being made to open certain departments today The Uitenhage plant shut down early last week following a go-slow by workers

A company spokesman said the decision to reopen the plant had followed discussions with employee representatives Production should be back to normal tomorrow, he said

At Ford, the industrial relations manager, Mr Fred Ferreira, said all the plants were operative but there was a "fairly high" worker absenteeism

According to worker reports only Ford's Cortina and engine plant were in full production

Post Focus

192 E-Post 11/8/82

Labour unrest threatens entire E Cape economy

By JERRY McCABE
Post Reporter

THE entire economic structure of the Eastern Cape is threatened by the labour unrest which has crippled the vital motor industry over the past several weeks, leading Eastern Cape industrialists and economists said this week

Describing the deadlocked wage dispute as 'cause for great concern', they said they foresaw "very grave consequences" to the area's economy

"When the motor firms catch a cold, the rest of the Eastern Cape catches pneumonia," said Mr Brian Matthew, executive director of the Midland Chamber of Industries "Without the motor industries there would be no Eastern Cape economy"

He said the fact that the three motor firms were not at full production and that their workers were forfeiting their wages would have a ripple effect and would filter right through the economy

The three motor industries employ a workforce of more than 15 000 people, while industries which supply the motor firms provide employment to many thousands more

Directly or indirectly, these people and their families rely on the motor industries

Mr Dennis Creighton, president of the Port Elizabeth Chamber of Commerce, said it was important for the community to acknowledge the dependence of everyone in the Greater Algoa Bay area on the motor industry

"They must realise that the livelihood of at least half of the population is dependent on a healthy and thriving motor industry," he said

He said he felt the wage levels paid within the motor industry would also have a ripple effect throughout commerce and industry in the region

"Unrealistic demands may have the effect of greater mechanisation within the existing industries and the switchover to labour-saving methods," Mr Creighton said

It was ironic that the current labour issues occurred against a background of an "extremely high unemployment rate", Mr Creighton said

Dr C Wait, senior lecturer in economics at the University of Port Elizabeth, saw the role of the motor industry in the Eastern Cape economy as "the goose that lays the golden eggs"

Dr Wait said the current deadlocked wage dispute could severely hamper the competitiveness of Eastern Cape industries on local and foreign markets

"For example, there is potential for exporting motor components from this area and I fear excessive wage increases will price these component manufacturers out of the foreign market"

He said extensive wage increases would set a wage spiral in motion which would increase the cost structure of all Eastern Cape industries

"If wages go up in the motor industry then it syphons right through to everyone This would nullify the economic benefits which could have been gained from the recently-announced Government incentives for the promotion of development in this region," Dr Wait said

All sectors which relied on the purchasing power of employees of the motor firms would be economically affected

"This could go all the way to the farmers of the region" he said

While the goose is alive, well and laying, then all is well in the economy of the region

But what if the goose should decide to move to another region to lay its eggs?

Expensive and unstable Eastern Cape labour could make the lucrative Witwatersrand seem more and more attractive to Ford, GM and Volkswagen

"It will be a major catastrophe to the local economy There could even be a famine in the area," was the pessimistic view of Port Elizabeth's Mayor, Mr Hendrik van Zyl Cillié

"These unions don't realise that if they continue downing tools the motor industries may decide to move away and that they will be the losers"

Of major concern to economists and businessmen spoken to, was the possibility that prospective developers for the region would be frightened away by sporadic industrial unrest and that this would be a major setback to the region's economy

"The actions of the unions and their members have now reached a stage where they are seriously harming efforts by public bodies in this area to promote industrial development and the consequent provision of more job opportunities,' Mr Ronnie Kruger, chairman of the Port Elizabethse Afrikaanse Sakekamer said

He said that although the sakekamer acknowledged the right of the worker corps to negotiate for the best possible conditions of employment no society could allow labour intimidation to disrupt production and harm the economy

'All in the Eastern Cape are the losers in the present dispute, but the workers have more to lose than anybody else," he said

Already, as was reported in the Weekend Post on Saturday, several industrialists have changed their minds about investing in the Eastern Cape and have cited the labour unrest as a reason for their decision

The economic effect this "scaring away" of developers will have on the economy of the area, is "incalculable", according to economists

The general feeling among those interviewed was that, in the present economic climate, the Eastern Cape could not afford the problems of labour unrest — a situation that could irreparably harm economic stability and development in the region

The Eastern Cape and Border region is known to have the highest unemployment figure in the country and a withdrawal by the motor firms would leave further thousands without work

The prolonged wage dispute between the National Automobile and Allied Workers Union (Naawu) and the motor companies has already cost the Eastern Cape economy several million rands

At the Volkswagen plant alone, striking workers have forfeited more than R1 million Workers at GM and Ford are believed to have lost similar amounts in wages

"The loss of this money clamps down on the purchasing power of the region," Mr Ruben Els, public affairs manager for Volkswagen, said

Mr Rod Ironside, assistant managing director of General Motors South African, said that, from an industrial point of view, the inevitable consequences of the dispute were the curtailment of manufacturers' products and a loss of sales

"The total economic effect on the area can only be detrimental"

Mr Ironside said another important matter was the effect the work stoppage was having on families who have had to lose earnings

Mr Freddie Sauls, general secretary of Naawu, which has been at the centre of the wage dispute, declined to comment on the effect the wage dispute was having on the economy

10-day closing for Ford plants

CAPE TIMES 11/8/82

Own Correspondent

PORT ELIZABETH — The Ford Motor Company yesterday announced that all its Port Elizabeth plants would be closed until August 20, after workers at the company's Neave plant had downed tools and walked out at midday

Reaction Unit police in camouflage uniforms were stationed at both Ford and General Motors yesterday and workers emerging from the Neave plant were told their gathering on the pavement outside the plant was illegal They were given two minutes to disperse

Workers said they walked out yesterday in protest at the firing of six of their collegues and the suspension of a seventh on Monday

Ford's director of industrial relations, Mr Fred Ferreira, confirmed the dismissals saying the six had been fired for "their participation in the hooliganism at the plant on Friday"

He could not confirm the suspension of the seventh man

It was reported on Friday that fighting between workers who downed tools and those who wished to continue their shifts had resulted in 11 people being injured

However, the National Automobile and Allied Workers' Union (Naawu) said earlier this week that efforts to confirm the alleged acts of violence and intimidaton had been unsuccessful

'Saw no acts'

Workers interviewed said they did not know of anyone who had been injured on Friday and said they had not witnessed acts of violence

The whole factory was closed last month after deadlock in wage negotiations in the Industrial Council for the motor-manufacturing industry in the Eastern Cape had sparked off a strike by more than 10 000 Naawu members

The Volkswagen and General Motors plants were also closed

Production has repeatedly been disrupted since the three companies reopened

Mr Ferreira said Ford would be closed today "as a result of work stoppages" It would reopen on August 20

Holiday pay

About 5 000 hourly workers affected by the closure would receive three days' holiday pay, he said

At General Motors yesterday, several hundred people arrived for work to find the gates closed

A Naawu spokesman said there was confusion about the reopening of the plant, which closed on Friday, because the union had not had time to contact all its members after being informed by management on Monday that the plant would reopen only today

s after taking the South Africa
Good Hope Centre last nigh
ournament, back page

Carl Rogers in SA

Report,

Business and Shipping

Car dealers expect slump in July sales

192 E. Post 11/8/82

By LOUIS BECKERLING
Business Editor

CAR sales for July are due to be published shortly, though judging from comments ahead of the official Naamsa statistics the figures will reveal a slump of between 10% and 25% on June figures

And in the face of mounting pressure on dealers to shift costly stocks the price war raging in the retail trade can be expected to increase in intensity

"People can virtually write their own deal today," comments Mr Rudi Burger, of Kahns

A quick canvas of opinions among PE's dealers yesterday revealed generally depressed expectations for July, though such spokesman as Mr Colin Robertson, of Algoa Toyota, emphasised that the drop in sales was from an exceptionally high base in June

"July figures will probably be 10% to 15% down on June

"My information is that the Reef has stood up well, but the coastal areas have shown a decline"

Mr Robertson's comments come shortly after the release of Toyota's interim report, which showed pre-tax profit down 35% from R35,4 million to R23 million in the six months to end-June

This poor peformance was recorded despite a *rise* in the group's sales of 16,2% (from 41 646 units to 48 386 units)

Mr Robertson candidly admits that the pressure on Toyota to maintain its 20% market share played its role in reducing profitability, but that the major reason for the drop in profits was the sharp drop in the value of the rand against the yen during the first six months of the year

"But we are having pressure put on us by the factories who can't keep vehicles in their yards, and with the price of money what it is today we can't hang onto stocks too long either — unfortunately"

The squeeze on profits is even more dramatically underlined in the annual report from Ford dealer Eriksen

Commenting in the Financial Mail on the drop from R2 million to R154 000 in pre-tax profits, financial director Mr Ron Fitzhenry claimed Eriksen was locked into three-month buying contracts and got "caught with its pants down"

Back in PE Mr Burger, Kahns's sales manager for GM products, anticipated a 25% drop in total sales for July

"People are shopping around and basically at this time the main in the street can virtually write his own deal"

However, for reasons he could not explain, August sales had shown a sharp recovery in the first 10 days of the month

"We did 55 new units last month (compared with 80 in June), but now, on August 10, we're already on 30 new units," said Mr Burger

Pioneer Ford's Mr Rolf Lippstreu reluctantly joined the guessing game, and predicted total sales of around 23 500 for the month

"But the year as a whole will remain a good one and I endorse predictions of total sales of between 270 000 and 290 000"

Mr Hugh O'Mahoney, recently installed at Datnis in Port Elizabeth, said figures would show a drop of around 15% in July

"But what worries me is that factories have a seven-month lead time.

"They can't adjust their orders too far away, and they're going to be doing their numbers, which means that the motor dealers will have to do their numbers

"The question therefore is at what price?

● The comments from motor industry spokesmen come shortly after the publication of an "advance-warning" check-list of the impact on different industries exercised by the business cycle

The study, published in the latest issue of *Barclays Brief* measures the volatility of different industrial sectors and contrasts this with a "standard deviation" of the year-on year percentage changes in production and in profits before tax for the various sectors over the past eight or nine years

The authors point out that a "standard deviation of 3,5 indicates a low level of volatility and hence a steady performance and a low level of susceptibility to the business cycle"

And what industry recorded the highest level of volatility as far as productive output is concerned?

Strangely enough tobacco products showed the greatest sensitivity to swings in the business cycle, with a "volatility" of 26,1

Next was the motor industry with a figure of 16,4

Measuring the year-on-year changes in trading profit over the period 1971 to 1980, the authors of the analysis discovered that the single largest increase in profit in the motor industry in any one year was 65% (highest was the fishing industry with 107%), and the single largest fall in profits was 12,7% (compared with fishing's 41,2% drop)

Production at GM at a standstill

E. Post 11/8/82 192

By SANDRA SMITH

PRODUCTION was again brought to a standstill at General Motors today when workers downed tools

The plant resumed normal production today after it closed on Friday when workers refused to work

Today's stoppage followed the sacking of 18 workers, one a shop steward, in connection with incidents when some workers allegedly assaulted others and destroyed company property on Friday

GM's public relations manager, Mr Peter Sullivan, said the company anticipated normal production tomorow

Production returned to normal at Volkswagen today after it closed last week when workers mounted a go-slow

Meanwhile, the Ford company today closed all its Port Elizabeth operations until August 20 after work stoppages last week and yesterday

About 1 000 workers gathered at the gates of the Neave plant in Henry Ford Road today The plant closed yesterday afternoon when employees downed tools after the sacking of six workers, one a shop steward

Ford's director of industrial relations, Mr Fred Ferreira, said the four plants were being closed "as a result of the work stoppages"

The National Automobile and Allied Workers' Union (Naawu), which withdrew from the Industrial Council for the Motor Manufacturing Industry this week when it was decided to refer a dispute to arbitration, will approach the three employers to negotiate individual in-plant agreements

● The international Union of Automobile Workers (UAW) has written to GM and Ford in the United States calling on the companies to "use your personal influence to resolve as soon as possible" the "critical situation" in the Eastern Province motor-manufacturing industry

The letter to GM said "The wage proposals presented by the union to GM in South Africa are fair and responsible"

Letters to both companies said Naawu's wage demand was based on "solid and sound economic reasoning"

"In the face of 16,5% inflation it is extremely important that the unions secure for their members significantly more than the 7,5% offered by your subsidiary," the letter said

E Cape strikes affect liquor outlets

12/8/82 192

E. Cape

By SIMON BLOCH

ALTHOUGH striking workers in Port Elizabeth and Uitenhage have lost out on their wages during the past few weeks, turnovers at supermarkets do not appear to have been affected by the lesser spending power of the workless

But it seems that the luxury of liquor, often regarded as the panacea of the working class, has been relegated on the list of priorities of the new wageless

Supermarket spokesmen have reported that their businesses "are running normally without any noticable drop in turnover"

They said the buying power of the out-of-work employees was too scattered to notice any effect

However, liquor stores in the area today reported that their turnovers had taken a dive and they were feeling the pinch The manager of a bottle store near the General Motors plant in Kempston Road, Mr Piet Louwrens, said business was "definitely down and the turnover had dropped considerably — by about 20% to 30%"

He said workers at General Motors were the biggest source of income to his store, but they had not been spending as much since the unrest began

In Uitenhage, near the Volkswagen plant, and in Despatch, liquor outlets are also losing out as a result of the strikes

A spokesman for a large retail chain liquor store said that he had noticed a downswing in the spending power of black and coloured workers in the last two months.

"They're still coming in, but they are spending far less than previously," he said

"Instead of buying case lots, they are rather buying loose bottles

"And they are also changing to cheaper brands"

The manageress of another large liquor store confirmed the downswing

"I would say our figures are down by about 15% We usually have to fill our shelves about five times a week, but this week we have not done so once," she said

Chaos if motor firms pull out, Rive warns

192 E. Post 12/8/82

By JERRY McCABE

A DECISION by the Port Elizabeth and Uitenhage motor firms to move their operations elsewhere would bring "chaos" to this area, Mr Louis Rive, special adviser to the Government, said today

"It is a matter of great concern to me," Mr Rive, who is on a two-week visit to the Eastern Cape, said today

He said he realised that the area's basic problem was a lack of job opportunities and that there was a major unemployment problem

"What really worries me is what the motor industry's reaction with regard to this situation is going to be," he said

"They are competing against other motor companies and should they find themselves behind the other companies and facing losses they may later be forced to move elsewhere because of the unstable labour situation here"

Mr Rive, who is investigating the life of urban blacks in the Eastern Cape, said a move away by motor firms would make his job all the more difficult

"I am trying for an improvement in conditions for urban blacks and a further unemployment problem would make my task all but impossible," he said.

He said he did not know the issues at stake in the wage dispute and would like to hear both sides of the story

"I don't know what is in their minds and have not got a full understanding of the conditions, but if I can play a role in finding a solution I would certainly be willing to help"

Mr Rive said that, in his opinion, the wage dispute would benefit neither party involved

With regard to his work on the urban black situation, Mr Rive said he would be reporting to the Minister of Co-operation and Development, Dr Piet Koornhof, soon on his findings

55

Sackings: GM plant shut again

Cape Times 12/8/92

Own Correspondent

PORT ELIZABETH — General Motors again closed its Port Elizabeth plant yesterday after workers downed tools in protest at the firing of 17 colleagues

It had reopened yesterday morning after three days of closure followed the downing of tools on Friday

Mr Peter Sullivan, the firm's manager of public relations, said the company had taken "disciplinary steps against certain employees" following "incidents of intimidation and/or violence and damage to company property" he said occurred on Friday

It was anticipated that production would be normal again today

Earlier this week spokesmen for the National Automobile and Allied Workers Union (Naawu) said they had tried to get confirmation of the acts of intimidation and violence reported to have occurred at Ford and General Motors on Friday It had been unsuccessful

Mr Fred Sauls, the general secretary of Naawu, said it appeared the terms of the formal grievance procedure had not been adhered to in that the dismissed workers had not been given access to shop stewards

If it was found that some of the dismissed workers were not union members, Naawu would seek power of attorney to act on their behalf

The four Ford plants were closed yesterday after workers at the Neave plant downed tools on Tuesday in protest at the dismissal of seven workers

A company spokesman said they had been fired "for their participation in the hooliganism which took place at the plant on Friday" He said the closure of the factory until next Friday was "because of work-stoppages"

● Last night Mr Sauls said he had been mandated by the union executive to write to all three companies to request a date to begin in-plant negotiations

The union walked out of negotiations in the Industrial Council for the Motor Maufacturing Industry in the Eastern Cape on Monday when it was decided to refer the dispute in the council to arbitration

NRP scoffs at PFP optimism

Political Correspondent

THE New Republic Party yesterday rejected as "far-fetched" Progressive Federal Party designs on some 60 constituencies, including all eight seats held by the NRP

Mr Claude van Wyk, director of the NRP secretariat, discounted PFP suggestions that the NRP would be eliminated at the next general election

"When South Africa is starting to realize the NRP has the only practical plan for power-sharing, we believe our time for growth has arrived"

He was reacting to a statement by the leader of the Opposition, Dr Van Zyl Slabbert, that the PFP planned to increase its 26 seats to a minimum of 45 at the next election The PFP has since named the 60 seats it believes can be brought within its range

Mr Van Wyk said that last year's general election results showed how far-fetched Dr Slabbert's predictions were The NRP had polled more than double the number of votes drawn by the PFP in many of the seats the PFP now believed it could win with the PFP frequently coming third behind the National Party

He rejected in particular the PFP suggestion that it could capture the Durban Point seat of the NRP leader, Mr Vause Raw, or other NRP Natal bases like Umhlanga, South Coast or Umbilo

Another PFP target was King William's Town, the only Cape seat held by the NRP Both the NRP and the NP had polled nearly double the number of PFP votes

For the PFP to claim that Cape Nationalist seats like Algoa or Humansdorp were within its reach went "from the sublime to the ridiculous", he said. In Rosettenville and Turffontein, two Transvaal Nationalist seats earmarked by the PFP, the NRP had beaten the PFP

Accusing Dr Slabbert of having "a rush of blood to the head", he said the NRP had increased its number of public representatives in last year's election, after the PFP had predicted its demise with equal confidence

Whoops of joy and congratulations from ti election results greeted Mr Stuart Collins . Ivan Hampshire The first to hug Mr Coll wife

Hampshire, Johnstone los Divco seats

By JANE ARBOUS
Municipal Reporter

TWO long-standing divisional councillors, Mr Ivan Hampshire and Mr Ronald Johnstone, suffered resounding defeats in yesterday's election while two newcomers, Mr Tony Powell and Mr Willie Schultz, scraped home

One councillor, Miss Mary Olsen, lost her seat while another, Mr Dennis Lambert, kept his

A large crowd of supporters greeted last night's election results with roars of approval and blowing of motor car hooters at the council's headquarters in Wale Street

After a day of steady voting the men who got in with landslide victories were Mr Stuart Collins in Ward 2's Oranjezicht /Vredehoek area and Mr Jasper Walsh in Ward 7's Claremont/Kenilworth area

"It's nice to win" said a stunned Mr Collins, drew 1 072 votes to former council ch man's 483 votes in a of 20,6 percent

Mr Walsh, a finan consultant, swept in 1 365 votes, 744 more councillor Mr Johns

In Ward 5's Obs vatory/Mowbray/Ro bosch area, councillor Dennis Lambert held to a narrow 80-vote ity to defeat chall Mr Ludi Borckenha The lowest poll of percent was recor here

In Ward 8 — Milnerton/Brooklyn with the highest poll 27,4 percent — Miss O lost her seat to a c councillor, Mr To Powell, who won by votes

A Philippi farmer, Willie Schultz, defea Mr Robert Leslie by votes in Ward 11, was vacated by counc Mr Jimmy Earle

Blast on airliner kills boy

HONOLULU. — An explosion believed to have occurred under a passenger seat killed a 16-year-old boy and injured four people just before a Pan-American World Airways Boeing 747 airliner landed in Honolulu yesterday, airline officials said

All the casualties were Japanese

The jumbo jet, carrying 270 passengers and 15 crew from Tokyo, was flying at 8 000 metres when the explosion occurred

The inside of the aircraft was badly damaged and air pressure dropped, but the pilot landed the aircraft safely in Honolulu 23 minutes after the explosion, the officials said

Police and the FBI are investigating whether the explosion was caused by a device placed on board the airliner

The aircraft, flight 830, had been scheduled to continue to Los Angeles

When air pressure dropped in the cabin the pilot brought the aircraft down from 8 000 metres to 3 100 metres, airline officials said

The injured were said by airport officials to be in satisfactory condition — Sapa-Reuter

Sackings bring GM plant to standstill

PORT ELIZABETH — Production was brought to a standstill again at General Motors yesterday when workers downed tools in protest at the sacking of colleagues

The plant had resumed normal production in the morning after its closure last Friday when workers refused to work

Yesterday's stoppage followed the sacking of 18 workers, one a shop steward, in connection with incidents on Friday when some workers allegedly assaulted others and destroyed company property

GM's public relations manager, Mr Peter Sullivan, said the company expected normal production tomorrow

Production returned to normal at Volkswagen yesterday following the plant's closure last week in the face of a workers' go-slow

Ford closed all its Port Elizabeth operations until Friday next week after work stoppages last week and Tuesday

About 1 000 workers gathered at the gates of Ford's Neave plant yesterday The plant had closed the previous day after employees downed tools in protest at the sacking of six workers, one a shop steward

After waiting outside the factory under the watchful eyes of police, the workers were taken by bus to a meeting at a nearby community centre

Ford's director of industrial relations, Mr Fred Ferreira, said the company's four plants were being closed "as a result of work stoppages"

The closures would enable the company to "realign stocking levels and redraft forward production schedules"

About 5 000 hourly-paid workers would be affected, he said They would receive three days' leave pay during the closure

The National Automobile and Allied Workers' Union (Naawu), which withdrew from the motor industry's industrial council this week when it was decided to refer a dispute to arbitration, will approach the three employers to negotiate individual in-plant agreements

The international Union of Automobile Workers (UAW), meanwhile, has written to GM and Ford in the United States, calling on the companies there to help resolve the "critical situation" in the Eastern Cape motor industry

The letter to GM said "The wage proposals presented by the union to GM in South Africa are fair and responsible"

Letters to both companies said Naawu's wage demand was based on "solid and sound economic reasoning"

"In the face of 16,5% inflation, it is extremely important that the unions secure for their members significantly more than the 7,5% offered by your subsidiary," the letter said — Sapa

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered), leave columns (2) and (3) blank

	Internal	External
(1)	(2)	(3)
3	5	
4	55	
Examiners' Initials		

Subject ECONOMICS II
(to be copied from the heading on the Examination Paper)

Paper No PAPER 1
(to be copied from the heading on the Examination Paper)

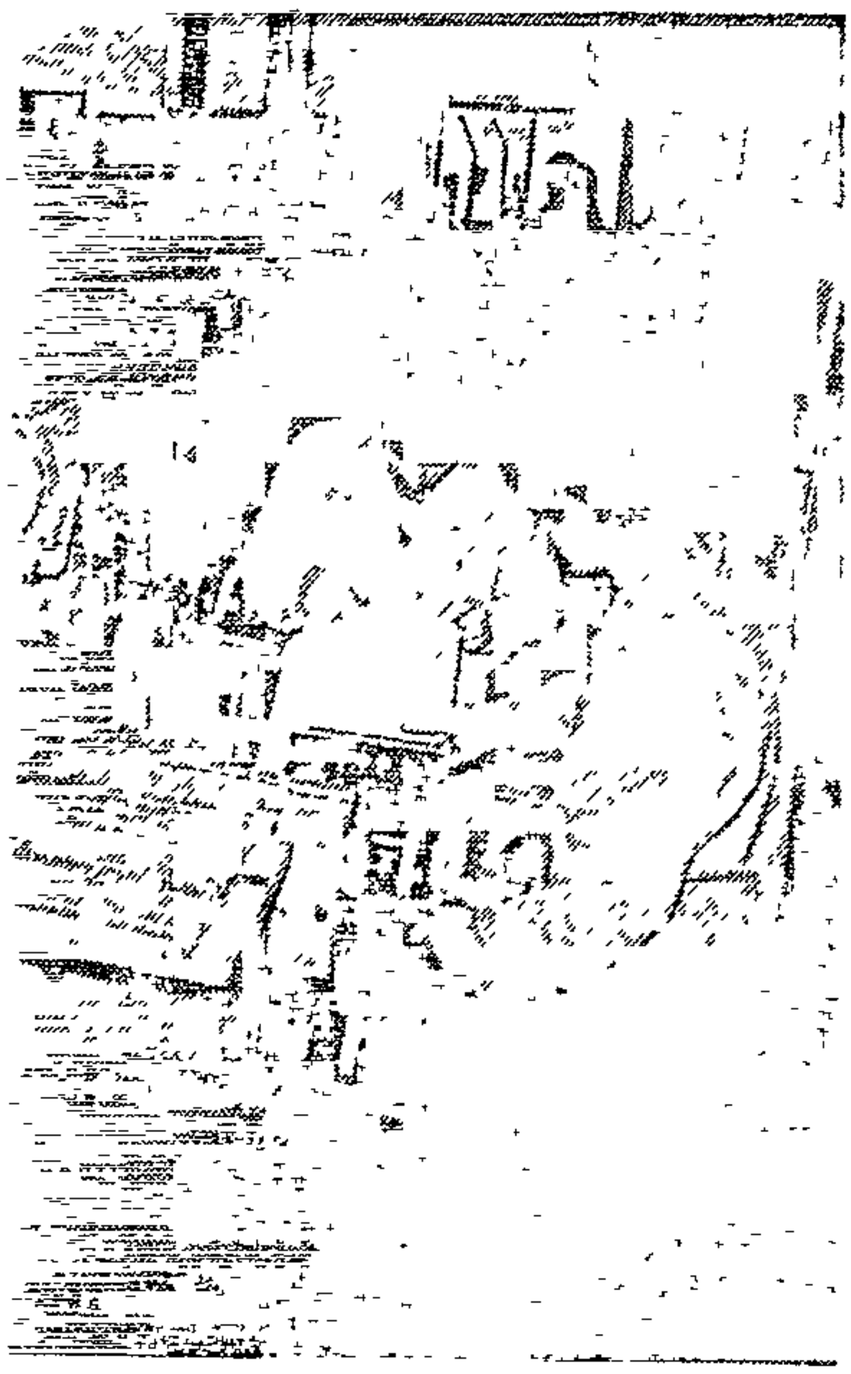
NOTE CAREFULLY

1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
2 Blue or black ink must be used for written answers The use of a ball point pen is acceptable Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
3 Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book (s) are used

WARNING

1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed
2 Candidates are not to communicate with other candidates or with any person except the invigilator
3 No part of an answer book is to be torn out
4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University



enhage is equipped with the most up-to-date equip-
s 222 apprentices at present

VW gets a R1-m training centre

Star 12/8/82

192

Volkswagen's extensive apprentice training operation has moved into a new R1 million centre in Uitenhage

Industrial relations director Mr Ollie Rademeyer said apprentice training now which accounted for R3 million of the total annual education and training budget of R4.5 million

"At present we have 222 apprentices undergoing training in six trades, consisting of toolmaking, turning, motor mechanics, machine fittings, electricians and welding We also have people undergoing general pre-apprentice training," said Mr Rademeyer.

BLACK ARTISANS

Last year, Volkswagen was the first company in South Africa to qualify black artisans through its apprentice training programme

"We will have many apprentices qualifying this year, but even taking this into account, the total number of apprentices in training will increase to just under 300 in 1983 and to more than 450 a year by 1987"

Mr Rademeyer said that greater attention was also being paid to the training of semi-skilled workers

"We are now running such programmes aimed at improving the administrative, supervisory, inter-personal and technical skills of the supervisors The emphasis is on equipping the supervisor with the necessary skills needed to perform his very important function rather than providing him with a lot of theory"

In addition, Volkswagen is concentrating on providing assistance in education to the community at large, running programmes such as

- An ongoing careers guidance programme at local high schools
- Extra lessons for Black matriculation pupils
- A holiday school for teacher training

Said Mr Rademeyer "It is no good for industry to sit back and wait for education to be improved, industry has to get involved and play its part in providing better teaching and job opportunities"

Subject .....

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Paper No Paper II

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	ners Initials		

NOTE CAREFULLY

1 Enter at the top of each page and i of the block on this cover the nu question you are answering
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4 Do not write in the left hand margin

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Unionists 'should look at car sales'

E. Post 12/8/82 (192)

Business Editor

TRADE unionists who have asked to see Port Elizabeth motor manufacturers' balance sheets need look no further than the latest car sales figures to be persuaded that all is not well in the local industry, according to Mr Tony Gilson, secretary of the Chamber of Commerce.

"And if the sliding fortunes of Ford, Volkswagen and General Motors fail to convince workers that their very future is on the line, then they can do worse than looking at the profit performance of the public companies in the industry — Toyota and Eriksens."

Mr Gilson's comments follow news that all three local manufacturers have again lost ground in the highly-competitive motor market.

● Full report — Page 12

GM opens again after walkout

E. Post 12/8/82

By SANDRA SMITH

PRODUCTION resumed at General Motors today, leaving only Ford's Port Elizabeth plants closed after a strike, go-slows and walkouts in the Eastern Province motor manufacturing industry during the past month

GM closed yesterday after workers downed tools when 18 employees were dismissed in connection with alleged assaults and damage to company property on Friday

Ford has closed its Port Elizabeth operations until August 20, after repeated work stoppages

At Volkswagen, production returned to normal yesterday, after the Uitenhage plant closed last week when workers started a go-slow

The disruptions in production came after a dispute was declared in the Industrial Council for the local motor industry on the issue of minimum wages

The National Automobile and Allied Workers Union (Naawu), which represents about 10 000 workers in the Eastern Province motor manufacturing industry, withdrew from the council this week when the dispute was referred to arbitration

The union intends pressing ahead with individual bargaining with the three manufacturers, who have not indicated whether they will be prepared to conclude in-plant agreements

(192) E. Post 12/8/82

Worst fears for car sales not realised

By LOUIS BECKERLING
Business Editor

THE worst expectations of Port Elizabeth motor dealers were not fulfilled when vehicle sales figures for July were published yesterday — though total units sold were nonetheless 10% down on June's figures.

At 25 619, new car sales for July were marginally up on sales during the same month last year (25 804), but 10,13% down on June's figure of 28 507. Commercial vehicle sales totalled 11 693 — 12,65% down on June's figure of 13 387

The surprising buoyancy of car sales (some dealers anticipated a slump of up to 25%), may in a large measure be attributed to continued strong performances from market-leader Toyota

Indeed, Toyota spokesmen were quick to point out that the company had now opened up a lead of over 3 000 units (cars and commercial vehicles) with its record share of 24,7% of the total vehicle market.

Of cold comfort to Port Elizabeth's big-three car manufacturers, is the fact that Toyota's sustained market share has cost the company dearly

The dramatic slump in Toyota's mid-year profit performance (see yesterday's business page), is at least partly attributable to the aggressive marketing campaign launched by Toyota in order to maintain its dominant position

Ford's market share is now 12,28% (18,4% for the same month last year), General Motors has dropped from 10,8% in July last year to 7,58%, and Volkswagen is now on a market share of 11,74%, compared with 17,8% last year.

In volume terms in the car market, Toyota sold 5 697 units, Sigma sold 5 497, Ford took third spot with 3 147, Volkswagen was fourth on 3 008 and Datsun was fifth with 2 046

Best-selling individual models were Mazda 323 (4 187), Toyota Corolla (3 206), Cressida (1 837), Golf/Jetta (1 813), Cortina (1 512), Escort (1 335), Mercedes Benz (1 283), BMW 5-series (1 094), Kadett (966), and Pulsar (869)

A detailed breakdown of the July sales' figures (with market share in brackets) follows

- Toyota — 5 697 (22,4%)
- Sigma — 5 497 (21,46%).
- Ford — 3 147 (12,28%).
- Volkswagen — 3 008 (11,74%)
- Datsun — 2 046 (7,99%)
- GM — 1 941 (7,58%)
- Mercedes Benz — 1 713 (6,69%)
- BMW — 1 404 (5,48%)
- Alfa — 664 (2,51%)
- Leyland — 505 (1,97%)

Top-three truck manufacturers were Toyota, with a market share of 30,17%, or a total of 3 258 units, followed by Datsun (26,20%; or 3 063 units) and General Motors (12,06%, or 1 410 units)

10% of the total

TRUCKS (192) FM 13/8/82

All downhill

Good news from the inflation front — the vicious spiral of new truck prices is starting to level off

Main reason is that the rush to buy vehicles fitted with imported rather than locally-made Atlantis Diesel Engines (ADE) has petered out before some imported stocks And ADE MD Hartmut Beckurts says that stocks of certain truck makes with imported engines will clear only by the middle of next year

One result of these heavy inventories is pressure on prices Says Dave Marshall, marketing director of UCDD, distributor of Mercedes Benz vehicles "The cost of holding inventory is very high these days And the need to reduce this will bring price stability for the time being"

In addition to its inventory problems, the industry is also facing some gloomy sales projections UCDD estimates that next year's sales for trucks above 5 000 kg GVM will be in the region of 16 000 — 20% down on this year's projected sales of 20 000

Says Marshall "There is no doubt that the economy is moving into a strong downturn It was already showing in the reduction in sales since April, and we see it continuing in this way

"We have been in a totally distorted sales situation in the first six months of the year because most manufacturers have been holding pre-ADE stock which they have been selling at heavily cut prices"

And Beckurts notes that vehicle manufacturers who accepted the ADE engines from the outset now find themselves at a big disadvantage by having to sell against models fitted with imported engines because these are being offered at discounts

Beckurts also makes the point that certain truck builders are paying more than others for their ADE engine installations because of their reluctance to make design changes to accommodate the new engines This reluctance, he says, has resulted in a need to design and manufacture expensive unique components to integrate the ADE engine and chassis

"The overall benefits of the ADE project will become clear when the whole vehicle population has been standardised on ADE engines," he says "Savings due to the rationalisation effect of parts and maintenance will reduce operating expenses appreciably, and fuel savings that are already being reported"

IOTOR INDUSTRY DISPUTE

FM 13/8/82

More than just wages

(192)

seems as if abnormality is becoming the rm," complained an exasperated Eastern pe motor industry executive this week e cause of his ire was the protracted ge dispute between employers and the tional Automobile and Allied Workers' ion (Naawu), which seems likely to conue for some time

However, there are some employers who be the dispute may result in a fundamen- restructuring of the way in which lective bargaining has been conducted in industry In recent years a dualism has veloped in this process, with the Motor sembly and Components Workers Union SA (Macwusa) refusing to join the indusal council of which the SA Iron and Steel l Allied Workers' union and Naawu are mbers

These employers believe that Naawu's cision to quit the industrial council this ek provides a valuable opportunity to plore the possibility of creating a new lective bargaining structure which is actable to all parties

"I think there are more opportunities in problems," says one of the most experienced industrial relations practitioners in the industry

That may be so, but there is little doubt that difficult negotiations lie ahead over the most immediate problem — the pay dispute Employers are offering a R2,20/hour minimum wage (up 5c on their previous offer), while Naawu is holding out for an immediate minimum of R2,50/hour, rising to an eventual R3,25 at the end of two years Its initial demand was for a R3,50/hour minimum

The union quit the council on Monday because it felt this was the only way to avoid submitting to arbitration of the wage dispute It still supports the principle of industry-level bargaining, and says it will return to the council after the dispute

Naawu's actions reflect a more considered approach taken by some unionists towards the issue of arbitration They are increasingly drawing a distinction between a dispute of interest (for example, an impasse over wages) and a dispute of right (where the impasse concerns a disagreement over the implementation of a negotiated procedure)

They are opposed to arbitration over a dispute of interest, but see it as a possibly valuable mechanism in dealing with the dispute of right

Employers tend to see the distinction as an academic one, however So far they are not commenting about how they intend responding to Naawu's insistence that pay negotiations should be held with individual companies A better indication of their intentions should emerge after an industrial council meeting next week

Meanwhile, although production had resumed by midweek at the Volkswagen and General Motors plants, Ford had announced a week-long production stoppage to "realign stocking levels and redraft forward production levels"

A CUT IN TIME

(192) FM 13/8/82

Atlantis Diesel Engines (ADE), the IDC-financed diesel engine manufacturer, has not been caught napping by the anticipated nose-dive in heavy truck sales It has cut production — ironically, as its new cylinder head and block machining lines came on stream

Says MD Hartmut Beckurts "Our stock of Daimler Benz-derived (DB) engines is 1 700 right now and our Perkin-based engines stock is 1 400 The off-take is 1 200 DB engines a month and 800 Perkins

"By no stretch of the imagination can we believe that this is an overstock position, although I would personally prefer to see stocks a little lower at about one month's supply"

Truck builders say a reason for ADE's relatively healthy stock position is that it insists on an effective 11-month lead time from its customers — a period far greater than most other automotive component suppliers can demand

"There have been no staff lay-offs and there will be none," says Beckurts "We are not hiring new staff and where the production lines are slack we are retraining personnel for other areas

"The quiet times have given us the chance to do some housekeeping We are taking the oportunity to improve our component quality control, validate tooling and tie up loose ends in areas which could be neglected when times are busy"

For 507 layoffs in Ford

By SANDRA SMITH

E. Post 3/8/82

THE Ford Motor Company today laid off 507 hourly paid workers because of the slump in the South African economy.

Those affected were told of the move in a letter when they collected their pay packets

At the Neave plant, where 330 are believed to have been laid off, workers were paid through the fence instead of inside the plant

Five police vehicles were parked opposite the plant and reaction squad police in camouflage uniform watched the payout There were no incidents

Ford's Port Elizabeth operations have been closed down until August 20 after repeated work stoppages in the wake of a dispute in the industry's Industrial Council

In a statement today, Ford's director of industrial relations, Mr Fred Ferreira, said "The need to reduce our work force has been occasioned by the worsening economic situation

"As shown by July sales results, the economy is now firmly set on a downward phase of a cyclical adjustment, which is not expected to show any relief in the near term"

The high sales in the industry in recent months had largely been due to the market having been artifically stimulated

Ford now expected a marked decline in the demand for new vehicles, and had accordingly found it necessary to align labour requirements with lower production levels

The company had delayed laying off workers for as long as possible through shorter shifts and working weeks and the non-replacement of staff leaving

"This latest action, combined with the three days paid leave being taken by hourly paid employees during the current shutdown, should stabilise production and minimise any effect should future sales fall below current projections," Mr Ferreira said

The trade unions were kept appraised over the past three months of the possible need to observe a mid-year shutdown and to effect lay-offs he said

"We regret this action but the alternative of continued excessive short-time can no longer be considered because of the impact on workers' income"

General Motors and Volkswagen said today they did not expect to retrench workers in the near future

VW's manager of public affairs, Mr Ruben Els said VW did not have plans to retrench staff at present

"In the current economic climate the position will have to be reviewed on a continuing basis in relation to the vehicle market and the company's overall performance" he said

VW laid off 316 workers in April

The director of the Midland Chamber of Industries, Mr Brian Matthew, said the lay-offs were not unexpected

He said it was forecast last year the passenger car market would be below last year's record in 1982

During the first six months of this year car sales had held up well If the market was down by a predicted 10 to 12% at the end of the year, it mean that there had been a big downturn during the second half of the year

"Taken together with the local motor industry's declining share of the market, lay-offs are not really unexpected," Mr Matthew said

The National Automobile and Allied Workers' Union was unable to comment as it was holding urgent meetings to discuss the matter

R42-million lost in motor strikes

CAPE TIMES 13/8/82

Own Correspondent

PORT ELIZABETH — Two of the three strike-ridden Eastern Cape motor manufacturing giants, have together lost about R42-million in revenue and production and 11 400 workers have lost about R2-million in unpaid wages since the start of the troubles on July 15

These figures were released by spokesmen for Ford in Port Elizabeth and Volkswagen in Uitenhage yesterday

General Motors, which has 4 000 hourly-paid workers declined to supply figures but said that the effect on families in loss of earnings through work stoppages was of particular concern to the employers

GM's assistant managing director Mr Rod Ironside, said that despite repeated appeals for responsible action and a realistic approach compensation, the economics of the situation were not being viewed on a rational basis

Volkswagen's public affairs manager, Mr Ruben Els, said that with R96 000 as the daily pay packet for the company's 6 000 hourly paid workers unpaid wages totalled more than R1-million in 12 working days lost from July 15 to Tuesday this week

Mr Els said that over the 12 days the company had lost R24-million in production turnover

Ford's public relations officer Mr Harry Hill said the company was working on a figure of R100 000 a day for its 5 400 hourly-paid workers

In nine lost working days and six days of interrupted production, workers had lost about R1-million in wages

The figure did not include Ford's present closure from Wednesday this week to August 20 during which workers would get three days' holiday pay

With daily revenue losses estimated at about R2-million, the company had lost R18-million in the nine days' shutdown

He expressed particular concern for the large number of workers who were compelled to lose earnings because of the actions of others

Inevitable industrial consequences were that manufactured products had been curtailed and sales lost

● Production resumed at General Motors yesterday, Sapa reports, leaving only Ford's Port Elizabeth plants closed after a strike, go-slows and walkouts in the Eastern Province motor manufacturing industry during the past month

General Motors closed on Wednesday after workers downed tools when 18 employees were dismissed in connection with alleged assaults and damage to company property on Friday

At Volkswagen, production returned to normal yesterday after the Uitenhage plant had closed last week when workers started a go-slow

Car workers are prepared to suffer in wages fight

192

E. Post 14/8/82

By SANDRA SMITH

DISRUPTIONS in production at the three Eastern Province motor manufacturers — Ford, General Motors and Volkswagen — by strikes, go-slows and stoppages since a deadlock in wage talks, have meant a hard time for thousands of workers

Many workers at VW have lost about 13 days' full pay, those at GM about 11 days' pay, and when Ford re-opens on August 20, many workers will have lost about 22 days' wages

Weekend Post interviewed workers from the three companies this week to find out how they and their families were affected by the lighter pay-packets

The interviews were granted on the understanding that the Weekend Post would not name the workers

One worker said he had been employed by Ford for 27 years and took home an average of R89 a week before overtime work.

He supported a wife and six children, five of them at school and one at university.

"It has, of course, been difficult to get by but we are not complaining or begging from anyone," he said

His daughter was a nurse who had "helped out", although since the first walkout at Ford the family had eaten less than normal

"Some wives are worried, especially when they hear about the police outside the factory gates," he said

"However, my wife realises all of this is necessary if we are to get the wage we want"

Workers were prepared to accept the lighter pay packets they would receive if the companies went on short-time, rather than see their colleagues retrenched, he said

Another worker who had been employed at VW for three years said he took home an average of R160 a fortnight to support is wife and two small children

His rent was R32 a month, and he was also paying off furniture and clothing accounts

"We were out during 1980 for three weeks, and no-one starved People help each other and somehow we manage," he said

Men with family responsibilities were firmer in their resolve to achieve 'a living wage" than those with none, he said.

Another VW worker had seven children, all at school, and earned about R109,12 a week

"There have been times — in April when we went out over the retrenchments, and these last few weeks — when we have eaten nothing but bread and pap," he said

The worker's three eldest sons had been picked to attend an athletics meeting with their school in Durban in September, but the family was unable to afford the R80 each that this would cost

A GM worker for 24 years who earned R70 a week before overtime, on which he supported a wife and six children, said

"This morning there was nothing to eat in the house The children had to go to school hungry. I had 29c and a loaf costs 30c, so we had to ask the neighbours for a cent"

The family ate meat only on Sundays

"My eldest boy has gone to school this winter without shoes It's a damned shame!" he said

"But for my children's futures, I must stick with our wage demand to the end"

All the workers interviewed who had children at high schools complained that teachers made unrealistic demands on them They said the children came home with repeated requests for money for stationery and donations

At many schools children were also sent home if they did not wear the full school uniform, they said.

Ford operations in PE closed and some workers laid off

(192) ~~(190A)~~ E. Post 14/8/82

By SANDRA SMITH

THE Ford Motor Company closed down all its Port Elizabeth operations and laid off 507 hourly-paid workers this week, a move which could prolong the continuing disruptions to production in the Eastern Province motor manufacturing industry

The industry has seen a month of go-slows, work stoppages and a strike after a breakdown in talks with the Industrial Council for the Motor Manufacturing Industry

On Tuesday, Ford announced the closure of its four Port Elizabeth plants for 10 days after repeated work stoppages

Yesterday it laid off 507 workers because of the worsening economic situation

The National Automobile and Allied Workers Union (Naawu), which represents about 10 000 workers, has warned that workers "cannot be expected to be passive and without resistance" to the move

Members of a rival union, the Motor Assembly and Component Workers Union of SA (Macwusa), have also been hit by the lay-offs, and Naawu shop stewards say this will act as a unifying factor

This week the Naawu delegation to the Industrial Council pulled out of talks when a dispute was referred to arbitration by a third party

The union is now pushing for individual bargaining with the three motor manufacturers, who have not indicated whether they will be prepared to conclude in-plant agreements

Workers at General Motors downed tools on Wednesday when 18 employees were sacked in connection with alleged assaults and damage to company property the previous week The plant had just opened after closing on Friday, when workers downed tools

Following the retrenchments at Ford Naawu has demanded that all those paid off be re-instated unconditionally; that the union is consulted on any plans to reduce the work forces of any of the motor manufacturers, and that any retrenchments take place in consultation with employees

507 motor workers affected

Lay-offs spark fresh fears of unrest at Ford

[illegible] [illegible] 192 RDM

14/8/82

By STEVEN FRIEDMAN
Labour Correspondent

THE Ford Motor Company is laying off 507 hourly-paid production workers at its Port Elizabeth plants, sparking fears of a new confrontation between it and the National Automobile and Allied Workers' Union

The announcement came days after Ford closed its plants because of work stoppages by Naawu members The stoppages were prompted by the deadlocked pay dispute which has led to repeated stoppages at Eastern Cape motor plants

And last night Naawu sharply attacked Ford for the lay-offs, saying its members would not react "passively and without resistance" Workers would meet on Tuesday to discuss further action, it said

The union demanded the unconditional reinstatement of laid-off workers and consultation with workers on any staff reduction

The lay-offs come only days after the announcement of unexpectedly high July car sales But in a statement announcing the move, Ford's industrial relations director, Mr Fred Ferreira, said the company expected a "marked decline" in the sale of new vehicles

He said unions at Ford had been "kept apprised over the past three months of the possible need to observe a mid-year shutdown and to effect lay-offs"

Ford regretted the action but said "excessive" short-time "can no longer be considered because of the impact on workers' incomes"

Recent high car sales were "largely due to the market having been artificially stimulated" and the economy was now firmly set on a downward phase "which is not expected to show any relief in the near term"

The company had delayed lay-offs for "as long as possible"

The lay-offs, together with the three days paid leave granted to hourly-paid workers during the shutdown, should stabilise production and minimise the effect if sales fell below current projections, Mr Ferreira said

A Naawu statement said the lay-offs proved the union's view that Ford acted only "in the interests of the profits of its shareholders at the expense of workers and that management and worker interests were "irreconcilable"

This was contrary, it said, to statements during the wage dispute by city councillors and businessmen that the motor companies were in the Eastern Cape "for the well-being of the community"

"Ford would do anything in the interests of its shareholders irrespective of the repercussions on human life," the statement said

The lay-offs were "a clear attempt to sow confusion among people struggling for survival and against exploitation"

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NOTE CAREFULLY

1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
2 Blue or black ink must be used for written answers The use of a ball point pen is acceptable Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
3 Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book(s) are used
4 Do not write in the left hand margin

WARNING

1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed
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3 No part of an answer book is to be torn out
4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

Made in South Africa TRIO RAND/S P C T PSL/UPD 100 000 1978 PD UCT AM7a Vervaardig in Suid Afrika

Thousands more to lose their jobs

(192) Star 14/8/82

By Labour Reporter Tony Davis

Thousands of workers will lose their jobs in the coming months because of the economic downturn

Unskilled and semi-skilled workers are bearing the brunt of dismissals as companies retrench staff to cope with the economic slump And there is no indication of any early improvement in this trend

Hardest hit are the motor and engineering industries

LAY-OFFS

The Ford motor company in Port Elizabeth yesterday announced it was laying off 507 workers

The company was already operating shorter work-weeks and short-time

In Uitenhage Volkswagen laid off 316 workers in April

In January, Sigma retrenched about 500 workers and temporarily laid off another 348 at its Pretoria plant

FOUR DAY WEEK

Sigma last month launched a four-day week for about 2 000 workers in its manufacturing division and Datsun-Nissan at Rosslyn put 1 500 workers on short time in July

In the engineering industry workers are being laid off weekly, particularly in the Transvaal

The two industries are susceptible to economic pressures because of their dependence on consumer spending

HIGHER COSTS

With any downward trend in the economy, the motor and engineering industries feel the pinch Increased parts and production costs exacerbate the problem

Employers and trade unions have produced retrenchment guidelines to soften the blow of unemployment

The principle of 'last in first out' is used to protect workers with seniority

PRINCIPLES

Other principles include

- The union must be notified in advance of any decision to retrench workers
- Suitable benefits for retrenched workers must be ensured.
- Retrenched workers are given first option of re-employment
- Other methods of cutting costs, such as short-time and no overtime are undertaken before retrenchments occur

Other methods used by employers to bypass retrenchments involve early pensioning of workers, not replacing workers who have resigned or been pensioned off or working four-day weeks

The Tek group in East London has decided to work a shorter week as well as take a cut in salaries

Modernisation is another factor in retrenchments

Iscor has decided to lay off about 2 000 workers in Pretoria since January because modernisation of machinery resulted in the closure of some plants Vacancies have not been filled

Commenting on the retrenchments at Ford a spokesman said that only those with less than five years' service were affected and skilled labourers were not involved.

Union says sackings raise conflict chance

W/E ARGUS 14/8/82

Weekend Argus Bureau

PORT ELIZABETH — The mass retrenchment at Ford this week is seen by workers as an attempt to frighten them of calling further strikes but it has raised the conflict potential

This was said today by the secretary of the National Automobile and Allied Workers' Union (NAAWU), Mr Fred Sauls

His union's members have in the past month been responsible for an unprecedented wave of strikes in the Eastern Cape motor industry related to a protracted wage dispute

MEETINGS

Mr Sauls said in an interview that a further line of action would be decided at a series of union-worker meetings early next week

Ford announced yesterday that 507 workers were being laid off because of hardship in the industry The company has already this year implemented shorter weeks and short-time

The reaction of workers to their retrenchments "could not be expected to be passive and without resistance," Mr Sauls said

MANUFACTURERS

Contrary to frequent claims that the motor manufacturers in the Eastern Cape were there for the well-being of the community, Ford had shown it protected the interests of its shareholders irrespective of the repercussions on human life or the effects on any country it operated in

Irrespective of the workers decision NAAWU would take up with managements the lay-offs and the sacking of six Ford workers and 17 General Motors workers for alleged "molestation" of other workers he said

The sackings led to walkouts at both plants early this week

Ford then closed its operations until August 20 but General Motors has remained open

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Ford lays off 507 workers

CAPE TIMES 14/8/82

Own Correspondent

PORT ELIZABETH — Ford South Africa retrenched 507 hourly-paid workers yesterday — approximately 11 percent of its hourly workforce — because of South Africa's "worsening economic situation"

The workers knew only yesterday of the retrenchments when they received letters thanking them for their services to the company with their pay packets

The letters told them all money owed to them would be included in the packet, as well as a day's payment in lieu of notice

While the retrenchments affect workers in all the company's plants, the majority are from the Neave plant which has the greatest number of employees

Police

At Neave yesterday morning workers were paid through the fence while several police vans with Reaction Unit policemen in camouflage gear were parked outside

No incidents were reported at any plant

Last night the National Automobile and Allied Workers Union (Naawu) warned that the reaction of workers to the retrenchments "could not be expected to be passive and without resistance"

Shareholders

A statement issued by the union said that Ford had shown it protected the interests of its shareholders "irrespective of the repercussions on human life or the effects on any country it operated in"

In a statement issued yesterday the company said it had put off retrenchments for "as long as possible" through working short-time and by not replacing workers who left This could no longer be considered "because of the impact on workers' incomes"

GM, VW

Mr Peter Sullivan, manager of public relations at General Motors, said yesterday the company had "no plans for any lay-offs"

Volkswagen's manager of public affairs, Mr Ruben Els, said the company had "no definite plans for retrenchments at this stage".

● A Naawu spokesman said yesterday GM management had agreed to meet with union representatives to discuss a procedure for investigating the dismissal of 17 workers on Monday They were fired for their alleged participation in acts of violence and intimidation

He also said a general meeting of Ford workers would be held on Tuesday on the retrenchments

Whites are unpaid victims of car strikes

E. Post (192) 16/8/82

By JERRY McCABE

THE continued wage dispute which has disrupted production at the Eastern Cape's three motor giants has also disrupted the lives of hundreds of white workers who have become the "unfortunate victims of circumstances"

Mr Henry Ferreira, deputy chief secretary of the white Iron, Steel and Allied Industries Union, said white workers had found themselves in an impossible situation in which they had played no part.

"They want to work, but are prevented from doing so They are suffering through no fault of their own," Mr Ferreira said

These workers have remained without income during the time the factories have not been producing and this has resulted in financial hardship for many families

Many hard-pressed families have turned to welfare organisations for aid

Dr M H Vorster, director of Social Work Services of the Christelike Maatskaplike Raad in Port Elizabeth, said today families of motor firm employees had come to them for help

"We have had to help these people with food, paying their lights and water bills and even in some cases their home rentals There most certainly has been an increase of people from motor firms asking for help since the start of the dispute"

He said his organisation was concerned that last week's laying off of workers by Ford would result in more requests for aid

"When we budgetted for this year we obviously did not know there would be these problems at the motor firms I don't know if we have budgetted sufficient funds," Dr Vorster said

Spokesmen for two of the three Eastern Cape motor firms were reluctant to comment on the effect the prolonged dispute was having on white workers alone

Mr Fred Ferreira, director of industrial relations for Ford, said the dispute was affecting all the workers who wanted to continue working and not only white workers

"About 2 000 black workers as well as a few hundred coloured and a few hundred white workers are affected It is not only the white worker who is suffering," Mr Ferreira said

Mr Bob Kernohan, Press relations manager for Volkswagen, said it was his company's policy not to practise any discrimination between workers of different races

When workers who wanted to continue working were affected by strikes Volkswagen [illegible] to [illegible] them with alternative employment This w[illegible]s done irrespective of what race the workers were, Mr Kernohan said

Split opens between two motor unions

Labour Correspondent

THE unregistered Motor Assemblers and Components Workers Union (Macwusa) has dropped plans to co-operate with Fosatu's National Automobile and Allied Workers Union (Naawu), because Naawu refuses to reject the official industrial council system

Naawu is engaged in a wage dispute with East Cape motor employers which has led to several major work stoppages

It withdrew from the council to avoid arbitration of the dispute, but says it will return after the dispute has been settled

Macwusa, which recently walked out of a union unity meeting because of its objection to unions who register and sit on industrial councils, had welcomed Naawu's move

But in a statement, the union said it was disappointed that Naawu "is in fact not dissociating itself from the use of the industrial council as bargaining machinery"

It claimed that Naawu members "had clearly rejected the council in favour of shop floor bargaining"

Macwusa also alleged that Naawu had not reported back to its members on decisions at successive emerging union summits which rejected registration and the industrial council system

Macwusa is now "studying the situation" in the hope that the union will quit the council permanently

● Some Naawu members have criticised Macwusa sharply for not supporting the recent wage strikes in the industry

LABOUR

(192) Star August 1982

White workers in web of car row seek aid

PORT ELIZABETH — Hundreds of white workers have been made the "unfortunate victims of circumstances" by the continuing wage dispute which has disrupted production at the three giant motor factories in the Eastern Cape.

Mr Henry Ferreira, deputy chief secretary of the white Iron, Steel and Allied Industries Union, said white workers had found themselves in an impossible situation in which they had played no part.

"They want to work but are prevented from doing so They are suffering through no fault of their own," he said.

The workers have been without income while the factories have not been producing, which has resulted in financial hardship for many families Many have had to turn to welfare organisations for aid

Dr M H Vorster, director of social work services for the Christelike Maatskaplike Raad in Port Elizabeth, said yesterday that the families of motor firm employees had come to them for help, Sapa reports.

"We have had to help these people with food, pay their lights and water bills, and even — in some cases — their rent There most certainly has been an increase of people from motor firms asking for help since the start of the dispute"

His organisation is concerned that the laying off of workers by Ford last week will result in more requests for aid

"When we budgeted for this year, we obviously did not know there would be these problems at the motor firms I don't know if we have budgeted enough money," he said

Spokesmen for two of the three Eastern Cape motor firms were reluctant to comment on what effect the prolonged dispute was having on white workers

Mr Fred Ferreira, director of industrial relations for Ford, said the dispute was affecting all workers who wanted to continue working — not only white workers.

"About 2 000 black workers, as well as a few hundred coloured and a few hundred white workers, are affected It is not only the white worker who is suffering"

Mr Bob Kernohan, Press relations manager for Volkswagen, said it was his company's policy not to practise discrimination between workers of different races.

When those who wanted to continue working were affected by strikes, Volkswagen tried to provide them with alternative employment. This was done irrespective of race, he said

The Star's Labour Reporter writes that the Eastern Cape industrial council for the motor industry met yesterday but postponed any decision to call for the appointment of an arbitrator in the wage dispute.

Since the National Automobile and Allied Workers Union (Naawu) withdrew from the council in protest over the deadlock, only the three motor employers and the Iron, Steel and Allied Industries Union have been taking part in the talks

The council's chairman, Mr Fred Ferreira said there would be informal and formal meetings in the near future to discuss negotiations.

Naawu has announced that it would seek negotiations with individual employers and has criticised the laying off of about 500 workers by Ford

Ford plans to restart production only on Friday General Motors and Volkswagen are still producing cars

The recent unrest in the Port Elizabeth area has seen more than 10 000 workers on strike and numerous closures of the three auto giants

Motor workers challenge Hendrikse to back up claim

E. Post 17/8/82

By SANDRA SMITH

FORD, General Motors and Volkswagen workers have strongly condemned statements by the leader of the Labour Party, the Reverend Allan Hendrikse, that the workers' union does not have community support for its wage demands

And, at a meeting of Ford workers today, a decision was taken to return to work on Friday on the understanding that the company reinstates 507 workers it retrenched last week

Mr Hendrikse was reported in Rapport on Sunday to have said the National Automobile and Allied Workers' Union leadership was "abusing strikes as a weapon", and did not have community support for their "high demands"

The Evening Post was unable to contact Mr Hendrikse this week

At workers' meetings last night and today, he was challenged to back up his statement that Naawu did not have community support for its minimum wage demand of R2,50 an hour

The Ford company has closed its Port Elizabeth operations for 10 days until Friday because of repeated work stoppages after a breakdown in wage talks

At today's meeting, workers rejected the retrenchments and demanded that those paid-off be reinstated It was decided to return to work on Friday

Telegrams from the International Metal Workers Federation and the British Amalgamated Engineering Union, expressing support for Naawu's demands and for those laid off, were read out

Naawu has demanded that the firms discuss retrenchments "with employees and the union, and consider alternatives such as short-time

a red traffic light. The system went into operation ... Picture: NOEL WATSON | Home Streets, Wyebwood, Johannesburg

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18/8/82

...e to be hoping ... support for its ... constitutional ... Grassroots col- ... hostility to the ... hamper any deal ... between Labour ... ment

... Sauls, general ... Naawu, said yes- ... resolutions indi- ... "so-called 'col- ... kers have finally ... Labour Party" ... follows state- ... Mr Hendrickse that ... "abusing" the ... and that its de- ... rejected by the ...

... statement, Fosatu ... Mr Hendrickse of ... anti-worker state- ... said he could "no ... to speak for ...

... said there was ... responsible in calling ... living wage

'Militant' union wins recognition in Natal

18/8/82

Labour Correspondent

THE unregistered SA Allied Workers Union (Saawu) has won its first formal recognition agreement in Natal

The union has been recognised by a British-owned ink firm Coates Brothers at its Isipingo plant

The company was hit by a strike two years ago and talks between the two sides have been going on for some time.

A joint statement by Saawu and the company says that both sides have affirmed their belief in "industrial relations and industrial peace"

The agreement is believed to be a precursor to further written accords between the company and Saawu

Saawu's general secretary, Mr Sam Kikine, this week hailed the agreement as "a victory for both the company and the workers" He said Saawu regarded Coates Brothers as "a progressive company"

Mr Kikine has appeared in court to face charges under the Terrorism Act after being detained without trial for some months He was then released on bail He was hospitalised during his detention

The company's managing director Mr G P Jordan said yesterday the agreement was "nothing momentous — it simply reflects the direction in which most employers are now moving"

He declined to elaborate further, saying the two sides had agreed not to enlarge on the statement

Saawu's strongest branch is in East London, where it is known to have won three recognition agreements

The union has been the subject of repeated official action, particularly in East London, and many employers in that area refuse to deal with it, claiming it is "too militant"

Saawu's president and vice-president, Mr Thozamile Gqweta and Mr Sisa Njikelana, are awaiting trial on charges under security laws and its East London chairman, Mr Eric Montonga, has been in detention for eight months

Fears of stay-away when Ford plant re-opens

18/8/82

By STEVEN FRIEDMAN
Labour Correspondent

FORD workers in Port Elizabeth yesterday sharply attacked the retrenchment of 507 colleagues and there are fears that they will refuse to go back to work when the company resumes production on Friday

Meanwhile, it was learned yesterday that East Cape motor employers are to meet Fosatu's National Automobile and Allied Workers' Union in the first attempt to discuss the wage dispute since Naawu quit the industry's industrial council

Employers suggested the meeting after Naawu asked the three motor assembly firms for direct plant bargaining on workers' wage claims Employers suggested the union meet the industry's employer association to discuss the issue

Ford closed its plant until Friday after continued work stoppages prompted by the wage dispute Last week Ford announced it was laying off 507 workers, in reaction to the country's worsening economic situation, said Ford's industrial relations director, Mr Fred Ferreira.

Although demand for new vehicles had been high in June and July, Ford believed this trend was "artificial" and that demand would drop markedly

Mr Ferreira said Ford had told unions at its plants that some form of mid-year labour cutback was probable

But yesterday, Ford's Naawu members rejected this They believe the Ford layoffs are a ploy to "sow division among workers during the current dispute" At a meeting they called for the immediate reinstatement of all laid-off workers and employer consultation with worker leaders before staff cutbacks

He said the union would be seeking a meeting with Ford on the issue and added that Naawu had "an unwritten agreement" with Ford that it would be consulted about the retrenchment of workers

● Meanwhile, Sapa reports Naawu has been negotiating with the Goodyear tyre company in Uitenhage over its plans to retrench 75 workers

...ber price expected

...Correspondent

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...day Mr Evans said ... was being dis- ... at the association's congress this week

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...YEAR-OLD winch-driv- ... killed in a rockfall at ...lent Steyn Gold Mine's ... Shaft in Welkom at the ...nd

... name is being withheld ... his next-of-kin in Le- ... have been informed —

Three jailed for raping 17-year-

Mail Reporter

THREE Heidelburg men were found guilty in the Pretoria Supreme Court yesterday of raping a 17-year-old schoolgirl who was later found murdered

No-one was found responsible for the murder of the girl, Gertrude Vilakazi

Michael Mokoena, 22, was jailed for five years, Moses Mokoena, 20, was jailed for four years and David Sebiloane, 23, was sentenced to 18 months, six months of which was conditionally suspended for three years

The three men, all from Ratanda Location, were found guilty of raping the girl in a church toilet on November 21, last year The two Mokoenas were further found guilty of raping her on an ash heap a few kilometres from the church

Mr Acting Justice Kirk-Cohen, who sat with with assessors, said he could not determine who was responsible for the murder of the girl

Before passing sentence, the judge said the str... made safe ...

The judg... three other ... toilet. Dur... stabbed nin... then been ... where she ...

Sebiloan... ...ed not gui... chael Mok... his girlfrie...

Advocate and Mrs H Knopp

IN A report in the Rand Daily Mail on August 6 — headlined "Diamonds in Ownership Row" — it was incorrectly stated that Mr H Knopp, his wife Mrs C Knopp, and others were ordered by the Rand Supreme Court to hand over diamonds worth R124 200 to the deputy sheriff pending determination of their ownership

In fact the order made by the court restricted Mr and Mrs Knopp and others from in any way disposing of the diamonds and from leaving the Republic

At the hearing on Thursday, August 5, counsel appearing for Mr and Mrs Knopp, and others, told the court that his clients

● Denied possession of the diamonds and were therefore unable to hand them over to the deputy sheriff

● Were unaware of the whereabouts of the said diamonds

● Were prepared without prejudice to their rights to allow the deputy sheriff to carry out a search

● Would make these submissions under oath in due course

The Rand Daily Mail expresses its regret to Mr and Mrs Knopp for any inconvenience caused

POLITICAL comment in this issue by R A Gibson Benjamin Pogrund Steven Friedman newsbills by Mike Stent headlines and sub-editing by Chris Smith cartoons by David Anderson Dave Gaskill all of 171 Main Street Johannesburg

...Man fined R100 for killing cat

Mail Correspondent

...-YEAR-OLD man who broke the neck of ... gentle and lovable" cat and drowned it was ... R100 (or 50 days') by Mr D J Willemse in ... Durban Magistrate's Court yesterday

Peter John Smith, an apprentice electri- ... was convicted of contravening the Ani- ...l Protection Act

waterlogged body of his cat, he asked Smith what he had done to the cat.

Smith replied he had been playing with the cat and it had bitten him

He had then broken its neck and drowned it to ensure it was dead, he told Mr Clay-Smith

The court was told that that someone had heard the cat cry out in pain before its body was recovered and that Smith had said he was

MATTER OF FACT

A photograph on Page 2 of yesterday's Rand Daily Mail identified one of the Hyde Park High schoolboys who won the CA/ICL Management Contest Award as Paul Grouws This should have been Paul Gross

Post Focus

E-Post

17/8/88

Questions over industrial council

By SANDRA SMITH

THE withdrawal last week of the National Automobile and Allied Workers Union (Naawu) from the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape has raised questions over the continued effectiveness of the body and the future of negotiations in the industry

The union withdrew last Monday when a dispute over minimum wages was referred to arbitration Naawu is opposed to resolution of the dispute through a third party, seeing this as taking control of the situation out of workers' hands

It intends concluding individual, in-plant agreements with Ford, General Motors and Volkswagen, who have not yet indicated whether they will negotiate on this basis

Naawu's general secretary, Mr Freddy Sauls, explained the union's withdrawal was not a matter of principle, but was "a strategy in the bargaining process"

Therefore it did not necessarily mean Naawu would not in future again participate in negotiations in the council

Criticisms that industrial councils removed the negotiating process from worker control and were undemocratic applied in particular instances, Mr Sauls said The success of using the council depended upon a union's methods of organising.

"Our negotiations on this council were based on worker decisions taken at meetings, and the delegation was accountable to the members"

Naawu's withdrawal did not indicate members were becoming disillusioned with this forum, Mr Sauls said They had called for in-plant agreements only when it became clear the dispute would go to arbitration by a third party.

The union favoured industry-wide bargaining in the long run, which would be to the advantage of employee and employer parties, but this might only develop in two or three years' time

The industrial council's chairman and director of industrial relations at Ford, Mr Fred Ferreira, agreed that the real effectiveness of the council would be lost if a major representative party did not participate

The council, now made up of the employers and the Iron, Steel and Allied Industries Union which represents about 2 000 workers in the local industry, could reach an agreement which would be binding on Naawu members

However, "we want to involve to the maximum all parties participating in the labour situation in our organisation This could be accomplished more effectively outside the council," Mr Ferreira said

While Ford was not averse to the idea of negotiating outside the council, Mr Ferreira believed the body could in the long term still perform a useful function.

Industry-wide bargaining was an inevitability, and would be in the interest of all parties concerned

"I don't know if Naawu's withdrawal from the council is necessarily a step towards industry-wide bargaining, but I don't see it as detracting from that possibility either," Mr Ferreira said

Industry-wide agreements, bringing about uniform conditions of employment, would mean certain competitive advantages which existed now would be eliminated

Increasing cohesion in the labour movement would mean that employers outside the Eastern Province who were opposed to this form of bargaining would be forced to reconsider

Asked whether, if Ford entered into in-plant bargaining with Naawu, this would effect the company's relationship with the Motor Assembly and Component Workers Union of SA (Macwusa), Mr Ferreira said "We desire the involvement of all parties to meet on common ground to negotiate an acceptable agreement

"However, I don't think we could jump into in-plant bargaining"

Negotiation outside the council could involve the development of a bargaining structure which would negotiate on different issues at different levels

"But there is no way Ford could agree to in-plant bargaining and ignore significant aspects of its representative labour force," he said

"In the longer term we would prefer a situation where the entire industry would negotiate on common issues with all representative employee parties involved," he said

Trade-unionists hit out at Hendrickse

18/8/82

Labour Correspondent

WORKERS at all three Port Elizabeth and Uitenhage motor plants have adopted resolutions attacking the Rev Allan Hendrickse, leader of the Labour Party, and a key unionist said yesterday workers in the area had "totally rejected' the party

Mr Hendrickse was also attacked yesterday in a statement by the 100 000-member Federation of SA Trade Unions and in speeches to Ford workers by the president of Fosatu Mr Chris Dlamini, and the general secretary Mr Joe Foster

These developments — a reaction to statements by Mr Hendrickse attacking the role of the National Automobile and Allied Workers Union (Naawu) in the East Cape wage dispute — come at a time when the Government is believed to be hoping for Labour support for its planned new constitutional dispensation Grassroots coloured worker hostility to the party could hamper any deal worked out between Labour and the Government

Mr Fred Sauls, general secretary of Naawu said yesterday the resolutions indicated that so-called coloured workers have finally rejected the Labour Party

The row follows statements by Mr Hendrickse that Naawu was "abusing' the strike weapon and that its demands were rejected by the community

In its statement, Fosatu accused Mr Hendrickse of making "anti-worker statements' and said he could "no longer claim to speak for workers"

Mr Dlamini said there was nothing irresponsible in calling for a living wage

Union ire at Labour attack

RDM 17/8/82 192

Labour Correspondent

A ROW with important political implications has erupted between the leader of the Labour Party, the Reverend Allan Hendrickse, and the National Automobile and Allied Workers' Union over the deadlocked wage dispute in the Eastern Cape motor industry

In an interview with Rapport, an Afrikaans Sunday newspaper, Mr Hendrickse — who lives in Uitenhage, one of the areas affected by the dispute — said the East Cape community did not support the motor workers' demands and accused the NAAWU of "misusing the strike weapon"

Yesterday a meeting of NAAWU members at Volkswagen's Uitenhage plant hit back, accusing Mr Hendrickse and the Labour Party of being "out of touch" with the situation in the East Cape

It is understood the statements follow tension between worker and Labour Party leadership in the area

A NAAWU organiser, Mr Les Kettledas, said yesterday Volkwagen workers had passed a resolution 'condemning the Labour Party and Rev Hendrickse's approach to the dispute The workers are confident that they continue to enjoy the support of the community"

Mr Kettledas said Mr Hendrickse's remarks would be discussed at a meeting of Ford workers this morning

Mr Hendricke yesterday confirmed that he had criticised the strikers

"I don't want to fight with the union but I pointed out that there are two black unions operating in the motor industry and that one of them, Macwusa, had refused to join the strikes

"I am worried that the unrest is dividing the community The unions are part of the community If they are divided, so is the community"

Motor employers met the all-white SA Iron, Steel and Allied Workers' Union at the motor industrial council yesterday and agreed to continue talks on the deadlocked wage dispute It is understood that no arbitrator will be appointed this week

Cape Times 18/8/87

Workers criticize Hendrickse

PORT ELIZABETH — Ford, General Motors and Volkswagen workers have condemned statements by the leader of the Labour Party, the Rev Allan Hendrickse, that their union does not have community support for its wage demands

In another development, a meeting of Ford workers decided yesterday to return to work on Friday if the company reinstated 507 workers it retrenched last week

Mr Hendrickse was reported to have said the National Automobile and Allied Workers' Union leadership was "abusing strikes as a weapon" and did not have community support for its "high demands"

The Ford company has closed its Port Elizabeth operations for 10 days until Friday because of repeated work stoppages after a breakdown in wage talks

At yesterday's meeting, workers rejected the retrenchments and demanded that those paid off be reinstated — Sapa

Union to demand reinstatement of 507 workers

E. Post 19/8/87

Post Reporter

A DELEGATION from the Motor Assembly and Component Workers' Union (Macwusa) was due to meet Ford management today and demand the reinstatement of 507 workers retrenched last week

The workers were retrenched on Friday because of the slump in the South African economy

A meeting of Macwusa members at Ford yesterday ordered the union's executive committee to demand the workers' reinstatement.

The meeting resolved to wait for a response from Ford before considering further action

Members will meet on Monday for a report back on the union's meeting with Ford management today

In a statement Macwusa said it felt "offended" by Ford's failure to consult the union before announcing the retrenchments

"Judging by the mood of the meeting it is evident that this action by the company had done much to cause a deterioration in the relationship between workers and management It could have serious repercussions," the statement said

Members of the National Automobile and Allied Workers Union (Naawu) have also demanded the reinstatement of those retrenched and have decided to return to work tomorrow on the understanding that the company will comply

Ford closed its Port Elizabeth plants for 10 days because of repeated work stoppages and plans to resume production tomorrow

German link with strikers denied

20/8/82

E-Post (192)

Post Reporter

AN allegation that German trade unions instigated the Port Elizabeth motor industry strikes has been received with surprise by Volkswagen of South Africa.

Mr Braam Raubenheimer, chairman of the economic affairs committee of the President's Council, was reported to have suggested that German trade union leaders instigated the strikes to help German motor workers

Mr Ruben Els, the public affairs manager of Volkswagen in Uitenhage, said such actions could actually harm the German industry

"It would be extremely short-sighted of the German trade unions to make this area uncompetitive in comparison to the rest of the country.

"Strikes here could affect the amount of material the Germans have to manufacture to send out to us"

In this way, he said, the strikes here could result in less work being available for the German workers, and not more

He said that Volkswagen South Africa did not have any negotiations with German trade unions.

A spokesman for Ford Motor Company said that as their contact with Germany was minimal, the company could not comment on the allegation.

Spokesmen for General Motors were not available for comment.

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the good sense of South Africa's voters — Sapa

Missing man may have been murdered

Staff Reporter

BOLAND police are investigating the possibility that Mr A H P van Zyl, who went missing on Aurora Mountain two weeks ago, may have been murdered

Mr Van Zyl 58, was reported missing on August 9, when he failed to arrive home after leaving work earlier that day

The search began after his car, with lights and windscreen wipers on, was found abandoned on the slopes of the mountain near the farm, Gys se Kraal, where he and his partner farmed proteas

Subsequent searches of the area by police, neighbours, family, farmers and an Air Force helicopter, proved fruitless

A doctor has told police that Mr Van Zyl, who had recently undergone an operation, would not have been able to walk much further than 500 metres

Last night a close family friend said Mr Van Zyl had not locked his car, something he always did without fail, and the car was parked unusually

Mr Van Zyl was as a driving force in the developement of the Saldanha-Vredenburg complex, was chairman of the West Coast Regional Development Association in the Sishen-Saldanha iron-ore export project, and was a former town councillor

Pay rises 'undermine SA's competitiveness'

CAPE TIMES 20/8/86

Staff Reporter

CONCEPTS such as the Poverty Datum Line (PDL) had been instigated by people overseas to destroy South Africa's competitiveness Mr Basil Landau told the economic affairs committee of the President's Council yesterday

Mr Landau, a member of the PC, said that 10 years ago South Africa had been competitive, but this had been undermined by wage increases

"Where did all this stuff about the PDL come from? It was orchestrated by people overseas to make South Africa less competitive than them"

Mr Basil Landau

Mr Landau linked this with an allegation by Mr Braam Raubenheimer, chairman of the committee that German trade union leaders had instigated the strikes in the Port Elizabeth motor industry to help German motor workers

Mr Raubenheimer said these unionists, pretending to serve the interests of local workers, had merely provided the German workers with more work to do

The discussion took place during a special debate on productivity called by Mr Landau while the committee was hearing evidence on the free-market system yesterday

He said wage increases of 12 to 13 percent — "almost the rate of inflation" — were too high, and were in fact responsible for the high rate of inflation in South Africa

Body found in airport dustbin, court told

Staff Reporter

A RAILWAY policewoman told the Supreme Court yesterday she found the tightly-wrapped body of a baby in a dustbin at D F Malan airport in December last year

Mrs Karen Visser was giving evidence in the trial of Miss Christina Beukes, 32, of Lavistown, who is charged with murdering her new-born baby

Miss Beukes, an unmarried mother of two, pleaded not guilty to murder, but guilty to attempted concealment of birth The State did not accept her plea

She conceded that she gave birth to a boy on December 16 last year and that the same baby was found at the airport later that day

Mrs Visser told the court she was called to investigate a bundle in a dustbin in the women's cloakroom on December 16 Only when she unwrapped part of it did she become aware it contained a baby

A State pathologist, Dr L van Ieperen, said the baby died as a result of a shortage of oxygen The towel and nightgown could have caused his death, he said

Under cross-examination, Dr Van Ieperen said it was unlikely the baby died during birth He was large — 5kg — and showed no signs of illness or internal obstruction of his air passages

His lungs were fully dilated and there was a strong likelihood he had breathed outside his mother's body

Miss Beukes's aunt, Mrs Johanna Siljeur, said Miss Beukes had lived with her during her pregnancy and had never wanted the baby They had planned to take her to a home for unmarried mothers but shortly before the birth she had refused to go and had left their home

She said Miss Beukes's two children were being cared for by other people The baby's father, who was a boarder in a relative's house, had not been prepared to marry her

The hearing continues today

Mr Justice Fagan sat with two assessors Mr J J Basson and Professor D van Zyl Smit Mr H Barnard appeared for the State Mr W Duminy appeared pro Deo for Miss Beukes

Concert a curate's egg

SYMPHONY CONCERT, City Hall, Thurs 19th, CTSO conducted by Brian Priestman, soloist Yonty Solomon, Josephs Variations on a Theme of Beethoven, Op 68, Haydn Symphony No 45 in F sharp minor ("Farewell"), Rachmaninov. Piano Concerto No 3 in D minor, Op 30.

A FULL house packed the City Hall for what proved to be a concert of curate's egg dimensions Joseph's Variations afforded a witty start to the proceedings, although presages of poor ensemble crept in Thereafter the miniscule orchestra bounced through Haydn's

Labour leader slammed

Labour Correspondent

THE leader of the Labour Party, the Rev Allan Hendrickse, came under new fire yesterday for his statements criticising strikes by members of the National Automobile and Allied Workers' Union

Earlier this week workers' meetings at all three Eastern Cape motor assembly plants adopted resolutions attacking Mr Hendrickse's statements

Naawu's general secretary, Mr Fred Sauls, said the worker reaction indicated a "rejection of the Labour Party"

Yesterday Dr Joe Joshua, head of the National Association for the Advancement of Coloured People, issued a statement attacking Mr Hendrickse's remarks

He said the remarks were "anti-working class" and Naawu's wage demands to Port Elizabeth and Uitenhage employers were "legitimate"

Dr Joshua lauded the stance adopted by both Naawu and Mr Sauls in the dispute

(192) Sowetan 20/8/82

Firm may recognise union

By JOSHUA RABOROKO

ONE of the country's strongest emerging black trade unions, the Motor Component Workers Union of SA (Macwusa), has submitted a draft recognition agreement to a major motor company representing over 300 workers in Pretoria.

The union's Transvaal secretary, Mr Donse Khumalo, told The SOWETAN yesterday that after a meeting this week the company, Loursen Motor Component Manufacturer, promised to study the draft

Mr Khumalo said that some of the points outlined in the draft include

- access into the company premises by union officials;
- the recognition of an elected committee to have full bargaining rights,
- that no union members should be victimised by management at any time,
- the right by union members to unionise more workers,
- and the full recognition of the union

"We are looking forward to management giving us full recognition rights so that we should be able to represent all the workers at the plant," Mr Khumalo said

Mr Khumalo said his union represented over

Star 21/8/82

Unrest caused by union 'rivalry'

By Tony Davis, Labour Reporter

Inter-union rivalry was responsible for much of the current unrest in the Eastern Cape motor industry, according to Ford's industrial relations chief.

Addressing an annual security conference in Johannesburg this week, Mr Fred Ferreira said the wage issue was a "smokescreen" for rivalry.

The National Automobile and Allied Workers' Union had withdrawn from the industrial council to compete on a more equal basis with the largely black Motor Assemblers' and Component Workers' Union

"It is very much a situation of which union is going to win the soul of the black worker," Mr Ferreira said

REDUCE

While it was impossible to eliminate strikes it was possible to reduce their frequency, he said

There were three main reasons for labour unrest among black workers' poor housing, education and State action.

Because community and workplace issues were related, it was likely that community-based unions would grow the fastest, Mr Ferreira said

To reduce the number of strikes companies should introduce programmes to change attitudes of supervisors and improve grievance procedures and disciplinary codes, he said

Effective communication channels, the introduction of blacks into more senior posts, and basic guidelines for company-union relations were needed.

HARMFUL

A labour expert, Mr L Douwes-Dekker told the conference security practices in some cases were harmful to industrial relations.

He was critical of companies which had "closed" relations with unions and used security personnel to spy.

The role of security should be to protect and preserve property and not to advise management on industrial relations, he said

Companies which adopted a closed, paternalistic approach to unions were abusing their security functions

Ford opens workers refuse to start

192

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E. Post

20/8/82

By SANDRA SMITH

The Ford motor company opened today after a 10-day closure — but workers in some sections went home after refusing to begin work

The company closed its plants last week after continued disruptions in production and a go-slow ever since a breakdown in wage talks in the motor manufacturing industry's industrial council.

Volkswagen and General Motors have also been hit by work stoppages and go-slows since the breakdown but production has been normal this week as workers wait for managements' responses to their demand for in-plant negotiations.

Last week, Ford also announced the retrenchment of 507 workers because of the slump in the South African economy

Both the National Automobile and Allied Workers Union (Naawu) and the Motor Assembly and Component Workers Union of SA (Macwusa) have demanded the company reverse the decision and consider alternatives such as short-time.

Ford workers returned to the company's four plants today but those in the truck plant and the parts-and-accessories and cut-and-sew sections of the Struandale plant refused to start work until those retrenched were reinstated.

A Ford spokesman said after a "rebalancing of labour" at the Neave plant, employees returned to work and production proceeded. Production was also normal at the Engine and Cortina plants.

400 workers walk out at Ford

Own Correspondent

PORT ELIZABETH — About 400 Ford workers walked out shortly after the company had re-opened its Port Elizabeth plants yesterday after a 10-day closure

Ford which together with General Motors and Volkswagen is involved in a wage dispute with the National Automobile and Allied Workers Union (Naawu) closed its plants last week because of continued disruption of production

Ford's public relations officer, Mr Harry Hill, said "enough workers to resume normal production" had turned up at their Neave, Cortina and engine plants but workers at Struandale and the truck plants would not start work

Mr Hill said they had given no indication why they would not start work.

Naawu's regional secretary, Mr Les Kettledas said all the Ford workers had refused to start work yesterday morning and demanded re-instatement of 507 workers retrenched last week He said workers had only started work when company officials threatened them with dismissal

The workers who walked out would return to work on Monday and further action would be discussed at a general meeting next week

Both Naawu and the Motor Assembly and Component Workers Union of SA — which refused to participate in last month's mass Naawu strike — have demanded reversal of the retrenchment decision

East Cape business hit by labour unrest

(192) E. Post 21/8/82

By WAYNE ASHER

THE prolonged spate of labour unrest in the motor plants of the Eastern Cape has made itself felt on some Port Elizabeth shops

Among the hardest hit by the fall in spending power are furniture and appliance outlets and second hand car dealers Takings at some bottle stores have dropped by as much as 35%

Hire purchase payments have fallen into arrears

Mr J M van der Mescht, the manager of Arrow Furnishers, a member of the Russell's group, said business was going "badly" at present

He said that recently he and his chief salesman had made personal visits to many of his clients who had not been able to pay their accounts

"About 80 or 90 people have been unable to keep up their hire purchase payments and nearly all of them work at either Ford, General Motors or Volkswagen

"We have tried to carry the loss and have asked clients to try and pay half of their accounts so we can keep them on our books We don't want to repossess

"When we visited the homes we saw that things were really bad Some of them have hardly any food in the house — and the thing is that most of these people want to work, but they can't

"The situation is serious and I expect a further decline in payments at the end of this month"

Mr Donald Abramowitz, the manager of Giddy's Superstore in Uitenhage — a furniture and appliance dealer — said no sales were made to Volkswagen workers on strike during the last month

"Obviously we have lost business — but then again, nearly everyone here has"

He said the situation was made worse by the shortage of work for all the ancillary firms when the motor plants were idle

"You can't sell to people who are out of work," he said

Another Uitenhage furniture dealer said business had dropped by "more or less 20%" during the strikes

"I have between 1 500 and 1 700 Volkswagen workers on my books and my cash flow was effected quite noticeably"

He said people were afraid to buy because they were uncertain about their jobs

In Port Elizabeth, a spokesman for Barnie's Motors said that "banks do not want to know these chaps — so what can we say? There is nothing we can do for them"

An Alphon Motors spokesman said that when a man came in to buy a car, they had to ask where he worked to make sure he could meet his payments

"We have to check it out because these people sometimes give fictitious company names We are being particularly careful"

A spokesman for a Main Street branch of Ellerines which caters mainly for the black trade, said they had been "effected very much" by the strikes

"We cannot really supply them

"When I was in charge of our Uitenhage branch, I depended largely on workers from Volkswagen Now that I'm in Port Elizabeth, General Motors and Ford supply the money which accounts for a lot of the black buying power

"Over the last two months business has dropped off completely

The manager of a Port Elizabeth bank which deals extensively with motoring finance, Mr Peter Page, said that there had definitely been a "slow down in business"

"We are not as buoyant as we were in June But we will only see the real effect within the next month or six weeks We'll only know then who is not able to make payments and only about halfway through September will we start chasing them up"

Mr John Harwood, manager of Giddy's furnishers and chairman of the Port Elizabeth Furniture Traders Association, said he anticipated that the strikes would "have an effect on our payments"

He said, however, that in terms of the Credit Agreements Act a firm could only repossess items if the client missed two or more monthly payments

"Even then we will obviously not repossess indiscriminately So it all depends on how long this unrest is going to last

"Those people who have a good credit record with the company shouldn't have a problem We will discuss their accounts with them before we even consider repossession

The manager of Ronnies Liquor Stores in Kempston Road said this week that he had been "heavily effected" by the unrest and had lost out on passing business when GM was closed

"I've had a 30-40% drop in sales over the last three weeks"

Mr H M Ackerman, the manager of the Dolphin Liquor Wholesalers in Commercial Road, Sidwell, said he had also taken losses of between "30 and 40%" over the last two weeks

He said sales were still down this week but he hoped they would pick up again next week when workers had more money

Clothing retailers have not been effected as much as they sold only "smaller items' which could still be paid for

A spokesman for Kolnicks said they had experienced "a noticeable slackening in the multi-payment accounts" since the labour unrest had started

Possible fillip for car plants seen in E Cape chemical plan

192

E. Post 21/8/82

By ANDREW DONALDSON

THE possibility of a chemical industry bolstering the motor industry as a wider base for the East Cape is examined in a document now being studied by a Transvaal-based mining company.

Mr Edgar Crews believes the document he has drawn up as chairman of the Colchester Development Company is "the most important document to come out of the Eastern Cape at the moment".

Extensive tests in Hougham Park show the limestone content of the seasand ranges between 30% and 55% calcium carbonate.

Subsequent tests have shown the limestone content of sand on Schelmhoek is on average about 35%.

Most of the area — of which the Colchester Development Co owns mineral and extensive servitude rights — is covered with moving sand dunes.

A further series of tests has shown that a product with a calcium carbonate content in excess of 90% can be recovered.

The residue is silica with a small percentage of titanium minerals — zircon, ilmenite and rutile — which can also be recovered.

All this, with the availability of desalinated water in the region plus the potential of a shipyard and deep-sea port in Algoa Bay, suggests the possibility that a multitude of chemical industries can be set up in the area.

An engineer's memorandum, enclosed with the document, suggests the possible uses of limestone and silica in cement manufacture, foundry sand, sand-limestone products, sand-cement products and glass manufacture.

"Coupled with this is the urgent and imperative necessity for creating more work opportunities in the area," said Mr Crews.

"The main problem in the Eastern Cape is black unemployment."

According to Mr Crews there was a need for "deconcentration" in the Eastern Cape and he also pointed out in the document that the Government's decentralisation plan, which materialised at the Good Hope Conferance in Cape Town this year, purported this.

The plan classifies areas as follows for the purpose of distinguishing the need for industrial development.

- Metropolitan areas where the establishment of areas is most favourable for private enterprise as a result of the existing agglomeration advantages.
- Deconcentration points adjacent to the metropolitan areas to which industrial growth could be deconcentrated to lessen the pressures of over-concentration in the metropolitan areas.
- Industrial development points where alternative agglomeration advantages could be created to counterbalance the existing metropoles and thus create employment opportunities in the regions concerned.
- Other industrial points with less potential to develop as a counterbalance to the existing metropoles and/or where the development needs of the vicinity are not as large as in other areas.

The plan envisaged the control of the expansion of only three metropolitan areas.

Pretoria-Witwatersrand-Vaal Triangle, Cape Peninsula, and Durban-Pinetown areas.

Because the plan stated there were no problems of over-concentration in the Port Elizabeth-Uitenhage area, this must be taken into account when planning any restrictive measures.

Whereas the plan described Atlantis in the Cape Peninsula as a deconcentration point, no mention was made of any such point in the Eastern Cape.

Subsequently a White Paper dealing with decentralisation was published this year stating "Since no deconcentration point has been identified in the Port Elizabeth-Uitenhage area, it has been decided that this area warrants some positive incentives at this stage."

Railage rebates for incoming traffic — granted in "exceptional cases" by the Decentralisation Board, subsidies for the supply of electricity, the proposed coal export terminal and the proposed ship repair yard are major factors supporting the case for the Coega-Colchester area to be declared a deconcentration area.

"As so much hangs on the possibility of getting coal to Algoa Bay at an economic price, it is suggested that the various promoters involved in ventures in the Coega-Colchester deconcentration area should come together now and, with the "As so much hangs on the possibility of getting coal to Algoa Bay at an economic price, it is suggested that the various promoters involved in ventures in the Coega-Colchester deconcentration area should come together now and, with the support of the Greater Algoa Bay Association (GABA), make urgent representations to the Decentralisation Board for the Coega-Colchester area to be declared a deconcentration point, provided with the necessary incentives," Mr Crews said.

- Mr Crews told Weekend Post that the GABA, which is enthusiastic about the document, has referred it to a Pretoria-based techno-economic consulting firm, Louis Heyl and Associates.

"I'm hoping to have discussions with Louis Heyl quite soon," he said.

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Gunmen net R32 000

Post Correspondent

JOHANNESBURG — Five gunmen escaped with cash and goods worth more than R32 000 in three separate hold-ups here at the weekend

Three men, armed with pistols, walked into the Standard Bank in the city and held up the cashier and the sub-accountant, and fled with R5 400

A company director of a sunglass manufacturing company in the city was robbed of his car and display items worth a total of R26 000

In a third incident, a gunman escaped with R2 000 from Santam Bank, also in the city, after holding up a woman employee

Ford workers back as union negotiates

(192)

E. Post 23/8/82

Post Reporter

ALMOST the entire workforce at the Ford motor company returned to work today after sections closed down on Friday when workers refused to begin work until 507 retrenched employees were reinstated

Production in the truck plant and the parts-and-accessories and cut-and-sew sections of the Struandale plant were brought to a standstill on Friday

Workers in these sections demanded the reinstatement of their colleagues, retrenched this month because of the slump in the South African economy and a predicted decline in the motor market

Production proceeded normally today, despite high absenteeism at the truck plant

Members of both the National Automobile and Allied Workers' Union (Naawu) and the Motor Assembly and Component Workers' Union (Macwusa) have demanded the reinstatement of those laid off

Macwusa representatives are expected to meet Ford management on the issue today and report back to members at a meeting tonight

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Police arrest Taffy Adler

(192)

RDM 24/8/82

Labour Correspondent

A LEADING trade union organiser, Mr Taffy Adler of the National Automobile and Allied Workers Union, was arrested by police at the weekend

Mr Adler was at a meeting with Leyland workers at a bus depot in Elandsfontein on the East Rand

After being released on bail of R50, Mr Adler appeared in the Germiston Magistrate's Court yesterday and was charged with holding an illegal outdoor gathering

Yesterday Mr Joe Foster, general secretary of the Federation of SA Trade Unions, lashed out at the prohibition on outdoor gatherings in security laws He said it "makes it impossible for trade unionists to do their job"

Mr Foster said he had contacted Leyland to seek an assurance that the company had not requested the police action He planned to contact the Minister of Manpower, Mr Fanie Botha, on the arrest

"Any law which makes it possible for a trade unionist to be arrested while carrying out normal union organising work obviously makes a mockery of the new labour dispensation and we want the authorities to be aware of this," he said

Leyland's public affairs director, Mr Arn Pitlo, could not be contacted for comment yesterday

Mr Adler said yesterday that he was meeting Leyland workers at the Elandsfontein bus depot on Saturday when uniformed police arrived and arrested him

They said he was being held under the Internal Security Act as all open-air meetings were banned

Naawu to discuss interim wage rise

(192)

Post Reporter E Post 24/8/82

AFTER talks with the Eastern Province Automobile Manufacturers' Association (Epama), the National Automobile and Allied Workers' Union (Naawu) is to ask its members tonight if they are prepared to accept an interim wage increase

The union has twice held talks with the employer body, representing Ford, General Motors and Volkswagen, since pulling out of the industry's industrial council when a wage dispute was referred to arbitration

Naawu has demanded individual, in-plant negotiations with the three companies, who are believed to be pushing for the union to negotiate with Epama instead

Naawu members will decide in a series of meetings today whether to accept an interim increase from the companies while the union establishes a new negotiating structure with the employers

General Motors workers will meet in the Jarman Hall in Gelvandale, and Ford workers in the Chatty Community Centre

Workers reject interim pay rise

ARGUS 25/8/82

192

Argus Bureau

PORT ELIZABETH — Workers who have in recent weeks staged work-stoppages at the three Eastern Cape motor firms last night rejected an offer by employers for an interim wage increase until the wage-dispute deadlock here has been resolved

However, attendances at the trade union report-back meetings of Ford and General Motors workers were low compared to previous meetings

Some observers see this as an indication that the is a break in their unity

R2,50 AN HOUR

About 1 000 workers attended the Ford meeting, including about 100 from the giant Neave plant which has been the centre of labour unrest.

About 500 were at the General Motors meeting and thousands of Volkswagen workers met in Uitenhage

The workers last night reaffirmed their demand for an immediate R2,50-an-hour minimum hourly wage, which is an effective 50c increase on the minimum scale

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Workers reject latest wage offer

E. Post 25/8/87

THE three major Eastern Cape motor manufacturers are faced with a new dilemma after the rejection by members of the National Automobile and Allied Workers' Union (Naawu) last night of an interim wage increase

Ford, General Motors and Volkswagen offered at a meeting of the Eastern Province Automobile Manufacturers' Association (Epama) this week, to implement immediately an interim 20c across-the-board increase for grade one workers

Workers from the three firms rejected the offer and decided to hold out on their demand for a minimum hourly wage of R2,50

The 2 000-strong white Iron, Steel and Allied Industries Union is believed to be pressing for an interim increase before negotiations on a wage agreement in the industry's industrial council are finalised

The union would not comment today but a spokesman said he had called for an urgent council meeting next week.

Workers other than those belonging to Naawu or the white union are also believed to be pressing for the interim increase, already overdue because of extended negotiations and Naawu's withdrawal from the industrial council

Employer sources said today Epama had not yet discussed whether to implement the interim increase despite Naawu members' rejection of its

Hendrickse, Naawu tension

25/8/82

192 E. Post

By BRIAN POTTINGER and SANDRA SMITH

RELATIONS between the Labour Party and the influential Fosatu-affiliated National Automobile and Allied Workers Union (Naawu) have plunged to their lowest level after the Eastern Cape industrial unrest

Fosatu spokesmen have condemned the Reverend Alan Hendrickse, leader of the Labour Party, for being "anti-worker" and yesterday a Labour Party observer was thrown out of a Naawu meeting for Ford workers

The tension which has arisen could have serious political implications for the Labour Party which is presently debating whether to support the Government's controversial constitutional proposals

But Mr Hendrickse said today as far as he was concerned his party had no fight with Naawu or any other workers' trade union

"We have no fight at all. The present situation is the result of misrepresentations, misconceptions and wrong information"

The antagonism towards the Labour Party erupted recently after Mr Hendrickse was quoted in a weekend newspaper as saying the strikes did not have the community's support

Mr Hendrickse said today he had been misinterpreted He had said there was division among various trade unions, as for example in the textile industries, and between Naawu and Macwusa in the automobile industry

"The Labour Party's concern is the polarisation and division of the community that arises and the dissipation of workers' resources through sporadic strikes that do not have the support of all"

Mr Hendrickse said it was ridiculous for the Labour Party to be accused of not having the interests of the workers at heart because most Labour Party members were workers

Naawu's general secretary, Mr Fred Sauls, said Mr Hendrickse's previous statements showed the party did not support the struggle of workers in South Africa

This brought into question the real political objectives of the party, he said

"The Labour Party cannot claim any more that it is striving for the upliftment of the oppressed masses of this country," said Mr Sauls

In the early 70s there was wide-spread support for the party, but during the period of its involvement in the President's Council, support had waned, he said

"Now, because of Mr Hendrickse's statements, people have actively turned against the party"

It remained to be seen whether the Labour Party changed its policy and supported the workers' struggle or if it "continued to support management interests", Mr Sauls said

Labour unrest: Car plants hold up expansion plans

ARGUS 26/8/82 (192)

Argus Bureau

PORT ELIZABETH — The uncertain labour situation in the Eastern Cape has not only contributed to the temporary shelving of a R100-million expansion programme at Volkswagen but has also delayed a multi-million rand expansion programme at Ford

At the same time, both these giant companies are constantly looking for possibilities of expanding elsewhere and Ford was meeting a delegation from Transkei on this issue today

This picture emerged from inquiries today following the announcement yesterday by Volkswagen that because of the labour situation and the downward trend in the economy it has suspended decisions on any investment in the immediate future

The third Eastern Cape motor company General Motors, which has also in recent weeks been hit by unprecedented labour unrest, issued a statement today warning about the negative effect of an unstable labour situation, and hinted that this might have delayed expansion programmes

The public affairs manager of Volkswagen Mr Ruben Els, said today that a R100-million programme to establish an engine plant, more training facilities and the introduction of new models was almost completed, but that a further programme for R100-million had now been shelved

Tenders for the new programme had already been called for, but no contracts would be signed, at least before the situation had changed

'S VIEW

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This background is important if we are to understand the nature of medicare facilities available to the people, and the attitude of the people towards them. Medicare is a set of resources defined by its function, which is to maintain and restore the health of a community, the individuals in the community defining "health" in their own terms for the most part. As such the expectations of the community concerning the physical ups and downs of life, and the knowledge and skills existing within the community, are vital components. The people of Ocean View brought with them a fund of folk wisdom, learned from their parents and their peers, and a set of expectations about the behaviour of doctors and the operation of hospitals, as well as ideas about normal levels of discomfort to be tolerated and normal levels of well-being appropriate to different age groups

This paper treats medicare as a set of resources to be drawn upon by members of the community in exchange for some other valued element - time, money, humiliation, or discomfort additional to that which made them seek care in the first place We assume that, given the knowledge available to them, the people make rational choices i e. that they seek to maintain or restore their sense of physical well-being at the minimum expenditure of other scarce resources This is not to reduce the exercise to one of formal economics, as the valued elements sacrificed in the search for medicare cannot themselves be reduced to a common monetary denominator It does assume that people economise in terms of their own values and that it is possible to explain their behaviour in rational terms.

Part 1 The Folk System

Ocean View people are not homogeneous There are graduates and illiterates, some economically secure, many very poor, Muslims and Christians, devout and lapsed, alcoholics and teetotalers They share, however, the heritage of Simonstown district (Whisson 1972) a network of kinship ties (Whisson 1976) religious associations and sporting links which ensure that information travels quite quickly from one group of people to another. The folk values regarding the pre-requisites of good health are fairly consistent across the whole population, though probably best articulated by the older people who have had most time and cause to ponder them

Those who have enjoyed good health, or who have lived beyond the span of most of their peers, have little difficulty in explaining their good fortune. For some there is an implicit recognition that they have fulfilled their side of the Covenant of their faith in God. He looks after those who worship regularly and live cleanly, but this is not then taken to imply that those who suffer necessarily do so as a result of their own wickedness. Many, however, do suffer as a result of excess, notably through heavy drinking, and the moral is not lost on the healthy Some put their good health down to their attitude of mind, and the way in which they express that attitude. "Fight it," they said, referring to any minor ailment Those who find that the aches multiply (Jerome 1903 Ch 1) so one should ignore little aches and pains "Avoid draughts, have plenty of sleep and eat the right sorts of food," was another bit of advice A diet which includes plenty of vegetables and fruit (both more plentiful when people had their own well established gardens and plots in the peri-urban shanty settlements), not too much "greasy food" or starch, and not too "strong" i.e heavily spiced, food is a fair concensus of the popular recipe for good health. Exercise, whether in the form of hard work, as recommended by a lady who had had at least five children under the age of ten living with her for all of the past twenty years, or in a more congenial form, was also recommended The longevity of "the old folk" meaning both those still alive and those who had lived in the past, was ascribed to the physical toughness of their lives and the absence of vehicles to carry them about. One old man ascribed his failing health to the fact that

Salaried men demoted — claim

192

E. Post 26/8/82

Post Reporter

TWO salaried employees at the Ford motor company claim to have been told they are being demoted to hourly-paid positions — because of their support of a strike last month and their membership of a trade union

The regional secretary of the National Automobile and Allied Workers' Union (Naawu), Mr Les Kettledas, said today the men, Mr E Sirkhotte and Mr M Mamojee, were told by their supervisors last week they had three choices

These were to resign from Naawu and remain salaried staff, to accept hourly-paid jobs, or to leave the company

Mr Kettledas said they were then told they would be paid on an hourly rate from September 1

Yesterday, Mr Sirkhotte was made a section leader in Ford's carpentry shop — an hourly-paid position.

Ford's director of Industrial Relations, Mr Fred Ferreira, would not comment on the claims.

E Cape motor workers reject increase

(192)

26/8/82

Sowetan

WORKERS who have in recent weeks staged a series of work stoppages at the three eastern Cape motor firms, this week rejected an offer by employers for interim wage increase until the wage dispute deadlock here is resolved.

However, attendances of the trade union report back meeting for Ford and General Motors workers were low compared to previous ones, seeming to indicate a breaking in their unity.

About 1 000 workers attended the Ford meeting, including only about 100 from the giant Neave plant, which has been the centre of labour unrest. About 500 were at the General Motors meeting and thousands of Volkskas workers met in Uitenhage.

The workers, all members of the National Automobile and Allied Workers Union (Naawu) were informed by their officials that a minimum 20 cents interim increase had been offered by the employers at a meeting with Naawu officials on Monday.

If accepted, this increase would be effective until a wage agreement between the employers and Naawu has been reached.

The workers last night reaffirmed their demand for an immediate R2·50 an hour minimum hourly wage, which is an effective 50 cents increase on the minimum scale — Own Correspondent

Strikes have mild effect on tyre firms

(192)

E. Post 26/8/82

By JERRY McCABE

THE wage dispute which has crippled the Eastern Cape motor industry for more than a month has so far had a mild effect on motor tyre manufacturers

"The local strikes have had an effect on our production and we are cutting back, but of more significance is the general slowdown in the economy," said Mr Mike Selley, public affairs director of Goodyear

The overall slowdown in the new car market had also had an effect

Mr Selley said Goodyear was trying to avoid staff cutbacks and there had been no retrenchments

"Certain departments are working shorter shifts and we have reached an agreement with the unions about this and also that, where it can be avoided, there will be no cutback of staff"

Mr Bill Taylor, marketing director of Firestone, said his company had to make "certain adjustments to the production of certain sizes of tyre" but otherwise the wage dispute at the motor firms had not really affected them

Firestone was not stockpiling tyres at present because of the present adverse financial position, Mr Taylor said

Mr A A Versfeld, director of General Tire Sales and Distributers, said from Johannesburg, that the work stoppage had an effect on the sales of tyres but this was also due to "what was happening on the market"

Mr Versfeld said that when the motor industry was in full production, General had a problem with a stock shortage The demand for tyres has been lower since the stoppage and this had given them an opportunity to build up stocks

Mr Lloyd Zaayman, marketing manager for Dunlop SA, said his company had not had to make production cutbacks although they did not "sell tyres when the motor firms are closed"

He said Dunlop's stocks were "pretty low" at present and sales to Eastern Cape motor plants had dropped

27/8/82

Five injured by falling ornament

DURBAN — A heavy ornamental structure crashed down on the bar of the four-star Elangeni Hotel's restaurant here pinning a barmaid to the counter and injuring at least four other people

Patrons said barmaid Miss Michelle Olivier 21, was lucky to escape being killed by the champagne-glass shaped structure

Witnesses Mr Gunter Freimulh and Mr Derek Clemence said "There is no doubt in either of our minds that if the barmaid hadn't been on the telephone she would have been killed"

Miss Olivier has a broken wrist and was treated in hospital with two others, who had cuts and bruises

Another two people had minor injuries

The hotel's manager Mr Mark Williamson Noble, said no photographs could be taken for reasons of insurance

Miss Olvier said she was talking to her fiance on the phone when she heard a crack in the ceiling as a heavy beam collapsed, pinning her to the counter and sending drinks and broken glass flying

"If I hadn't been on the phone I'd prefer not to think she said — SAPA

Union: VW in bid to counter wage demands

27/8/82

PORT ELIZABETH — The National Automobile and Allied Workers Union (Naawu) has described Volkswagen's announcement that it is to shelve a R[illegible] expansion programme as an attempt to counter the wage demands of workers

Naawu general secretary Mr Freddy Sauls said Volkswagen was attempting to gain maximum public support for its position in negotiations with the union

He also said veiled threats that the company might have to move to another centre were a contravention of a tripartite declaration at an International Labour Organisation (ILO) convention in Geneva in 1977

Naawu believed the West German Government was a signatory to the declaration of principles concerning multinational enterprises and social policies, by which the government and employers undertook not to pressurise any union into accepting conditions under threat of a company moving its plants

"We are shocked and disillusioned at the attitude of Volkswagen management," Mr Sauls said

In view of statements made to Naawu by the chairman of the board of management of Volkswagenwerk A[illegible] intended to [illegible]

[illegible] would also [illegible] the International Metal Workers Federation and the German trade union movement to raise the matter with the ILO on the basis that an ILO declaration had been contravened by a German multi-national company

"It is unfortunate that this exercise by the company can only have negative results and workers will be all the more adamant about reaching a finalised agreement with Volkswagen," Mr Sauls said

The deputy general-secretary of the Iron Steel and Allied Industries Union Mr H Ferreira, said Volkswagen's decision must have been influenced by "the instability of the workforce in the Eastern Cape at the moment

He said in view of high unemployment in the area he was sorry the company had not gone ahead with expansion plans, and hoped it would reconsider soon — SAPA

Court confirms death of naval seamen

CAPE TOWN — The death of the seamen who went missing when the SAS President Kruger sank after a collision with the SAS Tafelberg in February this year was confirmed in the Supreme Court here yesterday

In an affidavit before the court the executive officer of the President Kruger at the time Commander R A S Meyers described how he saw the collision from the bridge of the vessel

In another affidavit Petty Officer Chris Roodt who shared a mess with 14 of the missing seamen described the impact of the collision on the mess

In his affidavit Commander Meyers said he was called for watch at 3 40 on the morning of the collision

[illegible] from the ruptured tanks pouring freely into the ship

"At about 4 40 the engineer officer reported that the damage could not be brought under control

"The captain then ordered all remaining personnel to abandon ship"

Petty Officer Roodt said in his affidavit he shared a mess with 14 other seamen

"I was asleep and was awoken by the impact which threw me out of my bunk I managed to get hold of a railing and started to look for a way out The mess was in a total shambles and filling up with water fast

I saw the other bulkhead had been totally ripped open The force of the waves [illegible] me straight through a hole in the [illegible] bulkhead

Union accuses Ford of restricting stewards

(192) E. Post 27/8/87

Post Reporter

THE National Automobile and Allied Workers' Union (Naawu) today accused the Ford Motor Company of clamping down on contact between shop stewards and workers at its Neave plant

Naawu's general secretary, Mr Freddy Sauls, said today a full-time shop steward was told by an official this week that he was not to go into the plant and that if workers had grievances they should be dealt with in the shop stewards' office

Two part-time shop stewards had also been told they were not to move around the plant and would be formally reprimanded if they did

However, a Ford spokesman said the company was not aware of such incidents and that the union should follow company grievance procedure if it was aware of such complaints

Mr Sauls said there was an agreement between the company and the union that part-time shop stewards were permitted to leave their place of work for a period not exceeding five hours a week without loss of pay

They were permitted to do this on the understanding that the time would be devoted to "the prompt handling of legitimate grievances which were at an informal (oral) stage"

It had been the practice for the first five hours to be used in "legitimate trade union representative functions" and when grievances were handled there was no restriction on time as long as the formal grievance procedure was adopted

"Ford is clamping down and trying to restrict contact between worker representatives and the workers, which is creating a serious conflict situation," Mr Sauls said

E. Post 26/8/82 (192)

Warning on loss of industrial growth

By JERRY McCABE

THERE is a substantial risk that the Eastern Cape could lose heavily on the growth of industry unless reason prevailed and economic realities were accepted, Mr Rod Ironside, assistant managing director of General Motors, warned today

He was reacting to the shock announcement by Volkswagen that they had decided to shelve temporarily a R70-million expansion programme because of the unsettled labour situation in the Eastern Cape and also because of the downturn in the economy

Asked to comment on whether GM had also decided to shelve any planned expansion programmes, Mr Ironside that in an industry as complex as car-manufacturing, the updating of facilities and training to meet market potential were "on-going processes"

"Under the combination of current conditions involving reduction in economic activity and a critical situation of labour stability, any and all decisions relative to the business must take into consideration these factors," he said

Volkswagen's announcement yesterday was greeted with immediately dismay in Eastern Cape economic and industrial circles

Today, Mr Ruben Els, public affairs manager for Volkswagen, confirmed that the R70-million expansion programme had been curtailed

"We have suspended all decisions on any future expansion," he said

This was despite the fact that tenders had already been called for the work

He would not comment on whether these tenders would be withdrawn and was also not willing to disclose the details of the proposed expansion programme at this stage

Mr Els denied an earlier report that the programme involved R100 million "As far as I know it is only R70 million"

Mr Fred Ferreira, director of industrial relations for Ford, said his company had no plans for expansion in the area

Naawu is 'shocked' at VW attitude

E. Post 26/8/82

By SANDRA SMITH

THE National Automobile and Allied Workers' Union (Naawu) today described Volkswagen's announcement that it is to shelve a R70-million expansion programme as an attempt to counter the wage demands of workers

Naawu's general secretary, Mr Freddy Sauls, said VW was attempting to gain maximum public support for its position in negotiations with the union

He also said veiled threats that the company may have to move to another centre were a contravention of a [illegible] declaration at an International Labour Organisation (ILO) convention in Geneva in 1977

Naawu believed the West German Government was a signatory to the declaration of principles concerning multi-national enterprises and social policies, by which the Government and employers undertook not to pressurise any union into accepting conditions under threat of a company moving its plants.

"We are shocked and disillusioned at the attitude of VW management," Mr Sauls said

In view of statements made to Naawu by the chairman of the Board of Management of Volkswagenwerk AG, Dr C H Hahn, in July, the union intended to contact the company in Germany.

It would also request the International Metalworkers Federation and the German trade union movement to raise the matter with the ILO on the basis that an ILO declaration had been contravened by a German multi-national company.

"It is unfortunate that this exercise by the company can only have negative results and workers will be all the more adamant about reaching a finalised agreement with VW," Mr Sauls said.

The deputy general secretary of the Iron, Steel and Allied Industries Union, Mr H Ferreira, said today VW's decision must have been effected by "the instability of the workforce in the Eastern Cape at the moment".

He said in view of high unemployment in the area, he was sorry the company had not gone ahead with expansion plans, and hoped it would reconsider soon

By Louis Beckerling

Business Editor

E. Post 28/8/82 (192)

Economics and not labour will be dominant factor in VW's decision

COMMENT

IS Volkswagen seriously considering re-locating its plant?

This question is currently being debated in Port Elizabeth as a consequence of the statement this week that the motor manufacturer has shelved a R100-million expansion plan at its Uitenhage plant because of the unstable labour situation in the Eastern Cape and the downturn in the economy

In the light of the continuing labour conflict most attention has, understandably, been devoted to this aspect of Volkswagen's statement, with the result that labour has tended to get it in the neck for what is simultaneously an economic issue.

While Volkswagen is playing its cards pretty close to the chest, the truth is that the prospect of the company going to the expense of re-locating a plant worth several hundred million rand because of a dispute over 25c-50c an hour in wages can confidently be ruled right out of court.

Economics, rather than politics, has influenced the latest decision

The question now is what decision Volkswagen will take once those economic conditions improve — and with the economies of our trading partners now picking up and the price of gold rising this turnaround appears to be due a lot earlier than was previously expected

Will Volkswagen re-arrange corporate objectives and trim itself down to ensure profitability from a smaller market share, or will it fight along with the other manufacturers to regain the 40% market share

This is the important question, and within a matter of months it is likely to be answered a leaner, meaner motor manufacturer, with fewer ambitions and a smaller workforce, or an expansion-hungry manufacturer who will contribute to reducing Port Elizabeth's massive unemployment

In this regard there can be no doubt that the unions hold the key. And what is significant is that the same union that is insisting on an immediate rate of R2,50 per hour for its lowest-paid members, has settled for considerably less elsewhere in the country Understandably this has bewildered local motor manufacturers

Trading -

DECIDING

'Inefficiency' costs SA R80m tractor deal

(192) Mercury

28/8/82

Mercury Reporter

TRANSKEI has placed an R80-million order for 6 000 tractors from Austria because it 'has had enough of the South African tractor industry's inefficiency'.

The country's Minister of Agriculture, Mr E Z Booi, has charged that the South African tractor industry has been unable to service and supply spares to machines it supplied

'We gave up trying for the co-operation we wanted,' he said.

The Transkei Government had had no alternative but to look abroad for assistance.

A spokesman for the South African Tractor Manufacturers' Association admitted yesterday that the deal would significantly affect the local industry's trading profits

And the official Opposition has reacted to the move by calling for a full and immediate inquiry into the local tractor industry

Mr Phillip Myburgh, the Progressive Federal Party's spokesman on agriculture, described both the financial and political implications of the deal as extremely severe

'This is not the first criticism I've heard of the motor trade's failings in general — but this seems specific,' said Mr Myburgh

'What makes it more serious is that it affects the entire economic body of southern Africa as a whole

'The Minister of Trade and Commerce Dr Dawie de Villiers must give it his urgent attention and I expect a full statement from him'

A spokesman for the department replied yesterday that neither Dr de Villers nor the director-general would be available for comment until next week.

But he knew they were aware of 'certain aspects to do with all this', and that it had been raised at top-level discussions

Mr Booi confirmed that the Transkei Government had committed itself to buying 6 000 Steyr-Puch tractors, as well as a range of other farming equipment, from Austria

Refused

A consignment of 450 had been received already, another of 520 was on its way from Hamburg and another of 500 would arrive about December

Mr Booi declined to say how payment for the tractors had been arranged

The Transkei Government had embarked on an agricultural expansion programme and it wanted to equip itself with the best possible machinery — with a comprehensive back-up service.

Furthermore, Mr Booi said, he was no longer prepared to listen to the protests of the South African tractor industry

'They mustn't stick their noses into our affairs,' he said.

'They had the chance to get business from Transkei but lost it.

'We aren't yoked with the chains they held around our necks before independence'

Austrian artisans were at present in Transkei to train apprentice mechanics — and some Transkeians were being trained in Austria

Mr Bill Pascoe, chairman of the manufacturers' association, denied that the local industry could be considered inefficient 'or lacking in any respect'

But he felt it would be futile to take the matter further because he and others of the association had become tired of attempting to reason with Transkei over the matter

When he had first heard of Transkei discontent he and colleagues had visited the country to study the situation at first hand

'We found a lot of chickens nesting in the tractor seats,' Mr Pascoe said.

'I'd say it's the Transkei industry which is in a shambles

'There's a whole lot more to this, of course But it's impossible to get to the bottom of it'

But Mr Pascoe admitted that the loss of business from Transkei was 'upsetting' and meant a considerable dent in local tractor manufacturers' trading figures

Inefficiency led to Austrian deal — Booi

28/8/82 D. Dispatch 192

UMTATA — Transkei has placed an R80-million order for 6 000 tractors from Austria because it "has had enough of the South African tractor industry's gross inefficiency"

The country's Minister of Agriculture, Mr E Z Booi, has charged that the South African tractor industry had been unable to service and supply spares to machines it supplied

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A consignment of 450 tractors had already been received, another of 520 was on its way from Hamburg at present — and another of 500 would arrive during December

Mr Booi refused to say whether payment for the tractors had been arranged in cash, agricultural crops or kind

The government had embarked on an agricultural expansion programme and it wanted to equip itself with the best possible machinery — with a comprehensive back-up service, he stressed

Furthermore, he said, he was no longer prepared to listen to the protests of the South African tractor industry

"They mustn't stick their noses into our affairs They had the chance to get business from Transkei but have lost it — DDC

Labour unrest threatens Eastern Cape motor industry

DISCLOSURES this week that multi-million rand industrial expansion programmes in the Eastern Cape motor industry are being curtailed, show continued labour unrest is bringing the area's economy to its knees.

By CASSIE DU PLESSIS

And, amid growing worker discontent, a trade union leader has warned that he expects trouble this week.

But trade union leaders whose members have caused unprecedented disruptions in the industry in recent weeks, maintain any negative effect on the industry is a result of the economic slump

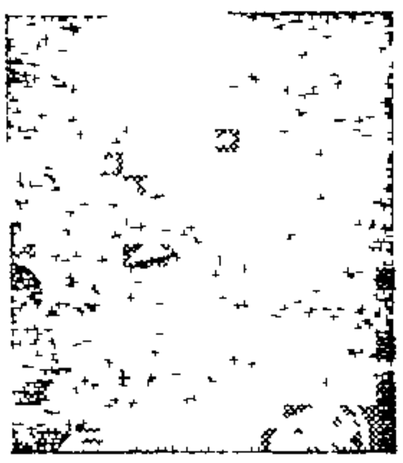
Volkswagen announced the temporary shelving of a R70 million project and Ford is believed to be delaying its expansion in the area.

Now sources say the Eastern Cape motor industry — mainstay of its depressed economy — may move some operations or expand to other centres.

General secretary of the National Automobile and Allied Workers' Union (NAAWU) Fren Sauls said Volkswagen's announcement was "an attempt to influence workers in their wage demands and to gain public support in negotiations with the union".

Veiled threats that the company might have to move to anothr centre would contravene declarations signed by the West German Government, amongst others, at an International Labour Organisation (ILO) convention in Geneva in 1977

NAAWU would report Volkswagen's actions to the Volkswagen mother company in Germany and to powerful international labour bodies.



Naawu leader Fred Sauls . . . Volkswagen's actions will be reported to Germany

"The workers will be more adamant about reaching a finalised agreement with Volkswagen," Sauls said

NAAWU president Jury Harris said if the motor companies were curtailing expansion programmes, the slump in the economy was to blame.

"With Volkswagen shelving its project, it should now be in a financial position to meet our wage demands. It appears employers are playing cat and mouse and no progress is being made in wage talks or our demanded reinstatement of 507 retrnchd workrs," Harris said

"The workers are tense and we are expecting trouble this week."

● Volkswagen announced this week that because of the labour situation and the downward trend in the economy, "we have suspended decisions on any investment in the immediate future".

It confirmed later that a R70 million programme had been curtailed and that the company was constantly looking at the practicality of expanding elsewhere to save costs Spakesmen would not elaborate

The Sunday Tribune learned, however, that tenders have been called for the new programme but no contracts would be agreed to before the situation changed

The shelved programme comprises increased production facilities During last year's sales boom the company could not produce fast enough to meet demand

● Ford has said officially it had no expansion plans but sources say the expansion of production facilities would at least be delayed.

Ford is one of a number of industries in the Eastern Cape which has met delegates from Transkei and Ciskei in recent months making overtures to site operations there.

● A spokesman for a big company, who asked not to be named, said the homelands were offering "immense financial incentives."

"Even if a risk of labour trouble also exists in the homelands, the cost savings there would take care of the cost of a lot of unrest."

● General Motors warned this week about damage to the economy in an unstable labour situation and hinted that it might have to delay new programmes.

When more than 10 000 motor industry workers started the wave of strikes last month spokesmen for the motor industry warned that the three Eastern Cape companies would collapse if workers' wage demands were met

Spokesmen for welfare organisations said more and more families of white motor workers had asked for help — to buy food, pay their electricity and water bills and even home rentals

Port Elizabeth Mayor Hendrik van Zyl Cillie said this week that the Volkswagen announcement was "one of the worst news items I've heard in a long time . this problem I place squarely in the laps of the trade union leaders"

President of the Port Elizabeth Chamber of Commerce Denis Creighton said the Volkswagen investment would have had a ripple effect on the economy. "The fact that large sums of money are not going to be spent can only add to our already critical unemployment figures"

These demands meant that a floorsweeper — the lowest paid worker on the factory floor — would earn R658 a month A woman teacher today starts at about R650

Executives said the average price of a new car would increase by about R800 to R1 000 and the Eastern Cape motor industry would be priced out of the business

They were already losing on the overall market.

S. Tribune 29/8/82

192

Boss's withdrawal of increase leads workers to strike

192

Sowetan 30/8/82

ABOUT 40 workers went on strike in Industria on Friday morning, after wage increases given them by one of their company directors were later withdrawn by another director.

Mr Solly Feinstein, director of Marjon Auto Electrical Component Manufacturer, admitted that his son, a junior partner in the company, made a mistake by offering increases to everybody in the company.

He said increases are due to people who were earning minimum wages prescribed by law only Other workers would be entitled to increases in March as had been happening in the past

The workers told The SOWETAN they were not prepared to pay for mistakes committed by their boss

EXCITED

"We were not particularly excited by the wages we have been earning, but we did not make any noise about it One of our bosses decided on his own to pin a notice on the wall informing all of us that we were going to get increases

"This was obviously exciting news and we were all braced for higher wages But when pay day came our pay slips showed that the wages had been pushed up but the figures had been altered by pen to change them back to what they had been before the increases

"When we queried this, it emerged that the two bosses did not agree on whether or not we should be given increases The son wanted us to be given increases, the father did not

"So, they must pay for their own confusion because if we had not been promised increases, we would still be working peacefully," said one of the striking workers

HAPPY

The workers also said their boss told them that if they were not happy with the situation they could go and look for jobs elsewhere

Mr Feinstein said he needed all the workers on strike back and that he would welcome them if they reported for duty on Monday morning

"We have not been nasty to them and we know that not all of them wanted to down tools Some were threatened with assault and they felt obliged to join the rest out of fear

"But as I've said, we need all of them back but we are not going to force anybody to come back here If they won't come, they are free to go," he said

(192) Sowetan 30/8/82

Naawu executive attacks unionists

A FORMER Sigma Motor Corporation shop steward and an executive member of the National Automobile Assemblers Workers' Union (Naawu), attacked his fellow unionists and claimed they had taken part in plans by the company to dismiss him.

Mr Johannes Mukhari told The SOWETAN he was led to believe this after he had received a call on the day of his dismissal from Mr Martin Ndaba, the union's Pretoria organiser, that Sigma management had fired him

Mr Ndaba, he said, told him he was fired for allegedly being arrogant, militant and incompetent "He told me this in a telephone discussion while still at work and advised me to contact my plant manager who confirmed my dismissal"

Mr Mukhari was dismissed on August 20, the second dismissal within three months, following a meeting behind closed doors between Naawu officials and Sigma management, he said.

Mr Ndaba could not be reached for comment at the weekend but had early last week contacted The SOWETAN and said he had anticipated Mr Mukhari's visit to this office and wished to put the record straight

Mr Ndaba said according to their information, Mr Mukhari was dismissed because his performance in the firm had deteriorated and that Naawu was negotiating with Sigma's management on his behalf

Mr Mukhari denied he was incompetant and pointed out that he had been with the company for the past four years He had been rated among the top workers scheme

He was first fired on June 4 and about 150 workers went on strike in sympathy He was later re-instated after management had acceded to employees demands

Mr Leon Shirley, the company's liaison manager and his assistant, Mr P Botha could not be reached for comment

TRANSPORT

Naamsa joins fight against new clutch tariffs

(192) Industrial Week 31/8/82

Staff Reporter

THE National Association of Automobile Manufacturers of SA (Naamsa) is backing the National Motor Parts and Equipment Association (NMPEA) against a 25 % tariff protection on locally produced truck clutch assemblies.

The application was made by Automotive Component Manufacturers (ACM) which says it is not seeking special protection but wants Government to bring truck clutches into line with similar protection given to manufacturers of passenger car clutches

Naamsa is concerned about the inflationary implications of increasing the duty on various types of motor vehicle components

"In the final analysis, the application of tariff protection measures reduces the need or incentive to maximise efficiency in order to remain competitive

"It is Naamsa's considered view that protective duties should only be imposed once a fully locally produced component of an approved standard, can be supplied by a manufacturer in sufficient production quantities, and at a price, which is competitive," said Nico Vermeulen, director of Naamsa

Oscar Taub, national chairman of the NMPEA said "The effect of tariff protection is to remove competition from imported products that are too competitive in price for the local company intending to produce them

"If you study the effects of such tariff protection, the results are nothing short of frightening

"We accept that local industry needs encouragement, but they should be exposed to sufficient competition to make them operate efficiently "

Naamsa's hint that too many tariff applications are surfacing these days represents a poser for the authorities

Government wants to encourage local manufacture of components without jeopardising some form of healthy competition

This has produced a recent about-face on protection for gearboxes, and lukewarm measures for protection on drive axles from the beginning of October

In the case of the application by the ACM there is a 3 % tariff on clutch thrust bearings, which would be raised to 25 % if the application was accepted

Although the company says it will be in production by October, industry sources say that clutch bearings will not be available until 1984

Motor firms take stand on talks

E. Post 31/8/82

192

Post Reporter

THE three Eastern Province motor manufacturers — Ford, General Motors and Volkswagen — have refused to hold individual, in-plant wage talks with the National Automobile and Allied Workers' Union (Naawu)

At a meeting between the Eastern Province Automobile Manufacturers' Association (Epama) and the union today the employers made it clear they would only negotiate through Epama

Naawu members demanded in-plant bargaining when the Industrial Council reached deadlock earlier this month The dispute was to be referred to arbitration by the Minister of Manpower

Naawu withdrew from the council and requested in-plant wage talks

The union sees the employers' stand as a contravention of the Sullivan Principles, to which GM and Ford subscribe.

Naawu's general secretary, Mr Freddy Sauls, said the two motor manufacturers had indicated in the past they would negotiate with any representative body, and not only with those within industrial councils.

At today's meeting the union also re-iterated its rejection of interim wage increases before a settlement could be reached

Pay rise turn for motor industry

Labour Correspondent

THE deadlocked Eastern Cape motor industry wage dispute took a new turn yesterday as employers announced they would unilaterally implement a 20c-an-hour interim wage increase which worker meetings rejected last week

Employers said despite the rise — which will come into effect retrospectively from August 22 — negotiations on workers' pay demands would continue They said they believed many workers were pleased with the decision

But a spokesman for the National Automobile and Allied Workers Union, whose members downed tools several times in support of pay demands, warned yesterday that the move would spark "strong reaction" from workers "It may well escalate the problem," he said

And at the same time employers said while "intense" negotiations were likely with NAAWU over the next month, there were fears that no agreement between employers and the union would be reached this year

The dispute is deadlocked with employers offering a rise which would bring minimum pay to R2,20 an hour and workers demanding R2,50

NAAWU quit the industry's industrial council during the dispute and has been holding talks with the employer association representing the three companies. During these talks employers suggested that workers accept the R2,20 as an interim increase while talks continued

But worker meetings rejected this, arguing that it was a "delaying tactic" which would "take the pressure to find a solution off management"

Yesterday employers informed NAAWU at an unofficial bargaining meeting that they were implementing the interim increase

Workers lose their jobs at an ever increasing rate

Sowetan 1/9/82 192

THE threat of retrenchments are fast becoming a daily occurrence in South Africa with thousands of workers finding themselves on the street without hope of re-employment

The economic downturn is forcing companies to either lay off workers or find alternate solutions through shorter work-weeks

Over 1 000 metal workers and 1 300 auto workers have been laid off so far this year

Most of the retrenched workers are unskilled or semi-skilled which make the possibilities of finding new employment all the more difficult

Retrenchments are proving to be a major dilemma for trade unions which are now seeking retrenchment provisions in their agreements with companies

Lay-offs are also being felt by white collar workers At GEC Machines in Benoni 33 people are to be retrenched and at JCI's head office in Johannesburg, about 80 people were either paid out or put on pension prematurely

It is understood that several hundred workers at the giant Edward L Bateman Engineering and Foundries complex in Boksburg were laid off last week

JOBLESS More and more workers face the same fate.

MUST enter in
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External
(3)

Paper No
(to be copied from the heading on the Examination Paper)

NOTE CAREFULLY

1. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
2. Blue or black ink must be used for written answers The use of a ball point pen is acceptable Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
3. Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book(s) are used
4. Do not write in the left hand margin

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2. Candidates are not to communicate with other candidates or with any person except the invigilator
3. No part of an answer book is to be torn out
4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

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Section B

Naawu criticises interim wage increase decision

E. Post 1/9/82

192

By SANDRA SMITH

THE National Automobile and Allied Workers' Union (Naawu) today sharply criticised the decision of the three Eastern Province motor manufacturers and a white union yesterday to go ahead with an interim wage increase in the industry

Ford, General Motors and Volkswagen will pay an interim across-the-board increase of 20c at the lowest grade, backdated to August 22

At a meeting between the Eastern Province Automobile Manufacturers' Association (Epama), Naawu and the Iron, Steel and Allied Industries Union yesterday, Naawu reiterated its rejection of the interim increase

The union left the meeting, and the other two parties then convened an Industrial Council meeting to ratify a decision to cancel a supplementary unemployment benefit fund and implement the interim across-the-board increases

Epama has invited "all interested parties" to wage talks, probably this week, aimed at finalising an agreement after the collapse of the Industrial Council when Naawu withdrew last month

In a statement today, the union said tensions were developing which could have serious repercussions in the automobile industry — "because of the employers' attitude"

"This may cause irreparable damage to the relationship between the workers and the companies," the statement said

Naawu condemned the three companies for "chasing short-term gains at the expense of long-term industrial relations solutions"

The companies' "unilateral decision to implement the interim increase" demonstrated to the workers that the motor manufacturers "have no, and never had, any intention of reaching an agreement with the union on the basic wage demand"

"We are now considering whether there is still a need for concluding industrial agreements if this is the attitude and practice of the employers," the statement said

Such a unilateral decision had serious implications for long-term industrial relations in the Eastern Province and South Africa

Naawu would consider negotiating with Epama and other parties "as long as it is done in good faith and is a sincere attempt to reach an acceptable settlement"

(to be copied from the heading of the Examination Paper)

Paper No 2.
(to be copied from the heading on the Examination Paper)

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Examiners' Initials		

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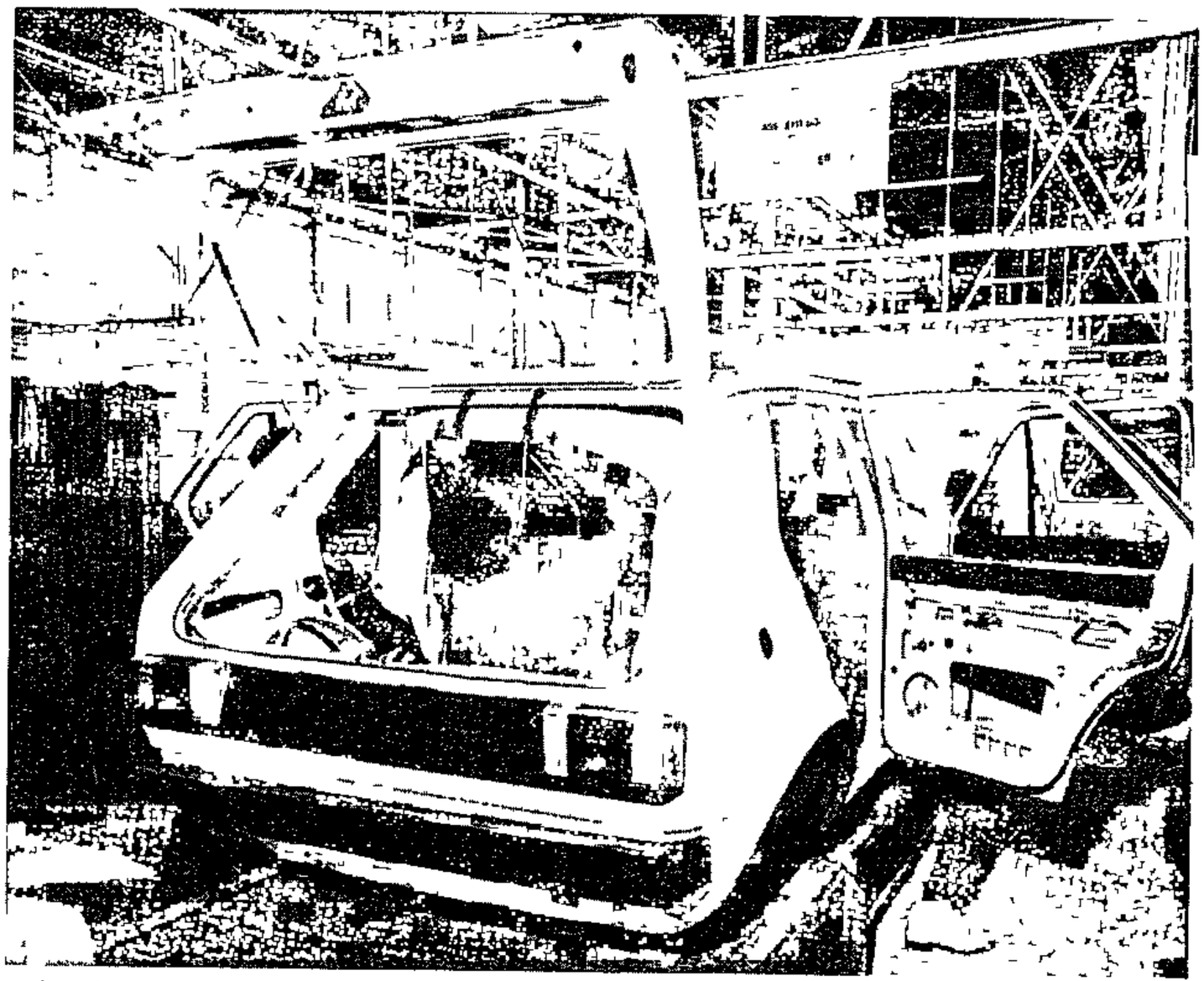

Volkswagen production line . . . decelerating the expansion programme

MOTOR MANUFACTURERS

Applying brakes

FM 3/9/82 (192)

Volkswagen has shelved expansion plans worth more than R70m MD Peter Searle says the high cost of capital is the main reason for the decision Earlier reports suggested that labour problems and the slack economy were the main reasons for the decision

The expansion was to have followed the current R100m programme due for completion later this year

"When we planned our next expansion the cost of capital was considerably lower than today," he says "We are re-asssessing the extent and the timing of future capital usage to optimise productivity of capital which is as important as labour productivity and stability"

He adds that the proposed expansion is a long-term investment which is not influenced by the present business cycle Denying claims that labour stoppages had influenced the decision, he explains "This was purely a business decision It was not intended to be used to influence unions or anybody else The current wage negotiations are a separate matter"

However, VW appears to be the only motor manufacturer taking a view that calls for re-evaluation of capex One industry source points out that its decision may have been influenced by the company's weakening position in international markets

Also, projections on the current downturn are still not that gloomy

Chris Griffith, chairman of Sigma, projects next year's vehicle sales at 12%-15% down on 1982 "The industry's cycles will not be nearly as deep as they used to be At this stage, the decline also looks unlikely to last all that long"

Griffith says Sigma sees no need to reconsider its R142m current capital programme Targeting a 25% market share in 24 to 27 months, it is to double its current passenger and commercial vehicle production capacity (on single-shift work) from early 1983

Lou Wilking, MD of General Motors, projects car sales this year of 280 000-285 000, a view shared by Vic Doolan, marketing manager of BMW This will leave 1982 as the second best year ever for the SA motor industry

Wilking sees next year's sales at 260 000-265 000 cars and 120 000-125 000 commercials, totalling some 390 000 vehicles "It would still be the fourth best year in the industry's history," he says "We expect the upturn to start in late 1983, and I call that only an adjustment It's no cause for pessimism"

However, Fred Ferreira, Ford's director of industrial relations and public affairs, notes that with Ford's capacity utilisation down to only 60%, the company laid off 500 people two weeks ago But, he adds Ford does not expect conditions to worsen or further lay-offs to be necessary

FM 3/9/82

LOCAL CONTENT

Heavy on axles

(192)

The local content programme for heavy commercial vehicle axles, scheduled to start on October 1, has been deferred until December 1, with major amendments

Official confirmation of the decision is yet to come, but industry is now accusing government of creating yet more confusion over the highly contentious issue Although start-up date is officially less than a month away, the Board of Trade still needs to clarify a long list of basic issues, say industry sources

The original import duty of R1/kg for axles fitted to vehicles powered by engines bigger than 9 *l*, has also been scrapped, it is understood This is replaced by a higher duty of R1,65/kg, amounting to R650-R850/unit, payable on axles in the heavy category imported after December 1

The R1,65/kg duty level was originally intended to be applied from January 1984 on all light commercial vehicles from 1 300 kg upwards as a second stage of the local content drive

Government has now abandoned this light commercials plan in favour of a programme that will form part of a wider Board of Trade investigation into local content for vehicles generally

Effectively, the duty package imposes an immediate 100% local content on axles But bearings and other components using special steels not produced locally, account for at least 20% by mass These are currently imported

Yet the increase in duty is not bad news for everybody

Gencor's SA Axles is known to have sizeable stocks of imported axles from West Germany In the absence of duty protection, these could not compete with imports from the various truck source plants This must be creating cash flow problems for SA Axles in addition to high interest losses on inventory and lost opportunity

The R1,64 duty will undoubtedly make this stock-in-hand more competitive

SA Axles already has bitter experience of delays in local content This latest deferment is its second disappointment on axles

Last year it had to close its factory at Elandsfontein, outside Johannesburg, when anticipated government protection didn't materialise, leaving it with no order book It has now regrouped as a marketing company within AS Transmissions and Steerings, another Gencor subsidiary, which will manufacture the axles under licence from MAN, as well as gearboxes under the Daimler Benz and ZF franchises

While government measures might get SA Axles off the hook, the picture for other axle manufacturers is cloudy They believe that the Board of Trade is in a dilemma of government's own making

Ray Couldridge, MD of Protea Axles, manufacturers of the Rockwell range, expresses a typical view "I have received no notification of the increase to R1,65/kg, or the change from October to December

"We were expecting an announcement deferring the protection package, but we haven't yet been notified

"We cannot invest until we know more detail There is no specified upper limit on mass, no finalisation or timing, or the level of protection — not even what an axle is supposed to be Does it include the brakes and drums?

"We say it will take a minimum 18 months, and perhaps two years in which to engineer the fitment of an axle On local content, 100% is nothing but a pipedream We have reached 40%, and that is where we propose staying for the time being"

PROTECTION (192)

Depressed clutches

FM 3/9/82

Predictably, the latest step towards self-sufficiency in heavy truck manufacture has met with opposition from the industry

This time the party under pressure is Automotive Component Manufacturers (ACM), a company in the Salzgitter mining equipment supply group It has a technical agreement with Germany's Fichtel & Sachs to make clutches at a plant to be completed in Alberton in 1984

The Motor Industries Federation (MIF) and its constituent association, the National Motor Parts and Equipment Association (NMPEA), have objected to ACM's application for tariff protection against imported clutch assemblies

"The consumer will be penalised and we believe the application is premature, unjustified and inflationary, particularly in the light of a recent statement by the Minister of Industries and Commerce, Dr Dawie de Villiers, that the discipline of the market should be allowed to reduce inflation," says Oscar Taub, national chairman of the NMPEA

"ACM is applying for an immediate increase in the duty from 3% to 25% Its factory does not yet have a roof, so is this not a bit premature? It means customers will have to pay now to pave the way for the company's future profitability"

ACM's initial production will consist of only clutch plates, clutch pressure plates and, possibly, clutch bearings intended for the Atlantis Diesel Engines range But at this stage, it can supply no firm details on the full range of components it intends to eventually produce

If its protection application is approved, vehicle builders using other makes of clutches designed for other engines may have to pay duty on imports for which no locally-made equivalents exist

R2m to assist non-striking motor workers

Govt move on stock in strikes

By STEVEN FRIEDMAN and Own Correspondent

3/9/82

IN a shock move, the Government is to set aside R2-million from the Unemployment Insurance Fund to help motor workers who refuse to join strikes but are unable to work because their factories are strike-bound.

The move comes in the wake of strikes in the motor industry in which plants closed because black and coloured workers downed tools. White workers said they wanted to work but were prevented by the strike, and the bulk of the scheme's beneficiaries are likely to be white workers.

Although the industry's all-white union welcomed the move, it was immediately slammed by both the National Automobile and Allied Workers, which represents black and coloured motor assembly workers, and motor employers.

It is believed that moves by a Government to intervene in strikes by assisting workers who refuse to join them is unprecedented both in this country and abroad.

Announcing the move in Port Elizabeth yesterday, the Minister of Manpower, Mr Fanie Botha, said that during the recent strikes "responsible workers" were prevented from working "by a disruptive work stoppage caused by other workers in the same undertaking".

An initial R2-million would be set aside to "combat unemployment" by placing these workers in jobs and ensuring that they received their normal income.

The money had been made available in terms of Section 46 of the Unemployment Insurance Act, which provides for special relief for the jobless. It would apply to future strikes but not to those which have already occurred.

Mr Botha described the scheme as "an indication of the sincerity of the Government to workers who "act responsibly and, through no fault of their own, lose earnings".

The NAAWU immediately attacked the move as "one-sided", accusing the Minister of siding with the employers in the strikes and accepting only their account of the strikes.

Throughout much of the dispute, NAAWU insisted its members were willing to work but were unable to because the employers had locked the factory gates.

And General Motors' Mr Rod Ironside — who is also chairman of the Federated Chamber of Industries' labour affairs commitee — said the proposal was "alarming" and would set a precedent which would be costly.

He backed the principle of aiding "unwilling victims of strikes" but said employers would have to assess who genuinely qualified and this would be difficult.

The industrial relations director of the Ford Company, Mr Fred Ferreira, said the proposal was "undesirable".

And a Johannesburg management man who declined to be named said the proposal would damage the Government's credibility.

Mr Botha's announcement follows a speech by him on Wednesday in which he appealed to employers to support their "loyal" workers and not to "bow down backwards to militants".

The move also follows complaints by the all-white Iron, Steel and Allied Workers' Union — which represents white workers in the industry — that its members were in dire financial straits and had had to be assisted by charities because of the strike by black and coloured workers.

VW turns down union's request for in-plant talks

(192) E. Post 7/9/82

By SANDRA SMITH

THE Volkswagen motor company in Uitenhage has told the National Automobile and Allied Workers' Union (Naawu) that it will not enter into in-plant talks with the union

This was in reply to a letter from Naawu requesting that talks to reach an agreement on minimum wages and separation pay begin tomorrow

VW's public affairs manager, Mr Ruben Els, said the company was prepared to negotiate through the Eastern Province Automobile Manufacturers Association (Epama)

Naawu has been committed to securing individual agreements with Ford, General Motors and VW since its withdrawal from the industry's industrial council last month after a deadlock in negotiations

The VW shop stewards' committee met this morning to consider the company's response

● Ford has given an assurance that 507 workers retrenched last month will be given preference when vacancies arise, and new workers would only be taken on if the skills required were not held by any of the laid off workers

New workers would also only be taken on after it is established that no worker in the plant where a vacancy exists can be promoted to fill the position

Ford undertook to send telegrams to retrenched workers to tell them of vacancies, and to inform Naawu

The union's general secretary, Mr Freddy Sauls, said the agreement was a positive step by the company in re-establishing sound relations

Toyota puts 8 000 into training

Star (192) 9/9/82

By Stan Kennedy

About 8 000 workers at the Toyota plant near Durban last year received training ranging from simple literacy classes to sponsored university education for potential engineers and managers

"This year the figure will be higher" says training officer Mr Ernie Ricklan

"Every worker, regardless of colour or creed, goes through an induction programme At the lower levels recruits sit an aptitude test to check their abilities for the work We try to make sure that everyone for a required standard has the aptitude and ability"

Literacy classes are held in Zulu and as the workers become literate they go through a selection process where they are assessed for leadership potential

All have the opportunity to become group leaders and then to move up the ladder to production trainee or an hourly-paid supervisor

Mr Ricklan says after the supervisor's course is completed successfully, employees can work their way through the higher supervisory grades until they eventually get into the management stream

Our whole selection process is geared towards looking for people with further potential"

Toyota's training school at Prospecton is a branch of the Natal Technikon and the company co-operates closely with various institutes of higher learning

Product engineering trainees undergo a four-year course — six months work six months study

Refurbishing the trend

One of South Africa's major suppliers of replacement parts for crawler undercarriages, Simmel of Italy, has installed new machinery to produce an extra 800 000 undercarriage rollers a year, reports Mr Andrew Mackie, general manager of Premier Undercarriage

Mr Mackie, who has just returned from negotiations with Simmel, says there is a world wide demand for replacement parts because of the steadily increasing costs of new units

"Refurbishing and rebuilding of earthmoving equipment is becoming the popular thing around the world," he says

"In South Africa more and more companies are refurbishing rather than replacing with new equipment

"We can refurbish undercarriage parts for as little as 25 percent of the cost of new parts"

As part of this local development Premier has set up a special advisory service with their technicians calling on operators

The new Bomag heavy duty vibratory performance

Bomag upgrade

Bomag's BW 212 series heavy duty vibratory roller which has been tried and tested over the past nine year has been uprated compaction performance increased percent

The company h

Slump tightens squeeze in motor industry

ARGUS 9/9/82 192

Argus Bureau

PORT ELIZABETH — The economic slump is tightening the squeeze in the motor and associated industries in the Eastern Cape, where another company has retrenched workers and several have cut working hours.

In some cases, the production cuts are being partly attributed to the recent spate of work stoppages in the motor manufacturing industry here

The latest company to announce retrenchments is Goodyear, whose public affairs director, Mr Mike Selley, said today that 39 production workers were laid off at the firm's Uitenhage plant in the past week

More may have to be laid off unless the market stabilised, he said

Cutbacks

To avoid large-scale retrenchment, the company had introduced a four-day week more than three weeks ago in its tractor tyre division, while the passenger tyre division was working a five-day week

The production cutbacks had been caused primarily by the drop in the truck and tractor market and replacement market because of the reduced economic activity during the slump

The Goodyear moves come in the wake of the retrenchment of 316 workers at Volkswagen, Uitenhage, in April and the retrenchment of 507 workers at Ford last month

Firestone in Port Elizabeth has been working a four-day week for the past month and envisages having to do the same for the rest of this month, although it does not expect to make any retrenchments

Overtime

It has been reported that Dorbyl Automotive Products in Uitenhage retrenched an unknown number of workers at the beginning of last month and has eliminated all overtime work

SKF bearing manufacturers and Borg Warner Automotive Components, also in Uitenhage, have eliminated overtime

Another Uitenhage company, the steel wire manufacturers, National Standard, started working a four-day week in June and went onto a three-day week during the spate of motor industry work stoppages in July

It is reportedly having a one-week shutdown next week to balance production

Business and Shipping

R2m investment in PE car parts plant

192 E. Post 9/9/82

By LOUIS BECKERLING
Business Editor

A R2-MILLION vote of confidence in the Eastern Cape motor industry is due to come on stream within months at the component manufacturing plant of Microfinish Tooling (Pty) Ltd.

The major investment has been spent on importing five 400-ton capacity presses from British Leyland, and extending the company's North End plant to accomodate the presses

Once the presses are commissioned, says Mr Chris Steenekamp, group managing director of the Bel-Essex group, Microfinish (which is controlled by Bel-Essex), "will be the largest independent plant in the country"

Capacity at the plant will be increased by some 70% as a result of the investment, according to Mr Steenekamp, but this is not without attendant problems

"The single largest limitation on capacity of South African tool and die manufacturers is the poor supply of toolmakers

"If we knew such skilled artisans were available in adequate numbers we would happily double our capacity"

Mr Steenekamp said that the shortage of locally-qualified toolmakers was so acute that his staff was a thoroughly cosmopolitan one, with a large number of different nationalities working toegether on the shop floor

"Nonetheless we have great confidence in the motor industry in South Africa, and its ability to overcome the present problems," he said

Mr Steenekamp spoke to Business Post shortly after a visit to his plant from Mr E Ogihara, president of the Ogihara Iron Works in Ota City, Japan

One of Japan's biggest tool and dye manufacturers, Ogihara Iron Works has a "trade and aid" agreement with Microfinish Tooling, in terms of which technology is swopped and, when limitations of local capacity demand it, Japanese-made tools are bolted on to Microfinish presses to produce the locally-manufactured components demanded of the motor industry in terms of the local-content regulations

Mr Ogihara was entertained to a civic lunch this week and told those attending that the Port Elizabeth/Uitenhage complex had contributed almost R10 million to his company's sales last year, making it the largest market for Ogihara in South Africa

He expected these sales to increase to around R11,5 million this year

Elaborating on his company's position in the automotive component market, Mr Steenekamp said Microfinish Tooling would gear up for even higher capacity "at the drop of a hat if we knew that toolmakers were available"

"I believe once the new presses are commissioned, by about November, we will be the largest independent operator in the toolmaking market"

He pointed out that while other operators might be larger, they were tied to motor manufacturers

And why does the multi-million expansion programme come at a time when the motor industry is caught in a contracting market?

"Bear in mind," says Mr Steenekamp, "it takes two to three years to tool up for a new model, so at times when the motor industry is quiet we're not

"In fact right now we're over the wall"

Unique appointment by motor firm

(192) E-Post 16/9/84

Business Editor

THE Ford Motor Company has appointed a coloured man to head its public affairs division

And newly appointed Mr Thaldie Kalam said in an interview today that he would be delighted if his elevation to public affairs manager — unique in the SA motor industry — contributed towards breaking down stereotypes

Mr Kalam's appointment follows the departure from Ford of its former director of public relations, Mr Dunbar Bucknall

"The division has been restructured and Mr Kalam will now become manager, reporting to me," said Mr Fred Ferreira, director of industrial relations

Mr Kalam was born in District Six and graduated from the University of Cape Town with a BProc degree He joined Ford in Port Elizabeth in 1979 and shortly afterwards departed for the United States on a State Department exchange programme While in the US he completed assignments with Ford

"I returned to Port Elizabeth after a brief stay in the US and was sent to Cape Town to open a new regional public affairs office," said Mr Kalam

"In August last year I went back to the States to do a Master of International Management degree in Phoenix, Arizona, with the Graduate School of International Management During this period I spent some time on assignments with Ford in the States and in Europe"

Mr Kalam is 28 and is not married

Mr THALDIE KALAM ... department head

White union behind workers' aid move

By STEVEN FRIEDMAN
Labour Correspondent

THE Government's controversial R2-million plan to compensate "loyal" motor workers who don't want to join strikes was introduced at the express request of the country's biggest all-white union

The union, the SA Iron, Steel and Allied Workers' Union, is a power in the Rightwing Confederation of Labour

But neither employers nor the National Automobile and Allied Workers' Union, which represents about 11 000 black and coloured motor assembly workers, were consulted

In other developments yesterday

- A spokesman for the Unemployment Insurance Fund said the authorities had not yet worked out how the scheme would be implemented, and,
- Mr Botha's move was attacked by the SA Allied Workers' Union and criticised by the chief manpower spokesman of the Progressive Federal Party, Dr Alex Boraine

The scheme will set aside R2-million from the UIF for workers who want to work but cannot because plants are closed by strikes

Yesterday Mr H Ferreira, general secretary of the SAISAWU, said he had asked the Government to introduce the scheme because of its experience in the Eastern Cape motor strikes when its members had wanted to work but had been unable to, because the plants had been closed

Mr Ferreira said he had specifically drawn the Government's attention to Section 46 of the Unemployment Insurance Act, which provides for relief for the jobless in this connection

"We want to insure that innocent workers do not suffer for the actions of others," he said

But Mr Rod Ironside, who chairs the Eastern Cape Motor Employers' Association, said yesterday employers had not been consulted

"We had an inkling through the grapevine that something like this was coming, but that is all," Mr Ironside said

He said employers were waiting to see how the fund was to be administered, before taking the matter further

"This is crucial However worthwhile the principle may be, there is no way we can decide which of our workers want to work and which don't," he said

It was established yesterday, however, that details of how the fund is to be run have not been worked out

"All we have done is set aside the money We are waiting for suggestions from the Department of Manpower on how the fund is to be administered," a UIF spokesman said yesterday

Dr Boraine yesterday urged the Government to reconsider the move

He said it was "understandable" but would "seriously affect relations between management and worker and between worker and worker"

If workers affected by lock-outs did not also benefit from the scheme, it would seen to be "one-sided", he said

And Saawu said that, instead of the fund, the Government should ensure that black workers who had difficulty drawing unemployment benefits because they were homeland citizens were helped to do so

Workers set terms for VW

192 151 140M

Post 10/9/82

Post Reporter

A MEETING of Volkswagen members of the National Automobile and Allied Workers' Union has given the company's management until September 23 to arrange for in-plant negotiations leading to a house agreement

The decision was taken by the workers at a mass meeting yesterday to discuss VW management's refusal to enter into in-plant negotiations with Naawu

A union spokesman said today similar approaches would be made to Ford and General Motors

The workers meeting follows the refusal of VW management on September 7 to begin in-plant negotiations with the union on pay and separation allowances

The company insists that negotiations be through the EP Automobile Manufacturers Association

Naawu has been trying to get in-plant agreements with VW, Ford and GM since the union's withdrawal from the industrial council for the industry

Atlantis Diesel at half capacity

(192)

C. Times 11/9/82

By GORDON KLING

THE R400-million Atlantis Diesel Engine project officially opened by the Prime Minister last April is running at only one-half of budgeted capacity and the managing director, Mr Hartmut Beckurts, is trying to allay employee fears of retrenchments.

Confirming that the project had been hit far harder than the rest of the motor industry by the downturn in the economy, Mr Beckurts yesterday said ADE was doing all in its power to avoid laying off workers and was genuinely confident it would succeed He appealed to manufacturers to support the project without reservations "in the interests of the country and the South African worker"

There had already been substantial retrenchments by other industries at Atlantis, but ADE could assure its more than 2 000 employees that their jobs were safe in spite of the deepening recession, Mr Beckurts said, unless it was let down further by the cancellation of orders

Imported engines

Cancellations and an oversupply of engines imported by ADE have hit production, along with considerable buying ahead by manufacturers last year in a move designed to beat higher ADE prices

This had led to production falling 50 percent below budget, against a general motor industry slump of about 10 to 20 percent It was hoped that surplus stocks of imported engines would be cleared by early next year

The works committee had agreed at a meeting with management on Thursday to permit changes of jobs, and people who were surplus on one line were being put on to another

Mr Beckurts said he could not guarantee job security but he emphasized that his outlook was positive. "I don't want to give you the feeling that while I'm saying one thing I'm actually worried stiff I think we've reached the lowest ebb in order intake"

Production was now about 100 engines a week, compared with 200 earlier in the year, but the low volume of work could be accommodated without layoffs because not all the production lines were fully manned.

Talk or else, union tells motor firms

Mail Correspondent

DURBAN — The National Automobile and Allied Workers' Union has given the big three motor manufacturers — Ford, General Motors and Volkswagen — two weeks to open plant-level wage negotiations or face further labour action

This is the latest development in the simmering Eastern Cape wage dispute which in July broke out into a mass strike by 10 000 members of Naawu

The wrangle between the union and the companies was triggered off by Naawu's walkout from the industrial council last month when it was decided to refer the dispute for arbitration

Earlier this week Naawu delivered a working document for in-plant negotiations to Volkswagen, together with a demand that talks be opened by Wednesday

VW ignored the deadline, saying it would only negotiate through the Eastern Province Automobile Employers' Association

Similar documents were sent to Ford and GM The companies have been given until September 23 to open talks

R1,2m factory will double production

(192) D. Dispatch 11/9/82

EAST LONDON — The construction of a R1,2 million factory and office complex for the Kromberg and Schubert company here, is expected to be completed in November.

The company, which manufactures cable harnesses for the motor vehicle industry, is a subsidiary of a German company

The move from its Braelynn factory to the new factory under construction in Schoof Street, Wilsonia, had been made as part of the company's expansion programme, the factory manager, Dr E. Thull, said.

Production at the new premises was expected to double, and an increase in factory employment of about 40 per cent — bringing the work force to about 250 — was envisaged for the future

The factory is expected to be completed early in November, and the offices by the end of November

Plans for the factory were among the 91 building projects approved by the City Engineer's Department in August

The total estimated cost of the projects was R2,7 million, an increase of about 35 per cent on the approved projects of August last year

There have been 635 projects approved by the department since the beginning of the year at a total estimated cost of R14,4 million, which is about five per cent lower than the estimated cost of R15,1 million for 647 plans passed during the same period last year. — DDR

Atlantis may be buried by own surplus

192

12/9/82

S. Times

By BENNIE VAN DELFT

A R40-MILLION stockpile of engine parts is growing daily at the controversial Atlantis Diesel Engine plant, a "protected" Government-backed project

A huge "engine mountain" is overflowing out of the warehouses and into the factory's car park

Atlantis executives say their competitors are to blame for the oversupply of diesels in South Africa

They claim their rivals amassed a huge surplus of imported engines last year to beat an import levy imposed by the Government to protect the local plant

Mr Helmut Beckurts, managing director of ADE — the multi-million rand venture on the West Coast north of Cape Town — confirmed this week it was overstocked with engine components "to the tune of R40-million"

He denied estimates by factory sources that the value of the stockpile was double this figure.

"It's unbelievable to see this mountain of engine blocks at Atlantis," said one employee

According to sources, the main reason for the botch-up is massive resistance by local buyers to "new products", and a scepticism that the South African engine is as good as imported engines

Mr Beckurts denied this, saying the stockpile is due to the present economic downswing, and to "cancellations" from vehicle and tractor manufacturers

Cancellations

"We received more cancellations than we had expected in the present economic climate

"This is a direct result of the unexpected stockpiling of imported engines, particularly for commercial vehicles"

Senior ADE officials say the company is losing a fortune in interest because of the capital investment that is tied up

Atlantis has been steeped in controversy since the R300-million plant was approved by the Cabinet in November 1978

It was seen as a buffer against boycotts, to make South Africa independent in diesel engine production

Two partners, Perkins of Britain and Daimler-Benz of West Germany, were chosen to assist in the manufacture of the engines

In October last year, the Government introduced tariff protection for ADE diesel engines by slapping an import tax on competitors

At the time of ADE's establishment and the announcement of the tariff protection several top officials in the motor industry hit out at the project

Jobless queues lengthen as recession bites

Star 13/9/82 (192)

Labour Staff

Employers in the metal and motor industries are battling the spectres of retrenchment and unemployment

The recession has meant that thousands of workers have been laid off with little prospect of finding new jobs

Another blow to workers has come with a new ruling by the West Rand Administration Board that contract workers from the homelands will not be permitted to take on any new employment if they leave or lose their jobs

This directive from the office of the Chief Commissioner of the Witwatersrand means such workers will have to return to the homelands, which are already hard hit by unemployment

Surveys have shown this year that the availability of jobs is also declining Employers have turned to short-time, bans on overtime and shorter work-weeks to combat retenchment.

The metal industry countrywide — but largely in the Transvaal — has seen hundreds of retrenchments this year

The head of the Steel, Engineering Industries Federation of South Africa Mr Sam van Coller, said today that employers were trying to reduce retrenchments

Mr van Coller said cut-backs by the South African Transport Services, the Post Office and the gold mining industry had meant less work for the metal service industries

Most of the metal services, from foundries to heavy and light industry had been affected, he said

The automotive industrp in the Pretoria area and the Eastern Cape sas been hit, with Ford, Sigma nad Volkswagen laying off more than 1 000 workerse this year The motor components industry,

To Page 3, Col 1

Queues of jobless are likely to lengthen

Continued

has also beenaffected by the cuts in the automotive assembly industry.

Many assembly plants have had to resort to four-day weeks and no overtime. Employers have, however, promised retrenched workers jobs when they become available

Semi-skilled and unskilled workers are hardest hit by the lay offs as employers and trade unions try to adhere to a policy of "last-in, first out"

For the first time white workers are being laid off and white collar, office staff are finding their jobs in danger.

The number of jobs available in mining, manufacturing and engineering has dropped sharply.

In mining statistics show a drop of about 1 000 workers since March this year

The decrease in jobs has also been reflected in newspaper advertisements for labour

Naawu refers talk to its lawyers

(192)

E. Post 14/9/82

By SANDRA SMITH

THE National Automobile and Allied Workers Union (Naawu) has referred statements about trade unions made by the head of the Department of Economics at the University of Port Elizabeth, Professor J H Smith, to its attorneys

Naawu's general secretary, Mr Freddy Sauls, said today the union did not wish to comment on Prof Smith's allegations and had referred the matter to the union's attorneys

Addressing the Afrikaanse Sakekamer of Murraysburg at the weekend, Prof Smith said the nature of strikes and "labour unrest" in the Port Elizabeth and Uitenhage areas indicated that the economic onslaught against South Africa, which was part of a "total onslaught", had reached a national level.

He said strikers' actions were "finely planned" in accordance with "the East German model", whose union leaders had been trained "behind the Iron curtain"

Negotiations were conducted specifically at a time when the motor industry was in a decline, Prof Smith claimed, so that they could be negotiated from a position of strength

Multinational companies were chosen as strike targets so that their parent companies would pressurise them to concede to demands

The aim was also to escalate costs to such an extent that it would be unattractive for foreign companies to invest in South Africa, he said

The underlying strategy was to keep a strike going as long as possible and thereby to "incite" as much "unrest" as possible

Grievances could then more easily be used "for terrorism movements and sabotage"

The real reasons for strikes were thus not economic, but political, with the aim of destroying the free enterprise system

Naawu represents more than 10 000 workers in the Eastern Province automobile industry Its members recently went on strike after wage talks broke down

The Executive Director of the Midland Chamber of Industries, Mr Brian Matthew, and the head of the Department of Industrial Relations at UPE, Professor Roux van der Merwe, have criticised Prof Smith's statements

TRANSPORT

Deferment doubt over axle duty

(192) (44)

Industrial Week 14/9/82

Staff Reporter

WITH the deadline for the introduction of local content into truck axles only days away, manufacturers have yet to receive confirmation that there has been a deferment from October 1 to December 1.

Apart from SA Axles, which is believed to have been notified, the axle manufacturers are completely in the dark as to the Government's intentions.

Truck assemblers decided some weeks ago to adopt a wait and see attitude, as reported in Industrial Week, and the latest rumoured deferment has done nothing to change this

But if the word passing around industry is true, not only has the date of introduction been changed

The level of duty imposed on imported axles fitted to trucks having engines bigger than 9 litres swept volume has been jacked up from R1/kg to R1,65/kg

It was originally intended to introduce the R1,65/kg duty on January 1, 1984, when it would have applied to all truck axles in excess of 13 000 kg GVM

This proposal has now been shelved until a full-scale local content investigation into all vehicles, including light commercials, has been conducted by the Board of Trade

The new duty level will represent an additional R650 and R850 on the price of existing heavy axles, after December 1

Effectively the duty package imposes an immediate 100 % local content programme on axles But, says industry, bearing and other components using special steels, not produced locally, account for at least 20 % by mass These will still have to be imported

Protea Axles, the only manufacturer having attained 40 % genuine local content, probably represents the view of others when it says the Government plan, as outlined, cannot work

A heavy axle local content programme will take between 18 months and two years to get organised, says Protea

"We haven't yet been told what the definition of an axle is," said Ray Couldridge, MD of Protea

A 100 % local content is nothing but a pipe-dream," he added

PE set to exploit a key Israeli market

(192) E. Post 18/9/82

By Louis Beckerling
Business Editor

PORT ELIZABETH motor component manufacturers are uniquely geared to exploit a major export market in Israel

That's the view of visiting Israeli marketing agent Mr Amnon Rotem, and judging by the enthusiastic response shown by the motor business to his visit, there's profit to be made from the observation

Mr Amnon was in Port Elizabeth this week to promote the co-ordinated export on a mass scale of locally-manufactured components to a specially equipped warehouse just outside Haifa So convinced is he that the scheme will work that he has already bought a warehouse for the stockpiling of the wide variety of components he hopes to import from SA producers

On what does he base his optimism?

"In Israel the market in spare parts is almost totally an import one Industrial output is devoted to other sectors and with the exception of a Ford Transit model, Israel does not even assemble her own vehicles" (Some 60 000 new cars were sold in Israel last year)

But could these arguments not also apply were he to deal on the same basis with manufacturers elsewhere? Why did he come to South Africa?

"Because I am already involved in your market and I understand it And from an economic point of view going into Europe would involve me in visiting each manufacturer separately and I would even then not get as wide a spread of products, bearing in mind that component manufacturers in Europe are tied to manufacturers with licensing agreements which inhibit their entry into the export market

"Additionally, here in SA you have located in one small area a wide variety of spare parts In Europe their manufacture would be spread over a number of different countries

"In fact I believe the availability of such a wide variety of components from such a highly centralised area makes you unique in the world's motor industry"

Mr Rotem has accordingly made contact with a number of component manufacturers — on the Reef as well as in the Eastern Cape — and will visit the Atlantis Diesel Engine plant in Cape Town before returning to Israel

economies of scale — advantages which European and American manufacturers have when pricing their products Why should the unit bearing a "Made in SA" stamp (if this is not regarded as inexpedient) be cheaper than a US-made product, for instance?

● "Firstly we are negotiating directly with manufacturers here and this is not the case presently in Israel," he replies

Consequently, says Mr Rotem, prices of vehicles and replacement components and spares are prohibitive — a case of too many hands raking in too much profit

"Now we are thinking of a different approach In South Africa manufacturers produce many parts which are interchangeable and compatible with the Israeli market and I believe that your prices should be most competitive"

Mr Rotem's argument flies in the face of conventional wisdom regarding long production runs and

est subject to the restraints imposed by licensing agreements

"The next step," says Mr Rotem, "is to launch a six-phase programme aimed at getting the first trial shipment — of perhaps two or three containers — into Israel early next year"

A key element of this programme is a detailed market research study, which Mr Rotem emphasises will include an exhaustive investigation of every possible aspect of the market

"This research will produce for us the potential demand in specific items and enable us to begin importing the necessary quantities

"We will then distribute salesmen into the marketplace and after several months we will return to conduct a post-mortem to identify where improvements can be introduced"

Only at this point will the export programme be re-evaluated and long-term contracts entered into

Mr Rotem now plans to return to Port Elizabeth in November and should additional manufacturers wish to join the drive they would be welcome to contact him through Mr Bill Hayward, director of the National Association of Automotive Component and Allied Manufacturers (Naacam)

Both Naacam and the SA commercial attaché in Tel Aviv participated in organising Mr Rotem s trip to South Africa

● "Secondly we will either establish a new company, or liase with an existing shipper, to combine shipments from all participating Port Elizabeth manufacturers into a single container — leading to considerable savings in transport costs

● "We can, furthermore, capitalise at present on the advantage of the rand exchange rate and the export incentives offered by the Government

● "And I believe that because my warehouse is located out of town, as opposed to the present stockholders who have inventory in high-cost locations in the CBD, our price should be competitive"

The response, he says, has been most enthusiastic and among the component manufacturers who have expressed an interest in proceeding with a market survey (at a cost of some $4 000 (R4 650), are

● National Lamps (Pty), of Grahamstown

● Afcan Muffler, exhaust manufacturers of Port Elizabeth

● Borg-Warner, manufacturer of rear axles

Several other companies have also expressed inter-

RDM 21/9/82

UK unions may act on Ford bakkies

THE Transport and General Workers' Union is considering action against the importing of Ford's P100, the one-ton bakkie built in South Africa

The P100 has swamped the market since it was introduced to the UK on June 30. Of a total of 1 751 one-ton pick-ups sold in Britain in August, Ford sold 1 105 — a 63% share

If the TGWU decides to take action, it is likely to be on two grounds — because the P100 is from South Africa, and because there is spare capacity at Ford's Langley truck plant, in Berkshire

The union is already preparing to use its industrial muscle to stop imports of some Vauxhall cars. The TGWU executive is expected to decide next week to ask dockers to black the General Motors S-Car when it is introduced next year

Vauxhall workers may also take action, with dockers in Hartlepool and Sheerness, to stop imports of Astras and Cavaliers from the Continent in the next few weeks.

Ford pointed out last night that the market for pick-up trucks was entirely import-dominated, and that the P100 was the most British of the trucks available

About 35% of its components by cost were British sourced

The company said that volume sales were far too low to consider building the truck at Langley, even tough there was some short-time working there. It would be "hopelessly uneconomic"

Ford had tried to break down apartheid within its SA operations, and that any action against the truck would undermine that However, the imports have been the subject of some criticism from the anti-apartheid movement — Financial Times

Union seeks to halt SA truck imports

LONDON — Britain's Transport and General Workers Union is considering action aimed at stopping or reducing the import to Britain of Ford's P100 pick-up truck, which is built in South Africa

The talks now under way within the union are motivated by more than its traditional opposition to apartheid The South African-built truck is the most successful of its kind sold in Britain and Ford workers are complaining of spare capacity and short-time working at local plants which they believe could be filled if the P100 was assembled locally

Ford has described the idea as "hopelessly uneconomic" because sales volume is too low to warrant switching production to Britain

It also points out that pick-up truck sales are dominated by imported products and that the Ford product has more British-sourced parts than any other

For the past 18 months the London-based Anti-Apartheid Movement has been trying to persuade trade unions to take action against imports from and exports to South Africa without any noticeable successes — Sapa

Toyota moves training plan into top gear

(Attd) (192)

Industrial Week 21/9/82

"NEARLY 8 000 Toyota employees at the Toyota plant near Durban received higher training in 1981 — and this year the figure will be higher", said training manager, Ernie Ricklan.

The training ranged from simple literacy classes to sponsoring a university education for potential engineers and managers

"To start at the induction stage — every employee, regardless of colour or creed, goes through an induction programme," said Ricklan

"This varies in time, depending on the level of the individual concerned

"In addition to that, at the lower-levels, our new employees also go through aptitude testing to check on their abilities for the job

"We try to make sure that everyone for a required standard has the right aptitude and ability

The company has also evolved a complicated system of "worker improvement" programmes that are in operation throughout the year

"We bring in people who are either non-literate, semi-literate or literate, and offer literacy classes in Zulu

"As they become literate they go through a selection process where they are assessed for leadership potential

"If they pass this test they are made into either a group leader B, which carries a set wage in our salary structure, or they are put onto a basic group leader course", said Ricklan

"We also have a category of trainees here who are taken on for a three year period and during that three year period they are given the opportunity of obtaining a certificate in Supervisory Management

"Apprentices are also taken on on a normal apprenticeship contact and we send them to the Sugar Association Industrial Training Centre at Mount Edgecombe

"They spend one three month period each year in the first two years doing their basic skills training and they will do trade test work for 10 weeks during their second or third year and this will help them to become artisans"

Letters to the Editor

(192)

Dissatisfied with union officials

23/9/82

Sowetan

SIR — I believe that we of the National Automobile and Allied Workers Union are fast getting fed-up with the tactics and blatant lies we have been fed here at Sigma Motor Corporation in Pretoria

The union here is run by the most incompetant double - talkers I have ever come across

When we went on strike more than a year ago, the union promised us R3 an hour if it got over 50 percent of our support This membership they got and a year later we are still getting only R1 91 an hour

This year again, we were promised R3 an hour and our emotions being whipped up by the sweet - talking organisers, we nearly went on strike again The company virtually told the union to accept R1 91 an hour or to go and fly a kite which they duly did The union claimed it had over 50 percent membership in the company and the truth only came out this year when management said the union was no longer representative as it had only plus minus 45 percent membership in the company

The union negotiated without our mandate, for the introduction of a training scheme with management that resulted in the retrenchment of 585 employees at the beginning of this year The union's function is to protect our jobs not to endanger or make them extinct Your paper earlier this year carried the union's confirmation of these allegations

The union is now ignoring us at Sigma and trying to organise at BMW, where the minimum wage is R2.30 an hour which is their highest in the motor industry, instead of fighting Sigma's management on our behalf to the bitter end

They had no business to BMW when they don't have a majority representation here at Sigma

Fosatu talks of working amongst black unions and virtually got two white unions kicked out of the ILO Conference in Rome recently, yet they have now gone to Datsun Nissan knowing full well that Mr B Nowatla of the African Automobile Union already has over 30 percent of the membership there Did the ILO know this before they kicked those white unions out?

The union organisers of Fosatu talk of politics and oppression of the black when it suits them yet they shed away from identifying with existing black political bodies at their last conference in Hammanskraal I agree with Mr Calvin Nkabinde of the Engineering and Allied Workers Union which was expelled from Fosatu I agree with him now because the most important positions in Fosatu are held by whites

Unionism, as we blacks see it, is part of the struggle and how can a white man who could be a trained soldier, and who is not oppressed lead us from bondage They have no business to be part of the leadership in out struggle and this has shown itself in their false interpretations of our aspirations They knew that to demand R3 instead of R1 20 an hour was preposterous, yet they made us believe we would get it

They also apply double standards in their negotiations They accepted R2 15 an hour from Mercedes Benz in East London yet 300 kilos away in Port Elizabeth they demanded R3 50 an hour They really underestimate the intelligence of their members Fosatu spends a lot of time trying to impress employees by fighting internal works councils yet these things have never and will never be a threat to unionism Shop Stewards' committees initially perform the same function in any case

They are also signing a lot of agreements while forgetting that employees eat money and not agreements

The union (Naawu), must stop behaving like a prostitute and stick to Sigma Motor Corporation until they get it right or admit defeat which I believe they should and get out so that we can join another union

We at Sigma need them more than employees at BMW and Datsun They must stick to their guns or quit because, as far as most of us are concerned, they have become a sweet heart union at Sigma

OBSERVER

Mamelodi

What do other members think? — EDITOR

due to the rapid increase in the rate of unemployment particularly in the late sixties. Before discussing the ways in which control was increased over the labour force, the reasons for the increase in unemployment will be discussed,

Unemployment in South Africa has taken on serious dimensions. Between 1960 - 1969 there was an economic growth rate of 5,9% and yet there was no improvement in unemployment which remained at 19%. During the period 1969 - 1977 the growth of national output fell to 3,9% and the rate of unemployment rose to 22% Simkins estimated that underemployment has

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RDM 23/9/82

400 workers go on to short week

(192)

EAST LONDON — Four hundred workers started a four-day week at the Mercedes Benz truck assembly plant in East London yesterday

A spokesman for Car Distributors Assembly blamed "economic circumstances" for the shorter week.

"We have found it necessary to curtail production," he said "Instead of retrenching staff we have decided to introduce a four-day week in certain truck plants

"The truck assembly operation will be closed every Monday until further notice

He said the decision was made after discussions with shop-stewards from the National Automobile and Allied Workers' Union

The East London organiser for Naawu, Mr Juda Fazzie, was unavailable for comment — Sapa

Motor man's claims nonsense, says union

By SANDRA SMITH

TWO trade unions accused yesterday of having a "non-co-operative attitude" to negotiations by the chairman of the Eastern Province Automobile Manufacturers' Association, Mr Rod Ironside, rejected his view today

Mr Ironside said that after the withdrawal from the industry's industrial council by the National Automobile and Allied Workers' Union (Naawu) the employers "volunteered to continue negotiations outside the council with all representative employee parties"

The Motor Assembly and Component Workers' Union (Macwusa), the Iron, Steel and Allied Industries Union and Naawu had been invited to attend meetings for this purpose

"Regretably Naawu and Macwusa did not see fit to make use of these opportunities to help resolve the impasse" Mr Ironside said

"This seemingly non-co-operative attitude on the part of Naawu and Macwusa can only raise a question as to whether they represent the real interests of their membership"

Responding to the statement, Macwusa's general secretary, Mr Dennis Neer, said "We question Mr Ironside's decision to take it upon himself to determine the interests of our members

"Management cannot force us to use 'opportunities' created by them, and our membership desires in-plant bargaining and not negotiations with the EPAMA," he said

The union had indicated previously it was prepared to negotiate with the motor companies, particularly Ford where it has most of its members, at the same time as Naawu

Naawu's general secretary, Mr Freddy Sauls said "We reject Ironside's statement as complete nonsense

"It is up to our members, and not up to him to determine their interests and whether the union is furthering them"

The statement reflected a "clearly paternalistic attitude, common among the employers", Mr Sauls said

The decision to reject negotiations with the EPAMA and demand individual negotiations with Ford, General Motors and Volkswagen had been taken by a combined meeting of worker representatives

The invitation from the managements to Macwusa to join wage talks was seen by Naawu as an attempt to create division and conflict between the three unions

● A Naawu ultimatum to the motor manufacturers to open in-plant negotiations expired today with the companies adamant they would negotiate with the union only through the EPAMA

Top position in estate agents' body to PE man

Post Reporter

A PORT ELIZABETH estate agent, Mr Derek Smith, was elected first vice-president of the Institute of Estate Agents at its annual meeting in Bloemfontein recently

He formerly held the position of second vice-president and the chances are good that he will be the next president of the institute although there is not an automatic right of succession

Three past presidents of the institute have come from the Eastern Cape They are Mr Ted Fenlon, Mr Duncan McCallum and Mr Dennis Howard

The institute is regarded as the mouthpiece of estate agents Most of the 15 000 agents in South Africa belong either as individuals or through their employers' membership

In Port Elizabeth the membership is 250 The new president of the insitute is Mr Roland Walker, of Southern Transvaal

Mr Eskel Jarwitz of Southern Transvaal has succeeded Mr Smith as second vice-president

PE body decides to remain suspended

Post Reporter

THE Port Elizabeth Coloured Managment Committee decided at a special caucus meeting last night to remain suspended because of the private hospital issue

The chairman of the CMC, Mr Charlie Green, said a final decision would be made at a meeting on October 6

Mr Green reported to other members of the CMC yesterday on discussions he had with the MEC in charge of local government, Mr H Kriel, and the Director of Local Government, Mr C B Ritter, on Tuesday

The CMC suspended its activities three weeks ago in protest against the City Council's decision to allow a private hospital to be built in Gelvandale

The CMC wants the hospital built in Bethelsdorp

After last night's caucus meeting, which lasted more than an hour, Mr Green said no decision had been reached

Import duty penalty on SA steel in US

WASHINGTON — The United States has imposed an import duty penalty on South African steel because imports before April were Government-subsidised

This was confirmed by officials here after a Government investigation

The US Administration investigated steel imports from five nations including South Africa

South Africa was penalised and the door was left open for penalties in two others instances

Imports from South Africa shipped before April 1 were found to have received subsidies totalling 7,8%.

But shipments after that date were unsubsidised

The cases are among a large number in which the US Administration is looking into allegations by American steelmakers that they were being hurt by imports of foreign subsidised steel

The Administration is still hoping to settle its trade disputes with European countries — including the two cases left open in yesterday's announcement — without resorting to special duties to fight what the US industry saw as unfair trade practices

In the new ruling the Commerce Department decided that Government subsidies have totalled 13,2% of the value of carbon steel wire rod imported from Belgium and 14,2% of the value of such imports from France

Importers of those products will continue to be required to post bonds in lieu of possible penalties that may eventually be levied

The US International Trade Commission has 45 days to decide whether such penalties should be imposed because of damage the imports might be doing to US steel companies

The report also said the investigation of wire rod from Argentina had ended as subsidies on it would end — Sapa-AP

country's big league

So far this year the council had passed 411 building plans to the value of R11,5 million, which, according to Mr Erasmus, could well exceed last year's 444 building plans valued at R12,5 million

There were about 940 licenced business enterprises in Uitenhage In the municipal area there were 12 000 developed plots of ground and 115 industries

On average about 90 houses are built annually

Mr Erasmus said that, apart from evolutionary change, the rapid expansion of Uitenhage was largely due to industrial and railway expansion

Killer, 13, to be dealt with

Law shunted through ends US rail strike

WASHINGTON — Striking train drivers have agreed to return to their jobs today after an emergency back-to-work law was rushed through the US Congress

The 26 000-member Brotherhood of Lo-

"We are committed to protecting the vital national interests," he said "Our economy must stay on the track of recovery"

The car, steel and other heavy manufac-

192 DD Lopenkl 24/9/82

Motor worker well-being a priority — employers

PORT ELIZABETH — Employers in the Eastern Cape automobile industry would pursue "whatever course of action" was necessary to ensure the well-being of the workforce was maintained, the chairman of their union, Mr R J Ironside, said yesterday

Mr Ironside, the chairman of the employer members of the Eastern Province Automobile Manufacturers' Association (Epama) was reacting in a statement on recent conditions in the automobile industry in the Eastern Cape

He said Epama had demonstrated clearly over many years that it believed in negotiating conditions of employment collectively with those unions representing its workforce

In the industrial council for the automobile manufacturing industry in the Eastern Cape, negotiations for a new agreement broke down two months ago, when the parties could not reach consensus on new conditions of an employment package

The council decided to go to arbitration, at which point the National Automobile and Allied Workers' Union (Naawu) resigned and withdrew from the council

To try to overcome the impasse that Naawu's action had created, the statement said, the employers volunteered to continue negotiations outside the industrial council with all representative employee parties

Naawu and the Motor Assemblers and Component Workers' Union of South Africa rejected this

"In the spirit of constructive action which the employers believe is critical to maintaining orderly industrial relations, they intend to pursue whatever course of action is necessary to ensure that the well-being of the workforce in this industry is maintained," the statement concluded — SAPA

Assembly workers at Sigma end walk-out

Star 24/9/82

(192)

Own Correspondent

All 130 assembly workers at Sigma's No 2 hardware trim plant who downed tools yesterday were back at work today

The men, members of the National Automotive and Allied Workers' Union, walked out at 7 15 am yesterday in sympathy with four workmates they say were unjustly sacked

According to the statement, one of the sacked workers was a shop steward who was fired when he challenged the action taken against the other three

A spokesman for the company said today that 40 of the strikers had returned to work by yesterday afternoon The remainder returned early today

The spokesman said negotiations will take place today

RDM 25/9/82

Sigma strike ends

(192)

Labour Correspondent

A ONE-day strike by about 130 workers at Sigma motor company's Pretoria plant ended yesterday after talks between the company and Fosatu's National Automobile and Allied Workers Union

The strike, which began on Thursday, brought the plant's hardware trim section to a standstill

Workers downed tools in protest at the sacking of four workers, including a NAAWU shop steward

After talks between Sigma and NAAWU yesterday morning, the company agreed to review its decision to fire the shop steward and one other worker

The two men will now be suspended for one week rather than sacked

A NAAWU spokesman said yesterday the company had not reversed its decision on the other two workers The union would consult these workers and inform the company whether it would take further action

Earlier this year Sigma's parts and accessories department was hit by a strike, also in protest at a dismissal

D. Dispatch 22/9/82

400 CDA workers go on 4-day week

(192)

EAST LONDON — Four hundred assembly-line workers started a four-day working week at Mercedes Benz's truck assembly plant here yesterday

A spokesman for Car Distributors Assembly (CDA) said the shorter working week was because of "economic circumstances"

"We have found it necessary to curtail production," the spokesman said "Instead of retrenching staff we have decided to introduce a four-day week in certain truck plants

"The truck assembly operation will be closed every Monday from today until further notice," he said yesterday

The spokesman said the decision to work a shorter week had come after discussions with shop-stewards from the National Automobile and Allied Workers' Union (Naawu)

Wherever possible, employees laid off on Mondays would do cleaning work or other work on Saturday, so they could receive a full week's pay

All other plants would operate as normal, the spokesman added

Naawu's East London organiser, Mr Juda Fazzie, was not available for comment — DDR

Letters to the Editor

lisfied with union officials

23/9/82

pany and the truth only came out this year when management said the union was no longer representative as it had only plus minus 45 percent membership in the company

The union negotiated without our mandate for the introduction of a training scheme with management that resulted in the retrenchment of 585 employees at the beginning of this year The union s function is to protect our jobs not to endanger or make them extinct Your paper earlier this year carried the union s confirmation of these allegations

The union is now ignoring us at Sigma and trying to organise at BMW, where the minimum wage is R2 30 an hour which is their highest in the motor industry instead of fighting Sigma s management on our behalf to the bitter end

They had no business to BMW when they don't have a majority representation here at Sigma

Fosatu talks of working amongst black unions and virtually got two white unions kicked out of the ILO Conference in Rome recently yet they have now gone to Datsun Nissan Knowing full well that Mr B Nowatla of the African Automobile Union already has over 30 percent of the membership there Did the ILO know this before they kicked those white unions out?

The union organisers of Fosatu talk of politics and oppression of the black when it suits them yet they shed away from identifying with existing black political bodies at their last conference in Hammanskraal I agree with Mr Calvin Nkabinde of the Engineering and Allied Workers Union which was expelled from Fosatu I agree with him now because the most important positions in Fosatu are held by whites

Unionism as we blacks see it is part of the struggle and how can a white man who could be a trained soldier and who is not oppressed lead us from bondage They have no business to be part of the leadership in our struggle and this has shown itself in their false interpretations of our aspirations They knew that to demand R3 instead of R1 20 an hour was preposterous, yet they made us believe we would get it

They also apply double standards in their negotiations They accepted R2 15 an hour from Mercedes Benz in East London yet 300 kilos away in Port Elizabeth they demanded R3 50 an hour They really underestimate the intelligence of their members Fosatu spends a lot of time trying to impress employees by fighting internal works councils yet these things have never and never be a thir unionism S Stewards' comm initially perfor same function cas

They are also a lot of agreen while forgetting t ployees eat mone not agreements

The union (N must stop behavin a prostitute and Sigma Motor C tion until they right or admit which I believ should and get that we can join union

We at Sigm them more than ees at BMW a sun They must their guns or cause as far as us are concern have become a heart union at S

OBSERVER

What do other think? — EDIT

Nide nnhan

due to the rapid increase in the rate of unemployment

particularly in the late sixties. Before discussing the

ays in ~~winor~~ control was increased over the labour force,

he reasons for the increase in unemployment will be discussed

hemployment in South Africa has taken on serious dimensions.

tween 1950 - 1969 there was an economic growth rate of

,9% and yet there was no improvement in unemployment which

emained at 19%. During the period 1969 - 1977 the growth

of national output fell to 3,9% and the rate of unemployment

ose to 22% Simkins estimated that underemployment has

..../Page 2

Four-day working week for 400 in EL

(192) E. Post 28/9/82

Post Reporter

EAST LONDON — About 400 workers in the Mercedes Benz truck assembly plant in East London went on to a four-day working week yesterday.

A spokesman for the company, Car Distributors Assembly, said the short working week was introduced as economic circumstances had made it necessary to curtail production.

This action was decided upon in preference to a retrenchment of staff.

He said the truck assembly line would be closed on Mondays until further notice.

Where possible the affected employees would do other work such as cleaning, on Saturdays, so that they could receive a full week's pay.

The spokesman said all the company's other plants would operate as normal.

NEWS

Toyota MD discloses strategy

(192) Sowetan 28/9/82

TALES of woe abound in commerce and industry, so the announcement that Toyota set a record in August by selling 10 500 vehicles prompted Industrial Week to lift the bonnet on some of the company's activities.

"Toyota will sell close to 100 000 units this year, because our product range is recognised for its exceptionally good value for money"

This is a statement you will hear over and over again, from MD Colin Adcock, who has implemented his "value for money" policy to bring about high productivity and successful marketing

In an interview with Industrial Week, he listed some factors important to his company's success

"We have a stable, homogenous labour force which finds its motivation through strong and constant communication For example during the time of the pensions unrest, the workers had an answer from managment within 30 minutes and it was agreed to pay out all the employees who wanted their money in two weeks"

Colin Adcock.

Adcock adds "Our product is better specified than competitors' and the production line measurably more efficient

He said that several factors added to setting the record in August The demand during the year has been higher than Toyota's supply due to earlier market forecasts, which had anticipated the slowdown biting sooner

There was the five day bonus which the Minister of Finance gave car firms before instituting the 6% Sales Tax, which sent fleet owners and others rushing to buy vehicles

Star 9/10/82

200 retrenched: union hits GM

192

By Tony Davis, Labour Reporter

The General Motors plant in Port Elizabeth yesterday retrenched more than 200 workers

The move was slammed by the National Automobile and Allied Workers' Union which said today that the lay-offs were unacceptable

A GM spokesman said the retrenchments were made because of general economic conditions in the industry

"This act is regrettably necessary after we have had to adjust work hours and shifts to the maximum extent possible," the spokesman said

He would not comment, however on whether the retrenchments were negotiated with trade unions at the plant

Senior Naawu official, Mr Les Kettledas said 230 production workers were affected and the union had negotiated with GM not to take on any new labour before considering these workers

"We have called on GM to continue implementing short-time and will ask for a longer shut-down at the end of the year," Mr Kettledas said

"Retrenchments are unacceptable as careful forward planning can avoid this"

Naawu was still trying to negotiate a retrenchment policy with GM, he said

● Ford recently laid off 500 workers and Volkswagen has also laid off more than 300 workers this year

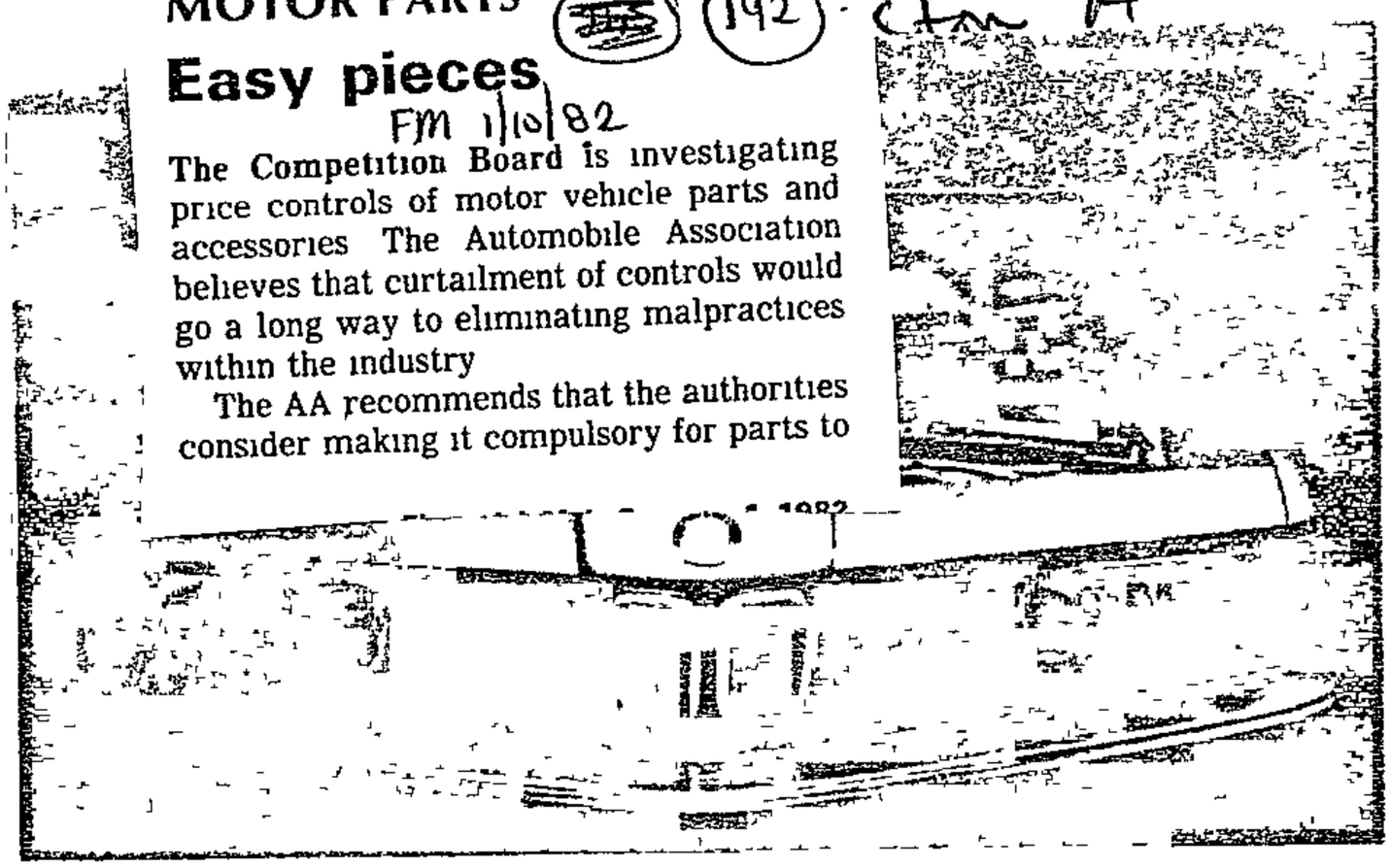
MOTOR PARTS (192) · Ctw A

Easy pieces

FM 1/10/82

The Competition Board is investigating price controls of motor vehicle parts and accessories The Automobile Association believes that curtailment of controls would go a long way to eliminating malpractices within the industry

The AA recommends that the authorities consider making it compulsory for parts to be marketed under the brand names of original manufacturers It also suggests that a regular publication of comparative prices for parts be prepared in co-operation with Central Statistical Services in Pretoria



Car parts .. subsidising sales competition

The essence of its recommendations is that there should be full disclosure and free competition This would benefit both the consumer and insurers in an industry that commands over R2 billion a year in turnover

At present, the situation in the market place is far from clear Lower prices through competition for new car sales are often subsidised by a mark-up in the price for spares and accessories The legal maximum mark-up of 250% is often exceeded, even though this limit is supposed to include all integrated marketing tiers from the point of manufacture or importation to the end-user

Included in a Board of Trade and Industries report in January 1981 are examples of the price differences depending on distribution channel An exhaust manifold, for instance, cost R10 96 as original equipment and R25 41 as a replacement part This is for the same item sold to the same motor manufacturer To the retailer the price was R70,93 and the motorist as end-user paid R123,35 — that is a 1 025% mark-up

Original equipment is simply the parts used in making the basic vehicle, while the replacement parts go to the motor manufacturer s own franchise dealers The price difference allows the vehicle supplier to compete on price in the new car sales market In return for under-pricing his supplies of original equipment, the component manufacturer is allowed to make a special mark-up on the items sold as replacement parts to the motor manufacturer

This can also mean that the "average" motorist is subsidising not only competitive new car prices but also the purchaser of the more expensive vehicle The luxury end of the market is not as price competitive because the buyer is either a company, or wealthy individual This could explain why a front wing for a car such as the BMW 520 costs R118,66 and yet the similar replacement part for the Alfa Alfetta Super costs R307,13 A large component of this difference is the competitive subsidy A front wing for the Toyota Corolla with the largest sales volume, is priced at R116,60, very similar to the luxury car

Legislation is hard to enforce because of the confusing distribution pattern for parts and accessories The confusion also allows genuine parts and 'pirate parts' — copies of standard franchise parts made by an independent manufacturer — and also reconditioned components to become intermingled in the marketing chain At the same time, different brand names can be used for an identical item depending on its distribution channel

In addition to supplying the motor manufacturer the component manufacturer also supplies wholesalers sub-wholesalers and retailers with the same part An independent operator might also import the same component from an overseas subsidiary of the local component manufacturer for distribution through the wholesale and retail trade Importation might facilitate the export of funds to the subsidiary where the part carries an inflated landed cost, or provide an extra profit margin where an imported component enters the market at a lower price than the one made in SA For example, a certain front bumper is sold as original equipment for R32,98 if made in SA, but R8,13 if imported By the time the end-user sees the product he might be paying either R97,75 or R104,40, depending on its origin

Price exploitation

The implication of this confusing distribution pattern is that there is plenty of opportunity for price exploitation, which at the same time makes legislation hard to enforce and comparisons difficult

The AA would like to see parts marketed under the brand name of the original manufacturer While this could form the basis of comparative tables, it would also mean that rebuilt and pirate parts could be more easily recognisable

The potential new vehicle owner would benefit from full disclosure of repair costs because his purchase would be based, not just on a comparison of vehicle prices — and fancy advertising — but also on prospective repair and accessory costs for each vehicle Beyond this, there is no reason why insurers should not adjust premiums downwards for those vehicles that were cheaper to repair The upshot of this would be a shift in the emphasis of competition from the showroom to the repair shop

The Competition Board has a long list of consumer products under consideration at the moment A report on the motor trade is not expected until February 1983

PHONING IN

Since the recent installation of Saan's new telephone exchange, many callers have experienced difficulty in getting through on the *FM*'s main number, 710-9111 To make matters simpler in future, we list below the direct-line numbers of the *FM*'s principal departments

Editor 710-2400 (Secretary 710-2401)
Advertisement Manager 710-2472 (Secretary 710-2473)
Deputy Editor 710-2403 (Secretary 710-2402)
Senior Asst Editor 710-2404 (Secretary 710-2402)
Assistant Editors 710-2405/6
Art Department 710-2410
Business 710-2423
Current Affairs 710-2426
Economics 710-2434
Investment 710-2441 or 2444
Library 710-2447
Production 710-2453
Property 710-2460
Surveys 710-2407
Promotions/Inv Conf 710-2480

wer book is to be torn out
s must be handed to the com-
n invigilator before leaving the

possible exclusion from the

University

Naawu backs move to work four-day week

D. Dispatch 1/10/82

EAST LONDON — The National Automobile and Allied Workers' Union (Naawu) supported the decision by Car Distributors Assembly (CDA) here to put 400 workers onto a four day working week

This was confirmed yesterday by the Naawu organiser in East London Mr Juda Fazzie

Mr Fazzie said the union's shop stewards met with CDA management about a week before the decision was made The management had declared its intention to retrench the 400 workers at the meeting

"Fortunately in our house agreement with the management we have a proviso that before management retrench workers the option of short-time be tried and it was agreed to put the 400 workers onto a four day working week" Mr Fazzie said

Mr Fazzie said Naawu and the CDA management had agreed on a formula whereby workers on the short-time programme would be paid their full wages for the four days plus an additional rate calculated according to the employee's length of service with the company

He said the union was still working towards improving conditions for workers at the factory — DDR

200 laid off by motor firm

(192)

D Dispatch 1/10/82

PORT ELIZABETH — About 200 workers were laid off yesterday by General Motors, due to deteriorating economic circumstances Mr Rod Ironside, assistant managing director of GM, said in a short statement there had to be "some adjustment in the work force in line with economic conditions"

He said about 200 workers would be involved in this "adjustment" and that this would be effective from yesterday

"This act is regrettably necessary but unavoidable after we have had to adjust the work hours and shifts to the maximum extent possible within the context of operating a motor plant," Mr Ironside said

Officials of the National Automobile and Allied Workers' Union (Naawu) could not be contacted for comment

Naawu has been involved in a lengthy wage dispute with GM, Ford and Volkswagen since July — SAPA

Bribery: firm warns workers

(192) RDM 2/10/82

Mail Correspondent

CAPE TOWN — The procurement company involved in the setting up of the west coast firm, Atlantis Diesel Engines, has warned its employees to be prepared for attempts at bribery and industrial espionage

The warning comes in the wake of an attempt by an employee of one of the company's suppliers to obtain information about a tender after the supplier had lost out on a deal

The warning, sent out in the form of a memo from the procurement manager of the company, Finasco, also comes after reports in a British newspaper of a multi-million rand bribery scandal in Europe aimed at securing deals with Ford and British Leyland

Copies of the reports were attached to the memo which was also sent to employees of Atlantis Diesel Engines

The memo was sent out by Mr T Illman, the company's procurement manager A copy had been sent to a director of ADE

The memo stated that the reports in the British newspaper related to a "bribery scandal which involves companies which are well-known to us"

He said in the memo that "one of our suppliers who recently lost out on a particular job has had one of his staff approach somebody in our accounts department with an offer of a 'backhander' if he will reveal what the successful competitor's price was"

Mr Illman warned that the company might approach the police for assistance in dealing with bribery attempts and advised employees not to disclose prices of supplies and to report attempts to obtain such information

Dr A Patterson, managing director of Finasco, said yesterday the incident involving the accounts department had not been reported to the police He said the amount involved was "not substantial" but that it was "indicative" of the present situation

Motor men threaten to take day off

(192) (RDM) Mercury 4/10/82

Labour Reporter

A NUMBER of Pinetown motor manufacturing workers are disgruntled at not getting Monday, October 11 as a public holiday to compensate for Kruger Day falling on a Sunday — and have threatened to take a holiday anyway

Last week it was revealed that due to an 'oversight' the Motor Industries' Industrial Council agreement laid down that October 11 would be a public holiday in spite of the Public Holidays Act doing away with compensation for holidays falling on the weekend

But, according to the divisional secretary of the Motor Industries Employers' Association, Mr Hennie Maritz, the manufacturing side of the motor industry is excluded from this — a fact which is giving a number of local employers a headache

Workers at a Pinetown factory have demanded that they be given October 11 as a holiday in line with the rest of the motor industry, an employer source said yesterday

The president of the employers' association, Mr Ernie Keevill, said traditionally the manufacturing sector had never had as many public holidays as the sales and service sector of the motor industry

He said this was largely because the manufacturing industry could not afford to shut down their furnaces particularly if the public holiday fell in the middle of the week

Mr Keevill said he hoped to rectify the 'anomaly' by amending the agreement to bring it in line with the Public Holidays Act when the employers met with the trade unions this week.

'But this will depend on whether the manufacturing employers and the trade unions agree to this' he said

1982 CT. 4/10/82

Industrial espionage warning

(192)

Crime Reporter

THE procurement company involved in setting up the west coast firm Atlantis Diesel Engines has warned its employees to be prepared for attempts at bribery and industrial espionage

The warning comes in the wake of an attempt by an employee of one of the company's suppliers to obtain information about a tender after the supplier had lost out on a deal

The warning, sent out in the form of a memo from the procurement manager of the company, Finasco, also comes after reports in a British newspaper of a multi-million bribery scandal in Europe aimed at securing deals with Ford and British Leyland

Copies of the reports were attached to the memo which also reached Atlantic Diesel Engines (ADE) employees

Finasco was responsible for the procurement of production facilities for ADE Dr A Patterson, managing director of Finasco, said yesterday that ADE was only one of the companies it was involved with

He said the memo had been sent out by Mr T Illman, the company's procurement manager A copy had been sent to a director of ADE

The memo stated that the articles from the British newspaper related to a "bribery scandal which involves companies which are well-known to us"

Mr Illman said it was initially intended that the memo be distributed among procurement personel only, but it had been later decided to distribute it on a wider scale

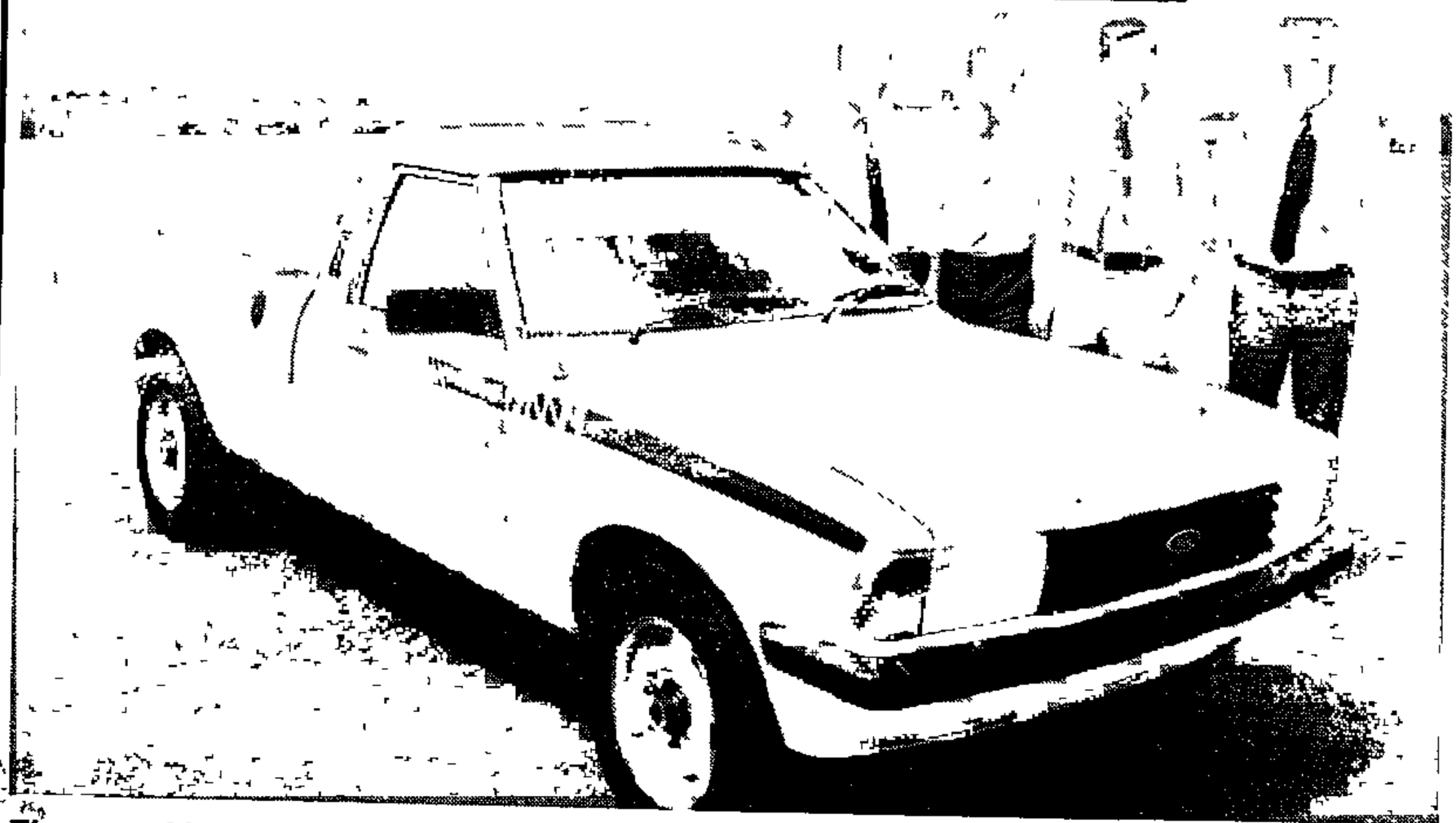
He said in the memo "One of our suppliers who recently lost out on a particular job has had one of his staff approach somebody in our accounts department with an offer of a 'backhander' if he will reveal what the successful competitor's price was"

Mr Illman warned that the company might approach the police for assistance in dealing with bribery attempts and advised employees not to disclose prices of supplies and to report attempts to obtain such information

Dr Patterson said yesterday that the incident involving the accounts department had not been reported to the police He said the amount involved was "not substantial" but that it was "indicative" of the present situation

He said the company bought goods of substantial value from various suppliers and that many contracts were for large amounts

Business and Shipping



The record-breaking Ford P100, built in Port Elizabeth and now enjoying tremendous success in the British market, is admired by (from the left) Mr HENRY FORD II, finance committee chairman of the Ford Motor Company's board of directors; Mr BRIAN PITT, managing director of Ford SA; Mr BOB GRAHAM, retired vice-president of Latin American automotive operations; and Mr DEREK MORRIS, Ford SA, director of product development.

Ford SA's pickup rockets to top spot in British market

192 E. Post 23/9/82

By LOUIS BECKERLING
Business Editor

DETAILS of Ford South Africa's breakthrough in the British market with the P100 vehicle were released to Business Post today

The South African-assembled one-ton light delivery van has achieved the remarkable distinction of rocketing to top spot in the pickup market a bare eight weeks since sales began

In the process a record one-month sales figure in August of 1 105 units obtained for the South African export a 63,1% share of the market

The performance of the P100 is all the more significant when contrasted with the combined total sales of Japanese-sourced pickup delivery vans of 437 for the of the success can be gauged from the fact that by comparison Ford's eight-week sales total of 1 384 outstripped that of the previous market leader Mazda, achieved over a full eight months of trading

Mr Pholdie Kalam, newly appointed manager of public relations for Ford, said today the success achieved by the P100 had elated Ford UK, which had set a relatively modest target of taking over market leadership by the end of the year

"They are understandably delighted to have done so in just two months, thanks to the sales of the P100," said Mr Kalam

The bad news for Ford SA is the reported rumbling of discontent by the British General Workers Union However, Mr Kalam said in view of the fact that the GWU had evidently yet to consider its final position with regard to the South African import "we would like to reserve comment"

Why did the P100 have such a dramatic impact on the British market?

"The sales testify to the fact that our one-tonner is genuinely as rugged as it is claimed to be," said Mr Kalam "The sales are a remarkable tribute to the specifications, quality and performance"

Mr Kalam could unfortunately not supply details of price comparisons at the time of going to press

The P100 is 75% (by mass) South African-month A further measure sourced, but in view of the opposition raised by the British unions in recent weeks, Ford SA is quick to add that the engine, transmission, and certain sheet metal and electrical components are in fact manufactured in Britain and shipped out to Port Elizabeth for assembly

The major changes between the P100 and the locally sold one-tonner are to the wheelbase configuration and the engine, but the basic shell is a South African-designed and engineered product

The first shipment of P100s left Port Elizabeth in May At the time Ford announced that the consignment was part of a R16-million deal which would involve the export of some 10 000 units over 12 months

Use slump to improve skills, says motor chief

E. Post 5/10/82

Business Editor

A POOR supply of skilled workers is demanding a high price from the motor industry — though the current economic downturn offered an ideal opportunity to remedy this problem

This message was spelt out today in an opening address to the annual conference of the Motor Industries Federation by Mr Ernie Keevill, president of the SA Motor Industry Employers' Association

Reviewing the fortunes of the motor industry during the past year — against a backdrop of strikes in the Eastern Cape — Mr Keevill noted that the critical shortage of skills encouraged unrealistic wage and salary demands during boom periods

"There can be no doubt that this is a very unsatisfactory state of affairs for which this industry is paying a heavy penalty

"Employers are not in a position to obtain optimum benefit from booming economic conditions, nor is South Africa in a situation to develop its full potential and in addition the industry is fuelling an already unacceptably high rate of inflation"

Under the circumstances, Mr Keevill said, employers should exploit the economic downturn to re-organise their labour force and "train as many workers as possible to meet the demands of the next cyclical upswing"

And this, he added, was predicted to become "the biggest boom South Africa has yet seen"

Analysing the industry's labour problems in greater depth, Mr Keevill said the great expectations occasioned by the recommendations of the Wiehan Commission had not been realised

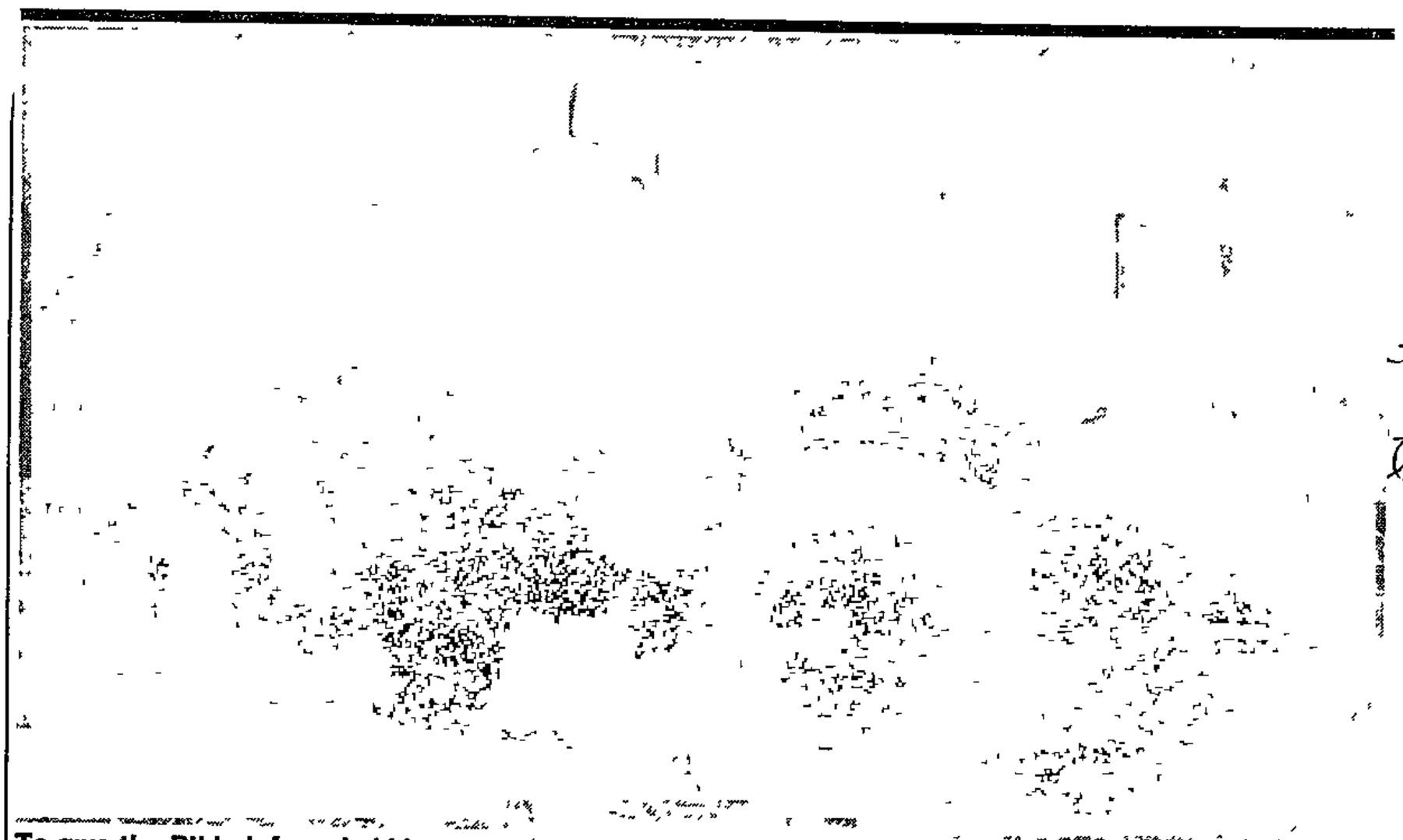
"It was generally thought when the Government accepted the recommendations of the Commission in regard to the training of skilled workers that once these race and colour barriers were removed, we would be in a position to solve all the industry's skilled labour problems

"This did not prove to be the case as it soon became evident that it was extremely difficult even in the large metropolitan areas to find blacks with the necessary educational qualifications to be indentured as apprentices"

However, in terms of a new agreement in the industry employers are now permitted to upgrade certain semi-skilled workers to the position of "B/A journeymen" who may be employed in previously outlawed areas under supervision of a qualified journeyman

"It is estimated that the industry employs about 3 000 of these semi-skilled workers who will qualify to be elevated to B/A journeyman status This means that we could enhance our skilled workshop labour force by about 10%"

Mr Keevill said employers should now devote attention to introducing "modular training" to encourage the progressive advancement of skills and also to the introduction of formal training for parts' assistants



To give the Ribbok farm bakkie protection against mines, it has a V-shaped steel floor and bullet-proof windows which provide a "safety cocoon" for its occupants. The vehicle costs R30 000.

Picture DAVID VAN GUR

192 WOM 7/10/82

Anti-mine bakkie for border areas

By CHRIS MARAIS

FARMERS in border areas of South Africa will soon be able to buy bakkies modified in Port Elizabeth assembly plants to protect them against mines

The threat of anti-personnel and larger mines laid on the main roads of Rhodesia in the 70s prompted farmers to build their own protected vehicles

But the metal sheeting they attached was often the wrong kind added in the wrong places, with the result that the vehicle was vulnerable and slow

For the past five years Eriksen-Ford has been building the Ribbok, a mine-protected truck with an armour plated cabin they call the "safety cocoon"

Complete with bullet-proof windows and firing portholes, the Ribbok is a cannibalised farm truck with enough protection to save the lives of occupants in a landmine blast

Farmers, contractors and quasi-Government officials in South West Africa have been using the Ribbok in their daily work in areas where landmines have been laid in past years

With an underbelly lined with armour-plated metal and shaped in a V to spread the mine shrapnel, the "safety cocoon" has been tested under extreme stress conditions

The material and workmanship on the R30 000 Ribbok has to be inspected and passed by Armscor

Union wheels keep turning...

Star 6/10/82

By Sheryl Raine, Pretoria Bureau

Pretoria, with its rapidly growing motor industry, is fast becoming the Port Elizabeth of the Transvaal, complete with increasingly powerful, predominantly black trade unions

In the past four years — and particularly during the last 18 months — motor assembly plant workers have become unionised at an unprecedented rate

The Transvaal motor industry has come a long way since a controversial wildcat strike at the Sigma Motor Corporation in 1980, which caught fledgling unions and managements unprepared

Indicative of the trend to unionisation is the growth of the 3 500-member National Automobile and Allied Workers' Union (Naawu), an affiliate of the Federation of South African Trade Unions (Fosatu)

Naawu will meet BMW representatives tomorrow for talks in a new attempt to win recognition

It is a non-racial union, and already has a fifth of the Pretoria motor assembly labour force in its fold, according to regional secretary Mr Taffy Adler

The emergence of Naawu as a force to be reckoned with in the Transvaal is part of the union's plan to become the first national industrial union.

Mr Adler estimates Naawu has at least 50 percent of BMW's assembly plant workers enrolled as members and estimates support in general at BMW to be 80 percent

Naawu is fully recognised at Sigma and claims 45 percent membership at Bosal. It has also won recognition at two other motor industry concerns.

A recruitment campaign launched recently at Datsun is going well with about 100 new members enrolling with Naawu every week, according to Mr Adler

Other Kosatu affiliates operating in the Pretoria district are the Metal and Allied Workers' Union — with a strong following in Brits, the Transport and General Worker's Union and the Sweet Food and Allied Workers' Union

With a national membership of 18 000, Naawu operates on a voluntary basis, emphasising the role of shop stewards and shop floor control.

It appears to be becoming a deeply-rooted part of the working community

This could have far-reaching implications on a broader community level

A rival union the United African Motor and Allied Workers' Union, has 30 percent membership at Datsun and is also working towards recognition at the plant

The union claims to have about 5 000 supporters in the Pretoria region

While Datsun is prepared to grant stop order facilities to union members, it has not yet recognised either union active on its premises because neither is considered representative

Industrial relations director at Datsun, Mr Nelis Strydom, noted the increase in union activity in the past two years, although he did not readily associate the growth of unions with labour unrest

But the three major motor companies in the Pretoria area have had strikes or work stoppages in the last two years

Mr Adler says the industrial climate in the Transvaal differs from that in the Cape

"Many of the companies in the Transvaal are not multinationals but locally owned subsidiaries with technical agreements with overseas concerns," he stressed. He said this made for tougher relations with trade unions

Companies such as Ford and Volkswagen had handled strikes "with kid gloves," according to Mr Adler He considered the stance of some Pretoria managements harsher and less compromising

Union organisers are watching the court case of two Brits union officials charged under the new broadly phrased Intimidation Act.

Sigma fired 600 in '82

ABOUT 600 people have been retrenched by the Sigma Motor Corporation in Pretoria since the beginning of the year, the personal director, Mr S S Lemmer, told The SOWETAN.

Mr Lemmer said 500 hourly-paid workers had been dismissed at the beginning of the year because of a "decline in the economy"

FORKLIFTS

(192) FM 8/10/82

Prices of imported forklift trucks are likely to rise sharply this month because of recently gazetted protective tariffs

The new duty on a truck with a mass below 8 000 kg is R6 85/kg less 73% of the fob price of the truck If the mass is more than 8 000 kg, the tariff is 27% of the fob price

The effect of the formula, similar to that used in the machine tool industry is that the lower the landed price of the truck, the higher the tariff The old duty was R1,30/kg on a truck with a mass of less than 6 000 kg

Gordon Ritchie, chairman of the SA Fork Lift Truck Manufacturers Association, says the association applied for the new tariff last November because imported trucks had trebled their share of the SA market in the preceding three years

Japan-sourced imports from such manufacturers as Mitsubishi, Toyota Datsun and Komatsu were selling at about 30% less than the locally produced models More than 800 were imported in completely built-up form between January and May this year

"Typical two-ton machines from Japan were selling for R17 000 against R24 000 for a local product,' Ritchie says

Total SA demand for units below 8 000 kg is only about 2 000/year Ritchie values this sector of the market at about R100m/year The entire market is worth about R150m

He estimates that vehicles produced by the three members of the association — Criterion, Hyster and Bond Industries — have a local content of more than 60% Ritchie, also MD of Criterion, which makes TCM trucks and has a turnover exceeding R30m, adds that his company has just spent R3m on expansion

He denies that the new import protection is a precursor to price increases by local producers

But Arthur Walter, MD of Fork Trucks, which distributes Mitsubishi is sceptical "We anticipated that the local manufacturers were planning to raise prices as soon as we heard of the application for increased protection," he says

Walter notes that about 30% of the Mitsubishi trucks sold by Fork Lift are produced locally and the company plans to produce all models subject to the new tariffs

"Volumes are too low for realistic local production and prices must rise as a result of this protection But we have captured 10% of the market and we aim to increase our share," he says

Cape Times 7/10/82 (192)

PE plants turn out mine-proof bakkies

Own Correspondent

JOHANNESBURG — Farmers in the border areas of South Africa will soon be able to buy expert-designed bakkies, protected against mines, modified in the assembly plants of Port Elizabeth

The threat of anti-personnel and larger vehicle mines laid on the main roads of Rhodesia in the 70s prompted farmers there to build their own protected vehicles — often with disastrous consequences

The type of metal sheeting they attached to their vehicles was often the wrong kind and armour was added in the wrong places with the result that the vehicle was perhaps more vulnerable and slow after modification than in its original form

For the past five years Eriksen-Ford have been building the Ribbok, a special mine-protected truck with an armour-plated cabin they call the "safety cocoon"

Complete with bullet-proof windows and firing portholes, the Ribbok is a cannibalized farm truck with enough protection to save the lives of occupants should the vehicle activate a landmine

Farmers, contractors and quasi-government officials in SWA/Namibia have been using the Ribbok in their daily work which often takes them through areas where landmines have been laid in past years

With an underbelly lined with armour-plated metal and shaped in a V-formation to spread the mine shrapnel, the "safety cocoon" has been tested under extreme stress conditions

What makes the R30 000 Ribbok unique in the civilian protection field is the special armoured material it is made of The material and workmanship has to be inspected and passed by Armscor, the South African weapons producing giant.

Eriksen-Ford have the Armscor franchise to produce the Ribbok, and as such have been allowed to use the armoured materials and design

"At present we are selling the Ribbok to organizations and individuals in SWA/Namibia, where the threat of landmine activity is a real one," said a director for the company, Mr Shaun Butler

"But should the situation arise in South Africa where farmers might need specially protected vehicles, we will be ready to serve them"

(192) E Post 9/10/82

BMW housing plan

Mr A P DASHWOOD, managing director of Afcan Muffler Co (Pty) Ltd, discusses the plans of houses being built for two black employees — Mr JOHNSON NCOKO (left) and Mr MORIS SECANI.

THE first phase of BMW South Africa's R360 000 housing scheme for black employees came into practical effect recently when the first nine homes in Mabopane, near Pretoria, were handed over to staff members

Another eight families will be moving into their own homes soon through the help of BMW's housing assistance scheme

"The severe shortage of housing has led to our involvement in assisting our employees," said Dr E von Körber, managing director of BMW South Africa, when he handed over the keys.

He said BMW's part in the project had comprised

- Finding good sites in an attractive neighbourhood.
- Commissioning a firm of architects to design an interesting variety of houses, and to engage a firm of building contractors to construct the homes
- Investing funds with building societies as collateral for bonds

"The Mabopane houses have been designed in such a way that an employee, if he so wishes, can start with a basic house to which additions can be made as his income increases and his family grows," Dr Von Körber said

The houses are registered in the names of employees.

The stands are about 600m² in size while the floor area of the houses varies between 70m² and 116m²

Many more employees are in a position where their monthly income is high enough to repay the bond instalments on a house, but the deposit required to make up the shortfall between bond and price is just not available, said Dr Von Körber

NOEL PHILLIPS (192) FM 8/10/82

Faith in Rabbits

Noel Phillips, one of SA's most successful career executives, was recently appointed chief executive of $3,5 billion/year Volkswagen (VW) USA.

His new company has annual sales of about 400 000 units — some 30% more than the entire SA car market. About 200 000 of these are US-made Rabbits, the equivalent of the SA Golf; the rest are imported.

Phillips was once MD of VW SA and held the number two slot in VW USA until the beginning of last year when he returned to SA for family reasons

Since then he has been MD of the McCarthy group, which, with 12% of the SA market, is the biggest motor vehicle retailer in the world

He takes over in the US at a time when the company has just suffered a disproportionately high 43% earnings drop in a falling market.

FM: **How did VW get into this mess?**

Phillips: The whole industry there is in a mess, but the rise of the US dollar against other currencies gave our Japanese competitors a tremendous advantage Unlike VW, none of them manufacture in the States, which means that their imports enjoyed cost advantages They have also done a fine marketing job.

Another factor is that most US-made Rabbits had diesel engines which became relatively less popular as the upward trend in US fuel prices levelled off or, in some cases, even turned down Also, US manufacturers are fighting back against the foreigners by bringing on more smaller cars

What will be your first priorities when you assume responsibility?

To increase sales and reduce inventories I take the job on the basis that there are still tremendous opportunities in that huge market whatever the current economic uncertainties

Turning to the local scene, SA manufactures more makes of car than any other country in the world. We are a small market and are at the start of a downcycle in the motor industry. Do you believe any manufacturers will be forced out of business?

There is no doubt that some SA motor companies have not been making a satisfactory return on investment And the latest 66% local content requirements for light commercial vehicles and the Atlantis diesel programme have necessitated more investment, which makes these figures look even worse

As the competitive battle increases in the short-term, the gap between the relative winners and losers in the business will widen as the more popular cars take an ever-increasing market share This will force some of the less successful models off the market.

However, I do not see any manufacturers pulling out, because they would have done this already The Eighties promise to be a decade of solid growth despite the current slowdown, and this will bring greater economies of scale

We will probably end up with the same number of manufacturers producing fewer models There will also be a greater tendency for companies with spare capacity to manufacture on behalf of others as is happening in some cases now

How would you characterise the present state of the SA motor industry?

Demand has dropped considerably although unit sales are still reasonably good

On the retail side, the biggest problem is to maintain margins under heavy pressure to reduce stocks. Many retail operators do not realise the extent to which high interest is sapping their profitability The ones which can market effectively with financial discipline will live to fight another day

For the next 18 months the unnecessary costs which built up in the running of all levels of the industry during the boom will have to be reduced Companies will have to review their structures

There has recently been much talk that motor manufacturers in the eastern Cape are considering moving to the Transvaal. Is this likely to happen?

If these companies were starting their operations in SA at this time from scratch, they would probably build most of their facilities in the Transvaal The main market is there and the benefit of being at a seaport no longer applies because of the high level of locally-produced components

However, it is impossible to move a functioning production line from one point to another without severe disruptions and prohibitive costs This makes a wholesale removal unlikely

But it could happen that some companies build entirely new production facilities in the Transvaal to supplement their existing plant

Huge new SA vehicle maker

S. Times 10/10/82

By Colin Haynes and Stephen Orpen

IN A complex corporate reshuffle, what by certain yardsticks could be South Africa's largest big-truck manufacturer has been formed, with a production capacity of more than 5 000 units annually

In the vanguard of the new giant's drive into the heavyweight end of the market is a range of Samag trucks derived from military vehicles produced for Armscor

The battle for business in South Africa's ailing truck market mushroomed this weekend as the huge Messina group launched a new range of commercial vehicles which until now have been hiding under military colours

Under the Magnis Truck Corporation standard, Messina has brought together the production and marketing of South African model derivatives from leading European and Japanese manufacturers

The European models come from the "Club of Four" association of Magirus-Deutz, DAF, Volvo and Saviem

It is from the designs of these manufacturers that Messina subsidiary Truckmakers has developed Samil and Sakom military vehicles under an exclusive Armscor contract since 1976

It is the commercial versions of these trucks — called Samags — which now come on the market, alongside the Nissan Diesel truck and bus range, which is also in the Messina stable

So Magnis Truck Corporation and Truckmakers are now blended into a new and powerful force in South African trucking, with integrated production and sales making them the biggest single factor in the business

There are 17 Samag models from Magnis spanning the 12-26-ton range, the small-

● To Page 3

Huge new truck manufacturer

S. Times 10/10/82

● From Page 1

er ones showing their European ancestry more clearly than the heavyweights

With Magnis aiming to capture 10% of the 10 000kg-and-above market with the Samags, and Nissan Diesel already holding 16%, the Magnis conglomerate will become a major factor in its sector of the market

An expected outcome of the Messina move is that it will enable the Datsun operation to concentrate on trying to regain the share of the passenger-car market it has lost recently to arch-rival Toyota in particular

Sigma has also carried out a corporate restructuring to separate truck and car operations, and it is widely known in the industry that Toyota has important truck developments on the way after its move into leadership of the car market

So the current top three companies in the South African vehicle-manufacturing business will be the centre of a fascinating battle for supremacy in the coming months.

Toyota's position as No 1 with nearly 25% of the total vehicle market looks safe, but the Messina and Sigma groups could both be close contenders for second spot.

All three are local companies predominantly relying on Japanese products and which have opened up a clear lead from the European and American multinational motor manufacturers operating in South Africa

Volkswagen denies plan to move plant

(192) S. Times 10/10/82

By PETER MALHERBE

VOLKSWAGEN has denied that it is negotiating for a 20 ha site outside Pretoria

A spokesman dismissed speculation that the motor giant plans to move from the strike-torn Eastern Cape to the Transvaal

The claim that Volkswagen was interested in a Pretoria site was made by a leading financial publication this week

But Public Affairs Manager Ruben Els said there was "no truth in this whatsoever".

"We have repeatedly stated that we are at Uitenhage to stay, and this has not changed," he said.

In the past, the feasibility of moving minor operations had been studied, he said.

But Uitenhage had always proved a superior site.

Speculation over Volkswagen's future in the Eastern Cape flared earlier this year when the company temporarily shelved a R100-million expansion plan for the plant

All three motor manufacturers in the Eastern Cape — Volkswagen, Ford and General Motors — have been hit by strikes this year.

A dispute over wages is still continuing

Warning on future of vehicle market

(192)

By Stan Kennedy

As the truck and motor market weakens, competition will intensify and it is likely there will be casualties among under-capitalised retailers who are unable to improve efficiency, says Mr N M Cullinan, chairman of Issues and Investments, in his annual report to the end of June.

In the longer term, the distribution of vehicles will tend to be concentrated in fewer hands, he adds.

For this reason, Issues is planning to divisionalise its motor business by franchise into regional operations.

As a result of weakness in the agricultural and mining markets, Duneb Hydraulics' contribution was disappointing, but the property and investment divisions performed well and assisted the group through a difficult period.

Profits from property are significant in the context of the group's income and the group intends to make further investments in appreciating assets, particularly gold shares, Mr Cullinan says.

Although targets were achieved, in some cases, exceeded in the first half of the year, this was not repeated in the second half because of a rapid deterioration in trading conditions.

While turnover rose 25 percent, earnings a share fell 14 percent to 810,9c The dividend for the year at 275c is only marginally lower than the 290c last year.

Industrial and Commercial Holdings, in which Issues has a 83 percent interest, reports a drop in after-tax earnings for the first time in 10 years.

Turnover rose 25 percent to R82 million, while profit before interest and tax increased six percent to R5,9 million.

More than doubled interest charges and an increase in the group's effective tax rate from 35 percent to 42 percent reduced profits after interest and tax by 16 percent to R2,7 million. As a result, earnings a share declined by 14 percent from 228,1c to 196,5c.

Despite the reduced earnings, the board is maintaining the dividend at 75c a share, which reduces the dividend cover from 3,04 to 2,62 times.

Mercedes sales at record

192

E-Post 12/10/82

DESPITE the current economic climate, sales of Mercedes-Benz cars are at an all-time high, according to a weekend Press statement

With 12 327 units sold so far and 14 600 projected for the full 1982 year, distributor UCDD reports unprecedented demand this year for its cars

The record year for Mercedes-Benz until now was 1975, when 10 749 units were sold

However, sales are expected to reduce to about 1 000 a month from October

The company needs to undertake important plant extensions as part of its R47-million East London expansion programme, and it will be producing some 900 of the new Honda cars each month following their launch this week

As a result Mercedes-Benz production will be temporarily reduced from 1 500 to between 800 and 1 000 units a month from September until mid-1983, when the new paint shop — major bottleneck at this stage — is opened for production

Four new vehicles for PEM fleet

Standing in front of three of the four "Knysna" ambulances are Port Elizabeth ambulancemen, (from the left), Mr WYNAND CALITZ, Mr ELIJAH MAHLANGU, Mr HAROLD NIEKERK and Mr RAYMOND GELDERBLOM. In the foreground is the city's Chief Ambulance Officer, Mr BILL RHEEDER.

E Post 12/10/82 (192)

Business makes 50 ambulances a year

By SHELAGH BLACKMAN

A COMPANY which started as a family business in Knysna in the 1920s, manufactures 50 ambulances a year which are sold countrywide

The brains behind the venture is the managing director of Bern's of Knysna, Mr Reg Bern

Mr Bern said 17 years ago his company was asked to run an ambulance service for the municipality and divisional council in Knysna.

Initially, ambulances were bought for the service

After touring overseas and gathering information, Mr Bern set about designing his own ambulance

Over the years, his original design has been revamped several times but he is now satisfied with the vehicle and has patented his invention.

For the past four to five years his company has been supplying ambulances around the country

Named the Safety First Ambulance, the vehicle was designed with a view to complete safety and was very compact, Mr Bern said.

A panel van, which was no more than an engine and a shell, was bought by the firm and then the ambulance was built up from there

On Friday, the Port Elizabeth Municipality took delivery of four of the Knysna vehicles. The service now has 11 of these ambulances.

The Chief Ambulance Officer, Mr Bill Rheeder, said the vehicles, which were smaller than the conventional ambulances, could take two stretcher cases

Because the vehicles were easy to manoeuvre, they were ideal for intercity trips and for use in areas where roads were unmade

The Knysna firm was now building a four-wheel-drive ambulance for Port Elizabeth, Mr Rheeder said

Asked about this, Mr Bern said the ambulance was designed to travel along farm roads and beach areas

Unions are being 'forced into politics'

E Post 11/10/82

By SANDRA SMITH

PROGRESSIVE trade unions have been forced into the political arena by legislation, members of the Motor Assembly and Component Workers' Union of South Africa (Macwusa) and the General Workers' Union of South Africa (Gwusa) were told at a meeting in Port Elizabeth last week

The meeting was filmed by the United States television company, ABC News

The unions' organising secretary, Mr Government Zini, said legislation such as the Orderly Movement and Resettlement of Black Persons Bill, which is aimed at tightening up influx control, drew trade unions into politics

"The members of progressive trade unions are political pawns because politicians have already decided our fate for us"

Progressive trade unions would refuse to register as long as the pass laws, the Group Areas Act, the Separate Amenities Act and influx control regulations remained

"If we register with the Department of Manpower, we are saying we are pleased and more than prepared to abide by all these laws, which are a hindrance to the black worker," Mr Zini said

While the Government professed to be a Christian one, it separated wives and children from husbands and fathers — "a complete contradiction of the scriptures".

Despite the absence of true leaders like Nelson Mandela, of visionary prophets like Steve Biko and of "the godfather of civic bodies", Thozamile Botha, freedom was on the march in South Africa, Mr Zini said

"I have a feeling that the march is only a few kilometres from Pretoria."

Ford Motor Company came under criticism from a Macwusa executive member, Mr Mpumie Cilibe, who said its "demotion of union officials" was an attempt to "break the spirit and morale of the leadership and intimidate potential leadership being groomed in the membership"

D. Dispatch 13-10-72

EL-built car launched

EAST LONDON — The Honda car, produced at Car Distributor Assembly's plant here, was launched in Cape Town yesterday

192

The Honda Ballade, a four-door family sedan with a 1300 cc engine, is the end product of months of testing in and around East London — DDR

Mercedes keeps that shine

(192)

Star 14/10/82

Despite the current economic climate, sales of Mercedes-Benz cars are running at record levels

With 12 327 units sold so far and 14 600 projected for the full year, the distributor, UCDD, reports "unprecedented demand" for Mercedes-Benz cars. Mercedes last had a record year in 1975 when 10 749 units were sold

EXTENSIONS

Important plant extensions — part of the company's R47 million East London expansion programme — are in progress As a result, Mercedes' production will be temporarily reduced from 1,500 to between 800 and 1 000 units a month from now to mid-1983 when the new paint shop is due to open.

UCDD has entered the quality smaller-car market with the introduction of the Honda Ballade.

A company spokesman said at the launch in Cape Town this week that the choice to manufacture and market Honda arose from the need for a small car franchise to expand the range of products available to customers through the Mercedes dealer network

"The addition of Honda to the franchise gives us wider geographic coverage. Areas previously excluded now become viable propositions for dealership ventures."

HONDA RANGE

He said the Honda Ballade was chosen because it had suitable body style, quality finish and performance

Manufactured at CDA, the UCDD subsidiary in East London, the Ballade will be entered into the local content programme with the locally produced mass of 66 percent. The engine, transmission and drive unit will be imported from Honda, Japan, and about 900 cars will come off the assembly line each month.

TRANSPORT Written by Stan Kennedy

Leyland builds on ADE range

Leyland SA has introduced the biggest range of locally-manufactured ADE-powered trucks and buses — comprising 18 base and derivative models.

Phase two involves installing ADE engines in its new truck and bus range, improving on phase-one engineering, increasing model offerings (especially in the higher - payload GVM categories) and raising product efficiency and economy

Most of the phase-two vehicles are already in the advanced prototype stages and going through tests

HUGE BACK-UP

A spokesman said that with an investment of more than R8 million, four years of research and development, 200 000 man-hours and more than 500 000 km of exhaustive prototype testing, the new model range had turned out to be one of the best available in the world

He said the company would introduce a comprehensive range of 32 new truck and bus models — all fitted with appropriate ADE engines — within the next two years.

"The new product range will give us a 75 percent market spectrum and a substantially larger share of the market.

"The first production vehicles in phase two are now being manufactured and we will be launching a new series of truck and bus models every six months until the end of 1985"

Production of the Daihatsu Charade, a former Car of the Year in Japan, will start in September next year under a R20 million agreement between Daihatsu Motor Company and Alfa Romeo SA.

Brits Engineering Industries, Alfa Romeo's manufacturing arm, will produce the Charade and create 1 000 new jobs in the process.

Dr Vito Bianco, Alfa's managing director, says the car will pioneer a new market in South Africa for inexpensive hatchback saloons which retain the versatility of fold-down rear seats. It will be priced "significantly lower" than existing models in the small car range.

COMPATIBLE

"We were looking for production capacity," said Dr Bianco. "We studied three different models from three stables and after careful analysis decided that Daihatsu was most compatible.

"It will complement our range as opposed to competing with existing Alfa Romeos and Fiats and should increase our volume substantially. With the Charade, we will not be competing with any existing model in the country."

The model to be made in South Africa will be a brand-new design still to be announced by Daihatsu.

The Charade will be marketed through an expanded Alfa Romeo-Fiat dealer network, says Dr Bianco.

Case of unionist for A-G's decision

RDM Oct. 1982

Labour Correspondent

RIOTOUS Assemblies Act charges against a leading trade unionist, Mr Taffy Adler, of Fosatu's National Automobile and Allied Workers Union, were withdrawn in the Germiston Magistrate's Court yesterday

Police told lawyers representing Mr Adler that they would now refer the case to the Attorney-General for a final decision

The case stems from the arrest of Mr Adler outside the Elandsfontein factory of Leyland (SA) recently while he was holding discussions with NAAWU members at the plant

Police charged that he had been holding an open-air meeting without first obtaining official permission

Fosatu said if the law was applied in cases where unionists held meetings outside factories it would make trade union work "almost impossible"

Two Metal and Allied Workers Union worker leaders, fired from the Brits factory B and S Engineering, after a strike on September 14, appeared in the Brits Regional Court this week charged under the Intimidation Act. Their case was remanded to November 8

Lawyers are watching the case closely as it will give an indication of how widely the courts interpret the recently-introduced Act

Some legal sources fear the police may use the Act to curb a wide range of union activities

The strike at B and S followed the dismissal of a worker and led to the firing of the company's 1 000-strong work force on September 14

MAWU said this week that at least 300 B and S workers were still "out" and the plant was unable to meet production targets

The company, however, says that production is back to normal and most of the workers are ex-strikers

Top designer for talks in PE on plastics in cars

B/Post 19/10/82

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By LOUIS BECKERLING
Business Editor

ONE of the world's leading car designers, Italian Giorgetto Giugiaro, is among an 11-man team of world-renowned speakers invited to address a pioneering international conference in Port Elizabeth at the end of the month

The theme of the conference is *Plastics in Passenger Vehicle Construction — Requirements and Applications*, and Mr Giugiaro, designer of such cars as the Maserati Bora, Alfa Romeo, Alfasud, Alfetta GT, Lotus Esprite and Volkswagen Golf, will present a paper on automobile design for large production series.

The conference, to be held from October 26 to 28 at the Hotel Elizabeth, is titled Plasmobile '82 and is the first of a series of proposed twice-yearly get-togethers Organisers are the Eastern Province branch of the Plastics Institute of Southern Africa (PISA), and the VDI Society for Plastics Technology, of Germany

Pisa branch chairman Mr John Summersell told Business Post today, the conference would be convened at a "particularly important time for the motor industry"

"Worldwide the industry continues to seek innovations in the materials it uses, with the primary aim of reducing mass in order to improve fuel efficiency Great progress has been made since the fuel crisis of the mid-'70s and this conference will contribute to sustaining the momentum provided by those radical price increases"

The conference opens with a mayoral reception in the City Hall at 8pm on Tuesday, October 26 The following morning Mr Colin Adcock, director of Naamsa (National Association of Automobile Manufacturers of South Africa) will formally open the conference and Professor William McGill, of the University of Port Elizabeth's Polymer Science Department, will introduce the theme of the two-day debate which will follow

First speaker will be Dr Wolfgang Lincke, director for passenger car development at Volkswagen AG, in Germany Dr Linke will address delegates on the application possibilities of plastics in the automotive industry, with special reference to the behaviour of the materials

Other speakers will include

- Mr O R Maas, chief engineer at General Motors (SA), who will speak on the use of plastics in GM products
- Mr J R Madden, formerly experimental metallurgist in the Pontiac motor division of GM Corporation, who will talk on recent advances in plastics and associated production methods in the US automotive industry
- Mr W Heck, head of Porsche's test laboratory for plastics and varnish, who will talk on the application of plastics components in Porsche vehicles
- Mr K D Johnke, former academic and currently assistant to Volkswagen's Dr Lincke, will talk on glass-fibre reinforced plastic (SMC), in vehicle construction
- Dr C Voy, also of Volkswagen, Prof G Menges, head of Germany's Institute for Plastics Processing in Trade and Industry, Mr S Schäper, deputy director of the Institute of Plastics Processing at Aachen, Germany, Mr H Hablitzel general manager of IVM Technical Consultants, of Wolfsburg, and Mr M Sander, manager of AECI's plastics division

The final speaker will be Mr J Summersell, who will outline the immediate challenges facing plastics development in general in South Africa

Motor firm and black union sign agreement

S. Tribune 17/10/82

Finance Reporter

192

A MAJOR supplier of components to the motor industry has concluded an agreement with the Fosatu-affiliated Metal and Allied Workers Union (MAWU)

In signing a nine-page document with MAWU, SI Automative Southern Africa — a subsidiary of Smiths Industries — recogised the union's right to negotiate at shop floor levels on wages and working conditions at the company's plant at Pinetown

In addition SI Automative and MAWU agreed on grievance and settlement of dispute procedures

This recognition agreement is the result of two years of negotiations with MAWU involving consultation with Smiths Industries' UK parent company, the Natal Chamber of Industries and the Motor Industries Federation

A company spokesman said "This step has been taken in the interest of continued smooth working relationships for the Natal-based black labour force, the majority of which are MAWU members It will not jeopardise the functioning of Smiths Industries' long established liaision committees."

The company's recognition agreement is but one of nearly 200 such agreements concluded by Fosatu-affiliates, according to MAWU Natal branch secretary, Geoff Schreiner

"Membership on MAWU now stands at more than 30 000" he said "We're obviously pleased to have reached agreement with SISA"

Indian refused permit, so project shelved

Mercury 20/10/82 (192)

Mercury Reporter

AN Indian businessman was forced to shelve his plans to build a motor engineering plant in Port Shepstone after he was refused a permit to buy a white-owned property in the town's light industrial area.

Mr Roy Singh, a prominent Port Shepstone garage owner, told the Mercury yesterday that he had already signed documents to purchase the property from a white woman, but the deal had been cancelled because the Department of Community Development rejected his application for a permit.

He said no reasons were given for rejection

'I am extremely upset and can only come to the conclusion that my application was rejected because of the colour of my skin,' he said

But, Port Shepstone's Town Clerk, Mr J J Steyn, told the Mercury yesterday that he believed that one of the reasons for rejecting the application was because the property was close to the residential area of Marburg.

'The area in question is not developed and is isolated. It was zoned for light industry many years ago and it's not contiguous with the town's industrial area.

'There is a likelihood of the area being rezoned later,' he said

Mr Singh said attempts were made in the past to auction some of the plots but the sale was cancelled because of a lack of interest

'Now I genuinely want to develop the site by building a plant for motor engineering and possibly help provide job opportunities for many workers, but I am being deprived of this opportunity,' he said

hip bus

SA picks up orders

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STAR 2/10/82

The Stars Bureau

BIRMINGHAM — The South African import at the motor show here — Ford's Cortina one-ton pickup — has become the market leader in its range.

The vehicle, called the P100 and P100L in Britain, has captured 26 percent of the one-ton market.

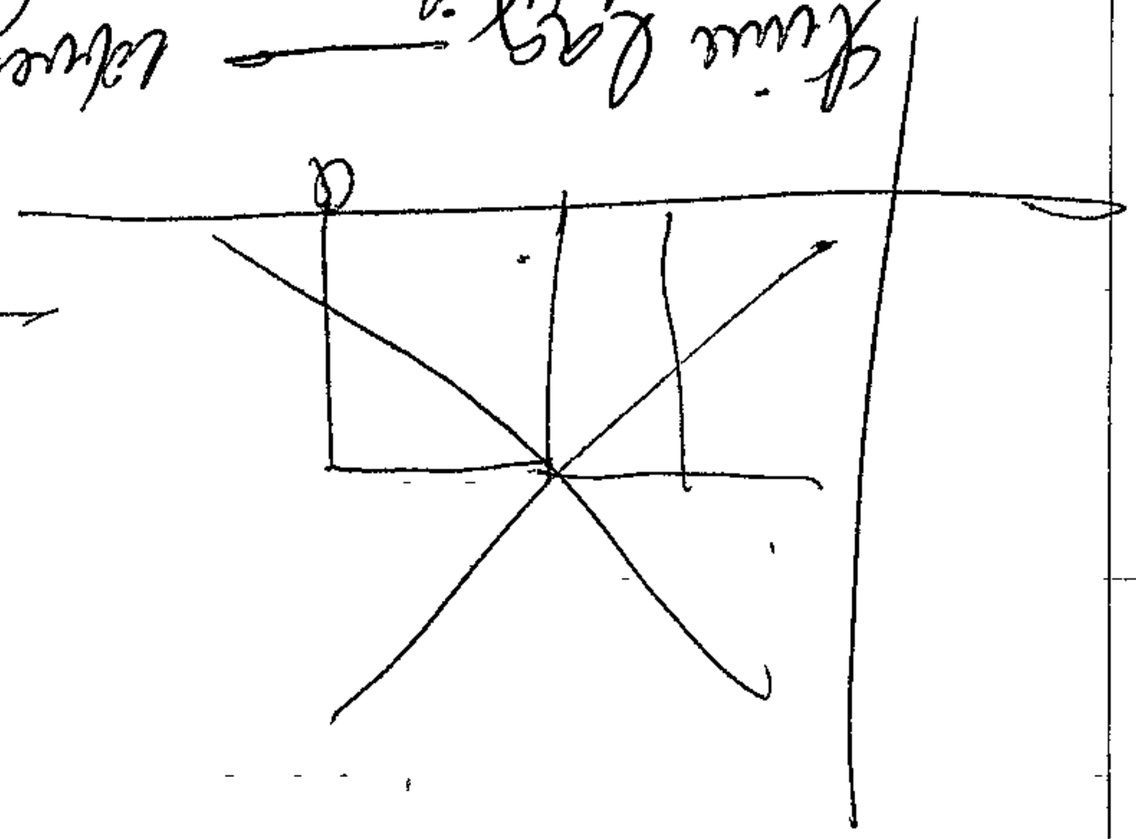
Two months after its launch, Ford says its order books are full until after Christmas

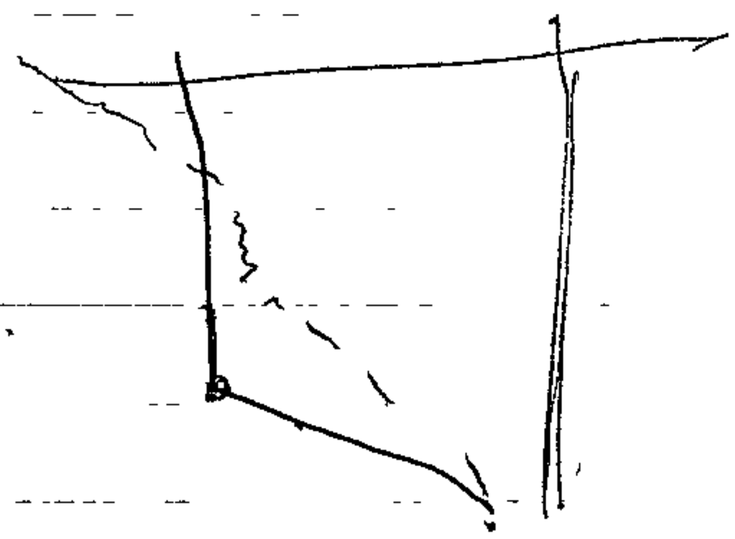
The company's technical manager, Mr Bryn Newman described the political opposition to the vehicle's South African connection as minimal and said it had not had any perceptible effect on sales.

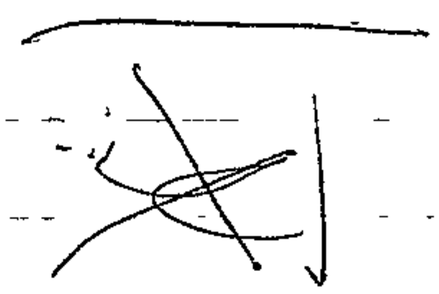
The pickup sells in Britain at R7 800 for the base model and R8 160 for the more luxuriously appointed "L"

About 35 percent of the Cortina's components are made in Britain and shipped to Ford's assembly plant in East London.

The company saves money with this system because it is cheaper than putting up an assembly plant in Britain.







HEAVY TRUCKS (192)

Tariff torque

FM 22/10/82

The wrangle continues over the tariff protection formula for diesel engines made by the IDC-backed Atlantis Diesel Engines (ADE)

Truck builders tend to favour torque rating as a basis for calculating import duties But ADE prefers a formula based on gross combination mass of the entire vehicle in which the engine is installed

ADE's viewpoint is understandable In some cases, tariffs based on torque would encourage truck builders to use imported engines of slightly higher torque ratings than they need instead of the more appropriate but more expensive ADE models

This could mean that some big trucks fitted with imports would be cheaper than smaller trucks fitted with the ADE product

The engines in question are made mainly by Cummins, Caterpillar and Mack They are used on heavy line-haul applications which, say truck manufacturers, are not covered by the ADE range

Current protection for ADE engines extends up to a swept volume of 21l Any engine below that size attracts a customs and excise duty equal to 30% of the wholesale price of the entire vehicle

Manufacturers propose that the 30% duty should apply to engines with a torque rating of up to 1 000 nM, but be reduced by one percentage point for every 15 nM above this Thus, engines with a torque rating of 1 450 nM and above would attract no duty

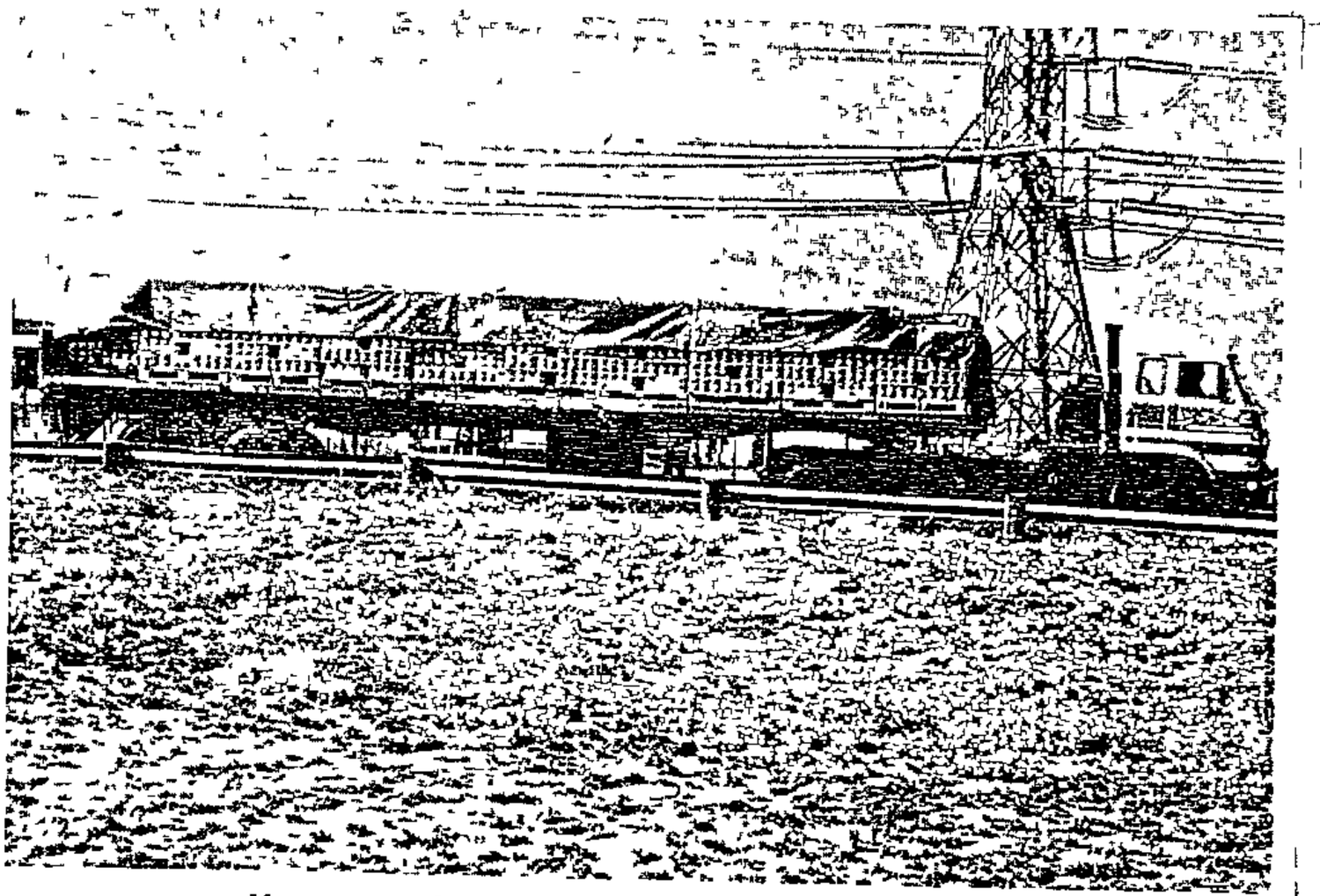
The Board of Trade and Industries is believed to have accepted this idea in principle However, it favours a base torque of 1 450 nM for the 30% excise duty, with no duty payable on engines above 1 900 nM

This, say assemblers, is too heavy a penalty for building vitally important line haulers for the transport industry The intention, they say, is to provide some measure of protection for assemblers using ADE, without placing an undue burden on the line haulers which have to fit the imported engines.

The latest proposal by truck builders would allow the ADE 407 (803 nM torque) to enjoy the full 30% protection The 407T (1 177 nM) would have a duty protection of 18%, while the biggest, the 422T (1 402 nM) would have scarcely any

ADE has already rejected previous formulae based on swept volume, power, and torque ratings as meaningless It argues that a small engine can be boosted to give unusually high output while large engines can be derated

It proposes 60 000 kg gross combination mass as the cut-off point for the 30% duty, reducing at a rate of 3% for every 1 000 kg thereafter



Heavy

Ford and GM go on four-day week

RDM 22/10/82

192

PORT ELIZABETH — Two motor assembly plants in Port Elizabeth, Ford and General Motors, are to work a four-day week from next month

GM closes today and will work its short-time operations from Tuesdays to Fridays Ford will work a four-day week every other week

GM's public relations manager, Mr Peter Sullivan, said the effects of the economic downturn had compelled the company to adjust its production schedules The decision to adjust schedules was in keeping with the company's undertaking to minimise the potential for retrenchments

Ford's employee relations manager, Mr Dirk Pieterse, said that because of economic factors affecting the motor industry, the Cortina plant at Struandale would be working a four-day week on alternative weeks

Meanwhile, about 85 workers, or 10% of the work force at the Hella (SA) lighting equipment company in Uitenhage, were retrenched yesterday

The company said the step was necessary because of the economic slowdown and because the company had been affected by the short-time worked by many of its major customers — Sapa

PE motor workers on 4-day week

STAR 22/10/82

PORT ELIZABETH — Two motor assembly plants here, Ford and General Motors, will work a four-day week from next month

General Motors in Kempston Road closes tomorrow and will work its short-time operations from Tuesdays to Fridays.

Ford will work a four day week every other week

GM's PR manager Mr Peter Sullivan said the effects of the economic downturn had compelled GM to adjust its production schedules

"On present outlook, it may be necessary to continue working a four-day week," he said

Ford's employee relations manager Mr Dirk Pieterse said economic factors had made a four day week necessary at the Cortina plant in Struandale — Sapa

VW to work short week

E POST
27/10/82

Post Reporter

THE Volkswagen motor plant in Uitenhage will work a four-day week twice next month but, unlike its Port Elizabeth competitors, Ford and General Motors, this is not connected with the downturn in the economy

VW's public affairs manager, Mr Ruben Els, said today the plant would probably close on November 8 and 22

This was due to a "structural change-over" and was not related to a cutback in production, he said

Yesterday Ford and GM announced that they would be working shorter time in the future

GM was closed today and production will resume on Tuesday — but the firm may continue with a four-day week Ford's Cortina plant will work a four-day week every alternate week from Monday

Union won't join industrial council

RDM 24/10/82

(192)

Labour Correspondent

A MOTOR workers' trade union affiliated to the Council of Unions of SA (Cusa) has decided against joining an official industrial council "at this stage"

This decision was taken at the first annual conference of the United African Motor and Allied Workers Union (UAMAWU) in Pretoria at the weekend

While Cusa's official policy is highly critical of industrial councils — which are cornerstones of the country's official bargaining system — several of its unions have joined them

UAMAWU's general secretary, Mrs Dora Nowatha, said the union had not decided against joining a council on principle but because "we feel we are not yet strong enough to do so".

The union, which was formed in 1980, has about 5 000 members spread through the motor assembly, components and repairs industries It is based in Pretoria and does not have membership among East Cape motor assembly workers

The union had decided that its present membership did not give it enough industry-wide bargaining muscle to join the council, Mrs Nowatha said

Car local content by mass criticised

ESPOOZ 28/10/82

192

By LOUIS BECKERLING
Business Editor

MOTOR industry delegates today heard a strong appeal for the Government to switch its local content criterion from mass to value

The delegates, attending the first-ever international conference on the use of plastics in the motor industry, heard the appeal from Mr Mike Sander, manager of AECI's plastics division

"It is something of a paradox," said Mr Sander during the conference in the Hotel Elizabeth, "that legislation exists which slows down the introduction of techniques to improve fuel consumption in a country where fuel conservation is a strategic as well as economic necessity"

Mr Sander was one of several speakers who addressed the large international gathering in Port Elizabeth on the latest advances made by plastics in the passenger vehicle construction industry

Outlining the "tortuous road to self-sufficiency and growth of the South African plastic feedstock industry", Mr Sander said South Africa's thermoplastics industry today "employed the most modern technology"

"We have world-scale plants, surplus capacity, a low variable cost base and are capable of considerable price flexibility It is an industry independent of oil and therefore absolutely committed to growth both locally and in the export market

"Given continuing Government support for all sectors of the industry it is very well placed to sustain its role as one of the strongest growth sectors of industry, a major provider of job opportunities in the country and the leading sector in technical innovation"

However two overriding problems limit progress of the industry, said Mr Sander

"In South Africa, with the local content programme in the motor industry being based on weight, the low-density property of thermoplastics acts to the disadvantage of the industry The ability to produce foamed components with a further reduction in weight is again counter-productive when viewed from the position of the local content legislation"

A second factor acting against the plastics industry, said Mr Sander, was the wide diversity of makes and models assembled in South Africa in relation to the size of the market

"This reduces the run length for component fabrication and makes the cost of tooling per unit of production prohibitive A single injection mould for a bumper/spoiler, for example, could weigh 30 tons and cost R250 000 To use such an expensive tool for a model with a life of around five years and an annual demand of 20 000 units is out of the question"

While the local plastics industry was more than competent to handle the challenge of local self-sufficiency in manufacture of the complete range of plastic automotive components, several changes would be necessary, said Mr Sander

"Probably all of the following will be required before significant success will be achieved

- "Modification to the local content programme to recognise the imported value of an item irrespective of its weight.
- "The ending of the recessions overseas which will reduce surpluses and return raw material prices and profit margins to practical levels, making it possible for local producers to meet imported prices
- "Some increase in the extent of standardisation within the automotive industry
- "Innovation by component fabrication to diminish the effect of the small market size An example would be the development of international mould use on a time-sharing basis"

BMW intends to stay on in SA

SOWETAN 29/10/82

BMW, the motor manufacturing company, had generated 10 000 jobs in South Africa and to disinvest would be disastrous, the chairman of the BMW board of management, Mr E von Kuenheim, said in Johannesburg this week

Mr von Kuenheim said that although the first objective of his company was to conduct its business successfully, the political climate of a country also had to be taken into consideration

"Today major industrial decisions always have political implications"

However, from BMW's point of view, the original investment decision in 1979 did not go along with the politics of disinvestment, nor would it now

Over 10 years' BMW's activities in South Africa included

- More than 2 000 new positions had been created —mainly for blacks
- The motor plants were instrumental in introducing black people from rural areas into industrialised society
- By eliminating race discrimination in the BMW factories, the company was contributing to changed attitudes and increased racial tolerance
- By tying in with the Government policy of decentralisation, BMW was able to bring the benefits of technical training and the income generated by factory jobs to all corners of South Africa

Mr von Kuenheim also announced the opening of the new BMW plant in Bophuthatswana — which will produce seats and upholstery for South African - made BMW cars

SECTION A

UNIVERSITY OF CAPE TOWN
EXAMINATION ANSWER BOOK

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered), leave columns (2) and

Cape Herald 30/10/82

More join jobless queues

192

THE ranks of the unemployed in the Western Cape swelled drastically during the past two months with the retrenchment of 250 workers at the Leyland motor manufacturing plant —

According to the company, the layoffs were unavoidable because the giant Sigma Motor Corporation had in June cancelled a R60-million project to manufacture vehicles at Leyland's Blackheath plant

The layoffs were staggered over two months as the various Sigma models were phased out

To avoid retrenchments many companies do away with all overtime work and put workers on short-time

MINIMUM

Leyland has not been able to go on short-time and has cut overtime to an absolute minimum It has recruited new workers but only in certain specialised areas

Workers who wish to be re-employed would have to wait until June next year for it is only then that the company expects its volume of work to increase It is at this time that Leyland expects to re-establish its Elsies River plant

Mr Joe Foster, the local secretary of Naawu and general secretary of the Federation of South African Trade Union (Fosatu), said retrenchment procedures had been negotiated with the company

Many of the workers had received severance pay Mr Foster said

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underlining, emphasis or for diagrams, for which pencil may also be used

3 Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book(s) are used

4 Do not write in the left hand margin

WARNING

1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed

2 Candidates are not to communicate with other candidates or with any person except the invigilator

3 No part of an answer book is to be torn out

4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

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SECTION III.

UNIVERSITY OF CAPE TOWN
EXAMINATION ANSWER BOOK

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered); leave columns (2) and (3) blank.

Wkd. Post 30/10/82

Company 'adopts' black PE school

192

Weekend Post Reporter

PORT ELIZABETH is the first city in South Africa to introduce the practice of "adopting" a school

Cowan High School, and its 1 100 pupils in New Brighton have been adopted by Ford Motor Company in a programme to upgrade the facilities at the school and to improve the level of education there

The company's community relations manager, Mr Arthur Shipalana, said that the company had introduced "Adopt-A-School" projects in various parts of the world, including Brazil and Mexico

"We have now introduced this in South Africa, and the first school chosen is the Cowan High School, which is one of the biggest in New Brighton Many of our employees' children go there, said Mr Shipalana

"The project is aimed at providing two-way assistance — the company helping the school and the pupils helping both the school and the community at large"

As its first step, the company provided science equipment, library books and audio-visual equipment, costing about R15 000. The provision of an intercom system is being investigated

"However, such physical assistance is only part of the project," said Mr Shipalana. "One of the primary objectives of adopting a school is that it provides the donor and the school the opportunity to sit down and prioritise what is required in the school

"In this way the company may also be able to offer assistance in providing, from its own education and training staff, instructors in subjects such as mathematics and science, so upgrading the level of education Career guidance can also be offered

"It may also be possible to run, if required, courses for staff, for instance in such fields as time management

"Projects in which pupils can help the community can also be drawn up Recently, Cowan pupils helped establish a play area at a nearby school for handicapped children with materials supplied by Ford Parents of the school for the handicapped also assisted in this

"The Cowan school and the company are now looking at further ways in which pupils and staff can assist the community"

Recently the company decided to help a school for retarded children in New Brighton, and here the pupils from Cowan High School came along to assist the company in laying out playgrounds

This, said Mr Shipalana, was an example of how the school and the company were able to work together to help others

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NOTE CAREFULLY

1. The answers only on the right hand pages will be marked The left hand pages may be used for rough work, but no credit will be given for such work.
2. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.
3. Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.
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EDSON 15255

RDM 11/11/92

Hopes for Cape motor accord

REMEMBER the Eastern Cape motor industry strike which led to a pull-out from the industrial council by Fosatu's National Automobile and Allied Workers' Union?

Well, Naawu and employers are still holding behind-the-scenes talks aimed at breaking the deadlock While both sides are tight-lipped, one source even holds out hopes of an agreement before the end of the year

Henred clinches a deal on layoffs

THE Metal and Allied Workers Union's (unsuccessful) attempt to get Reef employers to a weekend meeting with union shop stewards to discuss retrenchments, has focused new attention on lay-offs

Emerging unions say they should be negotiated with worker leaders and safeguards should be built in to ensure the effect on workers is cushioned

They say that, as retrenchments grow, most employers refuse to do this But how do things work when an employer does agree?

Well, last week motor firm Henred Fruehauf Trailers, which has recognised MAWU, negotiated the retrenchment of 84 people with the union

The union wanted the company to work a shorter week It says it considered this — as well as saving jobs, this would ensure the company preserved valuable skills — but felt it wasn't feasible

But, except for a few workers whose skills were essential, the lay-offs took place on the last-in-first-out principle

In addition, several older workers were retired on pension and Henred offered workers the chance to volunteer for early retirement — which its pension scheme allows According to Henred, 100% of those laid-off were volunteers and they received their pension pay-out plus other benefits

And the company has also frozen recruitment and decided there will be no more lay-offs this year

Henred is not unique Other

GENERAL NEWS

Jobs tumble in steel and motor plants

Star 3/11/82

By Michael Chester

More than 3 600 jobs have been scrapped by major motor manufacturers as the recession slams the brakes on car and truck sales Short-time work is widespread.

Few big motor assembly plants in Pretoria and Port Elizabeth have escaped severe production cutbacks

The full impact of this has yet to be felt by hundreds of smaller companies which rely on feeding motor production lines with components

In addition steel producers confirm they are forced to plan redundancies and more short-time schedules because of the nosedive in demand on overseas and domestic markets

Highveld Steel fears more than 1 000 workers at its Witbank plants will have to be retrenched

Mr Leslie Boyd, managing director, said talks were under way to work out precise redundancy figures But it looked certain that more than 1 000 of the 6 800 labour force would be hit,

In addition, work hours in the rolling mills would be cut from 20 shifts a week to 12 or 15 shifts

The labour force at the Highveld iron-ore mine at Roosenekal in the Eastern Transvaal would also be affected in the cutbacks, Mr Boyd said

Iscor confirms it is also slashing production from an annual 7,4 million tons to about 5,7 million tons, leaving nearly 25 percent of its capacity idle Three of its blast furnaces at Newcastle have been closed

Mr J P Kotzee, Iscor managing director, has launched a programme to cut down heavily on the labour force He hopes to achieve the reductions by natural labour wastages and transfers rather than actual lay-offs

Mr George Clark, chairman of Dunswart Iron and Steel Company, reports its working week has been trimmed back, adding "Sooner or later we shall have to think about shutting down some plants"

The stringency of labour reductions in the motor assembly plants has been underlined in a survey by the National Association of Automobile Manufacturers of South Africa (Naamsa)

It shows the total work force has been shrunk from 50 282 to 46 650 in six months This means nearly one in 12 jobs has been axed

"The downturn was signalled in September," said Mr Colin Adcock president of Naamsa "And the October sales figures — out in the next two weeks — will show the decline is worsening"

The widening impact of the recession is reflected at Barlow Rand, the biggest and most diverse industrial conglomerate in the country

Its general engineering and construction divisions have been particularly hard hit But a spokesman said retrenchments had been held at a minimum by reverting to short-time work where necessary

Employers have been advised by Dr Hennie Reynders, chairman of the National Manpower Commission to look into short-time rather than retrenchment when jobs are threatened "Job sharing could prove a highly useful alternative to job cutting when worse comes to worst"

Said Mr Arthur Grobbelaar, general secretary of the Trades Union Council of South Africa "We haven't touched bottom yet We fear that a number of companies will announce retrenchments next month before the Christmas holiday begins

"It will be a nasty Christmas for a lot of workers."

(192) D. Dispatch 9/11/82

New motor wage offer

PORT ELIZABETH — The National Automobile and Allied Workers Union (Naawu) has received a new minimum wage offer from the Ford, Volkswagen and General Motors managements

Last night Naawu's general secretary, Mr Fred Sauls, confirmed the offer had been made at a meeting of union officials and company representatives last week

Mr Sauls declined to give details of the offer but said the union's membership in the motor manufacturing industry would meet this week to discuss it

In mid-July more than 10 000 Naawu members employed at the three companies went on strike when minimum wage level negotiations in the industrial council for the industry reached deadlock

The following day the companies closed their factories and demanded an assurance from the union that the workers were willing to return before they would reopen

After their reopening, work stoppages, go-slows and walkouts affected renewed production

The union eventually withdrew from the council talks because it was decided to refer the dispute to arbitration The union felt arbitration would remove control of the situation from the hands of the people concerned

Since Naawu's withdrawal and its request for the opening of separate in-plant negotiations in place of the council negotiations and the companies' refusal to negotiate separately the dispute has moved no closer towards resolution — DDC

Naawu: New wage offer

Cape Times 9/11/82

192

Own Correspondent

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Wage negotiations reached deadlock

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Since Naawu's withdrawal and its request for the opening of separate in-plant negotiations in place of the IC negotiations — and the companies' refusal to negotiate separately — the dispute has moved no closer towards resolution

In August the employers, with the approval of the SA Iron Steel and Allied Industries Union which was also party to the IC talks, introduced a 20-cent across-the-board increase for hourly employees as an interim increase, pending further negotiation

New pay bid to end motor dispute

ARGUS
9/4/82
192
366

Labour Reporter

A NEW minimum wage offer has been made to workers in three motor manufacturing firms in Port Elizabeth

The three companies, Volkswagen, Ford and General Motors, apparently made the offer last week to representatives of the National Automobile and Allied Workers Union (Naawu)

Mr Freddie Sauls, general secretary of Naawu, today confirmed that an offer had been made, but declined to give further details until workers at the three plants had discussed the matter

Issues

He said the offer covered minimum wages and "other issues" Workers were meeting this week to discuss it

Mr Rubin Els, public relations officer for Volkswagen, said the companies were still negotiating with the union

"No agreement has been reached yet We have been negotiating a settlement," he said, declining to comment further

Management spokesmen from General Motors and Ford were not available for comment

Industrial relations in the motor manufacturing industry have been tense for much of this year

Downed tools

In July, 10 000 workers downed tools in support of a minimum wage demand of R2,50 an hour The companies responded by closing the factories for about a week after the workers had decided to return to work

Management stuck to their offer of a 7,5 per cent increase to R2,15 an hour and a formal dispute was declared at the Industrial Council

Naawu soon withdrew from the Industrial Council wage talks and asked instead for in-plant bargaining to settle the issue

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Ceteris Paribus
Price
Function
Inferior Good
Substitutes
Complements
Perfect Competition
'Rise' in Demand (or Su
'Increase in Quantity D
Equilibrium
Maximum Price
Minimum Price
Rent Control
Minimum Wages Legislat
International Trade
Transport Costs
Tariff
Economic Rent.

Car industry dispute: end may be in sight

Labour Reporter

The five-month-old car industry wage dispute in the Eastern Cape may be settled in the next few days, say industry sources.

Hopes for a settlement have risen after talks last Thursday between the National Automobile and Allied Workers Union and the Eastern Province Automobile Manufacturers Associations

Last night union officials from Ford, General Motors and Volkswagen met to discuss the latest offers from employers, and there will be mass meetings in Port Elizabeth and Uitenhage tomorrow and on Thursday night with workers

During the drawn-out dispute Naawu withdrew from the industrial council for the region and negotiations then proceeded informally through the employers' association

Workers had demanded a R2,50 minimum hourly wage, which employers rejected

The three auto giants in turn offered a minimum of R2,20 an hour, which workers rejected but which was put into effect after Naawu withdrew from the council

The dispute caused thousands of workers at the three companies to down tools, resulting in closures of assembly lines and other areas of operation

The firms accused Naawu of being unrealistic in its wage demands, but the union said workers required a minimum living wage

There have been behind-the-scenes talks in the last few months and current offers may provide a settlement

SOWETAN 9/11/82

R6m Border steel plant

QUEENSTOWN — A heavy automotive press plant to serve the South African motor industry is to be built here at an initial cost of nearly R6 million

Negotiations for the establishment of the plant, expected to employ about 100 workers initially began about six months ago, according to Mr Adri Loots, director of Jalc Holdings, the development consultants engaged by the town council

Mr Loots said negotiations had also begun with an overseas company for a tool manufacturing plant here Companies engaged in moulding and steel-cutting plants had also shown interest, he said

Mr Loots said the man behind the establishment of Stateline Pressed Metal (Pty) Limited was an American, Mr Russell Oliveto

He already has his own metal stamping plant in the United States and has been instrumental in establishing automotive plants in Iran, Mexico, Spain and Japan

Mr Loots said although benefits offered by the government's decentralisation programme had played an important part in the decision to establish the plant in Queenstown, several other factors had been taken into consideration

These included the availability of suitable land (the plant will be established on a 6,92 ha site in the industrial township), adequate labour, suitable road and rail transport facilities, and proximity to its market — chiefly the Port Elizabeth and Uitenhage manufacturers and the East London assemblers.

When in full production the plant is expected to use 24 000 tons of sheet steel a year and its eventual output will be worth in the region of R100 million a year

The cost of the land and buildings is expected to be about R3,5 million, while the plant itself will cost more than R2,2 million

In its first year of operation the plant is expected to employ just over 100 workers and will have a salary and wage bill of about R558 000

By the third year the salary and wage bill is expected to reach R1 128 000, paid to about 252 employees.

Mr Loots said this was the "biggest single development in the history of Queenstown." — DDR.

Sigma sacks 371 — 114 more to go

ARGUS 10/11/82

(192)

PRETORIA — Three hundred and seventy-one workers at the Sigma car plant here were retrenched today and another 114 will be made redundant during the last week of the month

All retrenchments would be made on the last-in, first-out principle, a Sigma statement said Exceptions would be made in the case of shop stewards and employees with rare skills

The workers would receive full redundancy benefits, including separation payments, leave pay and Christmas bonuses and a counselling and placement service had been established

Preference would be given to retrenched Sigma workers should the corporation need to re-employ workers

"The sales trends in the last few months have required that all clear-thinking motor manufacturers take corrective action to protect their interests" Sigma said

"The corporation believes that the formula it has applied is reponsible and exemplary in dealing fairly with the sensitive issue of redundancy" — Sapa

Ceteris Paribus
Price
Function
Inferior Good
Substitutes
Complements
Perfect Competition
'Rise' in Demand (or Supply)
'Increase in Quantity Demanded' (or Supplied)
Equilibrium
Maximum Price
Minimum Price
Rent Control
Minimum Wages Legislation
International Trade
Transport Costs
Tariff
Economic Rent.

Sigma layoffs left no time for talk, says union

Star 10/11/82

By Tony Davis, Labour Reporter

The National Automobile and Allied Workers' Union has criticised Sigma for not giving enough advance notice of the decision to lay off 500 workers at its plant near Pretoria this week.

A Naawu spokesman said it was informed of Sigma's decision on Friday afternoon. This left it no opportunity to discuss the matter with management or the workforce as Sigma is operating a three-day work week from Tuesday to Thursday.

The spokesman said Sigma had met the exact terms of the union agreement with the auto firm but had left Naawu with little room for any constructive discussions.

The union has planned a tentative meeting of Sigma workers in Mamelodi township tonight to discuss the latest wave of retrenchments.

More than 500 workers were laid off at Sigma in January this year. Another 348 were laid off for one month. There were also further retrenchements although in smaller numbers, during the year.

The retrenchment procedure between Sigma and the union provides for:

- Severance pay in relation to length of service
- Re-employment as vacancies occur
- A policy of "last-in, first out".

Sigma initiated a four-day work week in July and introduced the three-day week last month.

A Sigma spokesman said the firm had a policy this year of reviewing its economic position on a monthly basis. Unproductive workers also came under scrutiny on a regular basis.

Some industry sources fear that in the event of any worker militancy at Sigma the firm could use the occasion to lay off more workers — a case of "disguised redundancy".

Sigma's recognition agreement with Naawu followed a prolonged dispute which saw its entire workforce out on strike in April.

U'hage firm has taken back 60

E Post 10/11/82

Post Reporter

SIXTY out of more than 1 000 workers who were dismissed from Veldspun International in Uitenhage have been re-employed by the company

The National Union of Textile Workers (NUTW) is awaiting a list of others who are to be rehired

The workers were dismissed in August after a strike After lengthy negotiations between the NUTW and management the firm agreed to take back 214

After a meeting last week the union was given a list of 60 names including two shop stewards, of people who have begun work last week and on Monday

The union's general secretary, Mr Obid Zuma, said he expected to receive a list today of the other 154 They would be given 14 days to report

Sigma deal for axed workers – R1000 and how to survive

By Michael Chester

Each of the 485 car workers axed by redundancies at the Sigma Motor Corporation outside Pretoria will receive a minimum of R1 000 — including a Christmas bonus — in a compensation deal worked out by the company

The severance pay package of over R500 000 is intended to soften the redundancy blow and help tide over victims until they find new jobs

Retrenched workers have also been assured of first priority in rejoining the corporation when the industry recovers

The deal was announced today when the timetable for the redundancies was released 371 workers end their jobs this afternoon and 114 leave on November 26

All retrenchments were agreed with the trade unions on a last-in first-out basis — except when particular skills are scarce, and with a proviso that shop stewards stay.

The new cutbacks bring the total number of workers laid off at Sigma since the start of the year to over 1 200, reducing the labour force to little above 4 000 as the recession slashes demand for new cars and trucks

Few motor assembly plants have escaped the repercussions of the fall in demand, but Sigma appears to have been hardest hit

The severance pay package is bundled around a redundancy benefit scheme operated by the corporation as standard policy

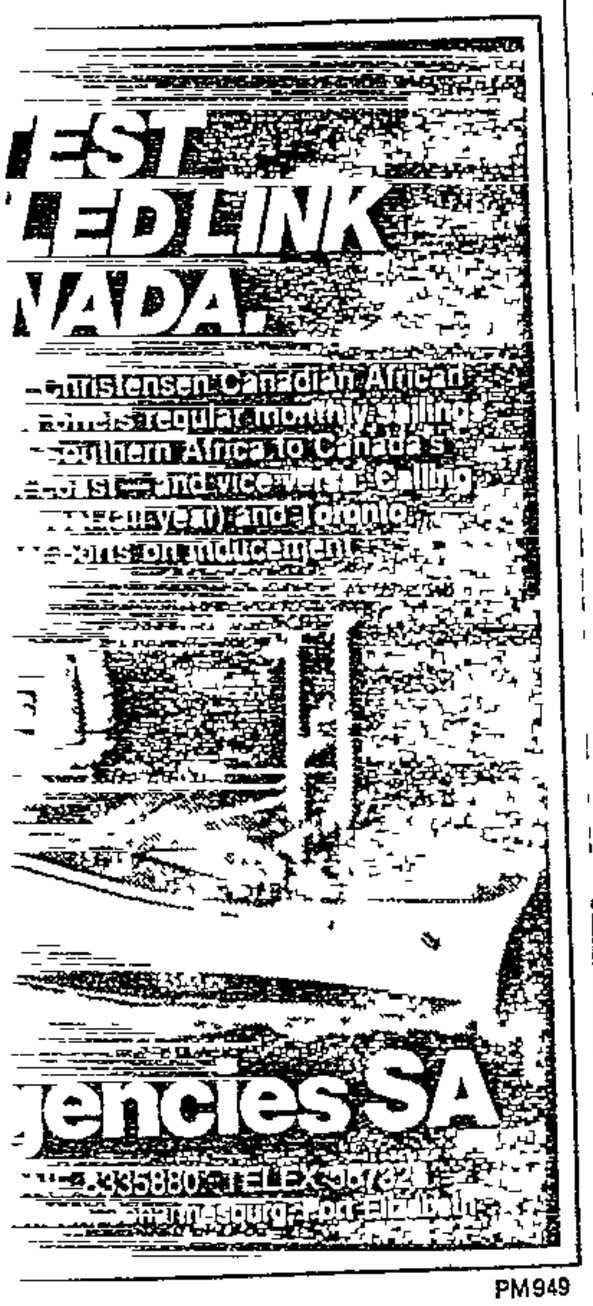
"The final amount should be adequate to tide over affected employees while they seek new jobs or — when improved economic circumstances stimulate demand for new vehicles — when they rejoin us here," said Mr Mof Lemmer personnel director

The corporation is also setting up a counselling service to advise jobless workers — including the creation of what amount to savings accounts into which they can deposit their severance pay and draw on it as required

'Drawing on the total at intervals once a week or once a month, may be a far better idea than drawing it all now and be tempted to spend it all in one go, said Mr Lemmer

● See page 2

Ceteris Paribus
Price
Function
Inferior Good
Substitutes
Complements
Perfect Competition
'Rise' in Demand (or Supply)
'Increase in Quantity Demanded' (or Supplied)
Equilibrium
Maximum Price
Minimum Price
Rent Control
Minimum Wages Legislation
International Trade
Transport Costs
Tariff
Economic Rent.



PM949

at the end of next year

Developed by OK the new centre will include a prestige five-storey office block, two cinemas, two restaurants, major tenants such as Hyperama, Edgars and Woolworths, as well as 72 smaller shops

The centre represents an investment of about R42,5 million, and will be developed and managed by OK

"This development will be smaller only than Sandton and Eastgate, in terms of total sales area In design, it is far ahead of any shopping centre in existence in South Africa" says Mr Gordon Hood, head of OK's development division

DIVERSIFICATION

The development enters its second phase when the new 4 500 sq m House and Home opens today

This is part of the Hyperama group's diversification in the development of a chain of such outlets; concentrating on the sale of houseware such as manchester, silverware, crockery, carpeting, bedroom linen, appliances and furniture at discount prices but displayed in an extremely up-market environment

R5-m plant for Protea Axles

Star 4/11/82

192

By Stan Kennedy

Protea Axles of Spartan is to build a R5 million factory and workshop in Alrode.

Later, should Government implement a formal local content programme for heavy vehicles, Protea Axles will spend another R15 million on buildings, plant and machinery to increase production from its present 2 000 axles a year to 8 000 a year

Mr Ray Couldridge the managing director, says the company already makes use of 30 percent local content by weight in its drive and steer axles These are made under licence to Rockwell of Detroit

"We have done it without any pressure, and we are prepared to go to 50 percent content if Government will give us sufficient protection against imported axles"

The company has about 10 percent of the total South African market for heavy truck axles and suspension wheels most of which are bought by local truck manufacturers

The balance is imported in kit form by the majority of vehicle assemblers

Mr Couldridge said "We do not wish to be cramped at the next upturn, which we expect in about two years

"Although we are to be protected in some measure against imports, the R1 65 a kg duty on imported axles which comes into effect on December 1 is not enough incentive for us to make a big capital investment Our future is firmly in the hands of Government"

Edgars Interim Report

	1982 26 weeks to October 9 R000	1981 26 weeks to October 10 R000	Change %	1982 53 weeks to April 10 R000
	282 661	210 053	+35	481 374
profit	35 573	29 402	+21	63 688
	9 154	3 403	+169	10 973
taxation	26 419	25 999	+2	52 715
	11 172	11 112	+1	22 532
taxation	15 247	14 887	+2	30 183
income from foreign subsidiary	424	309	+37	710
ibutable to shareholders before LIFO	15 671	15 196	+3	30 893
k adjustment	6 014			10 764
thereon	2 464			4 740
	3 550			6 024
adjustment				
ibutable to shareholders after LIFO	12 121			24 869
per ordinary share.				
ous basis	818c	793c	+3	1 622c
basis	630c			1 303c
				623c
per ordinary share	187c			
shares in issue	1 805 942	1 805 942		1 805 942

Giant deal for Signal

SAN DIEGO — Signal Companies, a multinational US conglomerate has announced that it is acquiring an engineering and manufacturing firm with sales of 1 500 million dollars last year.

The cost of Signal's deal to take over Wheelabrator - Frye, which is based in Hampton, New Hampshire, is estimated at slightly less than 1 000 million dollars — Reuter.

(192)

Firms offer new deal

Sowetan 1/11/84

A NEW minimum wage offer has been made to workers in three motor manufacturing firms in Port Elizabeth.

The three companies, Volkswagen, Ford and General Motors, apparently made the offer last week to representatives of the National Automobile and Allied Workers' Union (Naawu)

Sackings in components industry not likely

192

By SANDRA SMITH

DESPITE lay-offs and short-time in the motor manufacturing industry, the situation in the motor component industry was "far from desperate", the national secretary of the National Association of Automotive Components and Allied Manufacturers (Naacam), Mr Bill Hayward, said today

While most component manufacturers were working short-time on occasion and were not as active as they were this time last year, widespread retrenchments were not expected, he said

He had received reports from two motor component manufacturers in the Transvaal, one of which had experienced record sales last month and the other was working to full capacity

At present the vehicle manufacturers' car parks were full and "not moving", which meant component manufacturers were not working to peak capacity

However, they were taking the opportunity to re-organise and re-equip their plants and to train staff.

Instead of lay-offs the component industry was not replacing staff and those not sufficiently productive or bad time-keepers were in danger of losing their jobs, Mr Hayward said

In the footwear industry retrenchments were not predicted, but staff was not being replaced, the director of the Footwear Manufacturers Federation, Mr D Linde, said today

Plants were also not working short-time, as far as he knew

The greatest difficulty facing the industry was imports from the Far East, which reduced local manufacturers' share of the market

A temporary "anti-dumping" duty on tackies imported from Taiwan and Korea had been imposed and this had assisted local manufacturers.

The personnel manager at Edworks, Mr S V Featherstone, said the company was contemplating minor lay-offs which would affect less than 1% of the staff in Port Elizabeth and King William's Town

Staff that left would not be replaced, but the company would not go on short-time

RDM 11/11/82

Sigma pays off 371 — and more will lose jobs

Mail Reporter

A TOTAL of 371 employees of the Sigma Motor Corporation's Watloo plant lost their jobs yesterday and a further 114 will be without work at the end of the month

A spokesman for the corporation, Mr Phillip Botha, said in a statement yesterday that sales trends in the last few months "require all clear thinking motor manufacturers to take corrective actions to protect their interests

"In line with the weakening economy, motorcar sales in the industries and Sigma are declining" he said

Mr Botha said reductions were handled responsibly by treating employees whose jobs had become redundant fairly in all circumstances

At a meeting held on November 5, the National Automobile and Allied Worker's Union (NAAWU), in terms of established practice, was informed of the company's intention to retrench a number of employees within six months, and certain amendments to the redundancy formula were agreed, he said

The employees would, in accordance with the company's established policies, be awarded their usual Sigma redundancy benefits, whereby they would receive the required statutory notice, laid-down benefits in terms of the company's supplementary unemployment fund and a separation payment which recognised loss of employment, Mr Botha said

"In addition to this the company will ensure that employees draw the benefits they are entitled to in terms of the Unemployment Insurance Act,' he said

Leave pay due and the annual Christmas bonus would also be paid to them and the amount should, if carefully administered, be adequate to tide the affected employees over for several months Mr Botha said

The union could not be reached for comment yesterday, but a spokesman for NAAWU was reported as saying that his union was told about the issue four days before the employees were retrenched

Agreement signals car industry peace

Eforse 12/4/82

By SANDRA SMITH

A FOUR-MONTH dispute in the Eastern Province motor manufacturing industry was finally resolved last night when workers decided to accept an employer package entrenching job security and increasing minimum wages

The resolution of the conflict, which closed all three motor plants and led to the withdrawal of the National Automobile and Allied Workers' Union (Naawu) from the industry s industrial council, ends months of negotiations

The main thrust of the agreement concerns lay-off and short-time provisions

Naawu s general secretary Mr Freddy Sauls, said today that significant gains had been made in improving workers job security

Another important aspect of the agreement was the acceptance of the principle that employers should wholly fund a separation allowance fund

The agreement makes provision for negotiations between Naawu the Iron Steel and Allied Industries Union, and Ford General Motors and Volkswagen, on general conditions every two years and on wages every six months

In terms of the package presented to the unions by the Eastern Province Automobile Manufacturers Association (Epama) last week, the minimum hourly wage from December 1 for grade one employees will rise from R2 an hour to R2,15

In February, workers will also receive an across-the-board increase ranging from 10c for grade one employees, to 20c for those in grade eight

New provisions have been made for separation allowances in the event of retrenchments

Workers with two years continuous service will receive an equivalent of five days' pay

A temporary lay-off provision has also been made to cater for employees on short-time who receive less than four day s pay

Additions to annual leave have also been negotiated whereby those with more than 10 year s service will receive six additional days full pay

Workers also accepted the establishment of a committee made up of employer and worker representatives to investigate the grading system

CAPE TIMES 13/11/82

Motor disputes end in E Cape

PORT ELIZABETH — The lengthy dispute in the East Cape motor industry is over, but it could start again early next year

Workers employed at Ford, General Motors and Volkswagen have mandated representatives of the National Automobile and Allied Workers' Union (Naawu) to accept an offer made to the union last week by the companies' managements

Last night Naawu's general secretary, Mr Fred Sauls, said the two-year agreement which would become effective from December 1 would cover lay-off, severance and long service pay

The agreement does not cover wages

In future, minimum wages in the industry would be renegotiated every six months, he said

In terms of the agreement

● A structure for separation pay — where workers are retrenched because of cut-backs in production — will ensure that workers get one week's wages for every completed two years' service

At present the companies need give only one day's notice to hourly workers

● A structure for lay-off pay — to ensure that workers who have to work short-time get some compensation — entitles workers with less than two years' service to claim up to 36 hours in wages Those with between two and five years' service will be entitled to up to 45 hours' pay, those with between five and 10 years service will be entitled to 63 hours' pay and those with over 10 years' service will be entitled to 90 hours' pay yearly

● A structure for long-service pay will allow workers with two years' service one extra day of paid leave, two days for those with three to four years' service, three days for those with four to five years' service, four days for those with five to 10 years' service and six days for those with more than 10 years' service

PE motor workers accept deal

STAR 13/11/82

Own Correspondent

PORT ELIZABETH — The lengthy dispute which led to major mid-year disruption in the Eastern Cape motor industry is over — at least until early next year.

Members of the main trade union represented at Ford, General Motors and Volkswagen, have at report-back meetings accepted the latest proposals by employers

A national executive member of the National Automobile and Allied Workers' Union (Naawu) and fulltime shop steward at Volkswagen, Mr John Gomomo, said the last of a series of report-back meetings was held with Volkswagen workers on Thursday

Members there had accepted the offer made to the union by management last week as other workers had done earlier

The two-year agreement that has been reached will cover lay-offs severance pay and long-service pay,

The workers have accepted the establishment of a joint union-management committee to restructure the companies' systems of grading workers

The agreement does not cover wages

Wages will be reviewed by negotiation every six months for the duration of the current two-year contract

This will bring the hourly minimum wage for those who were employed in August to R2,30

In July, about 10 000 Naawu members downed tools in support of a minimum wage demand of R2,50 an hour, when wage negotiations via the industrial council reached a deadlock

When the industrial council decided to refer the dispute to arbitration, Naawu withdrew from the council and requested separate in-plant negotiations

The companies refused this and since then talks have continued through the Eastern Province Automobile Manufacturers' Association (EPAMA).

Naawu's rival union the non-registered Motor Assemblers' and Component Workers' Union of South Africa, (Macwasa), has been invited to talks with EPAMA but favours separate in-plant negotiations.

Macwusa organiser Mr Dennis Neer said yesterday he could not yet comment on the agreement

A spokesman for the all-white Iron and Steel Workers' Union, said the union was likely to accept it

D Dispatch 13/11/82

Praise for motor industry union

PORT ELIZABETH — All parties involved in the East Cape motor manufacturing industry's dispute, in particular the National Union of Automobile and Allied Workers Union (Naawu), had acted "very responsibly" in the dispute's resolution Mr Rod Ironside, chairman of the Eastern Province Automobile Manufacturers Association (EPAMA) said yesterday

Mr Ironside who is also assistant director of General Motors, was responding to the news that meetings of Naawu members at Ford, GM and Volkswagen had mandated the union to accept the EPAMA's proposals for an agreement for the industry

The lengthy dispute over minimum wages for the industry sparked off a strike in mid-July by more than 10 000 Naawu members employed at the three companies

After it was decided to refer the dispute in the industrial council to arbitration, Naawu withdrew from the council talks requesting separate in-plant negotiations with the companies

The companies refused to negotiate except as a body, through the EPAMA

Mr Ironside said the union's acceptance of the agreement was an "encouraging step towards the realities of the present situation" and "gives a new face to the situation"

He said he looked forward to the extension of "this pragmatic and realistic approach"

Ford's director of industrial relations, Mr Fred Ferreira, also described the union's acceptance as encouraging "since this means a solution of the dispute which was officially declared"

"We believe the contract is equitable and contains elements which would contribute to stability in the auto-manufacturing labour force in the Eastern Cape" said Mr Ferreira — DDC

New settlement lays talks 'bogey'

SO the optimists were right and the wage dispute in the East Cape motor industry has been settled

The dispute led to one of the most dramatic strikes in recent labour history and the withdrawal from the industry's industrial council of the only Fosatu union to agree to sit on a council

At the time of the strikes, there was much hysteria from some employers and media about the chaos created by worker militancy

More sober analysts — including Manpower chief Dr Piet van der Merwe — pointed out that, where the parties carry on bargaining, strikes, no matter how dramatic, tend to get settled

This has now happened The new agreement is to be submitted by the industrial council for publication in the Government Gazette, a move which indicates the union may well rejoin the council

The agreement does not increase the pay offer rejected by the union earlier — a result of the balance of factory-floor power in a recession — but wages are to be re-negotiated every six months, which allows workers to put in new demands soon and raises the prospect of more battles next year

While those battles could be tough, the settlement has shown that bargaining between a strong union and employers is not the bogey some portray it as

As for chaos, the effect on employers was much less than that of the average "routine" motor dispute in other Western countries

GENERAL NEWS

Motor dispute all but settled

By Tony Davis, Labour Reporter

A decision by more than 10 000 Eastern Cape motor industry workers last week to accept employers' wage offers effectively ended the six-month dispute

At worker rallies in Port Elizabeth and Uitenhage last Wednesday and Thursday workers agreed to accept the R2,20 across the board minimum hourly wage rate

A further 10c increase in February next year — bringing the minimum wage to R2,30 — was also agreed on, with new wage talks to start in March

Closed-door negotiations were held over recent weeks between the Fosatu-affiliated National Automobile and Allied Workers Union and the Eastern Province Automobile Manufacturers Association — representing Ford, General Motors and Volkswagen — to reach a settlement in the year's longest-running dispute

To Naawu the settlement represented a victory for the workers

Employers have agreed on six-monthly wage talks during the two-year contracted settlement and a basis for establishing provisions for future lay-offs.

A joint union-employer committee will be formed to supervise the grading of worker wages and the settlement provisions.

The dispute goes back to April this year when Naawu announced its wage demands for talks scheduled for May.

The demands called for a minimum hourly wage of R4,50 for skilled workers, R4 for semi-skilled workers and R3,50 for unskilled workers

The union also called for working hours to be reduced from 45 to 40 a week, for annual leave to be increased from three to four weeks and for higher end-of-year and attendance bonuses

Negotiations in June at the Eastern Cape industrial council for the motor industry indicated that employers were not willing to budge from a 15c minimum hourly increase to R2,15 for unskilled workers

Further talks failed to resolve the situation and the wage agreement negotiated in 1981 fell away at the end of July with no new agreement

The deadlock at the industrial council gave rise to repeated walkouts by about 10 000 union members at the three motor giants Plants were shut several times.

During some of the closures Naawu accused employers of locking out workers and trying to manipulate an existing dispute between Naawu and the rival Motor Assemblers and Component Workers Union, which did not recognise the council negotiations.

The council itself entered a dispute situation in late July when three sessions failed to resolve the wage issue

Naawu had come down in its minimum hourly demands to R2,50.

But the dispute showed no signs of easing as Ford was hit by a near total stoppage and plants were closed VW was hit by a go-slow protest and was later also shut down.

The employers, through the council, countered with another 5c offer in August, bringing the minimum offer to R2,20

The offer, however, did not meet Naawu's demand for a "decent, living wage"

On August 9 the union withdrew its membership from the industrial council, leaving the three employers to negotiate only with the white SA Iron, Steel and Allied Industries Union

Motor plants were subjected to closures again Even General Motors was seriously affected

Ford then announced a week-long closure and stunned the union by saying that 507 workers would be laid off because of a decline in sales and the dispute

Employers complained that union demands for higher minimum wages could mean an increase in car prices and a narrowing of the wage levels between unskilled and trained, semi-skilled workers

But talks began again between Naawu and the employers late in August, this time through the Eastern Province Automobile Manufacturers Association and not through the council.

In the interim, employers had implemented the R2,20 minimum wage because last year's agreement had fallen away

Naawu countered by calling for individual negotiations with the three companies

However the employers stuck together for joint negotiations with Naawu.

The issue of possible arbitration to resolve the dispute at council level hung in abeyance as talks between Epama and Naawu went on.

Talks went on in September and last month on individual bargaining but there was little response from employers

Then at a meeting at the beginning of this month, Epama came up with several new recommendations which Naawu took back to its executive committee and subsequently to the workers last week These offers were accepted.

Final settlement of the dispute still hinges on a few issues, including Naawu's looking at industrial council membership again and the success of next year's talks

DAILY DISPATCH, D.Dispatch 17/11/82

2-week Honda stoppage

EAST LONDON — Production of the new Honda Ballade at Car Distributors Assembly here has been stopped for two weeks, a CDA spokesman, Mr Richard Wagner, confirmed yesterday. (192)

Mr Wagner said the halt in the Honda assembly line was caused by a rubber bumper component which did not fit and that new components were being airfreighted from Japan

The new marque was officially launched in South Africa at the beginning of this month and the assembly output from CDA was set at 800 units a month

Mr Wagner said the stoppage would have no effect on Honda production staff or sales of the car.

The line stopped last week and would be out this week and half of next week. Dispatch of Hondas was resumed on Monday after those which had been completed were fitted with new bumper components, Mr Wagner said.

"CDA are not prepared to accept components below their quality standards," he said

"The size of the rubber fitments for the bumpers was not quite right, although there is nothing wrong with the rubber itself."

Mr Wagner said there was nothing wrong with Hondas already sold. "Cars are only sold when they pass through quality control

Staff employed on the Honda line have been added to the Mercedes Benz assembly line, "to accelerate Mercedes Benz output where there is a backlog"

Mr Wagner said Honda dealerships would not be affected by the assembly stoppage as production and sales were ahead of schedule.

"The Honda line had a superb start up and dealers had stock earlier than anticipated so the stoppage will have no impact on staff or sales," he said — DDR

Halt to Honda car production

CAPE TIMES 17/11/82 (192)

Own Correspondent

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Bumpers

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Sowetan 17/11/82

Jobs tumble as recession sets in

3-day week probable for car industry

THE EASTERN Cape motor industry dispute which led to major labour disruptions at the mid-year is over. In Pretoria another 500 jobs are poised for redundancy and a three day week is imminent for the survivors.

By SELLO RABOTHATA

The dispute in the Eastern Cape, which involved more than 10 000 workers at Ford, General Motors and Volkswagen, was sparked off by a R2 50 increase demand. All the workers involved are members of the National Automobile and Allied Workers' Union (Naawu), one of the strongest trade unions in the country.

In Pretoria Naawu officials have been given details of possible retrenchments and a three-day working week by Sigma Motor Corporation The move will bring the redundancy toll at the company to more than 1 200 since the beginning of the year when car and truck sales plummeted

Naawu members in the Eastern Cape accepted proposals by employers and an offer made to the union by the companies was also accepted A two-year agreement was reached which will cover severance, lay-off and long service pay

The establishment of a joint management-union committee to restructure the companies' systems of grading workers was also accepted

Although the agreement does not cover wages, workers have accepted the 20 cents-an-hour increase The increase was implemented with the proviso that wage negotiations be re-opened in March

Sigma is said to have been the worst hit among motor assemblers because of the recession The new redundancy plan will push the number of jobs lost in the industry to well over 4 000 in recent months

Anxious days ahead for motor, steel men

By GEOFFREY ALLEN

THE next few weeks will be nail-biters for the country's 47 000 car workers and thousands of steel-workers who face possible retrenchment in the New Year and extra-long, unpaid Christmas lay-offs

In the last two months 5 318 men from both industries have been retrenched or not replaced — 3 000 of them from the motor industry

The official word from the biggest manufacturers is that only Sigma will add an extra two weeks to the normal end-of-year lay-off

The companies all say they are fighting to avoid retrenchment by cutting out overtime and working short weeks

But throughout the country there are rumours that almost all the companies intend adding at least a week to the three-week break

These tend to be confirmed by Mr Brian Mathews, director of the Midlands Chamber of Commerce in Port Elizabeth.

He said unequivocally that Ford, General Motors and Volkswagen would add a week to the break period

"That would obviously cause a ripple through the supplying companies The car manufacturers with whom I am particularly close are certainly putting an extra week on the shut-down and they could open next year with a four-day week as well,' he said

Spokesman for all three companies denied there would be an extension but industry sources said the companies are keeping their plans close to their chests so as not to alarm the work force

Already all three companies are working four-day weeks in an effort to prevent retrenchment

Mr Mike Brandt of Ford in Port Elizabeth said there were as many rumours of a long shut-down as there were companies in the motor industry

Workers are given holiday pay for the standard end-of-year break but nothing for any extension of the period

Steelworkers in the Transvaal also face long shut-downs and retrenchment.

In the last two months Highveld Steel alone has retrenched 1 200 men, shut down two furnaces for a predicted six months; and will shut down two of its mines and its vanadium processing plant.

Yesterday Dunswart Steel announced retrenchment of 80 workers and said it would be shut for almost all of December, because of declining business

In the building trade there is a national shortage of 2 500 skilled workers

Several spokesmen for chambers of commerce and industry pointed to the schizophrenic nature of the economy which was "not doing any of the things you predict in a mini-recession"

Mr Vincent Brett of Assocom in Johannesburg said there were many rumours that a large number of companies, particularly in heavy industry and steel manufacture, would close early

"On the other hand there is a report which we commissioned which says that commerce will be doing business pretty much as usual with an 11% increase predicted over the Christmas period That's only a small drop in sales over last year," he said.

In the motor industry, which is traditionally a barometer of the economy, sales have fallen by 26,1% since October last year and 3 633 workers have been laid-off since March

Wrong bumper halts car plant

Rdm 18/11/82 (192)

Mail Correspondent

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STW 18/11/82

Fund to pay non-strikers shelved

By Tony Davis
Labour Reporter

The proposed controversial R2 million Government scheme to fund non-strikers has been shelved following the settlement last week of the Eastern Cape motor industry dispute

The idea of the fund was first raised in August by the Minister of Manpower, Mr Fanie Botha who announced the scheme in Port Elizabeth

Mr Botha said R2 million had been set aside from the Unemployment Insurance Fund and would be used to assist motor workers unwilling to participate in illegal strikes

The National Automobile and Allied Workers Union and the Eastern Province Automobile Manufacturers' Association late last week agreed to a new two-year contract which effectively ended the six-month wage dispute

Manpower Department sources said the scheme had been shelved but it would be ready when required

It was to have been implemented in the magisterial districts of Port Elizabeth, Uitenhage and East London

The basis was that workers who did not wish to strike would still be employed at their particular plants If production units shut down because of the stayaway employers would give such workers other jobs and the wage difference between their usual job and the $10b24$ jobs would be paid out of the special fund

When he announced the fund Mr Botha said strikes [illegible] motor industry in the [illegible] prevented responsible workers earning a living and the fund was meant to [illegible] this

The scheme prompted wide criticism from some unions, especially the National Automobile and Allied Workers' Union whose more than [illegible] members at Ford General Motors and Volkswagen had been on strike

Naawu claimed the scheme would largely benefit white car workers who did not support their wage [illegible] were members of an all-[illegible] union

Some employers feared [illegible] could create an expensive [illegible]

Manpower Department officials [illegible] the scheme as revolutionary in South Africa

[illegible] have stopped ordering altogether'

[illegible] which carried out a R9m capital programme in the past two years has laid off several hundred employees and worked three-day weeks at some stages since August

[illegible] adds "What really hurts is that even six months ago we were being forced to work extended hours By doing so we have built up excessive inventories and worked a lot of people out of a job The true cause is the manufacturing companies' poor ordering procedures'

Four-day week

Fred Policsek, MD of Hella, which supplies about 20% of demand for lighting and signalling components for passenger cars, estimates 1982 production will be 15% below 1981 and could drop another 10% next year He adds that Hella has been working a four-day week since September and retrenched 87 people last month

"Trading conditions will be very tough next year," says Johan Meyer, MD of Associated Engineering (AE) "Activity in the components industry usually follows the general economic trend"

He notes that, although current new car sales remain high compared with 1979/80 levels, much of the component industry — including AE — has increased capacity significantly "Comparisons with those markets are therefore, unrealistic," he adds

Hannes Fehrsen, MD of Dorbyl in Uitenhage, a major supplier of forgings to the motor industry, estimates that in the next few months output will slump to between 50% and 80% of capacity, depending on product lines and the motor company to be supplied He says "From March next year, when the destocking process is largely complete, this should rise again to about 80% of capacity' What is particularly annoying to Joe Sery, MD of Car Parts Industries (CPI) is that several motor companies are not adhering to confirmed orders for components This leaves the component maker holding raw materials, work in progress and the finished goods that he cannot deliver He adds, however, that CPI has increased market share to a point where it can still forecast a turnover increase of 40% in 1983

CARTAGE ECONOMY

SA's R2 000m/year bill for transport of imports could be cut drastically if the available facilities were used more efficiently, says the Johannesburg Chamber of Commerce (JCC) So it has produced a guide to show how to do it

The comprehensive, 168-page importer's manual covers everything from indent and import control to cargo costing It is available from the JCC at R35/copy (members) and R85/copy (non-members) There are 3 500 in print but the chamber intends to bring out another edition next year The manual will become the standard text book for JCC seminars and workshops

Editors are Pat Corbin, MD of Randoux Finance, and Allan Cowell, director of Miller Weedon Holdings They say the publication is for "everybody involved in any way in the importing cycle"

Airfreight is the only subject not covered in detail The editors say this has recently been the subject of "tremendous changes and developments" and the relevant chapter has been held over for the next edition

COMPONENTS FM 19/11/82

Accelerating slump

(192)

The R2,1-billion motor components industry is heading into the recession even more rapidly than the new-car market on which it depends Reason vehicle manufacturers are making strenuous efforts to reduce inventories and stocks of completed cars

Passenger car sales held up strongly until the long-forecast slide started in August October's new car sales of 22 235 were 26% below the 27 394 of last October Heavy commercial sales of 1 708 were down 48% on last October and light commercials sales of 9 423 were down 17,3%

Says Ian Duthie, president of the National Association of Automobile Manufacturers (Naacam) and MD of Ferodo "Average demand has dropped dramatically, by 25%-30% since August It will probably recover in a few months when the destocking runs down, but we will produce about 15% less in 1983 than this year This is severe — much worse than a no-growth situation"

The original equipment (OE) market is the worst hit Many component makers try to have a balance between the OE and replacement markets but this is not always feasible "Those who are highly geared towards OE will feel the full force of the slowdown," predicts Duthie

The components industry, which includes scores of small to medium-sized companies, was under tremendous pressure to meet demand from vehicle manufacturers only a year to 18 months ago Many were working double and triple shifts Hundreds of millions of rands have been committed to capital investments to update or expand component manufacturing plant

Some are now retrenching staff and have reduced their output to a three or four-day working week

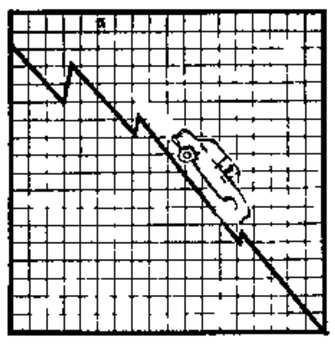
Component companies servicing more successful customers are also in more favourable positions Less severe cutbacks are expected from Toyota which has greatly increased market share while Sigma, Volkswagen and Ford have lost ground

The severity of the cutback increases closer to the source of raw material supplies Foundries — which work to long lead times in processing orders — are among the worst off "We have been very badly effected," says Geoff Willis, MD of Ferroform, which has foundries in Port Elizabeth, Cape Town and Alberton "Our output is down 60% since July Some manu-

CAR MANUFACTURERS

Coping with recession

(192) FM 19/11/82



The long-awaited sales slump has finally hit car makers with a vengeance, and it has been all the more damaging for some having come later than expected

Many in the industry anticipated a relatively smooth sales decline starting early in 1982 and trimmed their production schedules and component orders accordingly But record demand in the first half of the year forced a revision of these plans

As recently as August, car sales of 24 176 units for the month were still 2% above the record August month sales in 1981 The wallop came only in September, when sales dropped 20% on last September's figure, the pain increased in October when they dropped 26% on last October

Volkswagen, Ford, General Motors, Sigma and Datsun have lost share of a contracting market to Toyota, which has actually increased its sales by 36% to 50 755 units for the first 10 months of the year

The country's top seller is Toyota's Corolla. This relatively simple rear-wheel drive car now dominates the light car market and has grabbed sales from the more complex Volkswagen Golf and Mazda 323 front-wheel drive hatchbacks

Corolla sales hit 2 356 in October — well ahead of the next best seller, the Mazda 323, which sold 1 752 units

Toyota's other big seller is the Cressida which, with sales of 1 382 units in October, is the country's fourth biggest car line and leader in the medium-priced sector

New entry on the market, the Honda Ballade, which is produced by UCDD, the manufacturer of Mercedes cars and trucks, sold 298 units. As it was launched only halfway through the month, this performance is probably satisfactory and in line with UCDD's projected sales levels of 700-800 units/month

Biggest loser in this year's sales race is Volkswagen, which has so far suffered a 27% decline to 33 797 units

General Motors' sales are down 30%, from a smaller base, to 19 647 units Ford sales are 14% down to 35 857 units and Sigma is 13% down to 39 759

None of these companies holds more than 17% of the market And the fierce competition between them for such limited sales potential calls into question their profitability even in times of boom

Sigma has not suffered such big reverses in sales as these other companies But its plight has been made more conspicuous by its controversial management style which, among other things, resulted in its withdrawal from, and subsequent return to, the National Association of Automobile Manufacturers of SA (Naamsa)

The high profile and confident predictions of its chairman, Chris Griffith, also invite examination

Sigma is not a public company, being owned by Anglo American (75%) and US Chrysler (25%), and is not obliged to publish its results

But in an annual report-type document released in April last year, Griffith predicted a profit before interest return on capital employed of around 12% for this year He now concedes that the company will make a loss, although the total car market is likely to be bigger than his expectations

It is mainly due, he says, to foreign exchange losses because of the falling rand

In 1977, shortly after the birth of Sigma, he said "Unless one has a market share of 20%-25%, this business is not really possible."

He also predicted that the establishment of Sigma would lead to the much-needed reduction of car manufacturers in SA which would take place without government intervention

"I am now prepared to say that in six months' time there will be room for only four manufacturers in the industry," he said then.

Sigma cars did, in fact, achieve a market share of 23% in 1979 In 1980 they hit their highest sales volumes ever of 55 176 units, but the share dropped to 20%

Sigma's Griffith ... reflecting on tougher times

In 1981, SA's record year for car sales, Sigma's volumes dropped to 50 866 units, and share to 17%

For the first 10 months of 1982, its share is down to 16% and total volumes for the year are unlikely to exceed 45 000 units, the lowest since 1978 The company now shares the total car market with not three, but nine other manufacturers Despite this, it announced a R320m expansion programme early last year

Some of this has been cut back and it is now seeking a buyer for the Blackheath production facilities it agreed to take over from Leyland next January at the cost of R14m

This year it has cut back production and reduced staff by about 1 000, or 20% of its labour force

Its recent sales could hardly have been achieved without massive price reductions (*Business*, October 29), which other major manufacturers have so far avoided, although most have encouraged heavy discounting at retail level

But Sigma's price cuts were implemented in a manner described by one competitor as "stupid panic-marketing" and could well be counter-productive in the long run

In June and July, it announced increased rebates to its dealers, to enable them to offer bigger discounts and trade-ins

This was followed at the beginning of October by a general price increase, a few weeks later prices dropped again

The Mazda 1,3S now sells for R6 695 — down from R8 350, and the Colt 2000 for R8 699 — down from R10 760

Griffith says "The guys on the marketing side over-reacted to the situation in June and July and they did make pricing errors But these have been corrected and I am now satisfied that our prices are competitive"

He adds that the price increase was needed to make good losses on imported components caused by the falling rand

But this process of adjustment meant that Sigma dealers found themselves holding stock now valued at less than what they paid In some cases, it also pushed the prices of new Mazdas to within a few percentage points of the old book values of second-hand Mazdas

Griffith claims that new Mazda prices are well above prices of old models He says "I have never heard a dealer complain when prices have gone up and in effect raised the value of his stocks It's a case of swings and roundabouts"

As one competitor gleefully points out "The Mazda is a good car, but they are screwing up its image with this distress selling and ruining its resale value"

Sigma has increased the number of out-

Yuletide TV will be tough going

By IAN REID
TV Editor

IT IS going to be tough Christmas this year — all thanks due to SABC TV.

Yesterday the corporation released its "preliminary" Christmas programme and while the majority of Christians may feel that December 25 is a time for rejoicing the corporation feels that this is a very serious occasion indeed.

Here now are some of the "festive" programmes which will be coming your way — and the only advice I can give to you is 'duck'.

For instance at 8.40 on Thursday December 23 comes 'Johnny Cash Christmas in Scotland' featuring the ageing country and Western singer.

Come Christmas Eve and SABC TV will be broadcasting (at 6.13) Praats The King, a semi variety programme in which showbiz personalities such as Sonja Heroldt and Noel Glover appear and also give short Christmas messages. This is followed by 'Christmas in Germany'.

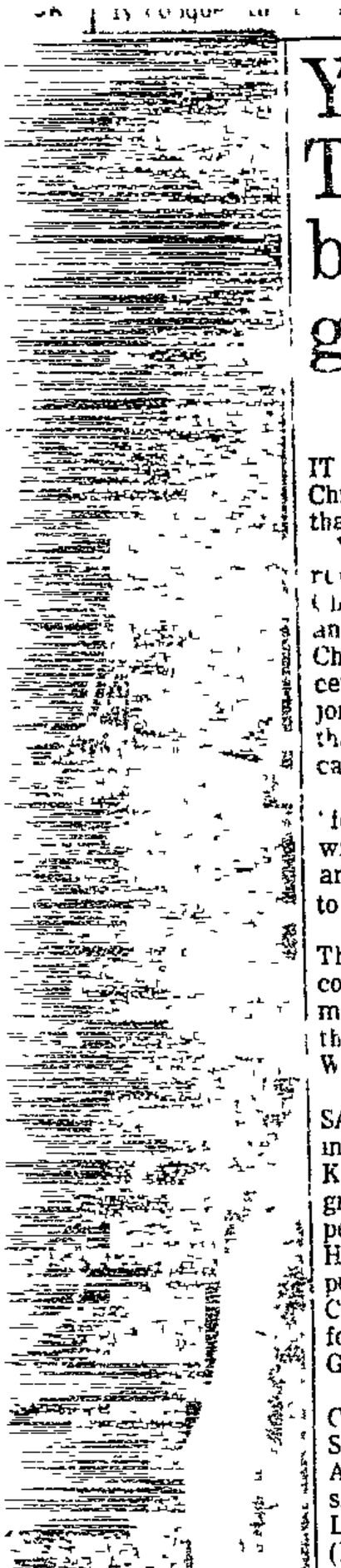
Then comes "Shari's Christmas Concert", with Shari Lewis at the National Art Centre chatting and singing with her "friends" Lambchops, Captain Person (Kangaroo) and Country Cousin Grizzly.

Stand by for Christmas Day itself with "Die Fabriek" at 7.20, a dubbed French film, a Dickensian-type story about a father and his three sons working in a factory under slave conditions to make a living.

On the English Service comes at 8.25 "A Gift to last Christmas Special", starring Melvyn Douglas as an embittered old man who lives with his son's family, but prefers the seclusion of his bedroom to the hustle of a modern-day Christmas celebration.

This is followed by "Corelli-Weinachtmusiek". Then comes "On the First Day of Christmas" — a local production that suggests that beneath the glitter, and beyond the clash of cash registers, there still lives a Spirit of Christmas potent enough to redeem even those of us least aware of the Christmas message.

The news for today is that SABC-TV will be opening at 3pm for live coverage of the first day's play in the four-day match at the Wanderers between the visiting Sri Lankan cricketers and the Springboks.



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SA economy facing jobs crisis threat

By GERALD REILLY
Pretoria Bureau

THE South African economy is threatened with the most serious unemployment problem since the end of the Second World War, according to economists.

Increasing retrenchments are being reported from many sectors of the economy and the trend is expected to accelerate during the next eight or nine months.

Negative growth was forecast by most economists and under these conditions greater unemployment was unavoidable.

The chief economist of Barclays Bank, Dr Johan Cloete, said yesterday that South Africa had experienced no real recessions since the Second World War.

"We are now faced with a four or five quarter decline in the economy with negative growth. Two quarters of negative growth is needed for a recession classification," he said.

Dr Cloete said the clear threat was the highest unemployment since the end of the war.

A senior economist of the Bureau of Economic Research at the University of Stellenbosch, Dr [illegible] Stander, agreed that unemployment could reach peaks greater than anything since 1945.

The general secretary of the Trade Union Council of South Africa, Mr Arthur Grobbelaar, said the country would have to brace itself for further escalation in unemployment.

The National Automobile Manufacturers Association of SA (Namsa) said that in January the industry employed 49 683 workers. By the end of September the figure had dropped by more than 2 000 to 47 649.

"We are now moving deeper into recession and it must be expected that the current unfortunate retrenchment trend will accelerate," a Namsa spokesman said.

According to figures supplied by the Central Statistical Services Office the numbers employed in the major employment sectors — including manufacturing and construction — decreased by 30 000 between May and July to 3 020 721.

In the SA Transport Services — where the numbers employed are continuing to decrease — in the May to July period the total number of workers decreased by nearly 24 000.

In the clothing industry in the Transvaal the number of unemployed has risen to nearly 2 000.

● Heart of the crisis — Page 13

Policeman arrested after two shot dead

Mail Correspondent

DURBAN — A policeman was arrested in Melmoth after a police sergeant and a woman were shot dead in the kitchen of a house in the town in the early hours yesterday.

Police said that the dead woman was Dorothy Anne Cadle, 23, who, together with Detective Sergeant R B Welgemoed, 27, was found dead on the kitchen floor of the house at 3am.

The killings were reported by a neighbour who alerted the Melmoth police shortly after 3am when a man came to his house and woke him up and made a report to him.

When the police arrived the man had disappeared but was arrested yesterday morning. Police took possession of a firearm.

D/S Welgemoed was section head of the detective branch of the SAP at Melmoth.

A tough test for the big toughies

(192)

TRUCKS are doing the seemingly impossible at a secret testing ground near Pretoria

At Armscor's unique test facility at Elandsfontein, more than R10-million has been invested in one of the best proving grounds for commercial vehicles to be found anywhere in the world

And it is now demonstrating that South Africa produces some of the toughest trucks in the world, especially as we are the only major manufacturing country at present subjecting its vehicles daily to actual combat conditions

The Elandsfontein testing ground underlines for the commercial market that importing designs and components to build a truck here automatically introduces a whole range of potential problems

When the very rough cross-country testing section was first opened, the first prototype couldn't get more than 500m round it before something broke

Excruciating

Now they are covering over 500km over excruciating conditions without mechanical problems, with tyres usually being the first to give way under the strain

Mr Chris Snoeman, who designed the Elandsfontein facility and was project manager during its construction, explained that materials and manufacturing processes in South Africa inevitably differ from those overseas

"So, even if we manufacture trucks under licence, we still have to test every component, and especially the links between components, such as engine and shock absorber mountings," he said

"Our test roads are instruments Elandsfontein gives us the opportunity to put man, his machines and the environment together"

Magnis, which makes the Samil military vehicles for Armscor, also stresses the importance of testing local products under local conditions It has had several failures of local components which fully complied with overseas dimensional design and materials specifications

The main problems are metallurgical, said Magnis manager of engineering services Bill Bridgers

The most dramatic testing section at Elandsfontein is the 3,6km rough track used to evaluate a vehicle's mobility and durability under extreme conditions

As there were no actual specifications available for this, the course was planned around the most difficult terrain on the site and then the main obstacles "frozen" in a R5-million concrete pouring operation

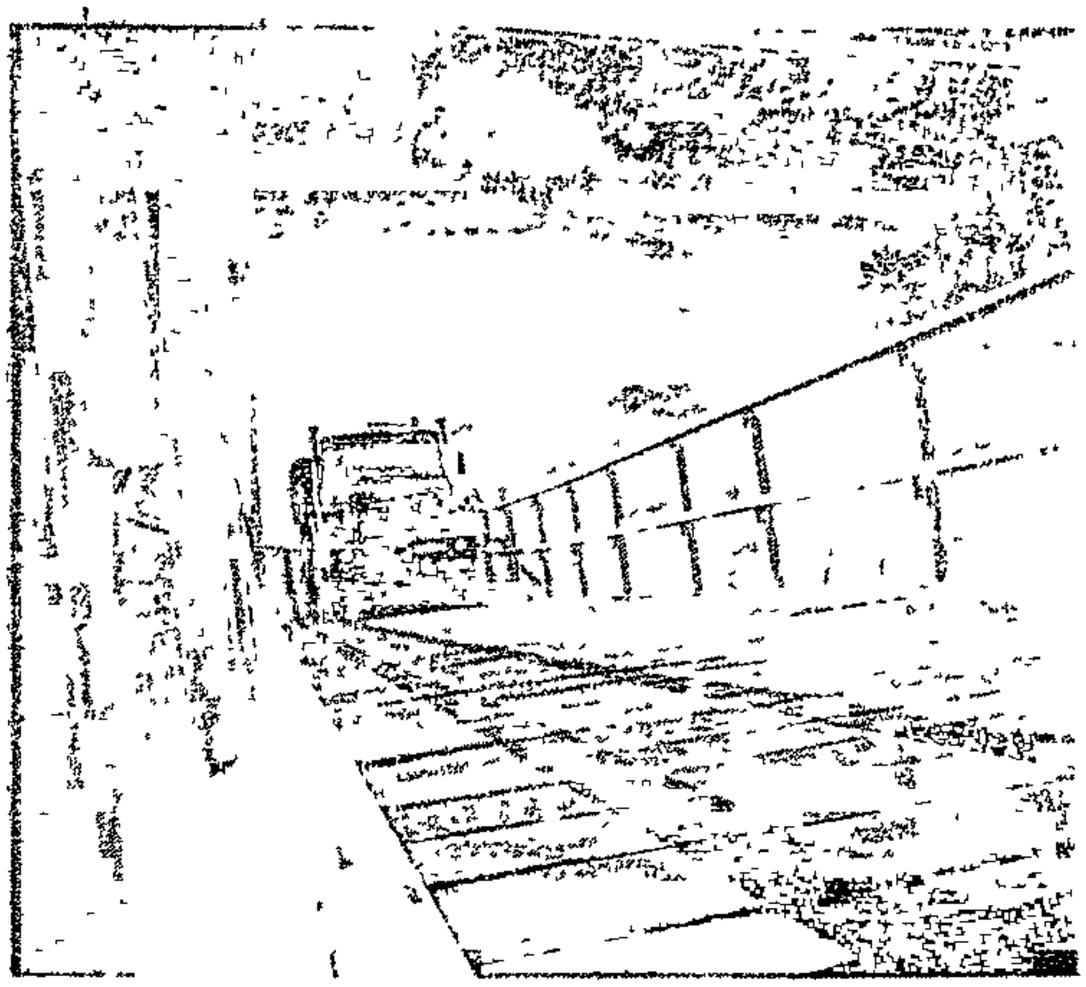
The SADF's multi-axle drive trucks literally climb their way around this course, putting every component under severe strain The conditions are so bad that when the Four-Wheel Drive Club visited Elandsfontein, most of their members got stuck on the course and had to be towed out!

There are sections which give 200 twists to the chassis, each of 23 degrees between the front and rear axles There are slopes like roller coaster tracks with inclines up to 45 degrees, large rocks, water splashes and steps 0,6 metres high

Tilting

Side slopes tilt vehicles to an angle of 60 degrees to test their stability and the functioning of lubrication, fuel and other systems

Mud and sand have even been imported from the worst terrain to be found in each of the four Provinces and put into special troughs so that the vehicles — and their drivers — know what to expect wherever they may be called upon to operate



A truck rides the rollercoaster — trucks at the Armscor facility are tested on gradients of up to 45 degrees

In addition, Elandsfontein has three constant speed tracks to create conditions of natural steering at 60, 90 and 120km/h This enables vehicles to achieve on public roads

"We went to most of the similar tracks overseas and have built a facility which compares with the best of them" said Mr Snoeman "Indeed, some of the features we have at Elandsfontein have been copied in other countries Now we can build vehicles which compare technically with anything overseas"

Elandsfontein is playing a valuable dual role in developing drivers as well as vehicles It used to take the army a month to get its drivers up to a standard which they now achieve in a week at the test facility

Nearby, Magnis has developed a separate test facility for the derivatives of military vehicles it has now launched on the commercial market

Here it is possible to complete a vehicle test in ten weeks which simulates up to 500 000km of normal road use Conditions on the track are so demanding that drivers can usually only do an hour at the wheel before needing to rest

In some cases shock absorbers must be water cooled to enable them to survive long enough to enable test on the durability of other suspension components to be completed

Irregularities

The track has a 5m section which simulates the effects of badly repaired asphalt with irregular undulations, and another 500m section with potholes to induce extreme random vibrations These kinds of surface cause extensive operational problems for truckers on South Africa's public roads

Components which fail on the track are isolated and then rig tested separately to get more information from sophisticated instrumentation readings

The loading programme for a rig test is established by measuring the actual units such as force, acceleration and displacement experienced on the track

The Magnis rig testing facility at Rosslyn includes a very sophisticated and specially built cab testing unit costing R180 000 Two hydraulic actuators controlled by computer subject a cab to 200 hours of extreme stresses which simulate a variety of road surfaces

There is also a chassis test rig which has been built locally and is believed to be the only one of its kind in the Southern Hemisphere

Already two Samil chassis frames have been developed on it and the know-how carried over into the new Samag commercial range

The rig shakes the chassis in a similar way to the cab test and performs other functions, such as simultaneously lifting opposite wheels 40 000 times Using the rig reduces chassis testing time to little as 40 hours, with substantial cost savings

There is also a R90 000 dynamometer from Schenck with an additional set of rollers for testing dual rear axle units

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y, stop-start Coca-Cola delivery

name of the game here and the

downtime at all over an 18 month period and you've got what every profit conscious truck operator dreams about. As Graham Cross puts it,

"All our drivers love the S-Line — they are really proud of it. I am very confid

1983 LOOKS LIKE A BAD YEAR

(192)

S. Times 21/11/82

By COLIN HAYNES

THERE will be a great deal of pain — and very little pleasure — for South Africa's truckmakers in the coming year as they battle against heavy odds for a viable slice of an over-traded market.

Sales of trucks over 5 000kg gross vehicle weight are falling fast and industry estimates predict an accelerating downturn in 1983

Heavy odds for the heavy market

Last year's boom condition sales of 28 000 units stimulated further investment to expand production capacity and launch new models

This year, however, the industry expects to sell only 20 000 trucks, and next year the total may slump further to as low as 16 000 The real pessimists predict that the 1983 total may fall to around half of the 1981 figure

But that is only part of the story In many respects the South African truck market is in a condition of near chaos with such an air of uncertainty that manufacturers find it almost impossible even to settle on rational pricing policies

Artificial

Apart from the obvious factors of the general economic downturn and decline in value of the rand, the introduction of local content programmes for diesel engines and truck transmissions has created artificial trading conditions with widespread repercussions

Since early this year, manufacturers have faced stiff financial penalties if they do not fit Atlantis diesel engines to their trucks This is to protect the massive Government-backed ADE production facility in the Cape

The local content programme has inevitably pushed up truck prices and, anticipating this and to try to retain their market shares in the period while they were switching from imported to ADE engines a number of manufacturers laid in substantial stocks of vehicles with overseas engines on which they are prepared to pay the penalties and accept lower — sometimes negligible — profits

The wave of pre-ADE buying at the beginning of the year inflated the 1982 sales figures and moved a lot of units But then, inevitably came the post-ADE downturn aggravated by general economic conditions

These circumstances have left large inventories of trucks with imported engines available alongside ADE-equipped models and created an over-supply situation since about April

The cost of maintaining such inventories is enormous and so there has, in recent months, been a lot of price-cutting As a result, trucks with imported engines are being sold at unrealistic prices which have removed the expected advantages that the ADE units would otherwise have had in the marketplace

Most manufacturers who have already switched to ADE have consequently been unable to fix their prices at levels which would start to show a reasonable return on their engineering development investments

Whittled

Those who — for valid, practical engineering reasons — are still to launch ADE models, find profits on their truck operations being whittled away while, at the same time, they have to keep throwing away expensive capital into a seemingly bottomless pit if they are to retain viable shares of a market which looks increasingly grim on short-term forecasts.

The fact that so many of the 17 manufacturers in the South African market are prepared to bite the bullet through their most difficult period yet is only because of the long-term potential for growth

In fact, for those able and willing to stay in the race, the prizes to be awarded eventually are very attractive

When the economy turns up again, truck sales should take off to probably new record highs, and by the end of the decade could be hitting 30 000 units annually in the over 5 000kg category

But the tough conditions at present could cause some casualties among the manufacturers at present in the market, just as happened in the equally over-crowded passenger car market

However, direct comparisons between the two sections of the vehicle industry can be misleading

Consumer spending is the key to the car market To continue growing and providing a place for all 13 car manufacturers' demands a steady improvement in the affluence of all economically active sections of the community

Also, it means bringing into the new vehicle buying arena more members of the lower-income population groups, hence Toyota's introduction of a basic utility vehicle reported on page 10 of this issue

an under-utilised public asset unless it plays an expanding role in the free-enterprise movement of goods and raw materials.

The easing of road transport restrictions could, for example, see a growth in the number of trucking companies and the possible emergence, for the first time in South Africa, of the independent long-haul trucker, with one or two large rigs on the North American pattern

In addition to these longer term factors, the market could see an interim boost in 18 months or so from the future demand now being built up as a result of the present changes in fleet management policy

Many fleets are extending the life of their trucks and pushing replacement periods from three to five or even seven years

When carefully done, especially in a period of abnormally high interest rates, refurbishing a truck instead of replacing it can achieve considerable financial savings

ARMSCOR's truck testing track at Elandsfontein poses a harsh test for vehicle and driver — see story Page 3

PTO

1921 21/11/82

Hino gearing up to give Toyota a bigger slice of the market

TOKYO, Saturday. HINO, Japan's largest manufacturer of diesel trucks, is gearing up production here to enable its South African franchise-holder, Toyota South Africa (Pty), to take a larger slice of the local truck market.

Already, a whole range of new Hino trucks fitted with Atlantis Diesel Engines specially freighted out from the new Cape plant has virtually completed an 18-month intensive engineering development programme.

They are also fitted with ASTAS gearboxes from the Reef transmission plant

Hino and TSA have invested millions of rands in this engineering programme — the most comprehensive of its kind ever undertaken as a joint South African-Japanese venture

There has been further heavy investment by TSA at its truck manufacturing plant in Durban to gear up for increased production

Although both Hino and TSA executives are staying tight-lipped about details of the new models and the volumes which will be produced in South Africa, the scale of the engineering programme indicates that they plan to put TSA firmly among the top three truck makers in South Africa

At present, the range of Toyota and Hino trucks produced at the Durban plant lies fourth in heavy commercials, behind Mercedes-Benz, Nissan and General Motors

With TSA already opening up a dominant market lead in sales of passenger cars, light commercials and overall vehicle production, only the truck category remains as a field for further major development by South Africa's largest vehicle manufacturer

Full spectrum

One result will be to hot up the competition between Japanese and European-sourced trucks

Among the top seven manufacturers, four are using Japanese product — Sigma with Mistubishi, Nissan, General Motors with their Isuzus, and TSA. The leading European marques are Mercedes, Leyland and Ford.

By about the middle of next year, virtually the full spectrum of the South African truck market will be covered by Japanese designed trucks competing against European product, both having very similar locally manufactured ADE engines In many cases, the rival models will have also similar ASTAS transmissions

That creates an entirely different truck marketing scene in South Africa than has existed previously — and one in which Hino expects to do much better than it has before

South Africa will then become a miniature version of the international market in which Hino is chasing Mercedes-Benz for the title of the world's largest manufacturer of diesel trucks

Already Hino has a lead in some market categories, and Mercedes-Benz in others

Hino started life in 1910 as the Tokyo Gas, Electric and Engineering Co Ltd, and in 1917 actually started the new giant Japanese automotive industry in motion with a two-ton truck which was the first Japanese vehicle to go into mass production

Hino became the world's biggest manufacturer of heavy diesel trucks in 1973 and, the following year, the Wesco Group, which controls TSA, opened a new plant in Durban to locally assemble both Toyota and Hino trucks in South Africa

By 1980, there were 5 000 Hinos on South African roads and the total now is 8 200

Over the past year, there has been a steady stream of visits by TSA, ADE and ASTAS engineers to Hino's massive facilities in Japan as the engineering development programme gathered momentum

The Hino medium range of trucks from 9 900kg to 14 500kg gross vehicle mass has been fitted with ADE 352 and 352T engines and the ASTAS 5-35 and S-65 gearboxes

They will compete in the high volume sector of the South African market and so have received priority attention in Hino's intensive engineering development, testing and prototype production work

Implications

This is a highly significant development with long-term implications far beyond the light commercial market sector which the TUV has entered

Truck market development, on the other hand, has more stable underlying economic and strategic factors to create growth

South Africa is a nation of 30-million people with proportionately one of the fastest rates of industrial growth anywhere in the world

While the bulk of that population will only slowly become car buyers, everybody inevitably creates a rising demand for freight transportation.

As new and more remote areas open up for industrial, trading and income-generating as against subsistence farming activities, there must inevitably be an expansion of trucking.

The artificial limits currently put on the growth of independent free-enterprise trucking could also change as arguments mount against the protection given to South African Transport Services through the permit system

The railways are unable to cater as comprehensively for freight traffic under these new circumstances as they did in the past, and the arguments against further protection for a quasi-government road-freight service are becoming overwhelming.

Also, the national highway system being developed partly for strategic reasons at enormous cost could become

But, inevitably, there comes a point when this is no longer economic or practical, and as soon as the interest rates fall, liquidity improves and the economy loosens up again, this delayed demand for new units will have an important beneficial impact on the market

Also, individual sectors of the market could be stimulated and fleet replacement policies affected by current moves to achieve changes in axle-loading regulations, reported elsewhere in this issue

Savings

The Professional Hauliers' Association of South Africa anticipates substantial fuel savings and better utilisation of vehicles if axle loadings can be increased and its calculations highlight another trend in the market — towards larger rigs, especially for long hauls

If this and other factors already mentioned create an increased market share for the larger, specialised rigs, then the future prospects look better for the manufacturers who concentrate on this sector

In general they are the smaller firms with low unit volumes, but who work on higher profits per unit

Their big concern at the moment is whether more of the high volume manufacturers, such as Ford with their Louiseville line, will come into the top end of the market

Undoubtedly, there will be a re-alignment in the industry as a result of the current jockeying for position

Magnis is looking for a major share

192 S. Times 21/11/87

THE strong new contender in the South African trucking business — the Messina group's Magnis Truck Corporation — aims to take around 26 percent of the 10 000kg and above market with ranges from 10 to 26 tons.

Magnis is looking for a 10 percent slice of this vital market sector with its newly launched Samag range of 17 trucks, based on vehicles developed for military use, spanning the 12 to 26 tons range

Messina's Nissan Diesel range spans 10 to 26 tons and already holds a 16 percent share of the over 10 000kg market sector

Samags and Nissan Diesels are built in the same Truck-makers' factory at Rosslyn which, with an output of 5 000 units annually makes it the biggest truck plant in the country

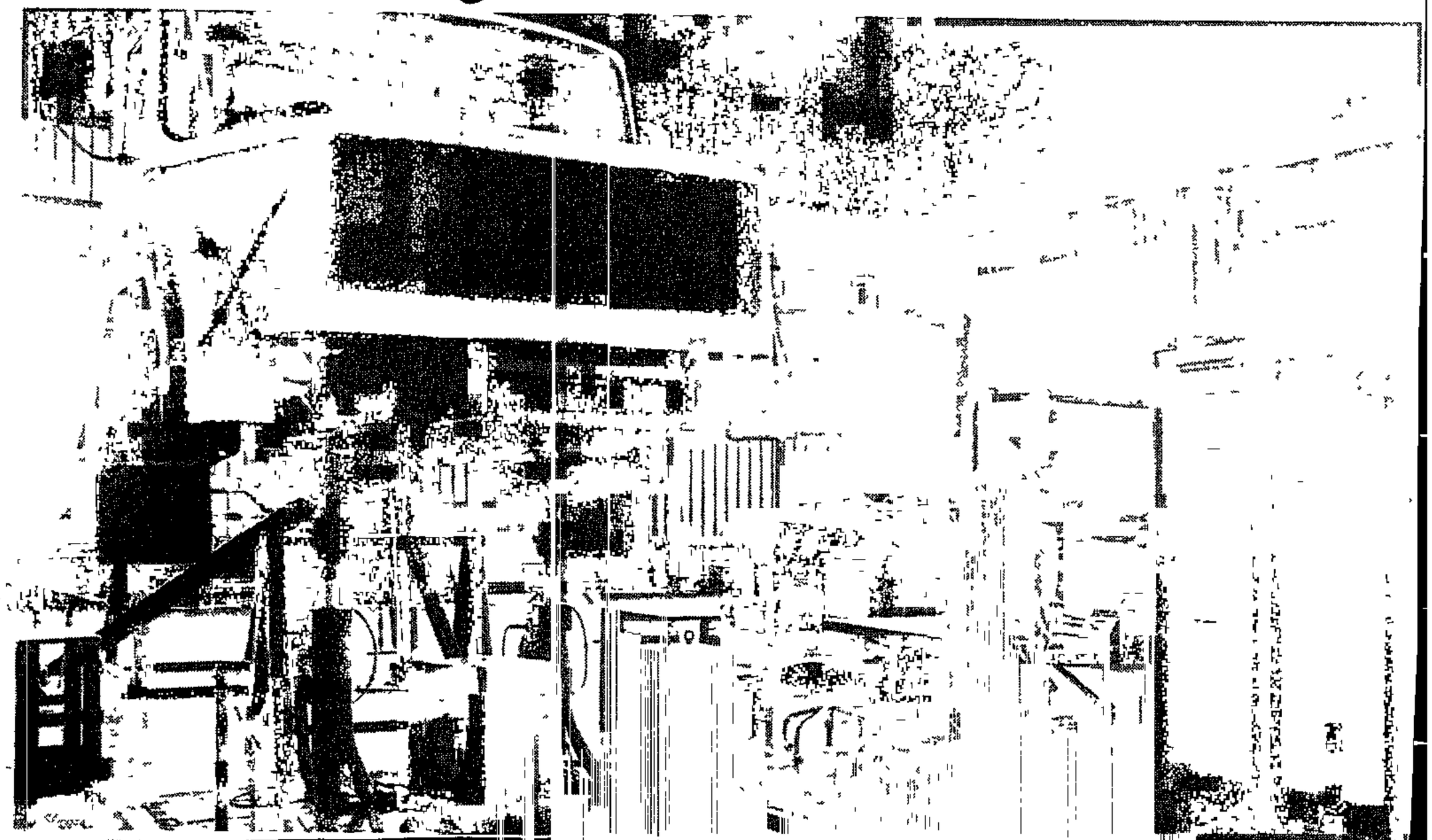
Samag range is expected to fill the gap

Marketing

The marketing teams for the two ranges will also be headquartered here, although it is said that they will function as separate, competing operations within the Messina group

The Samags are being sold through 50 franchised dealers, with the 120 strong Nissan Diesel dealer network acting as service dealers

This most important of recent developments in South African truck manufacturing has come about as a result of Messina's corporate strategy to rationalise its vehicle production and marketing activities



RIGHT This R180 000 cab testing rig at Magnis Truck Corporation has two hydraulic actuators which simulate extreme stresses under widely varying road conditions.

BELOW: A Samag prototype undergoes accelerated durability testing at the Magnis test track near Rosslyn

Datsun passenger cars and light commercials now becomes a specialist operation in their market sectors, while all the truck activities are concentrated up the road under the Magnis banner

Expanded

The Samag and Nissan trucks are produced in what used to be the Fiat plant, now considerably expanded

The Samags, with their military heritage and very high local content levels, are pitched firmly up-market against the likes of Mercedes-Benz and M A N, while the Nissans will presumably continue as higher volume, mainly general purpose units in the toughly competitive arena of the trucking business where pricing is all important

This heightens further the pattern in which European designed trucks are trying to carve out a permanent niche as premium-priced units despite the fact that they, and their increasingly aggressive Japanese-sourced rivals, now share similar ADE units and, in many cases, local transmission components also

The Samags trace their lineage back to the European Club of Four designs, especially the cabs and chassis frames, resulting from the pooling of resources by Magirus-Deutz, Saviem, DQAF and Volvo. The Nissans, of course, are of Japanese concept

There are two distinct Samag ranges — the 12 and 14-tonners designed mainly for short haul work and the 16 to 26-tonners intended for long hauls and heavy duty roles in construction, forestry, etc

The larger units more clearly show their Samil military development input with deeper section chassis members with high tolerance to extreme flexing in off-road conditions

The cabs for both are very similar, with large panel pressings to reduce weight There are plans for a local modular cab and new forward control cab also

Among the more interesting design features are the efforts made to reduce mass despite what, for some commercial applications, might seem to be "over-engineering" as a result of the high specification levels for the heavier Samags

Bolted

For example, bodies can be bolted straight onto the flat top flange without the need for a sub-frame

Two basic ADE power units are used — the 352 and 407 — both in-line six-cylinder diesels with turbo-charging and intercooler capability Axles are standardised on identical banjo casing and differential carrier external dimensions

The ZF and Eton-Fuller gearboxes cover five, six and nine-speed applications, while some trucks have two speed all-wheel-drive transfer boxes

Magnis Truck Corporation managing director Don Fyfe says he anticipates Samag reaching a higher level of South African manufactured parts than any other volume selling commercial truck.

The military Samil is already at 55 percent and Armscor is aiming for at least 90 percent by 1984

"The South African truck scene is undergoing a major change at present due to the development of local diesel engines, gearboxes and rear axles We believe there will be an inevitable further increase in the local content requirement for trucks in South Africa," says Mr Fyfe

"Our commitment is to continually increase the local content of the Samag truck without waiting for legislation to force us in this direction

"So the launch of the Samag range is of tremendous strategic importance to South Africa"

Slump hits factory

Sowetan 23/9/82

THE Auto Plastics Motorware company in Pretoria has reduced hours of work for its more than 200 black workers to a two-day week.

The company's managing director, Mr J van Rensburg, said yesterday the company supplied car manufacturers who have in the past months been forced to retrench employees because of the economic decline

He said hours had to be reduced to avoid retrenchments Hours have been reduced from the normal 45 hours to 18 a week which, Mr van Rensburg said, would obviously affect the workers financially

Further retrenchments are still to be announced when most factories close for Christmas holidays And most companies have decided not to replace workers who terminate their services this year Posts are to remain vacant.

Motor workers end dispute

23/11/82

Industrial Week 192

By Hugh Poulter

AFTER six months of worker slow-downs, factory closures and painstaking negotiations, automotive workers have agreed to an extra 20c an hour pay rise

More than 10 000 Eastern Cape workers accepted a R2 20 across the board minimum hourly rate and a further 10c increase in February next year with new wage talks to open in March

During the past month closed door negotiations were held between the National Automobile and Allied Workers Union (Naawu) and the Eastern Province Automobile Manufacturers Association representing Ford General Motors and Volkswagen in a last ditch attempt to end the costly dispute

The dispute goes back to April when Naawu demanded a minimum hourly wage of R4 50 for skilled workers R4 00 semi skilled and R3,50 unskilled workers

Bonus

But employers, represented by the Eastern Cape Industrial Council offered a 15c an hour pay increase to R2 15 for unskilled labour

In July negotiations became deadlocked workers downed tools and plants were closed several times

After three sessions of negotiation the council entered a dispute situation

In the meantime Naawu had reduced its demands to R2 50 an hour and the employers countered with another 5c offer in August bringing the minimum hourly rate to R2 20

At one stage of the sensitive negotiations in early August drama struck when Naawu announced that it would withdraw from the Industrial Council if the matter went to arbitration

Naawu said they wanted to settle the dispute through an in plant agreement

Motor companies were again subjected to closures and Ford laid off 507 workers following a week long closure and a decline in sales

Recommendations

Talks were resumed in late August through the Eastern Province Automobile Manufacturers Association (Epama)

At the beginning of November Epama came up with new recommendations which were accepted by the workers

Employers have agreed on six-monthly wage talks during the two year contracted settlement and a basis for establishing provisions for future lay-offs

A joint union employer committee will be formed to supervise the grading of workers wages and settlement provisions

Joy on the move

JOY Manufacturing has started moving its services centre to a new R5-million building erected at the company's 13 3 ha site at Wadeville by Naco Engineering of Germiston

ENGINE MARKETS (192)

Diesel dilemma

FM 26/11/82

Despite being restricted by government decree to make engines for the limited industrial engine market only, Deutz Dieselpower (DDP) is pushing ahead with plans to enlarge its production facilities.

The company is owned by German engine manufacturer KHD with a 30% share, and Blue Circle group's Hudaco Industries, with 70%

KHD chairman Bodo Liebe is currently in SA to seek government approval for the scheme

Air-cooled Deutz power units have been produced at a Pietermaritzburg plant since 1968 mainly for specialised government vehicles and for industrial applications in mining and construction equipment and power generation

But after the Atlantis Diesel Engines (ADE) project was mooted in 1978, the authorities gave a virtual monopoly of the truck and tractor engine market to the water-cooled ADE power units And it left the much smaller industrial engine market open to competition between ADE, Deutz and imported engines

DPP is prepared to spend up to R10m to increase local content of Deutz engines from 50% to about 70% provided that it has a reasonable chance of selling at least 4 000 units/year The bulk of the investment would go on machine tools to process locally-produced crank-case castings.

The industrial engine market is not big enough to guarantee this volume. This means that KHD will be unwilling to make the investment unless government allows Deutz engines into markets previously given to ADE.

Liebe says DDP should be allowed to supply engines for Deutz tractors and specialised government vehicles. "We would not sell more than about 1 000 tractor engines a year or 6%-7% of the market," he says, "because Deutz tractors do well in only some market segments and geographical areas, we do not have the distribution organisation to handle larger volumes.

"As far as the other market is concerned, Deutz engines have proved themselves in locally-produced specialised government vehicles which are now being re-engineered to take the ADE engines Not only is this an expensive process but the performance of the ADE engines is not yet proven in this service"

ADE will certainly oppose the move on the grounds that it needs to produce around

RDM 30/11/82

UIF money may never be used for non-strikers

By STEVEN FRIEDMAN
Labour Correspondent

THE Government's plan to use R2-million of Unemployment Insurance Fund money to help motor workers who do not want to take part in strikes, which sparked a major row earlier this year, may never be implemented

This emerged from a telephone interview with the Director-General of Manpower, Dr Piet van der Merwe, yesterday, in which he said the money would be used "only if a similar situation to this year's Eastern Cape motor industry strikes arises again"

And even then, he said, the authorities would only use the money if they failed in attempts to have non-strikers placed in jobs

After the scheme was announced, official sources said the Department of Manpower was expected to begin devising rules for implementing the scheme But Dr Van der Merwe said yesterday no rules would be devised

The Minister of Manpower, Mr Fanie Botha, announced earlier this year that the Unemployment Insurance Board had decided to set aside R2-million for motor workers who wanted to work but could not because other workers were on strike

This followed a two-week strike in the Eastern Cape by at least 10 000 black and coloured members of Fosatu's National Automobile and Allied Workers Union

During the strike, the Iron, Steel and Allied Workers' Union, the biggest union in the all-white Confederation of Labour, claimed many of its members were forced to live on charity because the strike had closed motor plants

It asked that UIF money be allocated to its members to help tide them over, a request which led to Mr Botha's announcement

The plan was attacked by unionists and by Eastern Cape motor employers, who said it would be impossible for them to distinguish between workers who wanted to strike and those who did not

They said they would refuse to attempt this

Dr Van der Merwe said yesterday the R2-million was still available if needed

But he said the plan was devised to "meet a specific situation" and would only be implemented if this arose again

Retrenchment threats to 'toe the line'

ARGUS 25/11/82

192

Labour Reporter

ABOUT 2 000 motor workers in South Africa have been retrenched since the beginning of the year, according to Mr Freddie Sauls, general secretary of the National Automobile and Allied Workers' Union

Commenting on the views of motor industry spokesmen quoted in Business Argus at the weekend, Mr Sauls said many retrenchments were "totally unnecessary" and were an "excuse for cutting costs"

Motor industry spokesmen said the downturn in sales had made retrenchments necessary They also said "unrealistic pay demands" would lead to increased automation and a further cutback in jobs

However, Mr Sauls said threats of retrenchments were an attempt to get workers into a position where they "toed the line"

It was seldom that people in supervisory positions were retrenched — "the production workers are the ones to suffer", he said

Management had all the public sympathy and it was difficult for the union to "make a move"

Naawu did not have a uniform retrenchment procedure, but negotiated procedures in the firms in which they had recognition

The union tried to stick to the "last in, first out" (Lifo) principle to avoid victimisation, but often this was not practical

"Often the younger workers are the only breadwinners in the family and it is important for them to keep their jobs," he said

Naawu had negotiated severance pay in the companies where they had representation Workers would also rather work short-time than be retrenched, if it did not mean fewer than three days a week

The economic recession was "psychologically depressing" for workers

"Retrenched workers have problems relating to their families They feel a great insecurity about their children and their home

Sowetan 30/11/82

Former steward slams Sigma for lack of concern

MR JOHANNES MKHARI, a former Sigma Motor Corporation shop steward and member of the National Automobile and Allied Workers' Union (Naawu), yesterday lashed out at the union for its lack of concern for retrenched workers.

Mr Mkhari told The SOWETAN that he was not only voicing his own opinion but also that of the nearly 500 Sigma employees and members of the union who were recently retrenched

Naawu, he said, did little to negotiate on behalf of the retrenched workers He added that the union had not honoured their earlier pledge to offer financial assistance to the retrenched workers either

"Unless they address themselves to this problem immediately, the union is bound to lose credibility amongst members

"They should not only be active when recruiting members, but should show sympathy with members," Mr Mkhari said

The 485 workers were retrenched earlier this month as a result of the slump in motor sales and the effects of the economic downswing, according to the company spokesman

According to the corporation's press statement, the retrenchments were done after management met with the union

More workers retrenched as recession grips motor industry

(192) Mercury 30/4/82

Labour Reporter

A MOTOR accessories manufacturer, Smiths Industries, has retrenched 10 percent of its workforce, including a number of white employees in management positions

A company spokesman said about 70 employees, drawn from across the board, had been laid off last Friday with payment in lieu of notice including their annual Christmas bonus

However, it is understood that the majority of the employees retrenched were in administrative and management positions

As factories draw closer to the Christmas closing time, more retrenchments are expected to be announced, particularily in the motor and metal industries

The spokesman said the firm had tried to prevent 'lay-offs' by closing early but because many workers in the motor industry were already on a three-day week, it had become necessary to resort to retrenchment

He added that the downturn in the economy had been the major contributing factor

He said, the company did not envisage further redundancies in the near future.

A spokesman for Fostu's Metal and Allied Workers Union said for their 16 members who had been retrenched, the union had negotiated a severance pay of one week's wages for each year of service

221 3/12/82

Kalangula in Ovamboland will jointly cast an even larger shadow in Namibian politics in the coming year FM

THE OAU

Fiasco in Tripoli

Libya's Colonel Gaddafi suffered a setback last week when his second attempt this year to hold the annual OAU summit in Tripoli failed As in August, the meeting failed to attract the necessary quorum of two thirds of black Africa's leaders This time the issue at stake was the representation of Chad

The new government, headed by Hissene Habre, asked to be seated, and was supported by the OAU's more conservative members, including most French-speaking states A rival delegation headed by Chad's former leader, Goukouni Oueddei, who was defeated by Habre a few months ago, was backed by the host country Libya, and some of Africa's more radical governments A compromise, worked out with Nigerian help, recognised the Habre administration but arranged that Chad's seat remain empty this year This would have saved faces all round, and it was accepted by Gaddafi and his friends, but turned down by the Habre team

Libya has offered to host a third attempt, but it is probable that the summit, if it takes place at all, will be held in Addis Ababa, where the OAU has its headquarters A committee of 12 countries was appointed to settle the details but is expected to encounter the same difficulties over Chad and the Western Sahara — the issue which wrecked the first summit Libya withdrew her troops from Chad a year ago to avoid any dispute over the issue when Gaddafi, as host to the summit, became chairman of the OAU Tripoli may now again start interfering in the affairs of its neighbours (Gaddafi has already upset some of his colleagues by suggesting that border disputes might be submitted to an all-African supreme court This implies that borders can be adjusted, whereas the OAU regards them as inviolable)

Libya is also expected to step up its support for the Polisario Front, which is fighting Moroccan rule in the Western Sahara If the summit had been held, Morocco's King Hassan would have come under considerable pressure to hold a referendum on this question, in accordance with the previous decision of the OAU This and many other questions, including Namibia, had to be postponed, although a pro-Swapo resolution was passed by a rump meeting Swapo leader Sam Nujoma met UN Secretary-General Perez de Cuellar in Tripoli

As a result of the Tripoli fiasco, Kenya's President Daniel Arap Moi remains chairman of the OAU Interim arrangements have been made for financing the organisation's secretariat, but it now seems likely that the whole structure of the OAU will have to be changed

TRAINING CONTINUES

At a time when many companies are slashing training budgets, Barlow Rand intends maintaining, and possibly exceeding, its spending on training during the coming year.

In a year-end review of manpower developments, industrial relations director Reinald Hofmeyr says about 107 000 of the group's 236 266 employees underwent training of one type or another during the past year Particular attention was paid to the extension of industrial induction skills training programmes for employees who have the potential for advancement, but are handicapped by a lack of formal education The number of centres in the group offering these programmes, which include training in literacy and numeracy, increased from 52 to 65

The total direct and indirect cost of training, excluding capital expenditure, in the group during the year amounted to about R23m In an interview with the *FM*, Hofmeyr said despite declining business activity, spending on training during the coming year would be maintained at the same level, and possibly even be exceeded

EASTERN CAPE

Plan to end turmoil

FM. 3/12/82

Every time Volkswagen MD Peter Searle flies to Johannesburg, the eastern Cape holds its breath Local businessmen fear the company will carry out its implied threat to expand on the Reef rather than locally

During the recent motor industry strikes in the eastern Cape, Searle warned that VW's expansion in the area hung in the balance The University of Port Elizabeth estimates that the motor industry generates way over 60% of the PE-Uitenhage regional economy and a VW decision to expand elsewhere could have serious consequences

It is against this background that the appeal last week from outgoing president of the Midland Chamber of Industries (MCI), Peter van der Merwe, for a code of conduct between management and labour in the eastern Cape should be seen Noting that the eastern Cape was "rightly or wrongly" regarded by potential investors as SA's major management-union "battlefield," Van der Merwe argued that the time had come to launch a "new deal"

Essential ingredients of such a new deal would include clear commitments from private sector management, the unions and the public sector A compact would have to be hammered out between management and unions, but much would depend on a new political dispensation

Volkswagen's Searle ... threat to move

The idea for a code of conduct was endorsed by Port Elizabeth Chamber of Commerce president Denis Creighton, but drew a qualified, if not cynical, reaction from unionists The object of the code, says Van der Merwe, would be to allay investors' fears and encourage development in the region

Unqualified support came from veteran unionist Katie Gelvan, secretary of the 3 000-strong PE branch of the Garment Workers' Union of SA (Gawusa), who says history has proved "that when you sit around a table you can solve a lot of problems"

Gelvan says the code should enshrine the freedom of union organisers to enter factories and conduct on-the-spot inquiries into workers' grievances Managers should open their doors to union representatives as well "If there's anything that I'm not happy about, I should be free to get in touch with the employer and discuss my problems," she says

The general secretary of the National Automobile and Allied Workers' Union (Naawu), Freddie Sauls, was more cynical, though willing to put his cynicism to the test

"As far as we're concerned we see the appeal as a big propaganda exercise which has no merit If they feel so sincere about it, why don't they take a look at what's happening at the moment? In the negative atmosphere created by workers being fired, what chance does this code have?"

Sauls, whose union claims a membership of 19 500, said he was nonetheless willing to meet with industrialists to test their sincerity He would, however, not be drawn on the content of the code visualised by Van der Merwe

MCI executive director Brian Mathews says the next step will be to hold informal talks with individual unionists "They will be of a purely exploratory nature because we have no preconceived ideas on what the code should contain," he says

DURBAN, DECEMBER 5, 1982

S. Tribune 5/12/82

192

HITTING THE HEAVIES

Finance Reporter

THE scene is being set for a giant leap in South Africa's import replacement programme, but at the risk of antagonising a powerful section of the business community.

Minister of Industries Dawie de Villiers has asked the Board of Trade and Industries to launch an investigation into the feasibility of a local content programme for heavy trucks and buses — in other words, those with a mass of more than 1 300 kg

The study will determine whether the country's 16 truck assemblers should be subject to the same (or similar) rules as manufacturers of cars and light commercial vehicles, who are currently obliged to maintain a local content of 66 percent by mass in their products

Pretoria has to some extent given judgment before the trial It has already all but forced truck assemblers to use locally-made diesel engines, transmissions and axles

In an effort to lower the dependence of the defence force on foreign components, the Government spawned industries such as the ADE diesel engine facility and then pulled in the private sector as customers to improve the projects' commercial viability

Imports of competitive equipment have been kept out by high customs duty barriers.

Although the motor industry would prefer to have no local content programme for trucks at all, it is also unhappy with the way in which locally made products have been foisted onto it

"The Government has made decisions which the industry has had difficulty complying with in the time available," says Nico Vermeulen, director of the National Association of Automobile Manufacturers (Naamsa) He adds that "we seek orderly development within the industry".

Car assemblers who do not meet local content requirements are subject to stiff penalties, equivalent to the tariff rebates they receive.

To prevent truck manufacturers from stockpiling imported components in anticipation of more stringent local content rules, De Villiers has slapped a 20 percent excise duty on heavy trucks and buses The duty will penalise users of imported components by rewarding local content with rebates

Manufacturers, most of them subsidiaries of foreign truck makers, are furious at this attempt to force them to favour locally made items They point to the effect the new duty will have on retail truck prices

One motor industry expert notes that "there are manufacturers who look at this duty as the last straw that will break the camel's back"

230 workers lose their jobs at General Motors

ERROL 8/12/82

By SANDRA SMITH

GENERAL MOTORS retrenched 230 hourly-paid workers in Port Elizabeth today — 5% of its total workforce — as a result of the worsening position of the economy

This is the second large-scale lay-off at GM in four months About 200 workers were retrenched in September

In a statement today, GM's manager of public relations, Mr Peter Sullivan, said the effect of the continued economic downturn on the motor vehicle market "again necessitates the adjustment of production schedules"

"In keeping with the company's undertaking to minimise potential for consequential retrenchment, GM in Port Elizabeth has been working a four-day week since October in an effort to avoid such action," he said

Under prevailing circumstances the company had no alternative to a further retrenchment

The present outlook for the early part of next year indicated that four-day work weeks would probably have to continue until market conditions improved, Mr Sullivan said

Should the market decline continue, further adjustments to the production workforce might be necessitated at a later date

The retrenchments were discussed with trade unions involved, and the company had agreed to rehire as many of the affected employees as possible when the economic climate improved

Mr Sullivan said the lay-off had been made in terms of the "last in, first out" principle and affected mainly unskilled and some semi-skilled workers

Commenting on the lay-off, the regional secretary of the National Automobile and Allied Workers' Union (Naawu), Mr Les Kettledas, said it was regrettable that GM had had to take the step

He said the union urged employers to consider alternatives to lay-offs

Mr Kettledas said those who were retrenched would be the first to benefit from a new separation allowance agreement between Naawu and Ford, Volkswagen and General Motors, which came into operation on December 1

Spokesmen for Port Elizabeth's other large motor firms, Volkswagen and Ford, said today their companies were not considering retrenchments

250 lose Atlantis Diesel jobs

ARGUS 8/12/82

Labour Reporter

THE R450-million Atlantis Diesel Engine plant is planning to retrench 250 workers — about 10 percent of the workforce — at the end of the week.

Mr Otto Scolt, a director of ADE, said today the retrenchments were "very unfortunate"

He said both salaried staff and hourly paid workers would be paid off on Friday

Less than three months ago, Mr Hartmut Beckurts, managing director of ADE, assured the company's 2 500 workers that their jobs were safe in spite of the deepening recession, unless there was further cancellation of orders

Mr Scolt said the company had not employed new people for the past few months, except where new skills were required

"Neither have we replaced people when they have resigned, in spite of the fact that we are bringing in new machine lines and opening a new foundry," he said

The major problem for ADE had been the limited local market for engines

See Page 2

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ILIA RABOROKO

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Taxi feuders agree to truce

REPRESENTATIVES of three feuding taxi associations in Soweto met with the local Divisional Commissioner, Brigadier D J J Jacobs, yesterday and agreed on "temporary peace" during the festive season.

In an impromptu meeting called by members of the two taxi associations, West Rand and Soweto, representatives agreed to respect the truce until a further meeting is held next year

At the next meeting, which will also be at Protea all taxi associations will be represented

Brig Jacobs warned all taximen who will ignore the agreement that his men will be "merciless"

"I do not get any pleasure from prosecuting anybody but if people just break the law purposely we will act," said Brigadier Jacobs

The meeting according to Brig Jacobs, was called by the two associations, and a third group, after minor incidents of violence were reported recently

The violence is a sequel to the "taxi war" where hundreds of taximen clashed in a pitched battle early this year over control of certain routes

Sigma boots out workers after strike

By ALINAH DUBE (192) Sowetan 8/12/82

ABOUT 20 workers, among them a National Allied Workers' Union (Naawu) shopsteward, have been dismissed by the Sigma Motor Corporation in Pretoria.

The workers told The SOWETAN this week that their services were terminated after they asked management for reasons why a shopsteward, Mr Simon Madisha, was fired last week

Personnel Director Mr J J Lemmer, on Monday confirmed the dismissal of the workers He said the workers would not return to their posts after several warnings from management that they would be fired if they failed to obey the rules

Mr Madisha said trouble was sparked off by the negotiations with the company concerning an employee who had stayed away from work His employer told him his services were terminated

"I was shocked by this sudden move and when I demanded reasons for my dismissal, an official said I concentrated on solving the union's problems during company hours," he said

Tension mounted as news of his dismissal spread His colleagues went on strike, demanding that the authorities furnish reasons for his dismissal Management retaliated with threats of more dismissals

The sympathising workers were later told to go home for ignoring instructions

But Mr Lemmer said Mr Madisha had had previous warnings about his unsatisfactory performance and had refused to attend to his job when instructed

"His colleagues wanted to know what had happened They refused to return to their work and were suspended for the day The company then reconsidered its stand and terminated their services," Mr Lemmer said

He said the company was replacing the dismissed workers with some of the people retrenched earlier this year

230 East Cape motor workers retrenched

ARGUS 8/12/82 (192)

Argus Bureau

PORT ELIZABETH — The economically depressed Eastern Cape region received a major blow today when General Motors in Port Elizabeth began to retrench workers The company has confirmed that it has retrenched 230 workers

The move comes at a time when rumours of large scale layoffs in many major firms have been widespread and may spark off a series of similar moves by other hard-pressed companies.

Sources said the workers being retrenched at GM were receiving full pay and bonuses. The remaining workers would be working reduced hours from next year

REPLACEMENT

The layoffs could hardly have come at a worse time and many of those retrenched will find it almost impossible to find replacement jobs in the new year

More than 2 000 workers have been retrenched in the motor industry in Port Elizabeth since the beginning of the year, according to Mr Fred Sauls, general secretary of the National Automobile and Allied Workers Union (NAAWU)

A statement issued by GM attributed the retrenchments to the effect of the "continued economic downturn in the motor vehicle industry" and promised that as many of the workers as possible would be re-employed as soon as possible

It said the move had been discussed with the unions concerned

Union officials could not be reached for comment, but have said in the past that the threat of retrenchments were an excuse for cost cutting

Swazi finds arms

Argus Africa News Service

MBABANE — Swaziland police have launched a manhunt after a cache of arms was found in the Piggs Peak area near the South African border

Police confirmed that seven Soviet AK47 rifles, several boxes of grenades and 400 rounds of ammunition were found in haversacks in thick bush near a road leading to South Africa.

The arms were found by chance by a villager, police said

It is suspected the weapons were hidden by members of the banned African National Congress

THE scene at Crossroads early today where shacks were demoli- the Administration Board.

ARGUS 8/12/82 (307)

Crossroads: 500 hom after shacks flattenc

Staff Reporter

ABOUT 100 families, consisting of 500 men, women and children

the scene Babies played in the rubble that was once their homes and a woman bathed in the

They had built the structures a few months ago because they had nowhere else to go

Leyland open talks with motor union

Star 9/12/82

(192)

Labour Reporter

Recognition talks have begun between the management of Leyland SA in Elandsfontein and Fosatu's National Automobile and Allied Workers' Union (Naawu)

The talks follow several years of organising, originally by the Metal and Allied Workers' Union and more recently by Naawu

According to "Fosatu News," worker interest in Naawu stemmed largely from the union's dispute with Leyland in the Cape during 1981.

The union successfully competed against Tucsa's Motor Industry Combined Workers' Union for membership, it said.

Besides recognition talks, stop-order deductions facilities for Naawu members have been granted

Earlier this year, Naawu organiser Mr Taffy Adler was arrested while addressing workers near the Elandsfontein plant The case was later dropped

Leyland and union sign agreement

RDM 10/12/82

By STEVEN FRIEDMAN
Labour Correspondent

MOTOR firm Leyland (SA) has signed a full recognition agreement with Fosatu's National Automobile and Allied Workers Union — and has also reached a wage agreement with it which will bring minimum pay to R2 an hour for the first time

The agreement affects Leyland's manufacturing plant near Cape Town and was announced yesterday in a joint statement by the company and the union

News of the agreement comes as NAAWU and Leyland are discussing recognition for the union at the company's Elandsfontein plant

In the statement, Leyland's industrial relations director, Mr A J Haylett, and NAAWU's Western Cape regional secretary, Mr Joe Foster, say the new agreement has "many changes" compared to the existing one between the two sides It would be a "permanent document"

Changes to the old agreement include the introduction of negotiation and grievance procedures, access for union officials, and shop steward committees.

The two sides have also agreed on a retrenchment and training policy

The new wage agreement, which will come into force on January 1, raises pay by 24c an hour in the lowest grades and 20c across the board in all others

Negotiations were concluded in a spirit of co-operation the statement said

RDM 9/12/82 (192)

Violence flares as police disperse Datsun strikers

By STEVEN FRIEDMAN
Labour Correspondent

VIOLENCE erupted at Datsun-Nissan's Rosslyn plant, near Pretoria, yesterday as police used sjamboks, teargas and rubber bullets after the company's 4 500 workers struck in protest at the size of their Christmas bonus and year-end wage rise

Four workers were hurt after police dispersed a crowd of more than 1 000 workers at the company's request some hours after the strike began

Police and the company said police intervened after workers began damaging cars and threatening to set them on fire. According to police attempts to disperse the crowd peacefully failed and they were forced to use violence after workers threw stones and sticks at them

A police spokesman said four security guards were injured, one seriously

A source said an unknown number of workers beyond the four named as injured had been treated at a hospital and by a local doctor

As a result of the strike, Datsun sent all its workers home and closed for the year yesterday. It was due to close tomorrow.

According to a worker source, Datsun's entire workforce downed tools yesterday morning after receiving Christmas bonuses that were lower than in previous years

He said workers had also been unhappy with a proposed pay increase of 10c or 15c an hour

The company says this is necessary because times are bad but the workers say they are working as much overtime as ever," he said

He claimed that "many workers" had been "badly injured" by police sjamboks.

A spokesman for Datsun confirmed the strike. He said that, in the last two years, workers had been given a special bonus beyond their normal one because of good company results This was not possible this year.

Datsun had informed workers and their works council of this well in advance but when workers saw their pay packets yesterday, they had reacted angrily.

The spokesman said Datsun had asked police to intervene but said it had been forced to do so because workers had begun damaging cars and refused to disperse after being addressed by a company official

Engine jobs axed

(192)

Star 9/12/82

Own Correspondent

CAPE TOWN—Atlantis diesel engines said yesterday it would retrench about 10 percent of its 2 300 workers because of the depressed market

The managing director, Mr H Beckurts said the large number of imported tractor and vehicle engines, as well as the downturn in the economy, had contributed to the retrenchment

"Utmost assistance" would be given to retrenched employees, he said.

Quiet returns to motor plant

192

RDM

10/12/82

By STEVEN FRIEDMAN
Labour Correspondent

QUIET returned to Datsun-Nissan's Rosslyn plant near Pretoria yesterday after the violence which accompanied the strike at the plant on Wednesday, company sources said

The company decided to close for the year after its 4 500-strong labour force downed tools on Wednesday over bonuses and the year-end pay increase, but workers gathered at the plant yesterday to collect their pay

Official comment could not be obtained

Police intervened in Wednesday's strike at Datsun's request after workers had allegedly damaged cars and threatened to set them on fire

They used teargas, sjamboks and rubber bullets to disperse the crowd

Meanwhile, the National Union of Mineworkers yesterday secured the release on bail of 21 miners who were allegedly involved in a strike at the Winkelhaak mine, near Evander, in May this year

The workers are part of a group of 29 miners who have been in prison since the strike because they could not afford bail of R1 000 each Their case, in which they are accused of striking illegally, has been repeatedly postponed

At a recent hearing, however, their bail was reduced to R500 each after representations by a lawyer briefed by the NUM

Yesterday, union general secretary Mr Cyril Ramaphosa travelled to Bethal, where the men have been held, and paid the bail money

He said police had dropped a bail condition that the men had to surrender their passports They would now return to their homes until the trial began on January 3

CAPE TIMES 9/12/82

Bonuses: 4 500 strike

(192)

Own Correspondent

JOHANNESBURG — Violence erupted at Datsun-Nissan's Rosslyn plant near Pretoria yesterday as the company's 4 500 workers struck in protest at the size of their Christmas bonuses and their year-end wage rise

Police used tear-gas, rubber bullets and sjamboks against a crowd of more than 1 000 workers, whom the company asked to disperse some hours after the strike began Four workers were seriously hurt, police said

Police and the company said police intervened after workers began damaging cars and threatening to set them on fire According to police, attempts to disperse the crowd peacefully failed

A police spokesman said four security guards were injured, one seriously

A doctor who examined three of the injured workers said one had a tear-gas burn on his shoulder, another was bruised and bleeding internally and the third had minor lacerations

A source in the area said an unknown number of workers had also been treated at a hospital and by a local doctor

As a result of the strike, Datsun sent all its workers home and closed for the year yesterday

According to a worker source, workers were unhappy with their bonuses and a proposed increase of 10c or 15c an hour — depending on their job grade

Datsun workers rampage

Sowetan 13/12/82 (192)

DAMAGE to the Datsun-Nissan Rosslyn plant near Pretoria, where more than 4 000 workers went on the rampage for not receiving their usual Christmas bonuses last week, was estimated at R35 000.

Datsun's spokesman said about 4 500 workers went on strike immediately after receiving their pay slips on Wednesday at about 10am. The entire workforce downed tools in protest against their Christmas bonus, which was less than what they had received the previous two years

He said. "Due to favourable economic conditions over the past two years we gave workers a special bonus which was over and above this one They deserved it because it was theirs

"But the present bad financial climate made it impossible for us to give them the same amount this year "

Leyland reaches agreement

13/12/82

192 Sowetan

By JOSHUA RABOROKO

LEYLAND South Africa has concluded a recognition agreement with a Fosatu affiliate, the National Automobile and Allied Workers' Union with a minimum wage rate of R2 per hour to be effected from next January.

In a joint statement to The SOWETAN the two parties confirmed that a comprehensive recognition and procedure agreement had been finalised and would be signed shortly.

Wages of hundreds of workers in the industry were increased by 24 per cent on the lowest grade and 20 cents across the board in all other grades.

"The main agreement, which incorporates the standard conditions of service, will be reviewed on an annual basis and the recognition will be a permanent document.

"These documents replace the existing single agreement which had been developed on an ad hoc basis over many years and the recognition agreement incorporates many changes," according to the statement.

This, the statement continues, includes union recognition, access, representation, shop steward committees, negotiation and grievance procedure and training and redundancy policy.

The union and the company have confirmed that the negotiations, which had been conducted over the past two months, had been concluded in a spirit of co-operation from both sides.

Firings at Toyota

Star 15/12/82 (192)

Own Correspondent

DURBAN —About 100 workers have been laid off at Toyota's Prospecton plant near Durban

The decision to retrench was made because of a fall-off in the car market Production is to be cut next year from 425 vehicles a day to 400

The plant has 4 000 workers

(5)

Labour

Ext Week 13/20

(192)

Battle over radiators in the offing

Star 17/12/82

By Stan Kennedy

The recent statement from Sofica, a division of Ferodo, that it will capture at least half the R50-million-a-year car radiator market in three years has set the stage for a bitter struggle with Silverton of Pretoria, which currently holds 80 percent of the market

The duel is expected to be tough with both parties fighting tooth and nail to convince car manufacturers and the public that their kind of radiator is the optimum in quality and value.

NEW CONCEPT

While Silverton manufactures the traditional copper/brass radiator, Sofica is introducing an entirely new concept to South Africa — the aluminium/plastic radiator, which is is growing in popularity overseas

To achieve its target, considered by Silverton to be "ambitious", Sofica is establishing a R2,5 million factory at Pinetown, Natal, which will have the capacity to produce 250 000 radiators and 300 000 heater cores annually Production will be confined initially to the new car market because the replacement market is too varied for acceptable tooling costs

The French-made presses for the aluminium/high density seam less units arrive this month and the plant is expected to be in operation in January The units will be made in agreement with the Valeo Group of France, who already fit the radiators as original equipment to all Jetta and Gold models

Sofica's general manager Mr Jack Delaney says knocked-down radiators have been assembled at Pinetwon for evaluation by the motor industry and the results have been "most encouraging".

"They will be highly competitive in price and will offer exceptional reliability.

NO SOLDER

"Unlike the trouble-prone conventional soldered radiators, the Sofica unit has no soldered joints and should easily last the life of a car"

Silverton went through a bad patch a few years ago when it battled to keep pace with the increasing demand for new cars and, in the process, neglected the after-market But last year, IMI of Britain, bought a 50 percent shareholding and took over management control from its new partner, Associated Engineering

IMI has big investments in heat exchangers in Europe and has contracts for jet aircraft, military equipment, refineries and power stations

Mr Brian Smalley, a director of IMI, seconded to Silverton to sort out its problems, says Sofica looked at the market when Silverton went through a bad period in which there was a shortage of investment capital and skilled labour

"It is quite a different situation today and we are in the position to provide the products the customer needs

RUNS TOO SMALL

"In fact, we have the capacity to introduce the technology but do not believe it will be required in South Africa On technical and volume grounds we don't believe it is viable to do so There is a long set-up time and tooling costs, which could amount to R60 000 for each model With the small runs in South Africa, it would not be worth it.

"But more than that, there is no better material for heat transference than copper and brass, and Sofica will have many service problems in South Africa's climate, especially at the Cape Aluminium requires an inhibitor orelse it rots While the aluminium/plastic radiator gives good service and breaks down about the same time as a copper/brass unit, it cannot be repaired and has to be discarded

"We have been through the same situation in Europe and we will react in the same way to sustain our business, Mr Smalley says.

Petroleum

SA Ford pickup tops now in British market

18/12/82 (192) (Diff) E. Rost

DESPITE competing for market share in the United Kingdom for little more than half the year, Ford SA's P100 pickup looks set to walk off with first prize — and some 40% of total sales

This remarkable success story is clearly illustrated in the table prepared for Business Post by Ford UK this week

The figures show that for the year to date Ford has substantially outperformed the combined efforts of No 2 and No 3 in the market (Mazda and Datsun), to record total unit sales of 3 152 — or 38,5% of the market

First shipments of a contract worth R60 million (for 10 000 units), left Port Elizabeth in May and in the following month 34 of the SA-bred and -manufactured bakkies were sold Significantly, the increasing preference then shown by UK buyers for the South African import had more to do with its mechanics and performance than price, judging by the price tags on the first four sellers

At R6 913 (converted at the rate of £1 = R1,77), the P100 is the most expensive of the best-sellers at almost R1 000 more than lowest-priced Datsun

In the first full month of sales the Ford rocketed to top spot, selling 245 units and claiming almost 62% of the market The following month showed almost five-fold growth to 1 105 units — double the combined sales of the next three manufacturers in the market

The dramatic drop which followed, says Ford, can be attributed to supply problems arising out of the labour disputes in the Port Elizabeth plant, and indeed at a little over 5 200 units shipped, Ford was running almost 800 units behind target earlier this month

Total export earnings to date amount to R35 million, and there can be little doubt, given the remarkable succeess achieved by the Ford P100, that the contract will be repeated next June — assuming always that the initially hostile reaction from British workers is not repeated

Within weeks of the first shipments arriving this year the General Workers Union voiced its opposition to the imports, but Ford response — an assurance that the P100 includes drive and transmission equipment manufactured in the UK and shipped out to the Port Elizabeth plant for assembly into the SA-designed and -manufactured frame — appears to have defused the issue

And now Mr David Hurst, director of truck sales for Ford UK, can say with greater confidence "We expect that the P100 will take the top sales spot in 1982 with more than 40% of all pickup sales — even though it has only been freely available in the marketplace since July"

UK may get Sigma vans

Star 20/12/82

Financial Staff

Mazda UK is considering a plan to import South African-made Mazda B1800 light commercial vehicles

Sigma Motor Corporation officials say the company would have no difficulty in supplying the British market

Like most South African car manufacturers, Sigma has spare capacity and any orders from Britain would come as a welcome boost

Mazda UK, frustrated by continuing limitations on Japanese Imports to Britain, is considering this backdoor source at its Tunbridge Wells headquarters in Kent

Managing director Mr John Ebenezer, now in Japan for meetings with suppliers, has said the scheme has their approval, but would depend on the price of the South African vehicles.

He said Mazda UK planned to sell the vehicles alongside Japanese-made ones

R12-m for new plant

Times 19/12/87

(192)

By Julian Kraft

THE dominant force in the passenger-car brake market, Alfred Teves Engineering (ATE), has ploughed R12-million into new plant to increase its production capacity by 50%

This will ensure that the company holds or improves its position when the inevitable upswing in the vehicle business occurs within a year or two

At that point ATE expects to find clear evidence of substantial growth in the black consumer market which should push sales of cars up to new record levels in 1984 or 1985

"The white market is to a large extent saturated, and we expect blacks to account for a much bigger proportion of total new-car sales in the future than they have up to now They are the car buyers of the future," says John Levy, marketing manager

Expenditure on new plant caters for two up-to-date production lines at the company's Boksburg factory The new equipment has built-in quality control, which is expected to reduce the scrap rate by as much as 25%

The new plant is devoted to production of the "fist" caliper-type brake which most car manufacturers have adopted in place of the traditional opposed-piston, fixed-caliper type because of its greater efficiency, compactness and lightness

ATE was responsible for the introduction of the new brake design in South Africa two years ago

The first of the new production lines went on stream in July and the second is expected to begin producing in February

ATE, which belongs to the R624-million-a-year Germany-based international motor components group of the same name, claims that seven out of 10 new cars produced in South Africa have its brakes

Discussing prospects for next year, Mr Levy predicts that at least 260 000 passenger vehicles will be sold This year the figure was 280 000 and in 1981 it was a record 301 000

"While our growth has slowed compared with last year and may slow further in 1988, this investment is evidence of our confidence in the market in the longer term," said Mr Levy, whose company had a growth of 30% this year, and 77% last year

The quality-control system in the new plant is considered one of the most advanced in the country

As quality is strictly and automatically controlled throughout the production process, a change in quality-control procedures has occurred

It is no longer necessary for all parts to be subjected to 100% final inspection — sample checking is now sufficient

Motor industry and port disputes dominated 1982

E. Post 22/12/82

By SANDRA SMITH
Labour Reporter

Two issues dominated the labour scene in the Eastern Cape this year — a crippling motor industry strike and a fight for union recognition in the harbour

Unquestionably the first was pre-eminent

At times it involved about 11 000 workers at Ford and General Motors in Port Elizabeth as well as at Volkswagen in Uitenhage It led to a shutdown of all vehicle manufacturing plants and to dire warnings of the possible economic consequences for the region

The dispute began in July and was finally resolved only in November, after the emasculation of the industry's industrial council through the withdrawal of the National Automobile and Allied Workers Union (Naawu) and weeks of sporadic go-slows and work stoppages

Under protest, the union finally negotiated with the three employers through their representative body

The settlement entrenched workers' job security instead of gaining the minimum wage increases initially sought

At a time when all three companies had retrenched hundreds of workers during the year — despite earlier denials that there would be widespread lay-offs — the union saw better lay-off provisions as a priority

The agreement came into operation on December 1 Eight days later GM retrenched 230 workers They were able to benefit from the new provisions

The dock dispute, in which workers fought for nearly a year to persuade the South African Transport Services (SATS) to talk to, if not officially recognise, the General Workers Union (GWU), received international prominence

The threat of sympathy strikes by stevedores in four major South African ports and of embargoes on South African goods by affiliates of the International Transport Workers Federation (ITF) led to widespread condemnation of the SATS actions in refusing to meet docker representatives and in sacking more than 400 workers after a go-slow

The dockers have resolved to await the outcome of a SATS inquiry at which they and the ITF will give evidence

Another Eastern Cape dispute which attained national prominence was that at the Veldspun International textile company in Uitenhage

More than 1 000 workers were fired when they downed tools in protest against the sacking of 60 colleagues

The Fosatu-affiliated National Union of Textile Workers (NUTW) claimed that Barlow Rand (which has a majority holding in Romatex, of which Veldspun is a subsidiary) had broken its code of employment and was indifferent to the unfair labour practices of its subsidiaries

The union also criticised the group's failure to intervene in the dispute

The issue shot to national prominence when students at the University of the Witwatersrand, of which Barlow's chairman, Mr Mike Rosholt, is chancellor, took it up and produced a booklet outlining the history of the dispute and calling on the chancellor to intervene

The NUTW eventually agreed to a management proposal for the staggered re-employment of 214 of those dismissed

Other important events included the banning, after months of detention, of four officials of the Motor Assembly and Component Workers Union (Macwusa) and the arrest and release without charge of two East London-Ciskei unionists of the SA Allied Workers Union (Saawu)

Splits in the "progressive" union camp also widened with the failure of a Port Elizabeth summit in July to agree on a union federation

By (192)

Loopholes cost ADE more than R50-m

Star 22/12/82

Financial Staff

More than R50 million was lost to Atlantis Diesel Engines in its first year of production because of loopholes in its protection package, says Mr Otto Scholtz, ADE's director of finance and management services.

In a review of the past year, he says the loopholes enabled some companies to build vehicles before the protection date and to stockpile imported vehicles without penalty.

STUCK

"This meant that although many manufacturers escaped protection duty, they were stuck with imported products that were sufficient to meet the country's needs for at least nine months."

He estimates the total interest cost of the stockpiling at prime overdraft rates at R20 million and says an unnecessary importation of about R60 million worth of engines took place.

Many manufacturers thought ADE would not be able to meet the demand and had stockpiled imported engines, believing it would give them an advantage over those who supported the ADE project.

Despite having to bear interest charged on stockpiled engines — which would obviously affect company results — manufacturers are now forced to sell vehicles with imported engines at reduced prices before marketing vehicles with ADE engines.

"Had the vehicle manufacturers supported us fully, we would both have benefited."

"Our stocks are obviously too high," he says, "and we are now making use of the temporary downturn in the engine market to evaluate and rationalise our control systems to enable us to meet the next phase of market growth."

MANUFACTURING — MOTOR INDUSTRY

6 JANUARY 1982 — 31 JULY 1982

Star Wednesday January 6 1982

Sigma makes huge cuts in labour force

(192)

Labour Reporter

The Sigma Motor Company near Pretoria this week either fired or laid off about 850 workers

Sigma fired 507 workers and has laid off another 348 until the end of the month

The redundancies were effective from Monday when the factory reopened after the December holidays

They have been on the cards since late last year when Sigma held talks with the National Automobile and Allied Workers' Union (Naawu)

REASONS

A Sigma spokesman said there were two major reasons for the redundancies

- Accelerated training and development programmes and the introduction of new engineering techniques had meant that Sigma had started 1982 with too large a labour force
- Certain processes had been subcontracted to another manufacturer and so former workers in these areas were no longer required

The general secretary of Naawu, Mr Fred Sauls, said the union had been consulted by Sigma about the pending redundancies.

"We tried all means with the company to find an alternative to laying off and dismissing workers but we couldn't," Mr Sauls said

BENEFITS

He said Naawu and Sigma had agreed that redundant workers would be paid supplementary unemployment payments of 70 percent of their normal wages for periods depending on their length of employment

They would also receive retrenchment pay ranging between one and three months of their pay

They will immediately qualify for Unemployment Insurance Fund benefits

The union and Sigma would help former workers find other employment

Naawu said Fosatu affiliates had drawn up a number of conditions regarding retrenchments including one month's notice in advance

- A survey of other motor assembly firms indicated there were no retrenchments planned in the near future The Sigma spokesman said they had no plans for more retrenchments

Tighter credit will hit motor trade in 1982

(192) Weekend Post 9/1/82

By Fred Roffey

Business Editor

TIGHTER credit, higher building costs and increased mortgage payments will hit consumers' pockets so hard in 1982 that chances of the motor industry buoyancy of the last two years being maintained can be ruled out

Another factor is the expected increase in car prices

The managing director of Volkswagen South Africa, Mr Peter Searle, puts the increase at between 3% and 5%, and says it will happen soon

However, he adds that hotter competition in a cooler economy will help to inhibit car price increases

But perhaps the most significant factors preventing the public saving more money for new cars are increases in building costs and mortgage payments

The Building Industries Federation of South Africa (Bifsa) estimates that building costs will rise by about 22% this year

This will result from wage increases, dearer materials and higher interest rates on loans

Higher steel prices are leading the increases in a long list of materials this year

The rise in building costs, plus increased mortgage payments, means that married couples have to save harder than ever to get the deposit on a home

This diminished disposable income must affect the sales of new cars

The motor industry is preparing for the sales slowdown but is careful to point out that it certainly does not mean a slump in the motor industry

It simply means a levelling off in sales compared with the record sales last year and in 1980

The levelling off is already evident

A report in the latest Standard Bank Review points out that although car sales for 1981 will reach record levels (the exact figures have yet to be announced), the sales trend has been basically downward since September

By November, car sales were declining at an annual rate of more than 18%

"Since consumer credit is still readily available — albeit costly — the softening demand for vehicles must be attributed to other factors," says the report

"These include changing consumer expectations concerning factors such as future levels of salary increases, job security, and a resultant change in attitudes to saving

"It also appears to be the result of generally high consumer debt levels arising from the previous boom and — perhaps most importantly — substantially increased mortgage payments which have diminished the disposable incomes of homeowners"

The report also warns on higher rents

"There is still considerable upward pressure from rising rentals and the price escalation of general merchandise

"But the rate of food price increases has slowed very significantly to some 12%"

The report adds that during 1982 the cost of living will remain under pressure from the rising costs of mortgage, transport and electricity, where prices are largely administered

However, in areas sensitive to weakening demand the rate of price escalation could slow noticeably

For the year as a whole, consumer prices are likely to rise by about 13,5%, the report estimates

"Inevitably there will be some slowdown in investment spending this year, in line with a changed overall economic outlook.

"Nevertheless, this reduction is unlikely to be as drastic as during the last recession, nor is it expected to be long lasting

"The next few years are likely to bring about some shift in emphasis in the direction of non-infrastructural investment spending

"Export ventures and import replacement projects have a high priority

"This can be seen especially in the gold, coal and chemical industries"

The report points out that major expansion plans had previously been aimed at necessities such as arms and fuel production

The emphasis now appears to have shifted to projects making established industries more sophisticated and to add downstream production

Major infrastructure and other expansion is being undertaken by the government and public sectors and the mining industry

"Even allowing for possible temporary cutbacks in planned expenditure due to difficult financing conditions, SA Transport Services and Escom will continue to have the two highest capital expenditure budgets of any single enterprise in South Africa, and possibly the Southern Hemisphere

"There have been some cutbacks in gold mining.

"However, the establishment of major new mines and expansions to existing facilities are going on.

"A growing reliance on coal both as a fuel and an export item has triggered expansion by SATS, Escom, Sasol, AECI, Shell and most major coal mines."

Motor industry faces a shortage of components

E. Post 7/1/82 (192)

By FRED ROFFEY
Business Editor

ALTHOUGH the motor industry is enjoying buoyant sales, one of the biggest problems it faces is the shortage of components

This is the view of the managing director of Ford South Africa, Mr Brian Pitt

The year 1981 was one of the most outstanding years in the company's 58-year history in South Africa, Mr Pitt says in a new year message to employees

"Although a record year, with the industry poised to achieve sales in excess of 300 000 cars and around 150 000 commercial vehicles, 1981 has not been without its problems

"Ford — like other automotive manufacturers — has been significantly affected by local component shortage

"Like the rest of the manufacturing industry, caught in the national economic boom, component manufacturers suddenly found themselves short of manufacturing capacity and — equally important — skilled labour and supervision

"However, full credit is due to those suppliers who faced the economic challenge and attempted to satisfy demand by implementing greatly extended work patterns

"In order to support production, the company has also been forced to take special sourcing actions, which included the airfreighting of large quantities of components from other centres

"The company also had to import parts to supplement the local shortage

The company had also been adversely affected by the serious shortage of skilled manpower, a situation which had worsened during the boom period

Mr Pitt said 1981 had witnessed intense competition in the market place, stimulated by a number of new model introductions which had stretched the industry's resources to the limit

In addition, interest rates had gone up and money had become tighter

"I regard the launch of the new Escort as the highlight of 1981

"The enormous impact it has had on the South African market is illustrated by the fact that 8 826 units were sold in the first 120 days following its local introduction, so establishing a new South African industry record for a new model"

As a result of component shortages from the UK, Ford had decided to observe its year-end plant shutdown earlier than planned

"Originally the shutdown was planned from December 21 to January 8, both days inclusive," said the employee relations manager of Ford, Mr Dirk Pieterse

"The plants now have a slightly longer closure, from December 14 to January 8"

He said the decision had been taken following an assessment that delays in the receipt of materials imported from the Ford of Britain packing plant could not be absorbed without the earlier closure

Today's share prices

192 178 136

The appies who left a Verwoerd dream in tatters

TWO men have effectively put a stop to the Verwoerdian philosophy that blacks in "white" South Africa should only work in unskilled jobs

Mr Andrew Mkoko has qualified as a die and tool press maker and Mr Headman Makasi as a motor mechanic

Until 1979 it was official policy that black artisans should only be employed in the homelands

They were seen as a threat to the position of white artisans, and it was believed that, if they were allowed to do skilled work in 'white' South Africa, they might start claiming permanence in the inner sanctuary

But the shortage of skilled manpower became critical, retarding economic growth, and the Government was forced to change

This "change of heart" came in the wake of the publication of the first report of the Wiehahn Commission (1979) which recommended that "any person should be eligible for indentureship as an apprentice in the Republic of South Africa"

Discriminatory labour legislation and most job reservation determinations were subsequently revised or abolished by the Government in an effort to make the country's labour laws colour-blind

But the commission mentioned in its first report the paradoxical fact that the Apprenticeship Act of 1944 — now replaced (along with other Acts) by the Manpower Training Act of 1981 — "as such did not place any restriction on the indenturing of apprentices on the grounds of colour or race"

But why were blacks excluded from becoming artisans if the Act was in fact nonracial?

Simply because it was not Government policy All applications to indenture blacks could be, and probably were, blocked by the Department of Manpower before 1980

And many applications for blacks to be indentured never got as far as the department because of strong white union opposition

TRAILBLAZERS .. Mr Andrew Mkoko, left, and Mr Headman Makasi

Volkwagen has thus embarked on a year long pre-apprentice programme in the company for those who fall just short of required standards

And what about the men who became the country's first black artisans?

Both are 27, matriculated from the New Brighton Technical School in 1975, where they had been close friends since primary school, and have parents with only primary school education

Both were lucky to miss the 1976 school riots, and the 1980 school boycotts in the Eastern Cape, which had crippling effects on the school careers of many thousands of pupils Both joined Volkswagen straight after school

Mr Mkoko said in an interview he was glad when he heard he could start training as a toolmaker at the company's apprentice training centre He always wanted to "make things" and to work with metal

to difficult

TWO black workers at the Volkswagen plant in Uitenhage have made history by formally qualifying as artisans. As far as is known, they are the first two blacks workers to win official skilled status in the "white" areas, KOOS COETZEE reports from Port Elizabeth.

Difficult

But the boot is now on the other foot since the Government changed its policy, making it difficult for conservative trade unions to block the indentureship of blacks if they conform to the requirements for apprenticeship

The power of this change of policy is well illustrated at Volkswagen, where the largest union affiliated to the conservative South African Confederation of Labour, the SA Iron Steel and Allied Industries Union, had been unable to veto black indentureship

Iron and Steel has 36 000 members countrywide, and is outspokenly against training blacks as artisans

Says its general secretary, Mr Wessel Bornman "Our union has always been against the training of black apprentices here We believe it could only bring problems

"It is not for me to accept the fact that the Government accepted the Wiehahn Commission's recommendations, but I take cognisance of it Our views on the training of blacks remain the same"

Asked why his union did not veto the indentureship of blacks at Volkswagen in the apprenticeship committee, he said "We cannot veto the Government's decisions"

According to Mr Brian Smith, education and training manager at Volkswagen, Iron and Steel accepted the indentureship of blacks well "I imagine it could have been fairly traumatic for them," he said

The two newly qualified artisans, Mr Mkoko and Mr Makasi, started their training in the company's apprenticeship centre early in 1978, more than two years before they could be officially indentured

"They were for all practical purposes apprentices, although no contracts had been signed," he said

The company felt that because of the skilled manpower shortage the Government had to change its policy to allow managements to indenture blacks

Even if the policy had not been changed, Volkswagen believes, their black trainees could have become artisans without undergoing an official trade test

In September 1980 the Department of Manpower started indenturing blacks, and the department was willing to backdate Mr Mkoko's and Mr Makasi's applications to June 1979, making it possible for them write their trade tests in October and September respectively, he said

Since the Government agreed to indenture black apprentices, the biggest stumbling block has been the fact that theoretical training facilities been largely segregated

In the main, therefore, black apprentices must receive this training at a black technical institute (which are few and far between) or by some other arrangement, such as a correspondence course

Another problem, said Mr Smith, was that there were not enough blacks who met the apprenticeship requirements

For example, apprentices must have a minimum educational level which most black factory workers do not have

Technical

He would like to study further on technical lines, and intends to follow a correspondence course in metallurgy through the Technikon RSA "because I want to know more about metal" The PE Technikon does not offer part-time courses

He would like to progress beyond a toolmaker, but would not like to be a foreman

His father, who spent his life as a labourer, had always encouraged him to study further "If you study you will have money," his father said

Now Mr Mkoko's advice to young people is "Stay at school as long as you can, so that if a good job crops up you can be the one to fill the position"

Newly qualified motor mechanic, Mr Makasi, was also influenced by his father, who was a backyard mechanic

His parents battled to keep him in school, and money was always scarce

He started at Volkswagen as a repairman assisting a motor mechanic on the assembly line

He, too, would like to improve his education by following a correspondence course in technical engineering through a technikon, and has also set his sights on becoming a foreman

His advice? "Don't give up"

R3 040 in cash

192

Star 5/1/82

Sigma fires 500, lays off another 348 on part pay

Own Correspondent

The Sigma Motor Corporation near Pretoria has fired 507 workers and temporarily laid off another 348

Those laid off have been told to come back to work at the end of January

A spokesman for Sigma said because of the accelerated development programmes and the introduction of more modern engineering techniques they had a higher labour complement than required for current productivity

"All workers whose services have been terminated or who have been laid off temporarily will receive supplementary unemployment payments of 70 percent of their normal wages for periods depending on their length of service," he said

Redundant workers will in addition receive retrenchment pay ranging from one to three months of their pay

"They will also immediately qualify for Unemployment Insurance Fund benefits," he said

The workers were told yesterday when they arrived for work that they had been fired or temporarily laid off

The spokesman said they left quietly and as far as he knew there were no incidents

Management key to productivity

By LEICESTER SYMONS

EFFECTIVE management is the most important factor in the improvement of labour productivity, according to Mr Peter Whitfield, chairman of Datsun Nissan

For the motor industry it could ensure future growth at a greater rate than that of the economy as a whole through making the cost of motoring relatively cheaper, he said in Johannesburg

He was speaking as president of the Institute of the Motor Industry at the introduction of a three-year national diploma course in motor business management The course has been developed by the IMI and the Association of Technikons of South Africa to provide a balance between theoretical and practical training

It consists of three years of training in motor business management two years each of motor industry management accounting and motor business marketing, and a year each of financial accounting economics law in the motor industry, mercantile law and applied business economics Four of these subjects will be dealt with in each year of the course

The first course will start on January 18 It is being offered, in the form of part-time evening training, at eight technikons and by correspondence through a ninth, the Technikon RSA in Braamfontein The part-time training is available at the Pretoria, Witwatersrand and Vaal Triangle technikons the Natal and M L Sultan technikons, the Cape and Skierenland technikons and the Port Elizabeth Technikon

The total production of the Japanese motor industry in 1960 was about 450 000 vehicles said Mr Whitfield In 19 years it had multiplied 20 times

There were several reasons for the growth but the main one was improved productivity This was reflected in relatively lower prices In 1960 a car cost more than three years' earnings in Japan but by 1980 the price was less than six months income

In SA last year motor vehicle production was about the same as Japan's had been in 1960 and the average annual wage was about a third of the cost of a new car The South African industry could not hope to match, in the next 18 years the achievements of the Japanese industry over the past 20

But if the increase in general motoring costs could be kept below the average rate of inflation "we will be amazed at the growth rate of the motor industry in this country

Oil target

CARACAS — Venezuela, Opec's second largest oil exporter, expects to sell an average of almost 1 800 000 barrels a day of crude oil and refined products on world markets in 1982, says Dr Humberto Calderon Berti, the Energy Minister — Financial Times

More layoffs loom in motor trade

(192) RDM 7/1/82

By STEVEN FRIEDMAN

MORE retrenchments and layoffs in the motor assembly industry are likely later this year, according to some sources — a prospect which a major union in the industry has vowed to fight

This prediction comes after the announcement on Tuesday that the Sigma Motor Corporation had retrenched or laid off 850 workers

Union sources said yesterday they knew of no plans by other firms to lay off workers

And Mr Frank Locke, director of the National Association of Automobile Manufacturers of South Africa, said his organisation was not consulted by its members on retrenchments

Mr Locke acknowledged that there was likely to be a drop in demand for motor vehicles which could mean that employers would need less labour

But an industry source, who did not wish to be named, said more retrenchments were likely later this year

During the recession of the mid-70's, most motor firms opted for working "short time' — a shorter working week — rather than laying off workers

But, the source said, sentiment in the industry had turned away from "short time" and some companies which had used it would not do so again

'Resentment'

"There is a feeling among some that short time causes resentment among workers because all of them lose wages as a result and that it would be better to lay off some workers," he said

He added that some motor companies were "overstaffed" and would begin cutting back on labour if demand dropped

But a spokesman for the National Automobile and Allied Workers Union, which negotiated on behalf of retrenched workers at Sigma, said the union had demanded that employers go onto short time rather than fire workers during the last recession and "we will certainly do so again"

In a statement released this week the union listed five measures which it said it would demand managements took

These were

- Planning to ensure a downturn in demand did not mean retrenchment,
- Consultation with workers, before retrenchment on ways to prevent it such as short time, slowing down production and avoiding overtime,
- If workers were retrenched, one month's notice should be given to their representatives,
- Severance pay based on service and the company's ability to pay, and
- Negotiations with worker representatives on retrenchment and re-employment procedures

Mercury 3/1/82

Motor manufacturers expecting a good year

(192)

Mercury Reporter

SIGMA'S decision to retrench 507 workers and lay-off a further 318 until the end of January is not indicative of a general trend in the motor industry

Most motor plants say they are expecting to have a good year, and some intend to hire extra labour in the next few months

Mr Ralph Broadley executive director of Toyota S A Manufacturing said yesterday that although the company expected the market for 1982 to be down by about 12 percent on last year, they would be running for the first six months of this year at a going rate higher than that of the first six months of last year

'We will not be changing our volumes for the first six months of this year — in fact we will be hiring about 200 extra people in February and March'

Mr Ruben Els of Volkswagen in Uitenhage said the company had no plans to reduce production or retrench any of the workforce this year

Volkswagen are expecting a good year' he said

The General Motors plant in Port Elizabeth is still closed, and according to a statement released by the company the manpower requirements would be reviewed relative to production schedules in the next few weeks

Union hits motor plant over retrenchments

By NORMAL NGALE

THE National Automobile and Allied Workers Union (Naawu) has lashed the Sigma Motor Company for laying off its 800 employees this week

Mr Martin Ndaba, spokesman for Naawu said in a statement that retrenchment caused serious problems for unions in that workers could be employed and then retrenched in response to an unpredictable economy.

Sigma, near Pretoria, with effect from Monday retrenched 570 employees and laid off temporarily an additional 348 until the end of this month

The corporation said in its statement to the press, this was due to phasing out of certain of its manufacturing processes now sub-contracted to local manufacturers

Mr Ndaba said the union believed it was the responsibility of the employer and the State to ensure stability in employment.

"We further believe that times of high profitability as have recently been experienced in South Africa should be utilised to offset times of recession," Mr Ndaba said.

His union along with other Fosatu affiliates believes, he said, that certain general conditions were necessary for retrenchments to be successfully catered for and compensated, ie.

- Planning to ensure that a downturn in the economy does not result in retrenchment,
- Consultation with workers prior to retrenchment in a way to prevent such retrenchment, lowering down of production and a ban on overtime work,
- In event of retrenchment, one month notice be given to the union to enable it to provide alternatives for its members in time.
- Severence pay be given to retrenched workers in accordance with their services and the company's ability to pay;
- Negotiation with the union on retrenchment and re-employment procedures

Sackings at Datsun car plant

192

8/1/82 RDM

By STEVEN FRIEDMAN

IN A sign of tighter economic conditions in the area, Datsun-Nissan's Pretoria motor plant was beginning to fire excess workers yesterday — but the company denied the dismissals were retrenchments or lay-offs.

Datsun's managing director, Mr Lood Muller, said yesterday about 150 workers could lose their jobs, but stressed this was only an estimate.

The company has become the second Pretoria motor assembly plant to fire excess labour during the past week. Sigma retrenched or laid off about 850 workers on Tuesday.

None of the East Cape motor companies appear to have immediate plans to lay off workers, but motor industry sources have warned that more retrenchments could be on the cards later this year.

However, a major union in the industry has vowed to fight these and to demand that employers find other ways of cutting production as economic conditions worsen.

Mr Muller said yesterday that Datsun usually found that between 1% and 3% of its 7 000 strong workforce did not return to the company after the end-of-year break. They usually found jobs elsewhere.

To prepare for this, the company took on extra workers in the period before the end of the year.

Tougher

"This year, however, more have come back than we expected. This means that we will have to prune the workforce so that we are not overstaffed," Mr Muller said.

That more workers than usual had returned was "almost certainly a sign of tougher conditions in the area — we are also finding that far more people are gathering outside our gate to ask for jobs," he added.

Mr Muller said the final decision had not yet been taken on how many workers would lose their jobs and who they would be.

Some departments were due to take the decision yesterday and other workers would only be told next week to leave.

Mr Muller estimated that about 2% of the workforce — about 150 workers — would be affected.

"But, this is only a rough estimate."

Workers at Datsun will lose benefits

PRETORIA — Union officials are involved in intense negotiation with management at the Datsun Motor Corporation after the dismissal of 200 workers there. The dismissal follows a similar dismissal of 107 workers at the Sigma Motor Corporation.

However, the Datsun workers, according to a spokesman for the Datsun Motor Corporation, are not to receive the same benefits as their workmates at Sigma did. This is because, he said, Datsun did not possess the same sort of fund out of which such benefits could be paid.

Instead, the dismissed workers are only to receive money due to them, such as leave pay.

The Datsun spokesman said people employed by the firm were hired according to their value to the company and those retrenched now would not necessarily be rehired if the market went up again.

He noted that the market dictated this sort of action because everything was geared to demand. It has been confirmed that officials from the National Automobile and Allied Workers Union are negotiating with Sigma's management over the dismissals.

A spokesman for the union said the treatment the workers had received at Datsun showed what could be expected when the employees were not unionised.

As far as Naawu was concerned, the treatment was not acceptable and the union called on all managements to implement the type of severance procedure that Naawu had pioneered in negotiations with Sigma.

New jobs have been found by Naawu for 50 of the Sigma workers retrenched in Pretoria last week.

A spokesman for the Union said Naawu had opened an office to help those who had been retrenched. — Sapa

Out of overdrive, but 1982's

Car sales to ride high

(192)

RDM 11/1/82

By PAT SIDLEY

IN SPITE of the expected downturn, motor manufacturers are optimistic about car sales for 1982 — but expect a fall in commercial vehicle sales.

Toyota, Ford and VW expect their sales of cars to increase — as well as their share of the market.

These three account for about 50% of the car market

Individual manufacturers forecast car sales for the industry as a whole in 1982 at 265 000 to 288 000 — compared with last year's expected record figure of 300 000 and 1980's of 277 058

Giving an overview of the industry, General Motors managing director, Mr Lou Wilkings, said 1982 — an "adjustment year" — would show some downturn

Passenger vehicle sales in 1982 were expected to be 250 000 to 265 000 and commercial vehicles and trucks 125 000 to 135 000

GM forecast combined sales of between 375 000 and 400 000.

Mr Wilkings said that 1982 would nevertheless be the third best year for the motor industry in South Africa's history

GM's analysis of factors likely to influence the industry include

- The effect of high interest rates on consumer durables
- The expected higher prices resulting from Atlantis Diesel Engines prompting early buying
- The 66% local content requirement this year in trucks causing cost increases and depressing effects on the market

GM will not comment on its prospects this year It will put a new model on the market in June — always a stimulant to sales

Toyota's managing director, Mr Colin Adcock, said he expected to sell almost 10% more vehicles this year than in 1981

Toyota sold about 91 000 vehicles last year — split almost equally between cars and trucks Mr Adcock expected sales of 100 000 vehicles this year — with the split changed to 55% for cars and 45% for commercial vehicles

He expected to increase market share in cars, but believed the truck market would slow down

In calculating his optimistic forecast, Mr Adcock said Toyota had taken into account further likely clamps on the economy to cool it off, high interest rates and a tight Budget.

He said Toyota had predicted its volumes accurately for the past four years

Ford's vehicle sales and marketing manager, Mr Keith Butler-Whealhouse, expected higher car sales and a larger slice of the market This year would be the first with the full range of the popular Escorts of which there was still a shortage

His overall view of the industry for 1982 was for car sales of 288 000 — "possibly more" — light truck sales dropping from 108 000 to 100 000 with the biggest change in heavy trucks which would drop from 43 000 to 34 000

This change would be influenced by ADE But ADE would be to Ford's advantage, enabling it to fill a product gap in its range of diesel engine sizes

The biggest danger in the industry in 1982 he believed would be oversupply

Volkswagen expects a slight downturn in the industry A spokesman forecast sales of 280 000 cars which would not represent a slump but a return to 1980 levels

GM to reopen plant only next week

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E. Post 11/1/82

Post Reporter

WHILE most motor and component firms in the Port Elizabeth-Uitenhage area are already in full swing or starting today or tomorrow, General Motors plans to reopen its gates only next Monday

Hourly paid workers at GM will not be paid by the company during this extended shut-down period, a spokesman for the company said today.

"Provisions for payments to factory workers during such periods can be taken care of by the supplemental unemployment benefit fund of the Industrial Council," he explained.

This meant they would be paid a percentage of their usual wage

The reason for the extended shut down was explained in a statement by the company

"GM is moving into local content on Isuzu pickups, effective from January 1, 1982

"A number of components are not available from the suppliers and some are expected only at the beginning of February," the statement said

Because the company had no Isuzu pickups to build, it was necessary to realign production schedules and it was not neccesary to begin production before January 18

Other factors were that GM had to rearrange its factory due to new model announcements during 1982.

Also, the repowering of diesel trucks with Atlantis engines necessitated changes in the factory which could be carried out only when the factory was not in full operation

Ford employees returned today A spokesman for Volkswagen in Uitenhage said factory workers had returned on Tuesday last week

A spokesman for the Firestone tyre company said production had restarted at the weekend, and the full complement of workers would return by tomorrow

Dorbyl component company in Uitenhage only shut down completely for a week between Christmas and New Year.

150 lose jobs at motor plant

January 1982

192

Labour Reporter

About 150 workers were dismissed last week at the Datsun Nissan motor assembly plant at Rosslyn near Pretoria because the firm was over-staffed

A company spokesman told The Star the workers were not laid off or retrenched because of recessionary problems, but due to a "seasonal" problem.

Each year Datsun had to replace workers who left the firm at the end of the year after receiving their holiday pay and bonuses, the spokesman said.

In order to meet this shortage the firm took on more workers, but after the recent holiday season more workers returned than usual and 150 workers had to be dismissed he said.

NEW MACHINES

These retrenchments follow hard on Sigma's dismissal of 507 workers and the lay-off of another 348 workers last week

The Pretoria-area firm had dismissed workers because some production work had been sub contracted to another firm and some new labour saving machines had been installed at the Sigma plant.

Benefits for the dismissed and laid-off workers were organised by Sigma and the National Automobile and Allied Workers Union (Naawu)

The union opened an office near the plant to help former workers obtain new jobs About 50 men had been placed in other jobs a Naawu spokesman said.

Car union fears more retrenchment

Star 13/1/82 (192)

By Tony Davis
Labour Reporter

Trade unionists fear more worker retrenchments in the motor industry after a prediction that car sales will drop at least 10 percent this year.

In less than two weeks of 1982 about 1 000 motor assembly workers have been laid off or dismissed

● At the Sigma plant, near Pretoria, 507 workers were dismissed and another 318 laid off for January

● At Datsun Nissan in Rosslyn, near Pretoria, 150 workers were dismissed

Managements at motor assembly firms in Pretoria, the Port Elizabeth area and Cape Town have said they do not foresee any retrenchments "at this stage" but this has not reassured the motor unions

In Johannesburg last Friday the president of the Institute of the Motor Industry for Southern Africa, Mr R P Whitfield, warned that last year's unprecedented car sales boom of about 450 000 vehicles was likely to drop to between 390 000 and 400 000 over the next two years

"During the next two years we expect sales to be lower, a natural result of the correction of an overheated economy," Mr Whitfield said

But Mr Whitfield said he was confident that the motor industry would continue to grow in the future

The dismissals and lay offs at Sigma last week prompted the National Automobile and Allied Workers Union (Naawu) to release a statement on retrenchments

The Fosatu-affiliated union called for advance notice of any pending retrenchments and demanded benefit schemes for affected workers It said the Government and employers should ensure that workers were not hard hit by economic recessions.

Unions square up to threat of lay-offs

RDM 13/1/82

RETRENCHMENTS are likely to be one of the biggest labour issues in 1982. Unions are drawing up plans to fight layoffs and cutting back on staff is likely to be a major source of tension. Labour Reporter [illegible] [illegible] reports

ANYONE looking for one of 1982's biggest labour issues need look no further than the Datsun and Sigma motor factories near Pretoria

Both last week fired or laid off excess labour — 850 workers at Sigma, an estimated 150 at Datsun

While there may have been special factors at work in both cases, it is certain that many more workers face the threat of losing their jobs before the year is out. Union sources already report lay-offs in the metal industries.

A recession is expected to hit as the year wears on and employers who took on large numbers of workers during the recent boom are likely to trim their workforce.

Of course there were hard times in the Seventies which led to lay-offs and large queues at Government Labour offices.

But then workers seemed to accept their fate fairly passively — generally employers were able to retrench as they wished.

But this year there is a growing black union movement and workers are both better organised and more militant.

Already, a major Fosatu union, the National Automobile and Allied Workers Union has vowed to fight lay-offs.

It has urged employers to use other methods of cutting production, such as short-time (where a company works a shorter week and cuts all workers' wages instead of laying off staff), cutting overtime and slowing down production.

Above all it has called for retrenchments to be negotiated with workers.

The possibility of a clash between managements and unions is increased by the fact that often employers use a fall-off in work to fire more militant workers.

'Many people are likely to see this as a chance to get rid of alleged 'troublemakers,' says an employer source.

Even in the Seventies firings of union shop stewards or other shop-floor activists often provoked disputes, legal actions by unions and publicity campaigns against the company.

In motor plants, for example, lay-offs could well be fought by the unions.

NAAWU says its first demand will be that employers go on to short time rather than retrench — precisely what most motor plants did in the Seventies.

But an employer source says that some large motor companies will opt for lay-offs rather than short-time if they have to retrench this year.

He says going on to short time prompted worker resentment because all workers suffered a drop in pay. This, some employers believe, contributed to the strikes which hit the industry in the late Seventies and early 1980.

They therefore argue that it is 'safer' to penalise only a section of the workforce.

For their part, unions tend to prefer a drop in workers' wages to a situation in which large numbers have no job at all.

Of course, many employers will argue that, in hard times, it doesn't really matter what unions think. With unemployment high, there'll be more workers clamouring for jobs. So if the unions really don't like it, their members can strike — and be replaced by non-union members.

That is largely what happened in past recessions. In the wake of the 1973/74 Durban strikes, black unions emerged whose membership jumped sharply — only to fall just as quickly.

The hard times of the mid-Seventies were one factor, but there were others which no longer hold.

The unions at that time faced intense Government and employer hostility. Now Government policy is no longer opposed to black unionism — at least in theory — and many employers have moved to recognise black unions.

In some cases, unions have had retrenchment procedures written into agreements with employers which seek to protect workers during labour cut backs — such as the Sigma agreement.

A further difference is that employers are desperately short of skilled workers.

In the 1970's, East Cape motor firms found they could not fire strikers because few of the many jobless workers available had the required skills. The need for skilled black workers will narrow employer options.

Unions in East London, for example have been living with 30% unemployment even during a boom — a few extra percent is unlikely to matter.

"If employers try to retrench activists, it could go either way. They could put a temporary lid on unionism or be inviting a great deal of trouble," says one senior management man.

Labour consultant Mr Gavin Brown is more emphatic. "I still haven't seen any proof that recessions knock the present black union movement," he says.

Adds one NAAWU unionist: "Many workers seem fatalistic about losing their jobs. They regard the fact that they have won a reasonably good deal at Sigma as an advance in itself. There has been no loss of enthusiasm for unionism."

Employers who seek to cut back on their workforce without negotiating could face serious conflict.

Mr Brown says he will be advising clients that "the traditional methods managements have used during recessions won't work this time."

He says lay-offs in the past have tended to be arbitrary. Often the decision is passed on to a foreman or supervisor who simply fires the people he doesn't like. 'This time retrenchment policies will have to be defensible.

"It's a decision which is too important to leave to a junior man who may act on a subjective basis."

Where unions are recognised, managements will have to abide by the procedures they have agreed with the unions, he says. If they don't, the union may lose credibility and open the way for a more "militant" rival.

And where there is no union, he believes, arbitrary retrenchments might create fertile ground for union organisers.

He warns that most larger companies have the labour relations skill to handle the issue, but that 'middle sized South African owned firms may not. These may be the trouble spots.

What measures are unions likely to demand if the threat of lay-offs loom?

If NAAWU's is a guide, their first reaction will be to fight the threat of retrenchment.

NAAWU calls for employers to plan to avoid retrenchments — by juggling staff complements and production.

If work still has to be cut back it wants consultation with workers on ways of avoiding retrenchment — short time, overtime bans and the like.

And it wants agreement between unions and employers on retrenchment procedures — these are already written into many recognition agreements.

It's always been easy to fire workers so many employers retrench without looking for an alternative. [illegible]

Hence union charges in the [illegible] firms [illegible] time at [illegible] they were laying off workers [illegible] assign unions, claimed that they were 'cost cutting' at the expense of workers [illegible].

What if the union loses the battle and workers must go?

Firstly NAAWU wants one month's notice to worker leaders on pending layoffs so that negotiations can start on how, these will occur.

Unions usually want an objective standard for choosing who will go. The most popular method is 'last in-first out' — in which a worker's length of service is the only standard. Where procedures are written into agreements, this is the one usually chosen.

As at Sigma, they are also certain to demand that workers get some form of severance pay or unemployment benefit.

NAAWU calls for severance pay based on "service and the company's ability to pay." Some employers are already looking in terms of a private negotiated plan for providing workers with unemployment benefits.

Formulae will vary — that is why a senior employer organisation man stresses the need for firms not to look for blueprints but to negotiate. "As long as firms bargain on lay-offs they should avoid trouble," he says.

Sigma's layoffs were negotiated with the union and the agreement was adhered to by both sides. There was no unrest.

But then Sigma had a written agreement with the union whereby the two sides bargain directly on all aspects of work conditions.

The kind of tensions layoffs will produce are going to stress the need for direct factory floor bargaining as never before.

In hard times, unions tend to lay less stress on pay, more on keeping men in jobs. These are not issues which can be settled at official industrial councils remote from the shop floor. Employers who rely solely on councils may risk strikes, consumer boycotts or foreign union campaigns.

The minimum pay which councils lay down may cause less worker tension when labour is in short supply and employers have to pay well above the minimum to attract workers.

Where employers can attract workers at a rate near the minimum it is going to be more essential that actual rates are negotiated with workers rather than simply set by an employer. Far from hammering unions, layoffs could underline the need for effective bargaining between management and labour on the shop floor.

[illegible] consult [illegible] to prevent a [illegible] sitting worker at a motor plant

Unions are squaring up to threats of layoffs

Cape Times 15/1/82

Retrenchments are likely to be one of the biggest labour issues in 1982. Unions are drawing up plans to fight layoffs and cutting back on staff is likely to be a major source of factory tension. The Rand Daily Mail labour reporter STEVEN ELLEDRAPI reports.

ANYONE looking for one of 1982's biggest labour issues need look no further than the Datsun and Sigma motor factories near Pretoria.

Both last week fired or laid off excess labour — 850 workers at Sigma, and an estimated 150 at Datsun.

While there may have been special factors at work in both cases, it is certain that many more workers face the threat of losing their jobs before the year is out. Union sources already report lay-offs in the metal industries.

A recession is expected to bite as the year wears on and employers who took on large numbers of workers during the recent boom are likely to trim their workforce.

Passively

Of course there were hard times in the Seventies which led to lay-offs and long queues at government labour offices. But then workers seemed to accept their fate fairly passively — generally employers were able to retrench as they wished.

But this year there is a growing black union movement and workers are both better organized and more militant.

Already, a major Fosatu union, the National Automobile and Allied Workers' Union, has vowed to fight lay-offs. It has urged employers to use other methods of cutting production, such as short time (where a company works a shorter week and cuts all workers' wage instead of laying off staff), cutting overtime and slowing down production. Above all it has called for retrenchments to be negotiated with workers.

The possibility of a clash between managements and unions is increased by the fact that often employers use a fall-off in work to fire more militant workers.

"Many people are likely to see this as a chance to get rid of alleged 'troublemakers'," says an employer source.

NAAWU says its first demand will be that employers go on to short time rather than retrench — precisely what most motor plants did in the Seventies.

But an employer source says that some large motor companies will opt for lay-offs rather than short time if they have to retrench this year.

He says going on to short time prompts worker resentment because all workers suffered a drop in pay. This, some employers believe, contributed to the strikes which hit the industry in the late Seventies and early 1980. They therefore argue that it is "safer" to penalize only a section of the workforce.

For their part unions tend to prefer a drop in workers' wages to a situation in which large numbers have no job at all.

Replacement

Of course, many employers will argue that in hard times, it doesn't really matter what unions think. With unemployment high, there will be more workers clamouring for jobs. So if the unions really don't like it, their members can strike — and be replaced by non-union members.

That is largely what happened in past recessions. In the wake of the 1973/74 Durban strikes, black unions emerged whose membership jumped sharply — only to fall just as quickly.

The hard times of the mid-Seventies were one factor, but there were others which no longer hold.

The unions at that time faced hostile government and employer hostility. Now government policy is no longer opposed to black unionism — at least in theory — and many employers have moved to recognize black unions.

In some cases, unions have had retrenchment procedures written into agreements with employers which seek to protect workers during labour cut-backs — such as the Sigma agreement.

A further difference is that employers [illegible] says one senior management man.

Labour consultant Mr Gavin Brown is more emphatic. "I still haven't seen any proof that recessions [illegible] the present black union movement," he says.

'Fatalistic'

Adds one NAAWU organiser: "Many workers seem fatalistic about losing their jobs. They regard the fact that they have [illegible] reasonably good deal at Sigma as an advance in itself. There has been no loss of enthusiasm for unionism."

Employers who seek to cut back on their workforce without negotiating could face serious conflict.

Mr Brown says he will be advising clients that "the traditional methods managements have used during recessions won't work this time".

He says lay-offs in the past have tended to be arbitrary. Often the decision is passed on to a foreman or supervisor who simply fires the people he doesn't like.

"This time retrenchment policies will have to be defensible. It's a decision which is too important to leave to a junior man who may act on a subjective basis."

Where unions are recognized managements will have to abide by the procedures they have agreed with the unions, he says. If they don't, the union may lose credibility and open the way for a more "militant" rival.

And where there is no union he believes, arbitrary retrenchments might [illegible] tive," says an NAAWU man.

He cites union charges in the Seventies that staff firms were working overtime at the same time as they were laying off workers — a claim, unions claimed, that they were "cost cutting at the expense of workers' jobs".

What if the union loses the battle and workers lose jobs?

Finally, NAAWU wants one month's notice to worker leaders on pending layoffs so that negotiations can start on how these will occur.

Most popular

Unions usually want an objective standard for choosing who will go. The most popular method is 'last-in-first-out' — in which a worker's length of service is the only standard. Where procedures are written into agreements, this is the one usually chosen.

As at Sigma they are also certain to demand that workers get some form of severance pay or unemployment benefit. NAAWU calls for severance pay based on "service and the company's ability to pay". Some employers are already thinking in terms of a private negotiated plan for providing workers with unemployment benefits.

Formulas will vary — that is why a senior employer organization man stresses the need for firms not to look for blueprints but to negotiate. "As long as firms carry on lay-offs they should avoid trouble," he says.

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The kind of tensions layoffs will produce are going to stress the need for direct factory floor bargaining as never before.

FM 15/1/82

LABOUR MATTERS

Looking at prospects

(33/75) (192) (131) (120a)

Although some trade unists believe 1982 might be a fairly good year for labour in SA others are not as optimistic and are developing strategies to deal with retrenchments

Dr Anna Scheepers president of the Trade Union Council of SA (Tucsa) expresses guarded optimism about the coming year but believes that workers in some sectors could be hit by retrenchment policies She says the industry she knows best the garment industry which is fairly sensitive to changes in the economic climate should have a reasonably good year

Tucsa has not yet formulated any plan of action to cope with retrenchments says Scheepers But she adds that it is likely that this will be discussed at a meeting later this month

Extremely sensitive to an economic slowdown are the building and motor industries Although the University of Stellenbosch's Bureau for Economic Research predicts a marked drop in building activity a spokesman for the Building Construction and Allied Workers Union tells the *FM* that he has had no reports of retrenchments so far

Retrenchments have already occurred in the motor industry During the past week about 200 workers were retrenched at Sigma and about 150 at Datsun

The National Automobile and Allied Workers Union (Cusa) which has been negotiating on behalf of workers retrenched at Sigma is demanding that employers go on to short time rather than fire workers Naawu an affiliate of the Federation of SA Trade Unions (Fosatu) has listed steps which managements should take

- They should plan to ensure that a downturn in demand does not result in retrenchment,
- They should consult with workers on ways to prevent retrenchment — for example, by going on short time, by slowing down production and avoiding overtime
- If workers are retrenched, their representatives should be given one month's notice,
- Workers should be granted severance pay, based on service and the company's ability to pay, and
- Negotiations should be held with worker representatives on retrenchment and re-employment procedures

'We expect that retrenchments will be a problem this year says a Naawu official who however believes that the Sigma layoffs might not necessarily herald the beginning of a major slowdown in the motor industry But he is concerned that companies are reporting declining demand for their products

As far as the motor industry is concerned the picture is not entirely gloomy Motor industry sources believe that overall, sales will be down 5%-10% over last year Not all manufacturers are expecting to have to lay off people A spokesman for Ford, for example, says the corporation does not anticipate the need for staff reductions In addition government's local content programme will result in many new jobs being created in the industry

Many of the emerging black unions which have not already managed to negotiate retrenchment procedures and severance pay with employers are now paying increased attention to these issues Some employers are jittery about possible demands for severance pay and also fear that sharp differences may emerge between employees over whether a company should opt for short time instead of laying off people

One lesson which does emerge from Sigma's retrenchments is that unrest and much ill feeling can be avoided by effective bargaining between unions and managements The Sigma layoffs were negotiated between the two parties and the agreement has been adhered to by them

'Our policy is to negotiate these things with our union and we have had positive benefits from this' says a spokesman for the company

... the ATVs ...

... Neelkes competition

His follow-up is *Haai Laat Waai*, and a spokesman for the recording company, EMI, said it was "selling well"

Neels not only plays boeremusiek, but jazz and light country music as well, to which can be attributed his popularity in South Africa

... our fun competition in Weekend Post tomorrow.

15/1/82 E. Post

Labour leaders vow to fight layoffs in motor industry

By SANDRA SMITH

DESPITE denials by the motor and component companies, labour leaders predict widespread layoffs in the industry this year — and unions have vowed to fight them

Last week the Datsun and Sigma motor factories near Pretoria fired or laid off excess labour — 850 workers at Sigma and an estimated 150 at Datsun Layoffs have also been reported in the metal industries

Further trimmings of workforces are expected as the downswing in the economy occurs, and a major Fosatu union, the National Automobile and Allied Workers' Union (Naawu) has urged employers to use other methods of cutting production

These include short time, where a company works a shorter week and cuts all workers' wages instead of laying off staff, cutting overtime and slowing down production

Naawu has also urged employers to negotiate retrenchment with workers

A union spokesman said this week many companies felt short time created worker resentment

Union spokesmen interviewed tended to prefer a drop in workers' wages to a situation where the unemployment situation was worsened by large numbers having no jobs at all

The Naawu spokesman said in the event of layoffs becoming inevitable, the union wanted one month's notice so negotiations could start on how layoffs would occur

Naawu also wanted an objective standard for choosing who would go The union preferred the method whereby a worker's length of service was the only standard

A spokesman for the Motor and Component Workers' Union of South Africa (Macwusa) said the union also preferred short time to layoffs, and urged managements to discuss the issue with them

A spokesman for the General Workers' Union, mainly operative among stevedores in the Eastern Cape, said the present situation was one of tremendous economic hardship for workers and a volatile political climate

In the event of layoffs at Volkswagen, Ford and General Motors, workers would receive a Supplementary Unemployment Benefit Fund bonus in terms of an Industrial Council agreement which came into operation in 1979

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SA car sales b

the 300 000 ba

(192) E. Post 18/1/82

By FRED ROFFEY, Business Editor

WITH Eastern Cape plants playing a prominent role, sales of new cars smashed through the 300 000-unit barrier last year to set a new sales record for the motor industry.

The total of 301 528, announced today, is up 8,83% on the previous record figure of 277 058 set in 1980.

Sales of new commercial vehicles in 1981 were also a record, with a total of 152 013 units — an increase of 19% over the 127 698 in 1980.

Volkswagen notched up 51 426 new car sales to obtain first position for 1981 with a 17,1% share of the market, followed by Sigma with 50 866 (16,9%) and Ford with 50 460 (16,7%)

Toyota, which was top in new commercial vehicles sales last year, obtained fourth position in new car sales with 46 185 units (15,3%), followed by General Motors with 33 204 (11,00)

Then came Datsun, 29 951 (9,9%), BMW, 13 442 (4,5%), Mercedes Benz, 11 743 (3,9%), Alfa, 9 454 (3,1%), Leyland, 5 757 (1,9%) and Fiat, 783 (0,3%)

Sales of new cars in December totalled 25 002, compared with 24 470 in November and 22 979 in December, 1980

Commercial vehicle sales in December amounted to 10 974, against 13 547 in November and 9 810 in December, 1980.

The top-selling car manufacturer in December was Sigma with 4 643 units (18,6% of the market), following by Ford, 4 442 (17,7%), Toyota, 4 324 (17,3%), Volkswagen, 3 595 (14,4%); General Motors, 2 678 (10,7%), Datsun, 2 279 (9,1%); BMW, 918 (3,7%), Mercedes Benz, 867 (3,4%), Alfa, 693 (2,8%) and Leyland, 549 (2,2%)

"Volkswagen has occupied the number one car sales position for seven out of the past 10 years," said the company's sales director, Mr Clive Warrilow

"Competition in last year's record market was extremely fierce

"In the large car sector of the market, Audi did particularly well in achieving its highest ever sales with more than 10 020 units, which is more than 14% above its best previous year"

Ford's manager of vehicle sales and marketing, Mr Keith Butler-Wheelhouse, said "Despite supply disruptions brought about by labour disputes at one of our overseas plants, Ford sales continued to be strong on all car lines, and in particular the Cortina, which claimed more than 40% of the sales in its class.

"We are expecting a substantial improvement in our position in the heavy truck market in 1982, with the introduction of a new high-technology model early in the year

"The Louisville truck range again proved its acceptance by closing the year with a record 466 units — 61% up on the 1980 sales"

The managing director of General Motors, Mr Lou Wilking, said his company's December total of 2 678 cars was the best December since 1974, when 3 095 units were sold

Sales of the Opel Kadett in December had been 1 473 — a 26,8% increase over the previous month's figure

GM's total of 33 204 new car sales in 1981 was the best since 1973, when 33 309 units were sold, while the commercial vehicle sales figure of 1 506 in December was the best since 1974, when 1 513 were sold, said Mr Wilking

Toyota retained its dominance of the commercial vehicle category for the ninth successive year with 29,4% of the market, followed by Datsun with 22,3%, General Motors with 12,7% and Ford with 10,7%.

CAPE TIMES 19/1/82 (192)

Union reviews Sullivan Code

Own Correspondent

PORT ELIZABETH — The Motor Assemblers and Component Workers Union of South Africa has submitted a hard hitting four-page document on the implementation of the Sullivan Code's fair employment principles to the company at its request

According to the union Ford's request follows an evaluation by an independent observer in the United States Mr Arthur Little who reported that the company is 'making good progress

In the document presented to Ford last week Macwusa one of the unions organizing black workers at Ford slammed the Sullivan Code as a toothless package and a piece-meal reform that allows this cruel system of apartheid to survive

Ford acknowledged receipt of the document but has declined to comment

This is the sixth year since the Sullivan Code guidelines were established for US multinationals in South Africa

In its document Macwusa listed the six principles and the union's comment on each

O Principle 1 Non-segregation of the races The union says this has no significance to the needs of black workers of whom 78 percent are employed in job categories which have no white workers 'The system of job discrimination on the basis of race is being perpetuated in its entirety

O Principle 2 Equal and fair employment practices for all employees The union says Practical experience at Ford shows for a black worker to qualify for a supervisory position he must be possess an academic Junior Certificate or undergo a company offered two-year technical course while whites who have lower primary school education fill supervisory and even senior appointments

O Principle 3 Equal pay for equal work The union's comment 84 percent of the workers in the lowest job categories are black and 98 5 percent of the workers employed in the top job category are white Since the black worker does not occupy job seniority equal to that of the white the 'equal pay for equal work statement is simple lip service and an empty slogan

O Principle 4 Initiation of and development of training programmes for blacks Macwusa claims that 99 percent of the black workers are misinformed about the education and training centre at Ford Over the past five years the company has reported on the number of black and white employees trained but has failed to reveal the discriminatory amounts of money spent in training them

O Principle 5 Increasing the number of blacks in supervisory and management positions The union says the appointment of blacks to managerial positions is simply tokenism The company abides by the law that prohibits black supervision over white and as such these black managers have no decision making power or authority in the company

O Principle 6 Improving the quality of employees lives outside the work environment The union says Ford has failed to address itself to the major question of black housing Ford gave large sums of money to the East Cape Administration Board for the improvement of the then Emaplangeni area subsequently demolished to make way for the new KwaFord township

This resulted in exploitation as rents ranged between R72 and R80 and the original residents, removed by Ecab now lived in black townships in conditions of squalor 'The new Fordville, with limited houses selling at some R45 000 each, is a window-dressing scheme aimed at promoting a black middle class

Macwusa also says 'substantial sums of money from the company are directed towards apartheid organizations and pro-government' sports bodies

In summary Macwusa says the Sullivan Code circles around apartheid's basic structures The Code does not demand apartheid to be abolished, but merely to mordenize and ensure its perpetuation It does not call for an end to passes or require companies to recognize black and white trade unions on an equal basis regardless of registration

GM to work short-time tomorrow and Monday

ARGUS 21/1/82 (192)

Argus Bureau

PORT ELIZABETH. — General Motors said in a statement today it had reduced its working hours for tomorrow and Monday due to material shortages.

A spokesman said this meant there would be no work for some employees on either day.

He said the majority of the assembly operations would be closed due to the material shortages.

However, other various operations will continue as usual.

Asked whether the short-time was temporary, he said the situation would be reviewed in line with production schedules.

He declined to comment on the number of employees affected or whether this meant an impending lay-off of staff at the plant.

General Motors was one of the two major motor firms here which extended end-of-year shutdown periods.

Mr Lou Wilkins, the company's managing director, said at the time that the longer shutdown was until through component supply and necessary reorganisation in factory.

DISMISSED

Earlier, spokesmen for the motor industry here dismissed fears of retrenchment because of possible production cutbacks.

Their assurances followed in the wake of an announcement by Sigma Motor Corporation in Pretoria that it had dismissed 507 black workers and laid off another 348 until the end of this month.

Sigma, however, ascribed its retrenchments to household organisational changes and not market demand.

Spokesman for the other two major companies, Ford and Volkswagen, said today that no change in working hours was envisaged.

192 ~~179~~ Sowetan 22/1/82

A milestone for motor industry

A LEADING South African motor manufacturer has opened the industry's most modern training facility for technical staff servicing vehicles at its dealerships throughout southern Africa.

The new R1-million training centre is part of an R8-million development scheme presently underway at the company's Sandton headquarters The scheme includes new warehouses, offices, conference centre, computer suite, vehicle museum, motor sports facilities and extensive parking areas

Developing the skills of their own and their dealers' technical staff has been an integral part of this company's long-term development strategy An assembly plant at Prospecton, Natal, is training enough employers annually to populate a medium-sized university, the company maintains

And the company also boasts that it has trained over 14 000 staff in all aspects of vehicle servicing

The growing number of passenger and light commercial vehicles and heavy trucks on South Africa's roads manufactured by this company has necessitated more skilled service staff at dealers, it explained

This has led to more than doubling training capacity at it's headquarters

Now, with new premises and equipment in Sandton, over 100 dealer technical staff at a time can be instructed in vehicle servicing and maintenance procedures With the increased reliability and ease of maintenance of modern cars, trucks and light commercials, the training emphasis now is very much on ensuring maximum economy of operation, particularly engine tuning

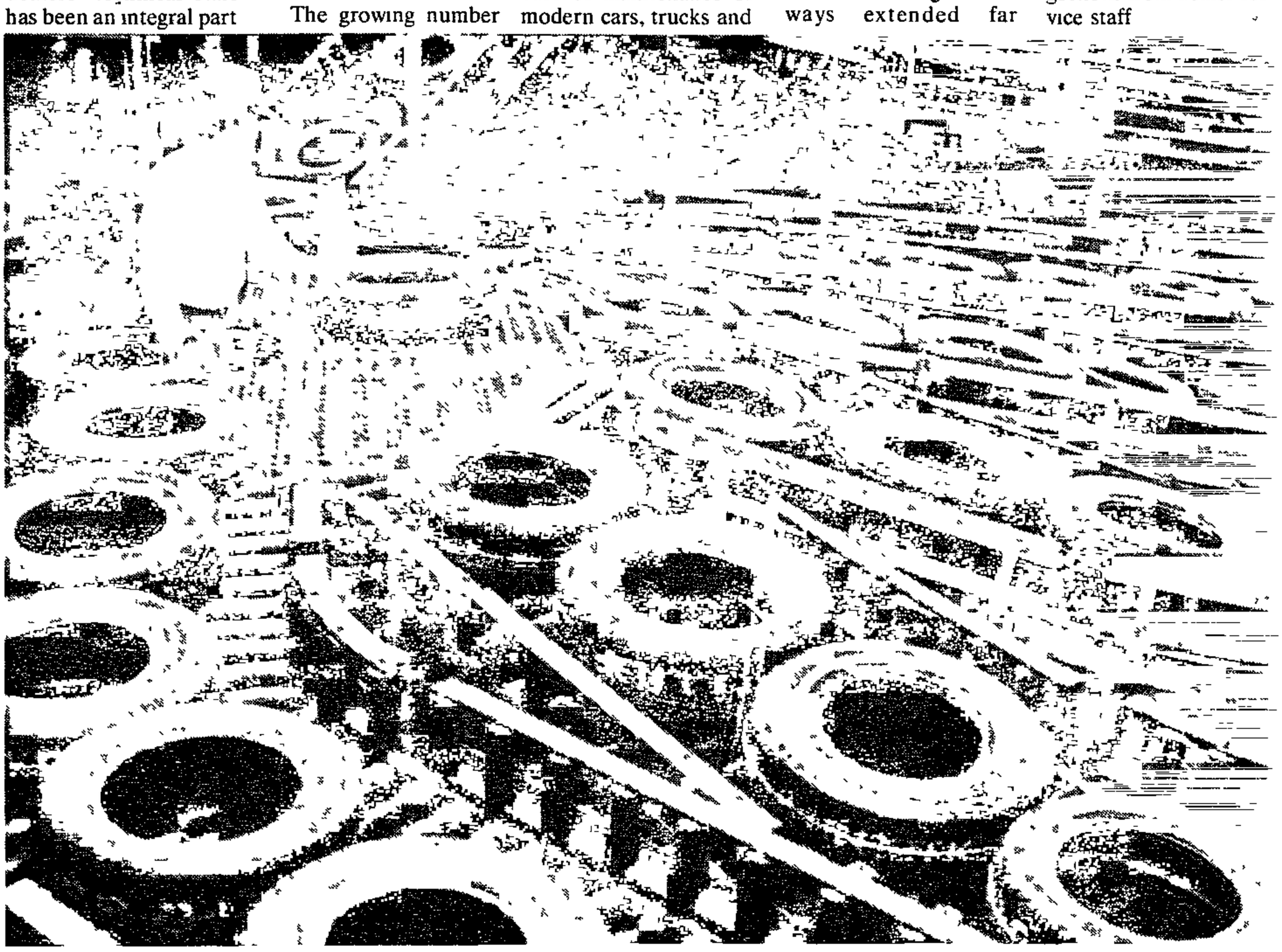
At the opening ceremony of the new training centre, chairman of the company, Dr A J J Wessels, said he welcomed the growing awareness in South Africa of the importance of training

"The training of manpower at all levels is the most fundamental prerequisite for industrial development," said Dr Wessels

"Our training has always extended far beyond the confines of our own organisation It was designed for our dealers and offered to fleet owners and to the technical and maintenance sections of government departments and local authorities"

He added that the opening of the extended training facilities should be seen as a milestone in implementing a training policy embracing the entire organisation

The centre will also distribute information about technical improvements and collate and study technical suggestions from dealer service staff



The radial revolution hits American markets

TYRE FACTORY: This plant in New York produces more than 40 000 tyres a day to keep pace with the American swing to *radial ply tyres.*

AT LONG last, the American car industry has standardised on radial tyres — several years after their European counterparts, and even two years behind South Africa.

All 1982 models rolling off US assembly lines are fitted with radials. According to the Goodyear news bureau, it is the first time since the 1968 model year that one tyre construction has been standard for all US tyre companies

Up until 1969, the only construction used was cross-ply Then came bias-belted tyres — still with a cross-ply carcase, but with a belt under tread. In 1970, they captured 88 percent of the new car tyre market

But radials were also starting to make their appearance, even though they earned only a meagre 1,2 percent of the new car market that year

Eleven years later, all 82 new car models are on radials, of which 24 use 13-inch wheels, 30 have 14-inch wheels and 28 are on 15-inch wheels

Goodyear supplies more tyres to the car manufacturers than any other tyre company and is the only tyre manufacturer supplying to all the US car makers, including Volkswagen of America.

Shutdown at General Motors for 2 days

Star 22/1/82

(192)

By Tony Davis
Labour Reporter

Most General Motors assembly operations in Port Elizabeth will be shut down today and on Monday because of "material shortages"

Hundreds of workers will be without work for the two days and union officials are fearful after retrenchments at Sigma and Datsun near Pretoria this month.

The company says the "material shortages" are responsible for the shutdowns, but work will continue in some sections. It is not known how many of General Motors's 3 000 workers will be affected.

The mammoth assembly plant had an extended end-of-year shutdown period, ascribed at the time to component shortages and re-organisation

A National Automobile and Allied Workers' Union spokesman in Port Elizabeth said it was closely watching the situation at General Motors

Car part plants keeping up

(192) E. Post 23/1/82

Weekend Post Reporter

THE capacity of motor component factories was underrated, said the national secretary of the National Association of Automotive Components and Allied Manufacturers (Naacam), Mr W M Hayward

A survey showed component manufacturers were well geared to meet the demand from vehicle plants from 1982 onwards, he said in a statement

A top vehicle manufacturer, he claimed, had indicated its satisfaction with the way in which the original equipment suppliers met the challenge last year

The statement did not name the vehicle manufacturer involved

This firm had had "no line stoppages nor did it have to build so-called 'cripples' because of a shortage of or breakdown in the supply of components"

This was because there was close co-operation between the vehicle manufacturer and its suppliers "who were obviously given adequate lead times for tooling up", Mr Hayward felt

Naacam was investigating the capacity of the industry and wanted to ascertain the amount invested in each year to 1985 in enlarging premises and installing plant and equipment

The object was to establish in what way component manufacturers were responsible for "the alleged supply let-down"

The investigation would also highlight the need for more realistic long-term buying programmes to be communicated to component manufacturers by the vehicle assembly and manufacturing plants

In addition it would yield statistics to support representations which the association was thinking of submitting to the Government

Naacam was also negotiating with individual vehicle assemblers and manufacturers to arrange seminars with their original equipment suppliers to establish closer liaison

"It is of course also known that a certain vehicle assembler and manufacturer has not the in-plant capacity to process units supplied by a local component manufacturer," the statement said

"To keep its assembly line going it is importing finished units from overseas, a situation which neither conserves foreign exchange nor provides much-needed employment"

	1980	1990
Black population (millions)	20 5	27 3
White population (millions)	4 7	5 7
Car ownership per 1 000 blacks	24	60
Car ownership per 1 000 whites	440	460
Total car ownership — blacks	492 000	1 638 000
Total car ownership — whites	2 068 000	2 622 000

192

SA car ownership to soar to 4,5-m by 1990

Sunday Times 24/1/82

SOUTH Africa's car population will mushroom to a staggering 4,5-million by the end of the decade — nearly double the present figure

This is one of the results to emerge from a motor industry survey released to Business Times yesterday by the McCarthy group

Main impetus for the anticipated industry take-off is the burgeoning black-consumer market, where car ownership is expected to gallop up from the present 24 per head of population to 60 by 1990

By John Spira

Add this projection to a total black population which will grow from the current 20,5-million to 27,3-million by the end of the decade, and it is clear that the black market will provide a fertile hunting ground for car retailers

Moreover, additional rapid growth might be expected from 1990 onward, since the projected black car ownership figure of 60 per 1 000 of population is extremely low by Western standards

By contrast, white car ownership is expected to grow at a far lower rate — from the current 440 per 1 000 of population to only 460 by 1990

Between now and 1990, South Africa's white population is forecast to rise from 4,7-million to 5,7-million

In absolute figures, white car ownership will be 2,622-million by the end of the decade, compared with 2,068-million in 1980 The respective figures for blacks are 1,638-million and 492 000

Commenting on the results of the survey, Brian McCarthy, chairman of the McCarthy Group (one of the country's largest car retailers), says that, while the past two years represented a highly buoyant period for the motor industry, the extremely bleak mid-Seventies should not be overlooked

"Since 1973, car sales have grown at annual average compound rate of only 3,4% Accordingly, the hefty increases registered in the past two years merely reflect the emergence of several years of pent-up demand

"Given this background, the projections contained in the survey are not as wildly optimistic as they might superficially seem

"For the expectations for total car ownership represent a compound annual growth rate of only 5 2% between 1980 and 1990"

The survey also covers used-car sales which are projected to rise marginally faster than new-car sales

BEHIND THE CUTBACK

(192) FM 22/1/82 (192)

The sell-off of component manufacturing facilities — rather than economic woes — caused the retrenchment of 507 workers at Sigma this month Improved labour standards and a streamlining of the workforce are cited as other reasons for the cutback

A further 348 workers laid off on January 4 will be eligible for re-employment at the end of this month

Sigma has sold its former in-plant axle and soft trim facilities to specialist manufacturers

Axles are now made by Borg-Warner in Uitenhage and soft-trim by Rosslyn's Autoplastics, which has taken on some of the former Sigma workers

The move forms part of Sigma's decision to concentrate its R320m expansion programme over the next five years on assembling motor vehicles The company believes that, guaranteed higher production volumes, the components manufacturers will be able to make their own investment in capital and expertise In this way rising unit costs are more likely to be contained

A Sigma spokesman says the National Automobile and Allied Workers Union (Naawu) was informed beforehand of the proposed action and that Naawu was happy with Sigma's co-operation and with the benefits workers received

Sigma Park's labour force has now stabilised Turnover of black labour in December was down about 70% on 1980 — from 3,62% to 1,13% — and turnover of coloured workers was down about 80% — from 14,1% to 2,65% Also, absenteeism has decreased

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25/1/82

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Passats sting to death

By Erik Larsen

Two of South Africa's top basset hound breeders, Mr and Mrs Peter Muller, of Alberton, had a horrifying experience when seven of their top dogs were stung to death by bees

The Mullers were also badly stung Mrs Muller spent two days in hospital and her husband had over 200 stings on his body

Four of the dead bassets had been champions and the others, eight-month-old male puppies — all potential champions, according to Mr Muller

Four other bassets were also stung but have recovered

On January 2 Mr Muller heard the dogs yelping When I went outside to investigate I saw a strange swarm of bees attacking the dogs

"My wife and I ran to their assistance We each grabbed a dog and ran but the bees also attacked us The air was absolutely black with enraged bees"

Mr Muller said it was strange that the bees attacked only their bassets and ignored the 120 dogs boarding at their kennels

Mrs Muller collapsed and she and her husband were taken to hospital

'It was an absolute disaster — 14 years of selective line breeding was destroyed in half an hour," said Mr Muller

'Mugged' trickster arrested

An Indian man has been arrested in a Johannesburg clothing store after several businessmen had last week given large sums of money to a man who claimed he had been mugged

The man rushed into Eric's Manshop on the corner of Pritchard and Harrison Streets claiming he had been mugged

The shopkeeper recognised the man from descriptions given him by other Indian businessmen and locked him in a room before calling Mr Gulay Mayet of End Street who had previously lost R200

Mr Mayet also recognised the man and the police were called

Star 25/1/82

Families pack up brick by brick

Own Correspondence

BLOEMFONTFIN — Ninety families living in two villages near Groothoek Dam, just outside Thaba Nchu in the Free State, have to move out today to make way for a game reserve.

The order to move off the former Bantu Trust land comes from the Bophuthatswana government, which is turning 2 000 ha around the dam into a game reserve.

Groothoek village, a community of some 60 families, and Moroka's Hoek, with 30, are the two settlements directly affected

Inhabitants were told in November they would have to move They are moving to established settlements South of Thaba Nchu

The Bophutatswana government will transport roofing, furniture and window frames free of charge, but the villagers must move bricks, livestock and other articles themselves

Star 25/1/82 (192)

Workers returning

The 348 workers at the Sigma motor assembly plant near Pretoria who were laid off this month are all being taken on again this week

A company spokesman said the workers would be back at their jobs by Friday

Tomorrow in The Star

Taste of the shivers

Europe and America have had their share of polar climates recently, now it's our turn The Star's Topic Today page tomorrow deals with the North and South polar regions This ties in with a television programme tomorrow evening — Oorlewing — on the Antarctic and Arctic Also — on Friday, Topic will publish a colour chart of the ice caps

Section B Questio

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Motor company will sponsor PE school clean-up

(340)

E. Post 30/1/82 (192)

Weekend Post Reporter

KEEP South Africa Tidy, Eastern Cape, next month embarks on its first project — a winter-schools clean-up campaign, sponsored by a Port Elizabeth motor company

The campaign forms part of the motor company's social action programme and is aimed at the secondary schools on the Port Elizabeth circuit

A panel of judges will decide which school has worked the hardest and an exciting prize will be awarded to the class which has undertaken the campaign on behalf of the winning school

The secondary schools involved in the project are Cowan, Kwazakele, Mzontsundu, Tamsanqa, Itembelihle, Masibambane and Newell

The purpose of the campaign will be to improve the grounds and surroundings of each school

This will be done by clearing the grounds of the schools, levelling areas where necessary, and planting grass and shrubs

It has been suggested that the task be allocated to one class — for instance a more senior one such as Standard Nine

The sponsoring company has agreed to provide each competing school with gardening equipment, wheelbarrows and hosepipes

Once the panel of judges has agreed that the grounds have been suitably prepared, shrubs for planting will be provided

The prize to the winning class will consist of an overnight outing by bus to another centre, such as East London, where a sightseeing tour will be arranged

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Tractor sales likely to be halved this year

(192) MM 1/2/82

By PAT SIDLEY

THE tractor industry expects a 48% drop in sales this year from the 1981 record of almost 25 000 units. This year's sales of 13 000 tractors would represent a R200-million fall in sales

Sales of tractors were worth between R500-million and R600-million last year

Some of the reasons for the expected drop are

- High interest rates, especially in the price of Land Bank loans.
- Farmers expect a small maize price increase — if any
- Many people bought tractors in 1980 and 1981 earlier than they would otherwise have in anticipation of the Atlantis Diesel Engine switch
- Farming costs are expected to rise, reducing profit margins Farmers are able to write off the cost of equipment against farming profits in any one year

Farming takes more than 90% of tractor sales The large maize crop — maize contributes about 45% of SA's agriculture's output — and a good price for the 1980 crop together with the "threat" of ADE engines prompted farmers to buy tractors in 1980 and 1981

Those costs could be offset against their larger profit margins in those years These margins are not expected this year

The managing director of Malbak's farm machinery division, Mr Robin Manning, said he believed farmers thought they would not be getting a large maize-price increase this year

Fuel and fertiliser price increases would also reduce their profits

Tractor prices would rise ADE had added about 25% to the cost of tractors, but this year the industry expected further increases of about 12%

About 7% of that would be ADE price increases and the rest would be caused by the low dollar-rand exchange rate on imported parts

SA had 220 000 tractors, each with a life of 10 to 15 years, Mr Manning said In an average year, the industry could sell about 18 000 tractors

In 1981, 24 862 tractors were sold and those buyers would be out of the market for some time

Ford has the largest slice of the market by a narrow margin It has 24,6%, followed by Massey Ferguson with 24,5% John Deere and Fiat account for 18,8% and 14,3% respectively

Macwusa quizzed by Ford man

S. Post 27/1/82 (192) (62)

THE Director of Industrial Relations at the Ford Motor Company, Mr Fred Ferreira, confirmed today that officials of the Motor Assemblers' and Component Workers' Union had been asked about rumours of a demonstration by workers — allegedly being planned to coincide with the visit of Mr Henry Ford II

Macwusa's organising secretary, Mr Government Zini, said yesterday he was approached by a Ford labour relations officer who asked about a demonstration

The grandson of the company's founder and a former president, Mr Ford, arrived by chartered jet in Port Elizabeth this week

He is on a farewell trip to recognise the end of his executive relationship with the company's South African affiliate and the Ford dealer organisation

Commenting on the incident, Mr Zini said "Macwusa is disciplined and does not engage in sporadic actions"

Mr Ferreira said a staff member of Ford's industrial relations department had approached two Macwusa officials "to explore whether any demonstrations were being planned and to counsel against them"

Surprise turn in Leyland wage dispute

Star 3/2/82

192

By Drew Forrest

In a surprise move, Leyland SA has asked the Government to appoint a statutory conciliation board after declaring a dispute with Fosatu's National Automobile and Allied Workers' Union (NAAWU).

The application, which follows the breakdown of wage talks, is believed to be the first in recent years by an employer and raises the possibility of a legal lockout by Leyland.

If the Minister does not establish a conciliation board within a certain time, or the board fails to settle the dispute, the company could lawfully lock out the 2 000 workers at its two Cape plants

NAAWU regional secretary Mr Joe Foster, said Leyland management first threatened to declare a formal dispute late last year when workers rejected its offer of a R1,76 minimum hourly wage

They wanted R1 80

Management intended the new rate, representing an increase of 30c over the previous minimum, to apply for 12 months from January this year

At a general meeting in January, however, the workers accepted the R1,76 figure on condition that the company undertook in the agreement to renegotiate wages in June

This was rejected by management, which then declared the dispute

"Management's action is ridiculous," said Mr Foster "They have said they intend to review wages in appropriate circumstances, but refused to write this into the wage contract"

A Leyland spokesman, Mr Arne Pitlo, said in response that the company "was not prepared to negotiate with the union through the medium of the Press"

In May last year Leyland was hit by a lengthy strike over wages at both its Blackheath and Elsies River plants

200 workers down tools at VW plant

E. Post 9/2/82 (192)

Post Reporter

ABOUT 200 employees at Volkswagen's plant in Uitenhage downed tools today in sympathy with two colleagues who were dismissed on Friday

Mr Ruben Els, public affairs manager for Volkswagen of SA (Pty) Ltd, said the work stoppage affected two of the five production lines at the plant

Management were today holding talks with officials of the United Automobile, Rubber and Allied Workers Union and full-time and part-time shop stewards at Volkswagen

Union officials last night declined to comment at this stage, saying that "negotiations were delicate"

A statement would be issued later, they said

ARGUS 9/2/82

200 car workers down tools

Argus Bureau

PORT ELIZABETH — About 200 employees at the Volkswagen plant in Uitenhage downed tools today over the dismissal of two colleagues on Friday

The public affairs manager for Volkswagen, Mr Ruben Els said the stoppage affected two of the five production lines at the plant

Management was holding talks today with officials of the United Automobile, Rubber and Allied Workers' Union and shop stewards

Union officials declined to comment at this stage saying that negotiations are delicate' A statement would be issued later

(192)

Strikers return to work

Star 10/2/82

Labour Reporter

Workers at the Volkswagen assembly plant in Uitenhage have returned to their jobs after a stoppage yesterday protesting the dismissal of two colleagues last Friday

Volkswagen management today met plant shop stewards and officials of the National Automobile and Allied Workers' Union to thrash out the issue

Several production lines were forced to shut down after the 200 workers downed tools.

The two men were apparently dismissed for disciplinary reasons

Union reports back to VW workers today

G. Post 19/2/82 (192)

Post Reporter

SHOP stewards and officials of the National Automobile and Allied Workers Union will report back to 200 workers on a production line at Volkswagen today on the outcome of talks with the managing director of the company, Mr Peter Searle

The workers downed tools on Monday, stayed away on Tuesday but agreed to go back to work today pending the outcome of the negotiations

They want 10 workers who were dismissed at 11pm on Friday re-instated

The secretary of the union, Mr Freddie Sauls, said the disruption started on Wednesday when a group of workers who had problems were called by a general foreman who asked them to sign reprimands

In terms of union procedure this had to be witnessed by a union official or shop steward

The shop steward was off ill and when he returned to work on Thursday the workers told him about the incident and asked him to take action

He was taking down their grievances when the general foreman claimed he had a work stoppage on his hands and ordered them to go back to work within three minutes or go home

Ten workers were dismissed when the last shift came off the line at 11pm on Friday

On Monday when the rest of the workers, about 200, heard about the dismissal they downed tools

The president of the National Automobible and Allied Workers Union, Mr Jurie Harris, and two shop stewards, Mr John Gomomo and Mr Sam Mpushe, are negotiating with Volkswagen management

VW workers re-instated

E. Post 12/2/82

(192) Post Reporter (140A)

MANAGEMENT at Volkswagen yesterday agreed to re-instate 10 workers who were dismissed on Friday night

Two of the workers were re-instated immediately and eight will be re-instated on March 4, the public affairs manager for Volkswagen, Mr Ruben Els, said today

He said the case of two workers who were involved in a disagreement with a foreman — the cause of the stoppage — was still under review

About 200 workers downed tools on Monday in sympathy after 10 workers were dismissed on Friday night

ADE is plugging R250-m parts gap

S Times 14/2/82 (192)

By Colin Bower

ATLANTIS Diesel Engines is plugging the R250-million-a year replacement parts gap in its hold on the South African diesel engine market with an aggressive marketing campaign designed to keep 'pirate' suppliers at bay

Although ADE's diesel engines enjoy substantial tariff protection — 30% on the value of trucks and buses and 40% on tractors — replacement parts do not

As a result the company will have to compete on equal terms with all comers in this ferocious market sector which has grown in real retail price value by 700% in the past 20 years

ADE's part sales and marketing manager Ernie Burmeister says that over the past seven months ADE sales of spares totalled R3 5-million

The company's R3 million warehouse now under construction will handle an initial yearly throughput of 378 tons of parts worth R22 million at retail values

According to Mr Burmeister, ADE is to pursue a keenly competitive pricing policy, with a shortening of discounts at all levels, to establish ADE parts in the marketplace

The replacement parts carry a six month warranty from date of purchase, irrespective of kilometres covered

The warranty includes fitting of the replacement part if the job is undertaken by the dealer

The R400 million plant that has grown out of the inhospitable white sands of Atlantis in just 18 months has produced 6 300 engines over the past nine months, and planned production volume this year is 37 500

Claimed benefits of the controversial development include standardisation in the hopelessly fragmented diesel engine market, and strategic independence from overseas suppliers

However, standardisation seems to be some way off at the moment, with 260 different specifications available on the five engines that are manufactured at present

ADE's managing director, Hartmut Beckurts says that he hopes market forces will sort out and establish the superior specifications which will enable the company to prune the multitude of variations that the company has to provide at present

Mr Beckurts strongly contests the view that ADE will be unacceptably costly to the commercial motor industry maintaining that his engines will not account for more than a 5% increase in the cost of tractors or vehicles

He says that traditional diesel engines would have been due for comprehensive price increases as a result of inflation and the introduction of new or updated engine types, and that a vehicle's purchase price was no more than 7% of the total costs of the vehicle over its operational lifetime

By 1985 the capital costs of establishing the plant will have been recouped, and at about this time ADE will seek a stock exchange listing, to convert to private finance and give the public a chance to invest in its fortunes

ADE product quality is claimed to be superior to the overseas version and if the determination of the company's management to succeed is anything to go by, it is clear that Atlantis will not suffer the same fate as its legendary namesake

Section C

A Diesel course is a course which equips a range of prices of a particular good with the quantity of good vehicle which should at each particular price. The course provides a

(9)

Some Monday mornings can be worse than others. Take Monday June 16 1980 at the Volkswagen factory in Uitenhage. At 8 in the morning 1 000 workers downed tools and streamed from their places of work to congregate on the lawn outside the Managing Director's office.

Preceding events included

— a history of political activism particularly by the AMCU and Black Consciousness movements in the Eastern Cape,
— rapid growth of Ford, General Motors and Volkswagen creating a high degree of prosperity and expectations in the Port Elizabeth Uitenhage area,
— increasing organisation of white coloured and African trade unions in the Eastern Cape motor industry,
— a protracted and messy strike at Ford in 1979 (which again erupted in 1980),
— the creation of highly active and politicised black community organisations in Port Elizabeth and Uitenhage (PEBCO and UBEC) in 1979, professing a range of issues including squalid housing conditions,
— a focus of international attention on the automobile manufacturers as a result of pressures on their parent companies and their commitments to the Sullivan and EEC codes of employment practice,
— wage rates for less skilled workers in the PE Uitenhage automobile industry being higher than those in the competitor companies in the PWV area, but productivity being maintained for still higher wages in the Eastern Cape,
— booming economic conditions demanding increased output,
— Industrial Council negotiations in progress for a new management union agreement for effect from 1 August 1980 but as yet little sign of agreement,
— widespread unrest in South Africa evidenced by schools boycotts leading to the closure of many schools and Fort Hare University, stone-throwing and arson in the Western Cape, sporadic strikes,
— calls for strikes and stay aways on Soweto Day, 16 June.

These events and those of the ensuing weeks compose a picture rich in opportunities for learning. Volkswagen, the unions involved as well as numerous other companies, officials and individuals agreed to be interviewed and make their records available. The Shell company recognising the need for such a case supported

Mike Morris and

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New friends and some valuable lessons – PROF SIMPSON'S VISIT TO U.S.A.

It was of great interest to see the tremendous pressure on the American economy, Professor Simpson said on his return from a recent trip to the United States.

He said it would not surprise him to see one of the large motor corporations fail and even an airline. The big ones are turning in losses that they simply cannot continue handling indefinitely.

Profit in air travel comes traditionally from the disposal of discretionary income, he said, "and combined with the high cost of fuel the decline in the propensity to spend is the root cause of the problems experienced by such corporations in the US economy."

Also, he added, "a growing number of Americans are beginning to question whether Reagonomics is working."

The main purpose of Professor Simpson's visit was to develop links with other Graduate Schools of Business and to establish new ties with prominent individuals at those schools.

In that respect, I believe the visit was a great success, he commented. "We now have very strong ties with a number of universities, including Harvard, Wharton, Columbia and Chicago. The result is we find we have access to potential staff for UCT's GSB to a greater degree than ever before – even to the extent of having a choice of candidates."

A highlight of Professor Simpson's American visit was his attendance at the annual Consumer Research Association's convention at St Louis, where he met people who stand collectively at the forefront of consumer marketing in the world.

He said he detected grave concern at the lack of an all embracing theory in consumer marketing. Increasingly academics look at facets of the subject and not the totality.

What was of value was that at last the experts were beginning to talk about the broader issues.

Engine cost a minor aspect

Economic sense to buy ADE

(192)

RDM 15/2/82

By LEICESTER SYMONS

BUYING trucks or tractors that do not have Atlantis diesel engines no longer makes economic sense, says Mr H H Beckurts, managing director of the ADE project near Cape Town.

He said in an interview that one of the biggest advantages of the project was the drastic reduction in different diesel engine models available — from more than 200 to 12 This would soon bring a total change of the after-market scene for tractor and commercial vehicle engines to the advantage of users

The benefits of reducing engine models and setting up the ADEPART parts marketing scheme would include the maximum degree of interchangeability of parts, supply from about 1 400 outlets, reduced inventories and competitive pricing

Training for diesel mechanics would be standardised, as would tooling for maintenance and repair

The savings could not be quantified yet, but would be substantial

The supply of parts for diesel engines not made by ADE must dry up Maintaining them would become an expensive exercise which could only lead to increased operating costs

The price of a commercial vehicle amounted to only about 7% of the operating cost over the vehicle's life The initial cost became less significant than factors like operating characteristics, fuel economy, durability, the availability of parts and service

"I predict a completely new ball game from now on Buyers will become far more discerning and will consider overall economy of the vehicle rather than purchase price and discounts offered"

In spite of the reduction in engine models to 12, ADE was concerned about the large number of versions being asked for. While the basic engines remained the same, manufacturers asked for a wide variety of unique components and dress items. ADE was dealing with 240 specifications for 16 vehicle manufacturers

The crankcase machining line in the Perkins plant had machined 3 345 blocks and machined blocks had been deleted from the overseas CKD supply The crankcase machining line in the Daimler-Benz plant was commissioned before the end of last year

Machining lines for cylinder heads, crankshafts, camshafts and connecting rods had been ordered and would be installed and commissioned as they became available

The Atlantis foundry, SA's largest and most modern grey iron foundry with a capacity of 12 000 tons a year, was nearly complete It was merged with ADE last December and rationalisation of services between the two companies would bring cost savings in manufacture

Towards the latter half of this year SA-cast cylinder blocks and heads would be fed into ADE's machining lines This would substantially increase local content. By 1984, except for turbochargers and fuel injection equipment, it would reach 95%

Negotiations with forging plants for the supply of crankshafts, camshafts, connecting rods, gearwheel blanks and other items had reached an advanced stage. A final decision on the siting of a large aluminium foundry at the Cape was imminent

In-house quality control and suppliers' quality assurance were firmly entrenched Only engines built and tested to the highest standards were leaving the factory

There were at present 1 700 workers This number would grow to 2 300, including 300 foundry workers Technical training had been provided from the start Nearly R1 500 000 had been invested in a training centre Training had initially been aimed mainly to provide operators for engine assembly, machining and quality control work This was soon extended to training service personnel from tractor and truck manufacturers

The first 22 apprentices had begun their first year of training and it was planned to enrol more apprentices each year Nearly 75 000 man hours had been devoted to training 950 workers through a variety of programmes

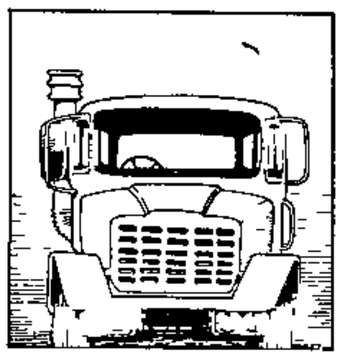
"In the interest of the South African operator, one can only hope that the market will soon identify the most efficient and economical models and that rationalisation will bring about a healthy reduction of this large variety, which causes an unnecessary cost premium"

Two years ago the Atlantis site was no more than a flattened sand dune Today there was still a long way to go, but the success already achieved was considerable

All the assembly lines and 54 test cells had been commissioned on time and within budget By early last week 6 170 engines had been assembled and tested

MOTOR INDUSTRY (192) FM 19th Feb 1982

Tough road ahead



Outsiders might envy motor vehicle makers for their record sales of the last two years But inside the industry, the feeling is different With few exceptions, vehicle makers have not been earning satisfactory returns on investment for some years And the industry as a whole is not likely to do so before the second half of the decade

In most cases, whatever profits came from the latest boom will scarcely make good the losses of the late Seventies For in that period manufacturers were hit by plummeting sales and heavy capital expenditure forced by new local content requirements Their combined losses for the years 1975 to 1977 were about R80m.

When the sales bonanza finally came with a vengeance in 1981, it took them by surprise and some manufacturers believe that 20% more vehicles could have been sold had they been in a better position to supply them. Lack of skilled labour and plant capacity also caused costly foul-ups on production lines — a further drain on earnings.

Local component manufacturers were also caught napping And shortages of their products led to the building of thousands of "cripples" — vehicles which must pass along the production line, but cannot be sold and delivered until they are fitted with one or more vital missing components

This year car sales should fall by 10% to about 271 000 units, with light commercial vehicles down by 6% to 117 000 and heavy commercial vehicles down a whopping 32% to 19 000

In total these figures will give the industry its second best year ever, but there will be enough spare manufacturing capacity to cause fierce competition This will be intensified by the fact that Japanese and Western manufacturers are now squaring up for a global showdown in which the jobs of hundreds of thousands of auto workers are at stake

Margins have been squeezed by the fall of the rand against foreign currencies with which imported automotive components are bought And the industry will have to bear the increased capital and development costs brought about by Phase V local content programme for light commercials and the Atlantis Diesel Engine (ADE) programme for heavy commercials

The market should regain the heights of last year only by 1984 It is believed that from then on it will grow steadily with the main impetus coming from black buyers, who until then will be spending much of their disposable income on TV sets and other electrical appliances

From then on, politics permitting, it should grow at about 3%-4% a year until the end of the century

The problems facing manufacturers are partly self-imposed For, by world standards, the local market is grossly overtraded This must affect profits as well as the prices paid by vehicle buyers Government is aware of this, and one of the goals of its local content programme was to rationalise the industry by forcing out some manufacturers

By all logic this should have happened, but instead only one company withdrew and the survivors merely reduced their model ranges

The SA market has lured almost every major world motor company to set up production facilities here The result is that it is now the home of more competing vehicle manufacturers than any other country in the world, including the US

On this crowded ground 11 manufacturers producing more than 25 different models, competed last year for a car market of just over 300 000 units In the US, with some single plants producing one model only, each turn out this number of vehicles

The appeal of the SA market lies in its growth potential And motor companies are apparently prepared to endure the possiblity of medium-term losses for the sake of future payoff They are also tied by their heavy capital investments made necessary by local content requirements

For they see SA as one of the few countries which can give them the increases in volume they no longer expect from traditional maturing markets Mexico, parts of South America and South-East Asia, and some Arab countries are the world's other few prime growth areas

Near-zero population growth, and the tendency to reduce car ownership in families in Europe and North America should keep sales graphs level even after the present recession And declining per capita economic growth, and increasing foreign indebtedness should inhibit significant market development in most Third World countries

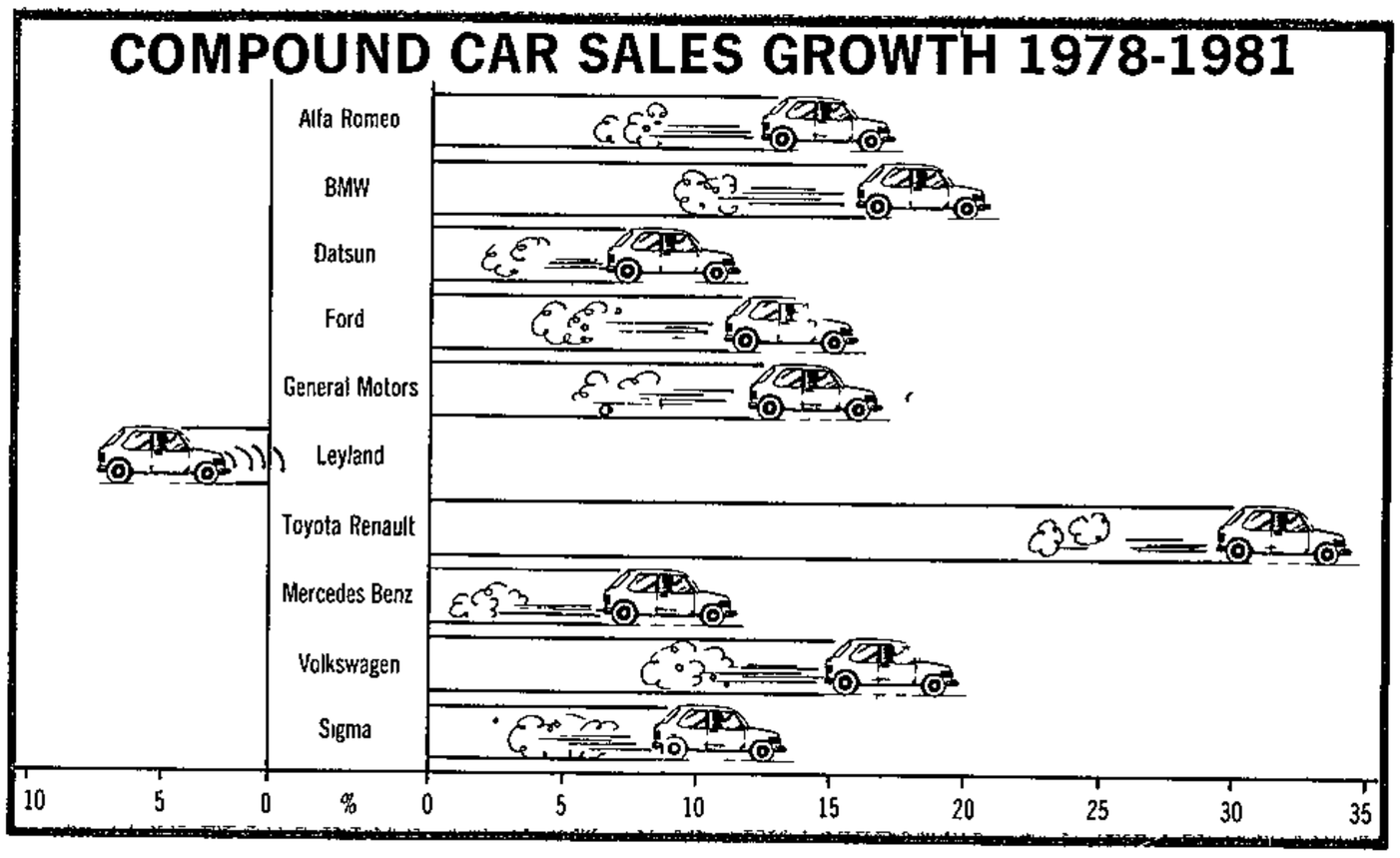
This country has thus become a testing ground where the manufacturers of Japan and the West can show their true strengths For government tariffs are uniformly applied and do not discriminate in favour of one manufacturer over another on the basis of country of origin, as frequently happens overseas

The peculiarities of our geographical location ensure that shipping costs from the different source countries are nearly the same And the local content programme tends to render costs of locally-made parts for different vehicles more or less the same — although their prices from countries of origin could vary considerably

Over the last decade the Western companies grimly retreated before the Japanese invasion which has taken 36% of the SA market — a far greater share than it has in other Western countries

This advance could be checked by the 32% fall of the rand against the yen last year This gives a cost advantage to companies which source most of their products from Europe, where the rand has performed somewhat better However, as local content increases the vagaries of exchange rates become less relevant

The introduction of the more stringent Phase V local content requirements for light commercials this year was actually a blessing in disguise for some Japanese models Although it has increased costs for the entire industry, their costs would have risen more rapidly against those of the



P.T.O.

Questionnaire on motor parts

(192) E. Post 20/2/82

Mr WARREN SMITH, manager of the export administration division of the South African Foreign Trade Organisation (Safto), and Mrs EDNA SPERRY, regional manager of Safto, discuss a point during a break in a day-long export documentation workshop held in Port Elizabeth this week. It was attended by representatives from a wide range of companies, who heard Mr Smith explain the many steps in the export documentation sequence. Delegates were also required to complete under supervision the documentation for two cases requiring different modes of transport and conditions of payment.

By Fred Roffey

Business Editor

AN IN-DEPTH questionnaire has been sent to component manufacturers throughout South Africa to pave the way for "close and meaningful" discussions with motor plants and other bodies which have accused the motor component manufacturers of being unable to maintain production to keep up with the demands of the plants

The questionnaire has been compiled by the Port Elizabeth-based National Association of Automotive Component and Allied Manufacturers (Naacam)

Its national secretary, Mr Bill Hayward, said in an interview that the questionnaire was being sent to about 400 motor component manufacturers, most of them members of Naacam

He said the questionnaire wanted to establish.

- The capability and production capacity of component manufacturers
- Whether the allegations about inability to supply were true
- Whether the component industry was understaffed, under-capitalised and under-equipped
- The planned investment of component manufacturers in premises, plant and equipment for the years 1982 to 1985
- To what extent the component manufacturers can be informed on the anticipated production of cars and commercial vehicles for these years

"We will use the information to make an accurate assessment of the component industry and its potential, and to refute allegations levelled against it by some motor plants and others," said Mr Hayward

"We will also use the information during our meetings as representatives of the component industry on the Prime Minister's Sectoral Advisory Committee

"When I look at the amount of money the component manufacturers are putting into improvements and expansions, I am satisfied they are doing everything in their power — financially and otherwise — to meet the needs of South Africa's growing motor industry," said Mr Hayward

"This includes awareness by the component manufacturers of their responsibilities as employers

"They are fully conscious of the need to offer competitive wages in order to attract workers to the industry to serve its growing needs

"Black people are earning more money and are buying more cars, so the black market is most important

"For example, in South Africa there are about 400 000 black-owned cars, which is more than the number of black-owned cars in the rest of Africa

"It is therefore essential that we have a highly efficient component industry"

Mr Hayward emphasised the contents of the questionnaire were strictly confidential and no names would be revealed

From the completed questionnaires received so far it was evident a pattern of factors was emerging

He said they included late engineering and specification changes by the original equipment manufacturers (OEMs), shortages of imported components, delays in the acceptance of quotations, which have a chain reaction on obtaining and making tools, dies and materials, Iscor's discontinuing the manufacture of certain grades of steel, inability on the part of many OEMs to schedule their suppliers in a consistent manner, and the schedule's bearing no relationship to their overall vehicle production forecast

"It would help us considerably if all our members would return the questionnaire

"We are determined to obtain a completed questionnaire from each establishment, even if we have to go to the expense of calling on the delinquents," said Mr Hayward

Business dates next week

Tuesday, February 23, and Wednesday, February 24: Course on "Warehousing — design, operation, management and latest development" by the Witwatersrand University materials handling research group Organising secretary in Port Elizabeth is Mr Brian Shephard (☎ 2 2561) Edward Hotel, 8 30am to 5pm daily

Tuesday, February 23: Course on techniques for controlling and reducing costs, presented by Dr Alex Young, director of technical services at the Institute of Cost and Management Accountants in London Port Elizabeth contact is Mr Winston Simpson (☎ 41 1711)

Wednesday, February 24: Telephonist/receptionist course organised by the Manpower and Management Foundation (MMF) Course leader Miss Jenny Banham, MMF public relations manager MMF conference room, Wool Board Building, Grahamstown Road, 8 30am to 4 30pm

Wednesday, February 24: Eastern Cape branch of the Plastics and Rubber Institute hosts the Second Foundation Lecture, titled "Standardisation in the plastics and rubber industry" delivered by Mr G P Verster, director-general of the South African Bureau of Standards (SABS) Port Elizabeth contact is Mr T J George (☎ 41 2311) Hotel Elizabeth, 8pm

Thursday, February 25: Monthly meeting of the Port Elizabeth Chapter of the Exporters Club of South Africa The national personnel manager of the Urban Foundation, Mr Grey Mbau, will speak on "Conditions necessary for labour stability in the export trade" Port Elizabeth contact is Miss Sue Sperry (☎ 66 2651) The fee for non-members is R10 Springbok Hotel, 5 30pm

Thursday, February 25, and Friday, February 26: Secretarial course organised by the MMF Course leader is Miss Jenny Banham, MMF public relations manager MMF conference room, 8 30am to 4 30pm each day

Lethargic market

Shares report by Elizabeth Rouse

A LETHARGIC Diagonal Street started to react to the hike in the bank prime rate towards the end of the week with institutions taking opposite views of equities

The value of Thursday's trade climbed to almost R10-million as institutions either lightened share holdings to get into the long-term market or switched share holdings to improve dividend yields

Some investment managers are opting for liquidity at the moment The discount rate of three-month bank acceptances rose to 17% this week from 16,85% the previous Friday

The Reserve Bank's R60-million issue drew applications worth R85,4-million (the bank allotted only R60,02-million) The TB rate rose 50 points to 15,51% from 15,11% last week, stiff competition for the JSE's overall dividend yield of 8,9% and the average industrial dividend return of 6%

Trade was inhibited at the beginning of the week as Diagonal Street — in line with other markets — awaited Wall Street's reaction, after the Washington Birthday holiday closing, to another rise in US bank rates plus a bigger than expected surge in the money supply

Activity remained relatively slack on Tuesday, partly because top investment managers were attending the Simpson, Frankel investment conference in Johannesburg

The unexciting gold price did not help sentiment Platinums cracked on Impala's poor results and fears of even poorer prospects for the metal

Charter Consolidated, the Anglo-controlled mining house, reportedly sold large parcels of platinum-oriented stock

Energy stock, such as coals and Sasol, were also weak as oil prices continued to drown under the present oil glut

When gold slid below the current support level of $370, gold shares naturally reacted downwards But considering a spate of pessimistic forecasts of the metal's short-term prospects, falls were relatively minor

New York appeared too preoccupied with its own problems to sell gold stocks and brokers reported no significant selling from that source

London, however, marked golds and mining houses down in a general nervousness over still sagging world metals and minerals prices

Thursday's gold price decline was ascribed to renewed Russian selling in Zurich and possibly Frankfurt The London market was hit by a wave of selling from these centres

Business and Shippir

Big boost for commercial vehicles seen

E. Post 23/2/82

192

By FRED ROFFEY
Business Editor

SALES of commercial vehicles by Eastern Cape plants are expected to get a sustained boost in the long term as a result of the estimated R54 billion to be spent on major capital investment in South Africa before the end of the decade

This mammoth figure has been determined by a major research study published by Systems Publishers of Johannesburg

Details of more than 1 200 scheduled capital projects — each valued at a minimum of R1 million — are listed in the company's Capital Projects Register, which is published in cooperation with the the recently-founded Techno-Economic Society of South Africa (Tessa)

It lists capital projects announced by the private and government sectors and gives a significant indication of likely expansion this decade in different areas of the economy, such as the mining and chemical industries, construction, power, paper, pulp and cement production

All these will demand steadily-increasing use of commercial vehicles, tractors and earthmoving equipment

The chairman of Tessa, Mr John Furze, who is also capital projects consultant for Southern Cross Steel, said "The main reason for such a listing is to have an authoritative source of updated information on which to base economic and financial analysis.

"A register of this kind, updated each month, will be of considerable assistance to market analysts who need to forecast trends in capital expenditure, and to interpret these trends in respect of their company's products and services

"The register will also be of considerable value to bankers, financiers and government planners in determining both infrastructural and cash-flow needs in economic development"

The Capital Projects Register will be published annually, with monthly updates published in Engineering Week and Construction Week

Subsequent editions of the register will include an analysis of the capital expansion needs of major industries

This is expected to include the motor industry, which as a major industry is expected to grow at about 3% to 4% a year until the end of the century, according to a report in the latest issue of the Financial Mail

"The South African market has lured almost every major world motor company to set up production facilities here," says the report

"The result is that it is now the home of more competing vehicle manufacturers than any other country in the world, including the US

"The appeal of the South African market lies in its growth potential

"And motor companies are apparently prepared to endure the possibility of medium-term losses for the sake of future payoff

"They are also tied by their heavy capital investments made necessary by local content requirements

"They see South Africa as one of the few countries which can give them the increases in volume they can no longer expect from traditional maturing markets

"Mexico, parts of South

(2) Premiums Treated as an Asset - Cont'd:

Year 02 - same as year 01

03, Jan 1:	Life Policy	300	
	Bank		300
Dec 31:	Income Statement	60	
	Life Policy		60
	Policy written down to surrender value (See Note 1 below)		
04, Jan 1:	Life Policy	300	
	Bank		300
Jan 2:	Debtor (Insurance Company)	24 000	
	Life Policy		540
	Income from Life Policy		23 460
	being accrual of proceeds receivable		
Jan 2:	Income from Life Policy	23 460	
	Income Statement		23 460
	being closing entry		
Jan 31:	Bank	24 000	
	Debtor		24 000
	being receipt of proceeds		

Note 1:

At the end of year 03, the life policy would be reflected on the partnership balance sheet as a non-current asset at its surrender value of R240.

Note 2:

The death of a partner aut es the partnership as legal and accounting entities. For nership income statement would have to be drawn up for the per of death of the partner so as to ascertain the correct bala account. The proceeds from the life policy would be shown as i e statement and NOT credited direct to the partners' capital a

Fords made in PE will go to UK

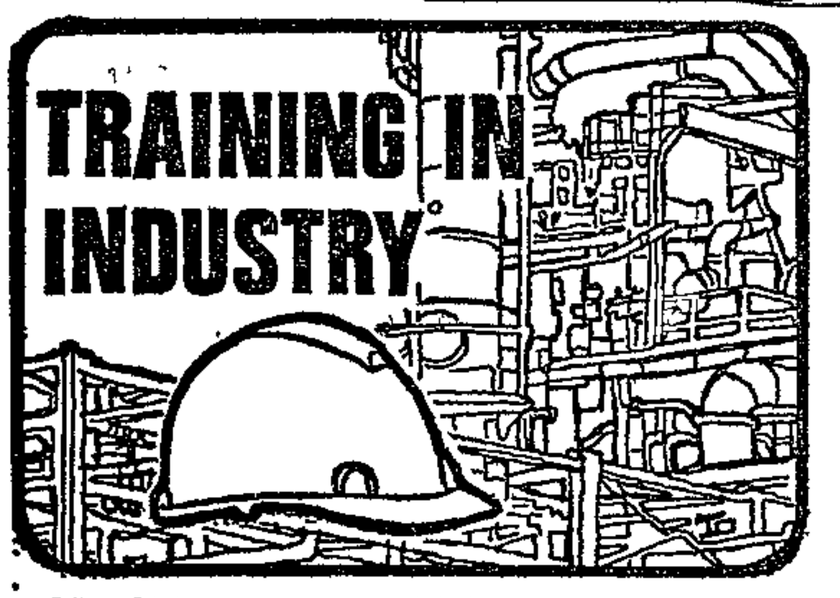
21/2/82

NEGOTIATIONS are under way to export Ford Cortinas to Britain from South Africa

A public relations spokesman for Ford, Mr Harry Hill, said various parties were involved and a statement would be made when all had been consulted

It is understood the cars will be crated and exported from Port Elizabeth harbour during April

(192)



Written by STAN KENNEDY

Scope for all in the motor industry

Star 3/3/82 (192)

Artisan level in three years

Artisan training, conducted by the Department of Manpower in conjunction with the Education Department, is provided at four centres — Westlake, Vereeniging, Bellville and Durban

Minimum qualifications for electrician, electrician (construction), electronics mechanic and radio mechanic is Standard eight For carpenter and joiner, fitter and turner, motor/diesel mechanic, panelbeater/spraypainter, plater/boilermaker, plumber and welder, it is Standard six

Applicants must be over 21 or have completed their initial period of military training Indentured apprentices are not eligible for training at the centres.

The full course takes three years, of which a year of intensive training is given at the centres The last two years must be served with an approved employer

Trainees at the centres are expected to attend classes up to the National Technical Certificate, Part II, level

A trainee who has passed the NTC, Part II, can qualify for a trade test after the first year of practical training. If he passes, he becomes a fully-fledged artisan.

A trainee who does not pass the NTC, Part II, can apply for a trade test after 18 months in employment

At the centres, trainees are paid R35 a week (no dependants), R45 a week (one dependant) and R60 a week (two dependants).

Applications for training at these centres should be made to any office of the Department of Manpower.

As one of the biggest and most important industries, the motor industry, is unusual in its varied scope in offering careers to youth.

Whether a trainee's talents lie in the practical field of working with his hands, or in the theoretical or administrative fields, the industry provides for most vocations.

There are openings for operators, craftsmen, draughtsmen and designers, leading to technical director, for salesmen and saleswomen to sales director and for clerks to company secretary, accountant or financial director.

To attract apprentices to the industry wages were increased recently by 75 percent

In the first year trainees receive R69 a week, rising to R78 a week in the second year, R88 a week in the third year and R119 a week in the fourth and fifth years

In 1980 more than 4 560 apprentices were under training, with another 1 285 having registered for new contracts.

"We are hoping in the medium-term to wipe out the shortage of artisans, particularly because it is now possible to indenture black apprentices as well," said Mr Vic Fourie, national secretary of the Motor Industries' Federation

The maximum period of training is five years but a trainee can write a trade test after two and a half years, depending on the trade and the qualifications obtained during apprenticeship.

Apprentices must first be indentured to an employer, who releases them for 13 weeks in the year to attend a technicon Here they study for the NTC Part II, which, if passed, makes them qualified journeymen

MENIAL TASKS

Mr Fourie said the training of blacks, coloureds and Indians was in the process of being finalised, and the Motor Industries Development Fund had agreed to give R100 000 to equip a workshop at Chamdor, Krugersdorp

Blacks, coloured people and Indians were being trained as repair-shop assistants at eight public-training centres "If they are used correctly, they can do five-eighths of the work of a qualified journeyman

"This will contribute to alleviating the artisan shortage substantially and will relieve the artisan from menial tasks"

84% tax rebate is available

There are big tax incentives for employers in agriculture, commerce and industry who develop the skills of their workers

The Income Tax Act 1962 provides for tax allowances to employers whose workers have attended a group training centre or a private training centre, or employers have conducted training schemes for their workers

Tax allowances are only granted for those schemes that are registered and approved by the Registrar of Manpower Training.

The Department of Manpower states that "the allowance contained in the Income Tax Act provides that in addition to the normal deduction for training expenses, an allowance equal to 100 percent (or 125 percent if the employer is a maufacturer in an economic development area) of the training expenses may be deducted from his income"

"This, in effect, means that 200 percent of the training expenses are allowed as a deduction The tax saving for companies, at current tax rates, amounts to 84 percent of the training expenses," says the department

R100m VW plant may go to EL

(192) (40)

E. Post 5/2/82

11

By KEITH ROSS

THE giant Uitenhage-based motor firm, Volkswagen, may shift part of its operation to the East London area where it could build a new vehicle assembly plant for R100 million.

A comprehensive feasibility study of a move to the Berlin industrial complex has been carried out but parties involved in the delicate negotiations about a possible move are reluctant to comment

Asked about it the public affairs manager of VW, Mr Reuben Els, issued a short statement which said that at "this stage" there was nothing concrete

"It is therefore premature to offer comment with regard to the possibility of an investment in any area," the statement read

Volkswagen conducted economic studies from time to time "in relation to its future expansion plans", it said

Talks have been held between a VW delegation and the East London City Councillor charged with industrial affairs, Mr Donald Card

"I believe Volkswagen has also held discussions with authorities in other areas as well," Mr Card said

The Mayor of East London, Mr Errol Spring, declined to comment on the issue.

A Volkswagen plant at Berlin would be a major stimulus for the industrial decentralisation area, which to date has failed to attract much interest The East London City Council is hoping for large-scale development at Berlin once the details of the Government's planned decentralisation concessions for the Border/-Ciskei Transkei region are finalised

(192) (63) Daily Dispatch 6/3/82

VW looks at EL for new factory

EAST LONDON — Volkswagen has described as "premature" reports that it intends moving part of its motor assembly operation to East London

The company's press relations manager, Mr Bob Kernohan, said East London was merely "one of several areas studied" by the company and that "nothing concrete" had been decided

He was reacting to reports in a Port Elizabeth newspaper yesterday [illegible] wagen may [illegible] part of its [illegible]nbage operation to the East London area and build a new vehicle assembly plant for R100 million

The newspaper said a "comprehensive feasibility study" had been carried out to establish whether it would be worthwhile moving part of VW's operation to Berlin It also said the company had held discussions with Mr Donald Card, East London city councillor charged with industrial affairs

If correct, this would have meant two massive injections of cash for the city from the motor industry, as local manufacturers CDA (Car Distributors Assembly) recently announced plans to build Honda motor cars in East London

Yesterday, however, Mr Kernohan issued a statement in response to the Port Elizabeth report

It said "Volkswagen has held discussions to establish facts on the government's decentralisation programmes and the applicable incentives One of several areas studied was East London

"Press speculation on the magnitude and type of operation is incorrect Such discussions are part of the locational economic studies the company undertakes from time to time in reaction to its expansion plans

"It is nothing concrete and it is therefore premature to offer comment on possibilities of investment in the area"

Mr Card could not be contacted last night Earlier, however, he told the Port Elizabeth newspaper that Volkswagen had apparently held discussions with local authorities in other centres as well as East London — DDR

Talks on local content in cars

Business Editor

LOCAL content in the motor industry was discussed in Port Elizabeth today by members of the National Association of Automotive Component and Allied Manufacturers (Naacam)

They were addressed by Mr M R Haynes, a member of the Board of Trade and Industries, who was invited to Port Elizabeth by Naacam

Among the subjects discussed was an application made to the Board of Trade and Industries for amendments to the local content programme

Also discussed was the revision of the customs duty payable on certain vehicles, and an application concerning imported castings and forgings

(192) E. Post 11/3/82

(192) 61

Leyland CAN go it alone

Industrial week 9/3/82

STRIKES in the United Kingdom constantly affect a company's image in South Africa. Therefore it is up to that company to become as independent as possible for the benefit of the consumer here.

By John van der Meer

There is the question of parts What reassurances are there that parts will be readily available at all times?

How will the strike abroad affect delivery of essentials?'

Should the company abroad close down?

How long will it be before the South African company closes down?

These points have affected Leyland SA's business in a big way, according to Mr Arnie Pitlo of Leyland SA in Cape Town

"We can't blame people for criticisms levelled against us, it is only human that strikes in the UK affect our image, but we're doing a lot about it and we and many of our customers are confident in Leyland SA's future"

So confident is Leyland that they recently embarked on a R15 million investment programme in factory expansions, a central parts warehouse in Cape Town and a 7 000 sq m paint shop

In addition Leyland is totally committed to the Atlantis Diesel Engine programme and by 1984 will have made an investment of R35 million in ADE which will include 32 new models since 1979 all fitted with ADE engines

"For Leyland, ADE proved to be an incredible opportunity We will soon be in a position to be almost entirely independent of British Leyland and the strikes there will not affect the South African operation

"At present we have at least two months' supply of spares in South Africa which will tide over possible future strikes

"Should British Leyland close down entirely, Leyland SA could operate on its own Our attitude would be 'so what?' as all components are manufactured in other factories which would be only too willing to snap up orders from us

"If we had to, we could be independent from British Leyland within five years," Pitlo said

Leyland SA was here to stay, he emphasised This was said 10 years ago and today the company was still growing from strength to strength

"There is no doubt that the money spent on extensions and so forth was generated locally We are standing on our own two feet"

Tow plug rules

A NEW Standard Specification, SABS 1327-1981, **Electrical connectors for towing and towed vehicles,** has been approved and is available to manufacturers

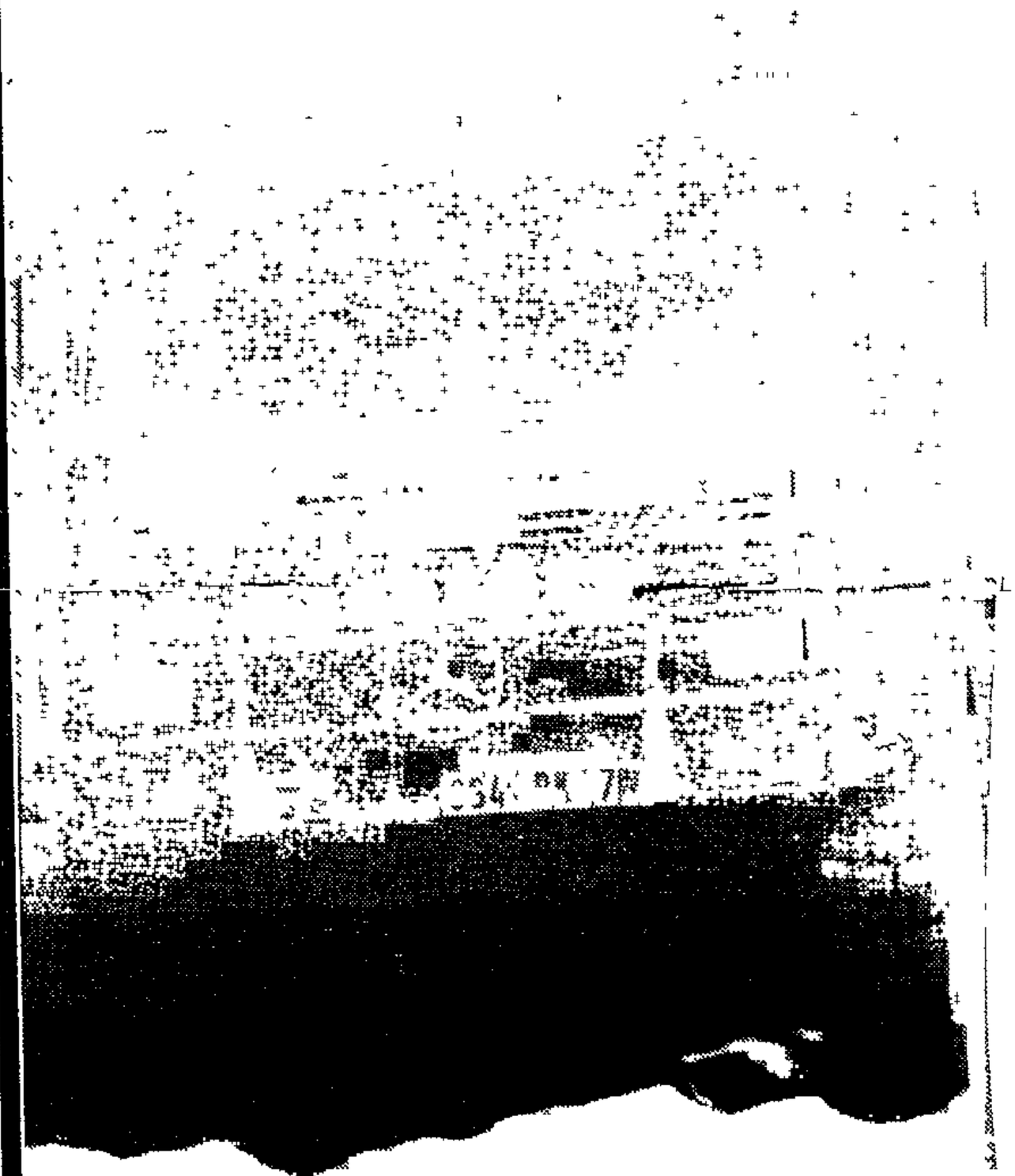
The specification covers two types of electrical connectors in the form of a plug and a socket for electrical connections between towing and towed vehicles having towing equipment operating at nominal voltages of 6, 12 or 24 V

Requirements are given for the materials used in the construction of the connectors and certain essential dimensions are specified to ensure complete interchangeability

Performance tests on the finished product are also prescribed, e g a test against the ingression of moisture, various electrical and mechanical tests, and a test for resistance to corrosion

Further details from SABS, Private Bag X191, Pretoria 0001.

Unimogs 1st and 2nd



AFTER 20 days of driving on rough tracks through Algeria, Mali, Upper Volta and Sengal, a Mercedes-Benz Unimog came first in the truck category of the fourth Paris-Daker Rally.

The winning team, consisting of George Groine, Thierry de Saulieu and Bernard Malferiol, reached Dakar after the 10 000 km drive with an eight-hour lead.

Second prize was also won by a Unimog, driven by Laleu and Langlois.

A total of 21 trucks had started on January 1 in Paris, and of these only one other truck, apart from the two Unimogs, qualified to be placed, 15 hours behind the leader.

Six contestants failed to arrive within the prescribed time; 12 did not finish at all.

A R600 000 boost for PE car firm

192

E. Post 13/3/82

By Fred Roffey

Business Editor

THE Eastern Cape gets a boost as an industrial centre with the news that Maritime Motors, the distributing company for Mercedes-Benz cars and commercial vehicles in Port Elizabeth, Uitenhage and Grahamstown, is to invest more than R600 000 over the next two years in expanding its dealer operation in the region

The expansion forms part of a major R200 million development programme by the UCDD Group and its dealer organisation, which are manufacturers and distributors of Mercedes-Benz cars and commercial vehicles and, in the near future, Honda cars

The new Honda car will be introduced to the South African market in late 1982, and will be sold by Maritime Motors

The expansion announced by the Maritime Motors group is being undertaken against a background of encouraging sales of cars and commercial vehicles

The investment by the group, which includes the Uitenhage and Grahamstown dealerships, will provide for the extension of existing showroom and workshop facilities

In addition, it will enable the construction of new truck workshop facilities and new spares depots

Considerable investment will also be made by the group to accommodate a greater number of Mercedes-Benz commercial vehicle and car parts, as well as new tools, equipment and parts to back up the introduction of the new Honda car

The chairman of Maritime Motors, Mr R R Stucken, said the planned expansion would create new job opportunities

"It will also enable the group to maintain and even improve the high standard of service and back-up facility laid down by the manufacturer of Mercedes-Benz products, and to ensure that a similar standard will be applied in the marketing of the new Honda range," said Mr Stucken

The group's optimism in undertaking this large investment programme appears to be justified in view of figures given at a seminar on economic interdependence held in Port Elizabeth this week by the Midland Chamber of Industries and Barclays National Bank

An overview of the South African motor industry was given by the managing director of Datsun-Nissan, Mr L J J Muller, who was invited to speak on the automobile manufacturing industry in a developing country

He said motor manufacturers in South Africa were agreed on the basic trend over the next five years

"We forecast a slight downturn during the next two years, but we see that as much-needed breather to give the total industry some time for consolidation and preparation for the next upswing

"We are indeed optimistic for the future

"The South African motor industry has come a long way in the post-war years

"We have made great strides since the days when the local market was supplied with vehicles with 100% imported content to a point where there is a now a sophisticated network of local assembly plants supported by local component suppliers providing 66% of the mass of all passenger and light commercial vehicles, as well as diesel engines for the heavy commercial vehicles

"Entrepreneurs in this sector of the industry must be congratulated for what they have accomplished, especially as it was achieved with severe strain being placed on capital and labour of a high standard"

Also optimistic about the future of South Africa is Mr Barry Swart, a former East London man who is now president and chief executive officer of Barclays of New York

At the seminar he delivered a paper on the international economic outlook

"South Africa has a sound economic infrastructure with good roads, harbours and communications, it produces a wide range of manufactured products, and processes and exploits a startling variety of minerals — often strategic — as well as producing sufficient food not only for domestic consumption but for export," he said

"It is one of the 20 largest trading countries in the world

"South Africa is regarded as a good investment risk, and there appears to be a businesslike approach for either investing in or doing business with South Africa

"South Africa already appears well along the way towards moving away from being an exporter of just raw materials — that is, it is likely to be performing more beneficiation in the case of minerals and metals

"But it will continue to require transfers of technology — for example, the computer and electronic sciences which will be such an important element of all of our lives into the 1980s and 1990s

"I see South Africa in the 1980s continuing to trade profitably with its traditional trading partners but at the same time it will make every effort to broaden its base to encompass African and Pacific Rim countries," said Mr Swart

... secretary of the African Food and Canning Workers' Union (of which Dr Neil Aggett was Transvaal regional secretary), has accused the department of actively assisting the police in repressive action against independent trade unions and their members

And a Natal organiser of the 100 000-member Federation of South Africa to reform its labour policy

A prominent employer said recent action against trade unionists, culminating in the detention of Dr Aggett and the admission to hospital of two prominent trade unionists, Mr Thozamile Gqweta and Mr Sam Kikine of Saawu (who had ... are less, as the unions have adapted to deal with that threat"

This is an adaptation some employers have already praised

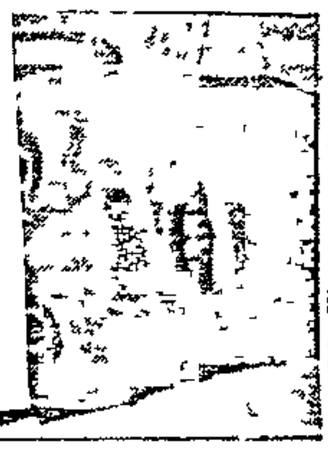
An employer group that recently reaffirmed it's recognition agreement with Saawu, which has five of its six executive members in detention, praised the the excellent negotiating skills of the unionists who have taken

"The trade unions will be radicalised if their leaders are put away," he said, dismissing any claim that unions were presently radical

"Frustrations about lack of political representation will increasingly be taken out in the work place Harsh government action will only radicalise the situation"

A leading labour lawyer said "Trade unions have clear of labour disputes is not concerned with labour, but which interferes in labour by detaining unionists and not bringing them to trial

"The policy of the Department of Manpower Utilisation is very clearly non-intervention in the labour field, even keeping well



● Mr Thozamile Gqweta ... released from detention

(192) FM 12/3/82

MOTOR INDUSTRY

Bakkies for Britain

SA has finally entered the ranks of the automobile exporting nations And the first SA-designed and made vehicle to go abroad should dominate its overseas market within a year

It is the Ford One-Tonner bakkie which Ford SA will supply to the UK from mid-year on a continuing basis The export versions of the vehicle, the Ford P-100 and the more luxurious P-100L, will have a SA content of 75% by mass

The local market product from which they were derived has a local content of 84% — the highest for any commercial vehicle made here SA is the only country in the world where it is made It dominates the local market for petrol-driven one-ton bakkies against strong Japanese competition.

Some 10 000 fully built-up bakkies and spares, valued at more than R60m, will be shipped to the UK during the first year of the operation

The UK market now absorbs only 10 000 bakkies a year, but Ford is confident of a strong demand for the new SA vehicle.

The export deal is the biggest in the history of the local motor industry It is clearly not intended as a one-off operation, but as a move to gain a long-term foothold in the UK and other European countries where growth is expected to soar

SA motor dealers have already exported a handful of standard One-Tonners under the counter to the UK where they were eagerly snapped up

The P-100 vehicles to be exported by Ford, however, will be modified They will have engines and gearboxes used in British-made Cortina cars to simplify parts and service support These will be imported to SA from the UK for fitting to the bakkies at Ford's Port Elizabeth plant

They will also have longer load boxes and redesigned tail-light assemblies to comply with UK legal requirements

Traditionally, European buyers of vehicles in this mass category favoured the enclosed van But lower prices and greater load fexibility are causing many to switch to the open bakkie

The P-100 will compete with Toyota, Datsun, Mazda, Bedford and Peugeot bakkies Ford executives believe it will outsell them all for its superior technical characteristics and the fact that it will be seen as a close relative of the Cortina car which enjoys a good reputation

"Ford of Britain has chosen our product although it had access to other trucks from the Ford Corporation and its associated companies worldwide," says Ford SA MD Brian Pitt

Its decision is a tribute to the expertise of Ford SA's engineers who designed and developed the vehicle for SA"

No doubt another reason for choosing the SA-made vehicle is that it would not make sense to tool up for UK production of relatively low volumes while the facilities already exist here The gains to Ford SA should be substantial as the first year's sales to the UK will double the output of all its one-ton commercial vehicles

The UK deal has already provided two bonuses for bakkie-buyers in SA it has led to modifications, also applicable to local models, which will provide a deeper loadbox for more load capacity and lower seats to increase access and headroom

The deal so far excludes the rest of Europe, but this would require a lefthand drive model which would mean extra tooling expenses Ford is carefully studying the economics of the idea and government's export incentives obviously play an important part in the thinking

Exports of four-wheel drive and extra-long wheelbase models are another possibility

Cape Times 12/3/82 ★ The Cap

Leyland dispute settled

Staff Reporter

SETTLEMENT has been reached on a wage clause in a new agreement between Leyland management and the National Automobile and Allied Workers' Union, (Naawu)

The agreement has been approved by the Minister of Manpower, Mr S P Botha

Leyland management declared a dispute when agreement could not be reached over the inclusion of a clause that would give workers the right to re-negotiate wages during June.

Mr Joe Forster, branch secretary of Naawu, said the workers had accepted the 30-cents-an-hour wage increase at the beginning of this year

"The minimum wage of R1,76 an hour is now going to be paid The workers were prepared to hold out if the clause giving them the right to negotiate wages during June was not included in the agreement," he said

It was felt that if this clause were not added, Leyland could refuse to review wages in the middle of the year

Proposals were submitted by Naawu at the end of last year, and when no agreement was reached by the beginning of this year, Leyland declared a dispute, and applied for a conciliation board

Workers will be backpaid

Cape Times 17/3/82

Leyland: We did not agree to renegotiate

Staff Reporter

A SETTLEMENT between Leyland management and the National Automobile and Allied Workers' Union (Naawu) did not include a clause allowing renegotiation of wages during June, according to the managing director, Mr D Beck

He said "In January, after wage rates had been agreed, the union asked for a clause to be inserted in the agreement giving them the right to negotiate wage increases in June"

Mr Beck said Leyland had refused to accept the addition of such a clause, declared a dispute and applied for a conciliation board, which was approved by the Minister of Manpower, Mr S P Botha

"At the beginning of last week, the union withdrew the clause and agreement was reached without the addition of it," Mr Beck said

Once the agreement had been signed with the union, Leyland had cancelled the application for a conciliation board, and wage increases would be implemented "as Leyland had been willing to do so several months ago'

New teacher training plan

(192) D. Dispatch 19/3/82

EAST LONDON — Fort Hare University's faculty of education has worked out a long term educational improvement programme aimed at teachers, schools and employer organisations in the Eastern Cape, Border and Ciskei.

The plan was spelled out by the managing director of Car Distributors Assembly (CDA) here, Mr Leo Borman, when he addressed members of the Arcadia Rotary Club on providing for the manpower needs of South Africa

He said the university would promote the teaching profession through open days, exhibitions, shows and vocational guidance at schools and teachers would be motivated to sell their profession

It was the intention of the university that a model school be erected where learner teachers would do their probation work

Also planned were refresher courses for teachers during vacations to improve their standards and in-service training programmes to improve their qualifications

Mr Borman said curriculum planning would be given more attention and more use would be made of visual aids, micro teaching methods and computer-based programmes

He said that, since the university's faculty of education was housed temporarily in a wing of a building used by the faculty of arts, the university would again approach the State for a building and proper teaching aids

Mr Borman called on companies and other bodies to support the venture with cash donations

Confirming the moves, the university's director of development, Mr V Human, said the educational improvement programme had already started but that some aspects of the plan could only be fulfilled in the long term

He said the faculty would have an exhibition in Port Elizabeth from May 10 to 15 where education in general and the university's faculty of education would be the main themes

A student counsellor, Mr H Theron, and the Dean of Students Mr R N Sigabi, in conjunction with the Ciskei Education Department and the Department of Education and Training, were visiting schools and giving vocational guidance in the Eastern Cape, Border and Ciskei, he said

The model school idea was being brought to the attention of various people who might help in getting it established, Mr Human said

He said refresher courses for teachers were being given in Alice, Zwelitsha and Mdantsane and, when these were fully operational, they would look beyond these areas into the Eastern Cape and Border

"I must mention that, for these courses to be of real benefit, we need to run them in areas where there is a concentration of teachers," he said

On curriculum planning Mr Human said that, with the De Lange Commission report, the whole question of curriculum planning would certainly receive attention at all levels and he felt the fact that this report had been tabled recently before Parliament was to the advantage of their forward planning

"We have also made strong representations to the Government for a building We are waiting to see whether there would be any progress in this regard after the budget" — DR

Export of Ford trucks to UK is boost for PE

(192)

E. Post 12/3/82

By FRED ROFFEY
Business Editor

PORT ELIZABETH gets a boost as an exports centre with a big breakthrough by Ford South Africa into the British market through its Ford one-tonner pickup, a vehicle which was designed for the South African market and introduced in 1977

About 10 000 units will be exported to Ford of Britain over the next 12 months, which will double the present production in Port Elizabeth

The big spin-off in terms of employment is that it means employing between 400 and 500 extra workers, who are being phased in now

Because of the high local content of the vehicle, other work opportunities are arising in the components industry

Although the engine, transmission and certain sheet metal and electrical components will be imported from Britain, the export version will have a South African content of 75% by mass

The pickups will be assembled in Port Elizabeth — mainly at the Neave plant — and will be exported in fully built-up form

The managing director of Ford South Africa, Mr Brian Pitt, said Ford of Britain had elected to market the South African truck although it had access to other trucks from the Ford Corporation and its associated companies worldwide

"We therefore see the development as a significant and exciting breakthrough, particularly as this is the first time a vehicle indigenous to South Africa is to be exported

"Ford of Britain's decision to import our product is a tribute to the expertise and ability of Ford South Africa's engineers," he said

He pointed out that all pickups in the United Kingdom were sold in long wheelbase configuration, and the export version had been changed to include an extended chassis frame to accommodate a longer loadbox

At the same time, the depth of frame was reduced to lower the seats for more cab head room and to deepen the box for greater load capacity — both benefits which will be introduced in future local models

"Apart from the wheelbase and engine change, the vehicle is basically the same as the local unit," said Mr Pitt

He added that the vehicle would be marketed in Britain as two models — the basic P-100 and a more luxurious P-100 L with uprated trim, similar to the local leisure version pickup

RDM 13/3/82

Leyland dispute settled

192

Labour Reporter

A UNIQUE labour dispute between Leyland (SA) and Fosatu's National Automobile and Allied Workers Union has been settled, a NAAWU spokesman announced yesterday

The dispute, at two Leyland Cape Town plants, is the only known one in which employers have declared a dispute against a union — the precursor to a legal lock-out Usually, unions declare before a legal strike

Leyland acted after unions accepted a R1,76 an hour minimum wage then demanded a mid-year wage review Leyland refused and declared a dispute

The NAAWU spokesman said yesterday Leyland had now agreed to consider the mid-year pay demands

21/3/82 (192) S. Times

Leyland SA's R20-m expansion

By Stephen Orpen

IN an unexpected display of confidence in its ability to swell penetration in the SA transport market, Leyland South Africa is to launch a large expansion and modernisation programme at its manufacturing and assembly plants

At a cost of R20-million, the extensions will virtually double the company's production capacity to 30 000 units a year and bring its investment in this country to R95-million

Included will be the installation of equipment for manufacturing the Renault 9, a new parts warehouse and an "ultra-modern" paint shop

The company has bought land adjacent to its Elsies River plant in the Cape, and construction is starting virtually immediately

The Renault 9, a 1 400cc medium-sized family car, will be in volume production by February next year, and the company is looking for sales of 15 000 units in the first year of production

The expansion will be financed by the SA company, currently marketing the Land-Rover, Range Rover, Mini, Rover range, Jaguar XJ six and XJS, Triumph TR7 and MGB, with the last four being wholly imported.

Plans are also in hand to introduce the Daimler "Double Six"

Imports of all luxury cars rose to 5 641 units valued at R77-million in 1981 compared with 2 828 units worth R35,6-million in 1980

New PE plant, but Sigma seeks local men for Cape Town

(192) E. Post 23/3/82

Business Editor

AT the same time as setting up a new assembly plant in Port Elizabeth to produce heavy trucks, Sigma is advertising in local newspapers to attract personnel to Cape Town, where the company is also fitting out a plant to produce commercial vehicles.

This irony is revealed following the announcement by Sigma that it has established an assembly plant in Port Elizabeth, employing about 75 people, for the production of heavy trucks

One of the reasons given for setting up the plant is there is already a pool of trained labour in the city

This comes from the old Mack truck plant at Uitenhage, which closed in 1978, and about 60% of the staff at the new Port Elizabeth plant are said to be formerly employed at Uitenhage

However, large advertisements in Port Elizabeth newspapers are urging motor people to come to Cape Town

"Sigma Motor Corporation will commence with the production of vehicles in the Western Cape from January, 1983," says the advertisement

"In less than six years we've grown into one of the largest motor manufacturers in South Africa, producing successful models like the Peugeot 305 and 505, the Colt Galant and the incredibly successful Mazda 323.

"Now we are all set to produce commercial vehicles in Cape Town"

The advertisement says people from the following fields are required manufacturing, and plant engineering, quality control, production, materials and supply, industrial engineering, and finance personnel.

(192) Star 23/3/82

Steelmobile denies UK 'knockdown prices'

By David Braun

Mr Peter Whitfield, chairman of Datsun and a director of Steelmobile Engineering today denied allegations that Steelmobile was sold British manufacturing plant for "knockdown prices."

The allegations were made by Labour MP Mr Allen Adams, who said at the weekend that Britain's Secretary for Industry was to be asked to explain how and why the plant from Peugeot Citroen's Linwood plant was sold to South Africa for a fraction of what it was worth.

Peugeot Citroen made about 5 000 workers redundant when it closed the plant last year. Mr Adams said "there was about R290 million of taxpayers' money involved in the company."

The workers were told that the equipment at the plant was out of date — "obsolete, Dickensian" but it was now apparently in South Africa producing Datsun and Toyota cars.

The Scottish Sunday Mail claimed at the weekend that Messina of Pretoria, which makes Datsuns under licence, paid R450 000 for press-shop equipment that could have cost millions on the open market.

Mr Whitfield said these facts were not completely correct.

"There was a major auction of the equipment at Linwood and out steelmobile subsidiary bought equipment to the value of several hundred thousand rand.

"The price was fair value for second-hand equipment. It was by no means a give away.

"The auction was internationally advertised and other countries which bought equipment included Australia and Taiwan."

S A car makers did buy 'obsolete' plant

(192) Mercury 24/3/82

Mercury Reporter

SOUTH African car manufacturers yesterday admitted buying car assembly equipment at an auction in Scotland — but not millions of rands worth on the cheap or the sly, as stated by angry Scottish trade unionists

Scottish MP Allan Adams and Scottish trade union leaders claimed that 5 000 workers were laid off by Peugeot-Citroen because they were told the equipment at the Linwood Talbot plant in Renfrewshire was obsolete. The equipment, they said, was then sold to the South African industry where it was presently in use

Taxpayers' money to the tune of R288 million was involved in the company, they said. In order to keep the identity of the buyers secret, the auction had been kept from the British media, they claimed.

Mr Colin Adcock, director of Toyota in South Africa, said that a representative of his company had attended the auction last November with the express purpose of buying machining equipment

'Contrary to the claim by Mr Adams, the auction was advertised worldwide and we had brochures of the sale months before it occurred,' he said

'In all, Toyota spent R80 000 on old equipment in good condition. There was much more that was going cheaply, but it was not what we needed'

Mr Adcock said that the prices were low because American and European car markets were in a state of depression and consequently attendance at the auction had been poor

Mr Ebert van Niekerk, public relations officer for Datsun, said that Datsun itself had bought nothing at the auction, but that Steel Mobile, a company which also was owned by Messina, had spent R300 000 on press-shop equipment

'It is ridiculous for the unions to claim that this equipment would have cost Steel Mobile several million on the open market when their bid was the highest at an auction open to all the world's car manufacturers'

He said that the critics also overlooked the fact that by the time the equipment had been imported and erected in South Africa, the total expense amounted to considerably more than the auction price

A motor executive who preferred to remain anonymous, said that the depressed state of the motor industry in Britain had caused the closure of many plants, with the consequence that bargains were there for the buying

He cited, by way of example, 'a whole axle plant' which he knew was for sale at a 10th of the price it would cost to erect a new one

DIESEL ENGINES FM 26/3/82

Monopoly cracks? (192)

The IDC-backed Atlantis Diesel Engine (ADE) factory may one day make engine components for a local competitor

Says ADE MD Hartmut Beckurts "We are quite prepared to consider any proposals on technical and economic merits to supply components to other engine manufacturers provided their volumes justify the additional investment"

This is welcome news to local industrialists, because it would prevent ADE from getting a monopoly of the market It would also increase the range of engine types made here and keep open doors to overseas technology other than that employed by ADE

Obvious candidate for the deal is the Hudaco subsidiary Deutz Diesel Power (DDP), which has assembled air-cooled Deutz diesel engines in SA with some local content since 1969.

The future of the venture was thrown into doubt when the ADE project was announced The ensuing arrangement was that ADE would have the monopoly of the automotive diesel engine market of around 45 000 units/year, while DDP would be allowed to produce for the 8 000/year stationary engine market

The terms of this arrangement weigh heavily in favour of ADE DDP is prevented by tariffs from producing for the automotive market even though its engines have proved themselves in tractors and locally-built trucks

On trucks, the tariff protecting ADE against all competition amounts to 30% of the value of the entire vehicle in question On tractors it is even higher at 40%

No such restrictions prevent ADE from selling stationary engines where DDP is now concentrating its effort Without competition ADE could charge high prices in the much larger automotive engine market to subsidise price cutting against DDP in the stationary engine market

A systematic application of this tactic could, in the end, force Deutz out of the market

But Beckurts denies any such intentions and says Deutz faces stiffer competition from imported stationary engines which carry only moderate import tariffs

DDP had planned to raise the local content of its engines above their present level by investing in equipment of the type already possessed by ADE If this equipment was used to make Deutz components, the benefits would be considerable local content of Deutz engines would increase for little added investment, ADE's plant would get higher levels of utilisation and engine users would have a wider choice Hopefully the competition would keep prices in check

Deutz engines could also be used for certain truck applications now reserved for ADE, without depriving ADE of the production volumes it needs; it is well-known that Deutz is the preferred make for some truck types.

Deutz engines are air-cooled which makes them more suitable for some, but not all, uses whereas the Perkins and Daimler-Benz engines made by ADE are water-cooled

They have been found more suitable for some truck types and for mining, cane-cutting, timber-handling and other equipment designed and made in SA for local and export markets

Some R400m has been poured into the ADE plant and the Ferrovorm foundry which will supply it with castings Huge volumes will be needed to justify this investment

Some argue that if ADE and Ferrovorm made components for Deutz as well as its own engines, the total demand for diesel engines would be boosted

Deutz crank case and cylinder barrel castings could be supplied by Ferrovorm And ADE could machine these items as well as machining components such as cam shafts and crankshafts

Tooling costs could be relatively low as the wide variety of Deutz engines are produced from only two standardised engine families

tact Mr Lionel Spies at Johannesburg 643-0111

on his right shoulder and a snake on his right thigh

RDM 24/3/82 (192)

Unionists angry over 'cheap' equipment to SA

By BRUCE STEPHENSON

LONDON — Scottish trade unionists are angry that millions of rand worth of car assembly equipment has been sold off "on the cheap" to aid the car boom in South Africa

The Industry Secretary, Mr Patrick Jenkins, is to be asked in the House of Commons how the "obsolete" equipment from the Linwood Talbot plant in Renfrewshire has ended up in Pretoria and Durban for production of Datsun and Toyota cars

A Scottish MP, Mr Allan Adams, claims that 5 000 workers were laid off by Peugot Citroen because they were told the equipment at the Linwood plant was obsolete, but that the same equipment was now being used in South Africa

"There was about R288-million in tax-payers' money involved in the company," said Mr Adams

Millions of rand worth of plant and equipment was sold at a "sale of the century" auction last November

Mr Adams said the company had been extremely keen to exclude journalists and photographers from the auction

"This was done presumably so that none of the buyers could be identified"

A Scottish Sunday newspaper has claimed that Messina, of Pretoria, which manufactures Datsuns under licence, paid R450 000 for press shop equipment that would have cost several millions on the open market

It is also alleged that Steel-Mobile of Durban, which manufactures Toyotas, paid R90 000 for turning equipment that would have cost them at least 10 times more

16pc increase in car prices predicted

(192)

D. Dispatch 30/3/82

DURBAN — Car price increases of between 16 and 17 per cent can be expected this year

And this will not change until the inflation rate drops to single figures, according to the managing director of Toyota and president of the National Automobile Manufacturers' Association of South Africa, Mr Colin Adcock

And car manufacturers would continue to increase their prices three to four per cent every quarter, he said

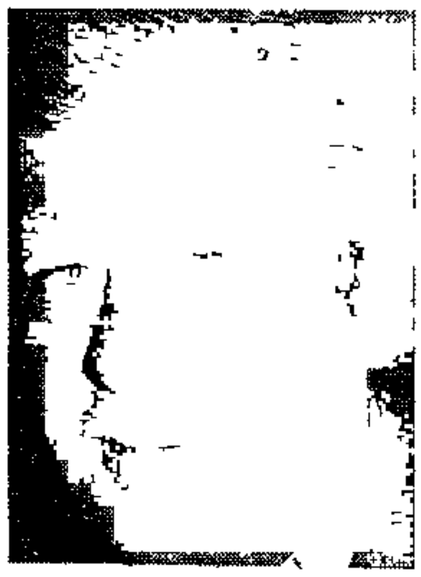
Mr Adcock said that in the present economic climate the impact of only two price hikes a year would be high for the consumer to endure, and, for this reason, four increases had been instituted

He said the four annual increases in past years — normally December/January, March/April, June and September — had been below the country's inflation rate, but was not likely to be so this year

"This year the situation is different because of the higher import surcharge — and, of course, the rand devaluing against the dollar," Mr Adcock said

He said most manufacturers had upped prices "a little more than four per cent," between march 10 and the end of the month for these two reasons

In some cases — like



MR ADCOCK

the mini-bus with its monocoque construction — the increase had been as high as eight per cent, more than half of which was to recover the import surcharge increase

In light commercial vehicles, the increase was closer to five per cent as the 10 per cent import surcharge applied to cab components

"On heavy vehicles, the increase was between five and six per cent, for the same reason," Mr Adcock said

The price of motor cars was increased an average 15 per cent earlier this year

Meanwhile increased tariffs and costs for goods and services across a broad front of the economy come into effect tomorrow

These include petrol, which will cost 2,2c more a litre at the coast, increasing gradually inland to 3c on the Reef

The travelling public faces increased air fares of between three and 12,5 per cent, mainline rail hikes of 10 per cent and commuter ticket hikes of 15 per cent Harbour charges will be between 17,5 and 25 per cent more expensive

Putco bus company has announced fare increases for late April of between 15 per cent for cash transactions — and 30 per cent for season tickets

Although postal tariffs increase by an average 17 per cent, certain popular services have more than tripled in price Express delivery of postal items goes from 30c to R1, and registration from 20c to 40c The cost of phone booth calls has doubled to 10c Standardised postal articles, which form the bulk of postal traffic, go from 5c to 8c

The lifting of price control in the building industry last week allowed an immediate 17 per cent increase in the cost of bricks, and in the wake of the one per cent across-the-board increase in mortgage bond rates, many homeowners will have to pay another R20 to R30 a month from April 1

This means the minimum interest rate for a loan of under R10 000 will be 13,25 per cent

A spokesman for the photographic industry said the price of photographs to the public will be 10 per cent higher by the middle of next month — DDC

31/3/82

(192) **Importation of tractors**

Hansard Q 61-524-526

*17 Mr P A MYBURGH asked the Minister of Industries, Commerce and Tourism

(1) Whether he has received any representations in regard to the importation of tractors, details of which have been furnished to the Minister's Department for the purposes of his

reply, if so, (a) from whom were such representations received and (b) what was (i) the nature of and (ii) his response to the representations,

(2) whether he has instituted an investigation into the possibility of such tractors being imported into the Republic without the prescribed import duty having been paid, if so, what was the outcome of such investigation

(3) whether any action is contemplated in consequence of such investigation if so, what action,

(4) whether he will make a statement on the matter?

The MINISTER OF INDUSTRIES COMMERCE AND TOURISM

(1) Yes

(a) South African Tractor Manufacturers' Association

(b) (i) Concern was expressed over the importation of the relevant tractors

(ii) The Customs Union, of which the country in question is also a member, has joint customs legislation In terms of this legislation tractors, for example, can be imported duty free provided that they are imported as government stores If such tractors were then to be sold by the relevant state institution to private owners the import duties are, however, payable

(2) No An investigation is not considered necessary as we have no reason to believe that Governments in the Customs Union will contravene the existing legislation If any complaint is received in this connection the matter can be pursued through the correct channels

(3) Falls away

(4) No

(192)

CAPE TIMES

Drastic wage demand by car workers

Own Correspondent

PORT ELIZABETH — Drastic minimum-wage increases have been proposed for the Industrial Council of the motor-manufacturing industry in the Eastern Cape

The National Automobile and Allied Workers' Union (Naawu) has proposed that minimum wages be increased by up to 75 percent as a starting point for negotiations between the union and the employers represented on the council — Ford, Volkswagen and General Motors

The union has also proposed that the current eight job grades be decreased to only three Unskilled, skilled and semi-skilled

The union is expected to ask that the increases be staggered over a period of a year

Other proposals are that

- Working hours be reduced from 45 to 40 hours a week,

Longer leave

- Annual leave be increased from three weeks to four weeks
- Training minimums be abolished (ie that trainees immediately get full wages),
- Shift premiums for working uncomfortable hours be increased,
- All overtime should be voluntary after consultation with the unions and that overtime for the first ten hours from Monday to Saturday be paid at 1½ times, and thereafter at double, the hourly rate,
- Family Day and Goodwill Day be added to the six public holidays now granted to workers,
- Workers be paid for four hours after a breakdown, instead of two, with the proviso that workers do not earn more than a full day's wages,

Higher bonus

- End-of-year bonuses be increased,
- Attendance allowances be increased, and that workers who arrive late but work full hours do not forfeit their attendance allowances,
- Severance pay be paid on the basis of one month's pay for each completed year of service, and that
- Pension, life insurance and supplementary unemployment benefit schemes be improved

Spokesmen for Ford, Volkswagen and General Motors yesterday declined to comment on the proposals at this stage

Homeland tractor imports cause rumpus

192

S. Times 29/2/88

By KEN SLADE

MORE than 450 Austrian tractors were recently imported, duty free, into BophuthaTswana and Transkei — and the South African Tractor Manufacturers' Association (Satma) is hopping mad about the deals.

The chairman of Satma, Mr Bill Pascoe, said that his association had only recently heard of the tractor imports to the homelands.

"According to our information, the BophuthaTswana Government has imported about 300 Puch tractors, and the Transkei Government more than 150 of the same make from Austria," said Mr Pascoe.

"Although local tractor manufacturers are upset at not obtaining the orders from the homelands, we are even more upset because we believe that overseas manufacturers are just in the independent states to make quick killings and do not really care about lengthy service contracts."

Mr Pascoe said his association had complained to the South African Government about the tractor imports, but was told that nothing could be done about the situation because the Government could not dictate to homeland governments.

Burden

"But I can tell you that South African tractor manufacturers will have to carry the burden once the imported models start giving trouble," he said.

Mr Pascoe explained that the average annual market for new tractors in South Africa, including the homelands, was 14 000 units.

"The homeland markets play a small but important role in that figure."

He said that a few years ago there were about 21 tractor manufacturers in South Africa.

"But the Government then introduced certain costly restrictions, including the Atlantis engine project, which forced many overseas manufacturers to withdraw from the South African market.

"There are now 11 or 12 major tractor companies represented in this country, and it cost them about R8-million each to change their assembly plants to meet new conditions."

Service

Mr Pascoe said one of the ground rules of the remaining manufacturers was that they had to provide a complete service, including maintenance and spares.

"We now hear that overseas tractors have been offloaded into the homelands. Nothing has been said about who is going to service those units or who will supply the parts.

"My association does not see any overseas company beginning a massive service infra-structure in a country just because they have sold a few units."

Mr Pascoe said he was certain that the present overseas deals would be "one time" contracts.

"Once the tractors are ready to be traded-in, they will again look to South African manufacturers for new tractors," he said.

RAND DAILY MAIL, Thursday, April 8, 1982

Pay rises proposed for car workers

Mail Correspondent

PORT ELIZABETH. — Drastic mimimum wage increases have been proposed for the Industrial Council of the motor manufacturing industry in the Eastern Cape.

The National Automobile and Allied Workers' Union (Naawu) has proposed that minimum wages be increased by up to 75% as a starting point for negotiations between the union and the employers represented on the council — Ford, Volkswagen and General Motors

In a document setting out its proposals, the union asks that the minimum wage of unskilled labour be increased by 75% from R2 to R3 50, that of semi-skilled workers to R4 and that of skilled workers to R4 50 an hour

The percentage increase in the skilled and semi-skilled categories cannot be calculated as the union has also proposed that the current eight job grades be decreased to only three unskilled, skilled, and semi-skilled

It is believed that the union will ask that the wage increases be staggered over a period of a year, as is the case in the current agreement

Among other proposals by the union are

- That working hours be reduced from 45 to 40 hours a week,
- That annual leave be increased from three weeks to four weeks, and that workers receive an extra day's leave for each completed year of service,
- That training mimimums be abolished (i e that trainees be appointed immediately on full wages),
- That shift premiums for working uncomfortable hours be increased,
- That all overtime should be voluntary after consultation with the unions and that overtime for the first ten hours from Monday to Saturday be paid at one and a half times, and thereafter at double the hourly rate,
- That workers be paid for four hours after a breakdown, instead of two, with the proviso that workers do not earn more than a full day's wage,
- That end of the year bonuses be increased,
- That pension, life insurance and supplementary unemployment benefit schemes be improved,

Spokesmen for Ford, Volkswagen and General Motors yesterday declined to comment on the proposals at this stage

'Amazing' no to PE site for light industry

(192) E. Post 10/4/82

Weekend Post Reporters

A PIECE of land between the railway line and the power station at Swartkops, serviced for industry with the approval of the Port Elizabeth City Council in 1974, has now been turned down as a site for light industry by the council's Administration and General Purposes Committee

The land would be a poor site for housing. The proposed Trunk Road 63 will run right past it. And the city's town planners have no objection to it being used for industry.

A subsidiary of a national combine wants to use it to erect premises for the assembly of motor components and for warehousing, giving employment to 450 people.

An estate agent, Mr Dan Meyer, who was negotiating the sale of the land to these developers, told Weekend Post he was "amazed and dumbfounded" by the decision.

He had in his possession a letter in which the City Engineers' Department stated there would be no objection to this property being used for warehousing and industrial purposes, and it was on the strength of this letter, and additional information from the Town Planning and City Engineers' departments, that the sale had been arranged.

The only stipulation was that no effluent be allowed into the sewage system other than the normal domestic effluent.

"We are crying out for industry," said Mr Meyer.

"If the developers can't use the land for the purposes they have in mind, they will probably go elsewhere.

"It's disgraceful that when we get a proposition like this, we have this sort of situation confronting us," he said.

The services already installed include a tarred road, sewerage, electricity and a pump station.

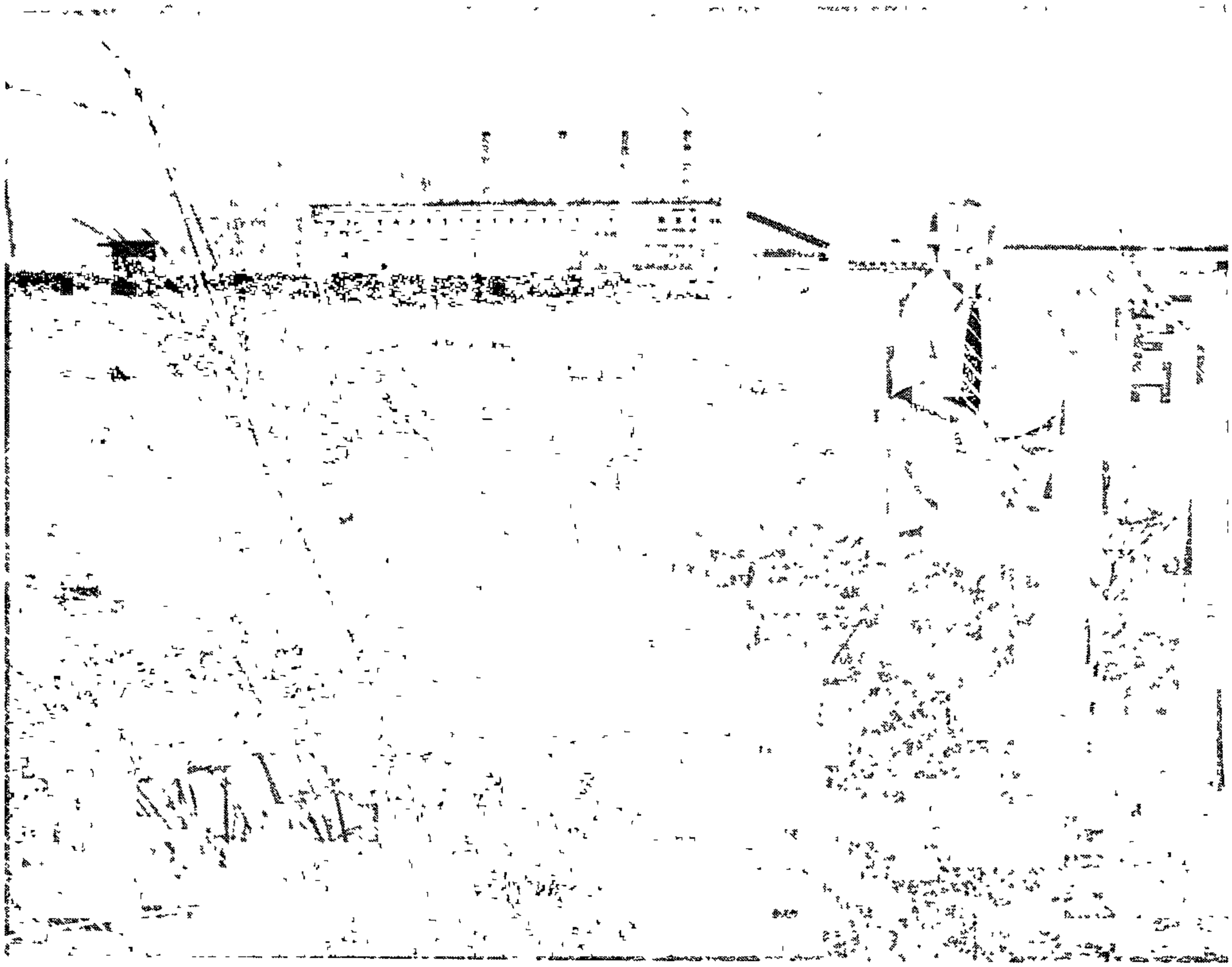
The present owner, Mr Johan Stander, said he had been told by the Town Planning Department that the zoning of the 30 000 square metre piece of land for use by light industry could be regarded "as just a formality".

He said: "It's the only piece of land like this available in Port Elizabeth with services already installed

"To service land of this size would cost about R10 a square metre.

"What is the point of getting industrial concessions from the Government if we don't want industry here?" he asked.

● Turn to Page 2



MR JOHAN STANDER on his land, serviced for industry, which a Port Elizabeth City Council committee has refused to zone for industrial use. A motor component factory was to be built there, providing assembly jobs for 450 people.

Committee's no to site for industrial use

10/4/87 E. Post

192

● From Page 1

Weekend Post had difficulty establishing the committee's reasons for the rejection of the Town Planning application to rezone the land, but it is understood the chairman of the committee, Mr Aubrey Braude, was in favour of the application He was in Cape Town this week and could not be contacted.

The vice-chairman, Mr Terry Herbst, was also on holiday and could not be reached

The Town Planner, Mr John Mercer, did not wish to comment, and the Town Clerk, Mr P K Botha, said only committee members could comment Of these, only Mr Alec Ward Able could be reached, and he said: "The committee turned down the recommendation because it felt it would be a serious drawback to the village of Swartkops which had the potential to become a holiday village

"The village has also suffered recently with all sorts of blows and disasters — such as the railways in the area and heavy traffic through the village itself.

"To allow this industry would be another nail in the coffin of the village.

"The piece of land is an isolated island and it was felt it would tend to attract other industry which would further encroach on the village

"I don't know if the ratepayers' association was consulted but reports from residents which emanated to the committee showed that the residents viewed the proposal with disquiet."

When asked what could be done with the land, he said: "We shall find another appropriate use for it"

Mr Rocky Ridgway, chairman of the Greater Algoa Bay Development Committee (GABDEC), said he thought Port Elizabeth had been handed a "tremendous opportunity" by the recent Government concessions

"We should be doing everything possible to attract industry," he said

"I don't know the reasons for the committee turning aside this proposal, but I certainly hope they will make every effort to find an alternative for the developer"

Mr Philip Bowman, chairman of the Midlands branch of the Institute of Estate Agents, said he knew the land in question. It was in close proximity to the power station.

"In the light of the fact that Port Elizabeth is so short of light industrial land, the City Council should take a long hard look at rezoning or at ratifying the original intention to zone this tract of land," he said

VAST RANGE OF PARTS REQUIRED FOR MOTOR INDUSTRY KEEPS CAPITAL TIED UP ON AGENTS' SHELVES

SPARES COSTS TS AIRE SPIRALLING UP CAR PRICES

By Jeremy Rees

192

Sunday Times 11/4/82

THE cost of keeping vast ranges of motor vehicle spares is partly responsible for spiralling car prices.

Franchise holders are forced to stock huge quantities of spare parts to keep pace with the ever increasing variety of vehicles being offered to the public.

But spares are not only required for new cars — indeed dealers must hold parts for models dating back to the Sixties.

Datsun agents for instance often hold more than R1-million worth of spares for the 22 models in each of their ranges of passenger and commercial vehicles.

The group manager for Datcentre Motors in Durban, Sandy Liversage, said capital tied up on his shelves could otherwise be invested at up to 17,5 percent interest meaning a calculated loss of about R175 000 annually.

And although the agents do not dictate car prices, and are obliged to follow recommended figures, ultimately the heavy costs of holding spares must be passed on to the consumer.

And Datsun are likely to further complicate the spares situation when they bring in the new Skyline range this year.

"We have a very high write-off on parts," says Liversage who has been in the motor industry for 14 years. "We might end up with a net 25 percent on parts and out of that we have to pay for increasing expenses such as salaries and warehousing.

"The only way we will be able to meet the problem is with tight control of parts especially as the trade is moving into a buyers' market in the next couple of years."

Nevertheless he said there was a need for the Skyline models: "The Pulsar competes with the Mazda 323, Golf, VW and Toyota Corolla in the small segment, but the two-litre Skyline will move straight into the Cortina market. The Skyline is the most impressive vehicle I have seen and there is talk of seven different models."

A spokesman for the Datsun group in Pretoria says there is a high degree of "commonality" in the mechanical parts of the Datsun range and this will be the case with the new models which are still under test for South African conditions.

"At present we have only three basic passenger car models — the Pulsar, Stanza and Laurel, and the Skyline will probably use parts common to other models — with refinements of course."

Meanwhile the price of cars keeps going up and the cheapest in the Datsun range today is R6 485 compared with R4 685 two years ago. At the same time the lowest priced BMW Exec has moved up from R10 490 to R13 350 and the Toyota Corolla 1,6 from R5 345 to R7 645.

The chairman of Toyota South Africa Ltd, Dr A.J.J Wessels, expects the vehicle market in the country to be about 12 percent less this year than in 1981.

Toyota's plant and accessories warehouse was expanded 60 percent during last year which gives an idea of the increased stocks.

The financial statment in Dr Wessels' annual report shows an increase in the value of parts held from about R10 million to R16 million.

Volkswagen — whose backbone used to be the unchangeable and inimitable "Beetle" — now has 26 models to choose from ranging from the popular Golf to the plush Audi 200 SE and including the Jetta and Passat models.

Sigma opens truck plant in PE

(192)

Star 13/4/82

Sigma Power Corporation has opened an assembly plant in Markman township, Port Elizabeth, to handle the full Mitsubishi range of heavy vehicles, Mack heavy vehicles and the new Sigma bus range.

The new plant is next to the corporation's Central Parts Depot, where Citroen and other vehicles were assembled.

ADE-PROGRAMME

Mr Bill Davy, Sigma Power's director of manufacturing, said "We were assembling our vehicles in Maritzburg on a contractual basis but, with the advent of the ADE local diesel-engine programme, we decided that the time had come to start our own assembly operation.

"In addition to handling our trucks, we also had the space to take care of our new bus and trolly-bus developments"

The move had given Sigma a much tighter control over costs and quality The Mack range was assembled in Uitenhage until 1978 and about three-fifths of the staff at the new plant worked there.

"Having these skills available immediately, gave us a much quicker launch than if we had been obliged to train an assembly line staff from scratch," Mr Davy said

Other plus factors with the Port Elizabeth site included the many on-the-spot suppliers of items for the local content programme as well as the excellent harbour facilities for handling CKD packs

VW workers down tools in retrenchment protest

April 1982

UITENHAGE — The Volkswagen company stopped production at its plant here yesterday after almost the entire workforce of about 5 600 workers downed tools in protest against the retrenchment of 316 workers

Workers insisted that retrenched workers be allowed to work every second week but management said last night that it was not practical as production in the plant would become unbalanced

The company said in a statement yesterday that talks had been held between management and shop-stewards and that it hoped workers would resume their duties today

Representatives of the National Automobile and Allied Workers' Union (Naawu) said the trouble started on Wednesday afternoon when workers expressed opposition to the retrenchments and asked for a full list of retrenched workers

When management failed to supply a list, workers refused to resume work

Yesterday workers resumed work until about noon when they again expressed opposition to the retrenchments They also felt that the company had not adhered to the principle agreed to with the union that only workers with bad job records would be laid off

Another grievance was the fact that only 13 whites, all with "very bad" job records, had been laid off — DDC

500 U'hage workers may lose their jobs

(192) (305) E. Post

Post Reporter 15/4/82

ABOUT 500 workers at Uitenhage's Volkswagen plant will know next week whether they will be retrenched.

According to officials of the National Automobile and Allied Workers Union (Naawu) they have been told that workers will be laid off soon to counter an expected downturn in production.

Representatives of the union met management today, and a further meeting will take place on Monday.

Naawu has urged VW to consider options such as short time and using redundant workers in other departments.

Naawu's acting general secretary, Mr Les Ketteledas, said today that discussions would continue on Monday. He said the number of people to be retrenched had still to be determined.

A VW spokesman said that because of the economic downturn and the effect it would have on the vehicle market, the company would be "adjusting production volumes"

Overheads were being cut Among the measures being considered were the reduction of shifts and of overtime and "an adjustment in manpower".

USED CARS (192) FM 16 4 .82

Going downhill

Now is the time to buy a used car As sales continue to decline, real prices on the overstocked market are following suit

Car buyers have been turning increasingly to new cars and sales continue to roar ahead in spite of the slump predicted for this year

New-car sales have risen from 159 048 in 1977 to the record 301 528 last year And in the first two months of 1982 they are still breaking last year's records Indeed, even if 1982 sales drop as low as 250 000, the market will still be worth about R2,625 billion

Used car sales, on the other hand have dropped to their lowest since recession-hit 1977 (see chart)

Used-car registrations recorded by the Department of Statistics dropped from 600 137 in 1978 to an annualised 532 000 in 1981 Spokesman for the industry believe this figure will drop to about 450 000 during 1982 If unit-price average is about R5 000, as predicted, this places a value of about R2,25 billion on the second-hand trade

Jannie van Huyssteen of the Motor Industries Federation says the used/new car sales ratio has decreased from 2 1 in 1980 to 1,4 1 in 1981

"Car buyers have become more discerning," he says "They are starting to consider features like petrol consumption This has had a drastic affect on the market

"Buyers who once considered purchasing used cars became tempted by new petrol-saving models They are now looking at the long-term prospects of buying a car And this goes hand in hand with the tendency of car owners, especially companies, to expect longer life from their vehicles"

Van Huyssteen believes the new-car sales boom will soon end He says "March figures will show us which way the market is going"

However industry sources believe that if there is to be another swing to used cars, it will occur only next year

Says Oscar Peruch, MD of Mead & McGrouther, publishers of the Autodealer Digest "These factors, especially price escalation, will start filtering through to the new-car market And then more people will again start turning to used cars'

Competitive prices of used cars will also help turn the tide While prices of new cars are increasing at an annual rate of about 12%, slightly below inflation rate, real prices of used cars have been decreasing more rapidly

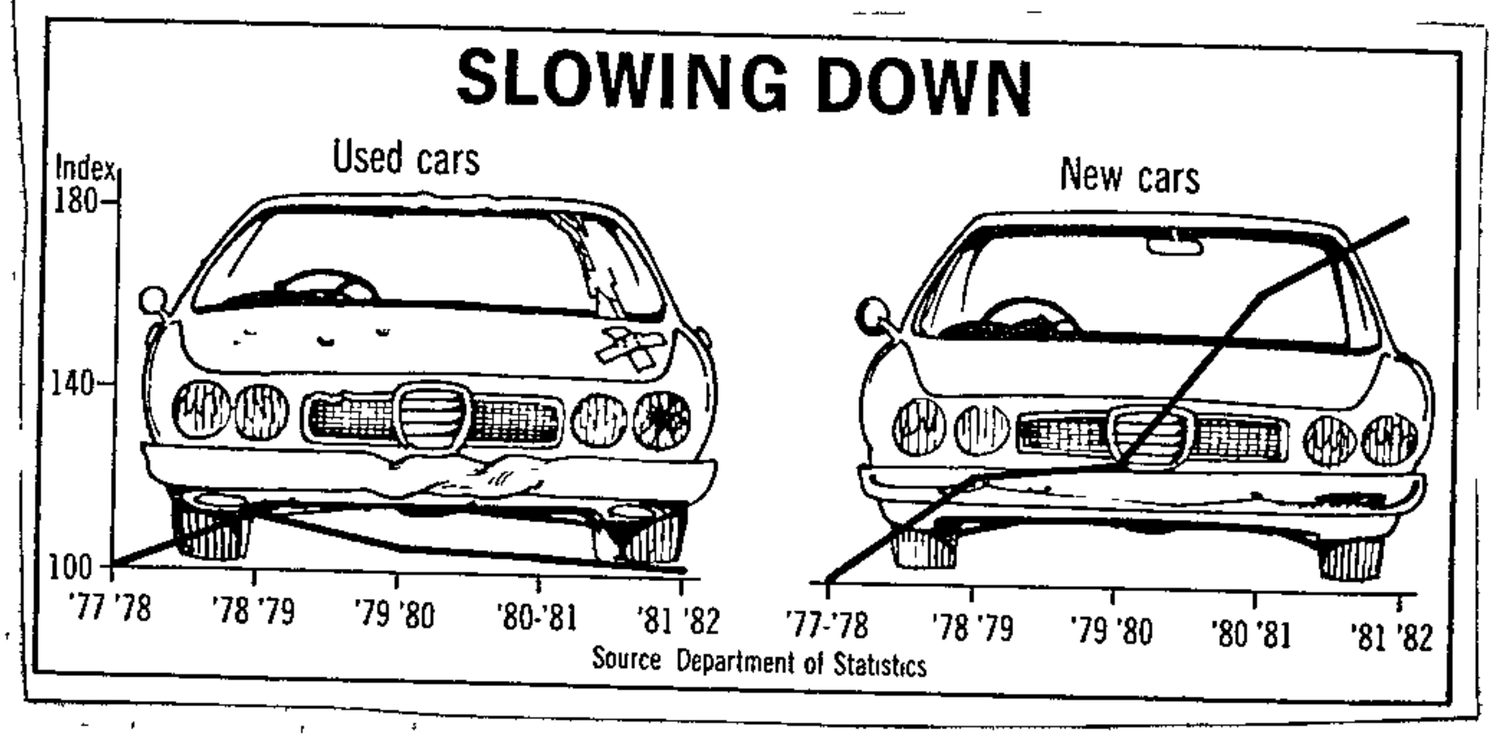
Many car spokesmen believe that a boom in second-hand car sales will not benefit all makes and models

Pre-owned models at the upper-middle end of the market will probably fare worst John Landey, MD of Car Bar, which deals in upmarket used cars, calls them pseudo-executive cars most are gas-guzzlers and do not always match quality levels of similar-priced smaller new cars

Not all used car dealers are feeling the pinch Some, with new marketing techniques and better guarantees, seem to be faring well Landey says his best sales ever were in March this year Hypercar's Paul Croeser says his sales of used vehicles, from executive to bargain cars, have increased by 10% over the past six months

Blacks make up a growing segment of these buyers Says Croeser "Although blacks used to purchase mainly mini-buses and vehicles for commercial return, many are now moving to the family vehicle market"

But Car Bar and Hypercar seem to be exceptions Says Peruch " Sales in Johannesburg and the Transvaal do not reflect the normal situation countrywide In smaller centres, such as Cape Town, used cars fetch about 10% less than up here Although the Transvaal accounts for about 50% of all used car sales, prospects in the rest of the country are not all that good"



hire and maintain in Port Elizabeth.

Big forklifts in demand by industry

(192)

E. Post 20/4/82

THERE is a definite swing towards the sale of larger forklifts and battery powered models as a result of a growing sophistication among local users, according to the Criterion Equipment Co, which has a branch in Port Elizabeth

Other factors influencing the market are more widespread use of containerisation and strong demand for hire, the company, a part of the Trumcor Group, says

Criterion holds South African franchises for the TCM locally-built forklifts, Cleco customised high rise, narrow-aisle stacking trucks, the Ormic/MIC range of pallet handling equipment and the Sanderson rough terrain forklifts

The Port Elizabeth branch manager, Mr Henry Rautenbach, reports strong demand for forklifts from industrial buyers

"PE's dependence on the motor industry naturally makes the local market sensitive to any downturn At the same time, however, the motor industry is committed to steady expansion," he said

Hence the local economy will continue to benefit through spending power, demand for goods and services and any downturn would be less marked, perhaps, than some commentators expect, he says

The demand for heavier forklifts flows from the trend towards bigger capital plant, he believes

"The scale of industrial plant is growing in sheer mass terms As a result, it requires bigger materials handling equipment and in our case this adds up to sales of 3,5-ton and 4-ton TCM forklifts in greater numbers than in the past"

Among the recent buyers of forklifts in this range have been Guestro, Goodyear, Eveready, Aberdare Cables, Repco and Deranco blocks and General Motors

Among the small capacity, TCM's electric powered models have been in heavy demand, followed by diesel units, then petrol driven types

Mr Rautenbach ascribes the demand for electrics to growing sophistication among local buyers reflected in an awareness of the pollution-free and operating costs advantages of electric models

Among buyers of electric models recently have been Ford, Shatterprufe, Eveready and British United Shoe Machinery

Not all materials handling applications in factories, warehouses and so on justify full scale forklift trucks The limiting factors may be volumes, the size of the premises, the actual application itself or capital cost

This is where the Ormic/MIC range of pallet handling equipment distribution by Criterion in Port Elizabeth comes into its own

Mr Rautenbach says large buyers of pallet trucks now include the retail sector which has taken great strides in Port Elizabeth with developments such as the giant Greenacres shopping complex.

Industry at large has been caught up in the swing to containerisation of goods encouraged by the completion of Port Elizabeth's container berth

"The volume of container traffic through and into Port Elizabeth is growing steadily as a result of this facility and is reflected in our sales," he points out

Generally, Port Elizabeth buyers are extremely value-conscious For this reason the new range of forklifts with wide view masts and an extremely cost effective operating performance, have been well received in the city

Meanwhile, demand for hire forklifts is growing in the city To meet the need, there are plans to increase the range of hire trucks avialable to the local market

(192)

Assembly plant shifted to PE

SIGMA Power Corporation has set up a new assembly plant in Markman township, Port Elizabeth

It will handle the Mitsubishi range of heavy vehicles, Mack heavy vehicles and the new Sigma bus range

The new plant is adjacent to the corporations Central Parts Depot, where Citroen and other vehicles were formerly assembled

Bill Davy, Sigma Power's director of manufacturing says, "We were assembling our vehicles in Pietermaritzburg on a contractual basis but with the advent of the ADE local diesel engine programme we decided that the time had come to set up our own assembly operation

In addition to handling our trucks, we also had the space to take care of our new bus and trolley bus developments"

The move, he added, also gave Sigma Power a much tighter control over costs and quality

The Mack range was assembled in Uitenage until 1978 and some 60% of the staff at the new plant were formerly employed at Uitenhage

"Having these skills immediately available gave us a much quicker launch than if we had to train an assembly line staff from scratch," says Davy

He adds that all the prototype work on the Mitsubishi with the local ADE engine had been completed and the assembly lines were now on schedule

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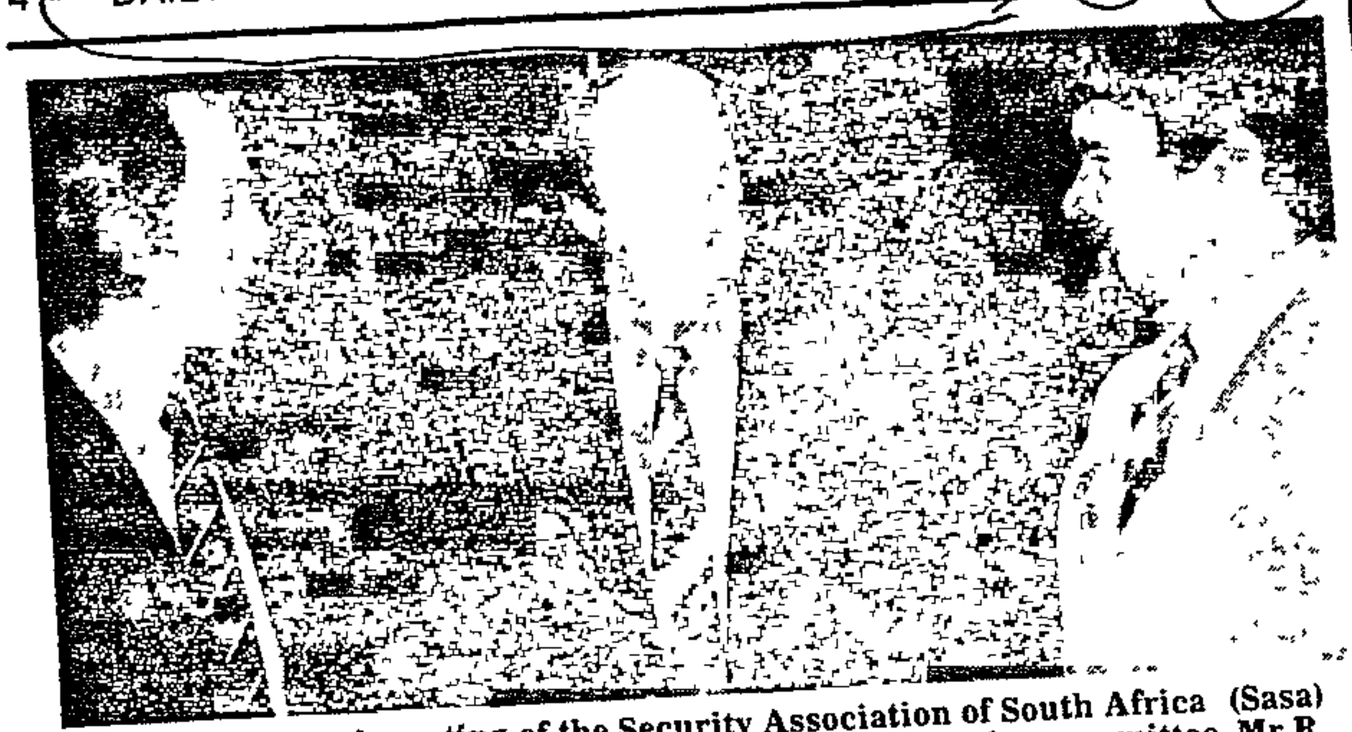
192



At the inaugural meeting of the Security Association of South Africa (Sasa) Border branch. Mr Mike Lindley, chairman of the steering committee, Mr R. J Nowell, and Mr John Robertson, regional manager (coastal) of the association, from Durban, who addressed local security men

Security men form committee

EAST LONDON — The manager of personnel services at a car assembly factory here, Mr Mike Lindley, has been elected chairman of a steering committee to look into the formation of a Border branch of the Security Association of South Africa

Others to serve on the committee are Mr Garth Wyatt (vice-chairman), Mr Dave Delport (secretary), Mr Keith Howard (treasurer) and Mr Aiden Courtney

The decision to elect a steering committee was taken at a meeting addressed by the regional manager (coastal) of the association, Mr John Robertson, of Durban

Mr Robertson outlined the role of the association in industry and business in South Africa

He said the duty of the steering committee would be to sound industrial and business concerns about the association, call a general meeting and elect a full committee

Mr Lindley said he saw the duty of the Border branch as aimed at encouraging professionalism within the industry and promoting security awareness in the Border area

He felt his committee's task was to organise the branch and make it a viable organisation — DDR

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Car firm to lay off 316 unskilled men

ARGUS 21/4/82

Argus Bureau

PORT ELIZABETH — Volkswagen of South Africa has decided to retrench 316 unskilled workers immediately

As a result of the less buoyant economic conditions affecting demand, Volkswagen 'has been forced' to retrench 316 people from the total workforce of 8 700

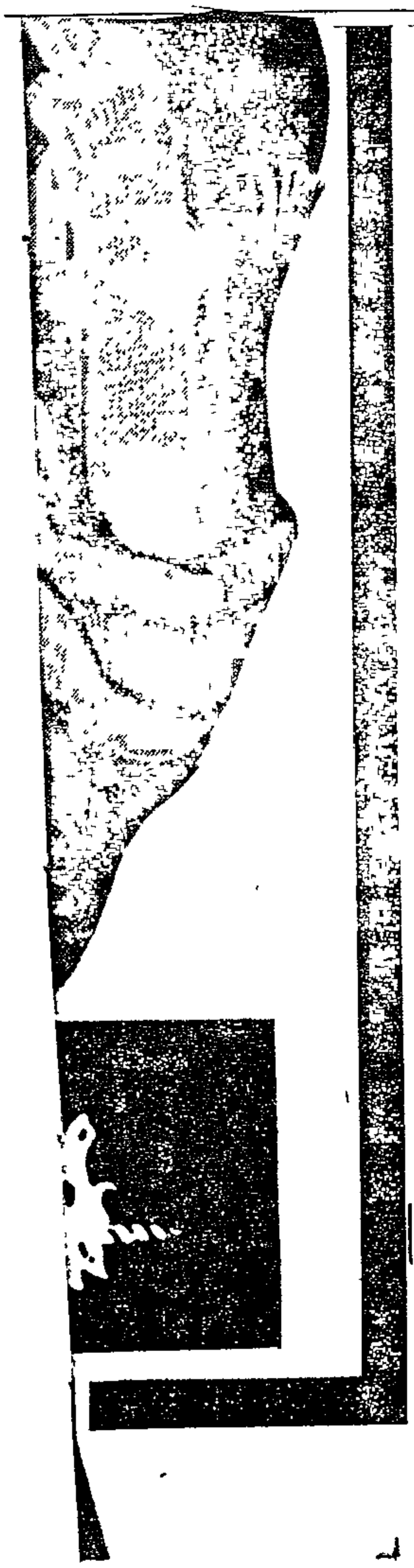
Employees with five or more years service will not be considered for retrenchment.

Mr A O Rademeyer, Volkswagen's industrial relations director, said that in the light of the already serious unemployment situation in the area, every effort had been made to minimise the number of workers affected

'For the first time in two years our dealers are now reasonably stocked and with interest rates at their present levels together with less bouyant economic conditions likely in the months ahead, there is a need to adjust production

'There is, however, a shortage of skilled workers in the industry and recruitment in this category will continue,' he said

The Volkswagen retrenchment follows a similar action by other major manufacturers earlier in the year.



Research 'key to health, welfare'

MEDICAL research would have to find effective solutions to problems such as child welfare, enrichment of diet and nutrition education, the State President, Mr Marais Viljoen, said today.

In one of the most significant days in the CPMA's 75-year history yesterday it recommended almost unanimously an end to almost all apartheid at municipal level, including a common voters' roll for white, coloured and Asians.

The CPMA has recommended that the Group Areas Act be abolished in certain areas to allow the more affluent members of the Asian and coloured communities to have homes together with the right to use of the permit system in the Group Areas Act.

Included in the proposed constitutional changes accepted by the congress, which represented more than 140 municipalities, is the abolition of the coloured management committee system and the inclusion of all property owners and

Abolition of town apartheid called for

Municipal Reporter

EAST LONDON. — The relaxation of aspects of the Group Areas Act, including its abolition in certain areas, has been accepted by the Cape Province Municipal Association at its 75th annual congress here.

316 lose jobs as VW plant trims its staff

(192) RDM 22/4/82

By STEVEN FRIEDMAN
Labour Reporter

THE giant Volkswagen motor company yesterday retrenched 316 workers at its Uitenhage plant — and unionists said they feared more motor firms might retrench. Volkswagen employs 8 700 workers.

A spokesman for the National Automobile and Allied Workers Union, which is recognised by Volkswagen, said the union opposed retrenchments and believed employers could take other measures to respond to the downswing in the economy

But he said negotiations between Volkswagen and NAAWU had reduced the number to be retrenched from around 500 and that talks were under way between the company and union shop stewards to reduce the number to a minimum

Volkswagen's announcement follows retrenchments by two other motor firms earlier this year

A company statement yesterday said Volkswagen had been forced to retrench "as a result of less buoyant economic conditions" and an expected drop in demand for the months ahead

Workers with five or more years' service were not among those to be retrenched

The company's industrial relations director, Mr Ollie Rademeyer, said that in the light of the already severe unemployment situation in the Eastern Cape, "every effort" was made to minimise the number of workers affected

He added that, for the first time in two years, Volkswagen dealers were "reasonably stocked" and, with interest rates at their present levels, together with economic conditions, Volkswagen needed to "adjust production"

A NAAWU official, Mr Les Kettledas, said yesterday the union had retrenched workers despite NAAWU objections

"We are opposed to retrenchments in principle We believe there are other measures employers could take, such as working shorter weeks and banning overtime, to meet the new economic conditions," he said

About 30 000 workers were already jobless in the area and those retrenched would have little chance of finding new jobs within the next year

"However, we were able to reduce the number of workers retrenched and we will continue holding talks with the company to put across our view and to cushion the effect of retrenchments," he said

from Thaba Nchu in the Free

316 lose jobs as VW plant trims its staff

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Fosatu welcomes peace at Henkel, issues warning

Labour Reporter

AS THE Federation of SA Trade Unions welcomed the settlement between one of its affiliate unions and the Henkel chemical company, one new strike was reported from Wadeville yesterday

Two other East Rand stoppages also continued, union sources said

But Fosatu tempered its greeting of the Tuesday settlement between Henkel and the Chemical Workers' Industrial Union by warning that it might consider further consumer boycotts against companies.

The agreement was reached after a dispute over the firing of strikers in which the union called a consumer boycott against the company — and was supported by international union groups

"This is the second time companies have settled with Fosatu unions in the face of a planned cosumer boycott," Fosatu said in a reference to a boycott CWIU called against Colgate-Palmolive last year The dispute between the two parties was settled

Fosatu said it had made "extensive preparations" for the Henkel boycott It "did not relish" calling consumer boycotts

On the new strike yesterday, the Metal and Allied Workers Union organiser Mr Moses Mayekiso said about 130 workers at the Wadeville company Fry's Metals had downed tools demanding a R1,50 an hour pay increase

Management had offered workers a 15c an hour increase in bonuses despite incomplete industrial council negotiations. The strikers had agreed to return to work after they had been awarded an extra bonus

Mr Mayekiso also said two other strikes — at Screenex of Alrode, near Alberton, and Moser Industries in Wadeville — were still unresolved

Workers at Screenex struck in support of demands for a 50c an hour raise, and those at Moser in protest at the firing of nine workers

"Both companies are in-

MATTER OF FACT

TO CORRECT specific errors of fact, write to the Editor at P O Box 1138, Johannesburg, or telephone the

Missing girl: mother asks public's help

Mail Reporter

AN ELDORADO Park mother has appealed to the public to help find her daughter who has been missing for three weeks

The girl is 14-year-old Anne Marillier, last seen in the vicinity of her home on April 1 Anne has a light brown complexion, is about 1,53m tall, has brown eyes and black hair, and is slimly built

Her mother, Mrs Rosemund Marillier, can be contacted at work at telephone number 8387685 or at home at 9451607

Be pati

Mail Reporters

PEOPLE who called at the office of Impact Homes in Johannesburg yesterday were asked by Mr Mark Guthrie to be patient — he was still negotiating for sites in Diepkloof.

People who went to Impact Homes two weeks ago to get back the R250 advance management fee they had paid the firm were then told by Mr Guthrie they could

CAPE TIMES 22/4/82 192

VW lay off 316: Union worried

Own Correspondent

PORT ELIZABETH — Volkswagen in Uitenhage yesterday laid off 316 workers

In a statement the company said that as a result of less buoyant economic conditions, it had been forced to lay off 316 workers out of its total workforce of 8 700

The acting general secretary of the National Automobile and Allied Workers' Union (Naawu), Mr Leslie Kettledas, expressed concern at the layoffs at a time of high unemployment

He said the union was still debating with management the principle of layoffs

Well stocked

The industrial relations director of Volkswagen, Mr A O Rademeyer, said yesterday that in the light of serious unemployment, efforts had been made to minimize the number of workers affected

For the first time in two years Volkswagen dealers were now reasonably stocked, and with interest rates at their present levels, combined with the economic situation, there was a need to adapt production

There was, however, still a shortage of skilled workers in the industry, and recruitment in this category would continue, Mr Rademeyer said

Long service

The company said in its statement that employees with five or more years' service were not considered for retrenchment

A company spokesman said the company had paid out severance pay of three shifts, while the agreement with the union stated that severance pay should be for one shift only

But Mr Kettledas said the union had asked that severance pay of one month for every year worked should be strongly considered

The union was also adamant that laid-off workers should be the first to be re-employed

Strike hits VW factory

RDM 23/4/82 (192)

Mail Correspondents

PORT ELIZABETH — The Volkswagen company stopped production at its Uitenhage plant early yesterday afternoon after almost the entire black workforce of about 5 600 workers downed tools at noon in protest against the retrenchment of 316 workers on Wednesday

Workers insisted that retrenched workers be allowed to work every second week, but management said last night this was not practical

The company said in a statement yesterday that talks had been held between management and shop stewards and that it hoped workers would resume their duties today

Spokesmen of the National Automobile and Allied Workers' Union (Naawu) said the trouble started on Wednesday afternoon when workers expressed their opposition to the retrenchments

When management failed to supply a list of retrenchments, workers refused to work Management closed the plant at 6pm on Wednesday, telling workers to come back for the 8am shift the next day, the spokesmen said

Yesterday workers resumed work until about noon, when they again expressed their opposition to the retrenchments They also felt that the company did not adhere to the principle agreed to with the union that only workers with bad job records would be laid off Many workers with good records had been laid off, the spokesmen said

Another grievance was the fact that only 13 whites, all with very bad job records were laid off

The list of names of retrenched workers could not be made available on Wednesday night as it had not yet been finalised, a VW spokesman said.

He said workers were laid off only after a thorough merit evaluation

Retrenchments were made on the basis of performance, not race, he added

A report-back meeting between shop-stewards and workers will be held at 8am this morning

(192) Star 23/4/82

Retrenchment clouds gather

By Tony Davis
Labour Reporter

The grim spectre of retrenchment is looming once again this year on the eve of major wage negotiations in the motor industry in the Eastern Cape

The annual wage negotiations come at a time of predicted declines in sales and some firms are retrenching and laying off workers

Employers at the bargaining table are expected to warn unions that excessive wage demands could harm the industry

The National Automobile and Allied Workers' Union has already announced its demands for a national wage increase of 75 percent Naawu claims to represent about 40 percent of the motor assembly workforce across the country

More than 1 000 motor assembly workers have either been dismissed or laid off this year

● At Volkswagen in Uitenhage this week 316 workers were retrenched because management predicted a downswing in the economy and decline in car sales.

● The Sigma plant near Pretoria retrenched 507 workers in January and laid off another 348 for that month

● At Datsun-Nissan in Rosslyn near Pretoria 150 workers were retrenched, also in January.

Wage negotiations for 1982 are under way at Sigma between management and Naawu, and the industrial council for the Eastern Cape motor industry starts its talks on May 4

Naawu and other unions have been critical of motor firms for not taking future economic troubles into account.

But unions have been able to win assurances from managements that retrenchments will be discussed in advance

In the case of Sigma and Volkswagen, unions were able to obtain "better deals" for dismissed workers.

In January the Federation of South African Trade Unions, of which Naawu is an affiliate, released a series of policy guidelines related to retrenchments

Advance notice by managements was a principal guideline and the federation stated it supported the concept of "first in, last out"

At Volkswagen any workers who had five or more years experience were not considered for retrenchment

Workers retrenched are usually semi-skilled or unskilled labourers

In January, the president of the Institute of the Motor Industry for Southern Africa Mr R P Whitfield warned of a drop in car sales this year.

"During the next two years we expected sales to be lower — a natural result of the correction of an overheated economy," Mr Whitfield said

Naawu's national demand is for a R3,50 hourly minimum wage

The three employers in the council in the Eastern Cape — Ford, General Motors and Volkswagen — pay top wages in the industry

The "Magic" figure for a minimum wage used to be R2 an hour and this is generally the wage unions are hoping to convince all Transvaal employers to equal

A large truck takes shape on the assembly line Workers are looking for higher wages, employers are seeking cost savings. Reconciling the two is the problem.

Workers are back on job in Uitenhage

Express 23/4/82

192

Post Reporter

PRODUCTION continued as normal at the Volkswagen motor company today after more than 5 000 workers downed tools in protest against the retrenchment of 316 fellow workers this week

A Volkswagen spokesman said today the workers met at 8am today and decided to return to work

The spokesman said management representatives met with shop stewards yesterday after workers had downed tools

Management agreed to re-examine particular cases of people retrenched which the workers felt were unfair

Management representatives and shop stewards met again this morning

Workers asked yesterday that the retrenched workers be allowed to work every second week Management said this would not be practical as production would become unbalanced

Representatives of the National Automobile and Allied Workers Union (Naawu) said workers downed tools on Wednesday when management failed to produce a list of the workers Volkswagen intended retrenching

Production continued on Thursday morning but workers left their posts at noon in protest against the retrenchments

They felt management had not adhered to the principle agreed upon that only workers with bad job records would be laid off

Another grievance was that only 13 white workers were laid off — after a management assurance that all races and categories would be affected equally

The Volkswagen spokesman said the same percentage of black and white workers had been affected and that workers were laid off only after an evaluation of their job records

VW workers down tools

CAPE TIMES 23/4/82 (192)

Own Correspondent

PORT ELIZABETH — The Volkswagen company stopped production at its Uitenhage plant early yesterday afternoon after almost the entire black workforce of about 5 600 workers had downed tools at noon in protest against the retrenchment of 316 workers on Wednesday

Workers insisted that retrenched workers be allowed to work every second week, but management said last night that it was not practical as production in the plant would become unbalanced

The company said in a statement yesterday that it hoped workers would resume their duties today

Representatives of the National Automobile and Allied Workers' Union (Naawu) said on Wednesday afternoon that workers had expressed their opposition to the retrenchments, and asked management for a full list of the names of retrenched workers

When management failed to supply a list, workers refused to resume work

Yesterday workers resumed work until about noon, when they again expressed their opposition to the retrenchment Many workers with good records had been laid off, the spokesmen said

Another grievance was the fact that only 13 whites, all with bad job records had been laid off

The plant was closed about 1 30pm yesterday, the spokesmen said

A Volkswagen spokesmen said workers were laid off only after a thorough merit evaluation of workers' job records had been made

He said only unskilled workers had been retrenched — not on the basis of race, but on performance alone

Between six and seven percent of the white and black unskilled workers had been laid off

CAPE TIMES

Sigma: Dispute declared

192

Own Correspondent

JOHANNESBURG — The National Automobile and Allied Workers' Union (Naawu) declared a dispute with the Sigma Motor Corporation yesterday when agreement could not be reached on a new minimum wage for workers at the company's Pretoria plant

The union demanded a minimum R2 an hour, but Sigma would go no higher than R1,91

The declaration of a dispute has set in motion a procedure which could result in Sigma workers calling a legal strike — or being legally locked out by management

A Naawu statement yesterday said Sigma's rejection of a R2 an hour minimum wage meant the company had to "accept responsibility for paying less than a living wage"

A statement by Sigma said that in view of the "difficult economic circumstances" it could not affod to pay more than R1,91

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uted in the usual manner

The Baxter commissioned Peter Krummeck to design the posters for the first play in the company's 1982 season, Chekhov's Uncle Vanya

"It is simply the best poster we have had," he said

Baxter's 200 members, individuals and companies who sponsor the theatre, will also be entitled to free copies.

A small quantity — individually signed by the artist — will be available for R2 each from the box office or the book stall in the main foyer.

CAPE TIMES 24/4/82 (R2)

Volkswagen workers return

PORT ELIZABETH — The 5 000 black workers who downed tools at Volkswagen on Thursday returned to work yesterday, but negotiations will continue on Monday

A spokesman for the workers said they were still adamant that management should reinstate 316 workers retrenched this week or allow them to work every second week

But the director of industrial relations of Volkswagen, Mr Ollie Rademeyer, said last night that management had "flatly turned down" these demands

Workers resumed work at 9am yesterday after an appeal by shop stewards to return to work as management had insisted that it would not negotiate with shop stewards unless workers went back to work, a shop steward said

A workers' claim that workers with good job records were laid off had been discussed at a meeting between shop stewards and management, and management had declared itself willing to reconsider individual jobs, he said

Prisoner of

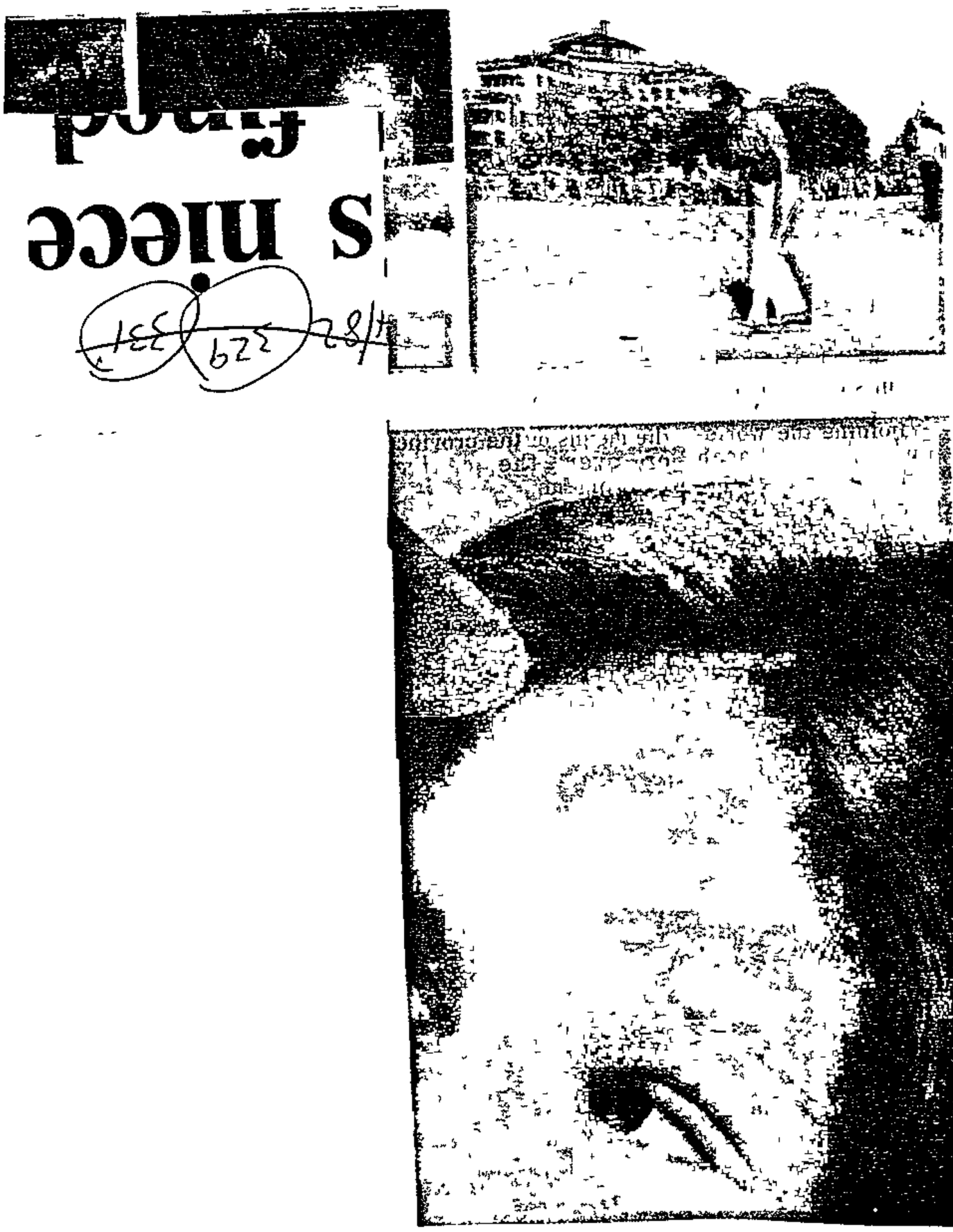
Staff Reporter 329

AMNESTY International has selected Mitchell's Plain community leader Johnny Issel as one of its prisoners of the month for April

Mr Issel, 35, who was banned for three years in 1980, has been detained without trial since November 2 last year He is being held under Section 10 of the Internal Security Act at Modderbee prison near Benoni in the Transvaal

The former student leader is one of three prisoners whose cases are documented in Amnesty International's April newsletter The other two are Berthony Pierre-Paul, a Haitian student detained since November 1980, and Ewa Kubasiewicz, a member of Poland's Solidarity trade union who is serving a 10-year prison sentence for martial law violations

Amnesty said each of its prisoners of the month had been arrested be-



Injected superglue kills man

Own Correspondent

LONDON — A man died two days after being injected with a medical version of superglue marked clearly "not for use on hu-

Star 24/4/82

Pay talks collapse at Sigma

(192)

By Drew Forrest

Confrontation is looming at the giant Sigma Motor Corporation in Pretoria after the collapse of pay talks yesterday.

After negotiations lasting eight weeks, Fosatu's National Automobile and Allied Workers' Union (Naawu) rejected Sigma management's final offer of a R1,91 hourly bottom rate

The company has unilaterally advised the 3 200 workers affected that the new rates offered will take effect after May 8

Declaring that Sigma "must accept responsibility for paying less than a living wage to its workers," the union announced that a general meeting of members would be held next week in Mamelodi to discuss the dispute

Sigma's personnel director, Mr "Mof" Lemmer, disputed Naawu's interpretation of the living wage concept "In our view, we are paying in excess of this," he said

This is the second time pay talks have broken down since Naawu was recognised at the height of last year's strike at Sigma The 1981 increases were also unilaterally awarded after deadlock over the union's R2 minimum wage demand. mand.

Naawu's original proposal in this year's negotiations was a R3,50 minimum, which it will also press for in forthcoming talks with the eastern Cape motor giants

● In Rosslyn, about 900 workers are out on strike at Asea Cables over the dismissal of a shop steward

The strike began at 2.15 pm yesterday because the head steward of the SA Allied Electrical Workers' Union was dismissed

The reason given for his dismissal was incompetence but union officials said he had been dismissed because he was so heavily involved in union affairs.

● Industria, west of Johannesburg, has been hit by its second wage strike in a week — and employers fear labour unrest may be spreading to the West Rand

About 60 workers at an Abercom subsidiary, Almaks Engineering, have been on strike since Wednesday over a demand for a R1 an hour increase, according to an Abercom spokesman.

He said there would be no increases before the talks in the metal industries' industrial council and that if workers were not back by Monday the company "would begin hiring elsewhere"

Union demands R2-an-hour minimum wage

(192)

RDM 24/4/82

By CHRIS FREIMOND

THE National Automobile and Allied Workers' Union (Naawu) declared a dispute with the Sigma Motor Corporation yesterday over a new minimum wage for workers at its Pretoria plant

The union demanded R2 an hour, but Sigma would go no higher than R1,91

Not all the 3 200 workers at the plant are Naawu members, management said

The declaration of a dispute has set in motion a procedure which could result in Sigma workers calling a legal strike — or being legally locked-out

A Government conciliation board may now be set up in an attempt to avert a strike or both parties could agree to arbitration

A Naawu statement yesterday said Sigma's rejection of a R2 an hour minimum wage meant the company had to "accept responsibility for paying less than a living wage to its workers"

A general meeting of Naawu members will be held next week to discuss the cause of the dispute

A company spokesman said wages presently ranged from R1,60 an hour for unskilled workers to R2,65 for skilled workers Sigma's offer was for a range of between R1,91 and R2,93

Sigma's personnel director, Mr S S Lemmer, said yesterday the company did not agree with Naawu's interpretation of a living wage

"In our view we are paying in excess of this and this was thoroughly debated during our negotiations," he said

VW workers return

RDM (92)

24/4/82

Mail Correspondent

PORT ELIZABETH — The black workforce at Volkswagen, estimated at 5 600, returned to work yesterday

But negotiations will continue on Monday, with management and worker representatives both reporting deadlock on workers' demands yesterday

A spokesmen for the workers said they were still adamant that management reinstate 316 workers, or alternatively allow them to work every second week

But the director of industrial relations of Volkswagen, Mr Ollie Rademeyer, said last night that management had "flatly turned down" these demands

A claim that workers with good job records were laid off had been discussed at a meeting between shop-stewards and management, and management had declared itself willing to reconsider individual job records, a shop-steward said

SA bus is the longest

(192)

S. Times 25/4/82

THE Bus and Vehicle Body Division of Dorbyl Automotive Products earned a mention in the Guinness Book of Records — its Busaf Port Elizabeth works has produced the longest three-axle passenger bus in the world.

The Busaf "bus train" is 20m long and has a carrying capacity twice that of a conventional single-deck bus

Bodywork for 40 such articulated units has been ordered from the company by the Corporation for Economic Development, at a cost of R3-million They will be used primarily for the mass transportation of passengers over short distances, and are destined for use in BophuthaTswana, the Ciskei and KwaZulu

Prototype Busaf bus trains went into operation with United Transport some 10 years ago.

Quickly

"We have seen a great future in Southern Africa for this type of bus," says John Herman, executive director of Busaf.

"Its large carrying capacity enables large numbers of people to be moved quickly at less cost in terms of fuel usage, mechanical maintenance and operating staff"

The bus trains can carry 184 passengers, of which 86 are seated and 98 are standing passengers The extraordinary, legal length of these units has been attained by coupling a trailer to the prime mover via a ball and socket joint. The two bodies are coupled by folding bellows which also act as a weather strip

The buses have been designed to articulate safely to 40 degrees, after which an anti-jacknifing device is activated At this stage, the driver is warned by red light and buzzer in the driving compartment, and the spring brake is automatically activated

Torsion misalignment of up to seven degrees is also possible with this coupling system, permitting operation over difficult road conditions

Developed by the Dunlop Equipment Division of Protea Axles, this system is basically a combination of tough nylon reinforced air bag springs with adjustable anti-roll springs which give maximum load stability and maintian axle location during cornering and braking

This results in a smooth, pitch-free ride and reduced vibration under all load and road conditions. The system is also maintenance free

The CED contract calls for the fitment of these Busaf bodies to 33 MAN 16 220 FOC and seven ERF Blazer chassis.

Busaf, with its South African bus body market share of 70 percent has also recently been awarded further contracts by major municipal bus operations together amounting to some R6,5-million

Tours and Service require bus bodywork for 229 single deck buses for operation in Cape Town and Port Elizabeth.

Important

"This R4,8-million contract is most important to Busaf as, after providing their body requirements for over 25 years, the City Tramway Group decided to build its own bodywork some six years ago," says Mr Herdman, "however, City Tramways has once again turned to us for its bus body requirements"

One hundred and seventy eight of these units are being built to Cape Town's City Tramways specifications, while the other 51 will conform to Port Elizabeth Passenger Transport's requirements.

The MAN bus presently undergoing extensiv built-in re

(192) S. Times 25/4/82

Dorbus factory expansion will double output

AN EXPANSION programme being undertaken at Dorbus' factory in Butterworth, Transkei, will more than double bus body output from this plant when it is completed

Dorbus, part of the Bus and Vehicle Body Division of Dorbyl Automotive Products, together with the Transkei Development Corporation, will spend R1-million on extensions to the Butterworth facility, increasing production capacity from the present 14 buses a month, to 35 bodies

This expansion programme will affect all of Dorbus' facilities, and will include additional equipment for and the streamlining of production lines, pre-treatment facilities, two additional spray booths, extensions to the fibre glass shop, larger stores, an enlarged administrative block and staff facilities

The present staff complement of 180 will be increased to 300 as will the company's in-house training facilities

Dorbus produces mainly country type bus bodies and among its main customers are the Corporation for Economic Development, the Transkei Development Corporation, and Busaf's retail sales organisation, Buscraft

Production of Busaf's "B" type country busy body has already commenced at Dorbus. Its body repair and refurbishing services are also in great demand

With only 10 white staff members, Dorbus is actively training the local populace, and Transkeians hold supervisory and many middle-management positions within the company

The present expansion programme is scheduled for completion in June this year, while full production is expected to be attained in 18 months

JEWELLERS AND GOLDSMITHS UNION

Year	Membership				
	African	Asian and Coloured	White	Total	
1970					
1971					
1972					
1973		98	320	418	x
1974		28	294	322	x
1975		26	305	331	x
1976		21	201	222	x
1977		30	347	377	x
1978				..	
1979				445	$
1980				460	Fosatu Annual Report 1980/81

Address: 201/4 City Centre
Corporation Street
Cape Town

Telephone: (021) 433658

Officials

Area of (

Founded:

Registra

1974 a
other

by 1977/78 and with

Sport 11, 12 | overseas

Uneasy truce at car plant pending talks

~~[illegible]~~ ~~[illegible]~~ 192 ~~[illegible]~~

26/4/82 Post Reporter E. Post

THERE is an uneasy truce at the Volkswagen motor plant in Uitenhage where production is normal pending the outcome of talks between workers and shop stewards

More than 5 000 workers stopped work for a day last week in protest against the retrenchment of 316 Volkswagen employees

A spokesman for the National Automobile and Allied Workers Union (Naawu) has said workers are adamant that management reinstate those paid off

Workers also felt management had not adhered to the principle agreed upon that only employees with bad job records would be paid off. Management has agreed to review individual job records of retrenched workers

A Volkswagen spokesman said a time had not been set for a meeting between management and Naawu representatives today.

PM set to open ADE foundry

(192) Industrial Week 27/4/82

By James Lodge
Cape Town Correspondent

THE R40-million Atlantis foundry, built to supply engine block and cylinder castings for the ADE diesel plant is to be officially opened by the Prime Minister on April 29.

Built on a site of 14,8 hectares next to the ADE plant, the new foundry will be the largest and most modern in SA

Prototype blocks have already been produced for pre-testing procedures and the foundry a wholly-owned subsidiary of ADE, is scheduled to begin supplying the ADE plant later this year

Process consultants for the development are Georg Fischer, a Swiss-based company involved in foundries, equipment manufacture, and engineering services

The project and construction managers are Engineering Management Services of SA

Tooling for the new plant has been procured in Europe from four separate pattern makers

Off-tool sample testing has been conducted at the Daimler Benz foundry in Manhheim, Germany and at the Metacal foundry in Spain

"The physical tests are now concluded," a company spokesman says. "Castings having been produced and approved Most of the tooling has now arrived in SA and is in the process of validation for it must be married with existing equipment"

A fully committed quality assurance programme will be an integral part of the foundry, says the spokesman

"Laboratory services play a very important role in the total foundry operation where the processes must be tested, examined and monitored continuously," he adds

(1) Originally i orkers (See NUDW p. 89).

Address: P.O. Cape 8000

Officials: Secre

Area of Operatio

Founded: 1966 (1)

Registration:

(1) 226926

Year	Membership				
	African	Asian and Coloured	White	Total	
1970				1 800	Ø
1971				2 000	Ø
1972				2 500	Ø
1973		2 500		2 500	¤
1974		3 000		3 000	¤
1975		3 500		3 500	¤
1976				4 000	¤
1977				5 000	¤
1978				5 571	≠
1979				5 571	≠
1980				5 571	≠

(192)

Mercury 27/4/82

ADE

How it's going to affect the diesel spares market

THE vast Atlantis Diesel engine programme to force South Africa into becoming self-sufficient and not rely on foreign diesel engine manufacturers for commercial power units has come under fire from some quarters

The charge that the AIF programme is inflationary and costly for consumers has been frequently levelled against its initiaters

That the ADE programme has, and will have a profound and far-reaching influence on South Africa's economy cannot be denied

Many ADE supporters say that like the already long-established local content programme for cars and light trucks, the ADE programme can only have beneficial long-term effect on the country

The manufacture, supply and distribution of diesel engine parts is one area that is being significantly affected by the introduction of ADE At the recent ADEPART launch, manager of after-sales operations Johan du Plessis had this to say about the often controversial programme:

The diesel engine market, as it exists today, is totally unrecognisable from what it was a few decades ago The change it has undergone is as dramatic as in any other facet of the industry. In heavy categories diesel engines were imported in volume from the mid-30s in trucks, buses and tractors.

[redacted]

Of the 48 212 trucks and buses licensed in 1938, only 869 were powered by diesel engines, while of the 819 tractors licensed, 162 were powered by diesel engines

Vehicles were driven by petrol, power-paraffin and diesel While approximately 60 percent of trucks and buses were powered by petrol engines in 1955, the popular tractor engines of the 50s were power-paraffin — approximately 70 percent.

The major swing to diesel engines in trucks and buses started in 1960, and by 1965 82,6 percent of trucks and buses were equipped with diesel engines

As the economic growth in South Africa in the 60s and 70s accelerated, so did the diesel engine market The diesel engine parts market was established in this period and grew at a phenomenal rate.

[redacted]

The extreme jump from 1960 to 1970 was mainly due to the change-over from paraffin and petrol to diesel.

Undoubtedly, the greatest influence on this market has been the local content programme which has been introduced over the years and which moulded the parts market into its present state

While this legislation predominantly affected vehicle production, it actually has a significant influence in the parts market.

Up until that stage the majority of replacement parts were imported. To meet the local component requirements, vehicle manufacturers were forced to cultivate local component suppliers Extensive capital was required and to achieve a viable production level a secondary distribution channel — independent wholesalers — was essential

The nett result of this legislation on the parts market was the creation of fierce competition between vehicle

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UNIVERSITY OF CAPE TOWN
EXAMINATION ANSWER BOOK

B

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered), leave columns (2) and (3) blank

All answer books must be numbered

Number of books handed in	3
of this book	2

	Internal	External
(1)	(2)	(3)
3.	54%	

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ɪt the top of each page and in column (1)
block on this cover the number of the
ɪn you are answering
r black ink must be used for written
s The use of a ball point pen is accept-
ed or green ink may be used only for
ning, emphasis or for diagrams, for
ɪencil may also be used
must be printed on each separate sheet

WARNING

1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed

2 Candidates are not to communicate with other candidates or with any person except the invigilator

3 No part of an answer book is to be torn out

4 All answer books must be handed to the

ɔpied from the heading on the Examination Paper)

mi-
ners'
Initials

2

manufacturers and independent wholesalers to the extent that 'all makes' programmes were introduced by vehicle manufacturers

Although legislation on local content on trucks and tractors has been announced only on the engine, gearbox and rear axle, vehicle manufacturers have taken the initiative on an economical basis, to introduce certain components — wheels, brake, drums, glass, chassis, and so on.

The effect on the parts business is still unknown and so I wish to take this opportunity of predicting the future that the replacement diesel engine parts industry will follow

In line with the planned local content programme on diesel engines, it is forecast that, as in the case of the automotive market, the commerical vehicle parts market will be stimulated by aggressive competition from both vehicle manufacturers and independents competing for an open market, which has hitherto been relatively restricted to each vehicle manufacturer marketing 'unique' competitive components, while wholesalers have selected high volume parts of various vehicle makers

Pricing of the local components in the longer term will be lower than that of imported components, which will be achieved through the concentration of volumes.

A favourable aspect on pricing will be that all price increases will be linked to the home economy and will not be subject to foreign inflation tendencies.

Local development will also result in a reduction in national parts inventory levels in view of the shortened lead times from local versus overseas supply sources

A significant influence on the future diesel engine parts market will be standardisation of the engine range brought about by the ADE project

In view of the wide availability brought about by standardisation, the end user will influence the marketing efforts of vehicle manufacturers and dealers The end user's bargaining power will be stimulated and he will demand higher levels of service from his traditional dealer and will force a more competitive pricing level

In essence, the future market will be influenced by the end user's preferences, rather than being influenced by the vehicle manufacturer's dealers.

The company providing the best after-sales service will therefore be the most successful.The pricing policies to be applied in the future market will be a key element to success

In this area it is forecast that while vehicle manufacturers and dealers will retain profit margins at current levels, in the longer term retail prices will be lowered in favour of the end user The nett effect will be the shortening of discounts at dealer and fleetowner levels

In view of the end user's requirements, market support action by both vehicle manufacturers and dealers will need priority It is envisaged that staff training will feature prominently as end users demand higher service levels from dealer personnel

Parts salesmen currently acting as interpreters will need to become professionals in the disciplines of sales marketing, engineering and public relations

It is forecast that while the natural distribution pattern into the market will continue, specialists in diesel engine parts will emerge within the vehicle manufacturer's dealer networks

The advent of fully-fledged remanufactured programmes of engines and assemblies, will become a feature of the future market. This will evolve as a result of volume concentration, the inflationary spiral on components that can be viably salvaged, and naturaly competitive influences

Although remanufacturing of engines and major components for exchange purposes is in its infancy stage in South Africa, we believe that the ADE engine volume concentration will provide a proper basis for a remanufacturing programme on an exchange basis concept

The future diesel engine parts market is going to be interesting and a challenging one with numerous opportunities

TRANSVAAL MUSICIANS UNION

Year	Membership					
	African	Asian	Coloured	White	Total	
1970					268	Ø
1971					217	Ø
1972					151	Ø
1973				458	458	x
1974				306	306	x
1975				347	347	x
1976				348	348	x
1977				332	332	x
1978				332	332	$
1979				304	304	$
1980				314	314	$

Address: P.O. Box 5837
Johannesburg
2000

Telephone: (011) 213451/48 4804

Officials: Secretary: M

Area of Operation: Trans

Founded:

Registration: Yes

Meetings held by car firm workers

Post Reporter 27/4/83

THREE meetings of shop stewards and workers are being held at Volkswagen in Uitenhage today to decide whether the workers accept management's retrenchment of 316 workers last week

More than 5 000 downed tools on Thursday in protest against the retrenchments

They demanded the reinstatement of the workers and said management had not adhered to an agreed principle that only those with bad job records would be paid off

In a series of meetings between management and National Automobile and Allied Workers Union (Naawu) representatives of VW made it clear the firm would not reinstate the workers, but would re-examine their job records

In three meetings designed to fall in with the plant's shifts, shop stewards today met with workers at the Jubilee Hall in Uitenhage to discuss management's response to their demands

A Naawu organiser said the union would comment on the outcome later

TRANSPORT WORKERS UNION (COLOURED AND ASIAN)

Year	Membership				
	African	Asian and Coloured	White	Total	
1970				..	
1971				300	ø
1972				300	ø
1973		451		451	*
1974		324		423	*
1975		405		405	*
1976		369		369	*
1977		320		320	*
1978		320		320	≠
1979		222		222	≠
1980		222		222	≠

Address: 206 Trades Hall West

Telephone: (011) 838 5861

Officials:

Area of Oper

Founded:

Registration

Industrial C

tor Transport

U'hage workers alter demands

28/4/81

Post Reporter

WORKERS at Volkswagen in Uitenhage yesterday decided to moderate a demand for the reinstatement of 316 re-trenched workers and asked instead for those with good job records to be reinstated

In meetings at the Jubilee Hall in Uitenhage yesterday workers decided to put three demands to management today

The first was that the company reinstate all retrenched workers who had good job records, and the second that all dismissed workers with bad records be discussed with the National Automobile and Allied Workers' Union

The third demand was that Volkswagen pay a month's wages for every year worked by retrenched workers in severance pay

Shop stewards met management representatives today to discuss the demands and will report back to workers tomorrow.

A spokesman for Volkswagen said a statement would be issued by the company after the meeting

1970 - Affiliates to TUCSA

1981 - Cape Town Branch re-established.

Shock absorber factory for SA

CAPE TIMES 28/4/82

192

THE official opening of a R10m shock absorber factory for Gabriel South Africa by the Minister of Industries, Commerce and Tourism, Dr Dawie de Villiers, at Retreat industrial area last week was another milestone in the growth of the local motor component industry and in the efforts to make this country as independent as possible of overseas supply sources

This is especially so when you consider that every four-wheeled vehicle produced in the Republic, from the smallest car to the heaviest truck, has to have four shock absorbers fitted as original equipment and will probably need a few replacements during its running or working life

The Retreat factory will produce 2 000 000 shock absorbers a year and this is barely enough to fit to the 450 000 cars and commerical vehicles which were produced in a record 1981 and which are expected to be produced again in 1982 and replacements for vehicles already on the road The increase in car production was 41 percent and 50 percent in commerical vehicles

Local Expertise

Not only does a factory such as the one at Retreat add yet another advance in local expertise and manufacturing technology — and a further contribution to SA's self-sufficiency — but it will save the country some R15m a year in foreign exchange for imports and provide an export market which in itself could bring millions back into the country

Mr Byron Pond

Gabriel, of the United States, is one of the biggest manufactuers of shock absorbers in the world, and its South African operation was started 19 years ago in Plumstead by Harold Jones and Co which acted as indent agents and which retains a 14 percent interest in the new operation The Chicago-based Maremont Corporation, which controls Gabriel in the USA, has a controlling holding of 51 percent with Plessey SA — which is sited right next door — a big local shareholder with 35 percent

Mr Byron Pond, chairman, president and chief executive officer of Gabriel's parent company in the USA, flew out from his Chicago base to attend the opening and said that the fact that the South African operation had developed significant exports markets in the USA, Australia, New Zealand and some southern African countries was an impressive feat

'Our biggest challenge'

"Our biggest challenge for the future will be to remain competitive with the growing Japanese parts industry for in terms of quality and cost efficiency they are rapidly approaching the excellence of their country's car manufacturers"

During the past 19 years Gabriel has become the leading shock absorber manufacturer in South Africa and this has been due mainly to the high technological excellence of its products The previous factory in

Cape Peninsula

021) 253347

Year	Total	
1970	1 029	Ø
1971	1 029	Ø
1972	1 029	Ø
1973	1 029	Ø
1974	2 702	+
1975	1 029	Ø
1976	1 029	x
1977	1 029	x
1978	1 029	x
1979	1 029	$
1980	1 429	$

Address: P.O. Box
Cape Town
8000

Officials: Secretar

Area of Operation:

Founded:

Registration: Yes

Industrial Council:

make this country as independent as possible of overseas supply sources.

This is especially so when you consider that every four-wheeled vehicle produced in the Republic, from the smallest car to the heaviest truck, has to have four shock absorbers fitted as original equipment and will probably need a few replacements during its running or working life

The Retreat factory will produce 2 000 000 shock absorbers a year and this is barely enough to fit to the 450 000 cars and commerical vehicles which were produced in a record 1981 and which are expected to be produced again in 1982 and replacements for vehicles already on the road The increase in car production was 41 percent and 50 percent in commerical vehicles

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'Our biggest challenge'

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During the past 19 years Gabriel has become the leading shock absorber manufacturer in South Africa and this has been due mainly to the high technological excellence of its products The previous factory in nearby Main Road, Retreat, became inadequate to meet the demands, both local and overseas, for its products so the new factory was built to handle the additional capacity and potential growth until the end of the century at least

The growth — and success — of Gabriel in SA is reflected in annual increases of workers by 3,9 percent, production by 14,2 percent, capital investment and turnover by 20,3 percent or an overall 36,5 percent improvement.

Original factory

The original factory in Main Road, Plumstead, was established with an investment of R300 000 and initial production was 120 000 units a year and the range consisted of two basic types of shock abosrbers in 60 variants Local content was then about 50 percent

The new factory will initially produce more than 2 000 000 units a year with 10 different types of shock absorbers with 400 variants Local content now averages more than 80 percent and exceeds 90 percent in some products

Since it started, Gabriel has captured a 60 percent share of the shock absorber market and is also the leading manufacturer of McPherson struts for suspensions In fact, if it did not produce these struts as well it could turn our more than 3 000 000 shocks a year

It all sounds like a shockingly good business to be in

Atlantis likely to employ 2000

(192) Star 29/4/82

The Atlantis Diesel Engine (ADE) factory complex, built near Cape Town to produce 50 000 engines a year, was opened today by the Prime Minister, Mr P W Botha.

WORKSHOPS

The R320 million factory expected to reach a turnover of R400 million by 1984, has been built at Atlantis on a 34 ha site about 10 km from the Atlantic Ocean and 50 km north-west of Cape Town.

It was designed around two giant workshops, one for the production of Daimler Benz engines to be used mainly in commercial vehicles and the other for the production of Perkins engines which will go mainly into tractors

There are also four buildings for offices and amenities for staff which is expected to grow to more than 2 000 people.

DEPARTMENTS

Five production-orientated departments provide necessary offices, subsidiary workshops, laboratories, ablution facilities, ventilation fan rooms, stores and other needs for the management and staff.

Buildings on the site cover a total of 6 ha

DOMESTIC WORKERS ASSOCIATION

Address: 7 Church Street
Cape Town
8001

Telephone: (021) 228936
221166

Area of Operation: Cape Peninsula (Sea Point, Bellville, Oranjezicht)

Founded:

Registration: No

Deadlock at VW over demands

ARGUS 29/4/82

192

Argus Bureau

PORT ELIZABETH — The situation was tense today at the Volkswagen plant in Uitenhage where the company has rejected three demands by the union representing the 316 workers retrenched last week and more than 5 000 who briefly walked out in support of them.

"It is very tense here ... this thing can go any way," said Mr Jury Harris, president of the National Automobile and Allied Workers' Union (NAAWU), who is a shop steward at Volkswagen

The company said in a statement it had told the union at a meeting yesterday that it was not able to accede to any of the requests concerning the retrenched workers.

Workers had asked that union representatives report back to them at 2 pm today on yesterday's meeting, said Mr Harris.

Employees demanded on Tuesday that the company reinstate all retrenched workers with good records, that the company discuss all workers with bad records with the union and that the company pay out one month's wages in severance pay for each year worked.

Mr Ruben Els, public affairs manager of the company, said today the company believed it had already done all it could to meet the demands.

The director of industrial relations, Mr A O Rademeyer, said records of retrenched workers had been re-examined and the company was satisfied that there had been no unfair dismissals. The company had already paid out three times the amount of severance pay required under the existing agreement

A number of workers would be considered for re-employment when the company required more people

Membership				Year
African	Asian and Coloured	White	Total	
	..	..	1 197	1970
	..	..	1 288	1971
	..	..	1 288	1972
	169	1 270	1 439	1973
	147	1 262	1 309	1974
	202		1 177	1975
	232		1 196	1976
	154		774	1977
	124		774	1978
	181		939	1979
	233		991	1980

Address: P.O. Box 87
Johannesburg
2000

Officials: Secretary:

Area of Operation: Na

Founded:

Registration: Yes

Industrial Council:

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VW rejects demands over retrenchment

29/4/82 E. Post (192)

VOLKSWAGEN motor company in Uitenhage has rejected three demands by workers after the retrenchment of 316 employees last week

After meetings with shop stewards this week workers at the plant modified an earlier demand that management reinstate those retrenched They asked, instead, that those with good job records be reinstated

Secondly, they asked that the position of those retrenched be discussed with the National Automobile and Allied Workers' Union (Naawu) and, thirdly that those paid off be given severance pay of one month's wages for each year worked

Volkswagen said in a statement last night it was not able accede to the demands and expressed concern about allegations of intimidation during a work stoppage of more than 5 000 employees last week

The statement said Volkswagen had re-examined the records of retrenched workers and was satisfied none had been "unfairly dismissed"

Several workers would be considered for re-employment when the company again recruited employees

The company had already paid out three times more than was required under an existing agreement and further pay outs were not possible

Naawu's president, Mr J C Harris, said today there was a tense atmosphere at the plant and predicted that workers would not be happy with management's response to their demands

He also rejected allegations of intimidation, saying Volkswagen was attempting to confuse workers and discredit Naawu

Workers would officially be informed of the company's decision later today

Third walkout by 5 000 workers at motor plant

E. Post 30/4/82

By SANDRA SMITH

MORE than 5 000 Volkswagen workers today again walked out of the motor plant in Uitenhage in support of demands that management discuss with union officials issues arising from the retrenchment of 316 workers

Today's walkout was the third in a fortnight and came after a mass meeting held on the factory premises this morning

There was a production shut-down yesterday afternoon when almost the entire black work force left the plant after a meeting

The workers had been told by shop stewards that management would not accept three union demands formulated after VW retrenched 316 employees to bring the work force into line with its production needs

Management was asked to retrench only those with poor job records and to discuss the retrenchments with the National Automobile and Allied Workers Union

The third union demand was that VW pay severance pay equal to one month's wages for every year worked.

Today's walkout came after shop stewards addressed workers at a two-hour meeting at the plant At the end of the meeting, workers streamed out of gates

They said they had decided to meet again on Monday morning after shop stewards had again approached management with the three demands

One worker said they now wanted R3,50 an hour instead of R2 an hour, as they had to do more work to make up for those retrenched

Address: P.O. Box 1095
Johannesburg
2000

Telephone: (011) 834 7086

Officials: Secretary: K. Beech.

Area of Operation: National

Founded: 1881

Registra

Industri

Year	Membership			
	African	Asian and Coloured	White	Total
1970		..	..	..
1971		..	..	..
1972		..	..	..
1973		932	2 943	3 875 +
1974		..	..	..
1975		..	..	3 875 *
1976		..	..	3 875 *
1977		1 274	3 200	4 474 *
1978		1 274	3 200	4 474 $
1979		..	..	..
1980		..	..	600 $

AMALGAMATED SOCIETY OF WOODWORKERS

192

IMPORT TARIFFS

Local discontent

FM 30.4.82

Astas (AS Transmissions and Steerings) has been seeking a heavy tariff protection arrangement, but instead, has landed up with a 10% import penalty on components The levy applies to imports used at its R55m gearbox factory.

But through a bureaucratic anomaly, truck assemblers which are supposed to be buying from Astas as part of government's local manufacture programme, need not pay the levy if they import fully made-up gearboxes direct

Astas has applied for exemption from the levy, introduced to stifle the foreign exchange drain, but was turned down. It has re-applied and is hoping for the same temporary exemption granted by government to IDC-financed Atlantis Diesel Engines (ADE) — another major participant in the local content programme for trucks and tractors

Adding to Astas's troubles is the Board of Trade and Industries' failure to date to approve the tariffs it requested to protect its operation against foreign competition

Regulations stipulate that all importers of gearboxes, including Astas, which will be import-dependent until local content takes shape, must pay the new 10% levy However, it does not apply to truck builders who import them as part of CKD kits with chassis and engines.

If this situation is allowed to continue it will cripple any chance of Astas or other local manufacturers of securing the R108m/year market for heavy truck gearboxes.

Truck companies last year produced a record 27 000 vehicles over 5 t gross vehicle mass and paid an average R4 000/gearbox

Truck manufacturers have shown a willingness to play the game with Astas, pledging a full order book for its first year of operations

But that was before the 10% import levy shock

Other anomalies abound in tariffs for truck and tractor components Tractors imported in unassembled form, but with engines, do not attract the surcharge If imported separately, they are unbound by GATT and do pay it Only certain parts of truck engines are GATT-bound and don't attract duty, but other parts do

In its first few months of operation, Astas has produced 2 000 gearboxes from imported components All are either the ZF or Mercedes Benz types, licensed with full technology agreements

First target is to produce 18 000 gearboxes/year, rising to 30 000 units in the second phase Local content is scheduled to reach 42% by December and 100% within four years.

TRUCK AXLES

Out of action

(192)

FM 30.4.82

A major contender in the automotive components industry, SA Axles, is closing its plant for lack of orders

From now on its manufacturing will be carried out by associate company A S Transmissions and Steerings (Astas) Both companies are owned by the Gencor subsidiary Sandock Austral.

Reason for the move is the delay in the granting of protection tariffs which has enabled truck builders to import their axles more cheaply

Another potential manufacturer, C H Truck Components, is delaying its investment in plant to produce Eaton axles and Fuller gearboxes

These formed part of a package that was turned down by government — in spite of their having been marketed locally for many years — in favour of the SA Axles proposal

SA Axles has asked for a 20% duty on driving axles which, in practical terms, means that manufacturers would no longer be entitled to the 20% rebate they are getting on imported axles.

It had originally planned to produce 12 000 units/year

The only manufacturer currrently functioning is Protea Axles, which produces Rockwell axles with 40% local content

A thorny question is the date when duty protection becomes effective Protea would be happy with a two-year run-up, giving it time to build its factory for expanded output and higher local content If protection is not adequate, it would stay at 40% content which would not need immediate investments and expansion.

Astas, having the facility ready and waiting, would most probably want to start with volume production straight away

Government's announcement, expected next month, will be of interest to the three contenders and the three dark horses waiting in the wings

Address: 405 Cenmewa Hc
West Street
Durban
4001

Officials: Secretary: G.

Area of Operation: Durbe

Founded: 1912

Registration: Yes

Ie: (031) 32 4850

Year	Membership				
	African	Asian	Coloured	White	Total
1970				..	..
1971				..	..
1972				..	..
1973				300	300
1974				264	264
1975				264	264
1976				202	202
1977				146	146
1978				146	146
1979				146	146
1980				71	71

VW men refuse to go back

Argus 30/4/82

Argus Bureau

PORT ELIZABETH — Production at Volkswagen was halted again when workers refused to go back to work today following a deadlock in talks regarding the retrenchment of 316 fellow-employees last week

However, negotiations between worker representatives and management are continuing and the 5 600 black workers who walked out were told by representatives of the National Automobile and Allied Workers' Union to be on the premises at 8 am on Monday morning

At the plant this morning the workers gathered inside the premises waiting for shop stewards to report back on a 15-minute meeting with management after yesterday's walkout — the second in a week.

The workers demanded to be addressed by Mr Peter Searle, managing director of Volkswagen, or the company's industrial relations director, Mr A O Rademeyer

But Mr Jan Louw, VW's labour relations manager, appeared at a window of one of the buildings and speaking through a loudhailer told workers they should go through normal channels if they had any grievances

GERMISTON

At Germiston, the management of Anglo American's Scaw Metals plant dismissed about 2 800 black and coloured workers who struck on Tuesday for an increase of 10c an hour

The workers were dismissed after ignoring a 3 pm deadline to return to work In a statement, Scaw said it would re-employ those who applied for work today

Two more wage strikes have been reported in the East Rand metal industries, bringing to more than 5 000 the number of workers who have struck in the area this week

Milk price

(Continued from Page 1)

home and paid for by a coupon and 48c if paid for with cash, and a maximum of 56c a litre when sold in plastic bottles

At the beginning of 1981, home delivery prices and cafe prices were respectively 35c and 41c a litre

In May 1981 a 14,5 percent increase in the price of milk was granted The price of milk delivered at home then went up by 5c a litre and milk bought from cafes by 7c a litre

Argus 30/4/82

Squatter deadline — extension if...

THE May 1 deadline for the 750 Nyanga squatters to be interviewed would be extended if more could be traced for screening Mr G N Lawrence labour officer of the Administration Board said today

To date more than 500 had been screened — if more could not be traced then there was no point to extending the deadline

Delaying the decision, he said would only set back a decision on whether those squatters interviewed already would be

April 21 was given as the initial deadline for those to be interviewed This was extended when about 300 of those named could not be traced

Since then few have been traced The squatters have asked that the names of other people be substituted for those who can't be traced—a request which was turned down by the Chief Commissioner of the Western Cape Mr Timo Bezuidenhout

Other

Diamond Cutters Union of South Africa
Jewellers and Goldsmiths Union
Optical Workers Union
S.A. Association of Dental Mechanicians
S.A. Diamond Workers Union

ELECTRICITY, GAS AND WATER

Cape Town Gas Workers Union
Escom (Cape Western Undertaking) Salaried Staff Association
Escom Salaried Staff Association
Escom Workers Association
General Workers Union
Johannesburg Municipal Water Work Mechanics Union

CONSTRUCTION

Amalgamated Society of Woodworkers
Amalgamated Engineering Union of South Africa
Amalgamated Union of Building Trade Workers
Black Allied Workers Union
Blankebouwerkersvakbond
Building, Construction and Allied Workers Union
Building Workers Union
Electrical and Allied Trades Union of South Africa
Electrical and Allied Workers Union of South Africa
Engineering and Allied Workers Union
Engineering Industrial Workers Union of South Africa
General Workers Union
Metal and Allied Workers Union
National Union of Engineering, Industrial and Allied Workers
Port Elizabeth Operative, Plumbers Employees Association
S.A. Operative Masons' Society
S.A. Woodworkers
Steel, Engineering and Allied Workers Union
S.A. Electrical Workers Association

WHOLESALE & RETAIL TRADE AND CATERING AND ACCOMMODATION SERVICES

Wholesale & Retail Trade

Black Allied Workers Union
Commercial, Catering and Allied Workers Union
Concession Stores and Allied Trades Assistants Union
Domestic Workers and Salesladies Association
Kimberley Shop A
National Union o
National Union o
Pretoriase Vakbo
Transvaal Reta

Catering and Acc

Commercial, Cate
East London Liqu

Plant to go on 'short time'

PORT ELIZABETH — Ford announced yesterday that its three Port Elizabeth plants would be closed on Monday and Tuesday and that workers at its Neave plant would go on "short time" from Wednesday.

A company spokesman said the closures were due to a disruption in short-term supply of parts and to enable the company to carry out "inventory rationalization actions."

He said that because of the economic downswing, the company had decided to reduce the 8¾-hour shifts to eight hour shifts at the Neave plant, but had not cut out any shifts. Overtime would still be worked as and when required at all three plants, he said.

tion

WORKERS CAPE TIMES 1/5/82 (192)

Workers at VW walk out again

Own Correspondent

PORT ELIZABETH — The black work force of about 5 600 workers walked out of the Uitenhage Volkswagen plant for the second day in succession yesterday

It was the third work stoppage in a dispute sparked by the retrenchment of 316 workers last week

The managing director of Volkwagen Mr Peter Searle issued a full statement on the company's current labour problems after the walkout The statement defends the retrenchments and says the company would be prepared to to talk to worker representatives provided workers returned to work

A spokesman for the National Automobile and Allied Workers Union (Naawu) said that in yesterday's stoppage the workers had left Volkswagen's premises at 9 45am after a report-back meeting of nearly two hours At the meeting they had demanded to be addressed by Mr Searle and the industrial relations director, Mr A O Rademeyer

Refused

A company official addressed the workers after Mr Searle and Mr Rademeyer had refused, he said

He also said the official had told the workers that worker representatives were the right channel of communication and that the company stood by its decision He was then "shouted down" by the workers who said they would not return to work unless the 316 workers were reinstated, the union spokesman said

The general secretary of Naawu, Mr Fred Sauls said yesterday that the union could not understand why Ford could go on short-time next week and Volkswagen not

Mr Searle's full statement reads

"Volkswagen's action on April 21 to retrench 316 hourly-paid workers out of a total workforce of 8 700 people was made imperative by adjustments in the economy which are expected to affect the South African vehicle market

Over-manned

"During the boom conditions of the past two years, we had to over-man our plant due to a high absentee situation This is a luxury we can no longer afford Options to reduce production numbers were examined in great detail

"The final decision as to the exact steps to be taken was only arrived at after discussions with shop stewards with regard to the problem and an agreement on the need to improve efficiency

"From a pure business point of view, the number of people retrenched should have been considerably higher Due to the already high unemployment in the Uitenhage-Port Elizabeth area, we considered it our responsibility to our workforce and the local community to keep retrenchments to an absolute minimum

"For example 27 people with unsatisfactory records were not retrenched but warned and retained in view of their length of service We are satisfied after re examining the records of all the workers concerned that there were no cases of unfair retrenchment

Severance

"Also we have exceeded the required terms for the severance of employment The action we have taken has been necessary to secure the future of this company and its workforce and should obviate any further retrenchment action this year

"We are prepared to talk to representatives of our employees at any time providing that our workers first return to work We believe that the normal channels of communication set up between the unions representing our workers and ourselves are ample for the resolution of worker grievances and will continue to use them

"We are hopeful that the problem will be settled and that the plant will return to normal production early next week. Prolonged and continued worker action such as experienced in the past week will seriously jeopardize future investment plans and future employment possibilities"

Cape Town's Deputy Mayor Mr Sol Kreiner ran the last leg of her marathon run

Strikes hit more East Rand plants

CAPE TIMES 1/5/82 (140A) (152) (189)

Own Correspondent

JOHANNESBURG — Three new Wadeville plants, all owned by the metal firm Genrec, have been hit by strikes over retrenchments as labour unrest continued to grip East Rand metal firms and police vehicles patrolled parts of Wadeville yesterday

More than 4 000 workers at five plants were on strike and two other East Rand stoppages ended yesterday

At the Scaw Metals plant outside Wadeville, riot police stood by as 2 800 workers were paid off yesterday

At National Spring, about 380 workers sacked earlier this week gathered outside the plant as union shop stewards held

But strikes at Defy in Benoni and Metal and Chemical Industries in Heriotdale over pay were settled yesterday and workers resumed their jobs

Workers gathered outside two Genrec plants yesterday — Power Steel and Genpipe — where they sang songs and shouted "Amandla" (power) as a union official approached to address them

MAWU said later that workers at a third Genrec plant Wadeville Engineering, had left at lunchtime, saying they were going to a meeting on retrenchments

There are about 1 100 workers at the three plants according to

Missing man was stabbed weeks ago

THE parents of a Guguletu man missing for more than two weeks learnt yesterday that their son had been stabbed to death on the night of his disappearance

The Rev Jameson Jonas described the killing of his son as "without motive"

On Friday, April 16, Mr Soloman Jonas, 28, had gone to work as usual His parents had telephoned his place of employment when he failed to return that evening

The first the Jonas family heard of the

Dagga offence by dancer

JOHANNESBURG — One of the lead dancers of a Las Vegas show at Sun City was sentenced yesterday to six months, suspended for 12 months, for possessing more than 400 sticks of dagga

Steve Nelson Wallace, 22, was charged with dealing in 210g of dagga at the Landdrost Hotel, or alternatively possessing the dagga An earlier application by the defence to hear the case *in camera*, was refused in the Johannesburg Magistrate's Court by Mr D J Dafel

Wallace pleaded guilty to possession of the dagga and not guilty to deal

in the drug He said he smoked dagga to relax and intended using the 431 sticks for his own consumption He said he did not deal in the dagga because he "did not offer it to anybody or tell anybody about it"

He said he had two days off from the Dancing Machine show and came to Johannesburg to "get away" He kept the dagga, given to him at Sun City by someone he did not know, in a bag which he always kept with him

Giving judgment, the magistrate said there was no indication that Wallace had wanted to

MINE COL(OF S.A.

Address: P.O. Box 684
Johannesburg
2000

Telephone:

Officials:

Area of Operation: Kler

Founded: 1979

Registration: No (1)

5 000 VW walkout workers to meet today

92

2/5/82

S. Times

By PETER MALHERBE

EMPLOYEES at the Volkswagen plant in Uitenhage, in a mass walkout on Friday, are to hold a meeting tomorrow.

More than 5 000 workers left the factory the third walkout in two weeks

Meanwhile, Ford has announced that its three Port Elizabeth plants would close on Mondays and Tuesdays and its Neave plant would go on "short time" from Wednesday.

VW workers demanded that three conditions be met by the management after the recent retrenchment of 316 employees The conditions that

- Management retrench only those with poor job records
- The retrenchments be discussed with the National Automobile and Allied Workers' Union
- VW gives severance pay equal to one month's wages for every year of service.

Pay demand

One worker said they were also demanding R3,50 an hour instead of R2 an hour because of the increased workload due to the retrenchments

VW management could not confirm this new pay demand

Mr Peter Searle, managing director of Volkswagen in South Africa, said the problem "would be settled and that production would be back to normal early next week"

"Prolonged and continued worker action, such as experienced in the past week, will seriously jeopardise future investment plans and future employment possibilities"

(1) Applied for registration but objections raised by other registered unions.

GENERAL NEWS

No strike, but dispute goes on

Star 3/5/82

Workers at the giant Sigma Motor Corporation in Pretoria have rejected strike action as a weapon in their pay dispute with management.

But at a report-back meeting in Mamelodi last week, members of Fosatu's National Automobile and Allied Workers' Union voted to boycott the Sigma canteen as a mark of their discontent.

Pay talks at Sigma broke down with management making a final offer of a bottom rate of R1,91 an hour and the union holding out for a minimum R2 an hour "living wage"

This was the second time Sigma wage negotiations ended in deadlock since the union was recognised at the height of last year's strike at the corporation.

3/5/82 192 ~~151~~ ~~440A~~ Sowetan

Sigma workers boycott canteen

THE two-month-long wage dispute at Pretoria's Sigma Motor Corporation took a dramatic turn over the weekend when about 500 employees threatened to boycott food at the canteen for a week in protest against management's stand that negotiations on the wage issue were closed.

By NORMAN NGALE

Mr Leon Shirley, Sigma's senior public relations manager, said on Friday that their minimum hourly payment of R1,91 for unskilled labourers was final and as far as the company was concerned the issue was no longer negotiable with the National Automobile and Allied Workers' Union (NAAWU) which represents more than 3 000 employees at the plant

In a statement released on Friday, NAAWU said "We reached a deadlock with management on April 23 after weeks of negotiating We rejected their proposed 19 percent increase which they say is a living wage Sigma wants to push us into a striking situation which is not strategic We hope to resume the talks with management this week "

The minimum monthly wage for unskilled labourers, according to Mr Shirley, was R372 and a 19 percent increase effective from May 8 would be payable on May 21

Meanwhile Sapa reports from Port Elizabeth that the managing director of Volkswagen, where about 5 600 black workers have been on strike since April 29, says he is hopeful that the problem will be settled and the plant will return to normal production this week

In a statement released at Uitenhage, Mr Peter Searle issued a warning that prolonged and continued worker action such as experienced in the past week would seriously jeopardise future investment plans and employment possibilities

He said that management was prepared to talk to representatives of the employees at any time, provided the workers first returned to work

Referring to the demand of the striking black labour force that all 316 workers retrenched on April 21 be reinstated, Mr Searle said he was satisfied, after re-examining the records of all workers concerned, that there were no cases of unfair retrenchment He said that from a pure business point of view the number of people retrenched should have been considerably higher.

Chemical & Chemical Products, Coal, Rubber & Plastic Products

Black Allied Workers Union
Cape Explosives Industrial Workers Union
Chemical and Allied Workers Union
Chemical Workers Industrial Union
Chemical Workers Union
Durban Rubber Industrial Union
Engineering and Allied Workers Union
Engineering Industrial Workers Union of S.A.
Federated Mining, Explosives and Chemical Employees Union
Industrial Salaried Staff Association
General Workers Union
Metal and Allied Workers Union
National Union of Engineering, Industrial & Allied Workers
National Union of Motor Assembly & Rubber Workers of South Africa
S.A. Chemical Workers Union
South African Allied Workers Union (SAAWU)
Steel, Engineering and Allied Workers Union
Umbogintwini Industrial Workers Union
Weskaapse Plofstof & Chemiese Operateursvakbond

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Transvaal, Radio, Tele
United African Motor and Allied Workers Union

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Other

Diamond Cutters Union of South Africa
Jewellers and Goldsmiths Union
Optical Workers Union
S.A. Association of Dental Mechanicians
S.A. Diamond Workers Union

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WHOLESALE & RETA

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National Union
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East London Li

SERVICES

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Motorcar plant workers meet the shop stewards

E. Post
23/5/84

Post Reporter

WORKERS who walked out of the Volkswagen plant in Uitenhage for the third time in a fortnight on Friday in support of demands that management discuss with union officials issues arising from the retrenchment of 316 workers, met at the factory this morning for a report back meeting from shop stewards

Shop stewards did not meet with Volkswagen management on Friday or at the weekend, according to a company spokesman

The workers have demanded that management retrench only those workers with poor job records and discuss retrenchments with the National Automobile and Allied Workers Union (Naawu)

A third demand is that those retrenched receive severance pay equal to one month's wages for every year worked

Volkswagen has said it cannot accede to any of these demands, but has agreed to continue discussions with shop stewards when workers returned to work

The results of the meeting today are not yet known

VW plant is still paralysed

3/5/82

Own Correspondent

PORT ELIZABETH — The black labour force of more than 5 600 at the Volkswagen plant in Uitenhage was today locked in a meeting with union leaders soon after entering the premises with the dispute with management over retrenchments still deadlocked

The workers staged their third walkout in a fortnight on Friday. Production has been paralysed since Thursday

The last walkout came after workers were told that management would not accept demands by the National Automobile and Allied Workers' Union over the retrenchment of 316 workers.

Workers now demand full reinstatement of all workers retrenched

An organiser for the union in Uitenhage, Mr Edwin Maepe, said today a point of discussion at today's mass meeting would be a statement by the managing director, Mr Peter Searle, on Friday

Mr Searle said the company was willing to talk to workers' representatives provided workers first returned to work

1974 affiliated to TUC
other unions formed FC
lated by 1977/78 and with

Address: 201/4 City
Corporation
Cape Town
8001

Officials: Secretary

Area of Operation: W

Founded: 1939

Registration: Yes

Telephone: (021) 433658

JEWELLERS AND GOLDSMITHS UNION

Year	Membership				
	African	Asian and Coloured	White	Total	
1970					
1971					
1972					
1973		98	320	418	*
1974		28	294	322	*
1975			305	331	*
1976			201	222	*
1977			347	377	*
1978					
1979				445	$
1980				460	

Fosatu Annual Report 1980/81

No move by Province on Dias feud

By SHELAGH BLACKMAN

PROVINCIAL authorities had received no further approaches to investigate the administration of the Dias Divisional Council, Mr H Kriel, MEC in charge of local government, said in an interview today

The chairman of the Dias Divisional Council, Dr H Botha, earlier requested the Administrator, Mr E Louw, to investigate the situation But at a meeting two weeks ago, the council decided to ask Mr Louw not do anything until further notice

Last week the council decided set up an internal inquiry into "allegations" against the secretary, Mr N W Anderson

Details of when this inquiry will start and who will conduct it will be decided at a meeting of the Policy committee scheduled for May 11

At a meeting last night, the Wards Two and Four Civic Association decided to ask Mr Louw to investigate the "chaos" in the administration of the Dias Divisional Council However, according to informed sources, it is likely that Province will intervene unless asked to do so by the council itself

Asked to comment on the request by the civic association Mr Anderson said either an internal inquiry or an investigation by the Administrator would suit him very well "It's the only way the truth will come out," he said

He was unhappy that in the eyes of the public and of those who did not know the situation, he was thought to be the cause of all the problems in the Dias Council

"The inquiry will prove otherwise If I have to sacrifice myself in the short term I don't mind, as long as Dias can solve this problem," he said

Dr Botha could not be contacted for comment today He will be on holiday at Sun City until the end of the week

Deadlock continues at motor plant

E. Post 4/5/82

Post Reporter

THE deadlock continued at the Volkswagen plant in Uitenhage today when striking workers repeated a demand that 316 retrenched employees be reinstated and that the company go on "short time"

After a two-hour meeting at the plant today, workers left after being told by shop stewards of management's decision not to reinstate those retrenched

Today is the fifth day on which production has been disrupted since the workers were paid off on April 21

A company spokesman said today "While we will not re-employ those retrenched, certain possibilities have been suggested and we will consider negotiating on these when the workers return to work"

Workers have said they are prepared to work between 7½ and eight hours a day provided the retrenched employees are reinstated

Shop stewards will address the more than 5 000 striking workers at the plant tomorrow after discussions with management today

When a child should begin to read

Post Reporter

SHOULD parents teach a pre-primary schoolchild to read?

This was one of the subjects discussed at a pre-school education symposium held at the Holy Rosary Convent hall last night

Though many parents felt it was good to teach children to read at an early age, experts disagreed sharply.

They stressed that a child should be taught the fundamentals of successful living, of which reading was merely a part, during his pre-school years

A pre-school teacher, Mrs Naomi Swiegers, said parents should concern themselves with more important issues Teaching a child self-esteem and self-motivation were the greatest gifts a parents could give a child

"Believe in your child's potential and trust him to reach his potential for himself," she said

Mrs Caroline Miskin, another pre-primary school teacher, said. "Between the ages of nine months and four years, a child's ability to absorb material and his desire to learn is unparalleled — a period most crucial to its development

"During this time the child will reach his potential, a potential that he will establish for life"

Clinical psychologist Mr Chris Hoelson said "Don't teach your child but stimulate his curiosity and then let him show you what he wants to learn

"Many parents try to teach their children what they think they should know This can lead to frustration in the child and consequently a loss of self-esteem and pathological disorders"

All the speakers emphasised the need for a stimulating environment as crucial for a child's development, stressing caution when teaching a child to read

"If a child wants to read, then don't stop him," Mrs Miskin said "Reading does increase the child's brain power and can increase his IQ But in no way should he be forced Pre-school training is designed to give children a foundation upon which to build their future, both in the classroom and out of it

"But if you are going to teach them to read, then do it according to a recognised way," she said, "otherwise complications can arise at school when they are taught to read all over again"

'Jogging can affect fertility'

Post Reporter

JOGGING could cause infertility in women, according to an article in the South African Medical Journal, which also reasserts previous claims of how such activities can interfere with a woman's menstrual cycle

A new study by an American doctor, Dr C O'Herlihy, claims jogging may affect a woman's fertility by supressing her ovulation

He studied two women joggers in their mid-20's

Jackpot prize climbs to R1 650

Promotions Editor

THE Evening Post-Checkers-Checkers Hypermarket Jackpot has climbed to R1 650 this week after nobody correctly forecast last week's winners at Arlington

The R50 consolation prize for the first nearest-to-correct entry scrutinised goes to C S R Vermaak, of 40 Marchant Way, Taybank, Port Elizabeth

Racing is at Arlington again this week, and if you want to win the fabulous R1 650 prize you must predict all the winners of races 3 to 8 The prize will go to the sender of the first correct entry scrutinised

The following rules apply.

- Only entry forms carrying the date of the current race will be scrutinised.
- Entries must be pasted on the back of an envelope or card.
- Entry is free and you may send in as many entries as you wish, but only the official entry form or a reasonable hand-drawn facsimile is acceptable
- Entries must carry the names of the horses and not the numbers
- Handwriting must be legible

Industrial week

Job cuts unlikely

(1972) 4/5/82

By Madden Cole

UNLIKE other companies in the motor industry, Toyota is running at full capacity and has no intention of laying off or retrenching workers.

"We are going great guns and have no problem in selling our vehicles — in fact we still have a waiting list for our products," says a spokesman for Toyota Marketing

Although the company expects a 12 to 14% dip in the market, it feels that with its 20%, it will be in a strong position to absorb this downswing

But in spite of healthy sales figures, Toyota is not increasing staff at present

"We prefer rather to increase the productivity of our workers," adds the spokesman

Sigma Motor Corporation which retrenched 507 workers in January has no plans of laying off any more workers unless "the economy takes a nosedive", says their public affairs manager

"Our present staff complement is adequate for our needs and should meet our requirements for the next 12 months"

Unless something unforeseen happens to the economy, Datsun-Nissan, which laid off 150 workers earlier this year, has no intention of making any further staff cuts

"Our planning at present is based on a recessionary market and our staff has been trimmed accordingly," a company spokesman points out

Trade unionists fear that more workers will lose their jobs at Volkswagen motor company after the recent retrenchment of 316 workers

But company industrial relations director Ollie Rademeyer says that "every effort" would be made to minimise the number of workers affected

With an expected lower volume of vehicle sales for the next two years and the fact that further retrenchment cannot be ruled out, it seems unlikely that the demands of National Automobile and Allied Workers' Union, which claims to represent 40% of the motor assembly workforce, will be met

The union has demanded a 75% wage increase, but employers are expected to point out that unrealistic wage demands could harm the industry and lead to further cuts in staff

JEWELLERS AND GOLDSMITHS UNION

Year	Membership				
	African	Asian and Coloured	White	Total	
1970					
1971					
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1975		26	305	331	x
1976		21	201	222	x
1977		30	347	377	x
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Corporation Street
Cape Town
8001

Telephone: (021) 433658

Officials: Secretary: A.Frazer

Area of Operation: Western Cape

Founded: 1970

VW won't reinstate 316: strike resumes

Cape Times 4/5/83

Labour Reporter

A strike at the Volkswagen motor assembly plant in Uitenhage has reached deadlock. More than 5 000 workers are refusing to return to work until 316 retrenched colleagues are re-employed, and the company has refused to take the men back.

The workers walked out again yesterday morning after shop stewards told them Volkswagen would not re-employ the 316 workers.

The men were retrenched late last month and workers staged a stoppage soon afterwards. They returned to their jobs after a promise of negotiations between management and the National Automobile and Allied Workers Union (Naawu).

Volkswagen's industrial relations officer, Mr Olle Rademeyer, said yesterday the company had reaffirmed its decision not to reinstate the 316.

A Naawu organiser said workers would meet today but they rejected any offer other than reinstatement of colleagues.

/78 and with

Deadlock as strikers reject VW offer

ARGUS 4/5/82

Argus Bureau

PORT ELIZABETH — A compromise offer by Volkswagen management failed this morning to win the support of its striking black labour force, who walked out of the premises after a mass meeting leaving the dispute deadlocked

The president of the National Automobile and Allied Workers' Union, Mr Jury Harris, said that early today before shop stewards addressed a mass meeting of workers on strike inside the premises, management had made a new offer

However, the workers insisted on their latest demand of wanting all 316 retrenched workers reinstated and everybody working shorter hours to accommodate them

PARALYSED

After a two-hour meeting, they walked out leaving the plant still paralysed since Thursday. This was the fifth walkout after a mass meeting

Mr Harris would not give details of the compromise offer as another meeting between shop stewards and management was due later today.

It has been reported, however, that the company has offered to reinstate about 20 of the retrenched workers, providing the rest return to work

The first of four walkouts at the plant came a fortnight ago when 316 workers were retrenched The plant has been idle since a walkout on Thursday

The workers first demanded that all retrenched workers with job records be reinstated, that the company should hold discussions on all retrenched workers with bad records and that severance pay be improved.

When this was rejected the workers withdrew these demands and adopted their initial stance that all retrenched workers be reinstated and all workers be allowed to work "short time."

At yesterday's meeting they reiterated this stand.

The director of industrial relations at Volkswagen, Mr A C Rademeyr, yesterday said the company had already reduced manhours by 30 000 a week

● In Boksburg labour unrest escalated yesterday when 800 workers at Anglo Vaal's National Bolts plant struck over demands for a wage increase

At Scaw Metals in Germiston, where 2 800 strikers were fired last week, the management said more than half the dayshift had been reemployed.

CAPE TIMES 4/5/82

Strikes in dairy and factories

(192)

Staff Reporter

STRIKES affected milk deliveries in the Peninsula yesterday, and continued at Parow General Galvanising, as well as at Volkswagen in Uitenhage

Milk deliveries to 27 000 Peninsula homes were affected as about 500 workers at Van Riebeek Dairies went out on strike demanding higher wages

The dairy's marketing manager, Mr M O'Connor, said he hoped the workers would return and deliveries would be back to normal this morning following an offer by the company to backdate a wage increment due in June

Mr O'Connor said management had at first attempted to deal with the workers *en masse*, but had suggested that the workers elect a committee to discuss the matter

Late yesterday there was no indication that management had met with worker representatives, but Mr O'Connor said the company had agreed to backdate an increase due in June to April 1

Supermarkets

● Checkers supermarkets in the Southern Suburbs were caught off guard by the striking milkmen and managers were forced to make emergency arrangements to buy limited supplies from other dairies

"As a result of the limited supply, we had to limit each customer to one litre," the manager of one branch said

Parow

● Ninety workers at Parow General Galvanising continued a strike yesterday over a demand that their committee be consulted before workers were dismissed

A spokesperson for the General Workers' Union, which represents the workers, said they had gone out on strike after negotiations over a constitution had broken down last week.

"Workers downed tools after management refused to agree to a clause obliging them to consult with the workers' committee ... firms where the GWU operated She said the workers had not yet taken their pay, still considered themselves to be in the employ of the company and would return only if they were all given back their jobs

Reasons

She alleged that workers were maltreated, worked under "appalling conditions" and were often fired without reasons being given

Mr Dodds said the workers had "effectively terminated" their service with the company and the company was only prepared to re-employ them selectively He denied the union's claim that production was stalled, saying sections of the factory were still operating

● **The Cape Times Correspondent** in Port Elizabeth reports that shop stewards and management representives at Volkswagen's Uitenhage plant will meet early today to discuss the dispute over the retrenchment of 316 workers

Workers gathered at the plant early yesterday but went home after about two hours when they heard management had reaffirmed its decision not to reinstate the workers

Short time rejected

A further demand that the factory go on "short time" was also rejected by management This is the fourth time production has been halted since the retrenchments on April 21

In a statement yesterday, Mr A O Rademeyer, Volkwagen's director of industrial relations, said the company had already reduced man-hours and every worker was working five-and-a-half hours less per week. A further reduction in working time with an increase in worker numbers was not practicable

'Later stage'

"The action taken by the company is not only to solve an immediate problem but is also designed to obviate further action involving good workers at

Uitenhage

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Parow

● Ninety workers at Parow General Galvanising continued a strike yesterday over a demand that their committee be consulted before workers were dismissed

A spokesperson for the General Workers' Union, which represents the workers, said they had gone out on strike after negotiations over a constitution had broken down last week.

"Workers downed tools after management refused to agree to a clause obliging them to consult with the workers' committee before making changes in the factory affecting them," the spokesperson said "This relates primarily to dismissals"

'Unacceptable'

Mr I B Dodds, general manager of the company, said they found the clause obliging management to consult with the workers "totally unacceptable"

"What this boils down to is that the workers might as well run the factory," he said

But the GWU spokesperson said it was a reasonable demand and was agreed to in all other

would return only if they were all given back their jobs

Reasons

She alleged that workers were maltreated, worked under "appalling conditions" and were often fired without reasons being given.

Mr Dodds said the workers had "effectively terminated" their service with the company and the company was only prepared to re-employ them selectively He denied the union's claim that production was stalled, saying sections of the factory were still operating

● **The Cape Times Correspondent** in Port Elizabeth reports that shop stewards and management representives at Volkswagen's Uitenhage plant will meet early today to discuss the dispute over the retrenchment of 316 workers

Workers gathered at the plant early yesterday but went home after about two hours when they heard management had reaffirmed its decision not to reinstate the workers

Short time rejected

A further demand that the factory go on "short time" was also rejected by management. This is the fourth time production has been halted since the retrenchments on April 21

In a statement yesterday, Mr A O Rademeyer, Volkwagen's director of industrial relations, said the company had already reduced man-hours and every worker was working five-and-a-half hours less per week. A further reduction in working time with an increase in worker numbers was not practicable

'Later stage'

"The action taken by the company is not only to solve an immediate problem but is also designed to obviate further action involving good workers at a later stage during the downward phase of the economy," said the statement.

Mr J C Harris, president of the National Automobile and Allied Workers' Union (Naawu), confirmed that management was not reopening the retrenchment issue but said there were other matters management wished to discuss

"Management cannot see any way of bringing all the workers back in bulk, but there are individual cases which they would look into," he said

Other

Diamond Cutters Uni
Jewellers and Golds
Optical Workers Uni
S.A. Association of
S.A. Diamond Worke

ELECTRICITY, GAS A

Cape Town Gas Work
Escom (Cape Weste
Escom Salaried St
Escom Workers Ass
General Workers U
Johannesburg Munic

CONSTRUCTION

192

THE ARGUS, WEDNESDAY MAY 5 1982 11

VW strike to end tomorrow

Argus Correspondent

PORT ELIZABETH — The more than 5 000 workers who have been on strike at Volkswagen in Uitenhage since last Thursday, have decided to return to work tomorrow

This was learnt from authoritative sources today after the workers had a meeting for more than two hours on the company premises this morning

It has also been learnt that the workers today decided to accept management's latest offer to reopen negotiations on the retrenchment of 316 workers two weeks ago In terms of this, management undertook to reassess the position of a number of the dismissed workers, provided the work force took up tools again

UNAVAILABLE

Shop stewards of the National Automobile and Allied Workers' Union were still in consultation with management this afternoon and no spokesman for either party was available for comment

Until this morning's meeting, the workers had been demanding the reinstatement of all retrenched workers, and reduced hours for all to allow for this

Amalgamated Society of Woodworkers
Amalgamated Engineering Union of South Africa
Amalgamated Union of Building Trade Workers
Black Allied Workers Union
Blankebouwerkersvakbond
Building, Construction and Allied Workers Union
Building Workers Union
Electrical and Allied Trades Union of South Africa
Electrical and Allied Workers Union of South Africa
Engineering and Allied Workers Union
Engineering Industrial Workers Union of South Africa
General Workers Union
Metal and Allied Workers Union
National Union of Engineering, Industrial and Allied Workers
Port Elizabeth Operative, Plumbers Employees Association
S.A. Operative Masons' Society
S.A. Woodworkers
Steel, Engineering and Allied Workers Union
S.A. Electrical Workers Association

WHOLESALE & RETAIL TRADE AND CATERING AND ACCOMMODATION SERVICES

Wholesale & Retail Trade

Black Allied Workers Union
Commercial, Catering and Allied Workers Union
Concession Stores and Allied Trades Assistants Union
Domestic Workers and Salesladies Association
Kimberley Shop Assistants, Warehousemen and Clerks Association
National Union of Commercial, Catering and Allied Workers
National Union of Distributive Workers
Pretoriase Vakbond vir die Kleinhandel Vleisbedryf
Transvaal Retail Meat Trade Employees Union

Catering and Accommodation

Commercial, Catering and Allied Workers Union
East London Liquor & Catering Trades Employees Union

Other

Diamond Cutters Union of South Africa
Jewellers and Goldsmiths Union
Optical Workers Union
S.A. Association of Dental Mechanicians
S.A. Diamond Workers Union

ELECTRICITY, GAS AND WATER

Cape Town Gas Workers Union
Escom (Cape Western Undertaking) Salaried Staff Association
Escom Salaried Staff Association
Escom Workers Association
General Workers Union
Johannesburg Municipal Water Work Mechanics Union

CONSTRUCTION

Amalgamated Society of Woodworkers
Amalgamated Engineering Union of South Africa
Amalgamated Union of Building Trade Workers
Black Allied Workers Union
Blankebouwerkersvakbond
Building, Construction and Allied Workers Union
Building Workers Union
Electrical and Allied Trades Union of South Africa
Electrical and Allied Workers Union of South Africa
Engineering and Allied Workers Union
Engineering Industrial Workers Union of South Africa
General Workers Union
Metal and Allied Workers Union
National Union of Engineering, Industrial and Allied Workers
Port Elizabeth Operative, Plumbers Employees Association
S.A. Operative Masons' Society
S.A. Woodworkers
Steel, Engineering and Allied Workers Union
S.A. Electrical Workers Association

WHOLESALE & RETAIL TRADE AND CATERING AND ACCOMMODATION SERVICES

Wholesale & Retail Trade

Black Allied Workers Union
Commercial, Catering and Allied Workers Union
Concession Stores
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Kimberley Shop As
National Union of
National Union of
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Catering and Acc

Commercial, Cate:
East London Liqu

5 000 VW workers down tools again (192)

5/5/82

Labour Reporter

About 5 000 workers at the Volkswagen assembly plant in Uitenhage left the buildings again this morning in protest against the dismissal of 316 of their colleagues last month

This was the fifth successive day of lost production

The firm has said it is willing to re-examine some of the retrenchments, but only if the workers return to their jobs

The workers have rejected this and called for reinstatement of al 316

Today's walk-out followed a meeting between workers, and officials of the National Automobile and Allied Workers' Union

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VW men go back to their benches

Own Correspondent

PORT ELIZABETH — Work is back to normal at Volkswagen in Uitenhage More than 5 000 workers who have been on strike for five days returned to work today — but the dispute with the management is not over

The workers decided to take up tools again because the management has agreed to re-open discussions on 316 retrenched workers — "which we hope will lead to an agreement," said the president of the National Automobile and Allied Workers' Union, Mr Jury Harris

The workers had set three conditions and it was hoped they would be met in the course of further talks

Mr Harris would not give details about the conditions but it is believed they concern improved severance pay for retrenched workers, reinstatement of certain workers, and the shorter hours to allow for more reinstatements

At the Auto Press engineering components firm about 50 workers lost their jobs this week after protesting against the dismissal of a colleague The management said he had refused to operate certain machinery

In the troubled East Rand metal industries, labour unrest appears to be simmering down, though the Metal and Allied Workers Union says there was renewed trouble at National Bolts in Boksburg yesterday

Edgars group management had talks in Johannesburg yesterday with officials of the Commercial, Catering and Allied Workers Union over a strike by 600 to 700 workers at its stores

Volkswagen men return to work

Post Reporter

STRIKING Volkswagen workers returned to work today while shop stewards met management representatives on the issue of 316 retrenched workers

After work stoppages on six days since the retrenchments on April 21, the 5 600 workers at the plant in Uitenhage decided yesterday to return to work on the understanding that management would discuss the retrenchments with worker representatives

The workers also want the terms of severance rules under which the 316 were retrenched to be re-examined

A company spokesman said Volkswagen agreed to discuss the issues raised

DIESEL TRUCKS FM 7/5/82

Engines dispute

(192)

The State Tender Board has been awarding contracts to truck-makers offering models with imported and not Atlantis engines

This penalises some manufacturers who wholeheartedly committed themselves to the Atlantis Diesel Engine (ADE) project and favours those who were more tardy in switching to the local product

It pays government to buy foreign-engined trucks as it is not liable for the whopping 30% duty (equivalent to 18% of retail value) on vehicles which do not have ADE engines. But the decision by the board to take the cheaper option must run counter to the policy of giving every possible assistance to the local industry which was, after all, established for strategic reasons

The price differences are significant a truck with an imported engine which is tendered at R30 000 must be offered at about R35 000 if fitted with an ADE engine This includes a 30% preference given using the local engine

The Minister of Industry, Commerce and Tourism, Dawie de Villiers, says his department gives "the highest preference" to vehicles fitted with local engines and transmissions "We have a representative on the State Tender Board and fight to get other buyers to give the same preference to locally produced vehicles"

The price differential between imported and local engines is disputed within the industry While opening the ADE factory last week, the PM said one tractor manufacturer put the cost premium for the ADE engine at only 4% of his latest cost increases

Truck-makers hotly dispute this and say the premium for ADE engines is about 18%

The battle over board preferences is spreading to another aspect of local content Nissan, for one, has a local content of between 70% and 75%, for which it enjoys a 7% preference on tender prices A producer having only 40% local content has 4% preference Because the imported content is relatively cheap, this creates an advantage over rivals committed to high local content

VW talks on sacked workers continue

ARGUS 7/5/82

Argus Bureau

PORT ELIZABETH — Volkswagen management and workers' representatives were still trying today to resolve difficulties remaining in the dispute concerning 316 workers retrenched there last month

The 5 600 workers returned to work yesterday after management agreed to reopen negotiations on the retrenchments

The workers also insisted on further discussions on retrenched workers' severance pay

The president of the National Automobile and Allied Workers' Union, Mr Jury Harris, said the company had promised to give to the union later today a list of 20 people to be reinstated next week, following vacancies arising at the plant.

A public relations officer for the company, Mr Bob Kernohan, confirmed that negotiations were continuing but said that to his knowledge no arrangements for any reinstatements had been finalised

Motor equipment firm moves to PE

(192) E. Post 8/5/82

By Fred Roffey

Business Editor

THE Port Elizabeth/-Uitenhage complex gets a boost as the centre of the South African motor industry with the news that Smiths Industries, Southern Africa, has moved its original equipment development centre from Pinetown to Port Elizabeth.

"This will enable us to give a better service to the motor industry," said the chief executive of the company, Mr Alastair Delgleish, during a visit to Port Elizabeth this week.

The new factory, in Edgar Street in the North End of Port Elizabeth, will concentrate mainly on air conditioners and heaters for cars and commercial vehicles

A total of 40 coloured women are being employed and this figure will rise to 70 as production increases from an initial 10 air conditioners a day to 100 a day

Injection moulding equipment will also be installed later this year

The development centre has been installed in a building which has been revamped at a cost of about R200 000

The building's 3 000m² is divided into three sections an engineering development centre, a manufacturing facility, and a fitment facility.

There will also be a display of consumer items, including battery chargers, rear lights, reflectors, horns and hooters, as well as alarm clocks and caravan lamps

The fitment facility will be open to the public as well as the trade

It will offer air conditioners, heaters, electric windows, burglar alarms and other components

The customer can have these items fitted or can instal them on a do-it-yourself basis

The opening of the Port Elizabeth branch is in line with the expansion programme launched by Smiths Industries, Southern Africa in 1980

The company has indicated that it will be pleased to co-operate with the local motor plants in any way it can

This is in line with recent discussions held between representatives of the motor plants and the components industry.

The National Association of Automobile Manufacturers of South Africa (Naamsa) and the National Association of Automotive Components and Allied Manufacturers (Naacam) said in a joint statement this week that after completing their first formal joint meeting at least three formal meetings a year would be held from now on

The purpose of these meetings would be to "ensure that vehicle manufacturers and component suppliers could jointly agree on medium and long term forecasts for the different segments of the vehicle market"

In addition, the two bodies would try to reach consensus as to the most equitable and efficient method of reaching statutory local content requirements

It was also agreed that the two associations would do individual studies on the efficiency of the present local content programme

JEWELLERS

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1980	

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1974

other unions formed FOSATU in 1979

5 600 go back to work at VW

8/5/82

Mail Correspondent

DURBAN — While 5 600 striking Volkswagen workers yesterday told management they would resume work today, workers from Progress Knitting Mills at Hammarsdale decided to continue striking until management met their demands

After a meeting with shop stewards on Volkswagen factory premises at Uitenhage yesterday morning, workers agreed to return on condition grievances surrounding recent retrenchments — "unfair dismissals" and severance pay for retrenched workers — would be negotiated

The entire black VW workforce downed tools on Monday for the fourth time in two weeks — demanding the factory go on shorter time to make the re-instatement of 316 retrenched workers easier

Meanwhile, at Progress, a notice on the factory's main gate said all workers in nine factory departments had been dismissed for taking part in an "illegal strike"

But about 1 500 workers rejected the notice at a mid-day church hall meeting in the nearby Mpumalanga township, and resolved to continue to strike until management reinstated six dismissed workers

The general-secretary of the Fosatu-affiliated National Union of Textile Workers, Mr Obed Zuma, said management was trying to split the strikers

A spokesman for the Department of Manpower said only a magistrate could determine whether the notice could be considered a legal dismissal But, he said, as the workers had not resumed work they could be considered to have dismissed themselves

Progress' executive director, Mr P D Jacobson, was unavailable for comment.

Talks on sacked motor workers

Post Reporter

MANAGEMENT and the unions at the Volkswagen motor plant in Uitenhage today continued talks on 316 retrenched workers whose sacking disrupted production on six days in the past fortnight

More than 5 000 striking workers returned to work last week on the understanding that management would consider rehiring some of those retrenched

A company spokesman said Volkswagen had agreed to "employ some of the retrenched workers to fill vacancies which have arisen as part of the normal labour turnover"

He said a list was being compiled of those the company would consider rehiring and would be presented to the unions when completed

A spokesman for the National Automobile and Allied Workers Union said talks with management were continuing

Paper & Paper Products

Amalgamated Engineering
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S.A. Boilermakers, Iron
S.A. Electrical Workers
S.A. Society of Journal
S.A. Typographical Unio
South African Allied Wo

Wood & Wood Products,

National Union of Furn
Paper, Wood and Allied
South African Allied W

Textiles, Clothing, Leather and Footwear

African Garment Workers Union (Natal)
African Leather Workers Union (Transvaal)
African Trunk & Box Workers Union
Black Allied Workers Union
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Trunk & Box Workers In

Tobacco

African Tobacco Workers Union
National Union of Cigarette & Tobacco Workers
Rustenburg Tabakwerkersvereniging

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Sweet Workers Industrial Union (Natal)
Sweet Workers Union
Sugar Industry Employees Union
South African Allied Workers Union (SAAWU)
S.A. Boilermakers, Iron & Steelworkers, Shipbuilders and Welders
S.A. Electrical Workers Association
Western Province Sweet Workers Union
Witwatersrand Baking & Confectionery Industrial Union
Witwatersrand Brewing Employees Union

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VW prepared to re-hire 20 of 316 laid off workers

E. Post 11/5/82

Post Reporter

SHOP stewards at the Volkswagen motor company in Uitenhage have been presented with a list of 20 names of workers whom the firm is prepared to re-hire, according to a union representative

The names are among those of 316 workers retrenched on April 21, an event followed by work stoppages at the plant

The president of the National Automobile and Allied Workers' Union (Naawu), Mr J Harris, said today the union viewed the list as "a starting point of negotiations"

Talks were "at a delicate stage" and Mr Harris said he was reluctant to comment further until shop stewards had met management today

He said Naawu would report back to workers on the progress of the negotiations in three meetings tomorrow if a suitable venue could be found

Volkswagen spokesmen could not be contacted for comment today

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Textiles, Clothing, Leather and Footwear

African Garment Workers Union (Natal)
African Leather Workers Union (Transvaal)
African Trunk & Box Workers Union
Black Allied Workers Union
Garment Workers Industrial Union (Natal)
Garment Workers Union of South Africa
Garment Workers Union (Western Province)
General Workers Union
General Workers Union of South Africa
National Union of Clothing Workers
National Union of Leather Workers
Sweet Workers Industrial Union (Natal)
Sweet Workers Union
Sugar Industry Employees Union
South African Allied Workers Union (SAAWU)
S.A. Boilermakers, Iron & Steelworkers, Shipbuilders and Welders
S.A. Electrical Workers Association
Western Province Sweet Workers Union
Witwatersrand Baking & Confectionery Industrial Union
Witwatersrand Brewing Employees Union

Tobacco

African Tobacco Workers Union
National Union of Cigarette & Tobacco Workers
Rustenburg Tabakwerkersvereniging

Paper & Paper

Amalgamated Printing & Media Workers
Paper, Wood & Allied Workers Union
S.A. Bollermakers, Iron & Steelworkers, Shipbuilders and Welders
S.A. Electrical Workers Association
S.A. Society of Graphic Designers
S.A. Typographical Union
South African Typographical Union

Wood & Wood Products

National Union of Timber, Paper, Wood and Allied Workers
South African Timber Workers Union

Transvaal Leather and Allied Workers Union
Trunk & Box Workers Union

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D-Dispatch (192) 8/4/82

Bid to increase minimum wages

PORT ELIZABETH — Drastic minimum wage increases, which could cause a ripple effect on the wage structures of other Eastern Cape industries, have been proposed for the Industrial Council of the motor manufacturing industry in the Eastern Cape

The National Automobile and Allied Workers' Union (Naawu) has proposed that minimum wages be increased by up to 75 per cent as a starting point for negotiations between the union and the employers represented on the council — Ford, Volkswagen and General Motors

In a document setting out its proposals, the union asks that the minimum wage of unskilled labour be increased by 75 per cent from R2 to R3,50, that of semi-skilled workers to R4,00 and that of skilled workers to R4,50

The percentage increase in the skilled and semi-skilled categories cannot be calculated as the union has also proposed that the current eight job grades be decreased to only three unskilled, skilled, and semi-skilled

It is believed that the union will ask that the wage increases be staggered over a period of a year, as is the case in the current agreement

Proposals by the union include the following

- That working hours be reduced from 45 to 40 hours a week
- That annual leave be increased from three weeks to four weeks, and that workers receive an extra day's leave for each completed year of service
- That training minimums be abolished (I e., that trainees be appointed immediately on full wages)
- That shift premiums for working uncomfortable hours be increased
- That all overtime should be voluntary after consultation with the unions and that overtime for the first ten hours from Monday to Saturday be paid at one and a half times, and thereafter at double the hourly rate
- That end of the year bonuses be increased
- That attendance allowances be increased,

Spokesmen for Ford, Volkswagen and General Motors yesterday declined to comment on the proposals at this stage. — DDC

Decision on VW workers hailed

~~335~~
192
~~1404~~
E. Post
13/5/82

Post Reporter

WORKERS at the Volkswagen motor plant in Uitenhage have welcomed a decision by management to re-hire 20 of 316 employees retrenched last month

The president of the National Automobile and Allied Workers Union (Naawu), Mr J Harris, said workers welcomed the decision to re-open negotiations and hoped discussions would favour those retrenched

He said shop stewards and management representatives would meet today to negotiate the conditions of the return of the 20 workers

A Volkswagen spokesman said a number of the retrenched workers would be re-employed as vacancies arose

The retrenchments on April 21 were followed by work stoppages at the plant, with workers demanding the reinstatement of those laid off

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Sweet Workers Industrial Union (Natal)
Sweet Workers Union
Sugar Industry Employees Union
South African Allied Workers Union (SAAWU)
S.A. Boilermakers, Iron & Steelworkers, Shipbuilders and Welders
S.A. Electrical Workers Association
Western Province Sweet Workers Union
Witwatersrand Baking & Confectionery Industrial Union
Witwatersrand Brewing Employees Union

Tobacco

African Tobacco Workers Union
National Union of Cigarette & Tobacco Workers
Rustenburg Tabakwerkersvereniging

Textiles, Clothing, Leather and Footwear

African Garment Workers Union (Natal)
African Leather Workers Union (Transvaal)
African Trunk & Box Workers
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S.A. Typographical Union
South African Allied Worke

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NEWS

Massive tariff hike on the cards

(192) Industrial Week 18/5/82

By Hugh Poulter

RUMOURS are rife that the Board of Trade has recommended a massive 523% per kg increase in protection tariff to the newly formed Forktruck Manufacturers Association on imported forktrucks and parts

Sources, who asked not to be named, tell Industrial Week that the tariff on new units and parts is expected to increase from R1,30 to R6,80/kg for vehicle mass up to 8 000kg

But Grant Gore, SA Association of Forktruck Manufacturers chairman, says he is unaware that any decision had been made on the controversial tariff

"The Board of Trade has made their recommendations but I don't know what they are, nor the timing of a decision," says Gore

Mike Evans, national sales manager of Besco, says the R50 million forktruck industry is divided over the increase which is to be gazetted next month

When approached later Evans said he was not sure the tariff would be gazetted next month as this was "speculation from a competitor"

"Extra duty would bring imported vehicles in line with locally manufactured machines

"Prices of imports from the Far East have been decreasing for six years, it is now necessary to protect the local industry so it can compete on equal terms with imports," says Evans

Peter Jenkinson, MD of Camec, feels the additional tariff is totally inflationary and designed to escalate profits through means other than fair competition

"The association is forcing the remainder of the suppliers into the uneconomic manufacture of components"

"The end user will suffer Everybody in this industry, including Camec, is committed to local manufacture, but only at an economic level," says Jenkinson

Tony Yuill, MD of SA Container Depots at City Deep says "This tariff increase will have a dramatic impact on forktruck suppliers and users

"The capital cost of forktrucks will rise as will maintenance costs and local manufacturers will be able to increase their prices to just below the level of imported forktrucks"

Dr de Beer of the Board of Trade says the forktruck tariff is still under discussion and is not sure when recommendations would be made to the Minister

"The matter is still in the pipeline and is sub judice," he adds

EVENING POST, WEDNESDAY, MAY 19, 1982

U'hage motor plant has to close again

By SANDRA SMITH

THE Volkswagen motor plant in Uitenhage today closed down most of its operations for the third time this week when about 500 workers in the paint shop stopped work in protest against the dismissal of a shop steward

VW's manager of public affairs, Mr Ruben Els, said shop stewards met with the workers today Afterwards management was informed the 500 would return to work on Monday

As a result of the stoppage VW was forced to close sectors dependent on the paint shop About 3 500 workers were sent home

Management had not been asked to reinstate the shop steward, Mr D Kondile, Mr Els said

The plant was scheduled to have closed tomorrow, Ascension Day, and Friday and to have reopened on Monday

On Monday and yesterday assembly line workers joined their colleagues in the paint shop in refusing to work

Assembly line workers returned to work today but were sent home

There were several work stoppages at VW last month after the retrenchment of 316 workers Management agreed last week immediately to emediately re-employ 20 of those retrenched

After negotiation on the conditions of their return it was decided that 45 would be reinstated, 20 immediately and 25 when vacancies became available

1.4. The Establishment of New Universities (Continued):

(b) The expansion of university education in Britain and Europe has in recent years taken place through the creation of new universities. The creation of a new campus by an existing university would bring with it the possibility of the loss of vigorous renewal since the new institution in the form of a satellite campus will tend to be a reproduction of the parent university.

(c) In view of the possibilities for renewal that present themselves, it may from time to time be in the national interest to start a new university completely from scratch. While the advantages of the College-idea and separate campuses are realised, the above aspect should not be lost sight of.

1.5. Restrictions on Numbers:

(a) The Commission's figure of 10 000 students as the ideal population size for a university is not motivated. Nevertheless it would seem that a good number of universities have set this figure as the maximum number of students for their existing campuses.

(b) Some universities have geographical restrictions and insufficient
ınfra-structure hd residence facılıtıes)
which place a na ansion beyond the figure of
10 000. The "id sts largely on specıfic
circumstances.

(c) It seems that gro xperience problems when
personnel numbers esion between the staff
of a department a ıts becomes difficult
and dısappears. ween staff ın smaller
groups often stim productivıty and
creativıty.

(d) The appoıntment of ıld appear to be a
solution to the ac roblems ın an expanding
university.

2. Inter-Universıty Plannı Long Term, and the
Establıshment of Mechan rsity Planning:

2.1. (a) As the Van Wyk de nd that, as universıtıes
constıtute a highl and since ıt cannot be
the functıon of th "reglementeer") a
university, recomme r a re-organized C.U.P.
and A.C.U. (U.A.C.) be a strong and authoritatıve
body and the C.U.P. become the focus of activıty for the
views of the univer hapter X, fındıng (i)).

3 500 in VW plant walk-out

Own Correspondent

PORT ELIZABETH — The dismissal of a shop steward at Volkswagen yesterday led to 3 500 workers walking out in protest and resulted in the company sending a further 3 500 workers home — virtually bringing the whole plant to a standstill.

A spokesman for Volkswagen said last night that the 3 500 workers would be back at work today and added that sections of the plant still worked a full day yesterday.

Mr Les Kettledas, regional secretary for the National Automobile and Allied Workers' Union, said workers had walked out when they heard about the dismissal of the shop steward, identified as Mr D Kondile.

● Volkswagen production suffered from several work stoppages and walk-outs last month following the retrenchment of 316 workers

2.1. (b) / .....

500 down tools again at VW

CAPE TIMES 20/5/82

Own Correspondent

192

PORT ELIZABETH — Five hundred paint shop workers at the Volkswagen plant in Uitenhage downed tools for the second consecutive day yesterday in protest over the dismissal of a shop steward, Mr D Kondile

And for the second day a further 3 500 workers in other sections of the plant had to be sent home because they were unable to continue work while the paint shop was out of action

The striking workers agreed yesterday to return to work on Monday while management agreed to open negotiations with them on their return

Mr Ruben Els Volkswagen's [illegible] public affairs, said Mr Kondile had been dismissed for a breach of the disciplinary code

The regional director of the National Automobile and Allied Workers Union, Mr Les Kettledas, said last night the striking workers viewed Mr Kondile's firing as an attack on the union

An agreement described by Mr Els as "satisfactory to both sides" had been reached in the dispute over Volkswagen's retrenchment of 316 workers which resulted in several work stoppages last month

Star 1/5/82 (192)

Ford SA ships Pickups to Britain

The first shipment of 200 units of the 10 000 Ford one-ton pickups to be exported to Britain during the next 12 months has left Port Elizabeth for Southampton aboard the container ship SA Winterberg.

The vehicles, which will be marketed by Ford of Britain in two models, the basic P-100 and the more luxurious P-100 L, have been designed and developed by Ford South Africa and assembled in Port Elizabeth They are to be exported fully built-up, in terms of an agreement worth more than R60 million a year to the company.

Total shipments in May will amount to 500 units and thereafter Ford expects to ship about 200 units a week.

The engine, transmission and certain sheet metal and electrical components are imported from Britain but the export pickup will have a three-quarter South African content.

All pickups in Britain are sold in long wheelbase configuration and the export version has been changed to include an extended chassis frame to take a longer load-box

At the same time the depth of frame was reduced, to lower the seats for more cab headroom.

METAL AND ALLIED WORKERS UNION

Year	Membership				
	African	Asian and Coloured	White	Total	
1970					
1971					
1972					
1973					
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Membership:

MONDAY, MAY 24, 1982

VW workers call off plant strike

192 E. Post 24/5/82

Post Reporter

PRODUCTION returned to normal at the Volkswagen motor plant in Uitenhage today after it was forced to halt most of its operations from Monday to Wednesday last week when about 500 workers went on strike

The workers, from the paintshop, first downed tools on Thursday, May 13, demanding the re-instatement of a shop steward, Mr D Kondile, who was dismissed for "a breach of the disciplinary code".

On Monday, Volkswagen sent home about 3 500 workers as sectors dependent on the paintshop had to be closed

After a meeting with shop stewards on Wednesday, workers decided to return to work today. They decided that officials of the National Automobile and Allied Workers Union (Naawu) would negotiate with management on Mr Kondile's re-instatement

A union spokesman said today workers had taken up their positions and full-time Naawu officials would arrange to meet with VW management representatives to discuss the issue

VW's manager of public affairs, Mr Ruben Els, said no approach for a meeting to discuss Mr Kondile's dismissal had yet been made by the union.

VW experienced several work stoppages last month after 316 workers were retrenched.

Leyland set to stay in SA

The new Mark III Jaguar — perhaps Leyland will manufacture Jaguar in SA again

Car sales up this year, says chief executive

(192) S. Times 23/5/82

LEYLAND South Africa is extremely pleased with its performance in the South African car market stated David Beck, managing director of Leyland SA

"Our car sales in the first quarter of 1982 are 37 percent up on the equivalent period of 1981," said Beck

"March was particularly spectacular with a 53 percent increase Our car business has been profitable during the last two years and continues so this year

"In the mid-1970 s Leyland had approximately six percent of the car market with a wide model mix of Triumph, Apache, Mini and Jaguar but without any successful high manufacturing volume unit and as a result the surplus capacity made the overall car operation unprofitable

"Over the course of the last few years this situation has been largely remedied by substantial subcontract manufacturing business which has enabled Leyland to restructure a far more profitable car business off a smaller model range of Rover and Mini

"The last year was a crucial factor in enabling Leyland to operate at maximum production capacity for many years ahead and to provide a secure volume base for the continuation of its own car marketing activities

"We have been able to reintroduce the luxury Jaguar saloons and sports saloons as well as the prestigious Daimler range into South Africa and both ourselves and Jaguar UK have been very pleased with the success here with these very up-market luxury vehicles," added Beck

There are plans to introduce variations in the Rover and Mini ranges and Leyland are known to be studying various options from the massive new model development plan being undertakne by its UK parent

Beck, having only just returned from discussions with the Jaguar and Austin Rover groups in England, stated "I am most impressed with the determination and professionalism being demonstrated in these divisions

"The recent successful launches of the Metro programme and the Acclaim programme and productivity improvements are being reflected in the morale of these operations

"The new model programme for which funding has already been secured is extremely powerful and backed by attitudes determined to make it succeed

"We have been pleased with the result of our Rover and Land Rover sales in South Africa and are looking at four-door derivatives and a local content programme designed to incorporate this model into our specialist range on a long term basis

"The supply position on Land Rover has been improved substantially from the constrained output of the 1970s

"This is largely the result of increased capacity of Land Rover's Solihull plant and incorporation in South Africa of our own local engines We hope to reduce the present waiting periods significantly

sales in the private sector

"In the middle of 1979 Leyland SA had no car dealer network at all We have now, in a relatively short time, rebuilt a network handling a progressively increasing volume of vehicles and feel particularly proud of our achievement in this respect

"We have adapted our dealer network, and indeed our whole company, to the level of sales we feel reasonably confident of achieving within a specialist car operation

"The car business is very important to us on this basis Our cost base and marketing budgets are geared to the two to three percent of the market we are now achieving

"We had to take a bit of an axe to the structure and trim it considerably

"Our parent company is very satisfied with the progress its South African operations made in both 1980 and 1981 and we are optimistic about our profitability in 1982, though in common with most other manufacturers in the country, foresee a down turn in the market this year

"Leyland is well-known in South Africa for its performance in heavy commercial vehicles and buses

"In 1981 we sold 1 883 heavy commercial vehicles and buses which gave us a market share of approximately seven percent This placed us seventh among South Africa's 18 truck and bus manufacturers About half of all buses sold in South Africa last year were Leylands

"We have a very ambitious new model programme for trucks and buses and intend to widen our market sector coverage from its present level of slightly under 30 per cent to almost 75 percent over the next few years"

Leyland's new Land Rover, the R6, aimed at the private buyer

WHAT is happening to Leyland? Are they thinking of withdrawing their cars from South Africa as some rumours have it? On the contrary, as our interview with Leyland chief executive, David Beck, right, indicates, Leyland are dug in and are here to stay

There will always be a big Bentley

ROLLS-Royce expands its model range this month with the introduction of the Bentley Mulsanne Turbo It follows the great Rolls-Royce tradition

Bentley Mulsanne Turbo addition to the Rolls-Royce motors range for 1982

The new car's power output is not disclosed, but the manufacturer declares that the 6,75 litre V8 with turbocharger offers "sufficient, plus 50 per cent"

Declared top speed is 220 km/h with acceleration for the 2 291kg four-door saloon form 0-100 km/h taking 7,4sec

Overall fuel consumption is improved by five percent, says R-R

Developed over seven years, the Mulsanne Turbo will initially be available in all markets except the US, Japan and Australia

Turbocharging power output has been increased by 50 percent without any increase in engine speed, according to Rolls-Royce Motors

Other engine changes include inlet valves and valve springs from different material, and new strutted pistons giving a compression ratio of 8-1

There are also detailed changes to the fuel system and the gearbox.

To transmit the extra power and torque to the automatic transmission an up-rated torque converter has been used with six driving lugs instead of the previous three

Up-rated half shafts and constant velocity joints are also used with splined outer connections to the wheel hubs

The all independent suspension, power-assisted rack and pinion steering, and the highly efficient dual hydraulic brakes of the Bentley Mulsanne are retained on the Turbo

New Avon 235/VR 15 tyres are fitted

Turbocharging, Rolls-Royce says, has the benefit of substantially increasing performance while using many other components

Other

Diamond Cutters Union o
Jewellers and Goldsmith
Optical Workers Union
S.A. Association of Den
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ELECTRICITY, GAS AND W

Cape Town Gas Workers
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CONSTRUCTION

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National Union of Engineering, Industrial and Allied Workers
Port Elizabeth Operative, Plumbers Employees Association
S.A. Operative Masons' Society
S.A. Woodworkers
Steel, Engineering and Allied Workers Union
S.A. Electrical Workers Association

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WHOLESALE & RETAIL TRADE AND CATERING AND ACCOMMODATION SERVICES

Wholesale & Retail Trade

Black Allied Workers Union
Commercial, Catering and Allied Workers Union
Concession Stores and Allied Trades Assistants Union
Domestic Workers and Salesladies Association
Kimberley Shop Assistants, Warehousemen and Clerks Association
National Union of Commercial, Catering and Allied Workers
National Union of Distributive Workers
Pretoriase Vakbond vir die Kleinhandel Vleisbedryf
Transvaal Retail Meat Trade Employees Union

Catering and Accommodation

Commercial, Catering and Allied Workers Union
East London Liquor & Catering Trades Employees Union

— in the sense

Deadlock in talks with union

E Post 28/5/82

(192)

Post Reporter

A deadlock has been reached in negotiations between the National Automobile and Allied Workers' Union (Naawu) and Volkswagen motor company management on the reinstatement of a shop steward who was sacked this month, the union's regional secretary, Mr Les Kettledas, said today

VW's Uitenhage plant was forced to halt most of its operations and send about 3 500 workers home on three days this month after 500 paint shop workers struck, demanding the reinstatement of Mr D Kondile

Workers returned to work after deciding union officials would negotiate with management

Mr Kettledas said the union would resume the discussions with VW's managing director, Mr Peter Searle, on Tuesday

Strike shuts VW plant

ARGUS 3/6/82 (1801A) (1802) (B3) (192)

Argus Bureau

PORT ELIZABETH — Volkswagen motor plant in Uitenhage closed down most operations yesterday and today after 500 workers went on strike as a result of management's refusal to reinstate a dismissed shop steward.

The firm shut down most operations for three days last month when the paintshop workers went on strike after the shop steward, Mr D Kondile, was fired

Since then unsuccessful negotiations on the issue have been held between shop stewards and Volkswagen management

VW's public affairs manager, Mr Ruben Els, said a meeting between the managing director, Mr Peter Searle, and shop stewards scheduled to take place today, was cancelled "in view of the paintshop workers' refusal to work"

He said the company had reiterated it was prepared to discuss the matter once the workers had returned to work VW was prepared to re-employ Mr Kondile as a "normal worker"

The general secretary of the National Automobile and Allied Workers Union, Mr Freddy Sauls, said today shop stewards met the 500 workers yesterday

They reported that a

(Contd on Page 3, col 7)

ARGUS 3/6/82

Plant shut

(B3) (1801A) (192)

(Continued from Page 1)

deadlock had been reached

At the meeting, Mr Sauls said, a manager from the plant had come in and told the workers they had two minutes to return to work or he would close down the plant

The workers then walked out and VW sent home 3 600 workers in the section dependent on the paintshop.

Shop stewards had decided "as a result of management's intransigence" to hand the matter over to the union's officials, Mr Sauls said.

visit to PE

ODETTE SCROOBY, 18, Miss South Africa, paid her first official visit to Port Elizabeth today.

She is on a promotional tour for a motor firm and will also attend the inaugural ceremonies of the Port Elizabeth Technikon Old Students gatherings today and tomorrow.

Miss Scrooby, a bubbly brunette, provided a pleasant contrast to the bleak airport terminal when she arrived.

Asked if the excitement of being Miss South Africa had worn off yet, she answered with a smile and a glint in her eye "No, not at all. I'm loving every minute of it"

The new Miss South Africa is no stranger to beauty contests and claimed titles before winning the Miss South Africa contest.

She has given up modelling for a while to meet her many obligations as Miss South Africa She has obligations to her sponsors and as an ambassador for South Africa

She laughed off the idea that beauty contests were cattle shows

"It's nonsense," she said. "If that is so, then so are beaches where women wear skimpy costumes Anyway, with the money involved, it's a way of getting ahead"

She plans to continue modelling after she has completed her year as Miss South Africa

...lamour to the H F
...e by Jack Cooper

Almost total shutdown at U'hage plant

E Post 3/6/82 (192)

By SANDRA SMITH

THERE was an almost total shutdown at the Volkswagen motor plant in Uitenhage yesterday and today, after 500 workers went on strike as a result of management's refusal to reinstate a dismissed paint shop steward

The firm closed down most of its operations for three days last month when the paint shop workers went on strike after the shop steward, Mr D Kondile, was fired

Since then, unsuccessful negotiations on the issue have been held between shop stewards and VW's management

VW's public affairs manager, Mr Ruben Els, said a meeting between the managing director, Mr Peter Searle, and shop stewards was sch[illegible] to take place today [illegible] was cancelled "in view of the paint shop workers' refusal to work

He said the company had reiterated that it was prepared to discuss the matter further, once the workers had returned to work. VW was prepared to re-employ Mr Kondile as a "normal worker"

The general secretary of the National Automobile and Allied Workers' Union (Naawu), Mr Freddy Sauls, said today shop stewards met the 500 workers yesterday

They reported that a deadlock had been reached

At the meeting, Mr Sauls said, a manager from the plant had come in and told the workers they had two minutes to return to work or he would close down the plant

The workers then walked out and VW sent home 3 600 workers in the sections dependent on the paint shop

Shop stewards had decided, "as a result of management's intransigence", to hand the matter over to Naawu officials, Mr Sauls said

Far more jobless in E Cape

Post Reporter

STATISTICS released by the Department of Manpower Utilisation show that 3 508 coloureds, Asiatics and whites were registered as unemployed in the Eastern Cape in May

The figures represent an almost 40% increase in the registered unemployment figure for last May when 2 573 people were out of work

Jobs were found for [illegible]

Of those who still did not have jobs this year, 1 568 were coloured men and 788 coloured women

In May last year 950 coloured men registered as unemployed after jobs were found for 190

In Port Elizabeth there were 2 590 unemployed and in Uitenhage 714 in May this year The figure for Port Elizabeth was 1 975 for May last year

In the country areas 122 white women registered as unemployed and 232 in Port Elizabeth

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...mittee for discussion ... It is understood ...ended Bill retains in- many of its main ...ions, including the reserve period and es- ...d commitment

he legislators had ...y intended to in- ... coloured and Indian and white women in call-up, but this was ...ed

...ing the second read- debate, Government ...kesmen emphasised the Bill was intended ...y to assist contin- ...y planning

...position spokesmen ...ed of the possible ef- ...s on the economy of the ...ion and attacked the as likely to contribute the image of South

Ford to work 4-day week

(192) E Post 3/6/82

Post Reporter

THE Ford Motor Company has announced that its three plants in Port Elizabeth will work a four-day week for the next three weeks

According to a spokesman for Ford, the Neave, Cortina and truck plants will begin the new working schedules from Monday

The move will affect about 5 000 workers

The regional secretary of the National Automobile and Allied Workers Union (Naawu), Mr Les Kettledas, said the union found the

Ford to work 4-day week

(192) E. Post 3/6/82

Post Reporter

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According to a spokesman for Ford, the Neave, Cortina and truck plants will begin the new working schedules from Monday.

The move will affect about 5 000 workers.

The regional secretary of the National Automobile and Allied Workers Union (Naawu), Mr Les Kettledas, said the union found the four-day week "far more acceptable in the short term than retrenchments" and that "the situation will be reviewed from time to time, taking the market trend into consideration"

Ford is the second motor firm in the Eastern Cape to feel the pinch of the economic downturn

In Uitenhage, Volkswagen recently laid off about 320 workers

The company's decision to wind down production at the truck plant comes in spite of major export orders to Britain.

3/6/82 EVENING POST, WED

192

Negotiations on fate of sacked VW worker to continue

Post Reporter

NEGOTIATIONS between the managing director of Volkswagen, Mr Peter Searle, and officials of the National Automobile and Allied Workers Union (Naawu) on VW's refusal to re-instate a dismissed shop steward, will continue this week

Paint shop workers went on strike last week on hearing that VW would only reinstate the man, Mr D Kondile, as a normal worker

VW then sent home 3 600 workers in sections dependent on the paint shop

Naawu's regional secretary, Mr Les Kettledas, said today "no definite agreement" could be reached during yesterday's negotiations.

Shop stewards would report to workers on their progress at a meeting today

Sweet Workers Industrial Union (Natal)
Sweet Workers Union
Sugar Industry Employees Union
South African Allied Workers Union (SAAWU)
S.A. Boilermakers, Iron & Steelworkers, Shipbuilders and Welders
S.A. Electrical Workers Association
Western Province Sweet Workers Union
Witwatersrand Baking & Confectionery Industrial Union
Witwatersrand Brewing Employees Union

Tobacco

African Tobacco Workers Union
National Union of Cigarette & Tobacco Workers
Rustenburg Tabakwerkersvereniging

Textiles, Clothing, Leather and Footwear

African Garment Workers Union (Natal)
African Leather Workers Union (Transvaal)
African Trunk & Box Workers Union
Black Allied Workers Union
Garment Workers Industrial Union (Natal)
Garment Workers Union of South Africa
Garment Workers Union (Western Province)
General Workers Union
General Workers Union of South Africa
National Union of Clothing Workers
National Union of Leather Workers
National Union of Textile Workers
South African Allied Workers Union (SAAWU)
S.A. Canvas & Ropeworkers Union
S.A. Canvas & Ropeworkers Union (Cape)
Tailoring Workers, Dressmaking & Furriers Industrial Union
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South African Allied Workers

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Argus 4/6/82 192

VW plant at standstill

PORT ELIZABETH — The giant Volkswagen plant in Uitenhage was at a standstill for the second successive day to-day when a strike by 500 paintshop workers forced the company to send home about 3 600 workers from other affected areas

The area secretary for the National Automobile and Allied Workers' Union (NAAWU) whose workers are involved in the action, Mr Makaya Sam, said the workers had decided to go back to work on Monday morning, but would only work if a dismissed shop steward had been fully reinstated

LOCAL CONTENT (192) FM 4/6/82

Uphill for Atlantis

Atlantis Diesel Engines (ADE) will not be able to meet the mid-1984 deadline set by government to reach 100% local-sourcing for its diesel engine components

Local component suppliers have shown no interest in supplying the ADE programme during two years of boom in the motor industry They have been reluctant to take on heavy investments in forging plant, a 1 000 t/year aluminium foundry and related service industries while they had full order books

This has been a severe setback for ADE But planners at the factory in the western Cape now see a resurgence of interest and pinpoint the end of 1985 as the likely deadline for 100% local content A level of 50% should be reached by the end of this year The current figure is 34%

Contracts for components will be worth an estimated R1,2m/working day once full local content is reached

"The new deadline takes into account the lead time needed to establish the new plant, followed by component validation. We are two years behind the original date set by government in 1978, when the decision to go ahead with ADE was taken," says Atlantis's Barry Osler

And ADE confirms that R100m is to be invested in new plant extensions and forging/foundry facilities (*Business*, May 21) Contracts for a forging plant should be signed within two months and negotiations with Dorbyl are proceeding

Interest from an unnamed German company in setting up a R25m aluminium foundry is waning, however, and ADE is negotiating local support for the venture

Position changing

Says Osler "The position is changing very rapidly now We see plenty of investment capital still available locally Overseas participation is likely to be mainly in export credits

"We will have broken the back of heavy investments once we have installed the forgings and aluminium casting plants I sense growing interest among local component suppliers who can either expand their existing facilities or build additional capacity to supply ADE"

Loan capital or direct equity participation by the Industrial Development Corporation (IDC) may be involved Marius de Waal, MD of the IDC (and chairman of ADE), says interested parties can take either route

"If there is a 'know-how' partner, we can provide the equity, or go in with loan capital if suitable shareholders can be found We have always said we will back the ADE project all the way with finance"

This will be in addition to subsidising incentives designed to attract industry to the Atlantis growth point Interest of 16% on IDC loan capital will become payable one year after start-up date

"Repayments will be spread over seven years which, for the R20m-R25m investment we are looking at, should not be difficult for the participating companies," says De Waal

"An aluminium foundry could go into profits in its first year of operation If we take an equity stake we would be looking for dividends as soon as full production is reached — in about three years The partner could buy us out at that stage or seek a listing on the stock exchange"

ADE has already invested R320m in its Atlantis plant and has R60m worth of extensions in hand It recently bought the Ferrovorm cast-iron foundry adjacent to the diesel engine lines it serves But further ADE investment in component manufacturing is ruled out

Fixed contracts have already been awarded for items such as water and oil pumps, machined castings, rocker levers, bearings, fuel injection pipes, sump pressings, air compressor parts, alternators, starter motors, pistons and liners, flywheels and ring gears, aluminium and grey cast-iron castings

Castings for blocks and heads should reach the machining lines this month, when contracts will also be placed for timing gears

Sweet Workers Industrial Union (Natal)
Sweet Workers Union
Sugar Industry Employees Union
South African Allied Workers Union (SAAWU)
S.A. Boilermakers, Iron & Steelworkers, Shipbuilders and Welders
S.A. Electrical Workers Association
Western Province Sweet Workers Union
Witwatersrand Baking & Confectionery Industrial Union
Witwatersrand Brewing Employees Union

Tobacco

African Tobacco Workers Union
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National Union of Leather Workers
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S.A. Electrical Workers Associ
S.A. Society of Journalists
S.A. Typographical Union
South African Allied Workers U

150 Sigma workers down tools

Labour Correspondent

ABOUT 150 workers in the parts and accessories department at the Sigma motor plant near Pretoria downed tools yesterday in protest against the dismissal of a union shop steward

A spokesman for Sigma said yesterday the workers had been suspended for a day and management hoped they would return on Monday

He said the dispute had not spread to other Sigma workers and had not affected the plant's assembly line

Spokesmen for the National Automobile and Allied Workers' Union, which is recognised by Sigma, could not be reached for comment yesterday

The Sigma spokesman said the dispute was sparked by the dismissal of Mr Johannes Mokgari, who is also a shop steward

Return to work at VW held up

192 152

7/6/82

E. Post

Post Reporter

STRIKING paint shop workers at the Volkswagen plant in Uitenhage were unable to resume work today when the company sent home 3 600 other workers because those in the paint shop did not take up their posts at the normal time

The 550 paint shop workers went on strike three days last week when management refused to reinstate a dismissed shop steward after lengthy negotiations.

As a result VW sent home 3 600 workers in the body shop and final assembly sections

Today the paint shop workers decided at a meeting to resume work at 9am, but were unable to do so because other workers had been sent home, resulting in an almost total shut-down at the plant

They have decided to return to work tommorrow, and shop stewards will attempt to arrange a meeting between officials of the National Automobile and Allied Workers Union (Naawu) and VW's managing director, Mr Peter Searle.

VW has said Mr Searle would not meet Naawu officials unless the paint shop workers returned

Paint shop workers back on job

Post Reporter E Post 8/6/82

STRIKING paint shop workers at the Volkswagen plant in Uitenhage returned to work today pending the outcome of a meeting between union officials and management on the reinstatement of a dismissed shop steward

The 550 workers went on strike on three days last week when management refused to reinstate the shop steward, Mr D Kondile, except as a normal worker.

Production was brought to a near standstill when VW sent home 3 600 workers in sections dependent on the paint shop.

Yesterday the paint shop workers decided after a meeting to return to work at 9am, but were unable to do so as 3 600 workers had already been sent home.

They returned today to await the outcome of a meeting between VW's managing director, Mr Peter Searle, and officials of the National Automobile and Allied Workers Union (Naawu).

After today's talks, a VW spokesman said negotiations would continue, probably this week.

192 RDM 8/6/82

Talks to resume today in VW paint shop strike

By STEVEN FRIEDMAN
Labour Correspondent

A STRIKE in the paint shop at Volkswagen's giant Uitenhage plant, which stopped the assembly line for four days — and for the fourth time this year — is to end today

Although only the 500 paint shop workers took part, the assembly line cannot operate without the paint shop and the strike meant that Volkswagen had to send more than 3 000 other workers home

About 3 600 workers have been off work since Wednesday

The strike is a sequel to one last month in which paint shop workers downed tools in protest against the dismissal of a shop steward of the National Union of Automobile and Allied Workers Workers returned pending further negotiations

A spokesman for Volkswagen said yesterday management had decided after talks that the dismissal was justified But it had decided to take back the dismissed man on condition he was no longer a shop steward

This decision was taken because it was "a compromise between our view and that of the workers"

But workers had rejected it and downed tools last Wednesday

Volkswagen's managing director, Mr Peter Searle, had agreed to meet a Naawu and worker delegation yesterday, but only if shop workers returned

"But they did not and the meeting was therefore cancelled We are not prepared to negotiate while workers are on strike the spokesman said

However, later yesterday workers agreed to return to work and will meet Mr Searle and other members of top management today to discuss the issue

A Naawu spokesman, Mr Les Kettledas said workers had agreed to return "only because this is the only way we can resume negotiations — this does not mean they accept the decision"

He said the union "completely rejects management's decision to allow the worker to return as long as he ceased to be a shop steward

"This is totally unacceptable He was elected to that position by his fellow-workers and they are the only ones who can decide whether he ceases to be a shop steward It has nothing to do with management "

The union had investigated the dismissal and believed there were no grounds for dismissing the steward, he said

● The strike by about 150 parts and accessories department workers at the Sigma plant in Pretoria — also over the dismissal of a Naawu shop steward - ended yesterday after the dismissed man was reinstated

A company spokesman said Sigma had undertaken a review of the firing and found that "reasonable doubt" existed as to whether the worker had refused to obey an order

(445) (192)

5 000 car workers to lose 3 days' pay

ADM 8/6/82

Labour Correspondent

IN a reaction to an expected downturn in vehicle sales, the Ford Motor Company closed all its Port Elizabeth plants yesterday and is to close again for the next two Mondays

Ford's public affairs director, Mr D Bucknall, said the decision would affect 5 000 hourly-paid workers

He said Ford believed this would be enough to avoid any further action to cut production "although we are still waiting for the May vehicle sales figures which could have an affect on the situation'

Mr Bucknall said the closures had been discussed with the trade unions which represent Ford workers

A spokesman for Fosatu's National Union of Automobile and Allied Workers, Mr L Kettledas, confirmed that the cuts had been discussed with NAAWU and added that the union believed they were the best thing for workers in the circumstances

"Although they will cost workers three days' pay, they are obviously preferable to retrenchments which cost people jobs'

Mr Bucknall said the purpose of the closures had been to "take production time out of the system" at a time when sales were expected to continue falling

"At the moment we believe this will be enough," he said

8/6/82 (192) RDM

Motor-makers slow down

By PAT SIDLEY

FORD'S decision to close its Port Elizabeth factories for three Mondays a month — Volkswagen has laid off workers at Uitenhage — shows that the motor industry is feeling the downturn in the economy

It may also prove to be the first move Ford and other manufacturers will make to adjust to the downturn

Although the May vehicle sales have not yet been released by Naamsa, Ford says it is still on target and is expecting a "reasonable month" — but the softening in demand has been felt

The year began well for the motor industry, but there have been no stock shortages Last year demand outstripped production

A spokesman said Ford did not have large stocks of vehicles.

Ford's commercial vehicle lines would also be closed three Mondays a month, but those producing export bakkies would work overtime during their shortened weeks to produce the quota of 40 units a day

The Naamsa sales figures expected next week should give some indication of whether the whole motor industry had felt the "softening" in the market

Ford was sticking to its forecast industry sales in 1982 of 288 000 new cars, 121 000 light commercial vehicles and 17 000 heavy vehicles

Most manufacturers canvassed last month believed May sales would be similar to April's — but many of them reported a slump in sales in the first week of May

If Ford's sales are beginning to reflect the downturn, and continue to do so, it seems likely that other manufacturers will reduce production and possibly lay off staff

LOCAL CONTENT (192) FM 28/5/82

The turn of the screw

There will be a major shake-up in the motor industry this year when Iscor starts producing Supraform, a new high tensile steel

On the one hand Supraform will be a boon in that it will save up to 30% of motor car body mass, because it is stronger and more easily formable than conventional steel On the other hand it will force many manufacturers to revise the way in which they achieve the government requirement that at least 66% of a car's mass should be locally sourced.

Supraform will be used mainly for pressings, which are usually chosen for local manufacture ahead of the relatively heavy engines and gearboxes But using Supraform to make these components lighter, could force some manufacturers to make engines and other complex components locally to make good the overall local content requirement.

There are certain rebates at present to encourage lightness, but in many cases these will only partly offset the penalties incurred for dropping below the specified local content level.

A one ton car needs 660 kg of local content, of which 50% is in sheet metal Soon most of it could be replaced with the lighter Supraform Currently this gives a small car about 50% potential for local body content, of which between 80% and 90% is reasonably easily attained To that is then added castings, forgings, machined items, trim, brakes, rear axles, steering geometry, drive shafts and prop shafts, which take the overall content to more than 66%

Lou Wilking, MD of General Motors SA, foresees a definite need to use locally produced engine components to maintain local content levels "The engine accounts for between 12% and 14% of vehicle mass, leaving about 87% to play with. Out of that, there are some very expensive items like transmissions and steerings and some instrumentation — things that are not available locally

"This leaves 72% local content but the last few percentage points above 66% are costly and become difficult to reach should bodies get lighter"

GMSA might solve the problem by sending locally produced manifolds, valve rocker covers, flywheels and other engine components overseas to be built in by the engine source plant

"The big problem when you are close to 66% local content is supplier let-down," says Wilking "You have a penalty of 95% on the retail price of the car if you don't make 66% and you need a comfortable margin above this in case an individual local supplier lets you down

Car production ... lighter pressings reduce local content

"GMSA built engines way back in the Sixties However we subsequently decided to close our local engine plant because it was being overtaken by technological developments overseas We think that to put in an engine plant now would have similar results

"Having said that, we might have to find a solution somewhere along the engine line Some kind of value factor in local content would ease the burden, but government isn't listening"

Herbert Renz, local content development manager of UCDD, says SA has reached its technical limit in local content "The new Mercedes Benz 'S' series uses high tensile materials in side members, cross members, floor frames and component carriers This reduces material thicknesses so that, overall, the 280 SE is 10% lighter than the previous model

"We have gone for lighter materials in the engine compartment too and weight savings definitely affect the local-content ratio enough to make things difficult"

UCDD assembles its own engines in East London and, in the case of the 280, attains 80% local content About 85% of body pressings are local but future mass savings will be in suspensions and axles

BMW stands firm by its declared policy to import engines, admitting that the economics of maintaining local content might be more difficult in future Excluding engine and gearbox, there is about 76% available for local content, of which BMW currently attains 68% — only slightly above minimum Adding more body components will incur a high investment for a low increase in local content

Iscor calculates sales potential for standard Supraform at an average 33 000 t/year Sales of Supraform TM, an even stronger metal, should average between 2 000 t and 3 000 t

Limited quantities have been produced which are being used for some box chassis members, side members, cross members, floor frames and component carriers Tests are in hand for sills, wheel arches, wheel rims and wheel centre pressings

Body pressings will follow when trial pressings of cold-rolled Supraform have been completed overseas

Small cars will be less vulnerable to future losses in mass since most are fuel-efficient designs which already have lightweight bodies

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4 Do not write in the left hand margin

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

ARGUS 8/6/82

Back to work at VW plant

Argus Bureau

PORT ELIZABETH. — Production was back to normal at the Volkswagen plant in Uitenhage, following severe disruptions since last Wednesday.

The public affairs manager of Volkswagen, Mr Ruben Els, said today that 550 paint shop workers, who had paralysed production for three successive work days by their strike, returned to work at the usual time today.

On the days concerned, management sent home about 3 600 other workers in affected departments

Representatives of the National Automobile and Allied Workers Union (NAAWU) were to meet today with top management, including the managing director, Mr Peter Searle, about the dispute

Sowetan

8/6/82 (192)

Worker back strike ends

By Monk Nkomo

MR JOHANNES Mukhari, a shop steward at Sigma Motor Corporation in Pretoria, whose sacking last Thursday led to a strike by about 150 workers, has been reinstated.

In a statement released yesterday, a company spokesman said although there was evidence that Mr Mukhari had on several occasions threatened to contravene company regulations, he had now been given "the benefit of the doubt" and has been reinstated without loss of pay or benefits.

The 150 workers who refused to return to work on Friday and were temporarily suspended, would however, forfeit a day's earnings in accordance to the company's "stated policy of no work no pay", the spokesman added

"Sigma's management conducted a review of the situation which gave rise to the refusal to work by 150 employees in our division last Friday in order to maintain the full documentation necessary, before a final decision was taken on the termination of the services of Mr Mukhari", said the spokesman "This was a unilateral review in which we established that reasonable doubts exist whether the shop stewards actually refused to obey a lawful instruction", he continued

The company's spokesman yesterday said that the work force was back to normal and the matter had been resolved

28 lose jobs at CDA

EAST LONDON — Twenty eight workers at Car Distributors Assembly (CDA) were retrenched at the end of May

This was confirmed yesterday by a spokesman for a Johannesburg public relations firm which represents CDA

Mr Richard Wagner said the retrenchments had been carried out after consultation with the National Union of Motor Assembly and Rubber Workers which represented the majority of the 2 600-strong CDA workforce

Mr Wagner said the workers who were retrenched had been hired after CDA management decided to increase production in its truck section by introducing a second shift It was later decided that increased production could be achieved without increasing the workforce, Mr Wagner said

It was then decided to retrench the newly hired workers who were still in their "probationary" period, rather than dismiss established employees, he added

"The retrenchments were carried out with a minimum disruption of the workforce" The union's organising secretary here, Mr C J Faza, could not be reached for comment yesterday — DDR

ADE FM 11/6/82 (192)

Counting the cost

The first range of Toyota trucks fitted with diesel engines assembled by Atlantis Diesel Engines (ADE) has been launched on the SA market. The engines — designated ADE 352 — have passed an exhaustive engineering development and test programme without faltering They are expected to achieve a 17% improvement in fuel economy But the cost penalty for switching from imported diesel engines is nevertheless considerable

Toyota SA's truck sales director Des Gush acknowledges that the additional cost of using locally assembled engines is 20%-25% — even before the cost of ADE engines is bumped up by local manufacture of major components

Toyota has already included a good part of the additional costs in its recent price hikes, but the launch of the new range will require an immediate further increase of 10%

This aspect of the news will only confirm some of the worst suspicions about the economic implications of the Atlantis project But the whole picture will emerge only when the bulk of the additional costs attributable to local manufacture is built into the selling price of the diesels

Gush also acknowledges that the introduction of the locally assembled engines lagged about six months behind the official deadline — January 1, 1982 for this type of diesel truck And he notes further that Toyota's Hino medium and heavy trucks, incorporating not only ADE engines but also ASTAS gearboxes, will be 12 months late However, Toyota has preferred to pay the import penalties involved to be sure of meeting quality requirements

Gush also emphasises that incorporation of the new engines gave rise to some tricky engineering problems Engine configurations, for example, had to be changed

The ADE 352 is being fitted to the Toyota DA series of three models in the 12 000kg GVCM category This series was chosen because its characteristics are well matched to the ADE 352, which is a six cylinder direct injection overhead valve diesel It displaces 5 675 cm³ and develops 94 Kw at 2 800 revolutions/minute

An exhaust brake is fitted as a standard item which, Toyota claims, greatly increases braking efficiency and prolongs the life of brake linings

Barry Moore, product planning and technical director of Toyota SA, says that it was necessary to satisfy three basic standards — the German standards imposed by ADE, the standards of the Toyota parent company and Toyota SA's own local standards

To achieve these, it was necessary to do around 200 000 km of testing, including high speed durability on freeways, tipper operations in quarries, rough road durability and about 30 other tests

Big shake up for Naamsa

(192)

Industrial Week 8/6/82

Special Correspondent

THE National Association of Automobile Manufacturers of SA (Naamsa), the official representative body of the vehicle manufacturing sector, has restructured itself to play a more dynamic role in industrial affairs.

For some time the motor industry has been split by a number of independent lobbies which, although paying lip service to the unifying aims of Naamsa, have effectively made it impossible for the organisation to bring about meaningful changes with the Government

This is expected to change now that three distinct operating divisions have been established to look after passenger cars, light commercials, and heavy commercials

Each division has its own president who also sits on the executive committee with Naamsa's president and vice president

Executive director

This development coincides with a move of offices from Port Elizabeth to Pretoria, and the appointment of a new executive director, Nico Vermeulen

Retiring director, Frank Lock, takes up an appointment as consultant to Naamsa in August

It was also originally intended that statistics relating to industry vehicle sales would be prepared by the CSIR Vehicle Data Bureau (VDB), a move which has been deferred until the VDB is able to obtain computerised information from all provinces

The new-look Naamsa will need to unify the industry's approach to labour relations and local content

These have become a controlling influence and it has long been felt that Naamsa, first formed in 1935, has failed to keep pace with the industry's needs

Local content

Local content in particular is a bone of contention In the absence of a unified approach, individual manufacturers have sought concessions from the Government that have often been counter productive

When local content was introduced in 1962 there was virtually no manufacturing Phase two, in 1964, started a six year programme of local component supply and, by 1973, the industry was producing 200 000 passenger cars worth R400-million (300 000 today, worth R2 200 million)

The industry was still divided on local content when the Government proposed a 70% level by 1976

Naamsa suggested 60%, which the Government turned down flat A compromise was reached on 66% which has become increasingly costly and difficult to meet

In labour affiars, Naamsa set up the Automobile Manufacturers Employers' Organisation (AMEO), which has virtually fallen dormant in recent years

The Industrial Council in the eastern Cape still represents the only organised labour body for the manufacturing sector, and may soon be joined by a new Regional Council for the Transvaal

AMEO revitalised

AMEO has been revitalised to handle this development and talks between Transvaal manufacturers are in progress The new council should be formed within the next two years

TRANSPORT

New era dawns for parts men

15/6/82 (192) Industrial Week

Special Correspondent

A NEW era is dawning for component producers who expect to invest around R1 500-million by 1985 in meeting expected growth in demand from vehicle manufacturers

But there will be changes in emphasis as new lightweight materials, currently being introduced overseas and researched for use in SA, find their way onto the production line

The National Association of Automotive Component and Allied Manufacturers (NAACAM), whose 125 members represent 80% of all components produced, was sufficiently concerned about these developments to seek guidelines from Government last month on its policy towards lightweight cars and components

Some feel that the time has come for a revision in the current mass formula for local content, to include some kind of cost factor

Such a cost/mass formula would offset the high investments that are expected in tooling, especially in producing plastic components which add little to the mass of a vehicle

The return on investment for such components would not be viable, either for producers or vehicle manufacturers

Nearer home there are the lightweight high tensile steels, now being produced by Iscor, which effectively reduce the mass of a vehicle and, therefore, its local content

Component producers say they need to plan now for the next 10 or 15 years and if lightweight components prove to be viable there will need to be an orderly transition from conventional types to their replacements

Vehicle manufacturers have gone for body to achieve local content, and component producers have followed the same route There is no high level technology involved and this has enabled investors to meet current local content levels at reasonable cost

Several vehicle producers have already set up engine lines, including Datsun, Ford, VW and UCDD (Mercedes Benz), and these will be secure in attaining 66% levels

Those manufacturing lighter bodies, and having no recourse to engine mass, will have difficulties

The Minister of Industry, Commerce and Tourism, Dr Dawie de Villiers, has said that there will be no move from current levels, either upwards or downwards

This does not automatically mean that component producers have a secure future, however

Changes in technology can make costly tooling obsolete overnight and NAACAM is keen to ensure that future investments are properly amortised before being run out

NAAMSA and NAACAM jointly announced that three meetings will be held during the year to decide what local content is needed, and whether viability criteria are being met

ADE set to miss Govt deadline

Industrial Week

15/6/82 (192)

Special Correspondent

ATLANTIS Diesel Engine's derailed local content programme may soon need support from the Industrial Development Corporation (IDC), which financed the R320 million diesel engine factory, to put it back on track

ADE blames two boom years in the motor industry for the lack of support from component producers, resulting in the Government-set deadline of mid-1984 for 100% local content for its diesel engines being put beyond reach

Crankshafts

It will now be the end of 1985 before ADE has on-site access to the R20 million forging plant it needs for crankshafts, and a similar investment in an aluminium foundry having pattern shops, die-making facilities and general engineering back-up

Local content in the Perkins and Mercedes Benz dervived engines has reached 34% says ADE, and should be close to 50% by the end of the year

[illegible] 100%

and equip some of the heaviest and most sophisticated engineering facilities in SA — including validation of the components produced

Negotiations for the forging plant are still progressing with Dorbyl and contracts are expected to be signed in the next two months

Exploratory talks with overseas aluminium foundries have not been so lucky

An unnamed German concern is believed to be seeking too high a return on its capital and is a doubtful starter

Talks are progressing with local companies

The IDC, whose MD Marius de Waal is also chairman of ADE, is known to favour some kind of overseas know-how as part of the foundry deal

Investments

Current investments by ADE in extensions and the new forging facility are estimated at around R100-million — roughly half of what is believed to be needed before the eventual goal of a totally [illegible] African diesel en-

capital is needed," says De Waal

"We can take a direct equity interest in the company having overseas know how and local management, should this be needed

"Alternatively, we can provide loan capital at 16% interest, over a seven year term

Repayments

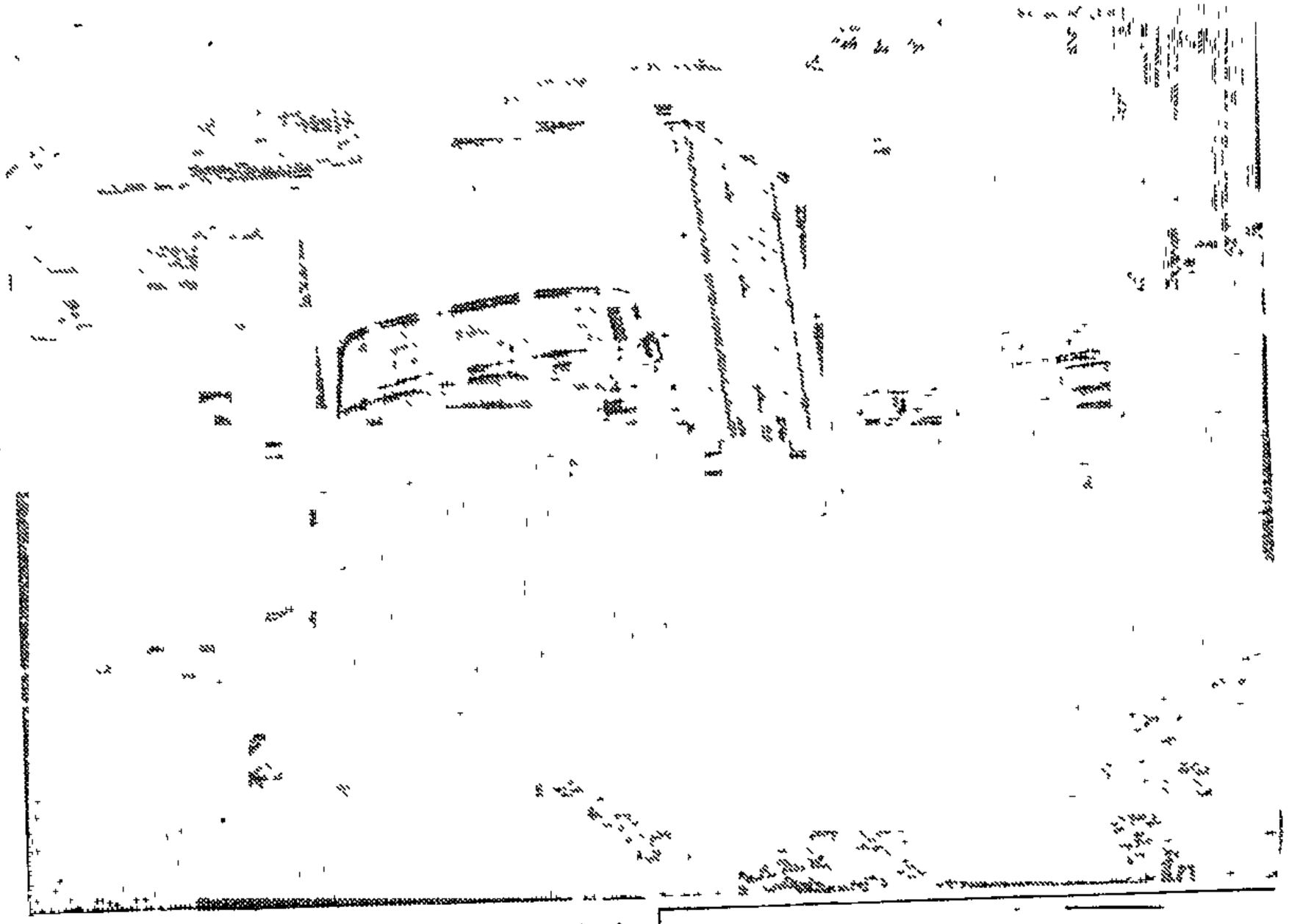
"Repayments would start after the first year in the event of equity participation, we would expect dividends when the plant reaches full production, which would be in about three years"

"Of course, anyone setting up a plant in Atlantis in the Western Cape would also qualify for subsidies under the Government's decentralisation programme"

An aluminium foundry could attain profitability in a relatively short time, especially with the contracts ADE is offering

It is estimated that by 1985 ADE will be spending R1,2-million every working day on components, much of it on four year fixed contracts

Contracts are also about to be awarded for timing gears, adding fur-



THE first Toyota trucks with local Atlantis Diesel Engines have been released on the South African market after an international engineering development and testing programme.

The most popular of the Toyota DA series, in the 12 000kg GVM category (seen above) have been fitted with the ADE 352 engine and get a 17% improvement in fuel economy, according to factory test figures.

The company is also pressing ahead with the engineering research necessary to ensure the successful adaptation of its other Toyota and Hino trucks to ADE engines.

DA series models have so far completed over 200 000km of testing under all kinds of operating conditions

According to Toyota, the ADE 352 engine was selected for the DA series because its characteristics are well matched to the proven features of the DA chassis.

ADE set to miss Govt deadline

Industrial Week 15/6/82 (192)

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To complete 100% local sourcing by 1985 even now looks ambitious, and allows only two years in which to erect

Special Correspondent

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"We have always said that we will back ADE all the way with whatever capital is needed," says De Waal

"We can take a direct equity interest in the company having overseas know how and local management, should this be needed

"Alternatively, we can provide loan capital at 16% interest, over a seven year term

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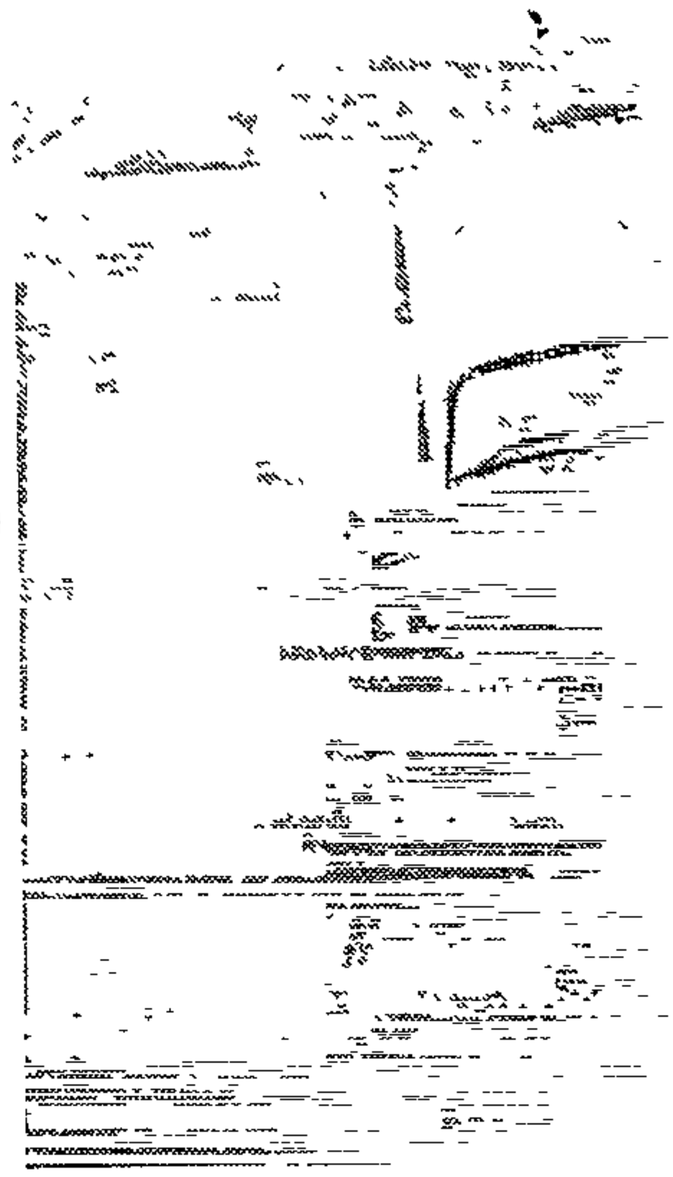
An aluminium foundry could attain profitability in a relatively short time, especially with the contracts ADE is offering

It is estimated that by 1985 ADE will be spending R1,2 million every working day on components, much of it on four year fixed contracts

Contracts are also about to be awarded for timing gears, adding further to the growing list of components now being, or about to be supplied by local concerns



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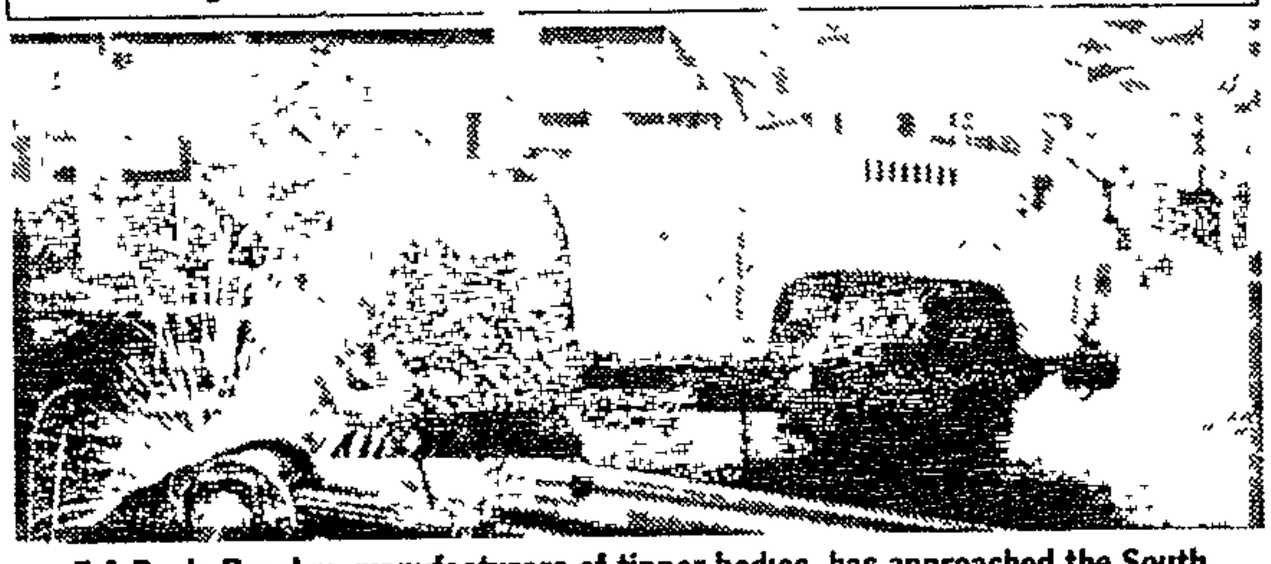
The company is also pressing [illegible] engineering [illegible] cessary to [illegible] cessful [illegible] other Toyota trucks to ADE

DA series so far [illegible] 200 000km under all [illegible] ating [illegible]

According [illegible] ADE 352 [illegible] ected for [illegible] because its [illegible] ics are well proven [illegible] chassis.

Body builder lobbies SABS



F A Poole-Rosslyn, manufacturers of tipper bodies, has approached the South African Bureau of Standards with a view to establishing published standards for hoist lift capacities.

Mr Van Wyk had little time to plan an emergency landing

He was unable to land on the road to Noenieput because motorcars were using it, and decided to land in the veld

The aircraft barely cleared a 1,5 metre-high embankment next to a fence and came to a stop in front of a pile of rubble

A wing was dented and a wheel damaged in the landing.

Mr Botha paid a tribute to Mr Van Wyk for his calm handling of the situation

would go ahead

Terms of the "package" because of Swapo's reluctance to accept the "com- demand is that it is daring brinkmanship on the part of African cross-border raids, which take place at will

Election choice to be made

Municipal Reporter

THE Ward 3 Civic Association will hold a meeting at 7.30pm on Monday at the Port Elizabeth Golf Club, Mill Park, to nominate its official candidate for the City Council elections in September

Mr Aubrey Braude is the councillor whose seat falls vacant and he will be seeking re-election

The association's honorary secretary, Mr P Libbrecht, would like as many members as possible to attend

In September ratepayers would vote to choose a councillor for the years 1982 to 1986, said Mr Libbrecht

"In the meantime, by attending this meeting and choosing an official candidate, we can tell our fellow ratepayers who we think would be the best person for the job," he said

End to 4-day week?

P 9/2

Post 18/6/82

Post Reporter

THE Ford motor company in Port Elizabeth has not decided whether to extend a four-day week introduced on June 7 beyond the end of the month, but is hopeful an extension will not be necessary, a spokesman said today

The shorter week was introduced at the Neave, Struandale, engine and truck plants to achieve a balance between the company's production and increased demand The balance could be achieved by stopping production on three Mondays, the last being next week

About 5 000 hourly paid workers are affected

Unionists welcomed the introduction of short time as opposed to retrenchments, widely predicted in the motor industry

US expert with special feel for gifted children pays visit to PE

By MARTIN STRYDOM

UNTIL she was 28 years old, Mrs Amanda Borders believed she was retarded Since then she has worked as an adviser to the United States Government on gifted children and as a well-travelled consultant in this field

In Port Elizabeth yesterday, Mrs Borders attended a lecture at Grey Junior School by Anton Bosman, 12, a Standard 5 pupil who spoke on the intelligence of animals

Last night she addressed a meeting at the office of the Gifted and Talented and presented a slide show to illustrate work in this field being done at special schools in her home town of Houston, Texas

Mrs Borders was invited to South Africa by the Minister of National Education, Dr Gerrit Viljoen, to examine the country's programme for gifted children

Because she was a gifted child herself, Mrs Borders has a special interest in their education and identifies strongly with the problems they face

"When I was at school I read between 75 and 80 books a week," she said "But at the little rural school I attended the teachers were unable to cope with my questions

"They would say that they didn't know what to do with me They meant they couldn't cope with me I interpreted it as meaning I was retarded"

She said this was the case with many gifted children and schools to cater for them were essential

Houston's special schools cater for children gifted academically, in the performing arts, leadership and creative fields, giving them a more intensive education and teaching them to use their special talents productively and responsibly

Mrs Borders said that although the education of gifted children in South Africa had a short history — the first society was started in Johannesburg in 1972 — it had a good basis for an extraordinary programme

PE level crossings get robots

Post Reporter

THREE railway level crossings in Walmer are no longer compulsory stop streets Now robots which flash orange when a train approaches warn motorists and encourage a better traffic flow

The crossings are on Third Avenue near the airport, at 17th Avenue and on the Buffelsfontein Road

Port Elizabeth's Acting Chief Traffic Officer, Mr A J Jonker, said his department had been "trying for years to get these lights erected"

He was "very pleased" that the robots were now up They started functioning yesterday

Call for get histo interest

By ANDREW DONALDSON

PORT ELIZABETH could soon get its first "historical precinct" — an area of historical interest — according to Mr Alf Porter, vice-chairman of the Port Elizabeth Historical Society

The call for such an area has arisen partly from the discovery of a 107-year-old storefront in Parliament Street. The subject will be on the agenda of the Historical Society's committee meeting next month

A historical precinct, proclaimed by the National Monuments Council, exists in Grahamstown, but there

Cohen is

Three-week dispute at VW now settled

192 E. Post 21/6/82

Post Reporter

A THREE-WEEK dispute at the Volkswagen motor plant in Uitenhage over the dismissal of a shop steward has ended with management and worker representatives reaching a settlement

VW's public affairs manager, Mr Ruben Els, said today a settlement had been reached and management was waiting for a document to be signed by worker representatives

The dismissed man, Mr D Kondile, would return to work tomorrow "as a normal worker"

Officials of the National Automobile and Allied Workers Union (Naawu) could not be contacted for comment today

The dispute began at the end of May when more than 500 workers in the paint shop went on strike after Mr Kondile's dismissal

'No decision' on Sigma plant

(192) Argus 23/6/82

NO decision had been taken on the closure or future of the Sigma Motor Corporation's Blackheath factory, a senior company spokesman said today.

Reports that the Blackheath plant would be vacated next year, were "jumping the gun a bit" the spokesman said

A joint Sigma-Leyland statement would be issued later today

Sigma bought the Blackheath plant from Leyland last year for R14-million

There has been speculation that the current recession in the motor industry and expected poor business prospects could force a drop in production levels.

Indications are that Sigma's expansion in Pretoria may be able to handle all the company's needs

DISMISSED

The spokesman however dismissed that this would make a closure of the Blackheath plant inevitable

"No decision has yet been taken, but there are obviously a number of possibilities, including a contractual work for us by Leyland or some other alternative use of the Blackheath plant

"The plant, of course, need not be used for motor production at all, while still remaining a production unit," he said

Section B.

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Date 31/10/79

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Subject Economics II
(to be copied from the heading on the Examination Paper)

Paper No E 41
(to be copied from the heading on the Examination Paper)

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered), leave columns (2) and (3) blank

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NOTE CAREFULLY

1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
2 Blue or black ink must be used for written answers The use of a ball point pen is acceptable Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
3 Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book(s) are used
4 Do not write in the left hand margin

WARNING

1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed
2 Candidates are not to communicate with other candidates or with any person except the invigilator
3 No part of an answer book is to be torn out
4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

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Sigma to concentrate in Pretoria

24/6/82 (192) Star

Own Correspondent

Sigma Motor Corporation is to concentrate its entire vehicle production at Sigma Park, Pretoria.

This means that the production of heavy commercial vehicles, to have started at Blackheath in the Cape at the beginning of next year, will be transferred to Pretoria.

Sigma said that manufacturing strategy had to be reviewed because of developments since the agreement to buy the Blackheath plant from Leyland last July

Recent Government policy indicated that deconcentration benefits would not be available in the Western Cape and transport and other subsidies granted to the motor industry were to be phased out

This phasing out would start next March, three months after Sigma's buying of Blackheath became effective and would make development in the Western Cape economically unattractive.

Sigma said in Pretoria that in the past two years the motor industry had to concede substantial increases in wages and pressure for further increases would be maintained

There was, therefore, every incentive to centralise production and switch from labour-intensive to capital-intensive manufacturing techniques

ADE gives Toyota greater economy

(192)

24/6/82

After an exhaustive international engineering development and testing programme, the first Toyota trucks with Atlantis diesel engines have been released

Factory-test figures show that the Toyota DA series of three models in the 12 000 kg GVM category, which have been fitted with the ADE 352 engine, have a 17 percent improvement on fuel economy

Mr Des Gush, truck sales director, says that as the DAs are launched, the company will press ahead with the engineering research necessary to ensure the successful adaptation of its other Toyota and Hino trucks to ADE engines

The introduction of the ADE engine to the DA series has involved large behind-the-scenes investment in time and money to ensure a full after-sales service

Mr Gush says the company is already well into an extensive training programme on ADE engines for technical and sales staff at its dealerships Special tools have been distributed and comprehensive parts stocks built up at dealerships and the company's central warehouse

THE ARGUS, THU

ARGUS 24/6/82

Sigma: Blow to Cape

192

By Keith Macfarlane

IN A major setback to Western Cape industry, the Sigma Motor Corporation has decided not to use the Blackheath plant it bought from Leyland last year for production of its light and medium commercial vehicles. The decision could cause loss of employment

However, Sigma said today it was exploring all possibilities to safeguard its investment, and hoped other uses would be found for the plant.

Sigma light commercial vehicles have been built at Blackheath for a couple of years under a contract with Leyland, which had spare capacity at the plant and was able to build the Mazda and Mitsubishi light and medium trucks without difficulty

Production of these vehicles has averaged between 800 and 900 a month

It was announced in August last year that Sigma would take over the Blackheath plant originally built by Austin and subsequently used and enlarged by Leyland, at a cost of R15,4-million.

It was believed Sigma would use the plant not only for its light and medium vehicles but also, because of its proximity to the Atlantis Diesel Engine factory, for its heavy Mitsubishi and Mack trucks

It is possible the heavies will still be built there, according to the spokesman who told me Sigma was exploring all possibilities

However the apparent downturn in the economy has caused Sigma to have second thoughts and move towards concentrating its entire production in the Transvaal.

SUBSIDY

A factor, according to Sigma, is the coming removal of the Government's subsidy for the transport of new vehicles from the Cape to the main markets in the Transvaal.

The cost of taking a bakkie to the Rand from the Cape is R350.

As Leyland intends to continue with its planned move to concentrate production at its Elsie's River plant, the greater area of the Blackheath plant will not be used, as Sigma would no longer be taking over employees from Leyland to ensure continuity of production at Blackheath, negotiations were in progress to minimise the effect of Sigma's decision on employment levels

A major recruitment campaign planned for the second half of this year to provide more manpower for both Sigma and Leyland had been cancelled.

The planned expansion of the Elsie's River plant, where Leyland is to build the Renault Nine as well as its own vehicles, will make more jobs available there, but a lot of jobs will disappear at Blackheath, which currently employs 1 250.

About half could be absorbed by Leyland, but it means that about 650 jobs will be in jeopardy.

Sigma said originally that about 1 500 jobs would be created here.

Commenting on the Sigma decision today, Mr David Beck, the managing director of Leyland, said the Leyland sale agreement with Sigma was not affected Leyland would continue with its expansion programme at Elsie's River as well as the new R2-million head office and parts warehouse at Blackheath

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CAPE TOWN ANSWER BOOK

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered), leave columns (2) and (3) blank

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Sigma cancels project for Cape

CAPE TIMES 24/6/82

(41) (192)

By GORDON KLING

THE BLACKHEATH motor assembly plant seems doomed to close early next year — throwing hundreds out of their jobs — following the shock cancellation by the Sigma Motor Corporation of a R60-million project, because of "government policy".

This is the implication of an announcement by Sigma yesterday that it would not proceed with plans to manufacture its commercial vehicles at the Peninsula plant, which it has agreed to purchase from Leyland South Africa as from January 1

"This planning does not alter Leyland's sale agreement with Sigma," said Mr David Beck, Leyland's managing director

"At the same time Leyland will continue, completely unchanged, with its R15-million expansion, modernisation and consolidation programme as announced in August, 1981"

In terms of the agreement, concluded in July last year, Leyland is to transfer production to its Elsie's River plant

Industry sources said last night that the possibility of Sigma using the Blackheath plant for purposes other than motor manufacturing was a straw in the wind, it would be "used for nothing"

The sources said Leyland would not be able to absorb all the Blackheath employees at Elsie's River and about 600 retrenchments could be expected, instead of the additional 1 500 jobs that the project was expected to create

Leyland is understood to be particularly concerned that it has been left with responsibility for a workforce it will not be able to fully employ and it regards it as "cold comfort" that the situation is not of its own making

Reasons

Giving reasons for calling off the project, Sigma said in a statement yesterday "Recent formulation of government policy indicates that not only will deconcentration benefits not be available in the Western Cape but also that the transport and other subsidies granted to the motor industry are to be phased out

"This phasing out will commence in March 1983, just three months after Sigma's purchase of Blackheath becomes effective, and makes development in the Western Cape commercially unattractive"

Sigma had accordingly reassessed its production capacity at Sigma Park on the Reef and had decided it could accommodate its existing commercial vehicle range and those it intended introducing over the next five years with a relatively minor investment

In addition, pressure for wage increases had left Sigma with every incentive to centralize production and to emphasize on capital intensive manufacturing techniques

The director of the Cape Chamber of Industries Mr Jack Roos, said last night that the move

To page 2

strike due to begin on Si

(41) (192) CAPE TIMES 24/6/82

From page 1

was a very serious blow for the Western Cape

One of the things that worries us most is that it appears to mean the loss of jobs for male workers where the employment position is worst and of course there will be a percentage of ancillary industries as well

The chamber he said would be making an urgent study of the development

A spokesman for Sigma said in an interview in Johannesburg last night on possibilities for the plant that it could be mothballed used for other types of production or become a warehouse

"We never did undertake to take over all the people

The spokesman said discussions with the Department of Industries had convinced Sigma that subsidies to the motor industry in the region would be ended

We weren't given to understand that we could make representations the spokesman said

When you consider that the Western Cape must be considered some sort of economically depressed area you would think that Blackheath and Elsie's River would not have been declared metropolitan areas (in terms of the government's deconcentration proposals unveiled at the Good Hope conference in Cape Town late last year) with no benefits It's very unfortunate

Rise in black wages revealed

192 Post 24/6/82

Post Reporter

ACTUAL minimum black wages in the Eastern Cape motor manufacturing industry had increased by 233,3% since 1975, according to figures released by Ford's director of industrial relations, Mr Fred Ferreira

He said the hourly rate went up from 60c in January 1975, to R2 in January this year

Real minimum wages, taking into account the Consumer Price Index (CPI) of 333,1 in 1982, increased by 134,6%

This represented an increase in real wages of 134,6c, taking into account the rise in the CPI from 148,5 to 333,1

Figures showed that real minimum black incomes had increased by 48,6% from 1975 to 1982

The real income of the average black worker in the industry increased by 19,9% between January 1975 and January 1981, and by 31,6% between January 1975 and January this year

The average black wage in the industry increased from 73c an hour in January 1975, to 215,5c this year

Adjusting the figure to take into account the 125,3% increase in the CPI from 1975, the average real hourly wage was 163,7c in January this year

TS'82

STORY

BOVE FORUM
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C ISSUE CALL

ADE introduces engines for higher regions

(192) Star 24/6/82

As part of ADE's ongoing policy of introducing engines specifically designed to meet local demands, production will start in July this year on altitude-compensated versions of the four cylinder ADE 236 and the six-cylinder 354 engines

The new engines will be the 236C and ADE 354C (Altitude-compensated 354 vehicle engines are already in production)

Because about 60 percent of tractors in South Africa operate in the less dense inland air where there is a power loss of 12 percent to 15 percent compared to sea level conditions, ADE decided it was essential to make provision for a Highveld tractor in its engine range. So the altitude - compensated 236 and 354 engines were developed by Perkins

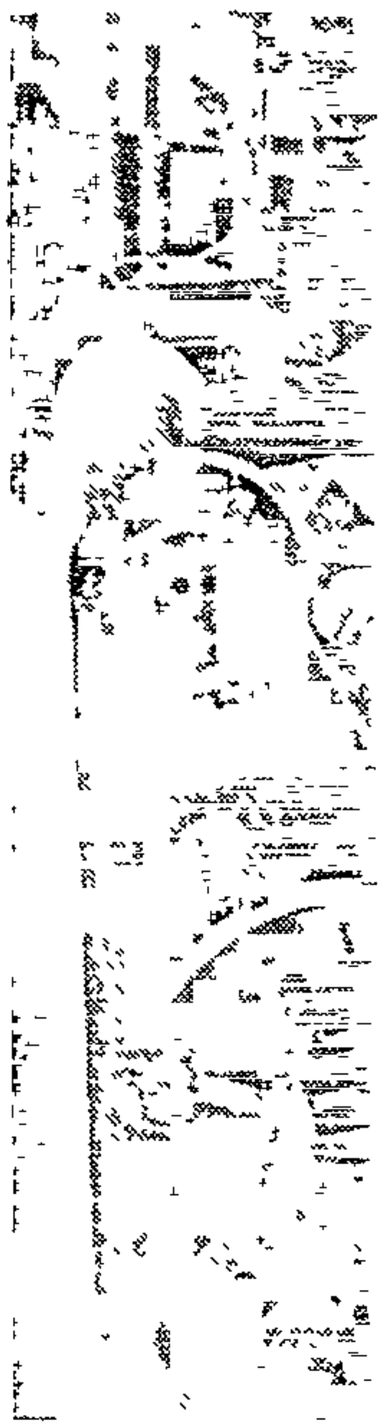
The altitude compensation is achieved by the incorporation of a precisely adapted turbocharger, designed to compensate for the reduction in air density at altitudes of up to 1 800 m

The mechanical build specifications of the engines comply with ADE's normal premium levels while meticulous development of the fuel injection equipment and turbochargers ensures that no additional mechanical or thermal stresses are imposed on the engines Because of reduced combustion temperatures, engine life is actually increased

An examination of the performance graphs reveals that the objective of neutralising the negative influence of altitude on engine performance is achieved

At sea level the ADE 354C delivers 400 Nm at 1 400 rpm, while the same engine delivers 392 Nm at 1 500 rpm when operating at 1 400 m

The 236C delivers 309 Nm at 1 300 rpm at the sea level while at 1 400 m it delivers 302 Nm at 1 400 rpm The power loss is therefore only slightly more than two percent compared with the more than 11 percent which the conventional 236 experiences between operation at sea level and at 1 400 m



Professor Roy Marc- Witwatersrand showi and a cutaway sec pipeline Several ce train, with the capsu au

County goes local

County Tractors will soon be entering the locally - manufactured diesel engine field with the introduction of its Atlantis-powered 764P and 1164P equal-wheel tractors

Both models have gone through extensive test programmes in Britain and South Africa

The 764P and 1164P will supersede the Ford-powered 764 and 1164TW Despite the change in engines, the dimensions and weight distribution of the new tractors will remain unchanged.

"Before being shipped to South Africa for testing by ADE and field trials, the hand-built Atlantis-powered prototypes underwent stringent tests at County's headquarters in England," said Mr Mike Gormley, regional manager for Africa.

SA b tyre

South Africa is fallin seas truck-tyre devel are based on steel tyres, says Mr Jack manager of the Mich Sigma Power Corpora

In Britain and E tyres are almost en original equipment in plants, he says

In South Africa for trucks have as

TRACTOR SALES

Down with a bump

(192) FM 25/6/82

Farmers have run into cash drought. Tractor and combine sales for the first five months of the year, although expected to be down, have slumped a massive 56% and 38%, respectively.

This is a dramatic worsening of an already grim situation that is said to have nothing to do with drought Order books have been slashed by about R107m, from R203m for January-May last year, to R96m for the same period this year. Some tractor producers are well over 60% down on last year's figures.

Only 4 214 tractors left the showrooms compared with 9 325 in the same period last year Combines dropped from 464 units to 288 (see table).

This puts manufacturers near crisis point since most have been involved in costly engineering adaptations to accommodate the ADE Perkins-based engines produced at Atlantis in the western Cape They and ADE itself have been counting on good harvests to recoup some of the costs.

But a projected drop from 14 Mt to 8 Mt in the mealie crop may have been too pessimistic, according to latest projections. Apart from the eastern Transvaal, where the crop has been devastated, it seems that the yield may be better than expected, especially in the Free State following the rains

Machinery dealers confirm that crops are not as bad as anticipated "Farmers are scared There is a strong undercurrent of bad management involved and they don't seem able to see their way out of it," says one.

Warning bells first started ringing in April and manufacturers hastily marked down their year-end projections from 24 000 to 10 000 units January and February tractor sales were a bonanza, equalling 35% of total sales last year But now there are doubts that the revised targets will be reached.

Manufacturers have trimmed schedules and ADE has notified component manufacturers of revised draw-off rates. The industry, to a man, is steeling itself for the hammer blow when crops are harvested this month-end

Ford must be particularly hard hit Unlike the others, it has no combines, implements or power machinery to boost flagging tractor sales Among the top four producers, its sales dropped the most — by 65%

Three tractor manufacturers last year exceeded 2 000 unit sales between January and May and another beat the 1 000 figure Not one went to four figures in the same period this year.

IH combines sales showed a dramatic 94% improvement over last year, reflecting some drastic restructuring of company activity to regain lost market share

JANUARY/MAY TRACTOR SALES, 1981/1982

Company	1981		1982		Change	
	Units	%	Units	%	Units	%
1 John Deere	1 208	12,9	869	21,1	−339	−28,1
2 Massey Ferguson	2 297	24,6	856	20,8	−1 441	−63,0
3 Vetsak (Fiat)	2 086	22,3	782	19,0	−1 304	−63,0
4 Ford	2 037	21,8	708	17,2	−1 329	−65,0
5 IHC	453	4,8	332	8,1	−121	−26,7
6 Malcomess (Landini)	562	6,0	306	7,4	−256	−45,8
7 Deutz	306	3,3	131	3,2	−175	−57,2
8 SAME	101	1,1	45	1,1	−56	−55,4
9 Leyland	103	1,1	33	0,8	−70	−72,1
10 Case	79	0,8	26	0,6	−53	−67,0
11 UCDD	7	—	18	0,4	+11	—
12 Volvo	113	1,2	18	0,4	−95	−84,0
TOTAL	9 352	—	4 124	—	—	−56,0

JANUARY/MAY, COMBINES, 1981/1982

Company	1981		1982		%
	Units	%	Units	%	Change
1 Vetsak (Claas)	107	23,1	79	27,4	−26,0
2 IHC	36	7,8	70	24,3	+94,0
3 Malcomess	179	38,6	70	24,3	−61,0
4 John Deere	61	13,1	36	12,5	−41,0
5 Massey Ferguson	61	13,1	28	9,7	−61,0
6 Deutz	20	4,3	5	1,7	−75,0
TOTAL	464	—	288	—	−38,0

Leyland: 'Some retrenchment'

(BBS) (192) C. Times 25/6/82

Staff Reporter

THE managing director of Leyland South Africa, Mr David Beck, yesterday said it was too early to say exactly how many jobs would be lost because of the cancellation of Sigma Motor Corporation's commercial vehicle project at Blackheath

Reacting to estimates by industry sources that about 600 jobs would be lost, he said "We regard it as very likely that there will be some retrenchment, but it is too early to determine what the figure will be The timing of our new Renault launch must remain an industry secret, but it will have a major favourable impact on job opportunities"

'Disaster' in the R213-m motorbike industry

S. Times 27/6/82 (192)

MOTORBIKE sales are not only continuing to nosedive, but the disastrous state of the industry is being whitewashed, say dealers.

"Now this monumental mess is being swept under the carpet by certain importers who are puting on a brave face", is the gist of remarks frequently heard

"Predicted sales of 60 000 for 1982 will not materialise," says Allan Price, managing director of Kawasaki World of Wheels, South Africa's largest Kawasaki dealer and one of the top five in the country "They are more likely to tumble to 40 000-45 000"

"After the motorbike boom of 1979, when petrol-saving car owners rushed out to buy bikes, the situation is beginning to look disastrous," says Shell

"Rising petrol prices brought the bike to the masses in 1979 sales for new units shot to 29 000 from 18 000 in 1978, and by 1980 sales zoomed by 200%, reaching 88 000"

Mr Price says "By last year bike sales began to drop to 85 000 In 1980, when the average bike cost R2 400 turnover reached an historic R211,2-million

"Despite fewer unit sales in 1981, but at the higher price of R2 500, turnover increased to R212,5-million

"This year, however, with bikes averaging R2 600,

By Vera Beljakova

40 000 new unit sales will give us a meagre R104-million"

The reason for the bike's decline are multiple, say dealers

- Petrol prices have stabilised, no new cost shocks are expected and Mr Consumer has finally accepted that high petrol prices are here to stay
- The GST increase of 1%
- Huge increases in interest rates on bonds and borrowings for the home owner or rocketing rentals are soaking up that extra R200 a month which the man-in-the-street once spent on his bike
- Inflation increases, "which are much higher than the officially acknowledged 15% There is a lack of information on inflation which in itself suggests that the 15% figure is fictitious More likely it's 30%", says Mr Price
- The depressed rand has pushed up bike imports cost
- Component costs have risen
- These setbacks are further compounded by the winter — resulting in a natural seasonal downturn

"But the last straw was the importers' abysmal strategic planning," say dealers "They pre-ordered machines on the projected sales figure of 125 000 for 1982"

"Now South Africa is sitting with at least double the stock the country requires," says Mr Price "The market was destroyed when it was flooded with expensive machines selling cheaply

"Importers slashed prices to get themselves off the hook, but made a mess of the market Bikes valued at R4 000 were sold for R900 less"

Mr Price says McCarthy was the first to open the floodgate, "and others followed suit, swamping shops with stock"

Consequently, dealers are in a mess while the consumer is confused "A buyer feels deceived when he sees his R4 000 machine selling for R3 100 days later Clients stop buying and play the waiting game to see how far prices can drop"

Paper No 2

(to be copied from the heading on the Examination Paper)

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MOTOR INDUSTRY (192)

Getting into gear

FM 25/6/82

South Africa's two key motor industry manufacturing bodies will approach the Department of Industries early next year with joint proposals for increasing local content

This has emerged from a one-day conference in Cape Town of founder members of the National Association of Automotive Component and Allied Manufacturers (Naacam). It was attended by the Minister of Industry, Commerce and Tourism, Dr Dawie de Villiers, and representatives of the Department of Industries.

Ian Duthie, president of Naacam, says "an encouraging accord" has been reached with the National Association of Automobile Manufacturers of South Africa (Naamsa). Both will make independent studies of the feasibility of extending existing local content levels

"Early in 1983 a joint approach will be made to the Board of Trade and the Department of Industries with a view to planned and co-ordinated increases in local content," says Duthie.

Recent concern about future methods of evaluating local content is one of the reasons underlying joint Naamsa/Naacam discussions. The latest move will now put the entire motor industry, worth over R3 billion/year, onto an agreed and formal footing

Capital investment in local content is approaching R3 billion and the industry employs 100 000 people who turn out components worth R2,2 billion/year, according to Duthie

This is a measure of the industrialisation that has sprung from government's local content policy Component production dates back to 1936, when investment capital was less than R2m and the labour force less than 1 000. Growth accelerated following the formal introduction of the local content programme in 1962, culminating in the 66% level, by mass, stipulated by the end of 1976

Says Duthie "Naacam now sees its role to co-operate with Naamsa and the authorities in creating a stable climate in which both vehicle manufacturers and component producers can work together in the best interests of a united industry

"More foreign investment capital will be needed to keep up with the impending dramatic technological changes in vehicle and component design, making it essential that existing investment in the component industry remains viable.

"It is estimated that another 200 000 people will enter the job market next year and growth from additional investment will be vital if we are to satisfy the aspirations of an ever-growing workforce"

Fight for better pay deal

E. Post (192) (14OA)

Post Reporter 28/6/82

THE Industrial Council for the Automobile Manufacturing Industry in the Eastern Cape met today to begin negotiations which could have a ripple effect on wage structures in the Eastern Cape.

The Industrial Council involves the three "motor giants", Volkswagen, General Motors and Ford, on one hand and the SA Iron, Steel and Allied Industries Union and the National Automobile and Allied Workers Union (Naawu) on the other

Last year's agreement expires on July 31 Employers are expected to take a hard line on Naawu's proposed increases

In April the union, which represents about 11 000 workers at the three motor firms, proposed that minimum wages be increased by up to 75% as a starting point for negotiations

This would bring the minimum wage for unskilled workers from R2 an hour to R3,50, for semi-skilled workers to R4 and for skilled workers to R4,50

Other proposals are

- To reduce working hours from 44 to 40 hours a week
- To appoint trainees on full wages and voluntary overtime
- To improve pension, life insurance and supplementary unemployment benefit schemes
- To increase annual leave from three to four weeks and grant an extra day's leave for each completed year of service.
- To increase shift premiums for working uncomfortable hours.
- To pay overtime for the first 10 hours from Monday to Saturday at 1½ times the hourly rate and thereafter at double rate
- To add Family Day and Goodwill Day to the six public holidays now granted to workers
- To pay workers for four hours after a breakdown, instead of two, provided that they do not earn more than a full day's wage
- To increase and improve attendance allowances
- To grant severance pay on the basis of one month's pay for each completed year of service

Spokesmen for the motor companies have refused to comment on the demands until an agreement is concluded

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192

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Polish servicemen reduce Sigma labour shortage

Industrial Week 29/6/82

By Priscilla Whyte

THE SHORTAGE of maintenance personnel for mobile plant service has prompted Sigma Power Corporation to bring 47 Polish technicians and engineers to SA

Jup Wiesner, service director of Sigma Power, tells Industrial Week "The Poles have had a good basic education and the majority of them are earthmoving and truck mechanics This country is so short of trained personnel that the recruiting of foreign workers was an attractive option "

Sigma has arranged special in house language programmes for the Polish expatriates

Doug Sulin, chairman of the Machine Tools Merchants' Association says that because of the recession in Europe service engineers for repairing and overhauling machine tools are flown to SA for ad hoc jobs on sophisticated plant and others come to settle here permanently

Ken Wright, director of Spectracare believes "Oil analysis is a means of overcoming staff shortages by pointing to major problem areas quickly'

Wright claims that 80% of the time oil analysis can help in identifying the fault Trace elements of the defective part in the engine are a tell tale sign

Wiesner says Sigma has extended its service fleet to seven vehicles

He says Sigma spares availability is 96% countrywide but 85% is an economic level for an original equipment supplier to carry inventory

He says when spares are airfreighted to SA from Japan, Germany or the US the lead times vary

However Sigma has an on line computer network, which immediately tells the customer what spares are available in SA

It is Wiesner's marketing philosophy to combine a build up of the Sigma machine population and to offer the customer a maintenance programme with a service man for a mutually agreed on period

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to fall due interest payable on the new loans is likely to be 16 5% to 17%'

In the annual report Dr Human says 'the business environment in which (the group) will operate in the next few years will differ considerably from that of the recent past

It will not only be more difficult from an economic point of view but the rates of change in other areas (such as labour and political policies) continue to accelerate

"The ability to adjust to its environment is the basic requirement for any company, in the first instance for its survival and in the second instance for success"

The divisional review says that the lack of satisfactory growth in profit by the 51%-owned SA Druggists subsidiary is attributable to losses incurred by certain companies in the medical services division

The forecast that Druggists "should show a reasonable growth" this year is unfortunately little different from projections made in the past — projections that have rarely come about

At March 31, current assets totalled R940 012 000 (1981, R413 951 000) and current liabilities R372 521 000 (R297 565 000) The quick assets, or liquidity, ratio improved from 0,74 1 to 0 84 1

US interest rates is achieved Most of the increase in new fund raising is likely to be concentrated on the bond markets

Not all the fund raising is likely to be straight balance of payments financing as international financial markets will be called on to supplement domestic sources of funds

Currency fluctuations will also play a predominant role in shaping developments on individual bond market compartments

Total fund raising in the first five months of this year has been running at an annual rate of more than $175 000-million — Reuter

Sage pays record 18,5c

Financial Reporter

SAGE Fund is making an income distribution of 18,5c a unit for the six months to June — the highest distribution in the fund's history It compares with the 14 9c distribution declared in June last year

The managers say the continued rise in income in the past six months reflects growth in company dividends and in particular significantly higher income earned on increased liquid resources

manager had told him before the meeting that shoals of good size had been found in the past two days

"In fishing one good month can make all the difference in the world' Mr Du Preez said

The company had the factory capacity and the boats, so that if the fish were found, the season would be successful The main problem was the short duration of the season — to the end of August

The pilchard quota had been achieved with a high percentage canned Good shoals of maasbanker, which were free of quota had been found in the north

Replying to questions Mr Du Preez agreed that the net asset value of the share was R5

He said that the group's cash assets of about R10-million were invested at favourable market rates, averaging 18%

The company had bought a beachfront site in Summerstrand in Port Elizabeth for R750 000 It planned to build 200 luxury houses in the next five years The development

trict The subsidiary property company would build holiday houses alongside a beach next to the reserve

RDM 1/7/82

SA trucks for UK

LONDON Bureau

192

FORD UK intends importing 6 000 South African-made one-ton pick-up trucks for sale in Britain

The company aims to capture at least a third of the UK pick-up market with the South African trucks The initial sales launch comprises 1 500 South African vehicles and the introduction has been timed to take advantage of the peak selling month of August

Ford expects that 4 000 of the South African vehicles will be registered in a year Sales of one-tonners rose from 7 171 in 1980 to 9 906 last year This was the only section of the car or commercial-vehicle market to advance

192

Leyland to press on at Blackheath

By David Braun

In spite of Sigma's decision not to use Leyland's Blackheath assembly plant, Leyland will forge ahead with its R15-million expansion programme.

"This planning does not alter Leyland's sale agreement with Sigma," said Mr David Beck, managing director of Leyland SA.

"Leyland will continue, completely unchanged, with its R15 million expansion, modernisation and consolidation programme as announced in August, 1981."

TRANSFER

This involves the transfer of the Mini, Rover and Range Rover production from the Blackheath to the Elsies River factory, where it will be integrated with Leyland's existing truck, bus and Land Rover assembly.

A new paint shop is nearing completion at Elsies River.

The new paint shop, which will be one of the most sophisticated in South Africa, will have a capacity of 130 units a shift and capable of handling 13 different colours, comparable with the best paint facilities in the world.

CONTRACTS

The construction of the paint shop, built according to the most up-to-date American design, was necessitated by Leyland's plans to double its future manufacturing output of its passenger car and four - wheel - drive models, the commencement of the contractual assembly of the new Renault 9 model and the introduction of a range of over 30 new ADE-engined trucks.

Leyland's agreement with Renault to produce the new Renault car at Elsies River remains unaffected, and all plans for the manufacturing introduction are on time.

Construction of Leyland's new R2 million head office and central parts warehouse is underway at Blackheath due for completion in October this year.

NOT NEEDED

As a result of their decision, Sigma will no longer be taking over from Leyland certain employees required for continuity of production at the Blackheath factory.

"While negotiations to minimise the effect on employment levels are proceeding with Sigma," said Leyland, "it would be premature to state what impact this decision will have on employees.

"In terms of Leyland's expansion plans at Elsies River, the company will require substantially increased manpower there to meet the demands of the increase in production capacity. Leyland will endeavour to minimise redundancy levels by absorbing as many as possible of those employees who would otherwise be affected by Sigma's decision."

Leyland has cancelled a major recruitment campaign planned for the second half of this year, which was originally aimed at providing adequate manning for both its and Sigma's needs.

R6-m investment at Elsies River plant

192

6/7/82

Industrial Week

AS PART of its two-year, R15-million expansion programme, Leyland SA is investing over R6 million in the construction of a sophisticated paint shop at its Elsies River assembly plant

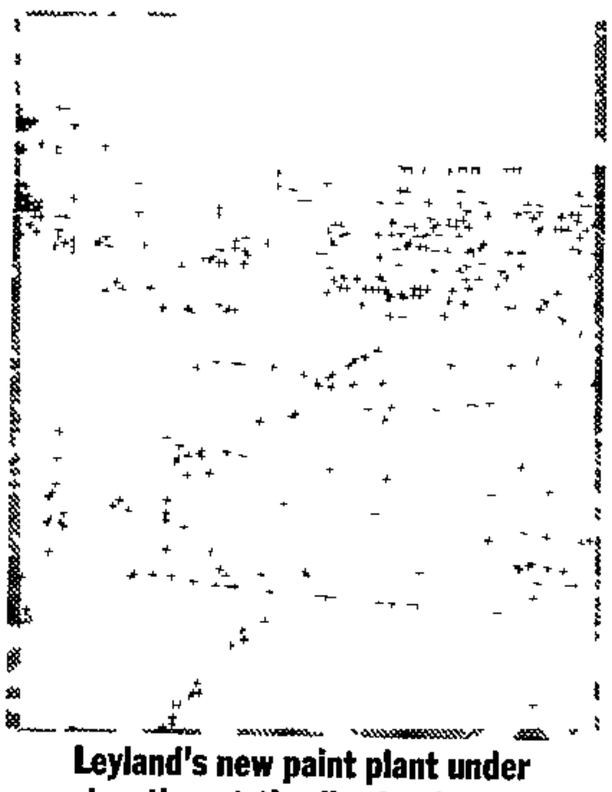
This forms part of the company's planned increase in production of the Rover, Mini, Range Rover and Land Rover models

The construction of the new paint shop was necessitated by Leyland's plans to double its future manufacturing output of passenger cars and four wheel drive models, the commencement of the contractual assembly of the new Renault 9 model and the introduction of a range of over 30 new ADE engined trucks

The contract for the construction of the paint shop was awarded to L H Metal Finishing of Benoni while Consani's Engineering of Cape Town will undertake the construction of the paint shop building, which has already reached an advanced stage

The shop is due to be fully commissioned in September this year and already well over 100 t of equipment has arrived at the factory

The new paint shop will be one of the most sophisticated in SA and will have a capacity of 130 units a shift and be capable of handling 13 different colours



Leyland's new paint plant under construction at the firm's Elsies River factory.

Demands by car workers turned down

E. Post 7/7/82

By SANDRA SMITH

MORE than 1 500 General Motors workers decided last night to await the outcome of the next sitting of the Industrial Council for the Automobile Manufacturing Industry in the Eastern Cape before considering further action

The workers, all members of the National Automobile and Allied Workers' Union (Naawu), were attending a report-back meeting in Gelvandale on a sitting of the Industrial Council last month

Naawu's regional secretary, Mr Les Kettledas, said the employers on the council — Ford, Volkswagen and General Motors — would not agree to most of the workers' demands

- A demand for a minimum hourly wage of R3,50 was met by an offer from the employers of R2,15 for grade 1 workers
- The employers would not accede to a shortening of the working week from 44 to 40 hours
- Would not appoint trainees on full wages
- Declined to make overtime work voluntary, saying workers would be compelled to work the first 10 hours overtime
- Were not prepared to increase their contribution to supplementary unemployment benefit schemes, but would meet worker contributions on a 50-50 basis They also declined to take over funding of the schemes
- Would not agree to a demand to increase annual leave from three to four weeks, and increase public holidays to include Family Day and Goodwill Day
- They also refused to increase attendance allowances
- Declined to grant severance pay on the basis of one month's pay for each completed year of service, suggesting instead that workers with 15 to 20 years' service be given 25 days' pay Those with more than 25 years' service would receive 35 days' pay

After heated debate the workers decided to wait until report-back meetings had been held by Ford and Volkswagen workers, and the results of the next Industrial Council sitting on July 14 were known before considering further action

Mechanical

First engine blocks at Atlantis foundry

(192) E-Post 8/7/82

THE new R40 million Atlantis foundry, erected to make the IDC-backed Atlantis Diesel Engine factory independent of imported engine blocks, is now in its final commissioning stages and engine blocks are being produced for test purposes

In association with a firm of Swiss consultants, George Fischer, Engineering Management Services (EMS) has been responsible for the engineering design, the procurement of machinery and materials, the construction and pre-commissioning of the plant

"On the foundry work itself our role was mainly that of co-ordinator, but we were directly responsible for the conventional civil, structural, mechanical and electrical design," said Mr Stephen Hrabar, general manager of EMS

Mr Hrabar said the new foundry would initially produce engine blocks up to 11 000cc in capacity and that when full-scale production had been attained some 12 000 tons of castings, the equivalent of 5 000 diesel engines a year would be produced

The speedy programme for the commissioning of the foundry had resulted in only seven months being required from the arrival of the first machinery to commissioning units

This, he said, was a far better time than had generally been achieved overseas and had given rise to favourable comment among EMS's European associates

At peak EMS had some 35 qualified and technical staff on the project

Mr Hrabar said that from EMS's point of view the project had helped EMS to establish itself in the Western Cape, an area which, he thought, had considerable potential for a multi-faceted design engineering service of the type provided

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Date 17/10/78

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Subject Economics 1a
(to be copied from the heading on the Examination Paper)

Paper No 1
(to be copied from the heading on the Examination Paper)

Examiners' Initials		

NOTE CAREFULLY

1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
2 Blue or black ink must be used for written answers The use of a ball point pen is acceptable Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
3 Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book(s) are used
4 Do not write in the left hand margin

WARNING

1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed
2 Candidates are not to communicate with other candidates or with any person except the invigilator
3 No part of an answer book is to be torn out
4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

Made in South Africa TRIO RAND/S P C T PSL/UPD 100 000 1978 PD UCT AM7a Vervaardig in Suid Afrika

Ford workers follow GM line on action

192 E.Post 8/7/82

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Paper No L 34

(to be copied from the heading on the Examination Paper)

Post Reporter

NEARLY 2 000 Ford Motor Company workers decided last night to follow the example of General Motors workers and await the outcome of the next sitting of the Industrial Council of the Automobile Manufacturing Industry in the Eastern Cape before considering further action

The Ford workers, members of the National Automobile and Allied Workers' Union (Naawu), were attending a report-back meeting in Gelvandale on a sitting of the Industrial Council last month

More than 1 500 GM workers decided at a meeting on Tuesday to wait until report back meetings had been held by Ford and Volkswagen workers, and for results of the next council sitting next week, before considering further action

Speakers at last night's meeting criticised the three employers — Ford, GM and VW — for meeting a minimum hourly pay demand of R3,50 with an offer of R2,15

Dissatisfaction was also expressed over the employers' refusal to grant severance pay on the basis of one month's wages for each completed year of service

This condition is seen by workers as essential in view of widely predicted retrenchments in the industry

The employers have suggested instead that workers with 15 to 20 years' service be given 25 days' pay; those with between 20 and 25 years' experience, 30 days' pay; and those with more than 25 years' service, 35 days' wages

Volkswagen workers will attend a similar report-back meeting in Kwanobuhle tonight.

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered), leave columns (2) and (3) blank

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Britons queue for Durban jobs

Mercury 8/7/82 (192) (236) (97)

Mercury Reporter

AT LEAST 1 000 British workers want to leave their country judging by the response to advertisements placed by Durban's Motor Assemblies for 40 jobs at their Prospecton plant

Mr Ralph Broadley, managing director said he was astonished by the response because similar recruiting campaigns had drawn about 350 replies

Three Motor Assembly men were in Britain sifting through the replies before starting interviews

'We are looking mainly for automotive, industrial and production engineers to meet the needs of our expansion plans and the demands of local content,' Mr Broadley said

Among the applicants responding to one advertisement placed in three newspapers circulating in different areas on June 24 were 260 electricians, 132 toolmakers and 140 automotive engineers

Safety-belt recall for Sigma cars

RDM (192) 9/7/82

Mail Correspondent

CAPE TOWN — More than 1 000 motor vehicles manufactured by the Sigma Motor Corporation are being recalled because of a problem with seat belts

A Sigma spokesman said yesterday the company was advised by one of the seat-belt suppliers that a problem might exist with the locking of its tongue-buckle All owners of affected vehicles were accordingly requested to bring them in to their nearest Sigma dealer for a free 15-minute inspection

So far no defects had been found

The buckles were fitted to about 1 000 Peugeots and Mazda 1600 and 1800 bakkie models

The spokesman said the cost of the recall would presumably be met by the seat-belt supplier who did not wish to be identified

Vehicle workers demands rejected

ARGUS 9/7/82

Argus Bureau

PORT ELIZABETH — Eastern Cape employers have refused to agree to workers' demands over wages and working conditions at a sitting of the Industrial Council for the Automobile Manufacturing Industry.

Mr Les Kettledas, regional secretary of the National Automobile and Allied Workers' Union, said the employers represented on the council — Ford, Volkswagen and General Motors — would not agree to most demands.

He was speaking to more than 1 500 General Motors workers, all members of Naawu, at a report-back meeting in Gelvandale on the council sitting

DECISION

After heated debate the meeting decided to consider further action after report-back meetings to Ford and Volkswagen workers, and the council had sat again, on Wednesday

Mr Kettledas said that of the industrial council sitting:

- A demand for a minimum hourly wage of R3,50 was met by an offer of R2,15 for Grade 1 workers.
- The employers would not cut the working week from 44 to 40 hours; would not appoint trainees on full wages, and declined to make overtime work voluntary, saying workers would be compelled to work the first 10 hours overtime.
- The employers were not prepared to increase their contribution to supplementary unemployment benefit schemes, but would meet worker contributions on a 50-50 basis They also declined to take over funding of the schemes.
- They also refused to increase annual leave from three to four weeks and include Family Day and Goodwill Day among public holidays
- They refused to increase attendants' allowances
- They declined to grant severance pay on the basis of a month's pay for each completed year of service, suggesting instead that workers with 15 to 20 years' service be given 25 days' pay Those with more than 25 years' service would receive 35 days' pay.

Motor men in firm stand on pay

E. Post 9/7/87

Post Reporter

NEARLY 10 000 workers in the three motor manufacturing plants in the Port Elizabeth/-Uitenhage complex have delivered an ultimatum to the employers in a series of meetings this week to meet their demand for R3,50 an hour "or suffer the consequences"

The last in a series of five report-back meetings on the progress of the Industrial Council of the Automobile Manufacturing Industry in the Eastern Cape was held in Kwanobuhle in Uitenhage last night.

Nearly 5 000 Volkswagen workers — all members of the National Automobile and Allied Workers' Union (Naawu), a Fosatu affiliate — attended the meetings yesterday.

General Motors and Ford workers held meetings in Gelvandale on Tuesday and Wednesday

Workers at all five meetings rejected the employers' offer of R2,15 an hour and their refusal to grant severance pay on the basis of one month's wages for each completed year of service

The employers have suggested that workers with 15 to 20 years' service be given 25 days' pay, those with between 20 and 25 years' experience 30 days' pay and those with more than 25 years' service 35 days' wages

The demand for R3,50 an hour — taking over from Fosatu's previous R2 an hour "living wage" — is being made nationally throughout the motor manufacturing industry

While feelings ran high at all of the meetings, it was decided to wait for the outcome of the next sitting of the Industrial Council next week before taking further action

SIGMA — 2 FM 2/7/82

Turning to capital

(142)

Motor manufacturers have long been under official pressure to maintain labour-intensive production methods But for some the price is too high, and the first to break from the pack is Sigma

MD Fred Butler confirms that "Sigma has decided to become more capital-intensive" Previous policy, he adds, was to employ costly labour-intensive techniques But planning will follow a more automated route at revamped Sigma Park where capacity is being increased nearly threefold

Recruitment at Sigma is now at an all-time low At the end of last year and the beginning of 1982, there was a reduction of 400-500 employees, and further shrinkage is expected

The motor industry pursues a policy of creating jobs for blacks but, having looked at labour rates over the next five years, and comparing this with the cost of installing equipment, Sigma is believed to have had little choice but to turn to automation

Expansion at Sigma Park will cost around R40m by the end of this year And improved labour productivity is one of the priorities, although employee complement will be held at existing levels as long as possible

Although Sigma is situated near Mamelodi, there is no large pool of automative skills in the township to draw on The main labour objective will be to upgrade employees through training and to ensure that assembly routines are planned to best advantage

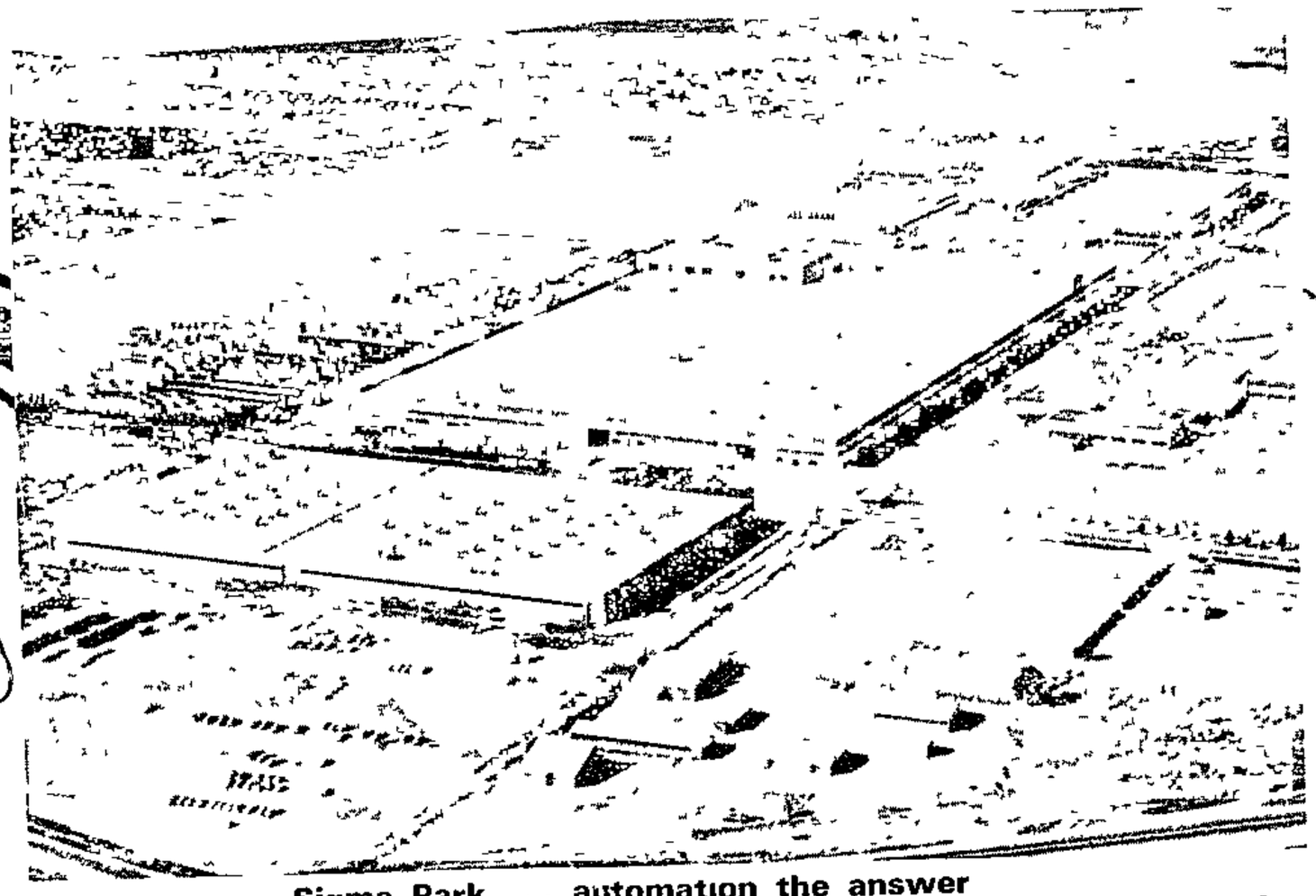
A general economic slowdown is expected in 1982/83, and the outlook for 1984/85 is problematical Clearly Sigma has decided to play safe by consolidating at Sigma Park and taking a more cost-effective line

Explains Butler "Sigma has every incentive to centralise production and to switch from labour-intensive to capital-intensive manufacturing techniques" It will expand capacity at its main plant at Pretoria, for car and truck production instead of commissioning the Cape's Blackheath plant, bought from Leyland for R14m

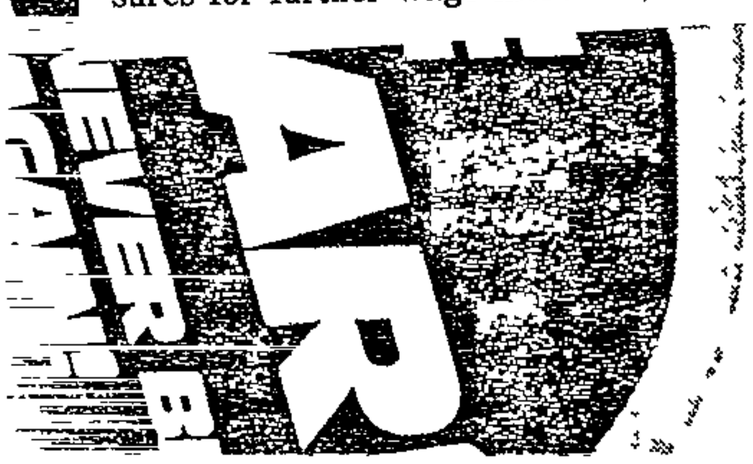
In addition to "substantial increases in wages over the past two years, and pressures for further wage increases," he says deconcentration benefits may not be available in the western Cape in future Transport and other subsidies granted to the motor industry will be phased out from March next year "just three months after Sigma's purchase of Blackheath becomes effective We are placing a greater reliance on automation to counteract the effects of spiralling labour costs," he says

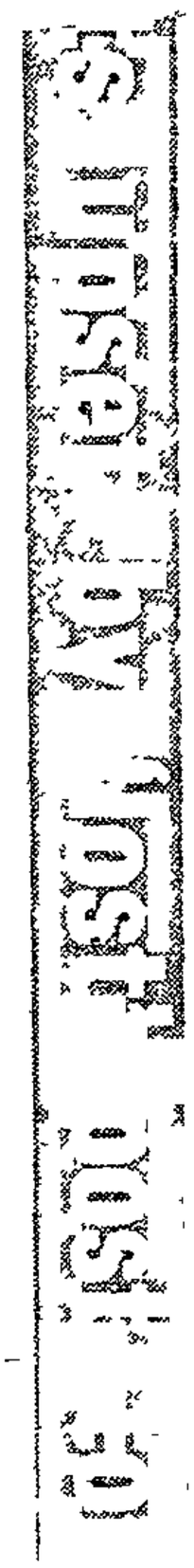
Capacity at Sigma Park will be increased from a current 284 units/day to 800/day by double-shifting its new paint shop The introduction of two separate assembly lines, including trim, mechanical and finishing, will enable the company to produce 630 vehicles/day in a single shift

No plans have been finalised for Blackheath Sigma Power Corporation, which manufactures heavy earthmoving equipment, could use the space to supplement its Port Elizabeth facilities, or the plant could revert to Leyland on a lease basis for its own expansion plans



Sigma Park ... automation the answer





Star Line Reporter

parents have criticised the army for its "inefficient" postal al servicemen on the border

rs Frank van der Struys of itar Line they were concerned er of letters and parcels sent to t "simply disappeared into thin

"My entire family went through a traumatic and distressing period, thinking at all times that the worst had happened to Kenneth"

Mr van der Struys said he telephoned army headquarters many times for a explanation

In mid-June Kenneth telephoned his home to ask why they had not written to him

"We were stunned to hear he had not our letters or parcels. And written to us, we received van der Struys.

courages parents, friends and regularly to servicemen on the hat all correspondence is an booster. If this is the case, should be done to investigate tal service."

the criticism, a spokesman at s in Pretoria said the percentage of letters lost at border posts negligible.

"The army places a high premium on reaching servicemen at the border, but as t is no ordinary infrastructure — and virtu no roads — difficulties do arise," he said.

There were about four million postal i "floating around the border points," because of this the army had now introduc new service in conjunction with the Office

"With the new service, post is f directly from Waterkloof base to the s headquarters on the border The direct air service will now hopefully alleviate many o problems"

He said parents having problems with should write to Senior Staff Officer, Lo Operations, SA Army Headquarters, Private X172, Pretoria, 0001

Steering problems: GM recalls cars

10/7/82 (192) RDM

Mail Reporter

MORE than 17 000 General Motors cars have been recalled for inspection as there might be deficiencies in their steering

A General Motors spokesman said yesterday that models affected were Commodores and Rekords. He did not name the years of manufacture of the cars involved.

The inspection programme began in February this year and about 21% of the cars recalled for inspection had been checked, he said.

The spokesman said General Motors had heard no reports of accidents caused by the steering deficiency which apparently lies in a problem with the idler arm

A motordealer on the West Rand, who sells Rekords and Commodores, yesterday said General Motors informed dealers selling these models of the suspected deficiency and had given them the serial numbers of the cars affected

Dealers wrote to those Rekord and Commodore owners telling them there might be a deficiency in the steering columns of their vehicles and advising them to bring their cars in for inspection.

The dealer said only about 20 of the 600 cars he had inspected were affected by the steering problem

He had completed the inspection of all the recalled models he had sold

The problem, however, was "not a matter of life or limb", he said

TRUCKS FM 9/7/82

Bits and pieces

(192)

The long-awaited announcement on protection for locally produced truck axles has brought a broadside from industry Manufacturers and assemblers would prefer a formal local content package, similar to that adopted for passenger cars, instead of a bits and pieces excise duty on individual components

The National Association of Automobile Manufacturers of South Africa (Naamsa) would like to see an integrated programme of local content for light, medium and heavy commercial vehicles and buses

The truck axle proposal from the Board of Trade, notified to manufacturers by letter this week sets an immediate 100% local content requirement This, says the board, will be protected by a R1 kg *ad valorem* duty on imported axles for trucks fitted with engines over 9 l (ADE Series 400) from October 1 This will be followed in January 1984 with an excise of R1,64/kg for all vehicles of 1 300 kg and upwards

The two-phase programme, say axle manufacturers and truck assemblers, is unlikely to be implemented by October although the Department of Industry Commerce and Tourism has taken an emphatic stand on the start date

The original axle proposal, hammered out by manufacturers and the Board of Trade, was that a duty of 15% would be imposed on the retail truck price to protect local axle production

Had this been granted it would have brought to 45% (30% for engine protection) the total duty on the retail price of a truck fitted with an imported engine and axle Furthermore, there would have been renewed calls for a similar 15% on gearboxes which are currently covered by an *ad valorem* duty This will be equivalent to only 2,5% on the retail price of vehicles when local content exceeds 75% next year

Total protection on engines, gearboxes and axles would then rise to 60% of retail price The industry sees this as a framework for some sort of formal local-content programme

The danger for axle and gearbox producers would then be that truck assemblers would have the option to choose components to make up local content Axles and gearboxes could be the casualties.

If a formal programme is to be introduced, it should be made known before investments are increased Government will need to delay its local content on axles, or carry on with its bits and pieces philosophy of providing marginal duty protection for components, thereby exposing them to competition from imports

Ray Couldridge, MD of Protea Axles, which manufactures the Rockwell range, tells the *FM* "The first part of the proposed protection package for axles will add about R400-R500 on an imported heavy axle and, from January 1984, about R700 I personally feel there is no chance of local producers going to 100% local content, let alone meeting the October deadline"

TRANSPORT

Industrial Week

Wage rises encourage automation

13/7/82 192

THE MOTOR industry looks like setting the pace for increased automation in SA, with the announcement from Sigma that it can no longer pursue its traditional policy of labour-intensive manufacturing.

Sigma is the first motor assembler to have made a public announcement in favour of automation and does so, it says, because in the past two years it has had to concede substantial increases in wages "and it appears likely that pressures for further wage increases will be maintained"

He points out that organised labour unions have pressed wage claims hard in the past two years and industry is now counting the costs against automation

Butler describes Sigma's policy as part of a rationalisation package which underlines the seriousness with which the company is now facing the next four years of economic doubt

Its original plans were to expand production by commissioning the R14-million factory it bought from Leyland at Blackheath, in July last year

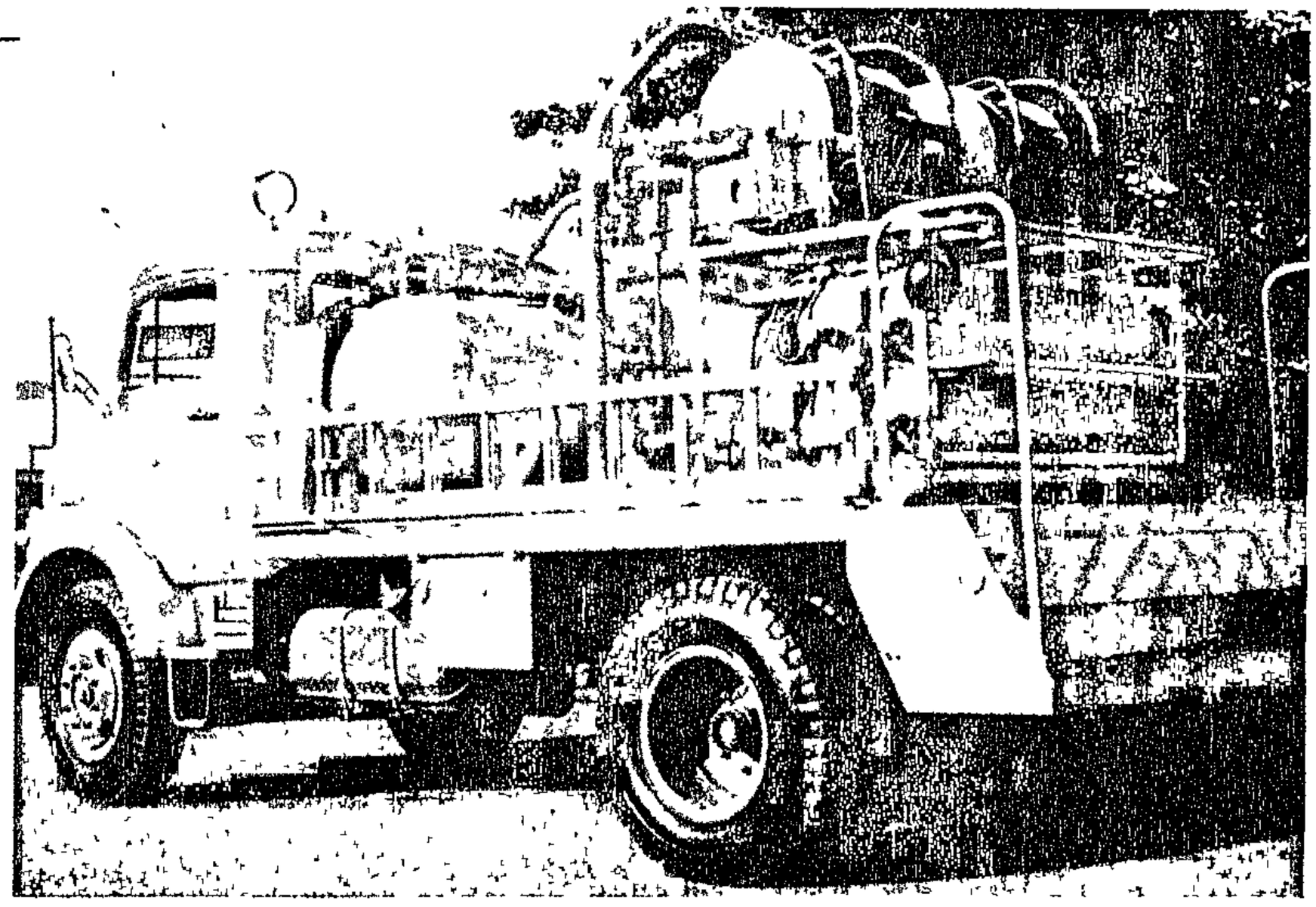
This deal becomes effective in January, but Sigma has had second thoughts.

Butler says "developments in the intervening period have caused Sigma to reassess its strategy

"Recent formulation of Government policy indicates that not only will deconcentration benefits not be available in the Western Cape but also that the transport and other subsidies granted to the motor industry are to be phased out

"It appears likely that pressures for further wage increases will be maintained, and Sigma has every incentive to centralised production and to switch from labour-intensive to capital-intensive manufacturing techniques"

Iscor orders fire fighters



Mather and Platt has recently supplied Iscor with four Ansol "Twin-Agent" crash rescue, fire fighting vehicles for the protection of the Sishen, Thamazimbi and Grootegeluk plants. The company claims that the vehicles are ideally suited for the fast knock down of fires in Iscor's fuel storage areas, large off-highway vehicles and major plant and equipment.

Tough line likely at wage talks

E. Post 13/7/82

By SANDRA SMITH

SOME of the toughest wage bargaining in motor manufacturing history is expected to take place when the Industrial Council for the Motor Manufacturing Industry in the Eastern Cape resumes talks in Port Elizabeth tomorrow

The employers on the council — Ford, General Motors and Volkswagen — have taken a firm line on union demands for a minimum hourly wage of R3,50 and severance pay on the basis of one month's wages for each completed year

The motor companies have offered a minimum of R2,15 an hour and a severance agreement providing 25 days' pay after 15 to 20 years

The unions involved in negotiations are the SA Iron, Steel and Allied Industries Union and the National Automobile and Allied Workers Union (Naawu), a Fosatu affiliate

After five meetings last week at which the employers' stand was discussed, about 10 000 workers delivered an ultimatum that their demands be met or else factories would "suffer the consequences"

A similar situation arose during negotiations in 1980 when workers demanded a R2 an hour minimum, which was met by an initial offer of R1,40 escalating to R2 over 18 months

A three-week work stoppage at Volkswagen in Uitenhage took place during negotiations Settlement at R1,45 an hour starting minimum was reached

During these talks the employers accepted the principle of a "living wage" as opposed to the previously accepted poverty datum line as a goal for black minimum wages

Car plants hit by walk-outs

(192) E. Post 15/7/82

Post Reporters

PRODUCTION stopped today at most plants of the three local motor manufacturers — Ford, General Motors and Volkswagen — when thousands of workers downed tools in support of demands for higher wages.

More than 6 000 workers are said to be involved and at least one plant will not resume production until next week

At VW in Uitenhage, about 4 000 workers met for an hour, returned to work briefly and were then sent home by the firm's management

A spokesman said the plant would remain closed until further notice He said management would negotiate its reopening with the union

Talks with union shop stewards were scheduled for later today

At Ford's truck plant at Deal Party and at its Neave plant a total of about 1 650 workers walked out this morning after being addressed by representatives of the National Automobile and Allied Workers' Union (Naawu), bringing production to a halt.

A Ford spokesman said about 200 of the 1 250 workers at the Struandale plant, where the Cortina range is assembled, also walked out but production continued

A Naawu spokesman said between 250 and 300 workers at the engine plant in Struandale had also walked out

At the General Motors plant in Kempston Road workers streamed from the factory at 10am Naawu's regional secretary, Mr Les Kettledas, said the union believed the entire work force of 4 000 was involved

Today's developments followed a deadlock yesterday in negotiations at a sitting of the Industrial Council for the Motor Manufacturing Industry in the Eastern Cape

The general secretary of Naawu, Mr Freddy Sauls, said today the employers had not been prepared to budge from a proposed increase in minimum wages from R2 to R2,15

Naawu has demanded a minimum of R3,50 an hour

The employers would also not accede to the other demands including a proposal that workers receive severance pay of one month's wages for every year worked

The Industrial Council negotiations will resume on Monday

2 000 on four-day week

Star 16/7/82

Own Correspondent

About 2 000 workers in Sigma's manufacturing division in Pretoria will go on to a four-day working week from Monday

It is understood other motor vehicle factories in Pretoria are considering a similar move

The decision by Sigma management was taken despite June sales for Sigma vehicles being the highest in two years and Sigma's Mazda 323 creating a South African record for the most units in one range sold in a month

Not all workers in Sigma's manufacturing division will go on to a four-day week

About 800, including manufacturing engineering workers will still be on a five-day week

13 000 in Port Elizabeth motor strikes

ARGUS 18/7/82

PORT ELIZABETH. — Production at two more motor industry plants has come to a standstill because of the strike by more than 10 000 workers employed by the three companies in the Eastern Cape, bringing the total number of workers affected to about 13 000 at six plants

ARGUS BUREAU

workers went in their thousands today to collect their wages for the week No incidents were reported

Mr Jury Harris president of the National Automobile and Allied Workers' Union (NAAWU) whose members went on strike simultaneously at Ford General Motors and Volkswagen yesterday said there was little likelihood of the workers returning to work before Tuesday.

They were now waiting for a continuation of the deadlocked wage talks on Monday between unions and the three companies through the Industrial Council for the Eastern Cape motor industry

Minimum

The workers had gone on strike spontaneously on hearing that the second round of wage talks on Wednesday had ended in deadlock — with the managements not prepared to budge from their minimum wage offer of R2.15 an hour The workers are demanding R3 50

The workers had warned after a series of report-back meetings last week that the employers would have to "face the repercussions" if they did not agree to the demand

Mr Harris said the union would not meet the workers before Monday

Confident

The union would try to persuade workers to modify their demand He was confident they would accept a deal similar to the one at the 1980 wage talks when their demand was met over a period of 18 months

"They want a guarantee, and not necessarily the full R3 50 immediately," he said

The director of public relations at Ford, Mr Dunbar Bucknall, said the forced closure of the company's assembly and truck plants at Neave Township had paralysed production at the two Struandale plants where most of the workers who belonged to the Motor Assembly and Component Workers' Union, were not on strike

Kept busy

He said the four Ford plants had close "interaction" and that about 2 500 workers at the two Struandale plants were being kept busy although there was no production These plants would also be closed later today

A strike by about 250 workers, mostly at the Struandale Cortina plant paint shop and at the adjacent truck plant had contributed to this development

Mr Bucknall said more than 3 000 workers at Ford were on strike — 100 at the engine plant, 250 at the Cortina plant, about 2 500 at the Neave assembly plant and 150 at the truck plant

At Volkswagen's plant in Uitenhage, more than 5 000 were on strike and another 1 000 had been sent home because of the forced closure

Virtually all the employees on strike in Port Elizabeth are coloured and most of those in Uitenhage are Africans

At General Motors, 2 000 workers downed tools yesterday and the situation was described as "fluid" today. The company would not comment, but it was reported that workers there were collecting their pay while the plant was being closed

Management spokesman at Ford and Volkswagen have warned that if the companies acceded to the workers' demand for a minimum wage of R3,50 an hour, Eastern Cape products would be priced out of the national motor market

10 000 DOWN TOOLS

ARGUS 15/7/82

Argus Bureau

PORT ELIZABETH — Production stopped today at the three Eastern Cape motor manufacturing giants — Ford, General Motors and Volkswagen — when nearly 10 000 workers downed tools in support of demands for higher wages

At Ford's truck plant and the Neave plant 1 650 workers walked out at about 9 am after being addressed by representatives of the National Automobile and Allied Workers' Union (NAAWU)

Union sources claimed that "many workers" at the Struandale plant where the Cortina range is assembled also walked out

At the Volkswagen plant in Uitenhage the assembly line stopped rolling briefly as more than 4 000 workers gathered on the premises to decide whether they too would strike

According to a VW spokesman the men returned to work "after an hour and the situation is back to normal The management was still awaiting contact with union shop stewards who addressed the meeting"

First reports from the General Motors plant in Kempston Road said workers streamed from the factory at 10 30 am Riot police stood by

There were no reports of any incidents

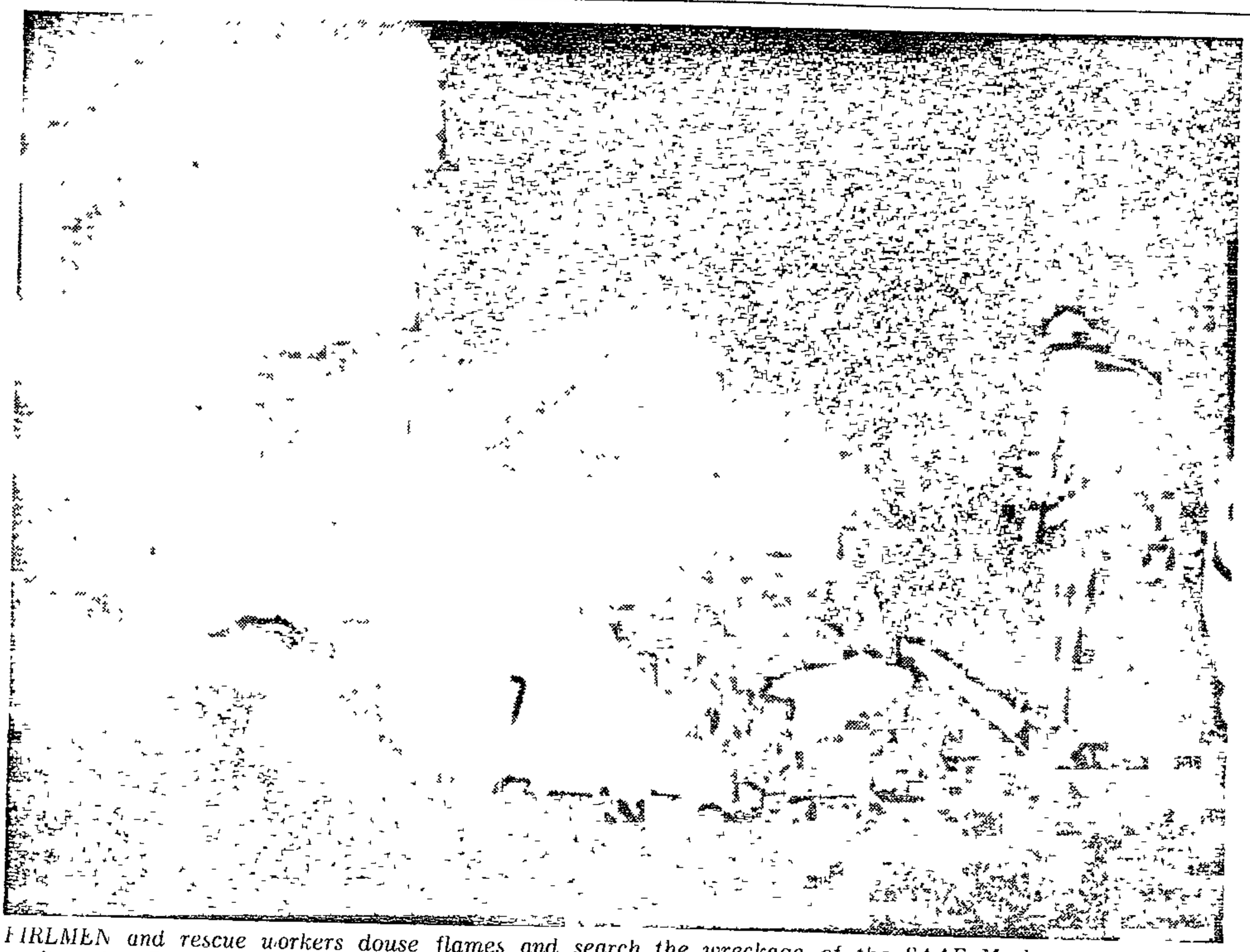
A spokesman for NAAWU Mr Les Ketledas, said the union had reports of 4 000 workers leaving GM

Today's development came after a deadlock yesterday in negotiations at the sitting of the Industrial Council for the motor industry in the Eastern Cape

The general secretary of NAAWU, Mr Freddy Sauls, said the employers had not been "prepared to budge" from a proposed increase in minimum wages from R2 to R2 15 an hour NAAWU has demanded a minimum of R3,50 an hour

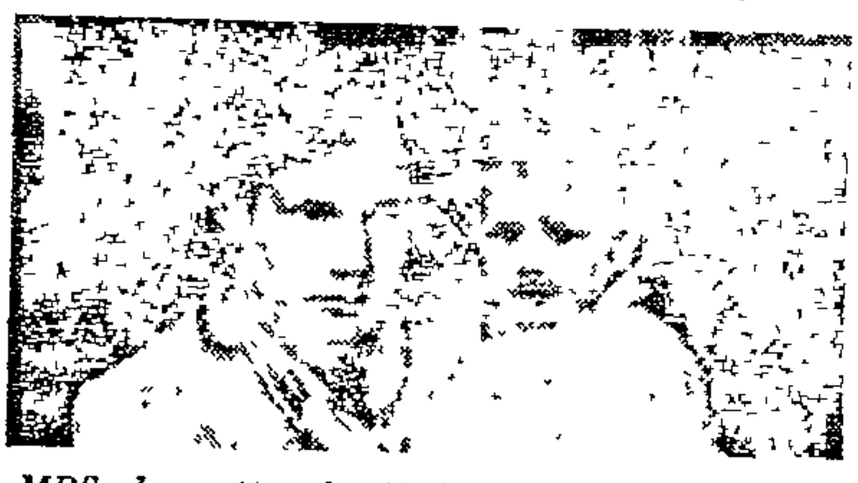
The employers would not accede to other demands including a proposal that workers receive severance pay of one month's wages for every year worked

Industrial Council negotiations will resume on Monday

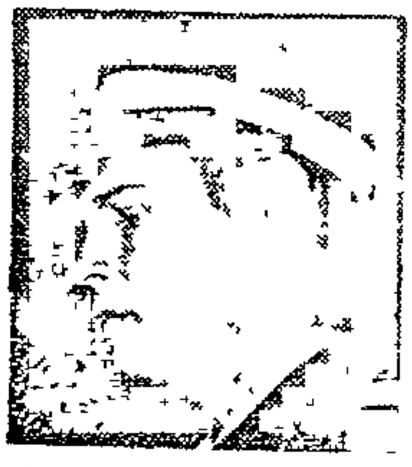


FIRLMEN and rescue workers douse flames and search the wreckage of the SAAF Merlin executive aircraft and a Piper Navajo that colluded above Pretoria last night Thirteen people, including three senior Defence Force officers, were killed

SERGEANT A Niemand.



MRS Jeanette de Villiers, widow of the SAAF pilot, with their 10-month-old baby, Elaine.



CAPTAIN J I T de Villiers, pilot of the SAAF Merlin.

MAJOR - General D J van Niekerk.

City man

Footman was walking

3 plants close in car strike

Cape Times 16/7/82

Own Correspondent

JOHANNESBURG. — Three Eastern Cape car assembly plants closed down yesterday when at least 10 000 workers stopped work in the biggest strike to hit motor manufacturers in the area.

Two other car assembly plants in the region are expected to close down by noon today

The Volkswagen plant in Uitenhage has been closed down till further notice after workers went on strike yesterday.

Two of Ford s four plants have also been closed According to an informed source this will lead to the closure of the other two plants from noon today

The strikers are members of Fosatu's National Automobile and Allied Workers' Union (Naawu), which said yesterday that 15 000 workers were on strike — 7 000 at Volkswagen and 4 000 each at Ford and GM

But Volkswagen yesterday put the figure at 5 500, Ford at around 3 000 and GM at between 1 800 and 2 000

No end to the strike is likely until Monday, when the industry's industrial council meets to discuss a deadlocked wage dispute between employers and the union

The strike follows demands by Naawu at council negotiations that minimum pay be raised from R2 to R3,50 an hour — its biggest-ever demand Employers replied with their lowest offer for some years — a R2,15 minimum

'Flat rejection'

Naawu organizer Mr Les Kettledas said that at meetings held last week, 10 000 workers rejected this But at a meeting of the council on Wednesday, employers stuck to their offer "despite workers' flat rejection" and another meeting was scheduled for Monday

When Naawu shop stewards reported back to members that employers were sticking to R2,15, the workers decided to down tools, Mr Kettledas said

Almost all the strikers are Naawu members — workers belonging to the rival Motor Assembly and Components Workers' Union did not join the stoppage Some white-collar workers are also taking part

A Volkswagen spokesman, Mr Rubin Els, said workers had met shop stewards yesterday morning and began drifting back to work But they then decided against returning and began another meeting The company then closed the plant and is seeking further talks with the union on a reopening date

Approach for talks

Mr Kettledas said the company had approached him for talks on reopening the plant, but said he refused "The only thing union officials can discuss now is wages — but there may be talks with shop stewards on reopening"

At Ford most workers at the Cortina and engine plants are Macwusa members and the plants remained in operation But Ford's other plants closed

The company's industrial relations director, Mr Fred Ferreira, said all plants would be closed today and on Monday morning

Ford would wait for the outcome of Monday's industrial council meeting

GM issued a statement saying that 1 800-2 000 workers had walked out yesterday The company employs nearly 5 000 workers

The statement referred to the fact that the current wage agreement expires only at the end of the month and that industrial council wage talks are scheduled for Monday

"We cannot therefore comprehend the action of employees in downing tools at the present time because it is unusual for this to happen while wage negotiations are still in progress," it said — Own Correspondent-Sapa

● Strikers face loss of jobs, page 16

Firms would be 'ruined'

Own Correspondent

PORT ELIZABETH. — The three motor manufacturing companies in Port Elizabeth and Uitenhage would collapse if striking workers' demands for a R3,50 an hour minimum wage were met, spokesmen for two of the companies said yesterday

Faced with the demand for a 75 percent increase of the minimum wage, Volkswagen and Ford are looking at a combined annual increase in their wage bills of about R50-million

Executives at Ford and Volkswagen agree that the average price of a new car would increase by between R800 and R1 000 if the minimum wage of R3,50 were implemented.

Mr Fred Ferreira, industrial relations manager at Ford, said simply "Motor manufacturers in the Eastern Cape would cease to exist"

It is estimated that the total shutdown at Ford is costing the company R2,4-million a day — the value of the 300 vehicles it usually produces in one day.

Mr Ferreira said that based on a 43¾-hour week, an unskilled worker earning R3,50 an hour would take home R658,43

"In this category we have sweepers and cleaners who are trained in one day to do their jobs. In this category we have workers whose jobs it is to lash cars to trucks.

"And this is the kind of salary which we pay to newly-graduated engineers The demand is just crazy."

Motor firms are hit as over 10 000 workers down tools

RDM 16/7/82

By STEVEN FRIEDMAN
Labour Correspondent

MORE than 10 000 workers at all three motor assembly plants in Port Elizabeth and Uitenhage downed tools over wage demands yesterday in the biggest-ever strike to hit the area's motor manufacturers

Volkswagen has closed its Uitenhage plant "until further notice", and most of the production at Ford ground to a halt The plant will be totally closed today and on Monday At General Motors certain sections are not operating

The strikers are black and coloured members of the National Automobile and Allied Workers' Union (NAAWU) — an affiliate of the Federation of SA Trade Unions (Fosatu) — which yesterday said 15 000 workers were on strike, 7 000 at Volkswagen and 4 000 each at Ford and GM

But Volkswagen yesterday put the figure at 5 500, Ford at around 3 000 and GM at between 1 800 and 2 000

No end to the strike is likely until Monday, when the industry's industrial council meets to discuss a deadlocked wage dispute between employers and the union

The strike follows demands by NAAWU at council negotiations that minimum pay be raised from R2 to R3,50 an hour — its biggest-ever demand Employers replied with their lowest offer for some years — a R2,15 minimum

NAAWU organiser Mr Les Kettledas said that at meetings held last week, 10 000 workers rejected this But at a meeting of the council on Wednesday employers stuck to their offer "despite workers' flat rejection" and another meeting was scheduled for Monday

When NAAWU shop stewards reported back to members that employers were sticking to R2,15, the workers decided to down tools, Mr Kettledas said

A spokesman for Volkswagen, Mr Rubin Els, said workers held a meeting with shop stewards yesterday morning and began drifting back to work But they then decided against returning and began another meeting The company then closed the plant and is seeking further talks with the union on a reopening date

At Ford, most workers at the Cortina and engine plants are members of the Motor Assembly and Component Workers' Union — who did not join the stoppage — and the plants remained in operation But Ford's other plants closed

The company's industrial relations director, Mr Fred Ferreira said all plants would be closed today and on Monday morning

Mr Ferreira said Ford would wait for the outcome of Monday's industrial council meeting No negotiations were planned before then, he said

GM issued a statement saying that 1 800 to 2 000 workers had downed tools and walked out yesterday The company employs nearly 5 000 workers

The statement said the current wage agreement only expires at the end of the month and that industrial council wage talks are scheduled for Monday

"We cannot therefore comprehend the action of employees in downing tools at the present time because it is unusual for this to happen while wage negotiations are still in progress," it said

Observers believe the massive gap between union demands and the employer offer make a settlement particularly difficult to reach

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Eastern Cape motor plants brought to a standstill

Post Reporter

THE entire Eastern Cape motor manufacturing industry has been brought to a standstill.

Today the Ford Motor Company was forced to close down its engine plant and its Struandale plant Yesterday Ford stopped production at its truck plant in Deal Party and at its Neave plant when workers downed tools

Today's shutdown means that all Ford's manufacturing plants are now idle About 6 000 workers are affected, of whom 3 000 are on strike

Volkswagen in Uitenhage closed yesterday "until further notice", and at the General Motors plant in Kempston Road about 3 000 workers affiliated to the National Automobile and Allied Workers' Union (Naawu) have struck, bringing work to a standstill

The strikes come after a breakdown in negotiations at a meeting this week of the Industrial Council for the Motor Manufacturing Industry in the Eastern Cape

At Wednesday's council meeting Naawu are reported to have presented modified demands calling for an increase in minimum hourly wages for grade one workers of 25% instead of a previous demand of 75%

The union presented a plan whereby grade one workers would receive R2,50 an hour, increasing to R2,75 after six months After a year this would increase to R3 and to R3,25 after 18 months

The employers represented on the council apparently rejected the modified offer and refused to budge from their own proposals of raising the minimum hourly wage to R2,15.

Naawu officials said today their aim in initially demanding R3,50 an hour was not to keep salaries abreast of inflation, but to "uplift the workers' standard of living"

The Naawu negotiatior, Mr Brian Fredericks, said it was pointless to talk of a downturn in the economy in the context of wage negotiations

"We believe there is a backlog of low wages among workers in South Africa which has to be rectified To demand only that present wages keep up with the increase in CPI would not raise the standard of living of our members"

The general secretary of Naawu, Mr Freddy Sauls, said the union did not believe increased mechanisation — widely predicted in the face of the wage demands — would necessarily lead to unemployment.

On the possiblity of the wage demands leading to retrenchments, he said the union felt a solution could be found to the problem through negotiation conducted in a spirit of goodwill on both sides

A spokesman for Ford said the Struandale and engine plants were closed at midday today as the closure of the truck and Neave plants meant they were unable to maintain production

He said all Ford plants would be closed until agreement was reached between the company and Naawu on the issue

● Editorial comment — Page 6

No talking till work resumes

(192) E. Post 16/7/82

By SANDRA SMITH

PAY talks at Industrial Council level would only resume once the strikes at Ford, General Motors and Volkswagen ended, the chairman of the Eastern Cape Automobile Manufacturing Employers' Association, Mr Rod Ironside, said today.

Mr Ironside, who is the acting chief executive of General Motors said the employers represented on the Industrial Council for the Motor Manufacturing Industry for the Eastern Cape would not negotiate under duress

He stressed that the motor manufacturing industry was a big contributor to the Eastern Cape economy as well as to the national ecomony Employers in the industry had acted responsibly and could make claims to have contributed to the social and economic upliftment of the area

He said the current work stoppages was "out of keeping with the spirit in which negotiations had been conducted in the past"

"It must be realised that the economic situation is getting tighter,' he said

Demands which the employers had identified as unproductive were a reduction in working hours, a no-retrenchment approach, and a demand for total funding of the supplementary lay-off benefit fund

Mr Ironside said the present strike was "technically illegal" in terms of the existing Industrial Council agreement

"The employers are not prepared to negotiate under duress," he said "We are prepared to observe Industrial Council requirements and expect the employee parties to do the same"

The negative effects of the strike were that large numbers of employees who did not share the views of 'one of the employee parties" were unable to work

Mr Ironside added "The entire local economy is going to suffer There is going to be hardship — in my view, something which is completely avoidable"

There would be a further loss of working time because restarting work schedules could not be done all at once Considerable unnecessary expense was involved

The wage demands could lead to employers considering further mechanisation and the less use of human resources

Mr Ironside concluded "I am appealing for reason and understanding in the circumstances beyond the immediate perception of individuals The jobs of at least 25 000 people in the automobile industry in the Eastern Cape will be affected to some degree by the strike action"

Commenting on the strikes, Mr Max Hoppe, secretary of the labour affairs committee of the Midland Chamber of Commerce, said today it was in the interests of the strikers to return to work as soon as possible

The strike action was "most regrettable" especially when there was large scale unemployment in the area and the economic cycle was on the downswing

On the one hand, the Government's Decentralisation Board was trying to stimulate growth in the Port Elizabeth-Uitenhage complex, while, on the other, the action of the strikers would have a negative effect on the economy of the region

Strike cripples car plants

Star 16/7/82

Some of the 10 500 motor assembly workers in the Eastern Cape who stopped work yesterday returned to their jobs today. But the industry is still in the grip of a crippling wage strike

A spokesman for General Motors in Port Elizabeth where 2 000 workers left their jobs, said they had returned today but anything could happen

At Volkswagen in Uitenhage, where about 5 500 workers were sent home yesterday, 3 600 workers arrived at the factory today and were paid their fortnightly wages However the work stoppage is still on

STOPPAGE

More than 3 000 workers on strike yesterday at Ford, Port Elizabeth

The workers, who are represented by the Fosatu-affiliated National Automobile and Allied Workers Union (Naawu), have called for increases in the hourly minimum wage from R2 to R3,50 and increases to R4 for semi-skilled workers and R4,50 for skilled workers

The management negotiating team — representing Ford, GM and VW — are understood to have offered a minimum hourly R2,15 and special severance pay rates

EFFECTS

The president of Naawu, Mr Jury Harris said there was little likelihood of the workers returning to work before Tuesday

Mr Harris said no meeting with workers was planned before Monday by the union as it would not serve any object

He said the union would try to persuade workers to lower their demand, and he was confident they would accept a deal similar to that of the staggered 1980 wage talks

Meanwhile, heads at Ford and Volkswagen have warned that if they granted the workers' demand for a R3,50 an hour minimum wage, it would cost the two companies an extra R80 million a year and push up the price of locally produced cars by up to R600

Ford's Cortina and engine operations would be shut down from noon today because their operations were affected

Survey compares pay for various jobs in PE

E. Post 17/7/82 (192)

Weekend Post Reporter

MOTOR industry workers downed tools this week after wage bargaining failed to reach a settlement on a minimum wage and severance pay for workers

Industrial strife over wage negotiations has been no stranger to the motor industry during recent years and anyone can be forgiven for having lost track of the wage scales

What kind of money is being offered now in the present negotiations, and what kind of money is being sought?

To put these figures in perspective, Weekend Post stood them beside comparative wages paid in other parts of the market place

If the National Automobile and Allied Workers' Union (Naawu) were to accept the offer made by the motor companies of R2,15 an hour, the lowest paid worker at a motor plant — an unskilled labourer without any education, requiring a few hours' initial training (for example, a floor sweeper) — would be paid R410 a month

The union had originally asked for R3,50 an hour — a proposed minimum salary of R658,42 a month — which employers on the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape — Ford, General Motors and Volkswagen — rejected outright

The union is now reported to have lowered its demands to R2,50 an hour — R470,31 a month — to be increased by 25c every six months to R3,50 an hour in two years

(These monthly figures do not take into account Sunday pay, which is double, and overtime, which is time-and-a-half)

How do these figures compare with wages and salaries in other jobs?

● **Nursing.** Matriculants start on a salary of R302,65 a month After three years' training, a nurse told Weekend Post she received a gross salary of R498 per month

● **Banking:** Matriculants, irrespective of race or sex, starting a career as a bank clerk could expect a starting salary of R450 per month

● **Plumbing, carpentry, building, etc:** According to the Industrial Council for the Building Industry in Port Elizabeth and Uitenhage, the current starting salary for qualified artisans is R2,96 an hour — R556,85 a month, calculated on the same scale above This figure is due to be raised soon to R3,20 an hour (R602 per month) and a further increase to R3,60 an hour (R677,25 per month) will come into effect on November 1

● **Hairdressing** Salaries are negotiated, but hairdressing salons canvassed said R300 a month, plus 20% to 40% commission, depending on an employee's popularity with clientele, was a normal starting salary for a qualified hairdresser

(One hairdresser said she paid her shampooist R38 a week "This was more than usual, because she works hard")

● **Teaching** After qualifying, the gross wage a white male high school teacher receives is R652,75 per month Women receive R549,25 per month

● **Insurance.** Clerks, again irrespective of race and sex, receive a starting salary of R450 to R550 a month

● **Journalism:** A matriculant wishing to make a career on a newspaper can expect to receive a starting salary of R400 a month Graduates start on R600 a month

● **Railways.** Starting salaries vary, as the Railways have many openings available Conductors and unit driver assistants start their training at R440 a month

After four years' training a driver's assistant will receive R622,50 a month (excluding overtime)

● **Post and Telecommunications** Matriculants starting work at the Post Office, undergoing training in engineering, technical, financial, clerical and postal fields, receive a salary of R396,50 a month

After training, salaries differ considerably as responsibilities vary from duty to duty

● **Municipal Traffic Department:** Traffic officers, irrespective of race and sex, receive a starting salary of R488,75 a month This does not include danger and shift allowances

Modified pay demands by car union

ARGUS 6/7/82

(62) ~~(63) UKON 152~~ 192 ~~346~~

Argus Bureau

PORT ELIZABETH — The National Automobile and Allied Workers' Union (NAAWU) presented modified pay demands at this week's meeting of the Industrial Council for the motor industry in the Eastern Cape.

Union officials indicated that the modified demands were for an initial increase in minimum hourly wages of 25 percent Originally a 75 percent increase in minimum wages, from R2 an hour to R3 50, was sought.

At Wednesday's Industrial Council meeting, which ended in deadlock, the NAAWU delegation suggested that workers in grade one receive R2 50 an hour

SPIRIT

This would be increased to a minimum of R2,75 after six months, R3 after a year and R3,25 after 18 months

The union's general secretary, Mr Fred Sauls, said "There was a complete lack of any negotiating spirit at the Industrial Council meeting and the employers were not prepared to discuss a move from the offer of R2,15 an hour minimum"

"The employer representatives' attitude makes us believe either that these individuals cannot make the decisions or that this is a strategy to force the workers into a strike situation They may see this as a way to force division among the workers and destroy the union."

After a report back to workers yesterday on the negotiations by shop stewards at Ford, General Motors and Volkswagen, all hourly paid employees at two Ford plants and a number at two of the company's other plants and workers at General Motors and Volkswagen walked out

In an interview yesterday, NAAWU officials said the aim in initially demanding R3,50 an hour was not to keep wages abreast of inflation but to improve the workers' standards of living

BACKLOG

A member of the NAAWU negotiating team, Mr Brian Fredericks, said it was pointless to talk of a downturn in the economy in the context of wage negotiations

"We believe there is a backlog of low wages among workers in South Africa which has to be rectified"

Mr Sauls said the union did not believe increased mechanisation — widely predicted in the face of wage demands — would necessarily lead to unemployment

"To pay the high rates would push management into accepting their responsibility for ensuring better production, quality and efficiency — and not laying the blame for low productivity on the workers," he said

Referring to the possibility of the wage demands leading to retrenchments, he said the union thought "a solution could be found to this kind of problem through negotiations conducted in a spirit of goodwill on both sides"

Black union won't back East Cape motor strike

E. Post 192

By SANDRA SMITH 17/7/82

THE mainly black Motor Assembly and Component Workers Union of SA (Macwusa) announced today it would not support the strike by workers in the Eastern Cape motor manufacturing industry — a move which will further split the emerging, mainly black trade union movement

The Ford, Volkswagen and General Motors plants were brought to a standstill this week when more than 10 000 workers went on strike after a breakdown in negotiations at the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape

The National Automobile and Allied Workers Union (Naawu), which is mainly a coloured union, presented modified wage demands calling for a system whereby Grade 1 workers would receive a minimum wage of R2,50 an hour, increasing by 25c an hour every six months

The employers on the council refused to budge from an offer of an increase in minimum hourly wages from R2 to R2,15 and the next day workers at General Motors and two Ford plants went out on strike VW closed its Uitenhage plant, and Ford its two remaining plants yesterday

A split in the emerging trade union movement became apparent at a "summit" meeting in Port Elizabeth this month where two camps emerged — Naawu, a Federation of South African Trade Unions (Fosatu) affiliate, belonging to one, and Macwusa leading the other

Macwusa's decision not to join the Naawu strike is expected to further widen the rift between the groups, and could hamper Macwusa's call for other unions to join their boycott of SA Bottling products

Macwusa's organising secretary, Mr Government Zini, said yesterday the decision not to support the strike by Naawu members was taken at a general workers' meeting

There were four reasons for the decision

- Naawu was involved on an industrial council which was rejected by Macwusa as "an apartheid vehicle and part of the Government's registration system"
- Macwusa members were involved in a strike last year at GM, VW and Ford and "received no support from Naawu, which shared membership with Macwusa at these plants"
- Despite a national call for a 30-minute work stoppage in all factories after the death in detention of Dr Neil Aggett, Naawu requested a five-minute stoppage at Ford
- Naawu did not support a strike by Macwusa members at Feltex last month

-Mr Zini said Macwusa would negotiate wage increases with the motor companies individually

Car firms: No talks unless strike ends

By STEVEN FRIEDMAN
Labour Correspondent

STRIKE-HIT motor manufacturers in Port Elizabeth and Uitenhage said yesterday they would refuse to continue industrial council talks over strikers' pay demands until the stoppage which has halted all vehicle production in the area ends

And yesterday, General Motors announced that all vehicle production at its Port Elizabeth plant had halted because of the strike, which has already led to the closure of the Ford and Volkswagen plants

About 10 500 coloured and black members of the National Automobile and Allied Workers' Union struck for the second day yesterday after rejecting a wage offer by employers made at the motor industries' industrial council NAAWU says 15 000 workers are on strike

The stoppage is the biggest to hit motor firms in the area and the first to affect all three at the same time

There was no change in the situation yesterday as strikers at Volkswagen collected their pay, but refused to work and all four Ford plants closed

GM s acting managing director, Mr Rod Ironside — the chief employer spokesman at the council — said in a statement the strike by 2 000 workers at the plant had interrupted all production operations

"Essential services and some manufacturing operations continue but in effect vehicle production has halted until further notice,' he said

The stoppage comes only days after an announcement that June car sales figures had broken all records, but employers say the downturn in the economy means they cannot grant large increases

Employers said the present strike would be 'uncomfortable", but would not affect them as much as previous stoppages

The strike followed a deadlock at negotiations in which NAAWU demanded a minimum of R3,50 an hour and employers offered R2,15 — the minimum is now R2

The pay talks were due to continue on Monday but employers announced yesterday they would not resume pay talks until the strike ended NAAWU officials were not available yesterday

A spokesman for Volkswagen, Mr Rubin Els, said the company would re-open the plant as soon as strikers agreed to return, but that Monday's scheduled meeting would not take place unless workers ended their strike

However, Mr Ironside said the meeting would take place but employers would demand to discuss a return to work only

He said the stoppage "has created a de facto dispute situation which has to be resolved before negotiations can be resumed

"Accordingly, Monday's meeting will first have to deal with this matter Employers are not prepared to continue to negotiate under duress "

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W/E ARGUS 17/7/82

Motor firms face closure

Weekend Argus Bureau

PORT ELIZABETH — The Eastern Cape motor industry is facing "indefinite closure," possible collapse and the loss of millions of rands as the deadlocked wage dispute continues in the face of intransigence on both sides

The heads of the Ford and Volkswagen plants have said that agreement to the R3,50 an hour wage demand would cost them an extra R80-million a year This would bring about the collapse of their companies

The Ford company has stated that it is losing R2,4-million a day during the strike

Meanwhile, union leaders left the Eastern Cape late yesterday for urgent talks in Johannesburg with the Federation of South African Trade Unions (Fosatu), umbrella body of the National Automobile and Allied Workers' Union (Naawu).

It is expected that discussion of the motor plant strike and the R3,50 an hour wage demand will dominate the Johannesburg meeting

It has become clear that the three employer companies will be taking a hard line, and Naawu will be hard-pressed to moderate the wage demands of the workers

"NO DURESS"

The chairman of the Eastern Province Automobile Manufacturers' Association, Mr Rod Ironside, said in a statement yesterday that the employers "refuse to negotiate under duress"

He said in an interview today that employers were providing a "unified response to extravagant demands"

Meanwhile, it has been learnt that about 2 500 Ford workers and about half of General Motors' work force of 4 000 and more than 1 000 Volkswagen workers, who are not on strike, will probably be idle because of the forced factory closures next week

Strikes: All plants close

CAPE TIMES 17/7/82 (192)

BY PHILLIP VAN NIEKERK

ALL MOTOR assembly plants in Port Elizabeth and Uitenhage were closed until further notice yesterday as the strike by more than 10 000 workers over wage demands brought production to a standstill.

Spokesmen for the three companies — Ford, General Motors and Volkswagen — said they would not resume industrial council wage negotiations, due for Monday, until the dispute had been resolved

The workers downed tools on Thursday after shop-stewards of the National Automobile and Allied Workers' Union (Naawu) had reported back from the industrial council talks that the companies were only prepared to offer a minimum rate of R2 15 an hour

While at least 10 000 workers went on strike, another 3 000, many of them members of the Motor Assembly and Component Workers' Union (Macwusa), have been affected by the halt in production

Leyland not hit

The strike is restricted to the Port Elizabeth-Uitenhage area Leyland, the only major motor manufacturer in the Western Cape where Naawu is also organized, do not fall under an industrial council and there are no wage negotiations in progress

Mr Rod Ironsides, the acting chief executive of General Motors and chairman of the Eastern Province Automobile Manufacturers' Association, said the strike had created a "de facto dispute" which had to be resolved before negotiations could continue Employers were "not prepared to negotiate under duress"

It was "deeply regretted that one party to the industrial council has seen fit to take arbitrary action while negotiations are in progress and despite strong appeals by employers for responsible action"

'Out of touch'

Mr Fred Sauls, general secretary of Naawu, said the employers had not conducted the talks in a spirit of compromise They were out of touch with the feelings of their workers and had been shocked at the extent of spontaneous worker reaction

"We offered a compromise deal, starting with a R2 50 an hour minimum now and rising over 18 months to R3 25 They refused to offer more than R2 15 an hour — only 5c more than their first offer in April

"The workers got fed up when they heard this, because they felt management was just playing

To page 2

CAPE TIMES 17/7/82

From page 1

around and not really negotiating"

Naawu is to meet workers before Monday's meeting to decide what action to take

'Exploitation'

The Macwusa organizing secretary Mr Government Zini said Macwusa workers had decided not to support Naawu, an affiliate of the Federation of South African Trade Unions (Fosatu) in the strike Macwusa members who are mainly at the Ford Cortina engine plant and General Motors, reported for work yesterday

Mr Zini said they could not support a strike which was involved with the industrial council "which we totally reject as an apartheid vehicle geared to place management in a better position to exploit workers"

Mr Zini also listed the failure of Naawu to support Macwusa in several other strikes and their "half-hearted" action over the half-hour work stoppage called after the death in detention of trade unionist Dr Neil Aggett

Fosatu fires at motor firms

(192) RDM 19/7/82

Mail Reporter

EMPLOYERS in the motor industry were trying to break the National Automobile and Allied Workers Union (NAAWU), the Federation of South African Trade Unions charged yesterday

After meeting at the week end in Johannesburg the central committee of Fosatu said it supported NAAWU demands for a "living wage" and better working conditions

In a statement released yesterday the committee said "We wish to condemn the Eastern Cape motor employers for offering the pittance they have despite record sales for the past two years

"The June car sales report of an all time record make a mockery of the 7,5% increase offered by employers

"This does not even compensate for the increase in the cost of living"

Fosatu condemned the "intransigent attitude" of the employers

Non-unionised firms had given large wage increases while in all unionised companies management had firmly resisted demands made by the unions, the statement said

"We are also aware that employers are using the Press and opportunist unions such as MACWUSA to break the struggle"

Fosatu wished to congratulate NAAWU on the courageous and far-sighted way it led the battle for higher wages, shorter hours and a better standard of living for all workers in South Africa

The central committee was aware those workers were entering a critical and dangerous phase of their struggle, and urged them to be perceptive in tactics so they could emerge with a stronger union

Fosatu delegates would take up the issue with their unions, the statement said

Strike deadlock unlikely to be broken at the talks today

192

● From Page 1

record sales for the past two years"

The record car sales made a mockery of the 7,5% increase offered by employers and did not compensate for the increase in the cost of living, the resolution said.

It was clear the employers were co-ordinating on a national basis in a concerted effort to check and even break the union, it said

Workers in non-unionised firms had been given large increases, while demands in all unionised companies had been "firmly resisted" by management

Meanwhile, the three strike-hit Eastern Cape motor companies are losing between R2 million and R3 million a day in lost production

A Ford spokesman said today the company was suffering a production loss of about R3 million a day Both striking and non-striking workers were not being paid Their loss in income amounts to about R150 000 a day

A Volkswagen spokesman said his firm was losing about R2 millopn a day in sales turnover. The actual loss to workers in wages and benefits such as overtime pay was about R165 000 a day

General Motors was unable to estimate its losses The firm has a smaller production capacity than the other two and the daily loss is expected to average out at between R1 million and R2 million

'New wage offer turned down'

Some motor workers to go back on Thursday

E. Post 20/7/82

Post Reporter

OFFICIALS of the National Automobile and Allied Workers' Union said at a meeting last night that the employers on the Industrial Council had made a new proposal on wage increases

The officials said the employers suggested scrapping a service attendance bonus, maintaining the present system of contributions to the supplementary unemployment benifit fund and increasing wages by another five cents across the board

This would mean Grade 1 workers would receive a minimum hourly wage of R2,20

Confirmation of this new offer could not be obtained from motor company spokesmen today

The Naawu officials rejected it, saying they could not negotiate "on the basis of taking away benefits already won"

Mr Fred Sauls, general secretary of Naawu, told the meeting oppression in South Africa was not by white of black but by company managements of workers Workers the world over experienced the same struggle for a decent standard of living

He said the sole reason for black advancement in the motor firms was a shortage of white skilled labour

"The companies put money into education and training merely because they require skills Where does that money come from? From your labour You have therefore received nothing which is not yours," Mr Sauls said

The chairman of the Volkswagen workers' committee, Mr J Harris, said "Our battle is not for us alone, but for members of the Motor and Component Workers Union of SA (Macwusa) as well" Macwusa workers decided last week not to support the strike

By SANDRA SMITH

THE entire labour force at Uitenhage's Volkswagen plant will return to work on Thursday and the plant is expected to resume full production on Monday

This was announced today by VW's Public Affairs Manager, Mr Ruben Els, who said limited production would begin this week

At Ford Motor Company, top management met this afternoon to discuss the return of striking workers

At the General Motors plant, also shut since Thursday, a spokesman said the unions would be advised when production could restart

At VW, Mr Els said "Before we can resume full production, we have to get rid of certain bottle-necks in the production situation Although the entire workforce will return on Thursday, some will work a full day, others less"

He emphasised that no settlement had been reached between VW's management and the National Automobile and Allied Workers' Union (Naawu)

Earlier today, many workers reported for work, only to be faced with locked gates at the Ford, GM and VW plants After waiting for some time, they went home

About 3 000 workers gathered outside the General Motors plant in Kempston Road from about 6am At VW, between 300 and 400 workers gathered at the gates before dawn As at GM, they were not allowed in They dispersed after being addressed by a union official

At the Ford engine plant, about 100 workers turned up and at the firm's other three plants, groups of varying sizes gathered

Workers have demanded higher wages and improved conditions of service

Spokesmen for the three companies said today that on the basis of a statement yesterday by Naawu's general secretary, Mr Fred Sauls, that the workers were considering a return, schedules were being prepared on a phased basis

A Ford spokesman said the company was awaiting a firm assurance from the union that workers were ready to start

At a meeting of more than 3 500 mainly Ford workers in the Gelvandale Community Centre last night, a decision was taken to return to work today — but with an ultimatum to the employers to meet their demands or face more strikes

Sect One

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ARGUS 20/7/82

Car men locked out

ARGUS BUREAU

PORT ELIZABETH — Several thousand eastern Cape motor industry workers who returned early today to the plants where they downed tools on Thursday, found the gates locked They were told to leave until the companies could accommodate them again

This follows a third round of Industrial Council negotiations yesterday where the wage talks which led to the strike again ended in deadlock A union report-back meeting last night left workers confused about the exact state of affairs.

Before yesterday's industrial council meeting, Ford, General Motors and Volkswagen, said they were not prepared to negotiate further on wages while workers were on strike. However, at the council meeting yesterday, the union said that it had not sanctioned the strike and that they were there to talk wages.

Mr Jury Harris, the President of the National Automobile and Allied Workers Union (NAAWU) which represents the about 13 000 workers who downed tools, said today that employer representatives seemed unprepared for wage talks

The employers stood by their offer of R2.15 minimum wages The union was hoping they would negotiate on their moderated demand of an initial R2,50 minimum and a guarantee of R3,50 over 18 months.

The union refused to discuss the strike as it regarded the strike as spontaneous and not sanctioned by them

At last night's report-back meeting, the workers, said they wanted to return to work today, said Mr Harris

The acting Executive Director of General Motors Mr Rod Ironside, said workers who turned up today had to be turned back as it took time to phase them in again and through new schedules.

It could take some days before the plants could be fully opened Operations had to be re-started and other workers who were affected by the strike would have to be recalled first

Further industrial council meetings were scheduled for Thursday and Friday, and it was likely that the council's dispute proceedures would come into effect

The Argus early today found close on 4 000 workers crowded outside General Motors where the factory gates had been firmly locked.

E Cape car plants to 'prepare to reopen'

CAPE TIMES 20/7/82

Own Correspondent

PORT ELIZABETH. — Car manufacturers in the Eastern Cape are expected to begin preparing their factories for production today after a strike by more than 10 000 workers led to their plants being closed last week.

A spokesman for the manufacturers said they were making the preparations following a statement by the general secretary of the National Automobile and Allied Workers' Union, Mr Freddie Sauls, during industrial council talks yesterday that workers were prepared to return to work.

Meanwhile, at least 4 000 workers, all Naawu members and mostly Ford workers, are expected to return to factories today after deciding to do so at a report-back meeting after yesterday's talks The aim would be to assess the position and embark on further action as the situation demanded

Naawu spokesmen said yesterday that at the talks the union had rejected management's ultimatum for a return to work by more than 10 000 workers from Ford, Volkswagen and General Motors before continuing discussions on a wage agreement They said, however, that they had proceeded with wage talks after management had backed down on the ultimatum

Meanwhile, Mr Rod Ironside, chairman of the Eastern Province Automobile Manufacturers' Association, said the employers had undertaken to advise the unions involved in the talks of "the appropriate plant start-up schedules"

Report-back meetings are still to be held with Volkswagen and General Motors employees It is expected similar decisions will be taken to that taken by the 4 000 who attended yesterday's report-back meeting.

Talks fail to break Cape motor strike

RDM July 1982

(192) (140A)

By STEVEN FRIEDMAN
Labour Reporter

A TWO-HOUR meeting between strike-hit Port Elizabeth and Uitenhage motor employers and Fosatu's National Automobile and Allied Workers Union (NAAWU) yesterday failed to produce a settlement to the three-day strike which has halted all vehicle production in the area

But the chairman of the Eastern Cape motor assembly industry's industrial council, Mr Fred Ferreira, announced last night that the two sides had agreed to meet again on Thursday in an attempt to break the deadlock

Last night NAAWU officials were reporting back to workers on the negotiations, but informed sources said there was little chance of a return to work at Volkswagen, Ford and General Motors until after Thursday's meeting

Workers remained on strike yesterday and the Volkswagen and Ford plants remained closed GM says it is keeping some operations going, but that all vehicle production has stopped at its plant

It is understood that NAAWU'S wage demands were discussed at the meeting, despite earlier statements that employers would not negotiate on wages until the strike ended But employers did not make a new wage offer to the union

At least 10 500 NAAWU members at the three motor plants — the union says the figure is 15 000 — have been on strike since Thursday after rejecting an employer offer which would have raised minimum pay from R2 to R2,15 an hour

The union had demanded a minimum of R3,50 an hour, alhough NAAWU president Mr Jury Harris says workers would probably accept an agreement raising the minimum to R2,50 immediately and to R3,50 within a specified time

Yesterday's meeting of the Eastern Cape motor assembly industry's industrial council had been scheduled before the strike to discuss the wage deadlock between NAAWU and employers

After the strike began, however, employers said they would not discuss the union's wage demands at the meeting until workers agreed to end their stoppage

NAAWU leaders said before the meeting, however, that they had no mandate to discuss a return-to-work with employers Union officials would only discuss the wage issue, while an end to the strike would have to be negotiated with shop stewards at the three plants, they said

Mr Ferreira would not comment further on the progress of talks

Car strikers return to find gates closed

By STEVEN FRIEDMAN
Labour Correspondent

HUNDREDS of striking Port Elizabeth and Uitenhage motor workers arrived at their factories yesterday morning, raising hopes of an end to the work stoppage in the industry.

Instead, they found gates closed and indications are that the factories will re-open late this week or early next week.

Yesterday the National Automobile and Allied Workers Union accused employers of locking out workers, while employer sources said they were waiting for the union to order its members back to work.

At an industrial council meeting on Monday, employers and NAAWU officials failed to resolve their wage dispute but agreed to meet again tomorrow.

At union meetings on Monday night, workers reportedly decided to continue to press wage claims, but to return to work yesterday morning.

Mr Rod Ironside, acting general manager of General Motors and the chief employer spokesman, said in a statement yesterday that NAAWU had said at the industrial council meeting that workers were ready to return.

But NAAWU national organiser Mr Brian Fredericks disputed this.

"At the meeting, we maintained that it was employers who closed the plants last week and they who have not re-opened them. This is a lock-out.

"We told them they should re-open their factories and see whether workers returned."

Workers who returned yesterday had been told by a Ford official that the plant would not open until tomorrow at the earliest, Mr Fredericks said.

Volkswagen had said re-opening depended on the outcome of tomorrow's meeting, while General Motors said it wanted some workers to return on Friday and the rest on Monday.

"This was unacceptable to the workers because they say they must all go back together," Mr Fredericks said.

He said it confirmed "that there is a lock-out, not a strike". He added that there had been riot police at Ford's Neave plant "and we must assume the company called them in".

But Ford's industrial relations director, Mr Fred Ferreira, rejected the claim of riot police as "nonsense".

He said only about 900 of the company's 3 000 striking workers had returned and the plant had not been re-opened because this was not enough to keep production going.

"We are prepared to re-open the plant as soon as we get an assurance from the union within reasonable time that everybody is coming back," he said.

Volkswagen said it would begin limited production tomorrow and full production on Monday, while Mr Ironside said GM was preparing start-up schedules for resuming operations.

"The unions involved will be advised by GM when production will be resumed," he said.

Employer sources rejected charges of a lock-out. "You can't start up a plant unless you know it will be fully staffed," one said.

"The workers started this strike and we can only start up again when we know they are all coming back. That is the union's responsibility."

Fosatu backs striking Cape car workers

Cape Times 19/7/82

(62) (63) 460A (192)

Staff Reporter

THE Federation of South African Trade Unions (Fosatu) has come out in support of car industry workers who are striking in the Eastern Cape

In a statement issued yesterday, the Fosatu central committee said it backed the demands of the National Automobile and Allied Workers' Union (Naawu) for a "living wage and better working conditions"

"We wish to condemn Eastern Cape motor employers for offering the pittance they have despite record sales for the past two years The June car sales report of an all-time record makes a mockery of the 7½ percent increase offered by employers

"This does not even compensate for the increase in the cost of living Fosatu condemns the intransigent attitude of the employers We are clear that employers in the motor industry are co-ordinating on a national basis and that there is now a concerted effort to check and even break the union on a national basis

"Non-unionized firms have been given large increases, while in all unionized companies management have firmly resisted demands made by the unions We are also aware that employers are using the press and opportunist unions to break the struggle

"Fosatu wishes to congratulate its motor affiliate on the courageous and far-sighted way it has led the battle for higher wages, shorter hours and a better standard of living for all workers in South Africa"

The committee said it was aware that the dispute was entering "a critical and dangerous phase" and asked the workers to be "far-sighted" so that they could emerge with strength

It added that delegates from the meeting would take up the issue with their respective unions, shop steward councils and shop floor committees

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EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered), leave columns (2) and (3) blank

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2	52	
Examiners' Initials		

NOTE CAREFULLY

1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
2 Blue or black ink must be used for written answers The use of a ball point pen is acceptable Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
3 Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book (s) are used

WARNING

1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed
2 Candidates are not to communicate with other candidates or with any person except the invigilator
3 No part of an answer book is to be torn out
4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

Strike issues unlikely to be resolved

19/7/87 (192) E. Post

Post Reporters

THE deadlock in the Industrial Council for the Motor Manufacturing Industry, which has led to a crippling strike by more than 10 000 Eastern Cape motor workers, is unlikely to be resolved at today's council sitting

The employers on the council — Ford, General Motors and Volkswagen — have said pay talks can only resume once the strikes end. They say they will not negotiate "under duress".

National Automobile and Allied Workers Union (Naawu) representatives on the council have said they have a mandate to discuss pay and working conditions — not a return to work

This would have to be negotiated by the companies with their shop stewards

The strike started in two Ford motor plants and at GM and VW last week when shop stewards told workers that employers would not budge from their offer of an increase in minimum wages of 7,5% to R2,15 an hour.

Naawu has demanded an increase for Grade 1 workers from R2 an hour to R2,50, increasing by 25c every six months The three plants closed their doors on Friday until a return to work could be negotiated with the union, industry spokesmen said

A meeting of workers' committees from the three companies today criticised the managments for closing the plants and adopting an "inflexible stance" in wage negotiations.

"They closed the gates at the Ford, General Motors and Volkswagen plants, not us," the chairman of Naawu's workers' committee at Ford, Mr Douglas Slingers, said

"There will be no negotiating on workers going back at this afternoon's meeting — it will be a question of negotiating wages," a speaker said

This afternoon Ford workers will meet in the Gelvandale Community Hall to hear a report back on developments at today's council meeting

At a Federation of South African Trade Unions (Fosatu) central committee meeting in Johannesburg at the weekend, a resolution was adopted supporting Naawu's demand for "a living wage and better working conditions"

Naawu is a Fosatu affiliate

Employers were condemned for "offering the pittance they have, despite

● Turn to Page 4

Motor workers back but gates shut

ARGUS 21/7/82

(192)

Argus Bureau

PORT ELIZABETH. — Several thousand motor workers turned up at work today for the second day, only to find the premises locked.

According to the president of the National Automobile and Allied Workers' Union (Naawu), Mr Jury Harris, and Mr Roger Gamomo, chairman of the Volkswagen Shopstewards' Committee, the entire workforce at Volkswagen in Uitenhage — about 6 000 — arrived for work at 6 am and were told that "limited production" would start tomorrow.

LOCKED

When The Argus visited the plant, workers said most of the workers had already gone home. About 100 workers were talking in small groups outside the factory.

At the Ford truck assembly plant, a few workers stood in groups at the locked gate. They said all the workers had arrived to work, but the security guards had told them to go home. They did not see any of the managerial staff

"The workers are angry about being locked out," said one worker at Ford "We are suffering

(Contd on Page 3, col 9)

ARGUS 21/7/82 (62) (63) (404) (22) (172) 3 (366)

(Continued from Page 1)

Workers

through this thing," he added

Mr Harris, said he thought the employers were trying to confuse the workers by locking the gates "The workers are clear that they want to return to work They decided at a meeting on Monday to return on Tuesday"

A reliable source said there were no workers at General Motors today

Naawu officials in Port Elizabeth, were not available for comment

While Volkswagen was preparing today to reopen its paralysed plant in Uitenhage tomorrow after the work stoppage Ford and General Motors in Port Elizabeth appeared to be in no hurry, aiming at re-opening only early next week

Volkswagen said yesterday that it intended starting its plant gradually tomorrow and on Friday, and that it was hoping to be in full operation on Monday.

● A new proposal on wage increases has been made by the three motor companies, Naawu officials have disclosed The proposals were put at Monday's Industrial Council meeting between the employers and the union

Section B

VW workers arrive but are again sent home

E. Post 21/7/81

192

By SANDRA SMITH

MANY workers again gathered outside the gates of the Volkswagen plant in Uitenhage today before being told by union officials to return to work tomorrow

But at the other two motor companies, Ford and General Motors, there is as yet no indication when the plants will reopen

Managements have not yet been in touch with the National Automobile and Allied Workers' Union (Naawu) on the issue.

At VW yesterday, union officials told workers to assemble at the factory gates today to demonstrate their claim that they had been locked out.

Yesterday afternoon, VW's management announced that limited production would start tomorrow

Three crucial sittings of the Industrial Council for the Motor Manufacturing Industry will take place in the next two days The close scheduling of the meetings may indicate that the parties involved could be considering having a formal dispute declared

A breakdown in council negotiations last week led to work stoppages by Naawu members

Naawu has put forward several demands in the council, which the employers have refused to meet

The union has suggested a system whereby a worker will receive a minimum hourly wage of R2,50, increasing by 25c every six months for 18 months

The employers are said to have made a counter-proposal at Monday's sitting of the council that a service attendance bonus be scrapped, the present system of contributions to the supplementary unemployment benefit fund be maintained and wages be increased across the board by an additional 5c

This would mean instead of the previous offer of R2,15c an hour minimum wage, workers in the lowest pay category would receive R2,20 Naawu rejected this proposal

If all parties on the council agree that a deadlock has been reached at the end of Friday's meeting, a formal dispute may be declared, which could prolong the discussions

Two courses of action would then be open to the council — the convening of a smaller council made up of one or two representatives of the respective parties, or the matter could be referred to the Minister of Manpower, Mr Fanie Botha

In turn he could appoint a mediator who would get the parties together, or an arbitrator who would make a binding decision after hearing evidence from the parties involved

In addition, the dispute could be referred to an Industrial Court

Any agreement reached, would act retrospectively to the time of the expiry of the present council agreement — July 31

● A meeting to report on the progress of tomorrow's council sitting will be held at the West End Community Centre tomorrow

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered), leave columns (2) and (3) blank

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Examiners' Initials		

ARNING

No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed

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No part of an answer book is to be torn out

All answer books must be handed to the commissioner or to an invigilator before leaving the examination

examination book(s) are used

4 Do not write in the left hand margin

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

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Row flares up between unions

Sowetan 21/7/82

By Sello RABOTHATA

THE Federation of South African Trade Unions (Fosatu) yesterday issued a hard hitting statement against the motor company after a meeting with the National Automobile and Allied Workers' Union (Naawu) at the weekend

The statement supports the more than 10 000 workers who are on strike in the motor industry in the Eastern Province. It also attacks the unregistered Motor Assembly Components Workers' Union of South Africa (Macwusa) for allegedly failing to support the strike.

Fosatu's statement confirms the Federations' support for the "demands of Naawu for better working conditions and condemns the Eastern Cape motor employers for offering the pittance they have, despite the record car sales for the past two years.

Fosatu also accused the employers of using the Press and "opportunist unions" like Macwusa to break the workers' struggle for better working conditions. Macwusa, which has members in two of the plants, has refused to support the strikes so far. Fosatu said it wished to congratulate its motor affiliate for the courageous and far-sighted way it had led the battle for higher wages, shorter hours and better standards of living for all workers in South Africa.

Meanwhile Macwusa also issued a statement in response to the attack by Fosatu: "Macwusa membership has resolved not to join in the strike because it is involved directly with the Industrial Council which we totally reject as an apartheid vehicle that is geared to place management in an official position to exploit the workers. Having rejected the Industrial Council at the Langa summit they now go back to them for wage negotiations.

"Our membership was involved in a strike during May last year at General Motors, Ford and Firestone and we received no support from Fosatu affiliated unions which shares membership with Macwusa at these plants. During the 30 minutes work stoppage for Dr Neil Agget, who died in detention, the Fosatu affiliates requested a five minutes work stoppage from management whereas Fosatu was among the unions that took the resolution and national call," said the Macwusa statement.

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South African cricket, and sport in general down there, that they must have a continuing presence over here," he said

"With respect, the SACU cannot expect to come here on a once-a-year basis and get results

"It must be an hourly, daily, weekly grind of keeping in touch with the situation

"For example, in South Africa's place I would have concentrated on teams at this stage, not Tests — let them come later"

Mr Campbell continued "I pointed out last week to the international cricket authorities in London in no uncertain terms that a multiracial cricket team visiting South Africa would be more healthy for world cricket than possible further clandestine arrangements" — Sapa-Reuter

back garden of his Greenfields Park home.

VW workers return while wage negotiations continue

(192) (152) (346) (1404) E. Post 22/7/82

By SANDRA SMITH

ALMOST the entire labour force at Volkswagen returned to work today — but a crucial Industrial Council meeting to resolve the dispute which brought the motor industry in Port Elizabeth and Uitenhage to a halt was adjourned within minutes

When talks resumed the National Automobile and Allied Workers' Union (Naawu) asked for the minutes of the previous Industrial Council hearing on Monday

These were not available and the meeting adjourned to this afternoon

About 6 000 workers arrived for work at VW's Uitenhage plant at dawn and limited production began after a five-day closure Full production may begin on Monday

The two other motor manufacturers affected by the strike, Ford and General Motors, have not set a date for workers' return

Ford spokesmen have said they will wait for a firm assurance from Naawu that all its striking members would return before reopening Ford's four plants

GM is expected to inform the union today when its gates will be opened

Labour analysts believe the five-day stoppage may have allowed the motor manufacturers temporarily to shelve plans for retrenchments or short-time work,

The pay conflict centres mainly on Naawu's demand for a minimum hourly wage of R2,50 an hour, increasing by 25c every six months to R3,25 after 18 months

The employers on the council have offered an increase from R2 to R2,15 an hour for grade one employees, or 7,5%

● See Page 2

) residents sign petition for school

Post Reporter

residents of Walmer and Humewood have ... calling for a new English-medium co- ... school to be run on the Marist Brothers

be closing at the end of this year and its ... into a new Catholic high school on the site of ... Convent in Central

... of the Ward 13 Ratepayers' Association, who organised the petition, said it would be top education officials shortly

has now closed

"At the moment we are working on collecting facts and information on how many schoolchildren there are in the area, for presentation to the authorities," he said

Last month the councillor for Ward 13, Mr John Vieira, suggested that Marist be bought by the Government and converted into an English medium high school

The Port Elizabeth School Board rejected the idea

Tables were set up in the Sixth Avenue shopping centre recently and the 750 new signatories now made up an adequate number, said Mr Hart

The signatories feel that the school should not be rezoned and used for other than educational purposes

Inside

ADLEY shows the keys and nail-clipper she found in this sealed packet of biscuits last night.

...essence supported the open letter but did not subscribe to all the points in the open letter

Ds J C Oosthuysen, of the NG Kerk in Afrika in King William's Town, said it was impossible to compare the viewpoints taken by the open letter and the letter signed by the 13 without reading both and comparing them point for point.

The signatories to the second letter supported the concept of the open letter but did not necessarily agree on all the points

He said he would sum it up by saying he and the other 12 signatories wanted the church to "talk it out"

Ds A J Burger of Bedford said he had signed because he supported the open letter in principle although he did not subscribe to the attitude taken towards the State

He felt the matter "should be thrashed out" and "the church should be directed by the scriptures"

The letter said it was difficult to understand how the NG Kerk could give meaningful witness to the community if it did not first ask itself in prayer whether the scriptures ...

First Honda to come off line soon

(192)

22/7/82 Mercury

EAST LONDON — The first Honda car is scheduled to come off the new assembly line at Car Distributors Assembly (CDA) here at the end of this month

This has been announced by UCDD in Pretoria

In a press statement, the company said although the first Honda pilot car would come off the line at the end of the month, full production of the new marque would be reached only towards the end of the year

The company told the Daily Dispatch that photographs of the assembly line could not be taken at present as the identity of the Honda model being made would only be disclosed at a public launch

The introduction of the Honda forms part of a R200 million, five-year expansion programme announced by the UCDD group last year

Apart from the Honda assembly line, the company said the extent of progress in other aspects of its expansion programme was

- Near completion of increased production capacities at the CDA plant here for both Mercedes-Benz passenger cars and commercial vehicles About R25 million has been spent to date
- Additional land for production expansion at CDA has been bought for about R1 million
- Expansion of the UCDD head office building in Pretoria has reached the half-way mark while departmental expansion is near completion
- About 750 new employees are undergoing full training at the CDA Training Centre here for the production of the Honda car
- Completion of earthworks and foundations for UCDD's new parts warehouse in Pinetown

The company statement said test production of the Honda was going "extremely well"

The Honda will mean an additional 750 extra jobs initially which could grow to about 1 100 when full production is reached

The Honda car will be introduced and sold in "fairly low volumes within the customs union borders only," the company said

Only one Honda model will be available — DDR

CAPE TIMES 22/7/82 (63) (82) 192

Volkswagen to reopen today

Own Correspondent

PORT ELIZABETH — The Volkswagen Motor Company in Uitenhage reopens this morning as the fourth round of Industrial Council talks on minimum wage levels in the motor industry begins

The factory was closed last week — as were Ford and General Motors in Port Elizabeth — after more than 10 000 motor industry workers went on strike

The strike followed deadlock in the Industrial Council wage negotiations

Management at Ford and GM have said they will open their factories when the National Automobile and Allied Workers Union (whose members went on strike) informs them that the workers are prepared to return

Back to work at VW plant

ARGUS 22/7/82 (63) (192)

Argus Bureau

PORT ELIZABETH. — The Volkswagen plant was reopened today after being closed for a week, but the two other Eastern Cape motor firms, Ford and General Motors, remained closed.

The fourth round of Industrial Council talks on wages between the employers and the National Automobile and Allied Workers' Union (NAAWU) begins again today, although no solution is yet in sight.

Several thousand workers turned up for work on Tuesday and yesterday after a decision taken at a mass meeting on Monday night to return to work.

Workers have been confronted with closed factory gates for the past few days and attempts by shop stewards to talk to management have not always been successful.

RESOLVE

The workers and NAAWU regard the management action as a lockout designed to divide the employees. Shop stewards say it is a strategy aimed at weakening their resolve to fight for a "decent living wage."

Management, however, initially maintained it was not possible simply to open the factory gates after the plant had been out of operation for two days

It was necessary to phase workers back in gradually by "rescheduling work programmes," said a spokesman for one company.

Cape motor workers set to go back

By STEVEN FRIEDMAN
Labour Correspondent

THE week-long work stoppage at Volkswagen's giant Uitenhage plant will end today — but production will not resume at the two Port Elizabeth plants until at least tomorrow

All vehicle production in the area halted last Thursday when at least 10 500 workers downed tools, and the National Automobile and Allied Workers' Union says employers have been implementing a lock-out since late last week

Employers deny this and say they closed their plants in reaction to the strike and that they can only reopen them when workers "end their strike"

Meanwhile the Eastern Cape motor assembly industry's industrial council will meet this morning in a fresh attempt to settle the wage dispute which led to the stoppage Settlement prospects are, however, bleak

Yesterday morning Ford and VW workers again returned to the plants — which have been closed since last Thursday — but found the gates locked

But after talks yesterday between Volkswagen and union shop stewards, it was announced that the factory will be open this morning and that all 5 500 workers who downed tools last Thursday will return to work

NAAWU's president, Mr Jury Harris, said the company "has agreed to allow the workers in again" and that all would be returning

A company spokesman, Mr Ruben Els, confirmed the company expected all workers to return today But they would be working staggered hours until production returned to normal

At GM a spokesman said the company would inform unions today of its plans to reopen the plant Reopening is believed to be likely tomorrow or on Monday

And at Ford, public affairs director Mr Dunbar Bucknall said the company was still waiting for an assurance from NAAWU that all workers would return before agreeing to reopen the plant He said it hoped to obtain this at this morning's meeting

But NAAWU general secretary Mr Fred Sauls said yesterday that "the ball is in the employers' court"

"Since last Friday workers have had no chance to return because they have been locked out If employers want a return, they must end the lock-out"

Mr Sauls rejected suggestions that employers could not reopen their factories because most workers had not returned "All our members went back to the plants, but they still found the gates locked," he said

He also warned of possible worker resistance to employer plans to let workers back into the factory in staggered groups, rather than all at once "Workers see this as a tactic to divide them," he said

But both PE companies insist their production process will not allow them to take all workers back at once They also deny the factories are still closed because they are locking out workers

"We simply cannot restart our plant unless we know it will be fully staffed and there will not be another stoppage after we reopen Only NAAWU can give that assurance and we hope to co-operate with them in arranging a return to full production," he said

Rise in EL car workers' pay scales

192

E. Post 22/7/82

Post Reporter

WORKERS at the Car Distributors Assembly motor plant in East London would receive increases in basic pay scales in excess of 23% this year in terms of an offer made yesterday by the company to two unions

They are the South African Iron, Steel and Allied Industries Union, and the National Automobile and Allied Workers' Union and it means an absolute minimum on the lowest grade of R419 a month

The proposed rises are weighted in favour of the workers who earn least so that this year's rises for the lowest grade would top 34%. At R2,15 an hour, pay rates for this grade would have more than tripled over 2½ years

The unions asked for time to consider the CDA proposal It was agreed that formal talks would resume on Thursday, August 4

Naawu had originally demanded a minimum lowest grade wage of R3,50 an hour and amended this yesterday to R2,50 an hour increasing to R2,75 in January

The dispute between the union and the Eastern Province motor manufacturers of Ford, General Motors and Volkswagen led to a strike and a week-long total shutdown.

In East London union officials and CDA management have decided that whatever agreement is eventually reached will be back-dated to the beginning of July

At the lowest grade management proposed a 19,4% increase in the hourly rate from the R1,80 that has applied since January, to R2,15 an hour This would compare with the R1,60 an hour that applied until the end of December, bringing the increase this year to 34,4%

This compares to 61c an hour paid in June 1978

A CDA worker in the lowest grade would earn R419,25 a month in terms of the new proposals At the top end of the scale, CDA proposed increasing the pay rate to R4,43 an hour compared to the R3,80 that applied to the end of June and R3,60 at the end of December.

This represents a 23,1% rise this year alone

Since June 1978 rises have averaged 37% a year compound at the lowest grade through to 20,5% a year compound at the highest grade

A further important objective of the CDA proposal is to reward workers who are loyal to the company Thus the year-end gratuity for those employees with more than one year's service but less than five would be increased from 6% to 7% of basic pay

CDA has proposed changes to the long-service leave arrangement whereby an extra two days' leave a year would be granted to employees with two years' service This would rise to four days extra leave a year after five years' service, and six extra days a year after 10 years' service

Car firms may face strike in deadlock over pay dispute

Star 23/2/82 192

Labour Reporter

A breakdown in talks in the motor industry in the Eastern Cape today could lead to a legal strike by workers or to a lock-out by employers

Two meetings of the Industrial Council are scheduled for today and are also likely to be deadlocked, resulting in the formal declaration of a dispute by employers and unions

Industry sources said today it was likely that the council would call on the Minister of Manpower, Mr Fanie Botha, to appoint an arbitrator to resolve the wage dispute

At a meeting in Port Elizabeth last night several thousand workers agreed to return to work at General Motors while the dispute continues

RECORDER

The meeting came to a stormy end when workers found a tape recorder hidden behind a curtain in the meeting hall They destroyed the machine amid speculation that it had been planted by the police

At Volkswagen in Uitenhage partial production was under way again today and the company planned full production on Monday

A Ford company spokesman said the firm was awaiting an assurance from the union that workers would return Ford was looking at a plan involving shift work, he added

"We are looking at starting production some time next week," he said

MINIMUM

At last night's meeting of GM workers, officials of the National Automobile and Allied Workers Union accused employers of locking out workers who wanted to return to their jobs

Under the Industrial Council's dispute procedure, three meetings must be held before a formal dispute is declared The first meeting followed yesterday's council meeting and two others are planned for today

In East London wage negotiations are under way between the management of the Mercedes CDA plant and Naawu Management has offered a minimum hourly starting wage of R2,15 — the same figure that has created the deadlock in Port Elizabeth

Strike seen as a 'blessing in disguise'

192

E. Post 22/7/82

Post Reporter

THE week-old shutdown of motor manufacturing plants in the Eastern Cape has had little effect on the motor component industry, some of whom see the continuing strike as "a blessing in disguise"

It has given some firms a chance to catch up with the requirements of motor firms whose demands, during a period of unprecedented boom, have been heavy

A spokesman for Auto Spring Manufacturers in Port Elizabeth said today that the strike had had little noticeable effect on their production They had not curtailed production and there were no plans to do so in the immediate future

Their only problem was that they were unable to deliver their products to the motor firms and this was causing storage problems at their premises

The spokesman said the strike was regarded as a "blessing in disguise" as it had allowed them to catch up and to prepare for when the motor firms were back in full production

The personnel manager of Borg Warner in Uitenhage, Mr Ron McLuckie, said in a brief statement today that the strike had had "no significant effect on Borg Warner's operations"

A spokesman for Dorbyl — another major Uitenhage component manufacturer — declined to comment

Last week, Mr Bill Hayward, secretary of the National Association of Automotive Component and Allied Manufacturers, said he did not expect production to be adversely affected As far as he was concerned the component companies would continue as before

RDM 23/7/82

Car firm offers R2,15 pay base

Labour Correspondent

EAST London's only vehicle manufacturer, CDA — which makes Mercedes Benz cars — has made a wage offer to unions at its plant which would raise minimum pay to R2,15 an hour

The offer comes as Fosatu's National Automobile and Allied Workers' Union stands deadlocked with Port Elizabeth and Uitenhage employers over a R2,15 offer.

CDA said in a statement yesterday that its offer — made to NAAWU and the all-white SA Iron, Steel and Allied Industries Union — would raise minimum pay at least 19% over the minimum agreed in January

The company said its offer would raise pay scales covering all workers at the plant by at least 23%

Wages in East London lag behind those in the PE/Uitenhage area, although CDA said its offer would mean pay rates for the lowest grade had more than tripled over the past 30 months

The statement said unions had asked for time to consult their members on the new offer and formal pay talks would resume on August 4

Union spokesmen could not be reached for comment yesterday

CDA's statement said the company's offer was weighted in favour of lower paid workers and that a R2,15 minimum would guarantee workers in the lowest grade a wage of R419,25 a month Taken with January's increase, it would mean a 34% increase for this year

According to the company, workers in the lowest grade were earning only 61c an hour in mid-1978 and 77c an hour at the end of 1979.

The minimum last December was R1,60 and that agreed in January this year was R1,80

At the top of the scale, the company was offering workers R4,43 an hour, a 23% increase over the year, it said

Car plant dispute is official

(192)

Labour Reporter

Employers and unions in the Eastern Cape motor industry yesterday declared a dispute — opening the way for legal strike action by workers or a lock-out by employers.

Two meetings of the industrial council in Port Elizabeth yesterday failed to resolve the wage issues and a formal dispute was declared

However, both sides agreed to hold further talks on August 5 The current wage agreement lapses on July 31

Despite the recent talks both sides have yet to come closer in wage offers and demands since they started meetings in April

The National Automobile and Allied Workers' Union has called for a R2,50 hourly minimum wage, rising to R3,50 over a period, while employers have offered R2,15

Production at Volkswagen in Uitenhage is under way while there is partial production at General Motors

Ford, however, has said it will not take on workers until Naawu gives an assurance of a return to work.

The union, on the other hand, has accused Ford of locking out its members

A Ford spokesman said yesterday the Cortina and engine plants could reopen next week.

Those two plants are largely staffed by the rival Motor Assemblers and Component Workers' Union

At a meeting in Port Elizabeth this week, Macwusa officials accused Naawu of working "within the system" because of its membership in the council, while Naawu accused Macwusa of being "opportunistic" by not supporting the strike

● The Central Statistical Services in Pretoria reports that the trade volume of car dealers has suffered a setback

After taking into account 16 percent inflation, trading revenue for July 1981 to June 1982 showed a small net real gain of 2,5 percent

The seasonally adjusted sales for April to June 1982 were R2 230 million against R2 217 million for January to R1 958 million for April to June 1981

But adjusted for 16 percent inflation, this means that sales have dropped by 4,4 percent from the first to the second quarter of 1982

CAPE TIMES 24/7/82

(192)

Dispute in car industry declared

PORT ELIZABETH — The Industrial Council for the Automobile Manufacturing Industry in the Eastern Province has declared a dispute after holding two meetings in Port Elizabeth yesterday

The council reached a deadlock in negotiating a new wage agreement to come into effect from the beginning of August

The chairman of the council, Mr . Fred Ferreira, said the council would meet again on August 5 to determine whether to follow the path of mediation or arbitration

'Disappointed'

Employers are disappointed that no progress was made at yesterday's meeting of the Industrial Council, a statement issued by the Eastern Province Automobile Manufacturers Association said

Compared with the position in August 1981, the current offer for a Grade 1 employee represented an increase in basic wages of 19,4 percent (R1,80 to R2,15) Over the corresponding period the forecasted consumer price index increase was 16 percent

Employers had guaranteed a further minimum across-the-board increase in February 1983 which starts at 10 cents for a Grade 1 employee The effect of this adjustment was that a Grade 1 employee would receive, within a six-month period, an effective basic rate increase of 25 cents an hour, the statement said

Improvements

Employers have offered the following improvements in general conditions of employment

"Service leave to increase from a maximum of three days to six days

"Separation payment — to be funded entirely by the employers — ranging from 10 days pay to a maximum 35 days pay

"An increase in short term lay-off benefits in excess of 180 percent"

These offers are apart from an agreement to review the total grading structure, which could have enormous cost implications — to be carried by the employers The employers believe their offer, seen with existing benefits, is amongst the best in the country — Sapa

RDM 23/7/82 (192)

Meeting on motor men's strike ends in deadlock

By STEVEN FRIEDMAN
Labour Correspondent

AN INDUSTRIAL council meeting called to resolve the pay dispute between Port Elizabeth and Uitenhage motor manufacturers and Fosatu's National Automobile and Allied Workers' Union ended in deadlock yesterday

As a result, the council's disputes procedure would now come into effect, announced the chairman of the industrial council, Mr Fred Ferreira

This is the first step towards a legal strike or lock-out in the dispute, which has halted all vehicle production in the area over the past week

Despite the deadlock, production resumed at Volkswagen's Uitenhage plant yesterday as the company opened its gate to allow in workers, who had downed tools last Thursday

Employer sources indicated that full production is likely to resume at Ford's and General Motors' PE plants early next week Limited production could resume at Ford today

NAAWU officials, who were holding a series of meetings with their members last night to discuss the deadlock, could not be contacted

All vehicle production in the area has been halted since last Thursday when at least 10 500 workers downed tools NAAWU claims employers have been implementing a lock-out since the day after the strike Employers deny this

The council met twice yesterday in an attempt to resolve the pay dispute in which employers have offered a minimum of R2,15 an hour NAAWU originally demanded R3,50 but it has since indicated it will accept much less

No new wage proposals were made by either side and they are now formally in dispute A legal strike or lock-out will not be possible before the end of this month — when the present wage agreement expires — at the earliest

At Volkswagen yesterday a company spokesman said workers had returned to work staggered shifts, as agreed with NAAWU shop stewards on Wednesday

Ford and GM stayed closed GM said it had told unions of its re-opening plans at yesterday's meeting, but did not reveal the plans It is understood that full production is likely to begin again early next week

Mr Ferreira said Ford, which said it could not re-open its plant until it received a NAAWU assurance that all workers would return, had not been given this undertaking yesterday

But he said the motor company had told NAAWU it would re-open the plant if "substantial numbers" of workers returned However, because two of the company's four plants had worked on the day of the stoppage, some workers would have to return earlier than others to allow production in some areas to catch up

It is expected that the plant could resume limited production today, with full production beginning early next week

Dispute now declared in the motor industry

192

E. Post

23/7/82

By SANDRA SMITH

A FORMAL dispute was today declared by the Industrial Council for the Eastern Cape Motor Manufacturing Industry, the latest development in a situation which has seen motor plants shut for a week

Ford now plans to reopen its Cortina and engine plants on Monday

With the exception of Ford's two other plants, the entire industry in the East Province, shut for more than a week, should then be back in production

Today a third meeting of the council was adjourned to enable the parties — two unions and the employers — to decide on what form the dispute should take

Partial production began at Uitenhage's Volkswagen plant yesterday and production is expected to resume on Monday at the General Motors plant in Kempston Road

Ford's director of Industrial Relations, Mr Fred Ferreira, said today the company hoped to get the cut-and-sew seat section going today

Most workers in these plants are members of the Motor Assembly and Component Workers Union (Macwusa) which has not supported the strike

At a meeting last night Ford workers decided to return on Monday — even if the gates remained locked

Yesterday the council followed the procedure for the declaration of a formal dispute after deadlock was reached between the parties on the issue of minimum hourly wages

Naawu has asked for an increase for grade one workers from R2 to R2,50 an hour, increasing by 25c every six months for 18 months

Ford, GM and VW have refused to budge from an offer of R2,15 an hour

The dispute involves more than 11 000 Naawu members Although the dispute involves the SA Iron, Steel and Allied Industries Union, its members have not been on strike

GM has informed shop stewards that paintshop workers and material handling start-up crews should return tomorrow and the rest of the 4 000 strong workforce on Monday

However, at a meeting in the West End Community Centre last night GM workers decided that everyone should return on Monday

Ford is waiting for an assurance from Naawu that all its members will return "so that production can proceed in an orderly fashion", before announcing when the plants will open, Ford's director of public affairs, Mr Dunbar Bucknall, said today

However, Naawu officials insist that the restart must be negotiated with shop stewards

Three industrial council meetings are required for declaring a dispute Two were held today and the final meeting was adjourned at 10 30am until August 5

Car component manufacturers hit by strikes at motor plants

E. Post 24/7/82

By WAYNE ASHER and ANDREW DONALDSON

MANY of Port Elizabeth's smaller components industries fear that the continuing strikes at the city's two major motor companies could soon threaten their livelihood

The managing director of Silverton Engineering, which specialises in radiator manufacture, Mr J Kozakiewicz, said "everybody" has been affected by the strikes

"The motor companies have told us not to deliver components as there is nobody to receive them," he said

"They have asked us to hold over our July production until August Our July consignment is just sitting on the shop floors at the moment"

Mr Kozakiewicz said because there was no work available at present for his labour force, he had given them a week's leave, and if the situation did not improve he would have to start laying off workers

One spokesman for a components company said there could be "a serious problem" for the smaller manufacturers if the strikes continued next week — especially if they did not receive payment for the goods they had produced

"Many of us need steel I would have to find an amount in the vicinity of R20 000 to meet my steel bill and that would mean a bank overdraft, repayable at a rate of more than 20% And that's a lot of money

"It makes me wonder if the workers on strike realise what they are doing to the rest of us"

A spokesman for Hella in Uitenhage, who supply all three East Cape motor manufacturers, said yesterday that the strikes would probably be short-lived

"However, if they went on for a considerable length of time, there could be a problem Cutbacks in releases from the motor industry would mean having to re-schedule and re-budget"

The manager of the component suppliers, Autopress, Mr Mike Dibben, said they were still producing but were affected in that they "cannot deliver any parts — there are no facilities at the plants for off-loading at the moment"

He said his 60-man work force were still "safe" as they supplied other companies as well

"But I believe the releases could be pushed back by a month — in other words, we may lose a full month's production

"The motor companies have said they are only taking critical parts that they may be running out of"

Another firm, which asked not to be named, employed 100 workers and said that their pressing section had been affected, but their heavy engineering work was continuing

Mr Chris Mangold, managing director of ACEM holdings, said it was not yet necessary to go on short time, but they had been working very hard to "glean other waters" from outside the motor industry, in case they lost business there

Mr V M F Villaneuva, manager and owner of Harvic Engineering and Tooling, said his company, which made steering brackets and seats for suspension springs, was just "building for stock" at the moment

Mr Neil Dunn, administrative manager of C and T Products, which specialises in sheet metal components, said "We are lucky because our company is concerned with building diesel electric locomotive bodies for the General Motors plant at Aloes — and they weren't hit by the strike So we can still supply them"

The managing director of Armourplate Safety Glass, Mr B E Danoher, said it was too early to have any "major effect" on his company

"The strikes have not affected our deliveries to other parts of the country, like the Reef, East London and Durban," he said

If, however, the strikes continued, he said his company would be forced to consider going on short time "We cannot keep people standing around on the shop floors doing nothing," he said

Mr Ron McLuckie, personnel manager of Borg-Warner SA, said yesterday that the strike in the motor industry had had no significant effect on the operation of his company

A spokesman from the Firestone Tyre Company said the strikes have had no effect on the company

Spokesmen from Onvlee Engineering, Busaf Auto Components and Dorbyl Automotive Products — parent company of Busaf — declined to comment on the situation

Ford and GM plants operational on Monday

Weekend Post Reporter

FORD'S Cortina and engine plants are due to re-open on Monday morning following the stoppage which began 10 days ago and paralysed the three Eastern Cape motor plants

General Motors have also announced their intention to be operational from Monday

Volkswagen re-opened its plant on Thursday

Ford's Neave and truck plants will however, remain closed These are manned by members of the National Automobile and Allied Workers Union (Naawu)

Ford's Cortina and engine plant workers are mostly members of the Motor Assemblers and Component Workers Union of South Africa (Macwusa) — who were not party to the wage negotiations because of their refusal to take part in the Industrial Council system — and have refused to support their Naawu colleagues in the strike.

Price 15c plus 1c tax

VW and GM open, but snag at Ford

(192) E. Post 26/7/82

By SANDRA SMITH

PRODUCTION returned to normal at General Motors and Volkswagen today, but at Ford there was only a partial re-opening

About 1 700 workers at two of the Ford plants were locked out for the fifth day

Production resumed at Ford's Engine and Struandale plants, but 72 workers in the cut-and-sew seat section refused to return to work

Ford spokesmen said production would resume at the two closed plants once the National Automobile and Allied Workers Union (Naawu) gave an assurance all workers would return and when the cut-and-sew section was in operation

However, at a meeting in the Gelvandale Community Centre yesterday, Ford workers decided that if management did not open all Ford plants, the cut-and-sew section would not resume work

Ford's Director of Public Affairs, Mr Dunbar Bucknall, said today production was started with a skeleton crew at the cut-and-sew section on Friday This was to produce enough stock to open the Cortina plant in Struandale today

The section, staffed mainly by Naawu members, was opened today, but workers refused to start work when management representatives told them the Truck and Neave plants would only open once cut-and-sew had resumed production

All the locked-out workers and those from the cut-and-sew section then gathered at the Gelvandale Community Centre for a meeting

Union officials said in terms of the existing Industrial Council agreement Ford should open its Truck and Neave plants, and pay workers two hours' short-time wages if they were then sent home

Union officials said Ford's failure to do this "constituted a lock-out, which was illegal"

Production returned to normal at General Motors today The plant closed a fortnight ago after a breakdown in Industrial Council talks a fortnight ago

At the Volkswagen plant in Uitenhage, production was partially resumed on Thursday and returned to normal today

It is estimated the three motor manufacturers lost about R45 million in production during the strikes and associated closures

VW lost five days' production, representing about R10 million, not taking into account two half-days worked last week

Ford had lost about R21 million in production by Friday, and GM about R14 million

The Industrial Council for the Motor Manufacturing Industry of the Eastern Cape declared a dispute at a meeting on Friday after deadlock was reached over wage increases

It will meet again on Thursday to discuss the form the dispute will take Management is believed to favour arbitration, to which the union is opposed

● Picture — Page 2

CANDIDATE MUST enter in) the number of each question (in the order in which it has wered), leave columns (2) and

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NOTE CAREFULLY

1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering

2 Blue or black ink must be used for written answers The use of a ball point pen is acceptable Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used

3 Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book(s) are used

4 Do not write in the left hand margin

WARNING

1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed

2 Candidates are not to communicate with other candidates or with any person except the invigilator

3 No part of an answer book is to be torn out

4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

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Ford will open two of its plants tomorrow

(192) (144A) (152) E. Post 27/7/82

By SANDRA SMITH

THE Ford motor manufacturing company is to open its Neave and truck plants tomorrow

Ford's director of industrial relations, Mr Fred Ferreira, said today the cut-and-sew seat section resumed work today and there was now enough material to open the two plants tomorrow

The announcement came after the general secretary of the National Automobile and Allied Workers' Union (Naawu), Mr Freddy Sauls, had delivered a letter from attorneys to Ford management yesterday accusing the company of locking out workers illegally

There was a possibility of an urgent application for a Supreme Court interdict to force Ford to open its gates

Ford had said the two plants could open only once the cut-and-sew section was operational

The 72 cut-and-sew workers refused to start work yesterday when gates were closed to workers at the truck and Neave plants when they tried to return to work yesterday

Workers who gathered at these plants today were again locked out

The attorneys' letter said "Where there is a dispute in regard to the terms of a future agreement, your company has no right to cease operation on condition that the factory won't be re-opened until the dispute has been resolved

"In the circumstances, we are instructed to call upon you to re-open the factory at 7am on the 27th instant failing which our clients have no alternative but to move the court to oblige you to do so"

Naawu's regional secretary, Mr Les Kettledas, said in the light of Ford's decision to open the truck and Neave plants tomorrow, the union would probably reconsider applying for the Supreme Court interdict

Ford's four plants, and those of the General Motors and Volkswagen motor manufacturers, were closed after a strike on July 15 by members of Naawu

Production returned to normal at VW and GM yesterday but Ford opened only its engine and Cortina plants

Most of the workers at these plants are members of the Motor Assembly and Component Workers Union of SA (Macwusa), and did not support the strike by Naawu members after a deadlock in industrial council talks

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Degree/Diploma/Certificate for which you are registered (e g B A, B Sc) BBUSSc

Subject ECONOMICS 1A
(to be copied from the heading on the Examination Paper)

Paper No 1
(to be copied from the heading on the Examination Paper)

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LABOUR FM 23/7/82

Car wars (192) (189)

The past week's strike involving more than 10 000 workers is one of the biggest to have hit Eastern Cape motor manufacturers

However, substantial stocks of most models are available to dealers and providing the strike ends soon there should not be shortages "We are in a better position than we were during last year's strike at Firestone, which also resulted in some motor manufacturing employees initiating a sympathy stoppage," says one industry source.

There has certainly not been an air of desperation surrounding employers' efforts to persuade employees to return to work — and leaders of the National Automobile and Allied Workers' Union (Naawu) have accused them of initiating an organised campaign to weaken the union But, says one employer "It was not us who started this strike They walked off the job while wage negotiations were in progress"

By midweek there were signs that the strike was coming to an end. Members of the Naawu who downed tools on July 15 over wage demands had begun to indicate a willingness to return to work

Volkswagen announced that limited production would begin from Thursday this week and that full production should be achieved by next Monday. General Motors said unions would be told later in the week when operations would be resumed Ford indicated that production would start when Naawu officials had firmly indicated that workers were ready to return to work

There have been union complaints that all workers had been willing to return to work from Tuesday, but that they were locked out by employers Employers' response to this is that too few had been arriving for plants to be re-opened, and that due to the very nature of their operations, companies have to formulate a fairly complicated schedule for phasing in production

The strike does not appear to have affected companies in the region which supply components to the motor manufacturers In recent months some have been hard pressed to meet production targets and the strike has given them time to build up stocks

Minimum pay

The strike followed demands by Naawu at industrial council negotiations that minimum pay should be raised from R2 to R3,50/hour Employers, insisting that the economic slowdown would slash car sales in the coming year, offered a R2,15 minimum

Even if Naawu members return to work within the next few days, difficult pay negotiations still lie ahead Naawu has indicated that it is willing to compromise and the union says workers may accept an agreement to raise the minimum to R2,50 immediately and to phase in the R3,50 minimum over a period of time

Although the dispute is about pay, University of Port Elizabeth labour academic, Professor Roux van der Merwe, also points to worker dissatisfaction with the industrial council system He says although Naawu is a party to the industrial council for the industry, rank and file membership questions the integrity of the government's labour reforms and claims that they have been nullified by detentions and harassment of unionists A deep distrust of the system remains, he says

24/7/82 (346) (192) (4011) (192) MDH

Industrial council set to meet again on Cape wage dispute

By STEVEN FRIEDMAN
Labour Correspondent

THE East Cape motor industrial council will meet on August 5 to decide whether to refer the wage dispute between employers and unions, including the National Automobile and Allied Workers Union, to mediation or arbitration, according to industrial council chairman Mr Fred Ferreira

And yesterday, a General Motors spokesman said the company's Port Elizabeth plant would re-open for full production on Monday, with limited production operations being carried out today

At Ford, public affairs director Mr Dunbar Bucknall said two plants — both of them staffed mainly by members of the Motor Assembly and Components Workers Union, who did not join the stoppage, would "hopefully" start up on Monday

It was not yet clear when the plants staffed by NAAWU members would resume production, he said

Volkswagen resumed limited production at its Uitenhage plant yesterday and will return to full production on Monday

On Thursday, talks aimed at settling the dispute ended in deadlock

Vehicle production at the two PE plants has been halted since last Thursday in what NAAWU labels a "lock-out", while employers say workers have been on strike

A statement yesterday by the Eastern Province Automobile Manufacturers' Association, which represents the three companies, said employers were "disappointed" that "no progress was made" at Thursday's meeting

The statement said the R2,15 minimum wage offer represented a rise in basic wages of 19,4% since August last year "Over the corresponding period the forecasted Consumer Price Index increase was 16%," it added

NEWS

Industrial Week 27/7/82

CI confirms Tvl take over

CI INDUSTRIES, Pinetown, has announced the take over of the Morewear/Busaf Transvaal body-building operation together with its commercial vehicles and cargo vans divisions, based in Chamdor, Krugersdorp

Morewear/Busaf Transvaal, part of Dorbyl Automotives Products will cease body, trailer and tipper operations from August 1, 1982, with the exception of work in progress

The deal involves the transfer to CI of certain Busaf staff, tooling and engineering designs and drawings and an important after-market parts and service facility

Rob Heywood, MD of CI Industries — part of the Murray and Roberts Group — says that the amalgamation will take place straight away

New factory

Busaf Transvaal general manager, John Davies, has moved to CI as divisional general manager of the CI commercial vehicles plants at Chamdor, Johannesburg and Pinetown

In recent months the firm has spent almost R10-million on the purchase of the Chamdor factory and the construction of a new factory in Pinetown, together with new machinery and tooling

"Strategically, this strengthens our commercial vehicles arm and broadens our immediate scope of operations tremendously," says Heywood

"The take over means that CI will take over the sole rights to the Morwear underfloor tipping gear as well as the LHL axle, both of which have very nearly 100 % local content

Production

We will immediately to into the production of end-tipping semi-trailers and rigid tippers This will supplement the current work on rigidised aluminium cargo vans body systems and dry freight vans

'We are also entering the field of refrigerated units says Heywood

He adds 'Morewear has added to our strengths in the burgeoning refurbishing operations in our Cleveland factory

CI Industries is now the second largest truckbody tipper/trailer manufacturer in SA

TRANSPORT

Heavies to stay in PE, says Sigma

(192) Industrial Week 27/7/82

Staff Reporter

RECENT announcements that the Sigma Motor Corporation will merge Sigma Power's trucking activities with the passenger car operations at Sigma Park, were further elaborated this week

Industry has been speculating on how Sigma was going to merge the widely different manufacturing requirements of heavy trucks with those of motor cars — no other company has been able to manage it

Details

Manufacturing details, given to Industrial Week, indicate that the heavy commercials, including Mack and the big Mitsubishis will, in fact, stay at Sigma Power's factory in Port Elizabeth So there is no change there

Leyland's Blackheath plant has been building for Sigma the L300, Canter, T-series and B1600 light delivery vehicles, which will be moved to Sigma Park "during the next few months", says a spokesman for the company

It is not clear whether this will involve any change in component supply, but it is thought unlikely

What is uncertain, however, is what is going to happen to the Blackheath Plant which Sigma bought from Leyland for R14 million

The company decided soon after the purchase that it no longer needed the factory

The forecast drop in demand for cars and trucks has not as yet materialised, this suggests, that Sigma's decision not to move into Blackheath — if taken on these grounds — might have been hasty

Automation

On the other hand, Sigma's plans for its head office plant just outside Pretoria are well advanced

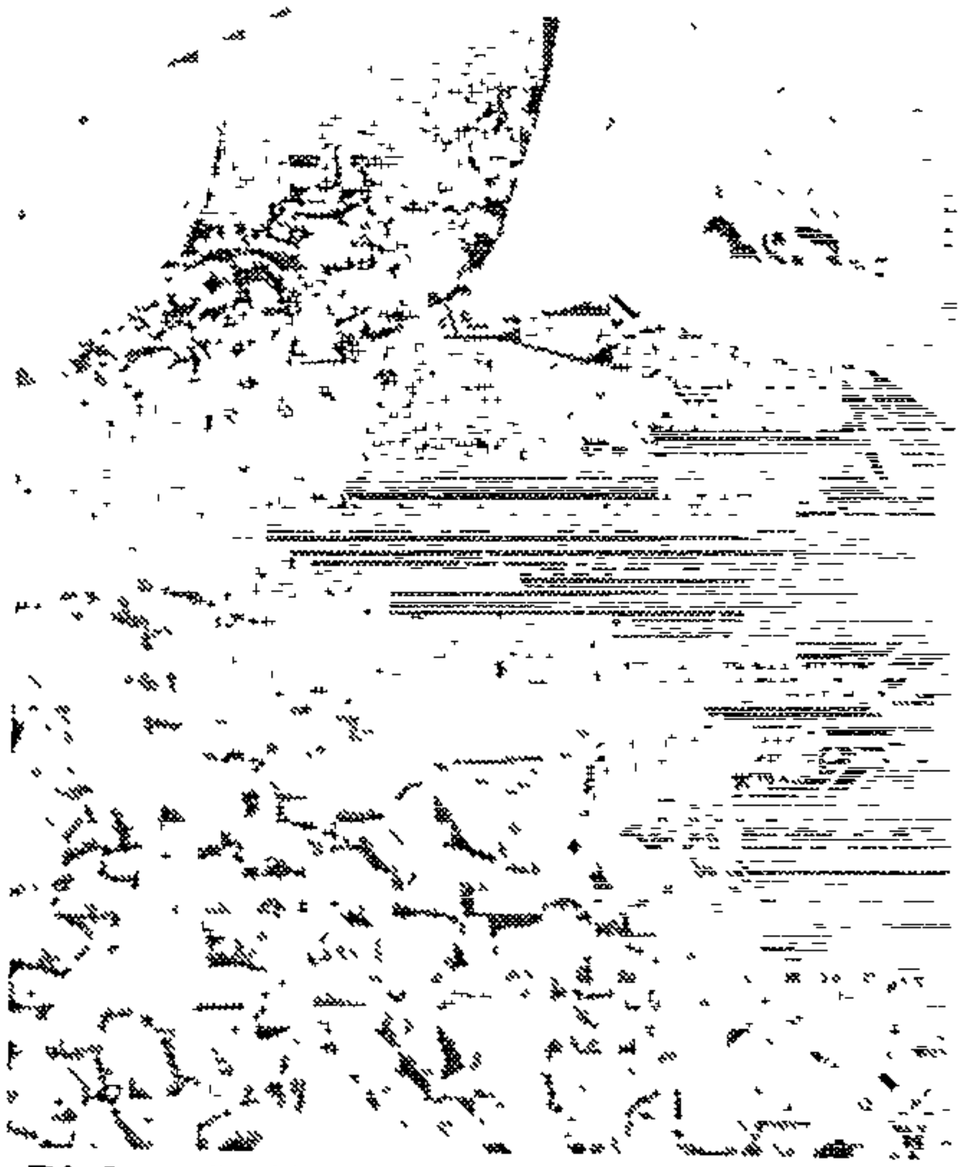
These include certain aspects of automation being integrated into production lines to reduce the company's reliance on labour

The overall plan goes deeper than cosmetic rationalisation, the only major outstanding issue being what the company can do with its Blackheath plant

Take over

It takes over officially from Leyland in January and it was originally intended that the light commercials would stay there and possibly be joined by the Mack and Mitsubishi models

New Cat prove

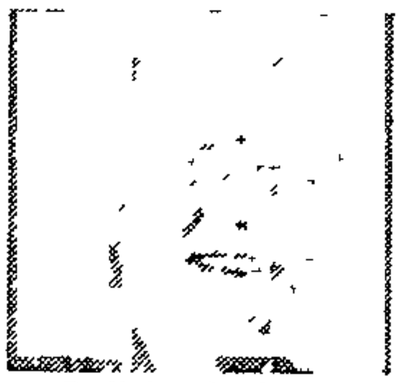


This Caterpillar 966D recently started work at Hippo Quarries' operation at Libanon Mine near Westonaria The machine is fitted with a cab manufactured by Oshkosh in Paarl.

Timken presents plaque to SATS chief

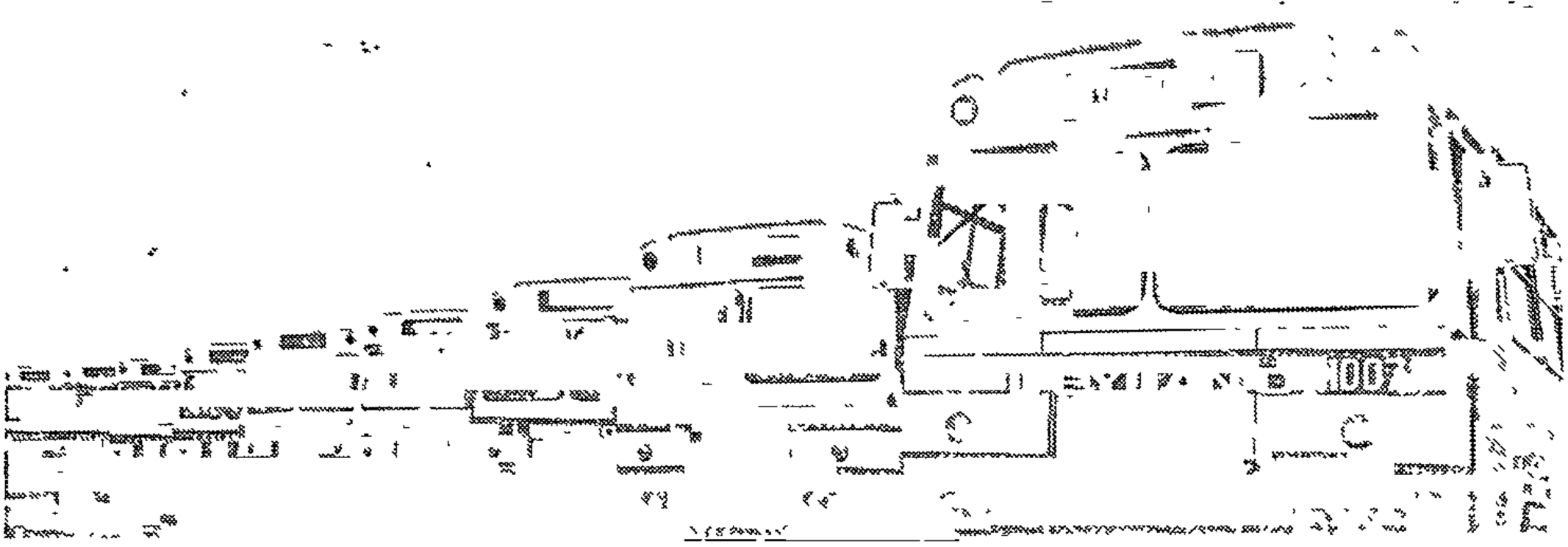
DR KOBUS LOUBSER general manager of South African Transport Services (SATS) was recently presented with a commemorative plaque by Timken SA to mark the production of the 500 000th "AP" railway bearing at the company's Benoni plant

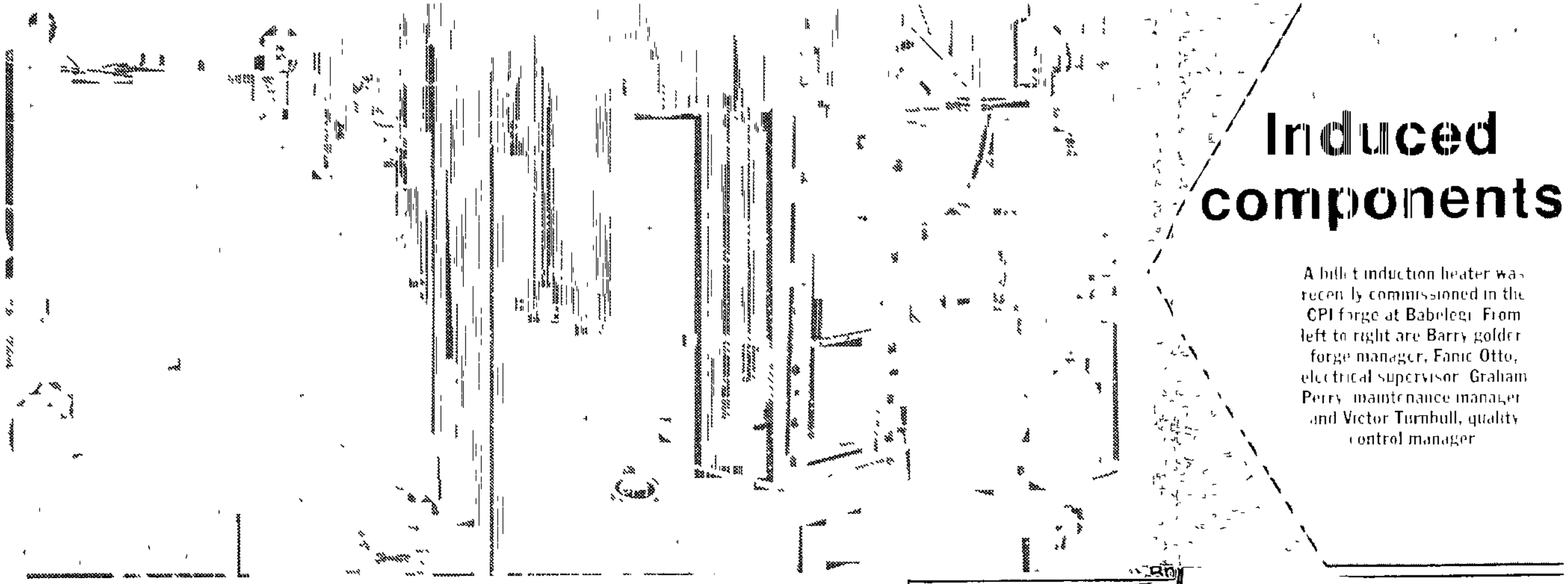
Timken's vice president of International Operations, Peter Ashton flew to SA to present the plaque



Dr Kobus Loubser.

UTH opts for Leyland buses





Induced components

A billet induction heater was recently commissioned in the CPI forge at Babelegi. From left to right are Barry golder forge manager, Fanie Otto, electrical supervisor, Graham Perry, maintenance manager and Victor Turnbull, quality control manager

Car parts plant forges ahead

192

Industrial Week

27/7/82

By Priscilla Whyte

CAR-PART Industries (CPI) is commissioning a R12-million forge at Babelegi, Bophuthatswana to supply steering and suspension parts to the R3 500 million a year automotive components market

CPI is one of the first local manufacturers of steering joints. With the gearing up for phase 5 of the Government's local content (66%) requirements in the automotive industry, all 13 local car manufacturers have contracted to utilise CPI components.

CPI's market penetration increased by 33% between 1980 and 1981 on steering parts and by 21% on suspension parts.

ADE orders for heavy duty water pumps and other engine components is expected to produce further turnover of R5 million yearly. Precision forgings from the R12-million forge (replacement value R19-million) will be supplied to SA Axles, Astas and Armscor.

A successful export drive has resulted in the supply of steering joints to Leyland Australia for army land rovers.

In 1974 CPI was struggling to compete against imports and local competition.

Joe Sery, MD of CPI says "We realised the only way to cut a growth path was in terms of the Government's local content programme. We knew it would bolster local industry and that the bulk of new car components would be made in SA."

CPI have taken advantage of the incentive offered by the decentralisation programme by moving its joints plant forge and a building in Bophuthatswana. Taxation in that country is 35% and the decentralisation programme deducts 20% of annual wages paid (for 7 years) to Tswanas and 10% (for 3 years) on plant and equipment.

The financial backing for the R12-million forge came from CPI (R4-million), CED (R2.6-million), BNDC (R3.5 million) and others R1.9 million.

CPI produce 11 000 joints a day and their closest competition is Quinton Hazell Superite, who produce 500. Sery is negotiating in Europe for the rights to manufacture rack and pinion gears.

The forge will be officially opened by president Mangope in September. When it is running at full production (February 1983) 40% of capacity will be used by CPI and 60% for sub contracting of high precision forgings.

46%

F/S

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Ford strikers refuse to resume

192

CAPE TIMES 27/7/82

Own Correspondent

PORT ELIZABETH — Workers employed in the cut and sew department of the Ford Motor Company yesterday refused an offer to resume work because the Neave and truck plants were still closed

The workers, all members of the National Automobile and Allied Workers' Union (Naawu), said they wanted all their colleagues to be allowed to resume work concurrently

They rejected management's insistence that a day's production in the cut and sew department was necessary before the two plants could reopen

Mr Dunbar Bucknall, director of public affairs at Ford, said the company had reached an impasse with the workers

Yesterday the Cortina and engine plants, staffed mainly by members of the Motor Assemblers and Component Workers' Union, reopened with high absenteeism on a limited production line

The closure of the factory 10 days ago followed a strike by more than 10 000 Naawu members employed in the Eastern Cape motor industry over deadlocked Industrial Council wage negotiations

Two PE car plants stay shut

ARGUS 27/7/82

Argus Bureau

PORY ELIZABETH — In spite of a warning of legal action to be taken against Ford Motor Company by the National Automobile and Allied Workers' Union (NAAWU) if the company did not open its gates to the union's members today, the two plants were still closed today

Early today a huge crowd of workers gathered outside the two Ford plants, as they have done now for six successive days

However, according to reports, they were told by the company that only workers of two important departments — "cut and sew" and "parts and accessories" — could start to prepare the way for the rest at a later stage

REFUSED

Yesterday they were also told that only a limited number of workers could start work at first But they refused, insisting that all should return to work immediately

By 9 am it was not clear whether the workers had dispersed

Yesterday Ford was served with a lawyer's letter on behalf of NAAWU

The letter says that "in closing down the factory and excluding the employees from the factory premises your company has committed an act of lock-out as is defined in the Industrial Conciliation Act

"Where there is a dispute in regard to the terms of a future agreement your company has no right to cease operations on condition that the factory will not be reopened until the dispute has been resolved

"In the circumstances we are instructed to call upon you to re open the factory at 7 am on the 27th instant, failing which our clients have no alternative but to move the Court to oblige you to do so"

CONCEDED

The letter said it appeared that when demands for new conditions of employment were made to the employers on behalf of the employees they were rejected This was reported to the employees on the factory premises on July 15 As a result they downed tools

"It is unequivocally conceded that this action constituted an illegal strike," it said

No spokesman for Ford was available today, but the director of public affairs, Mr Dunbar Bucknall, said yesterday that the company had reached an impasse with the workers.

Meanwhile, the Cortina and engine plants, staffed mainly by members of the Motor Assembler's and Component Workers' Union, have been working since yesterday on a limited production schedule

E. Post 28/7/82 (P12)

New VW training centre opened

VOLKSWAGEN's extensive apprentice training operation has moved into a new R1 million centre in Uitenhage

Announcing this, the company's industrial relations director, Mr Ollie Rademeyer, said

"Apprentice training — which accounts for R3 million of the total annual education and training budget of R4,5 million — has expanded to such a degree that our centre at the main plant in Uitenhage could no longer accommodate the people and equipment"

"Looking to the longer term and in view of the vital need to train apprentices, the company decided to provide a specialised facility and purchased the former Cam TRW plant in Uitenhage

"This has now been refurbished and equipped with the most up-to-date machinery and equipment and now consists of workshops, lecture rooms and offices

"Volkswagen at present has 222 apprentices undergoing training in six trades, consisting of toolmaking, turning, motor mechanics, machine fitting, electricians and welding

"We also have people undergoing general pre-apprentice training," said Mr Rademeyer

Last year, Volkswagen was the first company in South Africa to qualify black artisans through its apprentice training programme

Production normal at four Ford plants

(192) (Post 28/7/82)

By SANDRA SMITH

PRODUCTION returned to normal at the four Ford motor plants today after a strike nearly two weeks ago led to the closing of all the company's operations

The plants were closed on July 16 after a strike by about 3 000 members of the National Automobile and Allied Workers Union (Naawu) Production was partially resumed at Ford's engine and Cortina plants on Monday

The strike, which followed a deadlock in talks of the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape, also led to the closure of the General Motors plant in Kempston Road and Volkswagen in Uitenhage

Production returned to normal at GM and VW on Monday after the companies held talks with Naawu shop stewards on re-opening last week

VW's public affairs manager, Mr Rubin Els, said workers in certain sections had refused to do any overtime work

Naawu's regional secretary, Mr Les Kettledas, said the same applied to GM The GM spokesman did not wish to comment

One of the demands made by the union is that all overtime work be voluntary

In terms of the existing industrial council agreement, "an employer shall not require or permit a male employee to work more than 10 hours' overtime"

● The chairman of Volkswagenwerk, Mr C Hahn, is visiting the Uitenhage plant this week as part of a tour of Volkswagen plants throughout the world

Mr Hahn took over the reins of the giant multinational company in February.

Yesterday he held talks with union shop stewards at the Volkswagen plant in Uitenhage

He returns to Germany tomorrow

D F Scott workers return after walkout

E. Post 28/7/82

Post Reporter

MOST of the 15 workers at D F Scott wholesale merchants who went on strike yesterday in a bid for higher wages, returned to work today

D F Scott's manager, Mr N Pitsiladi, said only "two or three" had not returned, and new workers would be employed in their places

He said the strikers, about a quarter of the company's workforce, had asked for higher wages after comparing their pay with minimum wages paid by motor manufacturers

The minimum weekly wage at D F Scott is R38 The equivalant in the motor manufacturing industry is about R90 Mr Pitsiladi said the company was not considering raising wages

R45m

(192)

Mercury 27/7/82

That's what the big three motor firms are estimated to have lost . . . in a week

Mercury Reporter

THE big three motor manufacturers — Ford, Volkswagen and General Motors — suffered a mammoth estimated production loss of R45 million during last week's stoppage at their Port Elizabeth and Uitenhage plants, according to figures released yesterday

Well over 10 000 workers at the three motor assembly plants downed tools on July 14 following a deadlock at the motor industries' Industrial Council wage negotiations

And although production at Volkswagen and General Motors was back to normal yesterday, striking employees at key sections in Ford failed to resume work.

A Volkswagen spokesman said that considering 250 vehicles were produced at the plant daily, they had lost an estimated R2 000 000 a day during the course of the stoppage

Volkswagen workers resumed work on Thursday

At General Motors the majority of employees had reported for work yesterday, according to a spokesman, and they had resumed normal production

The spokesman declined to comment on production losses, but it is understood they lost an estimated R14 million because of the strike

Ford workers, who are members of the Fosatu-affiliated National Automobile and Allied Workers' Union, turned up at the plant's gates for the fifth day in succession yesterday but the gates were still closed, according to union sources

Follow

Workers from key sections such as the upholstery and parts divisions were invited to return to work, but refused to do so when they realised all the workers would not be re-employed simultaneously, sources said

Mr Dunbar Bucknall, director of public relations at Ford, said the workers could not appreciate that they would return alone the first day and that the rest of the labour force would then follow

In spite of this, he said, limited production had begun in the Cortina and engine plant.

Mr Bucknall estimated the company's production losses at R21 million during the seven days of the stoppage

Ford strike in PE ends

CAPE TIMES 29/7/92

PORT ELIZABETH — Production returned to normal at the four Ford motor plants yesterday after a two-week strike that led to the closure of all the company's operations

The plants were closed on July 16 after a strike by about 3 000 members of the National Automobile and Allied Workers Union (Naawu) Production was partially resumed at Ford's engine and Cortina plants on Monday

The strike — which followed a deadlock in talks with the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape — also led to the closure of the General Motors and Volkswagen plants in Uitenhage

Production returned to normal at GM and VW on Monday after the companies had held talks with Naawu shop stewards Workers in these two plants have refused to work overtime since their return

Volkswagen's public affairs manager, Mr Rubin Els, said workers in certain sections had refused to work any overtime

Naawu's regional secretary, Mr Les Kettledas, said the same applied at GM A General Motors spokesman was not available for comment.

One of the demands made by the union was that all overtime work be voluntary

Ford announced on Tuesday it would open all its plants yesterday, as the cut-and-sew seat section had produced enough material.

On Monday, Naawu delivered an attorney's letter to Ford saying the union would take the matter to court if the two plants did not re-open yesterday

The chairman of Volkswagenwerk in Germany, Mr C Hahn, is visiting the Uitenhage plant

He held talks with union shop stewards at the Volkswagen plant in Uitenhage yesterday — Sapa

Workers down tools at VW

E. Post 27/7/82

192

Post Reporter

HUNDREDS of workers at the Volkswagen plant in Uitenhage downed tools today and the rest of the more than 5 000 work force were sent home

This is the latest development in the labour unrest which burst on the Eastern Cape scene early this month, leading to the closure of all three local motor manufacturers — Ford, Volkswagen and General Motors

Ford opened all its plants yesterday, but workers at GM and VW, open since Monday, have refused to do overtime work

A National Automobile and Allied Workers' Union spokesman said today they were trying to get clarity on the situation at VW

A VW spokesman confirmed the walkout He also said there seemed to have been a go-slow as production had fallen off this week

Staff won't work extra hours

E. Post 29/7/82

Post Reporter

MOST black workers at Borg-Warner, a motor industry component manufacturer in Uitenhage, have refused to do overtime work for nearly a month after a deadlock in wage negotiations

This was said by a spokesman for the National Automobile and Allied Workers' Union (Naawu)

Naawu is involved in wage negotiations with three Uitenhage component manufacturers — Borg-Warner, SKF Bearing Manufacturers, and Bosal Afrika

Borg-Warner and SKF are affiliated to the Steel and Engineering Industries Federation of South Africa (Seifsa) which, at an industrial council hearing this year, offered all workers a 30c increase in minimum wages

Borg-Warner workers have demanded a minimum hourly wage of R3 Present minimum is R2

Last week Naawu modified its demand and proposed an immediate minimum wage increase to R2,50 an hour, increasing to R3 by April, 1983 The company has rejected this proposal

At SKF Bearing Manufacturers, management has also rejected a demand for a minimum wage of R3 an hour.

The company has rejected a union proposal calling for equal pay for women employees in the same job categories as men

Despite a deadlock, SKF Bearing Manufacturers has paid an increase in hourly wages from R2 to R2,30 since the expiry of last year's agreement on July 1

On Tuesday, shop stewards at Bosal Afrika presented management with a demand for a minimum hourly wage of R2,50

BUSINESS 14 TR

Busaf to move in merger

Star 29/7/82

By Stan Kennedy

C I Industries, Pinetown, has announced the amalgamation of the Morewear / Busaf Transvaal body-building operation with its own commercial vehicles and cargo vans division at Chamdor, Krugersdorp

The deal involves the transfer to CI of certain Busaf staff, tooling and engineering designs and drawings, and the important after-market arts and service facility

Morewear/Busaf, part of Dorbyl Automotive Products, will cease body, trailer and tipper operations in the Transvaal on August 1, with the exception of work in progress

In recent months, CI has spent about R10 million on the Chamdor factory and the building of a new factory in Pinetown, together with new machinery and tooling

"Strategically, this strengthens our commercial vehicles and broadens our immediate scope of operations tremendously," said Mr Rob Heywood CI's managing director

SOLE RIGHTS

"The acquisition means we will take over the sole rights of the Morewear underfloor tipping gear as well as the LHL axle, both of which have almost 100 percent local content"

C I will now move immediately into the production of end tipping semi-trailers and rigid tippers This is in addition to its current operations in the rigidised aluminium cargo vans body systems, dry freight vans, pantechnicons and flat-deck trailers

Busaf Transvaal general manager Mr John Davies has moved to C I as divisional general manager of the commercial vehicle plants in Krugersdorp, Johannesburg and Pinetown

C I is part of the Murray and Roberts group.

42%

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WARNING

1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering
2 Blue or black ink must be used for written answers The use of a ball point pen is acceptable Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used
3 Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book(s) are used
4 Do not write in the left hand margin

1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed
2 Candidates are not to communicate with other candidates or with any person except the invigilator
3 No part of an answer book is to be torn out
4 All answer books must be handed to the commissioner or to an invigilator before leaving the examination

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

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(192) Cape Times 28/7/82

Ford: Full production after concessions

Own Correspondent

PORT ELIZABETH — Ford South Africa will resume full production today after apparent concessions by both workers and management regarding the company's reopening procedure

Today's reopening of the Neave and truck plants follows resumed production in the "cut and sew" and "parts and accessories" departments yesterday morning

It also follows the delivery of an attorney's letter by Mr Fred Sauls, general secretary of the National Automobile and Allied Workers' Union (Naawu), to Ford management on Monday warning of court action if the factory did not reopen

Ford management closed its plants after a strike by more than 10 000 Naawu members halted production at the three major motor manufacturers in the Eastern Cape on July 15

The strike followed deadlock in wage negotiations in the Industrial Council for the Motor Industry in the area

General Motors and Volkswagen resumed full production on Monday but Ford opened only its Cortina and engine plants, which are staffed mainly by members of the Motor Assemblers and Component Workers' Union of South Africa (Macwusa), who did not support the strike action

The rest of the factory, where Naawu is in the majority, remained closed

On Monday, the 72 cut and sew workers refused an offer to resume work, insisting that all their colleagues be allowed to resume work with them

They rejected management's claim that a day's production in the department was necessary before the other areas could reopen

Yesterday, however, they agreed to return to work after only the parts and accessories department workers had also been invited to resume work.

TRUCKING (192)

Freeing the heavies

FM 30/7/82

The Board of Trade and Industry (BTI) will have its work cut out in revising the duty protection on diesel engines fitted to extra-heavy commercial vehicles

Truck manufacturers have pressed repeatedly for such engines to be exempt because fitting the engines produced locally by Atlantis Diesel Engines (ADE) necessitates drastic changes to the cabs and chassis of the big trucks concerned The difficulties in fitting the ADE "V" type engines are particularly great

At present imported engines smaller than 22*l* are subject to duty A reduction in this size limit would permit truck builders to import engines immediately above it at prices far cheaper than those produced by ADE

The BTI is trying to devise a protection proposal which creates a sliding scale in kW engine ratings The drawback is that it would be impossible for the Department of Customs and Excise to measure this

It is a simple matter to derate or uprate an engine, and it could easily be changed after customs inspection by the time it is installed in the chassis

Another alternative is a measure based on swept volume (engine size in litres) But it is understood that ADE has objected to this on similar grounds

ADE itself markets the 407 engine type in three forms derated, turbocharged, and turbocharged inter-cooled This gives a wide range of power output with the same swept volume — a philosophy pursued by Cummins, Caterpillar, Rolls Royce, Gardiner, and others

Yet another proposal, based on total vehicle price, was rejected early in discussions between the BTI, the National Association of Automotive Manufacturers of SA and ADE A truck in the 60 t category, it was agreed, could cost anything between R60 000 and R120 000

Says ADE executive Barry Osler, "We have come up with a proposal based on Gross Combination Mass (GCM) which in terms of the Road Ordinance has to be plated on all vehicles sold by manufacturers Our top limit would be about 60 000 kg and the duty protection would be reduced at a rate of 3% for every 1 000 kg above that figure

"This would be a fairly easy scheme to administer because according to SABS recommendations, minimum power requirement for vehicles is 4,1 kW per 1 000 kg A 60 t GCM vehicle would on this basis need a minimum power output of 246 kW In this way we achieve a link back to engine power"

Car industry production disrupted

CAPE TIMES 30/7/82

Own Correspondent

PORT ELIZABETH — Production was disrupted at Ford, General Motors and Volkswagen yesterday

At Volkswagen in Uitenhage, 2 000 workers were sent home yesterday after repeated requests to them to resume work had been ignored, said Mr Bob Kernohan, press relations manager for the company

Management had delivered an ultimatum to employees to get production up to "normally achievable production targets" within an hour of starting their shifts this morning or face being sent home again

At General Motors, a shop steward claimed the company was yesterday faced with so many cars with missing or ill-fitting parts that it threatened to close the plant on Monday

Threats

He also said workers had claimed foremen were threatening them when they said they could not work overtime because of prior commitments

Ford workers in the Neave and truck plants demanded their pay slips to know what they were to be paid during the factory's closure when they had been at the gates every morning available for work

They were told they would receive their payslips this morning

The demand halted production in the trim section in the Neave plant for two hours

The three companies were closed after production was halted by a strike on July 15 by more than 10 000 members of the National Automobile and Allied Workers' Union (Naawu)

Deadlock

The strike followed deadlock in Industrial Council wage negotiations for the motor industry in the Eastern Cape

Volkswagen's closures came after workers in the press and body shops downed tools

A shop steward said the workers had said they wanted management to accede to Naawu demands

The union is demanding an immediate R2 50 an hour minimum wage with an eventual R3 25 rate Management has offered a R2 15 hourly minimum

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Examiners' Initials		

NOTE CAREFULLY

1 Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering

2 Blue or black ink must be used for written answers The use of a ball point pen is acceptable Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used

3 Names must be printed on each separate sheet (e g graph paper) where sheets additional to examination book(s) are used

4 Do not write in the left hand margin

WARNING

1 No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed

2 Candidates are not to communicate with other candidates or with any person except the invigilator

3 No part of an answer book is to be torn out

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Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

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STRIKES FM 30/7/82

Motor men back

(152) (139) (192)

Eastern Cape motor assembly plants have resumed production in the wake of a more than week-long work stoppage by thousands of members of the National Automobile and Allied Workers' Union (Naawu) But difficult negotiations still lie ahead over the deadlocked pay dispute

By midweek full production was being achieved at GM and Ford, while operations were running smoothly at Volkswagen, except for a refusal by employees to work overtime Negotiations were being held between VW management and shop stewards

A dispute has been declared on the wage issue and the union and employers will meet next week to discuss the possibility of resorting to mediation or arbitration

The sudden walkout by more than 10 000 Naawu members on July 15 came in the wake of the union's demand at industrial council negotiations that minimum pay should be raised from R2 to R3,50/hour This demand has since been scaled down, with the union now asking for an immediate R2,50/hour and a commitment by employers to phase in the R3,50 over a period of time Employers are offering R2,15/hour

Although by the middle of last week there were clear indications that many Naawu members wished to return to work, production only got away properly this week due to employers' insistence that certain procedures had to be adhered to in phasing in production As a result, not all employees could start work at the same time

This was condemned by union leaders, who claimed employers were implementing a lock-out Some have been especially critical of Ford management, but the company has complained that the problem was one of communicating with the union Ford insisted that plants could not open until the union had given an assurance that workers were willing to return to their jobs "We tried to deal with the union, which is the proper channel of communication, to ensure that production started in an orderly manner," a company spokesman said

Some observers believe the union has been harmed by the stoppage and say it raised expectations too high by demanding the R3,50 minimum Union members, who downed tools at a time when companies had ample stocks for dealers, are returning to work financially weaker than they were when wage negotiations started

Observers say a R3,50/hour minimum — which would result in the lowest paid worker receiving about R660 a month — would have had a dire effect on the cost structure of an industry to which automation is becoming an increasingly attractive option

Output low: VW sends 1 000 home

Cape Times 31/7/82 (192)

Own Correspondent

PORT ELIZABETH — More than 1 000 assembly workers at Volkswagen were sent home yesterday morning after only four hours of their shift because of excessively low production in the company's manufacturing sections on Thursday

Yesterday afternoon Mr Ruben Els, public affairs manager at VW, announced that the assembly area would also be closed on Monday because production was still too low yesterday

On Thursday morning 2 000 workers were sent home from the manufacturing area of the plant after workers in the press and body shops had downed tools

Workers at the company have also refused to work overtime since Tuesday

At Ford yesterday, workers from the truck plant were sent home at noon because normal production targets were not being met

Volkswagen, Ford and General Motors resumed their operations this week after closing down their plants two weeks ago following a strike by more than 10 000 members of the National Automobile and Allied Workers' Union which halted production on July 15

The strike followed deadlock in Industrial Council wage negotiations

Volkswagen go-slow hits production

192

RDM 31/7/82

By STEVEN FRIEDMAN
Labour Correspondent

PRODUCTION has been hit at Volkswagen's Uitenhage plant by a worker go-slow, causing hundreds of workers to be sent home

And union sources claim similar action has been taken at the other two motor plants in Port Elizabeth — only days after workers returned to the plants after a 10-day stoppage

The Volkswagen unrest has been prompted by the Eastern Cape motor industry's pay dispute — and a key factor is believed to be worker demands to negotiate directly with employers, rather than through the industry's industrial council

A go-slow and strike in two departments prompted the company to send home 2 000 workers on Thursday The 1 000 final assembly line workers were sent home yesterday because of a go-slow and will not work on Monday

And the National Automobile and Allied Workers Union said go-slows at the two Port Elizabeth firms had caused the early shutdown of one Ford plant yesterday and "serious production problems" at General Motors Both companies denied this

Worker sources also say there is a go-slow at a Uitenhage motor components plant, where NAAWU and the company are locked in a pay dispute

Workers returned to all three plants earlier this week after a stoppage which NAAWU labelled a lock-out and employers a strike It was prompted by a deadlock on workers' pay demands which has not been resolved

Volkswagen spokesman Mr Ruben Els confirmed a stoppage in the body and press shops on Thursday had resulted in 2 000 workers being sent home

Because of a continuing go-slow, final assembly line workers were sent home yesterday after four hours They would not be able to work on Monday because there was not enough production

"Workers now seem to be demanding direct negotiations with managements, rather than through the industrial council," he said

NAAWU organiser Mr Les Kettledas confirmed this but added "It's not that they want us off the council But they're getting nowhere with the official talks, so they want to tackle individual companies"

He claimed a go-slow at Ford had forced the closure of the truck plant at noon yesterday There had also been stoppages in two departments, he said

Union shop stewards told the Rand Daily Mail's PE correspondent that workers claimed they had been "locked out"

But a Ford spokesman said the disruption in one department was unrelated to the dispute and was caused by technical factors

At General Motors shop stewards claimed a go-slow had affected production to such an extent that the company had threatened to close the plant on Monday A GM spokesman denied this, however

Two engineering shops at motor industry employer, Uitenhage, are closed for a month to 20 workers, about the same number of workers.

Rand Daily Mail

The battle for a 'decent living wage'

ARGUS 30/7/82

A key issue raised in the recent strike by more than 10 000 motor workers and the subsequent closure of three Port Elizabeth motor companies for nearly a week after the workers had decided to return to work is that of a "decent living wage".

PHILIPPA GREEN, The Argus Labour Reporter, reviews the recent motor strike in Port Elizabeth

●Naawu had not supported MACWUSA in strikes last year at Ford, General Motors and Firestone

●Naawu members had stopped work for only five minutes during the half-hour work stoppage to mourn the death of trade unionist, Dr Neil Aggett, in spite of a call by Naawu's mother body, FOSATU, to support the stoppage

FOSATU has accused MACWUSA of being an "opportunistic" union which has been used by the employers to weaken and divide the majority of workers

On August 5 the Industrial Council will meet to discuss ways of resolving the formal dispute that was declared last week. There is little chance that there will be agreement on the manner of resolution.

said that while the report of the record car sales had been correct the market had been made "artificially high" through incentive programmes and discount schemes

But the workers disagree

"The employers are talking now about a downturn in the economy, but when there was a boom they did nothing to uplift the living standards of the workers," said Mr R Gamomo, chairman of the shop-stewards' committee at Volkswagen

Naawu has alleged that motor employers are co-operating on a national basis to crush the union

A further complication in the dispute between Naawu and the employers has been the attitude of the previously militant Motor Assembly and Components Workers' Union (MACWUSA), which represents part of the workforce

MACWUSA has refused to support the Naawu workers in their wage demands About 1 300 MACWUSA members manned the engine and Cortina plants on Monday and Tuesday this week before Naawu and Ford agreed on procedure for a return to work by the Naawu workers

A MACWUSA spokesman said the reasons for the refusal to support Naawu were

●The fact that the conflict erupted after a breakdown in Industrial Council wage talks MACWUSA rejects the Industrial Council system as "an apartheid vehicle geared to please management".

The display of strength by both the National Automobile and Allied Workers' Union (Naawu) representing the workers, and the three motor giants — Ford, General Motors and Volkswagen — in the deadlocked conflict has raised two further questions about the strategies of management and labour These are

●The allegations by Naawu that the motor employers are co-ordinating on a national scale to undermine the power of the union

●The inter-union conflict that has emerged in Port Elizabeth with the Motor Assembly Component Workers' Union (MACWUSA) members refusing to support their fellow workers in their demand for R2,50 an hour.

Previously the demand had been for R3,50 an hour a

Thousands of workers at two mass meetings held in Port Elizabeth last week stressed that they did not consider their demand for R2,50 an hour excessive

Although motor workers are probably the highest paid factory workers in South Africa, the workers and their union consider themselves in the forefront of the battle for a "decent living wage" for all workers

The chairman of the shop-stewards' committee at Ford, Mr Douglas Slingers, said the battle was an important one for "our futures and our families' futures".

Another worker said their children should remember them as the ones who fought for a better standard of living for workers of the future

Naawu's mother body, the Federation of South African Trade Unions (FOSATU), has come out in strong support of the workers' demands for a decent living wage and a better standard of living

Referring to a report of record car sales over the past two and a half years, FOSATU said they made a "mockery" of the 7,5 percent increase offered by the employers "This does not even compensate for the increase in the cost of living," said the federation.

The employers, who have stood by their original offer of R2,15 an hour, maintain they cannot afford further increases

Mr Fred Ferreira, Ford's industrial relations director, said the motor firms paid "substantially higher" wages than any other employer in the country and they were "well in excess of the minimum living wage" Employers could not afford to pay the R2,50 an hour the workers were demanding, he said

Mr Rubin Els, PRO for Volkswagen,