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10 SEPTEMBER 1986

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SAVIMBI ON RSA SUPPORT, SOVIET AGGRESSION

MB110914 Johannesburg Television Service in Afrikaans 1800 GMT 10 Aug 86

[Text] At a recent pass in review parade of UNITA forces, Dr Savimbi expressed himself strongly against the Russian presence in Angola and aligned himself to South Africa. We look at an excerpt from his speech.

[Begin Savimbi video in English] I want to deal with the present situation in which South Africa, Namibia, and Angola they are in, a very difficult time which needs (?such) people. The South African situation is different, but is different because President Pieter Botha decided to make a place in the political life, in social life, and economic life, a place for every South African in South Africa. But because this would lead to a major victory in South Africa the enemy has to make it [word indistinct] the major battle that we have to face from now on will no longer be fought on the grounds of color but on the grounds of ideology, what we want to be next, what we want the generations to come to be. We want to remain free with problems that we can settle for which we have an idea how to formulate a strategy or we want to become slaves of the Soviet Union, and we have the example of history that where the Soviet Union has gone, in Poland, in Czechoslovakia, in Hungary, Bulgaria, East Germany; those people they became more slaves than the slaves of ancient times.

(?With) What we want to leave for the next generation we want to be (?coward) enough not to face the enemy [as heard]--in my mother tongue there is a proverb which says: If you are confronted with a lion gather your courage and try to fight against it. We are confronted with the aggression from the Soviet Union. We have to be sure [word indistinct] Soviet Union even stronger, stronger than we in UNITA, stronger than South Africa, stronger than the Namibians, but the proverb is there--if you are confronted by a lion gather your courage. If you do you stand a chance to defeat the lion, but if you run away you know what is happening. We should not have [word indistinct], what is right, what we should do. And [word indistinct] the enemy who should be the friend, though the situation is difficult.

If the ANC takes over power we have lost. We in Angola we have lost, you in South Africa you have lost, the people in Namibia have lost, the next generations have lost and the Russians then have won. It is what we want to happen in this part of Africa. The problem of whites versus blacks is gone because President Botha is striving to find a place for everybody. But the reform

cannot succeed if it is done with hesitation, unless we give a clear time to those who want to join the reform, black, white, Indian, and colored, that they are friends, and we stand by them. Unless we give a very clear picture to our adversaries that they are enemies and we are prepared to face them whatever the consequences.

I have known for the past 11 years this South Africa. I have learned to know your anxieties, your courage, your hopes, your frustrations in your dealings with some African countries in the past, but also I happen to know your determination for the whites in South Africa to build up a nation where the blacks, the Indians, and the coloreds--they will participate in facing the future of that nation. That is a just goal that you are already embarked upon. [end video]

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CSO: 3400/378

STATEMENT URGES ACTION AGAINST 'IDEOLOGICAL AGGRESSION'

MB061524 Luanda Domestic Service in Portuguese 1900 GMT 6 Aug 86

[Statement issued by the MPLA-LABOR Party Central Committee Political Bureau in Luanda on 6 August]

[Text] The achievement of independence by the Angolan people under the leadership of the MPLA-LABOR Party and the late Comrade President Antonio Agostinho Neto on 11 November 1975 was a heavy blow to imperialism, which had been trying with all means at its disposal to prevent the installation of progressive and revolutionary regimes in southern Africa. The creation of people's republic in Angola and Mozambique shattered old dreams of imperialist supremacy and eternal domination on these territories, which had been the vanguard of colonialism in our region, and at the same time opened new prospects for the liberation struggle of the oppressed peoples of southern Africa. These events changed the correlation of forces in the region and threatened the exploitation of strategic resources and economic potential by the Western industrial nations.

The Angolan people's firm choice of socialism turned the People's Republic of Angola into the main target of imperialism. This resulted in armed aggression infiltration and puppet by bands mercenaries, commando units, and massive disinformation campaigns with the sole objective of destabilizing, and hastening the overthrow of its revolutionary government.

The Second MPLA-LABOR Party Congress in December 1985 was a great victory for the Angolan people from Cabinda to Cunene, united behind the ideal of a building a socialist motherland. The success of this event destroyed the last hopes of the counterrevolutionary masters, who had hoped to see serious splits within the party. Thus, they began to use new tactics, especially in the fields of disinformation and psychological warfare in order to achieve their objectives through more subtle, productive, and efficient ways. In the field of ideology, the objectives of imperialism are well defined. They seek to break the internal cohesion of the party, to undermine trust and create splits among the ruling class with the objective of weakening ideological unity, to denigrate the socialist path chosen by the Angolan people and to discredit the revolutionary government of the People's Republic of Angola, and to sow doubts among the people about the MPLA leadership, seeking thus to open up a gulf between the people and the party.

Radio, newspaper, television, and press agency reports from several Western countries daily criticize the MPLA-LABOR Party and the People's Republic of Angola. In most cases, this is carefully organized work in the context of a systematic campaign of misleading propaganda, which is truly an affront to the sovereignty and independence of the People's Republic of Angola and is based on slander and untruths against the Angolan people and their government.

It is evident that such campaigns concentrate on certain groups of our people such as students workers, intellectuals, youths, combatants, and so on. The MPLA-LABOR Party Political Bureau urges all members enlisted in party grass-roots organizations and the party young wing to step up their vigilance and appeals to the people in general to strengthen their ideological and revolutionary thinking through a campaign against rumormongering taking into account the deeply anti-Angolan and reactionary nature of reports carried by these newspapers, magazines, and other publications, as is the case with AFRICA CONFIDENTIAL, which is published in Portugal.

It is a duty of all party members, the party youth wing, combatants, intellectuals, students, workers in general, members of mass and social organizations, and members of defense, security and internal order bodies to take action to combat the ideological aggression that is being directed against our people. It is the task of the entire Angolan people to be on a constant state of alertness in view of the reactionary nature of such publications and to block their entry into and distribution in the territory of the People's Republic of Angola in order to neutralize their destructive effects. It is the duty of the entire Angolan people under the wise leadership of Comrade President Jose Eduardo dos Santos, to mount an energetic campaign in defense of our revolutionary gains by duly unmasking and denouncing all enemy agents in our midst whose main purpose is to weaken the ongoing revolutionary process. The MPLA-LABOR Party Political Bureau is deeply convinced that, as in the past, the entire Angolan people will demonstrate their vigilance and fighting spirits in the face of yet another dirty imperialist maneuver and defend our country's territorial integrity and people's revolution. The struggle continues. Victory is certain.

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CSO: 3400/378

ANGOP SAYS RSA TO BLAME FOR TENSION

MB071624 Luanda Domestic Service in Portuguese 1200 GMT 7 Aug 86

[ANGOP commentary: "Pretoria's Bad Mood"]

[Text] Cynicism and diplomatic intrigue took their lowest form when the contents of the South African foreign minister's letter to the UN secretary general were revealed. In the letter, the South African foreign minister accused the Angolan Government of frustrating efforts toward peace in southern Africa.

Roelof Botha accused the People's Republic of Angola of little or no receptivity to his government's fantastic peace proposals and insisted that the presence of Cuban troops in Angola makes it impossible for tension to be removed from southern Africa.

He said coarsely that, by rejecting talks on the Cuban withdrawal, the Angolan Government recognizes the link between the Cuban presence and the difficulties that it creates in the search for a solution leading to Namibia's independence. This is the level of deception and check which the South African minority government's foreign minister has attained.

He left the dangerous impression that the racist authorities' arrogance and cynicism toward southern Africa and the world would increase in to their convenience and circumstances.

Besides the obvious conclusions which must be drawn from this indecorous diplomatic initiative, it must be stressed that the racist South African Government remains arrogant, but at the same time this shows clearly that it does not know how to act. Pretoria's despair has now reached a pathetic pitch as it resorts to rhetoric accusing the Angolan Government of being the main pocket of tension in southern Africa.

The South African Government's bad mood is significant. Faced with the impossibility of shirking its serious and exclusive responsibility for southern Africa's climate of tension, the South African Government is now resorting to accusations which belong in the realm of fiction. However, these bombastic claims badly disguise Pretoria's despair and preoccupation, and the exclusive responsibility for the situation experienced by the peoples of southern Africa is solely attributable to Pretoria.

The peace proposals presented by the government of the People's Republic of Angola are well known. The facts are very clear and will not change in the face of flashy diplomatic stunts.

The Angolan Government only agreed to discuss the presence of Cuban troops in Angola to facilitate a negotiated solution to southern Africa's crisis. From the outset, the Angolan Government made it very clear that the Cuban presence cannot in any way be linked with Namibia's independence.

On 17 November 1984, Comrade Jose Eduardo dos Santos, the Angolan head of state, sent plan based on realistic proposals for the establishment of peace in southern Africa to Tveral.

This document presented, among others, the following indispensable conditions: the finalization of the process of withdrawal of South African troops from the territory of the People's Republic of Angola under the supervision of the FAPLA forces at the Angolan state borders and a solemn declaration by the Republic of South Africa that it would agree to implement UN resolution 435/78 on Namibia's independence.

Should these conditions be satisfied, the government of the People's Republic of Angola would agree to discuss with Cuba the gradual withdrawal of its military contingent.

The Angolan Government's initiative received the support of world public opinion from the start, especially from the other Frontline States, the OAU, and the nonaligned countries.

The OAU's 21st summit in 1985 took a very firm stand in this regard: It categorically rejected the artificial link between the Cuban military presence in Angola and demanded the implementation of resolution 435/78 by South Africa.

From the start, the People's Republic of Angola has identified with the concern expressed by the peoples of southern African on the dangerous evolution of the situation in southern Africa.

Angola has always reiterated that it obviously agrees with the need for an immediate of the conflict. We are so acutely aware of this danger that we even agreed to deal with those who carry out aggression against us.

Meanwhile, what has South Africa been doing? The South African Government's answer to Angola's peace initiatives is to be found in its attempt to destroy the Malongo petroleum installations, its brutal aggression against Cuando Cubango and Mexico Provinces in September 1985, its logistical and strategic support for the UNITA terrorist gang, its attack against Namibe port, and its systematic bombing of the various localities in southern Angola.

The Angolan Government's attitude has been totally different. The speech made by President Jose Eduardo dos Santos in New York on the occasion of the 40th anniversary of the creation of the United Nations clearly shows the contrast between two policies which express the antagonistic stands of Angola and South Africa and their effect on southern Africa's future path.

The facts prove that it is South Africa, and not Angola, that denies constructive dialogue. However, in Pretoria's case this is more serious than a mere refusal to enter dialogue.

While continuing its attacks on our territory--it is currently preparing one of enormous proportions--South Africa, in what amounts to a state terrorism offensive, is financing, arming, and coordinating strategically an organization of bandits and murderers seeking to overthrow the Angolan Government.

South Africa's sense of responsibility has dropped so low that it demands the withdrawal of the Cuban internationalists from Angola at the same time it is concentrating numerous troops in the north of occupied Namibia for yet another violent aggression against our territory.

The South African Government's diatribe shows that it scorns common sense. It seeks to falsely accuse our country of being the cause of tension in southern Africa, when in fact we seek its immediate cessation.

The attitude of the South African foreign minister runs counter to the search for better international relations, hinders dialogue, and violently injures the dignity of our independent and sovereign state.

One does not seek peace by lying so blatantly and one does not prove love for peace by carrying out aggression against neighboring countries. This systematic aggression has made the Angolan Government suspend its contacts with representatives of the U.S. Government and the South African Government. It is also for this reason that President Jose Eduardo dos Santos declared on 23 January that Namibia's independence may reduce the current tension, but it no longer is a guarantee of security for Angola.

Angola maintains all its peace proposals. For us, the dismantling of apartheid, the implementation of UN Resolution 435/78, and the cessation of any support whatever to the UNITA terrorist gang are the only guarantees for the establishment of peace in southern Africa.

The struggle continues. Victory is certain.

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CSO: 3400/378

COMMENTARY DERIDES SAVIMBI'S REMARKS

MB090500 Luanda Domestic Service in Portuguese 1200 GMT 8 Aug 86

[ANGOP commentary: "Indiscretions of a Lackey"]

[Text] The interview that the principal chief of tribalist UNITA gang gave to American journalist, [name indistinct], of THE WASHINGTON POST, has placed the Governments of South Africa and the United States in a very delicate political position. Their policy of state terrorism was completely unmasked following the interview, inasmuch as the statements made by the UNITA chief produced in international political circles effects quite contrary to those envisaged by the lackey of international imperialism.

Savimbi is now more discredited than before and confirmed, to the detriment of his bosses, that the Reagan administration and the Pretoria government are effectively engaged in destroying the independence and sovereignty of the People's Republic of Angola. These countries' terrorist governments now have only two choices: to respond or to remain quiet. The situation inadvertently created by the lackey is a dilemma, because either of the two possible options makes them guilty.

The interview which is typical of Savimbi's performance is in itself damaging. It is distinguished by its complete subservience to South African racism and U.S. imperialism, as well as by a naive arrogance toward the Angolan people. The puppet only fell short of promising the world to his bosses because this is even above the reach of his idols.

In his interview, Savimbi went further than only unmasking his bosses' terrorists intentions. With pride, he played the role of an imperialist puppet, but, as it is always the case with [words indistinct] instructions which may be regretted in future. Jonas Savimbi did not limit himself to insinuations. He provided details, thus concretely compromising those who he admires and who support him.

In his cunning and (?imprudent) style, Savimbi, though belatedly, recognized that it was thanks to the intervention by the South African army and air force last September that he avoided the total defeat of his terrorist organization in Mavinga and Jamba. His recognition of his gang's military inability is moving. We quote, when we became aware of FAPLA's major attack on Mavinga, it was already too late and therefore, we had to ask our South African protectors

to take out our troops in 4 days and 4 nights. To make this possible, the South African air force endangered its U.S.-made C-130 Hercules. South African pilots were covering over 1,000 miles of Angolan air space for this purpose, unquote.

Another revelation with heavy political overtones followed. Savimbi confessed that the FAPLA offensive in Moxico and Cuandao Cubango in September 1985 was aimed particularly at destroying the backbone of his terrorist organization. In addition to South African air force support, in order to thwart this vigorous attack by our army, the gang once again resorted to the indispensable material support of its bosses.

We again quote, we want mortars, rounds of ammunitions, and cannons of all kinds. The reference to racist troop intervention [words indistinct]. Is it possible, in the face of this confirmation made in sound mind, to forget that in September 1985, the South African Government categorically denied its hasty intervention to succor its puppets? It was a good thing at the time that statements made the racist government have long ceased to be credible to international public opinion.

The serious nature of racist South African army (?intervention) becomes increasingly clear as the journalist continues by asking him to provide his gang's contacts. He views South Africa's support as natural. It is from there that weapons and foodstuffs are obtained. It is in South African hospitals that UNITA bandits receive treatment. It is from South Africa that they obtain training and the forces which assist them in time of crisis, and the assistance is so broad that we quote, we want mortars, rounds of ammunition, and cannons of all kinds, unquote. The selfless and generous pilots who endangered their lives come from South Africa.

[Words indistinct] who is involved in [words indistinct]. Asked whether South Africa is involved in the internal problems of Angola, the lackey first hesitated but then (?admitted): South Africa is, as a matter of fact, engaged [words indistinct] I think they will do all they can to continue to support UNITA. He added convincingly: I have no doubts that South Africans see that if UNITA is hit or, in the extreme case, annihilated, this would have an effect on southern Africa.

We cannot deny that the terrorists are correct. Obviously, when UNITA is defeated the Angolan people will live in peace and devote their attention to the tasks of national reconstruction; this will benefit all of southern Africa. However, as for UNITA, this will have a very negative effect, as its chief recognized.

This creature, full of praises for South Africa, this miserable man who intends to transform Angola into a backyard of international imperialism, identifies U.S. President Ronald Reagan as a greater defender of his gang [words indistinct]. His praises for Reagan are so effusive that he does not hesitate to make confessions of this kind: The President promised us assistance, and we accepted. We asked him to supply us with more effective weapons against aircraft and tanks and we received what we asked for.

It is very significant that the chief of a tribalist organization explained in a clear manner to such an influential newspaper as THE WASHINGTON POST that the U.S. Administration is effectively engaged in overthrowing the Angolan Government. It is also very significant that Savimbi admitted that Reagan's assistance would become more effective in the future. The Angolan people already know what effective assistance means--more weapons, more deaths, more grief, more destruction, and more massacres.

Savimbi's indiscretions are made public virtually simultaneously with the 22d OAU summit's strong condemnation of U.S. interference in the internal affairs of Angola, having demanded its immediate cessation.

What would Reagan say now? Who fights against peoples freedom? Who carries out state terrorism? After the revelations made by the lackey, the South African foreign minister, who some time ago accused Angola of blocking efforts for the restoration of peace in southern Africa, will follow suit. It is for international public opinion to draw its own conclusions.

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CSO: 3400/378

UNITA REPRESENTATIVE DISCUSSES 'PREEMPTIVE STRIKE'

MB111611 London BBC World Service in English 1515 GMT 11 Aug 86

[From the "Focus on Africa" Program]

[Text] Last week UNITA, which is fighting a lingering war against Angola's MPLA government, claimed that government forces were preparing a fresh offensive against UNITA guerillas in the southeast of the country. Now UNITA claims to have launched a preemptive strike to head off the government offensive. Rich Wells asked UNITA's representative in London, (Marcos Simondo), about UNITA's strike.

[Begin recording] [(Simondo)] Well, the preemptive strike took place at Cuito Cuanavale on Friday, 9 August, and obviously that was a measure which we have taken to stop any staging base going toward Mavinga.

[Wells] What actually happened in this attack?

[(Simondo)] Well, what happened in that attack is that UNITA were using long-range artillery. We have destroyed some of their military hardware stuff, particular the radar equipment and also their antiaircraft guns, and some depots of bombs and ammunition. We just thought that this was the time for us to render Cuito Cuanavale as unusable as possible because from the experience of last year, it was from Cuito Cuanavale that the MPLA launched attacks against Mavinga.

[Wells] So what is the significance of Cuito Cuanavale? Is it just as a staging post?

[(Simondo)] Well, basically, as our earlier communique indicated, the MPLA has assembled a large quantity of military equipment in Menongue, which is in the same direction as Cuito Cuanavale. And obviously if their objective is to attack Mavinga and at a later stage Jamba, obviously the MIG's and other hardware will be leaving from Cuito Cuanavale. So it was our understanding that it's best to put a stop to that advance immediately at Cuito Cuanavale in order to slow down any intention that they have to attack Mavinga, or Jamba, to that effect.

[Wells] You say you're expecting an offensive but how do you know that? What are the signs?

[(Simondo)] Well, the signs are obvious. They are from our intelligence reports which indicate that in the last 2 or 3 weeks, the MPLA has at least deployed eight MIG-23 in Cuito Cuanavale, together with two Cuban regiments, each about 2,000 men, and the MPLA has put about eight brigades, which should be about 10,000 men. And obviously, those people are not there for holiday but we know that they are preparing again another offensive against UNITA. I must say that UNITA is quite prepared to meet any challenge.
[end recording]

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CSO: 3400/378

BRIEFS

DEFENSE MINISTER ON PREPAREDNESS--Angola Defense Minister Colonel Pedro Maria Tonha Pedale said in Lubango on the day before yesterday that in case of another South African military incursion, Angolan defense and security forces will know how to fight back promptly and with military aggressiveness. Colonel Pedale is in Huilla Province on a working visit and expressed on his arrival the Angolan Government's concern over the massing of troops from the racist South African army in northern Namibia and the frequent violations of Angolan air and ground borders. The defense minister is analyzing the situation with military commanders of the 5th region. [Text] [Luanda Domestic Service in Portuguese 0500 GMT 8 Aug 86 MB]

DESERTION OF MPLA TROOPS--Free Land of Angola, 8 Aug (KUP)--A total of 500 MPLA troops deserted en masse recently in Moxico Province, troops who were set to participate in a fresh offensive against UNITA forces. This, added to a further desertion by 250 MPLA cadets from a military training center in Uige Province, demonstrates a change in the Angolan patriots mentality; they are not interested in fighting their own brothers for the benefit of Russian interests in Angola. MPLA soldiers are beginning to understand the wicked designs of the Luanda regime, and they are taking the first steps toward changes that will be made in Angola. UNITA has appealed, in the past as it is doing now, to all Angolan patriotic forces to join the movement in order to avoid more deaths among fellow Angolans. [Text] [(Clandestine) KUP in Portuguese to Southern and Central Africa 0600 GMT 8 Aug 86 MB]

BATTALION CHIEF CAPTURED--Free Land of Angola, 9 Aug (KUP)--Paulo Jorge, MPLA's 67th Brigade soldier and section chief of the First Battalion was captured on Tuesday after UNITA forces attacked a pontoon over the Lufuige River in Alto Zambeze, Moxico Province. The UNITA operations office reports that a pontoon used by MPLA soldiers to cross the Lufuige River was totally destroyed during the attack. [Text] [(Clandestine) KUP in Portuguese to Southern and Central Africa 0600 GMT 9 Aug 86 MB]

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CSO: 3400/378

BRIEFS

MEDICAL AID--An important consignment of drugs and bandage equipment and [word indistinct] meant for the victims of the disaster that occurred recently at the National Brewery Corporation, the Beninese, has been donated to the government. The presentation ceremony for this donation, which was made by the Soviet Union, yesterday took place at the Ministry of Foreign Affairs and Cooperation in the presence of the Soviet ambassador to Benin, Valentin Pavlov, and the representative of the minister of public health, and many other officials of the Ministry of Foreign Affairs and Cooperation. In a brief speech, the Soviet ambassador stated that this gesture testifies to the feelings of friendship and solidarity existing between his country and the People's Republic of Benin. The 30 June 1986 accident, the Soviet diplomat said, was very serious and can only draw the attention of the humanitarian organizations such as the Soviet Red Cross. As for Jacques Adande, acting for the permanent secretary of the Ministry of Foreign Affairs and Cooperation, he thanked the Union of Societies of the Red Cross and Red Crescent of the USSR and assured them of the sparing use of the donation. [Text] [Cotonou Domestic Service in French 0800 GMT 2 Aug 86 AB] /6662

CSO: 3400/418

BRIEFS

CHANGES IN NAMES OF RIVERS--The chairman of the CNR and president of Burkina Faso [Captain Thomas Sankara], in compliance with the 4 August 1983 proclamation, with Ordinance No 83001 [word indistinct] PRES of 4 August 1983 on the formation of the CNR, and with Ordinance No 8443 CNR PRES of 2 August 1984 on the change in the name and symbol of the nation, proclaims: Article 1. The three rivers, formerly known as the Volta, are now to be known respectively as (Nouhoum), formerly Black Volta; (Nakambo), formerly White Volta; and (Nazimor), formerly Red Volta. Article 2. The present Zatou will be executed as the expression of popular will. [Text] [Ouagadougou Domestic Service in French 1900 GMT 6 Aug 86 AB] /6662

CUBAN TRAINING APPROVED--The cabinet met today, Wednesday, 13 August 1986, under the chairmanship of Comrade Captain Thomas Sankara, president of Burkina Faso. The cabinet duly examined the items on its agenda and made the following decisions: Concerning the Ministry of National Education, the cabinet examined and approved measures to be taken for the departure of (?600) young Burkinabe nationals awarded scholarships to study at the Isle of Youth in Cuba. The cabinet lauded this fruitful cooperation between the two anti-imperialist states, thus enabling their youths to be trained together. The cabinet also insisted on the ideals of social justice which underlie the selection of the young people to undertake this training course. [Excerpts] [Ouagadougou Domestic Service in French 1900 GMT 13 Aug 86 AB] /6662

CSO: 3400/418

TECHNICAL ASSISTANCE AGREEMENT SIGNED WITH BELGIUM

MB090740 Blantyre Domestic Service in English 1600 GMT 8 Aug 86

[Text] The governments of Malawi and Belgium today signed a technical assistance agreement under which Belgium will provide training opportunities for Malwians and technical assistance personnel in various fields.

The Malwian minister of finance, Mr Dalton Katopola, signed on behalf of the Malawi Government, and the visiting Belgium education minister, Mr Daniel Coens, signed for his government. Speaking at the occasion, Mr Katopola said the agreement was timely in that Malawi, as a developing country, is in a great need of trained manpower in many sectors. He expressed the hope that the (?assistance) to be provided under the agreement would go a long way to alleviate manpower shortages, and, on his part, Mr Coens hoped that the agreement would intensify the already close relations between Malawi and Belgium, noting that the two countries held similar moral values and political principles.

Earlier this morning, Mr Coens called on His Excellency the Life President Ngwazi Dr Kamuzu Banda at Sanjika Palace in Blantyre. Speaking to the Malawi Broadcasting Corporation afterward, Mr Coens said during the audience the life president emphasized on the importance of education for the development of the people and the country. He said, on his part, he told the life president that he was impressed with Malawi educational and cultural values and hence by the Malawi Government. Mr Coens said he also told the life president of his government's commitment to assist Malawi in many fields.

/9716

CSO: 3400/382

BRIEFS

U.S. AID TO IMPROVE SEA LINKS--The United States has granted Malawi R27 million to upgrade its road and rail links with Tanzania. Malawi's traditional import and export routes were through the Mozambican ports of Beira and Nacala but the war in Mozambique has cut those links. Under the northern transport corridor project agreement, the United States Government will provide the finance aid through the Agency for International Development. The project consists of the establishment of Malawi cargo centres at Dar-es-Salaam and Mbeya in Tanzania, use of the Tazara rail line connecting these two points, upgrading of the road between Mbeya and Ibanda in Tanzania, a new road between Karonga and Chilumba and several other smaller projects. The agreement was signed at the weekend by Malawi Finance Minister, Mr Dalton Katopola, and the American ambassador to Malawi, Mr Weston Adams. Mr Katopola said that since Malawi's traditional import and export routes through Mozambique were cut, his country's international trade had been routed through Durban in South Africa and Dar-es-Salaam in Tanzania. He said the implementation of the northern transport corridor project will give Malawi the shortest and least expensive alternative international trade route. Under another agreement the United States Government through World Vision International, will provide Mozambique with 3000 tons of maize to be obtained from Malawi. In exchange Malawi will receive 1400 tons of wheat. [Text][Johannesburg THE STAR in English 28 Jul 86 p 3]/12828

CSO; 3400/385

BRIEFS

MARITIME BORDER TALKS--Two days of talks between Mozambique and the Comoros were expected to end here today. The Mozambican newspaper Noticias said yesterday that the main theme under discussion was the maritime border between the two countries. Both countries' delegations were led by their Ministers of Justice. [Text][Johannesburg THE STAR in English 1 Aug 86 p 4 /12828

JOURNALISTS URGED TO HELP--Mozambican journalists were today called upon to make the country's information sector a fundamental weapon in national defense, economic reconstruction, and the diplomatic battle. The call came from Jorge Rebelo, the secretary for ideological work of the Central Committee of the Frelimo Party, at the end of a 4-day conference of the Mozambican journalists organization. Mr Rebelo told the delegates to the conference in Maputo that the Mozambican people were experiencing an extraordinarily difficult stage in their history. Along with other peoples of Southern Africa, they were the targets of the racial hatred and despair of the Pretoria regime. Mr Rebelo was referring to attacks by South Africa's MNR bandits. He said that against the criminals' brutality, the Mozambican people were demonstrating their unity, their determination to defend the country, and their will to establish the people's welfare, progress, peace, and socialism. [Excerpt] [Maputo in English to Southern Africa 1800 GMT 7 Aug 86 MB]

/9716

CSO: 3400/382

ZAMBIA

BRIEFS

OIL POTENTIAL--Zambia could be a source of oil, a spokesman for the Texan Placid Oil Company has said. Seismic tests carried out in Zambia's western and southern provinces have shown great oil potential and the company will not carry out tests in the eastern province. [Text][Johannesburg THE STAR in English 7 Aug 86 p 4]/12828

CSO: 3400/385

MINISTERS WARN AGAINST RSA SABOTAGE

MB152012 Johannesburg SAPA in English 1731 GMT 15 Aug 86

[Text] Masvingo Aug 15, SAPA--Imperialist forces are using racist South Africa as a political weapon to worsen the security situation in the sub-region, the minister of home affairs, Mr Enos Nkala, said in Masvingo today. In a speech read on his behalf by the deputy secretary in the ministry, Dr Job Whabira, at the opening of a one-day symposium on the Masvingo provincial development plan attended by officials of law enforcement agencies, the minister said peace was necessary if the national five year plan was to succeed. He said Zimbabwe was part of the regional grouping faced with severe confrontation, conflicts and crisis sponsored by imperialist forces.

The minister said unity was essential among Zimbabweans in the common struggle against both internal and external enemies. "In doing this, we must not engage in favouritism, prejudice, nepotism, tribalism and regionalism because these discriminatory factors inhibit and hinder mutual intercourse and the well being of our country as the material expression of our existence as Zimbabwean people," he said.

Mr Nkala said security forces should be disciplined, refrain from molesting innocent civilians and "in the national spirit not indulge in corruption or run the risk of committing any crime." He said security forces should establish working relationships with the people, instill national security awareness and enlist the cooperation of the masses to counter South African aggression which has taken the form of threat of war and tactics of disrupting the economy.

The minister of state (security), Mr Emmerson Munangagwa, today called on Zimbabweans in Matabeleland South and Masvingo provinces to maintain vigilance against infiltrators from South Africa. In a paper presented on his behalf by the director general in his ministry said security forces should established rapport between themselves, the people and ZANU(PF) to identify enemy elements entering the country. He said South Africa might want to embarrass Zimbabwe during the forthcoming Non-aligned Movement summit meeting and called on Zimbabweans to brace for such eventualities. He said due to the proximity of the two provinces to South Africa they might be used as transit or planning stations by enemy agents.

The minister said the so-called Radio Truth which was readily accessible to the Southern part of the country was aimed at creating discontent among Zimbabweans but the security forces and the people should work together to expose "these lies and slanders."

ZIMBABWE

SHAMUYARIRA CONDEMNS RSA 'TERRORISM'

MB160656 Harare Domestic Service in English 0600 GMT 16 Aug 86

[Text] The minister of information, posts, and telecommunications, Comrade Nathan Shamuyarira, has said racist South Africa's state terrorism may lead to a world war if positive steps are not taken to end apartheid. Comrade Shamuyarira said this when he addressed a reception in Harare last night to launch the book "Nonalignment in an Age of Alignment." The minister, in a foreword to the book written by Professor (Archie Fulham) and his wife (Sally) says the state terrorism of the South Africa regime has the approval and encouragement of the United States and Britain. Comrade Shamuyarira said although more than 2,000 South African blacks were killed last year alone, their resistance to apartheid will continue unabated. He said the task ahead was to make Namibia and South Africa free and that calls for sacrifice.

The minister said over the next 3 years, the Nonaligned Movement will need ideological direction and a great sense of urgency and (?unity of purpose) to fulfill the challenging task ahead. He said the movement should be able to have those qualities under the wise leadership of the prime minister, Comrade Robert Mugabe. Comrade Shamuyarira regretted that some African countries have failed to adhere to the basic principles of the movement because of their bilateral monetary arrangements with superpowers.

The minister urged local publishing houses to help inform Zimbabweans about the progressive movement pan-Africanism, and socialism by publishing works of local authors on these subjects. The proceeds from the book "Nonalignment in an Age of Alignment" will be directed to the solidarity fund established by Comrade Mugabe on the 10th anniversary of the Soweto uprising.

/6662

CSO: 3400/415

CHIDZERO UNVEILS BUDGET BEFORE HOUSE OF ASSEMBLY

Budget Called 'Particularly Difficult'

Harare THE HERALD in English 1 Aug 86 pp 1, 5

[Text] Against the background of a wide range of internal and external constraints, the Minister of Finance, Economic Planning and Development, Dr Bernard Chidzero, yesterday unveiled what he called a "particularly difficult" Budget.

Addressing the House of Assembly, he outlined an expenditure programme of \$4 047 million for 1986/87 and shocked many observers by estimating that the Budget deficit would rise by about 52 percent to \$1 050 million.

But, as he explained, this was largely due to expenditures necessitated by continuing efforts to ensure social adjustment and equity and in view of the "critical political and security situation in Southern Africa."

Education will take up the largest slice of 17 percent of the estimated expenditure, followed by defence at 16 percent and by debt servicing at 13 percent.

But Dr Chidzero was confident that the high Budget deficit would be a temporary phenomenon as high spending on defence and education "will not continue to persist as some of the items contributing to increases are once-off and will, therefore, reduce and disappear in time."

In the meantime, however, there was a clear split between the Government's objectives as stated in the Five-Year National Development Plan and Budget reality and he was particularly concerned about Zimbabwe's ability to maintain a sustainable external balance which was crucial to continued economic expansion.

"The high expenditures on our Budget are going to have in the short term, adverse effects on the already uncertain balance of payments situation," he said.

The high borrowing requirement from the domestic market would have serious implications for money supply and the rate of inflation--both which can be expected to increase rapidly. As a result, monetary policy measures would be taken as and when it became necessary.

Despite the difficulties, he did announce certain measures which should to some extent help stimulate the economy and will go some way towards some of the immediate problems facing certain sectors.

On the one hand, he had particularly heartening news for married women when he announced that the Government had decided "to adopt the system of separate taxation so that all taxpayers will be taxed on a single scale of simplified tax rates."

He said this would "bring about a much called for reform and remove a lingering element of inequitable treatment in a country otherwise characterised by a rapidly growing sense of egalitarianism and war-seasoned solidarity, untrammelled by the trappings of history and nature's differential endowments."

The mechanics of this move still had to be sorted out but he said it would be implemented soon.

Recognising Zimbabwe's generally high levels of taxation, he said estimated levels of revenue and expenditure made it difficult for him to propose measures that would result in a loss of revenue. But even so he introduced concessions for the poorer sections of the community by exempting domestic workers from the minimum wage taxation.

In a measure to boost the economy, he cut the general rate of sales tax by 2,5 percent to 12,5 percent while keeping the rate on consumer durables 20 percent. Fresh, frozen or dehydrated vegetables have been exempt from sales tax which, together with existing exemptions, implies exemption for virtually all basic foodstuffs.

But he warned unscrupulous traders who might try to take advantage of the cut in general sales tax by not reducing their prices that he has asked the Minister of Trade and Commerce to arrange for his inspectors to ensure that "all prices are reduced accordingly."

Particularly welcome news for the building societies was the fact that Class C permanent shares held for a period of two years, would carry a tax-free interest rate of 9 percent. Maximum levels for individuals would be shares worth \$75 000 while companies could buy shares worth up to \$35 000.

"This measure is designed to attract more funds into the building societies in order to alleviate the housing shortage. In this regard, up to 25 percent of any new money coming into building societies under the scheme will be used for financing low-income housing."

In view of the housing shortage and the need to improve conditions of service, he said that from April 1 the limit on expenditure on staff housing that can be claimed as a deduction for income tax purposes would be increased from \$8 000 to \$10 000.

From the same date, the limit for expenditure on passenger cars used by commerce and industry would also be upped to \$22 000 in line with current prices for locally assembled cars.

Because of private sector concern about the high cost of machinery and the current 20 percent surtax, he said he had decided to reduce the surtax by 5 percent from today "unless there are lower existing rates in terms of bindings agreed under the General Agreement on Tariffs and Trade, of which Zimbabwe is a member."

These concessions should cost the fiscus about \$37 million during the year but he said the eventual outcome would depend on any resultant expansionary effect on the economy.

He announced a range of minor tax increases that would increase revenue by about \$14 million. These ranged from a 2 cents increase on the excise duty on clear beer and a 1 cent increase in excise duty on 10 cigarettes.

In addition, the sales tax on wines, spirits, cider and perry would be incorporated into excise duty, like other liquor products while the customs duty on imported liquor would be increased by 10 percent.

Dr Chidzero expressed concern about the fact that the \$10 airport departure fee had so far been allowed to be paid in local currency by both residents and non-residents. The same applied to the payment of hotel bills and duty-free purchases.

"During the course of the year, therefore, I intend to examine the situation with a view to considering the possibility of non-residents settling these transactions in foreign currency."

Businessmen Satisfied

Harare THE HERALD in English 1 Aug 86 pp 1, 5

[Text] The private sector yesterday welcomed the "no-shocks" Budget but expressed concern at the rising Budget deficit which has reached the \$1 billion mark.

Zimbabwe National Chamber of Commerce president Mrs Dawn Taunton said the substantial Budget deficit rise and the doubling of local borrowing to \$967 million would increase inflationary pressures.

"It is hoped that the anti-inflationary measures that the minister said were to be announced shortly will be appropriate to the country's needs and will not cancel out the potentially stimulating effects of the cut in sales tax," said Mrs Taunton.

ZNCC members were concerned that the sales tax change was taking place immediately. They feared the change would create some difficulties and had hoped for more time to effect the change.

Local economist Mr Zdenek Silavecky said the 52 percent increase in the Budget deficit was "disturbing and will not look good to international observers who do not understand the details of our situation."

As a result of the deficit, the Budget would be inflationary, as suggested by Dr Chidzero, unless remedial measures were taken.

The chairman of the Zimbabwe Stock Exchange, Mr Bill Burdett-Coutts, also expressed concern about the Budget deficit, which he regarded as being "far too high." In essence, he believed the Budget was a "standstill" one that would please married women taxpayers and housewives.

The Confederation of Zimbabwe Industries said "given the constraints of our economic situation, the tone of the Budget is brave and encouraging."

A spokesman said the measure taken by the minister should increase business activity and industry felt that the minister was looking to directing resources to the creation of surpluses.

"He has accepted that instead of raising taxes, revenue can be raised by stimulating the economy. Specifically, the reductions in import surcharges, tax relief for staff housing and the drop in sales tax on consumer goods will all help industries' growth plans."

These steps, in the face of a rising budget deficit were courageous, the spokesman said.

"However, industry expresses its concern at the low level of the public sector investment programme in relation to the size of recurrent expenditure. CZI also hopes that foreign exchange will be made available to support industrial development. We therefore welcome the increase in the export incentive scheme as a step in the right direction."

Founders Building Society welcomed the announcement that building societies would be able to offer the public an investment which provides tax-free return.

General manager Mr Keith Evans said yesterday his society would issue paid up permanent shares paying a tax-free 9 percent interest, as soon as the enabling legislation was passed.

In his Budget speech, Dr Chidzero said 25 percent of all new money invested in the new tax-free PUPS had to be used for low-cost housing under ministerial control.

"The new incentive announced by the minister will enable Founders to expand its operations in the field of low-income housing," Mr Evans said.

Ministries Vote Appropriations

Harare THE HERALD in English 1 Aug 86 p 9

[Article by Gareth Willard, Lynda Loxton, Andrew Rusinga, David Masunda and Thandi Kapambwe]

[Text]

MINISTRIES vote appropriations rose by 14,7 percent to \$3,37 billion with the big four ministries — Education, Defence, Health, and Lands, Agriculture and Rural Development — taking about 56 percent.

The education vote stays in the lead, as it has since independence, despite the need to increase the defence vote by more than \$132 million or 26,1 percent.

These two votes absorb almost 40 percent of the total set aside for all 28 votes.

The Ministry of Lands, Agriculture and Rural Resettlement has the third largest vote, of almost \$314 million, less than half of second-placed defence. Health absorbs a vote more than \$229 million.

Constitutional and statutory provisions, which by law have to be paid each year, amount to more than \$1,2 billion with higher interest payments and greater repayments of loans falling due absorbing about \$990 million, a considerable increase on last year.

Public Service

MORE than \$11 million of the \$17,5 million vote for the Public Service is for salaries, wages and allowances.

This amounts to more than 80 percent of the \$13,5 million the Public Service got last year. The ministry's incidental expenses account, which amounted to \$72 000 last year, has been increased by \$650 000 — the amount set aside on its vote for the NAM conference.

Finance, Economic Planning

THE Ministry of Finance, Economic Planning and Development's vote was yesterday increased by 10 percent to about \$90,1 million.

While grants and contingencies for the ministry were increased from \$20,9 million in 1985/86 to about \$23 million (an increase of 10 percent), loans were slashed from \$21,1 million to \$11 million — a decrease of about 48 percent.

Under grants and contingencies, \$1,8 million more has been provided for "payment of an incentive on certain approved exports". This figure stood at \$20 million in 1985/86.

The Zimbabwe Development Corporation's grant has been increased by \$189 000 to \$539 000.

Loans amounting to \$12 million to financial and investment institutions were dropped while those for mining and manufacturing industries were increased by \$2 million to \$11 million.

The State has set aside \$15,5 million — an increase of \$4,5 million — for its participation in the private sector.

A \$5 million (last year \$2,6 million) contingency reserve has also been provided for "very urgent critical shortage areas" in the Budget. Transfers (of this amount) will only be done at the discretion of the Minister of Finance, Economic Planning and Development, Dr Bernard Chidzero.

For the Central Statistical Office, \$630 000 which was for household expenditures and price surveys, has not been repeated resulting in a \$593 000 slash to \$190 000.

Audit Vote

THE Audit vote this year is \$1 million more than last year's \$2,02 million. Salaries, wages and allowances amount to about 90 percent of the total vote of \$3,04 million.

Defence

THE Ministry of Defence's \$132,4 million — which is about 19 percent of the total vote appropriation for all ministries of about \$4 574 million — was the single biggest received by any ministry.

More than half of the ministry's total vote of \$639,5 million went to salaries, wages and allowances.

This ministry has now overtaken the Ministry of Education (whose vote was 20 percent of the total vote last year) as the biggest spender in Zimbabwe.

Salaries and wages for uniformed personnel in the regular force of the army increased from about \$221 million to about \$262 million (an increase of 19 percent) while those for the paramilitary increased by about 1,3 percent to \$10,1 million.

Money for the British military training and advisory services stands at its 1985/86 figures of \$500 000 while that for paramilitary training, which includes salaries, subsistence and air fares for Korean military instructors as well as allowances for paramilitary trainees, has been decreased by \$50 000 to \$500 000.

Another \$15 000 has also been provided for paramilitary training aids.

In the Air Force about \$19 million will go to salaries, wages and allowances of both uniformed regular personnel and civilians. This is an increase of about 27 percent over last year.

The Air Force will also spend about \$103,2 million compared to \$38,6 million on aircraft procurement, maintenance and running costs.

Pay and allowances for territorial force members only increased by \$1 000 to \$9 000.

A new aspect on the Air Force's grants and compensation account, which now stands at \$50 000 compared to \$10 000 last year, is a provision for the paramilitary force which was previously accounted for under a separate sub-vote.

PM and Cabinet

THE Office of the Prime Minister and Cabinet had a net increase of about \$7,3 million from yesterday's Budget.

This takes its budget for 1986/87 to about \$42,3 million, an increase of about 24 percent over its last year's figure of about \$31,7 million.

The vote for the Prime Minister's Office also includes \$258 000 for the Non-Aligned Movement conference to begin this month. Another \$233 000 was set aside for car hire during the conference.

Both the Prime Minister and his deputy did not get any salary increments and their allowances, including those of the ministers of State, were cut from \$225 000 to \$181 000.

Parliament

THE Parliament of Zimbabwe, which last year received \$6 966 000, had another \$2,3 million added to its budget yesterday.

Besides salaries, other amounts that increased included \$42 000 more (from \$102 000 in 1985/86 to \$144 000 this year) for clinic supplies to provide for emergency medical treatment to Members of Parliament and senators while attending sessions.

Vote of Credit

THE vote of credit for 1986/87 is \$235 million and includes about \$10,9 million to be funded from domestic sources and a recurrent expenditure of \$40 million. The largest single recipient of this money is the Ministry of Lands, Agriculture and Rural Resettlement which will get about \$62,6 million.

Lands was also one of the largest recipients from last year's \$281 million vote of credit for donor-funded projects of which about \$37,4 million remained unallocated.

Trade and Commerce

THE vote for the Ministry of Trade and Commerce continues to decrease as the Government keeps its intention to cut down on maize subsidies.

It was cut by about 31 percent in 1985/86 (from \$33,1 million to about \$22,9 million). This year, the ministry's vote decreased by about \$13,2 million to \$11,7 million.

Maize meal subsidies, which amounted to \$15 million in 1985/86, have now been allocated only \$2,5 million which is an outstanding commitment from 1985/86.

The Zimbabwe International Trade Fair has been allocated \$17 000.

Another \$66 000 (1985/86 \$400 000) has been allocated for the cost of hosting the Inter-African Coffee Organisation meeting, the ninth session of the Conference of African Ministers of Trade, Preferential Trade Area meetings and trade agreement delegations.

The Consumer Council receives \$99 000 more, taking its total to \$369 000 while \$300 000 (last year \$311 000) has been allocated for the establishment and operating expenses of the Zimbabwe State Trading Corporation.

Industry

A PROVISION of \$1 million has been made under the Ministry of Industry and Technology vote for a grant to meet the administrative costs of the Industrial Development Corporation's Kamativi Tin Mines Ltd.

From the ministry's total vote of about \$64 million — an increase of \$1,6 million over 1985/86 — grants, totalling more than \$60,3 million remain the largest single expenditure.

Ziscosteel, "to provide financial assistance towards operating expenses", gets another \$60 million — the same amount it got last year. A \$25 000 provision has been made for hosting of the Investment Promotion Conference to be organised by Unido.

Another \$150 000 for a rural technology development exhibition has also been set aside.

Local, Rural, Urban Development

THE Ministry of Local Government, Rural and Urban Development received a budget of \$107,9 million, representing a decrease of \$17 million from the previous year. Rural resettlement received a major boost with \$4,5 million to spend, compared to \$725 000 last year.

Funds for rural and urban development amounted to \$15 million, out of which \$13 million will go to the communal lands. Loans to both rural and urban authorities dropped to \$19 million compared to \$32 million the previous year.

Health

THE Ministry of Health received a net increase of \$33 million in its budget which amounted to a total of \$229,3 million. Funds for buildings, furniture and equipment went up considerably to \$225 000 compared to just \$82 000 the previous year.

The ministry concentrated its grants to the Zimbabwe National Family Planning Council which will get \$5 million. While less would be spent on preventative services, research and medical care services received increments.

Transport

THE Ministry of Transport vote was increased by more than \$32 million.

Most of its money (\$142 million out of \$282 million) goes into grants, subsidies and contributions.

Both Air Zimbabwe and the National Railways of Zimbabwe had to have some money allocated to cover their losses. AZ received \$33 million more (last year \$12 million) and NRZ \$20 million (last year \$60 million).

AZ received another \$15,5 million as a loan for down payment on new aircraft and ancillary equipment.

Mines

THE vote for the Ministry of Mines was increased by \$7 million to \$16,8 million.

The Zimbabwe Mining Development Corporation received a whopping 2364 percent over its 1985/86 loan of \$220 000 to \$5,4 million.

A pilot project on improved methods of mining chrome ore received \$1 million while \$799 000 (\$480 000 in 1985/86) has been allocated to assist in the equipping and running of the Institute of Mining Research. Included in this amount is \$25 000 for research and development of plasma smelting required to increase ferrochrome production.

Lands and Agriculture

DESPITE having a net decrease of about \$6 million, the Ministry of Lands, Agriculture and Rural Re-

settlement's vote at about \$313,8 million, remains one of the biggest.

Most of the cuts of the combined ministry (agriculture was on its own during last year's Budget) have been in loans, cut from about \$36 million to \$14 million, land acquisition (from \$8 million to \$4 million), grants (from about \$5 million to \$3,1 million), training, field trials and irrigation (\$3,5 million to \$1,3 million) and surveys \$320 000 to \$169 000).

Loans to the Agricultural Finance Corporation and agricultural marketing organisations have been cut from more than \$32 million in 1985/86 to just over \$14 million.

The Tobacco Research Board has received a new loan of \$6 000 while loans to Arda, \$2,2 million, and Water Authority, \$1 million, have been cut.

About \$26 million more has been allocated for agricultural subsidies such as the Sterling Acceptance Credit Facility of the Agricultural Marketing Authority and losses of the Cold Storage Commission, the Dairy Marketing Board and the Grain Marketing Board.

About \$2,8 million — \$320 400 for the resettlement credit scheme and about \$2,4 million for the small farm credit scheme — has been allocated to the AFC as a provision towards a shortfall in administrative and other expenses during the year ended March 31.

Of the \$22,5 million items not repeated in the ministry's vote, the single largest amount — which is about \$9,1 million — is for resettlement.

Education

THE Ministry of Education, with the highest vote of \$704,5 million compared to \$639 million the previous year, continues to expand its services. Secondary school education gets \$96,6 million and primary school education \$89,5 million.

While grants to private schools and colleges went up, the University of Zimbabwe's grant will be reduced to \$35 million compared to \$39,9 million in 1985.

Teacher education received one of the highest boosts (\$26,5 million) in the ministry's budget.

Building programmes amounting to \$16 million are included for refugee schools, secondary schools and teachers' colleges.

Home Affairs

THE Ministry of Home Affairs had an increase of \$27 million on its \$170 million budget for the year. The Zimbabwe Republic Police gets the lion's share of the budget with \$158,3 million. The registrar-general's office gets \$5,6 million and the National Archives \$912 000.

Justice, Parliamentary Affairs

THE Ministry of Justice, Legal and Parliamentary Affairs receives an increase of \$4,5 million on its budget of \$40,3 million this year. Of this amount, the prison service gets \$24 million. There are no major changes to the ministry's budget.

Co-operatives Department

ABOUT \$234 000 extra was allocated to the Department of Co-operative Development. Most of the increase is for salaries, wages and allowances and subsistence and transport. Its vote goes up to about \$3,34 million.

Energy and Water Resources

THE vote for the Ministry of Energy and Water Resources decreased by \$18,2 million. Most of the decrease was due to a cut in expenditure on the construction of water supplies. This section, in total, decreased by more than \$15,3 million to \$7,9 million.

Labour and Manpower Planning

WITH only a little more to spend than last year, the Ministry of Labour, Manpower Planning and Social Welfare's budget of \$46,6 million (\$600 000 more than last year) will be spent basically the same as in 1985.

Youth, Sport and Culture

THE Ministry of Youth, Sport and Culture received a vote of \$14,6 million, \$2,7 million more than last year. Grants to cultural organisations and groups have been increased and training centres will get \$1 million compared to \$935 000 in 1985.

Community Development

THE Ministry of Community Development and Women's Affairs had only a net increase of \$39 000 to its \$5,5 million budget. Funds for grants to projects were reduced to \$410 000 compared to \$1 million in 1985.

Information

THE Ministry of Information, Posts and Telecommunications had a net decrease of \$13,8 million to its \$18 million budget. A significant drop was in the allowance for furniture and equipment which went down to \$3,4 million compared to \$18,4 million the previous year.

Grants to the Zimbabwe Broadcasting Corporation, the Zimbabwe Inter-Africa News Agency and the Zimbabwe Mass Media Trust increased to \$5,4 million from \$4,4 million.

Foreign Affairs

THE Ministry of Foreign Affairs had an increase of \$5,9 million to its \$33,2 million budget. Grants and pledges to international organisations would be set at \$804 000 this year compared to \$2,3 million in 1985. Funds for subsistence and transport of officials had increased to \$3 million from \$2,3 million in 1985.

Housing Fund

THE National Housing Fund, which accounted for more than 95 percent of the Ministry of Public Construction and National Housing's total loans of about \$56 million last year, has been slashed by more than 50 percent to \$21,2 million.

On the other hand, rural housing which received \$3 million last year, got another million this year. Another \$1,1 million grant was allocated to the NHF to cover its losses. \$1,8 million was allocated for the same purpose in 1985/86.

The NHF was authorised to borrow money from building societies so the \$1,1 million grant was to cover the deficit caused by the difference in interest rates charged by the Fund and the societies.

Sheraton, Conference Centre

GRANTS for the Sheraton and the Conference Centre which were slashed by about 25 percent to \$3,9 million contributed to the decrease of about \$8 million in the Ministry of Natural Resources and Tourism's vote of \$35,4 million.

Grants and contributions to hotel losses have, however, been increased from \$50 000 in 1985/86 to \$260 000. The Publicity Association gets a new grant of \$6 000, the Zimbabwe Tourist Development Corporation's is increased by \$591 000 to \$1,9 million.

Most of the increases in the Department of Natural Resources have been for salaries, wages and allowances which rose from \$2,1 million last year to \$2,5 million.

The same is true in the Department of National Parks and Wildlife Management. The ministry was allocated \$415 000 (new amount: \$757 000) to meet expenses for services it will render during and after the NAM conference.

National Supplies

THE Ministry of National Supplies received a net increase of \$1,3 million of which \$768 000 — more than half — is to go to the NAM conference expenses.

The ministry's Central Mechanical Equipment Department received about \$5 million more to meet increased operating and replacement costs of vehicles, equipment and vessels. Its loans were, however, reduced by \$3,3 million. Loans for printing and stationery were also cut from \$640 000 to \$30 000.

CONSTITUTIONAL AND STATUTORY APPROPRIATIONS

MORE than 26 percent of the total budget of more than \$4,5 billion goes on constitutional and statutory provisions, items that must be paid for.

These include salaries for the President, MPs and senators, judges and the auditor-general, for civil service pensions and, easily the biggest item, servicing the national debt and repaying loans that fall due.

The following table shows how much was voted last year, how much is estimated for this year and the percentage increase.

Appropriation (all in \$ millions)	1986-87	1985-86	% inc
President	0,077 1	0,077 4	-0,39
Parliament	0,128 9	0,118	+9,24
Public Service			
pensions	75,573 5	75,103 8	+0,63
Service of debt	501,6	417,441	+20,16
Repayment of loans	489,0	309,473	+58,01
Other finance			
ministry	199,0	111,037	+78,00
Audit	0,036	0,036	0
Local Govt, Rural & Urban Developmnt	0,45	0,45	+0,00
Labour, Manpower Planning & Social Welfare	28,50	25,201	+12,00
Justice, Legal and Parliamentary Affairs	0,905,4	0,911	-0,01
Transport	0,45	0,43	+4,65
Total appropriations	1 206,620	940,258	+28,33
Total votes	3 367,180	2 935,031	+14,72
Total budget	4 573,810	3 875,239	+18,03

VOTE APPROPRIATIONS

DONOR aid is set aside in a vote of credit under the control of the Ministry of Finance, Economic Planning and Development although the estimates of expenditure outline how this sum, \$235 million this year, will be distributed.

In the table below (all figures of money are in millions of dollars) this extra sum has been added to the ministry's vote in the fourth column and the final column gives the ministry's augmented vote as a percentage of the total vote of \$3 367,189 million.

Vote	1986-87	1985-86	With vote of credit		% of total vote
			% inc	1986-87	
President	0,846	0,675	+25,3	0,846	0,025
Parliament	9,268	6,966	+32,97	9,268	0,275
Prime Minister	42,597	34,071	+22,86	42,597	1,26
Public Service	17,513	13,512	+29,61	20,745	0,616
Defence	639,512	597,150	+26,1	639,512	18,99
Finance, Economic Planning and Development	90,105	81,880	+10,05	90,105	2,68
Vote of Credit	235,000	37,380	+528,68	—	na
Audit	3,040	2,017	+50,72	3,040	0,09
Industry and Technology	63,584	61,938	+2,59	63,612	1,89
Trade and Commerce	11,731	24,939	52,96	15,731	0,46
Lands, Agriculture and Rural Resettlement	313,807	319,675	-1,84	375,656	11,156
Mines	16,780	9,693	+74,25	18,780	0,558
Transport	281,702	249,258	+13,02	305,732	9,169
Foreign Affairs	33,264	27,294	+21,87	33,264	0,988
Local Government, Rural and Urban Development	107,971	124,993	-13,62	141,049	4,28
Labour, Manpower Planning and Social Welfare	46,641	46,041	+1,30	54,555	1,62
Health	229,398	196,238	+16,90	246,379	7,33
Education	704,510	639,919	+10,09	721,054	21,41
Youth, Sport and Culture	14,637	11,870	+26,00	29,637	0,88
Community Development and Women's Affairs	7,678	7,639	+0,51	8,628	0,26
Home Affairs	170,179	143,125	+18,90	170,179	5,05
Justice, Legal and Parliamentary Affairs	40,302	35,796	+12,59	40,302	1,20
Information, Posts and Telecommunications	18,212	32,078	-43,23	32,221	0,96
Natural Resources and Tourism	35,428	43,797	-19,11	38,616	1,15
Energy and Water Resources and Development	38,694	56,018	-32,018	43,696	1,30
National Supplies	11,921	10,055	+11,88	12,921	0,38
Co-operative Development	3,336	3,101	+7,5	3,336	0,09
Public Construction & National Housing	179,579	205,818	-12,75	198,486	5,89

/9317

CSO: 3400/404

NEW MINISTRY FOR COOPERATIVES ESTABLISHED

Harare THE HERALD in English 1 Aug 86 p 1

[Text]

THE Prime Minister, Cde Mugabe, yesterday announced the establishment of the Ministry of Co-operative Development to be headed by Cde Maurice Nyagumbo.

Cde Nyagumbo will also remain as the Minister of State (Politics) in the Prime Minister's Office, Cde Mugabe said in a statement.

Noting the experience gained since independence, he said the new ministry would constitute itself into the Government's central agency for promoting, stimulating, facilitating and co-ordinating the development of co-operatives in all sectors of the economy.

"It will also be largely responsible for the implementation of Government's already established policy in this field, the administration of any enactments that may be required for the further enhancement of co-operative development."

Co-operative development, Cde Mugabe said, was itself an important feature in the Government's socialist thrust.

On the staff establishment of the new ministry, the Prime Minister said this was a matter to be worked out by the Public Service Commission.

"However, I have directed that as a general rule such establishment will be constituted out of relevant posts and personnel already in the service in the various ministries and departments.

"I am not looking to an expansion of the civil service in consequence of the creation of this ministry."

Cde Mugabe said although Cde Nyagumbo was now in charge of the new ministry, the former Minister of State (Political Affairs and Co-ordination of Co-operatives) would continue to exercise his political functions as before.

/9317

CSO: 3400/404

ZIMBABWE

MULTINATIONALS SAID 'GEARING' FOR SANCTIONS AGAINST RSA

MB141749 Johannesburg SAPA in English 1747 GMT 14 Aug 86

[Text] Harare, Aug 14, SAPA--Most multi-national companies in Zimbabwe are now gearing themselves for sanctions against South Africa and are investigating alternative routes and sources for their goods, ZIANA reports.

These include such international conglomerates as Lonrho, Lever Brothers, Rio Tinto and Leyland.

A spokesman for Lonrho, a British mining-based consortium, said in a statement today that it was "firmly" behind the Zimbabwe Government on the issue of sanctions against South Africa.

"We believe the course set by the government is the right and correct one that will lead to long-term stability in the area," said the spokesman.

He said Lonrho had "faith and confidence" in the government and was ready to assist wherever possible with both human and material resources.

A spokesman for Lever Brothers, said in an interview that the port of Beira in Mozambique was not the only viable route open to Zimbabwean exporters and importers, given the security situation posed by South Africa's hostile attitudes towards Zimbabwe and other Frontline states.

He said the Anglo-Dutch soap manufacturing giant would go along with the Zimbabwe Government on the sanctions issued.

Lever Brothers manufactures such essential commodities as washing powder, soap, and vegetable oils.

The spokesman said the company had in the past used the Beira port for its raw material imports although not as frequently as it did with South African ports.

"We have from time to time used the Beira route particularly when we import tallow," said the spokesman.

"But we would like to use the Beira port as it is most convenient and the distances are shorter," said the spokesman.

He said detergents required raw materials such as chemicals which could only be obtained from overseas sources, mainly in Europe.

Although some quantities of tallow could be found locally, Lever Brothers also had to import from countries like Australia and the United States to meet its needs.

A spokesman for the British syndicate, Rio Tinto, said since it was a gold producing company, its exports were sent through the Reserve Bank of Zimbabwe.

"But like all industrial mining companies in Zimbabwe when it comes to raw materials we have been importing from South Africa such items as explosives, drilling machines, electrical spares and chemicals," said Mr Douglas Sagonda, chairman of Rio Tinto Zimbabwe.

He said the ingredients took prominence in the mining industry but the company would not stop its operation when the South African routes and markets were closed.

"We will try and continue to run along with our mining but it could be very expensive because the other way would be to airfreight these materials," said Mr Sagonda, adding that this would reduce Rio Tinto's profits and revenues.

He said Rio Tinto was already working out alternative measures and would cooperate with the government to ensure that the mining industry was adequately served.

A spokesman for Leyland said most of its goods were shipped through Beira.

But, said Mr Brian Johnston, managing director of Layland Zimbabwe, the moto vehicle assemblers had been relying on South Africa for sheet metal.

"That is very crucial for the motor industry especially on truck bodies," said Mr Johnson.

He said alternative sources would have to be found for sheet metal, a vital component in truck body-building.

/6662

CSO: 3400/415

BRIEFS

TIES WITH INDONESIA, LAOS--Zimbabwe and Indonesia and Laos People's Democratic Republic have established diplomatic relations at ambassadorial level with effect from today. A statement issued by the Ministry of Foreign Affairs today says Zimbabwe and the two countries have established friendship and mutually beneficial cooperation on the basis of the principles of equality, noninterference in the internal affairs of other states, and respect for each other's independence and territorial integrity. [Text] [Harare Domestic Service in English 1745 GMT 14 Aug 86 MB] /6662

'EFFECTS OF SANCTIONS' COMMITTEE--The government has set up a cabinet committee to look into the issue of sanctions against South Africa and their possible effects on Zimbabwe. According to THE SUNDAY MAIL, [words indistinct] are to consider how Zimbabwe can best withstand the sanctions after they have been imposed on Pretoria. The committee, which is chaired by the minister of trade and commerce, Comrade Oliver Munyaradzi, comprises people mainly from finance and security ministries. While there has been a little panic in some quarters about the possible effects of border closures by South Africa, the need to set up a committee demonstrates the government resolve to meet the challenge caused by any retaliatory acts by Pretoria after the imposition of sanctions against it. [Text] [Harare Domestic Service in English 0500 GMT 10 Aug 86 MB] /6662

GOLD REFINERY TO BE BUILT--The Zimbabwean government plans to build a Z\$3,5 million gold refinery which is expected to start operating in about two years, a Cabinet minister said in the Zimbabwean midlands town of Mvuma. In an interview with Ziana new agency during a tour of the Athens mine, which is currently undergoing a Z\$12 million facelift, the Minister of Mines, Mr Richard Hove said the refinery would be a parastatal, and partly owned by the Standard Chartered Bank. The minister said technical work on the refinery was completed. "We will be working closely with a western Australian company until the commissioning of the refinery in two years," he added. The bulk of the equipment to be used in the construction of the refinery would be locally made, he said. [Text][Johannesburg THE STAR in English 31 Jul 86 p 15]/12828

CSO: 3400/385

GOVERNMENT'S HOLLOW PROMISES TO TBVC CITIZENS REVIEWED

Johannesburg THE STAR in English 1 Aug 86 p 11

[Article by David Braun]

[Text]

CAPE TOWN — The last week has revealed how the citizens of South Africa's independent homelands have been conned out of their birthright in exchange for a hollow promise.

For years the Government has encouraged the homelands to opt for full independence on the basis that this would give each ethnic group sovereignty.

The catch: upon independence, every member of the population group involved had to exchange South African citizenship for that of the newly independent country whether he lived there or not.

As every black person had to be classified a member of an ethnic group, it followed that if all 10 homelands took independence, there would no longer be any black South African citizens. Whites would be the majority in South Africa.

Blacks who became citizens of independent countries would be better off than those who did not, Cabinet Ministers promised.

Transkei, Bophuthatswana, Ciskei and Venda (TBVC countries) took their independence and their citizens overnight became foreigners in South Africa, allowed to work and live in South Africa on only a temporary basis.

Bilateral agreements were signed, by the TBVC countries and South Africa, to regulate the flow of migrant workers.

South African employers could employ foreigners without clearance from the Department of Manpower, whose function it was to ensure South Africans were not being deprived of work.

If TBVC nationals wished to stay longer than 14 days in South Africa they had to apply for "consent".

The paperwork and controls were administered by Development Board officials who also implemented influx control and regulated the migration of South African blacks.

In practice, therefore, blacks were restricted from working and living in urban areas whether they were TBVC nationals or not.

In January last year, in a policy speech which set out his reform programme, President Botha accepted the permanent settlement within South Africa, outside the borders of the independent and self-governing states, of a large number of black people.

The political aspirations of these communities would be accommodated by structures within South Africa, he said.

In April, the Government allowed that the loss of South African citizenship would not necessarily follow a self-governing territory's decision to take independence.

In September Mr Botha announced SA citizenship would be restored to blacks.

The loss of it, he said, led to frustration among those who lived in South Africa or were born in the Republic.

Women and children too

Last month Parliament passed the Restoration of South African Citizenship Act which gave effect to part of Mr Botha's promise.

TBVC citizens granted SA citizenship included:

- Those born in South Africa prior to the independence of their state and who have since lived in the Republic.
- Citizens by birth or descent of a TBVC states who entered the Republic after the independence of that state but before the commencement of the Act, and were lawfully resident in South Africa for five years.
- Those who lawfully enter the Republic after the commencement of the Act and stay for five years.

The Act also makes provision for the granting of SA citizenship to spouses and children.

TBVC citizens born in those states before independence do not qualify for SA citizenship if they don't fit one of the categories.

TBVC nationals who don't qualify for SA citizenship in terms of the Act remain foreigners if they visit South Africa.

About five million TBVC citizens are estimated to be affected.

The advantages black South African citizens have over TBVC nationals emerged when influx control was abolished and all South Africans became free to move around and seek work anywhere in the Republic.

From July 1, with the repeal of the pass laws, the task of administering the migration of TBVC nationals has been transferred from the disbanded Development Boards to the Department of Home Affairs.

TBVC citizens must comply with the provisions of the Aliens Act, like any other foreigners, with regard to residence and work permits.

For the millions of TBVC citizens the promised advantages of independence have not materialised. Their countries are not recognised officially by any country in the world, their travel documents are seldom acceptable abroad and they have lost their right to South African citizenship and all the advantages that may provide on the greater job market.

The story has not ended for these people, however. There is still the second part of President Botha's announcement that South African citizenship may be restored to TBVC citizens resident in the independent homelands on the basis of dual nationality.

Negotiations on this are in process on a bilateral basis between South Africa and each of the national states.

Not much has been announced about their progress but it is understood that the TBVC states are concerned that the granting of South African citizenship to their nationals will undermine their sovereignty.

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CSO: 3400/362

ANC COMMENTS ON OUTCOME OF COMMONWEALTH SUMMIT

EA070924 Addis Ababa Radio Freedom in English to South Africa 1930 GMT
6 Aug 86

[Text] Following now is the ANC press release on the outcome of the Commonwealth mini summit. The ANC congratulates the six Commonwealth heads of government on their decision to impose further sanctions against the Pretoria regime. The deteriorating situation in South Africa, with the regime's violence and brutality against the population reaching new extremes behind the cloak of censorship, requires [words indistinct].

However, the commitment of these heads of government and their refusal to [words indistinct] into making gestures which can only serve to sustain the [words indistinct] is a source of encouragement to us. The Prime Minister, Margaret Thatcher, has confirmed her government's determination to continue to support (?the Pretoria regime) [words indistinct]. The British Government is not in the least concerned [words indistinct]. It sees nothing wrong with the continued occupation of (?Namibia) or Pretoria's aggression against the independent states of southern Africa.

The cornerstone of Mrs Thatcher's (?policy) in southern Africa is the achievement of [words indistinct] while assuring Botha that her government will do nothing to stop his murderous campaign of terror throughout southern Africa.

The ANC appeals to all governments, especially those in the Commonwealth, to impose the agreed measures immediately. [words indistinct] the decision to secure concerted international action in the coming months will lead to the imposition of comprehensive mandatory sanctions by the Security Council. Amandla Ngawethu. Maatle ke Arona. From ungovernability to people's power.

/9716

CSO: 3400/380

ANC RADIO LAUDS COMMONWEALTH ISOLATION OF THATCHER

EA071012 Addis Ababa Radio Freedom in English to South Africa 1930 GMT 6 Aug 86

[Text] The much awaited mini-summit of seven commonwealth heads of government ended last Monday with a defeat for Thatcherism. The arrogant and obstinate British prime minister remained alone and isolated as the other six leaders agreed on a number of economic measures against the criminal apartheid regime. The heads of government of the Bahamas, Australia, Canada, India, Zambia and Zimbabwe agreed on a ban on air links with apartheid South Africa: A ban on imports of apartheid fruits and vegetables: a halt to bank plans to Pretoria: withdrawal of most consular facilities: and an end to imports of uranium, coal, iron and steel.

On her part, the apartheid's staunch ally, Margaret Thatcher, could only agree on what is in essence [words indistinct]. She agreed only to a voluntary ban on new investments and promotion of tourism, and is prepared to accept the ban on imports of coal, iron and steel only if such a decision were taken by the EEC.

The decision of the six Commonwealth leaders to isolate and expose Thatcher's collaborationist maneuvers is a step in the right direction. These leaders realized that they could not wait for a change in Thatcher's pro-apartheid heart before they could act against the evil apartheid system. Like the other nations of the world did 40 years ago when confronted by the threat of fascism, the six Commonwealth heads of government decided to take the bull by the horns.

For leaders of Zambia and Zimbabwe, especially, whose economies depend heavily on Pretoria's, their decision to move along with the rest of the democratic mankind shows how much concerned they are about the volcanic situation that is obtainable in our country today. These leaders know that as long as the genocidal and aggressive apartheid regime still exists their countries will never develop, and they will never know peace. President Kaunda and Prime Minister Robert Mugabe knew very well that Botha and his henchmen will retaliate viciously against them because of their courageous position. But because they themselves are freedom fighters, they too have been to exile; they have seen their people being killed by colonizers; they have witnessed apartheid aggression; they have suffered under colonial yoke for years. Because of that experience, they were prepared to face whatever steps that the Pretoria regime might take.

We the people of South Africa take this opportunity to salute the six Commonwealth leaders for their action of support and solidarity for our struggle. We also hope that the rest of the 42 other Commonwealth countries will follow suit. We are also looking forward to seeing other nations of the world taking similar measures against Pretoria.

The claim that if sanctions are not applied by the United States and other major trading partners of Pretoria they will never be effective is an empty argument. The actions taken by the six leaders will have an effect. [words indistinct] there would have been no need [word indistinct] to resort to such retaliatory measures within hours of the London decision. The fact that the Boers have already announced measures they will be taking against Zambia and Zimbabwe shows that they know very well that these commonwealth measures will be effective.

There is also another argument that is nowadays being raised by some of the close friends of the apartheid regime, like Japan, that they will only apply sanctions when the rest of the Western world has taken a decision. In other words, they are still waiting for Thatcher and Reagan to change their pro-apartheid positions. They are expecting the self-proclaimed allies of Pretoria to abandon their ally. Needless to say that (?such things) are just another cover for their reluctance to isolate Pretoria. If [words indistinct] in our country, now is the time to take action. All these countries who are talking about [words indistinct]. If the will is there, why are they still waiting?

The positions taken by the six Commonwealth leaders last Monday were partly as a result of our struggle. If we were not confronting the enemy as bravely as we are doing, no country could have risked its own survival for our sake. No nation can start acting in support of another if the oppressed nation is not struggling. [word indistinct] in the past 2 and one-half years we have demonstrated brave, (?valiant) commitment that has inspired all peace-loving people the world over to [words indistinct]. Even in countries like Britain and the United States the mass of the people have joined us. That is why you always hear of demonstrations and protests against apartheid's embassies in these countries. That is why Botha's European tour 2 years ago became a fiasco. We have the whole democratic community behind us. Therefore, we cannot betray the trust that other nations have in us.

Zambia and Zimbabwe took the courageous position they took because they can see that the end of the apartheid system has commenced. They know that we are going to bring down that regime sooner rather than later. They have decided to suffer side by side with us during these last but demanding days. They did that because they have confidence in us. They have seen the manner in which we have been confronting the enemy in the recent past. They will face Botha's retaliatory measures without regret, because they, like us, also believe that the end of the apartheid system is near.

We must not betray that confidence. We have to fight. We have to organize ourselves to fight better and harder for the speedy downfall of the apartheid regime. Botha has already announced some measures with which he intends

suffocating the economy of these two countries. We have a duty to protect and defend these countries. Last year, the National Union of Mine Workers stated that should Botha decide to retaliate by expelling workers from the [word indistinct] neighboring states because of sanctions, workers will take industrial action. Now, Botha, with his action, is calling for such industrial action. We must now allow him to strangle our neighbors without any punishment.

We must [words indistinct]. At the same time, we must take some punitive measures against countries like Britain, Japan, West Germany, the United States and others who still refuse to isolate our enemy. They are refusing because of the profits they get from our (?insecurity). We produce their profits. Now that they are acting openly against our cause of liberation, all of us must act to [word indistinct]. These companies which (?are greedily) reaping profits from our country must be punished with (?an) uninterrupted (?series) of sabotage actions. Wherever we work let us make sure that the exploiters get less for investing in our country. Let us demonstrate in action that we do not want investments that bolster apartheid in our country. Now is the time to act. Other nations of the world are [words indistinct] support. We also must act against those who are pushing our struggle back. Let us punish the Reagans, the Thatchers, the Kohls, the Nakasones and the like for betraying our cause for the sake of profit. Let us sabotage the apartheid economy from which they benefit so much. At the same time let us step up the level of strike action and demand living wages, because it is also because of the starvation wages which we get that make these imperialists to refuse to isolate Pretoria. By sabotaging the racist economy we shall be imposing our own form of sanctions. Down with the (?investments), isolate Pretoria.

/9716

CSO: 3400/380

ANC CRITICIZES THATCHER, URGES CONCERTED ACTION

EA071205 Dakar PANA in English 1100 GMT 7 Aug 86

[Text] London, 7 Aug (NAN/PANA)--The NAC, in a reaction to the outcome of the mini-summit of Commonwealth leaders which ended in London on Monday has said that "the cornerstone of Margaret Thatcher's policy toward southern Africa is the appeasement of racism".

The statement released on Tuesday in London by Alfred Nzo, ANC secretary-general, said the British prime minister "tries to disguise this with hypocritical expressions of concern about the jobs and stomachs of the oppressed majority while assuring Botha that her government will do nothing to stop his murderous campaign of terror throughout southern Africa".

He said: "Prime Minister Thatcher has confirmed her government's determination to continue to support the Pretoria regime. It is clear that the British government is not in the least concerned about the daily killings of our people in southern Africa", a Western Europe correspondent of the NEWS AGENCY OF NIGERIA (NAN) reports.

The liberation organisation congratulated "the six Commonwealth heads of government on their decision to impose further sanctions against the Pretoria regime".

It emphasised that the "deteriorating situation in South Africa, with the regime's violence and brutality against the population reaching new extremes behind a cloak of censorship requires the imposition of comprehensive and mandatory sanctions".

The ANC appealed to all governments, especially those in the Commonwealth, to impose the agreed measures immediately, adding, "we hope that the decision to secure concerted international action in the coming months will lead to the imposition of comprehensive and mandatory sanctions in the UN Security Council".

Thatcher alone refused to sanction punitive measures against South Africa during the summit in London attended by six other heads of states.

/9716

CSO: 3400/380

ANC RADIO SCORNS SOUTH AFRICAN PASS REFORMS

EA091459 Addis Ababa Radio Freedom in English to South Africa 1930 GMT
8 Aug 86

[Excerpt] Compatriots, 9 August, the 30th anniversary of the women's heroic march on Pretoria is set to be a day on which the whole nation moves with our women in the march towards freedom [passage omitted] However [words indistinct] honoring our heroes we shall also address the burning campaigns of the day, especially the pass laws. At no other time in the history of our women's day has the issue of pass laws been so much [words indistinct] as it is today on the 30th anniversary. Earlier this year the leadership of our vanguard movement, the ANC, issued a call to us stating that the time has come that as part of our mass offensive to make apartheid unworkable, once more we boldly confront the issue of that badge of slavery, the pass laws. The cry, said the ANC, must ring out through the length and breadth of our country this year, away with the pass laws.

Shortly thereafter, the apartheid ring leader, Pieter Botha, announced what he called a reform, (?and said that) his regime was scrapping the passes and replacing them with the uniform identity system. It was our determination to destroy the passes that forced the regime to sound the [word indistinct] retreat on this matter. The ANC quickly warned the nation against the danger posed by the so-called uniform identity system, and called on us to resist all other attempts by the Botha regime to deny us free access to any part of our united South Africa, whether by means of new identity documents, Bantustans, resettlement camps, group areas or other racist devices. The liberation movement pointed out that we are not simply demanding that reference books should be withdrawn. Passes are not just books. To change the books for an I.D. document is meaningless, because the system that passes are part of remains in place. Passes, whether they are books or I.D. cards, can not be separated from influx control and the Bantustans.

We are not simply against any form of identification at all cost, but we are against the form of identification which limits our freedom of movement in the country of our forefathers, a country which we have built with our own sweat and blood. We are against all laws and restrictions that make us foreigners in any part of our country, whether that is administered by means of reference books or uniform identity cards is of no significance whatsoever. The replacement of influx control with orderly urbanization is only meant to consolidate the hated system by buying off some of the African people who happen to have

what the enemy called approved accommodation. This means that those with such accommodation will remain in the urban areas, while the majority without that accommodation will be relegated to the barren reserves. It is partly because of this that we have to continue attacking this pass system. We know that without passes and influx control, whether you call them uniform identity and orderly urbanization, the white minority will never have been able to rob us of our land and set up the Bantustans and group areas.

This system is one. It is as much about denying us our right to the land in all parts of South Africa as it is about controlling our labor. The racists have not done away with the passes as they claim, but are merely replacing them with a more sophisticated identity document, and in fact the so-called uniform identity introduces more stringent measures reflecting place of residence and employment which are to be vital information for the police, who will continue to waylay us in the streets and invade our homes at any time of the day. Our women in the squats, the unemployed, will be the first victims of these identity cards. Women have been the chief victims when they were separated from their families in urban areas because it is said they do not have approved accommodation. They know how frustrating and humiliating (?it is to be in the) mile-long waiting list.

At a time when no houses are being built, and unemployment is on the rise, all those affected by lack of accommodation and employment will be bundled off to the Bantustans. Botha's uniform identity system will not stop these forced deportations. Instead they are going to be increased. Black women who have suffered the humiliation of being asked to produce a pass any hour of the day, locked up in prison with their babies, (?left) in the [word indistinct] bushes, and fined a lot of money for pass offenses, cannot be content with any form of cosmetic changes to the system.

Now is the time for action. Let us reject the pass laws and the pass itself, whatever form it takes. Burning our passes and refusing to accept I.D. documents can be the first and very necessary step. We must prevent the regime from dragging us into their control network by refusing to carry the documents which help them in their work. This is part of our growing struggle to exercise popular control over our own land.

But we have to go further. We have to organize to begin to reclaim the land, our land in the countryside as well as in the towns. We must break the chains of group areas and the Bantustans. We have the right to live in all of South Africa. The white farmhouses which are left empty, the white farm land where animals graze freely whilst we are pent up in grossly congested homelands, we have the right to live there.

In the towns and cities, the acute housing problem that is facing the African location is paralleled by houses standing empty in white suburbs. This is the lunacy of apartheid which we have to destroy. We demand that unused housing be made available to the people. When we burn the dompas, we have to move to break down the fences of locations, ghettoes and Bantustan borders. We must reclaim the land which is ours. The cry must reverberate throughout our country, away with the badge of slavery, away with the pass laws. Long live the Women's Day [Ika Malama Kosigaz Malibongo, Kinako Ushumi].

/9716

CSO: 3400/380

SABC MOVE ANGERS BOPHUTHATSWANA GOVERNMENT

Johannesburg THE NEW NATION in English 31 Jul-13 Aug 86 p 5

[Text] THE RECENT extension of South African Broadcasting Corporation transmissions to some areas of Bophuthatswana has angered the homeland government.

Earlier this month, the SABC extended its transmission to Bophuthatswana's capital of Mmabatho -- a place which only had access to Bop TV.

In the homeland parliament recently, the Minister of Post and Telecommunications KCV Sehume, whose department controls broadcasting services in the country, accused the South African government of "breach of promise".

"Our agreement with the SA officials was that neither government would extend television transmission to the other's country without consultation," Sehume said.

"The Pretoria government," said Foreign Affairs Minister TM Molatlhwa, "is selfish.

"When we first introduced the Bop TV service, it was so successful that they (South Africa) decided to cut our transmission in some of their areas -- despite petitions and protests from even white South Africans.

"Now the same government is trying to infiltrate our country through their broadcasting

services, without our approval."

According to Mr Molatlhwa said South Africa, which had no friends, should know better. He wondered why the country was busy trying to make enemies of her neighbours.

"In these times of recession, the money being used by the South African Government to block Bop-TV transmissions could have been used to improve and uplift the standard of living of blacks in the townships," Molatlhwa told the Bophuthatswana parliament.

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CSO: 3400/389

KWANDEBELE INDEPENDENCE ISSUE SPLITS ROYAL FAMILY, GOVERNMENT

Johannesburg THE NEW NATION in English 31 Jul-13 Aug 86 p 6

[Article by Cedric Kekana]

[Text]

A COUPLE of months ago one would never have thought that the seeming quietness of KwaNdebele was the type that usually comes before a storm.

The storm came to KwaNdebele in May -- and is still raging.

And in the heart of this poverty stricken territory that has opted to take independence from South Africa, have sworn that they will resist the move "to the last drop of blood."

When we visited the embattled area, one could not fail to notice the determination of the people -- men and women, young and old -- in their opposition to the forthcoming independence.

The independence issue has split the KwaNdebele royal family and the government of Chief Minister Simon Skosana.

In a rare interview, Prince James Mahlangu, who heads the royalists' attack against the government, spoke candidly about the issues.

"Independence? No way", said Prince James Senzangakhona Mahlangu who sees independence as a sham.

"There is no going back now, we are opposed to this thing and that's it. Our morale is high and we cannot be stopped," he said.

The independence move has the support of Simon Skosana, Chief Minister of KwaNdebele and the much hated Imbokotho vigilantes who comprise of businessmen and members of the KwaNdebele legislative assembly.

During the interview, conducted at the Royal Kraal, Prince Mahlangu said the KwaNdebele royalty was now at odds with the government of the territory.

He outlined the basis of their rejection of independence: The people of KwaNdebele have learnt from the tragedies of other territories which opted for so called independence.

The people had lost their South African rights, there were no jobs in the homelands and consequently, people starved and the

population was generally brutalised by those in government -- invariably rich businessmen.

"The royalty is more respected by the people than the KwaNdebele or the South African governments.

"Because of this factor we expected to be fully consulted by both these authorities on the issue of independence, but we were not.

"Instead we are expected to willy nilly support moves that our people are opposed to," said Prince James.

Prince James took over the chairmanship of the Ndzundza Tribal Authority at the end of 1983, and periodically people would enquire about the speculation that the territory would be independent. These charges were always denied by the government.

The last straw for the royalty, according to the Prince, was when people opposed to independence were attacked and even killed by the armed bandits of Imbokotho -- which, many claim, was founded to neutralise any public condemnation of the independence moves.

Many point out that the independence will be bogus and will only benefit businessmen.

There are no major industries in KwaNdebele and its entire workforce is employed in South Africa.

Indeed more than 80 per cent of the territory's inhabitants are in South Africa during the day -- only returning to KwaNdebele to sleep.

"We watched in astonishment as Imbokotho systematically brutalised the students and the youth, and we reached a point when we felt that enough was enough," said the Prince.

His brother, Prince Cornelius Kosi Mahlangu, Minister of Health, Welfare and Pensions added: "When Imbokotho emerged, it became clear to the people that it was a tool used to force independence down the people's throats."

As one travels from one village to another in KwaNdebele, one cannot fail to catch sight of the destruction of businesses belonging to members of parliament, because in this homeland, membership

of parliament has become synonymous with owning a string of businesses.

Imbokotho vigilantes have been known to dash from village to village causing plunder and panic among residents.

Commented one resident: "These are not actions of people who genuinely believe in independence, these are actions of men who are fearful that bread is about to be taken away from their mouths."

Concluding the interview, Prince James Mahlangu said: "We consider ourselves to be South Africans and nothing will change that, pseudo independence or not."

Soon after the interview, Prince James and other members of the royal family went to attend a Day of Prayer that had been called to pray for peace in the area -- and so while the storm raged, the people of KwaNdebele knelt in prayer and hope.

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CSO: 3400/389

INCREASING INFLUENCE OF BLACK INDEPENDENT CHURCHES NOTED

Durban THE DAILY NEWS in English 1 Aug 86 p 10

[Article by Garry Brennan]

[Text] RAPID growth of South Africa's various black independent churches is making the power of the black Christian movement a religious, social and even political force that should not be underestimated.

The independent churches and mainline, orthodox churches seem to be poles apart, with misunderstanding on both sides. This was illustrated at the weekend when King Goodwill Zwelethini spoke at the July Festival of the Ibandla lamaNazareth (Church of the Nazareth — the Shembe Church) at Matabele.

Criticising Anglican and Catholic leaders, the Zulu King warned the independent churches to beware of "false prophets" who advocated violence and sanctions to bring about change.

The rift in religious movements is a worry to church leaders and academics who are aware of the tremendous growth of the independent churches

and their influence on black perceptions.

In 1930 the Zion Christian Church, for example, had 926 members; today it claims a membership of more than four million.

In 1948 there were 800 independent denominations. Today there are 3270, with six million members. Membership has increased from nine percent of the black population in 1948 to almost 40 percent today.

To get an overall picture of the movement, the Human Sciences Research Council allocated more than R100 000 for a four-year research programme headed by Professor G.C. Oosthuizen, of Westville, an authority on mission sciences and separatist movements. Half-way through the programme his work, much of it in town-

ships, has made him more conscious than ever of how little white South Africans know of blacks.

"We've been zombies for too long. We drive to the airport past Umhlanga and haven't the faintest idea what goes on there."

Of Dutch Reformed background, Professor Oosthuizen has great respect for the customs and practices of the independent churches, some of which have led some other theologians to label them cults. For example, in some of the churches there is over-emphasis on the Holy Spirit, Umoya, even to the extent of placing Jesus in the background.

This must be seen against an African cultural background in which power, the vital force, is seen in everything: the body — sometimes leading to "muti" rites — and

plants and of course the sea, favoured for baptism ceremonies, when the candidates receive spiritual power and get rid of evil spirits.

There is heavy emphasis on healing at every service.

"Sangomas still play a big role in the lives of blacks," said Professor Oosthuizen. "A recent study at King Edward Hospital showed patients still turn to sangomas to find empathy, warmth, integrity and satisfaction, finding our Western medicine cold and clinical."

One form of healing, familiar to passers-by of open-air services, has elders running round and round the patient — or turning him round and round — to "get the Spirit".

Mainline churches were also unhappy years ago with the traditional singing and clapping at black churches and early missionaries tried to forbid blacks composing their own hymns. It didn't work: "Africans are composers by nature. The very first hymn for one of the new churches was composed here in Natal."

Today, however, the main denominations — especially the Catholics, who have overtaken the Methodists in black membership — are finding ways of al-

lowing white and black cultures to meet. Prayers through ancestors, for example, can find a parallel of sorts in Catholic beliefs on the saints.

Most church-goers would find the principles of movements such as the Zion Christian Movement hard going. Smoking and drinking alcohol are forbidden and there is a strict work ethic. Members wear star symbol badges and, like Muslims making pilgrimage to Mecca, visit their own holy shrine at Moria City, a few kilometres north of Pietersburg.

With their own sometimes colourful and controversial ways, the independent churches are the fastest-growing religious movement in Africa. Mainline church leaders — especially Anglican Bishop Tutu, who has been critical of the Zion church in particular — will need to study the extent of their differences with the independents and come to terms, or risk losing control of more of their flocks.

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CSO: 3400/392

BLACK PRETORIA COMMUTERS DISSATISFIED

Johannesburg THE CITIZEN in English 15 Aug 86 p 13

[Text] THE two major areas of dissatisfaction among Black commuters in the Pretoria area are overcrowded buses and trains and infrequent and unreliable services which may result in late arrival at work.

This is the conclusion reached by the National Institute for Transport and Road Research (NITRR) at the Council for Scientific and Industrial Research (CSIR) in a report entitled "Black Commuting in Pretoria: Summary Report".

The NITRR report is a summary of 14 separate studies of Black commuting in the Pretoria area. Over 1 000 commuters were interviewed and extensive field checks of all the major aspects of commuting were made.

It also provides a set of broad guidelines for the levels of service that Black commuters expect. Studies elsewhere in South Africa, although less detailed, suggest that the problems experienced and attitudes of Black commuters are similar in most areas.

Dealing with overcrowding and infrequent and unreliable services, the report found that: "Commuters feel that the

standards of these aspects of the service should be very high; they feel that almost everybody should have a seat and that they should be able to rely on a punctual arrival at work."

Another issue where commuters expect very high standards is cost. Dissatisfaction is widespread with current fare levels although these are highly subsidised and usually account for a small percentage of the commuters' income.

Long commuting distances are another crucial issue. According to the report: "Commuters with long journeys are more dissatisfied with almost every aspect of their trip than are those with short journeys."

It said that complaints about long journeys to work are likely to increase due to dissatisfaction with the purely transport aspects, dissatisfaction with the political basis for the long trips and dissatisfaction with the human problems which result.

"In the worst cases, commuters spend more time travelling than they spend sleeping," found the report.

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CSO: 3400/392

SARMCOL WORKERS CO-OP INCREASES ACTIVITIES

Johannesburg THE NEW NATION in English 31 Jul-13 Aug 86 p 1

[Text]

The longest strike in the history of South African labour continues. Sixteen months ago BTR Sarmcol workers went on strike, demanding recognition for their union and a living wage. They were fired. The dispute went to court -- and it goes to court again in October. BTR Sarmcol has caused untold hardship to the Howick community, say the workers, all Mawu members. The last 16 months have not been easy for the Mawu workers. They would have been even more difficult had the workers not formed a co-op, to maintain unity, and to make sure they and their children don't starve. Now they can rightfully say they have "proved to the bosses that we can fight them for longer than they expect".

THE SARMCOL Workers' Co-op (Sawco), established about nine months ago to ensure unity during the strike at BTR-Sarmcol, has increased the size of its operation ten-fold.

After successfully printing over one thousand T-shirts for the launch of the Congress of SA Trade Unions, Sawco branched out into five more types of activity.

It now maintains a 50 hectare farm, a news gathering unit, a health screening project and a bulk buying scheme.

The T-shirt project, which started with nine strikers, now has a workforce of 30.

Although the project is not generating any surpluses, it has reached a stage where expenses balance income.

EXPORTS

According to one of the strikers, shop steward Phillip Dladla, samples of Sawco T-shirts have been sent abroad and the co-op may soon start exporting.

But it is still dependent on orders from local trade unions, community and student organisations.

Says Sawco co-ordinator Pauline Stanford: "Orders from organisations will help a great deal in achieving self-sufficiency".

Sawco has also been farming for the past few months and expects to reap its first crop in a few weeks.

HARVEST

But the harvest will not be big enough to sell to the market -- all

of it will be used to supplement the 800 food parcels Sarmcol workers have been dependent on since their dismissal.

Dladla, who was employed as a lab technician by Sarmcol, says: "Our next crop will be potatoes."

"We also plan to go into dairy farming when our resources allow us to."

One of the most important activities of the co-op is screening the children of Sarmcol strikers.

The health screening project was launched when Mawu doctors found widespread malnutrition among children in Howick's Mpophomeni township, where most of the workers live.

The Sawco health screening team monitors development of children and refers them to a clinic in the area if any serious ailments are detected.

Dladla says: "Central to the struggle at Sarmcol was the demand for living wages. The battle was intensified when the exploitation of workers was reflected in the deteriorating health of our children."

A newsteam was also established when it became apparent that the mainstream news media was not serving the needs of the striking community.

"We had to disseminate news about the strike and the community through our own medium.

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CSO: 3400/389

NEWSLETTER

"We have already produced our first newsletter."

The co-op is run along principles of democratic control by workers, the development of both individual and collective capabilities, and the division of all surplus according to the actual needs of members of the co-op.

Sawco also aims to eliminate all forms of labour division which hinder democratic control.

Dladla says the most important difference between the co-op and the factory is that workers are not governed by oppressive management laws.

"There are also no financial secrets between co-op members.

"Workers have a clear understanding of income and expenditure, and participate fully in decision making.

"We have proven to the bosses that we can fight them for longer than they expected.

"We are determined to win the fight against mass dismissals that have plagued the growth of democratic trade unionism for over a hundred years," he says.

The industrial court has set aside the whole of November for the hearing of the dispute.

At the hearing, the Metal and Allied Workers' Union will challenge the dismissal of its members, and seek their reinstatement.

INKATHA'S UWUSA SAID TO INVITE INTERNATIONAL ISOLATION

Johannesburg THE NEW NATION in English 31 Jul-13 Aug 86 p 18

[Text] INKATHA's controversial United Workers Union of South Africa (Uwusa) is heading for international isolation -- at least publicly.

There have been claims of close unofficial ties between Uwusa and foreign union federations, mainly the American AFL-CIO and an Israeli federation.

In a telex to the NEW NATION last week, the Western-orientated International Confederation of Trade Unions (ICFTU), said it would neither initiate contact with nor give assistance to Uwusa.

The decision was taken when the Uwusa question was discussed by ICFTU affiliates at a coordinating committee meeting on South Africa.

The ICFTU is one of two major world union federations. The other, the Czechoslovakian-based WFTU (World Federation of Trade Unions), will almost certainly refuse to forge links with the Inkatha-backed union. This effectively isolates the union,

except for links that it maintains on an unofficial level.

The move towards Uwusa's international isolation also follows strong rejection of claims by the union that it enjoys majority support at a number of factories in Natal and the Transvaal.

The claims have been made at factories mainly organised by Cosatu affiliates in the metal and food industries.

The first attack on the claim came when the Food and Allied Workers Union won a majority vote at Jabula Foods in Springs.

After the ballot, Fawu's chief shop steward at the firm was killed.

Seven workers have been suspended pending investigations into the killing.

At Clover dairies in Durban, 1 000 Fawu members went on strike demanding the dismissal of three workers, two

of whom are security guards. The strike was sparked off when the three workers allegedly destroyed Fawu membership forms and replaced them with Uwusa forms without workers' consent.

When asked which companies had signed recognition agreements with the union, Uwusa president Petros Ndlovu said he did not have the information at hand and would phone it through to the NEW NATION as soon as possible. At the time of going to press a week later, no phone call had been received.

FAWU PLANNING ACTION TO SECURE WORKERS' REINSTATEMENT

Johannesburg THE NEW NATION in English 31 Jul-13 Aug 86 p 18

[Text] THE MASS dismissal of 240 workers at Clover Dairies in Pietermaritzburg was "provocative and clearly an attempt to smash the Food and Allied Workers Union (Fawu) and replace it with the Inkatha-backed Uwusa".

This claim was made by Fawu, which has organised more than 2 500 dairy workers at eight Clover plants, most of which are in Natal.

The dismissal follows a series of strikes at the Pietermaritzburg plant of the dairy. According to Fawu, the strikes were sparked off by a number of problems, including a management refusal to negotiate on issues other than wages despite tough working conditions.

The conflict started early last month when management reversed its promise to implement an interim increase in February.

AGREEMENT

Management agreed to backdate the increases after the strike but dismissed a shop steward, Peter Gumede, after accusing him of disrupting a meeting.

Another strike followed, during which the workers accused the company of breaking an agreement in which it undertook not to act against workers for participating in the strike. Management conceded and reinstated Gumede.

But this was not the end of the story. Rival unionists followed striking workers home and threatened them. And although the company was informed of the threats, no action was taken against the workers, Fawu says.

Instead management again summoned a meeting with shop stewards and dismissed the chairman of the shop stewards committee, Jethro Ndlovu, for his role in the strike.

According to the bosses, Ndlovu shouted "Amandla" when some managers pointed guns at workers. But workers say they were already retreating when confronted by gun-wielding managers and rival union officials, including a local councillor.

Managers insisted Ndlovu had instigated workers into attacking Uwusa organisers and a councillor. Ndlovu was dismissed despite workers' protests.

This incident, according to Fawu, convinced workers that management was determined to smash Fawu and replace it with Uwusa. A strike followed and 230 workers were fired.

The union is understood to be planning further action to secure the workers' reinstatement.

Fawu said the hostile attitude of the management of the holding company, National Co-operative Dairies (NCD)

-- some of whom are said by the union to have close relations with right-wing union boss Arrie Paulus -- had compounded the problem. Management had been "very accommodating" towards Uwusa while harassing Fawu.

At the Congella plant, Fawu said, two security guards, both Uwusa members, had torn up Fawu membership forms left at the gate by unsuspecting members from other Fawu branches and attached names of Fawu members to Uwusa forms without their consent.

This had resulted in a strike by workers demanding the dismissal of the guards. But management had refused to take action.

In one case, bosses had also allowed Uwusa organisers access to the canteen to recruit workers.

Fawu said its organisers had repeatedly been barred from certain of the dairies' premises. Management had also refused to negotiate with the union, saying talks could only take place once an agreement was signed by the Durban plant of the dairy.

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CSO: 3400/389

BLACKS GET MORE OPPORTUNITIES IN BUSINESS WORLD

Johannesburg THE STAR in English 7 Aug 86 p 15

[Article by Claire Robertson]

[Text]

Commerce students are helping big business to help itself out of the management crisis.

According to the Institute of Manpower Research, there is a need for some 3700 black, coloured and Indian managers every year.

Only 300 moved into executive positions every year for the last 20 years.

The International Association of Students in Economics and Management feels the problem lies not in business failing to recognise black talent, but in not being exposed to it.

This year AISEC is giving top priority to its Vacation Employment Scheme whereby "disadvantaged students" (mainly, but not only, black) are given the opportunity to learn management skills first-hand, and companies are offered the pick of the crop of up-and-coming executives.

DIFFICULTIES

"Admittedly black students and graduates are disadvantaged by background and lack of experience in the real business world," AISEC says in its annual report.

"However, when one considers the enormous social and economic difficulties faced, simply their ability to remain at university indicates they are people of superior talent and determination."

AISEC screens potential vacation employees, from disciplines as diverse as marketing and computer sciences, to ensure compatibility with a company's individual requirements. Then it is up to the employee.

The firm concerned is asked to either give the student a "vac job" in the

Christmas break, or offer a bursary, pay his or her way in the international VES exchange programme, or offer to send the student on an AISEC leadership development programme.

The VES pilot programme managed to place 43 students in vacation jobs last year. A minimum target of 450 jobs in the December holiday period has been set for this year.

AISEC member Mr Experience Nkanbinde (24) of Zola North in Soweto was one of those placed last year, and one of VES's many success stories.

In November he joined the accounting section of the computer firm Honeywell, in Crown Mines.

After his two-and-a-half month stint his boss offered him a permanent job there once he had completed his B Comm at Vista University.

The firm has also offered to help with his studies, and Mr Nkanbinde, who plans to be a chartered accountant, may take another part-time job there before he graduates.

SCHOOL PRINCIPAL SPEAKS ON EFFECTS OF EMERGENCY

Johannesburg THE STAR in English 1 Aug 86 p 11

[Article by Montshiwa Moroke]

[Text]

"Something has to give, somewhere" — This is the view of a Soweto school principal, regarding the state of affairs in black education throughout the country.

His comment was prompted by the tough stand taken by the Government recently in its response to the growing rejection by black pupils of the new security measures introduced in black schools two weeks ago.

The Government has gone so far as to threaten the closure of those schools where no "meaningful" education was taking place and to dismiss or transfer teachers from those schools.

Pupils, on the other hand, have refused to accept the imposition of the new Government measures, including the identity card system, the correct class placement and the presence of security forces at schools.

During an interview, the school head highlighted the invidious position in which teachers found themselves and the lack of communication between the Department of Education and Training (DET) and principals — except when they gave instructions.

DISCUSSION

The principal, who cannot be identified for professional reasons, said that when the schools re-opened on July 14, pupils flocked to classes where "pains" were taken to explain the implications of the state of emergency.

"I sent them back home to their parents, to read newspapers and discuss these regulations which bound them to the status quo.

"There was a howl from pupils about the identity cards, but for the purpose of those who wanted to be in school, I said it should not be an issue to keep them away from school," the school head said.

He said that for the first three days when the schools re-opened, attendance was about 80 percent, but the situation was unstable because of the re-registration regulation.

Now there was the problem of the presence of security forces at schools. Principals were not informed by the DET of such a move.

He said: "We get nothing from the DET. What we are supposed to know we get from newspapers, which we avidly read these days.

IN OCCUPATION

"We found soldiers on the school premises when we arrived at school on July 18. They were just in occupation. The children were concerned, but I spoke to them and pleaded with them to ignore the soldiers' presence and to go about as if they were not there."

The principal said teachers were concerned because there were large numbers of pupils who wanted to be at school and learn. For their sake, teachers had to run a middle course.

He foresaw the situation getting even more difficult and expected the State to come down heavily. In that case the role of the teacher too was increasingly becoming difficult.

From teacher training, teachers knew what their role was, but it had since changed. Teachers had to sit down to re-think, re-define and re-align that role in the light of the present.

"Morale among my teachers is really low at the moment. Something has to give, somewhere. Somebody has to give — for the sake of sanity and human dignity.

"By sheer numbers it seems to me that it is the politicians, the State, which must give," the school head said.

SOWETO PUPILS RENAMING HIGH SCHOOLS AFTER POLITICAL LEADERS

Johannesburg BUSINESS DAY in English 30 Jul 86 pp 1, 3

[Article by Siphho Ngcobo]

[Text]

SOWETO pupils are renaming high schools after political leaders such as Robert Sobukwe and Nelson Mandela.

And other schools in the township have been renamed by pupils after Eastern bloc cities and African states which the pupils consider to be "politically authentic".

At least one school has been named "Communism".

The names, painted on the walls of school buildings, have in several cases been erased by the authorities — but immediately repainted by the pupils.

Headmasters at some of the schools confessed to having lost control.

The renamed schools were seen by a *Business Day* team yesterday.

Entering the township complex through Orlando East from Johannesburg and heading toward Orlando Stadium one sees Selekele Senior Secondary School — now renamed "Sobukwe High" by the pupils.

The words are painted in big letters on the walls of the school. Sobukwe is the late president and founder of the banned Pan Africanist Congress (PAC).

Also painted in big letters is the name PAC and "Viva Apla". Apla is the military wing of the PAC.

Coincidentally, the school is situated diagonally opposite the hall where the PAC was formed in 1959.

"This is the school of the PAC, the school of Poqo," said one schoolboy.

On the north-western part of Soweto,

known as Meadowlands, the words "Emma Sathekge: Communist School" are painted on the walls of what is officially named Meadowlands High. Sathekge was a Pretoria schoolgirl who was run over by a police armoured vehicle in 1984.

Lobone Secondary in Mofolo has been renamed after jailed ANC leader Nelson Mandela — "Nelson Mandela High".

The Keleketso Senior Secondary in Meadowlands has been renamed "Oliver Tambo High School" after the president of the ANC.

There are others like "Libya High", "Berlin High" and a couple of more "Mandela Highs".

□ The Department of Education and Training (DET) yesterday announced that a number Eastern Cape schools have been closed "due the total stay-away of pupils".

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CSO: 3400/362

BRIEFS

200 FACE REMOVAL--More than 200 black peasants in Natal have been told: "move or face prosecution"--from three white owned farms they have occupied for decades. The families, work and live on the farms Geluk, Zypherfontein and Blaukrantz in the Umsinga District. A spokesperson for the Department of Development Aid in Pietermaritzburg said there was nothing his department could do to help the families, except to provide free transport and accommodation. "But, we can only help if they agree to be resettled at Qhudeneni in KwaZulu, Mpendle or Frankland in Port Shepstone. [Text] [Johannesburg THE NEW NATION in English 31 Jul-13 Aug 86 p 3] /8309

NEW JOBS IN GAZANKULU--Job opportunities for more than 650 people have been provided by the establishment of a new factory at Mkhuhlu, an industrial growth point near Hazyview, which is to be developed by the Shangaan/Tsonga Development Corporation (STDC). The R10 million plastics factory was officially opened by Professor Hudson Ntsanwisi, the Chief Minister of GaZankulu who said that the best method of dismantling apartheid is the acceleration of the economic development of the Black community. The 16,000 square metre factory is the biggest single industrial undertaking in GaZankulu to date and cost the STDC R3 million to build. "Rapid training in skills, mobility, opening of economic opportunities and freedom of movement are what Blacks need in South Africa, and as one of South Africa's Black leaders I have a mandate from the people to argue forcibly against punitive sanctions which will devastate the economy and stability," said Prof Ntsanwisi. There are now six industries and 12 small industrialists working in Mkhuhlu and four new factories are being currently developed by the STDC. The first phase of development will be financed with a loan from the Development Bank of Southern Africa. [Text] [Johannesburg THE CITIZEN in English 2 Aug 86 p 10] /8309

CSO: 3400/392

ISRAEL INTENSIFIES EMIGRATION RECRUITMENT EFFORT

Johannesburg SUNDAY TIMES in English 27 Jul 86 p 9

[Article by Sybrand Mostert]

[Text]

ISRAEL has joined the "head hunt" in South Africa with the arrival of two Israeli government agents who have their sights set on young accountants to swell the depleted ranks of their country's civil service.

Mr Yair Rabinowitz, a senior official with Israel's revenue department, said in an interview from Jerusalem before he left for South Africa: "I'm looking forward to seeing the country and I hope to persuade some good people to join us in Israel."

The latest recruiting drive follows a bid by the Israeli Government in August last year to encourage the emigration of South African Jews to Israel.

While the Israeli Government sets about preparing jobs and houses for prospective South African emigrants, Prime Minister Shimon Peres is reported to have told Immigration Minister Mr Ya'acov Tzur to recruit more South African Jews, "as they are a decent brand of people, straightforward and efficient".

Mr Tzur visited South Africa in April. He announced then that Israel's kibbutz organisation and the South African Zionist Council had set up a joint task force to attract South African Jews to Israel.

Mr Rabinowitz described

his visit as an extension of the continuing immigration drive.

He also said he hoped to see emigration from South Africa to Israel double this year.

He arrived in Johannesburg on Friday with Mr Noah Kupperman.

After spending a week in Johannesburg, the two civil servants will visit Cape Town, Pretoria, Port Elizabeth, East London and Durban.

Mr Rabinowitz said: "We are searching for young accountants who have either just finished their university training or have been working for a short while."

Trickle

"Whether the applicants are married or single is irrelevant. They will be assisted with moving costs, and housing will be provided in Israel. Salaries will be about US\$700 (R1 700) a month."

● Against the background of a floundering economy and continuing unrest, many international firms seeking specialised workers have had no trouble in persuading highly skilled workers to leave South Africa.

According to figures released by the Department of Statistics, the flow of people coming to this country has dwindled to a trickle, with only 634 immigrants arriving in the year ending March 1986.

Emigration is up 40 per cent, with 1 316 leaving each month compared with 942 a month in the previous year.

COMMENTARY WARNS KAUNDA, MUGABE ON SANCTIONS

MB040915 Johannesburg International Service in English 0630 GMT 4 Aug 86

[Station Commentary: "Sanctions Warning to Frontline States"]

[Text] The British Government's warning to black Frontline states that they could not expect any help in the event of retaliation by South Africa to sanctions should have a sobering effect on the whole sanctions issue. The warning came soon after Prime Minister Mrs Margaret Thatcher won support from her cabinet for her staunch opposition to sanctions against South Africa.

Foreign Office Minister of State Baroness Young warned such countries as Zambia and Zimbabwe that they should not expect British economic aid if the South African Government passed on the effects of sanctions. Both countries have been in the forefront of calls for international sanctions against South Africa.

What Britain in effect has now done is call their bluff. Other southern African states have voiced their opposition to sanctions against South Africa because of the disastrous effect this would have on their own economies. By contrast President Kenneth Kaunda of Zambia and Prime Minister Robert Mugabe of Zimbabwe have brazenly continued to appeal for economic sanctions. There are those who believe that this is simply an act of bravado on their part and that they privately hope that sanctions will not be imposed.

Dr Kaunda and Mr Mugabe certainly have every reason to hope that sanctions are not imposed on South Africa. The fact is that South Africa is the main trading partner of both countries and even more important, as landlocked countries, they are both almost entirely dependent on South Africa's rail and harbor infrastructure.

The monthly magazine AFRICAN BUSINESS points out that 90 percent of Zimbabwe's imports and exports is routed through South Africa. As a result all major exporters, many import-relying companies, the [word indistinct] sector, and field supplies would suffer. Much the same applies to Zambia.

Businessmen have pointed out that if the effects of sanctions are passed on by South Africa to hostile neighboring states, some farms, factories, and mines in Zambia and Zimbabwe will be forced to close. Inflation will soar, commodities

will become scarcer, unemployment will increase dramatically, and a cumulative effect of the economies of the two countries will be nothing short of disastrous.

The leaders of these two countries will have no one but themselves to blame if the chickens they have been publicly feeding come home to roost.

/9716

CSO: 3400/375

SOUTH AFRICA

COMMENTARY SAYS KAUNDA, MUGABE TO BLAME FOR HARDSHIPS

MB061003 Johannesburg International Service in English 0630 GMT 6 Aug 86

[Station Commentary: "Sanctions and Southern Africa"]

[Text] South Africa is recognised as the economic hub of the southern African subcontinent, and just as it is impossible to bring about effective economic development in the region without South Africa playing a major role, so too is it impossible to harm South Africa without causing far more serious damage to its neighbors. This is the inescapable fact which the Western nations are ignoring in their obsession to impose sanctions against South Africa, and the one with which South Africa's neighbors are going to have to live. One thing is certain, economic sanctions, whatever their form or degree, will be imposed against South Africa.

The Western nations have not been alone in their clamor for sanctions. Very much in the forefront are two southern African leaders, President Kenneth Kaunda of Zambia and Prime Minister Robert Mugabe of Zimbabwe. Theirs is a curious position. On the one hand, the economies of their landlocked countries will be grievously affected by sanctions, and on the other hand they have been warned by both Britain and the United States that they would not expect aid if Pretoria retaliates.

From South Africa's point of view, it will not be so much a question of retaliation, but one of survival. Naturally, its own interests must come first. South Africa's minister of manpower, Mr Piet du plessis, has stressed the government's view that repatriation of foreign black workers estimated at 1.5 million would probably be unavoidable when sanctions become a reality. This would be totally in line with the policies of other countries which have substantially reduced the number of foreign workers during times of domestic unemployment. This will lead not only to a loss of revenue for numerous states in the region, but it will further exacerbate their own unemployment situation.

The people of Zambia and Zimbabwe in particular need to be very clear about the fact that their political leaders will be largely to blame for added hardships that will result from economic sanctions against South Africa.

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CSO: 3400/375

COMMENTARY DISMISSES MUGABE CLAIM OF ROLE MODEL

MB080826 Johannesburg International Service in English 0630 GMT 8 Aug 86

[Station Commentary: "Zimbabwe and South Africa"]

[Text] Only those who are ignorant of Africa's post independence history will be able to take seriously the view expressed by Zimbabwean Prime Minister Mr Robert Mugabe that his country is South Africa's model for the future. He made the point at a news conference this week in London where he has been at the forefront in arranging for sanctions against South Africa in the hope of forcing a change of government. Far from being a model for South Africa, Zimbabwe is moving exactly in the opposite political direction to South Africa. Following the lead of numerous black African states, Mr Mugabe has been conducting a reign of terror against his tribal enemy and moving his country towards a one-party state and what he had described as the (?fulfillment) of the socialist revolution.

He and his government have been very touchy on the subject of tribalism in Zimbabwe. They have gone to great (?pains) to make believe that it is not a factor in the political and social scheme of things. Ethnic differences in the party are now said to be reaching a crescendo and are becoming publicly evident for the first time since 1960 defying Mr Mugabe's efforts to present a united face to the world. Polarization is reported to be increasing since the dismissal from Mr Mugabe's politburo of the minister of transport, Mr Herbert Ushewokunze, after investigation of corruption in the railways. Mr Ushewokunze belonged to one of the five sub-groups of the Shona tribe. He claimed that one of the other sub-groups was conspiring to murder him because he stood in the way of their taking over the party and the government.

The minority tribe in Zimbabwe, the Ndebele, is also divided into sub-groups and does not represent a united nation. Repression of this minority, led by Mr Joshua Nkomo also leaves Mr Mugabe much to answer for.

In direct contrast to the developments in Zimbabwe, the South African Government has chosen a process of political reform in which democracy is being extended to properly accommodate ethnic differences in the country.

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CSO: 3400/375

EFFECTS OF SANCTIONS DISCUSSED ON 'NETWORK' PROGRAM

MB061222 Johannesburg Television Service in English 1920 GMT 5 Aug 86

[Discussion with Arthur Hammond-Tooke, chief economist of the Federated Chamber of Industries; Wim Holtes, executive director of the South African Foreign Trade Organization and Michael Christie, general manager of the South African Foundation, in Johannesburg, moderated by Jerry Schuitema on the "Network" program introduced by Michelle Alexander--live]

[Text] [Alexander] What will the South African economy look like under sanctions if they are imposed. To discuss this and related matters, Jerry Schuitema of our economics desk invited specialists to the studio.

[Schuitema] Gentlemen, good evening. One thing one has found in all of the debate on sanctions that has been going on in South Africa is total confusion over the effect [of sanctions]. Possibly this is first of all because of the hypothesis one has to make about what exactly will sanctions do to the extent that they can be implemented. But even then, if they are implementable, then in that case of what will be the effect. Arthur, perhaps we can go to you first. From your perspective, what would be the effects of sanctions in their present form and possibly even a worst case scenario.

[Hammond-Tooke] Yes, Jerry, we are very effectively in the sanctions situation and we have to look at the worst-case scenario and prepare for it. We believe, I think, that sanctions may be introduced in two [word indistinct], the first [word indistinct] is in one sense a warning shot across our bows, but in fact it is a pretty major package of sanctions which will have a direct effect on our ability to maintain markets. It will also have a direct effect on business confidence. But sanctions are being applied in graduated steps. We expect that the second [word indistinct] will be, may be, at the beginning of 1988 and this will give our economy some time to adapt and for us to take the kind of steps needed to ensure that the effect of sanctions is not too serious.

[Schuitema] Wim, from your perspective?

[Holtes] Hes, I can probably just link up with what Arthur said about the first [word indistinct]. I think we had already a number of sanctions, implementation, threats, whatever they are, and the remarkable effect was that last year when all these discussions about sanctions were going on in the

United States and also on this side we had a record export year. We had a growth in exports of nearly 50 percent in 1 year to about 36 billion [currency not specified] which was a totally unexpected development. It was also linked to our weak rand, but nevertheless we saw a spread into many countries, many more markets, and it looked as if business opportunity, perhaps, got a bit of a jolt, reacted to the threat in a very positive manner. They went out and turned the problem into an opportunity, and I think that is the thread that perhaps runs through the current story.

[Hammond-Tooke] Could I come in on that Jerry, and say that the first effect of sanctions is likely to give a surge in output and production and we have been talking about a walking-stick curve, that the initial fact will be beneficial while import substitution opportunities are followed up, but after that the debits come in and inflationary problems, shortages, start dragging down the growth rate of the economy 2 or 3 years down the road.

[Schuitema] So one is looking at a possible boom or bust situation but possibly boom first then bust later. Perhaps, Michael, could we look at from the lobbying side, from the Foundation's perspective? Politically, does it change what is happening now, the entire perspective that we have in terms of lobbying abroad?

[Christie] No, clearly, businessmen, while they have not been unaware of the likelihood of sanctions and have been preparing for it to a very large extent, they nevertheless wholeheartedly oppose sanctions. Whatever their political convictions may be about what is taking place in this country they certainly oppose sanctions as a measure to come to terms with these problems here. And, therefore, we are going to continue wherever possible to try to tell the rest of the world at least that since many of the fundamental problems that have arisen in this country have arisen out of the isolation over decades of our own political leadership, that to increase that isolation is surely a bizarre solution to the problem.

[Schuitema] But if you haven't been successful up to now, one could in fact say that you have probably failed because the insanity of the voice of sanction seems to have overridden every bit of logic, economic or otherwise, that could have been applied?

[Christie] It is very difficult to predict these things, but I think that one thing that one has to bear in mind when you take the leaders of at least three of the most powerful countries in the world have resisted down the line the imposition of these sanctions. What we may see is that the world is going through a current state of hysteria about the sanctions issue and perhaps further down the line, when they have exiated some of this in the first [word indistinct] of sanctions and, provided there is an appropriate response from within South Africa itself there is no doubt in my mind that if the response is appropriate that those people like President Reagan, Mrs Thatcher, and others and many others are going to be able to resist further measures down the line, but the entire thing is the response from within South Africa.

[Schuitema] Well, let's look at some of the internal responses economically, Arthur. You did mention the possibility of import replacement and so on

leading up to a short-term type of boom, but surely there is a lot more we could be doing. One thinks of GATT, for instance, the General Agreement on Tariffs and Trade. Are we not stuck here with a situation where, internationally, we can actually take legal action?

[Hammond-Tooke] Oh yes, that is true, but it is limited, the extent to which one can call in organizations like the GATT to stand for us. For instance, if we had chapter 7 UN mandatory sanctions against South Africa, then it would not be possible for the GATT to intervene at all. The GATT is an organization which looks after the rules of fair trade. It is not involved and can't become involved in political matters. Of course the GATT is there for technical issues.

[Schuitema] Yes, but in this particular case, I mean, one is looking at fair trade being interfered with by politics in a sense. One is still saying that fair trade does not apply.

[Hammond-Tooke] The GATT is largely powerless to intervene in that particular dividing line.

[Schuitema] But if it can be proved that in fact GATT or if it can be proved that in fact a lot of the lobbying or the sanctions debate actually does rest on a self-protection kind of basis...[changes thought] Australia could be a good example, where she wants South Africa out of particular markets.

[Hammond-Tooke] Indeed. Where there is a commercial case and it appears that the reasons are due to a restraint on trade, a case can be made out as with the very successful case where the South African Government took the Canadian Government to the GATT on Krugerrand sales. Clearly the GATT is a very useful medium, but it is very limited to the extent to which recourse can be taken to the GATT.

[Schuitema] Wim, if we could look at other measures. One has already seen the exchange rate, and I think earlier you were talking about the export boom we have had despite the talk of sanctions. But that was accompanied, I think, with a reasonable decline in the exchange rate which helped us. Now, if we look at that again, are you sure that exporters, in fact, have been securing enough in their markets instead of making windfall profits and perhaps we can look at the coal mines as good example, that they kept their dollar price virtually constant, and now they have lost markets, whereas if they dropped their price they would have perhaps had a virtually unassailable position.

[Holtes] Well they have dropped their prices. There is no doubt. In Europe there has been a tremendous overhang of the market of the 3 million tons that we couldn't sell or we will not be able to sell in the future in Denmark. France has cut its tonnage by about 3 million so there is that overhang together with the decline in oil prices that has made it extremely difficult to move in that area. And then South Africa was the only supplier in Europe that really could survive these decrease in prices. So we have done reasonably well under those circumstances, but I think to move away from perhaps the foreign exchange field we should move perhaps in a more imaginative foreign trade policy. We must look for more [word indistinct] to bilateral relations perhaps not through trade agreements but we have suggested counter trade [word

indistinct] where we specifically link your imports to exports [word indistinct] you use your import leverage. That has been done very effectively years ago by Korea where the import-export swap was compulsory. We even see countries such as Canada, Sweden, Australia certainly, working on the principle that if you want to sell us something you got to show us what you can do for us in the development of our exports. And I think this is an area where GATT hasn't got a specific restrictive attitude. They would allow us to explore it to the full.

[Schuitema] So we are looking at opportunities. Arthur, from an industry point of view, could we perhaps just put the ball finally in your court then. Can we look at massive import replacements schemes and, in fact, a tremendous rushing around of search for opportunities to increase our exports in the present climate?

[Hammond-Tooke] Yes indeed, we will have to. I think the important thing to realise is that sanctions really places a tremendous burden on the economy and we must simply rise to that challenge extremely imaginatively, not only on the foreign trade side. We will have to... [changes thought] all manufacturers will have to turn to alternative sources of supply, turn to each other to see what they can make to replace imports where these are at all possible as the sanctions situation escalates over time. But I must add that that is not enough. We will have to compensate for the lowering of the growth potential by generating other sources of growth within the society and there are two which come immediately to mind. The first is that we will have to follow a program of privatization and deregulation. This is....

[Schuitema, interrupting] Arthur, I am sorry, I think you have ended up on two very important points. Thank you very much, gentlemen. Good night, thank you.

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CSO: 3400/375

COMMENTARY ASSESSES NEED TO MEET SANCTIONS CHALLENGE

MB110521 Johannesburg Domestic Service in English 0500 GMT 11 Aug 86

[Text] Now that sanctions are a fait accompli commentators and spokesman for commerce and industry in South Africa are getting down to the business of how the country should best respond. And they are giving the prophets of doom, those who automatically associate sanctions with disaster, something to think about. It is a healthy sign. South Africa had been faced with an indivious choice, which, finally, could not be avoided. On one hand it could capitulate to the ever-escalating demands of radicals and outsiders, demands which Prime Minister Robert Mugabe openly boasts would require the country to follow the same route as Zimbabwe. That is, the country could surrender to the pressure that would destroy the very democratic goals--stability, free political organization and respect for individual rights--which its critics claim to espouse. On the other hand, it could choose to face up to sanctions--the consequence of a refusal to surrender.

Confronted with a choice between self-destruction and sanctions, the South African response was inevitable. And if it demanded a price, that would have to be paid. What is necessary now, however, is to move from the endless speculating about what the price might be to actively exploiting the challenges the situation presents. After all, the answer to the speculations is going to depend in the first place on South Africans themselves. Some of what can be done has already been pointed out by the authorities abroad who have drawn attention to the advantages of import substitution and commented that in any event sanctions will "leak like a sieve."

Locally, businessmen and others are already looking at the practical implications. Although he believes that the costs are going to be higher than the benefits Mr John Wilson, president of the Federated Chamber of Industries, expects sanctions to lead to higher productivity and more job opportunities. Inflation will also decline, he says, since imports make up a high proportion of the present high inflation rate. Mr Christie Kuhn, president of the Afrikaanse Handelsinstituut [Afrikaans Trade Institute], says enforced import substitution may be just what South Africa needs to uncover its latent potential.

And Mr Raymond Parsons of Assocom [Association of Chamber of Commerce] foresees new problems but also new opportunities for the business community.

BUSINESS DAY states in an editorial that eliminating competition from South African commodities like coal is bound to lead to higher world prices.

Prices offered by an increasingly efficient industry in South Africa will make the local goods more and more attractive to sanctions busters. Highlighting another aspect Martin Spring points out in THE STAR that three of the four great surges in South Africa's industrial development were also associated with being cut off from traditional suppliers. They were the two world wars and the arms embargo of the sixties. South Africans are not going to give in meekly to the sanctions blackmail. Adversaries must expect the same determination, ingenuity and endurance with which they have responded to great challenges in the past.

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CSO: 3400/375

ENGLISH PRESS UNITES TO FIGHT EMERGENCY

Johannesburg THE STAR in English 30 Jul 86 p 1

[Article by Claire Robertson]

[Text] The English newspaper groups in South Africa have joined forces to challenge emergency regulations affecting newspapers.

An application is to be brought before a Full Bench of the Natal Supreme Court in Maritzburg on August 11, by the Argus Printing and Publishing Company Ltd, South African Associated Newspapers Ltd, Natal Newspapers (Pty) Ltd and Natal Witness (Pty) Ltd.

The State President, the South African Government, the Minister of Law and Order and the Commissioner of Police have been named as respondents.

Six regulations — numbers seven to 12 — are to be attacked, and police orders issued in terms of regulation 7 — will also be challenged.

The state of emergency was declared in terms of the Public Safety Act of 1953. In many instances the emergency regulations affecting newspapers are so "unreasonable, unjust and unduly op-

pressive", counsel will argue, that they could not have been the intention of the legislature when the Act was passed in 1953.

Counsel for the applicants will further argue that, in many cases, the regulations are *ultra vires*, or exceed the power or authority conferred upon the State President by that Act.

Regulation 7(1) — empowering the Commissioner of Police or any person authorised by him to issue orders in line with the emergency regulations — will be attacked on this basis, and it will be argued that if it is *ultra vires*, so also are the orders issued by police in terms of that regulation.

Subversive statements

Regulation 10, which concerns "subversive statements", will be attacked on the basis that it exceeds the State President's powers in terms of the Act, that it is unreasonable, and "manifestly unjust in its scope, and unduly oppressive" by prohibiting activities which would otherwise be

perfectly lawful.

This last argument will also be used to challenge the regulation which prohibits publishing photographs.

Regulation 9 "attempts to detail a range of activities which would otherwise be perfectly lawful", counsel will argue.

Regulations 11 and 12 deal with the seizure or banning of publications.

It is claimed that regulation 11 unlawfully vests a "subjective discretion" in the person making the seizure.

Regulation 12 effectively makes it possible for a newspaper to be banned.

The State President does not have the power to confer this subjective discretion on the Minister, counsel for the newspapers will argue.

SUZMAN, OTHERS CRITICIZE GOVERNMENT, EMERGENCY

MB051432 Johannesburg SAPA in English 1428 GMT 5 Aug 86

[Text] Johannesburg, Aug 5, SAPA--South Africa was faced with a long period of confrontation and a weakening economy as "our defying" government was not prepared to change its policies or to resign, said Mrs Helen Suzman, PFP MP for Houghton, addressing a public meeting in the Johannesburg City Hall today.

Mrs Suzman told the about 1000 people attending the meeting, that "liberation is not around the corner" and that the "whites put the government in power and it was up to the whites to get them out of power."

She added that if enough whites "realised that it was not the drought, locusts, communists or the total onslaught" that had led this country into this "disastrous" situation, but the National Party Government and its policies of apartheid, they could then strive to replace "this rotten government" with a post-apartheid, non-racial and democratic government.

Mrs Suzman said she believed that many of the people attending the meeting thought that sanctions were necessary, but she did not support the call for sanctions.

She believed that we were now faced with the situation of intractable blacks and an intractable government. "The government is prepared to defy the world" in its call for sanctions and disinvestment.

Mrs Suzman said the government "had a gift for mistiming everything" as they announced reforms at a time when they were not met positively by blacks or abroad--for example by extending the period of detentions and declaring unrest areas under the Public Safety Act.

Also, instead of accepting the Eminent Persons Group [EPG] and the British Foreign Secretary, Sir Geoffrey Howe's calls for the [un]banning of the ANC, the lifting of the state of emergency, the freeing of detainees and the releasing of Nelson Mandela and creating a climate for negotiation--the government raids its neighbours while the EPG are in the country and Sir Geoffrey Howe "got the finger," she said.

Mrs Suzman stated that she had recently visited Nelson Mandela in prison and "believes this man is the last hope for peaceful negotiations."

"I firmly believe this is not a man of violence, not a communist but an old time African nationalist who could bring the different factions in this country together."

Dr Ntatho Motlana, who has long been involved with the Soweto Civic Association and political affairs in this country, told the meeting he was "painfully aware of the level of ignorance about what is happening in our country, particularly in that ghetto (Soweto) I work."

He added that he had been asked to describe the situation in Soweto, but had consulted his legal advisers prior to the meeting on "the right to know", they suggested that he did not deliver his "blistering attack" against the government or to disclose what was happening in "the ghetto."

He added that he had come to protest against the fact that he was not permitted to utter that protest that we are denied "in the name of law and order from knowing."

Mr Tony Heard, controversial editor of the CAPE TIMES, said in the last century a battle against the colonial government of the time was now to publish newspapers and "ironically, in the 1980's newspapers are faced with the same battle against a modern equivalent of the colonial government--which happens to be in the Union Buildings."

"We are not a banana republic country but a big country which has made its impact on the world," suggested Mr Heard.

He added that this country was now faced with its third state of emergency and "it is the worst."

Mr Heard said it was not just a drastic "three day wonder" imposed by the government to deal with its "sensationally expressed fears" of massive Soweto Day actions, but that it was already two months old and there was no sign of it falling away.

He added that severe restrictions had been imposed on the media and the public were only entitled to know that "official story which cannot be tested" given to us by the government, he suggested that "it is very comforting for those members of the public with an ostrich mentality" who do not have to grasp and deal with more than one version at a given time.

"I can confirm that we have pretty much no idea what is happening in the townships"--but are given "patchy, unsatisfactory, if it exists at all"--information about the township.

Mr Heard said the recent challenges in courts regarding the emergency regulations and the inept wording of these regulations, "was a very serious reflection" on those who "shabbily" drafted these laws. He suggested that the press were playing "Russian roulette" and the penalties were extensive.

"It cannot be said that we have a free press in this country as the government has the absolute power to suppress newspapers."

He added that it was the media's duty to inform the public about what they "had a right to know."

"The press is an institution of its own and not an arm of any government in the past, present or future of this country," said Mr Heard.

People attending the meeting were asked to show their support of the "coalition for the right to know", stating that "there can be no peace and there can be no justice while the present denial of civil liberties continues and while the South African Government perseveres in its determination to impose a political order based on racial classification upon the people of this country who have clearly demonstrated their rejection of a system of government founded on race and ethnic separation."

Unanimous support was shown by people raising their arms.

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CSO: 3400/375

COMMENTARY CALLS FOR ELECTED NATIONAL CONSTITUTIONAL COMMITTEE

Johannesburg THE STAR in English 5 Aug 86 p 10

[Article by N. C. H. Ferrandi]

[Text]

The events of the past few weeks have shown that the Government has lost almost all (if not all) the support that it enjoyed from coloureds, Indians and blacks.

It is thus representative of probably less than 15 percent of South Africa's population and, as Dr Van Zyl Slabbert maintained, Parliament has become irrelevant in the determination of South Africa's future. (I did not agree with him at the time, but I now believe him to have been right.)

The last vestige of hope for a peaceful, prosperous and just society in South Africa is that the National Council (invited and appointed by the Government and State President) should recommend the formation of a National Constitutional Committee elected as detailed below.

For such a committee to be acceptable to the majority of South Africans it should include representatives of all political groups or parties which enjoy the support of a substantial number of South African citizens.

Political group

Each registered political party, or any political group, that can show that it has the support of say at least 3 000 South Africa citizens should be invited to submit:

- Its idea of what the constitution of South Africa should be in 1991 (or 1992). This must be in simple, easy to follow language (avoiding jargon, eg consociation, tricameral) and in not more than 1 500 to 2 000 words.

- Its proposed programme of the steps to be taken to achieve its ideal constitution (in not more than 800 words).

- The names of 25 proposed members of the National Constitutional Committee which would comprise (say) 50 members.

This first step could, of course, never be achieved while political parties are banned and leaders imprisoned.

The present Government is not prepared to unban the ANC and release its imprisoned leader without a guarantee that the ANC will agree to a moratorium on violence — at least until after the implementation of the new constitution.

It is highly likely that the ANC leadership does not have sufficient control over its supporters in South Africa to be able to give such a guarantee and would, therefore, lose credibility if it did.

Many advantages

Such pettiness must be swept aside in the interests of a future prosperous and peaceful nation enjoying all the many advantages that our country has to offer to all its people.

The proposed plans should be widely distributed and well publicised throughout South Africa during the remainder of this year.

Furthermore, it should be possible for groups proposing similar plans to get together before some given date early next year so that they can withdraw their

original proposals and re-submit a revised common plan.

The next step should be that all persons completing an income tax return in 1987 should be given an opportunity to submit, with their income tax form, a completed voting slip.

This would include a maximum of (say) three votes for the constitutional plans. The votes may all be given to one plan, or distributed over two or three plans.

Furthermore, the voting slip would include the names of all persons proposed for the National Constitutional Committee and the taxpayer would be allowed to vote for up to (say) 10 of them.

Income tax authorities would be required to ensure that each tax return contained not more than two (in the case of a married couple) voting forms.

The tax authorities would then forward the forms to a panel of reliable scrutineers (eg retired judges, senior clerics, etc) who would announce the names of the National Constitutional Committee and make recommendations to the members on the results of the voting on the proposed plans.

The National Constitutional Committee would elect its own chairman. All members would withdraw from other political activities and concentrate on producing two (or, at most, three) constitutional plans acceptable to a substantial number of voters.

Various results

It is not feasible to try to consider all the various possible results of such a vote.

Suppose, however, that "Plan A" had the support of more than 40 percent of the voters and there were four other plans enjoying more than 10 percent but less than 15 percent of the votes.

The task of the committee would then be to submit two plans to be tested by referendum. One plan would contain all the proposals of "Plan A", plus possibly those of other well-supported plans which fit

in with "Plan A". The second plan would contain elements of the remaining plans which conflict with Plan "A".

These two plans would then be the subject of a referendum. All South African citizens (who can produce identity documents which would be suitably stamped after voting — to avoid duplicate votes) would be entitled to take part.

Each citizen has one vote — he (or she) can vote for either one of the two plans, or neither.

If either of the two plans gets more than 50 percent of the votes it will automatically be implemented.

If neither plan gains a substantial vote (say more than 30 percent reject both), then it will be the task of the Constitutional Committee to identify the leaders of the plans and try to get them to agree to a combined third plan which might be the subject of another referendum.

Free election

Such a course for determining the future of our country should be acceptable to at least 90 percent of citizens and would certainly be internationally acceptable.

I have friends who are highly intelligent and well-informed and who firmly believe that a completely free election (one person, one vote) would result in a 70 to 80 percent vote in favour of the ANC.

Others believe that such an election would show a similar result in favour of the State President's policy. I don't know. I don't believe anyone knows.

Only some form of referendum along the lines of the above will determine the opinion of the majority of South Africans.

It has the advantage of being completely confidential and it should be possible to limit intimidation.

The only persons who might feel deprived are those South African citizens who do not complete income tax returns.

URBAN FOUNDATION HEAD DISCUSSES REFORM

MB061417 Johannesburg SAPA in English 1408 GMT 6 Aug 86

[Text] Johannesburg, Aug 8, SAPA--The Urban Foundation chose rapid purposeful reform rather than a violent revolutionary approach to bring about peace, Mr Jan Steyn, the organisation's executive chairman, said today.

The Urban Foundation believed reform was the only way to achieve real and lasting peace, Mr Steyn said in his address to the annual general meeting of the Foundation in Johannesburg.

"This organisation is very clear as to where it stands and why," Mr Steyn said.

"We believe that rapid, purposeful reform is the only way that this society will achieve the kind of transformation necessary to restore real and lasting peace in our country."

Among the reasons for that conclusion were that the weight of the evidence was that the likelihood of guerrilla warfare or mass revolution succeeding in overthrowing the present government was extremely low.

Also, Mr Steyn said: "On the grounds of feasibility, violent revolution is not likely to achieve fundamental change in South Africa--certainly not in the foreseeable future.

"There can be no doubt that a revolutionary strategy in South Africa must result in an enormous loss of life and this, coupled with the inevitable destruction entailed by revolution, should weigh very heavily in any assessment."

The economic consequences of revolution were almost always disastrous due to the destruction of infrastructure and the desruption of socio-economic services, Mr Steyn said.

A race war would destroy any prospect of racial harmony for generations, Mr Steyn said.

"Whilst institutionalised discrimination has exacted a heavy toll and has impacted negatively on race relations, a race war of the magnitude revolutionary action requires, will destroy any prospect of racial harmony for generations to come."

"The very high cost of revolutionary action: the devastating toll in human life: the collapse of the national and regional economy and its effect on the quality of life of millions of South Africans: the bitter racial nature of such an event in South Africa--all these must be weighed against the extremely uncertain benefits of such a course of action whose success and potential outcome are both unknown.

He quoted the sociologist, Mr Peter Berger, who said: "most political decisions must be made on the basis of inadequate knowledge.

"To understand this is to act very gingerly towards policy options that exact high human costs."

Fundamental reform could have transformative consequences as great as those of any bloody revolution but without the appalling cost or the incalculable risk, said Mr Steyn.

"Moreover, if accompanied by developmental activity seen to deliver products which dynamically affect the lives of people through participatory projects and programmes, the process can demonstrate the integrity of its purpose and thus sustain its momentum."

The Urban Foundation totally rejected the idea that "the end justifies the means."

"Rather we would argue a contrary position: Sound means contribute to good ends," Mr Steyn told ninth AGM [Annual General Meeting] of the organisation.

The way in which people conducted their lives, engaged in political activity and establish inter-racial allegiances now, would form an integral part of the kind of society towards which we were moving, he said.

He argued that rapid but organised reform was infinitely preferable to change through revolutionary violence, and was more likely to succeed.

"Reform as a process can successfully transform our society and establish a more just and lasting peace," Mr Steyn said.

Developmental activity based on sound principles, especially a high level of community participation, was an important ingredient of any successful change initiative.

"Housing, education, training, access to economic opportunities, vigorous programmes directed at ensuring upward mobility for black employees all offer real opportunities for investments in the future of our country."

Mr Steyn stated the government had committed itself to a process of reform that resulted in a number of "very real changes in the laws in terms of which we are governed."

Three significant changes happened in the last three months.

Influx control was repealed, full property rights were granted in urban areas to blacks, and South African citizenship would be regained by some who had been de-nationalised.

Regrettably, he added, these events were overshadowed by mounting economic recession, intensified political violence culminating in the resumption of a state of emergency on the 12th of June, growing international pressure and resurgent extreme right-wing reaction.

He asked: "What is the way forward?"

Analysis of the current situation compelled the conclusion that "continued curtailment of civil rights and liberties is not the answer to the endemic violence in South Africa.

"In fact, greater legitimising of political activity and the fostering of the development of black political leadership is necessary for a negotiated resolution of our problems.

"It follows that the continued detention of black leadership without access to the courts is counter-productive and must be condemned," Mr Steyn said.

One of the fundamental flaws was institutionalised discrimination itself.

There was an urgent need for black leadership to articulate its commitment to negotiated future based on fundamental values of a Western democracy.

The second requirement for a successful reform strategy was an alternative vision of the society to which we are moving.

The abolitionist coinage of which abolition of influx control and legislation creating uniform identity documentation for all South Africans spoke, was deflated by the manner in which the restoration of citizenship to the inhabitants of TBVC territories has been ordered and implemented.

"The impact of the abolition of the Mixed Marriages Act, as a step forward as it was, is crudely diminished by the prosecution of married couples of mixed race for contravention of the Group Areas Act."

The third requirement for successful reform was a sound strategy by which to achieve the transformed society.

There was an urgent need for the design of a new and dynamic strategy of change.

A flexible time frame was also necessary.

The fourth requirement related to security, or to how change was controlled.

The Urban Foundation taught Mr Steyn it was possible for people, whatever language, culture, race or color, to be mobilised on community issues.

The issue surrounded the development of community interests, instead of differences to promote sectional issues.

He called for a dramatic effort to stimulate community interests.

"The future stability of South Africa, to a great deal, depends on this."

"We must accept that as long as discriminatory legislation is now negotiable, meaningful discussion is impossible."

Mr Steyn stressed the importance of the development of alliances between South Africans who shared a common value system, albeit they belonged to different races.

"The formation of the Private Sector Council is one of those alliances that have coalesced around a common goal and which proves the validity of this approach; Mr Steyn said.

"It is through this council, composed as it is of a wide range of South Africans, black and white, that a contribution could be made to the abolition of 34 statutes which curtailed the freedom of movement of black people."

"Nobody can with integrity impugn the steps that have taken place in the area of citizenship, the granting of property rights and the abolition of influx control as cosmetic or meaningless."

Challenges were enormous and the opportunities substantial.

"If employed appropriately, the R750 million allocated for low cost housing could be the first facet of a multiple package of developmental activity impacting profoundly upon job creation, skills development and the provision of shelter."

"My plea to South Africans would be for the many millions of us who occupy the exciting and challenging middle ground in this country, to make a renewed commitment to participate in every aspect of the process of peaceful change which accords with the principles I have outlined.

"We can create a new South Africa of real stature and significance on the common value base which the overwhelming majority of South Africans share and cherish.

"It is indeed, both in policy and developmental terms, a time for building," Mr Steyn concluded.

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CSO: 3400/375

COMMENTARY EVALUATES PROGRESS OF POLITICAL REFORM

MB050927 Johannesburg International Service in English 0630 GMT 5 Aug 86

[Station Commentary: "Political Reform in South Africa"]

[Text] South Africa's process of political and social reform, its scrapping of the Westminster system of government, and its movement towards a more equitable constitutional dispensation has received justification from an unexpected source.

It will be safe to say that this was not the intention of Dr David Owen, former foreign secretary in the British Labor Party Government and now leader of the Social Democratic Party. But the argument contained in his book A UNITED KINGDOM has this effect. In his book he laments the fact that Britain is a nation in economic and social decline. He ascribes this to political mismanagement brought about by a flawed political system. The present polarization of British politics between extreme left and right, he says, is the inevitable outcome of a two-party political system that encourages confrontation rather than compromise.

This is precisely the thinking which led South Africa in January 1984 to the end of an era of parliamentary representation in terms of the British Westminster system. In 1910 South Africa inherited the British dispensation, which proved to be totally unsuitable for coping with the country's unique population mix of whites, people of mixed descent, Asians and 10 different black nations. South Africa no longer has an all-white parliament. For the past 2 years it has had a three-chamber parliament for whites, coloreds, and Asians, and the final move in the quest for parliamentary representation for all South Africa's people, bringing the black nations into the political mainstream has now to be negotiated.

The unrest and violence in the country over the past 2 years has been instigated and perpetrated by radical elements opposed to this process of evolutionary reform. However, they will not be allowed to succeed in their revolutionary ideas. The irony is that this broadening of democracy in South Africa is happening at a time when democracy in the rest of the continent is being smothered.

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CSO: 3400/375

TWENTY-THREE PERCENT URBAN WHITES BACK TALKS WITH ANC

Cape Town CAPE TIMES in English 30 Jul 86 p 5

[Text] TWENTY-THREE per cent of urban whites support unconditional South African government negotiation with the African National Congress, regardless of whether or not the banned organization renounces violence.

According to a Markinor Gallup Poll, conducted among 1 000 white South Africans in the major urban areas in May, respondents were asked two questions.

The poll said:

"There has been a lot of talk recently whether or not the government should negotiate with the ANC. Here are two opinions; which comes closest to your own?"

● "The government should not negotiate with the ANC as long as the ANC supports violence."

● "Even though the ANC supports violence, the government should negotiate with the organization because it is backed by many blacks and is thus the true leader of the blacks."

According to a Markinor statement, "the attitudes revealed by the Markinor Gallup Poll are in line with — but

more strong-handed — than the findings of a recent Institute of International Affairs (IIA) study conducted by Professor Deon Geldenhuys of Rand Afrikaans University.

"Asked 'should the government negotiate directly with the ANC', 58 percent of the IIA respondents said 'no'. This is significantly fewer than the 75 percent recorded in the Markinor Gallup Poll," the statement said.

Afrikaans-speaking whites (83 percent "no") are more opposed than English (68 percent).

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CSO: 3400/384a

MONITORING GROUP REPORTS ON UNION DETENTIONS

MB310500 Johannesburg SAPA in English 16 GMT 31 Jul 86

[Text] Johannesburg, July 30, SAPA--Some 2700 trade unionists had been detained at times since the declaration of the state of emergency, the Labour Monitoring Group [LMG] said tonight. At present, the LMG said, 320 elected leaders and officials of trade unions were known to be in detention.

According to the independent groups information, there was only a handful of new detentions of trade unionists during last week, and this was more or less matched by the numbers released. "This is the first week since the emergency began that the total number of detentions of trade unionists has not increased," LMG said.

Eighty-two per cent of those detained were from the Congress of South African Trade Unions (COSATU). Fourteen per cent of those detained were from the Council of Unions of South Africa (CUSA).

Five trade unionists had been released under restrictive conditions in terms of the emergency regulations. They were Miss Elizabeth Erasmus, (Clothing Workers Union), Mr Elijah Barayi, (NUM [National Union of Mineworkers] and COSATU), Mr Rae Lazarus (TGWU) [Transport and General Workers Unions], Mr Dantel Samela (SACWU) [South African Chemical Workers Union], and Miss Joyce Sedibe (CUSA).

The LMG said "a minority" of firms had agreed to demands that detainees' jobs and pay be guaranteed, that time would be given for union business, and that night shift would end because of the dangers of returning home late at night during the state of emergency.

"The situation on the ground has not sufficiently clarified, but certainly we can say that those firms who have conceded these demands are in a minority," the LMG said. Responses varied enormously to enquiries about job security for detainees and payment of wages to their families.

CUSA unions (specifically the SA Chemical Workers, Food and Beverages Workers and Wine and Spirits Workers Unions) "seem to have fared best with workers having their jobs guaranteed and incomes continuing to go to the families."

In individual cases, other unions had secured advantageous agreements. "For most unions we talked to, however, these issues are still largely a matter of negotiation or dispute."

Where job security was established, the LMG said, ensuring an income for families was "altogether another issue."

One of the largest unions affected by detentions, the Metal and Allied Workers Union claimed that, by and large, metal employers were not paying families.

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CSO: 3400/381

SOUTH AFRICA

GROUP REPORTS INCREASE IN NUMBER OF UNIONISTS DETAINED

MB071119 Johannesburg SAPA in English 0941 GMT 7 Aug 86

[Text] Johannesburg, Aug 7, SAPA--There has been an increase in the number of trade unionists detained, bringing to 350 the number of officials detained under emergency measures, the Johannesburg based Labour Monitoring Group [LMG] said in its latest report released today.

The increase is due to both more detailed information in detainees as well as the inclusion of "white-collar" unions WECTU (Western Cape Teachers Union) and MWASA (Media Workers Association of South Africa) for the first time.

The LMG said some 750 to 950 trade unionists were currently in detention if mass detentions are included and that about 2730 officials, elected leaders and unionists have been detained at some time or another during the emergency.

Last week 15 unionists were released while roughly the same number were detained to the knowledge of the LMG, the report said.

The LMG said WECTU reports that there is an effort to disorganise the trade union by the transfer of teachers to new schools.

In a development on the 1200 Tembisa Council workers who were detained after striking for a wage increase, the LMG reports they are all to be reinstated following a rent boycott and protest by different groups.

In the Cape Province negotiations are in progress over job retention and continued payment for detained shop stewards and unionists. Some sectors in industry have paid detained workers, or after six weeks made pro-rate payments to family members of detainees, the LMG said.

In other cases individuals have not been paid while some received full payment according to the report, while one worker was dismissed from the factory where he worked following his detention.

The aim of the present negotiations is to secure full payment for the duration of detentions of workers, and to avoid dismissals.

The issue of employers attitudes have been raised with the Midland Chamber of Industries since there are no guidelines in the region on detained workers according to the Cape Employers Association, the LMG said.

COSATU [Congress on South African Trade Unions] is country-wide still the worst hit by detentions as 79.5 per cent of those detained are from COSATU affiliates. CUSA [Council of Unions of South Africa] detention account for 13 per cent of all detentions among workers and unionists, AZACTU [The Azanian Council of Trade Unions] for two per cent and non-affiliated unions for 5.5 per cent.

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CSO: 3400/375

MORE FAMILIES SEEN TO RELY ON GOVERNMENT AID TO SURVIVE

Johannesburg THE STAR in English 4 Aug 86 p 1

[Article by Janine Simon]

[Text]

There has been a sharp rise in the number of Johannesburg families receiving food coupons and financial aid from the House of Assembly's Department of Health and Welfare Services in recent months.

A total of 389 families was helped in April. In May the figure was 413 families and in June 541.

"The figures are increasing all the time," said Mr V H van Wyk, Assistant Director Social Work at the department. "The families are scattered throughout the Johannesburg and Randburg magisterial districts, but most are probably in the southern and western suburbs."

Applicants for the grant scheme, which began in September 1985, must meet certain requirements, among them that they are registered unemployed persons and have lost their jobs as a result of the recession.

The grant of a monthly cheque is approved for six months and is reviewed

each month. Food coupons are given to tide families over while the application is processed, Mr van Wyk said.

Amounts depended on the ages of the family members and income — if any — from unemployment insurance funds or a spouse's salary.

Family members over 10 years old were granted R164 per month, while those under 10 received R49 per month. Allowances for the emergency food coupons were R25,40 for two weeks for an adult and R18 for a child under 10.

The department usually referred applicants to social work services to find work and sometimes managed to help them directly.

"But this is an informal procedure done through the personal contacts of the people who work here. We have no formal means of finding employment for people," Mr van Wyk said.

- The department's offices are on the 7th floor of Government Building, 77 Harrison Street, next door to Johannesburg Traffic Department.

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CSO: 3400/357

WITS GROUP TELLS OF STRATEGY TO BUST RENT BOYCOTTERS

Johannesburg THE STAR in English 4 Aug 86 p 11

[Text]

A group of University of the Witwatersrand academics has claimed that regional organs of the State Security Council are directly involved in busting township rent boycotts, which have cost the State more than R250 million in two years.

The assertion is made by the Community Research Group (CRG), which bases its claim on a document put last year to the Lekoa Town Council — which controls the Vaal Triangle townships, the scene of long-standing boycotts.

Asked to comment, a spokesman for the Bureau for Information in Pretoria said it was "not prepared to comment on an assertion made by a group of Wits academics on an alleged report dating back to last year".

In a report released on Thursday, the research group explains that each of the regional organs — known as "gesamentlike bestuursentrums (GBS)" or joint management centres — is "directly accountable to the State Security Council" and is made up of representatives of the community councils, former development boards, SAP, SADF and the business sector.

"Concrete evidence of the involvement of GBSs in the breaking of rent boycotts was given to the CRG this week.

"In a document titled 'Strategy for the collection of arrear rental and service charges', submitted to a meeting of the

Lekoa Town Council on November 1 1985, it is stated that 'local collection action groups' made up of councillors, policemen and officials will be formed to use all available means to collect arrear rentals.

"The document continues: 'All are (to be) taken in a mini-GBS and GBS context ... within the ambit of the National Security Management System'."

The researchers explain that each regional GBS breaks down into mini-GBSs that deal with local areas. Together these bodies form the National Security Management System.

"The function of GBSs is to assess the security situation in each region and recommend to the authorities concerned appropriate 'solutions' — recommendations that range from security force actions to the upgrading of living conditions," the CRG report reads.

It highlights that the Lekoa document categorically rules out negotiation as a means to ending the rent boycott.

It quotes an instruction that "no acknowledgement through negotiations must be given to revolutionary groups

Instead, a range of strategies — which were widely reported when the document was leaked to the Sharpeville Civic Association in November — were to be deployed in the Vaal townships falling under the Lekoa Council. They included:

● Legal action against rent defaulters, concentrating on those identified as able to afford rent.

● The holding of household discussion with residents. These were to be conducted by councillors "with SAP support" and were intended to ascertain "healthy areas", which the CRG presumes refers to areas where opposition to paying rent is low.

● Winning the hearts and minds of the young so that they can persuade their parents to pay rent. This should be done at "weekend camps" where talks on the role of local authorities, constitutional reform and the necessity of paying rent would be given.

● The use of the media on the rent issue and to deal with general topics like inter-racial reconciliation.

● The establishment of "law and order committees" in each ward to "serve as a forum for dialogue between parents and rebellious youths".

The CRG comments that the Lekoa documents reveal a

great sensitivity on the part of the State to the effect of rent boycotts in eroding the image of local government.

It adds: "It is unlikely that this combination of repressive and 'hearts and minds' strategies will work. The more repression the State uses the less legitimate its organs become."

The CRG concludes: "The fundamental weakness of the National Security Management System's boycott busting strategy lies in the clause that forbids negotiation with 'revolutionary' organisations. The longer negotiations are postponed, the longer the rent boycott will last."

The Wits group adds a final caution that rent boycotts are not in themselves problems — but an indication that more fundamental problems exist. "The boycott is merely a silent but powerful call by the communities that they want some control over their own lives and cities. No new 'urbanisation policy' will work if this call is ignored."

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CSO: 3400/357

OFFICIAL COMMENTS ON TOURISM PROMOTION BAN

MBO61248 Johannesburg SAPA in English 1232 GMT 6 Aug 86

[Text] Pretoria, Aug 6, SAPA--Press reports that various foreign governments were planning bans on promotion of tourism to South Africa remained "statements of intent" and details of eventual action actually taken would have to be evaluated, the chairman of the SA Tourism Board, Mr Danie Hough, said today.

Reacting in a statement in Pretoria to news of the intended bans he said there was a major difference between voluntary action in which a government appealed to the travel and other related industries not to promote tourism to another country, and mandatory bans on such promotions.

"The anticipated ban does not amount to a ban on travel to South African, but only the promotion of it.

Mr Hough pointed out that amongst the Commonwealth countries, the United Kingdom was a major tourist market for the republic, and he was confident that the voluntary ban called for by Britain's Government would not deter operators, travel agents and others "from continuing their long and fruitful association with the South African tourism industry and product."

Voluntary bans had not been effective in the past and often had the opposite effect to what was intended.

On those countries now proposing mandatory bans, Mr Hough said the board had, and would continue to consider alternative methods of promoting South Africa. He was confident such means existed.

Although the proposed move against tourism promotion was not helpful, "the overall situation was not lost" and history had shown that sanctions could be circumvented.

Furthermore, the board was stimulating domestic tourism with the active cooperation of the local industry, and this had always formed the basis of the country's industry.

Consumer reaction from all sectors of the community had been most encouraging.

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CSO: 3400/375

SOUTH AFRICA

BRIEFS

REFUGEES ARRESTED IN KRUGER--Ten women and five children who entered South Africa illegally from Zimbabwe are being held by police at Skukuza in the Kruger National Park. A member of the Repatriation Task Force of the Nkomati Committee, Mr (Willie Heyneke), says the refugees left Zimbabwe and moved along the Mozambican border to the spot where they entered South Africa at the Kruger National Park. Mr (Heyneke) says the refugees told him that they had left Zimbabwe because they could not obtain food and clothing there. He said they wanted to settle in South Africa. Arrangements have been made to transfer the group to Nelspruit where a further decision will be taken about their future. [Text] [Johannesburg Domestic Service in English 0500 GMT 12 Aug 86 MB]

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CSO: 3400/375

MINISTER VIEWS BROADENING USE OF FINANCIAL RAND IN INVESTMENT

MB081804 Johannesburg SAPA in English 1800 GMT 8 Aug 86

[Text] Pretoria, Aug 8, SAPA--The avenues of investment for which the financial rand may be utilized are to be considerably broadened, the minister of finance, Mr Barend du Plessis said today.

Mr Du Plessis said in a statement to SAPA tonight that the current exchange control regulations only permitted limited use to be made of the financial rand for investment purposes. "As a result of this fact the size of the financial rand market is limited and consequently the financial rand rate is at a very low level which does not adequately reflect the intrinsic value of this currency.

"To address this problem, it has now been decided to broaden considerably the avenues of investment for which financial rand may be utilized.

"Applications may, therefore now be submitted to the exchange control by authorized banks on behalf of non-residents for the release of financial rand for the purpose of taking up shares in connection with the establishment of new companies, purchasing shares in existing non-quoted companies and for the acquisition of property.

"All requests will be considered on merit, with more favorable treatment being given to investments resulting in an increase in economic activity. In respect of property transactions the exchange control may, in certain limited instances, where inter alia private residential properties and farms are concerned, require that at least 50 percent of the investment be met from funds introduced through normal banking channels.

"An exchange control circular has been issued to authorized dealers today on the procedure to be followed and the information required in submitting applications. The use of financial rand will still be restricted, however, to investments in respect of which the non-resident ownership by title can be clearly identified. It should also be stressed that the exchange control will not agree to loan funds being introduced through the financial rand medium and the expenses of a current nature must continue to be funded by transfers from abroad," Mr Du Plessis said.

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CSO: 3400/379

UNDERCOVER ARMY OF 'SANCTIONS BUSTERS' PREPARED FOR ACTION

Johannesburg SUNDAY TIMES in English 27 Jul 86 p 13

[Article by David Jackson]

[Text]

AN undercover army of boycott-breaking specialists is set to swing into action if the West decides to tighten the economic screws on South Africa.

The well-oiled infrastructure of an efficient machine is already forging new markets for South African goods in a hostile political climate.

And it could be geared up into a fullscale strategic counter-offensive against international sanctions, experts said this week.

For some enterprising entrepreneurs and "middle-men" it could mean overnight fortunes as business expertise and a web of international contacts are tapped to channel South African exports into unlikely new markets.

But for the most part, it would take the form of a national effort as South Africa pulls out all the stops to secure vital trade lifelines to keep the economy moving.

Official projections released this week by the SA Foreign Trade Organisation (Safto) reveal that South Africa is set this year to glean a record R2 000-million in export earnings to black Africa — excluding the BSL countries of Botswana, Swaziland and Lesotho.

By far the bulk of this revenue comes from above-board official trade.

But several million rands — the exact figure is difficult to ascertain — is believed to represent invaluable foreign exchange brought in by a silent army of exporters who have breached the political trade embargo.

Mandatory sanctions would have the

effect of spurring on exporters to aggressively seek out alternative markets, business exporters said this week.

Miss Sally Gallagher, a consultant with long experience in promoting two-way trade between South Africa and African states, said:

"There can be no barrier to stop a businessman doing business. Lebanon is a case in point. Suppliers to Lebanon have been coining it since the troubles there.

"There is not a country in Africa which has not traded with South Africa at some time."

South Africa trades officially, or semi-officially, with at least 13 black African countries — Botswana, Lesotho, Swaziland, Malawi, Mozambique, Zambia, Zimbabwe, Zaire, the Comores, Reunion, Mauritius, the Seychelles and the Ivory Coast.

But the spider web of undercover contacts, co-ordinated by the so-called "export houses", extends South African business influence into some unlikely areas — into "hostile" black African countries strong on anti-apartheid rhetoric but desperately short of the commodities that South Africa can provide.

Many of the operations are shrouded in secrecy. Merchants, some of them schooled in the Rhodesian anti-sanctions busting campaign of the '60s, jealously guard their techniques and their contacts.

And the extent of covert Government assistance can only be speculated at.

But the tales of entrepreneurial derring-do are legion. Unmarked aircraft, it is said, fly in supplies to "hostile" black states.

South African oranges,

mysteriously stamped "grown in Mozambique", appear on supermarket shelves in countries to the north.

A black state, traditionally at loggerheads with South Africa, calls for emergency supplies of South African-made cement when a local factory breaks down.

Top-of-the range South African products are reportedly being consumed by French expatriates in the black African state of Gabon — which is also making use of South African structural steel products.

Boost

And these are but the fringes of a mushrooming trade which has seen a dramatic boost in exports to black Africa, up from R1 500-million in 1985.

The Africa area manager of Safto, Mr David Muirhead, said: "Basically, it's a snowballing effect. The more South African companies and South African goods penetrate these markets, the more they become aware of South Africa as a source of supply.

But, more importantly, export agents honed in the hard school of Rhodesian sanctions-busting believe that South Africa's clandestine trade operation has given the country a psychological head start in the sanctions battle to come.

SHIPBUILDING FIRM LANDS CONTRACT WITH CHILEAN NAVY

Johannesburg THE SUNDAY STAR. in English 27 Jul 86 p 5

[Article by Graham Ferreira]

[Text] SOUTH AFRICA'S shipbuilding giant Sandock-Austral has landed a multimillion-rand contract for shipbuilding with the Chilean Navy.

Sandock-Austral, a subsidiary of Gencor, was paid R25 million to set up a building and repair yard in the south of Chile. It owns half the company.

General Jack Dutton, former Ambassador to Chile and now a director of Sandock-Austral, said this week the facility would accommodate ships up to 4 000 tons.

Since Defence Minister General Magnus Malan's announcement in Parliament that South Africa was investigating the construction of submarines, there has been speculation on where this will happen.

"No, we certainly don't plan to build any submarines," said General Dutton.

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CSO: 3400/385

CITRUS EXPORTS TO JAPAN HALTED

Johannesburg BUSINESS DAY in English 30 Jul 86 p 1

[Article by Mick Collins]

[Text]

CITRUS exports to Japan — said to be worth R80m annually — have been halted because of the state of emergency.

The exports can only be effected if Japanese-appointed inspectors pass cargoes before shipment. But the Japanese government is refusing to allow inspectors to work in South Africa because it fears for their safety.

A spokesman for the Japanese Consul for Economic Affairs in Pretoria yesterday confirmed the decision and said his government was worried about the security situation.

"It is the state of emergency they are anxious about."

Asked if he thought there was personal danger in SA, he said: "My government obviously reached its own decision."

The inspectors, whose presence was vital because of strict Japanese phyto sanitary regulations, may return once the government was satisfied their safety could be guaranteed.

General manager of the Citrus Exchange Cameron McOnie confirmed that the embargo was costing millions of dollars in lost earnings.

He refused to be specific on the value of last year's export volumes, but industry sources estimated the trade to be worth R80m.

"Our sales to Japan at the moment are zero. One of the requirements before any fruit is exported there is that food fly sterilisation takes place — a task supervised by Japanese inspectors.

"The process entails putting the fruit in cold storage for longer periods than is normal for exports to other countries."

Last year, citrus growers predicted a 16% increase in exports to Japan.

Safari Services shipping, which then operated three sailings a month, has since added another vessel to its schedule to cope with expected demand.

Japan buys mainly marsh grapefruit and lemons from SA.

In response to a question on whether Far East markets would take up any surplus in the event of US and European sanctions, McOnie said: "The East would be a much better market for us.

"Plans are being made, but it would be incautious of me to reveal them."

He said the Citrus Exchange had not received any complaints on the quality of fruit exported.

Other Far East countries, where import regulations are not as strict as those in Japan, are understood to be interested in taking up any surplus brought about by sanctions.

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CSO: 3400/364

WEAK RAND COSTS MILLIONS, HELPS EXPORTS

Johannesburg THE STAR in English 31 Jul 86 p 2M

[Article by Michael Chester]

[Text]

South African exporters have been jubilant over the plunge in the value of the rand on world markets — reaping fortunes from overseas buyers paying their bills in stronger currencies.

Income counted in rands has grown as fast as the exchange rate has shrunk.

Though the volume of merchandise exports so far into 1986 is below the total for 1980, income has more than doubled in rand terms.

Importers, however, have been shaken rigid by the steepness of increases in the number of rands needed to settle the bills coming in from overseas suppliers whose prices are fixed in their own currencies.

Between them they are now paying as much as 140 percent more — for 20 percent fewer goods.

Any item marked "Made in Britain" with a price tag of £10 cost R17,65 in rand terms five years ago.

Even if by a miracle the UK price has not increased, it now costs R39,06.

A \$10 pair of sneakers

imported from the United States in 1981 cost R8,78. Today they will cost R26,18.

A bottle of perfume imported from Paris, priced at 100 francs, cost R16,16 in the early 1980s. Today it costs R37,90.

WITHDRAWAL

Japanese suppliers who wanted R3,97 for a 1000-yen roll of special camera film five years ago now want R16,69 for it.

The plight of companies relying heavily if not totally on imports was fully demonstrated last week when Duracell Batteries of the UK announced its withdrawal from South Africa — not because of political pressures but because its local operation was being throttled by exchange rate problems.

"We found ourselves trapped in a vicious circle that made commercial nonsense," Mr Derek Bamber, a company spokesman, said. "There was no escape, so the company is winding down".

Duracell first switched its sources of supplies from Britain to Belgium, but found exchange rates as bad as ever. Nor was

it able to avoid having to pay its shipping bills in US dollars.

And its multinational parent company insisted that all final accounts used Swiss francs.

"The currency trap is taking a tremendous toll inside the business world," says Mr Paul Edwards of Dun and Brad Street, which monitors the financial health of SA companies.

"The clout is not only being felt by companies that operate solely as importers. Research shows that 50 percent of all SA manufacturing firms are forced to rely on imports to varying degrees for items that range from components to high technology capital goods.

"Exchange rate problems have been at the root of many of the financial ailments that have hit huge chunks of the industrial as well as commercial sectors."

The motor industry, which has to import 50 percent by value of all the components that go into the assembly of new passenger cars, is one of the hardest hit.

RECESSION

The National Associa-

tion of Automobile Manufacturers has begun a special analysis of the causes of combined losses that amounted to R600 million or more last year.

Cuts in consumer spending caused by the recession carry much of the blame. But the most mischievous gremlins splattering red ink all over corporate financial results have come from the currency markets.

All of the top motor manufacturers need to bring in components from either Japan or West Germany — the two countries whose currencies have climbed the fastest of all.

One of them has calculated that every single 1 percent decline of the value of the rand against the Japanese yen makes its production costs leap by at least R7 million.

All of them count the extra cash burden in millions of rands.

Nor do local manufacturers of other key components escape the currency trap.

Naamsa estimates that the average cost of vital imported raw materials jumped by another

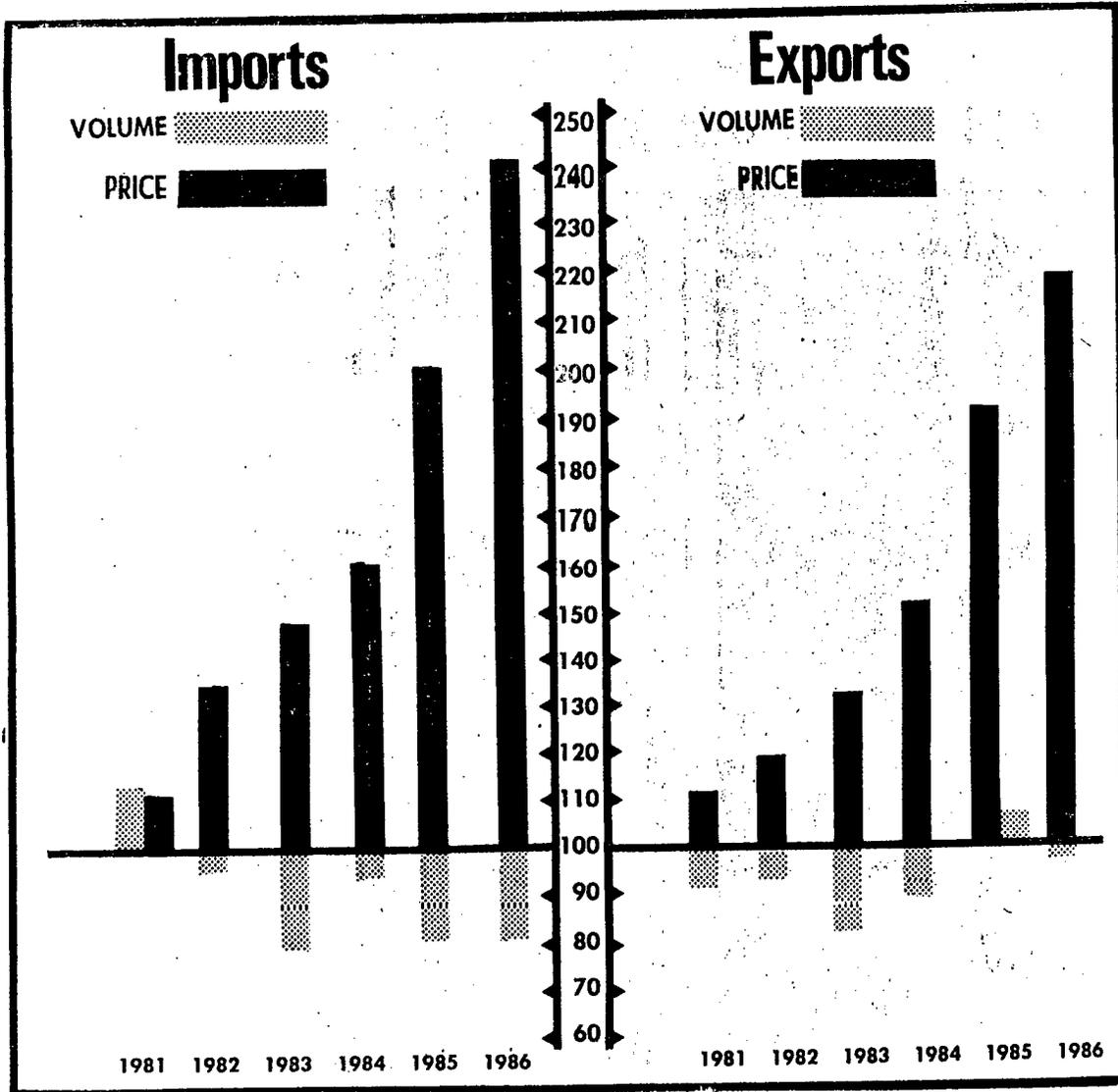
28 percent in the past three months alone.

The landed cost of zinc, as an example, shot up by as much as 48 percent in rand terms.

"Even with the relatively sharp price increases on vehicles over the past two years, few if any of the main manufacturers are keeping pace with foreign exchange

losses," says Mr Nico Vermeulen, executive director of Naamsa.

"They have used their own shock absorbers to hold down prices as much as possible. But there are



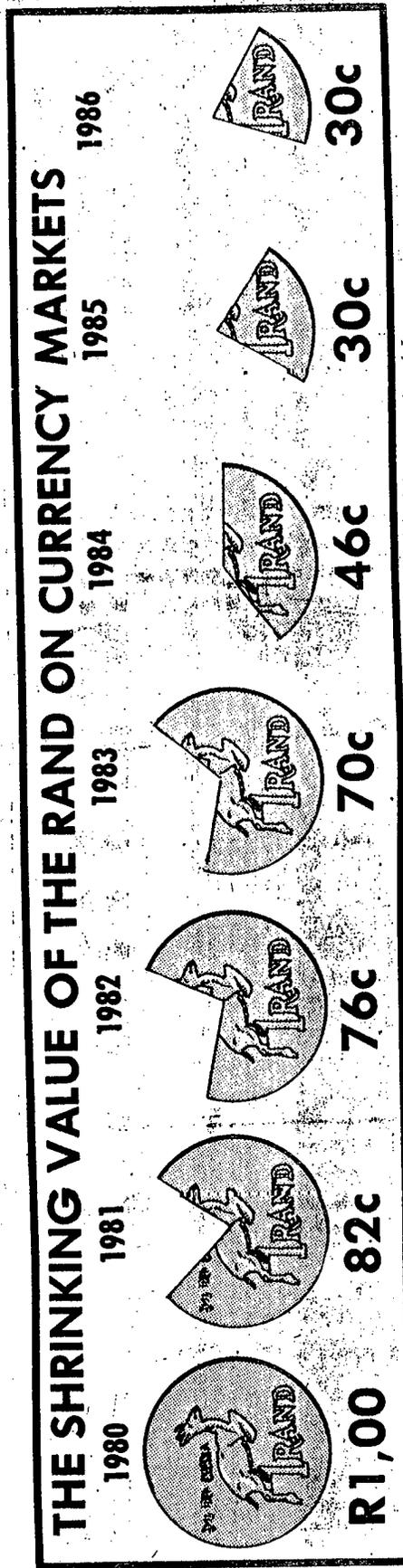
2. Examining the currencies of all South Africa's main trading partners, one sees that on average the value of the rand has shrunk from R1 to only 30 cents. The recovery that was seen in the first few months of 1986 has been snuffed out and the rand is now back where it was at the end of last year.

limits to how far and for how long the losses can be carried. More heavy losses are inevitable for the industry again this year. It's one hell of a dilemma."

Also among the victims of the exchange rate squeeze are companies such as Tedalex, with a heavy reliance on im-

ports for the production of items ranging from TV and hi-fi sets to microwave ovens and sewing machines.

"We have cut our profit margins to the bone," says managing director Mr Jack Cohen. "Now we are looking at the alternatives of using more and more local content where possible.



1. A five-year overview shows how exporters have enjoyed a bonanza in profits from the shrinkage of the rand while the costs of imports — though lower in volume since 1982 — have soared by more than 140 per cent.

RESEARCH POINTS WAY TO NEW GOLDFIELDS

Johannesburg SUNDAY TIMES in English 27 Jul 86 p 28

[Article by Dave Edwards]

[Text]

A NEW period of gold exploration can be expected as a result of research work reported by scientists at Gecongress '86, an Earth Science affair organised by the Geological Society of South Africa.

Several important papers were presented to the congress, which drew delegates from Australia, Canada and the United States.

One of the more significant papers for South Africa's gold industry was by Dr B Corner, of the Department of Geophysics, University of the Witwatersrand. He showed delegates a new geophysically interpreted map compiled from magnetic and gravity data covering a large part of SA.

Unique

Magnetic and gravity mapping is not new and several speakers pointed out that these techniques had primarily been responsible for the discovery of the West Rand and Free State goldfields.

The importance of the work lies in the unique combination of both types of data. As a result certain ancient rock groups have been "fingerprinted" so that their re-

gional distribution can be inferred by the similarities in these physical characteristics.

Because these methods produce results even in areas where the rocks are buried deep, exploration geologists are able to extrapolate from known mineral deposits into unknown areas.

In producing the map use has been made of image enhancement techniques and also in-house developed computer interpretation programmes which put this kind of research in the forefront of technology.

Depression

The map on the right is a simplification of that produced at Gecongress '86 and covers the area in and around the Witwatersrand basin within which SA's principal gold-bearing strata are found.

The Witwatersrand basin is best described as an ancient, disturbed, sediment-filled depression. This irregularly shaped basin extends from Kinross to the east, to Brandfort in the south, to Klerksdorp in the west and through Johannesburg to the north.

The lower Witwatersrand sediments have a clear magnetic "fingerprint". The gold-bearing strata of the Witwatersrand (which themselves do not have a clear magnetic expression) lie next to, and within, the

basin defined by the lower group of sedimentary rocks which are shown in the stippled areas of the map.

In the basin's centre the conspicuous circular ring of lower Witwatersrand sedi-

ments are the result of the upward movement of the Vredefort dome.

This geophysically derived map differs in several significant ways from the known geological extent of the lower sedimentary group. By implication there are localities which require investigations to confirm or deny the existence of lower Witwatersrand basin sediments which are still unexposed. The hope is that more gold-bearing strata will come to light near these rocks.

Tempting

Another surprising, and potentially highly significant, result of this research is the identification of hidden rocks outside the perimeter of the Witwatersrand basin and which bear a similar fingerprint to the rocks of the lower Witwatersrand sediments.

These like-fingerprinted rocks are concentrated in the four regions indicated by the parallel lines on the map. The existence of other Witwatersrand-like basins in these localities is a tempting speculation, but it must be remembered that the existence of gold-bearing strata in these areas has yet to be proved, even if lower Witwatersrand sediments are present.

Since 1960, extensions to SA's gold deposits have stemmed from advances in understanding of the ancient, unique, sedimentary processes which controlled gold placers.

Structural geology has become an increasingly important predictive tool. Although advances such as described here help to define broad areas of interest, seismic reflection techniques (largely developed for use in oil exploration) have in recent years proved capable of providing more detailed structural information in respect of covered Witwatersrand sediments.

With modern technology able to provide safe mining conditions below 3 500 metres and expectations that even deeper mining is possible there is reason to believe that SA will be able to extend its gold-mining life well into the 21st century.

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CSO: 3400/385

EARNINGS STATISTICS FOR WHITES, BLACKS, OTHERS

MB231057 Johannesburg SAPA in English 1048 GMT 23 Jul 86

[Text] Pretoria, July 23, SAPA--Whites in South Africa still earn far bigger salaries than the other race groups, according to a survey released in Pretoria today at the Central Statistical Service.

In March this year, whites employed in the wholesale trade earned on average r1,831 per month compared with r344 for blacks. Coloreds and Indians earned r598 and r882 respectively.

Disparities in the retail trade were smaller. Here whites earned r934 per month compared with r343 for blacks, r409 for coloreds and r551 for Indians.

Disparities also exist in the automobile, control board and hotel industries.

White motor trade workers on average received r1,427 each in March, compared with r343, r539 and r931 for blacks, coloreds and Indians respectively.

South Africa's 2,186 white Control Board employees on average drew r2,045 each in salaries, compared with r417, r378 and r528 for the 919 blacks, 378 coloreds and 48 Indians working for the board.

Whites in the hotel trade earned r891 on average, compared with r250, r318, and r537 for the concurrent groups.

The Control Board is the only category covered in the survey in which the number of whites outnumber blacks.

In March there were 94,600 blacks in the motor trade compared to 41,700 whites, and 30,400 blacks in the hotel industry compared to 8,500 whites.

The retail trade supplied jobs for 175,000 blacks compared to 127,000 whites, while the wholesale sector had 96,000 blacks compared with 82,900 whites.

Coloreds and Indians numbered 13,800 and 4,800 respectively in the motor trade, 6,800 and 3,200 respectively in the hotel industry, 46,200 and 19,800 in the retail industry, and 23,700 and 12,800 in the wholesale industry.

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BRIEFS

FARMERS DEFINE PLIGHT--Farmers are in desperate financial straits and urgently require Government aid, according to Agricultural Union president Mr Kobus Jooste. Without such aid the country could face "a decade of hunger". Mr Jooste, addressing a rally of Central Transvaal farmers at Silverton, that said a plan to save farmers had been drawn up and would operate soon. The State President and the Economic Advisory Council had "favourably" received representations from the union, Mr Jooste said. "We find ourselves in a position where we may have to forfeit a measure of autonomy by accepting Government help but there is no other way out." Warning that not even abundant rain would lift the huge debt load borne by farmers, Mr Jooste said it was vital that they did not lose faith in themselves as managers and food producers. "Widespread drought is not our only problem. We are facing serious threats from sanctions and boycotts. "The agricultural sector is far more vulnerable to punitive political action than are other sectors. "There are huge surpluses of agricultural products all over the world, especially in our traditional export markets in Europe. Nobody is going to go hungry if South African products are no longer available overseas," Mr Jooste said. Other speakers at the rally, attended by about 150 farmers, were union vice-president Mr Nico Kotze, who is also president of the Transvaal Agricultural Union, and Dr Andries Scholtz, chairman of the SSAU's Co-operative Council. [Text] [Johannesburg THE STAR in English 30 Jul 86 p 1] /9274

EXPORTS FROM SWEDEN DECLINE--Sweden's imports from South Africa declined in the first 5 month's of this year by 76 percent, compared with the same period last year. On the other hand, the importing of machines and spare parts from South Africa have increased, according to figures from the [Swedish] Central Office of Statistics. Since the ban on imports of South African foodstuffs there have been no imports of South African agricultural products at all. [Text] [Stockholm DAGENS NYHETER in Swedish 15 Aug 86 p 10] /6662

PRETORIA SAVES OVER 15 MILLION--Johannesburg, July 24, SAPA--Pretoria has saved R15,188,475--or 8.21 percent--on salaries, wages and allowances in the 1985/86 financial year. This means the city's target of a R14.75-million--or 8 percent--saving by not filling vacancies and not granting salary and wage increases during the financial year has been exceeded by more than R430,000. The town clerk, Mr Piet Delpont, pointed out in a report to the management committee that the council had not succeeded fully in achieving an additional savings of R6 million. The cut of R14.75-million had been implemented in line with an 8 percent salary and wage cut to state departments. The Department of Finance ordered in June last year that a further R6 million be cut from the council's budget, in addition to the saving of R14.75-million. [Text] [Johannesburg SAPA in English 0954 GMT 24 Jul 86 MB]/12766

NATURAL GAS RESERVES--Cape Town, July 24, SAPA--South Africa's natural gas reserves on the southern Cape coast appear to be far bigger than was originally estimated, says the general manager of Soekor, Dr Ken Graham, SABC news reports. Dr Graham told a seminar on the Mossel Bay gas project in Cape Town today that this conclusion was contained in an audit of the gas field conducted by an international consultant. Dr Graham said there was easily enough gas for 25 years. In addition exploration was continuing in other areas including the west coast. Construction is due to start in 1988 and production in 1991. He said there were many investment opportunities, not only in the Mossel Bay project, but in the long term as drilling programs were in the offing off the Mozambique and Angolan coasts. Dr Graham said the low price of oil on the international market could have an effect on the viability of the Mossel Bay scheme, but he believed that the price in rand terms was not that cheap at this stage. [Text] [Johannesburg SAPA in English 1135 GMT 24 Jul 86 MB]/12766

SIX MONTH TRADE SURPLUS--South Africa's trade surplus during the first 6 months of this year amounted to 6,100 million rand. This was announced in Pretoria today by the Department of Customs and Excise. The 6-month surplus was a 13-percent improvement over the corresponding period last year. During June South Africa exported goods valued at 3,300 million rand while imports amounted to 2,100 million rand. The June surplus was 18 percent higher than this year's monthly average. Total exports so far this year came to 19,000 million rand while imports amounted to 13,000 million rand. [Text] [Johannesburg Domestic Service in English 1500 GMT 22 Jul 86 MB]/12766

ISCOR CHIEF ON BAN--The managing director of ISCOR [South Africa Iron and Steel Corporation], Mr William Van Wyk, says a Commonwealth and EEC ban on the import of iron and steel would have an adverse effect on the corporation. Mr Van Wyk told our Pretoria news staff that ISCOR exported to many countries and that, should pressure be exerted, ISCOR could increase exports to countries not applying sanctions and seek new markets. He said ISCOR would reduce production or dismiss staff only as a last resort. [Text] [Johannesburg Domestic Service in English 1500 GMT 5 Aug 86 MB] /12624

SECURITY VEHICLE FOR COMMERCIAL USE--Johannesburg, August 3, SAPA--The casspir armored personnel carrier, which has been used with great success by the South African Police in unrest and counter-insurgency operations in South Africa and SWA/Namibia, has been cleared for sale to commerce and industry, SABC Radio News reports. The first of 11 units has been supplied to a well-known mining house. The casspir, which has unmatched levels of protection and mobility, is ideally suited for the conveyance of personnel in riot and unrest conditions. Those to be supplied to the mining house have been fitted with highly sophisticated systems and further specialized options which constitute a major advancement in the local security vehicle industry. Standard fittings will include a pneumatically-operated steel room which can be opened fully or partially, depending on external circumstances; front and rear floodlights; and internally controlled searchlights. [Text] [Johannesburg SAPA in English 0649 GMT 3 Aug 86 MB] /12624

CSO: 3400/379

COMPUTER GIANTS REPORTEDLY PREPARE 'CONTINGENCY PLANS'

Johannesburg BUSINESS DAY in English 7 Aug 86 p 1

[Article by David Furlonger]

[Text] COMPUTER and business equipment giant Rank Xerox said yesterday that it was preparing full-scale contingency plans in SA in case of further US sanctions.

MD of the company's SA operation, David English, said options included a reduced shareholding in the company, or a 100% buy-out by local management.

Other US computer companies denied they were considering similar contingency plans.

IBM MD Jack Clarke said IBM would remain in SA "as long as it makes good business sense and while there is a chance we can contribute to peaceful change".

But industry sources said all major corporations would by now have considered ways of circumventing sanctions and the denials were intended to avoid political comebacks from the US pro-sanctions lobby.

English said: "It would be stupid and irresponsible if we did not have contingency plans. The future may not be in our own hands."

He said plans were designed to ensure continuity of supply to Rank's 10 000 SA customers.

"We have to consider ways to safe-

guard them. Any deal depends on guarantees of continuation of supply. The level of our business that would be maintained would depend on legislation.

"Left to our own devices, we would remain a 100%-owned company. But the spate of sanctions Bills could jeopardise that position. Depending on legislation, one of the options under consideration is a local buy-out. We have looked at the question of 100% local ownership. Or we could continue here as Ford has done, with a reduced holding."

The US has already banned sales of computers to SA government agencies. Industry sources said companies could get round a total ban on sales to SA by channelling parts from manufacturing facilities throughout the world for sub-assembly in SA.

Sperry MD Pat Cullen yesterday insisted the company had no plans to reconsider its SA operation.

Burroughs MD Mias van Vuuren said: "If you leave, you must have a scenario that it is not worth being there. We have been in SA since 1930. We are here as a positive influence."

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BRIEFS

ENGINEERING INDUSTRY'S IMPORT SUBSTITUTION--South Africa's mechanical engineering industry stands to benefit from sanctions because of import replacement says the chairman of Genrec, Mr W.M. Joubert. Addressing the group's annual general meeting yesterday, Mr Joubert said local engineering companies had the facilities to provide the needs of the mining and industrial sectors. "Companies are able to take on a variety of projects and adapt to the changing market and new technology. "At present, the structural and mechanical engineering sectors have excess capacity, but promising projects exist in the mining and petrochemical sectors." Mr Joubert said that although Genrec had strived to improve its labour and industrial relations, and believed trade unions had a positive role to play, recently trade unions had had a negative effect on the mechanical engineering sector because they had become motivated, in part, by politics. [Text] [Johannesburg THE CITIZEN in English 9 Aug 86 p 4] /8309

NEW PHARMACEUTICAL PLANT--A new highly technical and sophisticated steriles manufacturing facility costing R4-million was opened by Dr Willie van Niekerk, minister of health and population development, at Adcock-Ingram Laboratories in Industria yesterday. The laboratory is the only local manufacturer of dental anaesthetic cartridges in South Africa and with the new facility will be able to manufacture enough dental anaesthetics to supply South Africa's total needs for the next 10 to 15 years. The steriles unit will also be able to manufacture and fill a wide range of injection solutions into glass ampoules, vials and other cartridges. "The facility is unique within the local pharmaceutical industry. The world has very few of these hi-tech sterile facilities and ours is certainly as advanced as any of the others," said Mr Don Bodley, managing director of the company. Dr W Van Niekerk said at the opening ceremony that he was proud of the company's achievement. "This factory makes us more independent from outside sources and lets your achievement remind others that now is the time to be positive and prepare ourselves for a better future--a future which we only can work out amongst ourselves," he said. [Text] [Johannesburg THE CITIZEN in English 6 Aug 86 p 8] /8309

CSO: 3400/393

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