

# ORGANISER UPDATE

Food & Allied Workers Union  
Information & Research Dept.



NUMBER 2

APRIL 1990

VOL. 1

## NATIONAL DEMANDS FOR MILLING AND BAKING SECTOR 1990

### 1. WAGES :

Baking : Minimum Wage - R250 pw. or 35% whichever is greater  
Milling : Minimum - R350 pw. or 35% whichever is greater

### 2. ALLOWANCES :

Meal Allowance - R6.00 per day  
Bin Allowance - R25.00 per bin/tanker per day  
Fire Team Allowance - R7.50 per day

#### SHIFTS ALLOWANCES :

Night shift - 20% of basic wage p/w  
Morning shift - 10% of basic wage p/w  
Afternoon shift - 15% of basic wage p/w

### 3. LEAVE :

Annual Leave - 6 weeks for all employees  
Customary Leave - To be granted on request  
Study Leave - 3 days paid for preparation  
- 3 days paid exam sit per paper  
Compassionate Leave - 10 days per incident  
Parternity Leave - 2 weeks fully paid  
Maternity Leave - 7 months fully paid without loss  
of benefits, job and service  
Sick Leave - 20 days per year accumulative to  
60 days over a 3 year cycle.

### 4. BONUS :

Xmas Bonus - 6 weeks paid  
Long Service - R5.00 p/w increases by R3 yearly

### 5. PUBLIC HOLIDAYS :

All Public Holidays - to be paid  
May Day, June 16, March 21, February 11 (Mandela Day)  
and December 16 (Heroes Day).

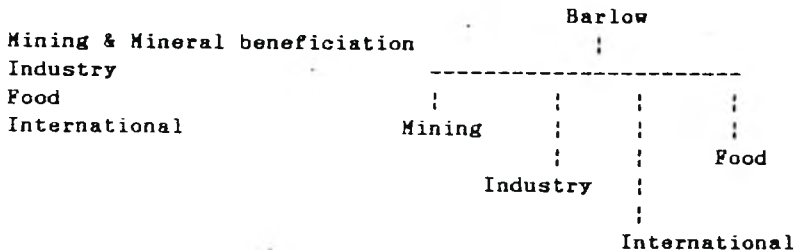
6. DETENTION : Politically detention, full wages to be paid irrespective of being charged or not. Jobs to be guaranteed.
7. INCOME TAX : No tax without representation.
8. MEDICAL AID : Free for the workers and their dependants.
9. L.R.A. : To be scrapped, The right to strike
10. HOURS OF WORK : 40 hour week without loss of wages
11. PROBATION : To be scrapped
12. OVERTIME : One and half of normal rate, Sunday exclusive
13. HOUSING : Decent housing to be provided to all workers

Also to be negotiated : Provident fund after wage negs, with the consideration of the past service; health & safety separately; National/Regional wage negotiations where applicable. An excess to telephone facilities for shopstewards.

ALL THESE DEMANDS TO BE IMPLEMENTED FROM THE 1st July 1990.

#### BARLOW RAND GROUP

Barlow Rand Group is the parent company of a South African business group which monopolises in the following fields :



Barlow also has an international links with UK, Europe, USA and Far East. In UK it has a division which operates as J. Bibby & Sons and we also read that the group is listed on the Stock Exchanges in Johannesburg, London, Paris, Brussels, Antwerp, Frankfurt, Basel, Geneva and Zurich. Bibby's agricultural division is the UK's third largest producer of animal feeds, emphatically the cattle, pigs and poultry.

This might be in line with the group's primary mission which is the creation of wealth for all its stakeholders.

It is also said that the company's special focus is in the attainment of effective management of resources, new investment, exports and productivity.

## DEVELOPMENTS IN THE INDUSTRY...

### FUNA FOODS :

- \* An industrial food group which used to be an independent, registered and listed on the Johannesburg Stock Exchange disposed of its business to the Tongaat-Hulett Group with effect from 1 March 1989.

### KANHYM :

- \* This group has acquired a listed poultry producer Mielie-Kip in a deal said to be amounting to R10,5 million. This is another diversification beyond its traditional red meat product. Although it is said that Mielie-Kip does not compete with the dominant frozen chicken producers, there are abattoirs at Delnas and Verwoedburg and factory in Boksburg. -its products are mainly distributed in the PWV area and is projecting sales of some R50 million for this year. The company is to expand its operations into other areas.

#### Kanhym's growing strong:

	(Rm)		
	2/98	2/90	% change
Sales	428,8	477,0	11,2
Profit Before Tax	16,5	20,2	22,4
Dividends (cents)	7,5	10,0	33,3

Kanhym's sales increased by 11,2% over this year. The year under review started on the 28th February 1989 to 28th February 1990. Profit before tax increased by 22,4%. Dividends to shareholders (owners) increased enormously by 33,3%. Kanhym can manage to give the workers the same increase given to its owners. Kanhym can afford to pay the workers a Living Wage.

### BOKOMO :

- \* In the Cape Times of 7 March 1990, Bokomo was said to use its members' money to compete. This was revealed by some staff members who claimed that the co-operative is using surpluses from the sale of produce to compete against the farmers themselves.

Since co-operatives pay less taxes, Bokomo operates as one of the co-operatives. Through paying lesser taxes according to their 1989 income statement Bokomo averaged R25 million in surpluses over the four past years. Of the R40,6 million in income available for distribution last year, R39 million was maintained in a general reserve.

An expansion in the Group led Bokomo's broiler division to merge with its counterpart at Premier Foods. This is now known as Bonnybird and the purchase of the egg section of Premier now branded "Lemoenkloof".

Out of all the statements and arguments made, both the chairman of Bokomo, Mr Joachim Louw, and the GM, Mr Philip Barnard did not have any comment.

#### NEW BREWERY FOR W CAPE :

- \* In a venture involving Rico Breweries, Transvaal Distillers Holding and an investment consortium a new brewery for the Western Cape has been built. It is to produce a lager from September and is being set up at Grabouw.

#### BEACON SWEETS :

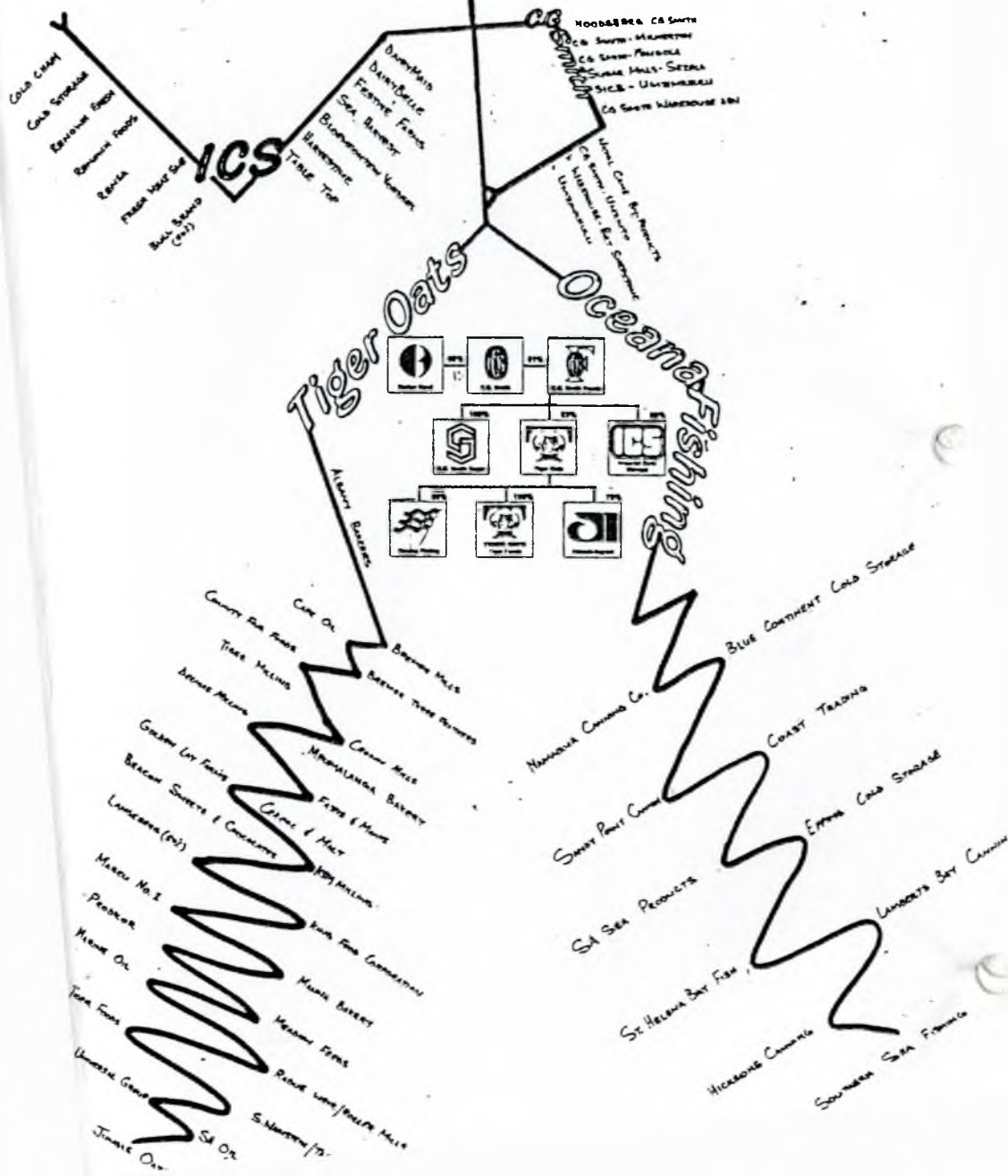
- \* Tiger Oats has also acquired 50% interest in Durban Confectionery Works manufacturers of Beacon Sweets & Chocolates.

#### FOOD PRICES AND THE LIVING LEVELS...

FOOD PRODUCT	JANUARY 1990	FEBRUARY 1990
Grain Products	+ 0,4 %	+ 0,3 %
Meat	+ 1,4 %	+ 0,8 %
Fats & Oils	+ 0,7 %	+ 0,1 %
Vegetables	+ 12,8 %	- 3,3 %
Sugar	+ 0,4 %	+ 0,4 %
Coffee & Tea	+ 0,2 %	+ 2,2 %
Non-alcoholic Bevs	+ 0,8 %	---
Tobacco	+ 1,0 %	---
Milk, Cheese & Eggs	---	+ 1,7 %

#### THE LIVING LEVELS...

Living Levels are also known as the Poverty Datum Lines (PDLs). These levels are monthly based requirements according to a black-family size and the area of residence. They differ according to gender and marital status and per number of persons per biological family. Their calculation is done only in two months a year i.e February and August. Of course we do not have to make mistakes about them because they are far below the living wage. They are also sponsored by the bosses. In the next issue of the "Organiser Update" we will have more explanation on PDLs.



# A LIVING WAGE ASSESSMENT AND THE OUTDATED WAGE AGREEMENTS...

The following is an outdated wage information to be taken into consideration by all the branches. These are not the only outdated agreements there are more but because of the lack of space.

Company	Job Category	Current Wage	Implement- ation Date	Working Hours
VIRGINIA MILLING	Minimum	R130.00	Aug-88	40.0
SA INSHORE FISHING ASSOCIATION	Grade IV	R121.44	Aug-88	48.0
VICTORY MILLS (FEDPRO)	Basic minimum	R108.18	Apr-88	48.0
SNOW SERVE	Minimum	R92.00	Apr-88	48.0
TABLE TOP (GEORGE)	Grade 18	R90.00	Apr-88	48.0
SAD	Basic minimum	R132.75	Dec-88	34.0
FRUIT & VEG CANNING INDUS(E.L)	Grade IV Female	R51.00	Feb-85	48.0
MALAN DAIRY (PAARL)	Basic minimum	R120.50	Feb-88	48.0
FRUIT & VEG CANNING INDUS(TVL)	Grade IV	R72.00	Jan-86	46.0
BLUE RIBBON BAKERY (LAKESIDE)	Grade 4	R139.50	Jan-88	48.0
SEA HARVEST CORPORATION	Grade IV	R85.10	Jul-86	46.0
WALKER BAY CANNERS (HERMANUS)	Grade IV	R64.00	Jul-86	40.0
COLONIAL HALAAL	Basic minimum	R100.30	Jul-87	45.0
SASKO - MILLS	Grade 4	R175.00	Jul-88	46.0
TW BECKETT (ISANDO)	Grade 5	R173.80	Jul-88	48.0
B B BREAD (MILLING DIVISION)	Grade 1	R170.00	Jul-88	48.0
ALBANY BAKERY (GERMISTON)	Minimum	R145.00	Jul-88	46.0
UHLAZI BAKERY	Grade A1	R130.00	Jul-88	46.0
ALL BAKERIES PORT ELIZABETH	Grade 4	R113.00	Jul-88	46.0
CHILS BAKERY (SOWETO)	Basic minimum	R109.50	Jul-88	46.0
JUST BAKED	Basic minimum	R95.77	Jul-88	46.0
GOLD STAR YEAST	Minimum	R175.00	May-87	44.0
TONGAAT MILLING (KLERKSDORP)	Minimum	R126.00	May-88	46.0
POLONY KING	Grade A1	R80.00	May-88	45.0
VALLEY PACKERS CO-OPS	Grade 7	R65.54	Nov-86	45.0
FEDBISCO	Basic minimum	R169.50	Nov-88	44.0
FRUIT GROWERS & PACKERS CO-OPS	Grade 7	R97.00	Nov-88	46.0
SUIKERBEKKIE	Minimum	R72.00	Oct-87	46.0
WILSON ROWNTREE (JOHANNESBURG)	Labourer	R177.50	Oct-88	45.0
WILSON-ROWNTREE (PRETORIA)	Labourer	R177.50	Oct-88	45.0
BLUE RIBBON (DURBAN)	Minimum	R160.00	Oct-88	46.0
BOKOMO BAKERY (MOORREESBURG)	Minimum	R125.50	Oct-88	46.0
KROONSTAD MILLING	Basic minimum	R121.25	Oct-88	45.0
SOUTHERN CAPE CHICKEN FARMS	Labourer	R120.00	Oct-88	45.0
FRUIT & VEG CANNING CP & NATAL	Can packer	R117.50	Oct-88	46.0
RENOWN FOOD PRODUCTS	Basic minimum	R111.00	Oct-88	45.0
HARVESTIME	Grade 17	R110.00	Oct-88	45.0
CERES POTATOES	Grade A	R89.50	Oct-88	46.0
APPLETISER PURE FRUIT JUICES	Grade A1	R139.84	Sep-88	46.0
UNITED DAIRIES	Delivery	R115.00	Sep-88	46.0
TONGAAT MILLING (RUSTENBURG)	Basic minimum	R95.00	Sep-88	42.5
ORANJE KOOPERASIE (KAKAMAS)	Grade 1	R87.00	Sep-88	48.0
ORANJE KOOPERASIE (UPINGTON)	Grade 1	R87.00	Sep-88	46.0



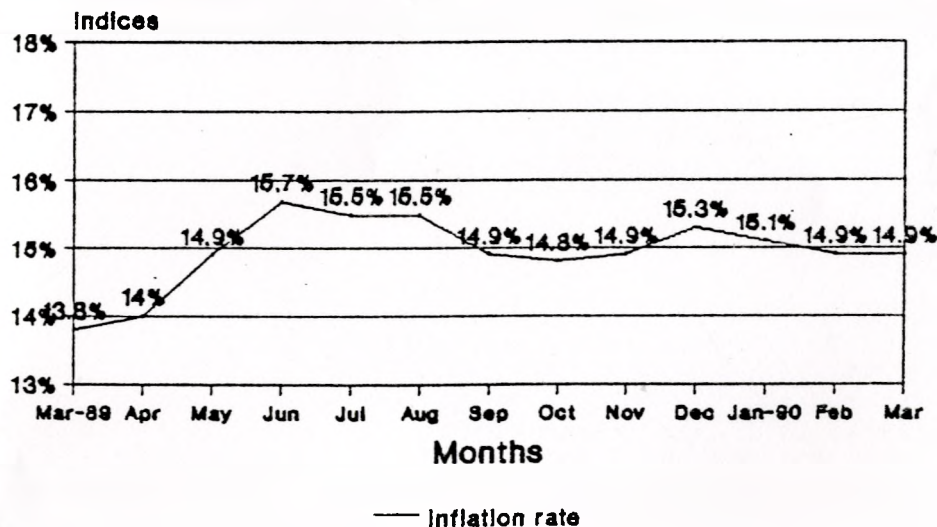
## INFLATION :

The present rate of inflation stands at 14.9% for April 1990, whilst last year in April it stood at 14%. Inflation is never stable it keeps on fluctuating just like the prices, especially food prices. One of the well known economists, Chris Stals stated that "the more the rand falls in value on forex markets the greater will be the inflationary pressures" (*Finance Week*, April 5-11, 1990).

Inflation is widely regarded as a general price rise or a rise in the general price levels. Prices do rise whether it be prices of goods or food or food products such as bread, milk etc. What this general price rise implies is a loss in the value of the currency in circulation.

Below is a graph showing an example of these fluctuations :-

## INFLATION PRESSURE EASE But food prices increase daily!



## WHO'S WHO IN THE INFO & RESEARCH DEPT...

### Shehana Appoles :

Responsible for Milling, Baking, Biscuits, Sweets, Sugar and Tobacco sectors; i.e preparing arguments for negotiations etc;

Updating and concentrates on the Provident Fund on monthly basis;

Also deals with queries on Provident Fund.

### Lizo Nkonki :

Assisting in following-up factories still paying in the old rate of subscription fees;

Keeping track with factory lists per branch, region & national;

Keeping up-to-date inflation figures;

In bargaining matters deals with : Meat, Dairy, Poultry, Fish, Fruit & Vege plus Distribution;

### Viva Mtai :

Keeping track and updating the factory list, address list telephones, faxes and telexes and also the unorganised.

to keep track on the unorganised food factories;

Trying to catch up with the assesment of the Living Wage Campaign;

Involved in the Barlow Rand Campaign;

In bargaining matters deals with : Brewing, Cooldrinks, Wine & Spirits, Tea & Coffee plus Nuts & Snacks;

See to the issuing of the "Organiser Update" (an information sheet);

### COLLECTIVELY :

Inflation; Living Levels; Wage analyses & Wage survey; Keeping track on recognition and wage agreements; food prices and spotlight on economics; and information generally;

Also workshops on these items can be arranged either with branches or with comrades concerned.

Living Wage Campaign;

Building of a resource centre for members.

### FAWU LEGAL DEPT

Last year the FAWU Conference reached an agreement on "UPGRADING" the Head Office. As the first step on this, the Head Office recently opened its Legal Department with the employment of Cde David Dlali who previously worked for SAMWU in Cape Town.