

# A DIGEST OF NEWS AND VIEWS ON BRITAIN'S ECONOMY AND OUR ROLE IN OVERSEAS TRADE AND PAYMENTS

Vol. 6 No. 1

Winter 1975/1976

# CONTENTS

|   | Page |
|---|------|
| A Revival of Commonwealth Interest          | 2    |
| The Falkland Islands                        | 4    |
| UK Commitment to Direct Europe Elections    | 6    |
| A Critical Look at the                      |      |
| Constitutional Structure of Britain         | 7    |
| The Australian Wine Industry                | 8    |
| Essential Commodity Prices                  | 10   |
| The Rhodesian Economy                       | 11   |
| Label tells all on S. African Table Wines   | 12   |
| Political Strikes opposed by British Public | 16   |

Editor: Edward Holloway Published by Commonwealth Industries Association Ltd., 6/14 Dean Farrar Street, London, SW1H0DX.

Subscription rates: U.K. £2 p.a. Australia \$5. Canada \$6. New Zealand \$5. U.S.A. \$6.

## A REVIVAL OF COMMONWEALTH INTEREST By Neil Marten. M.P.

C.P.A. stands for Commonwealth Parliamentary Association. It is an Association of parliamentarians with its headquarters in London. Commonwealth countries each have their own C.P.A. branches. During the course of the year, delegations of M.P.s from various Commonwealth countries visit each other for periods of two or three weeks. These visits provide the opportunity to learn about each other's countries and their problems and for M.P.s. throughout the Commonwealth to make invaluable friendships with their opposite numbers. In addition, the U.K. Branch runs seminars at Westminster, lasting about three weeks, on parliamentary and political subjects, to which about 30 M.P.s from various parts of the Commonwealth come.

Each year, there is an Annual Conference of C.P.A. In 1973, the U.K. was the host; in 1974, Sri Lanka; 1975, India and in 1976 it will be Mauritius; 1977, Canada; 1978, Jamaica and so on. Last October, I attended as a member of the British delegation. There were 10 of us, 5 Conservatives and 5 Labour. The delegation was led by Lord Shepherd, Lord Privy Seal, and the deputy leader was Willie Whitelaw. The remainder were equally divided between Labour and Conservative.

We flew to Delhi in a packed Air India jumbo jet — an excellent airline providing good service. The weather was just right and we were well accommodated in the Ashoka Hotel. After all the lurid stories in the British Press about the state of emergency which Mrs. Gandhi had imposed, it was hard to find any outward sign of it.

#### **Colourful Ceremonial**

The Conference itself was held in the new Parliamentary annexe and was opened by Mrs. Gandhi in the old Parliament building. I imagine the colourful ceremonial with the arrival of the President in a state landau accompanied by a full "sovereign's escort" of Lancers has changed little since independence. It was followed by a garden party (in true Buckingham Palace style) at the President's Palace. Here again, I imagine it hasn't changed since Lord Mountbatten held his last garden party there.

Atending the Conference were 250 delegates from 34 different Commonwealth countries. It lasted 10 days and there were plenary sessions and committee sessions. All were well attended. The subjects discussed were defence, Rhodesia, energy, population, trade, multinationals, education, technology, debt repayment, unemployment, violence, environment, pollution and, of course, Parliamentary matters.

The Conference did not seek unanimity — that is not the way of the Commonwealth — instead, it seeks understanding of each other's point of

view. The debates were of a very high order and it was interesting to observe how the Westminster tradition of parliamentary debate was still very much in evidence, whether it was from a delegate from Africa, Asia, the Caribbean or the old Commonwealth. Because of that, understanding was so much easier. It would not be sentimental to say that we felt very "brotherly" in a way which one can never experience with M.P.s from non-Commonwealth countries.

When the Conference was over, we split into 4 groups for a few days touring — I went North to Kashmir and then to Punjab and Jaipur, while others went East to Calcutta, West to Bombay and South to Madras.

#### **The Indian Scene**

It was a fascinating moment to be in India and to get something of the feel of the political situation. The problems of India are so vast that substantial allowance should be made for the mode of Government. If Mrs. Gandhi is moving towards an autocracy, it may well be that this is what is needed in India. Parliamentary democracy seemed to be well established in the states, in spite of the emergency action taken in Delhi.

With a population of over 600 million and with a birth rate which adds each year a population the size of Australia, they have to run mighty fast merely to avoid going backwards. We need to show a lot of understanding about the way things are developing, while deeply regretting the causes.

Reflecting upon the Conference itself, the most heartening generalisation was that the Commonwealth is very much alive but, happily, not kicking us, as some countries have tended to do in the past. I had a sad feeling, though, that over the last 10 years or so we had lost our enthusiasm for it. This can, I believe, be attributed to a positive policy of successive Governments turning away from the outward-looking Commonwealth to the more inward-looking and self-centred Common Market. Be that as it may, the time has now come to revive our interest in it. This can be done by individuals and by organisations such as the Commonwealth Industries Association.

#### **Queen's Jubilee Year**

On the Government front, I would like to see a Minister at the Foreign Office specifically charged with the responsibility of Commonwealth relations. I would like to see the year 1977, being the Queen's Jubilee year to be dedicated to a revival of Commonwealth interest. The value of the understanding between this vast cross-section of the world's peoples is far too valuable an asset to lose. The Jubilee will provide the perfect opportunity.

If the Commonwealth Industries Assocation is to play its part, we must have a reconsideration in depth of our aims and objects and of the purposes we are trying to achieve. I hope this will start in the near future.

## THE FALKLAND ISLANDS A Story of Progressive Development By F. G. Mitchell.

One can best describe the Falkland Islands as Britain Overseas inasmuch as the people are almost wholly of British descent, and jealously guard their British way of life, and their trade is very closely linked with Britain.

5

.5

The Islands were first sighted by Captain Davis of the Desire in 1592 and were later named after the First Lord of the Admiralty when Captain Strong sailed his ship "Welfare" between East and West Falklands in 1690. The Islands are unique in that they represent the only uninhabited land area colonised from Europe.

The main trading organisation in the Colony is The Falkland Islands Company which was incorporated by royal Charter granted by Queen Victoria in 1851. The subsequent history of the Company exemplifies British enterprise of the period. It is a story of successful, progressive development at the southern-most ends of the earth in the face of difficulties of climate and communications.

The Company's principal trading interest is sheepfarming but in keeping with its status as a Chartered Company it provides essential ancillary interests for the Colony — shipping, store-keeping, banking and merchant trading. The ancillary services are not sufficiently attractive financially to attract much competition but are operated responsibly by the Company in what are virtually monopoly conditions.

The economy of the Islands is still wholly dependent on wool which is brought to Britain for sale. Much of it finds its way into hard currency areas and this is of benefit to Britain's balance of payments. The sale of the Colony's wool clip of just over 2000 tons in the boom year of 1974 realised nearly  $\pounds 2\frac{1}{4}$  million, mostly in Japanese Yen. As much of the Colony's import requirements as possible come from Britain.

#### Potential deterred by Political Uncertainty

The potential for development outside wool is high but the investment of British capital is deterred by the political uncertainty and the difficulties arising from the exclusion for Exchange Control purposes of the Falkland Islands from the Scheduled Territories. The Islanders, who are called "Kelpers" because of the seaweed which abounds around the Colony, pinned great hopes on the plans of Alginate Industries, another British public Company, to develop an Alginate industry in the Colony. Against the mounting background of political uncertainty in the Falklands, Alginate Industries Ltd. have turned to other sources of supply and have shelved their plans for the Colony. In their message to the Islanders they stated that it is virtually unthinkable that anyone will be prepared to invest the money required for the new industry until the political uncertainty ends. A similar statement has been made by the British fishing industry. Regrettably, it looks as though it will be Japanese not British vessels which will develop the enormous fishing potential inshore and offshore the Colony.

#### **Offshire Oil**

Considerable interest also exists in offshore oil exploration but the enquiries made by major oil companies have brought forward the statement by the Foreign and Commonwealth Office that until it is known that oil exists offshore no applications for licenses can be considered. This policy has been followed for several years and meanwhile limited but commercially valueless surveys have been carried out by the base vessel H.M.S. "Endurance". There can be little doubt that this policy of procrastination is adopted to avoid political embarrassment with Argentina whose claim to sovereignty has no basis in international law. A formal proposal for offshore development was submitted last year to the Foreign Office by an international Consortium under which the Government would retain complete sovereignty over and control of oil development and would not be required to take any financial risk. The proposal has been shelved, however.

Since 1969 British Government policy has appeared to be directed towards bringing the Falkland Islands into social and economic dependence upon Argentina. Entry into the Falkland Islands is now controlled by Argentina following a Communications agreement between Britain and Argentina. The British Government has granted the Argentine State Oil Company, YPF, total monopoly of the supply of petroleum products in the Colony; an agreement which is inimical to British interests and which was made without consultation with commerical interests in the colony. Another factor which has caused the Islanders to become unsettled is the withdrawal of H.M.S. "Endurance", the base ship for the Colony and the whole of the British Antarctic Territory.

#### A Loyal & Patriotic Community

The Islanders, many of whom are barred from settling in Britain despite their British ancestry, are beginning to believe that Britain is turning its back on them. That this should happen to a Colony which pays its way, which contributes to Britain's economy and has the potential to contribute much more, and which has probably the most loyal and patriotic community in the British Commonwealth is unthinkable.

The Islanders have been assured by successive British Governments that there will be no transfer of sovereignty against their wishes. What they also need and deserve is a statement that it is not the wish or desire of the British Government to bring about such a transfer. The re-admission of the Falkland Islands into the Scheduled Territories and the encouragement of British investment must then follow.

## **QUESTION IN THE HOUSE OF LORDS**

On Tuesday, 27th January, Baroness Vickers asked H.M. Government what is their policy in regard to the Falkland Islands. In reply Lord Goronwy-Roberts, Minister of State, Foreign and Commonwealth Office, said that the Government's policy "remains that there shall be no change in British sovereignty over the Falkland Islands against the wishes of the islanders. But H. M. Government believe, as did their predecessors, that the long-term interests of the islanders will be served best by close and friendly links with Argentina".

٤,

Þ

 $\gamma$ 

3

# **U.K. COMMITTED TO EUROPE DIRECT ELECTIONS**

In the House of Commons on 28th January, Mr. Neil Marten asked the Secretary of State for Foreign and Commonwealth Affairs for a statement on the Tindemans report. In reply Mr. Callaghan said "I welcome the realistic nature of the Tindemans broad approach of building on the Community as it now exists. The report will be a useful stimulus to discussion about the development of the Community in the next few years. I expect it to be discussed at the next meeting of the European Council at the beginning of April".

In a supplementary Mr Marten said — "We should be told precisely what powers the European Parliament is to have before we can reasonably discuss whether it is right to have direct elections to that Parliament. Can we have an announcement about this and be told that the powers will be defined in the Green Paper which I hope will be published?" Mr. Callaghan replied — "The basis of the direct elections will be the

Mr. Callaghan replied — "The basis of the direct elections will be the existing powers of the European Assembly — no more, no less. If these powers are to be changed, they will be changed by the consent of the member states.

I want the White Paper, when published, to focus on the issues of the mechanics and the decisions that will need to be taken in relation to the election."

In reply to Mr. Hoyle, Labour M.P. for Nelson and Colne who claimed that the British people had never been consulted about direct elections and called for a further referendum, Mr. Callaghan said he did not think that the British people would welcome another referendum. Later he gave an undertaking that there would be a debate in parliament on direct elections once the White Paper had been published.

In reply to Mr. Maudling, chief Opposition Spokesman on Foreign and Commonwealth affairs, who asked "Does the Foreign Secretary consider the country is committed to direct elections whatever the Labour Party conference might say?" Mr. Callaghan replied with a brief "Yes." 'The Times' reports that this reply brought Labour cries of "No" and Interruptions!

## A CRITICAL LOOK AT THE CONSTITUTIONAL STRUCTURE OF BRITAIN.

In a recent speech to members of the Economic Research Council in London, Mr. James Goldsmith set out the constitutional changes which he considered essential for Britain's revival from which the following brief points are extracted:

- 1. Britain must become a Meritocracy. The best, no matter what their background must reach the top. Excellence must be unreservedly encouraged. Our present educational system is incompatable with, indeed hostile to, this obvious objective.
- 2. Trade Union and Party reform. The single most important reform is to spread the spirit of the Representation of the Peoples Act to the Trade Union Movement, to all political parties and indeed to all other elected policy making bodies. After suitable amendment, this should ensure a secret ballot, preferably a postal ballot, a minimum quorum and regular elections. In this way, we would all be satisfied that the leadership of all Unions and of all political parties is a true emanation of the membership and that it is not being taken over by some esoteric group with ideas foreign to those of its members.
- 3. We must reform our national voting system and adopt the procedure of the alternative vote.
- 4. I can understand that the great political Ministers such as the Foreign Secretary or the Home Secretary, should be drawn from the Houses of Parliament, but it is perfectly evident that our Prime Minister should not be restricted to picking his main executive team from a limited number of M.P.'s but should be free to pick from the 56 million citizens of the nation. Please do not think that I am advocating a Government of businessmen. No. We must draw from the best in all walks of life — the Civil Service, the Universities, the Trade Unions as well as from industry and commerce.
- 5. The House of Lords should assume the authority of a senate. Its members should be elected, albeit by a somewhat different process to that used in electing members of the House of Commons... Our particular tradition could be respected by incorporating a system whereby hereditary peers would elect from among themselves a given number of representatives to this Senior Chamber. And our particular tradition must be respected because a nation which loses respect for its traditions and for its heritage is a nation which has lost its way.

This address by Mr. Goldsmith aroused a great deal of interest and as a result it is being reprinted in full. Copies will be available from Commonwelath Industries Association. 6/14 Dean Farrar Street, London, SW1H ODX. price 45 (post free).

## THE AUSTRALIAN WINE INDUSTRY A Changing Scene By Stuart Foulds.

The Australian wine industry and its export trade to the UK have changed considerably in the last few years.

Only a part of this change in Britain can be attributed to the activities of the EEC wine regime.

Major changes in Australia have included new styles for many of the wines, some take-overs of family companies by large international groups, considerable areas of new vineyards planted, and new (to Australia) grape varieties released to growers.

Ten years ago there were relatively few Australian white wines which could be said to possess very much finesse. To make delicate white wines, the hot ripening period experienced in some winegrowing parts of Australia does not in itself auger well, tending to produce a flat style of wine with plenty of alcohol. Nowadays with the improved methods of processing used, this aspect is no longer a problem.

At the present time there are many white wines on the market in Australia, and also exported to Britain, which have a delicacy that places them very much on the "wanted list".

This has been achieved by careful selection of the grape varieties, close attention to the sugar content immediately prior to crushing, and the use of the latest wine making techniques, including the use of pressure and temperature controlled closed fermentation tanks.

The styles of the reds have also changed in ten yeas. They are lighter now, and are in general matured for shorter periods in oak casks, than previously. Most palates regard the changes as an improvement, however there are those who still hanker after the very big, strong, tannin-packed reds of yesteryear. Some of these it has to be admitted were very good indeed, particularly if given extensive bottle age.

#### **Expansion to meet Demand**

Because of the high quality, considerable publicity, and expansion of the restaurant trade, interest in wine has taken off in Australia in recent years, in no uncertain way. The Industry has tried to expand alongside the demand, with new vineyard plantings, some of very large proportions, and several international companies have moved into the industry, purchasing a number of the family businesses, with the intention of expanding to the full potential.

From all this, it is not difficult to see why there is relatively little Australian table wine surplus to the requirements of the home market. However, last year was a bumper vintage, and there is every indication that '76 will be as well. Britain was once the premier market in the days when nearly a million gallons of Australian (mostly fortified) wines were sold here, however Canada has replaced Britain, with New Zealand, the USA, Japan and S.E. Asia all being important markets. Canada buys large quantities of fortified wines.

The swing away from fortified wines in UK happened following Britain's devaluation of 9 years ago — this in practical terms resulted in Cyprus (on the market with a similar wine) being able to sell at 1/6pence per bottle cheaper almost overnight — it will be recalled that Australia and South Africa did not devalue, whilst Cyprus (and also Spain) did, both obviously gaining considerable advantages.

At that time, a great deal of promotional effort and cash was put behind Cyprus sherry, and it eroded the position previously dominated by Australia i.e. the 'cheap' sweet fortified market.

#### Falling sales to UK

Over the years this has meant in real terms that gallonage sold in the UK has fallen from nearly a million gallons down to about 200,000 gallons.

Co-inciding with this change however, has fortuitously arrived a great interest in the UK in Australian table wines, and much credit in this direction must be accorded to the activities of the Australian Wine Centre at 25 Frith Street W1, which includes a well patronized retail shop.

The EEC wine regime has not only affected countries exporting to the Community, but it has also made a number of changes to arrangements for its own wines, however as far as Australia is concerned, the main effect has been fourfold:

1. There are certain analysis procedures to which all table wines from outside the EEC are subjected, so that a certificate can be issued for each wine to be imported into the EEC.

2. In the realm of labelling, the EEC is working towards uniformity of practice under regulation 2133/74, unfortunately however much to the dissatisfaction of the UK wine trade, the final format remains still undecided, and it is possible that agreement will not be reached in the imminent future, in which case a further postponement might be necessary (one year's derogation has already been granted).

3. Article 12A of the regulation aims to produce a definitive "book", in which will be listed all the areas and grape varieties of the various producer countries, that are outside the Common Market. This list is well advanced, and as far as Australia is concerned, has not proved quite the problem anticipated, before full details of requirements were known.

Grape variety names are generally satisfactory, but the terminology of one or two has raised minor difficulties, as their nomenclature is different from that used in Europe.

4. Reference prices do not really affect Australian wines, as these, through

natural causes, are always above the reference price; Australia is not able to produce very cheap wines.

#### EEC — Superior Position

Duty changes, over five years, will have reversed the former situation where by Commonwealth wines enjoyed an Imperial Preference. At the present time the EEC is now in the superior position, and whether in the final analysis this is going to be of telling importance, remains to be seen. Certainly a low retail price is important to a majority of the buying public, however, it is believed that there are sufficient wine lovers in Britain who are prepared to pay for the quality they seek, despite the high taxation to which the beverage is prey, and are not prepared to put up with vin ordinaire wines all the time.

Nothing is more certain, than that as time passes, Australia will be increasingly recognised around the world, as the major producer of wines that she in fact is, at this moment.

This is not in terms of vast volume, but rather in quality, and the purchaser today is assured of a product made by an industry which operates extremely tight quality control at company level, as well as on a statutory basis, through the various official administrative and scientific bodies.

As the consumption of wine continues to increase, such aspects perhaps too lightly dismissed by the British public at present, must assume increasing importance, and Australia will be one of that select band of producer nations, upon which the consumer will be able to rely with confidence.

## ESSENTIAL COMMODITY PRICES Appointment of Select Committee

In the House of Lords on 13 January Lord Shepherd, Lord Privy Seal, proposed—'That a Select Committee be appointed to investigate the problem of instability in prices of essential commodities; to scrutinise proposals designed to rectify wide price movements in these commodities; and to report on the likely effectiveness of these proposals in reducing the substantial price fluctuations which have occurred in recent years.'

Lord Seebohm gave a warm welcome to this proposal as also did Lord Alport and a number of other Peers.

Subsequently it was announced that Lord Roberthall, a former economic adviser to the Government, had been appointed Chairman of the Lords Select Committee. Other members of the committee are the Earl of Lauderdale, Viscount Simon, Lord Campbell of Eskan, Lord Davies of Leek, Lord Gainford, Lord Lee of Newton, Lord Redmayne, and Lord Terington.

The committee met for the first time on Thursday 5th February. Among

the proposals which will undoubtedly be examined by the committee will be L. St. Clare Grondona's plan for a commodity price stabilising corporation\* which was reviewed in the May/June issue of 'Britain & Overseas' in 1972. Among supporters of the Grondona plan are Sir Roy Harrod, Professor Kaldor, Lord Roberthall and Mr. Donald Tyerman.

\* 'A Built-in Basic-Economy Stabiliser' by L. S. Clare Grondona, published by the Economic Research Council (£1.10 post free).

# THE RHODESIAN ECONOMY Healthier than its ever been.

Mr. Noel Bruce, the retiring Governor of the Reserve Bank of Rhodesia, reports that the Rhodesian economy is healthier than it has ever been. He retires in February and in a recent press interview he said:-

"In relation to economic conditions throughout the world I certainly do not regard Rhodesia's economic problems as being particularly acute. They are of a temporary nature. The worldwide recession has hit other developing countries far harder than it has hit us".

"We are living with reduced import allocations at the moment, but if we look at the International Monetary Fund reports and see the position of other developing countries, we find that Rhodesia is better off than any other single developing country, including most of the oil producing countries. I wish to emphasise that I have great faith in the economic future of this country."

Referring to comparisons of Rhodesia's economic performance he said that there is a tendency to compare this with those of developed countries such as the U.S., Japan and South Africa. This was "a comparison of unlikes."

"We should more correctly compare Rhodesia with other developing countries. We should look at the whole of Africa and some countries which are wealthier than Rhodesia. Despite their wealth some of these countries are in a state of economic upset because of political factors. But the Rhodesian economy has always been healtheir and more resilient".

"Because of this extremely resilient economy we can absorb the recessionary conditions in world trade far better than any other comparable country."

He pointed out that Rhodesia produces many primary products which are in demand by industrial countries. "So soon as the economies of industrial countries pick up we are right on the doorstep to cash in on the situation. Prior to 1965, Rhodesia was close to a mono-economy with a heavy emphasis on the lucrative tobacco market. Today there was a much more balanced situation in agriculture — with sugar, maize, cotton and wheat having come into their own."

"In the mineral and metallurgical sectors, nickel and the ferro-chrome industries have developed enormously, steel output has increased and overall there was a most welcome growth."

### LABEL NOW TELLS ALL ON SOUTH AFRICAN TABLE WINES

#### By Michael Stokes-Rees

Managing Director, South African Wine Farmers' Association (London) Ltd.

A 'Wine of Origin' control system that is in many ways stricter and more informative than many of its European counterparts is now fully operational in South Africa, backed by the South African Government.

Bottles of table wines now reaching shops in the UK bear witness to this in the form of a numbered seal on the closure of every bottle shipped from the Cape which, in effect, guarantees that the wine in the bottle complies with approved quality standards and that label statements in respect of area of origin, vintage year and grape variety (cultivar) used are accurate. Serial numbers on the seal are the only visible signs of a comprehensive behind-thescenes control network, extending from vineyard, through cellar and distribution pipeline to store shelf. The seal represents part of South Africa's long-term programme of upgrading the general quality of its table wines whilst at the same time expanding production—particularly of red wines—within the industry.

Whilst on the subject of expanding production, it is perhaps also worth mentioning that the South African Wine Industry has a unique quota system which, apart from encouraging quality at the expense of quantity, ensures that production and sales are kept in approximate equilibrium. The possibility of an EEC type wine lake occurring in the Cape winelands is thus remote.

The 'Wines of Origin' system can be traced back to 16th June 1972 when, in response to strenuous lobbying from Cape wine producers, a set of government regulations outlining a complete system of certification to be administered by the South African Wine and Spirit Board appeared. Comprehensive preparations were made during the following year for the intrduction of the system. This involved not only the setting up of accurate records of production, movements and stocks, but also an adequate supervision and inspection network. In addition, procedures and practices were laid down for sampling, testing and certification. Finally a special seal was devised, to be applied to every bottle of wine approved and certified by the Wine and Spirit Board.

.

On 10th August 1973, amendments and additional regulations were published which enabled the scheme to be implemented without further delay.

As mentioned, the official seal guarantees the geographical origin, the grape variety and the vintage of a given bottle of wine. Fourteen 'areas of origin' have been approved by the board, as follows:

|                                  | Name and<br>Designation<br>of Örigin   | Geographic Areas   |
|----------------------------------|--|--|
| 2.<br>3.<br>4.<br>5.<br>6.<br>7. | Caledon<br>Malmesbury<br>Paarl<br>Piketberg<br>Robertson<br>Stellenbosch<br>Tulbagh<br>Worcester | The boundaries of these areas are those of the Divisional Councils concerned.  |
| 9.                               | Swellendam   | The boundary of this area is that of the Divisional<br>Council south of (and including the southern slopes<br>of) the Langeberg range of mountains.  |
| 10.                              | Constantia   | The area known as Constantia situated in the Divisional Council area of the Cape.  |
| 11.                              | Durbanville  | The area known as Durbanville situated in the Divisional Council area of the Cape.   |
| 12.                              | Olifants River   | The boundary of this area is 20 kilometres each way<br>from midstream of the Olifants River situated in<br>the Divisional Council area of Clanwilliam and<br>Vanrhynsdorp.   |
| 13.                              | Boberg   | The boundary of this area is that of the Divisional<br>Council of Tulbagh and Paarl.   |
| 14.                              | Little Karoo   | The boundary of this area is that of the Divisional<br>Councils of Montagu, Ladismith, Calitzdorp and<br>Oudtshoorn and those portions of the Divisional<br>Councils of Swellendam, Heidelberg and Riversdal<br>north of (and including the northern slopes of) the<br>Langeberg range of mountains. |

With the exception of Boberg (a designation of origin limited to liqueur or fortified wines), the above designations of origin may be accorded to any quality wine which meets the appropriate standards. Ginger wines, vermouths, wine aperitifs and wine cocktails do not qualify for classification as Wines of Origin.

To qualify as a wine of origin at the present time, a wine must have been made with a minimum of 80 per cent of grapes from an area defined above. The eventual aim is that this minimum content should be moved up to 100 per cent.

The centre certified line on the seal covers the vintage year which, of course, must be absolutely accurate. With a very equitable climate the Cape

vintages do not vary so much as European ones on a year to year basis, but the distinction is important because the wines, both red and white, do tend to benefit with bottle age.

Finally, no wine may be sold or exported under the name of any classified grape variety (culivar) unless it contains a minimum of 75 per cent of wine produced from such grapes. This requirement came into force almost immediately for a number of varieties in more plentiful supply such as Steen and Cinsaut, but for certain shy bearers such as Cabernet, Pinotage and Riesling, a transitional period up to 1982 has been provided.

Provision is also made in the control system for a very special category of 'wines of origin superior'. This is a rare distinction awarded on an annual basis to perhaps only a dozen wines of outstanding quality which, quite apart from requiring a 100 per cent pedigree in area and cultivar, is only granted after a blind tasting by an official panel of experts.

Over and above the specific wines of origin system set out above, a limited number of estates have also been granted official recognition by the Board as producers of exceptional quality wines. To date, twenty-two have qualified for the production of Estate Wines of Origin, namely:

|     | Estate Name         | Area of Origin |
|-----|---------------------|----------------|
| 1.  | Alton               | Stellenbosch   |
| 2.  | Backsberg           | Paarl          |
|     | Groot Constantia    | Cape           |
| 4.  | Meerendal           | Cape           |
| 5.  | Middelvlei          | Stellenbosch   |
| 6.  | Montpellier         | Tulbagh        |
|     | Muratie             | Stellenbosch   |
| 8.  | Neethlingshof       | Stellenbosch   |
|     | Overgaauw           | Stellenbosch   |
| 10. | Simonsig            | Stellenbosch   |
|     | Theuniskraal        | Tulbagh        |
| 12. | Twee Jonge Gezellen | Tulbagh        |
|     | Uiterwyk            | Stellenbosch   |
|     | Verdun              | Stellenbosch   |
| 15. | Koompmanskloof      | Stellenbosch   |
| 16. |                     | Stellenbosch   |
| 17. | Vergenoegd          | Stellenbosch   |
| 18. | Uitkyk              | Stellenbosch   |
| 19. | Devon Vale Estate   | Stellenbosch   |
| 20. | Oude Weltevreden    | Paarl          |
| 21. | Johann Graue        | Paarl          |
| 22. | Dewetshof           | Robertson      |

Thus, the novice consumer of South African table wines now has an accurate

indication of the 'where, what and when' of the bottle he buys, and has the guarantee of the official seal on the bottle.

The first stage of a long-term campaign to up-grade the image in the UK of Cape wines was marked by the recent introduction of two South African Sherries of the finest quality—Cavendish Cape Dry and Cavendish Cape Cream.

The Cape has marketed South African Sherries with success in Britain for the last century and a half. Their well-deserved popularity is based on two important factors—value for money and a sound and painstaking production technique.

The dedicated wine farmers at the Cape have always sought a very high standard of quality for their wines, and with their willing help the very best wines available from their historic winelands were carefully selected for the new Cavendish Cape range of South African Sherries.

Cavendish Cape South African Sherries are produced in the Boberg area, the designation of origin reserved for Cape fortified wines of quality which has been recognised as such by the EEC.

The classical English approach in the presentation of these wines under the Cavendish name may surprise some people, but it must be remembered that in Britain—and, to a large extent, Europe—sherry is still regarded as being very much an English drink.

It is hoped that these fine wines will act as 'ambassadors' and lead the way in an overall expension of the UK market for quality Cape wines. Certainly, these new brands are indicative of the confidence and enthusiasm the Cape wine industry has in the British market.

## **TWO VALUABLE REFERENCE BOOKS**

John Paxton, the Editor of The Statesman's Year-Book, is to be congratulated on the publication of the 1975/1976 edition. Now in its 112th year the Year Book presents in one volume a comprehensive guide to the nations and international organisations covering the entire world. All 1,600 pages of the new edition have been subject to editorial alteration, presenting a monumental task for the editor.

Alongside this The Statesman's Year-Book World Gazetteer provides a valuable companion volume. There are more than 7,500 entries giving details of every place of world importance, giving essential information on size, history, population, government, etc.

The Statesman's Year-Book 1975/1976. The Statesman's Year-Book World Gazetteer. Edited by John Paxton. Macmillan. £5.95 each.

ì

## POLITICAL STRIKES OPPOSED BY BRITISH PUBLIC

Trade unionists are overwhelmingly against political strikes. Labour Party supporters, too, show little sympathy for strikes called for political reasons. And the British public is firmly opposed to this type of strike.

These are the findings in a survey by National Opinion Polls for Aims for Freedom and Enterprise, who state: 'The message is clear. Any future Government standing up to defend laws passed by constitutional procedures is likely to have the public solidly behind it.'

A pamphlet, 'Public's Message: We Back the Contitution'\* has been published giving the public's views on various strikes with political objectives (to persuade Parliament to change a law, to change Government policies, to force a General Election, or against laws they disagree with) or on industrial issues (working conditions, job security, higher wages, or shorter working hours). It shows that:

- Only one trade unionist in five (21 per cent) would agree with strikes aimed at changing a law, and this would be the highest level of support for political strikes. Only 18 per cent of the public agree; 65 per cent disagree;
- Least popular is the strike to force a General Election—only about one in seven unionists or Labour supporters agree with this. Only 12 per cent of the public agree; 76 per cent disagree;
- Support for strikes to change Government policies or against laws they disagree with is less than "one in five" among trade union members or Labour Party supporters. Only 17 per cent of the public agree with strikes to get policies changed, while 69 per cent are against; only 13 per cent of the public agree with strikes against laws, while 73 per cent disagree;
- Only one in four Labour supporters and working class unionists agree with strikes to change a law;
- Strongest reason for striking in the public's view was for better working conditions (67 per cent of unionists, 65 per cent Labour voters, and 55 per cent of all electors). This was the only strike to win the support of more than half the electors.

\* 'Public's Message: We Back the Constitution', Aims for Freedom and Enterprise, PO Box 443, 5 Plough Place, Fetter Lane, London EC4P 4LS. Price: 81/2 p.