

GEC Traction & Signal forms the 'South African Traction Manufacturers'

With the slowing up of the purchase rate of electric rail vehicles by the SA Transport Services and the loss of certain orders for locomotive and motor coaches to competitors since 1976 Reunert Ltd had to do something to try and salvage the loss of return on the R25 million of capital invested in its Drie-hoek factory. GEC as it is known today with its incorporated companies, had from 1922 to 1983 supplied the SATS with 2 167 locos and from 1927 to 1983 1 600 motor coaches.

Local manufacturing started in 1961 at the First Electric Corporation at Knights and in 1975 Driehoek works were established as a dedicated traction factory.

Considerable expertise has therefore been built up to enable the factory to produce locally sourced and manufactured electrical components except for the importation of certain insulations and core steel for the conventional resistance start electric locos and motor coaches. In fact, approximately 83 per cent of materials and components are locally sourced.

Why then does GEC Traction find itself facing a rather steep run down in turnover? There are many factors which contribute to this but these were given as:

- Unrealistic prices by competitors who have greater financial resources to bridge the recession
- High inflation rate in South Africa
- Preferential financing offered by overseas manufacturers
- The high price of raw materials compared to that paid by overseas firms.



Gerrit Kruger with Dr de Villiers, Minister of Industries, Commerce and Tourism, looking at a traction motor frame for a suburban motor coach.

To this must be added the gap in technology between the Far East and Europe (including the UK) especially in electronic control applications.

There is no doubt that the Driehoek factory can produce the power equipment for electric vehicles to a high degree of GBJ

quality. Their armature component and assembly production compare favourably with anything in the world, as do pantographs, isolators, switches, resistance grids and other equipment. However, if they are to meet the technological demands of the future the emphasis in certain areas of their factory will have to change.

As far back as 1979 GEC applied for tariff protection as they saw the writing on the wall. Or perhaps their backs were too close to the wall to see the writing clearly — that while price is one aspect, technology is another.

The latest aspect is that in December 1983 they changed their application for tariff protection to that of a 10 per cent excise duty on the value of a locomotive or motor coach set. At



Andrew Booyens (right) demonstrates the manufacture of a commutator for a dc traction motor to Dr de Villiers.

the time of writing no decision on this had been received.

However GEC Traction & Signal has now changed its structure. A new company GEC Traction (Pty) Ltd will promote the GEC Traction Company based at Trafford Park and another new company South African Traction Manufacturers will provide facilities for any supplies of electrical traction equipment to have their products manufactured in South Africa. This move has been aided and perhaps abetted by the SATS who are again pressing for a 50 per cent local content for electrical equipment. However, if this manufacturing company is to be seen as a 'national' facility — and it can meet the annual demand for power electrics for 50 locomotives and 50 motor coaches of the SATS — it could broaden its directorate to include others than GEC personnel.